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PROCEEDINGS AND DEBATES OF THE 100th CONGRESS, FIRST SESSION

SENATE—*Tuesday, June 23, 1987*

The Senate met at 2 p.m. and was called to order by the Honorable KENT CONRAD, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Trust in the Lord with all thine heart; and lean not unto thine own understanding. In all thy ways, acknowledge Him, and He will direct thy paths.— Proverbs 3: 5-6.

Great God of truth, we accept the fact that at best the democratic process by its very nature is slow, inefficient, often controversial and painful. Give us grace to be patient with the process—and forbid, Lord, that any should compound the aggravation by unnecessary or unworthy means. Give to leadership and Members the realization that they have a resource in You, the omniscient God, that You will guide them through the maze of difficult legislation, leading to resolution which is equitable, just, promising maximum blessing. Help Senators to "trust in the Lord," to refuse to deify their own reason, to acknowledge their Lord in all their ways—and discover, to their immense relief, a God-directed path. In His name Who lived committed to His Father's will. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. STENNIS).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 23, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable KENT CONRAD, a Senator from the State of North Dakota, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. CONRAD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. MELCHER. Mr. President, I ask unanimous consent that the Journal be approved.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

GOD WILLING AND THE CREEKS DON'T RISE

Mr. MELCHER. Mr. President, "God willing and the creeks don't rise, we'll be there."

That is an old saying that can be applied today for those of us on the Agriculture Committee who know that time is running short on helping farmers and ranchers who are struggling to survive on the land.

"God willing" is appropriate to agriculture because surely God gave us all this abundance in America to use wisely and prudently. Earlier this year, we donated more flour, cornmeal, and cheese to hungry Americans, and we passed a Senate bill to broaden exports of surplus commodities to friendly countries. The rest of that phrase, if "the creeks don't rise," refers to the uncertainty of fording rain-swollen creeks in a buggy, wagon, or tin lizzie in the years before bridges were built. Yes; in the olden days there were many bridges that had to be built, and it took good times and money to pay for them. So, too, it took time, hard work, and investment to develop the land and the great agricultural abundance and agrisystem that America has.

In this year, this summer, Congress must do some rebuilding for farmers and farm prices. The Agriculture Committee must wisely lead the Senate to take the prudent steps to adjust the farm program so we can build the bridges across the high creeks of the abundant surpluses that have depressed the prices of commodities and greatly increase the costs of the farm program.

Last Thursday, in the Subcommittee on Agricultural Production and the Stabilization of Prices, Willie Nelson and John Cougar Mellencamp, two famous singers who took the lead 2 years ago in organizing Farm Aid, testified that farmers are suffering, desperately need help, and need help quickly. Willie Nelson said they did not claim to be experts and were not able to tell us how to do it, but said that it was obvious that the price farmers receive for their crops is much too low.

Willie is dead right. To get farm commodity prices higher, the first thing we need to do is to get rid of the surplus commodities. We are going to do that in three ways: First, make sure that those who are hungry here and abroad have U.S. surplus food. Second, discount the price until the surplus is gone. And, third, discount some of the surplus U.S.-owned corn enough to be processed in the hard-pressed gasohol plants for conversion to alcohol for fuel.

Now is the time to use our abundant surpluses to build the bridges to get across the swollen creeks. In the case of feeding the hungry, the goal is obvious. But it may not be so obvious to Americans that now also, is the time to build lasting bridges of trade with other countries that can utilize U.S. agricultural commodities. The economic depressions that affect many countries prevent them from paying full price for food commodities that their people need for good nutrition. Helping them now helps us reduce our surplus and develop future trade, which is the only logical step to improving world commodity prices and reducing U.S. storage costs and farm program costs.

Converting grain to alcohol for use as fuel is also part of the bridge that should be built as an energy resource

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

of the future. When oil prices dropped, so also, did the bottom drop out of the economics of converting grain into alcohol for fuel—gasohol.

The immediate savings to the farm program by making U.S. surplus grain available at low enough prices to be used in gasohol plants is essential at this time. Improved technology for converting grain to alcohol will certainly follow as long as we continue to pursue it, and we will do that most efficiently by keeping existing plants in operation now. Their cost effectiveness is currently negative, but the long-range price of oil, a nonrenewable resource, is a permanent uncertainty. So this part of the Senate Agriculture Committee's actions in the coming weeks is of long-range importance for the potential fuel supplies of the country.

These actions that I have described may not provide all of the help struggling farmers and ranchers need, but these are steps that we know will help to raise the prices for producers' crops. They need to have decent prices and make a profit. And, "God willing and the creeks don't rise," we will allow them to get there. They deserve it.

Mr. President, I reserve the remainder of the leader's time on our side.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The minority leader is recognized.

BICENTENNIAL MINUTE

JUNE 24, 1795: SENATE RATIFIES THE JAY TREATY

Mr. DOLE. Mr. President, 192 years ago this week, on June 24, 1795, the U.S. Senate consented to the ratification of the most important and controversial treaty that had yet come before it. This was John Jay's treaty with Great Britain.

Although the United States had signed a peace treaty with Britain in 1783, disputes remained between the two countries. Britain had not evacuated its forts in the old Northwest Territory, on the grounds that the Americans had not compensated British merchants and former loyalists for debts and property seized during the Revolutionary War. The United States also accused Britain of interfering with its neutral shipping.

To negotiate a settlement of these matters, President Washington chose John Jay, a New York lawyer who had headed the Department of Foreign Affairs under the Confederation before becoming the first Chief Justice of the U.S. Supreme Court. Jay achieved a treaty under which the British would withdraw from their forts on American soil, American ships were allowed into British ports on the same terms that British ships were permitted in American ports, a limited trade with the West Indies was opened to American ships, and a joint commission was created to resolve any debt questions.

The terms of Jay's treaty brought strong opposition from many quarters who for various reasons believed it too weak and too favorable toward the British. Newspapers denounced Jay as a traitor, copies of his treaty were burned, and effigies of Jay were publicly hanged, burned, and guillotined. Despite such public pressure, the Senate recognized the advantages of the Jay Treaty, and after a lengthy debate, passed the treaty by exactly a two-thirds vote of 20 to 10.

1988 BUDGET—WHO'S KIDDING WHOM

Mr. DOLE. Mr. President, the Senate will likely begin debating the 1988 budget compromise late this week.

I know the majority leader would like to have turned to it today. I am advised by the ranking member on the budget, and I will be talking with him again later, it may not be possible to do that today, so I assume it will be tomorrow.

I use the world "compromise" loosely, since it was an agreement among Democrats and Democrats alone—Republicans were never included in the negotiations.

That is not without precedent. Sometimes you just have to get things done.

No question—it is time we adopted a fiscal blueprint for 1988. Much of what we do for the rest of this session depends on the dictates of the budget resolution. But if this Democratic compromise is the budget we adopt, it will be an exercise in futility.

Isn't the point of the budget process to set priorities and set guidelines for cutting the deficit? This budget sets priorities all right, but not priorities the public agrees with, not priorities Congress will vote for when it comes time to implement the budget, and certainly not priorities President Reagan will sign on to.

Who is kidding whom? The gimmick the Democrats devised on defense spending is indefensible. If Congress and the President raise taxes by a whopping $64 billion—which is what this budget calls for—what do we get in return—an additional $7 billion in defense money. That's not exactly an even trade.

But it's a moot point—raising $64 billion in taxes is not going to happen. So that means that our national security will be left high and dry. The level of defense spending would be reduced in real terms by over 2 percent next year even with the $7 billion addition. Is this the time, when we are on the verge of an arms control agreement, to stage a retreat on our defense posture?

I guess what we will be discussing, either later today or starting tomorrow, is what direction does this budget resolution take us? What priorities are set? What do we offer the American people, the American taxpayer, those who are looking for some decline in the deficit reduction?

And it would seem to me that this budget resolution, as this Senator understands it, cuts defense, increases nondefense spending, and raises taxes.

I am not certain—again, we will have several hours of debate on this—what the American people want, but I must say as I travel around the country, not many are asking for higher taxes. Many recognize the need to watch the defense budget, but not many are asking that we go back to the levels of 5, 6, 7 years ago. What we are doing, in effect, is reducing the level of defense spending in real terms over 2 percent next year even with the $7 billion addition. To get the $7 billion addition we have to agree to raise taxes $64 billion. That is going to be very difficult to do.

And while defense is taking a drubbing, domestic spending increases by nearly $41 billion compared to this year's level. Not one domestic program is eliminated, and very, very few are cut. Of a total of $93 billion in savings, three-quarters comes from REA refinancing and new taxes alone, which would suggest that the REA refinancing is not spending reduction.

There is not much we can do at this stage of the game. But adoption of the budget resolution is not the end of the line. And I'm not going to walk away from what I believe is our collective responsibility to do everything we can to cut the deficit.

There are appropriations bills, and other spending bills we can trim. If we do not, the President will veto them, and I will lead the fight to sustain his vetoes.

And beyond that, we have an unprecedented opportunity to make real reforms in the budget process. All parties—House and Senate, Democrats and Republicans—and the administration—all agree that we cannot function effectively and efficiently with the current system. Process reform is no panacea—but perhaps if we can instill some logic and teeth in our budgeting, it will force us to come to terms with the substantive issues.

We had a meeting this morning with the President. I think the President made it clear in his trip to Florida yesterday, and made it clear this morning to Republican leaders in the House and Senate, that he hopes that we can have a party line vote on this budget resolution. It is time the American people understand there is a difference between the Republican Party and the Democratic Party in our approach to problems.

I believe the President is correct. If we want to raise taxes and cut defense and add to domestic spending, then the vote is "yes". But if we are concerned about the additional taxes—no one suggests where they are going to come from—and if we are worried about additional spending; and if we are concerned about more and more and more reductions in defense spending; or being required in effect to vote for $64 billion in new taxes to get a $7 billion increase in defense spending; then that should be fully debated. Because it is my view, that there is a great deal of concern about the deficit. We indicated to the President this morning that we would use the statutory time on the conference report to lay out the case against the budget resolution.

Mr. President, today's edition of USA Today ran an editorial entitled, "Deficits Do Matter; We Must Cut Them." And I ask unamimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From USA Today, June 23, 1987]

DEFICITS DO MATTER, WE MUST CUT THEM

When you draw up your personal or family budget, you have to choose between what you can afford and what you cannot. So do businesses. And state and local governments.

Not our leaders in Washington.

They don't stop when spending exceeds income. They just borrow more money. Then they pay the interest, and never talk about paying off the debt.

As a result, the national debt has more than doubled, to $2.3 trillion, since 1981. Since last October, $119 billion has been added to that figure, $36 billion last month alone. That massive debt swallows $140 billion a year in interest.

You can't run a family that way. You can't run a business that way. And Washington shouldn't try to run the federal government that way, either.

Today, the House votes on a plan to spend at least $135 billion more than the government will take in during the fiscal year that begins Oct. 1. That's scary.

Monday, President Reagan was in Melbourne, Fla., turning up the heat on Congress for deficit spending and calling for reform of the budget process. It was the first of a half-dozen such appearances he plans this summer.

President Reagan is right. Budget deficits do matter. Those who say they don't are dead wrong. Deficits must be controlled. They affect all our lives. They weaken our national economy. They even worry our allies.

But the president must shoulder some of the blame with Congress. He's never submitted a balanced budget.

The president's also right about the budget process. It's a mess. Five separate congressional groups are working on changes. The president wants to be able to veto individual budget items. He wants a constitutional amendment requiring a balanced budget. And he wants to restore the automatic Gramm-Rudman-Hollings deficit cuts ruled unconstitutional by the Supreme Court.

Some of these ideas should be considered. But alone, they won't slay the deficit monster. The process isn't the problem. People are.

The problem is the lack of leadership in the White House and on Capitol Hill. The problem is the political fear of making difficult choices.

We're part of the problem, too.

We want our representatives and senators to tame the deficit. But we don't want them to cut social spending or defense too much. And we want them to get that highway or dam or military project for our communities. But we don't want to pay higher taxes.

Members of Congress must resist the special interests. They must give up their extravagant pet projects. Presidents must submit realistic budgets. And we all must recognize that we can't get something for nothing.

We know what must be done—cut spending, raise taxes, or both.

Until our leaders acknowledge that, the deficit will remain a millstone around our necks. Real leadership will find ways to remove that dangerous burden, not add to it.

VOICES FROM ACROSS THE USA—WOULD YOU BE WILLING TO PAY MORE TAXES TO REDUCE THE FEDERAL DEFICIT?

Leonard Rituno, 80, retired, Saratoga Springs, NY—Absolutely not. We pay enough taxes already. Why should taxpayers be asked to pay for Congress' mistakes? If Congress would cut down on unnecessary spending, the federal deficit would not be as high it is. We are spending too much on things we shouldn't. Congress, not taxpayers, should handle the problem.

Suzanne Willis, 27, homemaker, Las Vegas, Nev.—My family is already in a high tax bracket, but I would be willing to pay more taxes if the money were indeed used to reduce the deficit. I am afraid of the country getting so far behind that there would be a collapse. I don't think U.S. citizens realize how deeply in debt the country is. Something has to be done about it.

Peter Nedostup, 42, Stockbroker, East Keansburg, N.J.—Higher taxes are not the solution to lowering the deficit. Raising taxes means more money will be available for Congress to spend. That would only create bigger problems. If the politicians did their jobs correctly, we would not have this tremendous deficit. The way to reduce the deficit is by reducing federal expenditures.

Terri Alexander, 34, Secretary, Northridge, Calif.—How are we going to get rid of the deficit unless we raise taxes? People get upset about increased taxes, but the federal deficit is a national problem, and everyone should be willing to chip in and solve the problem together. We have to stick together. This is our country, and we all have to protect it the best way we can.

Neck Witkowski, 53, Postal service manager, Wayne, Mich.—The only way I would be willing to pay more taxes is if taxes were paid equitably by all taxpayers, including the big corporations. Otherwise, the people in the middle would end up paying the additional taxes. If our contributions would be comparable to our earnings, I would go along with paying higher taxes.

Linda Carlsen, 36, school superintendent, Custer, Mont.—We can finds ways to reduce the deficit without taxing the taxpayers more. The way our taxes are currently being expended is not appropriate. Our government could cut its spending in places like the Middle East and Central America. We need to look at our priorities and decide what direction we want the country to take.

Terry Ondreyka, 39, College administrator, Kingwood, Texas—Once Congress and the president brought the federal budget into balance through spending cuts, I would be willing to consider a tax increase. But the money derived from higher taxes must be used for educational, health, and job training programs that would be beneficial to the economic growth of the country.

Mr. DOLE. Mr. President, I think deficits do make a difference. I think deficits should be reduced. I know it means hard choices and I think there are many of us, some on both sides of the aisle, who are prepared to make hard choices.

The editorial states:

> President Reagan is right. Deficits do matter. Those who say they don't are dead wrong. Deficits must be controlled. They affect all our lives. They weaken our national economy. They even worry our allies.

But when USA Today asked the question: "Would you be willing to pay more taxes to reduce the Federal deficit?" only one out of seven surveyed said yes. One woman noted, "We can find ways to reduce the deficit without taxing taxpayers more."

My sentiments precisely. And I hope Senators remember this woman's words when we vote on the budget compromise.

There may be somebody getting a lot of letters saying "Please raise my taxes," but they are not coming to my office. I am not being asked as I travel around the country, "We hope you raise our taxes."

If the American people really believe we were acting on the spending side, then I think we could go out and say we have to make some revenue changes.

So we are talking about campaign finance reform, more taxes; we are talking about now a budget resolution, more taxes.

It would seem to me that we might keep this lady's words in mind as we debate this very important issue.

Budget resolutions are difficult to pass. I can recall on May 10, 1985, at 2 o'clock in the morning we passed one by one vote, 50 to 49. That would not have happened had not Senator EXON cooperated and gone into the hospital that morning. So I do not quarrel with the majority leader. It is a tough job. A budget resolution must pass, but we can quarrel with the contents of the budget resolution and in this area I think we have made a mistake.

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BYRD. Mr. President, was my time reserved?

The ACTING PRESIDENT pro tempore. Yes.

THE BUDGET

Mr. BYRD. Mr. President, I will have more to say later on the budget resolution. I have listened with interest to the distinguished minority leader, and I have also been reading press accounts of the President's speech.

I must say, I do not have much hope for the President. I think he is almost beyond recall with respect to congressional budgets; his own budget was defeated in the Senate. The President talks about constitutional amendments on a balanced budget. He has never yet sent up a balanced budget to the Congress. He did not say that out on the hustings.

And his own budget was submitted to the Senate for a vote a few weeks ago. It got 18 votes; out of the 46 Republican votes in the Senate the President's budget got 18 votes. So that was a pretty sad commentary, I would say, on the President's budget. So, so much for the President's budget. I will have more to say later about the budget resolution. I understand from the distinguished Republican leader that we might not be able to get it up today, or we still may be able to.

Mr. President, the distinguished Republican leader indicated earlier that there was not a great likelihood that we would be able to take up the budget conference report today, and an objection by any Senator would be, certainly, within the rights of any Senator.

I have now consulted, again, with the distinguished Republican leader and I do not believe that we are going to get the consent to call up the budget conference report today.

Mr. DOLE. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. I would say I did discuss this in the policy luncheon. Senator DOMENICI, who is the ranking Republican on budget, and a very responsible member on that committee, indicated he could not be prepared today and he, therefore, would object to taking it up today.

Mr. BYRD. Very well. I thank the Republican leader. The budget conference report will not be brought up today, then, because of the objection. It will be brought up tomorrow, on motion, and there will be 10 hours of debate on that resolution 5 hours to the side. I intend to bring the Senate in early tomorrow and get started early on the budget resolution tomorrow.

ORDERS FOR WEDNESDAY

RECESS UNTIL 9 A.M.

Mr. BYRD. I ask unanimous consent that, when the Senate completes its business today, it stand in recess until the hour of 9 o'clock tomorrow morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow after the two leaders have been recognized under the standing order there be a period for the transaction of morning business not to extend beyond 9:30 a.m., and that Senators be permitted to speak during that period for not to exceed 5 minutes each.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I be recognized, or that the chairman of the Committee on Budget be recognized at that point, to motion up the conference report on the budget.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. The budget then will be called up tomorrow early and beginning at 9:30 a.m., so that this should allow us to complete the action on the budget conference report at a reasonable hour on tomorrow.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, later this afternoon I hope to offer the omnibus trade bill. I would like to get it before the Senate later today for opening statements. On tomorrow, then, following the conference report on the budget action, the Senate would return, probably, to the trade legislation. I remind all Senators that I indicated last week that we will be operating on at least a two-track system here for the next few days. The campaign finance reform bill will still be around. The trade legislation will be up. We will have to take action on the conference report on the budget.

I hope to get unanimous consent to lay the veto message aside until such time as I may consult with the minority leader at a later date.

Is the distinguished Republican leader prepared at this moment to tell me whether I can get consent to lay aside the veto message on the fairness doctrine with the provision that I be permitted to call it up at a later date after consultation with the Republican leader? Is the leader prepared to respond?

Mr. DOLE. I am prepared to object to that request. We would consider that to accommodate the majority leader's calendar, if we could set it for a certain date; lay it aside until some certain time. We would be willing to do that.

Mr. PACKWOOD. I would be willing to do that, but otherwise, Mr. President, I will just as soon start on it this afternoon. If we could get a time certain—I do not need a great amount of time on it—but if we could get a time certain, with an hour on the side or 2 hours on the side, whatever the leaders agree upon, that would be all right with me.

Mr. DOLE. You have no objection to taking it up next?

Mr. PACKWOOD. No; as long as we have a time certain.

Mr. DOLE. If it would not get in the way of other things the Senator wants to do——

Mr. PACKWOOD. What I do not want to do is lay it aside, subject to the call of the leader 1 week later or 2 weeks later. Otherwise I would as soon start on it today; now.

(Mr. SANFORD assumed the Chair.)

Mr. BYRD. Very well. I will confer with Senator HOLLINGS, the chairman of the Commerce Committee, and come back to this shortly.

Mr. President, I would say to all Senators, I hope the Senate can complete action on the trade legislation before we break for the July recess. That recess begins at the close of business on next Wednesday, which means that we could be in late on Wednesday of next week.

We will be in, I would say, late every day this week with the exception of this evening. We could be in late this evening if Senators want to make opening statements on the trade legislation, and so forth. I would also say that Senators should be prepared for a Saturday session, because we have plenty of work to do. We have the conference report on the budget. We will probably have the supplemental conference report at some time, hopefully, before we go out, because there are the CCC payments to farmers and other important matters involved therein. There is the trade legislation. There is the campaign finance reform legislation. I am not prepared to proceed with that this afternoon because Mr. BOREN and others, and some Senators on the other side of the aisle, are discussing a possible amendment that hopefully could have bipartisan support. So I am willing to wait to see what can be developed along that line.

In the meantime, we can proceed on the trade legislation; and there is the homeless conference report, but that could wait until after the recess.

So, there are a number of items that are going to require votes. I am sure that once we get the trade bill up, there are going to be votes on amendments and, of course, the budget conference report has a time limitation on it so there will be a vote in due course on that. It is obvious that there is plenty of work to do and I hope that we can complete action on the budget conference report and, hopefully, on the supplemental appropriations conference report, hopefully, on the trade legislation, before we go out on next

Wednesday evening for the brief holiday break for Independence Day.

I say all of these things just to call to the attention of my colleagues, again, the very full platter that we have before us, and to caution Senators about making engagements in the early evenings or on Saturday. Of course, they can be their own judges. If they are willing to miss votes, of course, that is up to them. But we do have a responsibility here to try to get the work done and we have plenty of it.

Mr. PACKWOOD. Would the leader yield for just a couple of questions?

Mr. BYRD. Yes; I yield.

Mr. PACKWOOD. I am prepared to go in almost any order the leader wants to go, but I do not want to lay aside the veto message which I understand would be privileged. I do not intend to force that if we can get some time agreement, but let me make sure I understand how we are going to go. We are going to start maybe with trade this afternoon, then budget tomorrow; and go until we finish budget. If we go late, we go late. Then double-track trade and campaign reform.

Mr. BYRD. The distinguished Senator is very much involved in both trade and campaign reform. That is the plan.

Mr. PACKWOOD. I have no quarrel with that. I am just trying to get my schedule straightened out. I am curious about the 16 or 17 Senators that are scheduled to go to Cancun this weekend for that Mexican-American parliamentary conference. Will the Senate—I should not say "the Senate," the participants—but any of those who went would run the risk of missing a fair number of votes.

Mr. BYRD. Any who go will run the risk of missing a fair number of votes. I responded to all Senators on my side weeks ago who wrote to me saying they would like to take the trip. I told them, as I saw the situation, that when we came to this point in the session we were going to have a lot of work to do and that they would be running the risk of missing votes because, at the time, I foresaw that we were going to have trade, we were going to have reconciliation perhaps at that point, and other things, and that is indeed, the way it is turning out. So, they will run the risk of missing votes. I am sorry to say that. I do not like to see any Senator discommoded, but any Senator who takes it on his own to schedule a trip of that kind, has to consider the consequences. The Senate cannot be tied to the tail of that kind of kite.

Mr. PACKWOOD. In the Senator's judgment, what the Senator is likely to miss is votes on trade on Thursday, Friday, and Saturday, Monday—not Monday, but Tuesday and Wednesday.

Mr. BYRD. Mr. President, I apologize for keeping Senators waiting. I yield the floor.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 2:30 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, did I hear correctly that morning business will be permitted until 2:30 p.m., or did the Presiding Officer say 3:30 p.m.?

Mr. BYRD. Mr. President, may I answer the question?

Mr. President, I ask unanimous consent that the period for morning business be extended for 15 minutes under the same restrictions as heretofore entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. I thank the majority leader.

THE SUPREME COURT AFFIRMATIVE RULING ON THE NATIONAL UNIFORM MINIMUM DRINKING AGE LAW

Mr. LAUTENBERG. Mr. President, a few hours ago, the Supreme Court, in a landmark decision, confirmed the constitutionality of the National Uniform Minimum Drinking Age Law. In its 7 to 2 decision, the Court upheld two lower court verdicts. And cleared the way, for all States to get down to the business of protecting the lives of young and old alike on our Nation's highways.

As the author of this law, I am obviously pleased by the Court's decision today. But while I rejoice in the Court's decision, the real victory is not mine, the Congress', or the Court's.

The real winners today are the millions of parents who see their children leave home for a night out in the family car and can feel more confident of their safe return.

The victory is also for the thousands of American families who, because of this law, will never know the pain and grief of having to bury a young son or daughter killed in a drunk driving accident.

Finally, the glory is also shared by those who joined me in pushing so hard for a reasonable, effective drinking law. The movement for a 21 drinking age law was a grassroots effort. It sprung from those who had suffered the tragic loss of a child, and who wanted to spare others from the same anguish. Today, I want to commend the members of Mothers Against Drunk Driving, or MADD. Candy Lightner, the former president of MADD, was in many ways instrumental in moving drunk driving to the forefront of public attention. Norma Phillips, current president, has carried on the effort.

There are many other groups who have played vital roles and deserve credit for today's victory. In particular, I would like to note the efforts of Chuck Hurley, executive director of the National Safety Council. Without his tireless efforts, and those of many others, including the PTA's around this country, this law may never have become a reality.

Mr. President, I am proud that my State, New Jersey, led the fight. When the drinking age was raised to 21 in 1983, the alcohol-related deaths among under-age drivers were cut in half. But we continued to suffer needless injury and loss of young lives because we shared a "blood boarder" with New York.

But after New York adopted a 21 drinking age, we saw the results. More of our children are coming home, safe and sound.

Mr. President, this is a law we can be proud of. Few pieces of legislation have such tangible results. When we look at the success of the minimum drinking age law, we see thousands of young lives saved on our highways.

According to the figures from the National Highway Traffic Safety Administration [NHTSA], from January 1985 to June 1986, driver fatalities among 16 to 19 year olds dropped 32 percent. At the same time, alcohol-related deaths among 20 year olds dropped 20 percent.

NHTSA estimates that in that 18 month period, 848 lives were saved. Why? The minimum drinking age law.

With enactment of a minimum drinking age of 21 by all our States, we can expect to save as many as 1,000 young lives a year.

Mr. President, there are few greater contributions this body can make than to spare families the pain of the death of a child or family member. That is why this Senator sponsored the Uniform Minimum Drinking Age bill. That is why the Senate approved it by an overwhelming margin.

And we have seen the majority of States come on board. When we passed the law in 1984, 23 States had adopted a minimum drinking age of 21. Today, the "blood borders" that existed throughout the country have almost all been closed. Only four States, plus Puerto Rico, are not in compliance. One of those, Colorado, will be in compliance by July 30.

That will leave South Dakota, which brought the suit to the Supreme Court, Ohio, and Wyoming as the only noncomplying States. The law says those States lose highway funds for not passing the law. South Dakota stands to lose $3,432,550 this year. Wyoming will lose $3,731,924. And Ohio will lose $13,963,866.

Mr. President, this Senator would hope that the prospect of saving young lives would be enough to bring these States into compliance.

South Dakota exercised its rights. It took its case all the way to the Supreme Court. But the verdict is now in. Now it is time to stop arguing and fighting. It is time for those States to join their neighbors, and adopt the 21 minimum drinking age.

I yield the floor.

DEATH OF WALTER HELLER

Mr. PROXMIRE. Mr. President, last week a remarkable economist died. No economist over time, or perhaps all times, could write as clearly, provocatively and convincingly as Walter Heller. He was marvelous. He made complex economic problems simple. He made dull economic statistics come alive. He was the most contradictory of beings: An economist with the eloquence of a poet.

Walter Heller had a profound effect on American economic policy. He was the economic teacher for both President Kennedy and President Johnson. When he won with his advice as he did generally with President Kennedy, and in the early years of the Johnson administration, the country did better economically than it had ever done before and that it has ever done since. He lost in the later years of the Johnson administration. He told the President the time had come for a tax increase. President Johnson refused to accept that advice. Result: Our country suffered the beginning of an inflationary period that plagued the country for the next decade.

Incidentally, Mr. President, in a separate interview with Dr. Heller a few months before his death a New York Times editor asked Heller of all the Presidents and Presidential aspirants he had known—and that included Humphrey, Mondale, Kennedy, Johnson, and Carter—who was the smartest? Heller's answer: "Mondale was the brightest of the lot, the one who not only understood something while you were explaining it to him but retained it. And if you had a meeting with him 3 months later, and went over the same ground, he would say, 'Yeah, I've got that, let's go on from there.'" For those of us who served with most of these men that is an interesting and impressive comment about our old friend and former member of this body, Fritz Mondale.

Leonard Silk, another remarkably eloquent economist, has written a superlative tribute to Walter Heller in the New York Times. Business Week also carried an excellent summation of Walter Heller's career in its current issue. I ask unanimous consent that both of these editorials be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the New York Times, June 19, 1987]

Heller Legacy: Clarity for All

(By Leonard Silk)

Walter W. Heller, who died this week at the age of 71, raised the role of the President's Council of Economic Advisers to the highest level it has attained since that body was established by the Employment Act of 1946.

One reason for Mr. Heller's brilliant performance as chief economic adviser to Presidents Kennedy and Johnson was his use of the English language. He could make economic ideas not just intelligible but arresting and persuasive to Presidents, Congressmen, business and labor leaders, journalists and everyone else—and without debasing or distorting the ideas he was pushing.

He loved metaphor. "The fine mist of incipient inflation may be turning into light rain," he warned early in 1966, about a year after he left Washington to return to teaching at the University of Minnesota. But President Johnson, determined to pursue the war in Vietnam without going to Congress for a tax increase, was slow to heed the warnings of Mr. Heller and his other economic advisers, and the inflationary rain came down.

Whether in failure or success, however, Mr. Heller demonstrated that economic rhetoric is the crucial link between economic analysis and policy making. As Donald T. McCloskey has stressed in his book, "The Rhetoric of Economics," the mathematical formulations of economists are of little use unless they can be translated into agruments that policy makers and the public can understand and be willing to act upon.

The art of persuasion is a matter not of words alone but of heart and courage and charm. Mr. Heller had these qualities in abundance and used them lavishly inside the White House in dealing with the President and his political aides, most of whom were trained as lawyers. He fired memos at them and followed up with face-to-face lectures. He worked incredible hours and got his exercise in Washington by ignoring the elevators and running up and down the stairs at the old State Department building—the Executive Office of the President.

But Mr. Heller also carried his campaigns to the people. He was always ready to spend time talking to reporters, being interviewed on television programs and speaking at public meetings. President Kennedy encouraged him to do that—to get out in front of the Administration to see whether a new and controversial idea would fly or be shot down.

As good as Mr. Heller was in communicating economic ideas, his great distinction was that he brought to policy making the best professional economic thinking he could mobilize.

Although he enjoyed being chairman of the C.E.A. and was by no means without vanity, he was secure and modest enough to bring to the council the stars of the economics profession, such as James Tobin (later a Nobel laureate), Kermit Gordon, Gardner Ackley, Robert Solow and Arthur M. Okun, and he continuously consulted outsiders, such as Paul A. Samuelson, the first American Nobelist in economics.

The economic policies of the Kennedy and Johnson years were essentially built on the theory of John Maynard Keynes that total demand for goods and services could be manipulated to prevent unemployment on one side and to stop inflation on the other.

Did the outbreak of inflation in the latter half of the 1960's represent a failure of those Keynesian policies—or was it due to the unwillingness of President Johnson to heed his economists' advice?

The answer is both. At first, the economists of the Kennedy-Johnson era were inclined to blame the political leadership for failing to take their advice in time to head off inflation by reversing fiscal policy to restrain aggregate demand, with the economy approaching full employment.

As time wore on, however, it became clearer that there had been an exaggerated belief among the economists that they had solved the problem of maintaining economic stability.

In his review article "The Economics Profession and the Making of Public Policy" in the March 1987 issue of The Journal of Economic Literature, Robert H. Nelson of the Interior Department reminds the profession that in 1966 Mr. Solow of the Massachusetts Institute of Technology had stated that most economists believed "short-run macroeconomic theory is well in hand. The basic outlines of the dominant theory have not changed in years."

A decade later Joseph A. Pechman of the Brookings Institution, a colleague of Mr. Heller's from graduate-school days at the University of Wisconsin, said, "The high rate of price increases during the recent periods of sluggish demand is a mystery that economists have not solved." And the late Mr. Okun, who became chairman of the C.E.A. under President Johnson, urged greater humility upon the economists with respect to their ability to analyze, forecast and prescribe.

But saying one does not know it all is not to say one knows nothing. The high self-confidence of economists, which Mr. Heller embodied, and their adroit policy shifts, did help give the United States the longest, most vigorous and most stable spell of economic growth in history. If it all came to a bad end, whether because of the hubris of economists or the blunders of politicians, the fruits of an intelligent relationship between the two—as it was during the Kennedy-Heller years, professional and knowing on both sides—should not be forgotten.

[From Business Week, June 29, 1987]

He Made Economics Look Easy

The death of University of Minnesota economist Walter W. Heller at the age of 71 reminds us of a day when economics seemed to work. As chief economic adviser to President John F. Kennedy, Heller was the major architect of the 1962-63 personal and business tax cuts that helped generate the longest expansion of the postwar era. But in those halcyon days, the tax-cut route to growth was known as Keynesian, not supply-side, economics.

As chairman of the Council of Economic Advisers under both Kennedy and President Lyndon B. Johnson, Heller's priority was full employment. But selling the ideas of what was called the New Economics to Kennedy and Congress wasn't as simple as Heller made it look. To the millions of Americans who came to know him through his witty explanations of economics on television, Heller made economic policy moves look as easy and graceful as a Joe DiMaggio catch. But Heller once recalled: "The hard part in the early days was getting economic ideas past the White House politicians guarding Kennedy's door."

Policies fashioned by the Heller CEA gave the nation several years of growth exceeding 5% with inflation below 2%. But the New Economists were rebuffed in 1966 when they urged Johnson to raise taxes to finance the Vietnam War. Johnson's long delay on the tax hike set the stage for the stagflation of the 1970s—a combination of high inflation and slow growth that tarnished the reputations of the liberal Keynesians. In a way, Heller's selling skill hurt his own cause, because the public expected too much from economic activism. But Heller remained a dedicated educator, tirelessly promoting the message that the reasonable application of economic ideas can make life better.

HOW UNITED STATES SUFFERS SERIOUS MILITARY SETBACKS

Mr. PROXMIRE. Mr. President, what is the one significant military advantage that our country has over the Soviet Union? Answer: it is our advanced technology. A vital example of this advantage is in the quietness of our submarines. Why is the quiet movement of our submarines such a critical advantage? Because the way an adversary locates and destroys a submarine is by supersensitive sonar devices that can detect submarine movement from many miles away. Because United States detection technology is well ahead of the Soviets, we have a vital edge in protecting our American targets from potential Soviet attack. It is an advantage worth billions of dollars. More important it represents a significant element in the success of our deterrence against a possible Soviet submarine-launched nuclear attack.

This is particularly significant because nuclear weapon deployment on submarines represent a most rapidly growing sector of Soviet nuclear power. Already our country has deployed a mammoth 50 percent of our huge nuclear deterrent in submarines. The Soviets are moving in this direction as they develop the technology so they can install the same quiet capability on their submarines that we have installed in ours, the Soviet conversion to submarines as their principal deterrent will come on with a rush. A Soviet technological breakthrough that would bring their submarines into the same quiet class as American subs would represent a huge technological and military advance for the Soviets. It would also represent a very serious technological and military loss for our country.

All of this is why the sale by the Japanese and Norwegians to the Soviets of $17 million of computer-controlled machine tools in a period from 1981 through 1984 represents the most important military setback for our country in recent years. On June 12, the New York Times reported the full details of this sale. The story was based on reporting by David Sanger, Clyde Haberman and Steve Lohr. It was written by Sanger. And it is quite a story.

Keep in mind, Mr. President, that Norway and Japan are both our allies. Both rely heavily on the United States for protection against the threat of the Soviet Union. And yet a Japanese company, Toshiba Machine Co. and a state-formed Norwegian firm Kongsberg Vaapenfabrik worked closely to together to export to the Soviet Union precisely the tools necessary to make the submarine propellers that will enable the Soviets to build a submarine fleet that will permit them to fabricate the propeller blades for their submarine that will in turn give them the ability to evade the present United States sonar technology and make up for much of the big disadvantage the Soviets now suffer in the relative noisiness of their submarines. According to the New York Times article, Norwegian and Japanese officials falsified model numbers on the export license applications and claimed the Norwegian computers and the Japanese machines were legal to export.

Stephen Bryen, the head of the Export Administration for the Defense Department said "these people did terrible damage for the sake of making just one more sale."

How serious is that damage? Consider that the real vulnerability of our country to Soviet nuclear attack—is not as the SDI advocates would have it, from a preemptive intermediate ballistic missile flight from somewhere in the Soviet Union—over the pole. The real threat will come from superquiet Soviet subs that can cruise anywhere off our 2,500 miles of coastline. From those subs, the Soviets could fire cruise missiles that slam in at tree top level—with maps in their computer operated brains—so they can fly around obstacles. No SDI or any other defense mechanics ever conceived could stop that kind of attack.

The lesson of this bizarre diversion of this military technology to Russia should convince this Congress that we must strengthen our export control laws and drive home to our friends and allies in Japan, Norway and elsewhere the critical importance of stopping any trade with the Soviets that can advance their military technology.

Mr. President, I ask unanimous consent that the article to which I have referred from the June 11, 1987, New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A BIZARRE DEAL DIVERTS VITAL TOOLS TO RUSSIANS

Early in 1983 a team of Japanese engineers from the Toshiba Machine Company arrived in Leningrad, the center of Russian shipbuilding since Peter the Great, and were whisked through the back gate of the heavily guarded Baltic Shipyard. There they painstakingly assembled more than $17 million worth of computer-controlled machine tools used to make ship propellers.

Over the next 18 months the engineers returned to the Soviet Union about half a dozen times. Working alongside computer specialists from a state-owned Norwegian company, they fine-tuned the four imposing machines, each of which stands two stories high and weighs half a million pounds. As part of the deal, the Soviet Union even obtained a five-year service agreement.

To the Japanese and Norwegian customs officials who allowed the equipment to be shipped, this was just another aggressive business deal, and the export licenses appeared in order. Instead, investigators in three countries have concluded that the sale was one of the most egregious diversions of high-technology products to the Soviet Union in a decade.

The equipment is high on the list of technologies that the Western allies and Japan bar from export to the Soviet bloc, and intelligence officials say the machinery is already making it far easier for the Soviet submarine fleet to elude detection. The Navy says it will cost the United States $1 billion or more to undo the damage.

"When you strip it all away," said Stephen D. Bryen, the head of the Defense Department's Office of Export Administration, "these people did terrible damage for the sake of making just one more sale."

A detailed reconstruction of that sale, based on interviews in the United States, Europe and Japan, shows how readily the export control system broke down. The interviews showed that the governments involved depended heavily on the truthfulness of companies that were seeking to profit from increased trade with the Soviet Union. The government inspectors appeared to lack the technological sophistication to challenge the companies' claims about the capabilities of equipment being exported.

Since the diversion became known, the impact has been widespread.

American outrage over the incident has caused severe friction among three close military allies—the United States, Norway and Japan. The Pentagon charges that Japan permitted the technology to get away, then dragged its feet for a year when presented with evidence of the diversion. Nor do the Americans fully believe the results of Norway's investigation, which concluded that the country's involvement was limited to the work of one renegade employee.

Last month two officials of the Japanese company and a British employee of the Norwegian company, Kongsberg Vaapenfabrik, were arrested, and more arrests in Japan are expected. Meanwhile, the president of Toshiba Machine and two other top company officials have resigned. Norwegian officials, who fear they could lose a major contract with the United States military, have dismantled part of Kongsberg.

A Japanese complaint, too

Like the Norwegians, Sugiichiro Watari, chief executive of the Toshiba Corporation, complained in an interview in New York this week that his company has been treated harshly. Mr. Watari said the giant electronics company, which owns 50.8 percent of Toshiba Machine, should not face sanctions now being debated on Capitol Hill—a ban on shipments to the United States and a loss of military contracts—because of the actions of a subsidiary.

"I was also misled by Toshiba Machine," Mr. Watari said.

Although many details about the diversion have emerged, questions remain about the handling of the case. For one, despite the fact that the huge machines were shipped directly to the Soviet Union, Western intelligence agencies appear to have missed key clues about what was happening.

Illegal exports to the Soviet Union or its allies are nothing new. What makes this case so unusual, according to investigators, is not only the size of the deal but also its business-as-usual quality. There is no evidence of large payoffs, and there seems to have been little effort to disguise the equipment's destination by sending it through third countries.

Even motives appear unusual for a case of this sort: Toshiba and Kongsberg employees apparently wished to bolster their ailing companies rather than to profit personally.

Trying to gauge the damage

Assessing the actual damage to national security is difficult. Reagan Administration officials assert that it was nearly irreparable because it will cost the Soviet Union far less to produce quiet propellers with the new machines than for the United States to develop advanced sensors to make up for the loss.

"What's frightening is not how good the Soviets are today," said Norman Polmar, a naval analyst and author, "but how quickly they are improving."

Other experts counter that the Defense Department is overdramatizing the loss, perhaps to bolster its case in Congress for submarine development projects and improvements in antisubmarine warfare.

But no one disputes that the loss was a major breach of Western security and was easily accomplished. Following is an examination of the diversion, based partly on information provided by investigators that could not be independently verified. In some cases, there are still discrepancies between accounts provided by officials of different countries.

WITHOUT WARNING

The case dates from late 1979 or early 1980. According to intelligence officials, that was not long after the Russians may have been warned by John A. Walker Jr. (who pleaded guilty in 1985 to passing Navy secrets to the K.G.B.) that the positions of Soviet submarines were being given away by propeller noise.

A Soviet foreign trade organization, Tekmashimport, contacted Wako Koeki, a small Japanese trading firm with offices in Moscow. Japanese police who have reconstructed the dealings say they believe that at least three suspected K.G.B. agents were involved: Igor A. Osipov, who was vice president of Tekmashimport; Anatoly P. Troitskiy of the closely linked Industrial Machine Export-Import Corporation, and Vyacheslav A. Sedov, a vice president of the External Science and Technology Exchange Corporation.

According to investigators, Mr. Osipov told Wako Koeki that he needed to import large, numerically controlled machine tools, precision instruments that can reduce by months the long process of making a propeller. Mr. Sedov apparently was not directly involved in the negotiations, but an assignment in Tokyo in the 1960's gave him experience in dealing with Japan.

Negotiations in Moscow

Within months, Wako Koeki approached Toshiba Machine, and soon Ryozo Hayashi, a Toshiba executive, traveled to Moscow to negotiate the deal. Toshiba Machine, in the minds of many experts, was a strange choice because the company is not generally considered a major competitor in that part of the machine tool market. But Toshiba's catalogue contained exactly what the Russians wanted: an MBP-110 propeller milling machine, a $4 million to $5 million model.

The machine dwarfs its operators, as two giant arms swivel from a crossbar to carve and shape propellers that can be more than 30 feet in diameter, far larger than any current Soviet submarine could need.

The machine's key feature, from the Soviet viewpoint, consisted of its nine independently controllable axes, meaning that it could be twisted and turned in a number of positions critical to making sophisticated propellers. Under the regulations adopted by Cocom, the coordinating committee of Western allies and Japan that sets export rules, no machine tool with more than three independent axes is to be exported to the Soviet Union or its allies.

Package approach avoided

Toshiba could have provided the entire package wanted by the Soviet Union—the machine tool plus a computer and software to run it. But for reasons that still mystify investigators, Moscow insisted that the computer controllers, the "brains" that operate machines, come from Kongsberg Trade, the marketing arm of Kongsberg Vaapenfabrikk.

Soon the Russians were negotiating with Bernhard John Green, a 49-year-old British national who was Kongsberg Trade's sales manager. Mr. Green is described by Kongsberg officials as a "competent and hard-working employee" with no previous record of misconduct since joining the company in the mid-1970's. Because of turmoil in Kongsberg at the time, the company officials said, he was without any real supervision.

Some American officials say they suspect that Mr. Green, who could not be located for comment, may have been a Soviet agent. But Norwegian officials disagree. "His motivation, he says, was to get the sale for a business that was in desperate shape," said Tore Johnsen, who heads the Norwegian investigation. "And we have found nothing to indicate that he is not telling the truth about why he did what he did."

DAWNING OF DECEPTION

The deal was sealed in Moscow on April 24, 1981, with the signing of two contracts.

The first contract, calling for the delivery of four unspecified milling machines, along with service and spare parts for five years, was between Tekmashimport and C. Itoh & Company, Toshiba's standard export broker and one of Japan's largest trading houses.

"C. Itoh handles pretty routine stuff that doesn't raise any warning flags," one American investigator said, explaining why Wako Koeki, which deals extensively with Vietnam and other suspect destinations, was paid a finder's fee and dismissed. "This was the beginning of the concealment effort."

The contract was witnessed by the export manager of Toshiba Machine, according to officials of Toshiba's corporate parent.

The second contract was with Kongsberg Trade for slightly more than $2 million, enough for a NC-2000 numerical controller, the computer that guides the system, and a service agreement.

With the signings, Toshiba and Kongsberg began a series of deceptions to obtain export licenses, needed to get the equipment past Japanese and Norwegian customs officials.

On May 19, in Tokyo, Toshiba applied to the Ministry of International Trade and Industry for a permit to ship a machine called a TDP 70/110. In a detail apparently overlooked by the Japanese authorities, this model is mentioned nowhere in Toshiba's sales brochures. Toshiba said the tool was limited to two axes, well within the Cocom rules.

A civilian purpose stated

The machinery, Toshiba said, was going to be used for a civilian purpose—improving the electric power utility in Leningrad.

None of the trade ministry's 30 export control inspectors, who review 200,000 applications a year, questioned the permit. Apparently customs did not notice that the machine shipped was a different model from the one listed on the export permit.

A senior Japanese official in the Foreign Ministry explained recently that the Ministry of International Trade and Industry had simply trusted that a company with which it had long and close ties was telling the truth.

"This is the first case where the trust relationship between industry and government completely collapsed," the Foreign Ministry official said. "Here, we had a case in which the Japanese family-like relationship was abused."

A year later Mr. Green applied to the Norwegian Trade Ministry to export a numerical controller that Kongsberg specifically manufactures for Soviet-bloc trade because it can be used only in less sophisticated two-axis milling machines. In fact, investigators say, Mr. Green had made an oral agreement with the Soviet Union—an agreement not found in the written contract—to ship a variant of the computer that could control a nine-axis machine. The difference between the two models lies in microscopic circuitry; no customs official would be able to tell the difference.

WANTED: QUIETER SUBS

In interviews, Toshiba has maintained that few of Toshiba Machine's employees knew the true power or use of the equipment shipped to the Soviet Union and that officials at the parent company were completely unaware of the transaction. But investigators in the United States say that if Toshiba executives were in the dark it is because they averted their eyes.

By late 1982, when the first milling machine was shipped, virtually everyone in Japan's shipbuilding and machine tool industry knew that the Soviet Navy was in search of Western equipment and that it was rapidly making its submarines quieter.

Japan had once before been embarrassed by a major technology diversion. In April 1982 Defense Secretary Caspar W. Weinberger handed Japan's Defense Minister a spy satellite photograph of the Soviet aircraft carrier Minsk under repair in an 80,000-ton floating drydock built by Ishikawajima-Harima Heavy Industries. Mr. Weinberger asked his Japanese counterpart, Soichiro Ito, to "consider what this picture means."

Attitude on export rules

"The Japanese had no respect at all for the Cocom restrictions," said Mr. Bryen, who has been one of the leading critics of Japan's role in the machine tools episode.

"In the drydock case, the Secretary made it clear this stuff has to stop."

Japanese officials in the United States say their country is a strong advocate of export controls but maintain that the United States is frequently alarmist.

At the time of the Toshiba deal, it was also common knowledge that the Soviet Union had embarked on a major initiative to catch up with American "quieting" technology, the key to making any submarine fleet safe from detection.

"For a long time the Soviets didn't seem to give a damn about the noise radiated by their submarines," said Ira Dyer, an acoustics expert and professor of ocean engineering at the Massachusetts Institute of Technology. But in each generation of Soviet submarines—particularly the new Sierra and Akula classes—the giant power plants that propel Soviet submarines have grown quieter.

Now Soviet engineers appear to be turning to the next telltale evidence of a submarine's whereabouts: two distinctive sounds made by propellers.

When blades churn water

The first is cavitation, sounds created as moving propeller blades cause pressure changes in seawater. These sounds are particularly discernible when a submarine is moving fast and near the surface.

The second distinctive sound consists of blade tonals, caused as the propeller cuts through the wake created by appendages on the submarine's hull, such as the conning tower, the stabilizers and the rudders.

"These seem like small things, but they make a huge difference," Professor Dyer said. "One watt of acoustical energy coming out of the propeller of a submarine in the Strait of Gibraltar can be heard off the coast of Virginia."

The United States Navy has spent tens of millions of dollars to reduce cavitation and blade tonals, chiefly through highly classified propeller designs. Most involve an odd number of overlapping blades, turned into a rather convoluted shape. Although the specific designs are classified, many of the underlying principles are contained in public literature.

NO CHANCE FOR TOURISM

For years the Navy has produced propellers at the Philadelphia Naval Shipyard with numerically controlled machine tools that eliminate many quality control problems. It was exactly those kinds of machines that Toshiba began shipping to Leningrad, in pieces, starting in December 1982.

By the summer of 1983 all the machines were in place, though there is now a dispute about their exact whereabouts. American intelligence officials insist that all four are at the Baltic Shipyard, on the edge of the Gulf of Finland. (That facility has primarily produced surface ships, but submarines are constructed at a neighboring shipyard.) Japanese and Norwegian officials say that only two of the machines are in Leningrad and that they do not know where the other two are.

Some people suggest that Moscow sent them to shipyards on the opposite coast, perhaps at Vladivostock on the Sea of Japan.

The engineers who installed the equipment over a period of months in Leningrad say security was tight during the operation.

NOT EVEN ANY SIGHTSEEING

"We were constantly being watched by the K.G.B.," a Toshiba Machine technician told police investigators a few weeks ago, in an account in the Japanese press.

Each day, he said, the group was driven through the rear gate of the shipyard and, later, directly back to a Leningrad hotel.

"We didn't have time even for sightseeing," he complained.

Toshiba's engineers were not alone. Two Kongsberg employees also made four trips from Norway to Leningrad during the fall of 1983 and spring of 1984, apparently to install the control system and software for the Toshiba machinery. In June 1984 the Norwegian company made a last visit to improve the software and reduce the time it took to mill a propeller.

Comments by Norwegians

Investigators disagree about whether top officials of Kongsberg knew, or should have known, about the deal. More than half a dozen Kongsberg employees were interviewed, including technicians who traveled to Moscow. But last week the Norwegian police let the statute of limitations on the diversion expire without pressing further charges.

"Green is the only one who went through the whole deal," said Mr. Johnsen, Norway's chief investigator in the case. Added Jens C. Width, senior vice president of marketing for Kongsberg. "This is very different from Toshiba's involvement, where top management was aware of what's happening."

American officials, noting that Kongsberg is essentially run by Norway's Defense Ministry, say it is inconceivable that the company's leadership was unaware of any sensitive shipment to the Soviet Union. On Capitol Hill and at the Pentagon there have been calls for more arrests and dismissals.

Norwegian officials respond that most of Kongsberg's top officers at the time were dismissed last year because of the company's troubled financial condition.

"It doesn't make sense to punish people who were not responsible," said Arve Thorvik, the economic counselor for the Norwegian Embassy in Washington.

MISSED CLUES TO LENINGRAD

Despite the fact that the true purpose was only faintly disguised, the equipment shipments, the falsified export licenses and the many visits to Leningrad apparently all went undetected by Western intelligence agencies until last year. Now investigators cannot even agree about how the scheme was finally uncovered.

According to the Japanese, the break came in December 1985, when Kazuo Kumagai, the Moscow office manager of the Wako Koeki trading firm, told officials of Wako and Toshiba Machine that he would disclose the story of the illegal exports unless he were paid to remain silent.

When he got nowhere, he carried out his threat by writing a letter to Cocom in Paris. That information was sent to the United States and eventually relayed to Japan.

At Toshiba, Mr. Watari said the Toshiba Corporation had never received a threat from Mr. Kumagai, but he said he could not speak for Toshiba Machine, the subsidiary.

American version differs

Pentagon officials tell a different story. They say there was no letter to Cocom that they know about; instead a series of clues, which they will not describe, led them to discover the deception and inform the Japanese. "It was more a case of putting together a Chinese Puzzle," Mr. Bryen said.

Outside intelligence experts say the Navy may have come across the first clue by noticing the fainter sounds of new Soviet propellers—conjecture that the Pentagon makes no effort to dispel. Others contend that it is too soon for many of those propellers to have been installed on operating submarines.

In any event, the Japanese moved slowly throughout 1986. A Japanese Foreign Ministry official explained that Toshiba Machine was widely believed when it said it had merely shipped two-axis machines.

"We really couldn't believe that a reputable company like Toshiba could do such a thing," the official said. Another Japanese official added that "the Americans did not apply much pressure" until Mr. Bryen and Fred C. Ikle, the Under Secretary of Defense for Policy, went to Tokyo last December and described the deception in detail. Japan asked for more documentation, and it was not until Mr. Weinberger complained directly to Japan's Defense Minister that a full investigation began.

Explanations fall apart

Under further questioning, explanations offered by Toshiba Machine executives began to crumble. "Initially Toshiba Machine maintained that this was a two-axis machine that could not be converted into anything more complex," Mr. Watari said, but "later they said it was possible" to convert the machine to nine axes.

Early last month, soon after Prime Minister Yasuhiro Nakasone was briefed about the incident before a visit to Washington, Japanese police raided Toshiba Machine's offices and carried away heaps of paperwork. On May 15 Toshiba Machine's president, Kazuo Iimura, resigned, a move apparently demanded by Mr. Watari.

After days of interrogation, Mr. Hayashi and another Toshiba Machine executive were arrested. Half a dozen more arrests are expected.

Last Friday two more Toshiba Machine executives—Yasuhiro Matsuzaki, the head of overseas operations in 1982, and Goro Yasuda, head of the machine tool division at that time—also resigned.

Tokyo's tough sanctions

Meanwhile, Japan has imposed relatively tough sanctions. Toshiba Machine has been ordered to suspend all exports to 14 Communist countries for a year. The company also said last week that it expected losses of $100 million in its present fiscal year. C. Itoh, the trading firm, was banned from machine tool exports to Communist nations for three months.

"Short of driving Toshiba into bankruptcy, I think they were the toughest sanctions we could take," a Foreign Ministry official said.

In the United States, the parent Toshiba company is trying to block a small movement on Capitol Hill to ban the import of its products for a year or more. Meanwhile, the Pentagon has delayed awarding contracts to Toshiba and Kongsberg, including a $100 million order Toshiba is seeking to provide the Air Force with portable computers.

Pentagon officials say neither company should expect to sign contracts until responsibility for the loss is sorted out. "This time," one Pentagon investigator declared, "we are going to hang these people in public."

TRIBUTE TO NED GUTHRIE, FRIEND OF LABOR AND MUSICIANS

Mr. ROCKEFELLER. Mr. President, it is with great pleasure and pride that I rise to pay tribute to a good friend and fellow West Virginian, the distinguished Ned H. Guthrie. On Saturday, June 27, Ned will be inducted into the West Virginia Labor Hall of Honor. Ned is being recognized by the West Virginia Labor History Association for his extraordinary contributions to the working people of West Virginia and the Nation.

Music has been the centerpiece of Ned Guthrie's long and fruitful life. He began playing music in elementary school and continued in high school. He had his first professional engagement in 1928, while serving in the Air National Guard. He continued his musical career, playing all over the United States from 1930 to 1936, and then performing at the Rathskellar's Club in Charleston from 1936 until 1945. In 1945, he formed the Ned Guthrie Orchestra and continued to perform until 1975, when he became president of the Appalachian Regional Musicians' Union, Local 136. In 1982, Ned became the national legislative director of the American Federation of Musicians, and it is in this capacity that he is known to so many of us in the Senate.

I am sure that most of my distinguished colleagues have had the opportunity to become acquainted with Ned, and that they share my utmost respect and admiration for this distinguished gentleman. As legislative director for the AFM, he can frequently be seen walking the halls of the Senate office buildings, waiting patiently in the reception rooms to talk with staff or Members themselves, and tactfully taking advantage of every opportunity to state his concerns regarding performing artists and related issues. We have caught sight of him making his case with his special flair while in one of the dining rooms, the elevators, or wherever he runs into someone targeted on his list. Just last year, I was waiting on the runway of the Yeager Airport in Charleston to return to DC, only to find that the seat next to me had been assigned to Ned Guthrie. And Ned, being the effective lobbyist he is, took advantage of the opportunity to discuss his concerns. I must add that he was more than persuasive.

The American Federation of Musicians is fortunate to have such a dedicated, hard-working employee—he continues to be a leading force in legislation and efforts to assist their membership. Most of all, West Virginia is honored to count Ned Guthrie as one of its citizens. We are inspired and motivated by his relentless service to his fellow brothers and sisters in his profession, in the labor movement, and in his beloved State. Mr. President, I am sure that my colleagues join me in congratulating Ned Guthrie on his induction into the Labor Hall of Honor. He is an outstanding gentleman whom I am delighted to call a very special friend.

DEKALB COUNTY SESQUICENTENNIAL

Mr. DIXON. Mr. President, 1987 marks the 150th birthday of the Illinois county of DeKalb, and it is with great pleasure that I take a moment to share with my colleagues some facts about the history and accomplishments of the county over the past century and a half.

Established in 1837, and named after the German-born Revolutionary War officer Baron Johann DeKalb, the county lies approximately 60 miles west of Chicago in north central Illinois.

It was the fertile farm land and rich timber groves that attracted the early settlers to this area, and since that time, many DeKalb residents have contributed greatly to the fields of agriculture and education throughout the world.

Early DeKalb settlers Joseph Glidden and Jacob Haish, for instance, were the first to create and manufacture barbed wire—a tremendous breakthrough for farmers in need of economical fencing. In addition, numerous well-known and important agricultural associations have been founded in DeKalb, such as the DeKalb County Farm Bureau, and the multinational DeKalb Agricultural Association, Inc.

These contributions to the world of agriculture, however, are not the only high points of this multifaceted county. In 1899, the State of Illinois established what is now Northern Illinois University in DeKalb, and today this institution has grown to be the second largest university in the State, with more than 100,000 diplomas having been awarded since its founding. The recent additions of law and engineering colleges at NIU make it clear that this school is continuing to broaden its horizons as it strives for sustained academic high standing.

And so, Mr. President, as DeKalb celebrates its sesquicentennial this summer, allow me to urge my colleagues to take note of this great Illinois county, not only for its agricultural and educational excellence, but also for the people that live and work there. For this county, one that has long provided such great service to the world, is also a great source of pride for the State of Illinois. Thank you.

THE CHALLENGES OF THE BANKING INDUSTRY

Mr. HELMS. Mr. President, every day we read about the difficulties facing our financial institutions throughout the country. Despite these troubling times, the North Carolina financial industry continues to thrive.

Mr. John G. Medlin, Jr., chairman and president of First Wachovia Corp., addressed the North Carolina Bankers Association at its annual meeting in Pinehurst, NC. John's remarks reveal the quality of the men and women who run North Carolina's financial institutions.

Mr. President, I ask unanimous consent that excerpts from his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE CHALLENGES OF BANKING

(By John G. Medlin, Jr., chairman and president, First Wachovia Corporation)

While banking is doing well in North Carolina and across much of the Southeast, it has some troublesome problems in other parts of the nation and in an overall sense. We should be mindful that our challenges in the times ahead are much the same as bankers everywhere. To help put those challenges into perspective, I will review the state of the financial system and economy and then offer some suggestions to maintain the exceptional record of banking in our state.

The cumulative effects of three progressively severe business and money cycles since the late sixties have left the financial system in a fragile and vulnerable state. The underpinnings have been weakened, and the ability to withstand has been diminished. The principal villain was inflation, which periodically throughout history has wrecked the financial system.

The price spiral from the late sixties to the early eighties produced a financial "high." Lenders felt euphoric as loans grew rapidly. Risk management practices gradually were relaxed, and weak credits were obscured or bailed out by the fast-rising value of real estate, petroleum, commodities, and other collateral.

The inflation cycle caused the volume of financial services business to grow at a strong rate for an extended time. Banks and other financial services providers expanded rapidly. Like some other fields such as airlines, service capacity and fixed expense rose substantially. Low-cost producers like money market funds began to emerge and take market share.

In the early eighties, the relaxation of lenders was replaced by shock as inflation decelerated and prices even declined in some sectors. Loans made on the expectation of continued inflationary growth became problems. As has been the experience throughout history the winding down phase of the inflation cycle was the most damaging for the financial system. Disinflation weakened loan portfolios, strained capabilities, and eroded capital structures.

A notable example is the farm credit system which has debts of around $90 billion, nearly twice the estimated current value of its assets. Also, the resources of the Federal Savings and Loan Insurance Corporation have been depleted by failed members with a shortfall for additional insolvencies variously projected from $25 billion to $45 billion. Whatever the farm credit and thrift system capital deficiencies may be, there are some very large unrealized losses which eventually must be absorbed by their creditors and depositors or by the taxpayers.

The banking system also has problems. Institutions with heavy concentrations of energy and agricultural credits are troubled. Others have large real estate exposures with growing difficulties. Several of the largest banks have frozen loans in excess of capital and reserves to financially distressed less-developed countries. Overcapacity and high costs are causing competitive pressures for all banks. The natural reaction of many is to cut prices and lower credit standards to maintain volume. This is unfortunate at a time when banking needs to improve credit quality and margins to reverse unfavorable trends.

The deterioration of performance is reflected in some Federal Deposit Insurance Corporation statistics for last year. The net operating earnings of the 14,181 insured banks were $13.6 billion in 1986, down 16.2 percent from the prior year. This is the fourth decline in the past five years. If $4.2 billion of securities gains and other nonrecurring items are included, net income was $17.8 billion, a decline of 1.4 percent from 1985. This represents mediocre returns of 10.2 percent on equity and .64 percent on assets, which also have declined since the beginning of this decade.

In 1986, insured banks' net charge-offs totaled $16.3 billion, or 1 percent of loans. This is a post-Depression record and is unusual for the fourth year of an expansion cycle. The provision for losses was $21.7 billion. Loss reserves totaled $28.7 billion, or 1.6 percent of loans at year-end, while nonperforming assets were twice as large at $57.5 billion, or 3.2 percent of loans.

Equity capital of banking at year-end was $182 billion, or 6.2 percent of its $2.9 trillion assets. This does not include off-balance-sheet exposure of over $1 trillion. The Federal Deposit Insurance Fund was $18 billion. The banking system is not yet in a deep hole like the thrift system, but it also has some large unrealized losses in the oil patch, farm belt, and overseas.

Last year, 2,784 banks, or nearly 20 percent of the total, lost money, and the number rose to 4,354, or about 30 percent, in the final quarter. Without the nonrecurring gains representing about 20 percent of net income, there would have been even more in the unprofitable category. It is a miracle that only 144 banks were declared insolvent in 1986, up from 118 the prior year.

On a broader scale, the financial markets have acquired a speculative, volatile, and moral character which is reminiscent of the disinflation period of the 1920's preceding the Great Depression. The explosion of financial innovations, trading activity, corporate takeovers, and stock prices seems inspired as much by speculative emotion as by economic rationale. The emphasis seems more on making money by manipulating financial instruments than by creating economic value.

Despite the increase in volatility and failures, the financial system has proven durable. It has shown the ability to withstand substantial stress. Many institutions are strong and are not strained. However, others embark on the journey into a more competitive and less forgiving future with exotic risks, a heavy burden, and a weak foundation. It is a time to be especially carefull in assessing the credit and settlement risks of your transactions with other banks in federal funds, repurchase agreements, and operational clearings.

Another area for special caution is the purchase of loan participation certificates. In addition to borrower credit risk, the courts have ruled you also have the exposure of an unsecured claim against the selling bank in the event of its insolvency. A wise observer described the sale of a loan participation as a transfer of risk from a party who lacks courage to another who lacks knowledge.

The bottom line of all this is that the financial system is more exposed to market surprises and variables than in the past. Several years of healthy economic growth and stable financial conditions are needed to repair the damage of the inflation cycle. What are the prospects of such conditions?

Today's domestic economic landscape has some perplexing features. Last year, the main forces which drive the economy were very stimulative. There was a record federal deficit of $221 billion; money supply grew generously; and crude oil prices, inflation, nominal interest rates, and the dollar all declined substantailly. Yet, the U.S. economy was lackluster and mixed, with real Gross National Product advancing at a moderate rate of 2.5 percent.

There are some equally puzzling trends. Despite four consecutive years of economic recovery and expansion, the federal deficit has gotten larger rather than smaller; inflation-adjusted interest rates have been high; domestic industrial production and employment have risen very little; shutdowns and layoffs abound in corporate America; and a worrisome number of financial institutions continue to fail. Meanwhile, the stock market has soared to historic heights.

What are the reasons for these unusual developments? Have the classic laws of economics been repealed? The answers probably cannot be found in current business statistics or media reports, which often create a misleading sense of euphoria or gloom. A better explanation may be provided by an examination of basic economic and financial trends in longer perspective.

For most of the period from the mid-1960's through the decade of the '70's, the economy was propelled by some highly stimulative forces. They included rapid growth in federal spending, rising budget deficits, easy monetary policy, strong demographics, robust capital expenditures, accelerating debt creation, and rising exports. The result was a series of surges in economic activity and increasingly volatile business and money cycles.

Although the economy and standard of living progressed, much was borrowed from the future through the fiscal and monetary excesses of the '70's. The escalation of inflation and the decline of the dollar eventually forced the Federal Reserve in 1979 to better control money supply growth to prevent an international financial crisis. This brought a deep recession in the early part of this decade and a period of disinflation in the years since then.

The pain which normally accompanies withdrawal from high inflation was dulled by large and growing federal deficits which totaled $1 trillion in the past five years alone. During that short time, the national debt has doubled to over $2 trillion. Interest is now the biggest item in the budget. This simply represents additional borrowing from future prosperity and only delays the ultimate pain and austerity. It is a cruel legacy to leave our children.

The substantial and habitual deficits have preempted a major portion of domestic savings, kept real interest rates abnormally high, and discouraged capital investment. They have also stimulated foreign imports and retarded domestic production and employment. Much of the blame for the enlarged trade deficit, which reached a record $170 billion in 1986, lies in the large federal deficits. They have resulted in a major part of the growth in domestic consumption during this decade being supplied by higher imports.

A new problem emerged as the trade deficits had to be financed by borrowing from abroad. In 1985, the U.S. became a net debtor nation for the first time since 1914. Our net external debt is now over $220 billion, and it is expected to reach $500 billion before the end of this decade, even if the trade deficit trends downward gradually as projected. No one knows the danger point for our external debt, but there is a limit to how much money even the wealthiest nation on earth can borrow.

This problem will be self-correcting over time as foreigners become less willing to finance our imports and deficits through increased holdings of dollar debt. It is axiomatic that despite government intervention, a country's currency eventually will fall in value to an exchange rate which balances its international trade and payments accounts. Substantial currency devaluations usually are followed in time by higher price inflation, rising interest rates, and painful economic austerity. Such is the eventual punishment of nations which habitually import or consume more than they export or produce.

Ultimately, our nation's budget and trade deficits will be balanced either through voluntary restraint in spending and consumption or through forced austerity imposed by a dispassionate and unmerciful international marketplace. America's fate gradually is being placed in the hands of foreign creditors and exchange traders. The continuing weakness of the dollar and the recent jump in inflation and interest rates should provide ample warning that the classic laws of international economics still are in effect.

The best hope for regaining control of our destiny lies in reducing the federal deficit. The experience of the past raises serious doubts as to whether the necessary spending control is possible or probable in our nation, which is so dominated by political expediency and special interests. There is no painless way to reduce the deficit, and there is no precedent in democracies for people voluntarily lowering their standard of living. This usually comes only through necessity bred of crisis, and there is no crisis—yet.

It is hard to arouse the concerns of the public about the dangers of deficits in a climate like the past two years when economic growth has been averaging 2.5 percent against a backdrop of low and declining inflation and interest rates. The storm clouds I have painted on the horizon are difficult for a short-term-oriented populus to see or comprehend. This probably will remain true in the near term as the economy continues to advance in the range of 2 to 3 percent.

Meantime, the main forces which propelled the strong growth of the past have become de-stimulative. Federal spending is rising more slowly; the budget deficit must decline; demographics have turned weak; capital spending is falling; debt is increasing more slowly; and exports are being restrained, despite a much cheaper dollar. Thus, the economy is likely to continue at best being a sluggish mixture of depressed segments and growth areas.

However, the business cycle is not dead and there will be another recession somewhere along the way. The continuation of large federal deficits and generous money growth during the advanced stages of this expansion cycle means that government has reduced its flexibility to prevent or counteract a recession without propelling inflation and interest rates upward. Thus, the next downturn could be deeper and harder to reverse than the last one. The most severe test of banks and their loan portfolios may still lie ahead.

These are times when there are more chances than usual to sow the seeds of future problems. Bankers must take special care to resist the many temptations to make unsound and cheap loans, to overextend capabilities and resources, and to pursue various questionable practices which may improve short-term growth but jeopardize long-term success. The current softness in the economy and credit demand is not likely to be followed soon by a business expansion of a magnitude and nature which bails out bad or marginal decisions.

There is under way a period of fundamental adjustment which will not pass quickly. Financial institutions are likely to have an even more difficult operating environment in the future than during the previous years of this decade. The volatility of equity prices, the disruption of debt markets, and the surge of interest rates during recent weeks should provide ample warning of the dangers and surprises which could lie ahead.

The unusual business climate has some profound implications for financial institutions. The major challenges facing banking can be summarized as follows:

We must grow volume and income in a sluggish economy while coping with increasing competition and the problems of disinflation.

We must increase market share and earnings in a business which has substantial overcapacity, high costs, and shrinking margins.

We must maintain interest spreads and loan quality in the face of deteriorating pricing and credit practices.

We must become more efficient and contain costs while providing quality service and investing for the future.

We must maintain financial strength and flexibility in an uncertain and unstable economic and financial climate.

How does banking overcome these challenges and arrest the deterioration of its performance and reputation? Everyone should answer that question for himself; but in general, bankers must become as good at expense control and risk management as they are at business development. This is necessary if the volume being produced is to yield a satisfactory profit. In particular, they must improve the quality and compensation of credit risk being taken.

Some ideas to meet these challenges may be found in reviewing the nature of banking and examining the essential elements of good management for financial institutions. More than ever, survival and success require a sense of realism and an adherence to time-tested banking principles.

Banking serves a vital, public-utility-like function in our society. A banking charter carries special privileges and sacred responsibilities. In essence, it is granted by the people to allow us to safeguard their deposits and to lend money for worthy purposes while providing the opportunity to make a reasonable return for our shareholders. This places both limits and demands on the risks which can or should be taken with depositors' funds.

Balancing the risk equation is one of the most difficult aspects of banking. If you lend too liberally, you get in trouble. If you don't lend liberally enough, you get criticized. As a colleague of mine once said in a moment of such frustration, "Being a banker is like being a country hound dog. If you stand still, you get kicked. If you turn, they throw rocks at you."

Banking is a trendy business with a herd instinct and a keep-up-with-the-neighbors mentality. Sometimes, the press contributes to the peer pressure by glamorizing size rankings, transient fads, and sporty practices. It is important to pursue one's own strategy and to avoid following others blindly into the fashionable and superficial while neglecting the sensible and the fundamental.

Banking is as much a qualitative art as a quantitative science. Obsession with size will lead to trouble. Sustainable progress is more likely to be achieved by expanding gradually in manageable increments and patiently maintaining quality standards. Banking also needs patient shareholders who do not expect short-term gains at the expense of long-term values.

Despite electronic advances, banking still is a highly personal process of serving customers one at a time. Providing financial services is not like the mass marketing and distribution of soap. Unlike tangible products, the quality of our services is determined by the professionalism of the personnel selling them to customers as well as those processing them behind the scenes.

Banks are supposed to be a source of strength and stability rather than a cause of weakness and anxiety in our economic system. Their mission is to buffer credit, funding, and settlement risks in financial transactions instead of magnifying such exposures. In order to serve as effective and profitable intermediaries, banks must be able to obtain funds at lower rates than loan customers. Today, some borrowers can buy money cheaper than their banks.

The experience of recent years serves as a reminder that sustainable success in banking is subject to the unpredictable ups and downs of an unforgiving economic and financial marketplace. You can't afford to bet the bank on anyone's forecast or judgment. The best of plans can go wrong without the ability to change directions quickly. This requires the maintenance of financial and tactical flexibility. Bankers have little choice but to hope for the best, expect the worst, and be prepared for anything.

Banks should be managed as if there were no regulators for examination, no Federal Reserve discount window for liquidity, and no Federal Deposit Insurance for bail-out. These are not substitutes for proper management and capital. It is amusing that some of the strongest advocates of free enterprise are so dependent on these banks "welfare" agencies.

Too many consumers have been given the mistaken impression that their deposits are backed by the federal government rather than an agency thereof with finite resources. I wonder if the taxpayers would be willing to dig deeply into their pockets to pay off the deposits of foreigners or even neighbors who had the poor judgment to put their money in badly-managed institutions.

The most sobering discipline on the managements of financial institutions can be provided by consumers and investors in the marketplace. Such discipline is vital to the effective functioning and survival of the private enterprise financial system. It has been weakened by the misleading safety net of Federal Deposit Insurance and the too-large-to-fail doctrine. This deception may not stop until some depositors lose their savings, stop putting money in unsafe places, and start imposing more market discipline.

Without proper management and market discipline, financial services deregulation may be short-lived. Throughout history, notably in the late 1930's, the most severe financial regulation has been enacted in response to problems occurring around the end of inflation cycles. The deposit insurance scheme already may have moved the regulated financial system to a more advanced stage of socialization and nationalization than yet is commonly realized.

Bankers are still crying for more freedom, but others already are calling for more regulation. Our nation has a deeply imbedded populistic heritage and a natural dislike for financial institutions which don't behave properly. Unless banks handle their present powers more responsibly, some may be taken away rather than new ones given. As we are quick to advise our children, more freedom carries more risk and more responsibility for self-discipline.

TRIBUTE TO M. DANNY WALL ON BANK BOARD NOMINATION

Mr. HATCH. Mr. President, it is a pleasure to add my name to those who applaud the nomination of Mr. M. Danny Wall to chair the Federal Home Loan Bank Board. Dan Wall has served as staff director of the Senate Committee on Banking, Housing, and Urban Affairs in both a minority and a majority position since 1979, and played a significant role in the regulatory reforms accomplished by this administration. In my judgment, he is superbly qualified to lead the thrift industry through the challenges it faces today.

Today's Bank Board Chairman needs a broad understanding of the legislative, regulatory and market environment within which the banking industry must operate. He or she must also have the ability to attract a strong and capable staff. Again, Dan Wall meets these qualifications. His service with the Senate has already demonstrated his capacity for mastering new and highly technical information. Furthermore, his understanding of the role of the market is a clear one and one which will allow him to play a key part in the future developments of the financial services industry.

Mr. President, I congratulate President Reagan for this excellent nomination. We in the Senate will miss Dan's advice and counsel, but at the same time we understand the need to place our best people in positions of leadership in the administration. Our best wishes go with Dan and his family.

THE DEATH OF LT. SAMUEL B. McLAUGHLIN

Mr. DECONCINI. Mr. President, I rise today in memory of Lt. Samuel B. McLaughlin of the U.S. Capitol Police Force. Sam McLaughlin departed this life on Monday, June 1, 1987, at the Prince Georges Hospital Center after suffering a sudden stroke at home on that prior Sunday afternoon. I know that the deepest sympathies and condolences of all Senators, officers, employees of the Senate, and many other friends go out to Sam's wife and family in respect of his passing. Sam would have completed 27 years on the Capitol Police Force on November 9, 1987. He was a genuinely decent, compassionate, and fair-minded man.

Sam was a native of Bisbee, AZ, where he graduated from high school. He was born just south of Arizona on October 16, 1921, in Cananea in the Mexican State of Sonora. His father managed the company stores in Bisbee and Cananea for the Phelps Dodge Mining Co. His mother, Maria, was from Sonora, Mexico. During his early years, Sam attended the American School in Cananea.

Sam's studies at the University of Arizona were interrupted by World War II. He served in the U.S. Army infantry and saw combat throughout Europe and Northern Africa. After the war, Sam returned to the University of Arizona in Tucson to complete his studies in the College of Engineering. During this time he was president of his fraternity, Alpha Tau Omega.

Sam was brought to Washington, DC, in 1950 by Senator Carl Hayden of Arizona and was then sent to Monterrey, Mexico, to assist with the U.S. Department of Labor Bracero Program. He later worked in the education branch of the Department of Health, Education and Welfare in Washington from 1953 to 1960. On November 9, 1960, he was appointed to the U.S. Capitol Police Force. He worked on the Capitol Building detail for over 25 years, having been promoted to sergeant on September 1, 1966, and to lieutenant on July 1, 1971.

Sam was always known for doing an excellent job on the Capitol Police Force. His work attendance record was exemplary and his ratings were exceptional. During his years on the force, Sam saw considerable action, including the massive demonstrations of the 1960's and 1970's, and the two explosions by bombs left in the Capitol Building. Of course, on a daily basis, Sam met the demands of assisting and protecting the people and property in one of the busiest and most important building in the world. However, in addition to his usual duties, Sam was also known as a goodwill ambassador for people from Spanish-speaking countries. His bilingual ability was frequently called upon to interpret for many official and informal visitors to the Capitol.

Sam was well known to many on Capitol Hill because of his friendly nature, but he was particularly respected by those under his command. He is remembered as an insightful and dedicated officer who took corrective action while always maintaining good spirit and morale. Capitol Police officers fondly remember his call for a straight formation by telling them to keep their "toes in line." The memory of his understanding, patience, and camaraderie will remain in the minds of all who were fortunate enough to know him.

Sam was a popular member of VFW Post No. 9619, American Legion Post 248, and Loyal Order of Moose Lodge 1856. He was also a proficient golfer with an undying love for the game. In fact, his two putters were enclosed in his coffin so he can make Heaven's "hole-in-one."

He is survived by his sister, Alice Romero, and her husband of Tucson, his wife of 30 years, Patricia Ann, and their children, Miguel, Christopher, and Kelly, and her husband, Jack, all of Washington, DC, along with his many friends here and in Arizona. I share with them my heartfelt sympathy, thoughts, and prayers at this time of sadness. They can take great solace, however, from the benefits gained by sharing a close association with such a fine man.

Several Senators addressed the Chair.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXTENSION OF TIME FOR MORNING BUSINESS

Mr. BYRD. Mr. President, there are at least two Senators who want to speak for not to exceed 5 minutes each in morning business. While awaiting the arrival of Senators on the floor so we can decide what disposition to make of the President's veto message, I ask unanimous consent that the veto message be laid aside for 15 minutes so that the Senate may continue morning business in the meantime, under the restrictions heretofore ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I thank the majority leader.

THE SITUATION IN SOUTH KOREA

Mr. BOND. Mr. President, in recent weeks, we have seen daily news reports on the situation in South Korea. Each day on the television we see pictures of students facing off against policemen dressed in riot gear—all of them surrounded by thick clouds of tear gas.

This is not just another incomprehensible conflict in some far-off land that has only minor relevance to us in the United States. It is a conflict that threatens the stability of an important U.S. ally and trading partner—a conflict that is of vital significance to our economic and national security. For this reason, I think it is important that we take a close look at events in South Korea, their cause, and what we in the United States can do to make a positive contribution.

South Korea has a long history of foreign domination, military rule and one-party leadership. The Korean people have never before experienced democracy. For this and many other reasons, the transition to a democratic form of government will not be an easy one and is likely to encounter some bumps along the way.

The current round of violence was sparked in April when President Chun Doo Hwan suspended talks with opposition groups on constitutional reform. They were brought to a head 2 weeks ago when President Chun named as his successor his close ally, former Gen. Roh Tae Woo. These actions—combined with the announcement that significant constitutional reform would be put on hold until after the 1988 Olympic games—made it clear in the minds of many Koreans that real reform would take place no time soon.

The United States must do all it can to assist South Korea in working toward democracy, but we must be careful to take actions that strengthen that country and its relationship with the United States—not weaken it or drive it away. In formulating our policy toward South Korea, the administration and Members of Congress must remember that we need a policy that is designed specifically for Korea. We cannot assume that because, in the past, one policy was successful in one country, it will be successful in South Korea. We cannot assume that Korea is like the Philippines, or South Africa, or Panama. We must look specifically at the current situation in South Korea.

Recently, there have been proposals to impose economic sanctions on South Korea. I believe this is precisely the wrong step for the United States to be taking. We should be working to bring South Korea further into the western democratic tradition—not seeking to isolate it.

As Governor of Missouri, I worked with Missouri businessmen and South Korean businessmen to promote trade and investment. We were able to conclude a number of successful deals which brought Korean businesses and jobs to Missouri and sent Missouri products to Korea and recently, Missouri opened a trade development office in Seoul. These private economic relationships provide one of the best means for the United States to share its democratic traditions with the Koreans. We should be working to promote such relationships—not destroy them.

Sanctions would be a bad idea for several reasons. First, they are unlikely to have any great effect on the economy of South Korea. There are many countries that will gladly jump in to replace lost United States trade—and the Japanese are first in line. Second, it would be a mistake to jeopardize our important national security interests by damaging our close military relationship with the South Korean people. Third, we should be using the strong lever provided by our economic ties with Korea to encourage the Government toward reform; we should not be throwing it away. And finally, economic sanctions would punish Korean workers and those who employ them. These people are the victims of repression, not the perpetrators. The problem in South Korea is political, not economic. It requries a political solution, not an economic one.

This is not to say that the United States should not be taking action to pressure the parties in South Korea to end the conflict in the streets and move toward democratic reform.

I doubt there are many who will argue that the Chun government has a commendable record in the area of democratic reform. Chun's government has suspended talks aimed at reform; it has kept opposition leader Kim Dae Jung under house arrest; thousands of others have been detained in the recent protests; and the Government continues to withhold press freedoms.

There is no question that we should be working for reform in Korea, but instead of trying unilaterally to impose a solution with legislative sanctions, the United States should work with all parties to bring a peaceful solution to the dispute. The United States should pressure the Government to resume talks with the opposition regarding constitutional reform, to allow freedom of the press, to release opposition leader Kim Dae Jung and other political prisoners, and to move toward serious election reform. We should make it clear to all parties in South Korea that we wish to maintain the close alliance between our two countries, and that we will work with whichever party puts forth a productive proposal.

We also must remember that the conflict in South Korea is not taking place in a vacuum. Less than 30 miles from Seoul, North Korea presents a constant threat of destabilization, through both subversive and military action. We must reassure the Korean people of our continuing commitment to counter the North Korean threat—not increase their concern by weakening our alliance.

Finally, we do not want to take action that will make democracy in Korea even less likely than it is right now. We must avoid steps that could provoke yet another of the military coups that have plagued Korea thoughout its short history.

Mr. President, what Korea is facing today is the classic Scylla and Charybdis of Greek mythology. Our role should be to encourage the South Koreans to navigate safely past the Scylla rocks of a military coup and the Charybdis whirlpool of North Korean subversion and aggression.

Assistant Secretary of State Gaston Sigur arrived today in Seoul to begin consultations with Korean officials. I was pleased to hear news reports this morning that he will meet not only with President Chun and other government officials, but also with opposition leaders Kim Dae Jung and Kim Yung Sam. It is my sincere hope that he will deliver to them the message that the United States wants to work with all parties to bring democracy to South Korea—that the only side we will take is the side of democracy.

All of us—both Koreans and Americans—want to see South Korea make a peaceful transition to democracy. But we must not make the mistake of believing that the U.S. Congress can simply legislate democracy with hamhanded economic sanctions. The United States cannot impose a solution on the South Korean conflict—it is not our place to try and it would not bring about a lasting solution in any event. Instead, we need to promote constructive discussion between the Government and the opposition to allow them to work out a plan for lasting democracy in South Korea.

Mr. President, today's New York Times and yesterday's Washington Post contain thoughtful editorials on the situation in South Korea and the United States role. I ask unanimous consent that they be printed in the RECORD.

(Mr. WIRTH addressed the Chair.)

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

[From the New York Times]

SOUND A CERTAIN TRUMPET FOR SEOUL

Now more than ever, the United States needs to sound the call for peaceful transition to democracy in South Korea. That country has reached a pivotal moment. Its future is being settled in the streets by protesters and police, with the army ever-present in the background. Its leaders operate in a culture where compromise and restraint are not considered political virtues.

Once great internal forces are set in motion, perhaps no outsider can make a difference. But if any nation can, it is the United States, Korea's military protector and trading partner. And President Reagan, longtime friend of Korea's ruling military regime, may be especially well positioned for such a role. For the most part, his Administration is now saying the right things. But given its past vacillation and hesitancy, it needs to sound a far more certain trumpet.

From Gaston Sigur, the State Department's top official for Asia, now in Korea, to Mr. Reagan himself, the administration has to convey three messages on almost a daily basis:

To South Korea's military commanders: Forswear any idea of a military coup. The State Department sent that message yesterday: The Korean military must understand how a coup could poison American attitudes toward their country.

To President Chun Doo Hwan: Reopen the dialogue with the opposition. Though the discussion was intended to show his bona fides for constitutional reform, he unilaterally stopped it in April. Reports indicated a start toward resuming the dialogue but Washington must maintain the pressure.

To opposition leaders: Understand that democracy does not mean anarchy. It requires compromise even from those who have been treated unjustly. Mr. Sigur should meet personally with opposition leaders to deliver that message, even as such a meeting would signal American impartiality and interest in democracy.

There is much to overcome, past and present. In April the atmosphere was darkened by the torture-death of a student dissident and a subsequent police cover-up. President Chun then halted debate over ground rules on general elections due later this year. Washington knew of that decision in advance, and failed to try seriously to head it off.

This month, Mr. Chun compounded his error by anointing his hand-picked successor for a term to run through 1995. That arrogance brought even the normally quiet middle class into the streets.

For now, Mr. Chun has avoided the mistake of declaring martial law. Instead he has declared his willingness to meet a key opposition leader, Kim Young Sam. The force of the protests, and fear of driving away the 1988 Olympics, apparently jolted him into giving negotiations one more chance. But for any Chun-Kim talks to be fruitful, the Government will have to show more will to compromise.

Democracy is unlikely to be achieved all at once. But it is essential to chart a clear path. To continue to insist on deferring constitutional debate for 15 more months and free and fair elections for seven more years is wildly unrealistic. Perhaps the answer is a brief interim presidential term during which more acceptable electoral arrangements can be agreed on.

The task for Washington is to bring to bear whatever influence it can, with maximum visibility. Let the Korean people have no doubt about the kind of democracy America has sent 40,000 troops to defend.

[From the Washington Post, June 21, 1987]

"Restraint" in Korea

The radical students who started the riots in South Korea are being joined by some older people of the middle class and cheered by still others. A government whose pride is order has lost control of the streets. The military shows signs of unease, with one faction growling for a harsher crackdown, perhaps martial law, while another explores a measure of relaxation and a return to the talks on presidential-election rules whose breaking off, by the government, triggered the crisis. A return would raise the question of whether the opposition would or could control the charging bands in the streets. Caught unprepared, the United States struggles to retain a policy grip. It had hoped that President Chun Doo Hwan would guide South Korea to its peaceful transfer of power next February and that Seoul would reap the prestige of hosting the 1988 Summer Olympics. But Washington did not count on President Chun's rigidity or on the determination of the opposition. Now the administration must play catch-up: Mr. Reagan has written Mr. Chun advising moderation, and endorsed Rep. Stephen Solarz's resolution calling for broader freedoms and the resumption of constitutional talks.

There is no text to guide a transition toward democracy in a country such as South Korea, which has no firm democratic tradition and which has a treacherous neighbor, communist North Korea, and the powerful armed forces to match. These cultural and circumstantial considerations have reinforced the caution of American policy makers in dealing with violence or revolution; they fear decisive action for democratic change may offend nationalistic sensibilities or embolden the players to do the wrong thing. The Philippines, where the Reagan administration did help move events along, is cited as a relevant model. But the Philippines had a democratic strand in its past and no comparable security threat. Crucially, a plausible democratic leader came along and the army suddenly switched to her side.

There are, nonetheless, risks in the stated American policy of "restraint." South Korea is a place where the society, modernizing fast, has outgrown the state: it is readier for democracy than the generals are. It is also a place that hangs on every American word—and on every American hesitation and silence, which some in the opposition exploit to blame Americans for the home-grown repression. The task before the United States is to make sure Koreans understand we are on the democratic side.

Mr. BOND. Mr. President, tomorrow, I plan to speak again on this issue and I will focus my comments on the trading relationship my State has with South Korea.

I yield the floor.

UNANIMOUS-CONSENT REQUEST

Mr. BYRD. Mr. President, I ask unanimous consent that consideration of the President's veto message on S. 742, the Fairness in Broadcasting Act of 1987, be postponed until Wednesday, July 1; that there be a time limit of 2 hours, to be equally divided, for debate, that time to be controlled by Mr. Hollings and Mr. Packwood; and that the debate begin at the hour of 10 o'clock a.m.

Mr. PACKWOOD. May I have a clarification? Would it be presumed that we would vote to sustain or overrule the veto at the end of the 2 hours?

Mr. BYRD. That would not necessarily be the case. All rights of Senators under the present situation today—a motion to refer, a motion to postpone—would still be available.

Mr. PACKWOOD. I do not know if the unanimous-consent request was to include an up or down vote.

Mr. BYRD. It does not. It still leaves all Senators' rights open as they are at this moment.

Mr. PACKWOOD. Let me confer just a moment.

I could not agree to that. I would like to get a final disposition of S. 742, either up or down, on a veto vote. I am willing for the 2-hour limit to start at 10 o'clock, but I would like to get a vote on the veto, if I could.

Mr. BYRD. No motion to refer would be in order, and no motion to postpone.

Mr. President, is my request still pending?

The PRESIDING OFFICER. The request of the majority leader is still pending.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I withdraw my unanimous-consent request.

FAIRNESS IN BROADCASTING ACT OF 1987—VETO

The PRESIDING OFFICER. The Chair now lays before the Senate the President's veto message on S. 742, Fairness in Broadcasting Act of 1987, which the clerk will read and be spread in full on the Journal.

The legislative clerk read as follows:

To the Senate of the United States:

I am returning herewith without my approval S. 742, the "Fairness in Broadcasting Act of 1987," which would codify the so-called "fairness doctrine." This doctrine, which has evolved through the decisional process of the Federal Communications Commission (FCC), requires Federal officials to supervise the editorial practices of broadcasters in an effort to ensure that they provide coverage of controversial issues and a reasonable opportunity for the airing of contrasting viewpoints on those issues. This type of content-based regulation by the Federal Government is, in my judgment, antagonistic to the freedom of expression guaranteed by the First Amendment.

In any other medium besides broadcasting, such Federal policing of the editorial judgment of journalists would be unthinkable. The framers of the First Amendment, confident that public debate would be freer and healthier without the kind of interference represented by the "fairness doctrine," chose to forbid such regulations in the clearest terms: "Congress shall make no law * * * abridging the freedom of speech, or of the press." More recently, the United States Supreme Court, in striking down a right-of-access statute that applied to newspapers, spoke of the statute's intrusion into the function of the editorial process and concluded that "[i]t has yet to be demonstrated how governmental regulation of this crucial process can be exercised consistent with First Amendment guarantees of a free press as they have evolved to this time." *Miami Herald Publishing Co.* v. *Tornillo,* 418 U.S. 241, 258 (1974).

I recognize that 18 years ago the Supreme Court indicated that the fairness doctrine as then applied to a far less technologically advanced broadcast industry did not contravene the First Amendment. *Red Lion Broadcasting Co.* v. *FCC,* 395 U.S. 367 (1969). The Red Lion decision was based on the theory that usable broadcast frequencies were then so inherently scarce that government regulation of broadcasters was inevitable and the FCC's "fairness doctrine" seemed to be a reasonable means of promoting diverse and vigorous debate of controversial issues.

The Supreme Court indicated in Red Lion a willingness to reconsider the appropriateness of the fairness doctrine if it reduced rather than enhanced broadcast coverage. In a later case, the Court acknowledged the changes in the technological and economic environment in which broadcasters operate. It may now be fairly concluded that the growth in the number of available media outlets does indeed outweigh whatever justifications may have seemed to exist at the period during which the doctrine was developed. The FCC itself has concluded that the doctrine is an unnecessary and detrimental regulatory mechanism. After a massive study of the effects of its own rule, the FCC found in 1985 that the recent explosion in the number of new information sources such as cable television has clearly made the "fairness doctrine" unnecessary. Furthermore, the FCC found that the doctrine in fact *inhibits* broadcasters from presenting controversial issues of public importance, and thus defeats its own purpose.

Quite apart from these technological advances, we must not ignore the obvious intent of the First Amendment, which is to promote vigorous public debate and a diversity of viewpoints in the public forum *as a whole,* not in any particular medium, let alone in any particular journalistic outlet. History has shown that the dangers of an overly timid or biased press cannot be averted through bureaucratic regulation, but only through the freedom and competition that the First Amendment sought to guarantee.

S. 742 simply cannot be reconciled with the freedom of speech and the press secured by our Constitution. It is, in my judgment, unconstitutional. Well-intentioned as S. 742 may be, it would be inconsistent with the First Amendment and with the American tradition of independent journalism. Accordingly, I am compelled to disapprove this measure.

Ronald Reagan.

The White House, *June 19, 1987.*

Mr. HOLLINGS. Mr. President, normally we ask unanimous consent that we dispense with the reading because as Senators we are fairly well informed ahead of time and know exactly the content, and it would be just a waste of the Members' time; but in this particular instance, we allowed that to be read in its entirety because I have yet to receive a copy of it. I wondered what fanciful or spurious rationale would be employed for this particular veto.

We find that heretofore for 40 years we have had the fairness doctrine and we have had freedom of speech.

Now, I would not be surprised if it had been signed by Ollie North. They have their own government over there now. We found that all of a sudden no longer is the freedom of speech impaired as it was found by the U.S. Supreme Court in the Red Lion case, that no longer that is the case, that all of a sudden we have freedom of speech, a technological development.

Can you imagine such a rationale, that it is technological?

Here the 100th Congress, the 200th anniversary of our revered Constitution, with the 10 amendments and the Bill of Rights and the first amendment for freedom of speech found by the forefathers and instead we can have technological developments forego as they say there, outlive the doctrine.

I am extremely disappointed that the President has decided to veto S. 742, this Fairness in Broadcasting Act. This legislation represents the return to common sense and basic principles because it easily passed both the Senate and the House of Representatives by fairly substantial majorities.

For the President to turn around and reject this fundamental measure shows a lack of understanding of the fairness doctrine and its importance to the American public.

The President claims here that his veto is based on the infringement now due to technological development of the first amendment. Such a claim we have demonstrated time and time again is incorrect and misguided for in fact the fairness doctrine enhances freedom of speech and gives our citizens a greater variety of information. It permits those who do not own broadcast stations to use the airwaves, the public's airwaves to participate in important public debate and in doing so the doctrine places only a minimal burden on the broadcasters and a tremendous blessing upon the broadcasters, namely has given them not only balance in the presentation of important public issues, but more, their credibility.

In essence, what the President has done is flaunt the 50-year-old fundamental of the public's ownership of the airwaves. Incidentally, that was established by the broadcasters. If you read, historically, the development of broadcasting, you will see in the midtwenties, after David Sarnoff, in 1912, with the sinking of—what was it, the *Titanic*—he got on top of the Wannamaker Building in 1912 with a shortwave set, giving warning and distress notices, saving hundreds of lives, if you please, and following on, then everyone started getting into shortwave. Everyone started using the so-called public airwaves.

By the midtwenties, in 1926, Under Secretary Herbert Hoover, the Secretary of Commerce, it was the broadcasters who came to this national Government here in Washington and said:

> For Heaven's sake, save us. All we have is jamming and no particular signal; no particular message; no one can complete a program; everyone is out there and, after all, it is the public's airwaves. Please regulate us. Please regulate us.

Here, in deregulation Washington of 1987, running pell mell down the road without any sense of history whatsoever, they should understand that what we have done is brought about a very salient revision in our Communications Act of 1934, with the fairness doctrine, whereby we have guaranteed freedom of speech, more or less, or the freedom of expression, as they describe it, and given everyone a chance to be heard.

More particularly, it gives the general public, you and me—I do not own a radio or TV station, the distinguished Presiding Officer does not own a radio or TV station, but we have the comfort and knowledge that wherein there are public issues, issues of public import—that we have a chance to be heard under the fairness doctrine.

I just left my office. There happened to be a broadcaster who was in on another particular matter, not on the fairness doctrine, who said:

> Look, I've spent my lifetime in broadcasting and never have had any trouble with it. In fact, it has worked very well.

The records at the FCC will show that over the past 12 years there has only been one case that resulted in litigation under the fairness doctrine. So it has not been a problem.

So, question: What brings about this particular initiative; namely, the uneducated assault by one Mark Fowler and the Federal Communications Commission, in 1985, finding that somehow the technological developments now have outlived this guarantee in the Constitution of freedom of speech?

With that particular administrative approach, they have now been nibbling away and trying to, more or less, indirectly repeal the fairness doctrine.

That prompted the bill in the House and the Senate and, as I say, substantial majority have agreed with this particular policy over the past several years.

Now, politics, obviously, is entering into this because I find friends who are being pressured on this particular score and being misled. I am afraid we are now being confronted with one of these "win one for the Gipper" kind of political scenarios that goes on in this town, where, irrespective of broadcasters be they Republican, Democrat, Socialist, Communist, or whatever they may be—they are going to be lost in the dust, the viewing and listening public will be lost in the melee, unfortunately, because the President has decided to ignore the fact that broadcast stations are held in trust for the benefit of the public.

The President is clearly saying that we can forget about this trust and that broadcasters only have to care about the bottom line and forget the greater public good.

This has been a distressing development under the Reagan Federal Communications Commission. It is a very saddening thing. Because now we have 16 television stations that swapped hands twice in 1 year. Last year, 1986, 174 were bought and sold. The average price of a television: 40 million bucks. It is an economic venture.

Those who got into it in the early stages realized they had to comply with the fairness doctrine, they had to build up their own credibility with their clientele, the viewing public. They yearned to put on news programs—invested millions and millions of dollars, really, in carrying news. Now, that is endangered species, the news broadcasts. They are cutting them off. They are cutting them off. They just get anybody who reads the AP or UP wires at a particular hour. They are losing their jobs.

Editorially, you ought to see the drop in the number of editorials and editorials being run in the year 1986, all in the pell-mell deregulation mode that hit this Government with the Federal Communications Commission under Mark Fowler. This was his farewell message, as he left the month of April, which prompted our particular bill.

Mr. President, in light of all this foolishness about why we should not have the fairness doctrine, I believe it is necessary for me once again to go through the reasons why the fairness doctrine is needed and why its underpinnings remain sound. Maybe another kick of a mule will help those who are still not convinced of its great value.

Over the past 6 years, I have heard time and again the arguments of those who seek repeal of the fairness doctrine: the spectrum is no longer scarce; the broadcast marketplace is competitive; the fairness doctrine chills speech. The facts, however, belie these claims.

The Government's oversight of the broadcast industry and the establishment of the fairness doctrine rests on four fundamental conclusions:

First. A valuable public resource, the electromagnetic spectrum, remains scarce relative to demand; broadcast channels are limited, despite the introduction of new video and audio services;

Second. Congress in the Communciations Act has chosen a system where a select few are licensed to utilize the broadcast spectrum in exchange for a commitment to operate in the public interest as public trustees;

Third. The doctrine has permitted those who do not own broadcast stations to have an opportunity to participate in important public debate and has provided the public with a greater range of views upon which to make informed decisions; and

Fourth. The doctrine is no more than good journalistic practice that does not chill the speech of broadcasters.

The American system of broadcasting is unique. In the 1920's and 1930's for radio and in the 1940's and 1950's for television, the FCC, with the approval of Congress, developed a system of broadcasting that depended generally on a limited number of full power stations. Congress could just as easily have mandated alternative uses of the broadcast spectrum to produce a greater number of broadcast stations, akin, for example, to cellular radio, although at far less power. Congress could have also decided that this spectrum could be used for a video programming service provided by common carriers under tariff. Under such a scheme, the licensee would have had no control over content. It is also possible that Congress could have required sharing of these frequencies, as is often done in the private radio field.

Finally, Congress could have severely restricted or prohibited renewal of licenses or the ownership of licenses. In each of these theoretical examples, there would have been the opportunities for a far greater number of people to broadcast, albeit with the likelihood of a much smaller audience. Instead, it was concluded that the public interest would be best served by fewer stations with greater power each under the control of a single owner. While the opportunity for members of the public to air their views was thereby limited, broadcasters were required by statute to act as trustees for all the public in exchange for the valuable privilege conferred gratis by the grant of a broadcast license.

I emphasize "gratis." I will tell you right now that the smartest thing you can do is get a license and quit Congress and go into business, if you can figure it out. In fact, it can still be figured, in a way, but not for Delaware, I say to my distinguished colleague from Oregon, under his freedom of speech rationale, "We don't got no freedom of speech" in the first State of America, namely, the State of Delaware, because you cannot get a television broadcast license there, not one television station.

So I think the quick answer to his particular argument is just exactly that. And I would emphasize the millions and millions of dollars being made just in swapping this particular ownership. It really is a trusteeship from the public itself. Just like you and I have a trust here for a 6-year term in the U.S. Senate, we have a 5-year license for the broadcasters in television and radio.

As part of this obligation to serve the public, broadcasters must adhere to the fairness doctrine. The doctrine serves as a surrogate for other methods of licensing that would have permitted more people to own stations. In effect, it permits nonowners to become temporary licensees and the public to receive additional views. By codifying—which is the intent of the measure vetoed by the President—the fairness doctrine, the committee intends to preserve this original allocation of rights and responsibilities.

Mr. President, I emphasize this is a bipartisan measure by the Senator from Missouri, our ranking member, Senator DANFORTH, and myself on the Commerce Committee. It was sponsored, of course, in a bipartisan fashion on the House side under the leadership of the distinguished chairman over there, JOHN DINGELL, and had about a two-thirds vote over there in that particular body where they had a more extended debate.

It is indisputable that the Government needs to control the electromagnetic spectrum. In the early days of broadcasting when there was no such control, people established stations with little or no regard to their effect on other operators. The result was chaos. It was clear that Government oversight was essential to prevent interference and permit the operators and the public to have a clear signal.

The Government's oversight of the spectrum not only extends to preventing interference within a service but to allocating spectrum to prevent interference among services. In making these spectrum judgments, the Government faces an extraordinary difficult task. The prime spectrum was the first occupied and is now the most crowded. There are virtually no open bands in the first 1,000 MHz of the spectrum, even though many users still want access.

In parceling out this prime territory, the Government's aim has been to ensure that each service was in the best interests of the public. Broadcasting, telephones, safety and rescue services, and business uses have taken precedence. In each instance, the Government has established rules for the use of the spectrum concommitment with the type of service offered: public trustee rules for broadcasters; obligations to service all at tariffed rates for common carriers. Where the Government permitted the spectrum to be licensed to many people and where each license served only a limited number of people, the Government generally eased its requirements that a licensee serve as a fiduciary for the public at large.

To have a better grasp of this oversight of the spectrum, one should look at the example raised at the March 18 hearing by Senator PACKWOOD. The Senator asked whether the fairness doctrine should be applied to a newspaper transmitted for publishing via satellite, since the transmission involves use of the spectrum. While this transmission involves spectrum, it is spectrum operated by a common carrier that must permit anyone to have access to it at tariffed rates. The sending of the newspaper is comparable to any telephone conversation, where there are few restrictions on the speaker's message and where the licensee has no control of the message's content. It should also be noted that the newspaper being transmitted goes from one point to about 10 specifically designated locations; it is not sent unfettered to the general public. This transmission, in addition, takes little time, freeing the same spectrum for many other users. It is not a monopoly given in a particular area.

There are two other considerations that need to be accounted for in adopting regulations for the use of spectrum in the public interest. First, the regulation must be effective. It should accomplish the purpose for which it was designed. If not, it should be amended or be replaced. Second, the regulation should be narrowly tailored so as to impose the minimal burden on the licensee. While this poses problems in a nationwide scheme of spectrum regulation, the Government still has a duty to fashion its regulation in conformity with this objective.

The underpinnings for Government control of the spectrum are firm. Its rulings have been upheld time and time again by the courts. They have proven to be of great use to the public. Let me now turn to the rationale for the fairness doctrine and demonstrate why it remains as sound today as the day it was initiated.

SPECTRUM SCARCITY

While we have seen greater use of the spectrum, we have also seen tremendously greater demand. Experience has shown that the hardest fought battles at the FCC are about spectrum. The result is that scarcity continues. One FCC official put it best when he said about the spectrum:

> They (users seeking spectrum) dont want a lot. The problem is, there isn't a lot left.

The FCC, in fact, has used the scarcity rationale to justify recent actions. For example, in the 1984 FM subcarrier proceeding, the FCC states:

> The mandate of Section 301 that we provide for the use of channels authorizes the Commission to allocate the Nation's scarce spectrum resources. In attempting to satisfy that mandate, the public's need for new or additional services must be balanced against the limited spectrum available.

The broadcast community also acknowledges this fact. In a recent speech, the president of the National Associations of Broadcasters prominently noted that the spectrum remains scarce.

The fact of the matter is that you just cannot walk in to the FCC and obtain a license to operate a television or radio station in a major market. There are very few available. In the top 50 markets, there are only about 10 full power, albeit UHF, commercial television channels available. All toll, there are 136 commercial television channels vacant. A similar situation exists for radio.

Not only must the gross number of stations be viewed in context of the demand, it also must be viewed in the context of the actual market served. It is, for example, misleading to state that a market has competition because there are a large number of radio stations. The reality of the radio market is that people rarely "turn the dial." Over a short period—the time an issue may be important—people listen to, on average, less than three radio stations. In addition, almost all people in a market listen to their few stations on most days. In sum, it is clear that there are well-defined submarkets for radio with loyal, intense, and significant audiences. In light of this fact, comments about gross numbers somehow being equated with competition have little meaning.

The FCC and opponents of the fairness doctrine also cite new methods of transmitting information—new technologies—as another factor with undercuts the scarcity rationale. We reject those arguments for several reasons. First, scarcity is not a matter of the absolute number of broadcast outlets or new forms of electronics media; as long as more people seek licenses to use the spectrum than can be accommodated there is scarcity. Second, as noted above, the arguments ignore the fact that broadcasters are statutorily obligated to serve as public trustees, granted the use of a valuable resource, and, in return, can and should be subject to modest requirements to assure that their trust is exercised in the public interest. Third, we disagree that scarcity is a thing of the past, even in absolute terms. Of these new technologies, cited by the FCC, only cable television has even begun to reach a significant number of households, and a great deal of what cable offers and what its audience watches is retransmitted coventional television stations. You and I live in Washington, DC, and we cannot get cable.

The opponents of the fairness doctrine regularly argue that it is newspapers that are truly scarce, not broadcast stations.

We do not have any rapport with newspapers. I think there is one Governor, a Governor in Florida, trying to just get the newspapers advertising taxed. You can get to food and all these other things with a sales tax, but if you are going to start messing around with the newspaper boys and their advertising, then you are in real trouble. We do not have any governmental, and should not have any governmental, control over regulation over newspapers.

Those who argue about a scarcity of newspapers base their argument on the fact that the number of daily newspapers in this country has decreased significantly over the past 30 years, that few cities have more than one daily newspaper.

While comparisons between the broadcast media and daily newspapers may seem relevant to the question of the appropriate scope of Government control over broadcast licenses, in fact, they have little validity.

Comparison of broadcasting outlets and daily newspapers completely ignores the Government's essential and long-established role in allocating and licensing spectrum, including the broadcast frequencies. As was discussed above, the American system of broadcasting is an artificial construct resulting from this Government control. There did not have to be such a system; in fact, nothing required the creating of broadcasting at all. Video programming could have traveled into our homes by wire, as with cable television. Competition for this spectrum has been fierce. Many spectrum users and potential users would want these broadcast frequencies and use them extensively. As a trade off for the unique system of broadcasting our Government created, licensees have certain obligations. So long as potential licensees have no alternative media to use, these obligations need to remain in effect.

In contrast, there are no similar, Government-created limitations to entry into the newspaper field. No Government license is required. While the current economics of the daily newspaper market are such that it is difficult today for more than one daily to exist in each market, anyone can freely enter. That is what the Washington Times did right here, in the District of Columbia. By comparison, entry into broadcasting is limited by a physical scarcity of spectrum that is allocated solely by the Government. In the same market in which the Washington Times was able to begin publishing only a few years ago, for instance, there are no open broadcast frequencies.

To demonstrate further that there are few, if any, alternatives to holding a broadcast license, one should examine the committee's 1985 hearings on the Clean Campaign Act, legislation concerning the use of broadcasting during election campaigns. Throughout these hearings, the committee heard testimony that broadcast media and other media were not comparable, that election campaigns were largely run with broadcast advertisements, and that this was where between 50 and 90 percent of a candidate's funding was spent. The most telling statement about this fact was made by Curtis Gans, vice president and executive director of the Committee for the Study of the American Electorate, who said:

> * * * television is not simply another means of communication. It is to conventional means of communication what nuclear weaponry is to conventional weaponry.

While this evidence may be seen as support for broadcasting's importance or effectiveness, that is not why it is mentioned and supportive of the committee's finding. Rather, it establishes a rationale for the tremendous demand to hold broadcast licenses and helps explain why all the alternatives given by the Commission in its 1985 fairness doctrine report are not comparable in fact.

THE FAIRNESS DOCTRINE ENHANCES SPEECH

At the March 18 hearing on S. 742, Charles Ferris, a former Chairman of the FCC, articulated the "beauty" of the fairness doctrine:

> It furthers first amendment principles, because it requires more information * * * the only remedy under the fairness doctrine, if you go through the process * * * is: Go out and cover the story some more, more information; do not let it be one sided, do not let it be out of balance.

An examination of the day-to-day workings of the fairness doctrine demonstrates that Mr. Ferris is correct. Rather than operating to restrict speech, the fairness doctrine increases speech on issues of public importance. The fairness doctrine has effectively served the substantial Government interest recognized in Red Lion and League of Women Voters in guaranteeing that the public receives contrasting viewpoints on controversial issues of public importance and has also vindicated the interests of nonmedia speakers in airing their viewpoints. The Supreme Court, based upon 20 years of experience with the doctrine, found this to be the case in Red Lion, as did the Federal Communications Commission in its 1974 fairness report.

Now comes along the veto message and they say technological developments have done away with and outdistanced the doctrine of freedom of speech and freedom of press.

No material changes in circumstances have undermined these conclusions. While the fairness doctrine does not confer upon any particular group or individual a right to air their views, both the courts and the Commission have recognized that broadcasters should, as one means of complying with fairness doctrine obligations, allow speakers to present their own views directly to the public. For example, the Commission has stated that:

> As a public trustee [the broadcaster] must present representative community views and voices on controversial issues which are of importance to his listeners * * * and this means also that some of the voices must be partisan. A licensee policy of excluding partisan voices and always itself presenting views in a bland inoffensive manner would run counter to the "profound national commitment that debate on public interest issues should be uninhibited, robust, and wide open."

At its heart, the fairness doctrine is no more than good journalistic practice. It is just for this reason that many broadcasters support it. One prominent television journalist, Fred W. Friendly, put it best in a statement to the Commerce Committee:

> Let me assure you that I am opposed to all prior restraints or any FCC review on a program by program basis. But I think we've seen over the past 5 years (since 1979) that the fairness doctrine is no longer the chilling threat that broadcasters screamed about. It is true that in the 1960's and the 1970's zealots at the FCC tried to execute the doctrine as though it were a law with sharp teeth * * * But in 1982, the fairness doctrine is once again only a doctrine and one that every responsible journalist should strive for * * *.

I would not dispute that there have been specific instances when the fairness doctrine has made a broadcaster wary about airing a program or advertisement. But, the times have been rare. In fact, a 1984 study by the National Broadcast Editorial Association showed that the two greatest reasons for not airing editorials were: The time it took and the perceived lack of audience interest. Furthermore, it must be remembered that the doctrine obligates broadcasters to air matters of public importance. Any claims that it inhibits the airing of programs or advertisements are therefore questionable.

CONCLUSION

The debate on the fairness doctrine is, at its roots, a debate over Government control over a public resource, the spectrum. Under the current, American system of broadcasting, the FCC has decided to allocate a relatively limited amount of this spectrum and permit each licensee to control the content of what is transmitted over this spectrum. To balance the limited number of opportunities the public has to become licensees and to provide the public with a greater number of voices, the Commission has required these broadcast licensees act as public trustees. The fairness doctrine is a fundamental requirement of this public trust. Without it, and the public trust would mean little.

We have clearly demonstrated that the underpinnings of the fairness doctrine remain strong. Scarcity of the spectrum, few alternatives to broadcast licenses, the effectiveness of the doctrine, and the deminimus burden on broadcasters, all are as sound rationale as when the doctrine was adopted and when it was upheld by the Supreme Court. It is for these reasons that we need to ensure the continuation of the fairness doctrine. A doctrine that has proven over its history that it enhances speech and the provision of information to the public.

With the FCC's elimination of many of the public trust requirements of broadcasters, there has been a tremendous turnover in the ownership of broadcast stations. In a sense, the risk of having a license taken away by the Commission has been significantly reduced, and consequently, they are being treated somewhat like other commodities. As a result of this great change in ownership, the industry is no longer dominated by those who have had a commitment to serve the public. Many of the new owners are faceless corporations who have regard only for the value of the license and the ability to turn it over for profit, not for the service responsibilities that are entailed.

This is a troubling trend. Along with most of my colleagues, I do not agree with the Chairman of the FCC, Mr. Fowler, that broadcast stations should be treated like toasters. While I have sanctioned much of the deregulatory measures for the broadcast service, I continue to strongly believe that the broadcast marketplace is not so competitive as to relieve broadcasters of their public trust obligations. The fairness doctrine is at the heart of these obligations, a fact noted by the FCC in keeping the fairness doctrine as a safety valve for the deregulatory steps that have occurred so far. The doctrine takes on added importance in this new broadcast environment.

So, Mr. President, for all the reasons that I have stated, I believe the fairness doctrine should be retained and the veto of the President of the United States be overridden.

Mr. President, as noted earlier, I have only received, at the reading of our distinguished legislative clerk, the veto message itself. I think, under the circumstances, I have not had an opportunity to discuss this veto message with my distinguished colleague, the ranking member, the Senator from Missouri [Mr. DANFORTH] and other members of the committee who are interested in this particular measure. While trying to work it out with my distinguished colleague, the Senator from Oregon [Mr. PACKWOOD], next week or the following week or whenever we come back, I think the better course now, since we have not been able to work that time out, is a motion.

I now move, Mr. President, that the veto message of the President of the United States on S. 742 be referred to the Committee on Commerce, Science, and Transportation.

The **PRESIDING OFFICER.** The question is on agreeing to the motion.

The Senator from Oregon.

Mr. **PACKWOOD.** Mr. President, I rise in opposition to the motion. May I ask if my distinguished colleague, said to refer it to the Commerce Committee?

Mr. **HOLLINGS.** I did, Mr. President.

Mr. **PACKWOOD.** I thank the Senator.

Mr. President, in his comments, my friend from South Carolina indicated that this would become a test of "win one for the Gipper." What he meant was, if we were to vote on the veto today, would the veto be sustained or would it be overridden? Very clearly, it is not in the interest of the Democrats for the President to win anything. The President's veto would be sustained today. There are the votes to sustain this veto.

There are the votes to sustain this veto. The Senator from South Carolina knows it, the majority leader knows it, and the Presiding Officer knows it.

I am not going to reveal to the Chair how many votes there are in support of the veto, but there are a significant number in excess of the minimum required to sustain a veto.

So, as the Democratic Party does not want to give the President a victory, they are going to move to refer the veto message to the Commerce Committee. That takes only a majority vote. They are going to get a majority vote; there is no question about that.

The vote on the motion to refer may or may not be a test vote of how people would vote on veto, because this is a procedural vote; and in the Senate, we traditionally stick with the leadership on such votes. I do not know how many votes I might have had on the Democratic side on a veto who will stick with the leadership on the vote to re-refer. That is the procedure. That is the politics of it. But the public can be well aware that the President would have won a victory today. The veto would have been sustained.

Now let us go to the substance of the issue.

My good friend from South Carolina says that the public owns the airwaves. There is no quarrel with that. It was decided years ago, long before we ever regulated radio, in common-law decisions, that the public, the Government owns the air. It owns the air that planes fly through. It owns the air that frisbees sail through. It owns the air that broadcast messages are hurled through. There is no argument on that issue.

The question is, assuming that we do own the airwaves, is it wise public policy to regulate what broadcasters can say an cannot say on the airwaves? This is not a one-legged stool. This is not simply saying to the broadcasters, "Be fair," This is telling broadcasters how they must broadcast, what they must broadcast—that is, they must report controversial issues and must do it fairly. That is the fairness doctrine.

The Senator from South Carolina indicated that in the early days broadcasters wanted regulation. That is true. There was no allocation of frequencies. One broadcaster could broadcast on frequency 680. Another broadcaster could locate a mile away and broadcast on frequency 680. Two miles away another could broadcast on frequency 680. Clearly, the public interest was not being served by three broadcasters overlaying each other in signals, so that nobody's signal could be heard. That is when they asked for regulation.

In the 1920's and 1930's in this country there was a spate of regulation. We regulated trucks. We regulated who could own a truck, where they could go, what they could carry, and what they could charge. Yoy had to go to the Interstate Commerce Commission to get into the business. You had to go to the Interstate Commerce Commission to find out what you could charge. You had to go to the Interstate Commerce Commission to find out what you could haul.

We regulated the airlines—and I do not mean airline safety. We still regulate airline safety. I mean we regulated who could be in the airline business, where they could fly, when they could fly, how much they could charge, whether they could change their rates. It is all history.

In the late 1970's, we deregulated the trucking industry and we deregulated the airline industry. Do you know why? We said, "There is now enough trucking competition that we no longer need Government regulation. There is enough airline competition. We do not need Government regulation."

I emphasize that we did not deregulate safety. We did say: "Henceforth, all airlines can fly where they want, and can charge what they want." Prices have gone down substantially compared to what they would have been. Shippers by truck pay lower rates than they would have had we not deregulated.

So, just because we regulated something once—broadcasting, trucks, airlines—does not mean we have to do so forever.

In the case of the truckers and the airlines, they, too, asked for regulation. The fact that they once asked for it does not mean they wanted it or need it forever, nor that it is in the public interest.

Now we come to the issue of broadcasting. Broadcasters asked for regulation once, in the mid-1920's. Is the public interest now served by continuing broadcast regulation?

I might say as an aside here that the proponents of broadcast regulation use the rationale that we are using the spectrum, the airwaves, and inasmuch as everybody cannot use the airwaves, we need to regulate it for the public good. Those who want to regulate want to apply the same regulations to cable, and cable does not use the airwaves. If there is any shortage of cable, it is not that enough people cannot put their message in the air. The only shortage of cable is political. We may not allow two, three, four, five, or six cable companies to be licensed. They send their messages through wires. You can have as many cable stations as the Government wants to allow, but there is no shortage of how many you can allow.

The proponents of the fairness doctrine and broad regulation want to regulate cable, also. Let us put aside the argument that the spectrum is the use of a scarce resource. That is not the proponents' real reason for supporting the fairness doctrine. Their real reason is that they think that, from the standpoint of the public interest, cable, television, and radio should be regulated to broadcast as we think best—"we" being the Government. We will tell them what they can do, what they cannot do. When their license renewal time comes up, if they have been good, they will have their license extended; if not, it will be taken away, good or bad, as we see it. That, I submit, Mr. President, is an arrogant and dangerous power.

We talk about the founding of this country 200 years ago this year—I should say the founding of the Government. The country, of course, was founded in 1776. Two hundred years ago, there were eight daily newspapers in this country—eight. They were mean, bitter, passionate, partisan, slashing, critical newspapers. We do not have a newspaper in the country today, including the worst tabloids, that holds a candle to the vitriolic attacks that appeared in the press at the time of the founding of this country. But the only method of communication that our founders knew were these newspapers, a few pamphleteers, and street-corner orators. Our founders, brilliant as they were, could not conceive that messages could be sent through the air. It was beyond their ken. But, scarce as communication facilities were in 1787—eight newspapers—they said that the freedom of those papers to publish what they want, to say what they want, to attack the founders of the convention, were so privileged and needed to be protected that we passed the first amendment, which said that you have absolute freedom of the press and speech in this country.

Had our broadcasters existed in 1787, our founders clearly would have said that broadcasters are entitled to the same privileges and protections as print. There is no question what they would have done, had they been able to imagine it. But because they could not, and because in the 1920's we started to have a few radio stations, and because we had no regulation of who could have which frequency, we started to regulate broadcasting.

We had slightly less than 100 stations in the mid-1920's. When the fairness doctrine was adopted by the Federal Communications Commission in 1949, there were about 2,600 radio stations in the country. There are over 10,000 today.

I do not care what the Senator from South Carolina says about people only listening to three radio stations. You do not have to listen to only three radio stations. Anybody who has a child and drives a child around town knows full well that there are more than three radio stations that people listen to. We are not lacking for variety and choices in radio or television. There are more than 1,700 television stations in this country. We are not lacking for access to information.

So, while in theory you can make the argument that the spectrum is scarce and only so many people can have radio stations, as a matter of fact, from the standpoint of the listening public, the public is not in any way shorted of opportunities to hear different kinds of stations.

The argument will be made that not everybody can start a radio station; but anybody can start a newspaper. Those who make this argument will cite the example of the Washington Times, founded by the Unification Church, Reverend Moon. The Unification Church has poured millions and millions and millions of dollars into the Washington Times. And they are losing money. There are not many people who can afford to do that.

When we had hearings in the Commerce Committee on the fairness doctrine several years ago, when I was chairman of the committee, we heard from over 50 witnesses over the course of several days of hearings—as opposed to one afternoon of hearings that we had this year. During these hearings, one of the people I got information from was a lawyer who was involved in the buying and the selling of newspapers and broadcast property.

I was really calling him up to get comparative values, radio versus a newspaper, but while I was talking to him I said, "Can you tell me how many daily newspapers have been started in this country since the end of World War II?"

He had to think a minute. I was thinking 100, 200, 300.

And he said, "Let me think." He said, "I think four, maybe five—let me think again." He said, "Maybe five if you don't mean a weekly paper that just happened to be in an area which grew and the newspaper grew into a daily as the area grew."

You had Newsday on Long Island. You had a paper in, I think he said, Knoxville. It was a town in Tennessee, but I could not swear it was Tennessee, where he said you have a failing afternoon daily and another newspaper came in and started in the morning. You had a Gannett, he said, in Cocoa Beach, where they just looked at the area, thought about the space program, they saw it was going to be a booming area, and they started a daily.

He said, "You've got USA Today and the Washington Times."

He could not think of any more. There may have been another one or two or three daily newspapers that have started since the end of World War II, but that is it.

Yet we have had over 8,500 new radio stations started since the end of World War II. There are by far more radio stations in this country today than daily newspapers; over 10,000 radio stations, about 1,600 daily newspapers. There are even more television stations than daily newspapers.

When somebody says you cannot start up a radio station but you can start a newspaper, a better analogy is this: Almost anybody can start a radio station if by that you mean a CB radio in your car. There are millions of those, and almost anybody can get one. And almost anybody with a mimeograph can start a newspaper if you call a mimeograph a newspaper. But do you mean does the average citizen in this country have a better chance of starting or buying a radio station or a newspaper, there is no question as to which it is easier to start.

Take a look at any of the broadcast publications. I have just one ad. This is from the April 13 edition of Broadcasting:

> Nice facility, full-time clear channel—

That means 24 hours a day—

> full-time clear channel, AM in fast-growing progressive market, 75,000-plus population, first-rate station addition, $325,000, $100,000 down; will move fast; must have financial statement.

And $325,000 for a radio station in a market of 75,000 in which there are, I will take a guess, probably 15 stations, may 20.

To buy the newspaper in that town, if there is a daily newspaper in the town of 75,000, and there probably is—again, this is a top-of-the-head guess, and I may be off by a factor of two, to buy the newspaper, I would guess, would cost $24 million to $30 million.

You talk about scarcity, Mr. President. If you are talking about which communication area the average citizen is likely to get into, which is the scarce communication resource in this country, it is newspapers, not broadcasting.

Let me elaborate a little more on the fairness doctrine itself and why it has a chilling effect on the flow of ideas. The Federal Communications Commission held the best series of hearings of its own. It was the Federal Communications Commission in 1949 that developed the fairness doctrine, and then in a long series of hearings considering the pros and cons of it several years ago, they concluded it had a chilling effect on broadcasters. By "chilling" they mean broadcasters were reluctant to controversial issues, and here was the reason: the fairness doctrine consists of two things: First, a requirement to cover controversial issues; second, a requirement to cover them fairly.

The problem radio stations get into, with very minor exceptions, is not whether or not they covered a controversial issue. With very few exceptions, the trouble they get into is when they do cover a controversial issues. They exercise their journalistic judgment and discretion, and put out a story that they think is fair and then get threatened with lawsuits by somebody who says, "You didn't cover it fairly."

What the Federal Communications Commission discovered after days and days of hearings is that most broadcasters, especially in smaller areas where they cannot afford $5,000, or $10,000, or $100,000 in legal fees to contest one of these fairness issues, simply avoid controversial topics and nobody sues the much for that. Most people are not aggravated by what they do not hear; they are aggravated by what they hear, and they think it is not fair, so they complain. That is the chilling effect. Broadcasters do not cover controversial matters, so you get a bunch of bland broadcasting stations.

You never hear the wonderful controversial dissents and differing opinions on radio and television that you find in almost every newspaper with editorals and letters to the editor. You do not find that an radio and television. Every now and then in almost a public service type of presentation, they will have an editorial on: "Wouldn't it be nice to have a traffic light at the grade school crossing?" And then they will say if anybody has any conflicting views write the station and we will put the other side on. If somebody is opposed to the traffic light they will get on.

That is about the limit of the types of passion that broadcasters cover, and I do not blame them with the fairness doctrine.

Mr. President, with this doctrine, here is where the danger comes: With this doctrine, you can frighten broadcasters because if the Government can tell broadcasters that they must cover controversial issues, then we have the right to tell them that they cannot cover certain controversial issues, or that if they do cover them, they must cover them in a way that the Government thinks is right for the public interest. I would hope that none of us are so lacking in history as to think that all governments in this country, Republican or Democrat, conservative or liberal, 18th century, 19th century, or 20th century are always so benign and decent that they would always tell the broadcasters exactly how to cover things and it would not in any way be meant to benefit the Government; it would be meant to benefit the public.

The Wall Street Journal today quoted a well-known quote. President John Kennedy's Assistant Secretary of Commerce is speaking—bear in mind the fairness doctrine is in effect at that time:

> Our strategy was to use the fairness doctrine to challenge and harass rightwing broadcasters and hope that the challenges would be so costly to them that they would be inhibited and decide it was to expensive to continue.

That is the fairness doctrine, Mr. President, put into the hands of a zealot who wants to drive people off the air that they do not agree with, it is a dangerous thing. If we have the right to tell people that they must adhere to the fairness doctrine, we can tell them they have to adhere to any fairness doctrine as we want to interpret it. The irony is that on the fairness issue, there are two broad spectrums that support it: The far right and the far left. Phyllis Schlafly and Reed Irvine on the right support the fairness doctrine. There is an equally shrill group on the left that supports the fairness doctrine. And they support it because both extremes see nothing wrong with using the force of the Federal Government to coerce broadcasters to deliver messages as they want them delivered.

These are the strange tactics of extremism: "Wait until I am in power and I will use all the levels of Government, and the controls of Government, including the control of the broadcasters, to make them say what I want them to say."

Mr. President, another argument that is made in support of the fairness doctrine is broadcasting is so persuasive and so powerful that they must be regulated.

Mr. President, that is exactly the reasons we should not regulate them. The last thing the Government should be doing is regulating the most powerful fashioners of public opinion in this country. It is the most dangerous kind of power that a government can exercise.

Mr. President, I would now like to turn to the Red Lion case. The Red Lion Broadcasting Co.'s radio station carried an editorial attacking an author named Fred Cook. Mr. Cook demanded that the station give him free time to respond to the editorial. He could have brought the time, but he demanded free time. The station refused. It went to the FCC, and finally to the Supreme Court, and the Court said, no, they had to give Mr. Cook free time because what the station had done was violate the fairness doctrine by allowing the presentation of only one side of the issue.

(Mr. KERRY assumed the chair.)

In that case, and it is the lead case to date, although the Supreme Court in the last year has invited a reexamination of that case, the Court held that the scarcity doctrine still exists and under scarcity, you can regulate broadcasting.

I want to emphasize again I do not argue with the theory that the Government owns the airwaves. I will quarrel with the conclusion that the airwaves are so scarce that it justifies regulation. I hope I have proven over and over that there is infinitely more scarcity in newspapers than there is in broadcasting. I quarrel with the conclusion that because we own the spectrum we ought to regulate it, and we have the right to tell broadcasters what they can say and what they cannot say.

Mr. President, on occasion I am accused of parading a list of horribles, a list of things that could happen under the fairness doctrine. Well, Mr. President, these things have happened from time to time. I see the Presiding Officer is from Massachusetts. It happened in his State with Simon Geller. Simon Geller had a radio station in Gloucester, MA, a one-man operation, a daytime operation. He broadcast classical music all day long.

He did not broadcast any weather reports, traffic reports, news, talk shows, just classical music.

Gloucester gets 40 other radio stations. It was then an area of about 30,000 people. It was not short of radio stations.

Mr. Geller's license ran out. In those days we had 3-year radio licenses. He applied for renewal. He was challenged by a corporation that wanted his frequency, and the corporation said:

> Mr. Geller is not serving the public interest and if we get the license we will devote some of our time to talk, news, weather.

The Federal Communications Commission took Mr. Geller's license away and gave it to the corporate challenger. The FCC's holding was that Mr. Geller was not serving the public interest because he broadcast classical music all day.

Gloucester was not short of weather reports, traffic reports, talk shows, or news. There were 39 other stations and all of them, in one form or another, broadcast the weather, traffic, talk, news. But, for those who wanted to listen to classical music and only classical music, they turned to Mr. Geller. His license was turned down because the Federal Communications Commission said he was not serving the public interest.

He appealed his denial to the Federal courts. They sent the case back to the FCC to be reconsidered, and the FCC changed its decision. Now the FCC was saying: It is all right, Mr. Geller was broadcasting in the public interest.

Why do I use this case as illustrative? Because it is another example of the Federal Government determining what is in the public interest; fairness, but fairness as the Federal Government defines it. Broadcasting classical music all day? No says the Federal Government, this is not in the public interest. But a couple of years later the Federal Government finds it is in the public interest.

Mr. President, we talk about a government of laws. This is a government of men: Arbitrary. As the Commissioners change on the Commission, the decisions change.

Now let me turn to the Miami Herald case, Miami Herald versus Tornillo, as was referred to earlier—the first of the really frightening cases portraying the merger of print and broadcast.

The Florida Legislature had passed a statue saying that newspapers if they attacked someone had to give equal space to respond to the person they attacked. It is very similar to a doctrine which we impose on broadcasters called equal time. If a broadcaster gives time to one candidate he has to give time to the other candidates. Miami Herald versus Tornillo was an equal space statute.

Tornillo was a candidate for the State House of Representatives. The Miami Herald endorsed the other candidate and criticized Tornillo. Tornillo sued them. He wanted equal space. He asked for it. The Miami Herald would not give it to him. The case was appealed to the Florida Supreme Court. It was an interesting decision.

The Florida Supreme Court first looked at the factual situation of the Miami Herald and they found that it used telephones; that it used the Associated Press, International News Service in those days, United Press Wire Service to get their stories. They found that the Miami Herald was actually functioned by the electronic transmission of information, that is, broadcasting. The court had to make a decision between the first amendment freedom of the print media and the right of the Government to regulate broadcasting. Print and broadcasting had become so intertwined that you could not now tell one from the other and the use by print of electronic facilities was so great, it tipped the Miami Herald into the broadcasting business. The Florida Supreme Court held unanimously that the equal space statute was constitutional.

The case was appealed to the U.S. Supreme Court. The U.S. Supreme Court reversed it unanimously on first amendment grounds. Interestingly, the Court never commented on the factual holdings that the Florida Supreme Court passed on. It never made any comment about this intertwining of print and electronics. It just ignored the findings of the facts and said the statute violates the first amendment.

The reason I emphasize this case is because it was decided 15 years ago. I do not need to tell this Senate what has happened to the intertwining of broadcast and electronics and print in the last 15 years. It has become more and more intertwined. One day the Supreme Court of the United States is going to face, on the facts, a case of a print broadcaster so intertwined with electronic transmission, or transmission of information over the spectrum, that there will be no question that that printer is electronic. The Federal Communications Commission and this Government will have attempted to impose on that printer the fairness doctrine or the equal time doctrine, or any other doctrine that the Government thinks it has the right to impose on people that use the spectrum.

Do you think that day is not coming? There were hearings this year at which Prof. Robert Shayon from Annenberg School of Communications at the University of Pennsylvania was testifying. I was questioning him about the transmission methods of the Wall Street Journal, the New York Times, and other newspapers. But these were the two I used as examples.

These papers have printing plants around the country and, from their headquarters they beam information up to a satellite and they beam from the satellite down to their printing plant. That is the way they transmit what appears in the different editions that they print around the country. This is the exact same story that they print in their main edition, wherever that main edition is printed.

Here is the exchange between Professor Shayon and myself:

> Senator PACKWOOD. Professor, you say in point two: Scarcity of spectrum space is still an inescapable fact. Correct?

Professor SHAYON. Correct.

Senator PACKWOOD. And it is on scarcity that is pinioned the right of the Federal Government to impose the fairness doctrine.

Professor SHAYON. Right.

Senator PACKWOOD. Indeed, the New York Times and the Wall Street Journal do transmit electronically, correct?

Professor SHAYON. Yes.

Senator PACKWOOD. And the satellite company is licensed?

Professor SHAYON. Yes.

Senator PACKWOOD. And it sells space on the satellite?

Professor SHAYON. Yes.

Senator PACKWOOD. Could you use the scarcity doctrine to require the New York Times and the Wall Street Journal to beam or not beam certain materials because they are using the spectrum?

Professor SHAYON. Well, that is a ticklish point that the courts and the Congress and the people who study communications are wrestling with now. We are in a transitional period. It is a grey area.

I want to interject here before I go on. When he says "transitional period," what he means is a transitional period from freedom of the press to whatever this transition is going to. And here is where he wants it to go:

Senator PACKWOOD. Do you think that you should be able to direct the Wall Street Journal and the New York Times, if they are using the spectrum, what they may or may not beam?

Professor SHAYON. I think that the spectrum is limited and if the big users shut out small users then the government should act to make fairness the ruling guideline.

Senator PACKWOOD. You think we could tell the New York Times and the Wall Street Journal what to beam up to their satellite and what to beam down using the Fairness Doctrine?

They send out a story on the Contras. Could a group that does not agree with them demand that they also send out a different version of the story.

Professor SHAYON. Well, they might demand it, but there would be no government sanction behind them to compel it.

Senator PACKWOOD. No, there is none now. But could there be under the Fairness Doctrine with the Times and the Wall Street Journal using the spectrum?

Professor SHAYON. I think I would be willing to examine that, just as I would be willing to examine the problem of newspapers carrying replies following the Sullivan decision.

Senator PACKWOOD. You mean you might compel them to carry it?

Professor SHAYON. There might be a case to be made for it. The government is not only a repressive factor. It represents the total community and sometimes can be used constructively.

Senator PACKWOOD. You have got a lot more faith and trust than I do. On balance, I would rather trust the newspapers and the journalists and everybody else to decide what to put in than to have the government say: New York Times, Wall Street Journal, NBC, if you are going to use the spectrum, you put out both sides of the contra story, you put out both sides of any kind of story, as we see it.

Professor SHAYON. Well, may I say that when the Founding Fathers wrote the Constitution, they were conscious of only one repressive force. That was the Washington. The King of England had repressed them and they wanted to stop that in their new republic. Had the Founding Fathers been aware of the emergence of huge corporate establishments with power over communications of this country, I think they would have taken a different view of that also.

That is the danger to this country. Our founders fully well understood the power of communication, the concentration of communication. A few street orators and a handful of newspapers, that is concentration. Our founders protected it, preserved it, and said it is an essential liberty of this country that cannot be touched by the Government.

Do I need to recall the Watergate tapes? And the conversations between President Nixon and his staff about whether they could take away the television license of the station that the Washington Post held in another town—take it away because of what the Washington Post was saying in its newspapers? They asked, "How can we deny them the renewal of their license?" That is the power of the Federal Government.

Let me close with the bill that was introduced by Senator HOLLINGS, Senator INOUYE, and others, the re-regulation bill, as I call it, to re-regulate broadcasting in this country. We have had some slight deregulation. Here is the standard proposed by this bill when your radio or television station comes up for relicense:

> In any case in which a radio broadcasting station licensee submits to the Commission an application for a renewal of its license, the Commission shall grant such application if it finds during the preceding term of its license the licensee's programming as a whole has been meritorious.

"Meritorious." That is the power they use in the Kremlin. That is the power we see exercised in Panama when civil liberties are set aside, and in South Korea.

There is nothing more dangerous in government than good men and women who know they are right. God speaks to them and they know they are right. "If you do not understand what God says, we are going to use the power of the government in all of its ramifications including the control of broadcasting to make you understand what is right." Part of that is passing laws and regulations so that broadcasters cannot tell you anything that is not meritorious.

That is what this debate was about: not just the fairness doctrine, but whether it is in the interest of this country that the Federal Government tell broadcasters what it is they can and cannot say; whether they tell broadcasters what is and is not meritorious as they review their licenses.

Mr. President, I realize that while I have the votes to sustain the President's veto of this bill today, I do not have the votes to stop it from being sent back to committee. But when the day comes that we "know" what is right for the public to hear or see or read, and when we take away the licenses of broadcasters that do not broadcast "meritoriously," that is the day that liberty gradually ebbs in this country. It will be a sorry day for this Government. It will be a sorry day for the American people.

Mr. President, I ask unanimous consent to have printed in the RECORD a variety of editorials and articles from the Washington Post, the New York Times, and the Wall Street Journal, on the fairness doctrine.

I also ask unanimous consent to have printed in the RECORD letters to the President from William Paley, chairman of the board of CBS, and from Walter Cronkite, the newscaster, calling for a veto of the fairness doctrine bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Apr. 2, 1987]

FAIRNESS FLIMFLAM

How could anyone be against something called the Fairness Doctrine? That's what members of Congress may be thinking when they vote this month on a bill enshrining into law the requirement that broadcasters provide equal time to all sides of "controversial" topics. Touted as a way of getting diverse viewpoints heard, this requirement actually inhibits free speech by discouraging broadcasters from touching controversial issues.

The doctrine is not a law, but merely a rule adopted 38 years ago by the staff of the Federal Communications Commission. A court ruled last fall that the FCC, under Chairman Mark Fowler, had the power to repeal the doctrine if it wanted. Sen. Ernest Hollings (D., S.C.) wants to pre-empt any such deregulation, and last week got his codification of the doctrine through the Commerce Committee.

Bill Monroe, the former host of NBC's "Meet the Press," has said the doctrine encourages broadcasters to reduce or water down their news coverage. It also discourages selling time for any politically flavored ad, even one as imaginative as last year's attack on the federal deficit by W.R. Grace & Co. Accepting such an ad might force the networks to give away air time to "opposing" viewpoints. Conflicting decisions from the courts and the FCC have trapped broadcasters in a legal limbo. A recent FCC decision that a Chicago station did not violate the doctrine by airing paid pro-nuclear-energy ads seems to contradict a 1985 ruling that similar ads on a Syracuse, N.Y., station did create a fairness obligation.

The doctrine was always on shaky constitutional grounds because of the First Amendment. In the 1969 *Red Lion* case, the high court upheld regulation of the electronic medium on the ground that there was a natural "scarcity" of outlets for diverse viewpoints. At the time, there were only the three big networks. In a 1984 decision, the court said it might reexamine the doctrine in light of the new technological landscape.

Now there are almost too many outlets to count—even a simple cable-television system has 25 channels. To say there is "scarcity" today is a little like saying there aren't enough televised game shows. A channel selector is a news junkie's nirvana. Cable News Network runs 24 hours a day. C-Span broadcasts congressional proceedings on two channels. Given all this, the concept of a "fairness-seeking" government looking over the shoulders of broadcasters is absurd.

The key group in support of the status quo is Congress. We suspect that what worries some members most is that some of the new outlets might not "adequately" cover them and their causes. Sens. Claiborne Pell (D., R.I.) and David Boren (D., Okla.) propose requiring free air time for the two major parties during the last two months before an election. That sounds like a taking of broadcasters' property without compensation, and anyway why can't viewers decide for themselves what information they want to consume? If they don't want to watch politics, it can hardly be described as public-interest programming.

Support for the Fairness Doctrine is support for the government's deciding what the public should be watching or hearing. That notion is unwise in times of calm and dangerous in times of crisis. If the Constitution is clear on any point, it is that free speech isn't free if it can be dictated by bureaucrats. Congress seems ready to ignore that principle, and if it does, it will be left to the Supreme Court to finally pull the plug on government regulation of electronic communications.

[From the Washington Post, April 2, 1987]

FAIRNESS IN—AND ON—THE AIR

There's a damaging limitation on broadcasting about to come up in the Senate—but you can look for a lopsided "aye" vote nonetheless. For starters, who wants to reject a longstanding, high-sounding regulation that has been in effect for decades under the name "fairness doctrine"? Besides, what the latest legislation would do is merely codify what the Federal Communications Commission had been requiring of broadcasters by regulation. But in recent years, the FCC had concluded that the rule—which requires broadcasters to air opposing views on issues of public importance that they choose to cover—could and should be modified or repealed. After that, the FCC's power to do this was upheld in the courts, which has prompted the effort on Capitol Hill to ratify and codify the doctrine. But neither this bill nor the rule it seeks to put into law officially is good policy.

A bit of disclosure before we go on: our views are those of an organization with a direct interest in broadcasting. But this newspaper's discomfort with the policy over the years has stemmed from a belief that the rule is inimical to the interests of sound, independent journalism. The original aim was to "maintain broadcasting as a medium of free speech not just for a relatively few licensees, but for all the American people." Fine—but today there are more than "relatively few licensees"; there are many more electronic outlets than there are newpapers, what with AM, FM, cable, satellites, tapes cassettes and whatever else in about to roll onto the market.

Besides, while the presentation of conflicting views is a worthy journalistic policy and one broadly accepted and acted upon by the media, broadcasters should not be required by law to base their overall news judgments on an evaluation of how each report may or may not fit with a particular ideology. At its worst, the fairness doctrine can lead to government control of what is broadcast or—and this has been more the case—a reduction by broadcasters in the amount of air time devoted to controversial public issues.

There is yet another unresolved but troubling aspect to the codification of the fairness doctrine. Sen. Bob Packwood of Oregon, who has long opposed these limitations on television journalism, notes that because the print media today also use the spectrum to transmit material, newspapers, too, might find their First Amendment liberties jeopardized. Others dispute this interpretation, but it is not a comforting prospect.

Congress and the public could rest comfortably without the fairness doctrine in the law, and without fear that somehow the access to opposing views could be cut off. On the contrary, the prospects for free, independent—and fair—journalism would be improved by congressional rejection of the "fairness doctrine" bill.

From the Washington Post, June 2, 1987]

THEY CALL IT FAIRNESS, BUT . . .

Look for more than a few tinny endorsements of fairness, evenhandedness, democratic tradition and probably the American Way this week as members of the House vote on a bill to convert the grossly misnamed "fairness doctrine" from a regulation to a law controlling the broadcasting of ideas. Democrats in particular are having a grand time sounding off about the necessity to air all conflicting views on issues of public importance—and getting some licks in against one of their favorite Reagan administration targets: "deregulation," as invariably and deliberately ill-defined by its attackers. There are enough of these lawmakers around to echo the easy "aye" that probably only a veto and failure to override can stop this damaging restriction of free, independent—and genuinely fair—broadcast journalism.

The measure would codify the old "fairness" rule under which the Federal Communications Commission had been requiring broadcasters to air opposing views on issues of public importance that they choose to cover. The FCC had decided—on solid grounds—that this ruling could and should be modified or repealed. The courts have said that it was within the FCC's power to do this—and that is what prompted the effort in Congress to ratify and codify the doctrine. It would be bad law.

Originally the idea of the legislation was to make sure that America's limited broadcasting frequencies did not close ranks and thereby become a serious curb on free speech. But today those frequencies are a lot more frequent, and an ample supply of electronic outlets exists for the dissemination of the full range of views on any issue. This is not to say that the presentation of conflicting views is either bad or unnecessary; it is a time-honored policy of good journalism, broadly accepted by the media. But government control of what ideas may or may not be aired is not the sort of thing most thinking Americans should accept all that easily.

Our view, though coming from an organization with a direct interest in broadcasting, stems from a belief that the rule is inimical to the interests of sound journalism. Free, independent and fair communications of points of view would be improved not by engraving stipulations into law, but by rejecting this bill.

[From the Washington Post, June 10, 1987]

FAIRNESS CALLS FOR A VETO

Ignoring the fact that there is nothing "fair" about the so-called "fairness doctrine" with which government can control the broadcasting of ideas in this country, Congress has voted to convert this chilling federal regulation into a full-blown law. Those who fell for this measure will trot out all sorts of high-sounding baloney about how this move will make sure that America's broadcasters can't somehow gang up and conspire to keep certain views off the air entirely. In the early days of limited radio and television, that was a legitimate concern. Today, it's more than preposterous; it is a dangerous government control of free, independent, responsive broadcast journalism. President Reagan, who is strongly opposed to this policy, is said to be considering vetoing the bill. He should—and members of Congress who care about genuinely fair offerings of viewpoints over today's vast array of radio and television outlets should vote to sustain the veto.

Those who have been pushing to make the doctrine a law agree that fewer people have access to the airwaves than to print. Really? Leaving aside all the radio talk shows, public-access cable channels and other open forums on the air, the sheer number of radio and television outlets today is hardly restrictive. There are about 10,000 radio stations and about 1,300 television stations in operation. Should every one of these stations be required to air all conflicting views on issues every time they present one or two views on a subject? If so, isn't this likely to inhibit broadcasters from exploring issues?

Our view does come from an organization with a direct interest in broadcasting, but it stems from a belief that the "fairness doctrine" undercuts independent, sound journalism by inserting governmental dictates. That's dangerous, unhelpful and deceptive. The measure should not become law.

[From the New York Times, June 11, 1987]

NEWSPAPER EDITORS ASK VETO OF FAIRNESS BILL

WASHINGTON, June 10,—The American Society of Newspaper Editors urged President Reagan today to veto a bill that would give the force of law to a policy requiring broadcasters to cover controversial issues and present opposing views.

The group said the policy, called the Fairness Doctrine, infringes on the First Amendment rights of broadcasters and inhibits, rather than promotes, coverage of controversial issues.

The Senate passed the measure in April 59 to 31, and the House approved it last week, 302 to 102.

President Reagan opposes the bill, but he has not said whether he will veto it. Senator Bob Packwood, Republican of Oregon, has been trying to put together the 34 Senate votes that would be needed to sustain a veto.

[From the Wall Street Journal, June 23, 1987]

THE BLANDNESS DOCTRINE

Last Saturday, President Reagan vetoed legislation that would have written the Blandness Doctrine into law. Of course none of its congressional supporters call it the Blandness Doctrine. Its official title is the Fairness Doctrine, and it requires broadcasters to provide equal time to all sides of "controversial" issues. In fact, this august-sounding "doctrine" has done little to ensure or improve the quality of TV news.

Bill Monroe, the former host of NBC's "Meet the Press," thinks the doctrine has discouraged the aggressive pursuit of important stories. "It leads to bland, don't-rock-the-boat coverage," he says.

Last fall, a court ruled that the Federal Communications Commission had the power to repeal the doctrine because it was the FCC's staff that had adopted it back in 1949. Knowing the deregulatory-minded nature of the Reagan FCC, South Carolina's Sen. Ernest Hollings rushed through a codification of the doctrine.

Despite its aura of Big Brotherism, the doctrine has support from conservatives such as Reed Irvine and Phyllis Schlafly. They see it as a tool to wrest concessions from the liberal networks. What these conservatives fail to recognize is the extent to which a government can—and has—used the Fairness Doctrine and the license-renewal process to muzzle dissent on both the right and the left. Consider the words of President Kennedy's assistant secretary of commerce: "Our strategy was to use the Fairness Doctrine to challenge and harass right-wing broadcasters and hope that the challenges would be so costly to them that they would be inhibited and decide it was too expensive to continue."

A challenge the FCC brought against a conservative broadcaster led to the Supreme Court's 1969 *Red Lion* decision, which upheld the doctrine on the ground that there was a "scarcity" of outlets for diverse points of view. But in a 1984 decision, the court said it might reexamine the doctrine in light of the many new sources of information. That decision was a welcome recognition of media reality. Today there is such a superabundance of choice that the scarcity-of-outlets argument looks pretty weak.

All this broadcasting doesn't mean television journalism has lived up to its potential. Most of the time its coverage is filled with factoids of conventional wisdom. Exhibit A currently would be the mono-analysis that emerges on all channels after most presidential news conferences. Freeing broadcasters from the Fairness Doctrine's influence might encourage some TV news producers to venture away from the pack.

Congress will vote in the next few days on whether to uphold the president's veto, and the outcome will be close. Mr. Monroe says many members support the doctrine because it "gives them leverage over the media." Which is another way of saying it deters the media from looking too closely or aggressively at the members' individual performances. Certainly the current media setup must suit incumbents; an astounding 98.4% of House members were returned to office in the last election. A vote to sustain Mr. Reagan's veto would be a vote to give the First Amendment full meaning and to set aside the Blandness Doctrine.

New York, NY, June 11, 1987.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to you on a subject of great personal concern to me but, more importantly, of even greater concern to our country—the recent passage by Congress of S. 742, a bill which would codify the so-called "fairness" doctrine.

The "fairness" doctrine is nothing more nor less than direct government intrusion into the editorial process of the news medium the American public depends upon the most—i.e., broadcasting. As such, it is an open contradiction to the First Amendment.

As you know, the Federal Communications Commission in an exhaustive study of its own rule, concluded that the "fairness" doctrine "disserves the public interest," and recommended its removal. It is ironic now to find that Congress, to whom the First Amendment is specifically addressed, is attempting to resuscitate this clear abridgment of the freedom of the press.

The "fairness" doctrine traces back to a belief that the electronic press, which was not conceived of at the time the First Amendment was adopted, is somehow 'different' from the printed press, and therefore less deserving of constitutional protection. The alleged 'difference' has been defined by the term 'scarcity.' Such reasoning is an absurdity in an era when there are almost six times as many radio and television stations in the country as there are newspapers.

The fundamental issue here is not the concept of fairness, but the role of government in making decisions that should be made by a free press. It is an issue that was decided by the Founding Fathers in 1791. I respectfully urge you to uphold that decision by vetoing S. 742.

Sincerely,

WILLIAM S. PALEY.

CBS,
New York, NY, June 9, 1987.

The President,
The White House,
Washington, DC.

MY DEAR MR. PRESIDENT: As a journalist with nearly 40 years of experience in broadcasting, I am writing to urge you to veto S. 742. This bill, recently passed by Congress, would codify the so-called "fairness" doctrine, under which the FCC regulates the adequacy and fairness of broadcasters' treatment of controversial public issues. The enactment of such a law in this, the 200th anniversary of our great Constitution, would be bitterly ironic. For the effort of the government to regulate the "fairness" of the press is directly contrary to one of the Founding Fathers' most profound and most inspired visions: a free and independent press, protected from government censorship and supervision.

"Fairness" in news coverage is, of course, an important and laudable objective. What is fundamentally wrong with the fairness doctrine, however, is that it assumes for government the power and responsibility to regulate the adequacy and "fairness" of broadcasters' coverage of controversial issues. The First Amendment was added to our Constitution in 1791 to ensure that the government not engage in this sort of supervision of the press. We need only look at the history of the Amendment itself to confirm this view.

In 1791, a handful of newspapers provided information to the citizens of the fledgling nation. These newspapers were, by today's journalistic standards, remarkably partisan and, indeed, filled, as Jefferson noted, with "falsehoods, calumnies, and audacities." Yet our Founders, in their wisdom, did not attempt to impose standards of fairness, or balance, on the press. Nor did they suggest the establishment of a governmental agency to monitor the press' editorial content for bias or abuse. As much as they may have regretted the biases and excesses of the press of their time, the drafters of our Constitution and Bill of Rights nevertheless considered such things, in Jefferson's words, "an evil for which there is no remedy, [since] our liberty depends on the freedom of the press, and that cannot be limited without being lost." In the end, they made the determination, in the First Amendment, that "Congress shall make no law . . . abridging the freedom of speech, or of the press."

Yet, here we are, 200 years later, confronting a law, passed by Congress, abridging the freedom of speech and of the press. The Founders would be astonished and dismayed, I think, to learn that a major segment of the American press—indeed, the media on which the public most relies for news and information—must now answer to a government agency's review of the fairness, balance, and responsibility of its news reporting.

Mr. President, you have often noted the tendency of government regulation to have unintended—and unfortunate—effects. Just so here. The fairness doctrine was designed to enhance the depth and variety of broadcast coverage of controversial issues. Yet, it has had just the opposite effect: it breeds timidity and caution. When a news report about a controversial issue may entangle a broadcaster in time-consuming and costly government proceedings, the natural tendency of many broadcasters is to steer clear of controversy. Regulation of "fairness", in other words, inhibits rather than encourages a robust discussion of the issues of our day.

There is also simply no need for governmental regulation of "fairness" to assure a diversity of views. Unlike the situation 50, or perhaps even 25 years ago, when there were far fewer broadcast stations, the American public today has available to it an extraordinary range of choice in the sources of its news and information, from broadcasters, newspapers, magazines and cable television. Broadcast journalists no less than journalists in the print media, strive to be responsible in their coverage of public issues. We seek to govern ourselves by a standard of journalistic ethics which requires us to present both sides of controversial issues. No one will ever be able to assure that we always achieve that goal. We do not. We inevitably make mistakes. But I respectfully submit that the nation can better tolerate some limited number of journalistic abuses than government oversight of the journalistic process with all its attendant risks.

Mr. President, your administration for many years has supported the view that this country is best served by a free market in our economic commerce. I urge that even more important is the free market of ideas, as Justice Holmes so eloquently termed it. Government regulation of our commerce in news and information is inconsistent with our most basic beliefs. The fairness doctrine injects a government agency into the editorial room, where government should have no place. It subjects journalistic decisions to government second-guessing and intimidation. And it treats broadcasters as second-class journalists, depriving them of the full freedoms rightfully accorded their print brethren.

I have spoken to many of my colleagues in broadcast journalism, and I know that they share my views. As a former broadcaster yourself, I hope that you also share our concern with protecting the freedom of broadcast journalists.

I respectfully urge you to veto this legislation.

Sincerely,

WALTER CRONKITE.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I was not going to engage in this particular discussion until the last few minutes, in which it seems to me to the rhetoric has run very thickly. I think it is appropriate for our membership to put this discussion into context.

We are not talking here about Members of the Congress talking about what is right and what is wrong. We are not talking here about taking away somebody's license. We are not talking here about judgments being made about something being meritorious or not meritorious.

What we are only doing is confirming in this good piece of legislation by a very large majority in the House and Senate, confirming what has been said by the Supreme Court of the United States on a number of occasions.

Let me cite two of those. One, which has been quoted on a variety of occasions, is the Red Lion case, the Seminal case in all of this, in which the court, and I would remind the distinguished chairman of the Commerce Committee of this, the Court said:

> It is the right of the viewers and the listeners, not the right of the broadcasters, which is paramount.
>
> The right of the viewers and the listeners.

That is what this is all about. The right of the viewers and the listeners.

People will say, "Well, Red Lion was just a spot off to the side somewhere. It was an unusual ruling of the Court." Wrong.

Go back to Columbia Broadcasting in 1973 in which the Court said:

> The broadcast media posed unique and special problems not present in the traditional free speech case. Unlike other media, broadcast is subject to an inherent physical limitation. Broadcast frequencies are a scarce resource. They must be portioned out among applicants.

The question relates to the rights of viewers and how, in fact, this gets portioned out.

How did we get to all of this? We got to all of this, as the distinguished chairman of the Commerce Committee has pointed out, by the excesses brought about by the Fowler FCC over the last 6 years. That Federal Communications Commission, which is charged under law with regulating in the public interest under the Communications Act of 1934, that FCC decided they were going to impose a wholly new doctrine and that was a doctrine, you will remember the famous word, of "unregulation," not a word I think you would find in Webster's but a word that was created. A policy of unregulation was to be pursued. Missing entirely was the point brought out by the earlier discussion of the chairman, entirely missing the point that the FCC has regulated for certain purposes and deregulated for other purposes; that regulation is a means to an end, not an end of itself. The FCC did regulate and allocated the spectrum in such a way agreed to by the Supreme Court, allocated the spectrum in a very reasonable fashion.

If the broadcasters are concerned about how the spectrum has been allocated and want total deregulation, then we ought to put legislation out on that front, I say to the chairman, and totally deregulate, or we can just put the spectrum up for sale. Why not do that sort of thing? That would be a perfectly reasonable way of approaching this goal of total deregulation. But it seems to me it is a little bit disingenuous for the broadcasters on the one hand to say, "Let's us get rid of all this regulation, but on the other hand protect me, I am in. I have my share of the spectrum now. Let me have that. Do not let anybody else in, and do not auction off or sell off, whatever it may be, the spectrum."

The whole notion brought about by Mr. Fowler and the FCC of "unregulation" makes no sense whatsoever.

Nobody is going to say we ought to go about auctioning or selling off the spectrum, but the logical follow-through of the doctrine they are pursuing, when convenient, would be precisely to do that.

The broadcasters did, however, and have, on a consistent basis, come in and ask us when convenient for them to protect them with various kinds of regulations. They did it more than once. More than just the 1920's when they came in for the allocation of the spectrum.

When the initial radio spectrum was allocated the broadcasters did everything they could to fight, to use the FCC and the regulations and the law, to fight the advent of FM radio. Why? Because the FM people would come in and compete with the AM people. "We cannot have that competition. Use the law and the regulations for the purposes of regulating and controlling their market."

The same thing happened in the television world. We started out with VHF broadcasting, channels 2 through 13, and it was difficult, impossible, to find a television set on which you could get UHF signals. You could not get it because the television stations controlled the marketplace so much, I say to the chairman, that you could not even get a television set that would receive a different frequency on television broadcasting.

What happened is we had to come in and say, "We are going to have a little competition." When convenient, calling for regulation, "Protect me with your regulation" and when inconvenient, "Do not do so."

They did the same thing with cable. They had this enormous stack of regulations to inhibit the advent of cable as competition. It was up to us to come in and judiciosuly deregulate in various ways.

So let us not say that this is something that the broadcasters were regulated with only once. There has been a long history of regulation and history of judicious deregulation at the appropriate time.

The point has also been made that somehow if we were to sustain the fairness doctrine, which has been in the regulations for a long time and has worked very well, that we cannot do that because perhaps the Congress or some Government entity would come in and be telling the broadcasters what to broadcast, to do something "as we see fit." That would be "arrogant and dangerous."

Of course it would be true if we were doing that, going in and telling people what to broadcast or not broadcast. It would be arrogant and dangerous. But it has not been done that way.

Where is the evidence of this FCC or any FCC going in and telling a broadcaster what to do? Where is the evidence of any committee of the Congress, whether in the Senate or House, going in and telling a broadcaster what to do?

To talk about this kind of arrogance and danger would be a real problem if it occurred, but let us not set it up there so that people who may be viewing this discussion would suggest that our Government is doing that, because it has not done it at all. Let us not responsibly set up that kind of a dangerous straw man and knock him down for the purpose of debate only. This is not something that has happended of this Government's moving in and telling broadcasters how to operate. That simply has not happened. That is a straw man that has been set up, not a reality.

Another point that has been made is the so-called newspaper parallel. All that has to be done on that front is simply to ask, what kind of spectrum have newspapers been using? I have not read a newspaper that uses a spectrum. Newspapers use print, a piece of paper, but hardly a spectrum owned by the public. It is a totally different model.

We have had debates about these parallels for a long period of time, and that argument disappeared for a number of years. Then it came back again under a new guise, that is, that newspapers were using the spectrum to broadcast up and print out by bouncing their signal off a satellite that would come back down again. In fact, they are using this spectrum so we could say there was a parallel between the two.

Of course, we could say, as was pointed out earlier, a ridiculous parallel, because that spectrum is regulated as a common carrier. Anybody can get on, nobody says what you can say or not say over that spectrum. The reason we regulate it is to ensure that everybody can get on. Whether you have a newspaper that is going to be liberal, conservative, progressive, urban, country, weekly—whatever it is, everybody uses that spectrum so there is no parallel related to this in terms of the fairness doctrine.

The final point that was made was to discuss the "chilling effect" of this kind of regulation. I believe the discussion was such as to suggest that there was such a chilling effect that there would be very significant lawsuits brought against stations that did not comply with somebody's perception of what the fairness doctrine was. The impression left in that argument was that somehow, out there, there have been a large number of lawsuits brought against broadcasters or, if they have not been brought, they have been threatened; therefore, they have a chilling effect on the substance of what the broadcasters are saying. Sounds good if you say it fast enough, but let us look at the record. What does the record suggest?

The record suggests that is not at all how complaints under the fairness doctrine are resolved. They are not resolved by lawyers bringing lawsuits. If you have a complaint about a radio station in South Carolina, for instance, you do not hire a lawyer. You complain to the FCC and the Broadcast Bureau looks into that complaint, evaluates it, and they do a pretty good job of that, looking at the problem. Almost every one of those complaints is dismissed, 98 percent, I think, of those complaints are dismissed. Most of them are off the wall, but it gives everybody an opportunity to complain and say, "I don't think I am being treated fairly." The public has a good opportunity to look at this. The FCC looks at it, almost every one is dismissed. Sometimes, though very seldom, the FCC looks in, evaluates that problem, gets to the broadcaster and says, "What is going on?"

That is extraordinarily rare. The most recent example of that was the Meredith case in New York State related to nuclear powerplants in New York. People did not believe that the television station was properly and fairly presenting the case related to nuclear powerplants.

Out of that did come a lawsuit, but that was not a lawsuit related to the individual threatening the television station. What that was was that the television station went to the FCC and said, "We don't think the fairness doctrine is appropriate," and went to court over the constitutionality of the fairness doctrine. They lost. That was about a year-and-a-half-ago, and had nothing to do with the chilling effect of the fairness doctrine at all. We are talking in the fairness doctrine about making sure that, in the language of the Court, the right of the viewers and the listeners is the right that we are meeting. The right that we are meeting is that the issue is being presented fairly.

What right do we have to do that? People say there is an enormous scarcity doctrine involved in all this. I would argue that because of that kind of scarcity, you have a unique public resource that is allocated and you can regulate around that kind of scarcity. The argument that is made in the President's veto message is that this has been overcome, I believe the word is, by "technological innovation." Tell me what kind of technological innovation it was that, in a recent sale of a television license in Los Angeles, that license sold for $510 million. Tell me that is not a scarce resource. Maybe it was that there are 510 million dollars' worth of transmitters, automobiles, and goodwill and so on in a station. I doubt it. The reason was that they had that scarce spectrum and they were able to sell it for $510 million.

Was that unique? No, because a television station about the same time sold in Boston for well over $200 million. Again, why? Because there is a scarcity value.

If we are going to be really honest about not making the scarcity argument, let us put it all in the marketplace and sell it right off and get rid of any kind of notion about scarcity. I bet it would sell at a high price. We would prove once and for all that there is scarcity. Of course, there is. Technology has not caught up with this at all.

Finally, people who are allowed to have one of these stations, the use of this spectrum owned by the public, are asked to pay back a little bit for having that. We do not ask them to pay back a fee. If you graze your cattle on the public's lands, you pay a fee. But you do not do that for a broadcast station. You get the use of that spectrum, that scarce and valuable spectrum, almost for nothing. The only thing that you have to do is manage your public trusteeship in the public interest.

One of the requirements on there for the management of that spectrum in the public interest is that you broadcast issues fairly. That is what this fairness doctrine is all about: diverse voices being heard, the voices of the listeners, the rights of the viewers, that those are what you should be taking care of as a steward of that scarce spectrum.

I hope, Mr. President, not only would we refer this back to the Commerce Committee but that with that referral the Members have a chance to really look at all the arguments and the issues surrounding this. There is a great deal of rhetoric, I think much less reality. The fairness doctrine has served us very well for a long, long time. It has served viewers and listeners very well for a long, long time. There is nothing wrong with a fair presentation of issues. I hope we would not only refer this back to the Commerce Committee, but also come around to the point where we will override the veto and once again confirm the fairness doctrine.

Mr. SIMPSON. Mr. President, I did originally cast my vote for codification of the fairness doctrine feeling that the broadcasters have been carefully following this practice for over 25 years and it was thus my intent to "codify" or "finalize" the practice. After I cast my vote, I visited again with the broadcasters of Wyoming and they certainly convinced me that they oppose this practice, feel it is no longer necessary to guarantee "fair" broadcasting, and that they look forward to broadcasting in a completely deregulated environment.

I feel the doctrine is nothing more or less than direct governmental intrusion into the editorial process of the news medium which the American public depends upon the most—broadcasting. It is really an open contradiction to the first amendment right to freedom of speech in that it dictates to the broadcasters what they must broadcast.

The "fairness doctrine" started during a time when the electronic media outlets were scarce and the public had limited access to ideas. This is surely no longer the case today when there are almost six times as many radio and television stations in the country as there are newspapers. There are over 10,000 radio stations and 1,300 television stations. Over 96 percent of television households receive five or more television signals. The full gamut of differing ideas and thoughts will always be fully presented on the airwaves due to the diversification among broadcasting stations.

Historically and traditionally, the press (both electronic and print media) have played such an important role. This Nation needs a strong and vigorous press, not one that could ever be intimidated or suppressed by Government content controls.

Wyoming broadcasters feel that the codification of the fairness doctrine could have a chilling effect on broadcast speech and would stifle the free flow of ideas. I even believe that could later overlap into the print media. That would be most unfortunate. I am very sympathetic to those concerns and now believe that we should sustain the President's veto, for the reasons he has so well stated, and continue our search for other methods of assuring "fairness" in broadcasting.

Mr. HOLLINGS. Mr. President, one of the great happenings in this town was last fall, when we brought into this body a tremendous amount of talent, leadership, and experience. Leading that group was the distinguished Senator from Colorado [Mr. WIRTH], the former chairman of the Communications Committee on the House side. I have made a list of items to answer brought out by the distinguished Senator from Oregon [Mr. PACKWOOD], but the Senator from Colorado has been far more eloquent and persuasive than I could be on those particular points. So I ask for the yeas and nays on the motion and will be prepared whenever the Senator from Oregon is prepared to vote.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I rise in support of the motion before the body today. I do not have a statement for this purpose. I realize it is the majority leader's interest as well as that of the Senator from South Carolina to get to a vote.

The PRESIDING OFFICER (Mr. BREAUX). The question is on agreeing to the motion. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ARMSTRONG (when his name was called). Present.

Mr. CRANSTON. I announce that the Senator from Iowa [Mr. HARKIN] is necessarily absent.

The PRESIDING OFFICER (Ms. MIKULSKI). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 53, nays 45, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—53

Adams
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pryor
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Stennis
Wirth

NAYS—45

Bond
Boschwitz
Chafee
Cochran
D'Amato
Dixon
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Proxmire
Quayle
Roth
Simpson
Specter
Stafford
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

ANSWERED "PRESENT"—1

Armstrong

NOT VOTING—1

Harkin

So the motion to refer the veto message to the Committee on Commerce was agreed to.

Mr. WARNER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

MORNING BUSINESS

Mr. BYRD. Madam President, I ask unanimous consent that there now be a period for the transaction of morning business, not to extend beyond 20 minutes, and that Senators may be permitted to speak therein up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE PROMISE OF AMERICA IS REAL

Mr. WARNER. Madam President, Virginia Union University was founded in Richmond, VA, in 1865 to provide a liberal arts education in a Christian environment to the newly freed and emancipated Americans.

Today, this historically black university includes students from every State in our Union and from nations around the world and sets the standard for academic excellence and leadership development.

Alumni include: Samuel L. Gravely, Jr., the first black vice admiral in the U.S. Navy; L. Douglas Wilder, the Lieutenant Governor of the Commonwealth of Virginia and one of the Nation's highest ranking black elected officials; and WALTER E. FAUNTROY, Delegate from the District of Columbia.

On the third of May, graduation ceremonies were conducted at Virginia Union with the commencement address provided by a distinguished American patriot, Lt. Gen. Frank E. Petersen, the commanding general of the Marine Corps Development and Education Command at Quantico, VA, the highest ranking black officer in the history of the Marine Corp.

General Peterson's military career is a true American success story.

Enlisting in the Navy as a seaman apprentice in 1950 at age 18, he entered the Naval Aviation Cadet Program in 1951 and was commissioned a second lieutenant in the Marine Corps in 1952.

His assignments have been both varied and tough. His rise to the most senior ranks have been rapid.

Serving combat tours in Korea and Vietnam, he flew 350 combat missions and was awarded the the Legion of Merit with Combat "V," the Distinguished Flying Cross, and the Purple Heart among others.

Today he is, by date of aviator designation, the senior ranking aviator in the U.S. Marine Corps.

General Petersen's thoughtful remarks to the graduates of Virginia Union were entitled "The Promise of America Is Real." Carlos Campbell, a former naval officer, and valued associate, was present and brought this speech to my attention.

They contain, I believe, much that is relevant to young people all over this great land of ours and I respectfully ask unanimous consent that the text be inserted at this point into the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PROMISE OF AMERICA IS REAL

(Commencement Address for Virginia Union University, By Lt. Gen. Frank E. Petersen, Jr., USMC)

President and Mrs. Simmons; Members of the Board of Trustees; Members of the Faculty; Distinguished Guest; Parents; and Members of the Class of 1987; Good afternoon.

I am both humbled and honored to have the privilege of appearing at Virginia Union University, as your Commencement speaker.

I came here today to tell you that: "The Promise of America is Real"; that opportunity awaits you; and that obstacles, while sometimes formidable, are essentially in your mind.

RICHMOND IN HISTORY

That we are gathered in the historic City of Richmond is of no small significance. Patrick Henry, at the beginning of the American Revolution, gave his famous, "Give me Liberty or Give me Death", speech here at St. John's Church. Chartered in 1782, Richmond became the Capital of the Confederacy between 1861 and 1865. Richmond, the site of many battles, today remembers it's heroes of yesteryear along monument avenue with statues of J.E.B. Stuart, Robert E. Lee and Stonewall Jackson. I can't help think that if I walked along Monument Avenue this afternoon, their heads might turn! The symbols of yesteryear give promise to the symbiotic reality of the American experience . . . opportunity.

I am, as you are, aware that following the Civil War, The Richmond Theological School for Freedmen was founded. This became The Richmond Institute in 1876; merging with Hartshorn Memorial College in 1932 . . . which today is Virginia Union University.

Let us never take lightly, that the founders of Virginia Union moved with haste to pursue the challenge of educating blacks the same year that the Civil War ended, the same year that the Congress of these United States ratified the Thirteenth Amendment abolishing slavery.

BEING THE BEST

Thirty-seven year ago when I enlisted in the U.S. Navy, my goal was to be the best at what I could be. When I graduated from Flight Training at Pensacola Naval Air Station in 1952, I had made up my mind to become the best Fighter Pilot in the U.S. Marine Corps. I remember to this day, just two signs which were displayed in the aircraft hangers and Ready Rooms. One said: "Can Do"; the other, "What you don't know won't hurt you . . . it will kill you".

If any of you would ask me to explain each and every medal on my chest, without looking at them, I doubt if I could do that. I never sought out a single medal. I only focused on being prepared to do what was necessary to the best of my ability. If you asking me to describe the missions that I have flown in combat . . . either in Korea or Vietnam, I would tell you about the courage of my Squadron mates . . . Officers and Men alike. I would tell you about the Helicopter Pilots and crewmen that rescued me when I had bailed out of my aircraft over Vietnam; I would tell you about Marines who returned to battle after being treated for wounds sustained in combat; I would tell you that they were the best . . . that were prepared . . . and always faithful . . . because that is what I remember most vividly.

If you would ask me to sum up my military experience of thirty-seven years, I would tell you that humility is the provence of the courageous and that arrogance is the venue of cowards.

Many of you know that the Marine Corps is the "First to fight for right and freedom." Most of you know that we have fought from the Halls of Montezuma to the Shores of Tripoli. The Marine Corps has a rich history. Marines were dispatched to Lima, Peru in 1835; Okinawa in 1854; Ty Ho Bay, China in 1858; Shanghai in 1859; Managua, Nicaragua in 1867; Seoul, Korea in 1888; Santo Domingo, in The Dominican Republic in 1903; Vladivostok, in The Soviet Union in 1920; Jerusalem in 1948; Alexandria, Egypt in 1958 and scores of other places around the world throughout history. Today's Marine Corps is no less prepared, no less dedicated and no less faithful.

AMERICA

And if you asked me about America, I would tell you, like my late friend General Daniel "Chappie" James, "when times are rough, hold her hand"; to this I would add, "America remains the beacon light of hope for the all of humankind."

As you examine your life, and I hasten to remind you that Socrates was right when he said "The unexamined life is not worth living." I urge you to navigate by the lights of the stars and not the lights of passing ships!

Twenty-seven years ago, I was assigned to VMF-232, a fighter squadron based at Kaneohe, Hawaii. During this tour, I was befriended by a Navy Doctor, who was a Lieutenant; a Destroyer Officer who was a Lieutenant Commander; a Supply Officer who was then an Ensign; A Naval Flight Officer who was then an Ensign; and a fellow Marine Officer who was then a Second Lieutenant. Today, the Doctor is the Vice-Chancellor of Medicine at the University of California; The Destroyer Officer attained the rank of Vice-Admiral. His name is Samuel L. Gravely, Jr. and he graduated from Virginia Union. The Supply Officer is today a Rear Admiral. The Naval Flight Officer became a Member of the President's Sub-Cabinet as Assistant Secretary of Commerce for Economic Development; and my fellow Marine, is today a Brigadier General in the Marine Corps Reserve. Our common bonds were these: we all happened to be black; Military Officers, committed to excellence . . . and most importantly, Americans.

As I stand here in this former Capital of the Confederacy, within shouting distance of the statues of Robert E. Lee and Stonewall Jackson, I don't have to tell you that America is indeed "The home of the Brave and the Land of the Free." You know that. I want you to know that the opportunities awaiting you, along with the related challenge, are far more greater today than they were in 1960. You must however be prepared, and you must be committed.

EDUCATION

The Diploma that you receive today is many things. It is a reward for your academic excellence. It is a reminder to a debt that you can never repay to your parents. It is both a source of relief and respect to your professors. But more than anything, it is a license to learn.

Thomas Jefferson said: "Enlighten the people generally, and tyranny and oppressions of both body and mind will vanish like evil spirits at the dawn of day".

As you continue with the process of enlightenment, I commend to your attention four documents. Some of you may have read all or parts of these. The important thing is that you not take lightly our heritage as a nation because this underscores the challenge of the future. The documents are: The Declaration of Independence; The Federalist Papers; The Constitution; and the Bill of Rights. If you are priviliged to serve in our Armed Forces or in Government, it is imperative that you know and understand what you are defending in our Constitution.

THE CONSTITUTION

Two hundred years ago, this month, a Constitutional Convention was held in the City of Philadelphia. One of the seven delegates from Virginia was a physician from Richmond, Dr. James McClurg. Among the other Virginia Delegates were George Washington, James Madison and George Mason; the latter who authored The Bill of Rights. That the Commonwealth of Virginia is so rich in our nation's history, must be a source of inspiration to us all.

Our Constitution exists to protect the people from our government. This September, this nation will commemorate the bicentennial of our Constitution.

The challenge for you and members of your generation, to paraphrase Pericles, is "to participate". Participate by voting, by serving when called, and by doing your best as citizens of this great nation.

Participate for the majesty of our purple mountains and our amber waves of grain. Participate for those who landed in Normandy, for those who climbed Mount Surabachi, for those who landed at Inchon, for those who fought in the Mekong Delta and for the guardians of freedom and democracy who serve today on six continents.

I hasten to remind you that President Theodore Roosevelt said: "Again and again, we have owed peace to the fact that we were prepared for war".

LEADERSHIP

Many of you will go on, like your distinguished Alumnus, Vice-Admiral Samuel L. Gravely, Jr. to positions of great responsibility. You will find that while you can delegate authority, responsibility will always remain yours. You will find that the first principle of leadership is that of setting the example. Fundamental to this is preparation and performance.

This year marks another historic anniversary. The 40th year since Jack Roosevelt Robinson, as a member of the Brooklyn Dodgers, broke the color line in Major League Baseball. Two years later, Jackie Robinson was the Most Valuable Player, not because of his color, but because of his performance.

As we approach the twilight of this millenium, yours will be the generation that will break all of the final barriers. When your generation is called upon to give Commencement speeches, they may include Governors, Chairman of Fortune 1000 Corporations; and Head Coaches of teams in all of our major sports.

ACHIEVEMENT

In America, "you can achieve what your mind can conceive". There were some philosophers who espoused "determinism". The determinist believed that "everything that exists is the inevitable result of its antecedent causes". There was, however, another view and that was that of "free will". This view, espoused by Rene Decartes, the father of Modern Philosophy, states that: "human beings, as thinking, conscious, mental, spiritual, moral substances, are free in their thinking, affirming, denying, and willing".

Do not forget, as you travel your own road toward Jericho, that America is about individual achievement and that the quest is yours.

I urge you to set your sights high and remember that "Survival alone is not enough" and that the ultimate search is for meaning.

Fear nothing, respect your teachers, respect your family, be true to your self, and honor our nation.

GOING FORTH

As you go forth, do not be stymied by the agony of failure nor deceived by the ecstasy of success. Both can be illusions which vanish with the setting of the sun. Let your failures become springboards toward greater achievement. Let your successes render you sober so they can be sustained through the torment of howling winds.

As you go forth, remember that you do not travel alone. From the greatest of all books, I cite a passage from one of those sixty-six chapters, Isaiah 43.19: "Behold, I will do a new thing; now it shall spring forth; shall ye not know it? I will even make a way in the wilderness, and rivers in the desert".

Members of the Class of Eighty-Seven. The promise of America is real. This land is your land. Prepare, Pursue, Perform . . . and you will prevail.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

THE DEPARTMENT OF JUSTICE OWES JAMES M. BEGGS AN APOLOGY

Mr. DANFORTH. Madam President, last Friday the U.S. Department of Justice announced that it was dismissing its charges against James Beggs and other former employees of General Dynamics in a case that had been going on for 19 months. In November 1985, the Department of Justice revealed its charges against James Beggs.

Shortly thereafter, on December 2, Jim Beggs was indicted for fraud, for alleged offenses in connection with Government contracts that took place when he had been an executive vice president of General Dynamics. At the time these charges were brought against Jim Beggs, he was the Administrator of NASA, a position he had held since July 1981. He had served in the Government with great distinction for a period of 10 years. His government career began as an Associate Administrator at NASA in 1968 and 1969. This was followed by 4 years of service as Under Secretary of Transportation, from 1969 thrugh 1973. He was widely recognized for his first-rate work and outstanding leadership at NASA.

When Jim Beggs was charged by the Justice Department with fraud, that was front-page news throughout this country. As I recall, at the time, in the Washington Post, it was front page above the fold. The headlines told us that the Administrator of NASA had been charged with fraud against the Federal Government; that criminal charges would be brought against this high Government official.

In February 1986, 2 months after the indictment, Jim Beggs voluntarily resigned as the Administrator of his Agency. He did so because he believed that NASA deserved the full-time attention of a person who was not under any cloud at all and that the Agency would be best served without his presence.

After 19 months of a living hell for Jim Beggs and his family, the U.S. Department of Justice has now said that it made a mistake. The Department of Justice has now announced that the charges were not well founded and that the case would be dismissed. That fact appeared, as I recall, on Saturday morning on page 7 of the Washington Post.

A man who had been publicly charged, page 1 story; 19 months later, the story appears on page 7 that the Department of Justice had made a mistake.

Madam President, a terrible injustice has been done, a terrible injustice has been done to an entire company, to a number of its employees, and to a very distinguished servant of this Government. Jim Beggs had served as executive vice president of General Dynamics, one of the largest corporations in the country. He had left General Dynamics to go into public service. He made a sacrifice for his country. Then he was charged by the Justice Department—falsely—of committing fraud against the Federal Government. Among other things, Jim Beggs' daughter, who was practicing law in New York City, resigned from her law firm and came back to Washington to stay with the family and help them go through the ordeal.

And it has been an ordeal. Jim Beggs is not a petty man in any sense and he is not a bitter man in any sense, but he did say one thing when he faced the public after the announcement was made that the charges had been dropped. He said that, in his opinion, the Attorney General of the United States owes him an apology.

Madam President, I stand on the floor of the Senate this afternoon to state that I concur with Mr. Beggs' comment. I think the Department of Justice owes him an apology. I think that it owes him an apology for a terrible mistake and a terrible injustice that has been perpetrated against a good man.

If the Department of Justice is too vain to apologize, then let this Senator, on behalf of the Government that I serve, apologize to Jim Beggs and to his family for the misery to which they have been put.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHAFEE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Madam President, my colleague from Missouri [Mr. DANFORTH] just spoke about the unfairness that befell James Beggs, who was the vice president of General Dynamics and who, for 19 months, has been living under the threat of a Government—not threat, the full Government prosecution after which the Government, as the senior Senator from Missouri just said, withdrew its case. That is fine that it withdrew its case, but think of the damage that was done to Mr. Beggs.

It was my privilege to have served in the Defense Department with Mr. Beggs in the early 1970's. He is a man of great honor and integrity. I feel so badly for Mr. Beggs and his family or anybody put in that situation, where the full force of the Government comes down on top of him—for 19 months without a job, left there in this terrible limbo, not knowing what was going to happen, under the shadow, as it were, of the Federal Government and the onus of having been indicted by the Federal Government. Then the Government comes along and says, "We are sorry, the whole thing was a mistake."

That is fine, but where does that leave Mr. Beggs? I think the Government owes Mr. Beggs an apology for what they did to him and to his family. They can never reconstruct his life and put the pieces back together again. They cannot provide for him some kind of compensation for the indignity that he suffered, never mind the loss of pay. What he suffered, I think, should be repaid at least by a formal apology from the Department of Justice.

Sure the Government makes mistakes. But when they make a mistake, they ought to say so, particularly in connection with something that went on for 19 months.

Mr. NUNN. Madam President, would the Senator yield briefly for an observation?

Mr. CHAFEE. I would be glad to yield.

Mr. NUNN. I do not know everything the Senator said because I have just come on the floor, but I certainly share his frustrations. I have known Jim Beggs and his family for a long time. I know what they have been through. It seems to me errors are possible, as the Senator said. The Justice Department is no more perfect than any of us are, but when they make a mistake, they ought to face it. It does not seem to me it ought to take them 19 months to figure out the basic nature of a contract. That is what they said, that it took them that long to figure out the basic nature of the contract.

It seems to me when there was no negotiation, no discussion whatever before them for an indictment, that is a very bad error. It seems to me at least on a complex contractual matter, there should have been an element of courtesy extended to Mr. Beggs in terms of getting his viewpoint.

After all, he was one of the contracting officers and knew more about it than most people in the Justice Department. So I share the frustration that the Senator is expressing and I do believe that Mr. Beggs and his family under these circumstances are due an apology.

Mr. CHAFEE. I thank the distinguished senior Senator from Georgia for what he said because there is a case, as I understand it—I do not know all the ramifications of this case but everybody is out to get the defense contractors. That was the mood. You have to come in with a big catch. Let us get them—General Dynamics, general somebody, grab them, and so they went after them. As the Senator from Georgia said, they had no discussions, as I understand it, with Mr. Beggs or with the company about this contract in advance. Bang, they go before a grand jury and get an indictment. Where does that leave Mr. Beggs? He resigned from the company. This is a man who has worked in the Defense Department, worked for NASA, a distinguished career, and now he is out So the Justice Department in their explanation said, "We brought this honestly with full faith. Therefore, we do not feel we owe an apology."

Well, come on, what are they saying? Look what they have done to this man. They ought to give him an apology. The United States owes Jim Beggs an apology for what took place.

I hope that the American public realizes that Jim Beggs has served this country well and they restore to him the full confidence and faith that we have always had in him and certainly should be enforced after this horrible experience.

Mr. DOLE. Madam President, I want to associate myself with the remarks of the distinguished Senators from Missouri, Rhode Island, and Georgia.

No doubt about it, Jim Beggs is a dedicated American. Unfortunately, he was forced to endure a 19-month nightmare only to be told that his ordeal was simply the result of a "a mistake." Well, that will not wash with this Senator, and it will not be much comfort to the Beggs family either. Thanks to the Justice Department, the Beggs family was put through the wringer—for 19 months.

So let's clear the air. Let us set the record straight. Jim Beggs has dedicated much of his life to the service of his country. His record of achievement at NASA speaks for itself—it was outstanding; which makes it that much sadder to recall that he was forced to resign that job in the face of what we now know to be totally false charges.

After 19 months of public trial—in the media and in the courtrooms—it is never easy to get your good name back. But Jim Beggs is one American who deserves full, 100 percent vindication.

MESSAGES FROM THE PRESIDENT RECEIVED DURING ADJOURNMENT

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on June 22, 1987, during the adjournment of the Senate, received a message from the President of the United States transmitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on June 22, 1987, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a withdrawal, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

VETO OF S. 742, THE FAIRNESS IN BROADCASTING ACT—MESSAGE FROM THE PRESIDENT—PM 49

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was ordered to lie on the table:

To the Senate of the United States:

I am returning herewith without my approval S. 742, the "Fairness in Broadcasting Act of 1987," which would codify the so-called "fairness doctrine." This doctrine, which has evolved through the decisional process of the Federal Communications Commission (FCC), requires Federal officials to supervise the editorial practices of broadcasters in an effort to ensure that they provide coverage of controversial issues and a reasonable opportunity for the airing of contrasting viewpoints on those issues. This type of content-based regulation by the Federal Government is, in my judgment, antagonistic to the freedom of expression guaranteed by the First Amendment.

In any other medium besides broadcasting, such Federal policing of the editorial judgment of journalists would be unthinkable. The framers of the First Amendment, confident that public debate would be freer and healthier without the kind of interference represented by the "fairness doctrine," chose to forbid such regulations in the clearest terms: "Congress shall make no law . . . abridging the freedom of speech, or the press." More recently, the United States Supreme Court, in striking down a right-of-access statute that applied to newspapers, spoke of the statute's intrusion into the function of the editorial process and concluded that "[i]t has yet to be demonstrated how governmental regulation of this crucial process can be exercised consistent with First Amendment guarantees of a free press as they have evolved to this time." *Miami Herald Publishing Co.* v. *Tornillo,* 418 U.S. 241, 258 (1974).

I recognize that 18 years ago the Supreme Court indicated that the fairness doctrine as then applied to a far less technologically advanced broadcast industry did not contravene the First Amendment. *Red Lion Broadcasting Co.* v. *FCC,* 395 U.S. 367 (1969). The *Red Lion* decision was based on the theory that usable broadcast frequencies were then so inherently scarce that government regulation of broadcasters was inevitable and the FCC's "fairness doctrine" seemed to be a reasonable means of promoting diverse and vigorous debate of controversial issues.

The Supreme Court indicated in *Red Lion* a willingness to reconsider the appropriateness of the fairness doctrine if it reduced rather than enhanced broadcast coverage. In a later case, the Court acknowledged the changes in the technological and economic environment in which broadcasters operate. It may now be fairly concluded that the growth in the number of available media outlets does indeed outweigh whatever justifications may have seemed to exist at the period during which the doctrine was developed. The FCC itself has concluded that the doctrine is an unnecessary and detrimental regulatory mechanism. After a massive study of the effects of its own rule, the FCC found in 1985 that the recent explosion in the number of new information sources such as cable television has clearly made the "fairness doctrine" unnecessary. Furthermore, the FCC found that the doctrine in fact *inhibits* broadcasters from presenting controversial issues of public importance, and thus defeats its own purpose.

Quite apart from these technological advances, we must not ignore the obvious intent of the First Amendment, which is to promote vigorous public debate and a diversity of viewpoints in the public forum *as a whole,* not in any particular medium, let alone in any particular journalistic outlet. History has shown that the dangers of an overly timid or biased press cannot be averted through bureaucratic regulation, but only through the freedom and competition that the First Amendment sought to guarantee.

S. 742 simply cannot be reconciled with the freedom of speech and the press secured by our Constitution. It is, in my judgment, unconstitutional. Well-intentioned as S. 742 may be, it would be inconsistent with the First Amendment and with the American tradition of independent journalism. Accordingly, I am compelled to disapprove this measure.

RONALD REAGAN.

THE WHITE HOUSE, *June 19, 1987.*

MESSAGES FROM THE HOUSE RECEIVED DURING ADJOURNMENT

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

Under the authority of the order of the Senate of February 3, 1987, the Secretary of the Senate, on June 22, 1987, during the adjournment of the Senate, received a message from the House of Representatives announcing that the Speaker pro tempore [Mr. FOLEY] had signed the following enrolled bills and joint resolutions:

H.R. 191. An act to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior;

H.R. 2100. An act to designate the border station at 9931 Guide Meridian Road, Lynden, Washington, as the "Kenneth G. Ward Border Station;"

S.J. Res. 86. Joint resolution to designate October 28, 1987, as "National Immigrants Day;"

H.J. Res. 17. Joint resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week;" and

H.J. Res. 178. Joint resolution designating June 25, 1987, as "National Catfish Day."

Under the authority of the order of the Senate of February 3, 1987, the enrolled bills and joint resolutions were signed on June 22, 1987, during the adjournment of the Senate, by the President pro tempore [Mr. STENNIS].

MESSAGES FROM THE HOUSE

At 2:22 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 825. An act to amend and extend certain laws relating to housing, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 145. An act to provide for a computer standards program within the National Bureau of Standards, to provide for Government-wide computer security, and to provide for the training in security matters of persons who are involved in the management, operation, and use of Federal computer systems, and for other purposes;

H.R. 1163. An act to amend section 902(e) of the Federal Aviation Act of 1958, to revise criminal penalties relating to certain aviation reports and records offenses;

H.R. 1744. An act to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund; and

H.R. 2020. An Act to authorize appropriations for the Office of Environmental Quality for fiscal years 1987, 1988, and 1989.

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 130. A concurrent resolution recognizing the accomplishments of the Federal Aid in Wildlife Restoration Act in honor of its 50th anniversary.

ENROLLED BILL SIGNED

The message also announced that the Speaker has signed the following enrolled bill:

H.R. 2243. An act to designate the Federal Building located at 10 Causeway Street, Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building."

The enrolled bill was subsequently signed by the President pro tempore [Mr. STENNIS].

At 5:57 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the U.S. Government for the fiscal years 1988, 1989, and 1990, and that the House insists upon its disagreement to the amendment of the Senate to the title of the concurrent resolution.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1101. An act to amend section 408 of the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in airline mergers and similar transactions;

H.R. 2182. An act to make minor substantive and technical amendments to title 18, United States Code, and for other purposes; and

H.R. 2480. An act to extend temporarily the governing international fishery agreement between the United States and the Republic of Korea, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1101. An act to amend section 408 of the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in airline mergers and similar transactions; to the Committee on Commerce, Science, and Transportation.

H.R. 1163. An act to amend section 902(e) of the Federal Aviation Act of 1958 to revise criminal penalties relating to certain aviation reports and records offenses; to the Committee on Commerce, Science, and Transportation.

H.R. 1744. An act to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund; to the Committee on Energy and Natural Resources.

H.R. 2020. An act to authorize appropriations for the Office of Environmental Quality for fiscal years 1987, 1988, and 1989; to the Committee on Environment and Public Works.

H.R. 2182. An act to make minor substantive and technical amendments to title 18, United States Code, and for other purposes; to the Committee on the Judiciary.

H.R. 2480. An act to extend temporarily the governing international fishery agreement between the United States and the Republic of Korea, and for other purposes; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolution was read, and referred as indicated:

H. Con. Res. 130. A concurrent resolution recognizing the accomplishments of the Federal Aid in Wildlife Restoration Act in honor of its 50th anniversary; to the Committee on Environment and Public Works.

MEASURES PLACED ON THE CALENDAR

The following bill was read the second time, and placed on the calendar:

H.R. 281. An act to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, June 23, 1987, he had presented to the President of the United States the following enrolled joint resolution:

S.J. Res. 86: Joint resolution to designate October 28, 1987, as "National Immigrants Day".

REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of June 19, 1987, the following reports of committees were submitted on June 22, 1987, during the adjournment of the Senate:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 836. A bill to amend the Department of Energy Organization Act to authorize protective force personnel who guard the strategic petroleum reserve or its storage and related facilities to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the strategic petroleum reserve, and for other purposes (Rept. No. 100-79)

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute and an amendment to the title:

S. 907. A bill to further United States technology leadership by providing for support by the Department of Commerce of cooperative centers for the transfer of research in manufacturing, and for other purposes (with additional views) (Rept. No. 100-80).

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1459. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, the financial audit of the Federal Crop Insurance Corporation's financial statements for 1986 and 1985; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1460. A communication from the Chairman of the Farm Credit Administration transmitting, pursuant to law, the FCA's 1985 Annual Report; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1461. A communication from the Commander of the Naval Facilities Engineering

Command transmitting, pursuant to law, a final environmental impact statement for Gulf Coast Strategic Homeporting; to the Committee on Appropriations.

EC-1462. A communication from the Assistant Secretary of Defense transmitting, pursuant to law, secret Selected Acquisition Reports for the MX and Rail Garrison programs; to the Committee on Armed Services.

EC-1463. A communication from the Assistant Secretary of the Navy transmitting, pursuant to law, a report on a decision to convert the supply operations support function at Naval Surface Weapons Centers, Dahlgren, VA, and White Oak, MD, to performance under contract; to the Committee on Armed Services.

EC-1464. A communication from the Under Secretary of Defense transmitting, pursuant to law, a report on the implementation of contract goals for minorities; to the Committee on Armed Services.

EC-1465. A communication from the general counsel of the Department of Energy transmitting a draft of proposed legislation to authorize a study of the costs and benefits of transfer of the Southeastern Power Administration to private ownership, management, and control; to the Committee on Energy and Natural Resources.

EC-1466. A communication from the Secretary of Energy transmitting a draft of proposed legislation to establish a system for the management of nuclear waste; to the Committee on Energy and Natural Resources.

EC-1467. A communication from the Chairman of the National Council on Public Works Improvement transmitting, pursuant to law, a report on studies of nine categories of public works; to the Committee on Environment and Public Works.

EC-1468. A communication from the Secretary of Transportation transmitting, pursuant to law, reports on the status and condition of the Nation's highways and on highway bridge replacement and rehabilitation; to the Committee on Environment and Public Works.

EC-1469. A communication from the Secretary of Health and Human Services transmitting, pursuant to law, a report entitled "DRG Refinement: Outliers, Severity of Illness, and Intensity of Care"; to the Committee on Finance.

EC-1470. A communication from the U.S. Trade Representative transmitting a draft of proposed legislation entitled "Harmonized System Implementation Act of 1987"; to the Committee on Finance.

EC-1471. A communication from the Secretary of Commerce transmitting, pursuant to law, the inspector general's report; to the Committee on Governmental Affairs.

EC-1472. A communication from the Director of the Office of Management and Budget transmitting a draft of proposed legislation to provide broad authority to the Secretary of the Treasury to regulate the transfer of Federal assistance funds to States; to the Committee on Governmental Affairs.

EC-1473. A communication from the Secretary of Housing and Urban Development transmitting a draft of proposed legislation relative to the operation of bankruptcy courts as they relate to certain multifamily mortgages and other loans held by HUD and Agriculture; to the Committee on the Judiciary.

EC-1474. A communication from the Secretary of the D.C. Council transmitting, pursuant to law, a copy of D.C. Act 5-122 (effective 9-26-84); to the Committee on the Judiciary.

EC-1475. A communication from the Secretary of Education transmitting, pursuant to law, a report on final regulations for the Secretary's Discretionary Program; to the Committee on Labor and Human Resources.

EC-1476. A communication from the Director of ACTION transmitting, pursuant to law, a final regulation relative to ACTION's new official seal; to the Committee on Labor and Human Resources.

EC-1477. A communication from the Secretary of Labor transmitting two drafts of proposed legislation relating to wage rates on Federal construction contracts under Davis-Bacon; to the Committee on Labor and Human Resources.

EC-1478. A communication from the secretary of the Railroad Retirement Board transmitting, pursuant to law, a report on the actuarial status of the system, including recommendations for financing changes; the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. 1406: An original bill to amend the Foreign Assistance Act of 1961 to create an Office of Multilateral Development Bank Procurement within the Department of the Treasury, to authorize U.S. participation in the Multilateral Investment Guarantee Agency, and to address the international debt crisis in order to better facilitate United States trade with developing countries (Rept. No. 100-81).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1233: A bill to establish as an executive department of the Government a Department of Industry and Technology, to establish within that Department the Advanced Civilian Technology Agency, to establish the United States Trade Administration, and for other purposes (Rept. No. 100-82).

By Mr. BIDEN, from the Committee on the Judiciary:

Report to accompany the bill (S. 1200) to amend title 35, United States Code, with respect to patented processes, patent misuse and licensee challenges to patent validity (Rept. No. 100-83).

By Mr. BUMPERS, from the Committee on Small Business, with an amendment in the nature of a substitute:

S. 1344: A bill to amend the Small Business Act to enhance the ability of small businesses to compete for international export markets, and for other purposes (Rept. No. 100-84).

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1409: An original bill to amend the Export Administration Act of 1979, to amend the Bank Export Services Act of 1982, to amend the Foreign Corrupt Practices Act of 1977, to enhance the competitiveness of the United States in world trade, to provide for long-term exchange rate stability, to increase bank safety and soundness, and to alleviate the international debt crisis (Rept. No. 100-85).

By Mr. BUMPERS, from the Committee on Small Business, without amendment:

H.R. 2166: A bill to amend The Small Business Act and the Small Business Investment Act of 1958.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S. 104: A bill to recognize the organization known as the National Academies of Practice.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and with a preamble:

S.J. Res. 40: A joint resolution to give special recognition to the birth and achievements of Aldo Leopold.

S.J. Res. 44: A joint resolution to designate November 1987, as "National Diabetes Month".

S.J. Res. 48: A joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Week".

S.J. Res. 51: A joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week".

S.J. Res. 72: A joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week".

S.J. Res. 82: A bill to authorize the President to issue a proclamation calling upon the people of the United States to observe the bicentennial of the Northwest Ordinance of 1787.

S.J. Res. 87: A joint resolution to designate November 17, 1987, as "National Community Education Day".

S.J. Res. 103: A joint resolution to designate October, 1987, as "Computer Learning Month".

S.J. Res. 108: A joint resolution to designate October 6, 1987, as "German-American Day".

S.J. Res. 109: A joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week".

S.J. Res. 121: A joint resolution to designate August 11, 1987, as "National Neighborhood Crime Watch Day".

S.J. Res. 122: A joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week".

S.J. Res. 135: A joint resolution to designate October 1987 as "Polish American Heritage Month".

S.J. Res. 138: A joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—"87 Celebration", and to designate July 17, 1987, as "U.S. Olympic Festival—"87 Day".

S.J. Res. 142: A joint resolution to designate the day of October 1, 1987, as "National Medical Resarch Day".

S.J. Res. 145: A joint resolution to designate the week beginning June 21, 1987, as "National Outward Bound Week".

S.J. Res. 154: A joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week".

S.J. Res. 157: A joint resolution to designate the month of October 1987, as "Lupus Awareness Month".

S.J. Res. 160: A joint resolution to designate July 25, 1987, as "Clean Water Day".

S.J. Res. 163: A joint resolution to designate the month of November 1987, as "National Family Bread Baking Month".

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

James T. Turner, of Virginia, to be a Judge of the United States Claims Court for the term of fifteen years;

Robert Holmes Bell, of Michigan, to be United States District Judge for the Western District of Michigan;

Royce C. Lamberth, of Virginia, to be United States District Judge for the District of Columbia;

Robert F. Kelly, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania;

Philip M. Pro, of Nevada, to be United States District Judge for the District of Nevada;

Richard Bender Abell, of Virginia, to be an Assistant Attorney General;

Verne L. Speirs, of Virginia, to be Administrator of the Office of Juvenile Justice and Delinquency Prevention;

William S. Price, of Oklahoma, to be United States Attorney for the Western District of Oklahoma, for the term of four years;

Charles H. Turner, of Oregon, to be United States Attorney for the District of Oregon, for the term of four years;

Daniel B. Wright, of New York, to be United States Marshal for the Western District of New York for the term of four years; and

Ralph J. Erickstad, of North Dakota, to be a Member of the Board of Directors for the State Justice Institute for a term expiring September 17, 1989.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DOLE (for himself, Mr. GRASSLEY, Mr. PRESSLER, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. KARNES, Mr. MCCLURE, Mrs. KASSEBAUM, and Mr. KASTEN):

S. 1403. A bill to establish a Rural Development Authority in the Department of Agriculutre, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. DODD (for himself and Mr. WEICKER):

S. 1404. A bill to amend the Internal Revenue Code of 1986 to allow insurance companies to be consolidated with noninsurance companies; to the Committee on Finance.

By Mr. DODD (for himself and Mr. CRANSTON):

S. 1405. A bill to amend title 39, United States Code, to provide that change-of-address order forms submitted to the Postal Service may be furnished to the appropriate State authority for purposes relating to voter registration; to the Committee on Governmental Affairs.

By Mr. PELL, from the Committee on Foreign Relations:

S. 1406. An original bill to amend the Foreign Assistance Act of 1961 to create an Office of Multilateral Development Bank Procurement within the Department of the Treasury, to authorize U.S. participation in the Multilateral Investment Guarantee Agency, and to address the international debt crisis in order to better facilitate United States trade with developing countries; placed on the calendar.

By Mr. METZENBAUM:

S. 1407. A bill to amend the Clayton Act regarding antitrust enforcement; to the Committee on the Judiciary.

By Mr. CHAFEE (for himself, Mr. PELL, and Ms. MIKULSKI):

S. 1408. A bill to amend the Immigration and Nationality Act to waive the continuous residence requirement under the legalization program for spouses and children of qualified legalized aliens; to the Committee on the Judiciary.

By Mr. PROXMIRE, from the Committee on Banking, Housing and Urban Affairs:

S. 1409. An original bill to amend the Export Administration Act of 1979, to amend the Bank Export Services Act of 1982, to amend the Foreign Corrupt Practices Act of 1977, to enhance the competitiveness of the United States in world trade, to provide for long-term exchange rate stability, to increase bank safety and soundness, and to alleviate the international debt crisis; placed on the calendar.

By Mr. SANFORD (for himself and Mr. HELMS):

S. 1410. A bill to authorize the Secretary of the Army to use certain lands in connection with the navigation project for Manteo (Shallowbag) Bay, North Carolina; to the Committee on Environment and Public Works.

By Mr. GRASSLEY:

S. 1411. A bill to establish the Consumer Product Safety Commission as an independent agency; to the Committee on Governmental Affairs.

By Mr. HOLLINGS (for himself, Mr. KERRY, Mr. WILSON, and Mr. KENNEDY):

S. 1412. A bill to amend the Coastal Zone Management Act of 1972 regarding activities significantly affecting the coastal zone; to the Committee on Commerce, Science, and Transportation.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOLE (for himself, Mr. GRASSLEY, Mr. PRESSLER, Mr. DURENBERGER, Mr. BOSCHWITZ, Mr. KARNES, Mr. MCCLURE, Mrs. KASSEBAUM, and Mr. KASTEN):

S. 1403. A bill to establish a Rural Development Authority in the Department of Agriculture, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

RURAL RECOVERY AND REVITALIZATION ACT

Mr. DOLE. Mr. President, today Senator GRASSLEY and I are joined by several of our colleagues—Senators PRESSLER, DURENBERGER, BOSCHWITZ, KARNES, MCCLURE, KASSEBAUM, and KASTEN—in introducing legislation to help restore vitality to one of America's most important segments—rural America.

We are well aware of the problems which have confronted farmers in the last few years. Yet, many of us feel that we have more than just a farm problem. We have a rural problem and it's time for the Federal Government to become more responsive to the needs of citizens up and down the main streets of our small towns and communities.

BACKGROUND

Last November, several farm-State Senators, Congressmen, and Governors representing Midwestern States participated in a series of meetings in Des Moines, Chicago, and Washington to examine four issues which we felt were of critical importance: farm policy, farm credit, rural development and exports/trade. Our task force on farm and rural America agreed that one area we should look at this year was rural development.

In recent years American farmers and the small town businessmen and women whose livelihoods depend on a healthy rural economy have seen their traditional way of life threatened. Our rural society has suffered from expensive credit terms, a precipitous decline in farm exports, and an erosion of basic services.

CAPITAL FOR RURAL AMERICA

The legislation we are introducing today focuses on four primary areas. First, we need to provide adequate capital to rural America while minimizing the Federal Government's budget exposure. Our bill would require the Secretary of Agriculture to establish a "rural fund for development" to guarantee over $1 billion in loans to enhance private sector investment in rural areas. Both the Federal and State government would share in these loan guarantees.

The bill gives the Secretary the option to use CCC-owned commodities as collateral in the event of a default on the loans. We will be spending over $10 billion in storing CCC-owned and farmer-owned-reserve commodities through fiscal year 1990. It doesn't make a lot of sense in a time of fiscal constraint to spend billions of dollars simply storing commodities. I suggest we could use these commodities to help recapitalize rural America.

Our bill would create a Rural Development Authority [RDA] within the USDA to improve the management and coordination of rural development programs. The RDA would consolidate existing programs and funding sources under one administrative umbrella.

RURAL SET-ASIDES

We are told that about 25 percent of our population lives in rural America. We recognize that major sectoral declines within the economy have created a need to rebuild and diversify local and regional economies. Many of us feel that rural Americans should get a proportionate share of Federal dollars and that we should do a better job at the Federal level of targeting funds to rural areas. This includes the need to address the unique situations of displaced farmers and farm workers.

The bill urges greater coordination and communication on rural set-asides between USDA and other executive agencies to ensure rural America receives a "fair share" of Federal procurement in defense, research, and construction projects.

INFORMATION AND EDUCATION

Our bill would set up a national clearing house to provide easy access to the public on available programs and services for rural communities including job training, health care, economic development, education and counseling. In addition, our bill would set up pilot projects for rural technology centers to collect, test and disseminate information on new services and products to enhance rural development.

NATIONAL FOCUS

Mr. President, we recognize there is an acute need for a national strategy to address the problems affecting rural economies. Our bill creates an "assistant secretary" position for the Rural Development Authority within USDA and a position of "special assistant for agriculture and rural development" at the White House to bring a national focus to rural development issues.

CONCLUSION

Mr. President, there is an abundance of good ideas circulating on how to address the problems of rural citizens. Many ideas are being generated at the grassroots level. Yet, it has become clear that the Federal Government can provide a helpful hand in coordinating local and State efforts in this area and offer incentives to foster new business ventures in local areas.

We need to find ways to diversify the economies of farm communities and improve education and vocational training opportunities for farmers and other rural citizens. We must keep basic services in rural America to attract new businesses and create new jobs and greater economic activity.

The proposal we are submitting today is an attempt to provide a well-balanced approach to rural development while being fiscally responsible. There may be other sound ideas that can be contributed and I would hope our other colleagues, as well as administration officials, will join together in a bipartisan effort to fashion legislation that will begin a new era of prosperity and hope for all rural Americans.

Mr. President, I ask that a summary of the bill and a section-by-section analysis be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

RURAL RECOVERY AND REVITALIZATION ACT: A SECTION-BY-SECTION SUMMARY

Section I declares that the Act shall be cited as the Rural Recovery and Revitalization Act.

Section II defines certain terms including rural area.

TITLE I—RURAL DEVELOPMENT PROGRAM AND AUTHORITY

SUBTITLE A—RURAL DEVELOPMENT AUTHORITY

SECTION 101. Revitalized Rural Development Program: directs the Secretary of Agriculture to establish and maintain revitalized rural development programs in accordance with the Rural Development Act of 1972, the Rural Development Policy Act, and the Act. The Secretary is directed to use the resources and services of the Department, other agencies, State and local governments, and other private and nonprofit institutions. The Secretary is directed to make rural development a primary function of the Department. The rural development program shall focus on strengthening the family farm and meeting the employment and other social needs of rural residents.

SEC. 102. Rural Development Authority: establishes a Rural Development Authority within the Department of Agriculture, and directs the Secretary, with the advice and consent of the Senate, to appoint an Assistant Secretary to head the Authority.

SEC. 103. Amendment to the Rural Development Act of 1972: provides that Title V and VI of the Rural Development Act of 1972 shall be administered by the Rural Development Authority.

SEC. 104. (a) Transfer of Entities and Functions to the Rural Development Authority: directs the Secretary to transfer to the Rural Development Authority certain rural development functions including: rural housing (at the option of Secretary); rural economic elements of the Rural Economics Division of the Economic Research Division of the Department; rural research elements of the Cooperative State Research Service; Business and Industrial Loan Program; the Rural Development Loan Fund, and other entities as necessary.

(b) Establishment of Divisions or Agencies Within Authority: directs the Secretary to establish divisions and agencies within the Rural Development Authority to: 1) coordinate education and training; 2) conduct rural development research; 3) perform intergovernmental and public affairs activities; and 4) carry out other programs and activities as the Secretary deems appropriate.

(c) Report: The Secretary shall submit, not later than a year after enactment of this Act, a report to the chairman of the House and Senate Agriculture Committees detailing actions taken or planned to carry out this Section of the Act including a plan for the reorganization of the Department to reflect the consolidation of certain rural development programs.

SEC. 105. Comptroller General Report on Transfer of Functions: The Comptroller General is directed to submit to the President and the Congress, no later than a year after enactment of this Act, a report which identifies functions that could be transferred to the Rural Development Authority from other agencies.

SUBTITLE B—RURAL DEVELOPMENT ASSISTANCE

SEC. 111. Combination of Rural Development Assistance Programs: (a) Directs the Secretary to consolidate and coordinate under the Rural Development Authority, all rural development and assistance programs administered by the Department, and, to the extent feasible, by the Department of Housing and Urban Development, the Small Business Administration, and the Economic Development Administration.

(b) Rural Development Plans: eliminates the Secretary's authority to provide rural development planning grants.

(c) Grants and Loan Guarantees: This subsection authorizes the Assistant Secretary to provide matching grants to States to promote rural economic development, rural community leadership development, and community and areawide rural economic development planning, to include plans to promote private business enterprises in rural areas.

SEC. 112. Rural Fund for Development: This section establishes a Rural Fund for Development account within the Commodity Credit Corporation for the purpose of providing loan guarantees to be administered by the Rural Development Authority. The Commodity Credit Corporation shall make available to the Fund $1 billion between 1987 and 1990. The Section establishes eligible recipients and activities, and conditions governing loan guarantees. The maximum Federal obligation is 85 percent of the face value of the loan. State obligation is 5 percent of the face value of the loan. The Assistant Secretary is to report annually to the Congress on the status of the Rural Fund for Development program.

SEC. 113. Grain Facilities: This Section authorizes the Assistant Secretary to use certain Community Credit Corporation inventory as collateral for loans for the construction or operation of a grain processing facility.

TITLE II—STATE COOPERATIVE AGREEMENTS AND PLANS

SEC. 201. State Cooperative Agreements and Plans.

(a) Cooperative Agreements: directs the Rural Development Authority to enter into cooperative agreements that would delegate to a State the authority, in cooperation with the Assistant Secretary, to carry out Federal rural development laws and to implement, monitor, administer, and enforce rural development programs. The Assistant Secretary is directed to provide matching grants to the States to carry out rural development programs and to coordinate State programs with Federal programs for rural development. The cooperative agreements would provide assistance for 1) job retraining, 2) educational opportunities, 3) health programs, 4) business investment incentives, 5) technical assistance for development.

(b) State Comprehensive Rural Development Plans: In order to be eligible to participate in a cooperative agreement the State must submit to the Secretary for approval a comprehensive rural development plan. The plan shall identify areas designated by the State for nomination as "rural areas" eligible for grants and other assistance. The designation as a "rural area" is contingent upon approval of the Secretary.

(c) Agreements for Other Benefits. This subsection authorizes the Secretary and other Federal agencies to enter into cooperative agreements with States and local governments to provide 1) education, 2) job training, 3) health services, and 4) other benefits to rural residents.

(d) Information and Education Services. Under this subsection, except in a State that specifically requests to use an alterative mechanism, the Cooperative State Extension Service will provide information and education services.

SEC. 202. National Rural Assistance Information Clearinghouse. This Section directs the Secretary to establish a National Assistance Information Clearinghouse within the National Agricultural Library to provide information on Federal, State, local, and private nonprofit programs and services available to rural areas.

TITLE III—RURAL TECHNOLOGY DEVELOPMENT CENTERS

SEC. 301. Rural Technology Development Centers: This Section amends the Rural Industrial Assistance Act of 1986 to establish rural technology development centers. Establishes requirements for State or university participation in pilot projects to establish and operate centers for rural technology development. Projects must be located in designated rural areas; must promote the development and adaptation of existing technology and the commercializations of new services, products, and processes; and seek involvement of business, education and government institutions. In addition, projects must consult with any college or university in the same State administering rural development research projects under Title V of the Rural Development Act of 1972; seek continuing funding, particularly from the private sector; and must provide for the broadest application of technology in rural areas, with particular emphasis on targeting such technologies to depressed rural farm economies through the establishment on subcenters and demonstration projects. Activities and programs that a center will carry out must be identified in a plan.

SEC. 302. Rural Employment Assistance: This Section amends Section 301 to provide that the Secretary may provide technical assistance to alleviate employment conditions in economically distressed rural areas where there is a substantial need for such assistance. The assistance shall include planning and feasibility studies, management and operational assistance, and evaluations of projects that might increase employment and improve economic growth in such areas.

TITLE IV—RURAL DISLOCATION SET-ASIDE PROGRAM

SEC. 401. Findings. This Section describes congressional findings with respect to the special needs of dislocated farmers, ranchers, and farm workers. Congress finds that farmers, ranchers, and farm workers face loss of income and livelihood because of the same national and international ecomonic forces that adversely affect industrial and manufacturing workers; Federal programs to assist other dislocated workers are unsuited to meet the needs of dislocated farmers, ranchers, and farm workers; because of related fiscal conditions brought on by a lagging farm economy agriculture states are unable to assist these persons; Federal formulas to assist dislocated workers are biased against States dominated by farming because unemployment in farm areas is often undercounted; certain model programs established by the States under grants made by the Department of Labor demonstrated that responses to the problems of dislocated farmers are most effective when organized and implemented in a manner that is consistent with the needs, priorities, and organizational structure of the affected States; and the multiyear commitment of Federal resources will enable these States to provide effective assistance to dislocated farmers, ranchers, and farm workers which will complement Federal efforts on behalf of dislocated industrial and manufacturing workers.

SEC. 402. Establishment of Program. In administering programs of assistance to dislocated workers the Secretary of Labor is authorized a certain amount for "permissive expenditures". Section 402 provides that in each of the fiscal years 1988 through 1992 ten percent of that amount or $20 million, whichever is greater, shall be allocated to eligible States for programs providing basic readjustment services to dislocated farmers, ranchers, and farm workers.

SEC. 403. Determination of State Eligibility.

(a) Eligibility Requirements: To be eligible for this assistance a State must be: (1) among the 40 percent of States most adversely affected by declining farm equity as measured by the percentage change in farm equity between 1981 and the most recent year for which data is available; and (2) a State in which percentage increase in the average debt to asset ratio of all farms in the State exceeds 40 percent for the period from 1981 to the most recent year data is available.

SEC. 404. Allocation of Available Funds to Eligible States. (a) Method of Determining Allocation. This Section directs the Secretary of Labor to allocate 50 percent of the Rural Dislocation Set-Aside to States that meet the requirements of Section 403(a)(1). Each State's allocation is equal to the ratio of the States total farm population divided by the total farm population of all States eligible under Section 403(a)(1). The remaining 50 percent of the rural Dislocation Set Aside is allocated to States that meet the requirements of Section 403(a)(2) with each State's allocation equal to the ratio of the States total farm population divided by the total farm population of all States eligible under Section 403(a)(2).

(b) No State may receive, from both sources of fundings, more than 10 percent of the total amount available under the Set-Aside program.

SEC. 405. State Plan Requirements. This Section directs the Governors of each eligible State, upon notification of the availability of funds, to submit to the Secretary of agriculture a plan describing how the State will use its allocation of funds available under the Rural Dislocation Set Aside. The plan shall identify the State agency or agencies that will implement the plan to assist dislocated farmers, ranchers, and farm workers, describe the readjustment services to be provided, describe the classes of eligible recipients and estimate of the number of recipients expected to be served, and describe how services delivered under this program will link with other services or laws to assist dislocated workers.

SEC. 406. Eligible Recipients of Services. This Section establishes eligibility requirements for individuals to receive assistance authorized under this Title. Individuals eligible to receive assistance would include those persons who can demonstrate or certify that the farm or ranch operation that provide their primary occupation have or will terminate because of: (a) receipt of foreclosure notice, (b) failure of the farm or ranch operation to turn a profit in the last 12 months, (c) entry of the individual into bankruptcy proceedings, (d) inability of the operation to obtain operating capital necessary to continue operating, (e) inability of the owners of the operation to make payment on loan secured by mortgages on agricultural real estate, or (f) the individual's debt exceeds 70 percent of his assets. In addition eligible entities may include individuals who may be expected to leave farming or ranching because of an unfavorable debt-to-asset ratio as defined by the Secretary.

SEC. 407. Eligible Activities. This section identifies activities that may be included in an approved plan. Eligible activities and services may include financial planning assistance; crisis management assistance including mental health and psychological counseling; vocational evaluation; credit and legal counseling; job search assistance; entrepreneurial training; specific skills training; and support services including transportation, health care, dependent care, temporary shelter, tuition, fees, books, and up to one-half of wages paid to individuals participations in on-the-job training.

TITLE V—RURAL SET-ASIDES AND PRIORITY

SEC. 501. Rural Set-Asides in Federal Formula Funding. This Section requires Federal agencies when allocating formula based funds to State or local governments to: (1) develop methods to assist rural areas to participate in or benefit from Federal procurement and research projects and federally funded construction projects; (2) provide administrative flexibility to States and local governments in order to provide the greatest possible benefits to rural areas; (3) identify goods and services that may be procured from one or more commercial sources located in a rural area; and (4) identify the amount of Federal research and development funds in each fiscal year that are to be expended on or awarded to colleges, universities, or research firms.

SEC. 502. Priority for Rural Areas in Certain Construction Projects. This Section amends The Office of Federal Procurement Policy Act by directing each Federal agency to give equal consideration to rural areas when considering the location of new Federal buildings and activities related to their construction.

TITLE VI—SPECIAL ASSISTANT FOR AGRICULTURE AND RURAL DEVELOPMENT

SEC. 601. Special Assistant for Agriculture and Rural Development. Directs the President to establish in the White House an Office of Agriculture and Rural Development, to be headed by a Special Assistant for Agriculture and Rural Development.

SEC. 602. Duties and Responsibilities. The Special Assistant is to lead executive branch coordination of programs affecting rural areas. The Special Assistant is to conduct a systematic review of those programs to determine whether rural and urban areas benefit equitably and to identify factors that many restrict rural access or limit rural participation. The Special Assistant is directed to secure from Federal departments or agencies information necessary to carry out the duties and the heads of departments and agencies are directed to furnish such information. The Special Assistant is to monitor cooperative efforts and to request the heads of Federal departments and agencies to participate in working groups when necessary. Authority to conduct Presidential conferences on rural development is given.

The Special Assistant is directed to monitor legislation that may affect rural areas and advise the President and Congress on how rural areas would be affected.

The Special Assistant is to assist in the preparation of a comprehensive rural development strategy, and is to transmit a report describing the strategy to the Congress within one year after the passage of the Act. Subsequently, an annual report on progress made in implementing the strategy is to be transmitted.

TITLE VII—TECHNICAL PROVISIONS

SUBTITLE A—ADMINISTRATION

SEC. 701. References. This Section indicates that after passage of this Act all references to the Farmers Home Administration or the Administrator of the Farmers Home Administration in existing laws or regulations relating to functions, powers, or duties transferred to the Authority or to the Assistant Secretary shall be deemed to be references to the Rural Development Authority and the Assistant Secretary of the Rural Development Authority.

SEC. 702. Incidental Transfers. This Section directs the Secretary of the Department of Agriculture to determine what personnel of the Farmers Home Administration are to be transferred to the Rural Development Authority. In addition, the Secretary shall determine the disposition of personnel; assets; liabilities; contracts; property; records; and unexpended balances of funds made available with the functions transferred by this Act. Further, the Secretary and the Administrator of the Farmers Home Administration shall provide for the orderly transfer of authority to carry out the purposes of this and related Acts amended by this Act.

SEC. 703. Abatement: Succession in Interest. This Section allows any suit, action, or other proceeding by or against the Administrator of the Farmers Home Administration, the Farmers Home Administration, or personnel of the Farmers Home Administration undertaken before enactment of this Act to continue after passage of this Act. No suit brought against the Farmers Home Administration or its personnel may be dropped because of the transfer of authority to the Rural Development Authority.

SEC. 704. Regulations. Directs the Secretary to promulgate regulations necessary to carry out this Act.

SUBTITLE B—CONFORMING AMENDMENTS

This Subtitle amends various sections of the Consolidated Farm and Rural Development Act, provisions of Title 18 of United States Codes governing the willful misapplication of funds and fraud, the Community Economic Development Act of 1981, and the Food Security Act of 1985 to exclude references to the Farmers Home Administration and to include references to the Rural Development Authority and the Assistant Secretary for Rural Development.

TITLE VIII—IMPLEMENTATION

SEC. 801. Implementation. This Act and amendments made by this Act shall be implemented within 6 months after enactment of this Act.

"RURAL RECOVERY AND REVITALIZATION ACT"—SUMMARY

TITLE I—RURAL DEVELOPMENT PROGRAM AND AUTHORITY

Rural Development Authority (RDA).—Establishes a Rural Development Authority (RDA) for the purpose of coordinating a revitalized nationwide rural development program to meet the needs of employment, training, education, health and basic services for rural areas. Would establish an Assistant Secretary to administer the RDA. Would transfer rural development related agencies and entities within USDA to the RDA. Secretary would report at the end of one year to the agriculture committees on actions taken.

Requires the Comptroller General to evaluate agencies to determine possible rural development functions and programs which could be transferred to the RDA and to report to the President and Congress within one year. Provides loan guarantees and matching grants to states with approved rural development plans to promote economic development planning.

Rural Fund for Development (RFD).—Establishes the RFD within the CCC to make at least $1 billion in loan guarantees for private sector investment and lending in rural areas. Secretary has the option to use CCC-owned commodities as collateral in cases of defaults on loans. Loans would carry a 90% guarantee, with the Federal government's obligation limited to 85% and states being responsible for a 5% participation in the guarantee. Eligible activities for loan guarantees include small business start-up costs, construction of plants, purchases of equipment, and installation of grain cleaning equipment. Allows use of low quality grain for grain processing facilities. Secretary reports to agriculture committees on the status of the RFD, number and types of projects approved, amounts of collateral pledged and reasons for any shortfall in using maximum collateral.

Extends section 1323 of the 1985 Farm Bill through FY 1990 and provides $50 million in loan guarantees from the RFD. Also provides $20 million, subject to appropriations, for grants to establish rural development programs to provide financial and technical assistance to compliment loan guarantees made to such corporations.

TITLE II—STATE COOPERATIVE AGREEMENTS & PLANS; NATIONAL INFORMATION CLEARING HOUSE

State Plans.—To the extent funds are available, Secretary would enter into cooperative agreements based on plans submitted by states to coordinate with states in carrying out rural development programs, administering Federal programs aimed at job retraining, education, health programs, investment incentives and information dissemination. To be eligible for cooperative agreements, states must submit a comprehensive rural development plan.

National clearing house.—Establishes a national clearing house to provide easy access to the public on available programs and services including job training, health care, economic development, education and counseling.

TITLE III—RURAL TECHNOLOGY DEVELOPMENT CENTERS

Provides for pilot projects for rural technology centers to collect, test and disseminate information on new services and products to enhance rural development. Provides for training of individuals in using new products and processes, and provides for technical assistance to alleviate excessive unemployment including analyzing potential projects to increase employment and growth. Provides for demonstration projects, funded subject to appropriations, to help develop marketing plans for new or improved products.

TITLE IV—RURAL DISLOCATION SET-ASIDE PROGRAM

Would set-aside up to $20 million each fiscal year through 1992 for programs of assistance to dislocated rural workers from Department of Labor funds for workers dislocation assistance. States eligible for such funds are the 40% of states most adversely affected by declining farm equity and states with highest increases in farm debt-to-asset ratios. Before receiving funds, States would submit plans describing how funds would be used.

TITLE V—RURAL SET-ASIDES AND PRIORITY

Urges greater coordination and communication on rural set-asides between USDA and other executive agencies to ensure a "fair-share" for rural America from Federal procurement in defense, research and construction projects. Encourages flexibility to States in administrating Federal rural development programs, identified goods and services procured by each executive agency to match with commercial sources in rural areas, identifies Federal funds and grants which could be awarded to entitles in rural areas.

TITLE VI—SPECIAL ASSISTANT FOR AGRICULTURE AND RURAL DEVELOPMENT

Establishes a Special Assistant for Agriculture and Rural Development to the President to coordinate activities within the executive branch affecting rural development. Included in his duties, the Special Assistant would conduct a review of Federal programs affecting rural areas to identify factors that may restrict rural access to Federal programs; monitor legislation in Congress affecting rural areas; assist in preparation of a comprehensive rural development strategy.

Mr. KARNES. Mr. President, I rise today as a consponsor of the Rural Recovery and Revitalization Act which is aimed directly at improving the ailing rural economy.

Today's agriculture is going through a difficult transition. While the amount of this Nation's agricultural production has increased, the number of people directly in charge of growing feed grains and wheat has decreased. Many of the smaller farmers have not only become distressed, but dislocated. In one year alone, my State of Nebraska lost over 2,000 farms.

The reality of this agricultural transition is a rude awakening. The transition from a domestic to an international marketplace has resulted in changes and adjustments which have accelerated decisions of some farmers to leave the land.

The disastrous effects of the agricultural crisis have traveled beyond the farmplace and into the main streets of small towns in rural areas. In fact, the impact on the farm seems to have a magnified effect on main street. For every new business that opened up in a small town in Nebraska, 16 businesses closed. The economic impact of farm dollars on personal income is four times more than the Nation's average rate. That impact is significant in Nebraska where 21 percent of my State's total employment is in agricultural related sectors, with 40 percent of all manufacturing being agricultural based. Nearly half of the smaller towns in Nebraska have been determined to be in jeopardy of disappearing.

Hopefully, the changes in agriculture will start to settle out in the near future, but until that time, we, as a nation, have an obligation to ease this country's bread basket through this transition. The answers are not easily attainable, but there are some positive steps we can take.

I am very optimistic that the Rural Recovery and Revitalization Act is such a positive step. This comprehensive package is designed to give rural America the muscle to meet the challenges of a changing agriculture. This economic development initiative focuses on recapitalizing, retraining, and redirecting rural America.

First, recapitalizing rural America by using surplus Government-owned grain or cash to guarantee loans for private sector investment in rural areas. There is every reason to use grain that the Federal Government is paying millions in storage costs a year to give incentives to private industry to find accessible and affordable capital.

Second, retraining rural America by providing for agricultural action centers that counsel distressed farmers and retrain dislocated farmers to become productive members in society. The Agriculture-in-Transition Program in Nebraska has resulted in a 5 to 1 return on investment, which is more than most Federal programs can boast.

Third, redirecting rural America by providing information and technology to existing rural businesses and encouraging rural communities to generate and attract their own business. This private sector initiative would be supported by governmental actions which "set aside" certain Federal procurement activities for rural businesses. Pilot programs in Nebraska have enabled small businesses to not only stay in business, but to aggressively expand by finding alternative products and services.

This rural revitalization package is more than assistance. It is an investment that will produce dividends that go beyond their economic worth. The heritage and sociological foundation of our family farms and rural communities that so many of us admire can be salvaged and strengthened.

Furthermore, the improvements will come from the initiative of the people—not from Washington. This package provides the incentives and the mechanisms in which rural communities can demonstrate the entrepreneurial spirit that they are best known for. Over the past several weeks I have addressed through legislative incentives, the changing dynamics of the American agricultural scene. Of course the best economic program for agricultural America would be higher commodity prices. But we can not realistically force the marketplace to do this. Thus we must consider legislative options to assist in the difficult transition to a new rural economic system. This bill is one more step in the effort to restore agriculture to its rightful place in America's economy. I urge my colleagues to support this measure for a strong and healthy rural America.

Mr. McCLURE. Mr. President, I am pleased to join my colleague from Kansas in sponsoring the Rural Recovery and Revitalization Act. Because I represent State that has been hard hit by the farm crisis, I understand the need of such legislation. Until the agricultural industry regains its strength, we must present reasonable alternatives for distressed farmers. The Rural Recovery and Revitalization Act is legislation that creates a variety of useful and much needed support for the agriculture industry.

We must understand the need to establish programs that give farmers and farm workers different alternatives in the event of a foreclosure or other loss of job. Many programs could be made available that would help to either retrain farmers for a new profession or to make money available to promote nonagricultural investment. There is an endless list of ideas that could be utilized to promote nonagricultural industry in a traditionally farming community. This legislation can help to accomplish these goals and to help restore our rural areas with new and profitable alternatives.

This bill sets up a very important agency in the form of the Rural Fund for Development. This fund will guarantee loans for private sector investment and lending for rural development. This is unique to the farming industry. These loans would have a 90-percent guarantee. The private sector would be accountable for the unguaranteed 10 percent of any loan, individual States would be responsible to guarantee the next 5 percent and the Federal Government would guarantee the final 85 percent.

One section of the bill, upon which I place particular importance, involves setting up the Rural Development Authority. This agency would consolidate Farmers Home Administration Business and Industry lending, the Rural Development Financial Program—which was authorized in the 1985 farm bill—and other USDA programs. It would also include Housing and Urban Development [HUD], the Small Business Administration [SBA], and the Economic Development Administration [EDA] Programs as feasible. We must remember that the rural areas have a willing work force that is readily available. Bringing new business into rural America is critical to the well-being of the rural economy. Consolidating these agencies will help to keep a focus on the rural areas that are equally as promising for new industry. Grant money from the EDA, the SBA, and so forth, should be and will be fairly distributed under this legislation so that much needed jobs could also be created to our small rural communities.

One of the most important aspects of this bill is that it provides new programs that have otherwise not been available to farmers. This act will initiate rural set-asides in funding to Federal agencies for procurement programs, defense spending, and research and construction projects.

A National Assistance Information Center on emergency assistance, counseling and other services would also be established. The National Agriculture Library would provide individuals and local officials with sources of ideas and information on various development programs. Rural technology and training centers would be established through existing universities to develop new products, processes, and marketing techniques to be used in rural areas.

This bill would also create Rural Set Asides in Federal Retraining and Dislocation. These programs would be created with a concurrent change in the definition of worker eligibility to include farmers not now counted. It is important to keep farmers that have lost their jobs self-sufficient and self-confident. Rural set asides would train the farmer in a new skill that can be applied immediately. This helps to create alternatives that have never been offered before.

Another program proposed by this legislation, is to establish a White House office on Agriculture and Rural Development. This has long been necessary and important. This office will help to keep the President more abreast of rural problems and their need for development. It will keep agriculture in the forefront of White House discussions. This office will create a link between the President, Congress, and the small farm communities that tend to be left unnoticed.

The combination of programs that the Recovery and Revitalization Act offers is a definite plus to the area of rural development. This bill brings about a new recognition of the farming community and provides it with unlimited options of expansions. Industry will be encouraged to find creative ways to incorporate the willing and available labor of a rural town. Retrained farmers will be able to stay in the work force with a new skill and new hope. It is time to recognize the rural community as a new frontier of expanding industry and to take full advantage of this opportunity. I urge full support of this legislation.

By Mr. DODD (for himself and Mr. WEICKER):

S. 1404. A bill to amend the Internal Revenue Code of 1986 to allow insurance companies to be consolidated with noninsurance companies; to the Committee on Finance.

TAX TREATMENT OF CONSOLIDATION BY INSURANCE COMPANIES

● Mr. DODD. Mr. President, today I am introducing legislation to rectify an inequity in current law which prevents life insurance companies from making use of consolidated tax returns in the same manner as other corporations. I am pleased to have my distinguished colleague from Connecticut [Senator Weicker] join me as a cosponsor.

While different tax treatment was justified in the past because of other special income tax rules for life insurance companies, those reasons are no longer valid since passage of DEFRA in 1984 and the Tax Reform Act of 1986. Moreover, this inequity has the effect of diminishing overall capacity in the insurance industry, to the disadvantage of consumers. The legislation I am introducing would repeal certain provisions of the Internal Revenue Code of 1986 to remove limitations on the use of tax consolidation by life insurance companies.

Let me describe the background and purpose of the legislation in more detail.

BACKGROUND AND PURPOSE OF THE LEGISLATION

Prior to the Tax Reform Act of 1976, life insurance companies, unlike other corporations, could not join in the filing of a consolidated return that included other types of corporations. The 1976 legislation partially lifted the ban against life-nonlife consolidation for taxable years beginning after 1980.

While the 1976 legislation accorded life insurance companies a greater measure of the consolidation treatment permitted for other corporations, it stopped short of parity, limiting the extent to which losses of companies not taxed as life insurance companies may be used against the income of a life insurance company in arriving at consolidated taxable income. Thus, under current law, the amount of loss which may be so used is limited to the lesser of 35 percent of such loss or 35 percent of the income of the life insurance company members. In addition, no life insurance company may join in the consolidated return until it has been a member of the affiliated group for 5 years, and no loss of a company not taxed as a life insurance company may be used against the income of a life insurance company until the sixth year in which such companies have been members of the same affiliated group.

These restrictions were based primarily on the fact that life insurance companies were taxed under special rules that differed from those applicable to other types of companies. However, changes under the Deficit Reduction Act of 1984 and the Tax Reform Act of 1986 have made the tax provisions applicable to life companies comparable to those applicable to other corporations. Since other substantial changes were made under the Tax Reform Act to assure that all insurance companies are taxed on their full economic income, there is no longer any reason to deny to life-nonlife affiliated groups the full tax consolidation treatment that is generally available.

EXPLANATION OF THE LEGISLATION

The current life-nonlife consolidation rules under section 1503(c)(1) of the code provide that the amount of nonlife company loss that may be taken into account in any one taxable year is limited to the lesser of (1) 35 percent of the taxable income of the life companies included in the affiliated group or (2) 35 percent of the nonlife company's loss (including any loss carryovers to that year). Additional restrictions are provided in two "5-year rules": one found in section 1504(c)(2), excluding a life insurance company from joining in a life-nonlife consolidated return unless the life company has been part of the affiliated group for 5 years; and the other found in section 1503(c)(2), precluding the use of losses of a nonlife company to offset income of life company affiliates unless the 5-year rule has been met by the nonlife company. These restrictions are made effective by section 1504(b)(2), that otherwise prohibits life insurance companies from joining in consolidated returns (except with other life companies, as permitted under section 1504(c)(1)). Mutual companies taxed as property and casualty companies are treated in the same manner as life companies under these rules. The bill would remove these restrictions by repealing the cited code provisions, with transitional rules mirroring those provided under the 1976 legislation.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1404

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION. 1. CONSOLIDATION OF INSURANCE COMPANIES WITH NONINSURANCE COMPANIES PERMITTED.

(a) In General.—Section 1504(b) of the Internal Revenue Code of 1986 (defining includible corporation) is amended by striking out paragraph (2).

(b) Conforming Amendments.—

(1) Section 1503 of such Code (relating to computation and payment of tax) is amended by striking out subsection (c) thereof.

(2) Section 1504 of such Code (relating to definitions) is amended by striking out subsection (c).

SEC. 2. EFFECTIVE DATES.

(a) In General.—Except as provided in subsection (b), the amendments made by this Act shall apply to taxable years beginning after December 31, 1986.

(b) Transitional Rule.—The amendments made by this Act shall not apply to—

(1) the carryover of a loss or credit from a taxable year beginning before January 1, 1987, to a taxable year beginning on or after January 1, 1987, or

(2) the carryback of a loss or credit to a taxable year beginning before January 1, 1987.●

By Mr. DODD (for himself and Mr. Cranston):

S. 1405. A bill to amend title 39, United States Code, to provide that change-of-address order forms submitted to the Postal Service may be furnished to the appropriate State authority for purposes relating to voter registration; to the Committee on Governmental Affairs.

VOTER REGISTRATION ACT

● Mr. DODD. Mr. President, today I am introducing a bill to increase voter participation in our electoral process by making it easier for American voters who move to reregister at their new addresses. I am pleased to have my distinguished colleague from California, Senator Cranston, join me as a cosponsor of the Voter Registration Act of 1987. Identical legislation has been introduced in the House of Representatives by Congressman Mel Levine of California.

It is fitting and timely that this legislation be considered during this, the bicentennial year of our Constitution and the beginnings of our national participatory democracy. Article I of the Constitution provided that persons eligible to vote for their State legislature were also eligible to vote for Members of the U.S. House of Representatives, although the question of who could vote for State legislatures was left up to the individual State. Article I also provided that U.S. Senators be chosen by the State legislatures.

In the years following the adoption of our Constitution, a number of constitutional amendments were enacted to expand voter participation in our electoral process, taking into account both the changing national conscience and changing demographics of our citizenry. For example, in 1868, the 14th amendment guaranteed the right to vote to all males being 21 years of age. To address the question of voting rights of freed slaves and indentured servants, the 15th amendment expanded the privilege to all citizens regardless of race, color, or previous condition of servitude. The 17th amendment changed the method of senatorial elections by allowing the individual voters of each State to choose their own Senators. In 1920, the 19th amendment granted women the right to vote, and in 1961 suffrage was granted to the residents of the District of Columbia. Three years later, the 24th amendment made it illegal to impose poll taxes on otherwise qualified voters, and more recently, the

26th amendment increased the number of eligible voters by reducing the voting age from 21 to 18.

As this country has moved through the 20th century, America's voters have grown from a relatively immobile to a highly transient population. An estimated 40 million Americans move each year. Although the vast majority of these citizens file a change-of-address form at the post office, far too many fail to change their voter registration address. Half of all moves take place in the summer months, leaving little time to register before a September deadline. Other movers simply forget to reregister in the midst of all the pressing matters that must be attended to in any attempt to set up a new residence. As a result, far too many are not eligible to vote. On election day in 1984, only half of those Americans who had moved within the previous 2 years voted. In contrast, 85 percent of those voters who had not recently moved cast their ballots in 1980.

Although most States have eliminated lengthy residency requirements for voter registration, little else has been done to facilitate the reregistration of voters who have moved. The legislation I am introducing today would promote such reregistration by adding a carbon copy to all Postal Service change-of-address forms. If the mover so indicates, the Post Office may then forward the carbon copy of the change-of-address form to the appropriate State election officials for voter registration purposes.

State participation in this program is optional. In any State choosing to participate, the appropriate election officials can automatically reregister intrastate movers upon receipt of the carbonized change-of-address form. In addition, election officials will be able to mail voter registration information to movers not previously registered to vote. Last year, over 80 percent of all moves in this country were intrastate moves.

The bill authorizes Federal funds for the printing of new change-of-address forms with attached carbon copies. The Postal Service estimates it will cost $2 million to print 100 million such carbonized forms. In turn, participating States will be responsible for any additional handling and mailing costs entailed in forwarding the carbonized forms to the appropriate State election officials.

This proposal has received broad, bipartisan support from State election officials from Connecticut to California. It is viewed as an effective, efficient means of insuring that residents who move will be reregistered to vote. And, State and local costs will be offset by savings achieved when voter materials are not mailed to outdated addresses found on inaccurate voter rolls.

Mr. President, voter turnout has dropped significantly in recent years. Only half of all those Americans eligible to vote in the 1980 and 1984 Presidential elections cast their ballots. Once citizens are registered, however, the overwhelming majority of them do go ahead and vote. In order to increase voter turnout, therefore, we must promote voter registration and reregistration. I urge my colleagues to support the legislation I am introducing today as an effective means of doing just that.

I ask unanimous consent that the text of the Voter Registration Act of 1985 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1405

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT OF PROGRAM.

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by adding at the end the following:

"§ 413. Authority to disclose change-of-address information to States for voter registration purposes

"(a) The Postal Service shall establish a program under which, subject to subsection (b), a copy of any change-of-address order form filed with the Postal Service may be transmitted by the Postal Service to the appropriate election authority of the State within which is located the old address of the postal patron involved.

"(b) Under the program, a copy of a change-of-address order form may be transmitted by the Postal Service in the case of a postal patron only if—

"(1) the old address is within a participating State under subsection (c); and

"(2) the postal patron indicates on the face of such form—

"(A) that the change of address is to be effective other than for a specified temporary period;

"(B) that the postal patron is then currently registered to vote in the State within which the old address is located; and

"(C) that the postal patron is then currently using the old address for voter registration purposes, but does not intend to continue to use the old address for that purpose after leaving the old address.

"(c) The Postal Service, after consultation with the Commission, shall by regulation prescribe the conditions under which a State—

"(1) may elect to become a participating State under this section; and

"(2) shall cease to be considered a participating State under this section.

"(d)(1) Subject to paragraphs (2) and (3) of subsection (f), any information received by a State under this section with respect to a postal patron, whether from the Postal Service or from a participating State, may be used by such State only for purposes relating to voter registration or reregistration.

"(2) The appropriate election authority of a participating State, after receiving a copy of a change-of-address order form from the Postal Service under this section—

"(A) shall inform the postal patron involved, in writing, of any effect which the change of address will or might have with respect to the postal patron's voter registration status under the laws of such State; and

"(B) shall transmit a copy of such form and, if available, information as to the postal patron's then current voter registration status, to the appropriate election authority of the State within which the postal patron's new address is located, except that this subparagraph shall not apply if both the old address and new address are within the jurisdiction of the same election authority or if the new address is not within any State.

"(3) A participating State shall pay the Postal Service (whether by advancement or reimbursement) for any costs to the Postal Service attributable to the conduct of the program established under this section with respect to such State, excluding any costs relating to the printing of the change-of-address order forms referred to in subsection (b).

"(e)(1) The Commission shall submit to each House of Congress, at least once every 5 years, a written report on the program established under this section.

"(2) A report under this subsection—

"(A) shall include information relating to the extent of State participation in the program established under this section, the specific ways in which information obtained by States under such program has been used, the impact of this section on voter registration efforts generally, and any other matter which the Commission considers appropriate; and

"(B) shall be accompanied by any written comments which the Postal Service may provide.

"(f) Nothing in this section shall be construed—

"(1) to affect the provisions of section 202(e) of the Voting Rights Act of 1965;

"(2) to affect any State law relating to the updating of lists of registered voters; or

"(3) to limit the purposes for which lists of registered voters may be used by a State under the laws of such State.

"(g) For the purpose of this section, the appropriate election authority or authorities of a State shall be as identified by the Commission after consultation with such State.

"(h) As used in this section—

"(1) 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States; and

"(2) 'Commission' means the Federal Election Commission.".

(b) CONFORMING AMENDMENTS.—The table of sections for chapter 4 of title 39, United States Code, is amended by adding at the end the following:

"413. Authority to disclose change-of-address information to States for voter registration purposes.".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 2401 of title 39, United States Code, is amended—

(1) by redesignating subsections (g) through (i) as subsections (h) through (j), respectively; and

(2) by inserting after subsection (f) the following:

"(g) There is authorized to be appropriated to the Postal Service for fiscal year 1987 and each fiscal year thereafter an amount equal to the amount which the Postal Service estimates will be necessary for the costs relating to the printing of the change-of-address order forms referred to in section 413(b) of this title. In requesting an appropriation under this subsection for a fiscal year after fiscal year 1987, the Postal Service shall include an amount to reconcile amounts previously appropriated on the basis of Postal Service estimates under this subsection with the amounts which were actually required.".

(b) CONFORMING AMENDMENT.—Section 2009 of title 39, United States Code, is amended in the next to last sentence by striking "(b) and (c)" and inserting "(b), (c), and (g)".●

Mr. CRANSTON. Mr. President, I am pleased to join the distinguished Senator from Connecticut [Mr. DODD] in introducing legislation to change the U.S. Postal Service change of address form to a duplicate form, a form which can be used for voter registration. Enactment of this legislation will enable millions of Americans to combine a common step in the moving process, changing their address, without notifying election officials of their move. I hope that the Governmental Affairs Committee will hold hearings on this bill promptly and report the bill to the full Senate for consideration.

Mr. President, the most serious impediment to voting in this country is the requirement of registration. The United States is the only democratic system which places the entire burden of registration on the individual. The easier we make it for people to register, the more people will vote. In the 1984 Presidential election turnout was 53 percent. On the other hand, among registered voters the turnout was a far more respectable 85 percent.

Once an individual registers to vote, the U.S. Government should do everything possible to help that individual stay registered, especially in a society as mobile as ours. For many Americans, the biggest obstacle to remaining registered occurs when they move. When a citizen moves from one home to another he or she almost always must reregister at the new address. The United States is a very mobile society. In 1981, nearly 17 percent of all citizens of voting age had moved within the last year. Thirty percent of all the people interviewed in the 1984 University of Michigan national election study had lived in the same place for 2 years or less. Studies estimate that up to 20 percent of the so-called deadwood on voter registration rolls are people who have moved or failed to reregister.

Moreover, one-half of all moves occur between June and September, and in almost all States the deadline to register to vote in an election is the beginning of October. Consequently, once an individual moves he or she has very little time to register at the new address before the deadline has passed. Given the other priorities associated with moving, many individuals find that they have missed the registration deadline and thus cannot vote in at least the first election after they move. The need to reregister after a move effectively disenfranchises many citizens.

Mr. President, the legislation which we are introducing today would help correct this problem. While registering to vote is not a high-priority task for most people when they move, changing their address with the Postal Service is. This legislation would combine the two acts.

This legislation would modify the current Postal Service change of address form to include an attached carbon and to include a checkoff for an individual to indicate if he or she is registered to vote. If an individual is registered to vote, and his or her move is permanent, the Postal Service would transmit the carbon copy of the change of address form to the appropriate election official at the old address. After receiving the change of address form, the election official would inform the individual of the effect the move has had on his or her registration status. In addition, the election official at the old address would forward a copy of the change of address form to the appropriate election official at the new address, unless, of course, the old and new address were in the same electoral jurisdiction.

Mr. President, this legislation is an important initial step in getting more people to register and vote. The quality of our leaders and the direction of our country depend on the participation of our people—all of them. This legislation will prevent unnecessary disenfranchisement of individuals who move. It will help individuals who are registered stay registered. By insuring accurate voting rolls, this legislation will reduce the potential for election fraud. This is an important piece of legislation, and I urge my colleagues to give it serious consideration.

By Mr. METZENBAUM:

S. 1407. A bill to amend the Clayton Act regarding antitrust enforcement; to the Committee on the Judiciary.

ANTITRUST REMEDIES IMPROVEMENT ACT

● Mr. METZENBAUM. Mr. President, today I am introducing legislation to expand and improve the antitrust laws. This legislation, the Antitrust Improvements Act of 1987, has two fundamental objectives: First, to expand and strengthen antitrust remedies; and second, to improve antitrust enforcement.

In 1890, Congress enacted the first of our antitrust laws, the Sherman Act. Since then, Congress has consistently reaffirmed its commitment to a free enterprise system based on competition by expanding and strengthening the antitrust laws.

In the past 97 years, these laws have served this country well. When they have been enforced, mergers harmful to competition have been prevented, price fixing has been discouraged, and predatory business practices have been limited.

However, for the last 6 years, there has been a retreat from time honored antitrust principles. This administration has consistently cut back on enforcement and attempted to reinterpret the law whenever possible to reduce its effectiveness. As a result, businesses now engage in activity that they would not even have contemplated a few years ago.

This administration is not content with only lax enforcement. It wants to change the antitrust laws permanently to make sure that no future administration can adopt a different set of policies, and has proposed legislation to undercut both private and public enforcement of the antitrust laws. I have strongly opposed these efforts in the past and will continue to do so this Congress.

The legislation I am introducing today is also intended to reform the antitrust laws, but not in the way the administration is proposing. Instead of helping those who want to weaken competition at the expense of the American consumer, my bill will encourage and expand the ability of the American public to fight back.

IMPROVING REMEDIES

The Antitrust Improvements Act makes a number of substantial improvements to remedies available in antitrust cases. First, it allows the Federal antitrust agencies to bring a damage action on behalf of consumers. The recovery would be distributed to consumers in any way the court finds reasonable.

Under current law, the Justice Department cannot sue to recover damages on behalf of injured consumers. While the courts have not clearly stated the authority of the FTC, it has never brought a case directly seeking consumer redress for antitrust violations and its authority is at least doubtful. This provision recognizes that there are many cases when private litigation is not a feasible way for consumers to be compensated. In 1976, Congress gave authority to State attorneys general to sue on behalf of injured consumers. This authority has produced substantial benefits by allowing State authorities to pursue actions where consumers would not otherwise have been compensated. Giving this same authority to the Federal enforcement agencies is necessary because there are cases which affect consumers of many States that are not practical for a single State attorney general to bring.

Another improvement this bill makes in antitrust remedies is to require that divestitures which are undertaken to resolve an anticompetitive merger fully restore competition lost as a result of the merger. The antitrust agencies have recently approved merger settlements in which the divestitures were not adequate to cure the competitive problem. In fact, the Justice Department and the FTC appear to accept the principle that partial divestitures do not have to fully restore competition. In addition, the bill provides that divestitures to acceptable purchasers should be arranged before the merger is approved and that the interests of employees should be considered in approving partial divestitures as a settlement of an unlawful merger.

In addition, the bill provides that when a proposed divestiture covers one or more facilities which collectively employ more than 100 full-time employees in a State, the State's attorney general may intervene in the proceeding.

Finally, the bill would further strengthen remedies by allowing the United States to sue for treble damages when it is injured by a violation of the antitrust laws.

IMPROVING ENFORCEMENT

In 1974 the Congress passed the Tunney Act which amended the antitrust laws to require that when the Government proposed entry of a consent judgment in settlement of a Government initiated antitrust action, information detailing the proposed consent decree, the materials and documents the United States considered determinative in formulating the proposed settlement, and other explanatory material be filed with the court and published in the Federal Register at least 60 days before the effective date of the consent judgment. In addition the Tunney Act provides an opportunity for public comment on the proposed settlement, requires that the defendant file with the court a description of all communications with any Government official concerning the proposed settlement and establishes as a precondition to the entry of the consent judgment, a finding by the court that the settlement is in the public interest.

Unfortunately, the Tunney Act contains two major loopholes. First, the statute does not cover dismissals of Federal antitrust actions. As a result, after 13 years of litigation pursued by three administrations, both Republican and Democratic, at tremendous public expense, the Department of Justice, by a stroke of the pen, without any judicial oversight or accountability to the American people dismissed its suit against IBM.

Second, the act does not cover modifications of consent decrees. When the Government settled its antitrust action against AT&T, the vehicle used was the modification of a 1956 consent decree. Although the Justice Department ultimately elected to follow Tunney Act like procedures in the AT&T settlement, according to the Senate testimony of then Assistant Attorney Gen. William Baxter, the Justice Department was free to resolve the case without any court approval and without any public scrutiny. Similarly, if the existing AT&T decree is modified, as many are suggesting, any modification could be exempt from the public scrutiny afforded by the Tunney Act.

My bill would amend the Tunney Act to close these two loopholes by specifically providing that the Tunney Act provisions apply (1) to the Government's dismissal of any Government initiated antitrust action and (2) to any modification of a consent judgment entered in a Government antitrust action.

The American people pay the bill for Federal antitrust enforcement and they are entitled to protection against political settlements of their antitrust suits. The best way to safeguard the integrity of the process is to put the facts and circumstances surrounding the resolution of Government antitrust cases on the record for public and judicial scrutiny.

Finally, this legislation would encourage private enforcement of the Clayton Act's prohibition of anticompetitive mergers by specifically providing a business standing to sue a competitor to enjoin a merger that violates section 7 of the Clayton Act. A recent Supreme Court decision, *Cargill* v. *Montfort*, 107 S.Ct. 484 (1986) has sharply limited a competitor's standing to bring an action to enjoin a merger that violates section 7. According to the court, a competitor's standing to bring an injunctive action, depends not only on whether the competitor can show that the proposed merger may substantially lessen competition, but instead requires further that the competitor prove that the merged company will engage in activity prohibited by the antitrust laws that will harm the competitor.

The problem the Montfort decision creates for private enforcement of the Clayton Act is obvious. In most cases consumers will be the only private party with standing to object to an anticompetitive merger. Since consumers will not have the resources to mount an expensive injunctive action, only those mergers that the Government elects to challenge will be scrutinized by the courts.

This fact was noted by Justice Stevens and Justice White who argued that the majority opinion incorrectly interpreted the Clayton Act since:

"It would be a strange antitrust statute indeed which defined a violation enforceable by no private party. Effective enforcement of the antitrust laws has always depended largely on the work of private attorney generals, for whom the Congress made special provision in the Clayton Act itself."

When the recent record of governmental inaction in challenging mergers is considered in connection with the the merger mania of the last 6 years, this new limitation on private enforcement should concern any advocate for the antitrust laws.

In 1983, the total number of mergers was 2,533, up 8 percent from 1982. This was the highest annual count since 1974. The total dollar value paid for all transactions in 1983 was $73.1 billion, up 36 percent from $53.8 billion in 1982. The 1983 total was just short of the all-time record of $82.6 billion in 1981. In 1984 the total dollar value for all mergers skyrocketed to $122.2 billion then to $179.8 in 1985 and to $126 for the first 9 months of 1986.

There can be little doubt that this merger wave can be traced directly to the signals coming from this administration. Business Week in February 1984 noted that companies are most likely to decide to pursue a merger after—

"A hint from their advisers that the time to combine is during this 'window of opportunity' opened by the Reagan administration's antitrust policy."

While Congress cannot force the Government to enforce the Clayton Act prohibition on anticompetitive mergers, we can take steps to make private enforcement possible.

I urge my colleagues to join me in support of this legislation.●

By Mr. CHAFEE (for himself, Mr. PELL, and Ms. MIKULSKI):

S. 1408. A bill to amend the Immigration and Nationality Act to waive the continuous residence requirement under the legalization program for spouses and children of qualified legalized aliens; to the Committee on the Judiciary.

HUMANITARIAN FAMILY UNITY ACT

Mr. CHAFEE. Mr. President, today I am introducing legislation in the Senate to correct a serious flaw in the new immigration law—its failure to provide for the unity of families.

The Immigration Reform and Control Act passed by Congress and signed into law last year was the product of years of debate and negotiation, and a considerable amount of compromise. Many believed that, given the strong feelings on every side of the issue, it would be impossible to write an immigration reform law that would gain enough support to pass Congress.

We beat the odds by passing such a law, and in general I believe we did a good job. The centerpiece of the law, the amnesty program, is based on the reality that there are many aliens who have made new lives for themselves in this country and should be allowed to stay.

Since the immigration law went into effect, however, many immigrants and people who work with immigrants have noticed a glaring deficiency in the amnesty program. I held a conference on the new law in April, at which a number of social service providers and clergymen asked, on behalf of the illegal aliens they counsel, "What is the INS going to do about family members who do not qualify for legalization? Will the new law result in the separation of families?"

At that time I assured these people that, in devising the amnesty program, Congress did not mean for families to be separated. I advised Rhode Islanders concerned about the potential separation of families to wait for the Immigration and Naturalization Service to issue its final regulations, which might have addressed the problem.

On May 1, the INS issued its final regulations, which fail to deal specifically the problem of ineligible family members. In other words, the regulations do not tell INS officials how to treat a family in which one member or some members qualify for amnesty, while others do not. INS field officers have been given broad discretion in this area, which leaves the entire problem unresolved. In my opinion this is not fair to the families concerned about separation. A family cannot be sure, for example, if the father's application for amnesty will result in the deportation of the mother.

Reports are already coming in to suggest that the law is being applied stringently in some cities and leniently in others. Immigration experts and counselors here in Rhode Island tell me that the failure of the INS to confront the problem of ineligible family members has resulted in a climate of fear and uncertainty among undocumented aliens. Many who are eligible for legalization are not coming forward because of their fear that their ineligible spouses and children will be deported. In Rhode Island, only 600 of the estimated 5,000 eligible aliens have filed applications for amnesty. The others would rather remain illegal and keep their families intact than risk being separated from them. I can't say that I blame them.

For example, I know of a family in Central Falls, RI, that faces a painful decision. The mother entered the United States with her three small children before the cutoff date of January 1, 1982, and thus all four are eligible for legalization. The father, however, entered the country shortly after the cutoff date, and therefore, is ineligible for amnesty. As the law now stands, there is a possibility that he will be deported and separated from his family. Furthermore, even if he decides to remain with his family illegally, he will be unable to work because of the new law's strict prohibition against hiring illegals.

Another such case came to light a few weeks ago during a candlelight vigil held recently in Rhode Island to protest the lack of guidelines on family unity. An 11-year-old girl, an undocumented alien, came forward and announced that only her father had applied for legalization. The little girl, her mother, and her two siblings had entered the country on January 20, 1982, just 3 weeks after the cutoff date for legalization, and will not be able to join their father in applying for amnesty! In my opinion, hers is a tragic situation, and an intolerable one that Congress should remedy.

Across the country, there are thousands of such cases. I believe that they offer one explanation for the low level of activity in the amnesty program, which has been receiving a trickle of applications rather than the flood that was expected. Many, many hardworking, honest, immigrant families, fearful of deportation of one or more ineligible members, are choosing not to participate. The irony is that these are exactly the kinds of people the new law was meant to help. Rather than offering them a new beginning, as was our intention in passing the law, the amnesty program has given them more cause for confusion and anxiety.

Immigration officials and some members of Congress argue that INS officials will use the flexibility of the regulations to avoid the separation of family members. That is encouraging to hear, but it is not enough for me. Family unity is too important to leave to the good-faith efforts of busy bureaucrats.

In recent weeks, I have received letters and petitions from thousands of constituents, asking that Congress correct this problem. These friends and neighbors of undocumented aliens insist that the law as it stands is, as one petition stated, "punitive to family life in our community." I agree with them that it is time for us to act, and believe the solution is legislation that will leave no doubt about the unity of immigrant families. The bill I am introducing today will allow spouses and children of eligible aliens to remain here legally with their families.

Since my bill will only assist individuals who were already in this country when the immigration law was passed, it will not increase immigration levels whatsoever. Nor will it pose a new threat to American jobs. In fact, many sectors of our economy, especially agriculture and the service industry, would welcome additional labor.

I believe that the family unit is sacred. No law or Federal program should threaten the integrity of the family, which is the foundation of American society. My legislation is based on this principle, and I urge all Senators who believe in the importance of family unity to support it. Let us help those immigrant families who now find themselves in the axcruciating position of having to choose between family unity and citizenship.

I ask that the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1408

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Humanitarian Family Unity Act of 1987".

SEC. 2. WAIVER OF CONTINUOUS RESIDENCE UNDER LEGALIZATION PROGRAM FOR SPOUSES AND CHILDREN OF QUALIFIED LEGALIZED ALIENS.

Section 245A(a)(2) of the Immigration and Nationality Act is amended by adding at the end thereof the following new subparagraph:

"(D) CONTINUOUS RESIDENCE NOT REQUIRED FOR SPOUSE AND CHILDREN OF QUALIFIFED ALIENS.—Subparagraphs (A), (B), and (C) shall not apply to an alien who is the spouse or child of an individual otherwise qualifying for adjustment of status under this subsection.".

By Mr. SANFORD (for himself and Mr. HELMS):

S. 1410. A bill to authorize the Secretary of the Army to use certain lands in connection with the navigation project for Manteo (Shallowbag) Bay, NC; to the Committee on Environment and Public Works.

OREGON INLET PROJECT

Mr. SANFORD. Mr. President, I am proud to introduce today, with my distinguished colleague and friend Senator JESSE HELMS, legislation that is of great importance to many residents of northeastern North Carolina. This bill takes an important step toward translating a longstanding dream of Dare County residents and North Carolina fishermen into reality. My good friend, Congressman WALTER JONES, is introducing similar legislation today in the House of Representatives.

This bill would simply authorize the Secretary of the Army to use lands adjacent to the Oregon Inlet in order to carry out the Manteo (Shallowbag) Bay navigation project, which was authorized by the Congress as part of the River and Harbors Act of 1970. The bill would only allow the minimum amount of land necessary to be so used, and provides for the minimization of any possible adverse impacts on such lands.

The commercial fishing industry in North Carolina has been subject to great stress in recent years. Not only have commercial fishermen suffered from rising costs and inconsistent harvests, but in recent years offshore fishermen have not been able to utilize their own home ports. Ports such as Wanchese and Engelhard have been all but cut off from offshore waters by the lack of a useable inlet through which their vessels can traverse the outer banks.

Mr. President, the Oregon Inlet is the only possible route for vessels wishing to reach offshore waters between Cape Henry, VA, and Ocracoke Inlet, NC—a distance of over 150 miles. Despite current efforts to keep the inlet open by dredging, severe shoaling now keeps it closed for the majority of the year.

Commercial fishermen who wish to operate in northeastern North Carolina's rich offshore fisheries now must travel all the way to Virginia in order to have their catches processed. These conditions add considerable expense to many operations that are already marginal by increasing fuel and crew costs, in addition to decreasing the quality of the catch.

The problem is not the lack of adequate processing and marketing facilities in northeastern North Carolina. Federal, State, and local interests have invested millions of dollars in upgrading infrastructure for a seafood industrial park in Wanchese, NC. But the efficient facilities in Wanchese stand virtually idle at present, simply because the inlet is unusable most of the time.

Even when the inlet is open, navigating its waters is a dangerous proposition. Dozens of vessels have been stranded in Oregon Inlet in recent years, with several serious accidents resulting in both the loss of boats and the loss of life. Reasons of vessel safety alone, to say nothing of economics, necessitates a long-term solution to shoaling problems in the inlet.

The idea of stabilizing the Oregon Inlet has been around since the 1940's. Proposals for stabilization and and deepening of navigation channels in the area resulted from deep concern over the safety of the crews of commercial and sport fishing vessels, and recognition of the economic losses caused by restricted vessel operation. At the same time, the lack of local processing and marketing opportunities was recognized, and local and State interests began to consider developing the necessary infrastructure to support a viable commercial fishing industry.

The Congress authorized excavation and maintenance in the inlet in 1950. Appropriations for this purpose, unfortunately, did not follow until 1960. By the mid-sixties it was apparent that further stabilization measures would be necessary. The feasibility of long-term stabilization through the use of a dual jetty system was extensively studied for 6 years, leading to the authorization of such a project by Congress in 1970.

The Wanchese Seafood Industrial Park was also authorized at this time, and harbor and other infrastructural improvements were made at the cost of some $8 million, over $5 million of which was provided by the Federal Government. Acting with Federal assurances that the long-term stabilization project was forthcoming, private interests also invested heavily in the park. These investments by both public and private entities are now at risk because the Federal Government has not followed through with the planned stablization of Oregon Inlet.

Mr. President, this unfortunate situation is in large part a matter of unnecessary redtape. The Department of the Interior, which favored the project when it was authorized, has since stated that the Rivers and Harbors Act of 1970 did not specifically authorize the Department to issue the necessary permits for construction of the project. The bill Senator HELMS, Congressman JONES, and I are introducing today would simply cut through the redtape and allow the necessary easements to be obtained.

Legislation similar to this bill was passed in the House of Representatives in 1983. Unfortunately, the Senate was unable to act on the bill before the 98th Congress adjourned.

The people of Dare County have been waiting a long time for a project that will help save lives and vessels, return profitability to local fishing operations, bring new jobs, and protect the funds already invested in the Wanchese area. They have been assured by the Federal Government that such a project will become a reality. They are tired of waiting.

And as they wait, jobs and businesses continue to be lost, decent fishermen continue to struggle to make a living, and boats continue to be stranded in Oregon Inlet. And the sand currently causing dangerous shoals is no longer transported to beaches downdrift of the inlet, resulting in severe erosion now threatening both the Pea Island National Wildlife Refuge and the nearby Coast Guard station.

Mr. President, the Manteo Bay navigation project has generated volumes of studies, reels of redtape, and a lot of disappointment in the Federal Government. I think it's time to get moving on solving the problems associated with the Oregon Inlet, and I believe that this bill is a good step in the right direction.

Mr. HELMS. Mr. President, Senator SANFORD and I are introducing legislation today to address a serious, longstanding issue in North Carolina: The future of Oregon Inlet as a safe navigable channel for commercial and recreational boating. Even more important is the future of the people who live in and around Dare County, NC, and who depend on the local fishing industry for their livelihoods.

Oregon Inlet, located along the Outer Banks of North Carolina, is the only navigable inlet between Cape Henry, VA, and Ocracoke Inlet, NC, a distance of more than 156 miles. This makes Oregon Inlet a potential haven for all kinds of oceangoing vessels in bad weather. In addition, this area contains the most important warm and cold water fishery on the east coast.

The problems arises because the inlet is exposed to the most severe wave climate along the United States Atlantic and gulf coasts. This intense wave action results in the development of massive shoals and severe land erosion along the adjacent barrier islands. Consequently, passage through Oregon Inlet can be extremely hazardous for commercial and sports fishing craft.

When the inlet is unnavigable, captains must take their boats to other ports—many miles away. This costs them dearly in time and money, sometimes making their catch unprofitable. Often captains take great risks in attempting to navigate the inlet. Sometimes they make it—sometimes they do not.

On December 31, 1970, with the passage of the Rivers and Harbors Act, Congress authorized the stabilization of Oregon Inlet via a dual jetty system and also authorized the ocean bar channel to be deepened to 20 feet by 400 feet, with the obvious intent that the U.S. Army Corps of Engineers should be able to use the necessary lands to complete the project. During the 1970's, the Army Corps of Engineers undertook the necessary engineering, environmental, and economic studies of the project. Also during this time, the State of North Carolina and Dare County fulfilled their part of the project as authorized by Congress. They expanded the harbor at Wanchese and provided an infrastructure for a seafood industrial park there. The park opened under State management in late March 1981.

When the project was authorized, all Federal agencies involved, including the Department of the Interior, the Department of Health, Education, and Welfare, and the Department of Transportation, as well as the Corps of Engineers, were in favor of the project.

Unfortunately, the authorization did not contain a specific grant of authority to the Department of the Interior to make available to the Corps of Engineers the land necessary for jetty construction. I refer, of course, to land to the north of Oregon Inlet—the Cape Hatteras National Seashore—and land to the south—the Pea Island National Wildlife Refuge. In September 1980, the Department of the Interior announced that it had no authority in law to issue the permits needed for jetty construction.

Despite congressional authorization and the effort on the part of North Carolina State and local governments, the refusal of the Department of the

Interior to grant the necessary permits has stifted further progress on this project. Consequently, jetties have never been built, and the inlet remains unstabilized. The hard-working fishermen of Dare County continue to risk their lives in pursuit of an honest living. Since 1970, nine people have lost their lives in Oregon Inlet due to what has been the most ridiculous and time-consuming hassle I have ever witnessed.

In June 1983, Congressman Jones, Senator East, and I introduced legislation to authorize the Corps of Engineers to use the necessary lands adjacent to the inlet to build and maintain the jetties. That legislation passed the House by voice vote. Unfortunately, Congress adjourned before the Senate acted.

Continued attempts to get the Department of the Interior to issue permits for jetty construction have proven unsuccessful. Recognizing that we've reached a deadlock over whether the Department has the legal authority to issue these permits, Congressman Jones, Senator Sanford, and I have decided to reintroduce legislation to grant the necessary authorization to the Corps of Engineers.

The bill would authorize the Corps of Engineers to use the minimal amount of land necessary within the boundaries of the Cape Hatteras National Seashore and within the boundaries of the Pea Island National Wildlife Refuge to carry out the project at Manteo (Shallowbag) Bay, NC. It authorizes no funds whatsoever for the project. That issue will come later. The bill simply removes what has been an unforeseen and unnecessary bureaucratic stumbling block to this project over the last 7 years.

Mr. President, more than 70 miles of the North Carolina coastline is owned by the Federal Government. The military has 10 military operating areas and 21 areas of restricted air space, including a bombing range in Dare County itself. The honest, hard-working people of Dare County are simply asking to be able to use a small portion of their land to both enhance the use of existing Federal lands and to allow them to pursue their economic livelihood. It is an outrage that they have had to suffer through such a bureaucratic nightmare.

While this legal deadlock has existed, the average annual loss of lands within 3 miles north and south of Oregon Inlet has been 8.5 acres. This loss of land endangers several State and Federal investments. For example, the bridge over Oregon Inlet will have to be replaced at a cost of $60 million. Also, we are failing to realize the $8.1 million investment, $5.6 million of which is Federal, in the Wanchese Seafood Industrial Park. The U.S. Coast Guard station on Pea Island could be lost within the next several years, affecting marine safety, drug surveillance, response to oil spills, and protection of Department of the Interior lands.

Mr. President, the Corps of Engineers has spent more time and money studying this project than any other similar project in history. We've lost more land in the past 10 years in the inlet itself than would be needed for the project. It's time we put an end to this foolishness once and for all by removing the bureaucratic roadblock to this project.

By Mr. GRASSLEY:

S. 1411. A bill to establish the Consumer Product Safety Commission as an independent agency; to the Committee on Governmental Affairs.

CONSUMER PRODUCT SAFETY COMMISSION REORGANIZATION ACT

Mr. GRASSLEY. Mr. President, today, I rise to introduce the Consumer Product Safety Commission Reorganization Act of 1987. The Commission was created in 1972 to protect consumers from unreasonable risks of injury involving consumer products. The original five-member commission concept, with a majority from the party controlling the White House, was thought to provide a sense of balance and diversity in decisionmaking.

This concept, from the beginning has not worked as we in Congress had hoped.

The recent General Accounting Office [GAO] report on the Commission's structure makes this point in unmistakable, loud and clear terms, when it cites every past Chairman of CPSC, and the past executive directors on record in favor of a single administrator to handle the job of protecting consumers from the risks involving consumer products.

Unlike some of the other regulatory commissions, as GAO points out, the CPSC has had little in the way of administrative adjudicatory decisions to make, and the need we envisioned for the balance and diversity provided by a multimember Commission is greatly diminished. Also, the decisions that the Commission does make, and has made over the last 3 years, show very little diversity from what the staff recommends as the GAO notes nearly 90 percent of the time the Commission agreed with the staff recommendations—see page 4 of GAO report.

A 5-member structure would cost the taxpayer more than $1 million annually, with, as I previously mentioned, little in the way of return for more than 20 paid staffers and these Commissioners. It is time for this Congress to follow the recommendation of the GAO and make the CPSC a single administrative agency as it should have been long ago, and needs to be today.

S. 1411 does just that, and provides for an orderly transition period so that the important role of consumer product safety goes on while the structure of the agency is changed to that of a single administrator agency effective October 1988, modeled after the EPA.

S. 1411 also provides for the independence of the Administrator of CPSC, since this important health and safety function of protecting consumers from unreasonable risk of injury involving consumer products requires a certain independence from the executive branch, and also the need for quick, decisive, and effective action to address risk that might come to the administrator's attention concerning consumer product safety.

A recent news account reported that one of the current CPSC Commissioners saw fit to bring her dog to work and when the AFGE local objected on behalf of the career employees the dog was removed. The dog of the current commission structure of CPSC also needs to go, as the GAO report notes, so that the taxpayers aren't also taken for a walk to the tune of $1 million annually by the five-member Commission that has not, does not, and cannot function effectively to do the job we in Congress originally intended, to protect the public from injury and death from consumer products.

I urge the 100th Congress to join me in making the necessary changes at CPSC to bring about long overdue structural reforms in an agency the taxpayers deserve, and ought to demand, should be doing its job within the confines of the appropriate limits of what the taxpayers can afford.

As a member of the Appropriations Subcommittee on HUD-Independent Agencies that has jurisdiction over the Commission, and an observer of how the Commission has expended taxpayer funds I urge the Commerce, Science, and Transportation Committee to give this bill early and favorable consideration.

By Mr. HOLLINGS (for himself, Mr. Kerry, Mr. Wilson, and Mr. Kennedy):

S. 1412. A bill to amend the Coastal Zone Management Act of 1972 regarding activities significantly affecting the coastal zone; to the Committee on Commerce, Science, and Transportation.

COASTAL ZONE MANAGEMENT ACT AMENDMENTS

● Mr. HOLLINGS. Mr. President, today I speak as the original author of the Coastal Zone Management Act of 1972 and most of its amendments through the years. I join with Senators Kerry, Kennedy, and Wilson to introduce a bill to amend section 307(c)(1) of the CZMA to address a problem created 3 years ago by the Supreme Court's decision in Secretary of the Interior versus California.

During the early 1970's, the Senate, through the Commerce Committee, focused on a variety of coastal concerns.

Some Members here today will, I am sure, recall our sense of achievement when that effort resulted in the passage of the CZMA some 15 years ago. In passing the CZMA, we recognized that rapidly growing demands threatened the limited and often fragile resources of the coastal zone. The CZMA provided the first comprehensive tool to coordinate Federal and State objectives and activities along the coast and on the Continental Shelf. The act anticipated and encouraged continued development in the coastal zone. To deal with the increasing pressure, it created a Federal-State partnership for comprehensive planning and management.

The legislation called for the States to develop CZMA programs for their coastal zones which upon completion, required Federal approval. The States could only accomplish this through close coordination with the appropriate Federal agencies. In exchange, the Congress promised in the Federal consistency provisions that Federal actions which affect a State's coastal zone would not violate the coastal program of the State.

On January 11, 1984, the Supreme Court, in a 5-to-4 decision, Secretary of the Interior versus California, held that the sale of Outer Continental Shelf oil and gas leases is not an activity "directly affecting" the coastal zone within the meaning of section 307(c)(1) of the CZMA. Therefore, a determination of consistency with approved State coastal management programs is not required before such a sale is held.

In fact, the intent of the Coastal Zone Management Act, as well as its lengthy legislative history, make abundantly clear what is meant by that section. The provision focuses on the results of the Federal activity in question, and on the potential impact the activity will have on a State's coastal zone. It is not merely focused on the location of that Federal activity. Thus, Federal lease sales should be included in consistency determinations.

Since the Supreme Court's decision in 1984, I have watched the administration's interpretation with great interest. While initially the Justice and Commerce Departments seemed to support a rather narrow interpretation of the decision, both departments currently seem to be attempting to expand its scope.

The amendment I offer today will eliminate any uncertainties with regard to the reach of Federal consistency language. The phrase "directly affecting" has been replaced with the term "significantly affecting." This phrase is used in the National Environmental Policy Act and is extensively defined in case law and in the Council on Environmental Quality's regulation. In addition, the troublesome phrase "consistent to the maximum extent practicable" is replaced with the phrase "fully consistent."

The amendment calls for four exceptions to the consistency provisions: First, Federal actions undertaken at the time of a national emergency; second, Federal actions undertaken for reasons of national security; third, conflicts with other Federal laws; and fourth, Federal actions undertaken pursuant to the Magnuson Fishery Conservation and Management Act.

I ask my colleagues to join me in supporting this legislation.

I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1412

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 307(c)(1) of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456(c)(1)) is amended to read as follows:

"(c)(1)(A) Each Federal agency conducting or supporting an activity significantly affecting the natural resources or land or water uses in the coastal zone shall conduct or support that activity in a manner which is fully consistent with the enforceable mandatory policies of approved State management programs, unless the Federal activity is—

"(i) undertaken to counter the immediate effects of a national emergency declared by the President;

"(ii) undertaken by the Secretary of Defense and is necessary for reasons of national security;

"(iii) required by any provision of a Federal law which prevents consistency with any provision of an approved State coastal zone management program; or

"(iv) undertaken pursuant to the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.).

In the event that achievement by a Federal agency of full consistency is prevented by a circumstance described in clause (i), (ii) or (iii) of this subparagraph, the agency may deviate from full consistency only to the extent justified by the presence of such circumstances.".●

● Mr. KERRY. Mr. President, I am honored to join with my distinguished colleague from South Carolina in introducing legislation that is designed to make clear congressional intent on an issue of great concern to coastal States. The specific question that we intend to clarify in our legislation relates to the on-going debate over whether or not Congress intended for the Outer Continental Shelf [OCS] oil and gas lease sales proposed by the Interior Department to be subject to review by those coastal States affected.

The question is, what did Congress intend when they included under the Coastal Zone Management Act [CZMA], a provision that requires that all Federal activities affecting a State's coastal zone, be carried out in a manner that is consistent with the provisions of the State's coastal management plans? In my opinion what Congress had intended is clear, Federal and State governments should act cooperatively and jointly in managing our Nation's coastal zones. Nonetheless, a 1984 U.S. Supreme Court decision Interior versus California, has confused the issue and muddied the consistency interpretation of the CZMA.

The Supreme Court in a 5-to-4 decision ruled that the Interior Department's sale of OCS oil and gas leases is not an activity "directly affecting" a State's coastal zone and therefore is not subject to being consistent with the provisions included in a State's coastal management plan.

This interpretation raises some very significant questions. First of all, the Supreme Court decision focused solely on activities within a State's 3-mile coastal zone, and ignored the affect of activities outside of the zone that could significantly affect the coastal zone itself. I ask therefore, to what extent does offshore oil and gas leasing actually affect activities within a State's coastal zone? In my opinion there is a strong correlation between activity outside of the zone and its impact on activity within a State's coastal zone. In my own State of Massachusetts for example, the proposed lease sale includes certain areas which comprise some of the most sensitive and important areas to the State's fishing interests.

Georges Banks is one of this Nation's richest fishing grounds. In fact, the port of New Bedford, which catches 95 percent of its fish off of Georges is the No. 1 port in the country for fishing value landed. Considering that Georges Banks is one of the most productive offshore habitats in the world, common sense would dictate that any activity on Georges related to offshore oil and gas drilling is an activity that does have a significant environmental and economic impact on Massachusett's coastal zone. In my view, all activity must be coordinated with the State's coastal zone plan. The purpose of our legislation is straightforward, it is to ensure that Federal leasing policies do not violate a State's coastal management plans.

I have also heard arguments that we should not be concerned over the affects of a lease or a sale because it is merely a financial transaction bearing no actual consequences on our ocean's natural resources. It does not take an economist to realize that once huge sums of money are invested in the oil and gas drilling process, that it will be close to impossible to stop such activity regardless of the environmental consequences. Mr. President, that way of thinking is inappropriate and plain wrong. Look at the mess we've gotten into with nuclear power and the millions of dollars being spent to create elephants like Seabrook in New Hampshire and Shoreham in New York.

In both cases financial commitments have usurped the environmental and public safety of the areas. And what are the economic gains of OCS oil and gas leasing on Georges? With the most generous estimates scientists predict that Georges can produce a total of 10 days worth of U.S. oil; and I ask at what expense? I can assure you, Mr. President, that I will not sit idle and allow the same disasterous thought process that brought us Seabrook bring tragedy to Georges Banks.

And another concern of mine stems from Interior's actual 5-year plan. How can we trust an Agency to look out for our Nation's coastal resources when they have already violated the law with their proposed plan. Secretary Hodel's plan, which I might add is strongly opposed by the Environmental Protection Agency and questioned by administrators at the National Oceanic and Atmospheric Administration, includes areas off of Georges Banks that Congress has consistently placed a moratorium on with regard to any oil and gas activity.

In looking at the charts, Interior's plan includes ocean areas shallower than 60 meters, areas within the 50-mile buffer zone off of the cape and islands, sensitive spawning grounds in the south channel and the lobster canyons, all areas, Mr. President, that fall under the congressionally imposed moratorium on oil and gas leasing. Since the Supreme Court decision 3 years ago, this is the Agency that has had sole responsibility over oil and gas leasing decisions affecting our State's coastal zones. I must admit, that makes me nervous.

Mr. President, keeping all of this in mind, I am adamant that we cannot allow major federally promoted activities affecting our shores, to be permitted to go forward without State review. The efforts by the Interior Department to go ahead with OCS offshore oil and gas leasing without State input stands in strong contrast to this administration's constant efforts to promote their so-called federalism and State's rights. Interior's OCS offshore oil and gas leasing policy is clearly an example of the Federal Government bypassing the States in order to institute policies that are likely to squander the Nation's natural resources for presumed short-term gains.

The legislation we offer today clarifies that Federal activities should be reviewed by States for consistency with their already federally approved coastal management plans, particularly when such Federal activities significantly affect coastal resources. This legislation, Mr. President, is a fair and equitable legislative proposal. It brings to our decision making process, the necessary cooperation between our States and the Federal Government that will ensure that America's coastal resources be able to benefit from both the State and Federal perspective regarding its future. I urge my colleagues to join with Senator HOLLINGS and myself in moving this important legislation through the Congress.●

ADDITIONAL COSPONSORS

S. 93

At the request of Mr. INOUYE, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 93, a bill to provide that services furnished by a clinical psychologist in a rural health clinic need not be provided under the direct supervision of a physician in order to qualify for coverage under Medicare and Medicaid.

S. 104

At the request of Mr. INOUYE, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 104, a bill to recognize the organization known as the National Academies of Practice.

S. 270

At the request of Mr. HUMPHREY, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 270, a bill to provide a transition period for the full implementation of the Nonrecurring Adoption Expenses Reimbursement Program.

S. 347

At the request of Mr. SASSER, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 347, a bill to amend chapter 171 of title 28, United States Code, to allow members of the Armed Forces to sue the United States for damages for certain injuries caused by improper medical care provided during peacetime.

S. 449

At the request of Mr. GLENN, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 449, a bill to authorize the Secretary of Health and Human Services to make grants to States to support family caregivers information and education demonstration programs.

S. 567

At the request of Mr. DECONCINI, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 694

At the request of Mr. BENTSEN, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 694, a bill to provide a comprehensive national oil security policy.

S. 708

At the request of Mr. PROXMIRE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

S. 714

At the request of Mr. SPECTER, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 714, a bill to recognize the organization known as the Montford Point Marine Association, Inc.

S. 776

At the request of Ms. MIKULSKI, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 776, a bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the Medicaid Program.

S. 824

At the request of Mr. SPECTER, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 824, a bill to establish clearly a Federal right of action by aliens and U.S. citizens against persons engaging in torture or extrajudicial killing, and for other purposes.

S. 858

At the request of Mr. BRADLEY, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 858, a bill to establish the title of States in certain abandoned shipwrecks, and for other purposes.

S. 860

At the request of Mr. BOREN, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 860, a bill to designate "The Stars and Stripes Forever" as the national march of the United States of America.

S. 924

At the request of Mr. BENTSEN, the names of the Senator from North Carolina [Mr. SANFORD], the Senator from Mississippi [Mr. COCHRAN], the Senator from South Carolina [Mr. THURMOND], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 924, a bill to revise the allotment formula for the alcohol, drug abuse, and mental health services block grant under part B of title XIX of the Public Health Service Act.

S. 998

At the request of Mr. DECONCINI, the names of the Senator from Massachusetts [Mr. KENNEDY], the Senator from Utah [Mr. HATCH], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of S. 998, a bill entitled the "Micro Enterprise Loans for the Poor Act."

S. 1027

At the request of Mr. HUMPHREY, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1027, a bill to prohibit trade between the Soviet puppet regime in Afghanistan and the United States.

S. 1076

At the request of Mr. BRADLEY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1076, a bill to amend title XVIII of the Social Security Act to improve the availability of home health services under the Medicare Program, and for other purposes.

S. 1086

At the request of Mr. MURKOWSKI, the names of the Senator from Pennsylvania [Mr. HEINZ], the Senator from California [Mr. WILSON], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 1086, a bill to require the United States Trade Representative to initiate an investigation of unfair trade barriers maintained by Japan against United States construction services.

S. 1172

At the request of Mr. PRYOR, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of S. 1172, a bill to amend the Farm Credit Act of 1971 to provide a secondary market for agricultural mortgages, and for other purposes.

S. 1187

At the request of Mr. PRYOR, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1187, a bill to amend the Internal Revenue Code of 1954 to conform the treatment of residential lot interest expenses to current law treatment of second home interest expense.

S. 1188

At the request of Mr. SYMMS, the names of the Senator from Kentucky [Mr. FORD], and the Senator from Maryland [Ms. MIKULSKI] were added as cosponsors of S. 1188, a bill to amend the Internal Revenue Code of 1986 to allow certain associations of football coaches to have a qualified pension plan which includes cash or deferred arrangement.

S. 1200

At the request of Mr. DeCONCINI, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1200, a bill to amend title 35, United States Code, with respect to patented processes, patent misuse and licensee challenges to patent validity.

S. 1234

At the request of Mr. CHAFEE, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Oklahoma [Mr. NICKLES] were added as cosponsors of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1250

At the request of Mr. BIDEN, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from North Dakota [Mr. BURDICK], the Senator from Pennsylvania [Mr. HEINZ], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1250, a bill to strengthen the criminal justice partnership between the States and the Federal Government.

S. 1275

At the request of Mr. SANFORD, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 1275, a bill to advance the national leadership in semiconductor technology, to establish a National Advisory Committee on Semiconductors, and for other purposes.

S. 1320

At the request of Mr. BUMPERS, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1320, a bill to provide adequate funding levels for solar energy research and development, to encourage Federal procurement of solar energy systems, to encourage Federal loans for solar energy equipment, to enhance the international competitiveness of the solar industry, and for other purposes.

S. 1347

At the request of Mr. SIMON, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1347, a bill to facilitate implementation of the 1980 Hague Convention on the Civil Aspects of International Child Abduction, and for other purposes.

S. 1357

At the request of Mr. WILSON, the names of the Senator from Wisconsin [Mr. PROXMIRE], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 1357, a bill to amend section 3210 of title 39, United States Code, to prohibit Congressional newsletters.

S. 1382

At the request of Mr. METZENBAUM, the names of the Senator from Arkansas [Mr. BUMPERS], and the Senator from Connecticut [Mr. WEICKER], were added as cosponsors of S. 1382, a bill to amend the National Energy Conservation Policy Act to improve the Federal Energy Management program, and for other purposes.

S. 1393

At the request of Mr. HEINZ, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 1393, a bill to amend title 39, United States Code, to designate as non-mailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes.

SENATE JOINT RESOLUTION 26

At the request of Mr. PELL, the name of the Senator from Louisiana [Mr. BREAUX] was added as a cosponsor of Senate Joint Resolution 26, a joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 48

At the request of Mr. HATCH, the names of the Senator from Virginia [Mr. TRIBLE], the Senator from Arkansas [Mr. BUMPERS], the Senator from Connecticut [Mr. WEICKER], the Senator from Arizona, [Mr. DeCONCINI], the Senator from Delaware [Mr. ROTH], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. THURMOND], the Senator from Michigan [Mr. LEVIN], the Senator from Kansas [Mr. DOLE], the Senator from Tennessee [Mr. GORE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Washington [Mr. ADAMS], the Senator from Washington [Mr. EVANS], the Senator from Nebraska [Mr. EXON], the Senator from Texas [Mr. GRAMM], the Senator from Alabama [Mr. HEFLIN], the Senator from New Mexico [Mr. DOMENICI], the Senator from Florida [Mr. CHILES], the Senator from Missouri [Mr. BOND], the Senator from Illinois [Mr. SIMON], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 48, a joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Week."

SENATE JOINT RESOLUTION 72

At the request of Mr. GORE, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Senate Joint Resolution 72, a joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week."

SENATE JOINT RESOLUTION 87

At the request of Mr. RIEGLE, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE JOINT RESOLUTION 106

At the request of Mr. BINGAMAN, the name of the Senator from Arizona [Mr. DeCONCINI] was added as a cosponsor of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

SENATE JOINT RESOLUTION 108

At the request of Mr. Lugar, the names of the Senator from Missouri [Mr. Bond], the Senator from New York [Mr. D'Amato], the Senator from Washington [Mr. Evans], the Senator from Utah [Mr. Garn], the Senator from Idaho [Mr. McClure], the Senator from Kentucky [Mr. McConnell], the Senator from South Dakota [Mr. Pressler], and the Senator from South Carolina [Mr. Thurmond] were added as cosponsors of Senate Joint Resolution 108, a joint resolution to designate October 6, 1987, as "German-American Day."

SENATE JOINT RESOLUTION 109

At the request of Mr. Durenberger, the name of the Senator from Pennsylvania [Mr. Specter] was added as a cosponsor of Senate Joint Resolution 109, a joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week."

SENATE JOINT RESOLUTION 121

At the request of Mr. Trible, the names of the Senator from Connecticut [Mr. Dodd], the Senator from Hawaii [Mr. Inouye], the Senator from New Jersey [Mr. Bradley], the Senator from Ohio [Mr. Glenn], the Senator from North Dakota [Mr. Burdick], the Senator from New York [Mr. Moynihan], the Senator from Kansas [Mr. Dole], the Senator from Nevada [Mr. Hecht], the Senator from New Mexico [Mr. Domenici], the Senator from Arizona [Mr. McCain], the Senator from Colorado [Mr. Armstrong], the Senator from Delaware [Mr. Biden], the Senator from Nevada [Mr. Reid], the Senator from Florida [Mr. Chiles], the Senator from Colorado [Mr. Wirth], the Senator from Maine [Mr. Mitchell], the Senator from South Carolina [Mr. Hollings], the Senator from Illinois [Mr. Dixon], the Senator from Washington [Mr. Adams], and the Senator from Vermont [Mr. Stafford] were added as cosponsors of Senate Joint Resolution 121, a joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 135

At the request of Mr. Simon, the names of the Senator from Ohio [Mr. Glenn], the Senator from Massachusetts [Mr. Kennedy], the Senator from New Hampshire [Mr. Humphrey], the Senator from Oklahoma [Mr. Nickles], the Senator from Indiana [Mr. Quayle], the Senator from Idaho [Mr. Symms], the Senator from Colorado [Mr. Wirth], and the Senator from Ohio [Mr. Metzenbaum] were added as cosponsors of Senate Joint Resolution 135, a joint resolution to designate October 1987 as "Polish American Heritage Month."

SENATE JOINT RESOLUTION 136

At the request of Mr. Humphrey, the names of the Senator from New Jersey [Mr. Bradley], the Senator from Tennessee [Mr. Gore], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of Senate Joint Resolution 136, joint resolution to designate the week of December 13, 1987, through December 19, 1987, as "National Drunk and Drugged Driving Awareness Week."

SENATE JOINT RESOLUTION 138

At the request of Mr. Sanford, the names of the Senator from Washington [Mr. Adams], the Senator from Oklahoma [Mr. Boren], the Senator from New Jersey [Mr. Bradley], the Senator from Arkansas [Mr. Bumpers], the Senator from North Dakota [Mr. Burdick], the Senator from West Virginia [Mr. Byrd], the Senator from North Dakota [Mr. Conrad], the Senator from California [Mr. Cranston], the Senator from Arizona [Mr. DeConcini], the Senator from Connecticut [Mr. Dodd], the Senator from Ohio [Mr. Glenn], the Senator from Tennessee [Mr. Gore], the Senator from South Carolina [Mr. Hollings], the Senator from Louisiana [Mr. Johnston], the Senator from Massachusetts [Mr. Kerry], the Senator from Michigan [Mr. Levin], the Senator from Hawaii [Mr. Matsunaga], the Senator from Maryland [Ms. Mikulski], the Senator from Maine [Mr. Mitchell], the Senator from New York [Mr. Moynihan], the Senator from Georgia [Mr. Nunn], the Senator from Arkansas [Mr. Pryor], the Senator from Nevada [Mr. Reid], the Senator from Michigan [Mr. Riegle], the Senator from West Virginia [Mr. Rockefeller], the Senator from Maryland [Mr. Sarbanes], the Senator from Mississippi [Mr. Stennis], the Senator from Colorado [Mr. Wirth], the Senator from New Jersey [Mr. Lautenberg], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Joint Resolution 138, joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—'87 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival—'87 Day."

SENATE JOINT RESOLUTION 145

At the request of Mr. Wirth, the names of the Senator from Colorado [Mr. Armstrong], the Senator from Connecticut [Mr. Dodd], the Senator from Minnesota [Mr. Boschwitz], the Senator from Washington [Mr. Adams], the Senator from Rhode Island [Mr. Chafee], the Senator from Texas [Mr. Bentsen], the Senator from New York [Mr. D'Amato], the Senator from Oklahoma [Mr. Boren], the Senator from Kansas [Mr. Dole], the Senator from New Jersey [Mr. Bradley], the Senator from Minnesota [Mr. Durenberger], the Senator from Arkansas [Mr. Bumpers], the Senator from Utah [Mr. Garn], the Senator from North Dakota [Mr. Burdick], the Senator from Nevada [Mr. Hecht], the Senator from North Dakota [Mr. Conrad], the Senator from Nebraska [Mr. Karnes], the Senator from California [Mr. Cranston], the Senator from Arizona [Mr. McCain], the Senator from Georgia [Mr. Fowler], the Senator from South Carolina [Mr. Thurmond], the Senator from Florida [Mr. Graham], the Senator from New Mexico [Mr. Domenici], the Senator from Hawaii [Mr. Inouye], the Senator from Pennsylvania [Mr. Heinz], the Senator from Maine [Mr. Mitchell], the Senator from Oregon [Mr. Packwood], the Senator from New York [Mr. Moynihan], the Senator from Alaska [Mr. Murkowski], the Senator from Georgia [Mr. Nunn], the Senator from New Hampshire [Mr. Humphrey], the Senator from Rhode Island [Mr. Pell], the Senator from Mississippi [Mr. Cochran], the Senator from Arkansas [Mr. Pryor], the Senator from South Dakota [Mr. Pressler], the Senator from Nevada [Mr. Reid], the Senator from Vermont [Mr. Stafford], the Senator from North Carolina [Mr. Sanford], the Senator from North Carolina [Mr. Helms], the Senator from Illinois [Mr. Simon], the Senator from Oklahoma [Mr. Nickles], the Senator from Mississippi [Mr. Stennis], the Senator from Ohio [Mr. Glenn], the Senator from Michigan [Mr. Levin], the Senator from West Virginia [Mr. Rockefeller], the Senator from Maryland [Mr. Sarbanes], the Senator from Michigan [Mr. Riegle], the Senator from Maryland [Ms. Mikulski], the Senator from Louisiana [Mr. Breaux], the Senator from New Jersey [Mr. Lautenberg], and the Senator from Montana [Mr. Baucus] were added as cosponsors of Senate Joint Resolution 145, joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week."

SENATE JOINT RESOLUTION 148

At the request of Mr. D'Amato, the names of the Senator from Michigan [Mr. Riegle], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Joint Resolution 148, joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week."

SENATE JOINT RESOLUTION 154

At the request of Mr. Pell, the names of the Senator from Maryland [Ms. Mikulski], the Senator from Maine [Mr. Mitchell], the Senator from Arizona [Mr. DeConcini], the Senator from Virginia [Mr. Warner], the Senator from Arkansas [Mr. Bumpers], the Senator from Nebraska [Mr. Karnes], the Senator from New Hampshire [Mr. Humphrey], the Senator from South Dakota [Mr. Daschle], the Senator from Tennessee [Mr. Gore], the Senator from Massachusetts [Mr. Kennedy], the Senator from Maryland [Mr. Sarbanes], the Senator from Connecticut [Mr. Dodd], the Senator from New Jersey [Mr. Lautenberg], the Senator from Idaho [Mr. McClure], the Senator from North Carolina [Mr. Sanford], the Senator from Kansas [Mr. Dole], and the Senator from Iowa [Mr. Grassley] were added as cosponsors of Senate Joint Resolution 154, joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week."

SENATE JOINT RESOLUTION 160

At the request of Mr. Lautenberg, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Michigan [Mr. Riegle], the Senator from South Carolina [Mr. Hollings], the Senator from Connecticut [Mr. Dodd], the Senator from Rhode Island [Mr. Pell], the Senator from Tennessee [Mr. Gore], the Senator from Texas [Mr. Bentsen], the Senator from West Virginia [Mr. Rockefeller], the Senator from Maryland [Mr. Sarbanes], the Senator from Ohio [Mr. Metzenbaum], the Senator from California [Mr. Cranston], the Senator from Texas [Mr. Gramm], the Senator from Delaware [Mr. Roth], the Senator from Arizona [Mr. McCain], the Senator from New York [Mr. D'Amato], the Senator from South Carolina [Mr. Thurmond], the Senator from California [Mr. Wilson], the Senator from Idaho [Mr. McClure], the Senator from Colorado [Mr. Armstrong], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of Senate Joint Resolution 160, joint resolution to designate July 25, 1987, as "Clean Water Day."

SENATE JOINT RESOLUTION 161

At the request of Mr. DeConcini, the name of the Senator from Colorado [Mr. Armstrong] was added as a cosponsor of Senate Joint Resolution 161, joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation.

SENATE JOINT RESOLUTION 163

At the request of Mr. Karnes, the names of the Senator from Colorado [Mr. Wirth], the Senator from New Jersey [Mr. Bradley], the Senator from Alaska [Mr. Stevens], the Senator from Oregon [Mr. Packwood], the Senator from Iowa [Mr. Grassley], the Senator from Mississippi [Mr. Cochran], the Senator from South Carolina [Mr. Thurmond], the Senator from Florida [Mr. Chiles], the Senator from Florida [Mr. Graham], the Senator from Washington [Mr. Evans], the Senator from Minnesota [Mr. Boschwitz], the Senator from South Dakota [Mr. Pressler], the Senator from Missouri [Mr. Danforth], the Senator from Kentucky [Mr. McConnell], the Senator from Louisiana [Mr. Breaux], the Senator from Oklahoma [Mr. Nickles], the Senator from California [Mr. Wilson], the Senator from Pennsylvania [Mr. Specter], the Senator from Rhode Island [Mr. Chafee], the Senator from North Dakota [Mr. Conrad], and the Senator from Georgia [Mr. Fowler] were added as cosponsors of Senate Joint Resolution 163, joint resolution to designate the month of November 1987, as "National Family Bread Baking Month."

SENATE JOINT RESOLUTION 165

At the request of Mr. Bradley, the names of the Senator from Hawaii [Mr. Inouye], the Senator from Michigan [Mr. Levin], the Senator from Arizona [Mr. DeConcini], the Senator from North Dakota [Mr. Burdick], the Senator from North Carolina [Mr. Sanford], the Senator from South Carolina [Mr. Thurmond], the Senator from Arizona [Mr. McCain], the Senator from Minnesota [Mr. Boschwitz], the Senator from California [Mr. Wilson], the Senator from Louisiana [Mr. Johnston], the Senator from Maine [Mr. Mitchell], the Senator from New York [Mr. Moynihan], the Senator from Kansas [Mr. Dole], the Senator from Massachusetts [Mr. Kerry], the Senator from Mississippi [Mr. Stennis], the Senator from Arkansas [Mr. Pryor], the Senator from Virginia [Mr. Trible], the Senator from New Jersey [Mr. Lautenberg], the Senator from Tennessee [Mr. Gore], the Senator from Delaware [Mr. Biden], the Senator from Utah [Mr. Hatch], the Senator from New York [Mr. D'Amato], the Senator from Utah [Mr. Garn], the Senator from New Hampshire [Mr. Humphrey], the Senator from Rhode Island [Mr. Pell], the Senator from Michigan [Mr. Riegle], the Senator from Minnesota [Mr. Durenberger], the Senator from Alabama [Mr. Shelby], the Senator from Washington [Mr. Adams], the Senator from Virginia [Mr. Warner], the Senator from Connecticut [Mr. Dodd], and the Senator from Alaska [Mr. Stevens] were added as cosponsors of Senate Joint Resolution 165, joint resolution expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987, as "National Sokol Day in the United States."

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. Grassley, the names of the Senator from Vermont [Mr. Stafford], the Senator from Nebraska [Mr. Exon], and the Senator from Washington [Mr. Evans] were added as cosponsors of Senate Concurrent Resolution 32, a concurrent resolution to express the sense of Congress that volunteer work should be taken into account by employers in the consideration of applicants for employment and that provision should be made for a listing and description of volunteer work on employment application forms.

SENATE CONCURRENT RESOLUTION 43

At the request of Mr. Stevens, the names of the Senator from Kansas [Mrs. Kassebaum], and the Senator from New Hampshire [Mr. Humphrey] were added as cosponsors of Senate Concurrent Resolution 43, a concurrent resolution to encourage State and local governments and local educational agencies to provide quality daily physical education programs for all children from kindergarten through grade 12.

SENATE RESOLUTION 187

At the request of Mr. Adams, the name of the Senator from Alaska [Mr. Stevens] was added as a cosponsor of Senate Resolution 187, a resolution referring the bill for the relief of Frederick Paul to the Chief Judge of the U.S. Claims Court.

SENATE RESOLUTION 230

At the request of Mr. Lautenberg, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of Senate Resolution 230, a resolution to call upon the Federal Aviation Administration to immediately implement the priority 1 urgent recommendation of the National Transportation Safety Board in connection with our air traffic control system.

AMENDMENTS SUBMITTED

SENATORIAL ELECTION CAMPAIGN ACT

HELMS AMENDMENT NO. 319

(Ordered to lie on the table.)

Mr. HELMS submitted an amendment intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

At the end of the bill, add the following new section:

SEC. —. (a) Section 816(b)(2)(C) of the Federal Election Campaign Act of 1971 is amended by inserting before the period ": *Provided,* That all contributions, gifts, or payments for such activities are made freely and voluntarily, and are unrelated to dues, fees, or other moneys required as a condition of employment".

(b) Section 316(b)(3) of the Federal Election Campaign Act of 1971 is amended by—

(1) striking out "and" at the end of subparagraph (B);

(2) striking out the period at the end of subparagraph (C) and inserting "; and"; and

(3) adding after subparagraph (C) the following:

"(D) to use any fees, dues, or assessments paid to any organization as a condition of employment, or money or anything of value secured by physical force, job discrimination, or financial reprisal for (i) registration or get-out-the-vote campaigns, (ii) campaign materials or partisan political activities used in connection with any broadcasting, direct mail, newspaper, magazine, billboard, telephone banks, or any similar type of political communication or advertising, (iii) establishing, administering, or soliciting contributions to a separate segregated fund, or (iv) any other expenditure in connection with any election to any political office or in connection with any primary election or political convention or caucus held to select candidates for any political office.".

Mr. HELMS. Mr. President, when I visit with friends back home, I often mention that when Congress starts to "reform" something, everybody had better hang on to their wallets. S. 2 is no exception.

I have always believed that our political system was based on the philosophy of voluntary participation, full disclosure, and political accountability. S. 2 is antithetical to that philosophy.

Thomas Jefferson, who is a personal hero of mine, said, "To compel a man to furnish contributions for the propagation of opinions which he disbelieves is sinful and tyrannical." I fully agree. How can we justify compelling citizens to contribute, through their tax dollars, to candidates whom they may not support—indeed, may not even know?

In addition, Mr. President, if we trust the American public to hold elected officials accountable for their actions in office, the last thing we should do is restrict the freedom or resources that candidates can use to communicate to the public about their opponents. How else can the public hold elected officials accountable unless challengers are free to reveal and discuss the deficiencies of incumbents—and vice versa?

If we restrict the freedom of a challenger to expose to the public the inadequacies in an incumbent's record of service—if we restrict the ability of a candidate to communicate to the public, either by controlling the context of that communication, or by limiting the resources available, then we will do a grave disservice to the American public's right to be informed, and we will make mockery of the concept of political accountability.

Furthermore, Mr. President, we have no business establishing complex formulas to dictate how much is appropriate for candidates to spend in seeking public office. The American people are competent to judge that for themselves.

Our responsibility, as I see it, is to assist the public in becoming as well-informed as possible before they cast their vote. We can best accomplish this by requiring full disclosure by all candidates and by promoting extensive debate on issues, and thorough discussion of each candidate's qualifications and performance.

In this regard, if the public believes that so-called negative advertising is undesirable or unwise, they are free to let that be known through their vote. I would observe that an honest definition of "negative advertising" generally turns out to be an epithet used by candidates and the news media to denigrate a candidate whom they oppose.

I commend my good friend from Minnesota, my friend from Kentucky, and the other Senators who have worked so hard to develop an alternative proposal to the one before us. However, I feel that there are serious problems with some of the alternatives that I have seen.

As I've said so many times, if we are truly serious about reforming our Federal election laws, we must address the most blatant violations of political freedom: the use of compulsory union dues for political purposes.

The Supreme Court has clearly stated that nonunion employees have a constitutional right to prevent unions from spending compulsory dues" to express political views unrelated to its duties as exclusive bargaining representative." The Court has also made it clear that—

> [t]he amount at stake for each individual dissenter does not diminish this concern. For, whatever the amount, the quality of respondents' interest in not being compelled to subsidize the propagation of political or idealogical views that they oppose is clear." [*Chicago Teachers Union* v. *Hudson* (1985)].

Despite that clear enunciation of constitutional rights, our Federal labor laws, in conjunction with our Federal election laws, continue to give organized labor a power enjoyed by no other private association—the power to take money from American workers as a condition of getting a job, or keeping a job, and use that money for political causes and candidates whom the workers themselves may not support.

The Federal Election Campaign Act, as amended in 1976, has only the appearance of restricting the use of compulsory union dues for political purposes. While the law does prohibit the use of compulsory dues for direct cash contributions to political candidates, it does not—I say again: does not—prohibit the use of forced union dues for a number of indirect means of supporting political candidates and causes.

Section 441b of the Federal Election Campaign Act specifically states that it is unlawful for a corporation or labor organization to make a "contribution or expenditure" in connection with any Federal primary general election. It does allow corporations and labor unions to set up separate political action committees, which can make direct contributions and expenditures for political purposes.

Section 441b(b)(3) prohibits a PAC from using compulsory union dues to make contributions or expenditures. However, the definition of "contribution or expenditure" specifically excludes a number of valuable political activities, such as communications by the union to its members and their families, get-out-the-vote campaigns, and the establishment, administration, and solicitation of contributions to the PAC. Consequently, the statute allows unions to use compulsory union dues for partisan political activities in direct contravention to the holding of the Supreme Court.

Because of this legal dichotomy, union officials divide their political expenditures into two categories: hard money and soft money. Hard money consists of money given directly to candidates in the form of cash or in-kind contributions taken from funds given voluntarily by union members. Soft money is that enormous amount of money spent by union officials on behalf of—but not contributed directly to—political candidates.

This so-called soft money finances the operations of union PAC's; it provides extensive in-kind political services; and, in fact, it represents the overwhelming bulk of union political expenditures. This is money coming directly from union dues that workers must pay as a condition of employment.

This soft money can run well into the millions of dollars each election cycle. For example, in July 1976, AFL-CIO public relations director, Bernard Albert, revealed that the annual budget of the AFL-CIO's Committee on Public Education alone ran to approximately $2 million.

In spite of the vast sums of compulsory union dues that finance the operating costs of union PAC's, the bulk of compulsory dues soft money goes for unreported, unlimited in-kind political expenditures. The July 1979 issue of Steelabor, the official newspaper of the United Steelworkers of America, offered its readers a surprisingly candid and straightforward explanation of in-kind political spending. union dues money, reported the union paper, "can't go for direct political contributions—but it can do a lot; mailings supporting or opposing political candidates, phone banks, precinct visits, voter registration, and get-out-the vote drives."

In spite of these admissions, the account in Steelabor only tells half of the story. To fill out the picture, several key expenditures need to be added to the list: thousands of union employees devoted almost solely to partisan political activities; election day workers paid overtime rates from compulsory dues; millions of political pamphlets and flyers; and paid election-day carpools and babysitter, and many others.

Paul Jensen, Walter Mondale's campaign liaison to organized labor, estimated that the unions' soft money contributions to the Mondale campaign were worth about $20 million. This is money that is neither documented nor reported to the Federal Election Commission. This overwhelming amount of political expenditure remains hidden from the American public.

In light of the Supreme Court's unequivocal holding that no compulsory union dues can be used for political purposes, there is absolutely no justification for the Federal Election Campaign Act to continue to make this distinction between direct and indirect political expenditures. That is why I introduced S. 615, which would amend the Federal Election Campaign Act to prohibit the use of compulsory union dues for any political expenditures, direct or indirect.

Opponents of my proposal will claim that the use of compulsory union dues for politics is analogous to the use of corporate funds to establish political action committees with which stockholders may disagree. They say my legislation would unfairly tip the political balance of power in favor of business interests by restricting only union politics.

First, we must keep in mind that the balance of power is already skewed by the National Labor Relations Act, which gives unions a power enjoyed by no other organization: The power to collect dues from American workers as a condition of their employment.

Second, this bill is not designed to deny labor organizations, or anyone else, the right to participate freely in the political process. It is designed, and is necessary, to protect the constitutional right of dissenting union members not to have their forced dues used for political purposes. The U.S. Court of Appeals for the District of Columbia, in Federal Election Commission versus International Association of Machinists, specifically rejected the analogy between dissenting union members and corporate shareholders.

In that case, attorneys for the International Association of Machinists Union charged that 11 corporations had violated the Federal Elections Campaign Act by soliciting contributions to their political action committees from administrative personnel under what they termed "inherently coercive" conditions. The district court ruled that no such violation had occurred.

Union attorneys asked the U.S. court of appeals to decide whether the use of general corporate assets to establish and support corporate political action committees violates the first amendment rights of dissenting shareholders. Union attorneys attempted to base their claim on the landmark case Abood versus Detroit Board of Education, in which the Supreme Court held that the first amendment prohibits unions from forcing employees to support political causes against their will through the use of compulsory union dues. Union attorneys attempted to draw a parallel between the situation in Abood and the use of treasury funds by corporations to establish and administer PAC's.

The court of appeals was not convinced. The court ruled that there was no valid analogy between the union position in FEC versus International Association of Machinists and the fact situation in Abood. The court pointed out that a corporate shareholder is under no compulsion to support a political cause against his will. Citing another Supreme Court decision, First National Bank of Boston versus Bellotti, the court of appeals said: "The shareholder invests in a corporation of his own volition and is free to withdraw his investment at any time and for any reason."

Any campaign reform effort must deal with the abusive use of compulsory union dues. The time has come to return to individual workers the right to choose for themselves which political candidates and causes their dollars will be used to support.

Mr. President, I ask unanimous consent that an article from the June 22 edition of Time magazine be printed in the RECORD. This article is particulary revealing as we debate the undue influence of "special interest" groups. In it, Mr. Howard Samuel, an executive with AFL-CIO, boasts that the AFL-CIO now "controls the committees and the agenda on the floor."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Time magazine, June 22, 1987]

CORPORATE ANGST ON CAPITOL HILL—THE DEMOCRATS PUSH FOR A PASSEL OF PRO-LABOR BILLS

For most of the past six years, being a business lobbyist in Washington has been a cushy assignment. In the laissez-faire atmosphere created by the Reagan Administration, Congress seemed unusually reluctant to put new legislative shackles on America's corporations. But now that the Democrats have regained control of the Senate and the White House's power has been weakened by Iranscam, business finds itself on the defensive. Corporate lobbyists are fighting a bevy of labor-supported bills that might be beneficial to workers but would impose new costs and burdens on corporations. Says Dirk Van Dongen, president of the National Association of Wholesaler-Distributors (N.A.W.): "It is real warfare."

A passel of pending legislation would affect almost every aspect of the relationship between management and workers. If some leading congressional Democrats and their labor-union allies are successful, companies will have to pay a higher minimum wage, provide a Government-mandated menu of health-care benefits for all workers and offer unpaid leave and guaranteed job security to employees who leave work temporarily when they become parents. Other bills would set up new rules governing unionization, plant closings and on-the-job safety.

The flurry of proposals dramatizes the renewed clout of organized labor in the corridors of Congress. Senate Majority Leader Robert Byrd, a West Virginia Democrat, is more receptive when labor buzzes in his ear than was his predecessor, Republican Robert Dole of Kansas. Massachusetts Democrat Edward Kennedy, an avid defender of workers, has replaced the decidedly less sympathetic Utah Republican Orrin Hatch as chairman of the Senate Labor and Human Resources Committee. Democrats who are friendly to or received campaign money from the labor movement are in positions to help along the bulk of the business-related legislation. Boasts AFL-CIO Executive Howard Samuel: "We control the committees and the agenda on the floor."

Recognizing the challenge they face, business groups have mounted a full-court defense. Van Dongen's N.A.W. can delve into a computer bank that lists 10,000 members who have ranked how well they know legislators on a scale from "slightly" to "very well." The U.S. Chamber of Commerce, meanwhile, is organizing a mammoth letter/writing campaign to Congress. Its message: the raft of legislation would drive up business costs while American companies are already losing markets to foreign competitors.

One of the most hotly debated proposals is a Senate bill introduced by Ohio Democrat Howard Metzenbaum. It would force companies to notify unions up to six months in advance of plant closings and substantial layoffs. A version that passed the House Labor Committee last week goes even further, requiring employers to consult with unions before making such decisions. "With advance notice, workers can begin to look for new jobs," says AFL-CIO Secretary-Treasurer Thomas Donahue. But critics charge that the bills would sharply limit management's flexibility. In an editorial, the Detroit News called the legislation "Metzenbomb." Executives at Pittsburgh-based USX, which has been in the throes of restructuring its steelmaking operations, contend that such a law would have forced them to consult with employee groups 28 times in the first half of 1986, leading to divisive confrontations that would have sapped management's time and cost the company millions of dollars.

Equally controversial is a bill that would prohibit the widespread construction-industry practice known as "double-breasting," in which companies operate two subsidiaries, one unionized and the other nonunion. Critics charge that this practice is merely a way for firms to circumvent collective-bargaining agreements. If the proposed bill passes, these companies would have to choose to be either exclusively union or nonunion. Labor leaders believe the law would produce more unionized shops, but some companies indicate they might try to shut out their unions. Such is the case at Phelps Inc., a 2,000-employee construction firm based in Greeley, Colo., that engages in double-breasting. Insists Co-Owner Robert Ruyle: "The unions are shooting themselves in the foot."

Nearly 3.5 million Americans could be directly affected by a bill that would raise the minimum wage nearly 40%, to $4.65 an hour, by 1990. Supporters note that the minimum has been $3.35 since 1981. Opponents argue that such a law would discourage firms from hiring unskilled young workers.

Another costly bill that makes businesses queasy is Kennedy's plan to require them to pay at least 80% of employee's insurance premiums for hospital care, physicians' fees and diagnostic tests. Says John Sweeney, president of the 850,000-member Service Employees International Union of the AFL-CIO: "The bill promises relief for low-wage earners, part-time workers and taxpayers who have had to pick up the tab" for medical costs. But the bill would lay a new $20 billion-a-year burden on businesses, which currently are not required to offer health-care benefits.

Another pro-labor bill would require the Government to notify employees when they have been exposed to hazardous substances in the workplace. Even though the legislation has won the endorsement of the Chemical Manufacturers Association and major employers like IBM, most business leaders oppose it. Their fear: the law would lead to a blizzard of lawsuits.

Among all the pro-labor bills, the measures that stand the best chance of passing Congress this year are the ones involving plant closings, minimum wages and highrisk notification. This week the House is expected to vote on, and is likely to approve, the double-breasting legislation. The issues of mandated health care and parental leave will probably languish until next year. Labor does not expect to win every battle and realizes that some laws may have to be passed by overriding a presidential veto. But the pro-worker lobby is pushing to get as much as it can as fast as it can. After all, 1988 is an election year, and the political climate can be as fickle as the weather.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 23, 1987, at 3 p.m. to receive a closed briefing on the current situation in the Persian Gulf.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

RELIGIOUS FREEDOM IN THE SOVIET UNION

● Mr. DECONCINI. Mr. President, Senator GRASSLEY and I, as chairman and vice chairman of the International Parliamentary Group for Human Rights in the Soviet Union [IPG], would like to share with our colleagues some interesting testimony presented at a hearing we held in Vienna, Austria, on November 11, 1986. The subject of the hearing was religous freedom in the Soviet Union. Also in attendance were Congressman STENY HOYER D-MD; Fred King, MP-Canada; Dr. Josef Hochtl, MP-Austria; Dr. Fritz Marsch, MP-Austria; Dr. Heinrich Neisser, MP-Austria; and Dr. Hans Hesely, MP-Austria. Our expert witnesses included Bishop Dr. Oskar Sakrausky, Evangelical Church of Austria; Pater Jakob Forg, Austrian Catholic Church; Rabbi Chaim Eisenberg, Chief Rabbi, Austria; and human rights experts Vladimir Bukovsky, Yuri Orlov, and Vladimir Magarik. The following is a summary of this hearing:

SUMMARY OF HEARING

Bishop Dr. Sakrausky was to speak from the religious experts panel. He described the Soviet destruction of prayer, holy sacrements and communication of that message "which gives us reason to hope for the eternal life for which we've been made. We must not deprive mankind of this hope. Whoever takes away this hope from mankind—whoever forbids the message to be carried on—is violating the dignity which God has given to man and destroyed the hope which man would otherwise have."

Referring to the fact that Christians are being denied their human dignity, Dr. Sakrausky said that the message must be spread through the media and by parliamentary groups such as the IPG and the Christian International Solidarity (CSI) to which he and Father Forg belong. "We live in a time of mobility and media domination. No one can do things in secrecy and deprive human beings of their dignity.

Father Forg stated that it is not important to study the secret decrees of the Soviet government because publicly available information describes the Soviet Union's anti-religious policy quite clearly. "In article 52 of the Soviet constitution, all citizens are given the right to engage in anti-religious propaganda. The party charter says that every communist has to fight against prejudices. And one year after the Helsinki Accords was signed a regulation was published—that religious communities are not allowed to organize prayer meetings and gathering for their members. The Soviet criminal law is also quite explicit in article 227 stating those doing religious work for children and young people may be punished with five- to six-year prison terms and with seizure of their property."

Father Forg said that, at the beginning of 1986, the Ukrainian and Lithuanian party chiefs called for a determined fight against religion. Through Pravda, they denounced the inference of religious Soviet citizens on their children because it hindered the elimination of religion from Soviet society. He said the state church office works together with the KGB and supervises everything. It is the center of the continued fight against religion and has abolished the United Catholic Church in Ukrainia, which had 4000 priests and 2000 monasteries. Father Forg provided many statistics including the following:

Of 57 theological colleges in the Soviet Union, 3 remain;

Of 1250 orthodox monasteries, 17 remain;

Of 300 evangelical churches, 130 remain;

Of 4000 orthodox churches, 150 remain;

In Lithuania, specifically, 80 churches, 3 seminaries and 313 chapels were closed and 2000 teachers were forced to leave their jobs when they declared themselves religious believers;

In 1984, within 4 months, the political authorities closed more than 30 Catholic churches and tore the buildings down.

Father Forg continued to say that, as far as the media is concerned, regional newspapers fight against religious practice much more than papers that are circulated abroad. They contain enormous amounts of libel and slander, which lead to difficulties for believers who live in these communities.

For the German believers in Russia, times are equally as difficult. Out of 490 evangelical communities only 220 are registered with the state, but they have no bishop, no priest and no theological training institution. There are about 12 priests for over 500,000 Catholics and most of them are very old. And in 1986 alone, only 218 Germans out of a total of 200,000 who wanted to leave the country were allowed to emigrate.

As reported by Rabbi Eisenberg, "the problem of Jews in the Soviet Union is a particularly tragic one and a particularly interesting one because it comprises all the human rights problems that exist: bringing families together, leaving the country, human contacts and practice of culture, language and religion."

Although the Soviet Union says that religious instruction and education of children is left to the parents, they are in violation of Soviet policy if they do. Article 66 of the Soviet Constitution, for example, says that children should be educated to be members of the Socialist community. In addition, teaching the Hebrew language is banned, so it makes it very difficult to give religious instruction. Not only are the Hebrew prayers essential to religious observances, but the Hebrew language in itself is an interlinkage of religion and Jewish culture.

The Rabbi said that Jews are often punished on fabricated charges. He cited, as an example, the Shabbat supper which brings together family and friends on Friday evenings. "This is neither a worship nor a religious assembly, but [in the Soviet Union] is classified as an illegal religious meeting." Over and over again these gatherings are interrupted by Soviet officials who then punish the guests as "criminals." Accusations of illegal drug use are frequently leveled against Jews who use a perfumed herb at the end of Shabbat. Subsequent imprisonment is not unusual.

PARLIAMENTARY QUESTIONS

"How do you assess the development of human rights and particularly religious rights since General Secretary Gorbachev took office?"

Father Forg said that even though Gorbachev's image has improved in the west, human rights continue to be violated. "People are suffering as they were before. We may get the impression that things have improved because the KGB strategy of disinformation seems to have an enormous effect in the west. An improvement could only take place if the legislative situation changed—if the anti-human and anti-religious provisions disappeared. But I do not know of a single case where such a provision has been abolished under Gorbachev.

Bishop Dr. Sakrausky responded that "in the Soviet Union, human rights are a political question, just like everything else. Everything is a political issue." It follows, then, that if the Soviet Union wants to be on better terms with the west and is pursuing a particular foreign policy line, there will be improvements. To help this process along, the pressure of public opinion through publicity and the media is important because the Soviets are very conscious of appearances.

Dr. Sakrausky went on to explain that there is a particular problem with the enormous Russian army. Many times a superior officer will notice that a soldier is a Christian or a Jew and will provoke the other soldiers to harass him to the point of manslaughter or detainment to camp for years and years. But it is very difficult to interfere with the army because it is somehow removed from public opinion and not included in public reports.

"How can a person in the Soviet Union study to become a minister, priest or a rabbi?"

Rabbi Eisenberg explained that although there is no rabbinical training in the Soviet Union, three Soviet rabbis were allowed to travel in the 70's for training in Budapest, Hungary, "a place where there is no danger for the candidate to get any wrong ideology." Even though Moscow and Leningrad have one rabbi each, the cities of Kiev and Odessa, which have 200,000 Jews between them, have none. In addition, "the Chief Rabbi of Moscow is a member (and I assume he has to be) of the anti-Zionist committee. It is a joke for a rabbi to be a member in such a place."

"What consequences does a child face when he learns from either the Old Testament or the New Testament?"

Father Forg responded, "If you have one, you are lucky. But if a young person studies the New Testament, he or she will certainly enter into some conflict because the attitude taken in the New Testament is incompatible with the attitude taken by the Soviet state. The state wants to offer everything—money, privileges, travel—but in return, the state wants the soul of a human being. This is something the young person studying the New Testament will understand and realize.

"What would you consider the most important measure we, as parliamentarians, should take in order to help improve the human rights situation in the Soviet Union?"

Father Forg said that parliamentarians can show unity and solidarity through international cooperation and serve as an example for those who would rather work on their own. "Cooperation with human rights organizations is most valuable. Trips to foreign countries are also very important. And it is a very good thing to go to Moscow. The subject of human rights has to be taken up again and again.

"Austria has always served as an example in this respect and I should like to thank the Austrian authorities and hope that this country will continue its friendly talks without hiding anything. If we were to be silent over these violations, we would really do the people even greater harm. Sometimes I have the impression that economical organizations and even some politicians consider it their only task to establish contacts in terms of exports and imports. I think we have to go beyond this economic framework of thinking." The economy is, after all, for human beings. And that is who we are working for—human beings.

Dr. Sakrausky added that it is most important for parliamentarians to supply themselves continuously with information. "From this wealth of information, you can form your own pictures of developments since Gorbachev came to power. Second, if you ever get the chance to talk with political economical representatives of eastern bloc countries, you must take up these questions [of human rights]. If as believing Christians and Jews—or just convinced human rights activists—you take up this issue, you will find how much [the Soviets] are opposed to taking up these matters. They will tell you again and again that [the issue] is of no importance. But we must not give up. We have to show them that we are informed about the violations of human rights in the Soviet Union."

Rabbi Eisenberg explained that "there is a very special solidarity in the Jewish people all over the world. But people who don't like Jews use this to say that the Jews want to take over the world. What is true is the Jews show solidarity with each other—wherever they are. And what all the members of the Soviet Jewish struggle all over the world are doing is to show our brothers in the Soviet Union—give them the feeling—that they are not alone, that we have solidarity with them and will stand by them. This is the main thing that you could also do for them."

Mr. Marsch asked for some comment on the situation on the Armenian church. "I had an opportunity to see the Armenian church and there was a relatively large number of people attending a religious service. I had the impression that, at least as far as the Armenian church is concerned, there seems to be a somewhat greater freedom than in the other Soviet republics."

Father Forg cautioned that "Armenia is quite remote from Moscow, but you should not be deluded. I remember warnings sounded by Christians in the Soviet Union and they said that we should not be deluded by full churches. They told us that we see only what we're allowed to see. They pointed this out again and again. But I do admit, and fortunately there are differences in the Soviet Union, the situation is not the same everywhere."

Vladimir Magarik, a mathematician and the first to speak from the panel of human rights experts, spoke about Soviet morals and principles through several examples. "When I lived in the Soviet Union I worked in the Institute on (inaudible)-physics. And just like any other institution in the Soviet Union, we had a system of brainwashing that was used. That's the system of sociological or political torturing. And once [during a lecture on the relativity of morals] a person asked if cannabalism was a moral ideology. At present, cannabalism is amoral in the Soviet society. But anything can happen—it depends on the conditions."

Citing other examples of societal control by the Soviets, Mr. Magarik said he was quite certain that the Chief Rabbi of Moscow is a member of the KGB. "This rabbi is known as a person who is badly educated and who speaks Hebrew poorly, understanding it only word by word. One of my friends, who is a specialist in Hebrew and religious issues, was invited to take this post [and was at the same time offered] another job as an officer in the KGB."

Even though the KGB has said that teaching Hebrew and Judaism is against the law, "I don't want to say that religion is [necessarily] prohibited in the Soviet Union. The methods that are used in the Soviet Union are the methods of pressure and threats. They use them until people finally give in. And if people don't give in, then [the Soviet authorities] select a few for overt persecution to send a message to the rest. My son was such a victim."

Mr. Magarik explained that his son, Alexei, had prepared a cassette tape for the Jewish Passover service. The tape explained the holiday and included the Passover prayers and songs. Within a year, Alexei and others involved ended up in Siberia, having been arrested for disseminating false rumors and possessing narcotics.

"I would like to say a few words about this accusation that you might call 'drug libel' against the Jews and other independent groups in the Soviet Union. This is fabrication. From the west it is hard to understand that the KGB can think up any charge they want to apply to a person. The KGB claims that smoking drugs is part of the Sabbath ritual. Now they are attempting to link the drug network in the Soviet Union to independent groups. I call on you now to unite all your efforts to oppose this type of drug libel and fabrication."

Vladimir Bukovsky spoke about the abuse of psychiatry for political purposes in the Soviet Union. "It was developed under Khruschev's leadership and became a well-established method of repression in the 60's. It was a joint project—the methodology was worked out by the psychiatrists while other techniques were worked out by the KGB. The original idea was that Khruschev didn't want to continue the massive repressions of Stalin's time so as not to spoil his excellent relations with the west. (His image was of a new leader—charismatic, young and whatever else they say about Gorbachev.) The substitute of that activity, however, would be to rule people as insane and that would save him the bad publicity of political trials. And since anyone can become mentally ill, it would be very difficult for the west to prove that such an individual was instead a political prisoner."

Mr. Bukovsky described two dianoses that have often been used by Soviet psychiatrists: sluggish-schizophrenia, which develops very slowly and can drag on for 30 years without external manifestation, and "paranoid development of personality" which can easily be applied to people who refuse to cooperate with the KGB. In the early 1960's, there were three hospitals that diagnosed such cases. By 1970, there were 15 special types of psychiatric hospitals across the country. In 1977, encouraged by dissent inside the psychiatric community, the World Psychiatric Association (WPA) condemned Soviet practice of committing sane people for political reasons. And finally, by 1983, the Soviets pulled out of the WPA apparently because they knew they were going to be expelled.

The result has been predictable. "Those who became known to the west are not committed [to psychiatric hospitals] anymore because the Soviet authorities don't want to feud with the growing campaign in the free world. But at the same time, the number of people who do not have the attention of the western public or media has not been reduced."

Religious activists constitute a large percentage of hospital inmates, particularly because such a diagnosis is an easy solution to an uncomfortable problem. Although it is normal procedure to imprison those Christians caught during a religious service, "the Soviet authorities believe it is counterproductive to put them all on trial. Even with the techniques of closed-door trials, the word will be spreading that the Soviet Union has quite a number of people who believe in God. [The view is] that it is much more comfortable to proclaim them as being insane and to send them to psychiatric hospitals." Others who are sent to psychiatric hospitals include trade union advocates and non-conformist artists.

One group in particular, which is heavily persecuted by the application of psychiatric repression, is the Hare Khrishnas. Mr. Bukovsky listed several Hare Khrishna activists who have been committed to various special hospitals including Alexei Mustov, Anatoly Pinyayev and Sergei Kasyan. "[Sergei's] case is particularly interesting because when he was examined by so-called psychiatrists, his disease was described officially as Khrishnamania. So far, and I work closely with psychiatry by profession, I've never heard of a disease of that type."

Perhaps the most well-known psychiatric case is that on Dr. Anatoly Koryagin. He examined several Soviet disssidents who had already been committed were in danger of being committed to a psychiatric hospital in order to establish their mental states in a purely scientific manner. Although he concluded that the majority of the patients were sane, their sentences remained unchanged. "For making his own findings and his own scientific opinion public, he was sent to the concentration camp for seven years. He was severely mistreated, tortured an beaten because the Soviet authorities wanted to break him down. They didn't want an example of a Soviet psychiatrist fighting against the abuse of his profession. They tried to break him down by all means and failed . . . if we try to fight against the abuse of psychiatry, we first and foremost have to help this man."

[NOTE.—Dr. Koryagin was released in February, 1987.]

Yuri Orlov explained that the fundamental difficulty involved in the struggle for religious freedom in the Soviet Union is basically a public misunderstanding. "The majority of the population, in general, is fairly indifferent to the problems of religious freedom. I have thought quite a bit about this problem * * * and I think [one solution] is to say that religion is chiefly a way of preserving morals. It is a way of preserving national morals and national traditions and has to do with family and labor morals."

Another reason for the shy public attitude is that Soviet legislation specifies that parents raise their children in the spirit of building communism. Additional legislation entitles authorities to remove children from their parents if they are not being raised in the proper manner. "From Kindergarten on, Soviet children are indoctrinated in the spirit of anti-religious propaganda."

Mr. Orlov said that he is hopeful that the public attitude will change because he has seen some progress in the attitudes of the intelligentsia and other sectors of Soviet society. "Of course, this progress flies in the face of the party's atheistic program. The Russian intelligentsia understand that in order to preserve national traditions and morals, they must make a connection to religous morals—or at least, preserve a respect for religion."

PARLIAMENTARY QUESTIONS

"Has there been any change in the human rights situation in the Soviet Union since Gorbachev took office?"

Mr. Bukovsky: "Several recent cases of prisoners being released in the USSR (including the most publicized case of Dr. Sakharov) do not indicate any significant change in the Soviet regime. At best, they could be described as a very skillful P.R. exercise calculated to deceive public opinion in the west. The very pattern of these cases (i.e. several most publicized prisoners being released one by one in the duration of a year) indicate that the Soviet leaders are trying to maximize the effect while making minimal concessions.

Should they have really decided to 'liberalize' the Soviet regime, they would have started by granting amnesty to all political prisoners. The necessity to improve image abroad shows how desperately they need economic assistance, credits, technology, etc. It also shows that we can get much more from the Soviets at this junction.

We can expect some further improvements in the fate of dissidents and refuseniks provided the west will step up the pressure instead of relaxing. If the west shows impatience once again and accepts detente at this stage, there will be neither improvements in the human rights sphere nor radical economic reforms."

"What can we do to help improve the situation?"

Mr. Bukovsky: "My experience of the past 10 years has convinced me that the west is incapable of conducting east-west policy with any degree of subtlety. Since the west still lacks the people with experience in ideological warfare, any attempts to outplay the Soviets on their own territory are doomed. Any reasonable conditions you may commit the Soviets to will be skillfully faked or ignored, while it would be virtually impossible to pull out at the last moment without losing the propaganda battle." My advice is to demand impossible conditions, such as:

1. complete political amnesty
2. complete withdrawal from Afghanistan
3. renewal of emigration to the scale of 1979
4. free participation of emigre organizations
5. complete coverage of the sessions by the Soviet television (live)
6. no jamming of the western broadcasts
7. access to the International Red Cross and Amnesty International to any jails and camps they want to visit
8. elimination from the Soviet penal code of all "political" articles

The more the better.

The Helsinki process has some meaning only if the west is prepared to act. While the ultimate goal of communism is absurd, the Soviet regime is quite pragmatic within its absurdity. The least effective is to "talk" with them if the words are not supported with action. To begin with, the essence of the Helsinki agreement was the linkage between security, culture, scientific and economic cooperation, and respect for human rights.

This meant, among other things, that a continuous violation of human rights will be perceived by the west as a threat to its security and, therefore, will be reflected accordingly in the level of economic, cultural and scientific cooperation. No such response to the Soviet violations has ever come. Economic sanctions against the Soviets were introduced in response to the Soviet occupation of Afghanistan, not because of the human rights violations.●

COFFEE COUNTY, ALABAMA'S EFFORTS TOWARD REALISTIC WELFARE REFORM

● Mr. SHELBY. Mr. President, it is with great pride that I rise today to share with my distinguished colleagues a success story about a small county in the heart of the wiregrass of Alabama that is making progress toward realistic welfare reform. How fitting, as welfare reform is such a high priority for this 100th Congress, that I have the opportunity to recount the success enjoyed by the Coffee County Department of Human Resources in Alabama.

Since January 1986, the Coffee County Department of Human Resources has been trying a different approach to welfare. This county is providing preventive counseling instead of remedial assistance for welfare recipients. The idea is to help the families work through their problems before the problems disintegrate the family structure—preventive medicine, of sorts.

What is happening in Coffee County through the Family Life Enrichment Program is a return to a more traditional idea of the American family—a family not dependent on welfare so much as dependent on each other. And with this dependency on one another comes increased learning, understanding, and strength.

These days, our rural and urban welfare families often face homelessness, unemployment, and discrimination in many forms. In the face of such obstacles to independence, too often they turn to drugs, divorce, and abuse of their spouses, their children, and themselves. In what has been termed a "vicious cycle", the welfare family becomes fixed in a trap that is too difficult to break.

Rather than treating the symptoms of the problem or even the problem itself after it has surfaced and has worked its way into the family structure, the Family Life Enrichment Program teaches families how to deal with potential problems—before they arise. But this program is not open solely to those on welfare. Coffee County is attempting to reach all segments of the community with the understanding that the problem that plague the families on welfare can also be found in those families who are not.

These days we hear so much about the decline of the American family. Mr. President, I refuse to accept these notions—and it is a program like Coffee County's Family Life Enrichment that reaffirms my belief that the American family will endure as both the moral and ethical foundation of our society. I encourage my colleagues to search out and support programs in their States that are similar to the Family Life Enrichment Program of

Coffee County, AL, as we, Members of this historic 100th Congress, seek the avenues to realistic welfare reform.●

BUDGET SCOREKEEPING REPORT

● Mr. **CHILES.** Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(B) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.9 billion in budget authority, but over in outlays by $13.3 billion.

The report follows:

U.S. Congress,
Congressional Budget Office,
Washington, DC, June 22, 1987.

Hon. Lawton Chiles,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

Dear Mr. Chairman: The attached report shows the effects of Congressional action on the budget for fiscal year 1987. The estimated totals of budgets authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Congressional Resolution 120. This report meets the requirements for Senate scorekeeping of section 5 of Senate Congressional Resolution 32 and is current through June 19, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

No changes have occurred since my last report.

With best wishes,
Sincerely,
Edward M. Gramlich,
Acting Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100TH CONGRESS, 1ST SESSION AS OF JUNE 19, 1987

[Fiscal year 1987—in billions of dollars]

	Current level [1]	Budget resolution S. Con. Res. 120	Current level +/− resolution
Budget authority	1,089.5	1,093.4	−3.9
Outlays	1,008.3	995.0	13.3
Revenues	833.9	852.4	−18.5
Debt subject to limit	2,279.2	[2] 2,322.8	−43.6
Direct loan obligations	42.5	34.6	8.0
Guaranteed loan commitments	140.5	100.8	39.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,320 billion.

FISCAL YEAR 1987 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT U.S. SENATE, 100TH CONGRESS, 1ST SESSION AS OF JUNE 19, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			833,855
Permanent appropriations and trust funds	720,451	638,771	
Other appropriations	542,890	554,239	
Offsetting receipts	−185,071	−185,071	
Total enacted in previous sessions	1,078,269	1,007,938	833,855
II. Enacted this session:			
Water Quality Act of 1987 (Public Law 100–4)	−4	−4	
Emergency Supplemental for the Homeless (Public Law 100–6)	−7	−1	
Surface Transportation and Relocation Act (Public Law 100–17)	10,466	−80	2
Technical Corrections to FERS Act (Public Law 100–20)	1	1	
Total enacted this session	10,456	−84	2
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses:			
Prohibit entrance fees at the Statue of Liberty Monument (S. 626)	1	1	
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	6	3	
Veterans compensation	173		
Readjustment benefits	9		
Federal unemployment benefits and allowances	33	33	
Advances to the unemployment trust funds [2]	(3)	(3)	
Payments to health care trust funds [2]	(224)	(224)	
Family social services	110		
Medical facilities guarantee and loan fund	5	4	
Payment to civil service retirement and disability fund [2]	(33)	(33)	
Coast Guard retired pay	3	3	
Civilian agency pay raises	358	373	
Replenishment of disaster relief funds [1]	57	50	
Total entitlements	754	467	
Total current level as of June 19, 1987	1,089,480	1,008,322	833,857
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution		13,322	
Under budget resolution	3,870		18,543

[1] Included at request of Senate Budget Committee.

[2] Interfund transactions do not add to budget totals.

Note—Numbers may not add due to rounding.●

THE SOLUTION TO THE SDI-ABM TREATY CONFLICT

● Mr. **SIMON.** Mr. President, the reason the Senate cannot move to consider the 1988 defense authorization bill is the filibuster against the Levin-Nunn provision. This measure bars funding for SDI tests that is not in keeping with the traditional interpretation of the 1972 ABM Treaty.

Donald C. Gross has written an excellent and informative article about the conflict over the ABM Treaty. He finds the Reagan administration reinterpretation to be incorrect—no ifs, ands, or buts. Gross goes even further: He argues that the administration has set the stage for treaty withdrawal by pointing to changed circumstances since the treaty was signed.

But article 62 of the Vienna Convention on the Law of Treaties does not allow a party to implement a unilateral change to justify withdrawing from a treaty. Saying that circumstances have changed—that technologies have improved, or that this administration prefers a new strategic doctrine—is just not good enough.

If article 62 prevents SDI from pushing us out of our treaty commitments, and if this administration really prefers to keep the treaty but bend the rules, then the State Department Legal Advisor and the Pentagon has to come up with Orwellian language ("legally correct interpretation!") to justify its excursions outside the accepted understanding attached to a 15-year-old treaty that has served us very well.

The reinterpretation is a strained effort to get around the treaty regime. Mr. Gross points out some of the ambiguities of treaty langauge and suggests a framework for negotiating amendments to the ABM Treaty that will strengthen it. We already have a perfectly good vechicle for doing exactly this, through additional common understandings or other clarifying language in the Standing Consultative Commission [SCC]. Mr. Gross suggests that we ought to take advantange of either the SCC or the Geneva arms control talks to strengthen the ABM Treaty.

I ask that Donald G. Gross's article, "Negotiated Treaty Amendment: The Solution to the SDI-ABM Treaty Conflict," published in the Harvard Internatonal Law Journal, Winter 1987, be printed in the Record in full.

NEGOTIATED TREATY AMENDMENT: THE SOLUTION TO THE SDI-ABM TREATY CONFLICT

(By Donald G. Gross*)

I. INTRODUCTION: THE NATURE OF THE CONFLICT

The advocates of President Reagan's Strategic Defense Initiative (SDI)[1] argue that the United States must develop a space-based defense against Soviet ballistic missiles during the 1990's. Their aim is no less than to construct a total shield over the United States to protect against a Soviet attack.[2] Yet before these SDI advocates can exceed the research phase of their program, they must overcome a significant legal barrier: the 1972 Anti-Ballistic Missile (ABM) Treaty,[3] which bars the U.S. and the Soviet Union from building a territorial defense against missile attack.

In the recent policy debate over SDI, both the program's advocates and critics have manipulated the Treaty's language and meaning to coincide with their preferred position. SDI proponents initially argued for an aggressive SDI research program which marginally complied for an aggressive SDI research program which marginally complied with the Treaty's technical requirements. They then advocated U.S. withdrawal from the Treaty due to Soviet violations which materially breached its provisions.

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[1] Footnotes at end of article.

Most recently, they have advanced a reinterpretation of the treaty language which would allow SDI to proceed to advanced testing and development without violating the Treaty's terms.

SDI opponents consider the ABM Treaty a critical last bulwark in the defense of traditional U.S. deterrence policy against proponents of strategic defense. They maintain that tampering in any fundamental way with the ABM Treaty will cause the entire regime of U.S.-Soviet arms control to unravel.[4] Arguing that the ABM Treaty must be preserved at all costs, they have urged strict compliance with the Treaty's terms to keep SDI from advancing beyond its laboratory research phase toward field testing and ultimately deployment.

Neither proponents nor critics of SDI have shown sufficient concern for three important principles which must govern the resolution of the conflict between SDI and the ABM Treaty:

(1) Any change in the status of the ABM Treaty must be entirely legitimate under international law.[5] If the U.S. illegally alters or undercuts the Treaty, its action will severely damage the reliability of its commitments under many other international agreements. Legitimacy requires the U.S. to pursue only those actions it is entitled to take under international law.

(2) A policy or action that changes the status of the ABM Treaty must not destabilize U.S.-Soviet relations.[6] The conflict between ABM Treaty obligations and SDI cannot be resolved by even legitimate actions which will trigger an arms race leading to a nuclear confrontation between the Soviet Union and the United States.

(3) Any legal document which modifies or replaces the obligations of the ABM Treaty must reflect a U.S.-Soviet consensus on strategic policy toward defensive weapons. Where two states disagree on the most fundamental doctrinal questions, a treaty which sets forth only one state's views is likely to exacerbate, rather than reduce, the conflict between them. The ABM treaty will only retain validity and efficacy so long as it embodies an agreed understanding and serves the interests of both states.[7]

Unless the U.S. Government strictly limits the SDI program to laboratory research, only a negotiated treaty amendment will meet these three requirements for resolving the conflict between SDI and the ABM Treaty. By reaching an agreement to modify the Treaty, the United States would confer significant political legitimacy on its actions under international law. It would avoid destabilization U.S.-Soviet nuclear relations while establishing a new political consensus on the development, testing, and deployment of space-based defensive weapons. Only a negotiated amendment will enable the parties to surmount those historical changes which have undermined their 1972 agreement on the strategic role of defensive weapons systems.

II. SDI AND THE ABM TREATY: THE LEGAL AND STRATEGIC BACKGROUND

A. The ABM Treaty: Critical Provisions

In Article I of the ABM Treaty, the U.S. and the U.S.S.R. pledged "not to deploy ABM systems for a defense of the territory" of their countries.[8] While generally banning a nationwide defense shield, the Treaty does allow each side to deploy ABMs to protect its national capital and a single intercontinental ballistic missile (ICBM) field.[9] However, the ABMs deployed at these two sites must meet three requirements. First, they have to consist of traditional ABM elements: ABM launchers, ABM interceptor missiles, and ABM radar.[10] Second, they can only be deployed in a fixed land-based mode.[11] Third, they are subject to strict numerical limits: one hundred ABM missiles at each of the two designated sites.[12] Together, these three requirements rule out the deployment of any space-based ABM system.[13]

In a supplementary section [14] entitled Agreed Statement D, the parties specifically considered the problem of future ABM systems that might utilize new technologies:

> In order to insure fulfillment of the obligation not to deploy ABM systems and their components . . . the Parties agree that in the event ABM systems based on other physical principles . . . are created in the future, specific limitations on such systems and their components would be subject to discussion . . . and agreement [within the Standing Consultative Commission].[15]

During Congressional hearings on the Treaty, chief U.S. negotiator Gerard C. Smith interpreted Agreed Statement D to mean that "the parties have agreed that no future types of ABM systems based on different physical principles from present technology can be deployed unless the treaty is amended."[16] Agreed Statement D thus clearly reinforces the Treaty ban on deployment of all space-based ABM systems.[17]

Yet the Treaty does not explicitly indicate how far towards deployment the parties can proceed with development and testing of new systems. In Article V, the U.S. and the U.S.S.R. agreed "not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based."[18] During hearings before the Senate Armed Services Committee, Senator Henry Jackson asked Ambassador Smith to define the term "develop" as used in Article V.[19] Smith responded in a written statement which differentiated permissible research from banned development:

> The SALT negotiating history clearly supports the following interpretation. The obligation not to develop such systems, devices or warheads would be applicable only to that stage of development which follows laboratory development and testing. The prohibitions on development contained in the ABM Treaty would start at that part of the development process where field testing is initiated on either a prototype or breadboard model. . . . Exchanges with the Soviet Delegation made clear that this definition is also the Soviet interpretation of the term "development."[20]

According to Smith's interpretation, Article V permits laboratory research and testing towards a space-based ABM system employing new physical principles.[21] Yet it cuts off any further development once the new technologies pass beyond laboratory research to the field testing stage.[22]

B. The ABM Treaty and Mutual Assured Destruction

The theoretical doctrine underlying the ABM Treaty is known as mutual assured destruction. This doctrine prescribes that the U.S. and the Soviet Union can preserve a stable strategic relationship, as long as each retains an effective nuclear deterrent. Given each side's ability to suffer a first-strike missile attack and still retaliate with devastating force, neither side has any incentive to strike first. The nuclear balance between the superpowers is thereby maintained.[23]

The parties reached a consensus during the 1972 SALT negotiations [24] to adhere to the doctrine of mutual assured destruction by severely curtailing deployment of defensive missile systems.[25] They decided to remain vulnerable to each other's offensive missiles in order to preserve the efficacy of their retaliatory forces. Their objective, of course, was to keep the cost of a first strike so high as to deter the possibility of its occurrence.

Aside from its great value in preserving crisis stability, the ABM Treaty aimed to prevent both a defensive and offensive arms race between the U.S. and the U.S.S.R. The Treaty quite obviously curbs defensive weapons. It also reduces the incentive for continuing deployment of offensive systems. Since the opponent's territory remains penetrable, no need arises for ever greater numbers of offensive weapons in orders to ensure an effective retaliatory strike.[26]

C. SDI and Strategic Defense

The doctrine underlying SDI—often referred to as strategic defense—rejects the view that mere possession of an effective retaliatory force stabilizes U.S.-Soviet nuclear relations. Advocates of strategic defense condemn the notion that mutual assured destruction is a valid conceptual basis for structuring the two superpowers' nuclear relations. Instead, they seek large-scale defenses as the more stable alternative to maximizing retaliatory capability.[27] According to President Reagan:

> We seek to render obsolete the balance of terror—or Mutual Assured Destruction, as it's called—and replace it with a system incapable of initiating armed conflict or causing mass destruction, yet effective in preventing war. . . .
>
> . . . [SDI] would enable us to fundamentally change our strategic assumptions, permitting us to shift our emphasis from offense to defense. . . .
>
> . . . We're not discussing a concept just to enhance deterrence, but rather a new kind of deterrence; not just an addition to our offensive forces, but . . . a shield that could prevent nuclear weapons from reaching their targets.[28]

SDI strategists believe that an effective space-based defense, capable of wholly blunting a missile attack, could eventually lead to the elimination of ballistic missiles and their nuclear warheads.[29] They argue that both sides will ultimately realize the futility of a preemptive first strike and retain only token nuclear forces for the purpose of restricted retaliation.[30]

Opponents of SDI have assailed the program on both technical [31] and strategic grounds. They believe the Soviets will see SDI deployment as merely one element in a broader first-strike strategy. From the Soviet perspective, the U.S. might be tempted to launch a preemptive nuclear attack once it felt confident that its space defenses could negate the Soviet retaliatory threat.[32] The Soviets would respond, rationally, by increasing the number, power, and accuracy of their offensive weapons in order to penetrate U.S. defenses, thereby stimulating a new round in the arms race.[33] Critics also point out that in periods of high tension, deployed nuclear defenses would increase the pressure for a first strike. Each superpower might fear that if it failed to strike preemptively, it could find itself disarmed by the other's space-based defenses.[34]

The most powerful argument advanced by opponents of SDI is that continuation of the program will inevitably destroy the ABM Treaty.

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[7] Footnotes at end of article.

> [T]he new U.S. strategic defense program poses a direct threat to the ABM Treaty, which is the keystone to the entire framework of existing arms control agreements. The President's vision and the goal of the Strategic Defense Initiative are diametrically opposed to the underlying objective of the ABM Treaty of preventing a nationwide ballistic missile defense.[35]

Critics of SDI correctly note that, in its fully realized form, the program is incompatible with the ABM Treaty. The doctrine of strategic defense underlying SDI simply cannot be reconciled with the doctrine of mutual assured destruction embodied in the ABM Treaty. For this reason, the ABM Treaty constitutes a major obstacle to the Reagan Administration's SDI program.[36]

In the past few years, advocates of SDI have put forth a variety of proposals to undermine, nullify, or bypass the ABM Treaty in order to permit continuation of the program. Their proposed solutions to the SDI-ABM Treaty conflict have included marginal compliance with the Treaty's terms, reinterpretation of the Treaty, and abandonment due to Soviet violations. SDI opponents, on the other hand, have refused even to consider substantive amendments to the Treaty to resolve the conflict. They have preferred to tighten and clarify the Treaty language so as to make the Treaty an insuperable barrier to construction of a space defense.

III. TREATY COMPLIANCE: A TEMPORARY BALANCE

SDI encompasses four phases of research, development, and deployment extending over the next fifteen to twenty years. As a Defense Department report recently stated:

> The research program, begun by the President in his 1983 Initiative, [will] run into the early 1990s when decisions could be made by a future President and Congress on whether or not to enter into systems development. . . .
>
> The systems development or full-scale development phase could begin as early as the 1990s. . . . During this period, prototypes of actual defensive system components would be designed, built, and demonstrated.
>
> A transition phase would be a period of incremental, sequential deployment of defensive systems. This phase could be designed so that each added increment would further enhance deterrence and reduce the risk of nuclear war.
>
> The final phase would be a period of time during which deployment of highly effective, multi-layered defensive systems would be completed and during which ballistic missile force levels could be brought to a negotiated nadir.[37]

The Defense Department claims that the initial, or research, phase of SDI "will be conducted within the constraints of our current treaty commitments." [38] In the Department's view, research carried out in compliance with the Treaty is sufficient to determine the feasibility of space-based defenses.[39]

Under the restrictive interpretation of the ABM Treaty that prevailed until October 1985,[40] SDI research and development must meet several requirements in order to remain compliant with the Treaty. First, development of new or improved ABMs must stay within the limits outlined by Ambassador Smith in his 1972 testimony to Congress.[41] Except in the case of fixed land-based systems, the parties may only test experimental ABMs in the laboratory. Second, neither party can give non-ABM missiles, launchers, or radars ABM capability (i.e., the capability "to counter strategic ballistic missiles or their elements in flight trajectory") or test any missile, launcher or radar "in an ABM mode." [42] This provision ensures that non-ABM missile systems—such as surface-to-air missiles (SAMs)—cannot quickly be upgraded to ABM levels.[43] Finally, the parties may field test fixed land-based ABMs, but only at agreed test ranges.[44] Tests of space-based ABMs at these locations are entirely proscribed by Article V of the Treaty.

The Defense Department argues that its SDI experiments meet these requirements and therefore comply fully with the Treaty.[45] The Department justifies many of its projects as basic laboratory research.[46] Its tests of chemical lasers and optics technologies, for example, require no immediate field testing. The Department also contends that many of its experiments simply test fixed land-based ABM systems (for their components).[47] In these experiments, SDI researchers will analyze new types of interceptor missiles launched from permanently emplaced platforms at a sanctioned test range.

The more controversial SDI experiments involve tests of missiles, launchers, or radars which the Defense Department has purposely modified in some way. By intentionally curtailing the capabilities of these components and by not testing them against incoming ballistic missiles (i.e., "in an ABM mode"), the Department has argued that these tests comply with the Treaty as well.[48]

In several other cases, the Department will test new defenses against antisatellite weapons, rather than incoming missiles. While purporting to develop a defense for satellites, SDI will nevertheless gauge the feasibility of the same technology for defense against ballistic missiles.[49]

SDI opponents have argued that the Pentagon's technical compliance program is intended to erode the ABM Treaty. By using strained legalisms, these critics say, the Defense Department has attempted to show that SDI can proceed in spite of an apparently contrary treaty obligation. They suggest that the Department's aim is to render the Treaty insignificant, so that neither the U.S. nor the Soviets will give it any credence in shaping their nuclear forces and doctrine.[50]

These critics argue that the SDI research program, while technically compliant with the ABM Treaty, brings the United States substantially closer to deployment of an ABM system. In doing so, the research program undermines the bargain at the base of the ABM Treaty—that neither side will deploy a territorial defense against ballistic missiles. As a result, neither side will be able to rely on the Treaty and the principles that underlie it will become meaningless.[51]

If the United States uses technical compliance as a cover for escaping the Treaty's obligations, its actions might well appear legitimate under international law. By avoiding blatant treaty violation, this course of action could preserve the credibility of U.S. treaty commitments. Technical compliance would also permit the U.S. to avoid directly confronting the Soviets over SDI. This indirect method of proceeding with the development of a space-based defense would not require complex treaty negotiations in which the Soviets might play an obstructionist role.

But the danger of allowing a treaty regime to erode without simultaneously fashioning a substitute is manifest. Since 1972, both the U.S. and the Soviets have relied on the Treaty as the foundation of their nuclear relations. Unilaterally eroding that foundation without creating another mutually acceptable framework could have highly destabilizing consequences. Spurgeon M. Keeny Jr., former Deputy Director of the Arms Control and Disarmament Agency, points out:

> The demise of the ABM Treaty . . . would unleash a major acceleration of the strategic offensive and defensive nuclear arms race. Ancillary agreements such as the Outer Space Treaty and the Limited Test Ban Treaty would have little chance of surviving the ensuing military buildup . . .
>
> The loss of the arms control regime developed over the past 25 years would not return the arms control process to square one, but would drive it completely off the board.[52]

If the United States does attempt to erode the Treaty, the document would no longer codify a shared understanding of nuclear doctrine. It would merely restrict traditional ABM systems which do not employ advanced technologies.

The Defense Department itself frankly acknowledges that development of space-based defenses, i.e., the creation of prototypes and full field testing, cannot proceed under the existing treaty regime:

> The SDI research program can be conducted in a fully compliant manner to reach a decision point in the early 1990s on whether to proceed to development and deployment of an SDI-related system. . . . Development and deployment, given a decision to proceed, would almost certainly require modifications to the ABM Treaty.[53]

The present program of compliance is therefore at best a short-term solution to the underlying SDI-ABM Treaty conflict. It is a way to balance the needs of SDI research against the Treaty's legal obligations until a more permanent solution is devised.

While SDI proponents have used the cover of technical compliance to stretch the legal limits of the ABM Treaty, critics of SDI have sought strict compliance as a way to block the Reagan Administration's program. They contend that the conflict between the ABM Treaty and SDI is best resolved by encouraging the U.S. to stick by a restrictive interpretation of the Treaty's terms. In their view, the conflict will quickly disappear if the Reagan Administration simply limits SDI to laboratory research.[54]

By standing on the terms of the Treaty and calling for its clarification and extension to ambiguous cases, these SDI critics would enhance the Treaty's legitimacy under international law. Their position could cause no government to doubt the importance the United States attaches to treaty relations and commitments.

U.S. reaffirmation of its treaty obligation would also reassure the Soviets, who would then have less reason to fear a surprise first-strike nuclear attack, supported by a newly emplaced U.S. space defense. Moreover, if the U.S. again embraced the doctrine of mutual assured destruction, its strategic policy would be consistent with the Treaty's legal obligations. A renewed mutual commitment by the U.S. and the U.S.S.R. to these doctrinal underpinnings would significantly strengthen the Treaty as a legal instrument.

But it is not sufficient to argue that the U.S. Government should cut back SDI or renounce strategic defense as its preferred nuclear policy. Nor can SDI opponents simply wish away the technological progress that may make a space defense feasible.[55] Scientific inquiry into the efficacy of defensive systems will undoubtedly continue and probably demand testing of prototypes in order to reach sound analytic conclusions. In the eyes of many, the U.S. Government has an obligation to ascertain if a space defense is indeed feasible. Yet the ABM Treaty clearly bans all efforts to test prototype models of space-based defensive systems. Given the scientific and political pressures to continue with the program, the strict compliance approach likely will not resolve the conflict between SDI and the ABM Treaty.

IV. REINTERPRETATION: THE REAGAN ADMINISTRATION'S SOLUTION TO THE SDI-ABM TREATY CONFLICT

In October 1985, National Security Adviser Robert C. McFarlane publicly stated that the ABM Treaty does not forbid development and testing of a space-based defense.[56] In effect, McFarlane argued that Agreed Statement D[57] implicitly modified the ABM Treaty by exempting ABM systems based on "other physical principles" from the general ban on developing or testing space-based defenses.[58] Since SDI would clearly utilize physical principles other than those of traditional ABM systems, it could be freely developed, in this view, subject only to specific limitations on deployment that might later be discussed.

The new interpretation enunciated by McFarlane drew support from a September 1985 Pentagon study of the ABM Treaty negotiating record. The still secret study concluded that the Soviets had consistently rejected the broad ban on "exotic" future ABM systems advocated by the United States.[59] An analysis of the same negotiating record by State Department Legal Adviser Abraham Sofaer determined that while the Soviets rejected U.S. attempts to ban testing and development of future systems, the two sides did agree that *deployment* of such systems would be subject to negotiation. Sofaer found no evidence that the Soviet agreed to limit future systems to laboratory research.[60]

After National Security Advisor McFarlane announced his reinterpretation of the Treaty, the State Department argued against adopting it as official Administration policy. The Department feared the new view would unduly antagonize the Soviets and offend American allies in Western Europe.[61] As a consequence, President Reagan decided to accept the new interpretation as a matter of law, but to maintain the existing restrictions on SDI testing and development as presidential policy.[62] The compromise approach was laid out in a speech by Secretary of State George Shultz on October 4, 1985:

> It is our view, based on a careful analysis of the Treaty text and the negotiating record, that a broader interpretation of our authority is fully justified. This is, however, a moot point; our S.D.I. research program has been structured and, as the President has reaffirmed . . . , will continue to be conducted in accordance with a restrictive interpretation of the Treaty's obligations.[63]

Shultz clearly implied that the broader interpretation of the Treaty would, as a matter of law, permit full testing and development of a space-based defense.

The Reagan Administration's reinterpretation of the Treaty departs significantly from the position to which the U.S. Government previously adhered. As recently as 1985, the Department of Defense stated in a report to Congress that "[t]he ABM Treaty prohibits the development, testing, and deployment of ABM systems and components that are space-based, air-based, sea-based, or mobile land-based."[64]

In attempting to judge the validity of the competing interpretations of the ABM Treaty, accepted principles of treaty interpretation supply needed guidance. Article 31 of the Vienna Convention on the Law of Treaties provides that "[a] treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its object and purpose."[65] While neither the United States or the Soviet Union has ratified the Vienna Convention, Article 31 embodies an approach to treaty interpretation that is well established in general international law.[66]

The Reagan Administration's reinterpretation of the ABM Treaty relies on controversial readings of two Treaty sections, Article II and Agreed Statement D. Article II provides:

> 1. For the purpose of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of:
>
> (a) ABM interceptor missiles, . . . ;
> (b) ABM launchers, . . . ; and
> (c) ABM radars, ...[67]

State Department Legal Adviser Sofaer contends that the Article II(1) definition was not necessarily intended to encompass all future systems and components. According to Sofaer, "[t]he article II(1) definition can reasonably be read to mean that, for the purposes of the Treaty, an 'ABM system' is one that serves the functions described *and* that consists of the type of components that existed 'currently' (that is, at the time the Treaty was signed)."[68]

By focusing on the use of the term "currently" in Article II(1), Sofaer is able to make the argument that the scope of the ABM Treaty is limited to ABM systems in use in 1972.[69] Yet the Legal Adviser's interpretation strains the "ordinary meaning" of this language "in light of its object and purpose." As Professor Chayes and Antonia Handler Chayes have pointed out, Article II was originally intended as a "functional" definition, describing "the prohibited systems on the basis of performance, not technology."[70] The description of ABM systems that follows the phrase "currently consisting of" was meant to be illustrative, not limiting.[71] Given this intended meaning, Article II cannot reasonably be read to limit the overall Treaty prohibition on ballistic missile defenses to those systems that predated SDI.[72]

The Reagan Administration's interpretation of Agreed Statement D draws support from the incomplete and, in some ways, obscure manner in which the ABM Treaty negotiators dealt with future systems. Both the U.S. and the Soviets clearly wanted to continue research on "exotic" weapons as a hedge against the sudden deployment of new strategic systems by the other side. But their only specific reference to advanced ABM systems "based on other physical principles" appears in Agreed Statement D, a supplementary section. Legal Adviser Sofaer's review of the negotiating record[73] leads him to conclude that:

> The furthest the Soviets were willing to go with respect to regulating systems or components based on other physical principles was to adopt a side agreement (Agreed Statement D) prohibiting the deployment of any such systems and components prior to formal discussion between and agreement by the parties on specific limitations. The Soviets never agreed to ban development and testing of systems or components based on other physical principles, regardless of their basing mode.[74]

Given the degree of uncertainty in this area, the Reagan Administration presented one possible interpretation—that the ABM Treaty sanctions testing and development of ABM systems based on other physical principles, even if the systems are space-based and therefore in apparent violation of Article V.

Secretary of Defense Melvin Laird outlined a more reasonable interpretation of Agreed Statement D when he explained the Treaty's limitations on space-based defenses in his 1972 testimony to Congress.

> There is . . . a prohibition on the development, testing, or deployment of ABM systems which are space-based. . . .
>
> There are no restrictions on the development of lasers for fixed, land-based ABM systems. The sides have agreed, however, that deployment of such systems which would be capable of substituting for current ABM components . . . shall be subject to discussion . . . .[75]

Laird's statement strongly suggests that the parties originally intended Agreed Statement D to clarify and strengthen Article III, which limits the deployment of Soviet and American ABM systems to designated sites.[76] Reinforcement of Article III was necessary because the general Article V prohibition did *not* apply to *fixed land-based* systems. Article V implicitly allowed the parties to develop advanced ABM weaponry, including lasers, in a fixed land-based mode. Without the addition of Agreed Statement D, the U.S. and the Soviets might have used this loophole to *deploy* unilaterally advanced fixed land-based ABMs with the two specified locations. Agreed Statement D guaranteed that deployment of such systems would be subject to discussion and hence that no unilateral deployment could occur.

Besides straining the commonsense meaning of the Treaty's terms, the Reagan Administration's reinterpretation of the ABM Treaty is untenable in light of the agreement's object and purpose. The ABM Treaty was originally intended to limit antiballistic missile systems. The parties agreed not to deploy nationwide territorial defenses against ballistic missiles in order to preserve their mutual vulnerability to retaliatory second strikes. Advanced testing and development of space defenses would thwart this essential treaty objective. Moreover, nowhere does the Treaty provide for any experimentation beyond the testing of fixed land-based systems at agreed test ranges. Given the evident intention of the parties to maintain the efficacy of their deterrent forces, the Treaty should be construed as limiting SDI development to laboratory research.

The larger question is whether reinterpretation is an acceptable way to remove the limit the ABM Treaty imposes on SDI. If the new U.S. interpretation is followed in practice, it could immensely destabilize strategic relations with the Soviets. Until October 1985, the U.S. maintained that the ABM Treaty limited SDI laboratory researach alone. This position was entirely compatible with the Soviet view. Without notice or discussion with the Soviets, the reinterpretation permits what was previously considered banned. If put into practice, this unilateral action could call forth a reciprocal response from the Soviets. In an atmosphere where each side felt free to reinterpret treaties to its own advantage, agreement on any strategic matters would be exceedingly difficult to attain.

Engaging in strained legal interpretation makes a mockery of the negotiation process. Since 1972 the U.S. has sought to construct a web of treaty relations with the Soviets in the field of arms control. Each agreement—ratified or not—resulted from detailed and painstaking negotiations. Soviet and U.S. representatives have discussed at great length the numbers and types of weapons permissible on both sides, the extent of allowable deployments, and the restrictions on particularly destabilizing weapons systems. Twisting agreed language toward improbable meanings, for reasons of expediency, belittles the efforts of negotiators who seek clear legal language to express principles of policy.

The Reagan Administration's strained reinterpretation is flawed on another ground as well. The reinterpretation does not clarify either the original policy agreement or an existing ambiguity in legal language. Instead, it converts a policy issue into a legalistic dispute over the meaning of words whose meaning is not certain. A strained unilateral interpretation dilutes the legal validity of the Treaty[77] and undermines the mutal intention of controlling arms proliferation which lies at the base of the document.

Reinterpretation of the ABM Treaty is a seriously deficient method of eliminating the legal constraints on SDI. The U.S. might find it expedient to proclaim unilaterally that the Treaty's long-supposed limits on SDI testing and development do not really exist at all; to relay on a clever juristic maneuver to do away with a now objectionable principle of strategic policy. But the cost of unilateral reinterpretation would be high. If observed in practice, without the prior acquiescence of the Soviets, reinterpretation could trigger a complete breakdown of arms control. Both parties would be forced to reassess the value of treaties—fragile legal instruments— for controlling nuclear arms in a world where deft manipulations of language can alter previously understood meanings.

V. TERMINATION FOR MATERIAL BREACH: SOVIET VIOLATIONS AND THEIR CONSEQUENCES

During late 1984 and 1985, the U.S. strenuously argued that Soviet construction of a phased-array radar at Krasnoyarsk, in central Siberia, constituted a significant breach of the AMB Treaty.[78] The Reagan Administration alleged that the Krasnoyarsk radar would enhance Soviet ability to create a territorial defense against incoming ballistic missiles, in violation of the central proscription of the ABM Treaty "not to deploy ABM systems for a defense of the territory of its country and not to provide a base for such a defense."[79]

By stressing and detailing this alleged Soviet violation, the U.S. has laid a factual predicate for terminating the AMB Treaty on the grounds of material breach.[80] The right to terminate a treaty on this basis is set out in Article 60 of the Vienna Convention on the Law of Treaties:

> 1. A material breach of a bilateral treaty by one of the parties entitles the other to invoke the breach as a ground for terminating the treaty or suspending its operation in whole or in part.[81]

The policy behind Article 60 proceeds from the fact that that there is no effective international machinery for ensuring that treaties are observed. Therefore, an aggrieved party must have a right to withdraw as a sanction for the other party's violation of the treaty.[82]

However, international law restricts the right of treaty denuniciation in order to prevent states from using a trivial or even fictitious breach as a pretext for unilaterally terminating an undesirable treaty. The International Law Commission's commentary on Article 60 stresses that "the right to terminate or suspend must be limited to cases where the breach *is of a serious character.*"[83] Paragraph 3 of Article 60 of the Vienna Convention reflects the Commission's views by providing:

> 3. A material breach of a treaty, for the purposes of this article, consist in:
>
> (b) the violation of a provision essential to accomplishment of the object or purpose of the treaty.[84]

These limitations on the right of treaty denuniciation help explain why the Reagan Administration has chosen to reinterpret the ABM Treaty rather than argue for withdrawal due to a Soviet Material breach. While either approach could conceivably eliminate the obstacle the Treaty poses to SDI, the claim of material breach is fraught with difficulty.

The initial problem, of course, is determining whether Soviet construction of the Krasnoyarsk radar actually amounts to a *material* breach. Even assuming that the Krasnoyarsk radar *would* be used for ballistic-missile defense, a single radar does not necessarily constitute a violation of the agreement. The provisions of the ABM Treaty banning ABM radars outside of designated areas are indeed "essential to the accomplishment of the object or purpose of the treaty." Yet the construction of one radar whose purpsoe is disputed (the Soviets claim the Krasnoyarsk radar is intended for satellite tracking)[85] does not conclusively establish the kind of serious violation contemplated by the International Law Commission.[86]

If the Soviet violation is not blatant and unequivocal, then the U.S. is hard put *politically* to invoke it as a material breach. To confer legitimacy under international law, a claim of breach must provide sufficient justification for U.S. treaty termination. A claim not based on indisputable evidence of Soviet violations likely would be considered a shallow pretext by other nations. Lacking legitimacy, U.S. diplomatic actions could confer a distinct benefit on the Soviets, who might gain the sympathy and support of third countries.[87]

The most telling argument against claiming material breach to abandon the ABM Treaty is that this course of action could greatly destabilize U.S.-Soviet relations. The U.S. charge that the Krasnoyarsk radar violated the Treaty brought forth a vehement denial and a series of countercharges by the Soviets.[88] A decisive U.S. diplomatic campaign to termiante the ABM Treaty on this basis could well precipitate a far harsher response from the Soviets. since U.S. action and Soviet reaction would occur in an "extra-treaty" context, built-in treaty restraints (such as discussions in the Standing Consultative Commission)[89] would not be able to mitigate the conflict. These charges and countercharges could conceivably upset U.S.-Soviet arms-control negotiations as a whole. Both sides might then proceed unilaterally with their nuclear programs, leading to an unfettered nuclear buildup.

For these reasons, the State Department has responded in a measured way to alleged Soviet violations, holding them out as a possible rationale for treaty withdrawal, should they continue. The Defense Department has largely referred to Soviet violations as justification for aggressive U.S. testing of SDI.[90] The U.S. has chosen *not* to invoke a Soviet material breach to terminate its treaty obligations. It has instead relied on legal reinterpretion to eliminate the ABM Treaty as an obstacle to advanced testing and development of SDI.

VI. THE CHANGE-OF-CIRCUMSTANCES DOCTRINE: A NARROW LEGAL ALTERNATIVE

Change in both policy and circumstances is at the root of the current conflict between SDI and the ABM Treaty. Until 1983, every American Administration professed adherence to the doctrine of mutual assured destruction.[91] Once President Reagan indicated his intention to change the strategic assumptions behind U.S. policy, he undercut the doctrinal basis of the ABM Treaty. The Treaty then became a legal obstacle to the progress of SDI rather then a legal expression of U.S.-Soviet concensus on strategic policy.

A second significant change since 1972 has been the rapid development of the technologies required to build space defenses. During the ABM Treaty negotiations, the parties referred to laser weapons and particle beams as "exotic systems." Today, scientific advances have made it possible for defense-policy makers realistically to contemplate a space-based defense.[92]

A third change that has affected the ABM Treaty is the significant growth in the Soviet offensive missile threat. In numbers, accuracy, counterforce capability, and mobility, Soviet ICBMs pose a much greater threat to U.S. offensive missile installations than they did when the ABM Treaty was concluded.[93]

Each of these historical changes—in U.S. nuclear doctrine, advanced weapons technology, and Soviet military capability—has undermined the ABM Treaty. International law has long recognized that when the circumstances which gave rise to a treaty undergo fundamental change, the treaty may become oppressive or useless.[94] The change-of-circumstances doctrine (*rebus sic stantibus*) allows a party unilaterally to terminate its obligations in this situation. The policy behind this doctrine is laid out in a commentary by the International Law Commission:

> A treaty may remain in force a long time and its stipulations come to place an undue burden on one of the parties as a result of a fundamental change of circumstances. Then, if the other party were obdurate in opposing any change, the fact that international law recognized no legal means of terminating or modifying the treaty otherwise than through a further agreement between the same parties might impose a serious strain on the relations between the States concerned; and the dissatisfied State might ultimately be driven to take action outside the law.[95]

By invoking the change-of-circumstances doctrine, a party may void an obligation and still reaffirm its adherence to international law. Without such a safety valve for orderly change, a party might turn to force or take measures outside the treaty that would cause an abrupt strain in relations with other states. The rigidity of international law would then exacerbate conflicts rather than prevent them.

The change-of-circumstances doctrine is, of course, narrowly circumscribed. The doctrine applies only in extraordinary cases, where the conditions that existed when parties entered into a treaty have changed in some essential respect. Article 62 of the Vienna Convention on the Law of Treaties sets forth how the doctrine is applied:

> 1. A fundamental change of circumstances which has occurred with regard to those existing at the time of the conclusion of a treaty, and which was not foreseen by the parties, may not be invoked as a ground for terminating or withdrawing from the treaty unless:
>
> (a) The existence of those circumstances constituted an essential basis of the consent of the parties to be bound by the treaty; and
>
> (b) The effect of the change is radically to transform the extent of obligations still to be performed under the treaty. . . .[96]

In the view of the International Law Commission, Article 62 establishes an objective rule of law whose application is carefully delimited and regulated.[97] The three critical requirements are: 1) that circumstances which formed an essential part of the bargain at the base of the treaty no longer exist (i.e., the change is "fundamental"); 2) that the change of circumstances be unforeseen at the time the parties entered into the agreement. and 3) that the extent of the aggrieved party's obligations under the agreement be "radically transformed."[98]

The leading American precedent on the change-of-circumstances doctrine emphasizes the first element of the Article 62 test, the requirement of fundamental change.[99] In his 1941 opinion on the international Load Line Convention, the U.S. Attorney General justified cancellation of a pre-World War II international shipping agreement on the grounds that its assumed condition—peacetime commerce—no longer existed:

> Conditions essential to the operation of the convention, and assumed as a basis for it, are in almost complete abeyance. . . .
>
> Under these circumstances, there is no doubt in my mind that the convention has ceased to be binding on the United States. It is a well-established principle of international law, *rebus sic stantibus*, that a treaty ceases to be binding when the basic conditions upon which it was founded have essentially changed.[100]

While the Attorney General's opinion focused on fundamental change, the other two elements of the Vienna Convention test were also present. At the time the U.S. and Germany entered into the agreement, neither party could foresee a major war. Moreover, wartime conditions radically increased the extent of obligations under the treaty. Observing the treaty's safety limits would have significantly burdened the United States while it ferried huge quantities of war material overseas.

The congruence of the leading American precedent and the Vienna Convention on the change-of-circumstances make it appropriate to apply the elements of Article 62 to the case of SDI. One must ask whether the three historic changes outlined above constitute a change of circumstances that under international law justifies U.S. termination of the ABM Treaty.

By concentrating on changes in objective conditions, Article 62 bars a party from implementing a change unilaterally to justify treaty withdrawal. In other words, a state cannot alter a factor entirely within its control and claim that the "change" renders a prior treaty obligation oppressive. For this reason, the Reagan Administration's shift in nuclear policy to strategic defense does not constitute the fundamental change in objective circumstances required under Article 62.

Nor does the emergence of new weapons technology qualify as a fundamental change. The State Department noted in its June 1985 statement on SDI that "the art of defense has now progressed to the point where it is reasonable *to investigate* . . . new technologies."[101] These technologies do not *presently* permit the U.S. to rely on space-based defenses to fend off a Soviet missile attack. So long as the U.S. is not capable of deploying an effective space defense, therefore, these new technologies cannot subvert the rationale for the ABM Treaty. Only when the technologies are proven feasible can they constitute a fundamental change which undermines the Treaty and justifies invocation of the change-of-circumstances doctrine.

The remaining question is whether improvements in Soviet offensive missile capabilities constitute the requisite fundamental change. These missiles today possess far greater accuracy, mobility and counterforce capability than they did in 1972. Yet as long as the United States makes equivalent offensive improvements, these developments are entirely consistent with the deterrence doctrine embodied in the ABM Treaty. The U.S. has, in fact matched Soviet efforts by hardening ICBM silos and embarking on two new offensive programs of its own: the MX and Midgetman missile systems.[102] Since U.S. and Soviet offensive nuclear forces remain in rough parity. Soviet improvements do not undercut the doctrine of mutual assured destruction in such a way as to constitute a fundamental change.

The change-of-circumstances doctrine requires a state to show not only that a fundamental change has occurred, but also that it was unforseen. Another issue, then is whether the development of space-based defensive missiles was truly unforseen at the time the parties entered into the ABM Treaty.

The testimony of U.S. negotiators and high-ranking officials at the 1972 congressional hearings on the Treaty reveals the extent to which the development of new defensive systems was in fact foreseen.[103] These statements indicate that both the U.S. and the U.S.S.R. fully realized in 1972 that they might eventually develop new defensive weapons systems utilizing lasers and other advanced technologies. To allow for these changes, Agreed Statement D sanctioned research into "future systems." One can argue that the U.S. and Soviets may not have foreseen the exact shape or scope of specific "future systems" (e.g., the nature of their particular capabilities or deployments). But it is quite clear that both sides knew that defensive systems utilizing advances in laser technology would sooner or later be explored. Since these defensive weapons were indeed foreseen, their emergence cannot constitute a change of circumstances within the scope of Article 62 of the Vienna Convention.

The final question is whether the effect of changes since 1972 has been "radically to transform the extent of obligations still to be performed under the treaty."[104] To what extent has the United States become burdened by the ABM treaty since the inception of SDI? From the Reagan Administration's point of view, the ABM Treaty has undoubtedly become a burden to the United States. The Treaty inhibits the SDI program from proceeding to development of prototypes, full field testing, and ultimately deployment. By the early 1990s, this burden will become still heavier, since the U.S. will not then be able to carry out a program of research consistent with the restrictive interpretation of the Treaty.[105]

The Reagan Administration may also believe that the ABM Treaty impedes the U.S. ability to respond to improvements in Soviet offensive capabilities. If more accurate, more mobile, and more powerful ICBMs can best be countered through new defensive systems, then the Administration could argue that the ABM Treaty creates a burden that radically transforms the obligations originally assumed by the United States. But even granting these arguments, the increased burden on the United States is insufficient by itself to justify invocation of the change-of-circumstances doctrine. Since no truly fundamental and unforeseen change in circumstances has occurred, the existence of these radically transformed obligations alone does not allow the U.S. unilaterally to terminate the Treaty.

It may seem incongruous that a change of circumstances precipitated the conflict between SDI and the ABM Treaty, while under international law, the change-of-circumstances doctrine will not permit the U.S. to escape its treaty obligations. This situation calls into question the utility of arms-control treaties in a world where change is inevitable. If parties cannot easily adapt their legal obligations to changes in nuclear strategy, technology, and historical circumstances, will they not be tempted to renounce unilaterally their treaty obligations at an expedient moment?

Several factors militate against the temptation to undertake extralegal action when established legal doctrine affords no relief. Despite their global rivalry, the superpowers genuinely fear unrestrained nuclear competition. They rationally avoid unilateral actions (such as summary and precipitious treaty withdrawal) which could cause their nuclear relationship to unravel. Moreover, the United States and the Soviet Union realize that greater numbers of missiles and warheads do not, of themselves, ensure greater security. Arms-control agreements allow the superpowers to improve their mutual security while curbing unnecessary defense expenditures.

But arms-control agreements will ultimately break down if the parties cannot modify their relationships to account for strategic, technological, and historical change. Since the narrow change-of-circumstances doctrine does not supply the needed flexibility, the parties must find some other way to adapt their obligations. Ongoing arms-control negotiations provide the answer. With all their attendant difficulties and frustrations, negotiations and the legal process they entail permit the parties to modify binding legal commitments and provide for orderly change. International law, in this context, supplies a common language and framework within which the parties can come to terms on particular points of dispute.

VII. NEGOTIATED TREATY AMENDMENT: THE SOLUTION TO THE CONFLICT

When the United States and the Soviet Union concluded the ABM Treaty, they recognized that weapons technology and strategic conditions might change considerably over time. In Article XIII of the Treaty, they established a Standing Consultative Commission (SCC) to consider changes in the strategic situation and proposals for treaty amendments.[106] In Article XIV, they prescribed the manner in which treaty amendments should formally enter into force.[107]

Taken together, these articles demonstrate the importance which the parties attached to modifying the Treaty to reflect technological and strategic change. The policy behind these provisions is sound. The most appropriate way to resolve the SDI-ABM Treaty conflict is through consultation and negotiation, leading to treaty amendment. Only if the parties are able to reach a new political consensus on the role of space-based defenses should they develop, test, or deploy these weapons in a manner which deviates from the original terms of the ABM Treaty.

The recent arms-control talks between President Reagan and General Secretary Gorbachev in Reykjavik, Iceland demonstrate the feasibility of resolving the SDI-ABM Treaty conflict through a treaty amendment. News reports of this "mini-summit" emphasized the failure to achieve a compromise on SDI. In fact, the parties achieved considerable success in ironing out differences and laying the basis for an ultimate settlement. The major accomplishment at Reykjavik was each side's commitment not to exercise its right of treaty withdrawal for a period of ten years.[108] During this period, the parties agreed not to deploy any strategic defense system or otherwise contravene the Treaty.[109]

Despite their mutual pledge on non-withdrawal, the U.S. and the Soviet Union could not reach an understanding in Iceland on a second significant issue: the extent of the SDI research and testing that each side could conduct during the ten-year non-withdrawal period.[110] The Soviets took the position that the ABM Treaty restricts all research and testing on space weapons to the laboratory.[111] President Reagan termed this limit on research and testing an indirect way of "killing" SDI. He stressed that the U.S. must conduct tests outside the laboratory in order to develop a space-based defense.[112] The Reykjavik talks broke down over this issue.[113]

At the summit, each side portrayed itself as the true defender of the ABM Treaty. General Secretary Gorbachev argued that this proposal to confine SDI research to the laboratory would strengthen the Treaty by reinforcing the Article V ban on development, testing, and deployment of space-based ABM systems.[114] Gorbachev attempted to use the formal obligations of the ABM Treaty to block progress on a defense-oriented strategic policy the Soviets oppose. For his part, President Reagan asserted as fact the controversial view that the ABM Treaty permits unrestricted development and testing of SDI. He then argued that the Soviets were attempting to change the Treaty by limiting SDI research to the laboratory.[115] Of course, it was actually the United States that radically changed its interpretation of the Treaty approximately one year before the Reykjavik meeting (to bypass the Treaty's restrictions on development and testing of space weapons).

In one sense, the parties at Reykjavik sparred over the correct interpretation of the ABM Treaty. They clarified their opposing views but ultimately reached no mutual understanding on the meaning of the disputed Treaty language. In a deeper sense, however, the parties' conflicting legal interpretations reflected their differing political and strategic aims at the negotiations. The Soviets sought to delay SDI and prevent any deployment of space weapons for at least ten years. The U.S. attempted to clear the way for unfettered development and testing of SDI over the same period. By focusing on those relatively short-term objectives, the parties moved slowly towards a compromise formula which could reconcile the conflict between SDI and the ABM Treaty.[116] This formula would permit enough testing and development for SDI to meet its experimental objectives while containing the threat that the program poses to Soviet nuclear strategy.[117]

Until the summit at Reykjavik, both proponents and critics of SDI opposed negotiations which might lead to amendment of the ABM Treaty. To SDI advocates, amendment was distasteful because it implied that formal modification of the Treaty might be required before SDI could proceed to testing, advanced development, or deployment. If amendment were indeed necessary, the argument went, then the Soviets would retain a "veto" over the U.S. SDI program during treaty negotiations.[118]

The view that negotiating an amendment to the ABM Treaty would allow the Soviets to "veto" SDI is not well founded. The Soviets surely know that any outright refusal to negotiate on space-based defenses could provoke the U.S. into proceeding unilaterally with its program. A *hypothetical* Soviet veto, moreover, should not deter a U.S. commitment to treaty amendment where the alternative courses of action are flawed.[119]

Critics of SDI have also opposed amending the ABM Treaty. They fear that "wholesale and destructive revisions" [120] of the Treaty might allow development or deployment of some space-based defensive systems to proceed. In their view, "[i]f there is serious interest on both sides, problems of definition and disputed provisions can be resolved by supplemental common understandings *without recourse to amendments or additional agreements.*"[121]

The difficulty with this approach is that one side's clarification may well be the other's substantive amendment. Textual modifications cannot be limited in advance to linguistic changes, especially when the parties are likely to use similar words to achieve different ends. The true objective of any negotiations on the ABM Treaty should be to seek a U.S.-Soviet political consensus on space-based defensive weapons. Once an agreement is reached on principles, little difficulty should arise in choosing clear legal language to express the new consensus.

In a larger sense, of course, SDI critics oppose amendment because they approve the precepts embodied in the original Treaty. Their strategy in the debate over SDI has been to stand on the terms of the present Treaty as a barrier to further weapons development. To the extent that the ABM Treaty impedes SDI, it serves their interests. But this conflict cannot last indefinitely, nor can the Treaty withstand indefinitely changes in policy and circumstance which undermine it. Using a formal legal obligation to oppose policy change is likely to have one of two consequences: either to cause precipitous U.S. withdrawal from the Treaty or to compel adoption in practice of a legalistic Treaty reinterpretation which permits the SDI program to proceed. Excessive reliance on the "legality" of previous nuclear doctrine has already bred cynical manipulation of the Treaty's language by the Reagan Administration.

Of the courses of action open to the United States, only the negotiated amendment approach can satisfactorily resolve the SDI-ABM Treaty conflict. Negotiating an amendment to the ABM Treaty would confer significant legitimacy on the United States and demonstrate its commitment to international law. By utilising a legally sanctioned method to modify its treaty obligations, the U.S. would show it is a reliable treaty partner, unwilling to resort to flimsy pretexts to escape obligations that may be contrary to its immediate interests.

The negotiated amendment approach would also prevent destabilization of relations between the superpowers. A renewed commitment to the negotiation process would show a mutual U.S.-Soviet determination to prevent a new and uncontrollable spiral in the arms race.[122] Equally important, a negotiated agreement between the parties would preserve the Treaty as a symbol of Soviet-American cooperation.[123]

Finally, a negotiated amendment would bring the language and structure of the Treaty into line with a new political consensus on defensive weapons. The resulting legal document would be neither antiquated nor oppressive since its legal language would reflect a current agreement on strategic policy.

Unless the conflict between SDI and ABM Treaty is resolved to the mutual satisfaction of the United States and the Soviet Union, it is likely to cause grave instability in their relations. The two governments must negotiate their way to a new set of agreed norms concerning SDI. Only in this manner can they successfully confront historical changes in weapons technology and strategic relations. Only through negotiated treaty amendment can they equal the achievement of their predecessors: a rational and mutually beneficial agreement on the strategic role of antiballistic missile systems.

FOOTNOTES

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[1] President Reagan launched the SDI program in March 1983. *See* Address of President Reagan to the Nation on Defense and National Security, Pub. Papers 437 (Mar. 23, 1983). A voluminous literature has already grown up around the program, which is popularly known as Star Wars. Among the more prominent analyses and critiques are: Ballistic Missile Defense (A. Carter & D. Schwartz eds. 1984); S. Drell, P. Farley, & D. Holloway, The Reagan Strategic Defense Initiative: A Technical, Political, and Arms Control Assessment (1984); D. Graham, High Frontier: A New National Strategy (1982); and The Fallacy of Star Wars (J. Tirman ed. 1984).

[2] The space defense contemplated under SDI will have five functions:

(1) to conduct continuous surveillance of ballistic missile launch areas and detect any threatened launches;

(2) to track threatening objects throughout their trejectories;

(3) to discriminate effectively between actual enemy warheads and decoys;

(4) to intercept and destroy enemy missiles and warheads; and

(5) to coordinate and manage all system components to achieve the maximum effectiveness and economy of force.

Dep't of Defense, Defense Against Ballistic Missiles: An Assessment of Technologies and Policly Implications 15-16 (1984).

The space defense foreseen by the U.S. Government will be multitiered. It will track and destroy incoming ballistic missiles in their four stages of flight: the boost phase, where rockets propel the warheads through and out of the atmosphere; the post-boost phase, where warheads and decoys are released from the missiles; the mid-course phase, where warheads and decoys travel above the atmosphere; and the terminal phase, where the warheads reenter the atmosphere and are propelled toward their targets. *Id.* at 19.

Each tier of the defense will intercept a ballistic missile with one or more advanced weapons. A laser beam may cause structural collapse or a damaging level of temperature in the target missile. A neutral particle beam may destroy a warhead's internal components. Finally, a nonnuclear projectile propelled by chemical rockets or a hypervelocity gun may use kinetic-energy impact to stop the missile. *Id.* at 19.

By intercepting missiles at each stage of flight with a layered defense, the SDI program envisages destroying 99.9 percent of all incoming warheads. To achieve this rate of effectiveness, each tier must intercept 90 percent of the missiles or warheads which reach it. *Id.* at 9.

Several prominent analysts have argued for a two-layer defense that could be in place by the early 1990's. This version of a space defense would be only 90 percent effective but would serve many of the same purposes as the multitiered scheme proposed by the Defense Department. *See* Brzezinski, Jastrow, & Kampelman, *Defense in Space is Not 'Star Wars'*, N.Y. Times, Jan. 27, 1985, § 6 (Magazine), at 28, 29 [hereinafter *Defense in Space is Not 'Star Wars'*].

[3] The ABM Treaty is officially known as the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, May 26, 1972, 23 U.S.T. 3435, T.I.A.S. No. 7503 [hereinafter ABM Treaty]. President Richard Nixon and General Secretary Leonid Brezhnev signed the ABM Treaty in Moscow on May 26, 1972. It was ratified by the U.S. Senate on August 3, 1972 and entered into force on October 3, 1972.

[4] See Stein, *Legal Restraints in Modern Arms Control Agreements*, 66 Am. J. Int'l L. 255 (1972) for a detailed discussion of the principal types of legal restrictions in arms control treaties.

See Jacobson, *The Crisis in Arms Control*, 82 Mich. L. Rev. 1588 (1984), for a general review of past arms control negotiations as well as an argument that lack of political consensus within the U.S. and between the U.S. and the U.S.S.R. will make future arms control agreements more difficult to achieve.

[5] The concept of legitimacy figures prominently in both law and political science. It is commonly defined as "the foundation of such governmental power as is exercised both with a consciousness on the government's part that it has a right to govern and with some recognition by the governed of that right." 9 Int'l Ency. Soc. Sci. 244 (1968). The norms of international law provide legitimacy for the diplomatic policies of states.

In our time, more than ever, it is useful for even the most powerful state to make out a broadly respected legal case for any important international action it may wish to take. The "parliamentary diplomacy" that has become so familiar in the multifarious activities of the United Nations and in incessant *ad hoc* conferences requires constant justification of national politics, and the support of a strong majority reduces the material and other costs of performance. The appeal to law is accordingly a commonplace of international political debate.

7 Int'l Ency. Soc. Sci. 547 (1968).

[6] Stability in nuclear relations does not necessarily imply detente or global cooperation with the Soviet Union. It means only that the two governments have determined to avoid a nuclear catastrophe while they compete for power and prestige on a number of other levels.

[7] Some treaties might retain validity and efficacy if they are entirely one-sided or predominantly serve the interests of one state. Indeed, that may be their essential purpose. But an arms control treaty between two superpowers must be mutually beneficial to the signatories or it will not restrain their military programs.

Former Presidential Assistant Henry Kissinger spoke to this point at a news conference in Moscow immediately after the signing of the ABM Treaty:

[I]n an agreement that involves the central armaments on both sides, it is foolish or shortsighted to approach the negotiations from the point of view of gaining a unilateral advantage. Neither nation will possibly put its security and its survival at the hazard of its opponent and no agreement that brings disadvantage to either side can possibly last and can possibly bring about anything other than a new circle of insecurity. Therefore, the temptation that is ever present when agreements of this kind are analyzed as to who won is exceptionally inappropriate. We have approached these negotiations from the very beginning with the attitude that a wise proposal is one that is concevied by each side to be in the mutual interest and we believe that if this agreement does what we hope it will, that the future will record that both sides won.

News Conference Remarks by Presidential Assistant Kissinger and ACDA Director Smith: Strategic Arms Limitation Agreements, May 26, 1972, *reprinted in* United States Arms Control and Disarmament Agency, Documents on Disarmament 1972 at 207, 208 (1974).

[8] ABM Treaty, *supra* note 3, art. I, para. 2. ABM negotiator Gerard Smith outlined the significance of this commitment in his 1972 testimony to the House Armed Services Committee: Both great nuclear powers have agreed that they will not attempt to build a shield against penetration by the other's retaliatory missile forces. . . .

Under this treaty, the penetration capability of our surviving deterrent missile forces can be assured. As long as we maintain sufficient and survivable retaliatory forces, this new assurance of their penetration capability resulting from the treaty should make "first strike" as a rational act inconceivable.

Strategic Arms Limitation Agreements: Hearings Before the House Comm. on Armed Services, 92d Cong., 2d. Sess. 15085 (1972).

[9] As originally signed, the ABM Treaty allowed each party to construct two land-based missile fields—one protecting the national capital and the other guarding an ICBM installation. ABM Treaty, *supra* note 3, art. III. The parties later entered into a protocol to limit each side to one land-based ABM missile site. Protocol to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, July 3, 1974, art. I, 27 U.S.T. 1645, T.I.A.S. No. 8276. The Protocol entered into force on May 24, 1976. Today, the Soviet Union has the only operational ABM site, encircling Moscow. The U.S. originally built an ABM site in Grand Forks, North Dakota, but it is no longer considered operational.

[10] Article II of the ABM Treaty provides:

1. For the purpose of this Treaty an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of:

(a) ABM interceptor missiles, which are interceptor missiles constructed and deployed for an ABM role, or of a type tested in an ABM mode;

(b) ABM launchers, which are launchers constructed and deployed for launching ABM interceptor missiles; and

(c) ABM radars, which are radars constructed and deployed for an ABM role, or of a type tested in an ABM mode.

2. The ABM system components listed in paragraph 1 of this Article include those which are:

(a) operational;
(b) under construction;
(c) undergoing testing;
(d) undergoing overhaul, repair or conversion; or
(e) mothballed.

ABM Treaty, *supra* note 3, art. II.

The significance of ABM radars in the context of the overall Treaty is noted in C. Blacker & G. Duffy, International Arms Control: Issues and Agreements (1984) [hereinafter International Arms Control]:

From the U.S. point of view, in order to prevent the emergence of a base that would permit relatively rapid construction or expansion of an area ABM defense system, it was crucial to control radar. The radars to detect incoming missiles are vital to the effectiveness of an ABM system, and take the longest time of any system components to build. Radars are also built for general surveillance and monitoring and for such functions as air traffic control. Thus the U.S. side argued persistently and at great length for detailed limitations on the size, number, orientation, location, power and other characteristics of permitted radars, even those not ostensibly related to ABM activities.

Id. at 240.

[11] Article V of the ABM Treaty provides: "Each Party undertakes not to develop, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based." ABM Treaty, *supra* note 3, art. V, para. 1. By expressly prohibiting only those ABMs which are sea-based, air-based, space-based, or mobile land-based, the Treaty implicitly permits development of fixed land-based systems.

[12] ABM Treaty, *supra* note 3, art. III.

[13] However, weapons that neutralize or destroy enemy satellites (commonly referred to as ASATs), whether ground-based or space-based, "could be deployed under the [ABM] agreement if [they] lacked an ABM capability." *See* Gordon, *Reagan's 'Star Wars' Proposals Prompt Debate Over Future Nuclear Strategy,* 16 Nat'l J. 12, 14 (1984).

[14] At a Congressional briefing held soon after the signing of the ABM Treaty, Dr. Kissinger commented on the significance of the interpretative statements appended to the Treaty:

[T]here are a number of interpretative statements which were provided to the Congress along with the agreements. These interpretations are in several forms: Agreed statements initialed by the delegations, agreed interpretations or common understandings which were not set down formally and initialed, unilateral interpretations to make our position clear in instances where we could not get total agreement.

In any negotiation of this complexity, there will inevitably be details upon which the parties cannot agree. We made certain unilateral statements in order to insure that our positions on these details was included in the negotiating record and understood by the other side. . . . The interpretations do not vitiate these agreements, but they expand and add to the agreements.

Remarks by Presidential Assistant Kissinger at Congressional Briefing: Strategic Arms Limitation Agreements, June 15, 1972, *reprinted in* United States Arms Control and Disarmament Agency, Documents on Disarmament 1972 at 295, 304-05 (1972) (footnote omitted) [hereinafter Kissinger Remarks].

Secretary of State Rogers also testified before Congress that "[t]hese [supplementary statements] were intended to avoid misunderstanding of the underlying agreements and to facilitate successful implementation of such agreements. The clarification provided by these interpretations and statements is believed to far outweigh whatever risk there may be that they, in turn, might become subject to differing interpretations." *Strategic Arms Limitation Agreements: Hearings Before the Senate Comm. on Foreign Relations,* 92d Cong., 2d Sess. 321 (1972) [hereinafter *Hearings on the ABM Treaty Before the Senate Comm. on Foreign Relations*]. Controversy over the language of an interpretative statement has in fact materialized. *See infra* Section IV.

[15] ABM Treaty, *supra* note 3, Agreed Statement D. For a discussion of the role of the Standing Consultative Commission, see *infra* note 106 and accompany text.

[16] ***Military Implications of the Treaty on Limitations of Anti-Ballistic Missile Systems and the Interim Agreement on Limitation of Strategic Offensive Arms: Hearings Before the Senate Comm. on Armed Services,*** 92d Cong., 2d Sess. 287 (1972) [hereinafter *Hearings on the ABM Treaty Before the Senate Comm. on Armed Services*].

See also Rhinelander, *The SALT I Agreements,* in SALT: The Moscow Agreements and Beyond 125 (M. Willrich and J. Rhinelander eds. 1974). Rhinelander, a former State Department lawyer who assisted in drafting the ABM Treaty, describes the purpose of limiting "future systems" from an early 1970s perspective:

These constraints on future ABM systems, which the U.S. proposed, are an attempt to ensure a long-term, effective limitation on strategic defensive systems in an age of changing technology. Neither laser technology nor any other kind of device now appears to have a significant ABM potential; for instance, a land-based laser would not be effective in the event of cloud cover, and the platform for an air-based laser would itself be a vulnerable target. However, the failure to include a broad proscription against future devices might have led to a significant effort by either or both the U.S. and U.S.S.R. to develop esoteric ABM systems. The prohibition in the treaty thus serves the same preventive purpose as the prohibition on placing weapons of mass destruction in orbit which is contained in the Outer Space Treaty of 1967.

Id. at 128-29.

[17] The Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, art. IV, *opened for signature* Jan. 27, 1967, 18 U.S.T. 2410, T.I.A.S. No. 6347, 610 U.N.T.S. 205 [hereinafter the Outer Space Treaty], independently prohibits deployment of space-based defenses which employ a nuclear device to destroy incoming ballistic missiles. Both the U.S. and the U.S.S.R. are parties to the Outer Space Treaty.

In Professor Stein's view, Article IV of the Outer Space Treaty does not prohibit placing in orbit around the earth satellites or space stations having antimissile, communications or other military functions as long as they do not carry nuclear or other mass destruction weapons. . . .

. . . Research and development of orbital nuclear weapon systems are also not prohibited, although deployment of nuclear warheads in outer space or their inclusion in deep space probes clearly would be.

Stein, *supra* note 4, at 263-64 (footnotes omitted).

[18] ABM Treaty, *supra* note 3, art. V.

[19] *Hearings on the ABM Treaty Before the Senate Comm. on Armed Services, supra* note 16, at 376.

[20] *Id. at 377 (emphasis added).*

[21] John Rhinelander notes the "gray areas" that have persisted under Article V:

The prohibitions in Article V apply to each of the three basic ABM components, as well as the system as a whole, and would therefore prohibit a sea-based ABM radar linked with land-based ABM launchers and interceptor missiles. It would also prohibit future ABM systems, such as an airborne killer laser, as a substitute for a fixed land-based ABM interceptor missile, or a space-based sensor that, coupled with land-based components, was capable of substituting for one or more current ABM components. There are, however, gray areas since the treaty does not limit deployment of sensors or satellites which provide early warning of missile launchers.

Rhinelander, *supra* note 16, at 134.

[22] The distinction between permitted research and proscribed field testing arose largely because research could not be verified by "national technical means." The parties' intelligence-gathering satellites were not capable of discerning developments taking place in laboratories. Once new weapons emerged from this protected environment, however, satellites could presumably observe and photograph them.

While this assumption no doubt prevailed at the 1972 ABM negotiations, a controversy has nevertheless arisen over verification. The U.S. has accused the Soviets of encrypting telemetry data from the launchings of their missiles, making it more difficult for the U.S. to gauge treaty compliance. *See* Bureau of Pub. Aff., U.S. Dep't of State, Special Rep. No. 129, The Strategic Defense Initiative 2 (1985) [hereinafter State Dep't White Paper on SDI].

[23] To remain effective, mutual assured destruction requires the existence of several conditions. Each side has to maintain missile forces capable of surviving a first strike and inflicting unacceptable damage on the other. Yet neither side's missiles can be so numerous or so powerful as to pose a threat to the other's retaliatory capability. Finally, neither side can possess defensive weapons capable of protecting population centers from a retaliatory blow and thereby undercutting the value of the other's deterrent forces. *See* J. Kahan, Security in the Nuclear Age: Developing U.S. Strategic Arms Policy 200-23 (1975).

[24] On the history of the 1972 Strategic Arms Limitation Talks, see J. Newhouse, Cold Dawn: The Story of SALT (1973); A. Platt, The U.S. Senate and Strategic Arms Policy 1969-1977 (1978); G. Smith, Doubletalk: The Story of the First Strategic Arms Limitation Talks (1980); Garthoff, *Negotiating with the Russians: Some Lessons from SALT*, 1 International Security 3 (1977); Garthoff, *SALT and the Soviet Military*, 24 Problems of Communism 21 (1975); Weiler, *The Status of SALT: A Perspective*, in Negotiating Security: An Arms Control Reader 27 (W. Kincade & J. Porro eds. 1979).

[25] For an overview of U.S. and Soviet ABM programs prior to the 1972 Treaty, see SALT Handbook: Key Documents and Issues 3 (R. Labrie ed. 1979).

[26] As negotiator Paul C. Warnke put it, simply increasing the number of missiles aimed at an opponent becomes a "mindless exercise" when the possibility of an effective defense is eliminated. *Hearings on the ABM Treaty Before the Senate Comm. on Foreign Relations, supra* note 14, at 183. *See also* Kissinger Remarks, *supra* note 14, at 303.

[27] The doctrinal outlook of the proponents of strategic defense is described in a 1985 report by the Congressional Office of Technology Assessment: [These strategists] see defenses as lessening both the probability of nuclear war and the damage that would be done by such a war, should it occur . . . In a "defense-dominant" world, the probability of war would be lessened since the attacker, less certain of achieving his objectives, would be less likely to attack in the first place. Two factors would lessen the attacker's confidence in success. For one, it would be much more difficult to destroy all his intended targets, directly frustrating his objectives. Probably more importantly, though, he would not be able to plan an effective attack since he would not know *in advance* which warheads will penetrate the defense. Defenses will contribute uncertainty to an attack in addition to defeating part of it.

Office of Technology Assessment, U.S. Congress, Ballistic Missile Defense Technologies 86 (1985) [hereinafter OTA Report].

On the Congressional view of the strategic defense doctrine during the period proceeding SDI, see A. Frye, A Responsible Congress: The Politics of National Security (1975).

The shift in U.S. policy on nuclear defense is based not only on theoretical opposition to mutual assured destruction. It is also due, in part, to technological which SDI proponents contend have undermined the effectiveness of the U.S. deterrent force. *See infra* noted 92-93 and accompanying text.

Many Europeans, however, believe the shift in official U.S. doctrine on nuclear weapons is due not so much to technological changes as to conservative-minded advocates of strategic defense who have not altered their views since the early 1970's. *See* Newhouse, *The Diplomatic Round*, New Yorker, July 22, 1985, at 37:

[M]uch of the American support for Star Wars comes from people who don't believe in it at all but do see it as a vehicle for quietly pushing land-based nuclear defense. These are people who want to replay the debate on A.B.M.s that occurred in the late nineteen-sixties and early seventies, and went against A.B.M.s. They intend to win the debate this time. Star Wars, they reckon, will sooner or later enter an irreversible decline, and at that point A.B.M.s—ground-based—will come into their own. Among these people are some whose first priority is sidetracking the arms control process altogether and getting on with the job of building not just a major A.B.M. system but many more offensive systems as well. Their goal is strategic superiority.

Id. at 42.

[28] President Ronald W. Reagan, Speech to the National Space Club, March 29, 1985, *reprinted in* OTA Report, *supra* note 27, at 298, 298.

[29] The White House, The President's Strategic Defense Initiative i (1985).

[30] Keyworth, *The Case For Strategic Defense: An Option for a World Disarmed*, 1 Issues in Science and Technology 30, 42—44 (1984).

Paul Nitze has aptly summarized this "ultimate stage" in the deployment of strategic defenses:

The global elimination of nuclear weapons would be accompanied by widespread deployments of effective non-nuclear defenses. These defenses would provide assurance that were one country to cheat . . . it would not be able to achieve any exploitable **military advantage. To overcome the deployed defenses**, cheating would have to be on such a large scale that there would be sufficient notice so that countermeasures could be taken.

Were we to reach the ultimate phase, deterrence would be based on the ability of the defense to deny success to a potential aggressor's attack. The strategic relationship could then be characterized as of mutual assured security.

Speech to the World Affairs Council of Philadelphia, February 20, 1985, *reprinted in* OTA Report, *supra* note 27, at 301, 302.

[31] With respect to the technical difficulties of developing an effective space-based defense, the Union of Concerned Scientists writes:

Even if individual technologies could be developed to the needed performance levels, fashioning them into a workable deployable and survivable system would pose insurmountable difficulties. The system would be immensely more complex than existing weapons and could never be tested under realistic conditions. In addition, it would have to be fully automated, responding instantly upon warning of attack without presidential involvement, given the very short reaction time available for boost-phase interception. Yet the defense would have to work with near 100 percent reliability. It would have almost no margin for error because even a minute "leakage" rate would mean hundreds of nuclear explosions on U.S. territory—and millions of fatalities—in the event of a large Soviet attack . . . .

Union of Concerned Scientists, Briefing Paper #8, Space-Based Missile Defense 1-2 (1984). *See also* D. Ford, H. Kendall, & S. Nadis, Beyond the Freeze 71-74 (1982).

[32] *See* Rivkin, *What Does Moscow Think?*, 59 Foreign Policy 85 (1985).

[33] Union of Concerned Scientists, *supra* note 31, at 3.

Many Western European countries support the ABM Treaty for this very reason. All Europeans hope that the ABM Treaty will be kept intact. They and most orthodox American thinkers on the subject are sure that any sizable defensive system would have the perverse effect of creating an enormous spiral in offensive nuclear arms—a situation in which there would be far less stability, and so less security for all.

Newhouse, *supra* note 27, at 38.

[34] Union of Concerned Scientists, *supra* note 31, at 3.

[35] Keeny, *The Uncertain Future of Arms Control*, Arms Control Today, July-Aug. 1985, at 2, 2.

[36] SDI opponents believe that destruction of the ABM Treaty would be a grave loss. In the words of a distinguished group of former presidential advisers.

The ABM Treaty stands at the very center of the effort to limit the strategic arms race by international agreements. It became possible when the two sides recognized that the pursuit of defensive systems would inevitably lead to an expanded and to greater insecurity for both. In its underlying meaning, the Treaty is a safeguard less against defense as such than against unbridled competition . . . . To lose the Treaty in pursuit of the [SDI] mirage would be an act of folly.

Bundy, Kennan, McNamara, & Smith, *The President's Choice: Star Wars or Arms Control*, 63 Foreign Affairs 264, 274 (Winter 1984/1985). *See also* Chayes, & Spitzer, *Space Weapons: The Legal Context*, 114 Daedalus 193 (1985) [hereinafter *Space Weapons: The Legal Context]:*

Today . . . the ABM treaty remains the only permanent and legally bilateral arms-control agreement fully in effect between the two superpowers—a thin legacy of detente and its hope of attaining substantial reductions of strategic arms. This single document bears an extraordinarily heavy burden in U.S.-Soviet security relations . . . . It is a delicate only child. If it fails, the future of any negotiated treaty regime of arms control will be thrown into question.

Id. at 193-94.

[37] Dep't of Defense, Report to the Congress on the Strategic Defense Initiative 10 (1985) [hereinafter DOD Report to Congress on SDI].

[38] Id.

[39] Id. at B-1.

[40] See infra Section IV for a discussion of the competing interpretations of the ABM Treaty.

[41] See supra text accompanying notes 20-21.

[42] ABM Treaty, supra note 3, art. VI, para. a.

[43] Id., Unilateral Statement B.

[44] Id. Common Understanding B.

[45] DOD Report to Congress on SDI, supra note 37, at B-2.

[46] Id. at B-3, B-6.

[47] Id. at B-5.

[48] Id. at B-7-B-9.

[49] The Defense Department freely admits the dual purpose of some SDI experiments:

The purpose of the space-based Kinetic Kill Vehicle project . . . is to prove the feasibility of rocket propelled projectile launch and guidance. This experiment will, if successful, demonstrate a capability to defend against anti-satellite interceptors and will also permit a decision to be made on the applicability of more advanced technology for ABM purposes. Id. at B-8.

[50] Space Weapons: The Legal Context, supra note 36, at 206-09.

[51] Id. at 209.

[52] Keeny, supra note 35, at 3.

[53] DOD Report to Congress on SDI, supra note 37, at B-3.

[54] In a statement of strategy for "members of the arms control community" who oppose SDI, Spurgeon Keeny writes:

The principal objective [of SDI opponents] should be to insure that the United States and the Soviet Union support both the spirit and word of the ABM Treaty. Both governments should be pressed to reverse the current erosion of the Treaty by tightening, not relaxing, their interpretations of its provisions. Where there are grey areas in treaty provisions, such as the definition of treaty terms like "development" or "components," the United States should take the lead in insisting on as restrictive interpretations as the negotiating and legislative history permit.

Keeny, supra note 35, at 4. Keeny's statement builds on the position of the "National Campaign to Save the ABM Treaty," an organization of SDI opponents which favors "basic research and limited development programs consistent with the provisions of the ABM Treaty." National Campaign to Save the ABM Treaty, The Most Important Arms Agreement of the Nuclear Age is in Danger . . . (undated pamphlet).

[55] On the most fundamental level, this statement is not intended as a partisan proposition. Both liberals and conservatives likely would agree that one cannot stop "unpleasant" technological changes by ignoring or legally prohibiting them. The more rational approach is to accept the possibility of prospective technological changes in order to test their efficacy and utility. Partisan views may then rightfully enter into the debate over how technological developments should be employed to achieve policy ends.

[56] Speaking on a television news program, McFarlane stated:

[Research testing and development of defensive weapons] involving new physical concepts . . . are approved and authorized by the Treaty. Only deployment is foreclosed . . . .

. . . It's a simple matter of reading the text. The fact of the matter is that when you are dealing with new principles—and by that we mean principles other than ground-to-air missiles—research other than pure research in the laboratory is allowed. *McFarlane Faults Soviet Arms Plan,* Wash. Post, Oct. 7, 1985 at A1, col. 5, A6, cols. 4–5.

[57] See supra text accompanying note 15.

[58] Compare Ambassador Smith's intrpretation of Agreed Statement D, supra text accompanying note 16.

[59] Oberdorfer, ABM Reinterpretation: A Quick Study, Wash. Post, Oct. 22, 1985 at A1, col. 2 [hereinafter A Quick Study] Ambassador Smith criticized the Defense Department's method of searching the negotiating record for the meaning of the Treaty. According to Smith, while some of the final language was "not the best," it was clear to him and the other US. negotiators that the Soviets explicitly agreed to tight limits on future ABM systems such as SDI. Id.

[60] Id.

[61] Evans & Novak, A Future for SDI?, Wash. Post, Oct. 21, 1985, at A15, col. 4.

[62] A Quick Study, supra note 59.

[63] Excerpts from a Speech By Shultz at North Atlantic Assembly Meeting, N.Y. Times, Oct. 15, 1985 at A6, col. 1.

[64] DOD *Report to Congress on SDI, supra* note 37, at B–2.

[65] Vienna Convention on the Law of Treaties, art. 31, *opened for signature* May 23, 1969, UN Doc. A/Conf. 39/27, 8 I.L.M. 679 (1969). The Convention entered into force on January 27, 1980. The U.S. signed the Convention on May 20, 1970, but the Senate has not ratified it.

[66] *See* Falk, *On Treaty Interpretation and the New Haven Approach: Achievements and Prospects,* 8 Va. J. Int'l. L. 323 (1968); Gross, *Treaty Interpretation: The Proper Role of An International Tribunal, 63 Proc. Am. Soc'y. Int'l L. 108 (1969);* and McDougal, *The International Law Commission's Draft Articles Upon Interpretation: Textuality Redivivius,* 61 Am. J. Int'l. L. 992 (1967).

Interpretation is required to determine "whether the application of an agreement to a particular situation is or is not in accordance with the shared intentions, expectations and objectives of the parties." Lissitzyn, *Treaties and Changed Circumstances (Rebus Sic Stantibus)* 61 Am. J. Int'l. L. 895, 896 (1967).

Sometimes, of course, there may be no definite intention or expectation with respect to unforeseen situations: When evidence as to the parties' intentions and expectations specifically related to the new situation is lacking or conflicting, the task of the interpreter is to decide what would have been the reasonable expectations of the parties had they foreseen the new situation. This decision must be made in light of the major purposes and objectives of the treaty; it must facilitate rather than obstruct the attainment of these objectives. *Id.*

[67] ABM Treaty, *supra* note 3, art. II, para. 1.

[68] Sofaer, *The ABM Treaty and the Strategic Defense Initiative,* 99 Harv. L. Rev. 1972, 1974 (1986).

[69] *Id.*

[70] Chayes & Chayes, *Testing and Development of "Exotic" Systems Under the ABM Treaty: The Great Reinterpretation Caper,* 99 Harv. L. Rev. 1956, 1958 (1986).

[71] *Id.* at 1959.

[72] Dr. Raymond Garthoff, Executive Secretary and Senior Advisor to the U.S. delegation at the ABM negotiations, writes: [T]he word "currently" was deliberately inserted into a previously adopted text of Article II at the time agreement was reached on the future systems ban in order to have the very effect of closing a loophole to the ban on futures in both Articles III and IV (and several others).

Int'l Security, Summer 1977, at 108 (Correspondence).

[73] The negotiating record, is, of course, relevant to treaty interpretation, although it is normally only invoked when an interpretation based on other evidence "leaves the meaning ambiguous or obscure." Vienna Convention on the Law of Treaties, *supra* note 65, art. 32.

[74] Sofaer, *supra* note 68, at 1979 (footnote omitted).

[75] *Hearings on the ABM Treaty Before the Senate Comm. On Armed Services, supra* note 16, at 40–41.

[76] Chayes & Chayes, *supra* note 70, at 1962. Note that the inducing clause of Agreed Statement D indicates it was added to the Treaty "[i]n order to insure fulfillment of the obligation not to deploy ABM systems . . . except as provided in Article III of the Treaty." ABM Treaty, *supra* note 3, Agreed Statement D.

[77] *See supra* notes 50-51 and accompanying text.

[78] The State Department specifically asserted a major Soviet treaty violation in its June 1985 White Paper on the ABM Treaty:

Soviet activity in constructing . . . phased-array radar near Krasnoyarsk, in central Siberia, has very immediate and ominous consequences. . . . [T]he ABM Treaty expressly banned the construction of such radars at such locations as one of the primary mechanisms for ensuring the effectiveness of the Treaty. The Soviet Union's activity with respect to this radar is in direct violation of the ABM Treaty.

State Department White Paper on SDI, *supra* note 22, at 2.

The ensuing paragraph of the Department's statement pointed out the significance of this alleged Soviet violation:

Against the backdrop of this Soviet pattern of noncompliance with existing arms control agreements, the Soviet Union is also taking other actions which affect our ability to verify Soviet compliance. . . . If we fail to respond to these trends, we could reach a point in the foreseeable future where we would have little confidence in our assessment of the state of the military balance or imbalance, with all that implies for our ability to control escalation during crises. *Id.*

An unidentified "senior administration official" was even more blunt in stating how the U.S. views the consequences of alleged Soviet treaty violations coupled with Soviet advances in mobile land-based offensive missiles:

While Americans may be alarmed at the idea of breaking the ABM Treaty, the [official] said, the United States "simply may not be able to deal adequately with its defense" given the scale of the Soviet build-up. When combined with what the United States believes to be Soviet "violations of that [ABM] treaty," its value is "very much in question."

Hoffman, *U.S. Aide Says Soviet Buildup Puts ABM Pact "In Question"*, Wash. Post, Sept. 20, 1985, at A1, col. 1, A24, col. 6.

[79] ABM Treaty, *supra* note 3, art. I, para. 2.

[80] On the issue of terminating treaties for material breach, see Briggs, *Unilateral Denunication of Treaties: The Vienna Convention and the International Court of Justice,* 68 Am. J. Int'l L. 51 (1974). *See also* Rubin, *The International Legal Effects of Unilteral Declarations,* 71 Am. J. Int'l L. I. (1977) (unilateral declarations of material breach as a special case of unilateral declarations); and Akehurst, *Reprisals by Third States,* XLIV Brit. Y.B. Int'l L. 1, 6 (1976) (review of international legal precedents regarding material breach of treaties).

[81] Vienna Convention on the Law of Treaties, *supra* note 65, art. 60, para. 1.

[82] *See* [1966] 2 Y.B. Int'l L. Comm'n 253–55 [hereinafter International Law Commission Report].

[83] *Id.* at 255 (emphasis added). Egon Schwelb argues that the Vienna Convention treats every "violation of a provision essential to the accomplishment of the object or purpose of the treaty" as a material breach. In his view, this approach widens the reach of the article beyond what is desirable. Schwelb, *Termination or Suspension of the Operation of a Treaty as a Consequence of Its Breach,* 7 Indian J. Int'l. L. 314–15 (1967).

[84] Vienna Convention on the Law of Treaties, *supra* note 65, art. 60, para. 3

[85] John Rhinelander has suggested that spacetracking in no way violates the ABM Treaty. *See supra* note 21.

[86] Even if the Soviets have not breached the Treaty, the United States could still invoke the withdrawal clause in Article XV on the grounds that its "supreme interests"' are threatened.

(2) Each Party shall, in exercising its national sovereignty, have the right to withdraw from this Treaty if it decides that extraordinary events related to the subject matter of this Treaty have jeopardized its supreme interests. It shall give notice of its decision to the other Party six months prior to withdrawal from the Treaty. Such notice shall include a statement of the extraordinary events the notifying Party regards as having jeopardized its supreme interests.

ABM Treaty, *supra* note 3, art. XV, para. 2.

For two reasons, this article does not treat the possibility of unilateral withdrawal pursuant to Article XV as a viable policy alternative. First, unilateral withdrawal without claiming a Soviet material breach or a change of circumstances (under the doctrine of *rebus sic stantibus)* would deprive the United States of its legitimacy and trustworthiness as a treaty partner. Second, it could prove to be an extremely destabilizing course of action. The Soviets might well conclude that abrupt withdrawal under Article XV, without additional legal justification, was but a prelude to a preemptive nuclear attack by the United States. Thus, the U.S. likely would use the withdrawal clause only in conjunction with a claim that a Soviet material breach or fundamental change of circumstances has rendered the Treaty legally void. In short, outright abandonment of the agreement under the withdrawal clause without further justification is so unwise a policy alternative that it is not worthy of sustained examination.

[87] The U.S. must be especially vigilant in setting an example for smaller countries in the arms control area. Otherwise, these countries will not give much credence to their own commitments under the Treaty on the Non-proliferation of Nuclear Weapons, *opened for signature* July 1, 1968, 21 U.S.T 483, T.I.A.S. No 6839, 729 U.N.T.S. 161.

[88] Marshall Sergei Akhromeyev, Chief of the Soviet General Staff, called the SDI program "a direct breach of the [ABM] treaty" because it is designed to protect the continental United States. At the same time, Akhromeyev accused the U.S. cf attempting to abrogate the Treaty as a whole: "[If the Treaty] were to be abrogated for some reason, then the foundation on which one could base and conduct talks will disappear. Practically, this will symbolize the collapse of negotiations and usher in an uncontrolled arms race for decades to come." *See Soviet Warns U.S. Not to End ABM Treaty,* Wash. Post, June 5, 1985, at A1, col. 6.

[89] For a full discussion of the role of the Standing Consultative Commission, see *infra* note 106 and accompanying text.

[90] *See* DOD Report to Congress on SDI, *supra* note 37, at A–8.

[91] *See supra* text accompanying notes 23–26.

[92] This contrast in circumstances is set forth in the State Department's June 1985 statement on SDI: At the time that [the SALT] process began [in the early 1970's], the United States concluded that deterrence based on the capability of offensive retaliatory forces was not only sensible but necessary, since we believed at the time that neither side could develop the technology for defensive systems which could effectively deter the other side.

Today, however, the situation is fundamentally different. Scientific developments and several emerging technologies now do offer the possibility of defenses that did not exist and could hardly have been conceived earlier. The state of the art of defense has now progressed to the point where it is reasonable to investigate whether new technologies can yield options, especially non-nuclear options, which could permit us to turn to defense not only to enhance deterrence but to allow us to move to a more secure and more stable long-term basis for deterrence.

State Department White Paper on SDI, *supra* note 22, at 1-2 (emphasis added).

[93] *See* Peck, *Arms Control and the Liberals' Dilemma*, 5 SAIS Rev. 91 (1985); *Defense in Space is Not 'Star Wars'*, *supra* note 2, at 28.

The State Department also points to improvements in Soviet active defenses (e.g., an extensive air defense network and a deployed ABM system around Moscow) and passive defenses (e.g., hardening of critical military installations) as grounds for concern that U.S. retaliatory forces may be rendered less effective. STATE DEPARTMENT WHITE PAPER ON SDI, *supra* note 22, at 2-3.

[94] For a general review of unilateral termination of treaties under the change-of-circumstances doctrine in modern international law, see A. DAVID, THE STRATEGY OF TREATY TERMINATION (1975). *See also* Reisman, *Termination of the USSR's Treaty Right of Intervention in Iran*, 74 AM. J. INT'L L. 144 (1980) (application of the doctrine to the Soviet-Iranian Treaty of Friendship of 1921).

[95] International Law Commission Report, *supra* note 82, at 258. Professor Lissitzyn writes of the importance of "a community policy in favor of peaceful change in some situations": The community interest may be best served, regardless of the parties' earlier shared expectations, by putting an end to obligations which come to be felt so burdensome that attempts to exact their performance threaten general stability and peace. . . . It may be urged that the goal of stability [is] furthered rather than frustrated by the development of legal devices for putting an end to relationships which come to be resented as intolerably burdensome and which the community is not strongly interested in enforcing. Stability and change are not necessarily antagonistic goals. In a changing world, stability must be envisaged as dynamic rather than static. It requires continuous adjustments within the community. Orderly change serves to maintain the general equilibrium and to prevent catastrophic and destructive upheavals.

Lissitzyn, *supra* note 66, at 897.

[96] Vienna Convention on the Law of Treaties, *supra* note 65, art. 62, para. 1.

[97] International Law Commission Report, *supra* note 82, at 258. Professor Lissitzyn notes: [Article 62] seems to attach considerable weight to the policy of giving effect to the shared intentions and expectations of the parties in the application of the doctrine of *rebus sic stantibus*, but to limit it to the extent believed to be required by the policy of maintaining stability in treaty relationships and preventing, as much as possible, threats to that stability that might arise, from the inevitably subjective factors in the interpretation of treaties.

Lissitzyn, *supra* note 120, at 917.

[98] According to the International Court of Justice: [I]nternational law admits that a fundamental change in the circumstances which determined the parties to accept a treaty, if it has resulted in a radical transformation of the extent of the obligations imposed by it, may, under certain conditions, afford the party affected a ground for invoking the termination or suspension of the treaty.

Fisheries Jurisdiction (U.K. v. Ice.) 1973 I.C.J. 63 (Judgment of Feb. 2). The Court went on to note that Article 62 of the Vienna Convention is a codification of customary international law. *id.*

[99] For a review of American legal precedents pertaining to the change-of-circumstances doctrine, see M. WHITEMAN, 14 DIGEST OF INTERNATIONAL LAW, 478-90 (1970).

[100] 40 Op. Att'y Gen. 119, 120-21 (1941).

[101] State Department White Paper on SDI, supra note 22, at 2 (emphasis added).

[102] For a description of the current rationale for the MX program, see Department of Defense Authorization for Appropriations For Fiscal Year 1985: Hearings Before the Senate Comm. on Armed Services, 98th Cong., 2d Sess. 3261 (1985). But see D. Moynihan, Loyalties 18-19 (1984) (criticizing the deployment of the MX in Minuteman missile silos.).

[103] In his report of June 1972 to President Nixon, Secretary of State Rogers wrote: A potential problem dealt with by the treaty is that which would be created if an ABM system were developed in the future which did not consist of interceptor missiles, launchers and radars. The Treaty would not permit the deployment of such a system or of components thereof capable of substituting for ABM interceptor missiles, launchers or radars . . . .

Report by Secretary of State Rogers to President Nixon on the Strategic Arms Limitation Agreements, June 10, 1972, reprinted in United States Arms Control and Disarmament Agency, Documents on Disarmament 1972 at 267, 272-73 (emphasis added).

Ambassador Smith stated at a hearing on the Treaty before the Senate Armed Services Committee:

[O]ne of the agreed understandings [of the Treaty] says that if ABM technology is created based on different physical principles, an ABM system or component based on them can only be deployed if the treaty is amended.

Work in that direction, development work, research, is not prohibited, but deployment of systems using those new principles in substitution for radars, launchers or interceptors, would not be permitted unless both parties agree by amending the treaty.

Hearings on the ABM Treaty Before the Senate Armed Services Comm., supra note 16, at 295 (emphasis added).

[104] Vienna Convention on the Law of Treaties, supra note 65, art. 62, para. 1.

[105] The Department of Defense makes this very point. See DOD Report to Congress on SDI, supra note 37, at 10.

[106] Article XIII provides that the SCC is to:

(a) consider question concerning compliance with the obligations assumed and related situations which may be considered ambiguous;

. . . .

(d) consider possible changes in the strategic situation which have a bearing on the provisions of this Treaty:

. . . .

(f) consider, as appropriate, possible proposals for further increasing the viability of this Treaty; including proposals for amendments in accordance with the provisions of this Treaty:

(g) consider, as appropriate, proposals for further measures aimed at limiting strategic arms

ABM Treaty, supra note 3, art. XIII, para. 1

Secretary of State Rogers remarked on the significance of the Standing Consultative Commission during his testimony to Congress on the ABM Treaty:

[The SCC] will, on a regular basis, consider the operations of the treaty as well as questions of compliance. The commission will also have the function of considering proposals for further increasing the viability of the treaty. It will assure that even after the completion of the follow-on negotiations there will be a continuing strategic dialogue between the two powers.

Hearings on the ABM Treaty Before the Senate Comm. on Foreign Relations, supra note 14, at 7.

Ambassador Gerard Smith testified that the U.S. viewed the SCC as "a very serious piece of machinery that recognizes that in this field, you cannot for the indefinite future forsee how the evolution of the strategic relationship is going to go, and this is a good piece of machinery, we think, to oversee the operations of the new relationship." Id. at 42.

[107] Article XIV provides: "Each Party may propose amendments to this Treaty. Agreed amendments shall enter into force in accordance with the procedures governing the entry into force of this Treaty." ABM Treaty, supra note 3, art XIV, para 1.

John Rhinelander has commented that the "explicit statement on amendments [in Article XIV] indicates that the ABM Treaty should not be considered a static document since it deals with changing technology and strategic relationships." Rhinelander, supra note 16, at 141.

[108] Paragraph 1 of Article XV states that the "Treaty shall be of unlimited duration." Paragraph 2, however, provides that either party may, upon six months notice, withdraw from the Treaty "if it decides that extraordinary events related to the subject matter of the Treaty have jeopardized its supreme interests." ABM Treaty, *supra* note 3, art. XV. *See supra* note 86 for a full discussion of the withdrawal clause.

[109] *See Transcript of Reagan's Broadcast Address on Talks With Gorbachev in Iceland*, N.Y. Times, Oct. 14, 1986, at A10, col. 1 [hereinafter *Reagan's Broadcast Address*]; *Excerpts from Speech by Gorbachev About Iceland Meeting*, N.Y. Times, Oct. 15, 1986, at A12, col. 1 [hereinafter *Excerpts from Speech by Gorbachev*].

[110] Another important issue left unresolved at Reykjavik was whether the parties would be free to deploy space defenses unilaterally at the end of the ten-year period. In a December 1984 statement on SDI, however, President Reagan conceded that "SDI-related deployment would, in view of treaty obligations, have to be a matter for negotiations." *See* STATE DEPARTMENT WHITE PAPER ON SDI, *supra* note 22, at 3.

[111] General Secretary Gorbachev stated the Soviet position in his post-summit address: [W]e did not demand or require that [President Reagan] stop work [on SDI] but with the understanding that all provisions of the ABM Treaty would be observed. In other words, the research and testing in this area would not go beyond the laboratory. And this would be a requirement both for the Soviet Union and the United States.

Excerpts from Speech by Gorbachev, supra note 109, at A12, col. 2.

[112] President Reagan made this point in his speech to the nation on the Reykjavik meeting: "The General Secretary wanted wording that in effect would have kept us from developing the S.D.I. for the entire 10 years. In effect, he was killing S.D.I. and unless I agreed, all that work toward eliminating nuclear weapons would go down the drain—canceled." *Reagan's Broadcast Address, supra* note 109, at A10, col. 4. *See also Excerpts from Reagan's Talk to Executive Branch Employees*, N.Y. Times, Oct. 15, 1986 at A13, col. 1.

[113] The positions taken by the U.S. and Soviets on SDI and the ABM Treaty were bound up in their proposals to reduce both long and medium-range nuclear weapons. The structure and outcome of the Reykjavik negotiations demonstrated that a final agreement on reductions in offensive weapons systems is conditioned on resolving the dispute over SDI. *See No U.S. Summit Date*, N.Y. Times, Oct. 15, 1986, at A1, col. 1; *Reykjavik: What Might Have Been*, Wash. Post, Oct. 14, 1986 at A1, col. 1.

[114] Gorbachev stated: "As far as ABM is concerned, . . . we are proposing to strengthen it . . . . [W]e have to strengthen the regime of the ABM Treaty, that development of this program should not be put in space but should remain within the laboratory walls." *Excerpts from Speech by Gorbachev, supra* note 109, at A12, cols. 2, 4-5.

[115] According to President Reagan: "What Mr. Gorbachev was demanding at Reykjavik was that the United States agree to a new version of a 14 year-old treaty that the Soviet Union has already violated. I told him that we don't make these kinds of deals in the United States." *Reagan's Broadcast Address, supra* note 109, at A10, col. 5.

Secretary of State Schultz made the same point at a news conference held at the close of the Reykjavik meetings: "[T]he Soviet Union's objective was effectively to kill off the S.D.I. program. . . . And to do so by seeking a change—described by them as strengthening, but a change—in the ABM Treaty that would so constrain research permitted under it that the program would not be able to proceed at all forcefully." *Excerpts from Comments by Schultz at the News Conference in Reykjavik*, N.Y. Times, Oct. 13, 1986, at A9, cols. 1, 2.

[116] *See* Pincus, *Room for Compromise on SDI*, Wash. Post, Oct. 16, 1986, at A31, col. 1.

[117] Since the Reykjavik talks, the U.S.S.R. has modified its position on testing and development outside the laboratory. The Soviets now appear prepared to accept testing in space as long as the U.S. does not test the actual components of a working defensive system. In late October 1986, Roald Sagdeev, Director of the Soviet Institute of Space Research, stated that space tests "with modest instruments . . . could be considered permissible under the ABM Treaty." Sagdeev drew a distinction between tests of "devices [which] are not real components" of an ABM system and experiments with devices such as a "powerful laser" which are "able to produce effects needed for SDI." In Sagdeev's view, tests of the latter devices would be highly destabilizing and contrary to the terms of the ABM Treaty. *See 'Modest' SDI Testing Called Compatible with ABM Pact*, Wash. Post, Oct. 30, 1986, at A4, col. 5. According to this account, Sagdeev often reflects Moscow's thinking on space weapons.

Professor Chayes and Antonia Handler Chayes advocate a compromise formula that relies on this same distinction. The Chayeses note that the ABM Treaty only prohibits testing and development of ABM "components" or "systems." They therefore suggest that a program of testing in space would comply with the Treaty as long as it did not test actual "components." In their view, the task facing U.S. and Soviet negotiators is to clarify the meaning of the term "components." *See How To End the S.D.I. Impasse*, N.Y. Times, Oct. 16, 1986, at A31, col. 1.

There are two apparent difficulties with this position. First, it assumes that with some additional "clarification," the ABM Treaty can be read to allow testing of space-based defensive systems. As the Chayeses themselves have argued, however, the language and legislative history of the ABM Treaty suggest the parties intended to prohibit *all* nonlaboratory testing and development of space-based defenses. *See* Chayes & Chayes, *supra* note 70, at 1959.

Second, no new phrasing or language can adequately distinguish between ABM "components," "sub-components," "sub-assemblies," or mere "elements." The United States and the Soviet Union must agree on a regime of testing and development of SDI that avoids linguistic ambiguity. This regime is best established by a negotiated treaty amendment, not a clarification of treaty language.

Since the Reykjavik summit, the Soviets have also appeared willing to compromise on the development of prototype models for space-based defensive weapons. Approximately two weeks after Sagdeev's remarks, Soviet Foreign Minister Eduard A. Shevardnadze indicated that laboratory research during the ten-year nonwithdrawal period could include "the building of ready samples, prototypes of corresponding defensive systems." *Shevardnadze Specifies Limit on 'Star Wars' Test,* N.Y. Times, Nov. 11, 1986, at A8, col. 1.

[118] The State Department's June 1985 statement on SDI essentially adopts this view:

If the [SDI] research yields positive results, we will consult with our allies about the potential next steps. We would then consult and negotiate, as appropriate, with the Soviet Union, pursuant to the terms of the ABM Treaty, which provide for such consultations, on how deterrence might be strengthened through the phased introduction of defensive systems into the force structures of both sides. This commitment does not mean that we would give the Soviets a veto over the outcome anymore than the Soviets have a veto over our current strategic and intermediate-range programs. Our commitment in this regard reflects our recognition that, if our research yields appropriate results, we should seek to move forward in a stable way.

STATE DEPARTMENT WHITE PAPER ON SDI, *supra* note 22, at 3.

Although the State Department statement pays lip service to a commitment to negotiate and consult with the Soviets, it clearly implies that the U.S. might proceed unilaterally with SDI, should the Soviets object. No mutually agreed amendment to the ABM Treaty would be required, in other words, for the U.S. to "move forward in a stable way" with its defense program.

[119] This position is also misconeived in light of the Reagan Administration's own strategic objectives. A negotiated amendment would be essential should the U.S. seek to realize a space-based defense in a non-destabilizing way. A stable "defense dominated" nuclear relationship could only be achieved by coordinating U.S. deployments of space weapons with similar Soviet deployments.

[SDI] deployments at any level would be much less likely to destabilize the strategic nuclear competition if they could be coordinated in advance by explicit agreement between the United States and the Soviet Union. . . .

Without such an agreement, as the United States and the Soviet Union began to deploy [space weapons] each might easily suspect the other of attempting to gain military advantage by seeking the ability to destroy most of the opponent's land-based missiles and then use defenses to keep retaliatory damage to a very low level.

OTA REPORT, *supra* note 27, at 22-23.

In D.B. Rivkin's view, the only way to get Moscow onto the "defense bandwagon" is to "present a plan for the transition [to defense oriented arrangements] that the Soviets will find convincing." Rivkin, *supra* note 32, at 86.

[120] T. LONGSTRETH J. PIKE, & J. RHINELANDER, THE IMPACT OF U.S. AND SOVIET MISSILE DEFENSE PROGRAMS ON THE ABM TREATY VII (1985).

[121] KEENY, *supra* note 35, at 4 (emphasis added). *See also* Boutwell & Long, *The S.D.I. and U.S. Security,* 114 DEADALUS 315 (1985):

For more than a decade, the ABM treaty has been an effective agreement in promoting stability between the U.S. and Soviet Union . . . . [B]oth countries should work to clear up those areas of ambiguity that have arisen over the years. ABM treaty provisions and SCC consultation procedures could be strengthened with respect to: the building of new phased-array radars, anti-tactical ballistic missile systems, the dividing line between [SDI] research and development, stricter definitions of what constitutes a[n] [SDI] component, and the testing of [SDI] components under an ASAT rubric.

Id. at 327.

According to former Secretary of State Cyrus Vance: "Both [the U.S. and U.S.S.R.] should clarify and define what research is permissible under the ABM Treaty and the dividing line between prohibited testing and development and permitted research." *Is Arms Control Obsolete?,* HARPER'S, July 1985, at 35, 39.

SDI opponents presumably focus the brunt of their attack on imprecise treaty language because the Reagan Administration has exploited linguistic ambiguities to support its recent reinterpretation of the Treaty.

[122] Spurgeon Keeny has stressed the value of negotiations for their own sake: [N]egotiations in themselves do have something of a stabilizing effect on the arms race . . . . [They] put pressure on both sides not to abrogate, openly violate, or consensually accelerate the erosion of existing agreements. In the absence of such negotiations, either side could more easily ignore or repudiate the agreements on the grounds that the other side by its actions had effectively destroyed the arms control process.

Keeny, *supra* note 35, at 4.

[123] The symbolic value of the ABM Treaty should not be regarded lightly. As the Stanford Arms Control Group writes: "The ABM Treaty is presently an important symbol of the desire and ability of people and countries to control, at least partially, the nuclear arms race and to avoid nuclear war. Tampering with such a symbol could arouse deep and unsettling reactions." INTERNATIONAL ARMS CONTROL, *supra* note 10, at 252. *See also* Yost, *Ballistic Missile Defense and the Atlantic Alliance,* 7 INTERNATIONAL SECURITY 143 (Fall 1982).●

MOIRA KELLY—OUTSTANDING BOWDOIN GRADUATE

● Mr. COHEN. Mr. President, I would like to call to Congress' attention the achievements of a Mainer from humble beginnings who has just graduated with an outstanding record from my alma mater, Bowdoin College.

The student is Moira Kelly, 23, of Van Buren, in the far northern reaches of my State, who came to Bowdoin on an Outward Bound scholarship. An unexceptional student in high school, Moira has blossomed at college, winning awards, fellowships and the respect and admiration of her colleagues.

Her achievements were cataloged in an article in the May 24 Maine Sunday Telegram, which I would like to insert in the CONGRESSIONAL RECORD.

The article follows:

INSPIRED BY BOWDOIN KELLY SUCCEEDS BEYOND HER DREAMS

(By Abby Zimet Staff Writer)

BRUNSWICK.—Moira Kelly came to college from one of the poorest towns in one of the most remote regions of Maine, a girl of modest accomplishments and limited dreams.

Saturday, after delivering a commencement address, she left Bowdoin College bearing a list of honors and achievements nearly too long to enumerate.

A scholarship student from Van Buren High School, Kelly was not sure what to expect when she arrived at the well-groomed Bowdoin campus.

At Van Buren High, her grades were merely "OK," she says. "I wanted to go to college before, but I'd never thought in terms of a school like Bowdoin," she says. "I thought you had to be able to tap dance and play the bagpipe at the same time as well as have marvelous grades."

When she got there, thanks to a federal program for rural and underprivileged students, she says, "my sole aim was to pass. I really thought it was asking too much to expect anything more."

She did much more.

"She came down here and got inspired," says Richard Mersereau, who has worked extensively with Kelly in his job as public relations director. "She saw a bunch of opportunities, and took hold of them. Everything she does turns to gold."

A government and English major, Kelly began getting involved in a variety of activities. As time went on, she often took the initiative when no one else was willing.

She wrote for the weekly campus newspaper, worked for a phone counseling service, tutored in area high schools, worked in Upward Bound, the program that brought her from Van Buren to Bowdoin. She was active in the campus Catholic youth group, was a dormitory proctor, was co-ordinator of orientation week.

Her junior year, Kelly went abroad to study politics and law at University College, Galway, Ireland.

The next year, she took a year off from accredited work to study politics at the University of Nottingham in England as a Rotary Ambassador of Goodwill Scholar.

Back at Bowdoin for her senior year, she noticed the campus radio station didn't have a news program and decided it should. She and another student now do three daily broadcasts of state, national and international news.

She also organized a campus debating society because debating "teaches you to think on your feet." She also wrote for the Advocate, the young Democrats' newspaper, was on the dean's list, and was one of three commencement speakers.

None of these honors or achievements has fazed Kelly, according to Doris Vladimiroff, the director of Upward Bound who first recruited her.

"She's such an unflappable young woman—she takes it very much in stride," she says. "She's the most unaffected and normal kid."

As for next year, Kelly is one of 80 students nationwide to receive a prestigious Thomas Watson fellowship for independent study and travel. An innovative program that defines learning very broadly (another winner is a Colby student who will study bush pilots in Nepal) Kelly will use the $11,000 grant to study Acadian culture in the Maritime provinces.

After that, she plans to go to law school and hopes to practice public service law.

A cool and self-assured 23-year-old, Kelly says she first learned her independence from parents who were "non-interfering types . . . I've never been the type of person who calls home every time a small crisis comes up."

Living alone in a foreign country, she adds, "you learn what you're capable of." That experience also taught her to value the kind of education that happens outside the classroom and to challenge the "quantifying" of education in today's increasingly competitive college climate.

In her commencement speech, Kelly urged the audience to heed the lessons of Upward Bound by beginning to "redefine success." She also praised the "tenacity and resourcefulness" of those she left behind.

"I have seen what it is like to live in a place where economic, educational and cultural opportunities are minimal," she said. "Simon Well said those that suffer from injustice are the least able to articulate their suffering. I am asking you to listen more closely. I am asking you to open your eyes."●

MARLEE MATLIN

● Mr. SIMON. Mr. President, as my colleagues know, Marlee Matlin is the highly talented and determined young actress who won this year's Academy Award for her role in "Children of a Lesser God." They may not be aware, however, that Marlee Matlin is from Illinois. We, in Illinois, are very proud of this young hearing impaired woman for her fine accomplishments in this film and the recognition she is receiving. She was recently awarded an Honorary Doctorate in Humane Letters from Gallaudet University. Her courage and determination are opening many new doors of opportunity for people with hearing impairments.

Ms. Matlin has also brought well deserved attention to the Center on Deafness in Des Plains, IL, where she attended school for 7 years. It was there that she first became interested in acting. The Center on Deafness, founded in 1973, has a fine reputation for outstanding programs in arts and theater. Since its inception, a major goal of the center has been to encourage hearing impaired children and young adults to excel in the arts. Their programs offer deaf and hearing impaired students an effective opportunity to express themselves creatively and develop a better sense of self worth. For the past 10 years the center has sponsored a highly successful Creative Arts Festival, which features art, creative writing and the performing arts. In addition, the center provides training and rehabilitation services, as well as a host of workshops, in unique residential settings.

Ms. Matlin has now become a role model for students at the center, as well as for millions of other deaf and hearing impaired people across America. The recent publicity has heightened awareness and helped both parents and students understand the wide variety of possibilities that exist for the hearing impaired. Her success has opened many doors for the deaf community.

I am pleased by the recognition Ms. Matlin has achieved for herself, and for the Center on Deafness. Ms. Matlin has set the stage for millions of deaf and hearing impaired people who are overlooked because of their handicap. She is a talented, bright young woman who encourages other hearing impaired people by saying, "Whatever dreams you have, keep on dreaming those dreams. Don't give up. Don't be afraid." And we have all benefited because she never gave up on her dreams.●

IMPORTS OF JAPANESE-MADE CARS

● Mr. QUAYLE. Mr. President, for the first 4 months of this year, sales of Japanese imported vehicles in the passenger van category, which includes four-wheel-drive, sports-utility and jeep-type vehicles, have risen to 96,769. Compared to the 54,619 imported Japanese passenger vans sold during the same period 1 year ago, this represents an increase of 44,150 units—or a growth of over 80 percent.

Ward's Automotive Reports keep monthly sales figures for passenger cars and trucks, and this rise in imported car sales is certainly worth our attention. It is important to note that these figures represent sales, not import, which could be substantially greater in total than actual sales.

To illustrate the growth of these sales over the same period a year ago, Toyota 4 Runner sales increased 64 percent, Suzuki Samurai sales went up 137 percent, and Mitsubishi Montero sales jumped a whopping 153 percent. Several other models were introduced during the 1986 year, and while it is not yet possible to gauge exactly how sales of these vehicles have risen, they too are capturing a large share of the market.

The growth of sales in this category of vehicles made in Japan has resulted in some criticism of the Japanese. Specifically, some allege that such imports may represent a violation of the special van quota, often estimated at 113,000 units, that has been a part of the Japanese Voluntary Restraint Agreement on auto imports to the U.S. since the VRA went into effect in 1981.

If imports in the overall van category, including jeep-type vehicles, continue at this 4-month rate for 1 full year, total imports for 1987 will be 296,307. In addition, there are other sports-utility imports that are listed in the Ward's Report under conventional cars, and some industry analysts would argue that it is impossible to distinguish whether they are imported as vans or regular passenger units.

Critics suggest that the Ministry of International Trade and Industry (MITI) in Tokyo is practicing a sleight of hand. By establishing an export quota on passenger cars and another on vans, they appear to address U.S. concerns over imports, while at the same time actually increasing imports overall.

Practices such as the shipment of partial assemblies, knock-down kits, also known as "completed knock-downs," and the shipment of vehicles without rear seats to the United States have been the focus of concern. Vehicles shipped without rear seats may be classified as trucks, which are not subject to MITI's voluntary restraints. Once in the United States, rear seats are installed, and the trucks become passenger vehicles.

Mr. President, the figures for the Japanese fiscal year which ended March 31 show that, indeed, Japanese imports to the United States of regular passenger cars to the United States did not exceed the VRA's 2.3 million unit mark. However, as in the passenger van category, critics believe that Japanese manufacturers may have found ways to increase imports to the United States outside the quota.

According to records from the Japanese Auto Manufacturers Association, 495,000 cars were imported last year as knock-down kits. This number exceeds the 2.3 million unit MITI quota for automobiles by 21.5 percent.

Therefore, in reality there are 495,000 more conventional cars and at least 183,000—the total number in excess of the 113,000 unit van quota estimate—more multipurpose vehicles imported than MITI would have us believe. The value of these vehicles is considerable—and directly contributes to our trade imbalance. For example, if the average price of the vehicles exceeding the 2.3 million MITI quota—183,000 multipurpose and 495,000 knock-down kits—was $10,000 each, the resulting total bill of $6.8 billion would represent 11 percent of our overall manufacturing trade deficit.

Mr. President, as the Senate begins debate on omnibus trade legislation, it is important to consider facts such as these. We must demand a level playing field, and as imports grow, the lack of market access U.S. producers enjoy becomes more evident.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, I want to call the attention of my colleagues to the case of Naum Meiman. Naum is a friend of mine who has asked to leave the Soviet Union for over 10 years to emigrate to Israel, but he has been refused continually.

Naum's desire to obtain an exit visa has resulted in a long and harsh struggle. His wife, Inna, who was also denied emigration, consequently died of inadequate treatment of cancer.

Naum Meiman is an elderly man, whose only desire is to emigrate to Israel and to see his daughter, Olga, who lives in the West. Naum, realistically, will not live for too many more years. It is time Naum be granted his freedom and permission to emigrate to Israel.

I strongly encourage the Soviet Government to allow Naum to leave the Soviet Union.●

MEDAL OF FREEDOM FOR JUSTIN DART

● Mr. McCAIN. Mr. President, on June 23, President Reagan will present the Medal of Freedom, the highest honor our Nation can bestow on civilians, to several outstanding Americans, among them Justin Dart.

It is difficult to think of a more deserving recipient of this honor than the late Justin Dart. Justin Dart embodied the American dream. He began working in the 1930's as a stockroom clerk in a family drugstore. Through hard work and honesty, he rose to become head of the Rexall drugstore chain, a large and diversified chemical and consumer conglomerate.

As a cofounder of the California Roundtable, Justin Dart became a leader in America's business community. He was also an active member of the U.S. Chamber of Commerce, the California Chamber of Commerce, and the National Association of Manufacturers.

Justin Dart believed that successful businessmen have civic and social obligations. He was particularly active in raising funds for a number of medical organizations, including the American Heart Association, the Bob Hope International Heart Research Institute, Cedars-Sinai Medical Center, the Hospital of the Good Samaritan, the Eisenhower Medical Center, and the National Jewish Medical Center in Denver. In addition, his volunteer efforts on behalf of the Boy Scouts, the Associated-in-Group-Donors Program and the Los Angeles County Museum of Art will not soon be forgotten.

Despite this legacy of contributions, some would argue that Mr. Dart's most significant and far-reaching accomplishments came in the field of national politics. He was instrumental in persuading Ronald Reagan to enter the 1966 gubernatorial race; he is at least partly responsible for this administration's record of leadership.

Perhaps the best measure of Justin Dart came after President Reagan's 1980 election. He declined his friend's offer to join the Federal Government in a high post, arguing that he could be of greater use to the President and the Nation as a private citizen and adviser.

Justin Dart manifested the very best in America: he was strong, capable, and compassionate, eager to do what he could to improve the lives of others not nearly as fortunate as he. Justin Dart was a giant in his chosen professional field, yet also managed to find the time and energy to give something back to America, the Nation that made his success possible. Justin Dart's dedication to liberty and progress epitomize the spirit embodied in the Medal of Freedom. I commend the President for selecting Justin Dart as a recipient of this noble honor, and I congratulate the entire Dart family on this important and well-deserved award.●

THE ECONOMIC POLICY INSTITUTE: CONFRONTING GLOBAL REALITIES

● Mr. HEINZ. Mr. President, as the Senate prepares to consider the omnibus trade bill, it is only fitting that we recognize the work of the Economic Policy Institute, specifically the results of their recent conference "Confronting Global Realities: A Conference on Trade, Competitiveness, and American Living Standards." The purpose of the conference, which brought together economic analysts, business people, labor leaders, and Government officials, was to examine changes in the worldwide economy and the implication of these changes for U.S. trade and competitiveness policies.

A large portion of the conference focused on the simplistic nature of the free trade-protectionism argument. New circumstances, such as the recovery of our traditional commercial rivals, industrialization of new countries, and a weakening of the U.S. competitive position have required us to find a middle position. No longer can we allow unreciprocated free access to U.S. markets for everyone, especially those nations which discriminate against U.S. goods. But at the same time, we cannot isolate the U.S. economy from the rest of the world.

The expert participants in the conference cited seven factors which should force us to rethink our own trade and competitiveness policies. First and foremost are the policies by competitor governments to assist their firms in capturing our markets—the tariff and nontariff barriers to American goods they have created. The ability of a competitor to attack one's market without having to worry about retaliation in his home market is indeed a significant advantage.

Second, although American industry has increased its productivity, it is often insufficient to compensate for the competitive advantage of abnormally low wages overseas. Furthermore, other nations have recognized the importance of competitiveness at a national level, targeting investments in technology, education, and encouraging cooperation between labor, management, and Government.

Another factor is the poor performance of the United States in trade negotiations, accepting promise not action and failing to use its natural bargaining chips effectively. For example, the current plan presented by Prime Minister Nakasone for reducing the Japanese trade surplus with the United States is the eighth such set of promises in the last few years. We have yet to see the results of any of those promises.

Besides not acting strongly in negotiations, the United States has often failed to enforce negotiated agreements effectively. The Multi-Fiber Arrangement, for example, has been a disaster for the U.S. industry since our Government has allowed importers to take advantage of loopholes and technicalities to import far in excess of U.S. industry growth—the restraint level the President had originally promised.

A sixth reason for redefinition of U.S. trade policy is the increasing mobility of capital, which has undercut some basic economic assumptions. Since labor is the least mobile of the critical production factors, U.S. policies should be aimed at preserving and expanding jobs in the United States.

Finally, of all major nations only the United States lacks a policy to support a healthy manufacturing sector. In his recent book, Manufacturing Matters, John Zysman noted that half to three-quarters of workers in service industries depend directly on manufacturing.

According to most of the conference participants, the greatest barrier to recognition that the seven recent changes in the world economy should point to a revision of U.S. trade policy is ideological rather than practical. Proponents of a more aggressive trade policy express a common frustration that free trade supporters summarily dismiss any new trade proposals, instead assuring us that there is nothing to worry about. This complacency is echoed in their reliance on the shrinking dollar to solve the trade deficit, something I have previously discussed in the Senate.

However, at the conference both liberal economist Lester Thurow and conservative economist Allan Meltzer agreed that if it is our only policy tool, we will have to force the dollar down much further, bringing the risk of destabilizing fragile world financial markets and reducing our standard of living. In its concluding statement, the conference called for reality in our trade situation certainly a welcome, if novel, objective. Although I do not agree with everything said at the conference, I want to commend the Economic Policy Institute for sponsoring it. They have done an important service for all of us, regardless of our views on trade policy. I ask that the executive summary of the conference proceedings be printed at this point in the Record.

The summary follows:

Facing Global Realities: Conference on Trade, Competitiveness and American Living Standards

The Economic Policy Institute sponsored the conference on May 7 and 8, 1987 in Washington, DC. Participants included economic analysts, business people, labor leaders and government officials. The purpose of the conference was to examine changes in the U.S. and global economies and the implication of these changes for trade and competitiveness policies. This document presents excerpts from the conference discussion.

EXECUTIVE SUMMARY

Most participants agreed that the widespread notion the country is facing a choice between "free trade" and "protectionism" is too simplistic. Whether and to what extent conditions should be placed on trade depends, like all economic policies, on the circumstances.

For most of our history, the U.S. has had a mixture of trade strategies; it restricted foreign competition in some industries and allowed free trade in others. Under this regime of managed trade we industrialized and prospered. After World War II, from which the U.S. emerged with most of the world's manufacturing and financial capacity, it was in our national interest to revive the economies of our competitors in Europe and the Far East. To do so we permitted free access to U.S. markets even when other nations discriminated against U.S. goods in their markets.

The world has now changed. Our traditional commercial rivals have recovered, other nations have industrialized, and the competitive position of the U.S. has declined. These dramatic changes may now require us to adopt new policies to cut the fiscal deficit, to improve productivity, to settle the Third World debt crisis and, once again, to consciously manage our foreign trade.

Participants cited the following among the most important factors in the new economic environment that might require changes in our own trade and competitiveness policies:

1. Policies by competitor governments to assist their firms to capture our markets and to erect tariff and non-tariff barriers to American goods. Richard Heimlich, Vice President of Motorola told the conference: "If your competitor can attack your major market without risk of retaliation in his major market he enjoys a tremendous advantage. He can cut prices at little cost to himself and do great damage to you."

2. In a world of low living standards, where governments often brutally suppress efforts by workers to raise wages, increasing efficiency in American industries is often insufficient to compensate for the "competitive advantage" of abysmally low wages overseas. For example, businessman Daniel Frierson reported that productivity in textile mills grew at twice the rate for all manufacturing between 1975 and 1985, yet textile imports have flooded into the economy. Other industries, from steel to semi-conductors, have also experienced high rates of productivity along with heavy import penetration.

3. Competitor nations have learned to distinguish between a nation's competitiveness and the competitiveness of individual firms. As a result, governments are targeting investments in technologies, training and education and encouraging cooperation between firms and between labor, management and government in a systematic effort to raise the level of productivity at the national level.

4. The U.S. has been a poor trade negotiator, accepting promises for performance, and failing to use its natural bargaining chips effectively. Clyde Prestowitz, former Reagan Administration trade negotiator, pointed out that the current plan presented by Prime Minister Nakasone to reduce the Japanese trade surplus with the U.S. is the eighth such set of promises in the last few years. It is an "implicit admission that the seven previous packages had either been empty bags or never been implemented."

5. The U.S. Government has failed to enforce negotiated agreements effectively. The Multi-fibre Arrangement, for example, was cited by several participants as a promising model which gives Third World countries access to developed world markets at an orderly pace. It has worked reasonably well for the Japanese and the European because their governments refused to allow importers to take advantage of loopholes. It has not worked for the U.S. industries because our government has permitted importers to take advantage of loopholes and technicalities.

6. The ease with which capital and technology can move around the world has undercut some conventional assumptions of economic policy. Labor is now the least mobile of the critical factors of production. American workers cannot follow capital to Singapore the way they have followed it from state to state. Therefore, unless policies are aimed at preserving and expanding jobs in the U.S., the natural dynamics of free trade inevitably work against the interests of American workers.

7. Alone among major nations, America lacks a policy to support a healthy manufacturing sector. Manufacturing is the key to technological progress. The notion that America can prosper as a nation of services providers is wrong. As conference participant Professor John Zysman noted in his book, Manufacturing Matters, half to three-quarters of workers in what are normally thought of as services industries depend directly on manufacturing.

Many participants felt that the economic policy debate was more ideological then realistic. Economics columnist Robert Kuttner expressed a common frustration: "What I resent most in the discussion of free trade is the assumption on the part of editorialists that anybody who believes in a mixed economy, who is trying to recreate the institutions of a mixed economy, so that we can get the stability and growth we all want, must be some kind of a shill either for trade unions or laggard industries. The blinders that we as a nation have on the subject of free trade are a serious impediment to an understanding of what is really going on."

One result of these blinders, it was observed, was that at each recent stage in the erosion of U.S. markets by overseas competitors we have been assured by the conventional free trade wisdom that there was little to worry about. We were told that other nations could not seriously compete, that expansion of high-tech industries would solve the problem, that we would always dominate the world in financial services. All of these complacent arguments were proven wrong.

Today the conventional wisdom tells us to rely solely on a declining dollar to solve the trade deficit. There was a consensus that the dollar must be kept low enough for U.S. goods to be competitive. But both liberal economist Lester Thurow and conservative economist Allan Metzler agree that if this is our only policy tool, we will have to force down the dollar much further. This will bring with it the risk of destabilizing fragile world financial markets. It will most certainly reduce the standard-of-living of the average American—at least 7 to 8 percent according to Thurow. Those who oppose any consideration of managed trade rarely acknowledge the costs and dangers associated with present policies.

None of the participants advocated isolating the U.S. economy from the world. Most acknowledged that the trade imbalance has many causes. These causes include the fiscal deficit, lagging productivity in some industries, and the debt burden on Third World customers. But the list of causes also includes the refusal of the U.S. Government to take responsibility for negotiating more sensible trade relations to accommodate the reality that America can no longer afford to be "market of last resort" for the rest of the world.●

RESOLUTION TO GIVE SPECIAL RECOGNITION TO THE BIRTH OF ACHIEVEMENTS OF ALDO LEOPOLD—SENATE JOINT RESOLUTION 40

● Mr. DOMENICI. Mr. President, I am pleased to cosponsor Senate Joint Resolution 40, which commemorates the 100th anniversary of the birth of Aldo Leopold.

This great conservationist spent his entire career caring for the natural resources of New Mexico as a forester, national forest supervisor, and assistant district forester of the Southwestern District of the Forest Service. During this period from 1913 to 1924, he set the stage for wise management of New Mexico's wildlands, a management ethic that has endured to the present day.

Also Leopold is considered by most as the father of wilderness. Through his efforts, a reserve for wilderness recreation was established on the Gila National Forest, in New Mexico. This was the first allocation of public land specifically for wilderness values in American history, and indeed in the world.

Sixty-five years ago, Aldo Leopold wrote a concise definition of wilderness, "a continuous stretch of country preserved in its natural state, open to lawful hunting and fishing, big enough to absorb a 2 weeks' pack trip, and kept devoid of roads, artificial trails, cottages, or other works of man." Today, that definition remains essentially unchanged.

Leopold also distinguished himself in wildlife management, forest products research, education, and farm rehabilitation in the the Northeastern United States. His "Sand County Almanac" had endured as a classic work on land ethics.

Mr. President, there is little doubt that Aldo Leopold has taken his place in history beside such conservation leaders as John Muir, Gifford Pinchot, Theodore Roosevelt, and Robert Marshall. I am pleased and proud to support adoption of this resolution.

I am happy to join my colleagues in honoring Aldo Leopold.●

PLANT CLOSING LAWS—THE EUROPEAN EXPERIENCE

● Mr. HUMPHREY. Mr. President, after almost 15 years of presiding over economies with no job growth and high unemployment, European leaders are having second thoughts over certain microeconomic policies adopted by European Community [EC] members in the 1970's.

Recently, the Organization for Economic Cooperation and Development [OECD] has acted to spur the growth of new jobs. Recognizing that high unemployment and diminishing growth in new jobs has roots in microeconomic policy—including the redundancy laws designed to halt the spread of plant closings and layoffs—the economic policy committee of the OECD recently released a report calling for reform.

Specifically, the economic policy committee's report calls for labor market reforms that would "reduce constraints and disincentives to hire labor, to accept employment, and to change jobs." These reforms are a "priority to improve the prospects for employment, especially for the young and less well trained." The report notes that some progress in this area has already been made, but urges further reforms of labor market regulation.

The motivation underlying the OECD recommendations is apparent throughout Europe. Since 1970, Great Britain and West Germany have actually lost jobs while France and Italy have posted only a slight increase. Current unemployment rates range from 9 percent in West Germany to almost 12 percent in Great Britain.

Much of the fault for this stagnant performance, and certainly for the failure to create new jobs, rests with redundancy laws. These laws penalize employers who fail to provide advance notice of layoffs of closings. Such laws ultimately result in a system that lacks the flexibility necessary for a rapid response to changing market conditions, the precursor to job growth.

West Germany passed its mandatory advance notification law in 1972; Great Britain in 1975. Similar laws were passed in most other European nations as a result of the 1975 directive issued by the European Community requiring national laws on the subject of advance notice for layoffs and closings.

But after years of frustration over the lack of new jobs creation, some European leaders have determined that European redundancy laws need to be reformed if their industrial managers are ever to expand production and create jobs. This represents a significant policy reversal for the Europeans.

Already, the West Germans have amended their laws to provide greater flexibility in employment practices. Other countries are expected to follow suit.

The Europeans have ample justification to reform their laws. They have fallen far behind the American jobs creation model. The U.S. economy has created 31 million net new jobs since 1970, a 38-percent net increase. Since the 1981 recession—which displaced 11 million workers—the U.S. economy has provided about 20 million new jobs for a net gain of 9 million jobs.

Our experience relative to that of Europe's presents quite a contrast. Had the United States economy performed like the West German or British economies since 1970, today's United States unemployment would be a staggering 33 percent—80 million employed out of a total work force of 120 million.

Because our economic decisionmakers have not been placed in European style statutory straitjacket by United States lawmakers, our economy has shown healthy growth and jobs creation. Unbelievably, this Congress is now being asked to cast aside a job's creation model that works and replace it with a model akin to that found throughout Europe: a model that is a proven failure.

Many factors combine to produce or inhibit jobs growth. But, based on the Europeans' bitter experience, if our industrial managers are forced by law to concentrate on preservation of the status quo rather than creation of new enterprises and jobs, then we may well follow the European lead.

The Senate cannot afford this kind of experiment with the American economy; the outcome is too risky.

All of the statistics that I have used are readily available from the Bureau of Labor Statistics, U.S. Department of Labor in an April publication entitled "Statistical Supplement to International Comparisons of Unemployment Bulletin 1979." I urge my colleagues to study it prior to the debate on plant closings legislation.

Mr. President, I ask that the appropriate sections of the OECD report also be printed in the Record.

The sections follow:

TWENTY-SIXTH MEETING OF THE OECD COUNCIL AT MINISTERIAL LEVEL—PARIS, 12TH-13TH MAY 1987

CONCLUSIONS OF THE OECD ECONOMIC POLICY COMMITTEE ON REFORM OF MICROECONOMIC POLICIES

Attached are the conclusions on reform of microeconomic policies adopted by the Economic Policy Committee at its meeting of 29th and 30th April 1987 after examination of the Report of the Secretary-General on Structural Adjustment and Economic Performance.

1. The OECD economies have been severely hampered by rigidities and distorted incentives. These have contributed to persistently disappointing economic performance. The expansion of output has fallen far below what could be achieved; the problem of unemployment has become severe; and adjustment to changing market and technological opportunities has been retarded.

2. Microeconomic policies can do much to raise employment and living standards. By calling forth more effectively the private initiative of firms and workers, and by improving the efficiency with which governments carry out their responsibilities, microeconomic reforms can reduce obstacles to the redirection of labour and capital towards greater production. Over the medium to long run it is the extent to which the flexibility, efficiency and dynamism can be enhanced in each country and in international markets that will largely determine whether higher rates of growth and low unemployment can be achieved and maintained.

3. The need for microeconomic reform goes beyond the pursuit of economic efficiency. Nothing more severely undermines the goal of equity than high joblessness. Moreover, many forms of intervention in OECD countries act to strengthen the privileged positions of some while disadvantaging others. Some of these policies were originally introduced with the intention of promoting fairness. More dynamic economies in which markets and competition played a wider and less constrained role, with complementary public and private initiatives to equip better all individuals to seize the opportunites provided them, would be fairer.

12. Improved functioning of labour markets is essential to reduce joblessness and strengthen economic performance. Progress has been made in reducing or eliminating some disincentives and constraints. Nevertheless, further reform of labour market regulation—reducing constraints and disincentives to hire labour, to accept employment and to change jobs—is a priority to improve the prospects for employment, especially for the young and the less well trained. There is also a need to improve the processes of collective bargaining and consultation between management and workers. In this sphere, it is for governments in most countries to provide a legal framework and promote institutional arrangements for private collective bargaining and consultation that encourage responsible behaviour and adaptation to changing conditions on the part of labour and management. Labour market outcomes are also conditioned to an important extent by the competitive environment in which firms and industries operate. Thus policies to strengthen competition in product markets, including international competition, can contribute to better labour market performance. Government has an important role as an employer, as well—especially so, in that public sector wage behavior in many countries has a demonstration effect on wage settlements more generally. Pay discipline in the public sector can be strengthened by greater use of cash limits and consequent employment adjustments when wage demands exceed the capacity to pay, by allowing competition in the provision of some services, and by the reduction or elimination of automatic wage indexation where it is still practiced.

13. The need to improve the quality of human resources and create a more flexible labour force by broadening education, training and retraining opportunites is made more urgent by present labour market conditions and by rapidly changing technologies. An important element of reform in this area is to introduce greater choice and decentralization within the education sector, so as to increase the incentives to maintain quality standards, to broaden and extend educational and retraining opportunities, and to facilitate reallocation of educational resources in line with changing needs.●

MEASURE INDEFINITELY POSTPONED

Mr. BYRD. Madam President, I ask the distinguished acting Republican leader on the other side of the aisle if Calendar Order No. 156 may be indefinitely postponed at this time.

Mr. CHAFEE. That certainly is acceptable, Madam President.

Mr. BYRD. I thank my friend.

Madam President, I ask unanimous consent that Calendar Order No. 156 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL OUTWARD BOUND WEEK

Mr. BYRD. Madam President, I ask unanimous consent that the Judiciary Committee may be discharged from further consideration of House Joint Resolution 284, designating the week of June 21, 1987, as "National Outward Bound Week" and that the Senate proceed to the immediate consideration of the resolution.

Mr. CHAFEE. There are no objections.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 284) designating the week beginning June 21, 1987, as "National Outward Bound Week."

The PRESIDING OFFICER. Is there further debate? If not, the question is on the third reading and passage of the joint resolution.

There being no objection, the joint resolution (H.J. Res. 284) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. BYRD. Madam President, I move to reconsider the vote by which the Senate passed the joint resolution.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NATIONAL LABOR RELATIONS ACT AMENDMENT

Mr. BYRD. Madam President, H.R. 281 is on the calendar of bills and joint resolutions read the first time. Would the Senate proceed now with the second reading.

The PRESIDING OFFICER. The clerk will read the bill for the second time.

The assistant legislative clerk read as follows:

A bill (H.R. 281) to amend the National Labor Relations Act to increase the stability of collective bargaining in the building and construction industry.

Mr. BYRD. Madam President, I move that there be no further proceedings on this bill at this time.

The motion was agreed to.

Mr. CHAFEE. Madam President, it is my understanding that this bill would be placed on the calendar?

The PRESIDING OFFICER. The bill will be placed on the calendar.

PROGRAM

Mr. BYRD. Madam President, the Senate will convene at 9 o'clock tomorrow morning. After the two leaders have been recognized under the standing order, there will be a period for the transaction of morning business not to extend beyond 9:30 a.m. Senators will be permitted to speak not to exceed 5 minutes each during that period. At 9:30 a.m. I will be recognized, or Mr. CHILES will be recognized under the order, to call up the conference report on the budget resolution. There is a time limitation of 10 hours on that resolution. The time will be equally divided, so there will be 5 hours on this side and 5 hours on the other side. I understand that the 5 hours on the minority side will very likely be taken. I am not so sure about the 5 hours on this side. But, in any event, if the 10 hours run their course, then it would be about 7:30 p.m., give or take, before the Senate completes action on that resolution.

No amendments will be in order. The only motion available will be a motion to postpone, a motion to refer to a committee; and I should not think that there would be any mileage for anyone to make either of those motions. So I would guess that other than the debate, the only vote would be on the adoption of the conference report.

After the conference report has been acted upon, the Senate will proceed to the consideration of the trade bill. That will be the omnibus bill, and there could very well be votes on tomorrow evening on that bill. In any event, there will be opening statements. So that come Thursday, the Senate should be in full flower and debate should be in full flower on the trade bill, with amendments being called up and debated.

The campaign finance reform bill is still the unfinished business and will remain so for the time being. It can be called up at any time.

The Senate will operate on a two-track system, under the consent order that was entered. It gives the majority leader at any time the consent to go to the trade legislation—the omnibus bill, or the bill that was reported out of the Finance Committee. I have chosen to proceed with the omnibus approach. That was the approach that was discussed for months, and committee chairmen have acted accordingly. They have been dutiful in reporting out the legislation.

So, beginning on tomorrow, there will be longer days and shorter nights, in contrast to the natural seasons of the year.

Mr. CHAFEE. Mr. President, I should like to ask the majority leader a question.

First, a question on procedure: When the majority leader refers to an omnibus trade bill, that is the bill that would include not just the Finance Committee portion but the input from the Banking Committee, the Labor Committee, and so forth?

Mr. BYRD. Yes.

Mr. CHAFEE. When those measures come, is that part of the bill, or do those measures have to be added by vote on the floor?

Mr. BYRD. No, they will be parts of the bill. They will be incorporated as separate titles. The bill of the Agriculture Committee, for example, will be in the omnibus bill and will constitute a separate title.

Mr. CHAFEE. Therefore, that is the majority leader's decision, to handle it that way, and he has talked about this. He, of course, talked about this in the past.

Therefore, there is no option between going to the so-called omnibus bill and the Finance Committee bill. We will not consider the Finance Committee bill as an entity.

Mr. BYRD. That is correct. Consent has been given and the Senate has ordered that the majority leader may go to either at any time. So I will use the omnibus approach.

The unfinished business, of course, is the campaign financing reform bill. A call for the regular order will bring that back down at any time, and I can go at any time to the omnibus bill. So we can and will have a two-track system.

Mr. CHAFEE. Once the majority leader makes his decision on the omnibus bill versus the Finance Committee bill, then the decision has been made, and he would not, obviously, be going to the Finance Committee bill, once he has chosen the omnibus bill.

Mr. BYRD. That is correct, and I have already made that decision.

The reason the bill has not been introduced today is that the staffs have not completed their study of the omnibus bill, the pieces that are being put together. They have to be technically put together in an appropriate way.

Of course, if there are changes in any of those bills as they came from the committees, those changes have to be cleared with the other staffs as well. That process is being pursued now. I had hoped that the process would be completed today, so that Senators could have their opening statements this evening, but the bill is not quite ready.

The Senate will be in session Saturday. So there will be votes on tomorrow, Wednesday; Thursday; Friday; and Saturday.

Next week, the Senate will not be in session on Monday, in accordance with the commitment I have made to all Senators. The Senate will be in Tuesday and will be in Wednesday.

The Independence Day break does not begin until the close of business on Wednesday. It does not begin on Wednesday per se, but it begins at the close of business of Wednesday; and the close of business may be midnight Wednesday or it may be 1 o'clock on Thursday morning. So we will have to judge when that close of business is reached by the circumstances that obtain at that time.

I have done everything I know to do to alert Senators that we are having some very serious matters come before the Senate. There will be rollcall votes. I would urge them to be very cautious—and indeed reluctant—to make engagements in the evenings from here on out, and certainly on Saturday. A good time to ruin a good rollcall record might be a good time to build up a rollcall record.

Madam President, does my distinguished friend, the acting Republican leader, have any further business he would wish to transact or any further statements he would like to make?

Mr. CHAFEE. I understand that the distinguished senior Senator from Iowa has a matter he would like to discuss for 5 minutes.

Mr. BYRD. Madam President, I ask unanimous consent that the distinguished Senator from Iowa [Mr. GRASSLEY] may be recognized for not to exceed 5 minutes; that upon the conclusion of his remarks—if the acting Republican leader has no objection—the Chair recess the Senate over, under the order previously entered.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. GRASSLEY relating to the introduction of legislation are printed earlier in today's RECORD under Statements of Introduced Bills and Joint Resolutions.)

RECESS UNTIL 9 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9 a.m. tomorrow morning.

Thereupon, at 6:13 p.m., the Senate recessed until tomorrow, Wednesday, June 24, 1987, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate June 22, 1987, under authority of the order of the Senate February 3, 1987:

LIBRARY OF CONGRESS

James H. Billington, of the District of Columbia, to be Librarian of Congress, vice Daniel J. Boorstin, resigned.

THE JUDICIARY

Ernest C. Torres, of Rhode Island, to be U.S. district judge for the district of Rhode Island, vice Bruce M. Selya, elevated.

Executive nominations received by the Senate June 23, 1987:

IN THE COAST GUARD

The following Regular officers of the U.S. Coast Guard for promotion to the grade of lieutenant (junior grade):

John J. Fagan
Alan L. Racavich
Christopher L. Roberge
Sherry L. Smith
Jon G. Beyer
Peter W. Seaman
Patrick E. Little
John D. Sharon
Michael B. Christian
Michael F. McAllister
Tommey H. Meyers
Matthew S. Von Ruden
Douglas W. Anderson
Karl J. Gabrielsen
Kathleen Reilly
Margaret A. Blomme
Timothy J. Custer
Annette M. Passalugo
James S. Plugge
Daniel T. Pippenger
Werner A. Winz
Thomas E. Hickey
Patrick H. Geddes
Christopher J. Tomney
Mark T. Lunday
James R. Lee
John N. Healey
Robert A. Lippe
Kurt A. Van Horn
Robert A. Yergeau
Mark C. Dietrich
Edward R. Raynolds
Hung M. Nguyen
John R. Caplis
Steven T. Baynes
Todd S.W. Turner
Gregory C. Busch
James J. Fisher
Marcel R. Duhaime
George W. Petras
Robert T. Vincente
Nathalie Valley
Timothy A. Cook
Brian C. Emrich
Michael W. Wampler
Catherine A. Flood
Todd K. Watanabe
Brendan C. Frost
Michael R. Hicks
John D. Gallagher
Robert T. Haines
Jeffrey S. Cowan
Jacob R. Ellefson
Eric E. Vernon
Paul M. Slyman
James L. Knight
Laura L. Coppola
Daniel V. Delgado
James F. Martin
John S. Kaptinski
Christine C. Pippenger
Elizabeth A. Lasicki
Serena J. Ensley
Peter N. Lavalette
Alfred T. Ezman
Scott A. Kitchen
Steven C. Truhlar
Kurt A. Clason
Gary M. Thomas
Jay W. Jewess
Christopher Yakabe
Jerilyn D. Small
David A. Vaughn
Geoffrey A. Trivers
William G. Keene
Steven V. Carleton
Robert M. Camillucci
Kevin L. Ortloff
Robert S. Burchell
Robert S. Schmidt
Robert E. Brogan
Terance E. Keenan
Steven C. Hunt
Laurie J. Hennaut
Mark S. Ogle
John T. Dromsky
Wayne P. Brown
Kris J. Larson
Hunter Stephenson
Timothy P. Leary
Brandt G. Rousseaux
James M. Heinz
Mark P. Peterson
Thomas F. Watson III
John C. Murphy
Byron E. Thompson, Jr.
Michael A. Mohn
Mark W. Elliott
Kurt W. Cox
Andrew W. Dunphy
Richard J. Gill
Gregory J. Sundgaard
Raymond M. Maher
Richard K. Hunt
Patricia A. Badley
Paul S. Szwed
Mark A. True
Roger P. Barney
Mark A. Cawthorn
Jay F. Dell
Clay L. Wild
Kathryn L. Oakley
Barry A. Compagnoni
Robert J. Klapproth
Brian D. Myers
Douglas T. Graham
Craig L. Eller
Mark E. Dolan
Jack W. Niemiec
Peter F. Meyers
Jap Topper
Frederick G. Myer
Charles A. Turner
Emily F. Salino
Gregory W. Martin
Stephen C. Jackson
Albert R. Liwanag II
Jon A. Lundgren
Christopher D. Brewton
Dale A. Bouffiou
Joseph T. Wolf
Chris A. Nettles
Lia E. Debettencourt
John G. Hornbuckle
Mark J. Metoyer
Richard E. Petherbridge

IN THE AIR FORCE

The following named officer for appointment to the grade of lieutenant general on the retired list pursuant to the provisions of title 10, United States Code, section 1370:

Lt. Gen. Philip C. Gast[redacted]FR, U.S. Air Force.

The following-named officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of section 593, 8218, 8373, and 8374, title 10, United States Code:

To be major general

Brig Gen. Wayne B. Adams, Jr., [redacted]FG, Air National Guard of the United States.

Brig Gen. Jacob J. Braig,[redacted]FG, Air National Guard of the United States.

Brig Gen. Drennan A. Clark,[redacted]FG, Air National Guard of the United States.

Brig Gen. Robert E. Harris,[redacted]FG, Air National Guard of the United States.

Brig Gen. Ernest C. Park,[redacted]FG, Air National Guard of the United States.

Brig Gen. Thomas P. Webb III,[redacted]FG, Air National Guard of the United States.

To be brigadier general

Col. Donald E. Barnhart,[redacted]FG, Air National Guard of the United States.

Col. Donald F. Ferrell,[redacted]FG, Air National Guard of the United States.

Col. John R. Haack,[redacted]FG, Air National Guard of the United States.

Col. John M. Hafen,[redacted]FG, Air National Guard of the United States.

Col. Francis D. Rogers, Jr.,[redacted]FG, Air National Guard of the United States.

Col. Kenneth G. Stasiewicz,[redacted]FG, Air National Guard of the United States.

Col. Wilbert T. Stewart,[redacted]FG, Air National Guard of the United States.

Col. Theodore R. Verdi[redacted]FG, Air National Guard of the United States.

Col. Raymond D. Weber,[redacted]FG, Air National Guard of the United States.

IN THE ARMY

The following-named officer for appointment to the grade indicated, under the provisions of title 10, United States Code, section 601(a), in conjunction with his assignment to a position of importance and responsibility, designated as such by the President under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Charles W. Brown,[redacted], U.S. Army.

IN THE NAVY

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. William D. Smith,[redacted]/1120, U.S. Navy.

IN THE ARMY

The following-named officer for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

To be lieutenant colonel

Shirely O. Ford,[redacted]

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

MEDICAL CORPS

To be lieutenant colonel

Peter R. Levine, [redacted]

ARMY NURSE CORPS

To be lieutenant colonel

Bertha N. Williams, [redacted]

To be major

Virginia L. Pulliam, [redacted]

MEDICAL SERVICES CORPS

To be major

David A. Kotzin, [redacted]

VETERINARY CORPS

To be major

Robert D. Weir, [redacted]

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

To be major

Gary D. Barnes, [redacted]

The following-named officers for permanent promotion in the U.S. Army in accordance with the appropriate provisions of title 10, United States Code, sections 624 and 628:

To be major

John J. Bombard, [redacted]
Russell J. O'Hare, [redacted]
David E. Retherford, [redacted]

WITHDRAWAL

Executive message transmitting a withdrawal from further Senate consideration of the following nomination:

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Nancy Clark Reynolds, of Virginia, to be a member of the National Museum Services Board for a term expiring December 6, 1991, vice Ann Duncan Haffner, term expired, which was sent to the Senate on March 23, 1987.

HOUSE OF REPRESENTATIVES—*Tuesday, June 23, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We know, O God, that with the trials and tensions of life come also the joys and hopes of living. We are grateful that in all the great moments of life, we can be supported by such a fellowship of good people that we need not face the concerns of today or tomorrow either alone or without the prayers and good wishes of others. For all those whose love and care is our support, we offer this word of thanksgiving. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. FROST. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. FROST. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 289, nays 101, answered "present" 1, not voting 42, as follows:

[Roll No. 201]

YEAS—289

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Archer
Aspin
AuCoin
Baker
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Bilbray
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dixon
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallo
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Herger
Hertel
Hochbrueckner
Holloway
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Livingston
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Montgomery
Moody
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (UT)
Oxley
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Rinaldo
Ritter
Robinson
Roe
Roemer
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Roybal
Russo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schuette
Schulze
Sharp
Shaw
Shumway
Shuster
Sisisky
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stratton
Studds
Sweeney
Swift
Synar
Thomas (GA)
Torres
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron

NAYS—101

Armey
Ballenger
Bentley
Bilirakis
Bliley
Boehlert
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Clay
Clinger
Coats
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
DioGuardi
Dreier
Edwards (OK)
Emerson
Fields
Gallegly
Gekas
Gingrich
Goodling
Gregg
Hansen
Hastert
Henry
Hiler
Hopkins
Hunter
Ireland
Jacobs
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lloyd
Lott
Lowery (CA)
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McGrath
McMillan (NC)
Michel
Miller (OH)
Molinari
Moorhead
Parris
Pashayan
Penny
Pursell
Ridge
Roberts
Rogers
Roukema
Schaefer
Schroeder
Sensenbrenner
Sikorski
Skeen
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stokes
Stump
Sundquist
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Weber
Whittaker
Wolf
Young (AK)
Young (FL)

ANSWERED "PRESENT"—1

Skaggs

NOT VOTING—42

Applegate
Atkins
Badham
Barton
Biaggi
Boner (TN)
Bonior (MI)
Boulter
Daniel
Dingell
Donnelly
Dymally
English
Flake
Ford (TN)
Garcia
Gephardt
Gray (IL)
Hall (OH)
Inhofe
Kemp
Leland
Lipinski
Lungren
Mollohan
Morrison (CT)
Nagle
Owens (NY)
Packard
Ray
Rodino
Roth
Sabo
Schumer
Stangeland
Tallon
Tauzin
Taylor
Torricelli
Towns
Whitten
Williams

☐ 1215

So the Journal was approved.

The result of the vote was announced as above recorded.

JIM BEGGS TRIBUTE

(Mr. BOLAND asked and was given permission to address the House for 1 minute.)

Mr. BOLAND. Mr. Speaker, I rise today to express my great satisfaction in learning that the Justice Department dropped its indictment and all criminal fraud charges against Jim Beggs.

From all reports the Government never had a case against Beggs and, unconscionably, it took 19 months before Jim and the three codefendants were vindicated.

What we have here is justice gone awry. At the very least, the Justice Department should apologize to Jim Beggs and the codefendants. But, Mr. Speaker, no apology—no admission of a mistake—is going to make up for the 19 months of special hell that Jim Beggs and his family have had to live through.

I have known Jim more than 20 years. I can say without hesitation that of the hundreds of witnesses that have appeared before the HUD-Independent Agencies Subcommittee—none ever came before that committee as well prepared—with such a thorough knowledge of the programs of his agency—and with such a straightforward and honest manner—as did Jim Beggs.

He has served his country well in the past. And I know in the future Jim Beggs will again be an invaluable public servant under this or any other administration.

Jim was fond of quoting Shakespeare and I am reminded of the opening lines of Richard III:

> Now is the winter of our discontent made glorious summer by this sun of York.

Jim's long winter is over—and I know that I speak for many others in wishing Jim and his wife, Mary, a bright and rewarding future in the months and years ahead.

A TRIBUTE TO ODESSA BOY SCOUT TROOP NO. 98

(Mr. COMBEST asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. COMBEST. Mr. Speaker, I rise today to pay tribute to a group of young men from my district who embody the ideals of compassion, selflessness and courage.

Last month, these young men happened to be at the right place at the right time. On the way to a weekend camping trip on May 22, a group of 11 Boy Scouts and advisers from Odessa, TX, passed through the area of Saragosa, TX. Only minutes before, this small west Texas community had been hit by a devastating tornado. Only destruction and rubble remained for the people of Saragosa as this violent tornado ripped apart their town.

In the face of tragedy, these Boy Scouts, ranging rom 12 to 15 years of age, unselfishly gave their blankets, sleeping bags, water, first aid kits and other camping equipment to the tornado victims and the rescuers. Furthermore, their excellent training enabled them to assist law enforcement officials in first aid, traffic control, and in comfort for the tornado victims.

The people of Odessa, the State of Texas, and our Nation can be proud of these fine young men. I, for one, am deeply moved and touched by their devotion and their ability to live and uphold the letter of the oath each scout took, to do their best, to do their duty to God and country, and to help other people at all times.

Odessa Boy Scout Troop No. 98 we commend you and we thank you for reminding us of an important lesson: Our duty to love and help our fellow man.

RESOLUTION

Be it remembered, that on the 8th day of June, 1987, at a Regular Meeting of the Ector County Commissioners' Court, the following Resolution was offered and unanimously adopted, to-wit:

Whereas, the following young men and advisors are members of Boy Scout Troop 98, sponsored by the Odessa First Ward The Church of Jesus Christ of Latter Day Saints:

Wayne Bonifay, age 14; Brad Hennagir, age 13; Mike Howell, age 15; Justin Roberts, age 12; Chris Vassiliou, age 13; Kerry Vore, age 12; Dwight Wallace, age 12; Shawn Wallace, age 13; Aaron Westmoreland, age 12; Don W. Bonifay, Assistant Scoutmaster; Doug Teague, Scoutmaster; and

Whereas, on the evening of May 22, 1987, these members of Troop 98 were traveling to a weekend campout and arrived on the scene of the Saragosa tornado disaster within minutes of the passage of the tornado; and

Whereas, upon encountering the disaster and destruction at Saragosa, these individuals promptly stopped to render aid and assistance at the site; and

Whereas, these Scouts willingly offered their blankets, sleepingbags, water, first aid kits and flashlights to assist the victims and the rescuers; and

Whereas, they performed first aid to the injured and offered comfort to the families and friends of the injured; and

Whereas, they assisted the Reeves County Sheriff's Department and the Texas Department of Public Safety with control of the crowds along Highway 17 and other duties when requested; and

Whereas, these Scouts exhibited several traits which are embodied in the "Scout Law", namely: "A Scout is . . . Helpful, Kind, Brave . . ." and most assuredly fulfilled the Scout Motto: "Be Prepared" on this occasion:

Now, therefore, we, the undersigned members of the Ector County Commissioners' Court do hereby express, on behalf of the Citizens of Ector County, our congratulations and commendations for courageous and exemplary action immediately following the Saragosa tornado.

□ 1230

SUPPORT URGED FOR BUDGET RESOLUTION

(Mr. WOLPE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WOLPE. Mr. Speaker, in a few minutes, the House will consider the conference report on House Concurrent Resolution 93, the budget resolution for fiscal year 1988. I rise to urge support for the resolution.

First and foremost, the final House-Senate budget resolution mandates meaningful deficit reduction; it would reduce the deficit by over $36 billion in the next fiscal year. In fact, the House-Senate compromise achieves almost twice as much permanent deficit reduction as the President's own budget proposal. Almost half of that reduction is achieved by painful but critical savings in both defense and domestic programs; the remainder, as in the President's own budget, would come from new revenue. It is, in short, a pay as you go budget—it asserts clearly, and simply, that it is time to stop borrowing against our future. It is time to pay our bills.

Second, the budget conference renews our national commitment to our future—the future of our Nation and our people. It places priority on investments in health, education, community and economic development, job creation, and worker retraining.

Mr. Speaker, the House and Senate conferees have produced a budget worthy of our support. I urge my colleagues to join me in adopting the measure when it comes before us later today.

REFORM PROSPECTIVE PAYMENT SYSTEM FOR RURAL HOSPITALS

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, as those of us from rural areas know, our communities simply cannot afford to lose our local hospitals. Not only would access to medical care be severely limited, but communities would suffer drastically because of the loss of such a large and vital employer.

Of 66 hospitals in my district, 50 have 50 beds or less. According to figures provided by the American Healthcare Institute and the Kansas Hospital Association, approximately 13 hospitals in my district serve an extremely high—70 percent—Medicare rate. The prospective payment system does not take into account the unique problems faced by these small hospitals.

In fact, the PPS unfairly penalizes rural hospitals by reimbursing them at a lower rate than their urban counterparts. Lower reimbursement combined with lower occupancy rates, higher operating costs, and higher Medicare dependency rates are crippling health care in rural States. Although urban hospitals may actually reap profits under the Medicare PPS system, small rural hospitals are continuing to struggle to keep their doors open.

For this reason, I have introduced legislation to amend title XVIII of the Social Security Act to ensure that Medicare dependent, small, rural hospitals receive at least their reasonable costs for inpatient hospital services furnished under the Medicare Program. This much needed reasonable cost floor would apply only to highly Medicare-dependent rural hospitals, those with 70 percent Medicare business and 50 beds or less. The cost of this bill will be minimal as the qualifying threshold is high.

The legislation mandates that the Government will continue to reimburse qualifying hospitals under the prospective payment system but in addition will pay Medicare costs incurred over the PPS payment limits. Rural hospital costs often are higher than the present limit.

The PPS simply is not meeting the needs of small rural hospitals, and States like Kansas cannot afford further hospital closings. Congress created the PPS system in 1983 and now must make needed revisions and reforms to make the system work for rural hospitals. We cannot allow the quality of health care to decline in our rural areas because of a prejudiced and unfair Medicare payment system.

I ask your support and cosponsorship of this important legislation.

I HAVE A DREAM PROGRAM—HARTFORD

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, in these days of bad news, it is refreshing to be able to report some good news, some inspiring news.

Last Friday, a Hartford, CT, couple, Alan Ritter and Eileen Silverstein, promised 57 Hartford sixth graders that their college tuition would be paid in full. This action of generosity stemmed from the example of one Gene Lang of New York City who offered tuition, college-paid education for any child in PS 21 of East Harlem, if they finished high school.

Most of the children, all students at the Wish School in Hartford, are members of minority groups; many are Spanish speaking; the majority live in single-parent households at or near the poverty line. College might well have been an impossible dream for them had Mr. Ritter and Ms. Silverstein not founded I have a Dream—Hartford, setting aside $260,000 to cover their tuition. As important as the financial contribution is, the commitment of this generous couple goes beyond writing the check to spending time over the coming years with the children as individuals, exploring possibilities and making plans.

So, Mr. Speaker, I say to the participants in the I Have a Dream Program—Hartford, may all your dreams come true. And I say to Mr. Ritter and Ms. Silverstein, thank you for your generosity and your vision and your faith.

LET US NOT JUMP THE GUN ON APPROPRIATIONS

(Mr. BUECHNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BUECHNER. Mr. Speaker, after weeks of dawdling on the budget resolution, which delayed consideration of appropriations bills, the Democrat leadership has suddenly speeded up the appropriations process.

The trouble is that now the Democrat leadership is moving too fast. We are being asked to approve appropriations measures without knowing whether they conform to the budget ceilings.

The conference agreement on the budget resolution fails to specify the section 302(a) allocations on budget authority and outlays which constitute ceilings for the various standing committees, including Appropriations. The chairman of the Budget Committee has been given until July 1 to file these allocations.

In the meantime, however, the Appropriations Committee has moved four bills to the floor for consideration this week, including the Interior appropriations bill which comes up today, right after the budget resolution.

We have no way of knowing whether these bills stay within the allocations that will eventually be made.

Will we be adding to the deficit when we pass them? Who knows. It's like writing checks without knowing how much money is in your checking account.

If the Democrat leaders want to adhere to the budget process, and ensure deficit reduction, they should hold those appropriations bills until the proper budget allocations to both committees and subcommittees are made, or freeze these bills at last year's lower levels.

KUWAITI TANKER REFLAGGING—WHY?

(Mr. BRENNAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRENNAN. Mr. Speaker, the recent events surrounding the Persian Gulf leads many to question the Reagan administration's policy to reflag Kuwaiti tankers with our Stars and Stripes. It appears a major reason for this reflagging was an offer by the Soviet Union to lend their hammer and sickle to the Kuwaitis. I ask is this a sound basis for our Government to rush into the Persian Gulf with our flag practically for rent and placing our Nation in the middle of the Iran-Iraq war?

Our commitment to securing American interests in the Persian Gulf is a long one, which is not dependent on our distributing our flag to foreign vessels in an attempt to make them secure. The Persian Gulf remains open to world shipping and the Strait of Hormuz are not blocked. True, there are hostilities in the region, but the flow of oil through the Gulf has not been seriously diminished. Our commitment to insuring the free flow of commerce in the Persian Gulf should not include rushing to make available our flag simply because the Soviets are offering their's.

Our Persian Gulf policy is muddled at best. We have sold arms to Iran, provided intelligence to the Iraqi's, and suffered casualties by an air attack by Iraq, and we are being drawn deeper into the war in the gulf by offering our flags to Kuwait. I urge the Reagan administration to reconsider this ill advised and dangerous reflagging offer and to continue seeking the cooperation of our allies.

A SHIP WITHOUT A RUDDER

(Mr. LOTT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOTT. Mr. Speaker, today we are being asked to do something that not only violates our budget process, but the precepts of sound financial management.

We are being asked to approve a fiscal year 1988 appropriations bill for Interior, despite the fact that the conference agreement on the budget does not include section 302(a) allocations for the standing committees, including appropriations.

Because appropriations has no 302(a) allocation, it has not been able to make 302(b) allocations on budget authority and outlays to its subcommittees.

In other words, we have no way of knowing whether this Interior appropriations bill conforms to the budget or will do so when the allocations are made.

We are being asked to sail a ship without a rudder through some dangerous waters that, as you know, contain a Gramm-Rudman-Hollings deficit reduction shoal.

Passing appropriations bills without budget ceilings in place—three more appropriations measures are scheduled for floor action later this week—could increase the possibility of our running aground on that shoal.

The Democrat leadership should stick to the budget process. Let's wait until we get those ceilings in place or at least freeze appropriations at the lower fiscal year 1987 levels.

Democrat leaders should realize that if these appropriations bills exceed the section 302 allocations when they are finally made, it will be regarded as a signal that they do not intend to abide by the budget ceilings or even make an attempt to reach the Gramm-Rudman-Hollings target.

Let's wait for the rudder to be placed on the budget ship.

ELLIOTT ABRAMS PREDICTS CONGRESS WILL FORGET

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, today's Washington Post quotes Elliott Abrams as saying he will outlast congressional unhappiness with his having repeatedly deceived Congress on Contra aid.

One hundred and twenty-nine House Members have called for his resignation on the ground that the U.S. Constitution requires truthful testimony from the executive branch. On the same grounds, the chairman of the Latin American Subcommittee of the Senate Foreign Relations Committee has refused to even allow Secretary Abrams to testify before that subcommittee. But Secretary Abrams predicts that this congressional displeasure "will ultimately die."

"You guys will see as the weeks go by, here I am" is the direct quote in today's papers.

He is predicting that we will forget that he lied to Congress, that he knowingly distorted the sorry truth about the administration's actions in Central America, and that he did this repeatedly. Apparently he is expecting that our commitment to basic constitutional requirements is as weak as his.

THE TIME FOR PRODUCT LIABILITY REFORM IS NOW

(Mr. WORTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WORTLEY. Mr. Speaker, we can no longer ignore the problems created by the high costs and uncertainty associated with our product liability system. It is time for Federal reform of product liability law.

More and more companies are discontinuing or refusing to place new products on the market because of high liability costs. Industries such as aerospace, sporting goods and pharmaceuticals are particularly hurt by these high costs. The more American companies that are reluctant to introduce new products, the more doors open for foreign-made substitutes. It is hypocritical to speak of competitiveness and yet ignore this issue.

If our tort system is not reformed soon, more and more businesses will find it impossible to compete. The ones which will be hurt most will be the small businesses which constitute the lifeblood of our economy.

Legal doctrines like joint and several liability must be reformed. That doctrine holds each defendant responsible for the liability attributable to all defendants. Defendants who may be only 1 percent at fault are now liable for 100 percent of the damages. This leads to increased litigation and the inclusion of many deep pocket defendants whose involvement is minimal, and who probably would not be a party to litigation but for their ability to pay for large judgments.

It is time to get back to the fault-based principles on which the system was founded. Liability should not be based on injuries that could not be anticipated, injuries which were caused by misuse or alteration of a product, or injuries where adequate warnings were given on the safe use of a product.

Citizens and insurers share a common goal. An innocent consumer has a right to be compensated fairly and promptly for injuries he or she has suffered. At the same time, the tremendous burden of excessive litigation, high insurance costs, and declining productivity caused by confusion and uncertainty in our tort system must be lifted from the shoulders of U.S. business.

The Federal Government must take the lead in developing a coherent product liability system. This is a national problem which deserves a national solution. The time for product liability reform has arrived.

TODAY'S VOTE ON THE CONGRESSIONAL BUDGET

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, today we vote on the budget. We started with the President's version some time ago, but that was so bad Republicans are still on medication.

The truth is, Mr. President, there are no free lunches here. If you want more money for MX, you will have to raise it. If you want more money for a fancy laser umbrella, you will have to find the cash. Mr. President, from now on, if you want to dance, you are going to have to pay the band, and that is the way it should be.

While the House budget is far from perfect, it keeps America safe and retains vital domestic programs, and that is the bottom line. It continues to keep the deficit moving downward. The House budget today is the only plane in town unless Members of Congress want to continue the crash course of Air Force I, and that is exactly where it has been taking us with record deficits.

Let us look at the record. It is not going to be an easy vote today, but it is the best vote. This House today should pass the budget that has been promulgated by our committee, and I commend the chairman of that committee, the gentleman from Pennsylvania [Mr. GRAY].

A TRIBUTE TO THE LATE FRED ASTAIRE

(Mr. DAUB asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DAUB. Mr. Speaker, yesterday you could almost feel the sadness of the country at the passing of one of America's most well known and loved citizens, Fred Astaire.

Gene Kelley said that the history of dance began with Astaire. It could then be said that American dance was born in Omaha, NE, on May 10, 1899, and its name was Frederic Austerlitz.

This slender native of Omaha, NE, brought joy into the hearts of all who witnessed his grace. He will forever inspire generations of dancers all who will seek to imitate his moves.

When I was growing up, cool became a popular slang term used to describe the guy who could make the most difficult task look easy. Astaire made everything look easy; cool may have been created to describe Astaire.

□ 1245

INTRODUCTION OF STEEL REVITALIZATION ACT

(Mr. CARDIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, the manufacture of steel in the United States is an industry in crisis. Facing worldwide oversupply of steel, cost estimates for the modernization and streamlining of our domestic industry run to $14 billion over the next 5 years—and this for an industry already struggling under $8 billion in debt. The bankruptcies of major steel makers such as LTV and Wheeling-Pittsburgh point to the seriousness of the problem.

Today I am introducing legislation that will facilitate the restructuring of the U.S. steel industry. Global quotas will be put in place on a temporary basis and the right to import steel under that quota will be auctioned off. Revenues raised through the auctions will then be channeled to the industry through long-term, low-interest loans, conditional upon companies committing to modernize, permanently deal with overcapacity, and fully funding pension, health care, disability insurance, and retaining programs. Thus the industry will be able to restructure with no costs to the Federal Government, the threat of large outlays to steelworkers whose pensions are guaranteed by the Federal Government will be lessened, and the pressures for continuing protection of the industry will be relieved through these temporary measures.

I urge my colleagues to join me as cosponsors of this legislation.

OUR ENERGY CHOICES

(Mr. YOUNG of Alaska asked and was given permission to address the House for 1 minute.)

Mr. YOUNG of Alaska. Mr. Speaker, recent events in the Persian Gulf have focused the Western World's attention on oil and our increasing dependence on unpredictable, foreign sources of energy. I find it extremely ironic that the very same commentators who constantly oppose production from domestic energy supplies such as hydro, nuclear, coal, and especially new sources in the Arctic National Wildlife Refuge also oppose our efforts to protect the free flow of oil from the Persian Gulf.

Mr. Speaker, we can't have it both ways. If Members oppose the domestic production of energy then they must commit to protecting the energy supply lines from the Persian Gulf.

Ten years ago this week, the Prudhoe Bay oil field, which supplies over 20 percent of this Nation's oil production, came on line. It's important that this body thinks about how many more sailors would be needed to protect our energy supply if this Congress in 1973 had not had the courage to approve the construction of the trans-Alaska pipeline and production from Prudhoe Bay—projects which prove that energy production is compatible with the protection of the environment.

TRIBUTE TO THE LATE HON. ROBERT N.C. NIX, SR.

(Mr. FOGLIETTA asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FOGLIETTA. Mr. Speaker, yesterday this country lost not only a former Member of Congress, but a pioneer; a man who joined distinguished service with quiet dignity.

Robert N.C. Nix, Sr., former Congressman from the Second District of Pennsylvania, whose father was born into slavery and whose son sits in the exalted position of Chief Justice of the Supreme Court of Pennsylvania, passed away yesterday at the age of 88.

Robert N.C. Nix, Sr., was elected to the 85th Congress as the first black to be elected to Congress from the State of Pennsylvania, on May 20, 1958. He served until 1979.

Bob Nix's service in the U.S. House of Representatives was more than distinguished. He was cochairman of the United States-Mexico Interparlimentary Committee from 1968 to 1978. He was chairman of the International Relations Committee's Subcommittee on International Development, where he became a recognized authority on the Middle East and South Africa.

In 1977 Bob Nix was appointed chairman of the Committee on Post Office and Civil Service. He tended to his duties as chairman with the same vigor that he had shown when elected almost 20 year before. In fact, seldom in the history of the Post Office and Civil Service Committee had so many days of hearings been held, had so much legislation been reported out, and so many oversight investigations pursued.

Bob Nix was a pioneer. He was born in an era when nothing came easy and he left his hometown of Orangeburg, SC, in search of education opportunities not available to blacks at that time in the South. He came to Philadelphia to attend the University of Pennsylvania School of Law. He was the first black to graduate from this institution, doing so with highest honors. He went on to become the first black elected to Congress from Pennsylvania.

Robert N.C. Nix, Sr., was a man of exceptional accomplishment and compassion. He was a man of great idealism, a man who gave much to his family, his community, his profession and to the U.S. House of Representatives. I am proud to have considered myself a friend of his, and I extend to his family my sincerest sympathy.

BUYING AMERICAN IS GOOD ECONOMIC AND SECURITY STRATEGY

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the Toshiba-Kongsberg scandal focuses attention on the critical issue of U.S. defense policy: When the United States purchases overseas, it exports the technology to build the weaponry; and, when the United States exports its defense technology, that technology then resides overseas—with very little control, in fact, by the United States.

As a result of the duplicity by the Toshiba-Kongsberg consortium, United States submarine technology is now with the Soviets. Technology was the advantage the United States had over the superior numbers of the Red submarine fleet.

Silence in the water was our advantage.

No longer.

When you consider what has happened with Toshiba-Kongsberg, when you consider there is little or no quality control on the foreign fasteners purchased for their low price, when you consider foreigners pay no taxes to help offset our national debt, you wonder about our procurement policy.

DOD claims Congress has mandated that DOD buy the cheapest brand X, no matter where it is made.

That being the case, we must reexamine those procurement laws.

When DOD buys in this country, 42 percent of the purchase price goes to taxes at the Federal, State, and local levels; and, DOD can monitor security.

Buying American makes good economic and security sense.

MINORITY OFFERS NO BUDGET ALTERNATIVE

(Mr. FRANK asked and was given permission to address the House for 1 minute.)

Mr. FRANK. Mr. Speaker, we are going to choose today among three approaches to the budget. One is the Democratic budget. I am going to vote for it. It reflects the constraints that we face, so it is not what I would like it to be, but it is there. Then we have the President's budget. The President has talked a lot about his budget. It somehow slipped his mind that he sent us a budget with a deficit which he claimed was $108 billion, but his own economic analysis shows to be more like $140 billion.

That budget would further the process of cutting medical care for the elderly. It would further the process of cutting environmental protection. It would deny student loans to more people who need them, so that we can increase military spending.

I think that those choices are wrong, and I think when we reject them, we will be reflecting what the American public wants.

But there is another option. It is the option of our Republican colleagues: that is, to do nothing whatsoever. There are tough choices to be made, and when the tough choices have to be made, our Republican colleagues resolutely will make none of them. They have offered no budget, they voted against the President's budget by a great majority, they will vote against the Democratic budget; they prefer a flight from reality. Far better to decry the tough situation then to try to make some serious efforts.

We will be choosing between two existing alternatives. We have the President's budget, to pump up military spending and cut medical care for the elderly, to cut student loans, and to cut environmental protection, or a Democratic budget which faces the tough choices and makes them with some pain, but which at least makes them.

I am glad that our Republican colleagues intend to be here for the budget; it will be nice to have them here. I guess that we should be glad that they did not decide just to take the whole week off and not even be here, but their failure ever at any point in the process even to offer an alternative is a good definition of irresponsibility, and it shows once again that they have learned how to be the minority very, very well.

HOUSE FLOOR SCHEDULING

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, my colleague from Massachusetts talked about irresponsibility. I would urge all of my colleagues to read pages 44 and 45 of Newsweek this week about irresponsibility, about the scheduling of the House, about what factors go into deciding what is brought up on the floor. As I understand the rules of the House, it would be inappropriate to put this particular article from Newsweek in the RECORD because it suggests some things which would be inappropriate to discuss under the rules of the House.

□ 1255

Therefore, we will work with the Parliamentarian to find out ways in which Members of the House can learn about what Newsweek is saying about the leadership of the House, since it is useful for the House to confront responsibly, as my friend from Massachusetts emphasized, to confront responsibly how scheduling decisions are made and exactly what interests are at stake.

RESPONSIBLE ACTION ON THE BUDGET

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, the leadership of this House has responded responsibly. The leadership of this House has made some tough decisions, and we are going to have to vote on it today. It is called a budget.

The President sent a budget to the House. The majority of Democrats voted against it. You would expect that, but the overwhelming majority of Republicans also voted against that budget, as they did in the U.S. Senate.

My friends, we have a budget before us which reflects reality. It is a result of political and economic reality which the administration, unfortunately, fails to understand, and some indeed on the other side of the aisle fail to understand.

It is time today to confront tough decisions. It is time today to do what we were elected to do: Set priorities, make tough decisions, move forward in an imperfect world. It is not a time to play let's pretend. It is a time for realism and responsibility, it is a time today to adopt the budget resolution.

Let us follow the leadership that has made tough decisions and urged us to act. Let us adopt this budget resolution and move on on behalf of all America.

EXTENDING APPRECIATION TO APPROPRIATIONS COMMITTEE MEMBERS

(Mr. MILLER of Ohio asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MILLER of Ohio. Mr. Speaker, it is fitting and proper to give credit where credit is due and on this occasion I want to personally extend my appreciation to my colleagues on the House Appropriations Committee, in general, and to my friends TOM BEVILL and JOHN MYERS, in particular, for their untiring efforts in bringing the important Gallipolis Locks and Dam project to reality.

Thanks to the leadership of these outstanding Members, funding for first year construction to replace the most dangerous navigational facility on the Ohio River has been included in the energy and water appropriations bill. Thanks to the collective efforts of all those who have supported this worthwhile project over the years, long-term jobs, in a region of great need, will be realized this fall as work gets underway on this multimillion-dollar complex which is so essential to the movement of raw products from Pittsburgh to New Orleans.

Those who will benefit from the project will not have the chance to say thanks to Mr. MYERS and Mr. BEVILL. But let me assure both men and the committee as a whole that they have made a difference where and when it means the most.

TRIBUTE TO MAYOR HERB HAYS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, the popular 58-year-old mayor of Hopkinsville, KY, Herbert G. Hays, finally lost a determined, lengthy battle against cancer last Thursday afternoon, June 18.

This Member of Congress is saddened because I have lost a good friend.

Can Democrats and Republicans work together? Well, we have just heard some heated exchanges between Republicans and Democrats here in the House Chamber. But my friend Herb Hays, the No. 1 Republican in western Kentucky, and I enjoyed working together for progress in our area of this great country.

Herb Hays was First Congressional District chairman for President Reagan's 1980 and 1984 Kentucky organizations. He served two terms as chairman of the Republican Party for the First Congressional District of Kentucky.

Herb Hays was the first Republican ever elected mayor of Hopkinsville. He was sworn in January 1 last year. So he served as mayor 1 year, 5 months, and 18 days, much of the time with terminal cancer. Herb Hays definitely gave the job of being mayor of Hopkinsville, KY, everything he had.

Many major accomplishments occurred during the Hays administration. His dream, his goal was to promote Hopkinsville.

I want to say now the same words I said Saturday at Mayor Hays' funeral to his lovely wife Marilyn and three children: "Thank God for people of vision and courage such as the beloved Mayor Herb Hays."

My wife Carol and I extend to his wife Marilyn, his son Jack Hays, his daughters Peg Crutcher and Lee Ann Nagtin, his brother Harrell Hays, and his four grandchildren our sympathy and prayers at this difficult time.

WAIVING THE RULE ON LAW IN THE BUDGET

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, as a number of my colleagues have mentioned, we will at some point today have the budget bill on the floor. I think that the consideration of this Budget Act tells us something very disturbing about the way that we proceed in the House of Representatives.

Those who day after day have come to this floor and piously told us about the need for adherence to the rule of law will tell us in this budget bill that they just do not mind a little hyprocrisy, because the fact is in order to consider this budget bill on the House floor we are going to have to waive the law of the land, the budget law.

This budget does not comply with the budget law and so, therefore, the budget law has to be waived in order to bring it out here. Talk about adherence to law, those who really believe in the rule of law ought to be voting against this budget and against this rule, but they will not; they are hypocrites.

The other thing it tells us is the difference between the two philosophies we will bring to the floor. The Democrats want to raise taxes and want to keep us from having an effective defense policy. The Republicans want to cut social welfare spending and not raise taxes. That is the fundamental difference between the two philosophies, that is the fundamental difference that will be addressed in the House, and that is the reason why Republicans will be voting against the budget and Democrats will vote for it.

CONSTITUTIONAL AMENDMENT FOR A BALANCED BUDGET

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, speaking of hypocrisy, I was watching television last evening and I saw the President in Florida. He was blaming the Federal deficits on Congress and on the lack of a constitutional provision to prohibit Federal deficits.

Mr. President, it is one thing to read a bad script. It is quite another thing to misrepresent the facts. You, Mr. President, since you have been in office, have recommended seven budgets to Congress. In every single budget you have recommended giant deficits. In fact, if you add the seven budgets up, the amount of deficit spending you have asked Congress to pass exceeds the deficits of all other Presidents in this country's history prior to your Presidency.

Let me give the American people some examples of the deficits that you asked for in your budgets. You asked for a $189 billion deficit in fiscal year 1984, you asked for a $144 billion deficit in your fiscal year 1987 budget, you asked for a $179 billion deficit in your fiscal year 1986 budget, you asked for a $180 billion deficit in your fiscal year 1985 budget, and on and on.

These budget requests with big deficits did not come from me; they came from you, Mr. President. No, they are not Jimmy Carter's deficits, they are yours. They are not Tip O'Neill's deficits, they are yours. They are not FDR's deficits, they are yours. You requested them. They are the budgets you sent to Congress.

If we have a failing, and we do in Congress, it is that we followed your leadership in fiscal policy. We are responsible for our failings and we are willing to accept that. You, on the other hand, take these flights of fantasy and move around this country pointing fingers trying to avoid responsibility.

It is time for you to join us and help solve these deficits. Yes, you proposed the biggest deficits in history. The American people know that. That is not fiction; that is real. Your deficits are there for everybody to see.

Suggesting that somehow the lack of a constitutional amendment is responsible for this problem is ludicrous. If you want a balanced budget, send us one. You have not done it in 7 years. Send us one. I challenge you to do that.

But if you do not want to do that, then join us in working responsibly to try and get rid of these fiscal policy problems we jointly have created in the last 7 years. This kind of partisanship you exhibited yesterday is not good for the country.

Join us in constructively working to solve our problems, Mr. President.

THE HOTTEST RING OF HELL

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, Dante wrote in "The Inferno" that the hottest ring of hell is reserved for those who when confronted with a difficult choice refuse to make a decision.

When it comes to this budget, it appears that many Republican politicians are going to be lined up cheek to jowl in the depths of Hades.

First we will find my Republican colleagues who have come to this floor virtually every day to decry efforts to bring a budget resolution, the same Republicans who lacked the courage or the skill to draft their own resolution. The Grand Old Party has not stood this tall since the darkest days of Coolidge, Harding, and Hoover.

Then there's our President, who tours the Nation with tough talk about deficits and budget reform, the same President who has given us the highest deficits in our Nation's history, the same President who saw his Republican colleagues summarily reject his budget.

Today Members will have a chance to vote for a budget that rejects Ronald Reagan's borrow-and-spend philosophy. It says to the President if you want to spend, pay for it.

Will there be a single Republican willing to face reality, participate in the process and deal with this year's deficit with honesty and candor?

Stay tuned for the rollcall, America.

AMERICA SHOULD ACT BEFORE IT IS TOO LATE IN SOUTH KOREA

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, the situation in South Korea gets worse every day because the existing military leadership refuses to permit free elections and democracy and wishes to perpetuate itself. The people of South Korea and those who support democracy around the world are asking: What is the United States going to do to support democracy? Are we going to wink at the existing leadership and say that because of the massive security threat from North Korea that we are not going to pressure President Chun to change his ways on behalf of democracy, or are we going to stand strongly on behalf of free elections and an end to repression, by using our power and our leverage to bring about the freedoms that today are manifestly absent.

No one is suggesting we should withdraw our troops, no one is suggesting we should withdraw our friendship. South Korea and the United States stand close together.

But when there are riots, when the middle class, when students, when hundreds of people are objecting to repression and are asking for democracy where is the United States going to stand?

Mr. Speaker, the Olympic games are going to take place in Seoul, South Korea. There can be no Olympic games if this repression, if this instability, continues, because America's security is threatened and South Korea's internal security is threatened if there is a weak, repressive government ready to be thrown out by radical leftist forces. It is better to have a moderate broadly based government that has legitimacy for its own people. Because of his actions, President Chun and his cohorts are losing that legitimacy.

Mr. Speaker, the United States acted properly in the Philippines and it acted properly with Haiti to assist in bringing back democracy. Let us act before it is too late with South Korea. We can do it.

WORKING TOGETHER ON THE BUDGET

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, I had not intended to come down here and give a 1-minute speech, but quite frankly I was listening to the 1-minute speeches and decided that the American public would have to be schizophrenic watching this incredible display of partisanship on both sides trying to tell us who was at fault and, in fact, that we have not been able to get a budget agreement until today, and also blaming various parties for the state of the budget crisis we are in.

I think it is fair to say that both Republicans and Democrats, the President and Congress, must share some of the blame. It really does not do us any good, does not do the American people any good, to point fingers any more.

But I would say that today is a day of reckoning. We have worked hard, incredibly hard, particularly members of the Budget Committee, to build a consensus, to build a package on the budget. The President removed himself from this process. He left it totally to the Congress. He left it totally to the Budget Committee to work on that package.

That is not the way the Constitution intended it. The Constitution intended both parties to be involved. In this case we were left with the entire responsibility, and that is very difficult for a Congress to do totally on our own. We did our best and we produced a fair budget, a balanced budget, not a perfect budget. But it is the only budget in town, and it is the budget that will produce fair and reasonable priorities in terms of taxing and spending in this country.

I see no other options for America except to vote "yes" on this budget.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT ON TOMORROW

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to sit tomorrow, June 24, 1987, during general debate.

I would say further, Mr. Speaker, this matter has been cleared with the ranking minority members, the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

The SPEAKER pro tempore (Mr. KANJORSKI). Is there objection to the request of the gentleman from Illinois?

There was no objection.

□ 1310

WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 93, CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1988, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 201, and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 201

Resolved, That upon the adoption of this resolution it shall be in order, clause 2 of rule XXVIII to the contrary notwithstanding, to consider the conference report on the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for fiscal years 1988, 1989, and 1990, and all points of order against said conference report for failure to comply with the provisions of section 302(a) of the Congressional Budget Act of 1974, as amended (Public Law 93-344, as amended by Public Law 99-177), with clauses 3 and 4 of rule XXVIII are hereby waived. The conference report shall be considered as having been read when called up for consideration. Debate on the conference report shall be limited to not more than one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Budget.

SEC. 2. The resolution (H. Res. 197) implementing budget procedures in the House of Representatives for fiscal year 1988 is hereby laid upon the table.

The SPEAKER pro tempore (Mr. KANJORSKI). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only I yield the customary 30 minutes to the gentleman from Ohio [Mr. LATTA] pending which I yield myself such time as I may consume.

Mr. Speaker, this rule provides for the consideration of the conference report on House Concurrent Resolution 93, the budget resolution for fiscal year 1988, with 1 hour of debate equally divided between the chairman and ranking minority member of the Committee on the Budget. It also provides that the conference report shall be considered as having been read. The rule waives clauses 2, 3, and 4 of rule XXVIII. Clause 2 prohibits consideration of a conference report until it has laid over for 3 days and copies of the conference report have been available for at least 2 hours. This waiver is necessary to allow consideration of the conference report today since the report was not filed until yesterday. Clause 3 prohibits conference reports which exceed the scope of the matters submitted to conference. This waiver is necessary because scope is strictly construed in the House and some of the budget levels agreed to by the conference fall outside the range between the Senate-and House-passed measures. Clause 4 prohibits matters in a conference report which would have been nongermane if they had been offered in the House to the House measure. Because some procedural matters not dealt with in the House-passed budget have been included in the conference report, this waiver is necessary.

The rule also waives section 302(a) of the Budget Act, which requires that the allocation of new budget authority, new entitlement authority and new credit authority to the committees of the House and Senate be included in the joint explanatory statement accompanying the conference report on the budget. In order to give staff time to carefully calculate the appropriate allocations based on the budget levels in the budget resolution, the conference report does not contain the allocation. Instead, it provides that the allocations will be filed in the House by the chairman of the Budget Committee no later than July 1, 1987.

Finally, the rule tables House Resolution 197. That resolution, reported by the Rules Committee on June 17, 1987, would have provided that, for purposes of the Budget Act in the House, the Congress would be considered to have finally adopted House Resolution 93 as passed the House on April 9, 1987. This was reported when it appeared that there might be further delay in reaching an agreement on the conference report on the budget, but since agreement has been reached there is no need to consider that resolution.

Mr. Speaker, this budget reduces the deficit by more than $36 billion next year. At the same time, it provides for the legitimate needs of the citizens of this Nation by preserving the funding for emergency national priorities contained in the House-passed budget resolution. This ensures adequate funding for AIDS education and research, for the homeless, for education, for trade and welfare reform and for catastrophic health care insurance and other health programs.

This budget also provides for a strong national defense, but it declares that we will no longer pay for huge defense increases with a Federal credit card. The budget provides that an additional $7 billion requested by the President for defense will be available only if the deficit reduction legislation called for by this budget is enacted.

Of course, this budget is not perfect. Anyone who wants to find an excuse to oppose it will have no trouble. But the question to ask anyone who urges a no vote is not why he opposes it, but where is his alternative and where has that alternative been for the last 6 months? If the answer is that he has no alternative, I can only assume that he is heeding the advice given during the debate on the budget resolution in April that you can avoid trouble by being against budgets. I just hope that there are not many Members in this body who are more concerned with avoiding trouble than with being responsible on an issue of this importance.

I urge a "yes" vote on this resolution and on the conference report on the budget.

Mr. Speaker, I reserve the balance of my time.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me first of all point out that this resolution makes in order the consideration of $1 trillion budget conference report and we are supposed to debate it under this rule for only 60 minutes.

The question is why should we limit debate on $1 trillion conference report to 1 hour? The Budget Act calls for 5 hours. You have to ask yourself why does the leadership insist on limiting debate to 1 hour? Is it afraid that more debate would throw too much light on the weaknesses in this budget with its bundle of higher taxes, its failure to provide adequately for national security, and its failure to terminate programs or to reduce unnecessary Government spending?

I know the people that put this together contend that this is a budget that meets the "people's priorities" and I put that in quotation marks. Since when have the American people made it their priority to ask for $19.3 billion in higher taxes in 1 year? Since when have the American people set as their priority to have an attempt made by the Democrats to blackmail their President into agreeing to these taxes in order to stave off disastrous defense cuts? Since when have the American people said, "We don't care about reducing Federal spending"?

And I might say, Mr. Speaker, that I had a poll in my district just recently and only about 6 percent of the people in the district indicated they wanted to balance the budget or to reduce the deficit by increasing taxes. They wanted to reduce expenditures, not to increase taxes.

I think the Democrats have completely misread the people's priorities in this budget. The $19.3 billion in higher taxes is more than the $18 billion agreed to previously by the House and Senate in separate budget resolutions.

I might say, Mr. Speaker, every single Republican opposed that resolution that called for $18 billion in new taxes. So it is obvious that they should oppose this resolution when it is made an order by this rule calling for $19.3 billion in new taxes.

This figure alone, Mr. Speaker, puts the conference agreement outside the proper scope of the conference.

So, the Democrat-controlled Rules Committee had to grant a waiver of points of order against a question of scope.

The Committee on Rules in the rule also waived the requirement of germaneness. There is a question about the germaneness of linking the level of defense to a requirement that the President agree to higher taxes because that linkage was in the Senate resolution, but not in the House budget resolution.

That leads me to my next point about how poor this budget really is. On major questions such as linking defense and taxes, the House Democrat conferees caved in to the Senate. In fact, the House Democrat conferees could have saved themselves a lot of time by simply agreeing to the Senate budget in the first meeting of the conference committee more than a month ago.

In the rule the Rules Committee also waives the budget law's requirement that the explanatory statement on the conference report must include section 302(a) allocations to standing committees.

So we have no 302(a) allocations. Are the numbers in this conference agreement really that elusive? How do we judge whether appropriation bills are within the ceiling of the budget if we have no 302(a) allocation to the Appropriations Committee? This week alone, Mr. Speaker, the House is scheduled to consider four appropriation bills, one of them later today.

This could be the worst budget agreement this House has ever been asked to consider simply because of one thing—tax hikes. Only last year this Congress told the American people that we were going to try to make their taxes fairer. So we took away some of their deductions which they had enjoyed for years and we promised, in return, to lower their tax rates.

But now the Democrat majority produces a budget with almost $20 billion in new taxes for next year and a total of about $65 billion in new taxes over the next 3 years. It is pretty obvious that such a new tax burden would wipe out a lot of the benefits that the people might get from tax reform. It does not matter how these taxes are levied, they would still be levied on the American people.

Certainly it is up to the Committee on Ways and Means to determine where those taxes ought to be imposed. The chairman of the Committee on Ways and Means has already said that even raising $18 billion in revenues much less $19.3 billion, "will be very difficult."

He also said when it comes to designating the specific taxes to be levied, "There is a silence in that room that is deafening."

Well, if this conference agreement is accepted then eventually that silence in the Committee on Ways and Means room will be broken.

Now, how are you going to get $19.3 billion in new taxes? There are several ways you can do it. I do not know whether any of them would not be painful to the American people.

For example, to raise $10 billion in new taxes you would have to raise the gasoline tax by 12 cents per gallon. You would have to have a $5 per barrel fee on oil imports to raise $8 billion.

If you doubled the cigarette tax to 32 cents a pack you get $3 billion. Increase taxes on beer and wines to the same rate as charged for distilled spirits and you can pick up $4 billion. Delay the reductions, or renege on the reduction, I might say to put it more bluntly, in the income tax rates scheduled for 1988 for corporations as well as individuals, and you come up with $17 billion.

The committee may also extend Medicare coverage to all State and local government employees, to produce about $1.3 billion from new taxes on the States and local governments and the employees themselves.

I remind you that the House voted May 12 to instruct budget conferees on a motion that I made not to raise the income tax rates to provide the revenue. To raise the rates would be an open breach of faith with the American people on tax reform.

Another possibility is an increase in estate taxes which would make it especially difficult to maintain the family farm within the family when the breadwinner dies.

No matter how the money is raised, it comes from the pockets of the American people, men and women who would much rather see this Congress make an effort to cut unnecessary spending.

Mr. Speaker, for that reason I must ask my colleagues not only to reject the conference report but the rule which makes it an order.

Mr. Speaker, I yield 5 minutes to the gentleman from Mississippi [Mr. Lott].

Mr. LOTT. I thank the gentleman for yielding.

Mr. Speaker, sometimes reading a rule is a little like reading tea leaves or entrails: It can tell you a lot about what lies ahead. And this rule on the budget resolution conference report sure tells us a lot about the Democrats' budget.

In the first place we waive clause 2 of rule XXVIII which requires that conference reports be available for 3 days before they are considered. Even though the conferees announced an agreement last Wednesday night, this report was not filed in the House until yesterday, meaning it only became available to Members' with the delivery this morning of their Monday Congressional Record. And, even though it was requested that we not waive the 2-hour availability rule in that same clause, this rule even waives that requirement. That means we could have called up the conference report under this rule without it even being available to Members.

What does this tell us about the Democrats' budget? What it says to me is that the Democrats would rather we not read what is in this budget resolution. There's no need for us to consider this before we take up the first appropriations bill since we already have a provision in the Budget Act which permits consideration of appropriations bills after May 15 without final agreement on a budget resolution.

My suspicions about the Democrats' lack of pride in their budget is further confirmed by the fact that the rule provides for only 1 hour of debate on the conference report, even though section 305(a)(6) of the Budget Act provides for 5 hours of debate on a budget conference report. The fact is, they would rather not have a prolonged discussion about their call for higher taxes, higher domestic spending, and lower defense spending.

Another interesting aspect about this rule is that it waives clauses 3 and

4 of rule 28 against the conference report. Those clauses prohibit nongermane Senate amendments and matters which go beyond the scope of matters committed to conference by either House. Now, I can understand the problems we usually have with nongermane Senate amendments. But we should be especially wary when conferees report back something that goes beyond the scope of what was passed by either House. When I inquired about this in the Rules Committee I was informed that the scope waiver was for "technical reasons" only. And yet, when I pursued this I learned that one of the main reasons for the scope waiver was that the conferees provided more taxes in the first year than either House; more taxes over 3 years than either House; and more nondefense spending than either House. This is hardly a technical waiver, Mr. Speaker.

Finally, this rule waives section 302(a) of the Budget Act which requires that the allocations to committees of budget authority, outlays, credit authority, and entitlement authority be included in the joint explanatory statement accompanying the budget conference report. Instead, the conference report, in section 13, gives the Budget Committee chairman, not the committee, up until next Wednesday, July 1, to file those allocations. What that means is that the Appropriations Committee will not have to file its 302(b) suballocations until after that time, and any appropriations bills reported prior to that will not be subject to points of order due to lack of suballocations being filed. In short, this provision permits the Appropriations Committee to go forward with some six or seven bills which may exceed the suballocations that are later filed. There is no explanation in the conference report as to why this provision is included. One can only assume that it was done for the convenience of the Appropriations Committee which has gone forward with its work. But it is a major loophole through which one can drive billions in excess spending.

In conclusion, Mr. Speaker, I cannot support this rule because it is a blatant reflection of what is wrong with this budget and the budget process.

□ 1325

Over the years I had been a supporter of the Budget Impoundment Act, but it has just become something to delay actions on authorization bills, on appropriations bills.

It really is nonexistent. It is just an embarrassment to this body, and certainly this budget resolution is an embarrassment to the Congress; but it will be an economic burden for the American people.

Mr. Speaker, I would urge that the Members vote against this rule.

Mr. DERRICK. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in reluctant, but determined, opposition to the resolution.

I am reluctant because, as a member of the Budget Committee and the conference committee, I worked hard to develop this budget, and to assure that it addressed the more critical priorities of our Nation.

But I am determined in my opposition because the promise contained in the House-passed resolution has been squandered and replaced with a short-term compromise which undermines our efforts toward a steady—and equitable—program of deficit reduction.

I am as aware as anyone else that this budget is being viewed as a test of whether the Democratic Party can govern. The real question is, Can we govern well?

The budget resolution which passed the House this spring fulfilled our pledge of balanced spending cuts, targeted support for high priority programs, and responsible deficit reduction.

We cut over $6 billion from domestic programs, and from military programs, too, as dictated by the Gramm-Rudman-Hollings budget law. We raised less in new revenues than recommended by the President in his own budget. And we met the deficit targets of the law.

But this conference report fails to maintain either the spirit or the essence of that House resolution.

Under this budget, the spending reductions, which are supposed to be evenly balanced between domestic and military, are widely out of harmony.

Domestic programs would be cut back $6.3 billion. Those cuts were necessary to make room for the high priority programs which must be addressed in any responsible budget: expansion of health care for poor seniors, mothers, and infants; improved nutrition for high risk babies and their mothers; expanded early childhood education, child care, and preventive children's services; accelerated research and education programs to combat AIDS; enactment of a welfare reform plan that stresses training, education, and conversion to work.

We did not get everything we wanted. In fact, the children's initiative, which I authored, was severely pared back, and only a few of its component pieces received line-item increases. The rest must compete through the appropriations process with many other worthy programs.

Why? Because we were told that we couldn't do everything we wanted to do, or needed to do, to improve the quality of children's lives, to stimulate American economic resurgence, and to expand the job and educational opportunities for millions of young people. We could only initiate new programs to the extent we cut back other programs.

But as so often happens in this body, the military gets to play by different rules.

For the military, we ignore the requirement that cutbacks affect domestic and military programs equally.

We ignore fact that the entire children's initiative could be funded for a year through just 1 day's spending by the Pentagon.

We ignore the requirement that spending increases be paid for through offsetting cuts or new taxes—although that principle still holds for other areas of the budget.

Instead, this resolution not only gives the military more than the House allowed, but far more than an even split with the Senate.

This resolution grants the Pentagon nearly $8 billion more in outlays than the House level of $281.7 billion, and just $1 billion less than the Senate resolution. That is over $3 billion more than an even split with the House would have yielded.

Nor is this the only area where the conference report greatly exceeds the House figures. The report allows $600 million more in science and space, $1 billion more in energy, and $1.3 billion more in natural resources.

By contrast, the resolution allocates less than the House levels in education and social services, community development and commerce, and housing.

Are these the priorities of the Democratic Party? Are these the priorities we had in mind when we rallied against losing the educational competitive edge against our trading partners, and made all those promises about expanding educational opportunities?

Are these the priorities we had in mind last winter when we vetoed emergency assistance for the homeless so that low-income families would no longer be forced to join the army of the homeless created by the short-sighted housing and health policies of this administration?

We don't have the money, we are told, to increase WIC participation much above its current paltry level; but we have billions to throw at SDI, the pie-in-the-sky boondoggle that most of our leading physicists tell us will not work.

We don't have the money to really expand Head Start, or childhood immunizations, or preventive services to avoid foster care; but we have $8 billion more to spend on the Pentagon.

And why will we spend that additional money? Because a few men in the other body are willing to subject our party, and this Congress, to delay, embarrassment, and deadlock unless they get their way.

Some call that the legislative process.

I call it legislative blackmail, and I won't lend my support to it.

Now, I would have greater inclination to support the process if those who demand that we spend the money also had the courage to suggest where the money is going to come from. But they don't.

The military increase would allegedly be paid for by the REA refinancing, which only provides a 1-year bonus, much of which will be consumed paying for the farm credit system bailout.

What about the second year of military spending which will be generated by $7.3 billion in additional budget authority? How is that going to be paid for? And the third year? And the fourth?

By diverting revenues which are supposed to go for deficit reduction? How many Members are willing to tell their constituents that they voted to raise taxes in order to pay for a big military increase?

By raising new taxes next year? Who is willing to commit to that vote?

By further cutbacks in domestic programs, which we cut over $6 billion in this resolution, and which have already suffered the deepest cuts of all in the last 7 years, over $100 billion?

The answer is that no one knows how we will pay for the military additions next year or the year after or the year after that. But we all know that when you increase budget authority for the military, you pay a heavy price for many years to come in outlays which are virtually impossible to stop.

I do not want to leave the impression that there is nothing supportable in this resolution. In fact, with the exception of the military windfall, I would support it. I would even vote for it if we had the courage to pay for the windfall.

There are many important initiatives in the budget. It contains a second year of the children's initiative, with sufficient funding to bring hundreds of thousands of additional children into proven programs that will reduce long-term health, nutrition, and educational costs.

We include an increase in the title XX Social Security Block Grant, which is the source of vital services for seniors as well as children. Title XX supports a substantial amount of the child care which is so essential to working parents and to those who wish to join the work force.

We expand the WIC Program substantially, a program which saves $3 for every $1 it costs us to provide nutritional supplements to high risk women and their infants.

We include a Medicaid infant mortality initiative that will expand health care available to poor children under the age of 5 and to other highly vulnerable groups—at a cost measured in the thousandths of 1 percent of the budget.

The budget allows for an increase in the funding for the title IV-B Child Welfare Services Program, which is desperately needed in order to provide inhome protective services to children in order to reduce the incidence of child abuse and the need for, and duration of, expensive foster care placements.

And other proven programs—chapter I, education for the handicapped, Job Corps, maternal and child health—will receive increased funding because this budget was designed to choose priorities that are necessary for America, priorities that make an investment in the future of this country and its people.

For these reasons, I would prefer to vote for this resolution. But the effort we made toward responsible budgeting, toward selecting the proper priorities, toward equity in spending allotments and reductions—all these are thwarted by the $8 billion Pentagon bonus insisted upon by the Senate.

The administration and its allies in this body have no right to criticize our efforts. The President knows how hard it is to write a budget: in fact, the budget he sent to Congress this year was rightly hooted down by Democrats and Republicans alike.

In fact, in the first 6 years that President Reagan entered the White House, when his party also controlled the other body, the debt grew from $931 billion to $2.28 trillion, an increase of 145 percent.

Those same Republicans sat sphynx-like in the Budget Committee during our markup this year, giving up their right and abandoning their obligation to participate in writing this budget.

And while our Republican friends blame Democrats for spending too much, let's remember that the budgets produced by Congress have consistently spent less than those submitted by the President.

Indeed, what is wrong with the budget produced by the conference committee is that it follows the Reagan model by igniting a Pentagon spending spree without any means of paying for it. And like Mr. Reagan, it forces all of the spending cuts from the hard-hit domestic side of the ledger while allowing the military to escape unscathed.

Whether we support this conference report or oppose it, we must acknowledge that it does continue the congressional effort to pare down the budget.

By imposing strict limitations on spending, and by forcing cutbacks, we have reduced the deficit by nearly one-third in just 2 years. Much more needs to be done. And to achieve the goal of steady, sound deficit reduction, we must resist the temptation to excuse any portion of the budget from the strict guidelines we have written.

Because this conference report fails to follow that rule, because it provides an unwarranted bonanza to the Pentagon, and because it plants the seeds of increased deficits in the near future, I will vote "no."

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I hope that the Rules Committee is at least embarrassed for having brought this rule to the floor. The rule itself is an embarrassment. It tells us just how bad the budget we are about to consider really is.

First of all, this rule waives the Budget Act for purposes of consideration of the budget. It tells us there is something awfully bad about a budget that has to be brought to the floor in violation of the very law that created the budget process in the first place. I think that tells us more than we need to know about the process we are going through here on the floor.

Second, what this rule says to us is that this is a budget resolution so bad that we cannot even read it when it is brought to the floor. The conference report is not even going to be read. That is despite the fact that the committee had not even seen the budget report at the point when they considered this rule. This rule was filed before the report had been filed in the House, yet we are not going to have it read in the House of Representatives.

Finally, contrary to law, we are going to have only 1 hour of debate on this resolution rather than the 5 hours provided for in the rule. The reason that discourages some of us is that we are talking about $1 trillion in spending here.

A trillion dollars in spending becomes almost a meaningless figure, because no one can understand the magnitude of it. But if you take 60 million Americans, one-quarter of the country, and take every good, and service they produce, take all their salaries, take all the money they make doing everything, and add it up for 1 year, that comes somewhere close to $1 trillion. I would venture to guess that virtually every one of those people spends more than an hour of time determining what it is they are going to do with their money earned during that year, and every one of those companies producing those goods and services spends more than an hour of time deciding how to allocate their resources in a given year. But we are going to spend just 1 hour of time to make a decision that 60 million people make in this country. I think that it a travesty.

Mr. Speaker, this rule should be rejected. We ought to get about the business of a budget process that really works, not this kind of a process.

Mr. DERRICK. Mr. Speaker, I yield 5 minutes, for purposes of debate only, to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, there is an old saying that should govern the activities of the House here today as we reflect upon the budget, and that is "Don't let your mouth write a check that your funds can't cash."

I want the Members to think about that, because just briefly I want to reflect on what the President's policies were as they relate to budgets he would submit to Congress.

As a candidate opposing now Vice President GEORGE BUSH, Mr. Reagan said that he would balance the budget by 1983, and he sold a "free lunch" to the American people that sounded so good that many workers in manufacturing plants who are now out in the cold voted for Mr. Reagan. He told them exactly what he was going to do, and anybody with some common sense could figure out that they would lose their jobs. In fact, Mr. BUSH said, "Listen carefully to this free lunch package or you are going to lose your job." Everybody laughed, and a lot of Democrats bought it. Let us tell it like it is. There are a lot of Democrats in this country who put the man in on Pennsylvania Avenue. But here is what he said he was going to do—and listen to this, because it still sounds good, and it is still playing and continues to play around the country—he said, "I'm going to cut your taxes, and not only that," he said. "I'm going to cut your boss's taxes, and when I cut all these taxes, you're going to say, my God, there is going to be red ink all the way to Maine."

But, no, that is not true because, you see, when he said, "When I cut those taxes, I'm going to put that money in your pocket and you are going to spend it, and when you spend it, the gross national product is going to rise, and through economic growth, even though I have changed the mathematical formula, there will be more money in the pot, America will raise more revenue, and we will step through this thing on the supply side-trickle down economic theory."

Well, after he was elected, I have to give the President credit. I am probably one of his biggest critics, there is no question about that, but one thing he does, when he makes a mistake or if he says something that turns out not to be true, he usually looks the people in the eye and tells them the way it is. I sort of like him for that, too. I have to give him credit for that.

So then after he was elected, 6 months later, he said, "Ladies and gentleman, I did make a mistake. I will not be able to balance the Federal budget by 1983." He said, "It will take me till the fall of 1984."

□ 1340

Now, Mr. BUSH, who was his opponent back then, said, "Ladies and gentlemen, if you elect this man, he will double the national debt in his first term. He will export all or nearly all the manufacturing jobs in this country. He will take us"—these are not my words, these are now the Vice President's words, who is so close behind the President, if Mr. Reagan stops abruptly he will be the most embarrassed man in Washington, DC; that is, until Iran-Contra.

But he said he would double the national debt. He will take us from a credit nation to a debtor nation and, yes, he might even bring back Mr. Hoover in 1929.

Now, that was during the great debates to see who would be the nominee for the Republican Party, and we know Mr. Reagan won; but here is the record now. Let us not confuse it. Let us put it right where it is, because what we are voting on today is we are either going to put in motion a plane we can fly through the legislative process or we are going to continue on with the crash course of Air Force One and we are going to bankrupt this country and we are going to hurt everyone on the streets and put a lot more in the streets.

Over a 5-year period from 1982 to 1986, the Federal deficit has averaged $191 billion. Jimmy Carter's last year in an election year when he was running for his life was $57 billion.

Do you remember the famous words of Mr. Reagan, "Oh, it's not the 300 days of the hostages in Iran. That's not what history will reflect on Mr. Carter * * *" good political jargon. He said, "What they will remember is the red ink of this President, the greatest red ink in American history."

Well, he made Jimmy Carter look like a shopper at K-Mart.

The U.S. trade deficit, Mr. Speaker, has quadrupled. It was $170 billion last year. We are still giving a toll road free to Japan while we are paying for it. Think about it.

We talk about trade. Let us talk about an American Express Card policy. Japan, Europe, Taiwan, Korea, they send bills over here and we pay them in 30 days cash. This thing is crazy.

Everything that Mr. BUSH said has come true.

Now, what will we do about it? I am not totally happy with this budget. I do not like any increase in defense spending.

We have gone to $300 billion. We have laser umbrellas. Everything we talk about explodes and detonates. My God, our generals and admirals are telling us that if there is a war, it will be a conventional war and we will get beat.

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. DERRICK. Mr. Speaker, I yield 3 additional minutes to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Speaker, I thank the gentleman.

But there are two specific points and some statistical data that may be boring to some, but should be placed on the record here today. The real gross national product has increased at only a 2.4-percent rate over the 1981 through 1986 period. This was below the previous administration's 1977 through 1988 average of 3 percent, and the postwar average of 1949 through 1980 of 3.4 percent.

This great turnaround has not occurred. The average unemployment rate over that 6-year period was 8.1 percent, the highest of any period over any given period of time by any one President.

Now, in my district we lost 55,000 jobs. They averaged $9 to $12 an hour and full benefits. We replaced them with this new trickle-down economic suffer policy. We created about 10,000 jobs that paid $3.50 to $5.50 an hour, with no benefits, and most of them are on some form of public welfare, working full time, qualifying for Government subsidies.

Is this the type of future economic program the Congress wants to fashion? I do not know. I am new here. Maybe I have forgotten all those sophisticated Harvard analyses. I do not know, but all I am saying is that if you go to the dance, someone has got to pay for the band.

I do not like the increases that may come about in this budget, but at least it says the President is going to have to come up with some of the ante.

Now, I believe that America is tired of being taxed, and rightfully so. I do agree that our party over here is very flippantly flirting with an issue that the American people still do not understand. We may have to raise revenues, but we could do that by stopping these large multinational corporations taking profits out of this country and not even paying taxes on those profits. That is just one small initiative.

There are ways we can raise revenues. There are ways we can continue to bring the deficit problem in this country down under control.

One thing that this plan does, it gives at least some blueprint that maybe even the Republicans might support. They sure were not going to support that of the President's, and that is the way it is, because we called your hand and asked for the vote and there are Members over there who are still needing medication from that vote.

So with that, I say that I am going to support this rule. This is not the best budget, but it is the only budget that I believe we can make happen. I would hope that the Members would consider that and pass this later today.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to our minority leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, following the gentleman from Ohio, I can understand some of his frustration, I am sure, having been a recent addition to this House. Had he been here back in those roaring sixties and early seventies when very little attention was given to balancing the budget, to what we were doing by incremental increases in one appropriation bill after another, and an authorization bill that provided for entitlement programs that have led us to the point where we are today, and then never taking a look back to see what we did at that time by way of just piling on one additional authorization after another, I can understand the gentleman's frustration.

There are others of us, too, who come from a district that may be similar to his that have had a little different story to tell of late. Yes, we were down, too, in the recession of 1982, like a number of other districts around the country. But there are those districts, like mine, that have made some adjustments from those very bad days when we finally had to come to the clear recognition that exorbitantly high wages and fringe benefits and all the rest took us out of the realm of being competitive.

Now I look at one industry after another in my own district cutting costs back 20, 25, and 30 percent, and everybody else scaling back to the degree that even the steel companies today are making money. That says something about the adjustment that was made out there in the private sector as a result of just the economic situation facing the country. We ought to do some adjusting here at the Federal level that would emulate and mirror what the private sector has done, but we have not been doing that.

I am sorry to say, too, as the gentleman from Pennsylvania and the gentleman from Mississippi pointed out, with respect to this rule. I guess this gentleman has expressed his dismay over the whole budget process of late. Earlier on we tried our best to see that it would work, offered probably as many amendments and revisions of that act as any Member of this House to try to make it work, but here we are again under this rule violating all the dates, violating all the provisions and all the mandates and waivers and all the rest, just for the sake of bringing this conference report to us.

At the beginning of this historic 100th Congress, the Democratic leadership led us to believe their budget would be a shiny, streamlined vehicle to take us along the road to economic responsibility.

Now, 5 months later, we see the budget vehicle they have presented us with is not shiny and streamlined.

It is, what could be likened to, a worn-out used car: Engine clanking, tires bald, carburetor clogged, brakes shot, paint chipped, and windshield cracked.

And there, crammed into the front seat of this wheezing japloy is the Democratic leadership, smiling and beckoning us to take a ride along the bumpy road of higher taxes, and low defense figures.

I've got news for the Democratic leadership. This used car has flunked inspection.

Inspect its economic premises if you will, inspect its numbers, inspect its intolerable abandonment of a responsible defense policy, inspect its domestic spending cuts, inspect its typical Democratic leadership's reliance on increasing taxes——

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. LATTA. Mr. Speaker, I yield 2 additional minutes to the distinguished minority leader.

Mr. MICHEL. Mr. Speaker, inspect all of these and you see this budget isn't going to take anyone anyplace—except take the taxpayers to the cleaners.

When this 100th Congress began, we were promised leadership by those who now control both Houses of the Congress.

We heard so many stirring and inspiring words about how the Democratic leadership would get things done.

That was January. This is June. That was then. This is now.

And I ask you—what have you given us this day?

With a chance to really change things around here, you have regressed to the vice of raising taxes instead of cutting costs.

You have put your official stamp of approval on a national defense posture that neither meets our Nation's needs or addresses our geostrategic responsibilities.

Worst of all, you have failed at the easiest, simplest, most noncommittal phase of the budget process. The hard part actually is implementing the game plan.

You promised us new ideas and new leadership in the 100th Congress—but what we have in your budget is the winner in the Walter Mondale 1984 Presidential campaign look-alike contest.

It fails on economic grounds. It fails as policy. And it fails as an expression of leadership.

I say it just won't do and we ought to reject this conference report today.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the distinguished chairman of the Budget Committee, the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, today we have an opportunity to make a decision and the decision will be whether or not we will present a blueprint to the Nation for a balanced set of priorities and for realistic, responsible and achievable deficit reduction.

Is it going to be easy? No, it is not.

Is it a perfect document? No, it is not.

But let me remind America that on this floor just a few weeks ago the President's budget was not ignored. It was presented and only 27 Members of this body would vote for the President's budget. That is less than 20 percent of all the Members of this body who belong to the President's party.

At the same time, many of those who are standing here now and will be standing here later talking about the Democrats taxing and spending are people who did not present a budget, a blueprint themselves. In fact, their leadership argued that the best route to take was to vote against all budgets. Play it safe. Give no plan.

I can understand that, because America knows what has happened in the last 7 years while the Republicans occupied the White House and the Senate. The deficits went up from about $40 billion and $50 billion to over $200 billion. The national debt, that took 39 Presidents to create less than $1 trillion, got doubled to over $2.1 trillion.

Well, this Democratic plan may not be the best, but it is one that is achievable. It is one that will bring deficit reduction.

Let me respond to that great old cry of "tax and spend." No, this is not a tax and spend budget. In fact, what this budget says is, "Mr. President, if you want to spend on your priorities of the Pentagon, if we need more national security, than pay for it. Don't borrow it out of education and health care where you wanted to cut 60 percent in order to receive your spending cuts in the budget that even the Members of your own party would not support. Don't shortchange the educational future of our children. Don't cut the health care of the poor and the elderly. If you want more defense, then pay for it."

So the tax and spend that they are talking about is the fact that we are now saying that if you want to spend more do not put it on the credit card.

Do not spend-spend, borrow-borrow, but pay for it.

Well, I think that is a lot better than borrowing. I think the American people will support that kind of a budget that says, "Mr. President, if you want to spend more on the Pentagon, then be willing to pay for it right now. Don't take it out of education and health care and the future of our children."

The next rationale that you will hear will be one of budget process as to why we cannot participate in deficit reduction. The very same people who brought you the deficit reduction monster say now, "We can't participate in reducing the deficit."

The SPEAKER pro tempore. The time of the gentleman from Pennsylvania has expired.

Mr. DERRICK. Mr. Speaker, I yield 2 additional minutes to the gentleman from Pennsylvania.

□ 1355

Mr. GRAY of Pennsylvania. Mr. Speaker, the very same people whose policies brought us the deficits now say that they cannot participate in deficit reduction until somehow there is reform of the process.

Did we not hear that just a couple of years ago with Gramm-Rudman, the same people who said, "Reform the process"? Well, we reformed the process—Gramm-Rudman-Hollings. Now they are back again saying, "Reform the process."

I think that the American public knows that it is not the process that is in need of repair. What is really in need of repair is some leadership on Capitol Hill and down in the White House that will say, "Let's make the right decisions and reduce these deficits."

Giving a constitutional amendment to balance the budget to this President will mean nothing. Why? Because he has already had seven opportunities to present a balanced budget, and he has not presented one yet. But he wants a constitutional amendment for the next person who sits in the White House, not for him.

What about a line-item veto, which would badly bring into imbalance the constitutional checks-and-balances system? Would it mean that he would strike educational programs, health-care programs, as he did in his budget? No, I do not think that is the solution. What we really need is some leadership on all sides of the aisle, and also down at the White House, that will say, "Let's come up with a deficit-reduction plan."

Until we have that leadership from my colleagues on the other side of the aisle who voted "present" as we wrote the budget in committee and who voted against practically every alternative, I say that this is the best vehicle that says, "Mr. President, if you want more defense, pay for it. If you want lower deficits, here it is, it is up to you. And if you want lower spending, it is up to you also."

I urge Members to vote for the rule and also for this deficit-reduction plan, the comprehensive approach and a balanced approach for 1988.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. SUNDQUIST].

Mr. SUNDQUIST. Mr. Speaker, I rise in strong opposition to the rule and to the 1988 budget conference agreement.

Mr. Speaker, for the past several weeks, we've been watching the clash of priorities within the leadership controlling the budget conference committee. The issue today is not the President or the Vice President, the issue today is the 1988 budget conference agreement.

For the past several months, we have witnessed the partisan lambasting of the President's budget and the President's priorities. Even the great economic growth that the President created in his administration cannot outdistance the big spenders in this House.

For the past several years now, we've heard the attacks on deficit spending from the born-again budget balancers in the Congress. If only they regained their chance to fully govern the Congress, we were told, deficit spending would stop dead in its tracks. "Words are not enough," we were told. "What counts is action."

Well, the time for action arrived on the day the conference convened. And after a month of inaction, the moment of truth arrived last week.

We were promised a budget agreement which ratchets down the size of Government. Instead, we have been presented with a budget that increases domestic spending $47 billion above fiscal year 1987—and $38 billion above President Reagan's budget.

We were promised an end to "smoke-and-mirrors" deficit-reduction techniques. Instead, we've been presented with $7.2 billion in accounting changes that cut the deficit on paper only.

We were promised "truth in budgeting." Instead, we've been presented a budget using clearly outdated economic assumptions.

We were promised a document that makes the tough choices necessary to hammer away at the deficit. Instead, we've been presented an agreement that terminates not a single Federal program; that increases outlays at almost twice the rate of speed as last year; and that threatens to raise taxes on low- and middle-income Americans before the ink even dries on tax reform.

Finally, we were promised a responsible defense budget based on the Nation's national security needs—not politics. Instead, Congress will today rubberstamp a document that holds our national security hostage to a political blackmail scheme. In return for $7 billion in outlays that would allow no real growth in defense spending, the President would have to agree to more than $64 billion in taxes. Even more distressing is the prospect that if the President pays the ransom, theres no guarantee he'd get the hostage. In the past 5 years, Congress has shifted $27 billion from defense allocations into domestic programs. There is no guarantee that once the $7 billion inflation increase is allocated, the money would be spent on defense.

For all of those in this body who have expressed condemnation in the past year for paying ransom for hostages, I ask: Is this a serious proposal? Is this a realistic negotiating document for the budget summit you want to force? Is this the way Members of Congress should set priorities for our Nation's defense?

Mr. Speaker, this rule and the conference agreement may make for good politics, but a conference report on the budget should reflect much more than political defiance. We are told today that we are voting on a budget agreement that cuts the deficit responsibly, fairly, and with accuracy. This agreement does none of the above. As someone once said, Mr. Speaker, words are not enough. What counts is action.

Taxes are still taxes. Taxes are still taxes. And to quote my colleague from Ohio—I think that this is what he said—my own party is playing flippantly with a subject that our supporters do not understand. Well, I assume that that means that our constituents do not want a tax increase, but the majority party in this body is going to force it down their throats so that they can tax and spend some more.

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, I rise in support of this rule and in support of the conference report on House Concurrent Resolution 93, the congressional budget resolution for fiscal year 1988.

Mr. Speaker, this budget is far from perfect. In particular, I am greatly concerned by what I view as excessive funding for defense programs. However, I believe that on balance, the budget conferees have done an admirable job of crafting a budget that is far preferable to the President's version. The resolution maintains or increases funding for urgently needed domestic spending programs, including a major increase for AIDS research, education and prevention. And it begins the process of identifying the real causes of our Nation's deficit ills and proposing substantive solutions.

There is incontrovertible evidence that our Nation's massive budget deficits are the direct result of the Reagan administration's unprecedented defense buildup and its extravagant tax giveaways to the wealthy. This resolution begins the process of restoring the revenues that are necessary to adequately fund the Federal Government. It calls for $19.3 billion in unspecified new revenues, to be included in reconciliation legislation later this year.

The resolution does call for a $6.4 billion increase in defense appropriations as compared to last year, for a total of $296.0 billion. I believe that the House resolution, which called for $288.7 billion in defense spending for the coming year, is far preferable in this regard. However, the level called for in the final agreement remains slightly less than what is required to maintain current defense programs when inflation is taken into account.

Moreover, the conferees have wisely made approval of these additional defense funds contingent upon the President's approval of reconciliation legislation that contains additional revenues. If the President is serious about a higher defense figure, he will have to give his approval to the taxes that are necessary to support that figure. If he chooses not to sign such legislation, the defense spending figure will revert to a level of $289 billion—very close to the initial House position.

The conferees increased fiscal year 1988 defense outlays more than they increased budget authority. This means that, if the President signs reconciliation legislation, the subsequent increase in defense spending will be more likely to accommodate growth in the personnel and readiness accounts rather than additional spending on weapons systems.

While the agreement calls for $6.75 billion in domestic spending cuts, it maintains or improves funding for programs that serve urgent human needs.

In the area of health care, the agreement prevents increased costs to Medicare beneficiaries and calls for improvements in Medicaid services to low-income elderly, children, and pregnant women. The resolution also calls for a major increase in funding for programs to combat the deadly AIDS epidemic.

The agreement also calls for an additional $2.2 billion over the amount required to keep pace with inflation for essential employment and training programs, including compensatory education, handicapped education, Pell grants and other need-based student financial aid, Head Start, and Community Services block grants. And it includes $550 million in new assistance to the homeless.

For natural resources and environment programs, the resolution recommends $2 billion more than the House resolution. And in the area of foreign aid, the agreement maintains full funding of assistance to Israel and Egypt.

However, despite these gains, funding for all domestic spending programs remains severely threatened by the Gramm-Rudman law. The arbitrary Gramm-Rudman deficit targets will continue to place pressure on the Congress to slash spending for urgent needs. And the efforts of many Members to restore automatic spending cuts, which were voided by the Supreme Court, will only exacerbate the problem.

The problem with Gramm-Rudman and with the other deficit snake oils that are now being hawked by the President is that they do not deal with the root causes of the deficit crisis. Until we reform wasteful defense spending practices and until we regain needed revenues, there will be no solution to our deficit ills.

We should not involve ourselves in debating the question of how Gramm-Rudman can be fixed, because that is not a realistic option. The initial passage of Gramm-Rudman was an unparalleled admission of failure and political cowardice, and efforts to restore or repair its enforcement mechanisms must be seen in the same light.

The Congress has proved that it can reach agreement on measures that place the deficit on a downward path without unduly burdening average Americans. We should approve this latest effort as crafted by the budget conferees. And we should then focus our efforts on preventing any ill-advised effort to restore mandatory spending cuts as an amendment to the debt ceiling legislation to be considered next month.

The time has come to recognize that a serious error has been made. We cannot stand by while the Gramm-Rudman law threatens the very future of programs that serve human needs. We must eliminate this threat and continue the task that has been begun with this budget resolution—the task of producing a realistic and sensible response to the deficit crisis.

The only amendment that should be offered to the debt ceiling increase is a simple amendment to repeal Gramm-Rudman.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes, for purposes of debate only, to the gentleman from New York [Mr. SCHUMER], a member of the Committee on the Budget.

Mr. SCHUMER. Mr. Speaker, what do you do when you are President, your popularity is plummeting, the Senate has gone to the other party, and the Irangate hearings grind on day after day. You try to create a smokescreen with your favorite issue—the budget.

But, Mr. President, the public has seen this movie. It is the same old plot, and they are not going to pay to see it again.

The public knows, Mr. President, that when Carter left office, the deficit was $60 billion, and it is $200 billion now. The public knows, Mr. President, that you have talked about a balanced-budget amendment for 6 years, and you have submitted a budget deliriously out of balance for 7. The public knows, Mr. President, that you have created a defense sinkhole replete with $600 toilet seats and $200 screwdrivers without a way to pay for it. And the public knows most of all, Mr. President, that the budget process is a process of compromise. The budget process requires that the House, the Senate, and the President meet to compromise, to bring the issues together, not to spread them apart, in order to get anywhere.

I would say to my colleagues on this side of the aisle and to my President that it is very easy to criticize; it is very hard to create. Yet we have a problem of such national consequence that we all must come together and create.

Mr. President, you can go anywhere that you want, you can make any speech that you choose, you can kick around any Member of this body whom you select, but the public will know that you are part of the problem, not part of the solution.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I rise in opposition to the rule and to the conference report.

Mr. Speaker, today you pass another budget resolution that is a collection of unrealistic assumptions, accounting gimmicks, quick fixes, fudged numbers, and unspecified tax increases.

You have taken fudging the numbers to a new level of absurdity by creating a new budget line for it. Why not amend the Budget Act to designate a function number 970 and call it the "Fudge Factor" function?

You fudge the numbers every year and no one seems to care. Deficit reduction has become a bad joke, and our kids will pay for the $200 billion annual punchline.

This budget is 10 weeks late, a whole week ahead of last year's pathetic pace.

Why did it take the Democrat conferees 10 weeks to agree to eliminate all spending restraint, except in defense?

The House gave up its only real cuts in natural resources and space programs while the other body gave up on trying to restrain health and welfare.

So, taxes are up and defense is down. I wonder why it took the Democrats 10 weeks to do this?

Yes, Mr. Speaker, this was the year your party was to retake control of the agenda, to prove you could lead.

What did you come up with?

The $7.2 billion in revenues from writing down REA loans. This scheme from the party that has denounced asset sales in public but can't resist them in conference.

This budget doesn't achieve any real savings.

It includes that hoary old IRS enforcement gimmick which never works.

And most galling to me is that it assumes we will save money on debt interest payments after passage of the Gephardt trade amendment by this House that subsequently kicked market rates up and derailed many American's plans for homeownership.

And what Democrat budget would be complete without a big tax hike.

And $64 billion over 3 years, we know not where from.

That means either reopening the Tax Reform Act or massively increasing excise taxes that punish the less fortunate.

In the end, the taxes won't happen, but the spending will and will just be added to the deficit.

In the end, the reconciliation bill won't reconcile anything, the continuing resolution will continue everything, and the fiscal integrity that is the foundation of our liberty will suffer another body blow.

And I cannot help but wonder how much more we can take.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska [Mr. DAUB].

Mr. DAUB. Mr. Speaker, I say to my colleagues that this budget is antieducation, it is antielderly, it is antihealth care, and it is antifarmer. I thought that my colleagues who now control both Houses, the other body and this one, in presenting the first new product of their legislative career—that is, totally, firmly being in control of the Congress of the United States—could do better than to take a page out of Walter Mondale's book and try to sell a tax increase to the American people. It is 19 billion dollars' worth of new taxes out of a $1 trillion budget baseline. Surely we could cut $19 billion out of $1 trillion spending baseline instead of raising 19 billion dollars' worth of new taxes.

Twelve million new jobs in the last 6 years, 9 million of them paying over $5 an hour; interest rates that were 21 percent, inflation rates that were 17 percent, and unemployment that was 13. Hardly a very compassionate measure of the legacy of Democratic controlled tax policy in this country for the 4 years prior to Ronald Reagan assuming the leadership of this country.

□ 1405

From 1966 to 1972 and from 1980 to 1986, if you measure the percent of tax increase as it relates to the percent of deficit, you will find that every time we raise taxes the deficit grows, it does not reduce itself.

The only way to increase the potential for a deficit reduction is by increasing the productivity of America or by cutting spending. History is clear. Churchill said if you know it you can make it. If you ignore it you do so at your peril.

Every time Democrat controlled Congresses have raised taxes, the deficits have increased, not decreased.

This budget resolution is bad policy, bad economics and will end up to be bad politics. I cannot say that I am sorry to see the protax lobby find out at the polls how bad politically their protax position will be, but I hate to see this country pay for it through such folly from the loss of jobs, less growth and higher inflation.

Mr. Speaker, this flies in the face of recent history. There is a direct correlation between recent tax increases and deficit growth.

From 1966-72 the average tax rate was 17.25 percent. The deficit was 0.9 percent of GNP. From 1972-79 the average tax rate went up to 18.48 percent. Despite higher taxes, the deficit as a percent of GNP doubled to 1.8 percent.

From 1980-86 taxes went up to a 19.8 percent average rate. Contrary to what the protax lobby would have us believe, higher taxes were again accompanied by a large deficit increase. In fact, higher taxes coincided with the highest deficit growth we've had. The deficit has quadrupled to 4 percent of GNP during this latest tax rise.

In spite of this evidence, the protax lobby insists that increasing taxes by $65 billion over the next 3 years will finally resolve the deficit. This just isn't true.

Economic growth brings in additional tax receipts without raising rates. In fact, with 3.5 percent growth we will have about $75 billion in additional receipts. However, this growth isn't enough for the protax party. They want to add $20 billion this year and $65 billion over 3 years.

Let's vote down this tax increase.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Speaker, I just got a good laugh out of the last speech that we just heard, and I hope my colleagues will pay some attention to what I say.

Yes, we are living well, interest rates are down, employment is up, everything is fine. It is no problem living on borrowed money.

The trouble is we are borrowing it from our children and our grandchildren. That is the legacy of the Reagan administration.

Sure, everything is fine, we are doing real well. None of us have ever lived better, but who is going to pay the bill? The poor people that are saddled with that increase in the budget deficit, the debt that is subject to regulation of $1.3 trillion.

All that the Reagan administration has done for all of this peace and prosperity right now is to pass on the requirement to pay for it to our children and our grandchildren.

Mr. LATTA. Mr. Speaker, I yield the balance of my time to the gentleman from Minnesota [Mr. FRENZEL].

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The gentleman from Minnesota is recognized for 3 minutes.

Mr. FRENZEL. Mr. Speaker, this rule is unworthy of our votes. Notwithstanding the other flaws, such as waivers, it ought to be voted down simply because it makes in order what is probably the worst budget that has ever been presented on the floor of this House.

We have used fake numbers which we know are not any good. We have built on false numbers of last year which we knew were not any good. We have increased spending with the exception of national security which we have effectively now frozen for the third straight year. Would that we had the courage to freeze everything else for 3 straight years. And worst of all, we have now added another $20 billion of tax revenues, or nearly $65 billion over 3 years.

The House is obviously ruled by the dead hand of Walter Mondale. It not only likes taxes; it is fascinated by them. The very thought of raising taxes causes many majority Members to salivate.

The Democrats have added new starts into this budget, and that is one reason that they need the new taxation. The budget has more new spending in it than it has total tax money. The net result is that we have spent this year, as we have spent in every other year, all of the new tax money that is provided. None of the increased taxes goes to reduce the deficit.

There has been talk about saving by reducing spending. The real savings are minuscule. By the time you take out the sale of assets and the user fees and the other usual scams, and you come to reconcile savings, there is less than $4 billion.

It is almost impossible to labor all year and produce such scant savings. It is as though we did not meet at all. There was almost no reason to be here because all we could save was $3½ billion out of our huge trillion-dollar budget. This Democrat budget achieves less than one-tenth of the spending reductions required to put our country on the right track again.

Parenthetically, I bet very few Members know there is $100 million in this budget to pay for Senators to be able to reelect themselves. So, all of you who would like to give money to the Senate, be sure and vote for this budget. In so doing you will be gratifying the Senate majority. It needs the money.

Our Democrat friends have said that the President is intransigent, that he is recalcitrant, and that he will not negotiate with them. Can my colleagues imagine that he should agree to taxes which he does not think make any sense? Should he help the spenders pay for their new spending programs, the new starts that they will bring forward in reconciliation, and the increases that they have given to the old programs?

Did they accept any of the President's ideas? Of course not. They said his budget was dead on arrival. And they accepted almost none of his rescissions. Over the years, Congress has approved less than 2 percent of President Reagan's rescissions.

Obviously, the recalcitrance is here. It is the majority leadership of this House which is intransigent. On their record, the House Democrats all are frozen in concrete.

We do not have a process problem. We do not have a problem in the White House. We have a problem right here in the House of Representatives. It is not the procedures that do not work, it is the membership that does not work.

Mr. DERRICK. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I do not intend to take the entire time, but let me just say that I encourage everyone, Democrats and Republicans, to support the rule and to support the budget resolution.

Fortunately, I guess, or unfortunately, one way or the other, someone has to govern this country, and we have chosen to ask the people to let us do so, and they have. Based on that, I think the only responsible thing to do is to support this budget.

Sure, there are a lot of things in the budget that I would rather have another way, and I am sure anyone in this body can say that. But it does give us a blueprint to move through with a 1988 budget that this Nation must have, and I ask everyone to vote for the rule and for the budget.

Mr. Speaker, I yield back the balance of my time and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 245, nays 179, not voting 9, as follows:

[Roll No. 202]

YEAS—245

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Hughes
Hutto
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Richardson
Robinson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yatron

NAYS—179

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Huckaby
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Parris
Pashayan
Petri
Porter
Pursell
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Yates
Young (AK)
Young (FL)

NOT VOTING—9

Badham
Boner (TN)
Bonior (MI)
Daniel
Dymally
Gephardt
Packard
Ray
Tauzin

☐ 1435

Mr. BENNETT changed his vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to House Resolution 201, House Resolution 197 implementing budget procedures in the House of Representatives for fiscal year 1988 is hereby laid on the table.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2712, INTERIOR AND RELATED AGENCIES APPROPRIATION, 1988

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 206 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 206

Resolved, That all points of order for failure to comply with the provisions of clause 2(l)(6) of rule XI and clause 7 of rule XXI are hereby waived against the consideration of the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes. During the consideration of the bill, all points of order against the following provisions of the bill for failure to comply with the provisions of clause 2 of rule XXI are hereby waived: beginning on page 2, lines 1 through 24; beginning on page 4, line 7 through page 6, line 5; beginning on page 7, line 19 through page 9, line 2; beginning on page 12, line 12 through page 13, line 5; beginning on page 13, lines 23 through 26; beginning on page 16, lines 3 through 21; beginning on page 18, line 3 through page 19, line 6; beginning on page 38, line 14 through page 40, line 2; beginning on page 46, line 23 through page 53, line 3; beginning on page 55, line 1 through page 57, line 11; beginning on page 61, line 1 through page 62, line 3; beginning on page 70, lines 1 through 21; and beginning on page 71, lines 5 through 15.

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Missouri [Mr. TAYLOR], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 206 is a rule to facilitate consideration of H.R. 2712, the bill making appropriations for the Department of the Interior and related agencies for fiscal year 1988.

Since general appropriations bills are privileged, the rule does not provide any special procedures for consideration of the bill. The bill will be considered under the normal legislative process for appropriations bills. The time devoted to general debate will be determined by a unanimous-consent request. Additionally, the bill will be open to amendment under the 5-minute rule. Any amendment which does not violate the rules of the House will be in order.

All points of order against the bill for failure to comply with clause 2(l)(6) of rule XI are waived. This provision requires that committee reports be made available to Members 3 days prior to consideration on the floor.

Mr. Speaker, the rule also waives clause 7 of rule XXI which requires that relevant printed hearings and reports on appropriations bills be available 3 days prior to House consideration. While reports for this measure were filed on June 18, printed copies of hearings have been available since June 17.

Finally, Mr. Speaker, the rule waives clause 2 of rule XXI which prohibits unauthorized appropriations and legislative provisions in general appropriations bills. The precise provisions of H.R. 2712, for which the waivers are provided, are detailed in the rule by reference to page and line numbers in the appropriations bill.

I might add, Mr. Speaker, that the chairman of the Interior and Insular Affairs Committee supports these waivers.

Mr. Speaker, H.R. 2712 provides appropriations for the Department of the Interior and related agencies including the National Park Service, Bureau of Land Management, U.S. Fish and Wildlife Service, historic preservation funds as well as the strategic petroleum reserve.

Many of the committee's initiatives relate to the protection of natural resources on public lands, development of new energy sources and continued commitment to conserve our natural heritage. Many of the programs funded in this bill have an impact on our daily lives.

Mr. Speaker, more than a century ago Congress established the National Park System to protect our lands, water, and wildlife for the enjoyment of future generations of Americans. Funding for the Park Service's Land Acquisition Program contained in this bill continues this proud tradition. This year alone, the Park Service estimates that 360 million Americans will visit the over 300 parks throughout the United States.

Funding for the Historic Preservation Program provides State grants to prevent the destruction of historically significant buildings in our local communities.

In the area of clean coal technology, the committee provides funding for projects helping industries develop technologies to burn coal more efficiently and with less pollution.

Mr. Speaker, the Interior appropriations bill enjoys widespread support largely due to the work of the distinguished chairman of the Interior Subcommittee, Mr. YATES, and the ranking minority member, Mr. REGULA. Mr. YATES has ably served as chairman since 1975 and has gained the respect of the Members of this Chamber for his strong leadership and unwavering support for the arts, efforts to preserve our environment and developing alternative energy sources.

Mr. Speaker, I strongly urge my colleagues to adopt this rule and support this appropriations measure.

Mr. TAYLOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 206 is a rule waiving various points of order against consideration of a bill which appropriates $9.4 billion in new budget authority in fiscal 1988 for management preservation of our Nation's natural resources.

The rule waives points of order against the Interior and related agencies appropriations bill for fiscal 1988, H.R. 2712.

The rule is necessary in order to allow timely consideration of the bill. It therefore waives points of order that would otherwise lie against the bill for failure to comply with clause 2 of rule XI and clause 7 of rule XXI.

Mr. Speaker, clause 2(l)(6) of rule XI requires reported bills to be available for at least 3 calendar days prior to consideration in the House. Clause 7 of rule XXI requires printed committee hearings and a committee report to be available for at least 3 calendar days prior to consideration of a general appropriation bill in the House.

In the case of the fiscal 1988 appropriations bill for the Department of the Interior and related agencies, the Committee on Appropriations filed the reported bill only last Thursday, June 18.

The leadership wants to bring the bill up later today, and these two waivers are included in the rule because of the floor schedule. The Appropriations Committee was asked by the leadership to be ready today, and the Rules Committee is providing the necessary waivers to facilitate House consideration of the bill.

Mr. Speaker, H.R. 2712 appropriates $9.4 billion for the Interior Department and related agencies for 1988. The bill is $1.1 billion more than was appropriated for these programs in fiscal 1987, and is $1.5 billion higher than the budget request of the administration.

Among the major budget increases are: $633.3 million more than requested for Energy Department programs; $438.3 million more than requested for the Interior Department; $214.1 million more than requested for Indian health care programs; and $209.5 million more than requested for the Forest Service.

Mr. Speaker, the rule also waives points of order that would otherwise lie against 16 specified provisions of the bill, for failure to comply with clause 2 of rule XXI.

Clause 2 of rule XXI prohibits appropriations for any expenditure not previously authorized by law and also prohibits legislation on an appropriations bill.

Mr. Speaker, the waivers recommended by the Committee on Rules are necessary because the specific provisions have either not been authorized by law or do constitute legislation.

I shall not detail each provision for which we have waived clause 2 of rule XXI, but I do ask unanimous consent to insert in the RECORD at this point a copy of a letter from the distinguished chairman of the Committee on Appropriations, the gentleman from Mississippi [Mr. WHITTEN] outlining and explaining the need for these waivers.

Mr. Speaker, the administration has notified the Committee on Rules that it opposes H.R. 2712 in its present form. I shall not detail the specific objections raised by the Office of Management and Budget, but I do ask unanimous consent to insert in the RECORD at this point extraneous material, which is the statement we received from the administration.

Mr. Speaker, both the chairman and ranking Republican member of the Interior Appropriations Subcommittee appeared last Thursday before the Rules Committee to request the waivers provided in this rule. I want to extend my congratulations to both the gentleman from Illinois [Mr. YATES] and the gentleman from Ohio [Mr. REGULA] for their balanced approach to this bill.

H.R. 2712 balances our energy conservation, research and development policies with long-standing stewardship requirements the Congress has followed in order to preserve our Nation's great natural resources.

Mr. Speaker, I want to conclude by mentioning that the rule does not preclude Members from offering amendments to reduce funds in specific accounts, or any germane limitation amendments.

Members who have amendments, or who want to lower new budget authority amounts should support this rule so that the House can proceed to consider the bill.

COMMITTEE ON APPROPRIATIONS,
Washington, DC, June 18, 1987.

Hon. CLAUDE PEPPER,
Chairman, Committee on Rules, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Committee on Appropriations on June 18 reported the Department of the Interior and Related Agencies Appropriations bill for the fiscal year ending September 30, 1988.

It has become necessary, in order to meet deadlines, that we include appropriations for a number of programs for which legislation has not yet been enacted and several legislative provisions for which a waiver of Clause 2, Rule XXI is requested. With respect to the lack of authorization for appropriations, representatives of the legislative committees of jurisdiction have been contacted and we know of no objections. We are also asking for a limited number of waivers for legislative provisions contained in the bill. At this time we know of no objections to them by the committees of jurisdiction. A list of specific requests for waivers is enclosed.

In addition to those items of which you were apprised previously, the Committee requests a waiver of Clause 2, Rule XXI for a legislative provision, which was inadvertently omitted from the list provided. Section 302, Title III—General provisions prohibits the sale of unprocessed lumber from certain Federal lands for export or for substitution for private lumber which is exported.

The Committee appreciates your continued cooperation.

Sincerely,

JAMIE WHITTEN,
Chairman.

Enclosures.

REQUESTS FOR WAIVER OF CLAUSE 2, RULE XXI—DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS, FISCAL YEAR 1988

1. Bureau of Land Management, Management of lands and resources; construction and access; range improvements; service charges, deposits and forfeitures; and miscellaneous trust funds. The Committee recommends a total appropriation of $511,431,000 for these programs, which were authorized through fiscal year 1984. To date, legislation to begin providing specific annual authorization again has not been introduced in the House.

2. United States Fish and Wildlife Service, Resource Management. The Committee has recommended an appropriation of $335,524,000 for this account, including $30,670,000 for Endangered Species. Legislation authorizing $35,000,000 for Endangered Species (HR 1467) has been introduced and referred to the Merchant Marine and Fisheries Committee.

3. United States Fish and Wildlife Service, Construction and Anadromous Fish. The Committee has recommended an appropriation of $21,054,000 for this account, including $2,000,000 for anadromous fish grants. No authorizing legislation for anadromous fish grants has been introduced in the House.

4. National Park Service, John F. Kennedy Center for the Performing Arts. The Committee has recommended an appropriation of $4,920,000. Congress has periodically extended the authorization for the Center, but no authorization legislation currently is pending.

5. Geological Survey, surveys, investigations, and research. The Committee has recommended an appropriation of $447,324,000 for this account, including $35,040,000 for earthquake hazards reduction. Legislation authorizing $36,540,000 for earthquake hazards reduction (HR 1612) passed the House on June 8, 1987.

6. Department of Energy, Fossil energy research and development; Naval petroleum and oil shale reserves; energy conservation; economic regulation; emergency preparedness; Strategic Petroleum Reserve; SPR petroleum account; and Energy Information Administration. The Committee recommends a total appropriation of $1,688,662,000 for these programs. $291,000,000 out of $603,744,000 for the SPR petroleum account was authorized by the Omnibus Budget Reconciliation Act of 1986 (PL 99-509), and $157,692,000 for the Strategic Petroleum Reserve is authorized by PL 99-272, the Budget Reconciliation Act of 1985. The remaining amounts are ongoing programs of the Department for which annual authorizing legislation has not been reported in the House.

7. Department of Health and Human Services, Indian Health Services. The Committee recommends a total appropriation of $943,388,000 for Indian health services. Included in this total is $9,424,000 for urban health projects and $7,646,000 for Indian health manpower, which were authorized by the Indian Health Care Improvement Act. Reauthorization for those programs is contained in HR 2290 reported by the Committee on Interior and Insular Affairs. The Committee on Energy and Commerce has yet to report the bill.

8. Department of Education, Indian Education. The Committee recommends an appropriation of $66,343,000 for Indian education. Included is $63,877,000 for Parts A, B, and C of the Indian Education Act, authorization for which is contained in HR 5 which passed the House on May 21, 1987.

9. Navajo and Hopi Indian Relocation Commission, Salaries and expenses. The Committee recommends a total appropriation of $25,270,000 for the Commission. Of that amount $18,800,000 for housing and home repair is not authorized. No authorizing legislation has been introduced in the House.

10. United States Holocaust Memorial Council. The Committee has recommended an appropriation of $2,145,000 for the Council. No authorizing legislation has been introduced in the House.

For items 1 through 10 a waiver of Clause 2 of the Rule XXI is requested, because of lack of annual authorization.

In addition, a waiver of Clause 2 of Rule XXI is requested for the following legislative provisions:

11. National Park Service, Construction. This section provides not to exceed $300,000 for assistance to Mariposa County, California, for a solid waste disposal facility which would serve Yosemite National Park. This type of assistance is not specifically authorized.

12. Minerals Management Service, Leasing and royalty management. This section changes the basis of the distribution of minerals receipts to States.

13. Forest Service, Administrative provisions, forest service. A paragraph within Administrative provisions places a ceiling on amounts available for timber supply from, protection and management, and resource protection on the Tongass National Forest.

14. Department of Energy, Clean coal technology. This section provides for a solicitation of projects for coal technologies to reduce pollution from existing facilities, under specific conditions. The overall clean coal technology program is authorized.

15. Title III—General provisions, Section 302. This section prohibits the sale of unprocessed lumber from certain Federal lands for export or for substitution for private timber which is exported.

INTERIOR APPROPRIATIONS BILL, FISCAL YEAR 1988

1. On page 24, line 7, strike "$965,956,000" and insert "$966,452,000".

2. On page 27, line 20, strike "$1,282,000" and insert "$1,482,000".

3. On page 47, strike lines 4 through 8.

4. Beginning on page 47, line 18, strike all through page 47, line 21, and insert: "$50,000,000 are appropriated for the fiscal year beginning October 1, 1987, and shall remain available until expended, $200,000,000 are appropriated for the fiscal year beginning October 1, 1988, and shall remain available until expended, and $100,000,000 are appropriated for the fiscal year beginning October 1, 1989, and shall remain available until expended."

5. On page 47, line 13, before the period, add "in fiscal year 1988".

6. On page 77, strike line 11 and all lines that follow through page 78, line 4.

STATEMENT OF ADMINISTRATION POLICY

(H.R.——Interior and Related Agencies Appropriations Bill, 1988 (Sponsor: Yates (D), Illinois))

The bill is unacceptable to the Administration. If the bill were presented to the President in its present form, the President's senior advisers would recommend that he veto it.

The Administration is pleased that the Committee has once again approved the concept of deducting Federal administrative costs before distributing Federal onshore mineral leasing receipts between the States and the Treasury. The Administration also is pleased that additional funding has been provided for the Clean Coal Technology Program, but urges the House to amend the bill to restore the full five-year, $2.5 billion funding mechanism requested by the Administration, in order to fulfill the United States' committment to Canada to implement the recommendations of the Special Envoys on Acid Rain. Finally, we are pleased that the Committee has provided funds for sustaining a 75,000 barrel per day fill rate for the Strategic Petroleum Reserve even though this is less than the President's recent energy security recommendations to Congress supporting a 100,000 barrel per day fill rate provided that budget offsets are made available to cover its higher costs.

Nevertheless, the bill is unacceptable, and if the bill were presented to the President in its present form, the President's senior advisers would recommend that he veto it. In considering the acceptability of Congressional action on appropriations bills, the Administration will use as its benchmark the budgetary resources (i.e., budget authority, obligation limitations, and loan limitations) requested by the President for discretionary programs. The Committee's action exceeds that benchmark by $1.8 billion. The major increases over the levels included in the President's Budget are for items that can be easily delayed or are of a purely local rather than national interest. The national importance of achieving the deficit reduction targets of Gramm-Rudman-Hollings vastly outweighs the marginal value of these increases.

Of particular concern to the Administration are:

An unwarranted increase of $327 million (41 percent) for the Indian Health Service, including increases for contract care (fees for which in reality are declining), unnecessary hospital facilities, and sanitation facilities funded more appropriately elsewhere.

Increases of $194 million (130 percent) in Fossil energy research and development and $240 million (80 percent) in Energy conservation, which would finance programs that are properly the responsibility of, and that should be supported by, the private sector and/or State governments. In particular, the Administration urges no funding for conservation grants since States have received large settlements from Exxon Corporation and other overcharges.

Numerous small increments to the President's Budget. The Committee added small amounts of money for a large number of items that are of low priority or can be delayed easily (such as grants to States for recreation programs and land acquisition) or are of a purely local rather than national interest (park, fish, and wildlife, and Indian construction projects; demonstration, research and technology projects; and support of the arts in Washington, D.C.). The result is a rather large increase that should be reduced by the full Committee.

Moreover, the bill contains a number of objectionable language provisions. The most troublesome of these relates to Outer Continental Shelf (OCS) leasing activities off the East coast. This provision would threaten our future energy security by placing large OCS areas off limits to leasing. By refusing to allow responsible and environmentally safe study and exploration of our most promising OCS areas, the Committee action will surely increase our dependence on foreign sources of oil. The Administration is also strongly opposed to the requirement that structures on the OCS contain at least 50 percent U.S. materials.

Other provisions in the bill overstep legislative functions (particulary those enunciated by the Supreme Court in *INS v. Chadha)* by requiring Congressional Committee approval of Executive Branch actions and impede the ability of the Executive Branch to manage properly and effectively its responsibilities. The most objectionable provisions involve micromangement instructions (the Bureau of Indian Affairs, the Bureau of Mines, the Mineral Management Service, and the Office of Surface Mining), and exemptions from personnel ceilings necessary for prudent management of the Executive Branch by the President. We strongly oppose efforts to infringe upon the constitutional authority and legitimate policy and managerial functions of the Executive Branch.

It is crucial to the efficient management of the Nation's affairs that mutually acceptable decisions be made expeditiously in the budget process generally and the appropriations process in particular. It is equally important that these decisions support both national priorities and the fiscal restraint required by the Gramm-Rudman-Hollings Act. The Administration is prepared to work with Congress toward these ends.

The Administration urges the House to eliminate the unwarranted spending increases and objectionable language provisions in the bill so that the President's senior advisers could recommend that he sign it.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. TAYLOR. Mr. Speaker, I yield to the gentleman from Pennsylvania [Mr. WALKER] for an inquiry that he would like to make regarding this rule.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding.

I wanted to inquire of the gentleman from South Carolina [Mr. DERRICK]. The rule makes in order, as I understand it, consideration of the bill as printed, is that correct?

Mr. DERRICK. That is correct.

Mr. WALKER. That is H.R. 2712, Union Calendar No. 98?

Mr. DERRICK. That is right.

Mr. WALKER. I went through here, and I found a little bit of a problem in trying to figure out what we were waiving, because as I went through the bill as printed, when I got to the beginning on page 70, lines 1 through 21, the bill as printed has no page 70 in it.

Instead, the bill as printed evidently starts and begins taking up the legislative appropriation bill at page 17, after page 64 in the bill?

Mr. DERRICK. The gentleman must have a copy that has been misprinted. I have a copy that has a page 70.

Mr. WALKER. I have a copy here. Maybe the minority has been supplied with incorrect bills here, but I just went back here and pulled a bunch of them off the stack in the back here.

Mr. DERRICK. We have not been reduced to that yet, I assure the gentleman.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

Mr. DERRICK. It is apparently simply a printing error, but we have copies available.

□ 1450

Mr. WALKER. Mr. Speaker, are we assured that in fact the waivers made in order under the rule do in fact match up with the bill, so that we are in fact approving a rule that speaks to the bill as printed?

Mr. DERRICK. The gentleman has my assurance.

Mr. WALKER. I thank the gentleman, and I will tell the gentleman that there evidently has been a fairly serious printing error, because there are pages missing. The Legislative Appropriations Act has been inserted in the middle of the Interior Appropriations Act and it is going to cause some confusion to people who come on the floor and try to look through the bill, so we had better make certain we have the right bill.

Mr. DERRICK. Well, I apologize to the gentleman. The gentleman has apparently found a mistake that we made.

Mr. WALKER. Well, I think we ought to warn our colleagues that when they pick up a copy of the bill, they had better make certain they have the right bill, because there are some of them here that are bad, and I thank the gentleman.

Mr. TAYLOR. Mr. Speaker, I thank the gentleman from Pennsylvania for calling attention to the error that has obviously been made in the printing of these bills. I think it is well that it has been called to the attention of the body.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DERRICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 322, nays 100, not voting 11, as follows:

[Roll No. 203]

YEAS—322

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly

Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers

Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Shaw
Sikorski

Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (FL)

NAYS—100

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bentley
Bilirakis
Bliley
Boulter
Brown (CO)
Bunning
Burton
Callahan
Chandler
Cheney
Coble
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich

Grandy
Gregg
Gunderson
Hansen
Hastert
Hefley
Henry
Hiler
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hyde
Inhofe
Kasich
Lagomarsino
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Michel
Miller (WA)
Moorhead

Oxley
Petri
Porter
Pursell
Ridge
Roberts
Roemer
Roth
Saiki
Schaefer
Schuette
Sensenbrenner
Shumway
Shuster
Skeen
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Young (AK)

NOT VOTING—11

Badham
Boner (TN)
Bonior (MI)
Buechner

Daniel
Dymally
Gephardt
Kemp

Packard
Ray
Tauzin

□ 1505

Mr. UPTON and Mr. DAVIS of Illinois changed their votes from "yea" to "nay."

Mr. HERGER changed his vote from "nay" to "yea."

So the resolution was agreed to.

The results of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 93, CONCURRENT RESOLUTION ON THE BUDGET—FISCAL YEAR 1988

Mr. GRAY of Pennsylvania. Mr. Speaker, pursuant to the provisions of House Resolution 201, I call up the conference report on the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the U.S. Government for the fiscal years 1988, 1989, and 1990.

The Clerk read the title of the concurrent resolution.

□ 1515

The SPEAKER. Pursuant to House Resolution 201, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Monday, June 22, 1987, at page 16879.)

The SPEAKER. The gentleman from Pennsylvania [Mr. GRAY] will be recognized for 30 minutes and the gentleman from Ohio [Mr. LATTA] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. GRAY].

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I submit for your approval the conference agreement on the budget resolution for fiscal year 1988. The conference that produced this agreement was long and arduous.

In all likelihood, this budget is not the best that any of us might design individually. It was the result of negotiation and compromise. But this agreement does preserve the domestic priorities embodied in the budget resolution we passed more than 2 months ago. In areas like defense and revenues, it is closer to the House version than the Senate's. And it achieves $36.85 billion in real deficit reduction—under any set of estimating assumptions.

This is a pay-as-you-go plan that allows the President to choose a budget with higher defense spending and greater deficit reduction, or one with lower defense spending and a larger deficit. The choice is his. There will be no more borrowing to finance his defense program. In effect, we have torn up the President's credit card, and told him he no longer can follow his policy of borrow and borrow, spend and spend.

I believe the House conferees did very well in the negotiations with the Senate. The agreement maintains the figures we assumed in our resolution for emergency national priorities. It includes $970 million for AIDS research, education, and prevention. It includes an additional $550 million for assistance to the homeless. And it provides funding for other new initiatives in areas like education, child development, trade, and welfare reform.

As the people's house we stressed the people's priorities in the conference, and we were successful in preserving our funding levels for education, health, Medicare, income security, and community and regional development.

The agreement ties the level of defense spending to the President's acceptance of revenues for deficit reduction. If he signs reconciliation, defense would be funded at $296 billion in budget authority and $289.5 billion in outlays. If he doesn't sign reconciliation, defense budget authority would be $289.0 billion and outlays would be $283.6 billion.

If the President accepts revenues for deficit reduction, defense spending could grow by $6 billion in 1988, bringing it nearly to the inflation-adjusted CBO baseline. However, the agreement on budget authority of $296 billion, contingent on the President's agreement to reconciliation, lowers substantially any commitment to higher defense spending in the outyears.

Finally, we reached agreement on new revenues that are far closer to the figure in the House resolution than the one proposed by the Senate. The Senate resolution called for $119 billion in new revenues over 4 years—$18.3 billion the first year, $30.5 billion the next 2 years, and $39.5 billion in the final year. Our resolution proposed $57.0 billion in new revenues over 3 years, with modest year-to-year increases from $18 to $19 to $20 billion.

The agreement calls for $64.3 billion in new revenues over 3 years—$19.3 billion the first year, $22 billion the second, and $23 billion the third. We believe this lower figure is politically and substantively more realistic than the higher Senate number. Nevertheless, it will reduce substantially both the future deficit problem and the pressure for excessive spending cuts in vitally needed programs.

My friends, this conference agreement deserves the support of all Members of this body. It is not only a workable plan that provides for all of the important needs of the Nation—it is a responsible plan. It is a plan that will lead us out of the valley of debt and onto the high ground of fiscal responsibility.

The President has criticized this plan. He says he wants reforms in the budget process before he'll even talk to us about the budget. But it has been 6 months since the President sent us his unrealistic, irresponsible budget proposal, and the American people want to know where this Government is headed.

Just because the President wants to shift attention away from his other troubles, we cannot let ourselves be distracted from the need to put our fiscal house in order. He has Iranscam; we've got to stop the budget scam. He had Contragate; now we have to close the deficit gate.

The American people expect straightforward talk from their elected Representatives. The American people are tired of the President's empty rhetoric—and his empty promises.

When a Presidential candidate promises to balance the budget within 3 years—then more than doubles the national debt in his first 6 years in office—and then has the audacity to renew has call for a constitutional amendment to balance the budget—the American people know they are not being told the truth.

When the President says he wants to reduce the deficit—then sends us a budget that includes new taxes—and then says he'll veto any bill to raise new revenues—the American people know they are not being told the truth.

My friends, this is a budget that reflects the hopes and desires of the American people, their priorities—and their sense of reality.

It's a budget that tells the President there's no free lunch, that we have to begin to pay as we go, not just shift the burden to future generations.

And it's a budget that tells our citizens at home—and our allies abroad—that we are prepared to act responsibly, even when the decisions are difficult.

My friends, these are the messages we need to send, and this budget will send them. I urge your approval.

Is this the absolute best budget in the world? I will be the first to say no, it is not. But it is the best one that we can produce now with the consensus that is available, since our Republican friends are not participating in the process.

I would simply say to those who will stand here today and urge you to vote no, where is their budget? They did not produce one several weeks ago. They still do not have one, and they voted against their own President's budget.

We need to send a message and that message is that we will make some difficult decisions, we will reduce the deficit by over $36 billion, and we will achieve a compromise in order to do it.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the distinguished gentleman from Florida [Mr. FASCELL], the chairman of the Foreign Affairs Committee.

Mr. FASCELL. Mr. Speaker, I thank the gentleman from Pennsylvania, chairman of the Budget Committee, for yielding, and want to commend him for the outstanding job he has done as well as the committee.

But I do want to engage in a colloquy now with regard to the actions of the conference committee on the budget resolution. Could the gentleman advise me as to how much this conference report assumes for the international affairs function and how any reductions from currrent levels for that function would be allocated?

Mr. GRAY of Pennsylvania. The conference report assumes $16.2 billion in budget authority, $16.1 billion in outlays for that particular function. This represents a reduction of $150 million in budget authority and $100 million in outlays from the House-passed version of the budget resolution.

The conference committee did not make any specific assumptions about how program cuts would be allocated except that countries covered by the Camp David agreements are assumed to be protected.

Mr. FASCELL. So the conference committee, in accordance with the House rules and the Budget Act, has given total discretion to the authorizing committees and the Appropriations Committee to allocate any reductions among the numerous authorizations and appropriation measures in the international affairs function?

Mr. GRAY of Pennsylvania. The gentleman from Florida is absolutely correct. The final allocations of spending will be made by the committees of jurisdiction. They are not made in this budget by the Budget Committee.

Mr. FASCELL. I thank the gentleman and again want to express my appreciation to him and the members of the Budget Committee for giving us this opportunity. Otherwise, speaking just for our Committee on Foreign Affairs, we would have had a disaster on our hands.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. GRAY of Pennsylvania. I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I guess my question is a follow-on or just an expansion. The gentleman from Florida was speaking especially of the State Department and foreign affairs, but the same answer would apply to all departments, would it not?

Mr. FASCELL. In the 150 account.

Mr. GRAY of Pennsylvania. The answer would apply to the 150 account. It would also apply in general in the budget where there are no specific assumptions made that are not reconciled.

As the gentleman well knows, the gentleman was one of those who helped to draft the Budget Act several years ago, the authorizing and appropriation committees make the final assumptions with regard to the allocations specifically unless we specify in reconciliation. We set ceilings, we have set targets, which are not to be exceeded. As the gentleman well knows, we issue reports on those 302(a) ceilings.

So the gentleman's understanding about the budget would be correct.

Mr. SMITH of Iowa. I thank the gentleman.

Mr. GRAY of Pennsylvania. Mr. Speaker, I reserve the balance of my time.

The SPEAKER. The gentleman from Pennsylvania [Mr. GRAY] has consumed 11 minutes.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. Mr. Speaker, this debate has posed the question of which is better—tax and spend or borrow and spend—nobody has stood up and said "Why not just cut spending?"

Deficit projections for fiscal 1988 and the outyears are guesses at best. This Democrat document is official certification by the majority party in this Congress that Gramm-Rudman is dead in law and spirit. This document will be ignored at the first opportunity, points of order will be waived, and this 5 weeks of waiting and doing nothing will have gone for nothing.

This budget is a sham document. The numbers are "cooked" and everyone here knows it.

The test of the budget document is not the rhetoric of today, it is when appropriation measures come before the House and we choose to forget about our fiscal responsibility speeches.

The test is when we have late-night sessions to pass a continuing resolution to fund the Government because the majority party has been unable or unwilling to pass appropriation measures.

Unfortunately, the Congress has failed this test year after year.

The majority talks of taking the leadership role on the issue of the budget. Their idea of leadership is to bite their lip and vote to waive points of order against budget act violations—something they did 106 times last year.

We listen to these speeches from the other side of the aisle regarding their fiscal responsibility; we hear of these cuts that have been imposed on so many programs; how they held back the rate of increase in defense spending and tied it to a tax increase; nondefense items didn't have that tax increase threat attached.

The facts of this document are clear—spending will go up next year, taxes will go up next year, and not one nondefense program has been cut from the budget. This is not the type of leadership this country needs.

Department of the Interior appropriations is due to come before this body today. Interior functions for fiscal year 1988 are scheduled to increase by 13.6 percent. Related agencies alone are scheduled to increase by 23.3 percent over the fiscal year 1987 figures.

The energy and water appropriations for fiscal year 1988 is scheduled to increase over fiscal year 1987 by 7.6 percent.

When I first came to Congress, spending for fiscal year 1981 was $688 billion. For fiscal year 1988 the Democrats propose spending $1.041 trillion—a 51-percent increase.

Receipts for fiscal year 1981 totaled $559 billion. In fiscal year 1988 we are asked to accept $933 billion—a 56-percent increase, yet deficits increased from $79 billion in fiscal year 1981; $165 to $175 billion in fiscal year 1989; and roughly the same figures for fiscal year 1988.

We are asked to accept another $19.3 billion in unspecified taxes as a way of closing the deficit. Over the past 50 years, Congress has enacted about 200 bills that have increased taxes in some way—leadership means having to make decisions and sometimes saying "no."

Sixty-five billion dollar figure for 3 years is not accurate—does not reflect the costs of welfare reform or catastrophic health insurance; does not reflect the loss of revenue to the Government by forcing businesses to close and taking more money from the taxpayers' pockets.

I urge a "no" vote on this sham budget.

□ 1530

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman from Pennsylvania for yielding.

Mr. Speaker, I want to address this conversation where people are saying that this budget is a sham. First of all, how did we get here? If we do a real reality check, the way we got here is America bought a "hot fudge sundae diet" about 7 years ago.

Now, I like hot fudge sundae diets, but here we are today saying, "Hey, the diet didn't work."

We were told that you could cut taxes, increase defense and balance the budget. And we just finished coming back from the Venice conference as the biggest debtor in the world. So the question is are we going to do anything about it? I really salute the gentleman from Pennsylvania and his committee who have worked very hard to put a budget out here. It gives two different options. If the President wants more defense than he can pay for more defense, and pay as you go is the only way when you are running the kind of deficits we are running. It is the only way. We cannot keep letting the deficit mount up and we are going to still be paying it off in the 21st century, which is a very sobering thing.

So we are going to hear all sorts of people stand up today and say, "Oh, what we should have done is cut spending." Yes, well where is that budget to cut the spending? I do not think anybody should be allowed to say that unless they had a budget that was out here.

As I remember when this budget was going there were not a lot of options. Everybody wanted to take a hit on what you put on the table but nobody wanted to go put the hard options on the table.

So I think we have got a great budget here that says there are two hard options; the President can pick from column A or column B and the "hot fudge sundae diet" did not work.

I think we really need to get on with that rather than kidding ourselves that we can keep doing this with smoke and mirrors, with tap dances, with anything else.

We have got to get it turned around. It is affecting our trade internationally, it is certainly affecting the different options of what we can do in the future and I think everybody should vote for this budget.

Mr. LATTA. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, we all have heard or we have used the term "better late than never." But I am afraid in the case of this budget conference resolution "never" might have been better for the American public than "never."

Now, "never" might have been better by all means. During our one meeting, we had three, but two were to get the speeches that we heard every year. When that was finished we had one more budget meeting where the minority was invited.

During that time we heard the term over and over again, "We can't continue to borrow and spend." I agree with that. That is a bad policy. But what they also said, they did not put it in writing, but we will continue the business of taxing and spend.

Then they said, "Mr. President, pay as you go." That is a good policy; I agree with that. The fastest growing part of our budget, if you look at each one individually, happens to be one on the domestic side. And I notice we are not paying as we go on the domestic side.

To the public: I am sorry we did not meet $108 billion as a deficit. I did not believe that we could. I happen to be one of those who did not think it was realistic.

But I am also sorry we did not meet $134 billion or $136 billion. We said we played around with REA, we were getting all sorts of money from that but CBO says that it is not true. Then we get to reconciliation and what do we do? Then we have supplementals, then we have continuing resolutions.

Then my chairman says, "We are now coming out of the shadow of the valley of death." And I say, "Yes, right into the shadow of the valley of death, economic death."

Truly, public, I apologize that as part of this committee we are presenting you a scam one more time.

I thought we might do it last year because it was an election year. I had hoped this year we would not do it because it was a nonelection year. But, public, do not lose faith; perhaps next year we will have the courage to do what has to be done and we will pay as we go on all programs, not just certain programs.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the distinguished chairman of the Committee on Ways and Means, the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, the deficit must be reduced. There is no disagreement on this point.

Continued record deficits are a threat to the economy and the single biggest reason for our trade deficit and our growing foreign debt. There isn't a politician in this town, including the President, who has not given a speech on the importance of reducing the deficit. Well, ladies and gentlemen, talk is cheap. Now we are going to find out who is willing to do something about the deficit.

The first step in doing something about it is to recognize the facts. And one inescapable fact is that revenues have got to be part of any real deficit reduction package.

This conference report calls for new revenues: $19.3 billion in fiscal year 1988 and $64.3 over the next 3 fiscal years. I expect the Committee on Ways and Means to meet its reconciliation instruction, as it has every year since 1980. I also expect every Member who supports this resolution today to support the reconciliation bill that will follow.

The only person in Washington who thinks that the budget deficit can be addressed without new revenues is Ronald Reagan.

He is beginning to lock himself in concrete over the issue of new revenues. That will make our job all the more difficult.

It is possible, however, to craft a revenue bill that preserves the President's most important tax policy, lower rates, while recognizing the democratic principles of progressivity.

In crafting such a bill, I think that it is imperative that we avoid undoing the Tax Reform Act. If we go after that bill, particularly the rates, before the ink is even dry, we lose any chance of getting the President on board and getting a bill signed. In addition, we give Ronald Reagan one more excuse to ignore the deficit.

Ronald Reagan is a formidable opponent even when he is wrong. And he is wrong when he says we don't need new revenues more to attack the deficit. But he is right on the issue of raising the tax rates.

I think we can develop a revenue bill that meets the deficit reduction goals of this resolution and is consistent with the policy of the Tax Reform Act. By doing this, we will force the President to confront his deficits once and for all.

We have to force the President to accept the responsibilities of his office. I believe that the only way to do this is to adopt a responsible deficit reduction bill, including revenues, and to restore the automatic trigger for a sequester under Gramm-Rudman.

I am convinced that unless he is faced with an automatic sequester, one that will hit equally between defense and nondefense spending, he will never face the reality of the budget deficit and the need to raise revenues.

I'm as frustrated as anyone with the posture the President and his supporters have taken with regard to the deficit. This President is the biggest deficit spender in our history. In the 4 years of the Carter Presidency, the total Federal deficit was $250 billion. It took Ronald Reagan only 2 years to increase the deficit by over $300 billion. Our total Federal debt has more than doubled during his Presidency. It took us 200 years for our total Federal debt to reach $1 trillion. It took Ronald Reagan just 5 years to double the debt to $2 trillion.

The President's antitax rhetoric is no less astounding than his antideficit speeches. He has signed the three largest tax increases in our history. His budget recommendations since 1981 have called for over $200 billion in tax increases.

Even with these facts, he has successfully portrayed himself as being against tax increases and deficit spending.

I'm tired of this game of smoke and mirrors.

I'm tired of his bashing the Congress on the deficit.

And I'm tired of his supporters in the Congress sitting on the sidelines.

We have given the President a free ride. It is time to stop. It is my hope that the leadership will move quickly to restore the automatic trigger so that it will be in place when the reconciliation bill reaches the President's desk.

I want a bipartisan reconciliation package and I hope that we might still develop such a bill. But even more importantly, I want this deficit reduced. If it takes an automatic sequester, so be it.

I expect the Congress to meet its responsibility in reducing the deficit. It is high time that the President met his.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Speaker, the Budget Committees have finally completed their dubious work in setting spending limits for fiscal year 1988. Having spun their "Wheel of Misfortune" they have ended up cutting the international affairs function by $1.3 billion below the fiscal year 1988 CBO baseline. Apparently, our friends on the other side of the aisle believe our country can have an active and healthy foreign policy without paying for it. In its assumptions, the conference report suggests that foreign aid programs—particularly security assistance—should absorb the major share of cuts.

First of all, we have authorizing committees and an appropriations committee to make recommendations concerning program funding levels. The Budget Committee is not charged with this responsibility. Nor should it be. The Budget Committee is charged with recommending broad function levels, not deciding which countries and programs should be spared cuts, and which should not.

Second, the budget resolution suggests cuts in foreign assistance, the result of which could be to sharply slash aid to base rights and facilities access countries so important to protecting United States national interests abroad. We cannot afford to be without overseas military facilities. They are an investment in international stability and are essential to preserving our Nation's position in the world.

In any budget environment, it is of great importance that we not forget the fundamental need to provide adequate support to base rights and facilities access countries. Whether in the Persian Gulf, elsewhere in the Middle East, or in other corners of the world, our interests need to be protected, and I urge my colleagues to keep this in mind. Security assistance is foreign aid with very real and essential benefits to the United States. We cannot afford to forget this.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, I rise in strong opposition to this mockery of a budget resolution. This is a budget built on puffery, chicanery and smoke and mirrors and topped off with a touch of blackmail.

The budget cuts in this measure—as skimpy as they are—are fake and the bottom line is bogus.

We know—all of us know—that the economic assumptions on which this budget is based are outdated and overly optimistic. This budget says we will meet our goal of reducing the deficit to $108 billion but we know that this is not the case. If we implement this budget we know the deficit will be upward of $134 billion.

The only thing in this budget that is honest is the price tag and who is going to pay for it—the taxpayer. Over two-thirds of any real deficit reduction in this budget comes from new taxes—$19 billion in 1987 and $64.3 billion over the next 3 years.

This is not a serious budget and it is not a responsible budget.

To make matters worse, this budget contains a little touch that goes beyond anything I have ever heard of—a touch of blackmail.

In this budget, we tell the President of the United States, that if he swallows $64.3 billion of tax increases that he has ardently opposed, we may give him $7 billion more for national defense. This is outrageous irresponsibility.

If we need $7 billion more for our national defense, it should be in this budget with no strings. If we don't need it, $7 billion is a pretty stiff price to pay for a bribe.

This is not the way to budget for our national security. It is totally irresponsible.

I urge my colleagues to be honest. This is a bad budget and it should be defeated.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. Mr. Speaker, I am going to vote against this budget. Everyone should.

It is clear this budget is a taxpayer's nightmare. It is designed to increase taxes by $64.3 billion in the next 3 years, $19.3 billion next year alone. That $19.3 billion figure represents 52 percent of the $36.85 billion in real deficit reduction it achieves next year. Comparing these taxes to the President's budget and its reliance on revenues is extremely misleading. Unlike the President's budget, which recommended selling Federal assests and a variety of user fees to get most of its new revenues, this budget is a tax budget, pure and simple.

Of course, this budget does not tell you what taxes we will consider. This budget makes it likely Ways and Means will consider increasing taxes on phone service, gasoline, cigarettes, beer, wine, and distilled spirits. We are probably not going to look at changing the new tax rates or many other parts of the tax reform bill. I doubt anyone in the House wants to give every special interest group that lost something last year a chance to come back in 1987 to refight battles that took the entire 99th Congress to finish. Excise taxes are on the table and those of us who come from States affected by these kinds of taxes had best remember that a vote for this budget will propel Congress into a discussion of excise taxes. We cannot have this budget pass and then claim we did not really want those same taxes considered when reconciliation comes to the floor.

Its deceptive to claim the new taxes are to be magically set aside to reduce the deficit. Money is fungible. What you really have is the same old "tax and spend" formula the public rejected years ago.

Those who think this is an honest attempt to meet the Gramm-Rudman-Hollings $108 billion target will be disappointed to find it does not. The material policy changes in this budget only produce $36.85 billion in deficit reduction next year. The rest is made up by using the same economic assumptions Budget Committee Democrats have been ridiculing ever since January.

The most egregious abuse, however, lies in the conference report's provision of millions of dollars for public financing of Senate campaigns. In a year when the budget will raise taxes while cutting Medicare, farm program spending, and defense, this budget also provides that we will spend taxpayers' money to buy bumper stickers and campaign buttons for Senate candidates. That is hardly the kind of new budget priority we should be setting in light of the seriousness of the deficit.

I find the reliance on taxes and other aspects of this budget to be reason enough to oppose this conference report. We can produce a better budget. For taxpayers' sake, we ought to reject this proposal and send it back to the conference committee for more work.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I rise in support of the concurrent resolution.

Mr. Speaker, I rise in strong support of this conference agreement. It is a responsible compromise that protects the House position on health programs for the elderly and the poor.

I would like to thank Chairman GRAY and the other House conferees for their defense of health programs.

The conference agreement moves us along the path of deficit reduction and at the same time recognizes a number of pressing health care needs.

It allows a total of $970 million in budget authority for AIDS research and education, which will help our Nation address this pressing public health emergency.

It allows an additional $100 million to help local governments and private nonprofit organizations deliver health care services to the homeless.

It allows an additional $550 million for badly needed improvements in the Medicaid Program. This will enable us to make some long-overdue improvements in the quality of care in nursing homes, to protect spouses of nursing home patients from impoverishment, and to expand our infant mortality initiative to working poor pregnant women and their babies.

While the conference agreement requires some savings in the Medicare Program, it specifies that these savings are not to come at the expense of elderly or disabled beneficiaries.

While this conference agreement is a good one, it is not ideal. I have never been comfortable with the level of Medicare savings it expects. And I do not believe that the increase in funding for AIDS is adequate. In addition to research and education, which the conference agreement provides for, we will also need resources for voluntary testing, which it does not speak to. Finally, the Energy and Commerce Committee is directed to enact some unspecified savings that will be extremely difficult, if not impossible, for us to achieve.

On balance, though, Chairman GRAY and his colleagues have brought us a sound health budget. I urge my colleagues to support the conference agreement.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON]..)

Mr. RICHARDSON. Mr. Speaker, this budget reduces the deficit by more than $36 billion next year. At the same time, it provides for the legitimate needs of the citizens of this Nation by preserving the funding for emergency national priorities contained in the House-passed budget resolution. This ensures adequate funding for AIDS education and research, for the homeless, for education, for trade and welfare reform and for catastrophic health care insurance and other health programs.

This budget also provides for a strong national defense, but it declares that we will no longer pay for huge defense increases with a Federal credit card. The budget provides that an additional $7 billion requested by the President for defense will be available only if the deficit reduction legislation called for by this budget is enacted.

Of course, this budget is not perfect. Anyone who wants to find an excuse to oppose it will have no trouble. But the question to ask anyone who urges a "no" vote is not why he opposes it, but where is his alternative and where has that alternative been for the last 6 months? If the answer is that he has no alternative, I can only assume that he is heeding the advice given during the debate on the budget resolution in April that you can avoid trouble by being against budgets. I just hope that there are not many Members in this body who are more concerned with avoiding trouble than with being responsible on an issue of this importance.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BOULTER].

Mr. BOULTER. I thank the gentleman for yielding.

Mr. Speaker, our chairman of the Committee on the Budget stated that the conference agreement does reflect the priorities of the American people. I cannot believe that it would, Mr. Speaker. When was it determined and how was it determined that the American people have as their priorities no cuts in domestic spending programs, cuts in our defense, in our national security needs, and an increase in taxes? When was it determined that that represents the priorities of the American people? It represents the priorities, Mr. Speaker, of the Democratic Party in both bodies of this Congress. And the leadership of the Democratic Party also, who will control both bodies, have been very up front about that. They want to increase domestic spending and increase taxes and they want to increase the taxes under the guise of providing for national security and deficit reduction when even with the increased taxes of $65 billion over a 3-year period we do not even get a defense budget that keeps apace with inflation.

Mr. Speaker, we do not have to point out that these taxes are unspecified. They will likely be in the form of regressive excise taxes which once again will hit the average working man and woman in America or perhaps they will eliminate the reduction of the tax rates that we accomplished in the historic tax reform legislation. But in any case, Mr. Speaker, this budget does not reflect the priorities of the American people. Deficits are not caused by Government taxing people too little, they are caused by Government spending too much and the priorities of the American people will insist upon limited government, reduced spending, spending reforms, a strong national defense, and low taxes.

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Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, for the gentleman from Illinois [Mr. ROSTENKOWSKI], the distinguished chairman of the Committee on Ways and Means, to come before the Congress, and to say that the President causes deficits and not Congress is a little bit like the gentleman that Abraham Lincoln described who came into court accused of murdering his parents and pleaded mercy, because he was an orphan.

Deficits are caused by the Congress of the United States. We are the ones who vote to enact or cut taxes. We are the ones who pass appropriations bills that spend dollars.

The President does not do those things, and we know that.

Deficits are caused by a profligate Congress. This budget debate is nothing more than a political debate. Whatever budget we adopt, we will waive tomorrow. We have waived it over 100 times last year. There is no reason to believe we will not waive it again that many times next year.

It is a political debate. The question is, Who do the American people want to govern them in 1988? We are starting out the Presidential election here; that is what this is all about.

Who do you want to govern you, America? Last year the Democrat Party said, give us control of the U.S. Senate, and we will show you what governing America will be like when you elect us President in 1988.

What does that party do? No. 1, you wait, and you wait, and you fuss and you fume, and you cannot agree on anything. Finally, you come around to your old ways. You settle back upon what you have always done, and that is tax and spend, and tax and spend, tax and spend, slash defense, and then trash the effort to balance the budget, the Gramm-Rudman-Hollings bill.

What does this other party stand for? Precisely what it stood for in 1980 and 1984: cut inflation, cut unemployment, cut interest rates, cut taxes, and let the American system work. Let free enterprise reign, and let the individual talents of Americans shine forth; and that is what this party is all about on this side of the aisle, so we are talking about a political debate. Choose up and take your sides.

It is pure and simple: tax and spend, and let on this side the American free enterprise reign, so let us get on with it.

The budget debate is nothing more than a debate. It means nothing, because the budget you adopt will be waived and waived and waived.

What we are really talking about is, are we going to let the American people have the freedom from Government that we celebrate the 200th anniversary of this year?

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I was sitting there 1 minute ago listening to this debate, and thinking what the American public must think.

As an American, I would have some real concerns about the future of my country.

Half are trying to blame the President. The other half are trying to blame the Democrats in the Congress. The fact of the matter is, there is enough blame to go all the way around on both sides.

The President has not done what he should have done; the Congress in many instances has not done what it should have done.

I suggest to the Members today, though, we were elected to govern, and let us get on with the governing instead of sitting there blaming everybody. We are all great Americans. We will put that down, and let us go ahead with the business.

This budget is not perfect. Of course, it is not. I wish the minority had had more input into it quite frankly, because if the minority had, maybe some of the things that I wanted a little more would have gone that way.

There is a lot in there that I do not like. In fact, in most bills that I vote for, I can find plenty of reasons not to vote for. I was elected by my constituents to help government, and to govern this country.

Even though the bill may not be exactly what the Members want, go ahead and vote for it, and see if we cannot work it out in the appropriations bills, any of the things on down the line.

We were elected to govern, and let us govern. Go ahead and vote for it.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this morning I, along with some of my Democrat colleagues, attended a breakfast given by the Democrat Study Committee, the CED, and some Republican groups; and we were again told in absolutely no uncertain terms that the trade deficit is a function of the domestic deficit, and that if America, if this Congress cannot do something to address the domestic deficit, that recession will follow as surely as night follows day and day follows night.

I know we are all deeply concerned. We talk about it among ourselves. We anguish about it, but we do not act. One of the things we are good at is blaming. We spend a lot of time at blame rhetoric. There is not any blame to be laid.

Our deficit has a perfect bipartisan origin. There was not one penny of spending that was not approved by the President of the United States, a Republican, the Senate of the United States under Republican leadership, and this House under Democrat leadership, so to pretend that this is anyone's budget other than ours, the Democrats and Republicans of America, is to put your head in the sand and prefer rhetoric to the kind of reality therapy that the jobs of the people that we represent depend on; and mark my words, this is bread and butter for the people of America.

This is not deficit rhetoric. This is life. This is jobs. This is the economic well-being of our Nation and of the international community.

I am a Republican who has run for office every time consistently telling my constituents that to reduce the deficit, we have to increase taxes and cut spending; but I cannot vote for this budget resolution, because it does not pair those two tough courses of action responsibly, and it will not reduce the deficit.

Let us now look at your original promise, Democrats. The Democrats said, give us control, and the Democrats have it in the House and in the other body; and the Democrats have it in the conference, and I would remind the Members that it was the House Republican budget that came out of the conference last year, a budget that was responsible that the Democrats voted against, that the Republicans voted for; and it was the conference committee budget, so we have done our share.

This year the Democrats have complete control, and the Democrats said, let us make it simple, clean. Let us make it tough. We will increase taxes 50 percent, cut spending 50 percent.

Here are the taxes: more than $19.5 billion out of $36 billion is going to be tax increases. That is clean, and even some of us will support it. But let us look at the spending cut side. What happened to spending cuts that were to be balanced with tax increases?

Well, 20 percent of the spending cuts are asset sales. Those are not spending cuts; those are new revenues. Another 8 percent is increased collections through the IRS. That is not spending cuts; that is new revenues. And another portion of the spending cuts is the reduction in debt service costs due to saving $36 billion, but if you do not save $36 billion, you cannot get it in deficit retirement.

So we do not have that perfect symmetry that you offered the Nation in the rhetoric that you have been espousing in the last couple of months. We do not have $18 billion in tax increases and $18 billion in spending cuts. We have $18 billion in tax increases, and we have a lot of new revenues. User fees are counted on the spending cut side of the budget. Asset sales you are putting on the spending cut side of the budget, and also increased revenues as a result of increased funding for IRS. What do you put on the cut side of the budget? You cut a mere $7.2 billion including what you cut in defense. That is pathetic. And where do you cut? You do not tell us where you cut. You ascribe $3.5 billion of all those cuts to reconciliation, and $1.5 billion is to come out of Medicaid or Medicare, but nobody is to feel it.

The American people are not stupid. They know that if you are going to cut $1.5 billion out of Medicare, they are going to know it. So let us get on with a program here. Let us reject this budget and let us come back in with something that says how you are going to cut that $18 billion to pair with the $18 billion in tax increases, and let us protect America's future.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. Fazio].

Mr. FAZIO. Mr. Speaker, we always stand and debate this bill in some sort of a vacuum, and I would like to supply a little bit of the data that ought to guide this Congress to place this resolution in context.

Since 1981, when defense and nondefense discretionary spending were about equal in the Federal budget, we have had the Reagan revolution. Surprisingly, I am sure, to many Americans, the fastest growing budget category in the last 6 years has been interest on the debt now budgeted to cost $135 billion. There has been a 53-percent increase in that category since 1981.

The next fastest growing category of our Federal budget, of course, has been defense, with a 40-percent increase in outlays since 1981. Spending on entitlements—Social Security, Medicare, and other non-means-tested entitlements for retirees are about 69 percent of our overall entitlement spending—has gone up 21 percent, and spending on the other entitlements for the poor, those out of work, and for our farmers has gone up about 8 percent, and that despite the farm crisis driving up the cost of the farm bill.

In contrast, domestic discretionary programs, those things we think of as the Federal Government—support for the FBI, the Coast Guard, water development, et cetera—have been cut by 21 percent since 1981; but this budget resolution puts a stop to those kinds of spending priorities and sends us back in the direction of balance. It is a good attempt to start to reorient our priorities, putting first of all as our top priority—deficit reduction.

I think it is important to point out that when President Reagan submitted his budget to us back in January, he followed the old priorities. The President's 1988 budget did not require any defense reductions to control spending despite the burgeoning deficits. In fact he called for a 3-percent increase. The administration sought spending cuts of almost $20 billion in domestic programs to pay for the defense buildup.

When you place aside the asset sales, those 1-year infusions of income and revenue that delude us into thinking that we have money to spend in the outyears. This budget resolution puts deficit reduction first, because it finds $29 billion for deficit reduction, in contrast to the President's effort to reduce the deficit by only $11 billion.

Mr. Speaker, this is a balance of competing demands on the Federal Treasury. It is an appropriate fiscal approach. It is a vision of the future, not of the past. It represents where the American people are today, and I urge an "aye" vote by the Members for this resolution.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. Mack].

Mr. MACK. Mr. Speaker, there are many reasons why one could get up here and rail against this budget, but when you get right down to the bottom line, the reason I oppose this budget is that it just is not going to work.

I hear Democrats talking about a $36 billion reduction. That just is not going to happen. Why is it not going to happen? Well, let us take a look at the plan.

There is $19.3 billion in new tax collections. The President is going to veto that. You know that, I know that. The revenues are not going to come in. Therefore, the deficit is going to be larger.

For those who are interested in this debate, let me put that $19.3 billion in perspective. One would get the impression that the reason we have deficits in this country is that somehow we have starved the Federal Government as far as taxes and revenues are concerned. Do the Members know how much the revenues or the tax collections of the Federal Government are going to increase next year, in 1988, without any new taxes? Almost $80 billion. Why is that going to occur? Because of new growth that has taken place in the economy.

So I do not think it is necessary that you raise $19.3 billion in new taxes. We ought to cut spending.

There is $7.2 billion in estimated revenues to the Federal Government because of the refinancing of rural electric loans. Now, on the surface that might sound good, that we ought to reduce interest rates on those loans, we ought to give a break to REA. But what happens is the net cost to the taxpayer over the life of those loans is $15 billion, not a savings of $7.2 billion. So we are being told this year we are reducing the size of the deficit $7.2 billion because of the reduction in the interest rate on those loans, but the taxpayers are going to lose $15 billion more over the life of these loans.

□ 1600

Others say, well, we are going to have another $1.4 billion in new tax collections because we are going to put more IRS collectors out there. I think there are many people who would say there are enough IRS collectors out there harassing the American public.

One more thing, $1.2 billion in assumed interest savings because of the $36 billion in deficit reductions. I make my point again, that $36 billion in deficit reduction is not going to occur. Therefore, there will be no $1.2 billion in interest savings.

Now, the previous speaker indicated that our Democratic friends are not telling us where they are making the cuts. Well, one of the areas that they have proposed, at least from what I have been able to determine, is a $250 million reduction in Social Security, $250 million. That is, $100 million below what the President proposed, $100 million below.

Now, in order for him to get to that number, the President had to talk about laying off 4,000 to 5,000 employees in the Social Security Administration.

The SPEAKER pro tempore. The time of the gentleman from Florida has expired.

Mr. LATTA. Mr. Speaker, I yield 30 additional seconds to the gentleman from Florida.

Mr. MACK. If they are going to go $100 million below what the President proposed, how are they going to get it? On the Senate side they said they are going to do it by taking it out of the computer account. Well, there is not enough money in there to cover $250 million. On the House side, they say they are going to take it out of the administrative account. Well, there is not enough money to do that unless you are willing to reduce the number of employees to 6,000, 7,000, 8,000, or 9,000.

The plan that they have put together is wrong. It is wrong for America. It is not going to happen, which I think maybe we can all kind of have a little sigh of relief; but the problem with that is that we all are going to end up with more red ink.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from Montana [Mr. Williams], a member of the committee.

Mr. WILLIAMS. Mr. Speaker, I thank the chairman.

Democrats can point at the President and implore the lack of leadership. Republicans can point at the Congress and say, "Wait a minute. You write the checks, not the President," and we can point out that the checks we write are for less spending than this President has requested.

Perhaps it would be informative if we all just stopped, looked the American people in the eye and say, "Look, folks, we are doing the best we can."

We have got to cut about $36 billion from this deficit this coming year. We did the best we could last year. It looks like that budget is going to end up having been cut more than $36 billion.

Now we are hoping for the best here with this budget. We have a tough road. The President says that we cannot cut defense. If we do, he is going to veto the bill, so there is about 30 percent of the budget that comes off the table.

The President says, "Don't cut Social Security." Democrats agree with him.

We also want to add some entitlements to that that we cannot cut, and all told, that is 30 percent of the budget that comes off the table, so there is 70.

Of course, we have to pay interest on the debt. You know, the myth in America is that when the Congress needs money it prints it. Well, if we did that, we would not have a debt, would we?

We do not print it. We borrow it, and like everybody else, we pay interest on it and the interest on the debt this year is about 15 percent. We have to pay it. So there is 85 percent of the budget off the table before we start.

So the point is, we are doing the best we can.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding this time.

Mr. Speaker, like my colleague, Congresswoman JOHNSON from Connecticut, I, too, attended the breakfast this morning where we enjoyed a presentation by the Committee for Economic Development, a very highly respected organization that has for some time published studies which have been very helpful to this body. As we discussed the question, of our dual deficits, the one point that came through loud and clear was we must begin with cutting the budget deficit.

When asked pointedly, their experts said that cutting spending is better than raising taxes. In light of that, I happen to agree with it, let us take a look at this conference agreement.

Frankly, in light of that need, this agreement stinks. In light of the proposition that a conference should work out the difference between a House-passed resolution and a Senate-passed resolution, this agreement stinks.

It would seem as though this conference paid no regard whatsoever to the resolutions from the two bodies, but worked out their own. It raises taxes. It cuts defense. It has higher domestic spending levels than either the House or the Senate approved and it engages in smoke and mirror savings.

This bill calls for $64.3 billion in tax increases over 3 years, which is $7.3 billion more than the House passed.

The bill contains higher domestic spending than was in either the House or the Senate bill. While domestic spending has increased faster than either the House or the Senate, the defense takes $70 billion in cuts in the next 3 years. That locks in 5 years of real decline in military spending.

Overall, this bill would increase outlays by 4.5 percent in fiscal year 1988, compared to 2.5 percent in fiscal year 1987.

My friend, the gentleman from Florida, CONNIE MACK, has already pointed out the REA pre-payments. Talk about smoke and mirrors, it looks like $7.2 billion in cuts, but it costs $15 billion over the next 28 years.

In a $1 trillion plus budget, not one program is terminated. I dare say you cannot find an American citizen today that cannot look at the Federal Government and find something that they know should be terminated, yet this Congress cannot recommend one termination in a $1 trillion budget.

Get this. The conference report also provides that the chairman of the Budget Committee has until July 1 to file the 302 allocations. Until the Budget Committee files its 302 allocations, the Appropriations Committee cannot divide its allocations among the subcommittees.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. LATTA. Mr. Speaker, I yield 1 additional minute to the gentleman from Texas.

Mr. ARMEY. Now, what that means, given that we have four or five Appropriations Committees scheduled before July 1, we are going to ask the Appropriations Committee to do its work before the Budget Committee gives them the 302 allocations within which that work must be done.

We are literally procedurally taken our cart and put it before our horse.

Now, that really cuts to the heart of the matter. The whole budget process is a shamble. We need a disciplined reformulation of the process with real checks and balances in the process, real limits defined in the process, some ability for the executive branch to check the excesses of this body because in fact we spend the money. We write the appropriation bills. We write the budget and then we challenge the President, despite his recommendations, which we ignore, to either veto our excesses or shut down the Government.

I say vote "no."

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. OBERSTAR], a member of the committee.

Mr. OBERSTAR. Mr. Speaker, I thank the chairman for yielding the time.

Mr. Speaker, this is a fair and a responsible budget. It provides $36 billion in real, permanent deficit reduction by spending cuts equally distributed on both the domestic and the defense sides of the budget, and it provides a comparable increase in revenues to be provided in the reconciliation bill that will be generated by this resolution.

This budget stands in contrast with 6 years of the Reagan administration's borrow and spend philosophy, which has only produced the biggest deficits in the history of the United States. With this budget, we slow that process down. We start the deficit on a permanent downward curve and we do it in a fair and a balanced way.

Budgets reflect our priorities and tell a great deal about the values we hold dear as a nation. This budget reflects our concerns for education, for training, for economic development, for the environment, for transportation, and for defense.

It is a budget that has been produced with a great deal of give-and-take effort among the Democratic members of the Budget Committee. It is a budget that may be our last choice and it is one that must be passed as we vote later today. The President has already failed in his budget proposal; we must succeed in ours.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, the battle over the budget has become the most depressing and frustrating challenge of our time. It divides parties. It divides branches of Government. It divides people from trust in Government and the ability to deal with a crisis.

If there is anything that we have consensus about on the floor of the House it is that we are dealing with a pervasive crisis and the fiscal ship of state is full of holes and leaking and sinking.

We also have a captain who has abandoned ship and who is of giving pep talks, talking about how great things are, that we do not have to cut defense, that we do not have to raise taxes, that all we need to do is to move the crew around, change some of the procedures, and the leaks will take care of themselves. It is a course set for economic disaster.

So what is the responsibility of the Congress? We have two choices, to follow this captain, to run, to hide, to pretend and to watch the ship sink, or to try to do something about it.

There are political risks with regard to each choice, but we know what the risk is if we do nothing, higher interest rates, higher inflation, high deficits and economic chaos. The risk if we pass a budget is whether we can hold to the guidelines that we have established in this budget resolution. History shows that regardless of what you consider the right priorities may or may not be, we have been able to squeeze the deficit down with this kind of framework.

So the question is one between whether we have some discipline, whether we like it or not, or no discipline whatsoever.

This President, this captain, has abandoned the fiscal ship. The question that faces us today is whether we will do the same.

Mr. Speaker, I urge support for the resolution.

Mr. LATTA. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. BUECHNER].

Mr. BUECHNER. Mr. Speaker, I had the opportunity to listen to the debate here. I am afraid that it is not really debate. It is really high comedy. It is written by Lewis Carroll, scripted by Woody Allen, filled with philosophic platitudes and, unfortunately, it has been directed by Milton Berle.

It would be truly laughable were it not for $65 billion in new revenues to be imposed upon the American public in the next 3 years.

And what is the guise for that imposition? We have heard the rhetoric of borrow and spend and we have said tax and spend, but when you strip away all those words, you come up to the bottom line and the bottom line is that this Congress does not have the guts to terminate any programs. It feels that it is doing the American public a favor by always saying yes, and sometimes we say yes and yes, and sometimes we say, "You didn't ask us, but we are going to say yes," and we give and we give and we raise and we raise.

As the American public watches this comedy, through their tears or laughter should be tears of concern, and that is exactly what is it we are doing? I have listened to people on the other side talk about the Republicans really should not be standing here talking, because they did not have their little box of a budget to bring forth. Let us look at the numbers. It is 2 to 1. Was there ever really a sincere belief there would be meaningful interchange of ideas to cutting the budget, because it was bound and determined that in an election year coming up that you would not cut any program.

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As the appropriations bills come forward, we will see where all this talk about bipartisan participation in regulating the flow of money goes.

I would say to the American public, "Open up your eyes to this comedy, open up your ears, and get ready to open up your pocketbooks, because that is what the final line of the play will bring."

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, the gentleman from Texas said that the President's budget was ignored. That is true—by his own party. The President sent the budget up here. It was not technically ignored, it was voted on. It got 27 votes. The Republican Members of this House by a 5-to-1 vote repudiated the President's budget.

So I would say to my friend from Missouri, "No, you are not always wrong, you on the other side, take heart and follow your earlier example."

They were right to reject the President's budget. Then we had other alternatives. The Democratic budget has some problems, but the problems are those that all of us on both sides have created, and the President, with the big deficit.

Trying to meet our obligations in the face of that deficit is very difficult. That is why the Republicans have not offered anything. What we know is not that they did not come forward with something that was going to win, but that they did not even try to put something together because they are so divided amongst themselves, and the task was too difficult.

So we have the President's budget and the Democratic budget. What the people on the other side do not want to talk about are the differences. The President's budget continues to cut Medicare deeply. He continues to propose policies that would say if you are old and if you are sick, you are going to have to pay more. That is why the Republicans voted against Ronald Reagan's budget.

He continues to propose that we make it harder for middle-class and working-class young people to finance a college education. The Republicans know that that is a mistake, and that is why they voted 5 to 1 to repudiate their President. They are talking nice about the President now that his budget is safely dead and buried. They were very careful not to do that when some of them might have had to vote for it.

The President would cut Medicare, he would cut education, he would inflate a defense budget that has already been inflated. That is why his budget was repudiated, and the budget that will be voted on now is the only live option.

Mr. GRAY of Pennsylvania. Mr. Speaker, I understand that the gentleman from Ohio [Mr. LATTA] has one speaker remaining. We have two, so, therefore, with the concurrence of the distinguished gentleman from Ohio, we will proceed to call on one speaker, then defer to the gentleman from Ohio, and then we will close.

Mr. Speaker, I yield 2½ minutes to the gentleman from Texas [Mr. LEATH].

Mr. LEATH of Texas. Mr. Speaker, it is difficult to govern this country in these times, even when everyone involved makes an honest, concerted effort to do so.

It becomes even more difficult when the President, for 4 straight years, chooses not only to ignore the problem, but also to demagog it to the fullest.

Most of us had resolved ourselves to the fact that Ronald Reagan has no interest in a balanced Federal budget, so that comes as no surprise at all. But, when our Republican colleagues choose to wash their hands of any responsibility to govern that is indeed shocking, and disappointing, and hurtful.

Let me say to my very good Republican friends, you have made a grave mistake. You have let the President pull you down into the depths of irresponsibility. How do you explain, with any credibility whatsoever, that you don't even attend committee meetings, and then when you do, you refuse to vote—to participate—and then the absolute, ultimate refusal to even submit a plan on the floor of your own? As I recall, only a handful of you voted for the President's budget, so you surely can't say that's the reason.

Well, the plain truth is that you couldn't get there any more than we could without cutting defense and raising revenues, so you opted out of the process rather than admit the truth. Now you want to come before the people and lambaste and belittle those of us who chose to govern, no matter how difficult.

As a conservative, I have to tell you that this budget is repugnant to me. I do not like it. But you know what? It is just as repugnant to our liberal colleagues, for altogether different reasons, so everything is indeed relative.

But the record is clear that we have done the best we possibly could do when the President and his party go on vacation and refuse to participate in the process. When you consider that fact, this is a great budget.

But let me say to my conservative colleagues on the Democratic side of the aisle—obviously, we will not get any Republican votes on this budget, and it would be easy for us to stand aside, as they are doing, and refuse to govern, but I sincerely hope that you won't yield to that political temptation. Instead, I hope you will stand up and govern, as difficult as that may be. That you will realize that this is far from a perfect budget from our perspective, but it is the very best we can do within the options available to us. That is, after all, what we must deal with doable options, and I can assure you that this budget is much better than no budget at all.

Many today, especially the President, want to throw up the smoke screen of changing the process to mask their inability to deal with the hard choices of writing a budget. Well, I have no opposition to improving the process, but that, my friends, is not the problem. You can't create a process that will work void of the will to make it work.

Today, Mr. Speaker, we must make a very fundamental choice will we do the best we can and govern, or will we opt out of the process and merely criticize? I hope my colleagues will join me in supporting this budget.

I would suggest, Mr. Speaker, that we need to support this budget resolution, because this budget resolution, with all of its problems, is much better than no budget resolution at all.

Mr. McCANDLESS. Mr. Speaker, the fiscal year 1988 budget resolution passed the House on April 9, which as someone suggested, was 8 days too late. The resolution was drafted by the Democrats on the House Budget Committee and was passed without the vote of a single Republican Member of the House of Representatives. Why? Because the budget and deficit numbers were unrealistic, Federal spending was not controlled, and, once again, the Democrats would raise taxes. And now, just like a bad April Fools' joke, the conference report on the budget resolution has come back to haunt us.

The conference report calls for $1.041 trillion in Federal spending and $932.8 billion in revenues, leaving a deficit of $108.2 billion. However, when the smoke clears and the mirrors are removed, those numbers do not stand up to scrutiny. Congress' own nonpartisan accounting department, the Congressional Budget Office [CBO] says that the deficit will be at least $134 billion. According to another report, a confidential analysis by House Budget Committee economists put next year's deficit between $144 and $154 billion. And that is with a tax increase of $19.3 billion next year that is a part of this conference report. A vote in favor of this resolution is a vote in favor of a $64.3 billion tax increase over the next 3 years. Another $7.9 billion is expected to be raised by increased IRS collections. That's a total of $72.2 billion in increased taxes.

Is a tax increase necessary? I say no. CBO estimates that over the next 5 years, Federal revenues will increase an average of $77 billion per year due to increases economic growth. That's $231 billion over the next 3 years, and this resolution calls for another $72.2 billion on top of that.

I do not support a tax increase. Instead, we must hold the line on Federal spending and this conference report falls far short in that department. Outlays are increased by 4.5 percent and not one Federal program is targeted for termination. One of the more interesting new programs is a scheme to finance the reelection of Senators to the tune of $100 million. In short, this budget is just another in a long line of tax and tax, spend and spend budgets. Consequently, I cannot and will not vote for this budget resolution conference report.

During the course of this debate, there has been considerable criticism of the President and efforts to blame him for the deficit. However, those efforts are merely diversionary tactics designed to draw attention away from the fact that it is Congress, not the President, that enacts the budget. It is Congress that writes and enacts the legislation which actually spends the money. The blame rests with Congress and with the budget process which imposes no fiscal responsibility on Congress.

There is one additional point that needs to be made. During the past several months, there has been a considerable amount of time, energy, and money spent on investigations and hearings in an effort to determine whether someone in the executive branch has violated a law. At the same time, Federal law says that legislative branch shall have completed action on the budget resolution by April 15. By my calendar, it's now June 23. It appears that when it comes to the law, in the Federal barnyard, some animals are more equal than others.

The conference report on the fiscal year 1988 budget should not be approved. With the passage of the Gramm-Rudman balanced budget law, we made a commitment to the American people that we were going to balance the Federal budget. This budget resolution repudiates that commitment and moves us back toward higher taxes, higher spending, and higher deficits. Is that the direction that our constituents want us to go? I think not. Therefore, I strongly oppose passing the conference report and urge my colleagues to vote against it.

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong opposition to House Concurrent Resolution 93, the fiscal year 1988 budget resolution. I believe that across-the-board spending cuts, rather than tax increases, are the best way to reduce the deficit. Congressional history indicates two very important points. First, that promised spending cuts in exchange for tax increases never materialize, and second, increased taxes encourage more, not less, Federal spending. For example, isn't it interesting that the proposed tax of $21 billion for fiscal year 1988 equals the increase in domestic spending of $21 billion. Under this budget resolution outlays would increase 4.5 percent in fiscal year 1988 compared to only 2.5 percent in fiscal 1987. This budget resolution calls for a $64.3 billion tax increase over 3 years, which is $7.3 billion more than the House-passed budget. This budget resolution calls for defense cuts over 3 years totalling $70 billion. This following 2 consequent years of significant defense reductions.

Mr. Speaker, the American people would be interested to know that a recent nonpartisan watchdog of the Treasury study showed that of the 136 Representatives who were honored for showing fiscal responsibility, 126 were Republicans and only 10 were Democrats. I encourage my colleagues to begin showing fiscal responsibility and vote against this budget resolution.

Mr. SHUMWAY. Mr. Speaker, the Commerce Department announced today that the United States owed the rest of the world $263.6 billion at the end of 1986, more than double the 1985 total, greatly lengthening its lead as the world's largest debtor Nation. Foreign holdings of Treasury securities climbed $12.3 billion in 1986 totaling $96 billion.

This announcement gives even greater importance to the need to reduce the Federal budget deficit, one of the root causes of our Nation's poor financial condition. Today, however, the Democrats have presented to the House a conference report on the budget which does absolutely nothing toward reducing the budget deficit.

The conference report on the concurrent resolution on the budget for fiscal year 1988, House Concurrent Resolution 93, which we consider today, is a purely Democratic proposal which exposes that party's traditional and irresponsible tax and spend policies. This bill increases taxes by $64.3 billion over 3 years and further increases the domestic spending contained in the already generous House-passed concurrent budget resolution. Even with a tax increase that will result in 1988 taxes being higher than those in 1980, the Democrats still must revert to smoke and mirrors in order to achieve the Gramm-Rudman-Hollings deficit target of $108 billion. This budget proves that Democrats cannot make the tough spending decisions needed to reduce the Federal deficit, even when the welfare of the whole U.S. economy is at stake.

In addition to sacrificing the economy, the Democratic budget also sacrifices the Nation's security. The budget contains language which would cut defense spending $70 billion below current spending levels over 3 years. Such reductions would undeniably reduce our ability to defend ourselves and our allies.

In the final analysis, the Democrat's approach to this budget and to the budget process in general violates Congress' duty to responsibly provide for the defense and welfare of the Nation. I urge my colleagues to defeat this resolution.

Mr. RANGEL. Mr. Speaker, I rise in support of the conference agreement on the budget resolution. The committee should be commended for its insight in addressing the pressing economic concerns of this country, while meeting the needs of the people.

I am aware that this has not been a very easy process for the members of the conference committee. The problems that we face in working to reduce the Federal deficit is compounded when debate does not include all factions of this Congress. I feel sorry for the Republican Representatives who chose not to participate in this very important budget process. I believe they have lost, and their constituents have lost.

Despite the massive opposition from the minority party, I feel that the package being considered before this body represents a unique balance between fiscal responsibility and humanitarian concern. Unlike the budget sent to this Congress by the President, the conference agreement provide expansions for selected emergency priority programs.

I am encouraged by the fact that the committee members recognized the significance of providing financial relief to the citizens of our country who have no homes. The proposal includes $559 million in budget authority for the 1988 homeless programs. In cities like New York, where the homeless problem grows larger every day, these funds will provide much needed relief to these unfortunate families.

I am also pleased that the agreement includes the House budget resolution figures on education. So many of our young people are denied access to higher education because of the inability to pay the high cost. Programs like the Pell grant are offer low-income students access to a world otherwise out of their reach.

The measure provides $2.2 billion in budget authority over the level necessary to meet inflation in the education function. As we face the crisis of our trade deficit, high levels of unemployment because skill levels are inadequate, and increases in drug abuse and crime, I feel that similar increases in Federal support for education is the only way to combat these problems.

Also, in focusing on one of the most pressing health problems in the history of mankind, this budget resolution offers a total of $970 in there authority for funding AIDS programs. I support this provision wholeheartedly. There is no greater threat to our society and the world than the devastation of this disease. We must begin to fight and fight aggressively in order to stop the spread of AIDS.

As chairman of the Select Committee on Narcotics, I also want to comment on funding in the budget resolution for drug programs.

Funding for drug abuse agencies and programs cuts across a number of budget functions including health—drug abuse treatment, prevention and research; education—drug abuse education; administration of justice—for example, Justice, DEA, State, and local drug law enforcement grants, Customs; transportation—Coast Guard; and, international affairs—international narcotics control. The conference agreement generally provides spending targets for these functions that are nearly identical to or higher than the House-passed version of the budget resolution. The major exception is in the area of international affairs which provides $150 million less in budget authority and $100 million less in outlays than the House bill.

In addition, the spending ceilings included in the conference agreement for health, education, and administration of justice are all well above the CBO current policy baseline which is the level needed to keep pace with inflation and continue current policy. The transportation function, although $500 million below current policy, is still $850 million above the House mark. International affairs spending is $1.3 billion less than current policy for budget authority and $650 million less for outlays.

Last year, in the Anti-Drug Abuse Act of 1986, Congress made a major commitment to the American people to raise Federal drug abuse prevention and control efforts to a high budgetary priority. This bipartisan legislation added approximately $1.7 billion to Federal antinarcotics efforts for 1987 and increased the total Federal drug budget to about $4 billion. New resources were provided to address all aspects of the drug abuse problem—interdiction, enforcement, treatment, prevention, education, research, and international narcotics control.

Congress recognized that this legislation was a good start. But it was only a first step, and much more needs to be done. Unfortunately, the President's 1988 budget proposed to cut approximately $950 million from Federal antidrug abuse efforts. The harshest cuts were for programs included in the omnibus drug bill to help hard-pressed State and local governments fight drugs through increased drug law enforcement, expanded treatment efforts and support for drug abuse education. Customs personnel and air interdiction programs were also slashed, and funds for international narcotics control were cut.

The House budget resolution passed in April rejected the President's cuts and fully restored funding for Federal antidrug efforts. In my statement supporting the House budget resolution, I said that the spending targets provided ample flexibility to continue the antidrug initiatives begun last year and that we owed it to our constituents not to renege on the promises we had made.

The same can be said of the budget compromise we are considering today. This resolution is more than adequate to permit continued full funding of our antidrug program, provided we give these efforts the high priority they deserve in our consideration of appropriations measures.

I am particularly pleased with the increases provided for the administration of justice function. The conference agreement is $400 million above the House target and $250 million over current services. The conferees note that this level of funding will allow all discretionary programs to be funded in 1988 at least at their 1987 levels with additional increases for key priorities such as drug enforcement. As the primary sponsor of the State and local narcotics control assistance program incorporated in last year's omnibus drug bill, I am especially pleased that the budget agreement assumes this program will be fully protected.

Mr. Speaker, in closing, I want to urge all of my colleagues to give their full support to this proposal.

Mr. SCHUETTE. Mr. Speaker, I rise today in strong opposition to House Concurrent Resolution 93, the concurrent resolution on the budget for fiscal year 1988. I urge my colleagues to reject this proposal and return it to committee so that an honest bipartisan spending blueprint for the Government's coming fiscal year can be developed and passed.

I do not know of anyone who truly believes that this budget will come close to meeting the statutory deficit target for fiscal year 1988. It seems as though each year we go through what amounts to a political charade of the highest order: Where budget writers convene, pat themselves on the back for their work—no matter how inadequate—to reduce the deficit, and secretly hope that things will be better next year.

Well, we are running out of next years. The economic expansion we are currently enjoying is already very old by historical standards, and our window of opportunity to act is rapidly closing. With each passing year, the number of available options to right the wrongs of past budget transgressions grows smaller—and much more expensive.

Let's for a moment take a look at what this resolution does and why it is not a true plan for sound fiscal policy for our Nation. The budget resolution is a badly flawed political document, a charade of the worst possible kind.

It raises $19.3 billion in unspecified taxes next year—and $64.3 billion over the next 3 years—without coming anywhere near the appropriate degree of spending discipline which should have been demanded. I am sorry to say that the budget resolution we are considering here today is nothing more than the same old tax and spend wolf in sheep's clothing.

Mr. Speaker, this sorry situation is a perfect example of the need for comprehensive reform in the budget process. The time has come for us to come clean with the American people and stop this annual charade.

We need to put an end to the use of gimmickry, escape hatches, and devices which allow the Congress to dodge, its fiscal responsibilities. The country will in fact go broke unless we act expeditiously to solve the deficit problem. A good first step would be to defeat this phony budget resolution, and get down to the business of writing a responsible budget with real deficit reduction.

Mr. LATTA. Mr. Speaker, how much time do I have remaining?

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from Ohio [Mr. LATTA] has 2½ minutes remaining.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I have been listening to all this debate, especially the very interesting statements that have been made about the President trying to pass the buck. Well, the buck stops here. I have served under quite a few Presidents since I have been here, and there is not one of them who ever administered a program that was not first passed by this Congress. Every day, every second that I have been here this House has been controlled by the Democrats. So do not pass the buck downtown. Let us face up to the fact that in this budget, the Democrats are not asking to terminate any of those programs that have been causing the trouble. The only thing that they want to do is cut defense, and I often wonder whether or not that defense umbrella does not also cover our Democratic friends.

Oh, I know, the politics are not there, but the protection is.

I keep hearing this argument, "We've done the best we can." Well, if this is the best product that you can come up with, what would be the worst product that you could possibly come up with?

Name the programs that are being terminated. There are not any.

Let me say something about taxes. Right along, State and local governments have not been covered by Medicare in several States including Ohio. They say, "We don't have the money to pick up that extra cost of Medicare for our State and local employees." They may have to get it if this resolution passes. All the polls indicate that the people want reductions in expenditures, not tax increases. But as anticipated right from the start, the Democrats are coming up with more taxes on the American people. More taxes, that is what we are going to get and that is what Mondale promised the American people. There are more taxes—$19.3 billion in new taxes under this resolution. But this is only part of the process. Democrats might propose more taxes in this budget, but they first have to get it through the Congress. Then, second, they have to get the President to sign it, and he is not going to sign that one. He has said so many, many times.

Talking about types of taxes, you are going to hit the little guy if you even pick up some of these small taxes. We are talking about the cigarette taxes, taxes on alcoholic spirits. You talk about the gasoline tax. You know, to come up with any $10 billion in revenues you have to put 12 cents a gallon on gasoline. You have to renege, as the Speaker of the House has indicated many times that he wishes that we would do, on the tax reductions that take place next year, or reduce those reductions. There are a lot of places that you have to go to come up with $19.3 billion in new taxes. We should start with reductions in expenditures as required and requested by the American people.

Mr. GRAY of Pennsylvania. Mr. Speaker, I yield my remaining time to the gentleman from Washington [Mr. FOLEY], the distinguished majority leader of the House and the ranking member of the Committee on the Budget.

Mr. FOLEY. Mr. Speaker, I find the debate at its close another sad reminder of how our distinguished Republican colleagues, who for so many years have talked about the problems of the deficit and the need to reduce it, have chosen to take themselves off of the playing field, out of the game and to heckle from the stands those who are trying sincerely to deal responsibly with this issue.

With the exception of the gentleman from California [Mr. DANNEMEYER], they have been unwilling to offer a budget resolution or alternative of their own. As much as I disagreed with his budget, at least the gentleman from California offered one, and I paid tribute to him at the time for that. The response of 124 of his Republican colleagues, however, was to vote "no" on the Dannemeyer budget.

When it came to the President's budget, and despite all their words of praise for his efforts to cut spending, 148 Republicans, four-fifths of their entire membership in the House, voted "no." It is a "no" vote, it is a "no" vote, it is a "no" vote—instead of being part of an affirmative effort to solve the critical fiscal problems that this country faces their answer was "no" to everything.

☐ 1625

I have no way of knowing at this time whether the President will sign a reconciliation or tax bill. Yet I truly believe that unless he is willing to come together with us, joined by our colleagues on the Republican side, we will have little chance of victory in what should be our common effort against this deficit.

In the meantime the Democrats out of necessity must assume the responsibility for governing. We have a budget that has been produced solely on our side, our colleagues across the aisle having abdicated any responsibility for it. We now have a duty to stand together and pass this budget.

Perhaps on another day, in another time, with a more cooperative President and a more willing Republican side of the aisle we could pass a better budget. For this hour and this day, and under these circumstances, however, this is the best budget we can pass. A vote for it is a vote for responsibility for commitment to reducing the deficit for proceeding with economic growth for the future of this country; for providing adequate services for our people, and for a strong national defense.

I call on all my Democratic Members to join in this effort.

Mr. GRAY of Pennsylvania. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. LATTA. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 215, nays 201, not voting 17, as follows:

[Roll No. 204]

YEAS—215

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Cardin
Carper
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coyne
Crockett
Darden
de la Garza
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Flake
Florio
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hatcher
Hawkins
Hayes (IL)
Hefner
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jenkins
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Mineta
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rangel
Richardson
Rodino
Roe
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stenholm
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Yatron

NAYS—201

Applegate
Archer
Armey
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Boxer
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Campbell
Carr
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeFazio
DeLay
Dellums
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Fish
Flippo
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hertel
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Johnson (SD)
Kanjorski
Kasich
Kastenmeier
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCloskey
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Myers
Nielson
Owens (UT)
Oxley
Parris
Pashayan
Patterson
Pelosi
Petri
Porter
Pursell
Quillen
Rahall
Ravenel

Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stallings
Stangeland
Stark
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wolf
Wortley
Wyden
Wylie
Yates
Young (FL)

NOT VOTING—17

Badham
Boner (TN)
Bonior (MI)
Daniel
Dymally
Foglietta
Ford (TN)
Gephardt
Kemp
Lukens, Donald
Moakley
Packard
Ray
Schulze
Tauzin
Wilson
Young (AK)

□ 1640

The Clerk announced the following pair:

On this vote:

Mr. Moakley for, with Mr. Young of Alaska against.

Messrs. HERTEL, LIVINGSTON, and KONNYU changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOTION OFFERED BY MR. GRAY OF PENNSYLVANIA

Mr. GRAY of Pennsylvania. Mr. Speaker, I offer a motion.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. Gray of Pennsylvania moves that the House insist on its disagreement to the Senate amendment to the title.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania [Mr. Gray].

The motion was agreed to.

PERSONAL EXPLANATION

Mr. WILSON. Mr. Speaker, I was on the floor during the entire vote but neglected to vote.

Mr. Speaker, I ask that the Record reflect that I intended to vote for the budget resolution.

PERSONAL EXPLANATION

Mr. MOAKLEY. Mr. Speaker, I was detained on the rollcall on the conference report on House Concurrent Resolution 93. Had I been present and voting, I would have voted "yea" on rollcall No. 204.

GENERAL LEAVE

Mr. GRAY of Pennsylvania. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on the conference report on the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the U.S. Government for the fiscal years 1988, 1989, and 1990.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GRAY of Pennsylvania. Mr. Speaker, may I add a hearty vote of thanks to the staff of the Committee on the Budget on both sides of the aisle.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2700, ENERGY AND WATER DEVELOPMENT APPROPRIATION, 1988

Mr. HALL of Ohio, from the Committee on Rules, submitted a privileged report (Rept. No. 100-178) on the resolution (H. Res. 207) waiving certain points of order against consideration of the bill (H.R. 2700) making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

The SPEAKER. Pursuant to House Resolution 190 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 1777.

□ 1652

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the United States Information Agency, and for other purposes, with Mr. Swift in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Thursday, June 18, 1987, pending was the amendment offered by the gentleman from Pennsylvania [Mr. Walker].

Under the unanimous consent agreement of June 18, 1987, the gentleman from Pennsylvania [Mr. Walker] will be recognized for 20 minutes and the gentleman from Florida [Mr. Mica] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. Walker].

Mr. WALKER. I thank the Chairman.

Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, let me first of all say what this amendment does. What this amendment does is it places a restriction on all passports. It does not single out any one. It places a restriction on all United States passports saying they cannot be used to provide direct help to the Communists in Central America.

The amendment is wholly informational in nature. There are absolutely no penalties whatsoever connected with this amendment. All it does is make certain that Americans know that their passports are not to be used in manner that allows them to provide direct assistance to Communist activities in the regional world vital to us.

To show you how innocuous the amendment is from the standpoint of enforcement, the State Department indicated in their opposition to the amendment that the main opposition comes from the standpoint that it would be almost impossible to enforce because there is no enforcement mechanism in it plus the fact that they already have the power to do this. So what we would really be doing is making a policy statement that the State Department ought to use the power that they already have in order to restrict people from going to Central America to help the Communists.

The reason why I think it is important to do that kind of thing is, I have learned, for instance, since I introduced this amendment that there are church groups who I think are trying to do something very humanitarian in nature.

□ 1655

These church groups are trying to do the right things, but they have ended up putting themselves in a position where they are providing the food into the concentration camps in Nicaragua.

Is it too harsh to be calling what some people refer to as displaced persons concentration camps? Is it not too harsh to refer to what is going on in Nicaragua as concentration camps, because people are being herded at gunpoint into these displaced persons camps and being held at gunpoint?

They are in fact concentration camps. I do not think we ought to, in the name of humanitarian aid, suggest that that is what Americans should be participating in. Humanitarian help ought to be people-to-people kind of help, not the functional equivalent of aiding the Communists to abuse human rights.

My amendment encourages people-to-people kinds of efforts, because it is specifically aimed at only keeping people from aiding Communist activities.

What the amendment does not do is some of the things that have been said in opposition to it; for example, there is no ban on travel whatsoever in this amendment.

If one travels there to Central America for humanitarian, informational, or vacation travel, that is fully permitted.

If one wants to go to lovely downtown Managua and stay at the hotel without water, one is free to do so under my amendment.

It does not impinge on any citizen's constitutional right to go to Central America to see, hear, speak, or do whatever he or she so wishes, so long as the purpose of the travel is not to help Communist governments or Communist guerrillas in the region.

I thought that would be relatively noncontroversial, and I must admit that I have been rather interested to see some of the silly things that have been said in opposition.

Margaret Thatcher in the last campaign referred to the "looney left." The "looney left" has been very much in evidence in speaking to my amendment, because we have had some extreme kinds of things said about it.

Mr. Chairman, in recent months there has been almost an orgy of criticism directed against those who in this country want to assist freedom fighters, and the embryonic democracies in Central America.

This amendment says to the political left, you ought to examine your own activities and assure yourselves that you are not directly helping Communist forces in this area.

Since the end of Vietnam war, we have learned how much damage the Jane Fondas of the world did when they went to Vietnam, how they harmed our people there.

The last thing we need to be doing is producing a new generation of Jane Fondas in Central America.

We may disagree in this House on the issue of the Contras, but I hope there is no disagreement in this body with the nature of communism in this hemisphere, or the need of our citizens to know that assistance to those Communists is wrong.

I have heard Members say time and time again on this floor that we know the Sandinistas are bad, and we ought not to go doing anything to support the Sandinistas. That is what this amendment does.

We ought not to be doing anything to assist the Sandinistas. We ought not to be doing anything to assist the Communist guerrillas.

The Members may not want to do anything to help the people who are fighting against them either, but we ought not to be on the side of the people who are human rights abusers.

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from New Hampshire [Mr. SMITH].

AMENDMENT OFFERED BY MR. SMITH OF NEW HAMPSHIRE TO THE AMENDMENT OFFERED BY MR. WALKER

Mr. SMITH of New Hampshire. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Hampshire to the amendment offered by Mr. WALKER:

In line 16 of the amendment, strike the word "for" and insert "to the military operations of", and

In line 20 of the amendment strike the word "for" and insert "to the military operations of".

Mr. WALKER. Mr. Chairman, if I understand the amendment that the gentleman is offering, and I will go through it so every Member has an understanding, as I have presented my amendment, I made it quite clear that what I am attempting to do is make certain that people do not go down and engage in the kinds of things that permit the Communists to try to win a victory in Central America.

As I understand, the language that the gentleman is offering, the gentleman's amendment would say that no American can go down there and help in the military operations of the Government of Nicaragua, or the military operations of the Communist guerrilla movement, is that correct?

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from New Hampshire.

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman for yielding.

The gentleman is correct. This will clarify, and I am sure there are some concerns on the other side on this issue, and this is very specific language.

I believe the gentleman from Pennsylvania [Mr. WALKER] has indicated that what the gentleman's amendment is, what the gentleman's intent is, and this clarifying language will spell it out very clearly.

We are talking about military operations, no help from American citizens traveling over for the purpose of military operations in support of the Sandinistas, the Communists in Nicaragua.

Mr. WALKER. Mr. Chairman, reclaiming my time, in other words, we would not have any chance at all of impinging on true humanitarian aid going into that area, under the gentleman's amendment.

The gentleman's amendment ensures Americans are not going down there for the purpose of helping the Sandinista government or the Communist guerrilla movements operating in that region.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I thank the gentleman for yielding.

Does the gentleman accept the amendment offered by the gentleman from New Hampshire?

Mr. WALKER. Mr. Chairman, I am prepared to accept that amendment, and would ask unanimous consent to do so.

Mr. WEISS. In the presentation that the gentleman from Pennsylvania made earlier, the gentleman argued against providing humanitarian assistance to governments, and distinguished that from humanitarian assistance to people.

Do I understand that now there is no distinction, that all humanitarian assistance to the Government of Nicaragua is OK?

Mr. WALKER. I think the distinction here is this; for example, it is humanitarian assistance going into a concentration camp being run by the military, that would still be covered under the gentleman's amendment, because that is a military operation; but if in fact what we are talking about is true humanitarian assistance being channelled through Government agencies down there, at that point there would be no problem under the language offered by the gentleman from New Hampshire.

Mr. WEISS. So the gentleman's position has been changed?

Mr. WALKER. No. Let me state what I think the gentleman has done.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

Mr. WALKER. Mr. Chairman, I yield myself 1 additional minute.

Mr. Chairman, I think what the gentleman from New Hampshire has done is given us an additional clarification of what the original intent of my amendment would be. It has substantially narrowed it. I would agree with that, but I think it goes to the intent, and I hope the House will approve the amendment offered by the gentleman from New Hampshire [Mr. SMITH].

Mr. BERMAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, let me point out that I only have 20 minutes of time. If the gentleman would get some time from his side, I would be happy to answer questions. I have plenty of Members waiting for time on this side.

Mr. Chairman, I ask unanimous consent that the amendment offered by the gentleman from New Hampshire [Mr. SMITH] be incorporated in the original amendment that I offered.

Mr. WEISS. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The gentleman is recognized on his reservation of objection.

Mr. KOSTMAYER. Mr. Chairman, reserving the right to object, did the gentleman make a unanimous-consent request?

Mr. WALKER. I made a unanimous-consent request, Mr. Chairman.

Mr. KOSTMAYER. Would the gentleman repeat his request, Mr. Chairman?

The CHAIRMAN. The gentleman will repeat his request.

Mr. WALKER. Mr. Chairman, my request was that the amendment offered by the gentleman from New Hampshire [Mr. Smith] be incorporated in the amendment that I originally offered.

Mr. KOSTMAYER. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. Walker]?

Mr. BERMAN. Mr. Chairman, reserving the right to object, will the gentleman answer a question for me so I may understand the nature of the amendment?

Mr. SMITH of New Hampshire. Certainly.

The CHAIRMAN. The Chair would point out that it is the time of the gentleman from Pennsylvania [Mr. Walker], but the Chair would further point out that the gentleman from California [Mr. Berman] has reserved the right to object, and he is now speaking on his reservation.

Mr. BERMAN. And may I ask the Chair what time the gentleman from California has on his reservation?

The CHAIRMAN. Subject to the will of the Committee, the gentleman has reserved his right to object and is being recognized on that reservation.

Mr. BERMAN. I thank the Chair.

My question is with respect to this amendment, and I would ask, is the gentleman indicating that an American citizen who goes to Central America or who goes to Nicaragua and works on an irrigation project that produces food which is used to feed the military, or works in a hydroelectric plant that provides energy for civilian and military purposes is the kind of individual who engages in the kind of conduct that is proscribed by this amendment? Is the gentleman indicating that it only applies to people who are actually fighting in the Nicaraguan military? Is the gentleman indicating that he is aware of any American citizens who come within the present meaning of the amendment he seeks to make to the amendment offered by the gentleman from Pennsylvania?

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield for a response?

Mr. BERMAN. I am happy to yield to the gentleman from New Hampshire for an answer.

Mr. SMITH of New Hampshire. Well, first of all, we are not talking about coffee pickers or banana pickers here. We are talking about people who are going to Nicaragua and who are hard-core people who support the Communist regime of the Nicaraguans. Now, I can give the gentleman examples if he would like examples of the type of people I am talking about, if he wants to yield further on his time.

Mr. BERMAN. But if the gentleman would consider answering under my reservation an additional question, I would ask, are you speaking here about the motives of these people?

The CHAIRMAN. The Chair would state to the gentleman from California that he is speaking on a reservation of objection. The Chair asked, is there objection to the unanimous-consent request of the gentleman from Pennsylvania to modify his amendment, and the gentleman has been using the time for debate. The time should be used to examine the gentleman's reservation.

Mr. BERMAN. Mr. Chairman, I yield to the gentleman from Florida [Mr. Mica].

Mr. MICA. Mr. Chairman, I reserve the right to object.

The CHAIRMAN. The Chair would point out that there is already a unanimous-consent request before the committee, and the Chair is trying to determine whether there is an objection.

PARLIAMENTARY INQUIRY

Mr. MICA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman is recognized to state his parliamentary inquiry.

Mr. MICA. Mr. Chairman, I believe there is some confusion here.

The gentleman from Pennsylvania [Mr. Walker], if I understand this correctly, has an amendment before the Committee. There is an amendment to the amendment that has been offered. There is a unanimous-consent request pending at this time to amend the Walker amendment. And is there now a reservation pending? Was there, or is there a reservation pending?

The CHAIRMAN. There was a reservation by the gentleman from California [Mr. Berman] to the unanimous-consent request to modify the Walker amendment with the text of the Smith of New Hamphire amendment. What the Chair is indicating is this: whether the gentleman wishes to withdraw the reservation.

The Chair asks, is there objection? The Chair understands that the reservation is withdrawn.

Is there objection to the unanimous-consent request of the gentleman from Pennsylvania [Mr. Walker]?

Hearing none, the amendment is so modified.

Mr. WALKER. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The Chair will announce the time.

The gentleman from Pennsylvania [Mr. Walker] has 12 minutes remaining and the gentleman from Florida [Mr. Mica] has 20 minutes remaining. The Chair recognizes the gentleman from Florida [Mr. Mica].

Mr. MICA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. Levine].

Mr. LEVINE of California. Mr. Chairman, I think that the question that was just asked by my distinguished colleague, the gentleman from California [Mr. Berman], to the maker of the amendment to the amendment helps to point out some of the problems with this amendment.

The gentleman from California asked the maker of the perfecting amendment whether or not this particular amendment would impact, for example, an irrigation worker who is working in Nicaragua if the corollary effect of the irrigation worker's activities might indirectly provide some assistance to the Nicaraguan military. If I understand the answer of the gentleman from New Hampshire, the gentleman from New Hampshire responded essentially by not answering the question. He essentially responded by saying, "Look, we are trying to get at people who are sympathetic with the Sandinista regime in Nicaragua."

That is exactly the point I think we are dealing with on the House floor. We should not be talking about going after somebody, I would hope, based upon his political sympathies. We should analyze the specific conduct that would trigger the operation of this legislation. If we are talking about specific conduct that would trigger the operation of this legislation, then in fact we are talking precisely about the type of activity that the gentleman from California asked about.

□ 1710

If an American citizen decides to go down to Central America to provide humanitarian assistance to the people of Central America, regardless of the American citizens sympathies, loyalties, political considerations or intentions, and the actions of that American citizen somehow indirectly provided assistance, as inferred by the Reagan administration, who would be asked to enforce this particular amendment to the Sandinista regime, that would trigger the operation of this overbroad amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. I will be happy to yield after I finish making my point, because I think that we have here an ambiguous and overbroad amendment. I would like to make my point and then I would be happy to respond to the gentleman.

I think, Mr. Chairman, that we are dealing here with an amendment that effectively is designed to prevent American citizens from traveling to Central America if it turns out that these American citizens involve themselves in any activity which even remotely or indirectly provides assistance to the Sandinista government of Nicaragua or to any other group in the region which the President of the United States decides to designate as a Communist group.

Now, first of all, let us be clear on some very specific realities. No. 1, it is my understanding, and I hope that the gentleman on the other side of the aisle will correct me if I am wrong, it is my understanding that this administration has not sought this specific amendment. It is my understanding that this specific amendment goes beyond what even this particular administration has been seeking. This is an amendment which would prevent American citizens from traveling to Central America under a wide variety of possible circumstances.

The gentleman's amendment declares that such assistance provided by American citizens "causes serious damage to the national security and foreign policy of the United States." The gentleman apparently thinks that American citizens supporting the Sandinistas threaten American security interests, and reasons from that premise that we should prevent them from going to Nicaragua.

Frankly, I fail to see the danger posed to our national security by Americans traveling to Nicaragua and teaching the people of that country how to read and write, or teaching them how to farm so that they can feed themselves, or providing medical care to the victims of the war between the Nicaraguan Government and the United States-sponsored Contras.

Much of the population of Central America already believes that America is only interested in military solutions to the region's problems. If we continue to project the image of an America bereft of compassion, bereft of providing assistance to those in need, regardless of political ideology, then we risk completely alienating the very people who I think the gentleman agrees we are trying to help. If the answer to the gentleman's concerns about our national security is the promotion of democracy in Central America, then I would suggest to him that we could do that a lot better by providing Central Americans with badly needed humanitarian assistance than by putting a gun to their heads.

I oppose this amendment because it is inconsistent with the freedoms which I know that the gentleman sponsoring the amendment cherishes as much as I do—the right to freely express one's political views, and to freely travel to other nations.

Why should we ban travel to Nicaragua? We are not at war with that country.

If my colleague was really serious about protecting the lives of Americans abroad, he would ban all travel to Nicaragua, including travel to aid the Contras. But, of course, the amendment before us does not do that.

This amendment places a strictly political criterion on citizens' travel to Central America—do they or do they not support the Reagan administration's views on who the United States should be supporting in the region. If they feel bound by conscience to provide humanitarian assistance to people who the President views negatively, then they are stripped of their constitutional right to freedom of movement.

Thus, this amendment not only usurps the President's authority under the passport act to curtail travel to countries if conditions there threaten the safety of U.S. citizens; it also tears up the Constitution for citizens who disagree with the President's foreign policy.

Under U.S. law, citizens may leave this country to do whatever they wish in a foreign country free from any U.S. legal restrictions other than those designed to preserve their safety and the Nation's neutrality. Even the chief restriction on private citizens' interactions with foreign nations, the Neutrality Act, does not, and indeed cannot, reach simple travel abroad. It only covers military actions instigated and/or launched from the United States by private citizens against foreign nations with whom the United States is at peace.

I am no fan of the Sandinistas. I have spoken out repeatedly in opposition to their policies. Their repression of a free press, their refusal to hold truly democratic elections, and their continued violation of human rights deserve condemnation. However, the nature of the Sandinista Government is not at issue here. American citizens' right to freedom of movement is.

Individuals who wish to travel to Central America and provide assistance to governments or organizations must be guided by their conscience alone in making this choice.

I urge my colleagues to defeat this pernicious amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. LEVINE of California. Yes, I am happy to yield to the gentleman from Pennsylvania on that point.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. LEVINE of California. Mr. Speaker, I ask unanimous consent to proceed for an additional 30 seconds.

The CHAIRMAN. The gentleman will have to get that time from the gentleman from Florida [Mr. MICA].

Mr. LEVINE of California. Could I ask the gentleman from Florida, could I have an additional 30 seconds?

Mr. MICA. Mr. Chairman, let me state that we have the full 20 minutes scheduled. I do not mind yielding 30 seconds, but the next speaker will have to be cut by 30 seconds.

Mr. LEVINE of California. All right, go ahead.

MR. MICA. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. BERMAN].

Mr. WALKER. We will not have a chance to reply?

The CHAIRMAN. The gentleman from California [Mr. BERMAN] is recognized for 3 minutes.

Mr. WALKER. I have a letter from the Department of State that speaks to that point.

Mr. BERMAN. Mr. Chairman, I thank the gentleman for yielding.

Last week President Reagan went to West Berlin and he asked Gorbachev to tear down the wall. By this amendment, the gentleman from Pennsylvania is building a wall, a wall not directed at the Sandinista government in Nicaragua or Cuban or Soviet-controlled guerrilla groups in Central America, but a wall aimed at keeping American citizens with constitutional rights within a certain parameter that he thinks meets his ideological notions of what is appropriate and what is not appropriate.

I suggest that this is an amendment not directed against them, it is an amendment directed against us, the American people.

The fact is that under existing law the President of the United States with a stroke of his pen could—and I would be very much against him doing it—could eliminate travel to Nicaragua through the imposition of currency restrictions, if he chose to.

The President wisely recognized there was something different between economic relationships dealing through trade in his economic embargo and the effort to strike directly at the heart of American citizens in their right to travel.

The amendment offered by the gentleman from New Hampshire gets to the heart of the motivation. He said so himself. His amendment has certain words, but he wants to find out what is in the heart, what is the role of that person who might be traveling down through Central America or to Nicaragua.

Many years ago we decided travel should not be premised on ideology. The Passport Act, the International Economic and Emergency Powers Act, all give the President unilateral authority to protect American citizens in places and in countries and to prevent travel where we cannot protect Americans. We have abandoned a long time ago, and I though forever, the notion that travel would now be superimposed with an ideological test of the kind we have here.

Mr. Chairman, I strongly urge the rejection of this amendment, as amended, and that we go on with the passage of the bill.

Mr. MICA. Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. Durbin].

Mr. DURBIN. Mr. Chairman, would the gentleman from Pennsylvania allow me to yield to him for a question?

Mr. WALKER. Yes. I would be glad to.

Mr. DURBIN. Would the gentleman object to an amendment if we expanded this now, since we do not want the people of the United States involved in the military operations in Nicaragua, let us expand this to all military operations in Nicaragua, whether it involves the Government of Nicaragua, the guerrilla groups which have been designated by the President as Communist, or even those designated as freedom fighers? Maybe we ought to stay out of this fight completely.

Mr. WALKER. Well, I would say to the gentleman that I do believe that we ought to have the freedom fighters down there. I do not believe there are Americans who are fighting alongside them, but I would not agree to that kind of an amendment.

Mr. DURBIN. Can the gentleman explain why?

Mr. WALKER. I think that the Communist threat in Central America is real, that the human rights violations of the Sandinista government are now documented. They have been all over the front page of the New York Times. We have got some very, very, serious problems down there.

Mr. DURBIN. Mr. Chairman, at this point I reclaim my time.

Mr. WALKER. Well, the gentleman asked some very serious questions.

Mr. DURBIN. I did not ask for a speech. I asked for an answer.

The difficulty we have here, aside from the outburst of the gentleman from Indiana, which has come to be expected, is the fact that the gentleman from Pennsylvania is suggesting that the United States should not be involved in military activity if it is a portion of the Government or the Government of Nicaragua that he does not care for, and yet he turns a blind eye to the fact that those who the President designates as freedom fighters and some call Contras have in fact at various times been involved in the drug trade, have instituted acts of terrorism aganist the civilian population of Nicaragua, so I take it——

Mr. WALKER. Which side is the gentleman talking about?

Mr. DURBIN. Well, I have not yielded to the gentleman, so I take it that the gentleman is perfectly at ease with the idea that Americans could continue to run any type of military equipment, ammunition, bombs, whatever if might be, down to the Contras, setting off mines in roads to blow off the likes of children and civilians, and consider that a perfectly normal activity, but the gentleman is somehow adverse to the idea that perhaps we might be assisting.

I think we ought to have symmetry in this situation. I am preparing an amendment here which says that we are not going to allow Americans to travel down there as soldiers of fortune on either side. Let us let that country and those people there resolve their difficulties.

I would think the gentleman has one serious problem here. The serious problem the gentleman has is that while we are debating this, we are selling wheat to the Soviets, who happen to be Communists. We are selling Pepsi-Cola to the Red Chinese, who happen to be at least Marxists. The gentleman is drawing lines here about where we are going to be involved. I think he is going to find himself in a difficult predicament in trying to decide who are the enemies and who are the friends of the United States of America.

POINT OF ORDER

Mr. BURTON of Indiana. Mr. Chairman, I have a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BURTON of Indiana. Mr. Chairman, the previous speaker, as I understand it, made reference to me. I would like to have his words taken down regarding my performance here on the floor.

The CHAIRMAN. Is too late for that, the Chair will advise. Further debate has intervened.

Mr. BURTON of Indiana. Mr. Chairman, I tried to get the attention of the Chair before he concluded. The Chair was busy up there paying attention to someone else.

The CHAIRMAN. The Chair will announce that both gentlemen have 12 minutes remaining.

The Chair recognizes the gentleman from Florida [Mr. Mica].

Mr. MICA. Mr. Chairman, we have attempted to keep this on an unemotional tone. I have had one speaker canceled for 1 minute and I would in the spirit of cooperation yield 1 minute to the gentleman from Pennsylvania to make a response.

Mr. WALKER. Mr. Chairman, I thank the gentleman. The only point that I wanted to make, the gentleman from California was——

PARLIAMENTARY INQUIRY

Mr. KOSTMAYER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KOSTMAYER. Mr. Chairman, does the gentleman from Florida require unanimous consent to do that?

The CHAIRMAN. No. The gentleman controls the time and has a perfectly legitimate right to yield 1 minute to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman and I appreciate his courtesy on it. It is too bad that we cannot get more people to yield here.

I just wanted to point out that the State Department has sent me a letter. This is from J. Edward Fox, Assistant Secretary, who says:

> I believe the State Department's position on travel is in sync with the intent of your amendment. We continue to discourage travel to that region because of the existent hostilities which could impose dangers to American travelers.

Mr. LEVINE of California. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Certainly, I am glad to yield to the gentleman from California.

Mr. LEVINE of California. Mr. Chairman, just briefly, is it not correct that it would be an accurate statement to say that the administration did not request this amendment?

Mr. WALKER. That is very accurate and they have objections to some of the administrative problems with it, but they do not have a problem with the intent, which is what most people seem to be speaking to.

Mr. MICA. Mr. Chairman, to reclaim my time, I will vote against the amendment, but I am doing my very best to keep it as fair and open as possible.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. Edwards].

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman for yielding me this time.

The gentleman from California [Mr. Levine] and the gentleman from California [Mr. Berman] put their fingers on it. The right to travel is something that is very precious in the United States. It is almost a constitutional right. We have the right to travel anywhere in the world and that is why we consider this a free country. That differentiates us from other countries.

Now, in the subcommittee that I chair that has to do with the FBI and oversight of the FBI, in the past 2 years we have had a lot of complaints that the FBI was interviewing people who have been traveling, Americans who have the right to travel anywhere they want to, who have been to Nicaragua. In over a hundred instances as people got off the airplanes from Central America, from Nicaragua, they were greeted by a message from the FBI, saying that the FBI wants to talk to you.

Well, this amendment that has been offered by the gentleman from Pennsylvania and amended by unanimous consent will make certain that up to 8,000 Americans a year, that is how many travel to Nicaragua, are going to be greeted by an FBI agent when they get off to find out what they were doing there. Perhaps they can be interviewed before they go to Nicaragua, because of the possible intention of going there for illegal purposes, as would be established in this amendment.

So this is not only an amendment designed to do great damage the freedom of choice of Americans insofar as traveling anywhere in the world, but it is also going to have a very chilling effect on people who want to decide to go there for any particular purpose at all because they know that the FBI is going to be very interested in them, either before or after they return.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, we were talking here a few minutes ago about drawing lines about what is appropriate and what is not appropriate for travel. Let me draw the lines and maybe someone on the other side could respond.

Mr. Paul Rice stated that if we ever had to send troops into Nicaragua, they are going to die. This is an American. They are going to die. "Me and plenty of others like me are going to defend this place. It doesn't matter who invades, Marines or not, we are going to kill people."

How about Mr. Ken Norsworthy, another American in Nicaragua, who said:

> I would certainly pick up a gun and defend myself in this resolution. To me an invading GI is just a Contra.

I might ask someone on the other side of this issue if they could indicate to me whether that would be sufficient means to stop travel into Nicaragua. I do not see anybody responding.

The point is, right now the issue is very clear. Right now what we are trying to do in this country is make it a crime to fight communism, but OK to aid it. That is essentially what this issue is.

If you cannot support the Walker amendment, as amended, then what you are saying is that it is OK to aid communism in Central America.

Nobody is talking about people on an irrigation project, but if you knew that somebody was going over to Nicaragua and helping the Communists in Nicaragua and knowing that they were going to help those Communists to be able to kill American GI's, is that a good reason to stop travel? I maintain that it is. I would like to have someone maintain that it is not, because if it is not, if you say that it is not, then you should be for the Walker amendment.

Again, I would like to quote from Norman Podhoretz in a recent editorial where he said that it is necessary from time to time to remind ourselves that the issue is the struggle not between the Contras and the Sandinistas. Really the issue is the struggle between communism and freedom in Central America. That is what the issue is. That is where it ought to be framed.

Mr. MICA. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

□ 1725

Mr. WEISS. Mr. Chairman, one of the problems in this amendment, even as amended, as indicated by the gentleman from California earlier, is that it is extremely vague. It would prohibit or restrict passports for travel to and use in Nicaragua if the purpose of the travel is "to perform services or provide other assistance," undefined, "to the military operations of the Government of Nicaragua." And it is for that reason that the State Department, among other reasons, has decided not to support this amendment.

The gentleman from Pennsylvania quoted accurately from the State Department letter to him dated yesterday, which says, "I believe the State Department's position on travel is in sync with the intent of your amendment."

However, here is what they said as to their position on the amendment itself:

> As I indicated to you previously, there are a number of administrative and technical reasons which make us unable to support your amendment to the State Authorization bill on travel to Nicaragua. We believe that such passport designations would be virtually impossible to implement or enforce. Moreover, we already possess sufficient legal means to place restrictions in U.S. passports should conditions warrant.

I think that this is one of those instances where we really ought to listen to the State Department and leave well enough alone.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. I thank the gentleman for yielding time to me.

Mr. Chairman, I think that this is a very reasonable amendment. I think that it handles the problem in a most humane way, in an efficient way, and without treading on the constitutional rights that were evoked in the last debate, namely, the right not to be on a list.

In listening to the testimony of Mr. Linder's parents, who talked about the fact that although he carried an AK-47, he was down there on a so-called humane mission, and he was killed they think by a Contra policy that is unjustly supported by the United States, for those people who feel that way, who feel in sympathy with Mr. Linder's parents, this is the most humane thing that you can do, because this will keep people away who, as the gentleman from New Hampshire has quoted, have said, "I will kill Americans if I have to. I'm going to go down and fight for the revolution. I'm going to support the Sandinistas."

I quoted some of the statements that were made the other day by a gentleman, Mr. Ron Ridenour, who said, "I will kill American Marines. That's my duty if they come."

The policy of this Congress is to support the resistance. We have voted in the House, in the Senate, and the President has signed the bill, to send $100 million to the resistance, to the people fighting the Communists in Nicaragua. It does not make sense for us to say on the other hand if Americans want to go down and take up AK-47's and kill resistance fighters and fight on the side of the Communists, then we will allow that.

This is not a question of free travel. Nobody is over talking about General Secord's rights to free travel. Nobody is talking about Ollie North's right to be kept off a list. This is a Boland amendment of the left, and it is absolutely appropriate in this situation.

Mr. MICA. Mr. Chairman, I yield 3½ minutes to the gentleman from Michigan [Mr. CROCKETT].

Mr. CROCKETT. Mr. Chairman, I rise today in opposition to the Walker amendment. The amendment would restrict the travel of United States citizens to Nicaragua if their purpose is to assist the Nicaraguan Government and from traveling anywhere in Central America if the purpose is to assist a group which the President has designated as a Communist guerrilla group.

Simply put, this amendment is an assault on the civil liberties of American citizens. In 1958, in Kent versus Dulles, the Supreme Court identified the right to travel as a liberty protected under the due process clause of the fifth amendment.

The right to travel outside the United States is also crucial to Americans' ability to be well-informed concerning U.S. foreign policy. Indeed, the right to travel provides meaning and substance by insuring that Americans can gather firsthand information on foreign policy matters.

Moreover, as a signatory to the 1975 Helsinki Final Act, the United States formally committed itself to facilitating wider travel of its citizens abroad. Contrary to this goal and the expressed intent of Congress, the Walker amendment threatens this right of

American citizens to travel and gather information abroad.

Finally, in 1978 the Congress amended the Passport Act to preserve American citizens freedom of travel and to prevent the use of U.S. passport policy to restrict travel to certain countries solely for political or ideological reasons. The amendment also ended the Executive practice of restricting the use of passports to areas of the world cordoned off for foreign policy reasons. Consequently, the Passport Act, as amended, grants the President sole authority to restrict the travel of Americans abroad under the following conditions only: Those countries with which the United States is at war, where armed hostilities are in progress, or where there is imminent danger to the public health or physical safety of American citizens. The Passport Act provides the Executive with ample authority to curtail travel when it is necessary to protect Americans abroad. Mr. WALKER's amendment would, therefore, usurp the authority of the President.

There are an estimated 1,500 to 2,000 United States residents in Nicaragua. These Americans are joined by thousands of other volunteers from all over the globe, who are working on a wide variety of development projects.

They are there because they believe it is the right thing to do. Benjamin Linder, the young American engineer recently killed in Nicaragua, was in that country because he wanted to bring the benefits of electrification to the rural population. They are there not to engage in activities contrary to the interests of United States foreign policy, but to help the people of Nicaragua. Americans have always been willing to give of themselves in this manner all over the world. All of us remember the Americans who went to Spain to fight in the Spanish Civil War. We had American heroes who went to Canada to volunteer to go abroad to defend Britain in World War II. This is a cherished constitutional right that we should not make any attempt to deprive American citizens of by this amendment.

Travel to Nicaragua and other Central American countries is a matter that must rightly be left to the conscience of these and other individuals. Mr. WALKER may strongly disagree with the choice they have made, but it is their choice—not the Congress'—to make.

Mr. WALKER. Mr. Chairman, I yield myself 10 seconds.

Mr. Chairman, I simply say in reply to the gentleman, this would be the equal of Americans going to Europe to help the Nazi regime at that point, and that is what we are trying to prevent right here.

Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Chairman, let me say first of all that I am fascinated with those of our friends on the left who continue to speak and oppose the Walker amendment as amended. I personally thought that when the gentleman from New Hampshire [Mr. SMITH] offered an amendment that narrowed it down only to restrict Americans from going to Nicaragua to help a Communist dictatorship militarily that even our looniest friends on the left would collapse, that we would get a 420-to-5 vote or something passed with great quietness.

Instead we find an enthusiastic desire to pretend that there is a symmetry, and I say this to my friend from Illinois who seemed earlier to be confused, if I could get his attention. I direct this to him since he seemed offended by the gentleman from Indiana [Mr. BURTON].

I find it appalling that some of our friends on the left would use the word, as the gentleman did earlier, about symmetry. I do not think that there is symmetry between a Communist dictatorship which is an extension of the Soviet empire and people who want freedom. I do not think that there is a symmetry between Lafayette and Lenin. I do not think that there is a symmetry in any way between saying that we want to encourage free people everywhere and we want to stop Americans from helping communism.

I find it appalling that some of our friends on the left would talk in that symmetry, but let me carry it a stage further. The fact is, and I would cite Norman Podhoretz' article, "Is it a crime to Fight Communism, but Okay to Aid It?" that we are now in a situation in America where if you are an active anti-Communist, you may go to jail, and if you are an active pro-Communist, you may be applauded. That is reality.

The fact is, and I cite for example the article by Stephen Rosenfeld, "A Mobilization Against Democracy," that there are active hard-left forces in the United States which would cheerfully, enthusiastically, applaud the victory of communism in Central America on every front and in every country. And the fact is that some of those forces are active allies of the Communist Party of the United States, and some of those forces actively coordinate with the Soviet Union.

The fact is, if you look at Jeane Kirkpatrick's article, "Another Popular Front," you again find the same pattern of a systematic willingness to be helpful to the forces of communism.

□ 1735

Let me suggest to all of my colleagues there is an interesting new book out called "The Real Secret War Sandinista Political Warfare and Its Effects on Congress" by Bouchey, Waller, and Baldwin. It is worth reading. We are back to where we were in the late 1940's when Hubert Humphrey had to purge the DLF of the Communists, and the then Democrat, Ronald Reagan, had to purge the artists associations of Communists. And the fact is even some of the Members of this House have on occasion publicized the propaganda of paid agents of Nicaraguan communism.

The test vote on the Walker amendment is simple. How many of my colleagues are willing to walk down and proudly put up a vote that says I want to make it possible for well meaning but misguided Americans to go to Nicaragua, to die on behalf of Nicaraguan communism at the direction of Cuban and Soviet advisers? That is exactly what that means.

Mr. WEISS. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I am glad to yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, would the gentleman put the State Department to that position too, because they do not support this, they say they cannot support this amendment.

Mr. GINGRICH. There are elements in the State Department, I say to my friend, who do not to this day believe that the Soviet empire exists, and who do not to this day understand the nature of communism. Many of them, I am sure, when they get out, when they retire, will find themselves cheerfully walking in mobilization marches. The gentleman is right and he raised the right issue.

We happen to think that had the State Department been honest and explicit for the last 6 months, had it been courageous and willing to drop "Sandinista" and use "Communist," and had it been willing to focus on the Soviet empire, we frankly would have won the argument in America a long time ago that it is the institutional bureaucracy combined with a well meaning economic left, working with a not at all well meaning hard left that has left America so confused and so weak.

Mr. MICA. Mr. Chairman, I yield 2½ minutes to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Chairman, this amendment will require the State Department to ask every citizen seeking a passport why are you going. It will give the Department of State the right to deny to every citizen of this country a passport if that question is for some reason in question.

This amendment imposes an ideological litmus test on those Americans seeking to exercise their constitutional rights. It is clear that the minority in the House is now trying to restrict the right of Americans to travel.

Last night we heard the gentleman from Georgia [Mr. GINGRICH] on television when he was asked, "Mr. GINGRICH, do you want the truth to come out of these hearings on the Iran-Contra matter," and the gentleman from Georgia, my colleague, replied, "Not necessarily."

I think it is clear that now there is a concern that the truth is coming out. This effort to restrict travel, this effort to restrict the truth is I think of great concern. This is the same gentleman who described in a newspaper article yesterday three Members of the U.S. Senate, as part of a leftwing lynch mob attacking the President.

The CHAIRMAN. The gentleman should not refer to Members of the other body and should revise his remarks.

Mr. KOSTMAYER. Three Members of the other body who shall remain nameless.

The CHAIRMAN. The gentleman should still not refer to Members of the other body.

Mr. KOSTMAYER. We ought to be concerned, Mr. Chairman, in this House where we try to protect the constitutionally guaranteed liberties of the American people of any amendment which would restrict the right to travel based on the citizens' ideological convictions.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. KOSTMAYER. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Chairman, I want to ask the gentleman a direct question. If he knew an American citizen was going to Nicaragua to fight alongside Cubans under Soviet advisers in favor of tyranny, would he be willing to stop them from going and fighting for communism?

Mr. KOSTMAYER. If we are not at war with Nicaragua and American lives are not in danger, American Marines were mentioned, and we were not at war, then I do not think it is any of Congress' business to decide why Americans travel and where they travel. That is not our judgment to make.

The issue was raised as to whether or not people go there to participate in farm work, to raise food, which would go to the Sandinista army, would they be restricted from traveling as well. This is a very dangerous area. I am not a supporter of the Sandinistas, but this is a dangerous area in which the Congress seeks to limit the right to travel.

This amendment is better defeated.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. My colleagues, we are in a very dangerous area and we are skirting all sorts of issues here. But I think that we are going to need a bipartisan approach to decide what we are going to do about wars of liberation, and that is what they are described as on both sides, and whether it is any of our business, as the gentleman said, whether Americans want to choose up sides, as the chairman of my Subcommittee on the Western Hemisphere began to discuss on the Spanish Civil War.

Americans fought on both sides of the Spanish Civil War. Only the strangely named Abraham Lincoln Brigade gets lionized on national television by Pierre Salinger. The other side is not too well talked about, the side that tried to stop the murdering of the priests and the nuns.

Both sides of the Spanish Civil War, both sides got into a rather ugly situation where both sides slaughtered prisoners wholesale. So there is not too much pride to be taken on either side of that.

Then about 2 or 3 years later one American went over to work for the Japanese warlords. She eventually did time. We did not murder her or kill her as the British killed Lord HaHa, but we put Tokyo Rose in jail.

On the other side there were American military pilots deviously secunded, Army Air Corps, Navy pilots to the Flying Tigers to get $500 for every Japanese Zero they shot down. They were fighting for China against Japan, and there was no declaration of war.

In this Chamber we have a picture hanging of a man that Robespierre called a mercenary, Lafayette. He came as a young man in his early twenties to fight in a revolution against a strong country in Europe. He was a Contra in that sense. Was his travel restricted by France? No.

The CHAIRMAN. The time of the gentleman from California [Mr. DORNAN] has expired.

Mr. DORNAN of California. 5:45 and we are discussing an issue of this import without enough time. I am sorry.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] has 1¾ minutes remaining, and the gentleman from Florida [Mr. MICA] has 1 minute remaining and has the right to conclude debate.

Mr. MICA. Mr. Chairman, a point of information. We have worked out an agreement where by unanimous consent I will have 2 minutes and the gentleman from Pennsylvania [Mr. WALKER] will close debate with his 1 minute.

The CHAIRMAN. Does the gentleman from Florida make that unanimous-consent request?

Mr. MICA. Mr. Chairman, I ask unanimous consent that this gentleman have 1 additonal minute of debate time.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. WALKER. Mr. Chairman, do I understand, though, that this side will have the chance to close debate?

The CHAIRMAN. That was part of the unanimous-consent request. The gentleman from Florida [Mr. MICA] is granted 1 additional minute, and the gentleman from Pennsylvania [Mr. WALKER] will close the debate.

Mr. MICA. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, what this amendment is is a continuum of a sad state of affairs where those who say they are so interested in democracy in Nicaragua are willing to undermine the democratic institutions here at home, and those who care so much and are in favor of freedom and civil liberties in Nicaragua will undermine and constrict the freedoms of Americans here at home.

What this amendment then really is about is that many of my colleagues on the other side of the aisle are afraid of the American people, they are afraid of people who have gone down to Nicaragua, have talked to people, who have engaged in work programs and discussed with members of the government all the different factions, and have come home and have lectured to their neighbors and to their congregations about how stupid, how brutal the American policy is in Nicaragua. What we now find is in the most recent polls over 70 percent of the American people oppose the policy of this administration, and this is a last ditch effort by taking away Americans' freedom to travel, their civil liberties and the democratic institutions to try to overcome what the majority of the American people want us to do, and that is to end this administration's policy in Nicaragua.

Mr. MICA. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. McCLOSKEY].

Mr. McCLOSKEY. Mr. Chairman, it is unfortunate, but it has been attempted, and some will try to do this in the future, to say that this vote is really about whether you are for or against the Contras or the Sandinistas or whatever. The truth is nothing could be further from the truth.

The simple fact is first that the administration opposes this legislation for whatever reason, it opposes it for procedural and administrative reasons.

Secondly, the people who are pushing this amendment are trying to deprive American citizens of human rights that the administration is not trying to take away. As the gentleman from Florida [Mr. FASCELL] so eloquently pointed out the other day, whether he agrees or not, the values of pro-Sandinista Americans may be appalling, but they have the right to have those values.

I urge a very strong no vote and that we defeat this amendment which seeks to deprive Americans of civil rights that the administration has not sought to do.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, Americans are currently restricted from working in any capacity in Libya or Cuba. This amendment is not unique. We restrict military advisers from the United States at least 20 miles from the Nicaraguan border. So what in the world is wrong with trying to keep Americans from going down there and participating in a military capacity with the Communists in Nicaragua?

Would my colleagues on the left fight as hard for the rights of U.S. citizens to go down and help the freedom fighters, the Contras? I think not.

The problem in this body is, and the problem with many elected in this country, is they want to make it a crime to fight communism, but it is OK to aid the Communists.

We have got to get back on the right track in this country. My colleagues on the left need to admit forthrightly that they support the Communist Sandinista government of Nicaragua and quit this charade that they try to put forth on the American people every day of the week.

Mr. WALKER. Mr. Chairman, I yield myself the last three-quarters of a minute to close debate.

Mr. Chairman, there is no violation whatsoever here of any right to travel or any freedom to travel, none whatsoever. It is perfectly in line with the laws that are now on the books. As the gentleman from Indiana [Mr. BURTON] just mentioned, such is being applied in Libya and Cuba today.

I never believed that I would hear on this floor someone suggest there is a human right of Americans to go fight for the Communists in Central America, but we just heard that a minute ago. That is not a human right. The human right is the freedom to travel. That is not impacted upon at all by this amendment.

If my colleagues vote against this amendment they are saying clearly that they have no problem with Americans going to Central America to help the Soviet and Cuban Communists with their military operations. This is an amendment not only aimed at Nicaragua, I would say, it is aimed at those Communist guerrilla groups that are also fighting against embryonic democracies. You will be voting to say people ought to go from America to Central America and fight on the side of the Communist guerrillas that are trying to overthrow the embryonic democracies, and I would suggest that is a terrible vote.

Vote "yes" on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], as modified.

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 213, noes 201, not voting 19, as follows:

[Roll No. 205]

AYES—213

Andrews
Archer
Armey
Aspin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bevill
Biaggi
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Carper
Chandler
Chapman
Chappell
Cheney
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Dyson
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Fish
Frenzel
Frost
Gallegly
Gallo
Gaydos
Gekas
Gibbons
Gilman
Gingrich
Goodling
Grandy
Grant
Green
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hefley
Hefner
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jenkins
Johnson (CT)
Kasich
Kolbe
Kolter
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morrison (WA)
Murphy
Myers
Nelson
Nichols
Nielson
Obey
Oxley
Parris
Pashayan
Penny
Pickle
Porter
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rogers
Roth
Roukema
Rowland (CT)
Rowland (GA)
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wilson
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOES—201

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Atkins
AuCoin
Bates
Beilenson
Bereuter
Berman
Bilbray
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carr
Clarke
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Florio
Foley
Ford (MI)
Frank
Garcia
Gejdenson
Gephardt
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Guarini
Hamilton
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Hochbrueckner
Houghton
Howard
Hoyer
Hughes
Jacobs
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Mrazek
Murtha
Nagle
Natcher
Neal
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Petri
Pickett
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Richardson
Rodino
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Sharp
Sikorski
Sisisky
Skaggs
Slaughter (NY)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates

NOT VOTING—19

Badham
Boner (TN)
Bonior (MI)
Daniel
Dymally
Flake
Flippo
Foglietta
Ford (TN)
Gray (PA)
Jeffords
Kemp
Lukens, Donald
Packard
Ray
Roemer
Schumer
Smith (FL)
Tauzin

□ 1805

Messrs. SMITH of Iowa, McHUGH, and VENTO changed their votes from "aye" to "no."

Messrs. BARNARD, NICHOLS, DANNEMEYER, BEVILL, BAKER, HOPKINS, CONTE, DOWDY of Mississippi, and HORTON, and Mrs. BYRON changed their votes from "no" to "aye."

Mr. PACKARD. I was unable to vote during the session. Had I been present, I would have voted no.

So the amendment, as modified, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Coelho] having assumed the chair, Mr. Swift, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 1777) to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the U.S. Information Agency, and for other purposes, pursuant to House Resolution 190, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole?

Mr. MILLER of Washington. Mr. Speaker, I demand a separate vote on the so-called Herger amendment.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

Mr. HERGER. Mr. Speaker, I demand a separate vote on the following amendments:

The Levine amendment regarding the Pan American Health Organization;

The Richardson amendment regarding Cuban political prisoners;

The Richardson amendment concerning human rights abuses in Ethiopia and Paraguay;

The Oberstar amendment regarding consulates in Germany, Sweden, Italy, France, and Austria; and

The Neal amendment, as amended, regarding Japanese defense expenditures.

The SPEAKER pro tempore. Is a separate vote demanded on any other amendment?

The Chair will put the votes in the following order; first, the Levine amendment; second, the Oberstar amendment; third, the Richardson amendment No. 6; fourth, the Richardson amendment No. 8; fifth, the Herger amendment; and sixth, the Neal amendment.

PARLIAMENTARY INQUIRY

Mr. FRENZEL. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. FRENZEL. Will the Clerk read the amendments prior to the vote on each?

The SPEAKER pro tempore. The Clerk will report each amendment in the order in which they appear in the bill.

Mr. FRENZEL. I thank the Chair.

The SPEAKER pro tempore. The Clerk will report the first amendment on which a separate vote has been demanded.

Mr. MICA. Mr. Speaker, I ask unanimous consent that following a record vote on this amendment the time for record votes on the remaining amendments be reduced to 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. HERGER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The Clerk will report the amendment.

The Clerk read as follows:

Amendment: Page 4, line 12, strike "$1,375,974,000" and insert in lieu thereof "$1,373,024,000".

Page 4, line 13, strike "$1,431,013,000" and insert in lieu thereof "$1,428,063,000".

Page 9, line 5, strike "$32,691,000" and insert in lieu thereof "$37,191,000".

Page 9, line 6, strike "$33,999,000" and insert in lieu thereof "$38,499,000".

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HERGER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 313, noes 99, not voting 21, as follows:

[Roll No. 206]

AYES—313

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bartlett
Barton
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Cheney
Clarke
Clay
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Florio
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Inhofe
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Rahall
Rangel
Ravenel
Richardson
Ridge
Rinaldo
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Schuette
Schulze
Sharp
Shaw
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Stratton
Studds
Swift
Swindall
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)

NOES—99

Archer
Armey
Baker
Ballenger
Bateman
Bentley
Bereuter
Bilirakis
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Clinger
Coble
Coleman (MO)
Craig
Crane
Dannemeyer
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gekas
Grandy
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Holloway
Hopkins
Hunter
Hyde
Ireland
Johnson (CT)
Kolbe

Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lungren
Mack
Martin (IL)
McCandless
McCollum
McEwen
Meyers
Miller (OH)
Molinari
Moody
Moorhead
Myers
Nielson
Petri
Quillen
Regula
Rhodes
Ritter
Roberts
Robinson
Schaefer
Sensenbrenner
Shumway
Skeen
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stangeland
Stump
Sundquist
Sweeney
Tauke
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Whittaker
Wylie
Young (FL)

NOT VOTING—21

Badham
Boner (TN)
Bonior (MI)
Daniel
Dymally
Flake
Flippo
Foglietta
Ford (TN)
Gephardt
Gray (PA)
Jeffords
Kemp
Lukens, Donald
Packard
Pursell
Ray
Roemer
Schumer
Smith (FL)
Tauzin

□ 1820

Mr. ROBINSON changed his vote from "aye" to "no."

Messrs. STRATTON, COYNE and SWINDALL changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1835

The SPEAKER pro tempore. (Mr. COELHO). The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 27, after line 13, insert the following:

SEC. 137. FUNDS TO KEEP CERTAIN CONSULATES OPEN.

In addition to the amounts otherwise authorized to be appropriated, there are authorized to be appropriated for "Salaries and Expenses" for the Department of State $3,100,000 for each of the fiscal years 1988 and 1989, which amounts shall be used for the expenses necessary to continue to operate those consulates in Austria, the Federal Republic of Germany, France, Italy, and Sweden which are currently scheduled to be closed during fiscal year 1987.

Mr. DORNAN of California. Mr. Speaker, I ask unanimous consent that all further votes be limited to 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. HERGER. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HERGER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 241, noes 171, not voting 21, as follows:

[Roll No. 207]

AYES—241

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bateman
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conyers
Coughlin
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Eckart
Edwards (CA)
Espy
Evans
Fascell
Fazio
Feighan
Fish
Florio
Foley
Ford (MI)
Frost
Garcia
Gaydos
Gejdenson
Gilman
Gonzalez
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Guarini
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Moody
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Richardson
Ridge
Rinaldo
Roberts
Rodino
Roe
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Sensenbrenner
Sharp
Shuster
Sikorski
Skaggs
Skelton
Slaughter (NY)
Smith (NJ)
Smith, Robert (OR)
Solarz
Spratt
St Germain
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)

NOES—171

Archer
Armey
Baker
Ballenger
Barnard
Bartlett
Barton
Bates
Bentley
Bilirakis
Bliley
Boehlert
Boland
Boulter
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Carr
Chandler
Cheney
Clinger
Coats
Coble
Combest
Conte
Cooper
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Derrick
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Dyson
Early
Edwards (OK)
Emerson
English
Erdreich
Fawell
Fields
Frank
Frenzel
Gallegly
Gallo
Gekas
Gibbons
Gingrich
Glickman
Goodling
Grandy
Green
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hunter
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kennedy
Kolbe
Konnyu
Kyl
Latta
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McCurdy
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison (CT)
Myers
Nichols
Nielson
Parris
Pashayan
Patterson
Petri
Porter
Quillen
Rahall
Ravenel
Regula
Rhodes
Ritter
Robinson
Rogers
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schroeder
Schuette
Schulze
Shaw
Shumway
Sisisky
Skeen
Slattery
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spence
Staggers
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vucanovich
Walker
Watkins
Weldon
Wylie
Young (FL)

NOT VOTING—21

Badham
Boner (TN)
Bonior (MI)
Daniel
Dymally
Flake
Flippo
Foglietta
Ford (TN)
Gephardt
Jeffords
Kemp
Lukens, Donald
Packard
Pursell
Rangel
Ray
Roemer
Schumer
Smith (FL)
Tauzin

□ 1845

Messrs. HALL of Ohio, NICHOLS, HARRIS, and SLATTERY changed their votes from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. COELHO). The Clerk will report the next amendment on which a separate vote has been demanded.

Mr. MICA. Mr. Speaker, I ask unanimous consent that the Herger amendment, which would have been the last amendment, be voted on out of order as the next amendment, and that after that, without prejudice to the outcome of that vote, each of the remaining votes on amendments be reduced to 5 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the Herger amendment.

The Clerk read as follows:

Amendment: Page 58, strike out lines 3 through 12 (section 203), and redesignate succeeding sections accordingly.

The SPEAKER pro tempore. The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HERGER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 180, noes 230, not voting 23, as follows:

[Roll No. 208]

AYES—180

Andrews
Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bevill
Bilirakis
Bliley
Boland
Bosco
Boulter
Brooks
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Carr
Chapman
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
Dornan (CA)
Dreier
Duncan
Dyson
Early
Eckart
Edwards (OK)
Emerson
English
Erdreich
Fields
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green

Gregg
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Hunter
Hutto
Hyde
Inhofe
Ireland
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)
Livingston
Lott
Lowery (CA)
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Molinari
Montgomery
Moorhead
Murphy
Myers
Nichols
Nielson
Olin
Oxley
Parris
Pashayan

Patterson
Porter
Pursell
Quillen
Rahall
Ravenel
Regula
Rhodes
Rinaldo
Roberts
Robinson
Rogers
Roth
Saiki
Saxton
Schaefer
Schuette
Schulze
Shaw
Shumway
Shuster
Skeen
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spence
Stangeland
Stenholm
Stratton
Stump
Sundquist
Sweeney
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—230

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin

Barnard
Bates
Beilenson
Bennett
Bereuter
Berman
Biaggi
Bilbray
Boehlert
Boggs

Bonker
Borski
Boucher
Boxer
Brennan
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante

Campbell
Cardin
Carper
Chandler
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Edwards (CA)
Espy
Evans
Fascell
Fawell
Fazio
Fish
Florio
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Guarini
Gunderson
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer

Huckaby
Hughes
Jacobs
Jenkins
Johnson (CT)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Mavroules
Mazzoli
McCloskey
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murtha
Nagle
Natcher
Neal
Nelson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pease
Pelosi

Penny
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Rangel
Richardson
Ridge
Ritter
Rodino
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Sensenbrenner
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Smith, Robert (OR)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—23

Badham
Boner (TN)
Bonior (MI)
Coughlin
Daniel
Dymally
Feighan
Flake

Flippo
Foglietta
Gephardt
Jeffords
Johnson (SD)
Kemp
Lukens, Donald
Matsui

Packard
Pepper
Ray
Roemer
Schumer
Smith (FL)
Tauzin

☐ 1900

Mr. YATRON changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. PACKWOOD. I was unable to vote during the session. Had I been present, I would have voted no.

The SPEAKER pro tempore (Mr. COELHO). The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 55, after line 25, insert the following:

SEC. 192. TREATMENT OF CUBAN POLITICAL PRISONERS.

(b) REFUGEE POLICY.—The Department of State shall take steps as may be necessary to ensure that applications of Cuban political prisoners and their families for refugee status will be processed without regard to the duration of their imprisonment. Former political prisoners living in third countries will also be entitled to have their applications processed according to this refugee policy.

(c) DEFINITIONS.—For purposes of this section—

(1) The term "Process means the acceptance and review of applications and the preparation of necessary documents and the making of appropriate determinations with respect to such applications.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 55, after line 25, add the following:

SEC. 192. HUMAN RIGHTS IN ETHIOPIA AND PARAGUAY.

(a) FINDINGS WITH RESPECT TO PARAGUAY.—The Congress finds that—

(1) the police authorities in Paraguay regularly arrest and hold individuals in an arbitrary manner;

(2) the state of siege provision of the Constitution of Paraguay provides for the detention of individuals for an indefinite period of time without trial; and

(3) there are credible charges that police authorities have tortured and physically abused prisoners.

(b) FINDINGS WITH RESPECT TO ETHIOPIA.—The Congress finds even more deplorable human rights abuses in Ethiopia, including the following:

(1) The Government of Ethiopia exercises absolute power over the majority of Ethiopians.

(2) Ethiopians have no civil or political freedoms and no institutions or laws to protect their human rights.

(3) Reliable reports that approximately 60 political prisoners in Ethiopia were executed in October 1985 without benefit of a trial.

(4) Over 1,000,000 Ethiopians have fled the country.

(c) SENSE OF CONGRESS.—The Congress expresses its outrage at the human rights abuses specified in subsections (a) and (b) and pledges to continually speak out against governments, such as the governments of Paraguay and Ethiopia, which torture and maim human beings.

Ms. SNOWE (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maine?

There was no objection.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

☐ 1915

The **SPEAKER** pro tempore (Mr. COELHO). The Clerk will report the last amendment on which a separate vote has been demanded.

The Clerk read as follows:

Amendment: Page 70, after line 16, add the following:

TITLE VII—TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN

SEC. 701. UNITED STATES EXPENDITURES IN CARRYING OUT THE TREATY OF MUTUAL COOPERATION AND SECURITY BETWEEN THE UNITED STATES AND JAPAN.

(a) FINDINGS.—The Congress finds that—

(1) Japan has prospered greatly under the security provided by the United States, rising from devastation to an economic superpower with the third largest gross national product in the world;

(2) the security of Asia and the free world is critical to the continued prosperity of Japan;

(3) Japan contributes proportionately less to defense than any other major industrialized nation;

(4) Japan is limited to how much it can increase its own defense program by political, and psychological constraints;

(5) Japan enjoys a $58,600,000,000 balance of trade surplus in the United States;

(6) the United States taxpayer cannot be expected to indefinitely shoulder a disproportionate share of the burden of defending Japan and the free world;

(7) the current inequitable financial commitment by Japan to its defense and that of the free world threatens to undermine its relations with the United States;

(8) continued good relations between the United States and Japan are mutually beneficial and critical to the security and economic well-being of the free world;

(9) it would be unwise for Japan to dramatically increase the level of its own defense forces to meet modern security needs, and commitments; and

(10) the people of Japan would undoubtedly welcome the opportunity to pay a fair share for the defense of their country.

(b) JAPANESE DEFENSE SPENDING.—Within 180 days after the date of enactment of this Act, the Secretary of State shall seek to enter into negotiations with the Government of Japan for the purpose of increasing the amount spent in any year by the Government of Japan for defense to at least 3 percent of the gross national product of Japan for that year.

Strike out the final period of subsection (b) and insert in lieu thereof: ", or of obtaining payment by Japan to the United States of the amount by which such percentage amount exceeds the amount spent by Japan for defense in such year.".

Ms. **SNOWE** (during the reading). Mr. Speaker, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The **SPEAKER** pro tempore. Is there objection to the request of the gentlewoman from Maine?

There was no objection.

The **SPEAKER** pro tempore. The question is on the amendment.

The amendment was agreed to.

The **SPEAKER** pro tempore. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The **SPEAKER** pro tempore. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SOLOMON

Mr. **SOLOMON**. Mr. Speaker, I offer a motion to recommit.

The **SPEAKER** pro tempore. Is the gentleman opposed to the bill?

Mr. **SOLOMON**. I am, in its present form, Mr. Speaker.

The **SPEAKER** pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SOLOMON moves to recommit the bill, H.R. 1777, to the Committee on Foreign Affairs.

The **SPEAKER** pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The **SPEAKER** pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The **SPEAKER** pro tempore. The question is on the passage of the bill.

RECORDED VOTE

Mr. **FRENZEL**. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 303, noes 111, not voting 19, as follows:

[Roll No. 209]

AYES—303

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Armey
Aspin
Atkins
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bunning
Bustamante
Byron
Campbell
Cardin
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Conte
Cooper
Coyne
Craig
Dannemeyer
Darden
Davis (MI)
de la Garza
DeFazio
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (OK)
Erdreich
Espy
Fascell
Fawell
Fazio
Feighan
Fish
Flippo
Florio
Foley
Ford (MI)
Frost
Gallegly
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (LA)
Hefley
Hefner
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lungren
Mack
MacKay
Madigan
Manton
Martin (IL)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (OH)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Mrazek
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (UT)
Parris
Patterson
Pease
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Ravenel
Regula
Rhodes
Richardson
Ridge
Ritter
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Saiki
Sawyer
Scheuer
Schneider
Sharp
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NJ)
Smith (TX)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stratton
Studds
Stump
Sundquist
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Walker
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wylie
Yates
Yatron
Young (AK)

NOES—111

Applegate
Archer
AuCoin
Baker
Bliley
Boxer
Brown (CO)
Burton
Callahan
Carr
Clay
Coble
Collins
Combest
Conyers
Coughlin
Courter
Crane
Crockett
Daub
Davis (IL)
DeLay
Dellums
Dickinson
Dreier
Dyson
Emerson
English
Evans
Fields
Ford (TN)
Frank
Frenzel
Gallo
Gonzalez
Gray (PA)
Gregg
Hall (TX)
Hansen
Hastert
Hayes (IL)
Henry
Herger
Hertel
Holloway
Hyde
Inhofe
Ireland
Jacobs
Jones (TN)
Jontz
Kanjorski
Kastenmeier
Konnyu
Latta
Leland
Lewis (GA)
Lloyd
Markey
Marlenee
Martin (NY)
McCandless
Miller (CA)
Molinari
Moorhead
Morrison (CT)
Murphy
Nielson
Olin
Owens (NY)
Oxley
Panetta
Pashayan
Pelosi
Petri
Quillen
Rangel
Rinaldo
Roberts
Robinson
Roth
Rowland (CT)
Russo
Savage

Saxton
Schaefer
Schroeder
Schuette
Schulze
Sensenbrenner
Shumway
Shuster
Smith (NE)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stallings
Stangeland
Stark
Stenholm
Stokes
Sweeney
Towns
Vucanovich
Watkins
Weber
Weldon
Whittaker
Wyden
Young (FL)

NOT VOTING—19

Badham
Boner (TN)
Bonior (MI)
Daniel
Dymally
Flake
Foglietta
Gephardt
Jeffords
Kemp
Levin (MI)
Lukens, Donald
Packard
Ray
Roemer
Schumer
Smith (FL)
Tauzin
Udall

□ 1930

The Clerk announced the following pair:

On this vote:

Mr. Bonior of Michigan for, with Mr. Dymally against.

Mr. **BUECHNER** changed his vote from "no" to "aye."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations for fiscal years 1988 and 1989 for the Department of State, the U.S. Information Agency, the Voice of America, the Board for International Broadcasting, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MICA. I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill, H.R. 1777.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 1777, FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

Mr. MICA. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 1777, the Clerk be authorized to correct section numbers, punctuation, cross references, and grammatical and spelling errors, to make conforming changes to the table of contents, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

THE COURAGE OF HAZRAT KHAN, 12-YEAR-OLD AFGHAN WOUNDED IN SOVIET BOMBING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

(Mr. DREIER of California asked and was given permission to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, I think some of my colleagues know I have taken several opportunities here in the well of the House to talk about the plight of the people of Afghanistan, who for the last 7½ years have been suffering a genocide imposed on them by the Soviet Union. Before 1979, 15½ million Afghans lived in that wonderful country. Since that time, nearly 2 million have been killed. The largest refugee population in the world is in Pakistan and Iran. Over 5 million Afghans have been forced to seek refuge in those two countries and an additional 2 million people have been forced from their homes within the country.

Since 1979, nearly half the population of Afghanistan has been impacted by this horrible encroachment by the Soviet Union into their country.

This past weekend I had a wonderful opportunity to spend some time with a very brave and courageous young Afghan. He is 12 years old. His name is Hazrat Khan. He came to visit us in California, had an opportunity to go to Disneyland, spoke to a number of groups, and just yesterday in Los Angeles we held a news conference, then got on an airplane and flew to Sacramento, CA, where he had the very rare opportunity to address the California State Senate. Just this morning he addressed the California State Assembly telling them about his crisis.

A little over 2 years ago, Hazrat was in his home getting ready to walk to visit a friend and all of a sudden four Soviet MI-24 HIND-D helicopters descended on his village. The wall of his family's home collapsed on his legs. His mother was killed. It took him 1 week on horseback, his uncle helped him get across the border into Pakistan and he has been in this country on a medical visa.

I am happy to say that within the last few months he has been able to get out of his wheelchair and he is walking on crutches.

Yesterday morning at the Los Angeles Press Club Hazrat and I read a letter, which I would like to share with my colleagues. That letter is addressed to General Secretary Gorbachev, and it reads as follows:

House of Representatives,
Washington, DC, June 22, 1987.

His Excellency Mikhail Gorbachev,
General Secretary of the CPSU Central Committee, Moscow, RSFSR, U.S.S.R.

Dear Mr. General Secretary: I have recently become acquainted with Hazrat Khan, a 12-year-old Afghan who was wounded when Soviet airplanes bombed his village. Hazrat was paralyzed when the wall of his home collapsed on his legs. During the bombing, his mother was killed. An American private voluntary organization brought Hazrat to the United States. For the last two years, Hazrat has undergone surgery to correct his injuries. You will be pleased to know, he can now walk with the help of crutches.

As you well know, your new policies of "openness" in the Soviet Union have created a great amount of speculation among the western democracies. I and my other colleagues in the United States Congress genuinely hope that you are sincere about reforming Soviet society. The Soviet people and their leadership would be well served by a restoration of democracy to your system. Consequently, so would world peace be well served if we can believe your statements.

It is with great sadness then that I must turn your attention from your public pronouncements of goodwill to the presence of Soviet troops and killing in Afghanistan. You say you are a man of peace who represents a country which is too well familiar with the horrors of war, so I must ask how you can allow the Soviet war in Afghanistan to continue? After seven and a half years of fighting, how can you pretend that the Soviet presence in Afghanistan is welcome?

Hazrat has told me that his mother is only one of over a million Afghans killed by Soviet troops since 1979. Just as President Reagan asked you to demonstrate your good intentions by destroying the Berlin Wall, I ask you to withdraw your troops from Afghanistan. Hazrat has also signed this letter in an appeal to you to return his mother country to peace.

Sincerely,

David Dreier,
Member of Congress.
Hazrat Khan,
Afghan.

□ 1945

I am not expecting a response to that letter, but I do believe that it is important for the American people to be aware of the fact that genocide is being committed by the Soviet Union in Afghanistan in their century-and-a-half quest for the free world's oil supply, the Persian Gulf.

We must do everything that we can to help these brave and courageous people who are simply seeking the same kind of religious freedom which we as Americans enjoy.

LEGISLATION AUTHORIZING COINS FOR 1988 OLYMPICS INTRODUCED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today I am introducing legislation authorizing the minting of gold and silver commemorative coins next year in commemoration of the participation of American athletes in the 1988 winter and summer Olympic Games. Not only will these coins commemorate American participation, but they will also help raise badly needed funds for the training of our athletes.

Even today, across America thousands of athletes are training hard with a goal of being named to the 1988 U.S. Olympic teams. Many of these athletes are making tremendous personal sacrifices in the hope of being able to represent their country in the contests at the pinnacle of sport. They are putting in thousands of hours of arduous and often lonely practice with the goal of being able to stand on the victory platform with a gold medal on their chests, while the American flag is raised, and our national anthem is played and millions look on around the world.

In 1982, Congress authorized the minting of commemorative coins for the 1984 Los Angeles Olympic games. The sale of those coins raised $73.5 million for the U.S. Olympic Committee [USOC] and the Los Angeles Olympic Organizing Committee [LAOOC]. That money made it possible for the U.S. Olympic Committee in 1984 to distribute $6.4 million to the national governing bodies, which are the amateur sports organizations responsible for governing the conduct and promotion of particular amateur sports. That amount represented two-thirds of the amount the USOC gave to the national governing bodies in 1984. This money played no small role in enabling U.S. athletes to win more medals at the 1984 Los Angeles Olympics than any country ever won at a single Olympics.

In addition, the USOC used $31.7 million in coin money to help fund the U.S. Olympic Foundation, which it founded in 1984 to foster U.S. participation in national and international amateur sports competitions through the support of amateur sports organizations in this country. Another $10.8 million in coin money originally paid to the LAOOC was also paid into the Foundation.

The Olympic coin money has been a tremendous boost to the USOC, but costs for U.S. participation in the games continue to rise at a rapid rate. This new coin program will help raise millions of badly needed dollars so that American athletes can have the types of training facilities necessary for them to fully realize their potential and perform at the peak of their abilities at the games.

The legislation authorizes the minting of 1 million gold coins and 10 million silver coins. The coins will be sold directly by the U.S. Mint to the public and will carry a surcharge that will be paid to the U.S. Olympic Committee solely to train U.S. Olympic athletes, to support local or community amateur athletic programs and to erect facilities for the training of such athletes. In addition, the legislation requires that the coins be sold at no net cost to the U.S. Government.

I am pleased to be the sponsor of this legislation. I hope my colleagues will join me in cosponsoring it as a means of supporting our U.S. Olympic athletes.

DON'T BLAME THE PRESIDENT FOR OUR BUDGET FAILURES

The SPEAKER pro tempore (Mr. HUTTO). Under a previous order of the House, the gentleman from Florida [Mr. MACK] is recognized for 5 minutes.

Mr. MACK. Mr. Speaker, I take the time this evening to reflect on the debate that took place earlier today on the budget resolution. What I have in my hand is a pamphlet that is put out by the National Taxpayers Union, and it rates the voting of each individual Member in the House according to how they vote on various spending bills.

I mention the National Taxpayers Union because it is not a partisan report, it is not a partisan organization, and as a matter of fact there was input to these scores, input from Members of the House on both parties. Again, what I am trying to lay out here is that I think that the National Taxpayers Union is close to a fair analysis of both Democrats and Republicans when it comes to spending, and when I say spending, I do not mean just spending on the domestic side, I am also referring to spending on the defense side.

The reason that I am motivated to take a couple of moments to speak about this is because during the debate and for the last several months the attempt has been made by the Democratic Party to imply—it has been much stronger than that—they claim that the reason for the deficits that the country is experiencing comes because of the President's failure to become involved in the debate.

I would say, and I think that most Americans understand, that there is not a dollar spent that is not appropriated by this House, that is not voted on in this House.

While the debate was going on, I took note of each individual Member who came down to the floor of the House to discuss the budget resolution. I have listed each of the Members of the Democratic Party who came down and talked about the budget resolution. Again, what they tried to do was to shift the blame from themselves to the President. Again, not one dollar is spent in this country unless it is appropriated by this House.

Without naming the individuals—and let me just stop at this point and say that what you ought to do if you are concerned—and I guess that is another point—if your concern is that we are spending too much money or that we have raised too many tax dollars on the American worker, if that is your concern, then I would say that you want to look at the National Taxpayers Union guide that rates the Congress.

If you feel that more spending is needed, if you feel that all of the different programs in the $1 trillion budget that we now have are programs that should not be touched, then you do not want to look at this, because in essence what you are saying is that you are willing to have the taxes, whether it is in your business or whether on you individually, you are willing to have those taxes increase. That is fine. Then you are not really interested in this discussion.

Now let me get to the point. There were 13 different Members of the Democratic Party who came down and said that we ought to pass the budget resolution that is going to increase taxes, increase social spending, and reduce defense to some degree. All 13 of those spoke in favor of this higher spending program and the higher tax program, and a portion of them said that the deficit that we have is because the President of the United States would not control spending. It is up to the Congress to control spending.

I have one other thing: What is a good score, and what is a bad score? According to the congressional spending scores as outlined by the National Taxpayers Union, if you had a 28 percent or 28 or below, then you were considered by the National Taxpayers Union as being a big spender—that is, if you had a 28 or below.

I am just going to read down the numbers of the speakers that came out here on the Democratic side: 26 was the first score, 25 was the second score, 27 was the third score, 21 was the fourth score, 21 was the fifth score, 28 was the sixth score, and on, 47, 27, 24, 31, 32, 35, 24; an average of 28.

It is no wonder that those Members would come to the floor of the House and try to shift the blame to the President of the United States when they in fact failed.

WHAT IF? THE WORST-CASE SCENARIO IN THE PERSIAN GULF

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. ASPIN] is recognized for 5 minutes.

Mr. ASPIN. Mr. Speaker, last Wednesday I spoke to the House about the real dangers of the proposal to reflag Kuwaiti oil tankers—the threat of Iranian terrorism, mines or other bloodletting that would not leave any Persian fingerprints in the blood.

Today I would like to continue this series of speeches on the Persian Gulf by talking about another danger—the worst case scenario.

It's easy to imagine what the worst case is. It's simply that we get sucked into the maelstrom of the Iran-Iraq war and end up as a participant rather than an innocent bystander. It may be a little harder, however, to conceive of how we would be sucked into that war. Let me outline just how that could come about.

But to begin we need a little background to understand how the worst could occur.

First, one must understand that there are two facets to the Iran-Iraq war—the ground war and the tanker war.

In the ground war, the Iranians are on top. They are not winning in the sense that they have the Iraqis on the ropes. But they do have the Iraqis on the defensive—and Baghdad has no way of changing that because it is unwilling to risk the huge number of casualties that would result if it went onto the offensive—an offensive that might take thousands of square miles of Iranian territory, but which still would not have any assurance of knocking Iran out of the war.

In the tanker war, on the other hand, it is Iraq that is on top and has Iran on the defensive. The point of the tanker war is economic—pure and simple. Iran depends on oil exports for 95 percent of its foreign exchange earnings. And 100 percent of its oil exports must go by tanker through the Persian Gulf. If Iraq can shut down all or most of Tehran's oil exports, it can shut down Iran's economy and make it impossible for Iran to sustain the war effort indefinitely.

Curiously, Baghdad has not pressed its tanker blitz to that conclusion. For years, its Soviet-trained pilots made only sporadic strikes at Kharg Island, the terminal for 90 percent of Iran's oil exports. They would fly at altitudes measured in miles rather than feet and make ineffective strikes. Then, about 2 years ago, pilots trained in France began graduating and returning home to pilot newly bought Mirage F-1 jets. They were a different breed. Last summer Baghadad began a concerted campaign against tankers, against Kharg and against the temporary loading terminals that Iran tried to paste together when Kharg started taking a serious battering.

Iran suffered a dramatic production drop. From an average of almost 2.3 million barrels a day in the first half of 1986, Iranian oil production fell to an average of 1.3 million barrels a day last August, September and October. Since Iran consumes from 600,000 to 700,000 barrels a day of its own production, that meant Iranian oil exports—and, hence, Iranian foreign exchange earnings—were more than halved. Exports dropped from about 1.6 million barrels a day to about 0.6 million. That was all as a result of the intense Iraqi air campaign.

But that campaign ended. In November, Iranian production rose again, and it has now returned to 2.3 million barrels a day.

Why did Baghdad halt what was a very successful air campaign? No one knows for certain. But there is a strong suspicion that Baghdad's allies along the south shore of the Persian Gulf greatly feared one thing: that an Iran battered badly by Iraq's economic offensive would strike harshly at the handiest—and weakest—targets, which are Baghdad's allies along the south shore of the Persian Gulf.

The only realistic way for Baghdad to bring this war to an end on anything approaching satisfactory conditions for itself is to cut Iran's oily umbilical cord.

Tehran's response has been to vocalize one fundamental foreign policy repeatedly: The Persian Gulf and the Strait of Hormuz will be open and available to all—or to none. In other words: If you allow our throat to be cut, we will cut your throat.

Baghdad will be free to prosecute the air war to a successful conclusion only if the Arab States of the Persian Gulf don't have to worry about an interruption of their commerce.

That could happen if Arab shipping in the gulf were, for example, protected by the superpowers. If, say, the United States or the Soviet Union were to protect all that shipping, the Arab States might no longer feel a need to restrain Baghdad and Baghdad would feel free to push the air attacks on Kharg Island and Iranian shipping to a crisis point.

At that point, who knows what would happen. All bets are off about Iranian rationality. It could sue for peace. It could strike out against us in the Persian Gulf. It could suffer another revolution promoted by economic chaos. From Baghdad's position, none of those outcome is bad. From our standpoint, one of those outcomes is obviously very bad.

So, the worst case scenario of our involvement in the Persian Gulf reflagging is that we serve as a shield for the Gulf States behind which the Iraqis are free to fight the war they can win—and that, as a result, Iran is pushed to the wall and responds by striking out at us repeatedly, dragging us into the war.

This "shield" scenario is a possible outcome, though by no means a certain outcome. But American policymakers need to think through the foreign policy chess match to logical conclusions and not just play it one move at a time, which is a proscription for being on the receiving end of a checkmate. Incidentally, the analogy is appropriate: checkmate is generally believed to be a corruption of a Persian term, "Shah mord," meaning, "The king is dead." The Iranians would certainly love to checkmate us.

Now, let me emphasize that there is more than one way for the chess match to play out.

The "shield" gambit doesn't necessarily come into play if we protect only 11 of the tankers plying the Gulf. Tehran can still strike at many other vessels—Panamanian, Greek, Cypriot, et cetera—that call at Kuwaiti oil terminals. Tehran is also free to hit ships of many flags that call at the ports in the other Arab States along the Persian Gulf.

However, Defense Secretary Caspar Weinberger spoke to a news conference and later to the House Armed Services Committee about the possibility of protecting all neutral shipping in the Persian Gulf, which indicates that the administration failed to work through all the moves in the chess games before it approved the reflagging plan. I have also been told that the administration spoke to Kuwait and offered to protect all Kuwaiti shipping. It was the Kuwaitis who said they were only interested in reflagging 11 of their 22 tankers.

After considerable confusion and toing-and-froing, the administration finally appears to have recognized the "shield" problem. The very first sentence of last week's Defense Department report to Congress on Security Arrangements in the Persian Gulf addresses that issue:

Protecting 11 Kuwaiti ships under the U.S. flag is not part of an open-ended unilateral American commitment to defend all nonbelligerent shipping in the Persian Gulf.

The fact that this is the opening sentence of a 35-page report indicates the importance the administration now realizes it must attach to limiting this program. It also shows how the administration trapped intself in its own rhetoric.

Officially, the administration argues that the reflagging is part of an effort to (a) guarantee freedom of navigation in the Persian Gulf and (b) protect the flow of oil. Guarding 11 of the hundreds of vessels that ply the waters of the Persian Gulf helps those 11 tankers but does very little for the grander concepts of guaranteeing freedom of navigation and protecting the flow of oil. Those two arguments drive one logically to a policy of providing protection for all neutral shipping in the Persian Gulf—which is how Secretary Weinberger found himself offering total protection, which in turn meant providing a shield behind which Iraq could beat Iran into submission.

By changing tune, as the administration has now done, we avoid becoming a de facto ally of Baghdad by providing that military shield.

But the fact that the administration had to change its tune also indicates that the administration had not thought through its policy before it started enunciating it. Mind you, this is not a case where time pressures forced an administration to patch together a policy in days. The administration's own chronology shows that Kuwait formally informed the U.S. Embassy in Kuwait of its interest in reflagging on December 23, 1986. Two months later, in the first week of March, the President approved an interagency recommendation to protect the Kuwaiti tankers. Three months later, Secretary Weinberger was speaking of protecting all neutral shipping in the gulf.

So, the policy is not to confine all escort service to 11 Kuwaiti tankers reflagged American. What happens next? As I noted in the first speech in this series last Wednesday, the likelihood of a direct Iranian attack on a ship flying the American flag is remote.

One thing the Iranians might do—might be doing—is to drop mines in channels plied by U.S. flag vessels. Since May 17, four ships have struck mines. All have been in the channel leading to Kuwait's main oil terminal, Mina al-Ahmadi, where our escort will have ended. This raises the prospect that we will safely escort a ship for 600 miles, wave it goodbye, turn around and sail off, only to hear a loud boom behind us. We would look rather silly. This highlights two points:

First, we must consider not only the possibility of loss of life, but also of getting egg all over our face, and

Second, the Government of Kuwait has a definite role here in providing, at absolute minimum, protection for shipping in its territorial waters. Kuwait is perfectly capable of doing that; it has four dozen patrol craft in its navy plus six fast attack missile boats carrying—of all things—Exocet missiles. One of these 255-ton ships bears the unfortunate name Al-Boom.

Mining—or dropping the occasional mine in a shipping channel—is one tactic the Iranians may already be pursuing. A second possibility is that they will simply attack ships flying flags other than the stars and stripes. Eleven tankers will be safe but hundreds of others will be subject to attack—and may, in fact, have suddenly become more inviting targets. What do we do if all around the gulf other shipping is being attacked by the Iranians. The opinion will quickly evolve that our reflagging of Kuwaiti vessels has made the gulf much less safe for all but 11 ships.

What do we do? Has the administration thought through this chess gambit? Are we going to ignore this development? If we really believe in freedom of navigation and the free flow of oil, don't we have to do something to help out the other countries, four of which—all but Saudi Arabia—are even smaller in population than Kuwait? If we do help, we risk building a shield for Iraq incrementally. If we don't act, we look a bit silly guarding 11 tankers while others burn around us.

In sum, the administration didn't really think through this reflagging policy before adopting it. It leaped before it looked. The remarks of the Defense Secretary reflect a failure to understand the implications of providing a shield for Baghdad's war on Iranian tankers. And there is no indication that the administration has thought through what it will do if Iran responds in a very logical fashion by turning its guns on ships other than the protected 11.

COMMUNIST POLITICAL WARFARE AND HELPING COMMUNIST DICTATORSHIPS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. GINGRICH] is recognized for 5 minutes.

Mr. GINGRICH. Mr. Speaker, I rise to discuss briefly Communist political warfare and helping Communist dictatorships.

We had a vote on the House floor today in which the gentleman from Pennsylvania [Mr. WALKER] offered an amendment which would have blocked travel to Communist Nicaragua, and as amended by the gentleman from New Hampshire [Mr. SMITH] it specifically blocked travel for those people who wanted to go to Nicaragua to help the Communist dictatorship militarily.

In other words, under this amendment, which passed by 213 to 201, it is not appropriate for Americans to go to Nicaragua to help the Communist dictatorship militarily.

A number of my colleagues asked why this mattered, and I want to take just a moment or two to talk about this amendment.

First of all, I would recommend to every American looking at a book called, "The Real Secret War: Sandinistas Political Warfare and its Effects on Congress" by Francis Bouchey, Michael Waller, and Steve Baldwin. That book indicates clearly that there is a systematic Soviet, Cuban, and Nicaraguan Communist effort to influence the American Congress to influence American politics and to frame the debate.

Second, I would say to my friends, we are engaged in a long struggle with the Soviet empire. The Soviet empire is the active enemy of freedom and the active enemy of America. Sometimes we engaged in that struggle openly, as we were in the Korean war and in Vietnam. Sometimes we are engaged in that struggle covertly, as we are to some extent in Afghanistan, probably the most open covert war in modern history. Sometimes it helps our side to have an American embassy in the country, as it does in Nicaragua, and other times it is better to break diplomatic relations.

There is a systematic, thorough, Soviet KGB, Cuban, Nicaraguan Communist effort to establish Soviet Communist colonies in Central America.

In "The Real Secret War" by Bouchey et al., they indicate clearly, for example, the degree to which the Soviet Union directs the Cuban secret police. In other documents which we have captured, we know, for example, that Cuban and Nicaraguan diplomats in the United Nations systematically try to manipulate American politics and the American news media.

All that we were saying in today's vote was that the United States should establish a policy that like Lafayette, whose picture is in this Chamber, we help freedom, we help the forces of freedom, we are opposed to communism, we oppose the forces of communism. In particular, as a first step in this long march toward a free world, we are not willing to allow well-meaning but misguided Americans on the left to go to a country to put on a uniform to carry a weapon; that it should be against the law for Americans to get a passport to go to help a Communist dictatorship.

□ 1955

Tragically, two of the potential Presidential candidates voted against that amendment, two of them Democrats who are running for President, one announced, one exploring, decided to vote to allow Americans to go to Nicaragua to fight for a Communist dictatorship on the side of communism.

I would suggest that is not an issue of freedom of speech, it is not an issue of right of travel, it is a fundamental question of whether should some day American troops go into Nicaragua, as they went into Grenada, as they might have gone into Iran when our hostages were held, what would happen then to that young American who foolishly had put on a Nicaraguan uniform, what would the relationship be then of those young, well-meaning Americans who had been blinded into being pro-Communist, who were standing there with a Soviet AK-47, and then what would this Congress say, whose side would this Congress be on, the young American in an American uniform doing what an American President asked him, or the young American in a Communist uniform carrying Soviet weapons? It is madness for us engaged in a long-term war with the Soviet empire, for us trying to preserve freedom across the planet, for us trying to slowly and systematically help people be free, it is madness for us to allow some of our children to be convinced they should carry Soviet weapons, work with Soviet advisers, create Soviet dominated dictatorships, and this is a first step today by a narrow margin of 213 to 201 saying once again what John F. Kennedy knew, what Harry Truman knew, what Hubert Humphrey knew, that a healthy America knows who the friends of freedom are and who the Communists are and it sides with freedom.

NO CONTRA AID VOTE UNTIL SELECT COMMITTEE REPORTS

The SPEAKER pro tempore (Mr. HUTTO). Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, today I am introducing a resolution which amends the rules of the house to provide that the House will not consider any measure providing further aid to the Contras until the reports of both of the select committees investigating the Iran-Contra affair have been filed with the House and Senate.

On January 7, 1987, by an overwhelming vote of 416 to 2, the House adopted House Resolution 12, creating the Select Committee to Investigate Covert Arms Transactions with Iran. The previous day, by another overwhelmingly bipartisan vote of 88 to 4, the Senate adopted Senate Resolution 23, creating the Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition.

These committees were charged with important responsibilities. Although their chief function is to investigate those responsible for illegally selling arms to Iran and providing unauthorized covert aid to the Contras, the committees were also specifically requested to review the international policy objectives of the United States and to make recommendations on legislative actions necessary or proper to reduce the harm to U.S. policy that has been caused by the Iran-Contra affair.

The resolution which I am introducing today simply postpones any consideration in the House of further aid to the Contras until we have the benefit of the views of those committees as to the impact of the Iran-Contra affair on U.S. policy objectives and on what should be done to mitigate the harm done by that affair. The resolution does not prohibit further aid to the Contras or, indeed, pre-judge the findings of those committees in any way. It simply asks that we wait for the final verdict before entrusting further dollars and the public trust to those same officials and policies.

Holding off a vote on Contra aid until the reports of the select committees are filed would not impose a great delay. The President is not expected to file his request for further aid to the Contras before August or September. The House select committee is scheduled to file its report by October 30, 1987; the Senate select committee, which is currently scheduled to file its report by August 1, 1987, will probably extend its deadline to the House date. If the resolution which I am introducing today is adopted, the House vote would be delayed only briefly.

Mr. Speaker, I know that there will be some who will say there is no connection between the Iran-Contra scandal and future policy. But that is not true. From what we know so far, it is clear that some senior administration officials who are still centrally involved in promulgating and justifying our policy toward Central America apparently lied to Congress or tolerated lies by other officials, in order to safeguard their policy objectives. We must know whether they lied to Congress before we can judge the validity of their calls for further aid to the Contras. We must know whether these are, indeed, individuals who would say anything to Congress, without regard for the truth, to get more aid to the Contras. We must have that information before we vote on another aid request.

The other basis for this proposal, Mr. Speaker, is that we need to regain some control of the process under which we consider Contra-aid proposals. Assuming the expedited procedures for consideration of Contra aid are retained, we will have to make a decision on Contra aid under a timetable determined by the administration and one which presumably will be favorable to the administration. The formal request for aid may be timed to require a vote before the Iran-Contra reports are filed or to coincide with a summit meeting or some other major event. We cannot control completely the impact of outside events on our votes. But we can, and should, control the impact of events inside Congress on our votes. The single most significant event inside Congress, with a direct bearing on a vote on aid to the Contras, is the completion of the work of the select committees.

I think it is clear, too, that the American people see a connection between the completion of the hearings and a vote on Contra aid. The American people are entitled to a full accounting of the policies and actions surrounding Contra aid before, not after, a vote on any request for more taxpayer dollars to support the same policies. There is little reason to hold such extensive hearings if Congress and the Nation cannot consider the lessons learned from this scandal in developing future policy.

The purpose of the Iran-Contra hearings has been not only to expose wrongdoing, but to come to a better understanding of those who engaged in these unlawful activities and of the processes which allowed these activities to occur. We should have the opportunity to reflect on that information before we decide how we will vote on further aid to the Contras.

The following is the text of the resolution.

H. RES. 208

Resolution to provide that it shall not be in order in the House to consider any measure providing assistance for the Nicaraguan democratic resistance until after the House and Senate special Select Committees investigating the Iran-Contra matter have filed their final reports

Resolved, That notwithstanding any other Rule of the House, it shall not be in order to consider—

(1) any bill or resolution, any amendment (including an amendment of the Senate), or any conference report, which would provide for assistance for the Nicaraguan democratic resistance; or

(2) any report from the Committee on Rules on any rule or order of business waiving this resolution;

until after the House Select Committee to Investigate Covert Arms Transactions With Iran and the Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition have reported the final results of their investigation and study to their respective Houses.

THE NATIONAL DIVIDEND PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas, [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, today the House adopted the first trillion dollar budget. In the past 6 years the Nation has dramatically declined from a strong creditor nation to one deeply in debt. The balance of trade account with trading nations is in deficit, the Federal budget is in deficit. The fiscal policies have failed. Different approaches must be tried. One interesting approach has been advanced by John Perry of Florida who proposes the National Dividend Plan. Mr. Perry is noted for his genius and moral approach to problems solving. Accordingly, I commend the proposal for consideration of this body.

RUNAWAY SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

Mr. DANNEMEYER. Mr. Speaker, one of the most controversial issues that the 100th Congress will take up relates to accounting or establishing a sense of accountability for who is responsible for this runaway spending that the Federal Government has been pursuing mostly during the decade of the 1980's.

Today in the House during the debate on the budget resolution claims were made by both sides as to who is responsible, that is the Congress or the President, and it is on that subject that I have taken this special order this evening to talk about that issue and what the facts reveal.

Late last year I asked a member of my staff to prepare an analysis which would compare the requests of the Reagan administration for the 5 budget years that his administration is accountable for, 1982, 1983, 1984, 1985, and 1986, and then contrast what Congress has appropriated in response to those requests for each of those 5 fiscal years.

When we came back to Washington in January of this year I took the floor in a special order and announced what the results were, and there was some criticism raised at the time that the figures were not accurate. One could not have a consensus on them because different people talk different figures and so on.

So what I did was I sent the analysis that my office prepared to the CBO, Congressional Budget Office, and the OMB, Office of Management and Budget. I asked them to check over these figures and analyze whether they believed the statements or conclusions that my office developed were accurate.

It is the conclusion of the Congressional Budget Office that I want to share with Members at this time. My reason for selecting the Congressional Budget Office I think is obvious. In this, the 100th Congress, there is a Democrat majority in the House of Representatives, as there has been continuously for the past 34 years, and also there is a Democrat majority serving the U.S. Senate. The person that is heading the Congressional Budget Office was hired by the Democrat majority controlling Congress. I think anyone who works in this forum, in the Congress of the United States, must recognize that if there is a particular interpretation that will be favorable to the Democratic majority in the House and the Senate, the Congressional Budget Office will find a way to produce it because, after all, the head of the Congressional Budget Office was in fact hired by the Democrat majority in the House and the Senate.

What the comparison shows over that 5 years, 1982 through 1986, is from the analysis of the Congressional Budget Office critiquing of the figures that this Member from California presented to it in the manner that I have described. In four categories Congress appropriated less money than what this President asked for. This is over that 5-year span, 1982 through 1986. In national defense a total of $65.4 billion less; Medicare, a total of $8 billion less; Social Security, a total of $5.3 billion less; net interest on the debt, a total of $5.6 billion less. In those 4 categories, Congress appropriated a total of $84.5 billion less than what this President asked to be spent.

However, in all other categories, Congress over those 5 years appropriated $176.8 billion more than the President asked for, and the total is $92.2 billion, that is $92.2 billion is the sum that Congress appropriated beyond what this President asked be spent.

The reason that it is reduced from $176.8 billion is that in the four categories that I described, national defense, Medicare, Social Security, net interest, $84.5 billion less was appropriated. I do not think there can be any question what this shows clearly to the American people is that Congress is the institution that is accountable for this runaway spending. Those who serve here must respect that fact, and if the people of this country want to change the spending habits of the Congress of the United States they are going to have to change who shows up here in the organization of the 101st Congress, which will take place in January 1989.

Another question that comes up is how did we really develop this spending pattern that I have described where over these 5 years Congress has appropriated $92.2 billion more than what this President asked be spent. To find a rationale for where this system really went out of kilter one has to go back to fiscal years 1982 and 1983 to really appreciate where this level of Federal spending got elevated beyond what it should be.

In the category of "Other," and I can enumerate for my colleagues what mostly fits within the category of "Other." It is what includes some entitlements and most discretionary programs, comprising the bulk of social program spending, the foundation of the liberal welfare state in America.

In the category of "Other" in 1982 the President asked that $221.1 billion be spent and, in fact, according to the analysis of the Congressional Budget Office, we actually spent $255.5 billion. Then in 1983 the President asked that $195.1 billion be spent in that category, whereas in fact Congress appropriated some $273 billion according to the figures of the Congressional Budget Office.

When we have increases in appropriations of the magnitude that I have just described, $78 billion roughly more in 1983 and some $34 billion more in 1982 just in this category called "Other," it does not take a great deal of analysis to come to the conclusion that because of Congress markedly increasing spending in these categories in fiscal years 1982 and 1983 we have elevated the entire level of Federal spending much beyond what this President ever asked be spent. In fact, I believe in those 2 years we have the origin of the reason, part of the reason, why the Federal budget deficit for fiscal year 1987, the current year, is about $200 billion.

It is fair to say from these figures that had the budget requests of this President been honored, the total level of Federal spending would be about $100 billion less than what it actually is today. In other words, about half of the total budget deficit that we will experience in fiscal year 1987 is caused by excesses that Congress has appropriated in the areas that I have described.

When the President gave his State of the Union message at the beginning of this year in January, the President made a statement to the Nation as to what his spending priorities were and what would be contained in the budget proposal that he would later send to the Congress. In response to the President's request, the genteman from Texas [Mr. WRIGHT], speaking for the House of Representatives as Speaker, made a response, and Senate BYRD, speaking for the Democrats in the Senate, also gave a report to the Nation. Here is part of the statement of the gentleman from Texas [Mr. WRIGHT], the Speaker of the House, and I quote from a statement of January 31, 1987:

> The President sometimes likes to criticize Congress for what he calls "big spending" but the plain truth is that for the 6 years of this administration Congress actually has appropriated less in total spending than Mr. Reagan has asked us to appropriate.

When Members hear that they say something does not fit. The President is claiming one thing, Mr. WRIGHT is claiming another. I do not claim that Mr. WRIGHT, the Speaker, would deliberately misrepresent any facts. I think he is just mistaken. He was mistaken when he told the American public that Congress has appropriated less than this President has asked be spent. In fact, as I indicated earlier in my comments, over this 5-year span the net amount that Congress has appropriated in excess of what this President asked be spent is $92.2 billion.

This issue of accountability for this fiscal mess will be debated during the balance of the 100th Congress, for the balance of this year and also next year, because it is becoming apparent as each week unfolds that we are in deep fiscal trouble and monetary trouble with the problem of runaway spending and the lack of a will in Congress to bring it under control.

For example, in fiscal year 1986, in 1987, and 1988 we will add about two-thirds of a trillion dollars to the national debt of this country. To me, the true measure of the annual deficit is not what the statisticians in OMB or CBO or in the office of any of us project that it will be. The true measure of the Federal deficit is how much did we increase the national debt by.

In 1986, we actually increased the national debt by $285 billion. In 1987, the projected increase in the national debt will total some $208 billion, and in 1988 the projected increase in the national debt is some $189 billion. As I have indicated, over that 3-year span we will have added some two-thirds of a trillion dollars to the national debt in this country.

I do not believe that anybody thinks that we can continue that course indefinitely, and it is for this reason that I think we in Congress establish a factual basis for the people of this country as to who is accountable for this runaway spending.

□ 2010

One of the arguments you hear from time to time is that "Well, we are in this fiscal mess because we are spending too much on defense." Any of the Members has an opportunity of looking at the "United States Budget in Brief." This one is for fiscal year 1988. On page 99, you have the tables that trace the course of Federal spending in constant dollars, adjusted for inflation over the period 1971-90. It is interesting to contrast defense spending across that span of time. Contrast defense spending in 1971 which was listed at $202 billion and defense spending in 1987 of $242 billion. Again, I will say this is in constant prices, fiscal year 1982.

So that we are comparing apples with apples across the span of time when inflation has worked its magic and the instability of our fiscal system.

Again, in 1971 for defense $202 billion, 1987 $242 billion adjusted for inflation in constant 1982 prices.

That amounts to about a 20-percent increase across that span of some 16 years. Contrast the increase in spending for individuals across that same span.

In 1971, $181 billion; in 1987, $392 billion, an increase of $211 billion, again in constant dollars, an increase of over 110 percent.

To contrast, increase in defense spending across that 16 years is some 20 percent, increase in payments to individuals is 110 percent.

Then another category, including individuals, is nondefense spending. In 1971, we spent $306 billion; in 1987 some $619 billion for an increase of $313 billion across that 16-year span or an increase of better than 100 percent.

The point I want to share with my colleagues is that we are in this fiscal mess not because we are spending too much money on defense but because we are spending too much on social programs.

I think the data that is described in that analysis clearly indicates what I have described.

Another argument that one hears from time to time in discussions is that "Well, the Reagan administration has cut the entitlement programs for expenditures for civil service retirement, military retirement, veterans' compensation and pensions, income security, unemployment assistance, Medicare, Medicaid," and so on and so forth.

Just the opposite has been the truth, as I have indicated. The Congress of the United States has been responsible for setting the spending levels for these programs and they have been increased dramatically across the 5 budget years that I have related. In fact, in most of these categories that I have described, Congress has appropriated in excess of $176 billion beyond what this President has asked to spend.

I took this special order this evening because I think it is important for Members of Congress, Members of the House of Representatives to know what the facts are with respect to who is accountable for this runaway spending.

I sent out a notice of this "dear colleague" in hopes some of my Democratic friends would be here on the floor so that we would have an opportunity of debating this issue. Unfortunately, I do not see any of them in the Chamber at this time so that we would have a chance to discuss these facts in the event that they would choose to do so. I hope I will have an opportunity to do so in the future.

The chart referred to is as follows:

WHERE THE MONEY WENT III—THE REAGAN BUDGETS VERSUS ACTUAL SPENDING

[Outlays in billions of dollars]

Function	President's requests—			Actual outlays—		
	WED [1]	CBO [2]	OMB [3]	WED	CBO	OMB
Fiscal year 1982:						
National Defense	188.9	188.8	186.3	185.3	185.3	185.3
Medicare	46.6	47.1	43.2	46.6	46.6	46.6
Social Security	159.6	154.7	156.7	156.0	156.0	156.0
Net interest	82.6	82.5	68.4	85.0	85.0	85.0
Subtotal	477.7	473.2	454.6	472.9	472.9	472.8
Other	217.8	221.1	253.6	272.8	255.5	272.9
Total	695.5	695.3	708.1	745.7	728.4	745.7
Supplemental [4]	−1.5					
Supplemental total	694.0					
Fiscal year 1983:						
National Defense	221.1	221.1	220.0	209.9	209.9	209.9
Medicare	55.4	55.4	51.0	52.6	52.6	52.6
Social Security	173.5	173.5	175.3	170.7	170.7	170.7
Net interest	112.5	112.5	97.1	98.8	89.8	89.8
Subtotal	562.5	562.5	543.3	523.0	523.0	523.0
Other	195.1	195.1	230.1	285.3	273.0	285.3
Total	757.6	757.6	773.3	808.3	796.0	808.3
Supplemental	+1.5					
Supplemental total	759.1					
Fiscal year 1984:						
National Defense	245.3	245.3	245.0	227.4	227.4	227.4
Medicare	59.8	59.8	59.8	57.5	57.5	57.5
Social Security	178.2	178.2	178.9	178.2	178.2	178.2
Net interest	103.2	103.2	106.3	111.1	111.1	111.1
Subtotal	586.5	586.5	590.0	574.2	574.2	574.2
Other	262.0	262.0	273.4	277.6	267.6	277.5
Total	848.5	848.5	863.3	851.8	841.8	851.8
Supplemental	+.3					
Supplemental total	848.8					
Fiscal year 1985:						
National Defense	272.0	272.0	272.0	252.8	251.5	252.7
Medicare	69.7	69.7	69.8	65.8	64.3	65.8
Social Security	190.6	190.6	190.6	188.6	190.2	188.6
Net interest	116.1	116.1	116.1	129.2	129.4	129.4
Subtotal	648.4	648.4	648.7	636.4	635.4	636.6
Other	277.1	277.1	291.7	309.6	301.4	309.7
Total	925.5	925.5	940.3	946.0	936.8	946.3
Supplemental	+1.7					
Supplemental total	927.2					
Fiscal year 1986:						
National Defense	285.7	285.7	285.7	273.4	273.4	273.4
Medicare	67.2	67.2	67.2	70.2	70.2	70.2
Social Security	202.2	202.2	202.4	198.8	198.8	198.8
Net interest	142.6	142.6	142.6	135.3	136.0	136.0
Subtotal	697.7	697.7	607.7	677.7	678.3	678.3
Other	276.0	276.0	276.1	312.1	311.6	311.6
Total	973.7	973.7	973.9	989.8	989.8	989.8
Supplemental	−6.4					
Supplemental total	967.3					
Total fiscal year 1982–86:						
National Defense	1,213.0	1,212.9	1,209.0	1,148.8	1,147.5	1,148.7
Medicare	298.7	299.2	291.0	292.7	291.2	292.7
Social Security	904.1	899.2	903.8	892.3	893.9	892.3
Net interest	557.0	556.4	530.4	550.4	551.3	551.2
Subtotal	2,972.8	2,968.3	2,934.2	2,884.2	2,883.8	2,884.9
Other	1,228.0	1,232.3	1,324.8	1,457.4	1,409.1	1,457.0
Total	4,200.8	4,200.6	4,259.0	4,341.6	4,292.8	4,341.9
Supplemental	−4.5					
Supplemental total	4,196.3					
Changes, fiscal year 1982–86:						
National Defense	(−64.2)	(−65.4)	(−60.3)			
Medicare	(−6.0)	(−8.0)	+1.7			

WHERE THE MONEY WENT III—THE REAGAN BUDGETS VERSUS ACTUAL SPENDING—Continued

[Outlays in billions of dollars]

Function	President's requests—			Actual outlays—		
	WED [1]	CBO [2]	OMB [3]	WED	CBO	OMB
Social Security	(−11.8)	(−5.3)	(−11.5)			
Net interest	(−6.6)	(−5.6)	+20.8			
Subtotal	(−88.6)	(−84.5)	(−49.3)			
Other	+229.4	+176.8	+132.2			
Total	+140.8	+92.2	+82.9			
(Including supplemental)	(+145.3)					

[1] Representative W.E. Dannemeyer: President's budgets as submitted (FY 1982 Reagan budget submitted in March, 1981); actual outlays as reported.

[2] Congressional Budget Office: President's budgets as submitted, excluding off-budget programs (FFB); actual outlays (updated), excluding off-budget programs.

[3] Office of Management and Budget: original budget requests adjusted for comparable accounting (national defense includes imputed accruals for military retirement, Medicare includes premiums as offsetting receipts, totals include off-budget outlays).

[4] Supplemental totals as net of President's supplemental requests less rescission requests.

Note.—Individual amounts may not equal totals due to rounding. (Prepared by Representative W.E. Dannemeyer, 6-22-87.)

Mr. Speaker, I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONIOR of Michigan (at the request of Mr. Wright), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Barton of Texas) to revise and extend their remarks and include extraneous material:)

Mr. Swindall, for 60 minutes, on June 24.

Mr. Swindall, for 60 minutes, on June 25.

Mr. Dreier of California, for 5 minutes, today.

Mr. Craig, for 60 minutes, on June 30.

Mr. Craig, for 60 minutes, on July 7.

Mr. Craig, for 60 minutes, on July 14.

Mr. Crane, for 60 minutes, on June 24.

Mr. Mack, for 5 minutes, today.

Mr. Gingrich, for 5 minutes, today.

(The following Members (at the request of Mr. Mica) to revise and extend their remarks and include extraneous material:)

Mr. Dorgan of North Dakota, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Aspin, for 5 minutes, today.

Mr. Panetta, for 5 minutes, today.

Mr. Alexander, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Moakley, following rollcall No. 204, conference report (H. Con. Res. 86).

(The following Members (at the request of Mr. Barton of Texas) and to include extraneous matter:)

Mr. Shumway.
Mr. Lagomarsino.
Mr. Courter.
Mr. Packard.
Mr. Gallo.
Mr. Jeffords.
Mr. Lujan.
Mr. Thomas of California.
Mr. Gingrich.
Mr. Davis of Michigan.
Mr. Crane.
Mr. Fields.
Mr. Daub.
Mr. Marlenee.
Miss Schneider.
Mr. Gunderson.

(The following Members (at the request of Mr. Mica and to include extraneous matter:)

Mr. Hamilton.
Mr. Skelton in four instances.
Mr. Rangel.
Mr. Dyson.
Mr. Visclosky.
Mr. Howard in two instances.
Mr. Campbell.
Mr. Bryant.
Mr. Hall of Ohio.
Mr. Markey.
Mr. Solarz.
Mr. Lipinski.
Mr. Udall.
Mr. Morrison of Connecticut.
Mr. Aspin in two instances.
Mr. Owens of New York.
Mr. Berman.
Mr. Traficant.
Mr. Cardin.
Mr. Feighan.
Mr. Lantos.
Ms. Pelosi.
Mr. Matsui.
Mr. Torricelli.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2243. An act to designate the Federal Building located at 10 Causeway Street, Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building."

BILLS AND JOINT RESOLUTIONS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and joint resolutions of the House of the following titles:

H.R. 191. An act to authorize the establishment of a Peace Garden on a site to be selected by the Secretary of the Interior;

H.R. 2100. An act to designate the border station at 9931 Guide Meridian Road, Lynden, WA, as the "Kenneth G. Ward Border Station";

H.J. Res. 17. Joint resolution to designate the third week in June 1987 as "National Dairy Goat Awareness Week"; and

H.J. Res. 178. Joint resolution designating June 25, 1987 as "National Catfish Day."

ADJOURNMENT

Mr. DANNEMEYER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 15 minutes p.m.), the House adjourned until Wednesday, June 24, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1646. A letter from the Benefits Administrator, Farm Credit Services, transmitting the annual report of the retirement plan for the employees of the seventh farm credit district, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1647. A letter from the Executive Secretary, Federal Deposit Insurance Corporation, transmitting notification of a proposed new Federal records system "prospective Investor System", pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1648. A letter from the Deputy Associate Director for Royalty Management, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43

U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

1649. A letter from the Comptroller General, General Accounting Office, transmitting a report on the financial statements of the Commodity Credit Corporation for the years ended September 30, 1986 and 1985, and on the Corporation's system of internal accounting controls and on its compliance with laws and regulations (GAO/AFMD-87-43; June 1987), pursuant to 31 U.S.C. 9105; jointly, to the Committees on Government Operations and Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DERRICK: Committee on Rules. House Resolution 207. Resolution waiving certain points of order against consideration of H.R. 2700, a bill making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-178). Referred to the House Calendar.

Mr. BROOKS: Committee on Government Operations. A report on the State Department's Siverware Replacement Program: Illegal Procurement Procedures, Weak Internal Controls, and Sloppy Management (Rept. 100-179). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 2740. A bill to establish the National Dividend Plan by reforming the budget process, and by amending the Internal Revenue Code of 1986 to eliminate the double tax on dividends, to allocate corporate income tax revenues for payments to qualified registered voters, and for other purposes; jointly, to the Committees on Ways and Means and Rules.

By Mr. ANNUNZIO:

H.R. 2741. A bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1988 Olympic Games; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BATES:

H.R. 2742. A bill to amend the enforcement provisions of the Federal Election Campaign Act of 1971; to the Committee on House Administration.

By Mr. CARDIN (for himself, Mr. Coelho, Mr. Murphy, Mr. Dyson, Mr. DeFazio, Mr. Mfume, Mr. Towns, Mr. Jontz, Mr. Evans, Mr. Hoyer, Ms. Kaptur, Mrs. Bentley, Mr. Hayes of Illinois, Mr. Foglietta, Mr. McMillen of Maryland, Mr. Martinez, and Mr. Kolter):

H.R. 2743. A bill to revitalize the U.S. steel industry; jointly, to the Committees on Ways and Means and Banking, Finance and Urban Affairs.

By Mr. DIOGUARDI:

H.R. 2744. A bill to amend title 18, United States Code, to require drug testing for individuals to be released on bail, and appropriate conditions of release in the case of those individuals found to be using illegal drugs; to the Committee on the Judiciary.

H.R. 2745. A bill to provide for the rescheduling of glutethimide USP into schedule II of the Controlled Substances Act; jointly, to the Committees on Energy and Commerce and the Judiciary.

H.R. 2746. A bill to provide for a compilation of States laws relating to illicit drugs; jointly, to the Committees on the Judiciary and Energy and Commerce.

H.R. 2747. A bill to provide grants to States that require recordkeeping of prescription drugs in order to assist in the enforcement of laws against illicit drugs; jointly, to the Committees on the Judiciary and Energy and Commerce.

By Mr. JONES of North Carolina:

H.R. 2748. A bill to authorize the Secretary of the Army to use certain lands in connection with the navigation project for Manteo (Shallowbag) Bay, NC; jointly, to the Committees on Interior and Insular Affairs Merchant Marine and Fisheries, and Public Works and Transportation.

By Ms. KAPTUR:

H.R. 2749. A bill to amend the Internal Revenue Code of 1986 with respect to the disclosure of returns and return information in the case of cities with a population of more than 250,000 but not more than 2,000,000; to the Committee on Ways and Means.

By Mr. LEVINE of California (for himself, Mr. Gilman, Mrs. Schroeder, Mr. Horton, Mr. Frost, and Miss Schneider):

H.R. 2750. A bill to amend title 39, United States Code, to provide that change-of-address order forms submitted to the Postal Service may be furnished to the appropriate State authority for purposes relating to voter registration; to the Committee on Post Office and Civil Service.

By Mrs. LLOYD:

H.R. 2751. A bill to provide permanent authority to the Department of Energy to indemnify its civilian nuclear energy research and development contractors; to the Committee on Science, Space, and Technology.

By Mr. MARLENEE (for himself, Mr. Thomas of Georgia, Mr. Volkmer, Mr. Hunter, Mr. Roberts, Mrs. Smith of Nebraska, Mr. Gunderson, Mr. Stangeland, Mr. Brown of California, and Mr. Lightfoot):

H.R. 2752. A bill to encourage the use of program crop acreage for the purpose of creating game and wildlife habitats, feeding areas, and sanctuaries by protecting farm program crop base acreage and program payment yields; to the Committee on Agriculture.

By Mr. MATSUI (for himself, Mr. Stark, Mr. Ford of Tennessee, Mrs. Kennelly, and Mr. Miller of California):

H.R. 2753. A bill to amend part E of title IV of the Social Security Act to make necessary improvements in the foster care and adoption assistance program with the objective of assuring that such program will more realistically and more effectively meet the needs of the children involved, and for other purposes; to the Committee on Ways and Means.

By Mr. MOLLOHAN:

H.R. 2754. A bill to provide that certain small reversions of qualified plan assets before the date of the enactment of the Tax Reform Act of 1986 will not be subject to the excise tax on such reversions added by such act; to the Committee on Ways and Means.

H.R. 2755. A bill to suspend for a temporary period the duty on certain nitrogenous compounds; to the Committee on Ways and Means.

By Mr. SAWYER:

H.R. 2756. A bill to amend the Middle Atlantic Interstate Forest Fire Protection Compact to include the State of Ohio; to the Committee on Agriculture.

By Mr. SCHULZE:

H.R. 2757. A bill relating to the tariff treatment of portable marine stoves; to the Committee on Ways and Means.

By Mr. SENSENBRENNER (for himself, Mr. Porter, Mr. Petri, Mr. Latta, Mr. Hyde, Mr. Solarz, Mrs. Bentley, Mr. Roth, Mr. Davis of Illinois, and Mr. Horton):

H.R. 2758. A bill to prevent further erosion of shoreline property by reducing abnormally high water levels on the Great Lakes; jointly, to the Committees on Public Works and Transportation and Foreign Affairs.

By Mr. SUNDQUIST:

H.R. 2759. A bill to amend title 4 of the United States Code to limit the authorization of any State or political subdivision to tax income of Federal employees who are not residents of such State, and for other purposes; to the Committee on the Judiciary.

By Mr. WAXMAN (for himself and Mr. Roybal):

H.R. 2760. A bill to amend the Public Health Service Act to revise and extend the program of grants for preventive health services with respect to tuberculosis, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COURTER:

H. Con. Res. 145. Concurrent resolution on the Persian Gulf situation; to the Committee on Foreign Affairs.

By Mr. OWENS of Utah (for himself and Mr. Crockett):

H. Con. Res. 146. Concurrent resolution supporting the initiative of President Oscar Arias Sanchez of Costa Rica to end armed conflict in Central America and encouraging the participation of all regional States in a timely meeting to pursue a negotiated settlement of the conflict in Central America; to the Committee on Foreign Affairs.

By Mrs. SMITH of Nebraska (for herself, Mr. Roberts, Mr. Robert F. Smith, Mr. Bereuter, Mr. Lightfoot, Mr. Stangeland, and Mr. Marlenee):

H. Con. Res. 147. Concurrent resolution expressing the sense of Congress with respect to setting the government ARP level at 27½ percent for the 1988 crop of wheat; to the Committee on Agriculture.

By Mr. PANETTA:

H. Res. 208. Resolution to provide that it shall not be in order in the House to consider any measure providing assistance for the Nicaraguan democratic resistance until after the House and Senate Special Select Committees investigating the Iran-Contra matter have filed their final reports; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

139. By the SPEAKER: Memorial of the Legislature of the Commonwealth of Massachusetts, relative to removing the exemption for tobacco and tobacco products from

the Consumer Product Safety Act; to the Committee on Energy and Commerce.

140. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to placing tobacco and tobacco products under the Hazardous Substances Control Act; to the Committee on Energy and Commerce.

141. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to requiring tobacco companies to reveal the ingredients put into cigarettes; to the Committee on Energy and Commerce.

142. Also, memorial of the Legislature of the Commonwealth of Massachusetts, relative to placing tobacco and tobacco products under the Toxic Substances Control Act; to the Committee on Energy and Commerce.

143. Also, memorial of the Legislature of the Territory of Guam, relative to the Republic of the Philippines; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. Pickett, Mr. Dixon, Mr. Jacobs, and Mr. Moody.

H.R. 21: Mr. Dixon, Mr. Jacobs, Mr. Moody, and Mr. Pickett.

H.R. 80: Mr. Rahall and Mr. Stokes.

H.R. 134: Mr. Conyers and Mr. Foglietta.

H.R. 509: Mr. Barnard.

H.R. 537: Mr. Weber.

H.R. 588: Mr. Richardson, Mr. DioGuardi, Mr. McCurdy, Mr. Synar, Mr. Smith of New Jersey, Mr. Kemp, Mr. Broomfield, Mr. Hyde, Mr. Ritter, Mr. Livingston, Mr. Hiler, and Mr. Bilirakis.

H.R. 592: Mrs. Roukema, Mr. Hopkins, and Mr. Ritter.

H.R. 722: Mr. Hughes.

H.R. 792: Mr. Coble and Mr. Traficant.

H.R. 898: Mr. Rinaldo.

H.R. 925: Mr. Roe and Mr. Kostmayer.

H.R. 940: Mr. Pickle, Mr. Clarke, and Mr. Stokes.

H.R. 954: Mr. Bonior of Michigan.

H.R. 1032: Mr. Morrison of Washington and Mr. Chandler.

H.R. 1049: Mr. Lancaster.

H.R. 1097: Mr. Anderson, Mrs. Bentley, Mr. Borski, Mr. Bosco, Mr. Carper, Mr. Coats, Mr. Dyson, Mr. Foglietta, Mr. Garcia, Mr. Hochbrueckner, Mr. Horton, Mr. Hubbard, Mr. Hutto, Mr. Jeffords, Ms. Kaptur, Mr. Lagomarsino, Mr. Lewis of Georgia, Mr. Lipinski, Mr. Manton, Mr. Mfume, Mr. Olin, Mr. Ortiz, Mr. Roybal, Mr. Tallon, Mr. Tauzin, Mr. Thomas of Georgia, Mr. Torres, and Mr. Vander Jagt.

H.R. 1119: Mr. Kennedy.

H.R. 1140: Mrs. Patterson, Mr. McCloskey, Mrs. Roukema, Mr. Jeffords, and Mr. Packard.

H.R. 1173: Mr. Martinez and Mr. Foglietta.

H.R. 1196: Mr. Martinez, Mr. Packard, Mr. Mavroules, Mr. Garcia, Mr. Stratton, and Mr. Stokes.

H.R. 1234: Mr. Bustamante.

H.R. 1364: Mr. Andrews, Mr. Bateman, Mr. Boehlert, Mrs. Collins, Mr. Dorgan of North Dakota, Mr. Flake, Mr. Foglietta, Mr. Hubbard, Mr. Leland, Mr. Saxton, Mr. Sikorski, Mr. Wilson, and Mr. Wortley.

H.R. 1398: Mr. Berman.

H.R. 1467: Mr. St Germain, Mr. Gejdenson, and Mr. Panetta.

H.R. 1481: Mr. Barnard.

H.R. 1544: Mr. Davis of Illinois.

H.R. 1546: Ms. Slaughter of New York, Mr. Wortley, Mr. Young of Alaska, and Mr. Boucher.

H.R. 1601: Mr. Stokes.

H.R. 1624: Mrs. Byron.

H.R. 1638: Mr. Akaka and Mr. Ford of Michigan.

H.R. 1675: Mr. Feighan.

H.R. 1707: Mr. Crockett, Mr. Dellums, Mrs. Martin of Illinois, Mr. Traficant, Mr. Durbin, Mr. Conyers, Mr. Swift, Mr. Whittaker, Mr. Flippo, Mr. Weldon, and Mr. Levine of California.

H.R. 1722: Mr. Goodling.

H.R. 1723: Mr. Goodling.

H.R. 1770: Mr. Markey, Mr. Dellums, Mr. Donnelly, and Mr. Mineta.

H.R. 1782: Mr. Stangeland, Mr. Dornan of California, and Mr. Yatron.

H.R. 1786: Mr. Smith of Texas and Mr. Fish.

H.R. 1841: Mr. Bonker.

H.R. 1950: Mr. AuCoin, Mr. Boehlert, Mr. Brooks, Mr. Crockett, Mr. Darden, Mr. DeFazio, Mr. Florio, Mr. Gejdenson, Mr. Hubbard, Mr. Jacobs, Mr. Manton, Mr. Matsui, Mr. Mrazek, Mr. Sabo, Mr. Schumer, Mr. Staggers, Mr. Stallings, and Mr. Torres.

H.R. 1955: Mr. Broomfield and Mr. Pursell.

H.R. 2047: Mr. DeFazio, Mr. Neal, Mr. Thomas of Georgia, Mr. Owens of New York, Mr. Wolpe, Mr. Bustamante, and Mr. Towns.

H.R. 2052: Mr. Jones of Tennessee, Mr. Kolbe, Mr. Nagle, and Mr. Stokes.

H.R. 2114: Mr. English.

H.R. 2116: Mr. Lewis of Florida, Mr. Nichols, Mr. Ortiz, Mr. Tallon, Mr. Watkins, and Mr. Wise.

H.R. 2148: Mr. Hutto, Mr. Hochbrueckner, Mr. Grant, Mr. Eckart, and Mrs. Collins.

H.R. 2240: Mr. Kolter, Mr. Saxton, and Mr. Atkins.

H.R. 2241: Mr. DeWine, Mr. Lott, Mr. Holloway, Mr. Oxley, Mr. Porter, Mr. Ritter, and Mr. Schaefer.

H.R. 2248: Mr. Lott, Mr. Dicks, and Mr. Skelton.

H.R. 2249: Mr. Weldon.

H.R. 2259: Mr. Clinger.

H.R. 2276: Mr. Bustamante, Mr. Towns, and Mr. Murphy.

H.R. 2320: Mr. Foglietta.

H.R. 2327: Mr. Udall, Mr. Rose, Mr. Lott, and Mr. Stokes.

H.R. 2328: Mr. Ballenger and Mr. Rogers.

H.R. 2405: Mr. Gray of Illinois, Mr. Perkins, Mr. Rodino, Mr. Stokes, Mr. Mfume, Mr. Hayes of Illinois, Mr. Lehman of Florida, Mr. Ford of Michigan, Mrs. Collins, Mr. Ackerman, Mr. Fazio, Mr. Martinez, Mr. Solarz, Ms. Kaptur, Mr. Leland, Mr. de Lugo, Mr. Dymally, Mr. Robinson, Mr. Murphy, Mr. Towns, Mr. Edwards of California, Mr. Wilson, Mr. Crockett, Mr. Owens of New York, Mr. Rangel, Mr. Brooks, and Mr. Coelho.

H.R. 2435: Mr. Volkmer, Mr. Stokes, and Mr. McMillan of North Carolina.

H.R. 2456: Mr. Weiss, Mrs. Johnson of Connecticut, Mr. Bevill, Mr. Lancaster, Mrs. Bentley, Mr. Conyers, and Mr. Stokes.

H.R. 2482: Mr. Hammerschmidt, Mr. Fuster, Mr. Wolf, Mr. Volkmer, Mr. Applegate, Mr. Kastenmeier, Mr. Hawkins, and Mrs. Bentley.

H.R. 2491: Mr. Eckart and Mr. Stokes.

H.R. 2538: Mr. Campbell, Mr. Gray of Illinois, and Mrs. Saiki.

H.R. 2546: Mr. Wilson and Mr. Stokes.

H.R. 2556: Mr. Buechner and Mr. Ballenger.

H.R. 2565: Mr. Hatcher, Mr. Horton, Mr. Nielson of Utah, Mr. Hughes, Mr. Mrazek, Mr. Lancaster, Mr. Dyson, Mr. Alexander, Mr. Atkins, and Mr. Levin of Michigan.

H.R. 2567: Mr. Kanjorski.

H.R. 2579: Mr. Eckart, Mr. Gregg, Mr. Coats, and Mrs. Boxer.

H.R. 2584: Mr. Atkins and Mr. Foglietta.

H.R. 2589: Mrs. Boggs.

H.R. 2599: Mr. Howard.

H.R. 2610: Mr. Watkins.

H.R. 2611: Mr. Gallo, Mr. Kolter, Mr. Goodling, Mr. Latta, Mr. Manton, Mr. Markey, and Mr. Davis of Illinois.

H.R. 2634: Mr. Conyers and Mr. Hawkins.

H.R. 2635: Mr. McCloskey.

H.R. 2642: Mr. Marlenee, Mr. Towns, Mr. Porter, Mr. Bevill, and Mr. Stokes.

H.R. 2644: Mrs. Saiki, Mr. Buechner, Mr. Neal, Mr. Conyers, Mr. Downey of New York, Mr. Blaz, and Ms. Pelosi.

H.R. 2662: Mr. Sundquist.

H.R. 2687: Mr. Owens of New York.

H.R. 2692: Mr. Hall of Ohio, Mr. Frank, Mr. Mrazek, Mr. Bustamante, Mr. Courter, and Mr. Biaggi.

H.R. 2729: Mr. Saxton.

H.J. Res. 8: Mr. Latta.

H.J. Res. 25: Mr. Gunderson.

H.J. Res. 114: Mr. Coelho, Mr. Dicks, Mr. Livingston, Mr. Lantos, Mr. Biaggi, and Mr. Michel.

H.J. Res. 130: Mr. Berman, Mr. Akaka, Mr. Courter, Mr. Carper, Mr. Dixon, Mr. DeFazio, Mr. Coyne, Mr. Hall of Texas, Mr. Hughes, Mr. Hunter, Ms. Kaptur, Mr. Lantos, Mr. Lewis of California, Mr. Miller of Washington, Mr. Rangel, Mr. Rowland of Georgia, Mr. Sabo, Mr. Skelton, Mr. Traficant, Mr. Walgren, Mr. Wilson, Mr. Sunia, Mr. Valentine, Mr. Moorhead, Mr. de la Garza, Mr. Tauzin, Mr. Donnelly, Mr. Kennedy, Mr. Conyers, Mr. Weldon, Mr. Bustamante, Mr. McCloskey, Mr. Stark, Mrs. Collins, Mr. Staggers, Mr. Torricelli, Mr. Andrews, and Mr. Owens of New York.

H.J. Res. 228: Mr. Savage, Mr. Weldon, Mr. Daniel, Mr. Conyers, Mr. Scheuer, Mr. Neal, Mr. Panetta, Mr. Morrison of Washington, Mr. Parris, Mr. Hoyer, Mr. Kennedy, Mr. Nielson of Utah, Mr. Levine of California, Mr. Blaz, Mr. Packard, Mr. Jacobs, Mr. Carper, and Mrs. Morella.

H.J. Res. 255: Mr. Dornan of California, Mr. Martin of New York, Mr. Gordon, Mr. Bunning, Mr. Olin, Mr. Wolf, Mr. Huckaby, Mr. Gejdenson, Mr. Lantos, Mr. Dixon, Mr. Torres, Mr. Howard, Mr. Wortley, Mr. Boland, Mr. Schumer, Mr. Mrazek, Mr. Matsui, Mr. Crockett, Mr. Gekas, Mr. Wilson, Mr. Livingston, Mr. Ortiz, Mr. Boucher, Mr. Hansen, Mr. Kanjorski, Mr. Stump, Mr. Studds, Mr. de la Garza, Mr. Skeen, Mr. Vander Jagt, Mr. Hatcher, Mr. MacKay, Mr. Bevill, Mr. Savage, Mr. Martinez, Mr. Fazio, Mr. Price of North Carolina, Mr. Duncan, Mr. Manton, Mr. Lancaster, Mr. Fields, Mr. Rowland of Georgia, Mr. Saxton, Mr. Cheney, Mr. Taylor, Mr. Moorhead, Mr. Schuette, Mr. Roemer, Mr. Barnard, and Ms. Kaptur.

H.J. Res. 266: Mr. McDade, Mr. McGrath, Mr. Miller of Ohio, Mr. Morrison of Connecticut, Mr. Owens of New York, Mr. Pepper, Mr. Rodino, Mr. Savage, Mr. Smith of New Jersey, Mr. Thomas of Georgia, Mr. McCloskey, Mr. Molinari, Mr. Murtha, Mr. Brennan, Mr. Hoyer, Mr. Foglietta, Mr. Kemp, Mr. Hutto, Mr. Garcia, Mr. Fuster, Mr. Volkmer, Mr. Martin of New York, and Mr. Gray of Pennsylvania.

H.J. Res. 271: Mr. Garcia, Mr. Gilman, Mr. Andrews, and Mr. Hawkins.

H.J. Res. 272: Mr. LEHMAN of Florida, Mr. TOWNS, Mr. HOLLOWAY, Mrs. JOHNSON of Connecticut, Mr. LEWIS of Georgia, Mr. SHUMWAY, Mr. TAUZIN, Mr. LIVINGSTON, and Mr. DWYER of New Jersey.

H.J. Res. 302: Mr. PACKARD, Mr. MARKEY, Mr. SWINDALL, Mr. OLIN, Mr. JOHNSON of South Dakota, Mr. LOTT, Mr. EVANS, and Mr. GEPHARDT.

H.J. Res. 304: Mr. CALLAHAN, Mr. HOLLOWAY, Mr. VOLKMER, Mr. STARK, Ms. PELOSI, and Mr. LEACH of Iowa.

H.J. Res. 309: Mr. LIVINGSTON.

H.J. Res. 311: Mr. OWENS of New York, Ms. KAPTUR, and Mr. STOKES.

H.J. Res. 313: Mr. HATCHER, Mr. LEVIN of Michigan, Mr. HYDE, Mr. BLAZ, Mr. DORNAN of California, and Mr. SMITH of Florida.

H.J. Res. 314: Mr. TAUZIN, Mr. WEISS, Mr. GALLO, Mr. KEMP, Mr. INHOFE, Mr. BATEMAN, Mr. WOLF, Mr. HYDE, Mr. LAGOMARSINO, Mr. LEHMAN of Florida, Mr. MOODY, Mr. HALL of Ohio, Mr. BIAGGI, Mr. UDALL, Mr. MANTON, Mr. FRANK, Mr. LIPINSKI, Mr. ACKERMAN, Mr. MILLER of Washington, Mr. MRAZEK, Mrs. BOXER, Mr. YATES, Mr. BEILENSON, Mr. BUSTAMANTE, Mr. FRENZEL, Mr. CARPER, Mr. WEBER, Mr. ARCHER, Mr. WOLPE, Mr. DAUB, Mr. FAZIO, Mr. HOCHBRUECKNER, Mr. STOKES, Mr. ERDREICH, Mr. PORTER, Mrs. JOHNSON of Connecticut, Mr. MOORHEAD, Mr. COUGHLIN, Mr. VOLKMER and Mr. HORTON.

H.J. Res. 321: Mr. FISH.

H. Con. Res. 18: Mr. BORSKI.

H. Con. Res 97: Mr. SUNDQUIST, Mr. SAVAGE, Mr. HASTERT, Mr. WILSON, Mr. BRUCE, Mr. WYDEN, Mr. MCMILLAN of North Carolina, Mr. HOWARD, Mr. BILBRAY, Mr. MARTINEZ, and Mr. LUJAN.

H. Con. Res. 112: Mr. COURTER, Mr. HYDE, Mr. LEHMAN of Florida and Mr. LUNGREN.

H. Con. Res. 118: Mr. TORRES.

H. Con. Res. 120: Mr. FISH, Mr. GILMAN, Mr. STOKES, and Mr. MFUME.

H. Con. Res. 122: Mr. JONTZ.

H. Con. Res. 139: Mr. LAGOMARSINO, Mr. CLINGER, Mr. FRANK, Mr. TALLON, Mr. NICHOLS, Mr. DEWINE, Mr. FRENZEL, Mr. SUNDQUIST and Mr. HOLLOWAY.

H. Res. 188: Mr. STOKES, Mr. DANIEL, Mr. LEWIS of Florida, Mr. DENNY SMITH, Mr. STUMP, Mrs. JOHNSON of Connecticut, Mr. COBLE, Mr. LIGHTFOOT and Mrs. VUCANOVICH.

H. Res. 194: Mr. FRANK, Mr. PENNY, Mr. APPLEGATE, Mrs. BOXER, Mr. BERMAN, and Mr. MARTINEZ.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2700,

By Mr. SMITH of New Hampshire:

—Page 39, strike lines 7 through 20.

EXTENSIONS OF REMARKS

ORVILLE SCHELL: A CHAMPION OF HUMAN RIGHTS AROUND THE WORLD

HON. GEO. W. CROCKETT, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. CROCKETT. Mr. Speaker, on June 17, Orville H. Schell, Jr., a champion of the cause of human rights around the world, died at the age of 78. Mr. Schell, who was a founder and chairman of the Americas Watch, a New York-based human rights monitoring group, was also a founding member of the group's companion committee, the Helsinki Watch, which monitors human rights in Eastern Europe and Turkey. Mr. Schell made a number of human rights missions on behalf of the Watch Committees, and has appeared before Congress to testify about human rights.

Under his chairmanship, the Americas Watch, which was founded in 1981, has grown to be an extremely valuable human rights organization, which monitors human rights conditions throughout the hemisphere and publishes reports on Chile, El Salvador, Cuba, Nicaragua, Guatemala, Paraguay, Haiti, Peru, Colombia, and Honduras. The organization's commitment to reporting human rights abuses wherever they occur reflects Orville Schell's personal commitment to the victims of human rights violations, be they Soviet, Polish, Salvadoran, Chilean, or Cuban.

Mr. Speaker, the Subcommittee on Western Hemisphere Affairs, which I have the honor to chair, has benefited greatly from the information produced by Americas Watch, and therefore, I would like to express, on behalf of the subcommittee, my condolences to his family and to the staff of the Americas Watch.

Mr. Schell's obituary from the New York Times of June 19, 1987, follows:

[From the New York Times, June 19, 1987]

ORVILLE H. SCHELL JR., 78, DIES; LAWYER AND BALLET CHAIRMAN

(By Edward Hudson)

Orville H. Schell Jr., a former president of the City Bar Association and chairman of the New York City Ballet, died of cancer Wednesday in Danbury (Conn.) Hospital. He was 78 years old and a resident of Redding Ridge, Conn., and Manhattan.

A prominent Wall Street lawyer, Mr. Schell was active in human rights, including serving as chairman of Americas Watch, a human-rights organization monitoring Latin America and the Caribbean. He also cut a wide swath in New York City's political and cultural life.

In addition to being chairman of the New York City Ballet, he was the head of a mayorally appointed theater advisory council that drew up a series of proposals in 1984 for perserving Broadway's 44 legitimate theaters.

LED STATE COMMISSION

In 1975, Mr. Schell was appointed by Gov. Hugh L. Carey as the chairman of a Moreland Act commission, which spent a year investigating the reasons for the financial collapse of the State Urban Development Corporation.

In his work for Americas Watch, he often traveled abroad to look into human-rights violations. In 1979, for example, he led a delegation to Argentina and sharply criticized Argentina's lawyers afterward for not speaking out against repression. The risk of detention or abduction, the group's report said, had "chilled the willingness of lawyers to represent the unpopular and made the repression of rights far simpler for the Government."

Mr. Schell was at the center of a human drama at Kennedy International Airport for three days in August 1979, when the authorities kept a Soviet airliner on the ground to determine whether a Soviet ballerina, Lyudmila Vlasova, the wife of Alexander Godunov, a dancer who was defecting, wanted to stay in the United States with her husband.

The ballerina was finally allowed to leave after Mr. Schell, meeting with her in a mobile airport lounge along with American and Soviet officials, got her answer. It was no.

MARCHED IN PEACE PARADES

Mr. Schell had been board chairman of the New York City Ballet since 1980. Gillian Attfield, the board president, said yesterday that Mr. Schell was "very active" on the board but asked a year ago to be "taken out of a leadership position" because of illness. Earlier this month, she said, the board named him chairman emeritus.

He was chairman partner of Hughes, Hubbard & Reed, having been with the Wall Street law firm for many years.

Mr. Schell was a product of the establishment—educated at Lawrenceville Academy, Yale and Harvard Law School. But he was anything but a conventional Wall Street lawyer. In the late 1960's, he marched in peace parades and helped organize a group of 1,000 lawyers who marched on Washington to protest the United States military campaign in Cambodia.

During his presidency of the City Bar Association from 1972 to 1974, the group, one of the most prestigious in the country, took stands on such issues as the appointment system for judges.

Orville Hickok Schell Jr. was born on July 11, 1908, in New Rochelle, N.Y. His father practiced medicine there, and the son was ready to become a doctor too until squeamishness took over. "I watched my dad do an operation and I took a nose dive on the operating room floor," he said.

SERVED IN THE NAVY

He got a job with a law firm in 1933 after getting his law degree. Except for a brief stint in the advertising business in the early 1940's and service in the Navy during World War II, his entire professional career was spent on Wall Street.

Two of his sons, Orville 3d and Jonathan, are well-known authors.

His first marriage ended in divorce.

He is survived by his second wife, Elinor; three children from his first marriage: two sons, Orville, of Bolinas, Calif., and Jonathan, of Manhattan, and a daughter, Suzanne Pearce of Cambridge, Mass.; three sons from his second marriage: Christopher, Andrew and Peter, all of Redding Ridge, and six grandchildren.

A memorial service is scheduled for tomorrow at 2 P.M. at the First Church of Christ Congregational in Redding Center, Conn.

DIRECTOR GENERAL OF THE FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS SPEAKS AT THE CATHOLIC UNIVERSITY

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. HALL of Ohio. Mr. Speaker, last month, Edouard Saouma, Director General of the Food and Agriculture Organization of the United Nations, spoke at the commencement ceremony of the Catholic University. Mr. Saouma delivered a message of hope that we have the tools to alleviate hunger in the world, but that we have to use them.

The solution to world hunger will involve the coordination and cooperation of both the developed and the developing nations. I commend to my colleagues Mr. Saouma's remarks.

ADDRESS BY MR. EDOUARD SAOUMA

It is a pleasure for me to be here today at the Catholic University of America, which has such a distinguished record of academic excellence. It is the only national Catholic University with a papal charter established in the United States and was among the 15 founder members of the Association of American Universities. Since then, the University has grown from strength to strength.

This is a memorable occasion. It is memorable for the University, as it begins its centenary celebrations. It is memorable for those of you whose graduation today is the culmination of several years of academic endeavour. It is also a very special occasion for me personally. I am deeply gratified by the honorary doctorate which you have so generously chosen to award me. It is all the more rewarding as the greatest part of my academic education was in the Catholic tradition.

I believe the award also represents a tribute to the work of the Food and Agriculture Organization of the United Nations. For almost 12 years, I have had the privilege of leading this Organization in its efforts to eradicate hunger and malnutrition.

Just before I travelled from Rome for this ceremony, I had the honour of an audience with his Holiness, Pope John Paul II. Throughout my career in international de-

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● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

velopment, the important messages from the Vatican to the human community as a whole have been a constant inspiration. During our discussions, His Holiness emphasized his hope that mankind could one day realize a world free of injustice, hunger and poverty. Each of us must contribute to the achievement of this goal.

Most of you graduating today will be leaving the sheltered environment of this university to embark on a professional career in what is often a hard and cruel world. Those of you who opt to assist in the struggle against poverty in he Third World should expect to encounter human suffering. Unfortunately, in many developing countries, there are millions of starving people even as we approach the twenty-first century.

All of us can, and must, seize every opportunity to ease this burden, even if only in a small way. Some of you may make important contributions to the secondary or adavanced education of the next generation of leaders. The majority of you will probably work in the private sector, where you can help create the wealth the world needs to win the never-ending war against hunger. I hope and trust that some of you will have the opportunity to directly confront poverty and hunger in the wider world, by working for international organizations such as FAO or for your government's bilateral aid programmes.

U.S. LINKS WITH FAO

The links between the U.S. and FAO are strong. Compared with the Catholic University of America, FAO is relatively young. The decision to establish an international organization to support the development of agriculture and fight malnutrition was made in 1943. It was the direct result of an initiative by President Roosevelt, who convened a conference at Hot Springs, Virginia, in May of that year.

Following this initiative, FAO was established in October 1945, eight days before the United Nations came into existence. In its early days, before moving to Rome in 1951, FAO was housed in offices provided by the U.S. Department of Agriculture. It should be appreciated that the U.S. is the largest single contributor to the FAO budget. In addition, each year your Government provides some 7 million tons of food aid to developing countries. This makes the United States the world's largest single food aid donor. Every year it grants as aid enough food to sustain a basic diet for almost 50 million people. Despite this and the efforts of FAO and other aid agencies, millions of people still go hungry, particularly in developing countries.

THE PARADOX OF HUNGER AND GLOBAL ABUNDANCE

Forty years ago there were even hungry people throughout war-ravaged Europe. Since then, the world population has more than doubled, but food production has increased even more rapidly. Several countries now hold surpluses of grains, milk, meat and butter. These surpluses are so large that the European Community, like the U.S., is looking for ways and means to dispose of them and even to reduce food production.

Probably the most important single factor explaining this dramatic leap forward in production has been the development of science and technology, and its transfer and application by trained people. I feel proud of the role FAO has played and continues to play in this endeavor.

Such progress would not have been possible without an expansion and improvement of education, to which this University has made its own important contribution. In the United States, roughly one in twenty of the population is a university graduate. By contrast, in some countries of Africa the figure is less than 1 in 1000. The improvement of education in developing countries has a vital role to play in supporting their self reliance in food. The eventual aim of all assistance programmes is to eliminate the need for the assistance itself. This is why FAO provides each year training courses for over 60,000 persons from developing countries.

The main thrust of mankind's battle against malnutrition and hunger must be to increase food production in the developing countries themselves to keep pace with their rising populations. Over the next 40 to 50 years, their population will again double to over 6 billion. Responsibility for raising food production and productivity rests mainly with the governments of the countries concerned. But their efforts must be supported by a substantial increase in the flow of resources from developed countries, from north to south. A recent FAO study concluded that without such an increase, by the end of the century the food supply position would deteriorate in 64 developing countries.

INCREASING FOOD PRODUCTION ALONE WILL NOT ELIMINATE HUNGER

However, increased food production alone is not a solution. The root cause of hunger is poverty. Income inequality, lack of employment and abject poverty in many developing countries deprive millions of people of the means to purchase sufficient food for a basic diet. The number of malnourished people continues to rise. According to the Fifth World Food Survey undertaken by FAO, about 400 million people do not have enough food.

The elimination of hunger requires that all people at all times are in a position to produce or purchase their basic food needs, as emphasized in the FAO World Food Security Compact. However, we are a long way from achieving this goal. Abundance and malnutrition will exist side-by-side for a long time to come. Thus, FAO estimates show that, last year, food consumption per person fell in nearly half the deficient, low-income countries.

THE UNFAVOURABLE WORLD ECONOMIC CLIMATE

The difficulties confronted by the developing countries are compounded by a difficult world economic climate. Although inflation has eased and interest rates have fallen, in most industrialized countries growth levels remain disappointing. Moreover, unemployment refuses to come down, while several nations are running budget deficits of alarming proportions.

World agricultural trade remains in a state of crisis. Total export earnings from agricultural exports in 1986 were 10 percent less, in current U.S. dollars, than at the beginning of the present decade. Several measures have been introduced by many industrialized countries to insulate their domestic markets for food and agricultural products from world market forces. For instance, the total government expenditure on agricultural support and export subsidies by the EEC, Japan and the United States alone will probably exceed U.S. $70 billion this year. This is equivalent to the total earnings from all of the agricultural exports of all the developing countries.

Many developing countries are struggling to import less and export more. The cost of debt-servicing continues to grow while the prices of their export commodities fall. In 1986, for example, export prices of food commodities were almost 12 percent below the depressed level of the previous year. The developing countries are caught in a vice and its grip is closing. If nothing is done to remedy this situation, how can they escape the gradual strangulation of their economies? I believe that a visionary approach to tackling the foreign indebtedness of developing countries should be at the top of any international agenda.

Many developing countries have had to make radical structural adjustments in their economies. Adjustment policies may be a necessary foundation for their non-inflationary recovery. However, I believe that they are only tenable politically and socially in the context of sustained economic expansion. Moreover, they cannot and should not be applied blindly. Rather, they should be moderated to protect the most vulnerable groups and particularly to improve their access to food.

If the current world economic environment is unfavourable for developing countries, the longer-term outlook is also bleak. Recent studies by FAO, UNCTAD and the World Bank suggest that the prices of most agricultural commodities are likely to remain low over the medium-term, while those of most manufactured goods continue to rise. Thus, a further worsening of the terms of trade of commodity exporters is in prospect.

TOWARD A LONGER TERM SOLUTION TO WORLD POVERTY AND HUNGER

Against this background, is there any hope of a major improvement in living standards of billions of people living in developing countries? I believe there is, but it requires concerted international action on a number of fronts.

First, there is a need for a visionary approach by creditor nations to the crippling debt burden of developing countries. This would be in the long term interests of both developed and developing nations. In addition to the cancellation of some debts and more favourable repayment terms on others, the conversion of debts to equity may be a viable solution in some cases.

Second, the position of the developing countries in world trade must be strengthened. In the longer term, trade is more important to them than aid as a tool for economic development. The trend towards protectionism must be resisted. The current round of GATT negotiations provides both a challenge and opportunity to the international community. Prices of agricultural commodities on international markets must rise and stabilize at levels which cover costs. At present, farmers world-wide are unhappy with the low prices of most agricultural commodities. A step in the right direction would be to call a halt to the predatory use of export subsidies, whose main effect is to depress international prices.

Third, the developing countries themselves must make greater efforts to increase food production. Given external assistance, such efforts should make it possible to increase their production to keep pace with population growth and increase their self-reliance in food.

Finally, international aid to food and agricultural production must be expanded rapidly. At present, official development assistance is increasing by less than the rate of growth of industrialized countries. Worse again, total external aid to agriculture has remained practically unchanged, while soft loans have even dropped quite sharply. This pattern must be reversed if the spectre of increasing poverty, malnutrition and famine is to be avoided.

CONCLUDING REMARKS

In connection, I would stress that helping the developing countries achieve the economic transformation they need so desperately is not an act of charity. Markets in developing countries will expand only slowly. The best long term hope for growth of world demand for both capital equipment and manufactured good rests in developing countries of Asia, Latin America and Africa. But if these countries are to increase their imports, they have to be able to expand their exports. Thus, the future of industrialized countries is inextricably linked to the prospects of developing countries. These, in turn, depend on international stability and the elimination of tensions.

The eradication of poverty, malnutrition and hunger is in the interest of both developed and developing countries and a prerequisite for international peace. This is why I am confident that the world will eventually find the political will to cooperate in solving what is today mankind's greatest challenge. I want to assure you that FAO will continue to play its part vigorously. I know we can count on the support of those gathered here today, who are now embarking on their professional careers and will, I am sure, assume leadership roles in this great country in the years to come.

SPEEDERS EXCEEDING 65-MILE-PER-HOUR SPEED LIMIT

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. HOWARD. Mr. Speaker, when Congress allowed States to increase the speed limit on rural interstates many States rushed to take action without any study of the consequences. Now, after only a few weeks of the higher speed limits, we are beginning to receive information on the effects.

The Insurance Institute for Highway Safety has conducted a study of speeds in New Mexico which shows that higher speed limits simply encourage drivers to exceed those speed limits. They are exceeding the 65-mile-per-hour speed limit just as they did 55, 45, 20, and every other speed limit.

Unfortunately, the new speed limit will result in speeds of 75 miles per hour on the rural interstates—an unsafe speed on any road. The new higher speed limit may also have the effect of encouraging faster driving even on those interstates that are still posted at 55-miles per hour.

The faster speeds may get people to their destinations minutes earlier but that does not compensate for the additional fatalities and serious injuries.

For my colleagues' information on this subject, I am inserting for the RECORD the Insurance Institute's description of the study and the Associated Press article of June 19 describing the study.

SPEED LIMIT

(By H. Josef Hebert)

WASHINGTON.—Give 'em an inch and they'll take a mile, or more appropriately, give 'em 10 mph and they'll take 15 or more.

A survey of New Mexico motorists two months after the state increased its speed limit to 65 mph shows nearly half the drivers exceeding the higher limit, the Insurance Institute for Highway Safety reported Thursday.

"Unfortunately this is exactly what we expected. When the speed limits are raised many motorists simply respond by going faster," said Brian O'Neill, president of the insurance group.

Over strong insurance industry opposition, Congress earlier this year allowed an increase of the nationwide speed limit from 55 mph to 65 mph on rural stretches of interstate highway. Half of the 50 states have enacted the higher speed limit so far, according to an Associated Press survey.

John Fenner, chief of New Mexico's Traffic Safety Bureau, said from his Santa Fe, N.M., office Thursday that his concern is not so much with the percentage of drivers going over 75 mph as with the range of speeds on the highway.

"What causes most traffic accidents is the wide disparity in speeds," Fenner said. "You have a lot of cars passing, slow cars holding up other cars."

O'Neill said a statewide survey of New Mexico motorists last year when the speed limit was posted at 55 mph showed 25 percent exceeding 65 mph.

The insurance group said a survey of motorists driving on rural interstate highways one week after the speed limit was raised showed 37 percent of the cars going faster than the new limit and 5 percent exceeding 70 mph.

Eight weeks later another survey at the same highway sites showed the percent of drivers exceeding 65 mph had increased to 49 percent and those driving at least 70 mph had increased to 12 percent.

O'Neill said that while those in favor of the higher speed limit argued motorists would comply with the new law, "our survey results directly refute this."

"Speeds are going up and more people are breaking the speed limit now than were doing so right after New Mexico's law was changed. It looks like we're going to have a new unofficial speed limit of 75 mph instead of 60 to 65 mph," he continued.

"At this point we feel it is contrary to what we feel is happening out there," said state police spokesman Capt. John Denko.

"If that is the case, something is wrong," said Denko, who declined to comment further until he'd seen the report.

Sen. James Caudell, R-Bernalillo, who sponsored the higher speed limit bill in New Mexico, said he expected people would continue to speed despite the higher limit.

"The same people who were speeding when the speed limit was 55 are speeding now that it's 65, and would speed (if the speed limit were) 75," he said.

He said the problem is not with the speed limit, but with the lack of police to enforce it.

"We just don't have enough law enforcement to keep track of who's speeding," he said. "Motorists are just going to have to realize it's their lives that are at stake, and keep their speeds down to 65 mph."

Jay Crampton, vice-president of the Albuquerque chapter of Mothers Against Drunk Driving, said the study proves what his organization had warned about.

"This is what everybody expected," he said. "I'm not at all surprised."

Jerome Hall, professor of civil engineering and assistant dean of the College of Engineering at the University of New Mexico in Albuquerque, performed the study for the institute. He said he has been performing such studies for 20 years.

The surveys for the institute were conducted with a modified radar unit on both urban and rural interstate highways, he said Thursday.

"I believe their concern was that a raising of the rural (interstate) speed limits would cause all speed limits to increase and maybe have a spill-over effect in the urban area," Hall said.

"We're only two months into the new limits and if the trends continue, there could be some real problems," he said.

New Mexico was the first state in the union to raise its rural interstate speed limit to 65 mph after Congress acted. Gov. Garrey Carruthers and Chief Highway Administrator Dewey Lonsberry hung the first new speed limit sign on April 2.

At the time, Carruthers urged motorists to stay at 65 mph. "Let's not just move up another 10 or 15 and go up to 80," he said.

Carruthers was unavailable for comment Thursday because he was on his way to Anchorage, Alaska, to attend a National Public Lands Advisory Committee meeting, a spokesman in his office said.

New Mexico has approximately 1,000 miles of interstate highways. About 50 miles in Albuquerque and Las Cruces are considered urban interstates which by law remained under the 55 mph speed limit.

However, Hall said the survey found some of the fastest speeders in the urban areas.

"The standard deviation (difference in vehicle traveling speeds) was substantially higher in the urban than rural areas," he added.

[Insurance Institute for Highway Safety]

SPEED LIMITS ARE BEING RAISED—BUT SPEEDERS STILL BREAKING THE LAW

WASHINGTON, DC, June 18, 1987.—One week after New Mexico became the first state to raise its speed limit from 55 to 65 mph, 37 percent of the passenger cars surveyed on rural interstates were going faster than the new speed limit; 5 percent were exceeding 70 mph. Eight weeks later, 49 percent of drivers at the same survey sites were breaking the law by exceeding the 65 mph speed limit; 12 percent were exceeding 70 mph.

"Unfortunately, this is exactly what we expected," said Brian O'Neill, president of the Insurance Institute for Highway Safety, which sponsored the surveys of speed on New Mexico roads. "When speed limits are raised, many motorists simply respond by going faster, and soon about as many will exceed the new speed limit as exceeded the old one of 55 mph."

Advocates of raising the speed limit from 55 mph to 65 claimed motorists would comply with the new limit. "But our survey results directly refute this," O'Neill pointed out, adding that "speeds are going up and more people are breaking the speed limit now than were doing so right after New Mexico's law was changed. It looks like we're going to have a new 'unofficial speed limit' of 75 mph instead of 60 to 65 mph."

Statewide data from New Mexico indicate that only 25 percent of the vehicles on rural interstates exceeded 65 mph in 1986.

SPEEDS ON NEW MEXICO INTERSTATES

	Percent of vehicles exceeding 65 mph	Percent of vehicles exceeding 70 mph
Rural Interstates (speed limit 65 mph):		
Passenger cars 1 week after law change	37	5
Passenger cars 9 weeks after law change	49	12
Tractor trailers 1 week after law change	34	7
Tractor trailers 9 weeks after law change	42	11
Urban Interstates (speed limit 55 mph):		
Passenger cars 1 week after law change	34	12
Passenger cars 9 weeks after law change	37	13
Tractor trailers 1 week after law change	19	3
Tractor trailers 9 weeks after law change	30	8

CONGRATULATIONS TO WORCESTER COUNTRY SCHOOL APPLE COMPUTER CLUB

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. DYSON. Mr. Speaker, I rise today to salute the Worcester Country School of Berlin, MD, for being only 1 of the 15 nationwide winners of the Apple Computer Clubs International Competition '87.

The intense competition involved hundreds of computer clubs throughout the United States and Canada. The Worcester Country School Club developed a project which, through the ingenious use of their computers, helped to inform their community about Assateague Island, a Maryland State and a national park, which is also in my district. The elementary school students worked with resource specialists, naturalists, and seashore authorities to educate the local community through letters, newspaper articles, reports, data research files, and posters on the importance of Assateague Island.

Through their diligence and hard work, Mr. Speaker, the Worcester Country School Computer Club not only managed to win this national competition, and the accompanying recognition, but also the appreciation of all in the First District of Maryland for their action on behalf of Assateague Island.

WHY NOT A NATIONAL LOTTERY?

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. BIAGGI. Mr. Speaker, since 1985, I have been calling for the establishment of a national lottery to help reduce our Federal budget deficit. Simply put, I believe this is a far more desirable solution to our budget woes than the tax increases or budget slashing proposed by others—it is certainly less painful.

Earlier this year, I reintroduced legislation (H.R. 83) to establish a national lottery. I am pleased to note that just recently, this proposal received an important new supporter, syndicated Columnist Carl T. Rowan. In a recent column by Mr. Rowan, he concluded that national lottery "is desirable because the social benefits it could bring are much greater than any social ills that might attend it."

In fact, he went so far as to say that "America will never again be competitive in world trade until it stops undereducating perhaps a quarter of its young people. If funds from a national lottery were earmarked for equalizing educational opportunities, and for enabling millions of youngsters to live in decent environments, the blessings to America would be almost incalculable." Well said.

Under my bill, all persons aged 18 and over would be able to buy national lottery tickets at $1 each. Prizes would be awarded monthly. A full 75 percent of all revenues generated under the national lottery would be earmarked to reduce the principal on the Federal deficit. Twenty percent would be reserved for prizes, and the remaining 5 percent would cover administrative costs. A national lottery could raise an estimated $12 to $18 billion. Clearly, this is an idea worthy of our very serious consideration.

Mr. Speaker, at this time, I wish to insert the full text of Mr. Rowan's column, entitled "Why Not a National Lottery?"

WHY NOT A NATIONAL LOTTERY?

Even though I've played a lot of poker, shot craps in Las Vega and wagered a few bundles that the Washingon Redskins would whup the Dallas Cowboys, I've remained mildly opposed to a national lottery.

I've had my head cluttered up with the "moral" arguments that criminals would take over, poor people would be exploited, children would starve as their daddies became compulsive gamblers—and, of course, that it is horrible to have government-sanctioned gambling.

Well, I've sorted it all out, and I say, bring on a national lottery!

Estimates that seem reliable indicate that Americans gambled about $190 billion last year on slot machines and other casino games, church bingo, state lotteries, horse races, prize fights, football, basketball and baseball games—not to mention the illegal numbers games and who is going to par which hole on a golf course.

Why shouldn't the federal government take some of the gamblers' money so as to reduce a federal deficit that cowardly politicians won't touch with a direct tax increase?

Because organized crime would move in, lottery opponents say. They ignore the fact that the lotteries operated by 22 states and the District of Columbia last year were, with rare exceptions, clean of corruption and graft.

Someone wagering in a lottery knew it when his winning number came up, which is more than could be said for millions of investors in Wall Street stock markets.

If the Catholic Church can sanction bingo gambling and retain its moral clout, I'm not worried about a lottery ruining the reputation of politicians.

But what about the fact that a national lottery would be a regressive tax, hurting poor people the most? It can be demonstrated that almost everything hurts poor people the most—including the budget deficit, the trade deficit and the budget cuts that represent futile attempts to reduce the deficits.

More than $12 billion worth of tickets were sold in state lotteries last year, netting almost $5 billion for education, services for the elderly, parks, highways, and other projects. A lot of poor people benefited.

America will never again be competitive in world trade until it stops under-educating perhaps a quarter of its young people. If funds from a national lottery were earmarked for equalizing educational opportunities, and for enabling millions of youngsters to live in decent environments, the blessings to America would be almost incalculable.

I know that a national lottery would reduce the states' incomes from gambling, but the overall pool of income would be higher. And we ought not forget that most states have never moved to equalize schooling for their poor and rich kids. Only the federal government is likely to do that.

I know that a lottery player is more likely to be struck by lighting than to win a multimillion-dollar jackpot. But so what? The odds are equally, or more, absurd in some of the sweepstakes schemes touted on television.

The people pay for a peek at a rusty pot at the end of a rainbow because they want to, which is why a national commission reported in 1976, after three years of study, that gambling was "inevitable" in America.

I don't know that a national lottery is inevitable. I've simply decided that it is desirable because the social benefits it could bring are much greater than any social ills that might attend it.

THE McCAFFREY YEARS; A GIFT TO STOCKTON

HON. NORMAN D. SHUMWAY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. SHUMWAY. Mr. Speaker, at this time I ask that my colleagues join with me in paying tribute to an outstanding man, my friend and constituent, Stanley McCaffrey, who has served for the past 16 years as president of University of the Pacific. Stan is about to retire after an admirable and illustrious career, one which has witnessed a major metamorphosis by the university.

I have always said that, if one were to go to "central casting" to choose someone who perfectly embodied the manners and appearance of a university president, one would choose Stan McCaffrey. Not only does he look the part, he is the ideal university president; the University of the Pacific and the city of Stockton have been fortunate indeed that Stan chose to fulfill his promise with us, and to share his many talents with our community.

The University of the Pacific has been central to my life from early childhood. I was raised in a house just a block from the campus, the house I still call home when I am in California. Prior to my service in the Congress, I was a partner in the law firm which represented UOP. Thus, I first came to know Stan in the early days of his presidency in that capacity. And, concurrently, I was serving as the bishop of my church. The church is housed in a building surrounded by the university, and I had numerous occasions to discuss mutual concerns with Stan on yet another level. Through the years, we have become friends, despite the occasional disagreement in political philosophy. Stan has never failed to visit my office when in Washington; he always made a persuasive, compelling and sincere case for his current cause in a gentlemanly manner. Sometimes we have had to "agree to disagree," but always we have done so with respect for one another.

With Stan at the helm, the university has grown; it has adapted to change, and it has become a far more solid institution. No one in this Chamber needs to be reminded that many of the years during which those impressive and positive changes have been wrought were marked by unfavorable economic conditions. Indeed, Stan surmounted odds which have stymied other institutions of higher learning. Under his able leadership, the university expanded in acreage by 52 percent. Its budget grew from $18 million to over $80 million, and budgetary balance has been achieved in virtually every year. The physical structures have been modernized and rejuvenated, academic programs have become more forward-thinking, and UOP has become one of the most highly respected universities of its size in the Nation.

Stan's achievements have not been limited to those of a university president, however. Indeed, he may be better known to many for another presidency he held: in 1981-82, Stan served as president of Rotary International, traveling with his wife, Beth, to 75 countries and compiling his impressions into a fascinating travelog. He was equally "presidential" as the head of that very impressive organization, and he made an excellent ambassador of good will.

Additionally, Stan McCaffrey, and his wife have been caring, involved and committed citizens of Stockton. They have never been too busy to participate in community undertakings, civic efforts or volunteer drives designed to benefit any aspect of community living. Stan has consistently demonstrated a "good neighbor" attitude, and a strong concern for his fellow citizens. I will certainly miss Stan and Beth, as will all Stocktonians, when they depart for their new home. However, Stan's retirement years have been well-earned, and I sincerely hope that those years will be marked by joy, peace and contentment. Certainly, they will be marked by strong and positive memories of many jobs well done. And those of us in Stockton will long remember the gift of "the McCaffrey years."

I know that my colleagues will be pleased to join me in this tribute to Stan, and in expressing commendations and appreciation to him for exceptional contributions as a caring citizen.

ANOTHER DALLAS CHAMPIONSHIP

HON. JOHN BRYANT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. BRYANT. Mr. Speaker, this past Saturday, the Dallas Sidekicks—Dallas' newest professional sports team—won its first ever major indoor soccer league title in its third year of play in the 9-year-old MISL.

The Sidekicks overcame many obstacles, including an 0-2 start in the best of seven series, to beat the Tacoma Stars four games to three.

I am proud to say that my district is the home of the Sidekicks. We in Dallas are most proud of the effort put forth by the Sidekicks and we offer our sincere congratulations.

I would like to insert into the RECORD an article written by Terry Bigham of the Dallas Morning News, detailing the excitement of game seven of the championship series in which Dallas overcame a two goal deficit with only 3 minutes left to play.

Again, congratulations Sidekicks. The people of Dallas and the Fifth Congressional District are all proud of your play and your championship.

[From the Dallas Morning News, June 21, 1987]

DALLAS' CHAMPIONS: SIDEKICKS BRING HOME MISL TITLE, 4-3

(By Terry Bigham)

TACOMA, WA.—The Sidekicks pulled off one of the greatest comebacks in championship history to win the MISL title with a 4-3 overtime victory against the Tacoma Stars on Saturday night.

The Sidekicks controlled play for most of the 9:23 of the overtime. Mark Karpun, who won Game 6 for Dallas with a goal in OT, did it again with a shot from 20 feet out on the right side.

The Stars held a 2-1 lead late in the third quarter, but Preki slipped a perfect pass to Gary Heale to give the Stars a two-goal margin.

Just inside the Sidekicks' half of the field, Preki picked up a loose ball and led Heale with a pass up the middle of the field. Heale touched the ball over to the right of the penalty area as Sidekicks' goalie Krys Sobieski came out to stop him, then scored with a low shot.

The Sidekicks looked like they were surely going down to defeat when they failed to score early in the fourth quarter and had to go with Kevin Smith as a sixth attacker with 2:48 remaining.

Twenty-three seconds later, Smith went down the left side, passed to Karpun in the penalty area and Karpun scored to bring the Sidekicks to within 3-2.

Then with under two minutes left, Karpun got the ball to Tatu at the top of the penalty area and the Sidekicks' forward hit a shot to the upper-left corner to tie the score and force the second consecutive overtime.

The two sixth-attacker goals marked the first time in Sidekicks' history they have ever scored two sixth attacker goals in a single game.

Stars' goalie Joe Papaleo picked up an errant pass from Karpun and would have been happy to run out the remaining nine seconds of the first quarter.

But a Stars defender sent the ball to Neil Megson at midfield, and Megson sent a cross-field pass to Gary Heale on the left side. Heale put a low shot to the far post with only one second left in the opening quarter for a 1-0 Stars lead.

Only 1:17 into the second quarter, the Sidekicks were hit with their second two-minute penalty when Mike Uremovich was called for a boarding penalty. The Sidekicks were called for a penalty and five minutes later, Preki boarded Doc Lawson in front of the Dallas bench to give the Sidekicks the power play.

Thirteen seconds later, it was Lawson converting the power play with a 35-foot shot from the right side with the assist going to Willie Molano. The goal broke an 0-for-8 power-play streak and brought the Sidekicks even, 1-1.

The Stars almost scored twice midway in the second quarter to take the lead.

First, Gerry Gray broke for a one-on-one against Sidekicks goalie Krys Sobieski but shot to the right, and Preki's shot less than a minute later hit the crossbar and bounced out. The Stars finally did take the lead at 10:20 on a questionable call.

Steve Zungul's shot from the top of the penalty area was blocked by a Sidekicks defender as Sobieski went to the ground to make the save.

1987 MARIE LOMBARDI HUMANITARIAN AWARD—RICHARD AND JULIE SULLIVAN

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. HOWARD. Mr. Speaker, earlier this week, Richard and Julie Sullivan received the 1987 Marie Lombardi Humanitarian Award from the Vince T. Lombardi Foundation for their work with the Candlelighters Childhood Cancer Foundation and the Ronald McDonald House.

I know all of my colleagues will want to join me in congratulating Dick, the chief counsel for the Committee on Public Works and Transportation, and his wife Julie on this award and for their splended work over the years in this vital area. I am well acquainted with how hard they have worked on behalf of children stricken with cancer since they lost their own daughter.

Following is a description of the award given to individuals whose philantrhopic efforts to fight cancer and other diseases has had an impact on the community and on the personal well-being of thousands of people.

1987 MARIE LOMBARDI HUMANITARIAN AWARD—RICHARD AND JULIE SULLIVAN

Julie and Dick Sullivan were one of the founding families of the Candlelighters. In 1970 the nucleus for the present Candlelighters Cancer Foundation was formed when this group of parents met in Children's Hospital in Washington. They were brought together unbeknownst to themselves to provide self-help therapy for each other. Each had a unique membership. Each had a child stricken with cancer.

Cancer takes more children's lives than any other disease. More than 5,000 deaths a year of children under fifteen. Out of this in conjunction with a group in Santa Rosa, California, and one in Orlando, Florida, was formed the nucleus into a nationwide and overseas organization the Candlelighters Childhood Cancer foundation is today.

1970 was the period and era when cancer was being addressed by the Congress of the United States. The Metropolitan Washington area Candlelighters Group, which Dick is president of, provided an impetus into the final version of the Cancer Act in 1970, because some of its members had legislative background on the Hill that they could aid on the bill, and because they had unique personal knowledge.

Today the Candlelighters operate on an even wider scale with parents whose children are stricken with cancer—socially, economically and legislatively. Julie Sullivan, first as a volunteer, and then as Executive Director of the Candlelighters Childhood Cancer Foundation, has been the sparkplug of the day to day operation of this group. Dick Sullivan, in his own way, working behind the scenes and sometimes out front, has provided legislative knowledge, financial assistance, and assistance from many volunteers.

The Ronald McDonald House, which came into being some years after the candlelighters, was built in 1980, through the volunteer work of many people who found ways to get contractors to work, suppliers to supply, and volunteers to provide the necessary accruterments for the house.

Just recently, on May 12, 1987, this splended organization with the McDonald Corporation and many others, added a wing to the present building. Since its inception, more than one thousand families have used this home. It provides an opportunity for parents to stay with children when they are being treated for cancer and other life threatening illnesses.

Julie Sullivan is a member of the Board of Directors and has been involved with the Ronald McDonald House since its inception, and so has Dick. Both have provided time, energy and have brought financial assistance, voluntary assistance and building construction assistance for the home.

Julie and Dick Sullivan, over these years, since 1970 and today, along with many other people similar to them, have proven with a large heart and a strong will, many worthwhile things can be done.

The Vincent T. Lombardi Foundation salutes Julie and Dick Sullivan for their outstanding humanitarian efforts of dedication and courage.

TRIBUTE TO ORVILLE H. SCHELL, JR.

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. HALL of Ohio. Mr. Speaker, I learned with sadness that a great champion of human rights, Orville H. Schell, Jr., died on June 17, 1987.

Mr. Schell, in addition to serving as past president of the New York City Bar Association and chairman of the New York City Ballet, was the chairman of Americas Watch, the highly respected human rights monitoring organization. Mr. Schell was also a founding member of Helsinki Watch, which monitors human rights in the countries that signed the 1975 Helsinki Final Act.

In 1983, I was pleased to join with the "Watch committees" to help establish Congressional Friends of Human Rights Monitors. Today, our bipartisan organization includes 29 Senators and 133 Representatives. With the assistance of the staff of the "Watch committees"—Americas Watch, Asia Watch, and Helsinki Watch—Congressional Friends of Human Rights Monitors have sent letters and telegrams on behalf of persecuted human rights monitors in over 30 countries of the world.

As a member of the Steering Committee on Congressional Friends of Human Rights Monitors, I wish to express my great sorrow at the passing of Orville Schell. He was a great friend of human rights monitors and of all those who labor around the world to promote respect for human rights.

As his obituary in the New York Times indicated, Mr. Schell was a multitalented man who distinguished himself through a long lifetime of achievement and accomplishment. It is clear that he will be remembered in a variety of ways for his many contributions to improving society, both here and abroad.

I believe among his greatest contributions were his endeavors on behalf of international human rights. Through his work, countless numbers of people around the world received relief, comfort, and compassion.

His personal efforts to ameliorate the plight of the imprisoned, the tortured, and the silenced live on in the work of the "Watch committees," Congressional Friends of Human Rights Monitors, and the courageous friends of human rights everywhere.

We honor his memory. May our tribute to him be a renewed commitment to the cause of international respect for human rights for which he labored throughout his life.

For the benefit of my colleagues, the tribute to Mr. Schell from the New York Times follows:

[From the New York Times, June 19, 1987]

ORVILLE H. SCHELL JR., 78, DIES; LAWYER AND BALLET CHAIRMAN

(By Edward Hudson)

Orville H. Schell Jr., a former president of the City Bar Association and chairman of the New York City Ballet, died of cancer Wednesday in Danbury (Conn.) Hospital. He was 78 years old and a resident of Redding Ridge, Conn., and Manhattan.

A prominent Wall Street lawyer, Mr. Schell was active in human right, including serving as chairman of Americas Watch, a human-rights organization monitoring Latin America and the Caribbean. He also cut a wide swath in New York City's political and cultural life.

In addition to being chairman of the New York City Ballet, he was the head of a mayorally appointed theater advisory council that drew up a series of proposals in 1984 for preserving Broadway's 44 legitimate theaters.

LED STATE COMMISSION

In 1975, Mr. Schell was appointed by Gov. Hugh L. Carey as the chairman of a Moreland Act commission, which spent a year investigating the reasons for the financial collapse of the State Urban Development Corporation.

In his work for Americas Watch, he often traveled abroad to look into human-rights violations. In 1979, for example, he led a delegation to Argentina and sharply criticized Argentina's lawyers afterward for not speaking out against repression. The risk of detention or abduction, the group's report said, had "chilled the willingness of lawyers to represent the unpopular and made the repression of rights far simpler for the Government."

Mr. Schell was at the center of a human drama at Kennedy International Airport for three days in August 1979, when the authorities kept a Soviet airliner on the ground to determine whether a Soviet ballerina, Lyudmila Vlasova, the wife of Alexander Godunov, a dancer who was defecting, wanted to stay in the United States with her husband.

The ballerina was finally allowed to leave after Mr. Schell, meeting with her in a mobile airport lounge along with American and Soviet officials, got her answer. It was no.

MARCHED IN PEACE PARADES

Mr. Schell had been board chairman of the New York City Ballet since 1980. Gillian Attfield, the board president, said yesterday that Mr. Schell was "very active" on the board but asked a year ago to be "taken out of a leadership position" because of illness. Earlier this month, she said, the board named him chairman emeritus.

He was chairman partner of Hughes, Hubbard & Reed, having been with the Wall Street law firm for many years.

Mr. Schell was a product of the establishment—educated at Lawrenceville Academy, Yale and Harvard Law School. But he was anything but a conventional Wall Street lawyer. In the late 1960's he marched in peace parades and helped organize a group of 1,000 lawyers who marched on Washington to protest the United States military campaign in Cambodia.

During his presidency of the City Bar Association from 1972 to 1974, the group, one of the most prestigious in the county, took stands on such issues as the appointment system for judges.

Orville Hickok Schell Jr. was born on July 11, 1908, in New Rochelle, N.Y. His father practiced medicine there, and the son was ready to become a doctor too until squeamishness took over. "I watched my dad do an operation and I took a nose dive on the operating room floor," he said.

SERVED IN THE NAVY

He got a job with a law firm in 1933 after getting his law degree. Except for a brief stint in the advertising business in the early 1940's and service in the Navy during World War II, his entire professional career was spent on Wall Street.

Two of his sons, Orville 3d and Jonathan, are well-known authors.

His first marriage ended in divorce.

He is survived by his second wife, Elinor; three children from his first marriage: two sons, Orville, of Bolinas, Calif., and Jonathan, of Manhattan, and a daughter, Suzanne Pearce of Cambridge, Mass.; three sons from his second marriage: Christopher, Andrew and Peter, all of Redding Ridge, and six grandchildren.

A memorial service is scheduled for tomorrow at 2 P.M. at the First Church of Christ Congregational in Redding Center, Conn.

BLAME SANDINISTAS IF CIVILIANS DIE IN WAR

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. LAGOMARSINO. Mr. Speaker, much attention has been given to the death of Benjamin Linder in Nicaragua. Critics of United States policy in Central America have used Linder's death as a focus for further attacking United States goals in supporting the Contras against the repressive Marxist-Leninist Sandinista regime in Nicaragua. What those critics fail to acknowledge is that the Sandinistas use American and European volunteers for their own propaganda purposes. The Sandinistas allow these volunteers to go to dangerous combat zones in Nicaragua where they risk their lives; but, at the same time, the Sandinistas prevent the Soviets and other eastern bloc nationals from remaining in war zones, and the Sandinistas forcibly evacuate civilian Nicaraguans from those areas.

In a recent Los Angeles Times commentary, Bosco Matamoros, a Washington representative for the Nicaraguan Democratic Resistance, writes about the Sandinistas' refusal to agree to procedures that would protect noncombatants in war zones. I urge my colleagues to read the views of Mr. Matamoros.

BLAME SANDINISTAS IF CIVILIANS DIE IN WAR

(By Bosco Matamoros)

The ideological and emotional content of the Nicaraguan debate has not spared the deaths of Ben Linder, a U.S. citizen, and Peter Bertie, a Canadian journalist. Both were convinced of the goodness of their ideas, and both believed from different perspectives that they did what was best for my country. Bertie covered our side of the war—the Nicaraguan Democratic Resistance—for many months. Linder, an engineer, worked with the Sandinistas on government projects. Both died aware of the risks they were exposed to.

Our critics were quick to score propaganda points of Linder's death as they tried to ascribe to us every guilt imaginable, including that he was kidnapped and then executed. Many people accepted these falsehoods as truth, which underscores a broader issue.

It seems that the purpose of many of those opposing the resistance is not the search for truth or freedom in my country. They seem more intent on living out their own ideological fantasies, disregarding any facts inconvenient to their convictions. They willfully ignore the fact that there is a civil war in Nicaragua and that Linder died in a combat zone.

The U.S. press recently reported that 70,000 civilians have been forced out of their traditional lands in central and northern Nicaragua, and that another 10,000 are being forced out in the south. This policy is carried out without regard for their rights, with the justification being the unfounded assumption that the people are collaborators, providing the resistance with shelter and supplies, volunteers and information.

Our critics never ask why the Sandinistas have allowed nationals from Western countries, particularly U.S. citizens to remain in the war zones, when they have prevented Russians, East Germans and others from remaining in these areas. In the province of Jinotega alone, where Linder and Bertie died, there were 88 clashes reported in the month of April.

The resistance has repeatedly, and as recently as March 24, identified the combat zones and warned civilians of the danger of traveling in military convoys, wearing camouflage or carrying weapons. Since 1984 we have periodically proposed, through the International Red Cross, to subscribe to an agreement with the Sandinista government for the observance of the Geneva Conventions of 1949 and their Protocols. The purpose would be the establishment of neutral zones for the protection of the civilian population, the wounded and the exchange of prisoners.

To these offers the Sandinistas have failed to respond. In their calculations, they can continue to use their control of information and access to the war zones as a propaganda tool. They fuel their propaganda war by blaming the resistance for alleged attacks on the civilian population and their so-called cooperatives or "economic centers." Their war strategy has eliminated any practical difference between a garrison and a cooperative. On March 28 of this year, in Ajapa, Jinotega province, our forces captured a SAM-7 missile, 24 AK-47 rifles, and 36,000 rounds of ammunition. Several Sandinista soldiers died in this combat. However, they call this site a "road construction center."

Is it logical to believe that the Sandinistas build roads with missiles? Is it plausible to believe that the cooperative where Peter Bertie died is an "agricultural center?"

The virtual militarization of the country has converted most of these "cooperatives" and "agricultural centers" into bases of the Sandinista army, whence it sallies forth to rule and intimidate the people. The cooperative of San Bartolo, between Quilali and Wiwili, in northern Nicaragua, is portrayed as an idyllic farm, yet it is capable of garrisoning 800 soldiers.

At this stage of the war, more than 12,000 of our forces are engaged in combat with more than 50,000 Sandinista soldiers, in more than half of the national territory. In the coming months, we will see an intensification of the conflict. In 1986 there were 1,311 engagements; by April 20 of this year, there had already been 815.

The potential for destruction and danger to the population has dramatically increased, as has the need for protection of civilians and assistance to the wounded. An increase in the conflict will also cause a surge in the litany of Sandinista allegations of attacks against civilians by the resistance. As part of this strategy, the Sandinista elite showed up conspicuously at the funeral of Ben Linder, although the Sandinista army regulars who died with him in the combat with our forces were buried in oblivion. This is not surprising. The deaths of those soldiers were not useful for the Sandinista propaganda campaign that tries to portray the resistance as responsible for the death of unprotected civilians.

To give some perspective to the issue and to define the responsibilities of the parties involved in the conflict, the international community, as some countries have already done, should press the Sandinistas to forbid their citizens from remaining in the war zones, and should insist on the implementation of an agreement based on the Geneva Conventions and Protocols. This agreement would provide international supervision for the mutual guarantees to protect civilians and combatants.

In the meantime, we will continue our commitment to observe these provisions unilaterally.

PRIME MINISTER EDWARD SEAGA OF JAMAICA PRAISES MARCUS GARVEY

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. RANGEL. Mr. Speaker, as we approach the centennial of his birth, it is only fitting that the world should review the history and philosophy of the father of the largest African-American movement of all time: Marcus Garvey. As a leader, he believed the black community needed to achieve economic independence through free enterprise, entrepreneurship, and political self-help. As a man, he practiced his philosophy.

Marcus Garvey understood what could be accomplished through determination and vigor, the value of thinking in terms of real world circumstances, and most significantly the importance of leading by example. By enlisting members of the United Negro Improvement Association to purchase shares in Black Star Line, a cargo shipping line, he proved his ability to apply his beliefs in a practical sense.

To honor this great man, I have introduced House Joint Resolution 276, designating August 17, 1987, as "Marcus Garvey Recognition Day." In that spirit, it is my pleasure to submit into the RECORD, an address by Prime Minister Edward Seaga of Jamaica, Garvey's homeland. The emotion and authority of his remarks serve to remind all that the struggle for legal and social equality in our world does not take place in a vacuum. We are, instead, passing through a seamless web of history where we are affected by the actions of our predecessors; and we, in turn, create the future through our actions. Now is the time to remember the efforts of those who gave us today. Now is the time to praise Marcus Garvey. Now is the time to act:

WHY MARCUS GARVEY WAS MADE A NATIONAL HERO

Economic concerns are often in the forefront of our minds these days, tending to overshadow the goal of racial harmony, which is much more than mere racial tolerance. The ideal of racial harmony is enshrined in our national motto: "Out of many, one people".

It is a principle that lies at the very foundations of the society we have built in this country, and it emerged in response to our history which was regrettably characterized by intolerance and inequality.

Racial harmony, based upon a genuine respect for the individual as a unique and precious creation of the Almighty, has over the ages been the goal of courageous Jamaicans who were far ahead of their times.

Marcus Garvey was one of the enlightened men whose unremitting work helped to shatter the last and toughest layers of that shell of intolerance, which had shackled, burdened, and retarded our society for generations. But Marcus Garvey stood on a pedestal of his own, which made his influence felt not only here and in this region, but in many other places across the world.

Garvey's movement grew out of a burning passion to overcome the beliefs, prejudices, distortions, bigotry, half-truths, fears, conceits and propaganda of vested interests, which had progressively threatened and denied the humanity of people of African descent in this region for some 400 years.

Before Garvey they had been other human-rights activists in Jamaica, and in paying tribute to him we should not forget them—people such as Edward Jordon, Sam Sharpe, William Knibb and Robert Love.

Edward Jordon was of mixed descent, born free in about 1800. At the time when he was born and was growing up, Jews, Indians, Africans and people of mixed descent, even if they were free, could not be employed in any public office. They could not be jury-men or magistrates. They could not vote or run as candidates in any elections, which meant they could not be members of the Assembly or Council. They could not be commissioned officers in the militia or be employed in any minor local public office and could not give evidence under oath in Court.

Before 1830, they could not even be hired as overseers or in any other managerial positions on estates. Even those who were rich enough to own estates had to hire European managers to run them.

Edward Jordon and a group of young men like himself, launched a determined civil rights campaign through a society which they formed in 1820. Jordon used his newspaper, The Watchman, to demand change. He was arrested and charged with sedition and treason. He escaped these charges but spent six months in gaol on a charge of libel.

But he and his companions never stopped until they broke the back of the oppressive laws and practices, and forced the legislature to pass an act conferring all civil rights, such as they then were, on all free people. A limited victory, but valuable nonetheless.

The Sam Sharpe rebellion helped Edward Jordon to win his objectives because it shook up the society and the British Government and brought the question of human rights very clearly to the forefront.

Sam Sharpe took an uncompromising stand on the subject of freedom which eventually cost him his life.

Whereas Edward Jordon enjoyed a modicum of protection as a free man of mixed descent, Sam Sharpe could claim little if any protection, for he was a slave who was demanding not only personal freedom, but the establishment of a society of free people; and a society of free people was against the interests, wishes and beliefs both of the powerful men who ruled Jamaica and those who benefited from the inequalities of the system.

Sharpe asserted that all human beings were entitled to freedom and respect and, in the first instance, he placed his demand in the context of peaceful protest, almost 100 years before Mahatma Gandhi tried a similar exercise, and about 130 years before Martin Luther King, Jr. embarked on a similar path.

William Knibb, the great Bapist missionary, was a contemporary of both Jordon and Sharpe. He was a tireless worker for freedom and the upliftment of those who had been in bondage. Although he was against the bold plan formulated by Sam Sharpe, he flung himself into the battle for the restructuring of the society, not just to accommodate the freed people, but to make their rehabilitation and development its primary concern.

Knibb sacrificed his health and the support of many of his former well-wishers in trying to accomplish his aims, and died while still a comparatively young man.

Robert Love, a medical doctor, journalist and politician, in the days when the idea of representative government was beginning to surface once more in Jamaica, never achieved the sensational notoriety of Jordon, Sharpe and Knibb, but he worked relentlessly and without apology for the breaking down of the barriers which prevented people of African descent from moving freely into all levels of public life.

Marcus Garvey benefited from the work and example of all those men—two of them of African descent, one of Afro-European descent, and one an Englishman. Partly because he was the beneficiary of their efforts, he went more boldly, more dramatically, and more directly to the heart of the problem than any other.

It was not just a case, said Garvey, of freedom, acceptance, tolerance or political rights, or of simple social justice. It was a case of having to flush out 400 years of misconceptions and errors.

The total product was wrong because the initial formula, equation, or prescription was wrong. The conclusions were incorrect because the assumptions were faulty. There could be no compromise.

The new world had been built on a belief in the second class character of the people of Africa: that they were a second-rate cheaper model made by God, a second-rate product devised from inferior materials and therefore not expected to give first-class performance, a less carefully designed instrument created specifically for menial work requiring little thought or skills.

And because every agency of education and communication in the new world tended to be tainted by this belief in inequality, the people of African descent themselves received a distorted image of their own humanity, directly or implied, in books, pictures, lectures, sermons and on social occasions, whether in school, at home, at the work-place, or in places of recreation and worship.

Being thus conditioned, there was a natural desire on the part of aspiring people of African descent to attempt to conform to the system in inequality. By adopting its mores, even when these were at odds with their own physical appearance, they hoped for some degree of acceptance. But Marcus Garvey would have none of that.

Having a clear insight into this dilemma, Marcus Garvey focused his campaign, not only on the oppressive system and those who ran it, but on the so-called victims as well. "You will be victims as long as you believe that you are less than others. No matter how respected the fount of information may be, if it tells you that you are less, it is lying to you. Cast it out; flush out every vestige, suggestion or insinuation that your colour is a badge of inferiority," he counseled.

"Don't seek for acceptance at the expense of your self-respect, your soul. Why hammer at gates where you are not wanted? Build you own mansions, enterprises, nations and governments. Build them so powerfully that the world will have no choice but to acknowledge them and take them seriously. Take this beam out of your eyes, rid your system of it, purge it from mother's milk upon which your children are fed; do not tolerate, countenance, accommodate or acknowledge it. What are titles but names that give distinction or honour to some thing or person? What are uniforms but clothing designed by human beings to give special force and meaning to an individual or group, and to capture the imagination? What are symbols but signs and objects which human beings invest with a special significance to evoke feelings of awe, loyalty and respect? There is no need to bow to these things when they are part of systems which reduce your humanity to second or third rate. Create your own titles, symbols, uniforms, ceremonies, and rituals, based on those things which uplift ennoble, refresh and dignify your humanity and which glorify your achievements."

This was Garvey's thinking and he puts his thoughts into action. Marcus Garvey saw clearly that if 95 per cent of the people of Jamaica felt themselves to be inferior, then the country was doomed. He began the process of flushing out the impurities and poisons from the collective consciousness, from the speech and beliefs, stories and images of the society.

In Jamaica Marcus Garvey preached to people who were in the majority and therefore whose sheer weight of numbers would be a deciding factor in development. But in other places where people of African descent were in the minority, his message had equal force and validity.

Beyond the shores of Jamaica he organized millions; and his influence spread to the Americans to Africa and Asia: wherever people were imprisoned by false doctrines of race and colour. But it was the message rather than the organizing skills that was most successful.

On the surface, for a time, it seemed that Marcus Garvey had failed; certainly here in Jamaica. But, as the Bible says, "unless the seed falls into the ground and dies, it cannot bring forth fruit."

Marcus Garvey's message sought to liberate minds from mental slavery, even as his predecessors had sought to remove physical shackles and to change the written laws and unwritten customs. In spite of ridicule and antagonism, people inspired by Garvey's uncompromising words, began to work for the removal of visible and invisible barriers.

In the 1930's and 40's campaigns were launched by teachers, politicians and trade unionists, among others, to make available all levels of opportunity and employment to people of black or dark complexion, who now began to be openly employed in banks, stores, hotels insurance companies, offices, etc.

Exclusive clubs based primarily on colour began to adopt more liberal policies or else to disappear. Hotels whose management and staffs had once shuddered at the approach of black guests were forced to open up their doors to all paying customers who were prepared to obey their rules. Schools where colour had been a silent factor were pressured by the new spirit into abandoning discriminatory postures.

All this went hand in hand with the growth of trade union and political activities, and the broadening of the franchise to all adults, developments which men like Jordon and Love had advocated. Fair-complexioned people began to be less embarrassed at having to acknowledge black relatives. They began to feel less constrained to explain the presence of black friends.

Black people were now able to rise to top positions in the police force, the army and the civil service. It began to be felt that human beauty could be manifested in a variety of forms, colours and features, and was not confined to what was once assumed to be preferred European standards. Colour and racial biases which had been deliberately implanted and cultivated in the artificially-created colonial society of Jamaica, in order to legitimize and bolster the system of African slavery, were being rooted out.

Behind all these changes were the liberating words of Marcus Garvey. Let me quote:

"Man is able to shape his own character, direct his own life and shape his own ends. When God breathed into the nostrils of man the breath of life, and bestowed upon him the authority of 'lord of creation', He never intended that the individual should descend to the level of a serf or a slave, but that he should be always man, in the fullest possesion of his senses and with the truest knowledge of himself.

"Remember that you are men, that God created you lords of this creation. Lift up yourselves, take yourselves out of the mire and hitch your hopes to the stars; yes, rise as high as the very stars themselves. Let no man pull you down; let no man destroy your ambition; because man is but your companion, your equal; man is your brother, he is not your lord; he is not your sovereign master."

Marcus Garvey responded vigorously to the challenge of his times, to the human problems of the first half of the 20th century. Some of those problems have been alleviated since his death.

But, most of all, we are indebted to him for him uncompromising, unrepentant frontal attack upon racial prejudice everywhere, that wasting social disease that has crippled generations and sapped their vitality. Garvey stood in its path and struck it a lethal blow.

Garvey knew no half measures. Because of the conditions which existed in the first 40 years of this century he felt that people of African descent would only have a chance for maximum development on the continent of Africa. It was only there, he thought, that they would be allowed to build the strong nations and enterprises that would compel the rest of the world to respect them wherever they might be.

One may take issue with this today, 47 years after Garvey's death, as many people did while he was still alive. But no well-thinking person can fault the powerful demand made by Garvey upon his people, to stand up in this world with heads held high, proud of themselves as created, bestowed by a loving God, even as their ancestors had been.

Garvey shattered the mental prison that had developed in this part of the world over some 400 years, to let in the fresh winds of liberty and equality, which we are now able to breathe today. For this we made him a National Hero of Jamaica.

ROBERT HUGHES RECOGNIZED FOR CONTRIBUTIONS TO INSURANCE INDUSTRY

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. FLORIO. Mr. Speaker, I want to bring to the attention of my colleagues the achievements of a citizen of New Jersey, Mr. Robert Hughes of Parsippany. For his contributions to the insurance industry, the industry is naming him today as the president of the Professional Insurance Agents of New Jersey.

In this new capacity, Mr. Hughes will be continuing in the long line of successes marking his career and his life. Having pursued a number of interests, including law school, he has spent many years building the Rasmussen Insurance Agency in East Orange into a productive and respected leader in the field of insuring for tomorrow's needs.

One of the responsibilities that Mr. Hughes will face is the task of reeducating insurers in the changes of the modern-day industry. After years of serving the needs of communities and other companies throughout the State of New Jersey and the country, the PIA must come to terms with the new insurance needs of our society.

As the chairman of the Subcommittee on Commerce, Consumer Protection, and Competitiveness, I share the concerns of Mr. Hughes that insurers meet the growing demand for insurance.

Mr. Hughes is ready for the task of providing insurance to a prospering country. He has already defined new goals to meet for the industry as a whole, ensuring that insurance can be readily available for all who need it for their business or their families.

I am including below an article from the Newark Star-Ledger recognizing Mr. Hughes as Jerseyan of the Week for the knowledge and care that he has demonstrated in his own firm and that he will continue to demonstrate as a leader for the statewide organization of insurance agents in New Jersey.

[From the Sunday Star-Ledger, June 21, 1987]

JERSEYAN OF THE WEEK—INSURANCE AGENT LEADER AIMS TO "DO VERY BEST"

(By Charles Q. Finley)

Making the most of today is what life is all about for Robert F. Hughes of Parsippany.

"I live each day as if it were the last for me, and do the very best I can at whatever I'm doing so I can feel good about myself when the day is done," said Hughes, the new president of the Professional Insurance Agents of New Jersey.

"Every day has its ups and downs. But as long as I'm geared to give my best, I can cope quite well."

Hughes, a senior partner in the Rasmussen Insurance Agency in East Orange, follows an open-door policy in his office, with the stipulation he be kept well-informed.

"I don't like surprises, good or bad," he asserted. "I tell my staff, 'You promise not to surprise me, and I'll promise not to surprise you.'

"Especially when there's bad news. I want it told to me like it is. I can handle it."

Hughes is the son of Richard J. Hughes, former governor and chief justice of the Supreme Court in New Jersey.

"Bob is my second son, and I've always been very proud of him," the elder Hughes said. "No matter where I go in this state I meet someone who has come in contact with him, either while he was making a speech, lobbying or selling insurance, always with a good word being said about him.

"I've heard his presentation of an insurance matter described as being 'masterful.' He's a very thorough and knowledgeable fellow."

"Bob was a very steady youngster who never caused any problems; he always has been a comfort to me. In the '60s I used to call him my 'square son,' which he didn't appreciate very much."

The younger Hughes termed his father "an unbelievable man."

"What really makes him remarkable is that he doesn't realize what a great man he is. He casts a very big shadow."

Robert Hughes and his wife, Elizabeth, have three children—Robert Jr., 24, and Brian, 20, both employed with their father in the Rasmussen agency, and Jennifer, 22, who is attending American University Law School in Washington, D.C.

He looks forward to his wife's attentiveness when he gets home from the office.

"If I'm down after a rough day, she serves me a good meal and we chat. If I'm excited about a big success, she reminds me to take out the garbage; she's a great leveler."

Hughes will be installed Tuesday as president of the 1,600-member statewide organization at its annual convention at the Tropicana in Atlantic City.

Born in Trenton and a graduate of Catholic Boys High School in that city, and St. Joseph's College in Philadelphia, he attended Fordham University Law School for two years before deciding he didn't want to be an attorney.

"Then I tried banking for a while, but once I had taken an insurance job part-time it wasn't long before I knew that was it for me."

Drew Karpinski, who was named both state and national Professional Insurance Agent of the Year while president of the group for 1985-86, has been closely associated with Hughes for a decade, both in the industry and PIA activities.

"Industrious and creative, Bob is dynamic in a low-key way," Karpinski said. "His background is very appropriate for taking over as our president at a time when much is going on in the insurance industry in New Jersey, both in the legislative and regulative areas.

"The results of his work speak for themselves. His ability to communicate ideas will prove a very valuable asset for the PIA."

Hughes said one of the principal problems facing the insurance industry is that, in many instances, insurance companies cannot foresee what liabilities they may be exposed to after a policy has been written.

"What may seem to be a clearly worded agreement between the insuror and the insured later may be interpreted in a different light in a court action. I'm sure in some instances, where the dumping of toxic wastes was involved, the insurance companies at the outset had no idea that they were covering anything but the truck transportation in the event of an accident.

"They had no idea that later they might become liable for sums running into the millions of dollars. The insurance companies lack an awareness, or an understanding, of the possible ramifications, their possible eventual exposure to liability, in this changing world.

"The agents really are on the front line in this risk. As the world changes, the wording of the coverage must take into consideration society as it is, and be in step with changing conditions affecting exposure to liability.

"This necessitates continuing education programs, and open communication with the Legislature and regulatory bodies. Our group has been deeply involved in legislative and regulatory processes and will continue to be so."

THE HOME NEWS: KOREA COMES TO A BOIL

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. COURTER. Mr. Speaker, South Korea is an astonishingly vital and successful country whose economic strengths cast a light in Asia as long as the shadow cast by the enormous armies of their North Korean counterpart and antagonist. But one common result of such broad and deep economic successes is pressure for social and political change. North

Korea may be as orderly—and as dismal—as a cell block. But the freedom of the south makes possible strong demonstrations, and Seoul is now facing important decisions about how best to deal with the Government's many critics.

One could of course push President Chun too far too fast; the Korean people have very little experience with open democratic processes, and the change which is proposed must be careful and wise before it is fast and all encompassing. The Home News of central New Jersey argues strongly that there can ultimately be no alternative, and no real objection, to an American policy of encouragement for democratization. The paper's very worth editorial is reprinted below, and will reward Members well for what time they may wish to give for reading it. Civil disturbance may be a danger to South Korea, but democracy poses no threats.

[From the Home News, June 16, 1987]

COMING TO A BOIL IN SOUTH KOREA

When South Korean President Chun Doo Hwan announced on April 13 that he was suspending debate on changing the constitution to permit direct election until after the Seoul Olympics, he switched off a safety valve. The Seoul Olympics are scheduled for September 1988. But Chun has promised to step down in February 1988. That meant that his handpicked successor—formally nominated last week—would be indirectly elected under the present constitution. And that's why South Korean students by the thousands are in the streets today, chanting "Rise up! Rise up!" and inviting South Koreans opposed to Chun's military regime to emulate the actions of anti-Marcos Filipinos.

South Korea is not the Philippines. But the current protests—the largest since Chun seized power in 1979—have been organized by a coalition of political, religious and human rights activists that appears to be winning the support of more and more middle-class South Koreans. In one of the worst confrontations between riot police and students at Yonsei University in Seoul, hundreds of area residents were reported to have joined in students in hurling rocks and slogans. And many office workers were among the thousands demonstrating around the Roman Catholic Myongdong Cathedral in downtown Seoul.

Chun is in trouble. There is no turning back a genuinely popular demand for democracy, and attempts to throttle the reformers have exactly the opposite effect. The question now is how Chun will respond to the current wave of increasingly violent protests.

If he uses the violence as a pretext for taking the harsh measures against demonstrators that he has so far avoided, he might damp down the public disorder—at least temporarily. But if he listens to such influential South Koreans as Cardinal Stephen Kim Sou-hwan, he will find a way to open a "dialogue" with the opposition, which might avert bloodshed and lead to concession and compromise on the election issue.

And at this particular moment, the United States could play a helpful role in South Korea. Publicly, privately and unmistakably, the Reagan administration needs to let Chun and his would-be successor know that the United States is on the side of democracy, and to make it clear that we will not turn a blind eye to political repression out of some misguided concern that the Olympics go off without a hitch. Indeed, if Chun truly believes he can skate by the Olympics, keeping his most radical opponents from using them to focus international attention on their cause, he needs a Dutch uncle to tell him it won't work.

The pressure for democratic reform in South Korea is coming to a boil. The United States needs to be on the right side of the issue, and we could help by telling President Chun his side can't win.

WHAT GERALDO RIVERRA WOULD FIND IF HE OPENED UP THE DEMOCRATS FISCAL YEAR 1988 BUDGET ON NATIONAL TV

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. GALLO. Mr. Speaker, over the last 2 years we have had several major media events where the vaults of sunken ships and hotel basements have been opened before live nationwide audiences. Some of the excursions have yielded treasures beyond anyone's wildest dreams, while others yielded nothing. In any case, these discoveries have engaged the public interest.

Today, I am suggesting a media expedition to open the Democrats budget on live, nationwide television. For the good of the country and for the benefit of the American taxpayer, I call upon some enterprising investigative reporter to explore the hidden passageways of the Democrats budget for the next fiscal year and to do so before a live nationwide audience.

Sneak previews provided by the majority party in the Congress suggest that such an investigation would find that this budget contains over $19 billion in a new, unspecified, additional taxes. Viewers would also find that a hostage is being held in this budget. Specifically, the Nation's defense is being held hostage by the tax increase. Finally, there is a back door in this budget. This back door will allow Members of this Congress to increase the national debt ceiling to an alltime high, without as much as a recorded vote on this issue.

Even this preview, however, does not reveal all that is contained within this budget. Much larger questions remain to be explored—what kind of taxes will be added to the burden of the American taxpayer, what impact will these increased taxes have on the vitality of our economy, what higher costs will there be for selected domestic programs, and how much will our interest payments on the national debt increase?

While American viewers will be intrigued with this latest expedition, they will not find hidden treasures. Rather, they will find the same old tax and spend policies of the Democrats and a few surprises such as the backdoor attempt to slip by yet another increase in the national debt.

Mr. Speaker, clearly our budget process has become like many of these sealed vaults with the Republicans shut out of the process and many unknowns lurking behind the walls. While this kind of show may receive high ratings, the real result will be increased cynicism on the part of the American taxpayer.

The American public deserves an honest accounting of our budget process and how we intend to spend their hard earned tax dollars. If new taxes are being proposed, then be honest and tell the American public how they are going to be taxed. If you're going to slash the Nation's defense spending, then say so. If you're going to support increased domestic spending through increased taxation, then admit it. If you're going to try to reach the deficit reduction target, than do so through real budgeting rather than creative accounting.

I made a commitment several weeks ago to withhold my support of any increase in the debt ceiling until substantial reforms are made in this budget process. Budget process reform has not been achieved and this budget resolution fails in every other respect as well. I intend to keep my promise by voting no on this budget resolution and I urge my colleagues to do the same.

IMMIGRANTS ARE A SOURCE OF NEW ENERGY RATHER THAN A BURDEN TO AMERICA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. SOLARZ. Mr. Speaker, much of the media discussion about the impact of immigration upon our society would lead one to believe that most newcomers to our society impose further burdens upon our already strapped resources. From my experiences, as the representative of a multiethnic and multiracial urban New York district, newcomers continue to infuse our society with greater vitality, intellectual vigor, business acumen, and cultural riches which are a net plus to our Nation. Even those who come to our shores as refugees in a few years are contributing more to our economy than they have received in benefits.

One of the recognized experts in the field of immigration in the New York area is Mr. Carl Zuckerman, the executive vice president of the Hebrew Immigrant Aid Society. HIAS is an outstanding private voluntary organization which has provided services to literally tens of thousands of newcomers to the United States for many decades and an agency which continues to develop innovative and cost effective training and resettlement programs for newcomers.

Mr. Zuckerman, no stranger to anyone active in humanitarian and philanthropic work, now serves as the chairman of the Committee on Migration and Refugee Affairs of INTERACTION, the American Council for Voluntary International Action, the U.S. umbrella organization of voluntary agencies. Carl was recently interviewed, in his capacity as INTERACTION spokesman on these issues, by a United Nation's publication, Refugee Magazine, to explain their views in support of increased immigration flows to the United States and a more generous and humane American asylum and refugee policy.

Because of the important role that U.S. immigration policy plays in the lives and well-being of our Nation, as well as in the international community, I ask that Mr. Zuckerman's very thoughtful views be included in today's CONGRESSIONAL RECORD. I congratulate Mr. Zuckerman, HIAS, and the other members of INTERACTION, for the excellent work they have done in reuniting separated families, encouraging generous voluntary support for social services to newcomers, but above all in helping to prepare "new Americans" to fully participate in the economic, civic, and social life of this great Nation, which truly remains a nation of immigrants.

USA—INTERACTION

"America could receive many more refugees than it does at present."

Karl D. Zuckerman is Chairman of the Committee on Migration and Refugee Affairs of INTERACTION—American Council for Voluntary International Action, an umbrella agency of the voluntary agencies in the United States. He is also the Executive Vice President of HIAS—Hebrew Immigrant Aid Society. He explains for REFUGEES the activities of the Committee on Migration and Refugee Affairs and gives us his views on asylum and immigration in the United States.

"INTERACTION has over 100 members—all American non-governmental organizations—who do international humanitarian work in development, development education, or refugee and migration work (...) This collection of agencies operates through Committees. Our committee, the Committee on Migration and Refugee Affairs, consists of the national voluntary agencies in the United States who are involved in migration and refugee work; we are also interested in immigration issues. For example, right now, we are dealing with the implications of the new American immigration reform and control law, its legalization procedures, its employer sanctions requirements. We are mainly involved with refugee concerns, and that runs the full range from protection in countries of first asylum to some issues of assistance to them, to the procedures and rules and laws by which they are resettled in third countries, principally in the United States.

"We have two major functions. One, we view ourselves as the advocates on behalf of refugee concerns with the American Government and to the Ameircan people. Twelve or 14 of our agencies have been doing this kind of work for 100 years, and we know, and care, a good deal about it. Furthermore, each of us have contracts with the American Government under which we can bring refugees into the United States—sponsor them in—and are responsible to the US Government for how they are resettled in this country. So we are very much involved in the actual work of resettlement and supervising offices and our various local agencies around the United States who do this work."

On US asylum policy: "I think it ought to be improved in a way that takes into account the situation in the home countries of the applicants but is not so intimately connected with American foreign policy issues in relation to that country. It needs to be more politically neutral. I think it's unrealistic to expect that it would be entirely neutral. One cannot ask a sovereign State to ignore its foreign policy interests in making these kinds of decisions. But we need to have a much more efficient, prompt, quicker process which preserves people's rights but by which decisions occur much more speedily so that people don't abuse the system just in order to buy time."

On public attitudes towards refugees among Americans: "When asked the question very generally, Americans will not distinguish between refugees and immigrants or even illegal immigrants. But if you give them short case illustrations of refugees, by a very wide margin they will say: 'We should let these people in.' In fact, they are very hospitable, and I think America could receive many more refugees than it does at present. We could do much better for many more people in resettlement than we do now, even if we have done a lot in the past. In the last 12 or 15 years, in the partnership between the government and ourselves, we have resettled over one million refugees in the United States. For all the people who have been resettled, the USA, the voluntary agencies, the American people, have done wonderful things.

"But some political leaders would rather focus on the problems than remind the American public just how well we have done. I believe that by focusing on the problems and ignoring the good results, they have created the impression among the public that the refugee programme is a disaster. That is why Americans respond negatively to the general notion of letting more refugees in. And there is in the US, always, some degree of mixed feelings about welcoming newcomers and keeping foreigners away. It's always been that way in American history. But by and large Americans remember. We have celebrated. The Centennial of the Statue of Liberty last year and how we are approaching the Centennial of Ellis Island. Americnas remember who we are and who we were. We'll take more, we'll bring more, there are plenty of opportunities."

On immigration. "I think it's also time for America to increase the numbers of legal immigrants allowed in the USA. We can do that too. We have taken good steps to reduce the number of illegal immigrants, so we should increase the number of legal immigrants. Because even the illegal immigrants who come here, everybody says, are hardworking and make contributions to the United States. That's what this country needs: that new energy. Immigrants represents a far greater level of contribution than they do a burden. We are trying to influence policy in this respect. I think most leaders think the same way. Certainly my own agency will be actively advocating that."

(Interview by Annick Billard.)

TRIBUTE TO JUDGE JOE WHEAT

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. WILSON. Mr. Speaker, I have an old and good friend in my district who throughout his career in the law has gone the extra mile for his community and the State of Texas. In all the years I have known him, he always told me that it would be a cold day in hell before he would run for office, or become a politician.

Well, it seems that Josiah Wheat finally ran out of other ways to work for Tyler County. Earlier this spring he was elected county judge.

Joe Wheat is a man whose list of civic service involvements runs a full page, single spaced. He is a respected member of the legal profession in the State of Texas and nationally. I've often wondered where he gets the energy to keep so many irons in the fire—but if he could bottle it I'd be the first to buy stock in the company.

I would like to take this opportunity to honor Joe for this new accomplishment, and wish him luck with this latest facet of his career. It is a pleasure to welcome him to the halls of public office.

CONGRESSIONAL CALL TO CONSCIENCE FOR SOVIET JEWS

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. MARKEY. Mr. Speaker, the Congressional Call to Conscience is an effort to call attention to the plight of Soviet Jews and other Soviet citizens who are denied many of their basic human rights. During this time of glasnost in the Soviet Union, efforts on our part to keep attention focused on the repressive policies of the Soviet government can only be a greater impetus for openness in this most crucial area.

The Soviet Union, under the leadership of Mikhail Gorbachev, appears to be making an earnest effort to reform itself. Years of stagnation and corruption under an aging circle of leaders have given way to calls for openness and restructuring. The West has seen manifestations of these policies in new style Soviet elections, limited economic reforms and a slick public relations campaign. But the litmus test of sincerity for glasnost rests in the implementation of policies which guarantee the human rights of Soviet Jews and all Soviet citizens.

While the new Soviet leadership speaks of openness, thousands of Soviet Jews seeking to emigrate are finding that the gates to freedom are closed. In all of 1986 only 914 Soviet Jews were permitted to emigrate from the Soviet Union. Recently, we have seen the release of a number of prominent dissidents, and in the first 5 months of 1987 over 2,300 Jews left the Soviet Union. These are encouraging trends. But a truly open society does not measure its openness in three or four digit numbers. It is measured by living up to the letter and the spirit of agreements like the Helsinki accords which provide basic freedoms for all citizens.

Such a commitment by the Soviet Union would mean that families like the Yuzefoviches of Moscow would be free to join their relatives in Israel. In October 1980, more than 6 years after completing his military service, Leonid Yuzefovich applied for an exit visa to Israel for himself and his family. It was denied on the grounds of "state secrecy," despite the fact that during Leonid's service in the army he never held a security clearance or worked with classified information. Five subsequent requests to emigrate have been denied. Ekaterina, Leonid's wife, is unable to join her parents who emigrated to Israel in 1976. They have not even seen two of their four grandchildren who were born after their departure.

In February 1987, Leonid and Ekaterina took part in a demonstration on behalf of dissident Yosef Begun. Authorities spread rumors that as a punishment for the demonstration the Yuzefovich family would never be allowed to leave. On March 19, Leonid began a hunger strike in protest of the repeated violations of his family's human rights. This strike lasted 5 weeks, but even it did not result in any response from Soviet authorities.

When we hear of change in the Soviet Union, we should encourage it. But the most meaningful change will occur only when the Yuzefoviches and the thousands of families like then are given permission to emigrate. It is our obligation to call attention to their plight and urge an end to their repression.

THE 60TH ANNIVERSARY OF MONARCH AIR SERVICE, INC.

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. LIPINSKI. Mr. Speaker, I am pleased to bring to the attention of my colleagues the 60th anniversary of Monarch Air Service, the oldest single family held aviation business concern in the Nation.

Monarch Aviation was founded in 1927 by Mr. Pierce "Scotty" O'Carroll and was the first full service fixed base operator operating out of Midway Airport, located in my district. Since that time Monarch Air Service has been a source of strength and unity for Midway Airport, taking a lead role in the revitalization of the airport and in its business development as well. At present, it continues to provide vital fueling services to Midway Airlines and to many of the other scheduled carriers at Midway Airport. Throughout its history, Monarch has also clearly been a family affair. Upon Mr. O'Carroll's death in 1961, the company was operated by his widow, Rose, until she passed away in 1972. It is presently being operated by the O'Carroll's daughter, Shiela, and her husband, Matthew Lynch.

Monarch Air Service has already been recognized by the city of Chicago on this important anniversary. An east-west alley which is directly across from their corporate headquarters has been renamed Monarch Parkway and they have also received a congratulatory resolution from the city. I am sure that my colleagues join me and the city of Chicago in extending to Monarch Air Service, Inc., a hearty congratulations upon their 60th anniversary and our very best wishes for success in their future endeavors.

DICK DRAYNE

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. UDALL. Mr. Speaker, last Friday I lost a friend. Dick Drayne, after a long and valiant battle, died of cancer at the age of 49.

Dick was a special man. He was a superb analyst and adviser who was not afraid of the rough and tumble of politics, especially Presidential politics, yet he was a gentle and soothing influence on politicians and the political press. Not an easy task.

Dick was especially known for his wonderful sense of humor. Hardly a gridiron dinner or any other event requiring good topical humor over the past 10 years did not have a Dick Drayne line or two. His humor was gentle, but had a bite. He loved to remove the pomp from the pompous, the starch from the stuffed shirt.

Dick Drayne was a loyal friend of the Kennedy family and a valuable part of the CBS team in Washington. He was a great family man and I want to share my own sorrow with his wife, Patricia, and his children.

H.R. 2737, CONTINENTAL SCIENTIFIC DRILLING AND EXPLORATION ACT

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. LUJAN. Mr. Speaker, I am pleased to join the gentlelady from Rhode Island [Miss SCHNEIDER] in cosponsoring the Continental Scientific Drilling and Exploration Act which directs the cooperation of the National Science Foundation, the Department of Energy, and the Department of the Interior in implementing the Continental Scientific Drilling Program.

The Continental Scientific Drilling Program is an important national scientific effort to better understand the geologic evolution of the Earth and the economic value of its structure. It will help resolve very basic questions concerning the dynamics, structures, properties, and evolution of the Earth's crust, and will be directly applicable to issues dealing with oil, gas, coal, and geothermal energy sources. The drilling program will also aid in the development of better technologies related to mineral resource development, water resource management, and a better understanding of natural hazards such as earthquakes, volcanic eruptions, and the disposal of hazardous wastes.

A national commitment is needed for continental scientific drilling, and the Continental Scientific Drilling and Exploration Act is being introduced for that purpose. It does not establish a new bureaucracy or require additional funding, but rather calls upon the Director of the National Science Foundation, the Secretary of Energy, and the Secretary of Interior to implement the objectives of the act through the established Interagency Coordinating Group. I believe that passage of the act will enhance the changes for the program's success, and I urge its timely adoption.

CONGRATULATIONS ON MUSICIANS GUILD 85TH ANNIVERSARY

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. VISCLOSKY. Mr. Speaker, it is my great pleasure to congratulate the Musicians Guild Local No. 203 of the American Federation of Musicians, located in Hammond, IN, on their 85 years of service to the communities of northwest Indiana.

This vibrant, committed organization of musicians is to be applauded for its artistic accomplishments and neighborhood activities. These women and men have donated hours of their time to free concerts and public performances, and are dedicated to musically enriching the lives of their fellow Hoosiers. Their music performance trust fund has provided the area with over $1 million for the promotion of the arts, and their continued investment in the cultural life of the region is an unqualified asset to tourism and economic growth.

The musicians guild has formulated a comprehensive cultural policy for the further artistic development of northwest Indiana. It seeks to integrate and combine the efforts and concerns of individual artists, community organizations, local governments, and the listening public. Local 203 has an exciting vision of the future of the arts in our area. I applaud their past accomplishments in sharing beautiful music with others, and wish them continued success in all their endeavors.

LENGTH OF TERMS OF OUR ELECTED OFFICIALS

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. PACKARD. Mr. Speaker, during this week 200 years ago at the Constitutional Convention, the terms of office for the House of Representatives and the Senate were adopted. Members of the House would stand for election every 2 years; Senators would keep their seats for 6 with one-third of them standing for election every 2 years. Our Founding Fathers arrived at this compromise after holding numerous discussions that thoroughly questioned the amount of power that should be bestowed upon the Nation's elected officials. One delegate stated, "give all power to the many they will oppress the few. Give all power to the few they will oppress the many." As we now know, this quote precisely captures the essence of the pact made at the convention that would balance the needs of the few and the many by giving to each group a check on the other. The House would be open to the constantly shifting mood of the masses while the Senate would provide a stable voice for the establishment.

The length of terms of our elected officials continues to be debated today. Particularly in the House of Representatives, a 2-year term has proven to seriously inhibit its Members' ability to effectively govern. House Members have arrived at a point in time when they must continually preoccupy themselves with ensuring their own reelection. The resulting policy decisions necessarily reflect this preoccupation. Political considerations now seem to outweigh concern for making good policy.

In like fashion, it has been argued that limiting the President to a single 6-year term would enhance his ability to govern without having to worry about the domestic political overtones of his every action.

FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1988 AND 1989

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. RANGEL. Mr. Speaker, last week I expressed my support for the State Department authorization legislation. Since that time this bill has been encumbered with a number of controversial amendments that prohibit my continued support of this proposal. Let me stress that my position as chairman of the House Select Committee on Narcotics, places me in a very precarious position on this particular piece of legislation, because my strong support for the bill's provisions providing funds to stop the illegal flow of drugs into this country.

Mr. Speaker, this legislation was accepted on Thursday, June 18, while I was out of the country on official business as chairman of the Select Narcotics Committee. I apologize for my absence during consideration of this motion. The amendments to which I refer were offered as an en bloc motion, designated as noncontroversial and passed by voice vote. I am particularly opposed to the provision which will allow the State Department to withhold up to 25 percent of the U.S. contribution to projects of the United Nations and its agencies which primarily help the African National Congress.

I believe this act to deliberately single out the largest black organization in South Africa is a vicious act by this Congress. I believe the blatant effort to limit even indirect assistance to this significant organization for the furtherance of its goals is a direct contradiction to the actions taken by this very same body when it passed the Anti-Apartheid Act of 1986.

This amendment would also withhold a proportionate share of the U.S. funds from the United Nations agency which investigates human rights in Israeli-occupied territories. The investigation of human rights abuse is one of primary functions of the United Nations. I cannot understand opposition to providing support for an organization that provides such a vital function. I do not support this provision.

Mr. Speaker, regardless of the problems that some Members may have with the functioning of the United Nations, this institution should not be resticted by the continued fiscal arm twisting of the U.S. Government. I am fully aware of the extent of U.S. funding for the United Nations. However, I feel strongly that we should not use our financial support as a contingency fund to influence United Nations actions. I am opposed to language restricting the United Nations from carrying on its functions as a world forum. And this amendment does just that.

I am shocked that this amendment could have been accepted by this body. I am dismayed that I must withdraw my support for this legislation. I urge all of my colleagues to rethink their position on this measure and join me in voting nay.

THE SCHOOL WITH NO NAME

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. OWENS of Utah. Mr. Speaker, this past weekend the Washington Post printed an article which, I believe, was moving in a way that only a true story about perseverance and hope can be. The story is written with touching admiration for the children who attend "The School With No Name" which is part of a shelter for the homeless located in my district in Salt Lake City, UT. As pointed out in the article there is no other facility like it in the country. The school children featured in the article have not lost confidence in themselves or their parents. They continue to pursue an education secure in the belief that they will someday gain their piece of the American dream.

The families who live in the shelter are from all over the United States. They are, in many ways, a symbol of continued trust in our country's auspicious future.

A SHELTER FOR LEARNING—HOMELESS CHILDREN STRUGGLE TO SUCCEED

(By Neil Henry)

SALT LAKE CITY.—Robert Kovach was frustrated. There he sat in the first row of the classroom trying to write an essay about "Things I Like to Do," but every time the 16-year-old put pencil to paper, he came up blank.

The distractions didn't help. On one side of the room, a 7-year-old girl from Montana was excited about her drawing of an imaginary house she hoped her family would one day own. On the other, a boy from Seattle was giggling over a science experiment.

"Why don't you go out into the hallway where it's quiet?" his teacher, Marilyn Treshow, suggested. Fifteen minutes later, Kovach returned with a composition that caught her by surprise.

"I like to go off where no one can find me and just ponder my thoughts about different things I've been through, such as living in a shelter, being looked upon as someone who'll never have anything in life," he wrote. "It makes you feel like you just want to explode. . . .

"I also like to think of how I am going to better myself in my future life, like getting my own business and owning my own house, because I am not going to end up like this."

This one-room schoolhouse, wedged under a highway viaduct on the southwest side of Salt Lake City—the "Crossroads of the West"—goes by many names; "The Shelter School," "The Viaduct School," "The School on 6th Street." But to the 14 homeless pupils who range in age from 6 to 16 and claim an equal share in rootlessness, it is known simply as "The School With No Name."

"They're just like other children except they know more about life and learn it sooner than other kids," said Treshow, an employee of the Salt Lake City school system who has been teaching at the three-year-old school for two years. "I'm consistently amazed by how many places they have seen and the troubles they've had, but what really comes through is the strength. These are very strong kids."

There is no place in this country quite like The School With No Name, which doubles at night as a shelter. Students get their hot lunches not in a cafeteria but in a soup kitchen across the railroad tracks at St. Vincent DePaul. The playground is not a grass field but a wooden hut piled high with donated clothes in which the kids burrow tunnels to play hide-and-seek and war.

And the centerpiece of the classroom is not a multiplication table or a list of the alphabet but a large map of the United States that boldly proclaims, "Places I Have Been." The map is crisscrossed by scores of black threads showing where their parents have searched for work and a sense of place.

"Colorado, Washington, California, Oregon, Wyoming," Robert Kovach said, listing a few states where his family has lived or traveled through in the last three years. His brother and two sisters sit with him in the classroom. "What I'd really like is for Dad to get a job and for us to get a decent house. It's no fun living like this."

This is the only school in the nation known to serve only homeless children in a public shelter. It was started in 1984 by the city's public school system with Traveler's Aid International, which runs the family shelter here, to educate children who otherwise would not—or could not—attend school.

Most American cities try to put homeless children in regular public schools, but few are able to attend full time.

"Proof of residency requirements often prevent them [homeless children] from going to local schools, and more often they just fall through the cracks," said Maria Foscarinis, Washington counsel for the National Coalition for the Homeless. "The fact that a place like Salt Lake City has such a school points up how widespread the problem has become."

According to national advocates for the homeless, families with children constitute the fastest-growing segment of the nation's homeless population, most of whom are single men. The Coalition for the Homeless estimates on the basis of a 1986 national survey that families now make up about 30 percent of 250,000 to 2.2 million homeless people in the United States.

Coalition officials point to cutbacks in federal antipoverty programs and the increasing scarcity of housing for low-income people to explain this statistic. Since 1981, money for low-income housing programs, including rent subsidies and public housing, has been cut nearly 70 percent; from $32 billion to $7 billion, according to the U.S. Department of Housing and Urban Development.

Without such support, many poor families have sought a temporary haven in public shelters or moved to other cities when jobs and unemployment benefits are lost. And in the West, Salt Lake City—The Crossroads—happens to be a place where many such families end up, latterday "Okies" in the land of the Latter-day Saints.

YOU HAVE TO GO WHERE THERE'S WORK

Bob and Iris Kovach, Robert's parents, came here in March from Longmont, Colo. They are fairly typical of the approximately 2,200 homeless families who spend time in the shelter here each year—white, young to middle-aged and originally from other states.

Bob Kovach, 43, a thoughtful, soft-spoken man, lost his truck-driving job late last November. The family had lived in Longmont for about a year, far from rich but making ends meet. Bob brought home $800 every month, $350 of which paid the rent for their three-bedroom apartment.

Unemployment was not a new experience for the Kovachs who, like many working poor, are shaken by the slightest tremors in the U.S. economy. Before Longmont, the family spent two years in Vancouver, Wash., and nine years in Denver, where Bob worked as an emergency medical technician for a private ambulance company. His working hours in Denver—48 on, 24 off—were "awful for family life," he said, so when he was laid off from that job in 1984, he and Iris decided to make a fresh start in another part of the West.

Friends told them that Vancouver was a beautiful place, with good schools and work available in the timber industry. There Bob landed a 9-to-5 job for $1,000 a month in the warehouse of a wood pulp manufacturer.

Iris, 35, stout and dark-haired with piercing blue eyes, recalls their time there as one of their best. Robert and his siblings—Joe, 14, Christy, 8, and Michelle, 5—attended school regularly, the family lived in an apartment near the Columbia River, and they were able to save a little money. After six months, Iris was overjoyed that they had $500 in their savings account.

But Bob was a casualty of a company layoff, and a coworker steered him to the trucking job in Longmont. Robert, then 12, hated saying goodbye to friends "I'd just gotten to know," but he understood: "Times are hard, and you have to go where there's work."

When Bob lost that job, too, he tried to find another in Longmont because he and Iris were "tired of moving around." But weeks passed and his unemployment insurance ran out. They pawned their television, furniture, even their wedding bands, to pay the rent, but eventually they had to move out. Life seemed so hard there, they began to think it couldn't be worse somewhere else.

Bob heard that Utah was nice—"We're a born-again family, and I knew there were a lot of religious people here"—so he telephoned the state's employment services office and was told there was work in construction and maintenance.

The Kovachs piled into their 1971 Ford Pinto and, with Robert, Joe and Christy in the back and Michelle in Iris' lap, took their time making the 600-mile trip. To save money, they spent three nights in the car on the side of the road, each night reserving their customary hour for Bible study. Iris, a devout believer in cleanliness, twice took time to wash the family clothes, she said, once on the bank of a Colorado stream.

They arrived the night of March 5 with $5.10. After Iris changed $2 into quarters, Bob made several calls from a downtown phone booth to find shelter. "The police said they didn't have funds to help us," Bob said. The guy on the phone got us in touch with Traveler's Aid. That's how we got into the shelter."

SALT LAKE CITY DISAPPOINTS SEMI-SKILLED

This city and its namesake, the Great Salt Lake, lie at the nexus of three interstate highways—15, 80 and 84—that lead to San Francisco and Los Angeles to the west and southwest, Seattle to the northwest and various points, including Omaha and Chicago, directly east. It is the biggest city from Phoenix to Canada and from Denver to the Pacific Ocean.

John Naisbitt, author of "Megatrends," listed Salt Lake City among 10 American cities with the greatest growth potential in the next decade, primarily because of its location, quality of life and the growing number of high-tech and computer-related industries.

But for many semi-skilled workers and their families who arrive here hoping for a change in luck, Salt Lake appears to be something less than a "megacity." Copper, steel and oil, which historically accounted for the city's growth, are depressed industries here as elsewhere.

"About half our clients come to Salt Lake City from other states. They travel by car mostly, with all the worldly possessions they can pack, hoping to find work and a better life," said Priscilla Solarz, director of the Traveler's Aid office here where homeless people are helped with job referrals and directed to public shelters. Traveler's Aid operates three shelters here with a combined capacity of 400 and all have been fully occupied for more than a year. Last year, 7,791 people found emergency shelter here.

"Some come to Salt Lake specifically. Others find themselves with broken cars or empty pockets while passing through from the oil fields in the Southwest, the timber forests in the Northwest, or California. But all of them are pretty desperate," Solarz said.

Like every major American city, Salt Lake City has not been immune to the problem of homelessness. But in this strict and sparkling place, where an X-rated movie theater cannot be found, where the search for a beer can be futile and where 40 percent of the 218,106 citizens adhere to the conservative moral standards of the Church of Jesus Christ of Latter-day Saints, the contrast between civic ideal and human reality can seem particularly stark.

"This is a new problem for Salt Lake City. We didn't really start seeing large numbers of homeless people here, including entire families, until two or three years ago," said Steven Holbrook, Mormon church member, a former state legislator and longtime community organizer who has actively brought together church and city leaders to address the issue.

"The challenge is pretty unique here for two reasons: Salt Lake is the capital of Mormonism, and traditionally Mormons have taken good care of their own. But what do you do when you're confronted by growing numbers of people who, for one reason or another, *can't* help themselves?

"Secondly," he said, "there is a civic willingness here to be out front in setting an example for other communities to follow. People want to keep Salt Lake the clean city it's always been, but we want to address the problem in a positive way."

Several months ago, the Mormon church donated $90,000 worth of kitchen equipment to the St. Vincent DePaul society to refurbish a soup kitchen. Several weeks ago, the church appropriated $400,000 to help renovate a building to house two of the city's three shelters. They represent the largest church donations ever for the non-Mormon homeless.

But, as Holbrook puts it, "the feeling is that more needs to be done than just offering shelter and food. We don't want London poorhouses here, but the emergency shelter is just a stopgap solution. * * * All the other problems—health, employment, education—have to be dealt with as well."

Families with children seemed a good place to start.

In March, the Child Welfare League of America and Traveler's Aid International completed a study of 331 children of 163 homeless families in eight American cities, including Salt Lake City. They found that 10 percent of the children were in immediate need of health care, 10 percent had been victims of physical abuse—nearly three times the rate of the general population—and 43 percent of those old enough to attend school were not attending.

The 13-month-old son of one couple had lived in a car for so long that he became confused and agitated when a social worker placed him on the floor of a playroom: He apparently had forgotten how to play in an open space.

The report's findings did not surprise Solarz, 47, a former child actress who performed bit parts in more than 20 Hollywood films produced in the 1940s, including "It's a Wonderful Life" and "Miracle on 34th Street." As the director of an organization that represents a front door for the city's homeless, Solarz had taken special interest three years ago in the plight of the children.

"Nothing was being done. We were seeing more and more kids and few of them could get into school becaue of paperwork problems. When you don't have a home and you travel from place to place, you tend to lose track of things like birth certificates, shot records and other stuff that the school system requires," she said. "Fortunately, the school board and the city were receptive to the idea of placing a teacher in the family shelter."

School is in session from 8:45 a.m. until 1 p.m. Reflecting the transience of the children's parents, the pupils' average stay is six to eight weeks. Since September, 120 children have enrolled in and left The School With No Name.

Still, whatever brief structure the school can offer the children is "better than nothing," said Solarz, who spends most of her time ministering to the parents.

In their second-floor offices at the Greyhound Bus Station across from the Salt Palace downtown, Solarz and her staff contend with a daily tide of travail. Social workers' files reveal various reasons their clients ended up in Salt Lake. "Came from El Paso where he lost a job in an oil field. He was headed to Washington state to look for work in the fisheries. No money for gas. Needs shelter for wife and a child and temporary work," one file said.

Another client's "car broke down on I-15. Arrived from Provo. Divorced, two small children. She is without funds, very depressed and needs a place to rest," stated another.

And in the office of social worker Maxine Greer one April day, a middle-aged woman named Elaine was asking for an extension on the month her family would be allowed in the family shelter. She had arrived from Seattle in March, hoping to find work here, and had enrolled her children in The School With No Name.

"I was married 21 years. I got the clothes, the car and the kids. He got an 18-year-old girlfriend," the woman, draped in a large green coat, says as Greer makes notes.

"That's hard to take. * * *

"Well, if there's a God in heaven, he'll get his."

"You don't want to wish harm to anyone. It's bad for your health."

"Him, I do," the woman says. "I'm 40 years old. Over the hill. An old hag with teen-age kids. * * *"

"Your life goes on."

"Maybe," she says, unpersuaded. Suddenly, she brightened. "I got a job today cleaning rooms at the Orleans Hotel. I went in for the interview with this coat on because I didn't want them to see the old housedress I have on underneath. It's only $3.35 an hour, but it's a start. * * *"

"Good for you," Greer says. She waves goodbye and wishes Elaine well.

"How does anyone do it?" the social worker asks a little later, sighing as she files her notes with a pile of others. "How can you expect to raise a family on minimum wage?"

STRANGERS DRIVE BY JUST TO STARE

For Bob and Iris Kovach, it isn't easy. A reddish sun is setting as they sit on a cot in a cramped trailer at the family shelter. The shelter is a collection of five trailers, the schoolhouse and a couple of other buildings on a plot of gravel barely 20 yards from I-15.

The traffic noise is thunderous. Near their trailer, a huge green road sign announces Ogden, Pocatello, Reno and Airport, arrows pointing in several directions. Highway dust and grit wafts over the shelter grounds, which smell of diesel fumes and old concrete.

The orange and white trailers are divided into private compartments in which 31 adults and 33 children sleep. The Kovachs have just returned from The Broiler Cafe where, for $16, everyone feasted on veal cutlets and fries. It was the first hot dinner the family had had in more than a week.

The beds are neat, and the family's clothes are hung smartly along a wall. Bob, who got a minimum-wage job with the city's street department two weeks before through an emergency work program, received his first paycheck earlier in the day—$220. Minus the price of the night's dinner, the $10.50-a-week rent for the shelter and the $145 Bob owed a fellow who repaired the Pinto's transmission, the family was left with $38 to last the next two weeks.

The Kovachs receive $290 a month in food stamps, which ordinarily would be enough to last, according to Iris. "If I had a refrigerator and a stove and one of those family-packs of hamburger, I could make it last a week," she said. But the shelter has no cooking facilities and hot plates are forbidden, so Iris spends the food stamps on lunch meats, bread, fresh fruits and other food the family can eat in a day or two, while the cash she receives in change is spent on hot meals at inexpensive restaurants.

Iris could try cooking over an open fire under the viaduct as a few of the other mothers do, but "I'd feel too ashamed," she said. "At night, strangers drive by just to stare."

Indeed, the indignities of poverty often seem just a painful and hardedged as poverty itself. No longer do the Kovachs go bowling or camping. Even their personal freedom is limited. Every day from 8 a.m. to 4:30 p.m. the manager of the shelter locks each trailer so that the mothers and children won't isolate themselves.

"He thinks we'll get too depressed," Iris said. So she spends her days "feeling worse" sitting with the other mothers watching hour after hour of soap operas and game shows on the day-room television.

"Last week," she said, "We went to a church in town, just to see what the services were like. The minister introduced us, and people gathered around to welcome us. One lady came over with her hand out to shake mine and she asked us where in town we lived. I told her the family shelter on 6th Street. And she pulled her hand back like I had a disease."

Bob takes his cap off and runs a hand through his thin brown hair. "That's the toughest part: Seeing what they have to put up with and feeling like there's nothing I can do about it," he said. Each morning, he rises at 6 and works from 7 a.m. to 4 p.m. filling potholes in city streets. He doesn't pack a lunch and doesn't eat during the day, mostly to save money but partly because he doesn't get very hungry, he said.

Aside from money, shelter and food, his biggest worry is more immediate. Before he falls sleep each night, he prays that a truck doesn't miss a turn and come crashing through the rusty fence that separates his family from the freeway.

FIELD TRIPS BUOY SPIRITS

It is 12:15 p.m. at The School With No Name. Most children are working on science experiments Treshow has set up around the classroom. They exhibit an unusual comaraderie and a unique knowledge of the city. When a visitor asks a girl where the soup kitchen is, she replies: "Two viaducts over from the Blood Center," referring to the place where her mother donates blood for $12.

The children are abuzz over a field trip they took to a planetarium. Treshow believes in field trips. She has taken them to the zoo, the museum, even McDonald's to show them a brighter side of life.

Robert Kovach, a handsome fellow with bright brown eyes, stands by as Treshow goes over his essay. She appears stunned and is quiet for a moment. "That's tremendous, Robert. Just super," the teacher said finally, nodding in admiration.

At 16, he is a serious, well-mannered boy with a philosophy about life that is more mature than his years. "Last week, me and my brother went to Crossroads Mall downtown just to look around," he said "It was about 1:30 and this policeman got suspicious. We told him our school got out at 1, but he didn't believe us. He said if he caught us there again, he'd get us for truancy.

"My mother tells me to try to forgive people. They don't know what its like to have nothing," he said. "I look at it this way: They may be rich now, but the way things are going they could end up like us."

The week before he had been accepted by a Job Corps program that will pay him minimum wage while he learns a skill. He was looking forward to that, for he wants to become a machinist. But more important, he said, "I'll be able to help the family out."

At about 12:45, a 13-year-old girl named Melinda enters to tell everyone that her family will leave for Wyoming today. The news doesn't surprise the children. They have seen classmates come and go. But Melinda is special. Although she has been there only three weeks, the cheerful girl has forged friendships, and everyone rises to say goodbye.

"Oh, you'll like it there," Treshow says, as Melinda accepts hugs from her friends. "Wyoming is gorgeous."

"Yeah," she gleefully answers. "Mom thinks we can live on a ranch when Dad gets a job."

"Who's driving?" Robert asks, fearing that Melinda's father likes to drink.

"Daddy, I get to hold the baby in my lap."

"Fasten your seatbelt," he says as the two embrace. "And make sure it snaps."

THE ISRAELI REFUGEE ASSISTANCE PROGRAM

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. FEIGHAN. Mr. Speaker, I rise today both to praise and to bring the attention of my colleagues in the House to the Israeli Refugee Assistance Program. Through this remarkable program, Soviet, East European, and other Jewish refugees entering Israel are able to spend 5 to 8 months, on average, adapting themselves to life in Israel. During this time, they learn to speak Hebrew; their children are able to start their education in special schools; they are given vocational training; and they become involved in various social, cultural, and religious activities. In short, when Israeli refugees complete this program, they do so, entirely self-sufficient, not as burdens of any sort on society.

For the past 14 years, the United States Government, through the work of the United Israel Appeal and the Jewish Agency for Israel, has disbursed a total of $356.5 million in resettlement grants for this program. Today, the U.S. House of Representatives has shown its continuing support for the program by authorizing $25 million each for fiscal years 1988 and 1989 in the State Department authorization bill passed today. This money is a small part of the total cost of Israel's refugee program, yet it is desperately needed—not only to give sustenance to thousands of oppressed peoples and to aid Israel's overburdened economy, but also as a signal to the Soviet leadership of our commitment to the plight of Soviet refuseniks.

Indeed, the original purpose of this program was to help absorb the massive influx of refugees from the Soviet Union into Israel. Since 1971, more than 170,000 refugees have fled the Soviet Union to be resettled in Israel. Although the numbers of Jews leaving the Soviet Union had diminished drastically since 1979, a positive and dramatic upswing has begun this past January. The new Soviet leadership under Mikhail Gorbachev seemed determined to present a new image of the Soviet Union to the world, through glasnost, a policy of so-called openness. Crucial to this image is the plight of Soviet Jews, particularly the dissidents or refuseniks who desperately seek to emigrate to Israel. Although only 914 Jews were able to leave the Soviet Union in 1986, more than 1,600 Soviet Jews have been granted exit visas in 1987 as of the end of May. Soviet officials announced last March that 10,000 to 12,000 Jews are likely to receive exit visas this year. If these estimates prove true, resettlement costs reach as high as $220 million.

Aside from refugees from the Soviet Union, this program covers refugees from other areas of the world as well, including Eastern Europe, Asia, and Africa. Eight thousand Jews have left Romania since 1981. Last year, 1,000 Jews left Iran for Israel, escaping from the anti-Jewish persecution of the Khomeini regime. And since 1985, when the world first learned of Operation Moses—Israel's massive and heroic campaign to save the Jews of Ethiopia from physical extinction—over 13,000 Ethiopians were repatriated and resettled in Israel. The Ethiopian Jews arrived, many in rags and some barefoot, generally without any possessions other than their white cotton or burlap robes. They were treated for malnutrition and diseases so uncommon that doctors knew of them only from slides in medical school.

The enormous and wondrous task of absorbing the Ethiopians is still being carried out in Israel today. Although they are slowly being absorbed into the community, their resettlement is more costly and timeconsuming than for any other immigrant group, because of cultural, language, and social differences. Fifteen hundred Ethiopian families are still living in the absorption centers today, completing their vocational training and in need of housing.

The Israeli Refugee Assistance Program was designed to give opportunity and freedom to those who have come to Israel from displaced person camps, from ghettos in Arab lands, from oppressive regimes, and from famine-stricken areas of Africa. Although our grant covers less than 10 percent of the total cost of resettlement, the contribution has been invaluable. It is my hope that the U.S. Congress will continue to support this invaluable program for years to come.

IN HONOR OF DR. FREDERICK D. PATTERSON AND CONGRESSIONAL SUPPORTERS OF THE BLACK COLLEGE ACT

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. OWENS of New York. Mr. Speaker, Dr. Frederick D. Patterson, founder of the United Negro College Fund and former president of Tuskegee Institute, received the Presidential Medal of Freedom, the Nation's highest civilian honor, today. The gold medal was presented by President Reagan during a White House ceremony.

Dr. Patterson, who was born in 1901, attended Prairie View State College and earned a DVM—doctor of veterinary medicine—and a master's degree at Iowa State University. He earned a Ph.D Degree from Cornell University.

During his tenure as president of Tuskegee, which began in 1935 and lasted until 1953, Dr. Patterson devoted himself to improving the professional and academic opportunities available to black students and to strengthening the America's private, historically black colleges.

The changing Southern economy of the 1930's and 1940's indicated to Dr. Patterson that the region would need more veterinarians. He founded the School of Veterinary Medicine at what is now Tuskegee University. It is the only such school under black auspices in the country today. Similarly, he undertook the creation of a School of Engineering which, until the 1970's, was one of the few sources of black engineers in the United States.

Concerned about the financial health of private black higher education, Dr. Patterson wrote a column in the Pittsburgh Courier in 1943 proposing that a consortium of private, historically black colleges be formed to raise money on a national basis for these underfinanced institutions. Today, the organization is known by its motto, "A mind is a terrible thing to waste" and it has raised over $400 million for black higher education. But when it was founded in 1944 by Dr. Patterson and 28 other black colleges, UNCF was the first consortium of its kind to be formed in the country and only raised about 75 percent of its first year goal of $1 million.

Dr. Patterson's latest achievement is the creation of the college endowment funding plan [CEFP]. Conceived by him in the mid-seventies, CEFP enables small private colleges to combine funds loaned at below-market rates by insurance companies with funds raised by the institutions themselves. Five or six colleges form packages of $750,000 each and in this way combine their resources to invest in U.S. Treasury and high-grade corporate bonds. The income, and after the loans are repaid the principal serves as operating and endowment funds for the participating institutions.

So far, 38 historically black colleges are participating in the college endowment funding plan and the Federal Government has experimented with adapting the plan to federally funded programs. Two years ago, Dr. Patterson was honored by the President's Office of Private Sector Initiatives for his innovative program. He is still seeking additional insurance companies to participate in the plan.

Dr. Patterson's honors include honorary degrees from: New York University, Morehouse College, Virginia Union University, Wilberforce University, Atlanta University, Howard University, Shaw University, Tuskegee University, Virginia State College, Franklin and Marshall College, Lincoln University and Xavier University of Louisiana.

A CONGRESSIONAL SALUTE TO FRED JOHNSON

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to Fred Johnson, chamber president of the Wilmington Chamber of Commerce. Fred will be honored at the Wilmington Chamber of Commerce Annual Installation Banquet Friday, June 26, 1987.

Fred Johnson grew up in Rosemead, CA, where he dreamed of someday playing baseball for some major league baseball team like the Los Angeles Dodgers or the San Francisco Giants. Fred's father encouraged him and his brothers to participate in sports as he felt "sports is a great deterrent to kids getting in trouble." Fred excelled in sports in high school, but, ironically, he did not play baseball at Alhambra's Mark Keel High School, where he played football and participated in track, and was the student body president in 1967.

In January 1969 after having played a season at East Los Angeles College, Fred was invited to a San Francisco Giants' tryout camp in Arizona. However, opportunity suddenly turned into tragedy on March 13, 1969, as Fred suffered a broken left arm while sliding into second base. Fred quickly turned his injury into another opportunity as he pursued his second love, working with young people.

Fred started working with young people about 15 years ago and he's been at it ever since. Fred continued his education at California State University, Los Angeles, and later earned his master's degree at UCLA. Long hours are commonplace for Fred, as he spends much of his time fundraising for the youth cause. "I've got a good product to sell," he says, "it all evolves around the kids. The future of America is with kids."

Fred's first boys club experience came in 1972 as a program director in Monterey Park. He later held the director's post at Monterey Park, before steeping down in 1982 to take a similar position in Simi Valley. Fred started at the Wilmington Boys and Girls Club in June 1985. He feels very much at home there. He drives to work each day from his home in Temple City, where he lives with his wife, Jan, and their daughter, Maria. Fred's commitment to youth and his community also extends into a number of activities beyond his 10-hour days at the Boys and Girls Club. Fred is the president of the Wilmington Chamber of Commerce, a member of Wilmington's Rotary Club, Harbor Police Community Advisory Council, and the Wilmington Coordinating Council. He feels that we have an obligation to educate the young about drugs and gangs. He's very open to anything that is positive.

Mr. Speaker, it is with great pride that my wife, Lee, joins me in congratulating Fred Johnson on his achievements. We wish Fred, his wife Jan, and their daughter Maria, all the best in the years ahead.

BUDGET REALITIES

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. GUNDERSON. Mr. Speaker, this year, to a greater extent than ever before, congressional budget deliberations have demonstrated the failure of both the budget process and the congressional leadership to effectively address the Nation's primary economic crisis—the Federal deficit.

Throughout much of recent history, battles over the budget, the many programs that comprise it and the deficit that remains have dominated the legislative agenda. As any honest observer could attest, this year's budget proceedings have had much more to do with name calling and inaccurate economic assumptions than with any serious attempt to establish responsible spending guidelines for the Nation.

The conference agreement before us today cannot be taken seriously by anyone who believes in the policymaking responsibility of Congress. The bill includes taxes that everyone in Congress realizes will not be enacted, smoke-and-mirrors accounting to claim imaginary savings, absolutely no program terminations, and it singles out the agricultural sector to bear a disproportionate burden of the domestic cuts that have been included.

Instead of providing the leadership to write a reasonable budget, the Democrats have responded to their newly acquired majority status in both Houses of Congress by refusing to accept the responsibility. The budget conference agreement is obviously neither a budget to be taken seriously, or a realistic blueprint for the appropriation process.

One of the most basic flaws in this year's budget resolution is the abandonment of the Gramm-Rudman-Hollings [GRH] deficit reduction targets. By basing the budget resolution on overly optimistic Office of Management and Budget [OMB] economic assumptions, it is possible to claim that we are reaching the GRH $108 billion fiscal year 1988 deficit target. Unfortunately, however, the most reliable and widely accepted economic indicators suggest that, if enacted, this budget resolution would lead to a deficit in the range of $135 to $150 billion. With a wink and a nod, the supporters of this resolution are once again ignoring the missed spending targets.

The budget resolution before us this week includes $64 billion in unspecified new taxes over three years, with a $19.3 billion tax increase in fiscal year 1988. Since the President has repeatedly voiced his opposition to any tax increase, and we know the Congress will unlikely vote to increase taxes by $20 billion this year. Such projects are unrealistic and dishonest. Setting the stage for stalemate is an abdication of responsibility, not an act of leadership.

The fact that reductions in Federal spending equal less than half of the new taxes included in this trillion dollar budget underscores the lack of seriousness being given attempts to bring Government spending under control. Obviously, the new majority party in both Houses of Congress has failed to address the deficit responsibly.

In addition, the call for increased taxes threatens the major gains included in last year's Tax Reform Act. Before much of tax reform's most basic changes have been phased into law, we are being asked to vote for new unspecified revenues that may result in the postponement of the lower rates so vital to the success of tax reform.

Since the Reagan administration has expressed its unequivocal opposition to the tax increases and the funding levels included in this poorly thought-out budget resolution, it appears that we are setting the stage for continued confrontation between Congress and the White House. As the long Washington summer continues, I would hope that in their rush to do battle with each other, the leaders on both ends of Pennsylvania Avenue will not completely forget the need for responsible Government and deficit control. This budget resolution helps to underscore that both of these duties are currently being neglected.

SECRETARY DOLE ON THE RIGHT TRACK

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. GINGRICH. Mr. Speaker, the Secretary of Transportation, the Hon Elizabeth Dole, has recently called for increased hiring of air traffic controllers by the FAA. This much needed decision requires our immediate support in Congress. As the following editorial from the June 7, 1987, Atlanta Journal-Constitution accurately points out, the number of flights is continuing to grow while the number of certified air traffic controllers has actually decreased. The answer is simple. We must hire more traffic controllers. Now that the Secretary has given the go ahead, let's act promptly to keep the skies safe. I hope my colleagues will agree with what Mr. McAlister has to say in the text which follows:

AIR TRAFFIC SAFETY FINALLY GETS ATTENTION IT DEMANDS

It was painfully slow in coming, but the abrupt about-face this week by U.S. Transportation Secretary Elizabeth Dole on the need for more air traffic controllers appear to be the long-awaited signal that the nation's air safety is finally getting the priority attention it deserves.

As recently as two months ago, the Transportation Department was still looking through the rose-colored glasses supplied by the FAA, insisting that only 225 more controllers would be needed in the air traffic system next year. This week, in a dramatic turnaround, Secretary Dole told Congress she needs funds to hire 955 controllers, supervisors and traffic managers beginning in October. Even that, she admitted, will have no impact on the system until late 1988.

Congressional critics were quick to seize on her request as evidence of the department's poor planning and poor management. That is belaboring the obvious. The evidence has been in plain sight for months; Secretary Dole's action this week is simply evidence that her department has finally faced up to reality.

A recent Wall Street Journal report revealed the depth of the problem. In 1986, it said, there were 9,555 fully certified controllers available to handle the 9 million flights out of the nation's 22 busiest airports. At those same airports in 1981 there were 21 percent fewer flights and 38 percent more veteran controllers.

The significant increase in the number of flights and the accompanying decline in the number of competent controllers doesn't seem to concern FAA officials. "It's safer to fly than ever," FAA chief Donald Engen claims. He and other FAA officials point to the fact that air fatality rates have fallen in recent years, despite increased traffic.

But the picture is not all that encouraging. A recent General Accounting Office study concluded that the nation's air traffic control facilities are seriously understaffed. And near collisions nationwide were up 18 percent in the first quarter of 1987 over the same period of last year.

Those realities led the National Transportation Safety Board last month to urge that flights be curtailed during busy travel periods to assure that controllers will not be overburdened.

That, apparently, is the only possible shortrange remedy. The training of air traffic controllers, once a five-year undertaking, has now been cut to three years at the FAA's Oklahoma City training school. Even under that speeded-up schedule, new hires will not be certified before the summer of 1990.

It is understandable that congressional critics are taking the opportunity provided by Secretary Dole's request to say "I told you so." But the time for that is past. Mrs. Dole is moving to correct the system's problems and Congress should give her the tools she needs without delay.

Her request is not for new funds. She simply wants to divert $51.5 million from other department accounts in the 1988 budget to hire the additional controllers and supervisors.

The action is clearly needed, and needed now.

TRIBUTE TO JOSEPH C. PARISI

HON. ROBERT G. TORRICELLI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. TORRICELLI. Mr. Speaker, it is with great pleasure that I rise today in tribute to Mayor Joseph C. Parisi of Englewood Cliffs, NJ. Joe has held a special place in his community, serving as mayor of Englewood Cliffs since 1976 and as chairman of the Bergen County Democratic Organization for the past 5 years.

This year, Joe retires as county chairman. He has labored long and hard for his party to build a strong financial base. For Democrats in Bergen County, Joe has been an effective and an important leader. We are grateful for his dedicated service in this position, as well as the many roles he has undertaken throughout his career. In addition to his roles as mayor and county chairman, Joe has served as councilman for 4 years, and was the past president of the Bergen County Democratic Mayors' Association. He currently adds to his schedule the posts of secretary and current chairman of the Energy Committee of the East Bergen Regional Council of Mayors.

Joe's talents lend themselves to more than his career as a public servant. Joe is also the agent-owner of the Otterstedt Insurance Agency. He is affiliated with the Maryland Casualty Insurance Group, and serves as a director of the IFA Insurance Co. Joe served as president of the Hudson County Insurance Agents Association, combining leadership qualities in both the business and political worlds.

Well known and respected in his community, Joe is a trustee on the Bergen County Community College Foundation, president and charter member of the North Bergen Guttenberg UNICO and cofounder of the Witte Scholarship Fund which honors former Englewood Cliffs Police Chief Fred Witte. He has also been the past director of the Bergen County CYO, and is a member of the New York and the Fort Lee Athletic Clubs. Joe's membership in these organizations has earned him the admiration of his colleagues, as he has continually given his time and energy to their endeavors.

Through all of his time-consuming activities, Joe has always found the time to be with his wife Lucille and their children Deborah, Joseph, and Laura. I am proud to join with Joe's family as well as his friends and Bergen County's Democratic leaders in honoring Joe Parisi.

CONCURRENT RESOLUTION COMMENDING PRESIDENT OSCAR ARIAS SANCHEZ OF COSTA RICA

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. OWENS of Utah. Mr. Speaker, on behalf of myself and the gentleman from Michigan [Mr. CROCKETT], chairman of the Foreign Affairs Committee's Subcommittee on Western Hemisphere Affairs, I am introducing today a concurrent resolution commending President Oscar Arias Sanchez of Costa Rica for his initiative toward ending the armed conflict in Central America.

It is important to note that the Presidents of all four democracies surrounding Nicaragua have endorsed the Arias proposal. In addition, when I was in President Arias' office in late February, he told of a letter from the then three member governing board of the United Nicaraguan Opposition which also spoke favorably of the plan.

I note with genuine disappointment that the day following the visit of American Ambassador Habib to El Salvador, President Duarte withdrew from the planned summit which was scheduled to begin the day after tomorrow in Esquipulas, Guatemala.

It is significant to note that no American ally, anyplace in the world, is on record as favoring American policy in Nicaragua. Not even Mrs. Thatcher is on our side on that one. That lack of any apparent support, in itself, should be instructive for us as we face a reevaluation of America's bankrupt policy of military support for the Contras.

When President Arias visited Washington last week, having been summoned by President Reagan, he was not commended for his efforts. Instead, he was told that his proposal was too lenient toward the Nicaraguan Government. One Costa Rican official described the meeting as "sharp, tense, and blunt."

But this is not an issue of whether or not you agree with President Reagan's policy in Central America. It is an issue of peace and of the peace process. While people may disagree on the specifics of Arias' proposal, we should be applauding President Arias' constructive efforts toward ending armed conflict and reinforcing democracy in Central America.

This concurrent resolution also urges all Central American nations to actively participate in the rescheduled summit meeting in Esquipulas, Guatemala, in August. Peace in Central America can only be achieved if those nations in the region meet to settle their differences on how best to end the cycle of violence in Central America. We should do all we can to encourage such a process.

ORVILLE H. SCHELL, JR., 78, DIES; LAWYER AND BALLET CHAIRMAN

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. FEIGHAN. Mr. Speaker, it is with great sadness that we mourn the passing of Orville H. Schell, Jr. The loss of Mr. Schell will be felt by people around the world who respect his work in support of human rights. Mr. Schell will perhaps be remembered most for his work with Americas Watch, an organization created to monitor and promote human rights in the Western Hemisphere. His activities with this organization helped to highlight the plight of repressed citizens in a number of countries, sometimes at risk to his own personal safety.

The loss of such an individual, to any cause, is always a great blow, but we must push forward and press for the cause in his memory. Today, as we witness events in South Korea, Panama and around the world, we remember Orville Schell. And in his memory, we should continue to push for the cause of greater respect for human rights, a goal he so greatly cherished.

I am inserting in the RECORD, an article from the New York Times, which follows:

[From the New York Times, June 19, 1987]

ORVILLE H. SCHELL JR., 78, DIES; LAWYER AND BALLET CHAIRMAN

(By Edward Hudson)

Orville H. Schell, Jr., a former president of the City Bar Association and chairman of the New York City Ballet, died of cancer Wednesday in Danbury (Conn.) Hospital. He was 78 years old and a resident of Redding Ridge, Conn., and Manhattan.

A prominent Wall Street lawyer, Mr. Schell was active in human rights, including serving as chairman of Americas Watch, a human-rights organization monitoring Latin America and the Caribbean. He also cut a wide swath in New York City's political and cultural life.

In addition to being chairman of the New York City Ballet, he was the head of a mayorally appointed theater advisory council that drew up a series of proposals in 1984 for preserving Broadway's 44 legitimate theaters.

LED STATE COMMISSION

In 1975, Mr. Schell was appointed by Gov. Hugh L. Carey as the chairman of a Moreland Act commission, which spent a year investigating the reasons for the financial collapse of the State Urban Development Corporation.

In his work for Americas Watch, he often traveled abroad to look into human-rights violations. In 1979, for example, he led a delegation to Argentina and sharply criticized Argentina's lawyers afterward for not speaking out against repression. The risk of detention or abduction, the group's report said, had "chilled the willingness of lawyers to represent the unpopular and made the repression of rights far simpler for the Government."

Mr. Schell was at the center of a human drama at Kennedy International Airport for three days in August 1979, when the authorities kept a Soviet airliner on the ground to determine whether a Soviet ballerina, Lyudmila Vlasova, the wife of Alexander Godunov, a dancer who was defecting, wanted to stay in the United States with her husband.

The ballerina was finally allowed to leave after Mr. Schell, meeting with her in a mobile airport lounge along with American and Soviet officials, got her answer. It was no.

MARCHED IN PEACE PARADES

Mr. Schell had been board chairman of the New York City Ballet since 1980. Gillian Attfield, the board president, said yesterday that Mr. Schell was "very active" on the board but asked a year ago to be "taken out of a leadership position" because of illness. Earlier this month, she said, the board named him chairman emeritus.

He was chairman partner of Hughes, Hubbard & Reed, having been with the Wall Street law firm for many years.

Mr. Schell was a product of the establishment—educated at Lawrenceville Academy, Yale and Harvard Law School. But he was anything but a conventional Wall Street lawyer. In the late 1960's, he marched in peace parades and helped organize a group of 1,000 lawyers who marched on Washington to protest the United States military campaign in Cambodia.

During his presidency of the City Bar Association from 1972 to 1974, the group, one of the most prestigious in the country, took stands on such issues as the appointment system for judges.

Orville Hickok Schell Jr. was born on July 11, 1908, in New Rochelle, N.Y. His father practiced medicine there, and the son was ready to become a doctor too until squeamishness took over. "I watched my dad do an operation and I took a nose dive on the operating room floor," he said.

SERVED IN THE NAVY

He got a job with a law firm in 1933 after getting his law degree. Except for a brief stint in the advertising business in the early 1940's and service in the Navy during World War II, his entire professional career was spent on Wall Street.

Two of his sons, Orville 3d and Jonathan, are well-known authors.

His first marrriage ended in divorce.

He is survived by his second wife, Elinor; three children from his first marriage: two sons, Orville, of Bolinas, Calif., and Jonathan, of Manhattan, and a daughter, Suzanne Pearce of Cambridge, Mass.; three sons from his second marriage: Christopher, Andrew and Peter, all of Redding Ridge, and six grandchildren.

A memorial service is scheduled for tomorrow at 2 P.M. at the First Church of Christ Congregational in Redding Center, Conn.

THE GOETZ TRIAL VERDICT

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. OWENS of New York. Mr. Speaker, in the last few months, we have witnessed numerous incidents of "white crime," from the Ivan Boesky insider trading scandal on Wall

Street, and the World War II crimes of Nazi soldier Klaus Barbie, to the possible obstruction of justice by Lt. Col. Oliver North and others in the Iran-Contra affair. But no one suggests shooting all white businessmen on Wall Street, or killing Barbie or North and denying them the right to a jury trial.

That's why the verdict returned by the jury in the recent New York City murder trial of "subway vigilante" Bernhard Goetz is a troubling one. The jury found that the State failed to prove Goetz guilty of attempted murder or assault when he shot four black youths on a subway train 2 years ago, and only convicted him on a minor gun possession charge.

What is troubling about the verdict is that it sends a message to the American public that it is perfectly all right to ignore the rule of law, and take matters into one's own hands. The verdict could encourage rampant vigilantism in our streets, with everyone carrying their own weapons to combat what is indeed a serious crime problem in our Nation's cities.

However, providing every American with a weapon and allowing each individual to become a self-appointed judge, jury, and executioner is not the way to solve the growing incidence of urban crime. To look for easy answers to this problem and circumvent our criminal justice system is to weaken that system, and threaten the nature of our society, which is based on respect for the law. We should learn the lessons of the German people of 50 years ago, whose quest for "easy answers" to that country's economic crises led them to elect Adolph Hitler as their leader, a decision with disastrous results for that nation and ultimately the world.

It is true that our criminal justice system is far from perfect, but the way to address that issue is to reform the system, not take to the streets with guns.

I am also concerned about the racial implications of the verdict. The pro-Goetz sentiments among many white New York City residents, which were further inflamed by some local media and local elected officials, had less to do with the fact that Goetz was allegedly in danger on that subway, than it has to do with the fact that the alleged assailants are black.

I fear that the Goetz verdict sends signals to white people in New York City and elsewhere in the Nation that it is "open season" on black people. Such beliefs have no place in our multiracial, democratic country. I call upon Federal, State, and local elected officials, religious, and community leaders across the country, to conduct themselves in a responsible manner by actively discouraging those racist beliefs, and by preventing any acts of lawlessness and vigilantism resulting from misinterpretations of the Goetz trial verdict.

A CONGRESSIONAL SALUTE TO THE SAN PEDRO LION'S CLUB

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to the San Pedro Lion's Club which will celebrate its 65th anniversary on June 27.

The San Pedro Lion's Club has been a long-time source of leadership and service to the community of San Pedro. The dedication and civic pride of the hundreds who have participated as members of the San Pedro Lion's Club has gone a long way in assisting the young, the elderly, the handicapped, and the generally disadvantaged.

The San Pedro Lion's Club has a long history of rich tradition. Beginning in 1922 with 55 men under the leadership of its first president, Clyde W. Smith, the San Pedro Lion's Club has continued its relentless community service to this day. Without question, the San Pedro Lion's Club is one of the finest Lion's Club chapters in existence. This is a particularly special honor considering the fact that Lion's International is the largest service organization in the world.

Besides distinguishing itself by serving the community in a truly civic and humanitarian spirit, the San Pedro Lion's Club has also distinguished itself through the fellowship that exists among its members. It is certainly a testament to the strength of this organization, to see the solid bond of friendship that exists between its members.

I am confident that the San Pedro Lion's Club will continue its excellent service to the community. I can only hope that other organizations will, or do follow its exceptional example.

My wife, Lee, joins me in commending and congratulating the San Pedro Lion's Club on a job well done. We wish the club and its current members, continued success and happiness in the years ahead.

TRIBUTE TO DORIS THOMAS

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Ms. PELOSI. Mr. Speaker, I want to bring to the attention of this membership the accomplishments of an individual who has made a great contribution to the San Francisco community for the past quarter century. Doris Thomas is an individual known for her outstanding dedication and service to the Fifth District of California.

The following article highlights Ms. Thomas' distinguished career and reveals the depth of her commitment to helping others.

[From the San Francisco Examiner, June 20, 1987]

THOSE SHE'S HELPED SALUTE BIG SISTER

(By Mildred Hamilton)

"Doris Thomas and Associates," The immigration and political consulting firm is so new the name hasn't yet been painted on the door nor her stacks of framed award certificates and plaques hung on the walls of the suite in the ILWU Building.

It's new career time for the woman who has been a caring vital member of the Burton team since 1963. That's when then state Assemblyman Phillip Burton asked the young Urban League worker in Hunter Point to join his staff.

She helped open his Washington, D.C. office, then headed his San Francisco office through his 19 years in Congress, staying on when his widow, Sala Burton, was elected to succeed him. Sala Burton's Feb. 1 death brought transition responsibilities with the special election that just sent Nancy Pelosi to Washington.

Now Thomas is realizing the dream of being on her own. That new sign could read "San Francisco's Big Sister" as she moves out of public into private service.

"It doesn't feel strange at all. I'm delighted to do something different. I'll miss the constituents, but I'll see them. And it's nice to have the freedom to do what I want to do when I want to.

"It seems to me for a long time I went to a meeting every night. Then they started having the meeting at 7:30 a.m. and they are just as bad. I'd like luncheon meetings."

Thomas may envision a slower pace for herself, but then she begins to talk about her future. Work connected with the complexities of the new Immigration Reform and Control Act alone could fill her calendar. She's already enrolled in an immigration law judge's course at Lincoln University.

A Howard University law graduate, she's also considering taking the bar exam in February. She's committed to work in Art Agnos campaign for mayor. She wants to join the mayor on Sister City trips to Abidjan, Ivory Coast, and Manila. She's eager to inspect Nicaragua with peace activist Vivian Hallinan.

"But I'll do these things on *my* schedule," she protests.

At the moment she sits smiling behind the new desk. Big brown eyes sparkle in her round face. There is a framed photograph of a 19-year-old beauty, her daughter Tandi. There's also an earlier photo of Tandi as a curly-haired toddler shortly after Thomas became a pioneering single parent adopter in 1970.

Tandi, for whom Philip Burton was godfather, is now a City College student eyeing a future in medicine. Her proud mother has also helped hundreds of other would-be parents with adoption tangles, many involving immigration.

"Helping" is the word most frequently mentioned in any description of Doris Thomas. The Burtons' and her own dedication to human rights made the congressional office a mecca for The City's diverse population with equally diverse needs. Thomas had a reputation as an imaginative and skillful problem-solver and solution-finder, whether the request involved immigration, customs, federal jobs, Social Security, a birth certificate, gay rights or the IRS.

"People walk up to me all the time and ask 'Do you remember me? You helped me in 1970.' It's a good feeling even if I don't remember every individual. I really enjoy politics and the law, although at one point I thought I'd be a social worker. In a sense I do that anyway."

A few of the friends of Doris Thomas decided her own career transition was the perfect time to say thank you. They are sponsoring a "Doris Thomas has a heart of gold" appreciation party Saturday at the Hotel Meridien. The committee includes everybody from Sen. Alan Cranston to Willie and Mae Mays.

The appreciative will include a cross-section of The City's immigrant community, "One Vietnamese woman I helped bring her family over told me, 'I'm going to open a restaurant.' She opened two, and the food is excellent. I could tell you a thousand stories like that."

One involves responding to a frantic parent's request to locate an 11-year-old who happened to be with a tour group in Afghanistan when that war broke out. Others detail reuniting parents with visaless children stranded overseas and bumped from country to country. A Korean student given visa assistance sent an ornate mother-of-pearl nameplate she cherishes. As Thomas' expertise with complex immigration cases grew, so did the cries for help.

"I started thinking about opening my own firm in this field about a year ago. Then, after I learned of Sala's illness, I put the idea aside." Thomas' friendship with Nancy Pelosi, who was endorsed by the dying Sala Burton is long and strong "I made it clear that I am available to help in any way that I can. Three of Nancy's children, little Nancy, Christine and Jacqueline, worked in our offices summers while they were in college. They're very bright, wonderful children."

Thomas the first black administrative aide to a non-black member of Congress grew up in Indiana, earned her B.A. at Virginia's Hampton University, and her law degree at Howard in Washington, D.C. Work for the Urban League brought her to California. Her new firm includes attorney Karen Pierce Thomas' sister, health professional Naomi Gray, shares their suite with her own consulting business.

The years with the Burtons enabled her to meet presidents and other history-makers. Her special heroes include the late Hubert Humphrey, former Rep. Barbara Jordan and Supreme Court Justice Thurgood Marshall—"Lord, I pray every day for him to hang in there a little longer."

There are no personal political campaigns in Thomas' future. "I am a behind-the-scenes politician," she says with her engaging chuckle.

And she's anticipating the lively politicking immediately ahead, both locally and nationally. Some of its participants will be former students she supervised from San Francisco State, UC-Berkeley and USF. "I can't tell you how many students we trained, and it was rewarding to watch those kids develop Phil had said, 'I want to get all those students together for a reunion.' At some point I'd like to do that."

It is my distinct pleasure to thank and pay tribute to Doris Thomas and the invaluable contribution she has made to San Francisco.

PLIGHT OF GREEK ALBANIANS

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. DAUB. Mr. Speaker, below are the remarks of Dr. Kaltsounis of Omaha, NE, regarding Albania's persecution of its Greek population.

During the last 40 years, Mr. Kaltsounis states that thousands of Greek Albanians have been deliberately and systematically slaughtered by the regime currently in power. Over 200,000 Albanians of Greek descent are currently held illegally in prisons and concentration camps along Albania's northern border under the most inhuman conditions. They are persecuted for their differences in origin, religion, and social outlook.

This speech delivered by Mr. Kaltsounis to a group of concerned citizens is well thought out and worthy of my colleagues attention. I then, therefore, submit it for the RECORD:

THE GREEKS OF ALBANIA

It is a great honor for me to appear on this radio program which is dedicated to the concept of informing the world about the atrocities that take place against the Greek people of Albania. All of us owe a debt of gratitude to those who provide financial support for this valuable program.

The history of the Greeks living in Communist Albania is replete with incidences of continuous death and destruction. However, none of these atrocities parallel those currently perpetrated by the regime which enthroned itself after World War II as the rightful guardian of the rights of the Albanian people. During the last forty years, thousands of Greek Albanians have been deliberately and sytematically slaughtered by the regime currently in power. An equally large number of Greek Albanians have become refugees in Greece and elsewhere in the free world to avoid prolonged imprisonment and certain death. Over two hundred thousand Albanians of Greek descent are currently held illegally in prisons and concentration camps along Albania's Northern border under the most inhuman conditions. They are subjected to continuous torture by a group of penal "experts" known throughout the world for their brutality and barbarism. They are persecuted for their differences in orgin, religion and social outlook. The treatment accorded to the Greeks of Albania is similar to that of the Jews of Germany under Hitler's reign. In the case of Jews, world leaders stood by reluctant and unwilling to confront Hitler and his followers for their crimes against the Jewish people. It was after World War II that world leaders rose in indignation to condemn the German Government for its heinous crimes against an innocent and defenseless people. Today, some forty years later, the same nations of the world are once again exhibiting the same reluctance and unwillingness to condemn the Albanian Government for its cruel, barbarous and systematic extermination of the Greek population residing within its borders. It is no secret that the Albanian Government is openly and defiantly engaging in a campaign of genocide against its Greek population. Likewise, it is no secret that free and Communist governments alike are maintaining silence about the Albanian genocide and thus contribute to the violation of the Helsinki agreement, a document constituting a fundamental guarantee of human rights and privileges. It is imperative for the leaders of the world to subject violators of the Helsinki agreement to severe punishment as a means of forcing them to respect human rights.

It appears that the governments of the world, and especially those who advocate democracy and respect for human rights, are very selective in their criticism of human rights violators. We find the United States Government condemning human rights violations in such countries as Nicaragua, Afghanistan, Angola and Poland. In fact, in some instances, the American government is openly financing armies made up of citizens of these countries dedicated to the overthrow of their respective oppressive governments. We applaud and encourage efforts undertaken by the United States in support of those who seek freedom over bondage. However, we are equally distressed with the apathy that free nations, including the United States, display with regard to the torture and systematic extermination of the Greeks by the Albanian Government. We implore this Government and all free governments everywhere to exert pressure on all leaders and political systems that seek to undermine the freedom and justice of their citizens. We feel that world leaders have a moral obligation to denounce oppression and actively seek to ostracize and overthrow tyrants who engage in the commission of crimes against humanity. We consider it both a duty and a responsibility for all Western nations, and especially the more affluent ones, to make human rights the central focus of their foreign policy. Failure by the democracies of the world to take decisive action against abusive leaders who govern as though they are unrestrained by law and world opinion, helps prolong their existence and destroy the will of their citizens who dare to challenge their rule. Governmental relationships should not be allowed to develop on political expediency but rather on a foundation that seeks to improve the plight of their people. Governments who allow political expediency to dictate the conduct of their foreign affairs are, indeed, assisting in the spread of Communism and the emergence of ruthless dictators.

At the conclusion of World War II, there were approximately seven hundred thousand Greeks living in Albania. Today that number shrank to three hundred thousand. Although many fled Albania to various parts of the free world, the majority are either terrorized in prisons or have been brutally murdered for crimes manufactured by the Albanian Government and its sympathizers. Albania has succeeded in acquiring the dubious distinction of being the most primitive European state. No other European country subjects its citizens to as much cruelty and violence as Albania. Amnesty International, the world's most respected watchdog on human rights violations, has proclaimed Albania the leader among the countries which have relegated human dignity and value to a level below that of the animal kingdom. Albanian citizens who manage to escape to Greece and Italy paint a bleak picture of the conditions in and out of prison. The whole nation has been converted to a place where persecution is the order of the day for those who dare to question the legitimacy of the system. They speak of physical and psychological afflictions unknown to the civilized world. They speak of torture and cruelty as being the rule rather than the exception for those who are not willing to submit themselves to the ideas and ideals of Albanian Communism. They speak of prisons operated and guarded by Albanian fanatics who have been taught the art of pain infliction. They speak of prisons in which Greeks are sadistically tortured for their ethnic origin. They speak of prisons in which Greeks are mercilessly tormented for their allegiance to their Christian heritage. They speak of a nation which has banned the use of the Greek language. They speak of a nation which declared war on the Orthodox Church. They speak of a nation which is absorbed with the task of obliterating the Greeks and their culture. They speak of a nation which is obsessed with the idea of destroying a group of people whose existence in that part of the world dates back to the time of Homer.

The Greeks of Albania are racing against time. Unless the world intervenes in their behalf, they are destined to become an extinct species. We appeal to the conscience of the nations of the world and beseech them to use their influence in bringing to a halt a state supported genocide that begun some forty years ago. Let us not allow our civilization to be scarred by another holocaust.

TOO LITTLE HOUSING

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. CARDIN. Mr. Speaker, on Saturday, June 13, 1987, the New York Times ran the following editorial on America's urban housing problems. At 1 million, the number of families on our cities' public housing waiting lists is rapidly approaching parity with the 1.3 million public housing units in the Nation. Some lists have grown so large that they've had to be closed. In addition reports now suggest that as many as 900,000 units of our Nation's stock of subsidized housing may soon be lost when the borrowers prepay their federally assisted mortgages, thus releasing them from their commitments to rent to low- and moderate-income families. While State and local housing agencies in Maryland and around the country have made great strides in creating new methods of housing our Nation's poorest citizens, the Times correctly points out that their efforts cannot replace Federal support for low-income housing. The House, by passing H.R. 4, has reaffirmed our Nation's commitment that decent and affordable housing is a right, not a privilege.

I recommend this editorial to my colleagues as an excellent assessment of our current housing situation.

[From the N.Y. Times, June 13, 1987]

TOO LITTLE HOUSING

When the marble floors of railroad stations become beds . . . when 6-year-olds play games like snatch-the-purse in welfare hotel lobbies . . . when lack of housing for middle-income executives threatens business expansion . . . when old people cannot afford to heat the houses from which they cannot afford to move, America's urban housing problems send alarms that cannot be tuned out. Behind these problems lie three hard truths.

One is that in many communities, the housing supply is increasing much more slowly than demand. The second is that states cannot help builders or their customers without Federal support. The third is that, despite long-deferred favorable action in the House Thursday, not nearly enough Federal supports is yet in sight.

For at least 15 years, Washington has refused to finance any substantial amount of new subsidized public housing. Such housing has, despite some notable failures, provided the best available homes for families of low income.

Dismayed by the failures and the budget deficit, the Federal Government has offered instead less expensive programs of partial subsidy. These never bridged the gap between what low-income families can afford and what they must pay for minimal housing. So Washington also offered rent assistance. That helps low-income tenants in areas with a housing surplus. But it does not provide a sound basis for new investment in construction or rehabilitation.

Supporters of rent assistance claim, correctly, that destitute, female-headed urban families are rarely helped permanently by being put in new housing. Nevertheless, increasing the supply of decent housing must be part of any remedy, and that can't be done without Federal help.

Despite its financial strength in earlier boom years, New York City's government was unable to offer decent homes to the poor even when it could build tunnels, bridges and highways with its own money. In the 1960's and 70's, it borrowed to finance middle-income housing, expecting to recoup its funds from rent. Instead it wound up forced to sell mortgages below face value, losing billions. Now the city spends about $270 million a year just to shelter the homeless without hope of recouping anything.

There's a better way. It's called public housing.

Where prudently and effectively managed, expensive public housing projects are still providing decent homes after nearly a half-century. The long life of successful projects suggests that initial cost is not necessarily the best measure of long-range economy. New public housing should remain in the nation's housing program. But public housing alone cannot fulfill the Congressional promise to give every family a decent, safe home in a suitable living environment.

The Initial Federal financial commitment for a public housing apartment is much greater than for any other assisted apartment. After deciding how much the Federal Government should commit to these units each year, Congress has to find a subsidy formula whose terms meet the needs of low-income families and investors willing to risk their capital in building for them.

To keep subsidiaries low, Congress can help the industry work better by reducing regulation. The aim should be to let competition keep prices near actual cost. Washington can push local government by conditioning its subsidies to repeal of excessive restrictions in zoning and building codes. Special attention should be given to local union barriers against prefabricated housing.

Now the House has passed the most generous housing authorization bill in seven years, yet even it does nothing new to expand production. The President is said to be certain to veto anything like the House bill. That threatens a housing deadlock, producing not Federal frugality but increased homelessness.

Lack of housing exacts its own costs, in what it does to civil peace and national pride when people sleep on railroad station floors—and in what it does to defer economic growth. The House, by standing firm on its new housing authorizations, can reaffirm the national promise that every American family shall have its chance to find a decent home.

LEGISLATION TO INCREASE VOTER PARTICIPATION IN ELECTIONS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. LEVINE of California. Mr. Speaker, today, along with a bipartisan group of five of my colleagues, Mr. GILMAN, Mrs. SCHROEDER, Mr. HORTON, Mr. FROST, and Miss SCHNEIDER, I am introducing legislation which will significantly increase voter participation in elections by eliminating the need for most individuals who move to re-register at their new address. This legislation would associate voter re-registration with an activity almost all people who move undertake—the submission of a change-of-address form to the Postal Service. Our legislation calls for a new, carbonized change-of-address form, from which one copy would be removed by the Postal Service and forwarded to State election officials for the purpose of transferring the voter's registration.

Although voter turnout has been on the decline for many years, once registered, the overwhelming majority of citizens vote. The key step in the process comes in keeping the voter registered. While only half of all eligible individuals voted in the 1984 Presidential election, 85 percent of those who were registered to vote did so.

Moving reduces voting because of the need to re-register and the low priority which this task assumes for people who have moved recently. Moreover, half of all moves occur between June and September, leaving little time to register before the fall deadline, which is generally 30 days before an election. Movers do not necessarily face legal obstacles to registering, but many forget to establish or re-establish their eligibility in the midst of trying to settle a new home.

In 1981, 16.6 percent all voting age citizens—26.8 million people—had moved within the past year. Aside from being younger than the national average, these millions of potential voters are very much like the rest of the population. Their party preference, education, income, race and ideological leanings resemble those long-term residents.

Our legislation reduces the negative effects of movings by allowing movers, without performing any additional tasks, to provide election officials with all the necessary information for re-registration. As long as movers continue to file change-of-address forms, their change-of-address information will be forwarded to and processed by State and local election officials.

In any State which chooses to make use of the new, carbonized change-of-address form, election officials could automatically re-register intrastate movers, who account or 83 percent of all moves, upon receipt of a carbonized change-of-address form. If the mover were not previously registered, election officials would be alerted to mail voter registration materials to the mover's new address.

No matter where individuals move, receipt of the change-of-address form copy would result in the cancellation of their old registration. Some States estimate that as much as 20 percent of their voter registrations are outdated. Implementation of this legislation will provide election officials with an efficient and prompt method of purging obsolete registrations, which will reduce their costs for mailing election materials and simultaneously reduce opportunities for voter fraud.

I would like to emphasize that this proposal has received bipartisan support on the Federal and the State level. Because the political preferences of movers closely resemble those of the rest of the public, and because of our proposal is aimed at keeping movers registered, implementation of this bill will not result in any disproportionate advantage to either party.

The only cost to the Federal Government under our legislation would be an estimated $2 million to pay for the printing of 100 million carbonized change-of-address forms. Our bill provides that States which elect to participate in this program will pay for any additional handling and mailing costs associated with forwarding change-of-address information to election officials. Once every 5 years the Federal Election Commission will report to Congress on the impact the program has on voter registration.

A number of State election officials strongly endorse our proposal, in spite of its potential cost to them, because of its effectiveness in keeping movers registered and removing obsolete registrations. Additionally, State and local costs will be offset by savings from not producing and mailing voter materials to individuals at outdated addresses.

Because State participation in this program is strictly voluntary, this legislation will not result in any unwanted costs being imposed on State and local governments. Moreover, because our legislation reserves the right of States to negotiate individually with the Postal Service regarding the implementation of the program, State governments will retain full say in determining the scope and cost of the program. In order to permit the use of change-of-address forms for registration purposes, States will have to enact legislation making a signed change-of-address form legal authorization to cancel the old address registration and shift it from the old to the new address.

A carbonized change-of-address form efficiently provides election officials with current change-of-address information without imposing any additional burden on movers. Without requiring any significant Federal expenditure, this bill will give States an opportunity to reduce voter fraud and facilitate registration for millions of individuals who have recently moved. I urge my colleagues to support this cost-effective, bipartisan proposal to increase voter participation.

VIOLATIONS OF THE HELSINKI FINAL ACT—THE FEDEROV CASE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. JEFFORDS. Mr. Speaker, I would like to draw the attention of my colleagues to a matter that I find disturbing. On June 20, 1986, Svaione Federov, 6 months into a difficult pregnancy, witnessed a quarrel between a drunken woman and a flower salesman. The drunken woman was trying to steal money from the salesman. Svaione intervened and stopped the thief from committing the crime, whereupon the drunken woman threatened her and her unborn baby. Frightened, and only as a defense, Svaione hit her with her bag. Valery, standing nearby, rushed to the aid of his wife. Directly after, Valery brought both woman to militia headquarters to report the incident. He also called for a first-aid medic who refused to take the drunken woman to the hospital due to her heightened state of intoxication.

A criminal case opened, but was withdrawn on August 17, 1986. On December 26, 1986, Valery and Svaione were called to militia headquarters, however not to testify against the drunken woman. Instead they were charged for malicious hooliganism. It was alleged that Svaione beat the drunken woman out of sheer hooliganism—rather than self-defense. Testimony was presented by some unidentified witnesses who were neither present nor mentioned in the actual instance. And there was no testimony by the first-aid person who had witnessed the woman's drunken condition. The militia claimed they were not able to find him although all first-aid calls are recorded.

On June 11, 1987 received the verdict to the Federov case. Svaione was given a 1-year suspended sentence with the condition that she does not participate in any demonstrations for 2 years. Valery was fined 50 rubles for his alleged participation in the crime.

I am concerned that after a relative period of quiet, Soviet authorities appear to be stepping up their use of the courts as a method of harassing refuseniks. I would hope that this case is not an indication that the Soviet regime is launching a new campaign against people who have attempted to exercise their right to emigrate under the Helsinki Final Act.

The text of my letter to General Secretary Gorbachev follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, June 9, 1987.

General Secretary MIKHAIL GORBACHEV,
The Kremlin,
Moscow, U.S.S.R.

DEAR GENERAL SECRETARY GORBACHEV: I am greatly disturbed to learn about the impending trial of Valery and Svaione Federov. These two Jewish refuseniks will be tried tomorrow in Leningrad for malicious hooliganism.

Last summer, Svaione Federov, who was six months pregnant, witnessed an attempted crime on a Leningrad street. A drunken woman was in the process of stealing money from a flower salesman. Svaione intervened to stop the crime. She was threatened by the drunken woman, and in self defense, hit the woman with her bag. Svaione's husband then came to her aid. More than four months later, the Federovs were informed, much to their surprise, that charges against the woman had been dropped and were instead being brought against the Federovs for malicious hooliganism. Conviction could result in a minimum sentence of one year in labor camp.

I am disturbed by the nature of this case and would hope that tomorrow's trial will bring to light all facts surrounding this incident. I trust that the trial will be fair and impartial. It should then be clear to the court that all charges against the Federovs should be dropped.

I appreciate your attention to this matter.

Sincerely,

JAMES M. JEFFORDS,
Member of Congress.

Mr. Speaker, I would also like to submit a letter of commendation for my colleagues, Representatives CARDISS COLLINS and JOHN MILLER, from the Union of Councils for Soviet Jews for their leadership as cochairs of the Congressional Call to Conscience Vigil for Soviet Jews:

JUNE 11, 1987.

Hon. CARDISS COLLINS,
Member of Congress,
Hon. JOHN R. MILLER,
Member of Congress,
Cochairs, Congressional Call to Conscience Vigil for Soviet Jews, U.S. House of Representatives, Washington, DC.

DEAR FRIENDS: May we take this opportunity to express our profound appreciation to you both for assuming the chairmanship of this year's Congressional Call to Conscience Vigil for Soviet Jews for the House of Representatives.

From the day the Union of Councils for Soviet Jews initiated the Congressional Call to Conscience in 1976, the response from Members and Senators has been predictably wonderful. In 1985, for instance, 148 Members participated in calling public attention, on the floor of the House and within the pages of the Congressional Record, to the plight of Soviet Jews, including Refuseniks and Prisoners of Conscience.

What we of the activist Soviet Jewry human rights and rescue movement seek is what you and all Americans seek: the internationally guaranteed rights of all citizens of all nations to live in peace with their neighbors, to practice their religion according to their own lights and free of government supervision or repression, and to emigrate or travel for personal, professional, or humanitarian reasons. Although the Soviets have signed international treaties guaranteeing these basic human rights to their own citizens, they neither practice nor believe in them. Indeed, they do not believe in their own people.

So we must continue to pressure them through economic and moral persuasion, not only because of the intrinsic merits of the cause, but because we believe that how a nation treats its own citizens, and to the extent to which it abides by its international commitments, is one way of measuring the sincerity and value of their word when it comes to economic, military and arms reduction treaties. And, for the Soviet Jewry movement, the irrefutable bottom-line measure of Soviet human rights is the attainment of a high and sustained annual immigration level for Jews and other repressed minorities.

In a different but applicable context, Elie Wiesel has noted that it is often only the knowledge that there are those outside who know and care that sustain the hope, and even the life, of the prisoner in a society of state-sponsored anti-Semitism. We know first hand that Soviet Jews, individually and collectively, depend for their safety, their lives, and their hope of rescue, on the spotlight you in the Congress give to their plight.

Your efforts in the Congressional Call to Conscience, direct interventions, legislation such as Jackson-Vanik, and collaboration with both Chicago and Seattle Action for Soviet Jews, two of our forty local Councils, all make you both an indispensible part of the activist rescue movement for Soviet Jews.

On behalf of the 100,000 members of the Unions of Councils for Soviet Jews, and the 385,000 Soviet Jews who live for the day they can emigrate to freedom, and for whom we speak, we thank you and commend you both and, through you, your colleagues.

Sincerely,

Pamela B. Cohen,
National President.
Micah H. Naftalin,
Washington Representative.

FOSTER CARE AND ADOPTION ASSISTANCE IMPROVEMENT ACT OF 1987

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. MATSUI. Mr. Speaker, on behalf of Congressman Stark, Congressman Ford of Tennessee, Congresswoman Kennelly, and Congressman Miller of California, I am today introducting the Child Welfare and Foster Care Amendments of 1987.

This legislation builds upon the legislation signed into law 7 years ago this month by President Carter, Public Law 96-272, the Adoption Assistance and Child Welfare Amendments of 1980. That landmark legislation resulted from a number of years of congressional hearings and research which found that there were serious problems in the child welfare and foster care programs in this country. The primary emphasis of that law was to improve service to children and families toward the goals of preventing where possible the need for removing children from their homes; reunifying families; or providing adoption assistance to enable children who can't return home, to have a permanent home.

The Adoption Assistance and Child Welfare Act has been an effective catalyst in encouraging States to establish laws, policies, and procedures that encourage permanent families for children. States now have an increased awareness of the needs of children in their care as a result of required tracking systems, case plans, and periodic reviews. Increased efforts in States to promote the adoption of special needs children and to provide preventive and reunification services reflect recognition of the importance of families for children.

Significant gaps still remain, however, between these laws and policies and the practices involving individual children at risk of placement or in foster care in the States. The legislation we are introducing today represents a significant step toward ensuring that children actually receive the help intended by Public Law 96-272. The bill will make a number of refinements in the program to assist older foster care children prepare for independent living; it requires health care plans for children in foster care; provides assistance for specialized mother-infant foster care programs; improves training and support for foster care parents and staff; and extends certain expiring provisions of current law.

Every year over 460,000 children spend some time in foster care in this country. In any 1 month, approximately 276,000 children are in foster care. A major goal of this legislation is to ensure that these foster children ultimately become productive citizens. Unfortunately this too frequently is not the case. Perhaps no weakness in the foster care system has been so telling as that of failing to successfully prepare foster care children for independent and productive lives as citizens. The abrupt termination of youth from foster care at 18, particularly when services aimed at preparing the youth for independent living are lacking, serves neither the goals of permanency planning, nor the youth, nor ultimately the community into which he or she is tossed.

Our bill provides a remedy to the need to extend and establish transitional independent living programs for older foster care children in two ways. First it provides for a 1-year extension through fiscal year 1989 of the Independent Living Program and allows States to use their allocation under this program to any child in foster care in the State which is under the supervisions of the State. This is particularly critical in light of the fact that funds for the Foster Care Independent Living Program were not released by the Department of HHS until nearly 9 months into the fiscal year, and the fact that the original law requires that there be an evaluation of the Independent Living Program prior to its reauthorization.

Second, the bill provides for the continuation of eligibility for title IV-E foster care maintenance payments for children who have been receiving benefits under title IV-E as long as the child is participating in an Independent Living Program. This must include having a "transition to independent living plan" which, at a minimum, includes a plan for education and training activities. Participation in a service program becomes a condition for eligibility for foster care. Therefore, the older foster child must agree to and continue to participate in activities which are intended to lead toward a higher degree of independence. It is a relatively small step in terms of needed resources and organizational requirements but it is a giant step toward improving the foster care system and the lives of children it seeks to protect and prepare.

A serious problem in the Foster Care Program today is the lack of a well structured, comprehensive health care service for these children, many which have special needs and may require extensive medical care. Despite the fact that all foster care children receiving benefits under title IV-E are eligible for Medicaid and a number of States provide Medicaid coverage for other foster care children, studies have documented that many foster care children do not receive adequate health care. A recent study conducted by the University of California Department of Pediatrics states that "Although some counties initially evaluate all children by using specific protocols and examination sites, services are often poorly organized, fragmented and inadequate for the health care needs of the children."

This bill would require a health care plan to be a part of the case plan for each child in foster care in a State. It is particularly critical to evaluate the health status of the foster child when they first enter care, however, given that these children's caretakers and places of residence frequently change, it is critical to establish a tracking system of that child's health care history. The child welfare agency and the foster care parent or staff of a foster care institution must assume the responsibility of managing in conjunction with pediatricians and other health care providers, the ongoing responsibilities of arranging for and keeping track of routine health exams, immunizations, and constant monitoring of the mental and physical health status of a foster child. Without such a health management plan, many of our foster care children will fall through the cracks.

While we recognize that children placed in foster care bring with them a wide variety of circumstances and needs, some of these special needs were not anticipated under the current Federal Foster Care Program. Such a circumstance includes those cases where a teenage foster care girl is placed in foster care with her own infant child.

Special residential programs for teen mothers and their infants, including teenagers who have been removed from their home and placed in foster care, involves care and supervision which is directed to the needs of both the teenage mother and her child. However, because of the requirement in the title IV-E program that a child must have been removed from their home and placed in foster care away from their parent, the infant of a teenager in foster care is not eligible for federally assisted foster care under title IV-E. This is the case even though the care of the infant may largely be the responsibility of the foster care provider.

Prevention of still another generation of dependency is a primary objective of specialized foster care for teenage foster care girls and their infants. Accordingly, the bill would amend the current title IV-E statute in such a way as to recognize and provide additional support for those programs which provide care, training, and supervision for adolescent foster care children and their infants.

The bill also recognizes the "unsung heroes of the foster care system," namely those dedicated persons that are frequently asked to care for troubled children with very special needs without the training, adequate support, or compensation necessary to provide the care they need. It is essential that the caretakers to whom these children are entrusted are adequately prepared to carry out their task. Therefore, this bill requires that the States provide, as a condition of licensing, training, and retraining for individuals maintaining or preparing to maintain a foster family home and for members of the staffs of foster care institutions.

While directly benefiting foster children, the training provision envisioned in this bill should provide other dividends as well. Providers who have had foster parent training indicate that placement failures are reduced. At the same time, recruitment efforts will likely be enhanced by giving added confidence to those considering becoming foster parents who may be inexperienced or hesitant about such a commitment.

Last, the bill would make permanent the provision of law which provides Federal matching funds for children placed in foster care under a voluntary placement agreement. This option for States, which expires September 30, 1987, has been used to a very limited extent—partially because of the hesitancy of the States to establish mechanisms for such voluntary placement agreements given the temporary nature of the Federal authority for Federal matching for such foster care placement.

The bill also extends for 2 years a provision which also expires on September 30, 1987, under which there is a potential for a State-by-State ceiling on Federal funding for foster care under title IV-E. This provision is intended to create incentives to States to implement case review and services programs to reduce unnecessary placement or extended placement in foster care.

At this point I would like to include a summary of the provisions:

Summary of the Child Welfare and Foster Care Amendments of 1987

TITLE I. PROVISIONS RELATING TO OLDER CHILDREN IN FOSTER CARE INDEPENDENT LIVING PROGRAMS

Section 101. Foster care eligiblility for certain children participating in transition to independent living programs.—Provides States the option to claim federal matching funds under the Title IV-E program for AFDC related foster care children up to the age of 21 if the child is participating in a foster care transition to independent living program. To be eligible the child would have to have a "Transition to independent living plan" which at a minimum would include a plan for education and training activities. Under current law the age limit for AFDC and Title IV-E foster care is age 18 or up to age 19 if the child is expected to complete high school.

Section 102. Inclusion in independent living programs of non-AFDC foster care children.—Provides States the option to include non-AFDC foster care children in the Section 477 foster care independent living program which under current law is limited to children eligible for AFDC foster care maintenance payments under Title IV-E.

Section 103. Extension of Independent Living Program.—Provides for an extension of the foster care independent living program which under current law is an authorized entitlement program for fiscal years 1987 and 1988 at an entitlement ceiling of $45 million a year. The program would be extended through fiscal year 1989 at the $45 million ceiling. The amendment would also delay until January 1, 1989 compared to the current law's July 1, 1988 date, the deadline for the Secretary of HHS to submit a report to Congress on the Section 477 independent living program.

TITLE II. HEALTH CARE PLANS FOR FOSTER CARE CHILDREN

Section 201. Development and Management of Health Care Plans for Foster Care Children.—Requires that the case plan for each child in foster care under the supervision of the State must also include a health care plan for the child. The health care plan would be required to include: (1) a record indicating that the child received or is scheduled to receive a physical and mental health care examination within the first three months after placement in foster care; (2) a record of immunization received by the child or which are scheduled and known allergies and current medications; (3) a record of health care providers which have information regarding the child's health care status; (4) a certification that foster care parents and staff have a copy of the plan and understand their respective responsibilities. Such requirements would become effective July 1, 1988. The Secretary of HHS would also be required to develop and make available to the States suggested standards of practice relating to the development, management and implementation of health care plans for children in foster care.

TITLE III. SPECIALIZED FOSTER CARE

Section 301. Mother/Infant Foster Care Programs.—Provides that federal matching funds for foster care in the case of care provided to a girl in foster care who is placed with her own infant child in a foster family home or institution would be available as if both the foster care girl and the infant were in foster care. States would be required to include in the payment to the foster care provider an amount equal to the rate payable for the foster care child plus an amount equal to the rate payable for the care of the infant child as if such infant was eligible as a foster child in their own right in that particular setting.

TITLE IV. TRAINING AND COMPENSATION OF FOSTER CARE PARENTS, STAFF, AND PROVIDERS

SEC. 401. TRAINING FOR FOSTER CARE PARENTS AND STAFF MEMBERS IN CHILD-CARE INSTITUTIONS.—Requires States to establish as a condition of the licensing of any foster family home or child-care institution that foster parents and the staff of the child-care institution have satisfactorily participated in suitable training programs designed to assist them deal with the special needs and problems of foster care children. States could receive 75 percent federal matching funds for such training costs in comparison to the 50 percent federal matching for the optional program under current law. States would be required to begin such programs no later than July 1, 1988, and the licensing requirements would be effective on July 1, 1989.

SEC. 402. Reviews of Rates of Compensation for Foster Care Parents and Providers.—Requires States to include in their review of rates of payments to foster care parents and other providers of foster care that full consideration be given to increases in the cost of providing foster care, including cost-of-living increases and also to the costs related to the care of children with extraordinary physical or mental health care needs. The Secretary of HHS would be required to collect information from the States on foster care rates including special rates of payments for foster care children with extraordinary physical and mental health care needs and to furnish such information along with technical assistance related to such information.

TITLE V. EXTENSION OF VOLUNTARY PLACEMENT AND TRANSFER OF FUNDS PROVISION

SEC. 501. Permanent Extension of Federal Funding for Voluntarily Placed Foster Care Children.—Provides for a permanent extension beyond the current September 30, 1987, expiration date, the authorization for States to be entitled to receive federal matching funds for children placed in foster care under a voluntary placement agreement if the State has met the requirements for foster care services and periodic case reviews.

SEC. 502. Two Year Extension of Foster Care Ceiling Provision and of Authority to Transfer Foster Care Funds to Child Welfare Services.—Extends for two years beyond the current expiration date of September 30, 1987, the provision of current law for a State-by-State foster care expenditure ceiling under certain conditions and for the authority for States to transfer foster care funds under such a ceiling to use for child welfare services.

TITLE VI. EFFECTIVE DATES

The general effective date for the bill is October 1, 1987, unless otherwise provided.

Mr. Speaker, our system of foster care must be designed not only to transport, adjudicate, and provide placement services for children, but it must also serve their long-term medical, developmental, and emotional needs. This legislation would go a long way toward achieving the goal of the Adoption Assistance and Child Welfare Act—permanent families for all children. We have the opportunity to assist over 300,000 children and families in making this dream a reality.

PEOPLE NEED THESE ANIMALS

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. FIELDS. Mr. Speaker, a debate has been raging for some time now that has pitted the medical research community against those who champion the rights of animals used in medical research. There have been charges and countercharges. Legislation—H.R. 778—has even been introduced, again, called the Pet Protection Act, which would prohibit the use of pound animals for research supported by the National Institutes of Health. NIH is the major source of biomedical research funds in this country.

On June 4, 1987, the Washington Post published an op-ed piece by Dr. Michael E. DeBakey titled "Medicine Needs These Animals," which is a response to H.R. 778 and its supporters. Dr. DeBakey is a world-renowned cardiovascular surgeon who pioneered many of the surgical procedures practiced today to relieve the pain and prolong the lives of people with heart disease.

Currently Dr. DeBakey is the chancellor of Baylor College of Medicine in Houston, where he also is chairman of the Department of Surgery, and director of the DeBakey Heart Center. Dr. DeBakey's column, which I submit to be published in the Congressional Record, is insightful and instructive, and should be required reading for my colleagues as well as for those who put the rights of animals above the lives of human beings.

While medicine does indeed need these animals, it is people who need the medicine. No one disputes that animals used for biomedical research should be treated humanely, but we must keep our priorities straight. Listen to the words of Dr. DeBakey:

Medicine Needs These Animals

(By Michael E. DeBakey)

As a patient-advocate, both in and out of the operating room, I feel a responsibility to protect the rights of patients to medical advances resulting from animal research. Had the animal legislation now pending in Congress been enacted when I began my career, it would have prevented me from developing a number of lifesaving procedures in my research laboratory.

Instead of restoring thousands of patients to a normal life and a return to productive work, my colleagues and I would have been helpless to offer many of our patients any real hope at all. This legislation, known as the Mrazek bill, seeks to ban the use of pound animals for any research supported by the National Institutes of Health, the chief source of funds for biomedical research in this country. Are we now to hold human health hostage to the rights of abandoned animals to be killed in pounds?

Even with today's technology, I could not have developed on a computer the roller pump that made open-heart surgery possible or the artificial artery that restored to health previously doomed patients with aneurysms. Nor could we have attempted the first successful coronary artery bypass or implanted the first temporary mechanical heart, with which we saved a patient's life two decades ago.

Would animal-rights activists have objected to the first kidney, heart or liver transplant? Would they forgo the protection humanity enjoys today against poliomyelitis, tetanus, diphtheria and whooping cough or the treatment for strep throat, ear infections, bronchitis and pneumonia—all products of animal research? Would they have denied the 11 million diabetics the right to life that insulin has given them—or victims of cancer the help they have received from radiation and chemotherapy?

It was in monkeys that the deadly AIDS virus was isolated, and that isolation is the initial step in the ultimate development of a vaccine. Would the animal-rights activists halt that research and allow an epidemic to rage unopposed?

The truth is that there are no satisfactory insentient models at present for certain types of biomedical research and testing. A computer is not a living system and would not have produced the dramatic medical advances of the past few decades.

Only about 1 percent of abandoned dogs are released for research. If pounds are such a meager source of research animals, you may ask, why am I concerned about losing that source? My reasons are well founded. Not only are pound animals of particular value in research on heart and kidney disease, brain injury, stroke, blindness and deafness, but a ban on their use could have grave and far-reaching consequences for human and animal health. In addition, such a ban would impose an extra burden on taxpayers and could price many important research projects out of existence.

Each dog and cat bred specifically for research costs hundreds of dollars more than a pound animal. The Mrazek bill makes no accommodation in appropriations for this substantial rise in cost. The additional expense would shut down many of our most productive laboratories. Critical work on inducing tolerance in organ grafts, for example, and on minimizing damage to cardiac muscles after heart attacks has been halted in some research laboratories because of soaring costs of dogs.

Moreover, eliminating the use of pound animals in research would, paradoxically, cause even more animals to die. According to the American Humane Society, 7 million pet dogs are abandoned to pounds or shelters each year, 5 million of which are killed—600 "trusting pets" killed hourly.

Yet some would have you believe that killing animals in a pound is more virtuous than having them help to advance medical knowledge and ultimately benefit human and animal health. I don't like to see life taken from any species unnecessarily, and that would happen if this law is enacted. Every year we would have to breed an additional 138,000 dogs and 50,000 cats for research to replace the pound animals, which would then be put to death anyway because no one wants them. With the current overpopulation of dogs and cats, the logic of such a policy escapes me.

It was humane concerns that led me into medicine. I strongly disapprove of cruelty to animals as well as humans. Unquestionably, every precaution should be taken, and enforced, to ensure that laboratory animals are treated humanely.

If scientists abandon cat and dog experiments for other models that are not as suitable or as well understood, many potential medical breakthroughs may be severely crippled or halted. Grave diseases such as AIDS, cancer and muscular dystrophy, heart disease, Alzheimer's disease and other serious conditions will continue to plague our families, friends and fellow citizens.

Increasing restrictions on animal experimentation have discouraged many young scientists from careers in research. Once the manpower chain is broken, it will not be easily restored. And where will we then turn for answers to devastating human diseases? Guerrilla tactics, lurid pictures and sensational headlines may inflame emotions, but they do not lead to rational judgments.

More important, should we condone harassment, terrorism and violence masquerading as concern for animal rights? As a physician, my greatest concern is for the suffering human beings who will be denied effective treatment because we took action that seems superficially humane but may ultimately render us powerless against certain diseases. What do I tell dying patients who are waiting for the medical advances that these threatened investigations may produce—that there is no hope because we have been prevented from acquiring the new knowledge needed to correct their conditions?

As a human being and physician, I cannot conceive of telling parents their sick child is doomed because we cannot use all the tools at our disposal. Surely those who object to animals in research laboratories must be equally distressed at seeing sick children hooked up to tubes. How will those parents feel about a society that legislates the rights of animals above those of humans?

Through research we have made remarkable advances in medicine, but we still do not have all the answers. If the animal-rights activists could witness the heartbreaking suffering of patients and families that I encounter daily, I doubt that thy would deliberately pose a direct threat to human and animal health by demanding that we abandon some of our most fruitful methods of medical investigation.

Self-preservation is a primary instinct of all members of the animal kingdom, and patients with that instinct deserve our compassion, protection and assistance as much as other species. The American public must decide: shall we tell hundreds of thousands of victims of heart attacks, cancer, AIDS and numerous other dread diseases that the right of abandoned animals to die in a pound supersedes the patients' rights to relief from suffering and premature death? In making that decision, let us use not anger and hatred but reason and good will.

THE INTRODUCTION OF WILDLIFE FEEDING BILL

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. MARLENEE. Mr. Speaker, I am pleased to introduce legislation which will encourage American farm operators to devote a portion of their cropland to wildlife feeding and forage areas and sanctuaries. I want to thank the gentleman from Georgia [Mr. Thomas] for joining me in this effort, and commend him and his able staff for their interest and input.

Let me make it very clear from the outset that this proposal will not add 1 red cent to the budget. It merely allows farmers who take land out of production in excess of acres required to be idled under existing programs to participate fully in those programs at a later date without suffering a penalty. Under this proposal, an operator who wishes to convert some of his farmland to wildlife feeding areas or habitat will not have his crop program base reduced in the future because he or she did not actually plant that particular crop on the land.

Mr. Speaker, I think this is a very reasonable plan which will have several beneficial influences, but primarily upon wildlife and ecological resources. And, if the operator wishes to voluntarily to take 2 or 5 or 10 acres out of commercial crop production, then there will be a small reduction in farm program outlays and in agricultural surpluses.

Contrary to what some would have us believe, farm operators are not the enemies of a well-balanced environment. It is not their desire to plow up and plant every acre of land under their control. A careful review would reveal that America's farmers and ranchers have been some of the foremost practitioners of sound habitat management. The bill which Mr. THOMAS and I introduce today will simply encourage a more extensive devotion of cropland for wildlife habitat and feeding areas by eliminating potential penalties for those who are trying to be good stewards of all our natural resources.

PERSONAL EXPLANATION

HON. BRUCE A. MORRISON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent last Thursday, June 18, when the House considered the Dornan and McCollum amendments to the State Department authorization for fiscal years 1988 and 1989. Had I been present I would have voted "No" on the Dornan amendment, "No" on the Walker amendment to the McCollum amendment, and "No" on the McCollum amendment.

A TRIBUTE TO PLYMOUTH/AAA TROUBLE SHOOTING CONTEST

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the Plymouth/AAA Trouble Shooting Contest. This outstanding program allows over 8,500 high school students from more than 2,100 high schools and vocational schools from all 50 States to come to Washington, DC, to participate in this event. The finals for this competition were held today on the Capitol Mall.

Both Chrysler Plymouth and the American Automobile Association are obsessed with finding a solution to the astronomical shortage of trained technicians with the skill necessary to work on today's extremely complex automobiles. There is currently only one mechanic for every 235 cars on the road, and this shortage is expected to double by the end of the century. Plymouth and AAA both believe that one possible solution is the Trouble Shooting Contest, for this program encourages thousands of high school students to pursue careers as auto service technicians. To illustrate the depth of the concern of Plymouth and AAA, invitations to participate were sent to more than 7,000 high schools and vocational education facilities with represent more than 150,000 automotive students.

The first Trouble Shooting Contest was held in Los Angeles in 1949, and they have been held nationally since 1962. This contest has won several national awards, including the Silver Anvil Award and an award from the American Vocational Association. The contest's dedication to assisting students to undertake careers as auto service technicians is evident, for they have placed more than 40,000 contest participants in jobs as auto service technicians since 1949.

When one considers the alarming shortage of auto service technicians as cars become more complex and computer-controlled, I believe that the U.S. House of Representatives should salute both Plymouth and AAA for the important public service they are providing this nation by staging the Trouble Shooting Contest. Thus, it is with thanks and special pleasure that I pay tribute to the Plymouth/AAA Trouble Shooting Contest.

HUMAN RIGHTS IN TIBET

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. LANTOS. Mr. Speaker, the great German poet and author Friedrich von Schiller wrote, "On the mountains there is freedom!" But then he continued: "The world is perfect everywhere, Save where man comes with his torment."

Mr. Speaker, the Tibetan people understand the profound truth of Schiller's statement. The Tibetans live on the 16,000-foot-high plateau on the north slope of the Himalaya Range between India and China.

The Government of China, which claims Tibet as an integral part of its territory, has pursued a policy of ruthless suppression of the Tibetan people—destroying their monasteries, importing hundreds of thousands of Han Chinese to overwhelm the indigenous population, imposing Chinese political authorities, and forcing into exile the legitimate leader of the Tibetans, His Holiness the Dalai Lama.

Today's New York Times publishes an article about Tibet that highlights the suffering and denial of human rights inflicted by the Government of China upon the long-suffering Tibetan people. I commend this article to my colleagues.

"LHASA JOURNAL: NO PRIZES IN POPULARITY FOR THE CHINESE IN TIBET"

(By Edward A. Gargan)

LHASA, TIBET.—Four green-uniformed Chinese policemen swaggered into a small restaurant on Xinfu Road, drank tea and left without paying. The restaurant owner, a Tibetan, shrugged. "There is nothing we can do," he said. "The police never pay. Who would we complain to?"

Hatred of the Chinese still courses through this arid land. In towns and villages, monasteries and marketplaces, Tibetans harbor a loathing of the Government and the Chinese who are settling here.

"People are afraid of the Chinese," said a 22-year-old man who runs a small shop in the old Tibetan quarter of Lhasa. "Remember what they did to us."

It is the memory of two decades of killing and destruction inflicted by the Chinese that gives passion to Tibetan attitudes. In the 20 years after a futile uprising in 1959, the Chinese destroyed monasteries, temples, even whole villages. Tens of thousands of Tibetans were imprisoned, and thousands were executed.

CHINESE INFLUX RESENTED

Since 1979, the Chinese authorities have sought to repair some of the damage. Several major monasteries that we reduced to rubble are being rebuilt. Beijing has injected funds into Tibet for roads an hydroelectric projects.

But with the governmental largesse have also come more Chinese, whose imposed presence the Tibetans find oppressive. The Chinese are sent here to run the government, work on construction projects and serve in the many army units.

A former member of the Tibetan nobility whose family was jailed and scattered during the post-rebellion decades said the Chinese, who are ethnic Hans, now form the majority in Lhasa, a city of fewer than 200,000 people.

"I think the Chinese are 60 percent now," he said. "You can tell the Chinese apart. They don't look like us. They don't speak our language. They don't even try."

SEPARATE RESIDENTIAL AREAS

Tibetans interviewed over a two-week period without any supervision by Government officials often voiced emotional denunciations of the Chinese and their policies.

Lhasa has only a small core of traditional Tibetan whitewashed buildings clustered below the soaring Potala Palance, the former residence of the Dalai Lama. Around this core, centered on the Jokhang Temple, ring upon ring of solid cement-block apartment buildings for the Chinese spread out along the Kyi Chu River and toward the nearby mountains.

Though Tibet has been designated an autonomous region, it remains tightly controlled by Beijing, which appoints the region's senior government and party officials.

GOVERNMENT IMPROVEMENTS

Tibet, with about two million people, remains one of the poorest areas of China, with a per capita income of about $80, less than half the national average. According to official statistics, 52.8 percent of the people cannot read, although Tibetans say the figure is closer to 80 percent.

There has been obvious improvement in some urban amenities in the last several years, including the installation of a citywide drinking water system in Lhasa.

Officials say that over the last seven years $16.2 million has been allocated to help the poor, although it is not clear where or how the money was spent.

Chinese officials extol Beijing's accomplishments in improving the life of Tibetans. In a speech this year, Deputy Prime Minister Wan Li praised the Government's policies of reducing taxes for Tibetans, granting farmers and herders more say in how they work and choosing Tibetans for some official posts.

But power still rests with the Chinese. Wu Jinghua, who as Tibet's Communist Party secretary is the most powerful man in the region, is Chinese and does not speak Tibetan.

THE CONTEMPT IS MUTUAL

Many Chinese officials regard Tibet as a place of exile. In turn, most Tibetans appear to consider China little more than an occupying power.

In Tibet, people beg for pictures of the Dalai Lama, the spiritual leader of Tibet who lives in exile in Dharmsala, India. Never mentioned is the Pachen Lama, the second-highest leader in Tibetan Buddhism, who lives in Beijing and supports the Government's policies.

Some Tibetans try to ignore the Chinese. In the Chago Valley south of Lhasa, a 68-year-old nomad woman named Choden sat inside her tent, woven from chocolate-brown yak wool. Her husband and two sons, she said, were in the mountains watching their 70 yaks.

Mrs. Choden said that despite the Chinese authorities, her family of nomadic herders maintained the ways of their parents.

"In the spring, we leave the village with the yaks and go into the mountains," she said. "We read the scriptures and watch the sky. We ask the monks what is a good day, and then we come here. My husband learned this from his father. From older times we learned how to read the sky."

YAKS WERE COLLECTIVIZED

After 1959, the Chinese instituted a system of communes and collective ownership of yaks. Still, Mrs. Choden said, it was almost impossible for the Chinese to control them and their herds, because her family and other nomads wandered the mountains by themselves.

"Before 1949 we were independent," she said. "It was very good. We were free to go where we wanted. When I was younger, there were big festivals in Lhasa, and I used to go sometimes. Now the Chinese stop us from going where we want. They don't want nomad people in Lhasa."

REASONS FOR OPPOSITION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. CRANE. Mr. Speaker, last week the House of Representatives passed H.R. 281, the Construction Industry Labor Law Amendments of 1987 by a 227-to-197 vote.

I voted against its passage and would like to share with my colleagues the reasons for my opposition. If enacted into law, this bill will make it harder for unionized construction firms to set up separate companies to perform similar work on a nonunion basis. The intent is to prohibit the practice by specifying that separate firms performing similar construction work will be considered a single employer if their management or ownership is directly or indirectly in common. The terms of a union contract in one entity of the combined business would be applied to other entities as well.

The apparent objective of this legislation is to increase union power by mandating membership for those who have no say in whether they want to be members or not. The provisions of this bill would have the effect of unionizing all operations of any major construction firm. Meaningful competition between union and nonunion operations would cease to exist. Rights of workers, which the unions profess to hold sacred, would virtually cease to exist under this legislation.

Supporters of this bill state that the practice, known as double-breasting, is widely used by construction firms to avoid dealing with their unions or to shift work from a union shop. However, construction companies usually resort to "double-breasting" not to take work away from union employees but to make it possible for them to bid for contracts where union wages would not be competitive.

H.R. 281 is both antiworker and anticompetitive. It attacks our basic freedoms—the freedom of choice, the freedom to invest, and the freedom to adapt to economic market forces. It forces collective-bargaining agreements on employees who have no opportunity to choose, and severely impedes employers' ability to make competitive management decisions. The construction industry is driven by market forces. Customers—project owners and homeowners—should be allowed to decide how they will build.

In conclusion, I urge my colleagues in the Senate and the administration to oppose H.R. 281 when it is brought before their attention.

TRIBUTE TO MR. KEN KELLY

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to a truly outstanding member of my community, Mr. Ken Kelly. On June 23, today, the Fair Housing Council of San Fernando Valley will present Mr. Kelly with the prestigious Rumford Fair Housing Award for his significant achievements in this area.

Over the past few decades Ken Kelly's dedication to the housing community has served as a model for the entire area. Ken has been an effective member of the Fair Housing Council of the San Fernando Valley for nearly a quarter of a century and has served as Council president for 6½ years. His long list of accomplishments include the instigation of a computer based record system and the development of an aggressive outreach program known as the Valley Experience Program.

Ken has also served for 7 years as director of the San Fernando Valley Board of Realtors where he successfully developed programs for equal opportunity in housing. While serving as president of the Scientists and Engineers of Los Angeles, Ken also created a program for visiting high school students in an effort to include minority youth in engineering and science careers.

Many community groups in the San Fernando Valley have recognized the exeptional achievements of Ken Kelly. The Valley Interfaith Council has honored him with their Micah Award and the Institute of Electronic Engineers saluted Ken as "Fellow of the Institute." Ken was named the Realtor-Associate-of-the-Year by the San Fernando Valley Board of Realtors as well.

It is my distinct pleasure and honor to join with my colleagues in paying tribute to Ken Kelly, a man dedicated to establishing fair housing throughout his community.

PETOSKEY HIGH SCHOOL MADRIGAL SINGERS CELEBRATE CONSTITUTION SIGNING

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Mr. DAVIS. Mr. Speaker, it is a privilege and an honor for me to recognize the Petoskey High School Madrigal Singers who will participate in the bicentennial celebration of the signing of the U.S. Constitution in Philadelphia. These students from my congressional district will be the only singing group to represent Michigan in the festivities this summer.

The group of 15 high school students from Petoskey, MI, is under the direction of Mr. Bradley Moffatt. They recently returned from a trip to New York City where they performed with some of the finest choral groups in the country at the prestigious Lincoln Center Avery Fischer Hall. The combined chorus, numbering more than 350, performed a special concert of Beethoven's "Ninth Symphony" on Sunday, May 31. The American Symphony, which began this program in 1983, invites selected choirs from high schools, colleges, and symphonies to perform major orchestra/choral works that require larger choruses.

The Petoskey High School Madrigal Singers will give a noon and an evening performance at the Independence Square Mall in Philadelphia on June 27, 1987. I would like to encourage all of my colleagues who plan to attend the bicentennial celebration of our Constitution to be sure to hear this very talented group of young people perform. I am very proud to have these students from Petoskey represent Michigan at the commemoration of this historic event in American history.

AIDS AND THE WORLD HEALTH ORGANIZATION

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 23, 1987

Ms. SCHNEIDER. Mr. Speaker, I am concerned that the resources earmarked for the World Health Organization in the Foreign Affairs Authorization Act now before the House are inadequate to maintain the very significant progress WHO has made in advancing the health and well-being of third world citizens. Moreover, it comes at a particularly crucial time in the fight against the worldwide AIDS epidemic.

The Foreign Affairs Committee in its report which accompanies H.R. 1777 has singled out the World Health Organization for praise, noting its importance, its long-standing history of responsible budgeting, nad its recent adoption of a budget reform procedure in response to concerns expressed in the U.S. Congress. Yet, the authorization for WHO is only $45 million in contrast to the administration's request for $63.9 million, the amount required to meet the U.S. assessed contribution in fiscal year 1988. This assessment is based both on the original terms of the U.N. Charter, which the United States ratified in August 1945, and on our explicit approval of WHO's 1986–87 budget.

The fiscal year 1987 appropriation for WHO already puts the United States $18 million in arrears in its assessment. By earmarking WHO's authorization at its fiscal year 1987 levels, the Foreign Affairs Committee continues this damaging situation for at least the next 2 years, a period when we can ill afford to weaken WHO's hard-won credibility in the international community. Virtually every country in the world is a member of WHO. It enjoys a reputation of technical competence and relative freedom from the encroachment of political issues on the work of the organization. Only an agency like WHO, which is respected worldwide, can get governments to take action on a disease such as AIDS. A financially strong World Health Organization is a critical component of the fight against AIDS.

Of the 159 countries in the world, 120 have now reported cases of AIDS to the World Health Organization—for a total of more than 50,000 cases worldwide. The head of WHO's AIDS Program projects that 500,000 to 3 million people will develop AIDS by 1992. WHO's Director-General estimated last June that as many as 10 million people may be infected, with a substantial portion in central Africa. In the United State, more than 36,000 have been infected with AIDS and over 21,000 Americans have already died. The picture is grim domestically and even grimmer internationally, where AIDS is joining forces with malnutrition, dehydration and a host of existing diseases to wreak havoc on nations too poor to provide needed health services and education to their own citizens.

The United States has a direct stake in international efforts to address the AIDS crisis. According to the Institute of Medicine/National Academy of Sciences recent report, Confronting Aids, new information relevant to preventing and treating AIDS may be obtained more readily outside the United States. In addition, the AIDS virus does not respect national boundaries and U.S. citizens can be at risk from AIDS in foreign countries. Finally, U.S. efforts to promote technological development in the Third World may be undercut if AIDS takes its projected toll of adults who are entering or in the most productive years of their lives.

WHO has initiated an AIDS Program which focuses on the prevention and control of AIDS and the human immunodeficiency virus. The program is designed to ensure the free exchange of information on all aspects of the disease, prepare and distribute education and guidance materials, assess commercially available screening kits, develop a simple and inexpensive test for field use, cooperate with member countries to establish national programs for containment of the infection, advise members on the provision of safe blood and blood products, promote research on vaccines and coordinate collaborative clinical trials of potentially effective treatments. This program cannot be accomplished without the full and active support of the United States.

I believe that the World Health Organization has been an innocent bystander in our efforts to impel the United Nations into budgetary reform by withholding resources. And, I am concerned that other nations may follow our example, using our actions to justify cutbacks in their own contributions. No one disagrees that WHO is a well-run, technically competent and vitally important organ of international health assistance. No one disputes that WHO will require close to $60 million in support from the United States in each of the coming 2 years to accomplish the goals which we have helped it formulate. Nonetheless, this authorization falls nearly $15 million per year short of the mark. During hearings on the AIDS crisis which the House Science, Space, and Technology's Natural Resources Subcommittee, of which I am the ranking Republican member, will begin next month, I intend to raise the visibility of this problem in the hopes that WHO's critical role in the fight against AIDS will not be undermined by a lack of U.S. support.

HOUSE OF REPRESENTATIVES—*Wednesday, June 24, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O God, Your Word has told us of the values of faith, hope, and love and that the greatest of these is love. May we gain a fuller understanding of the meaning of love, the joy of love, all Your gifts of love. Teach us also to learn to translate the words of love into deeds of understanding and peace. May we seek to know others not for what we can gain for ourselves, but to celebrate together our shared values and humanity. This we pray. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 284. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week."

THE LESSON OF THE KUWAITI TANKERS: IF THERE IS NO CRISIS, WHY CREATE ONE?

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, the cat is out of the bag. In a dramatic statement at a news conference the Oil Minister of Kuwait, Sheik Ali Khalifa al-Sabah, has just revealed that Kuwait has approached Britain, France, and China with a request to reflag Kuwaiti tankers. He went on to say, "We would be satisfied to get our tankers reflagged by the Soviet Union."

Kuwait has now officially revealed the best kept secret of recent weeks—it has appealed to all the major powers to reflag its tankers.

It is just plain common sense for our own administration to abandon its unseemly haste to reflag Kuwaiti tankers. The administration should work out a sensible, cooperative arrangement to improve and to enhance the security and safety of shipping in the Persian Gulf with all the nations that are vitally involved.

It galls me, and it galls the American people, that the two prime beneficiaries of the proposed United States reflagging—Kuwait and Japan—are again getting a free ride despite their enormous resources and at the expense of the American taxpayer. The lives of American sailors must not be put at risk to assure the delivery of Kuwaiti oil to the factories of Japan.

Mr. Speaker, what's the hurry? If there is no crisis, why create one?

EUROPEAN PARLIAMENT'S ADOPTION OF GENOCIDE RESOLUTION

(Mr. LEHMAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEHMAN of California. Mr. Speaker, last Thursday, the European Parliament gathered in Strasbourg, France, to vote on a resolution which brings further recognition to the Armenian genocide of 1915. Delegates from the 12 nations of the European Economic Community approved a resolution which preconditions Turkey's membership to the European Community on acceptance of the Armenian genocide.

I commend the Parliament for their propitious action on behalf of the 1½ million Armenians who died as a result of the tragic events of 1915-23. As the author of legislation to commemorate the Armenian genocide in this country, how long will it take Congress and this administration to make the same contribution to acknowledgment of the first genocide of the 20th century?

The Parliament's resolution underscores the importance that the present-day Government of Turkey must come to grips with its past. Like the commemorative resolution pending before this House, this European resolution does not hold Turkey criminally responsible for the tragedy of the Armenians; however, the resolution states that, quote, "recognition of the Armenian genocide by Turkey must therefore be viewed as a profoundly humane act of moral rehabilitation toward the Armenians, which can only bring honour to the Turkish Government."

Mr. Speaker, the time is now for Congress and this administration to join in due recognition of the Armenian genocide and in reaffirmation of the international crime of genocide.

VOLUNTARY WILDLIFE FEEDING AREAS

(Mr. MARLENEE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MARLENEE. Mr. Speaker, I want to briefly call the attention of our colleagues to a bill which the gentleman from Georgia, Mr. LINDSAY THOMAS, and I introduced yesterday along with a number of other cosponsors. This measure—very simply stated—will allow farm and ranch owners to plant a portion of their land with small grains or forage or other habitat vegetation for the purpose of creating wildlife feeding areas, habitats, or sanctuaries. They would do this on land which is currently used for crop production, and such use would not cause them to be penalized at a later date if they choose to once again produce commercial crops on the acreage.

Generally, under current law, if a farmer does not plant a specified percentage of his base acres to a particular program crop, then his number of acres for future participation in the program is correspondingly reduced. The effect of our bill is to encourage producers to create wildlife enhancement areas by removing this penalty. This is good for the environment, good for wildlife, and good for the farmer who chooses to convert a portion of his commercial cropland to feed or protect our wildlife resources. Best of all, there is absolutely no cost at all to the taxpayers.

Farm and ranch producers have long been at the forefront in trying to properly maintain the environment and wildlife resources. It makes sense that we should remove any obstacle which discourages good stewardship, and I hope our colleagues will join with us in securing the speedy passage of this measure.

Mr. Speaker, I would also ask at this time that Mr. LIGHTFOOT and Mr. BROWN of California be added as cosponsors of the bill.

WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2700, ENERGY AND WATER DEVELOPMENT APPROPRIATION ACT, 1988

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 207, and ask for its immediate consideration.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

The Clerk read the resolution, as follows:

H. Res. 207

Resolved, That during the consideration of the bill (H.R. 2700) making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes, all points of order against the following provisions in the bill for failure to comply with the provisions of clauses 2 and 6 of rule XXI are hereby waived: beginning on page 2, line 10 through page 9, line 3; beginning on page 9, line 10 through page 11, line 19; beginning on page 13, line 1 through page 14, line 2; beginning on page 14, line 11 through page 18, line 12; beginning on page 20, lines 3 through 15; beginning on page 24, line 14 through page 39, line 20; beginning on page 40, line 17 through page 42, line 8; beginning on page 42, line 19 through page 43, line 19; and beginning on page 45, line 8 through 46, line 16. It shall be in order to consider the amendment printed in section 2 of this resolution, by, and if offered by, Representative Coughlin of Pennsylvania and all points of order against said amendment for failure to comply with the provisions of clause 2 of rule XXI are hereby waived.

Sec. 2. On page 17, line 9, before the period insert the following: ": *Provided further,* That none of the funds appropriated in this Act shall be used to study or construct the Cliff Dam feature of the Central Arizona Project, except with respect to fish and wildlife and environmental mitigation costs: *Provided further,* That plan 6 features of the Central Arizona Project other than Cliff Dam, including such increments of flood control that may be found to be feasible by the Secretary of the Interior at Horseshoe and Bartlett Dams, in consultation and cooperation with the Secretary of the Army and using Corps of Engineers evaluation criteria, developed in conjunction with dam safety modifications and consistent with applicable environmental law, are hereby deemed to constitute a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.)".

The SPEAKER. The gentleman from South Carolina [Mr. Derrick] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Mississippi [Mr. Lott], pending which I yield myself such time as I may consume.

Mr. Speaker, because appropriation bills are privileged under the rules of the House this rule merely provides waivers of points of order against H.R. 2700, the energy and water development appropriation bill for fiscal year 1988, and against an amendment to be offered to the bill. As is customary with appropriation bills, the debate time will be determined by a unanimous consent request made by the manager of the bill before the bill is considered.

The rule waives clauses 2 and 6 of rule XXI against specified provisions of H.R. 2700. Clause 2 of rule XXI prohibits unauthorized appropriations and legislative provisions in a general appropriation bill. This waiver is necessary because the authorizations for some of the programs within the jurisdiction of the Energy and Water Development Subcommittee have not yet been enacted and because some of the provisions in the bill are legislative in nature. Clause 6 of rule XXI prohibits reappropriations in a general appropriation bill. This rule must be waived because there are instances in H.R. 2700 in which previously appropriated funds are made available for an extended period or for a new purpose.

The specific provisions of H.R. 2700 which are protected from the points of order under clauses 2 and 6 of rule XXI are detailed by page and line number in the rule we are considering.

In addition, the rule waives clause 2 of rule XXI against an amendment by Representative Coughlin of Pennsylvania, which is printed in section 2 of this rule. This amendment deals with matters involved in the central Arizona project and is supported by the Arizona delegation. The chairman of the Energy and Water Development Subcommittee, Mr. Bevill, indicated that he supported this waiver in order to allow this amendment to be offered.

Mr. Speaker, H.R. 2700 provides $16.1 billion in new budget authority for the Army Corps of Engineers, the Bureau of Reclamation, the Department of Energy and such independent agencies as the Appalachian Regional Commission and the Tennessee Valley Authority. This bill provides funding for such important government activities as flood control and river and harbor projects; energy supply, research, and development; and atomic energy defense activities.

This is a very simple and straightforward rule that will allow full and open consideration of this important bill. I urge the adoption of this rule and the passage of H.R. 2700.

Mr. LOTT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 207 provides for consideration of H.R. 2700, the energy and water development appropriation bill for fiscal year 1988. It waives all points of order against several provisions in the bill for failure to comply with clauses 2 and 6 of rule XXI.

Clause 2 of rule XXI prohibits appropriations for any expenditure not previously authorized by law and also prohibits legislation on an appropriations bill. The bill contains legislative language in an appropriations bill, and it does make appropriations that are not yet authorized by law.

House Resolution 207 also waives clause 6 of rule XXI which prohibits transfers in general appropriations bills against specified provisions in the bill.

I shall not detail each provision for which we have waived clauses 2 and 6 of rule XXI, but I do insert in the Record a copy of a letter from the chairman on Appropriations, the gentleman from Mississippi [Mr. Whitten] outlining and explaining the need for these waivers.

Mr. Speaker, H.R. 2700 appropriates $16.1 billion for the Department of Energy and various public work agencies for fiscal year 1988. The total is $1.1 billion more than was appropriated for these activities in fiscal year 1987.

The administration has several major objections to H.R. 2700. First, the bill increases domestic spending at the sacrifice of programs important to the national defense. Second, the bill uses these increased funds for domestic projects. Third, the bill does not provide any construction funds for the superconducting super collider, which is a high priority for the administration in 1988.

Mr. Speaker, adoption of this resolution will give the Appropriations Committee an ample opportunity to explain their bill and allow the House to consideration of appropriations bills for fiscal year 1988.

Committee on Appropriations,
Washington, DC, June 18, 1987.

Hon. Claude Pepper,
Chairman, Committee on Rules, House of Representatives, Washington, DC.

Dear Mr. Chairman: The Committee on Appropriations on June 17 reported the Energy and Water Development Appropriation Bill for fiscal year 1988.

It has become necessary, in order to meet deadlines, that we include appropriations for a number of programs for which legislation has not yet been enacted and several legislative provisions for which a waiver of Clause 2, Rule XXI is requested. With respect to the lack of authorization for appropriations, representatives of the legislative committees of jurisdiction have been contacted and we know of no objections. We are also asking for a limited number of waivers for legislative provisions contained in the bill. At this time we know of no objections to them by the committees of jurisdiction.

Titles I and II contain certain general provisions and legislative language which may constitute legislation in an appropriation bill. These provisions have been reviewed with appropriate legislative committees and are considered necessary in this bill to permit timely actions required for the efficient execution of ongoing public works programs and projects of the Corps of Engineers and the Bureau of Reclamation. Title II includes a general provision amending the Reclamation Reform Act of 1982 requested by the Subcommittee on Water and Power Resources of the House Interior and Insular Affairs Committee.

For Title III, Public Law 95-91, along with other legislation, provides generic authority for Department of Energy programs funded in the bill. However, the annual authorizing legislation contemplated in section 660 of P.L. 95-91 is in various stages of the legislative process. The Nuclear Waste Policy Act, P.L. 97-425, provides authorization for that activity in the Department of Energy. The authorization for the Atomic Energy Defense Programs is contained in the House-passed National Defense Authorization Act for Fiscal Year 1988 (H.R. 1748) which is being considered by the Senate, and which contains portions of the Fiscal Year 1988 authorization for DOE programs.

In Title IV, the authorization for the Appalachian Regional Commission is contained in H.R. 2686. The authorization for the Nuclear Regulatory Commission programs for Fiscal Year 1988 is contained in H.R. 1315 which has been reported.

In Title V, Section 507 could be construed to be legislative in nature and we request a waiver of Clause 2 of Rule XXI.

It is unlikely that authorizing legislation for those sections of the bill mentioned above will be enacted before House consideration of this bill is scheduled.

Under the circumstances and in the interest of orderly procedure, we respectfully request a hearing before your Committee to seek a rule waiving all points of order under Clauses 2 and 6 of Rule XXI for the following specific portions of the bill:

Title I.—Provisions under General Investigations, Construction, General, Flood Control, Mississippi River and Tributaries, Ark., Ill., Ky., La., Miss., Mo., and Tenn., Operation and Maintenance, General, and General Provisions, Corps of Engineers (Clause 2).

Title II.—Provisions under General Investigations, Operation and Maintenance, and Special Funds, Bureau of Reclamation and sections 205 and 206 of General Provisions (Clause 2); Construction Program and Special Funds (Clause 6).

Title III.—Department of Energy (Clause 2); Energy Supply, Research and Development, Western Area Power Administration, and sections 302 and 303 of General Provisions (Clause 6).

Title IV.—Independent Agencies—Appalachian Regional Commission and Nuclear Regulatory Commission (Clause 2).

Title V.—Section 507 (Clause 2).

We greatly appreciate your continued support.

Sincerely,

JAMIE WHITTEN,
Chairman.

□ 1015

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield myself 5 minutes for the purpose of engaging in a colloquy with the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL].

Mr. Speaker, as we know, defense waste management at the Savannah River plant is important to the people of South Carolina. Cleaning up defense production wastes has received greater emphasis in the fiscal year 1988 budget due to new waste facilities coming online. I understand that the amount for defense waste and environmental restoration for Savannah River in the proposed bill is nearly $365 million.

Mr. BEVILL. Mr. Speaker, will the gentleman yield?

Mr. DERRICK. I yield to the chairman of the subcommittee.

Mr. BEVILL. The gentleman is correct. The committee intends that this amount go to the Savannah River site to help take care of waste management needs there. The fiscal year 1987 appropriated amount was $294.4 million. The budget request was $358.7 million. The committee recommendation increases this amount by nearly another $7 million. Overall this amounts to a $70 million increase over fiscal year 1987. This increase should assist in strengthening waste management activities at the Savannah River plant.

Mr. DERRICK. Mr. Speaker, I thank the chairman of the subcommittee for his clarifying statement on the Savannah River situation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING A CERTAIN MEMBER TO OFFER AN AMENDMENT MADE IN ORDER BY HOUSE RESOLUTION 207 TO H.R. 2700, ENERGY AND WATER DEVELOPMENT APPROPRIATION ACT, 1988

Mr. KOLBE. Mr. Speaker, I ask unanimous consent that, during consideration of H.R. 2700 in the Committee of the Whole, I may be permitted to offer the amendment made in order by the rule to be offered by the gentleman from Pennsylvania [Mr. COUGHLIN]. The amendment is printed in section 2 of House Resolution 207.

My request is agreeable to Mr. COUGHLIN and it has been cleared with other interested Members on both sides. It is consistent with the compromise worked out among interested parties on an issue of great importance to the State of Arizona.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION AND ITS SUBCOMMITTEE ON WATER RESOURCES TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. GRAY of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation and its Subcommittee on Water Resources be permitted to sit during the 5-minute rule today.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DRUGGED-DRIVER PREVENTION ACT

(Mr. DIOGUARDI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DIOGUARDI. Mr. Speaker, I remember vividly how excited I was as a teenager when I finally came within reach of attaining my first driver's license. Passing my test was a great thrill—as it is for every young person.

An entire new world unfolds for kids with a new driver's license: Freedom, fun with friends, maybe a drive-in movie.

But, Mr. Speaker, few things in a young person's life carry as much significance—to society and to themselves.

Today, I am introducing the Drugged-Driver Prevention Act which encourages States to institute drug testing for first-time driver's license applicants. If an applicant tests positive for an illegal narcotic, he or she would be denied an operator's permit and could not reapply for a 90-day period.

Driving on our Nation's highways is, in my mind, a privilege to be taken very seriously.

The truth, Mr. Speaker, is that peer pressure is an important determinant in whether or not a teenager decides to use drugs. I believe the threat of not getting a driver's license will be a deterrent to drug abuse and will give our children one more reason to "just say no" to drugs.

GENERAL LEAVE

Mr. BEVILL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the consideration of the bill H.R. 2700, making appropriations for energy and water development for 1988, and that I be permitted to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

ENERGY AND WATER DEVELOPMENT APPROPRIATION ACT, 1988

Mr. BEVILL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2700) making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Indiana [Mr. MYERS] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Alabama [Mr. BEVILL].

The motion was agreed to.

The SPEAKER. The Chair designates the gentleman from Ohio [Mr. PEASE] as Chairman of the Committee of the Whole and requests the gentleman from Illinois [Mr. GRAY] to assume the chair temporarily.

☐ 1022

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2700, with Mr. GRAY of Illinois [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN pro tempore. Under the unanimous-consent agreement, the gentleman from Alabama [Mr. BEVILL] will be recognized for 30 minutes and the gentleman from Indiana [Mr. MYERS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we bring to you today for your favorable consideration the energy and water development appropriation bill for 1988. I am joined in this effort by my colleagues on the Energy and Water Development Subcommittee who have worked long and hard to bring this legislation to the floor. Let me express my special appreciation to our ranking minority member, the gentleman from Indiana [Mr. MYERS]. As in years past, he and I have worked together with the subcommittee without any trace of partisanship to fashion a bill that meets the present and future needs of our entire country. I also want to express my appreciation and thanks to the members of the subcommittee, the gentlelady from Louisiana [Mrs. BOGGS], the gentleman from Florida [Mr. CHAPPELL], the gentleman from California [Mr. FAZIO], the gentleman from Oklahoma [Mr. WATKINS], the gentleman from Tennessee [Mr. BONER], the gentlelady from Nebraska [Mrs. SMITH], and the gentleman from Michigan [Mr. PURSELL]. This is Mr. PURSELL's first year on the subcommittee, and he has proven to be a valuable addition to the subcommittee. I want to also thank Chairman WHITTEN and Mr. CONTE for their assistance.

Mr. Chairman, the bill before the committee today would provide $16,149,998,000 in new budget authority to the Army Corps of Engineers, the Bureau of Reclamation, the Department of Energy, and six independent agencies and commissions. This is $1,142,721,000 more than was provided in last year's appropriation and it is $1,512,799,000 less than the amounts requested in the President's 1988 budget.

TITLES I AND II—WATER RESOURCE DEVELOPMENT

Mr. Chairman, the committee is committed to a policy of development of the vital water supply, navigation, flood control, irrigation, and hydroelectric projects that are necessary to the well-being and economic growth of the entire Nation. No part of this country is immune from the problems of water—too little or too much—and all States of the Union must join together to cooperatively foster a truly national water policy which responds to the unique needs of each State and region.

Title I includes $3,247,808,000 for the Corps of Engineers which provides for 334 water resource projects in the planning or construction phases.

Title II includes $927,689,000 for the Bureau of Reclamation which provides for 100 water resources projects in the planning or construction phases.

Title I and II also provides for continuation of ongoing construction projects and operation and maintenance programs. Within the available funds, the subcommittee has attempted to accommodate the most critical needs, within budget constraints, identified through the extensive hearings conducted with administration witnesses, the public, State, and local officials and Members of Congress.

TITLE III—DEPARTMENT OF ENERGY

In title III, for the Department of Energy, the recommendation provides a total of $11,504,610,000, an increase of $1,099,693,000 over the fiscal 1987 appropriation and $1,445,389,000 below the President's budget. We are recommending $7,813,284,000 for the national security programs and $3,691,326,000 for all other energy programs. The amount recommended for energy research programs is slightly above the current appropriations, and the important consideration is that we have maintained a balanced energy research program and a healthy scientific research effort. The recommendations include numerous changes in the request which are summarized in the report. I will mention a few.

In the energy programs of the Department of Energy, several changes are worth mentioning:

For solar and renewable energy programs, we are recommending $153,630,000 compared to the request of $101,110,000. The committee believed the administration's proposed reductions in the level of effort on solar and renewable energy were too drastic.

For magnetic fusion, the recommendation provides $361,600,000, an increase of $16,000,000 above the requested level of $345,600,000.

Progress is continuing in developing and demonstrating the technological basis for the safe disposal of nuclear waste. The committee continues to strongly support the program activities included in the Nuclear Waste Disposal Fund. The Department has recently proposed several significant changes to the program which have been the subject of considerable debate. The provisions of this bill reflect the request of the chairman of the Interior and Insular Affairs Committee and primary author of the Nuclear Waste Policy Act, the gentleman from Arizona [Mr. UDALL]. The recommendation includes deletion of funding requested for the monitored retrievable storage facility because no authorization has been approved for that. Drilling funds requested for the first permanent repository have been deleted and the bill contains no siting funds for the second repository. We urge the legislative committees of the House and Senate to consult to reestablish consensus on this vital program.

For general science and research, the committee recommendation provides a total of $805,998,000. The recommendation does not include funds to initiate construction of the superconducting super collider. While the committee is generally very supportive of the SSC project, we felt that construction funding should not be provided until a financial plan is submitted for review by the Congress. There should not be any significant delay in construction completion by not including these funds. The committee recommendation does include funds for continued R&D. This will enable planning to continue at a level that will support a significant construction request in fiscal year 1989. This approach will give the Congress a better opportunity to take a look at how this $4.4 to $9 billion project can be financed during a period of deficit reduction.

The recommendation for defense programs of $7,813,284,000 is $331,432,000 above the current appropriations and $236,716,000 below the budget request. The committee recommendation provides increases in important activities: Inertial confinement fusion, special isotope separation, production reactor construction, waste management, and verification technology. These recommendations are all consistent with the House-passed fiscal year 1988 Defense authorization.

TITLE IV—INDEPENDENT AGENCIES

Title IV of the bill includes $424,891,000 for six independent agencies. This is $76,594,000 below last year's level.

We have provided $110,000,000 for the Appalachian Regional Commission; $105,000,000 for the Tennessee Valley Authority; and $991,000 for three river basin commissions.

The committee recommendation provides $417,800,000 for the Nuclear Regulatory Commission, a reduction of $10,000,000 from the President's request. In addition, the bill includes language which would permit NRC to use up to $208,900,000 in revenues from licensing and other activities to offset part of the appropriations. Statutory authority to permit NRC to collect these additional revenues has been reported to the House.

GENERAL PROVISIONS

The bill contains the customary general provisions carried in prior years to permit the agencies funded in this bill certain flexibility and to limit other activities.

COMMITTEE REPORT

The report accompanying the bill provides a good explanation of the recommendations reflected in the bill. I would encourage the Members to look through it.

This is a good bill and report. It is under the President's budget. I recommend its adoption by the committee.

Mr. Chairman, I would like to call the Members' attention to one printing and typographical error in the report (H. Rept. 100-162) accompanying the committee bill (H.R. 2700).

On page 20, under General Investigations, the Monongahela River, Maryland, Pennsylvania, and West Virginia study was inadvertently omitted from the table and should indicate the budget estimate and House allowance as $850,000.

□ 1030

Mr. GEKAS. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding.

In the gentleman's last remarks for the independent agencies under title IV, the total is less than the previous year.

What I wanted to know specifically in the Nuclear Regulatory Commission appropriation, is that more or less than last year, or are they all less?

Mr. BEVILL. It is less than the budget request. The total is less in the Nuclear Regulatory Commission appropriation budget.

Mr. MYERS of Indiana. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the gentleman from Alabama, the chairman of our subcommittee, Mr. BEVILL, has done an excellent job in presenting the content of H.R. 2700.

I join the chairman in thanking a great many people, including the staff of our committee who always does an excellent job, works long hours, sometimes under difficult conditions, to bring this bill to the floor.

I also thank our newest member, the gentleman from Michigan [Mr. PURSELL], who contributed significantly to this bill this year.

We started back in late January with hearings, heard witnesses mornings and afternoons up through the first week of April, volumes that high of testimony; a great many Governors did present testimony.

Most of the Members of this body and the other body contributed and did testify before the committee on what the particular needs were, what the needs of our country are.

This bill once was called the all-American bill, and still could be called that because of the content of this bill which touches every congressional district in our country, and the things we do will affect the future of our country more than any other appropriation bill.

This is the first appropriation bill this year out of the 13 that will come to the floor, the regular appropriations bills plus any supplementals that might come; and there will be some argument, some discussion whether it should be this amount or a different amount of money.

I am sure we will hear later today on this particular bill, that we did not put enough money in some places and too much someplace else.

The requests that we had were much greater than the amount of money we had to put in this bill under the budget, as well as the budget restraints that we are going to have to have. We did not put a great many items in that were very deserving.

We had to prioritize the needs of our country, which is not an easy job.

I know since we have marked the bill up and before coming to the floor, a great many Members asked why was not this particular project put in our bill, and there were a lot of good projects that had to be left out.

In this bill we provide for flood control for much of the Nation in areas that would be flooded, urban areas. We also provide for rural areas, where farmers would be wiped out if we did not have some of the flood control provided in this bill.

In the area of navigation, 25,000 miles of inland waterways are maintained and operated through the revenue in this bill, and also provided in the measures of this bill.

The major ports of our country that bring in oil and export our products to help the balance of trade, the operation and maintenance and improvement of our ports, our major seaports, are in this bill.

In the Department of Energy, the research that will provide the energy for our generations yet to come is in this bill, for the electric generation of our children and grandchildren.

Research is being done today, so we can improve that system of generation of electricity and distribution is also in this bill.

In the defense items the improvement of our nuclear weapons is in the bill. There has to be a constant turnover. Nuclear weapons do deteriorate, and they wear out; and provisions in this bill provide that we do reprocess and replace these weapons.

The Power Marketing Administration distributes electric power to large areas of our country. They repay the money we invest.

The Tennessee Valley Authority generates revenue and does a lot of things for the Tennessee Valley that would not be done if the Tennessee Valley Authority were not in existence.

The Appalachian Regional Commission will probably come up, but it helps a great many people in the Appalachian region to elevate and improve their lot in life, and to be productive in life instead of being recipients of taxpayer dollars.

This is a good bill. It is $1.4 billion below the President's request. We are going to hear that we did not allocate the funds like the President wanted.

I have been on the committee a great many years, and we never have, regardless of the politics of the President, never really pleased any President.

We have different priorities, and we did not appropriate all the dollars in the same spot the Executive would have liked to have them.

We are $1.4 billion below the Presidents' request. We are about $1.1 billion over last year, and we will hear more about that.

If you look at the money actually spent last year, we will find that we are not $1.1 over. There is about $700 million that was available, because we did not build the centrifuge plant in Ohio, so we had roughly $700 million that was already appropriated that was used for energy supply, research and development. That helped offset what we have to this year raise the appropriation.

There is a $331 million increase in national defense activities. These two items in this bill accounts for most of the $1.1 billion which is over last year.

The Department of Civil Works, we have revenue coming in from the inland waterways, the trust fund; and we have money coming in from the power marketing administrations.

The Tennessee Valley Authority generates income. We have the sale of uranium which generates over $1 billion in revenue, far offsets what we have put in this bill for enrichment and research, so this is a good bill.

There is a difference in score keeping. We are going to be criticized today, but I hope the Members of this body can support this committee when the time comes, because I think we have provided for the needs of our country.

It is an investment in our future, a solid investment, one that deserves our vote today.

Mr. Chairman, I reserve the balance of my time.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER], whose panel has done a great job and has authorized all of the projects that are funded in this bill in the Bureau of Reclamation.

☐ 1045

Mr. MILLER of California. I thank the gentleman for yielding time to me.

Mr. Chairman, I congratulate the chairman and the ranking minority member of the subcommittee for this bill that they have reported to the floor.

Mr. Chairman, I rise in strong support of the H.R. 2700, the energy and water appropriations bill for fiscal year 1988.

RECLAMATION REFORM ACT AMENDMENTS

Mr. Chairman, H.R. 2700 contains an important amendment to the Reclamation Reform Act of 1982. This amendment was developed by the gentleman from California [Mr. COELHO] and myself, along with the gentleman from California [Mr. FAZIO] and the gentleman from Arizona [Mr. UDALL] to protect the integrity and the intent of the Federal reclamation laws, which are being severely undermined by regulations recently issued by the Interior Department.

In 1982, the Congress ended a 6-year dispute over reform of the reclamation laws with enactment of the Reclamation Reform Act. This law was designed to correct blatant evasions of the law by a small number of farm owners, aided by the abysmal enforcement record of the Bureau of Reclamation and the Interior Department.

Those few individuals, out of tens of thousands of reclamation farmers, had devised ways to circumvent the law by creating imaginary paper farms—some of them thousands of acres in size—to reap many millions of dollars in water subsidies intended solely for the benefit of small, family farmers.

In 1982 reforms were based on a fundamental compromise. The acreage eligible for the generous Federal water subsidies was expanded from 160 to 960 acres. But in return, larger operations were required to pay the full cost or unsubsidized rate for all water delivered to lands in excess of 960 acres.

In April, the Interior Department finally issued regulations to implement the 1982 law. Unfortunately, these regulations severely undermined the 1982 law in many respects by permitting the use of trusts, farm management arrangements and other devices to circumvent the acreage limitation. Under these regulations, paper farming operations of thousands of acres would remain entitled to fully subsidized water.

For example, revocable trusts have been created with unlimited trustees, each one entitled to 960 acres of subsidized water. Farms have been subdivided, then reconstituted, and managed by a single operator who had an economic interest in each unit. Parents have set up trusts for minor children, named themselves as trustees and effectively maintained control over thousands of acres.

Mr. Chairman, the result of this betrayal will not only be the cheating of the American taxpayer, and Western utility rate payers, out of hundreds of millions of dollars intended for small farmers. Another certain victim of this effort to circumvent the law will be the reclamation program itself.

For if the 1982 compromise is allowed to be undermined, then the critics of this program in the Congress will have little difficulty preventing future projects from being developed. And that will end a program that has brought irrigation, and prosperity, to millions of Americans and much of the 17 Western States. But all of the good of that program, and all of the tens of thousands of beneficiaries, will suffer because of the greed of the few, and the complicity of the Bureau of Reclamation and the Interior Department in that evasion of the intent of the law. The failure of the Interior Department to effectively implement the law leaves us with no alternative but to restate our intent and tighten the law to prevent the Department from evading both the law and its responsibilities.

The language included in H.R. 2700 does not seek to alter the expressed goals and intent of the 1982 law. It is a restatement of the basic compromise on which that law was based—larger farm size—960-acre operations versus 160-acre ownerships—but an end to subsidies on more than 960 acres.

The language in H.R. 2700 achieves this restatement in several ways. First, it reaffirms the intent of the law that subsidies be limited to no more than 960 acres. This provision is necessitated by the unbelievable allegation of the Commissioner of Reclamation that he has no responsibility to enforce the intent of reclamation law.

Second, it assures that trusts and farm management arrangements, while valid under certain conditions, will not be used as devices to evade the intent of the reclamation law.

Finally, it grants to the Secretary additional authority to deny subsidized water to arrangements which are designed to evade the intent of the law.

We recognize that inclusion of this language in an appropriations bill is unusual, but in this particular case, it is justified and essential.

The authorizing committee did its work well in 1982. The section included in H.R. 2700 is intended to reemphasize the agreements reached in the Reclamation Reform Act. Mr. UDALL, the chairman of the Committee on Interior and Insular Affairs, and I, who chairs the Subcommittee on Water and Power Resources, together with committee member Mr. COELHO, agree that expeditious action through the appropriations process is acceptable in this unusual case.

Moreover, it is essential that action be taken quickly in response to the regulations promulgated by Interior. The regulation writing has already consumed nearly 5 years. Further delays will damage the reclamation program and sow confusion within the farming community.

I again want to express my appreciation to Mr. UDALL, Mr. COELHO, Mr. FAZIO, and also to Mr. YATES and Mr. BEVILL, and the members of the Rules Committee, for their assistance in assuring that the integrity of the reclamation program, and the letter of the law, are strictly enforced.

CALIFORNIA WATER DEVELOPMENT

Mr. Chairman, I also want to thank the Energy and Water Appropriations Subcommittee for restoring funding to several important California projects and activities which had been proposed for elimination or deferral by the administration.

1. DELTA STUDIES

Last year, the Congress enacted Public Law 99-546 which authorized execution of the coordinated operations agreement [COA]. The bill also established a Federal legislative mandate for the protection of the Sacramento-San Joaquin Delta and San Francisco Bay. It was important that funds were made available to implement that historic agreement.

I'm pleased the subcommittee restored funding for the delta support studies—including Suisun Marsh studies—D-1485 monitoring, and the construction program for Suisun Marsh facilities; all are critical to central valley water resource management activities. These studies also receive a substantial amount of cost sharing from the State of California, and will contribute a great deal to our understanding of how major water development projects have affected the delta and the bay.

2. KELLOGG UNIT REFORMULATION

Funding has also been restored for the Kellogg-Los Vaqueros study. This project could provide additional high-quality water supplies for the delta, for consumers in Contra Costa

County, and for other areas of the State.

The local commitment to this project is very strong. The Contra Costa Water District, with my support, has begun to acquire land at the reservoir site in partial fulfillment of its local cost sharing obligation. This study has been underway for several years and is now near completion. Construction of the Kellogg-Los Vaqueros complex would benefit not only Contra Costa and the delta communities, but would provide available yield of high quality water on a regular basis to supplement other demands throughout the State.

Completion of this project will also provide necessary data regarding options for relocating the intake of the Contra Costa Water District canal. We have been engaged in this study because relocation may enable us to improve the quality of the drinking water sold to the District.

3. CONTRA COSTA PROJECTS

This legislation also continues continued funding for several crucial projects in the Seventh Congressional District of California.

We will continue funding for two major flood control projects, Wildcat-San Pablo Creek, and Walnut Creek, which are needed to protect homes and businesses. We also provide ongoing funding for operation and maintenance of Richmond Harbor.

4. TERMINUS OF SAN LUIS DRAIN

The committee has again included language which bars the Bureau of Reclamation from using any funds to study or to construct the San Luis Drain or any other mechanism which would transport wastewater from the central valley to the Sacramento-San Joaquin Delta. This prohibition is of the highest importance, given the very serious toxic pollution in the central valley as a result of contamination from irrigation wastewater contamination.

We have included this prohibition in this legislation every year since I began service in the House in 1975. It was therefore quite shocking to learn just a few months ago that the Interior Department had conducted a study which suggested that the drain could be extended to the delta, San Francisco Bay, or to the Pacific Ocean.

The prohibition in this language is explicit and should be understandable even to the Bureau of Reclamation. You are not going to build the San Luis Drain to the delta. Don't study it. Don't plan it. Don't even think about it. Becaue if you do, you are violating the law, and you are wasting valuable time, and taxpayer money, which should be spent finding a realistic solution to the toxic selenium contamination crisis.

CLIFF DAM, ARIZONA

I wish to commend the chairman of the Interior Committee, Mo UDALL, for the courage and leadership he showed in reaching a resolution to the controversy surrounding plan 6 of the central Arizona project.

The agreement provides that conservationists will drop their opposition to plan 6 and their lawsuit against Cliff Dam and, in exchange, the Arizona delegation will oppose funding for Cliff Dam. This is a truly significant agreement and one which should end the controversy and the fight over plan 6 and Cliff Dam.

There are a number of important lessons to be learned from the Cliff Dam controversy; the key lessons include:

First, funds from the Reclamation Dam Safety Program should not and may not be used for the construction of new structures. The Bureau was proposing to use dam safety funds to construct a new structure—Cliff Dam. I requested a General Accounting Office opinion on whether this was a permissible use of the dam safety money under present law. The GAO concluded that dam safety money may not be used for new construction. This controversial issue, and the continuing persistence of the Bureau to earmark dam safety money for Cliff, cast a long cloud over the future of Cliff Dam.

Second, the Bureau stretched the limits of credibility when it determined that plan 6 constituted a suitable alternative to Orme Dam. Orme Dam was the feature contained in the original authorization; it was dropped in 1977 for environmental and other reasons. An alternative to Orme was authorized. After much planning and discussion, the Department approved plan 6 as the alternative.

In plan 6, however, the Department stretched its legal authority to the limit. It went from building one dam to building two new dams, tearing down an existing dam, and substantially modifying two other existing dams. The price tag for all of this was a fivefold increase over the indexed cost of Orme Dam. Plan 6 was far more than an alternative to Orme; it was a major new project. This raised concerns about plan 6, as well as raising the overall price tag for the project.

Third, for the last 3 years, the Interior Committee, in its report to the Budget Committee, has questioned the indexing policies of the Department and urged it to submit needed legislation authorizing new cost ceilings for several major projects. In almost every case, the Department has not done so. This repeated failure of the Department to compute the cost ceilings for major projects like the central Arizona project with greater accuracy, report to Congress on a more timely basis, and to submit legislation as requested, also raised questions about plan 6 and Cliff Dam.

Fourth, much of the controversy surrounding Cliff Dam dealt with the environmental impacts of that project. Cliff would have destroyed a substantial segment of critical riparian habitat on the Verde River. This is habitat that is becoming increasingly scarce in Arizona and habitat that endangered desert bald eagles must have to survive. Congress is sensitive to these concerns and is becoming increasingly insistent that the Department fully mitigate all losses of riparian and wetland habitat. This is certainly the case with plan 6.

Last year, for example, Congress passed legislation reformulating the Garrison Diversion Unit, ND. It was our first opportunity since its original authorization to reexamine this project in light of new information and present day values and concerns. Accordingly, we required that all losses resulting from this project be fully mitigated on an acre-for-acre ecological equivalent basis.

The analogy with Cliff and plan 6 is clear. We are today approving an alteration or reformulation of plan 6 and, as part of that process, we are insisting that there be full mitigation. This is good reclamation and enviromental policy.

GARRISON DIVERSION UNIT, ND

I wish to commend Chairman BEVILL, the gentleman from Indiana, Mr. MYERS, and my colleague from Massachusetts, Mr. CONTE, for the manner in which the Garrison appropriation has been handled in H.R. 2700.

The committee has expressed concerns that the project is not being built in compliance with the provisions of the Garrison Reformulation Act, which substantially altered and redirected the project. Specifically, the committee was concerned that the Department was not meeting the requirements for fish and wildlife protection set forth in the Reformulation Act. The committee also expressed concern that the Bureau prepared an unauthorized report describing how a key project feature might be redesigned. This particular feature was explicitly deferred from consideration by the Reformulation Act until the Sykeston Canal was built. The committee expressed reservations that the Bureau's proposed location of the Sykeston Canal would create problems for Canada and possibly be in violation of the Boundary Waters Treaty.

I share the committee's reservations. The Bureau's disregard for the clear guidance and direction provided in the Reformulation Act has necessitated the actions taken in H.R. 2700 and the accompanying report. It is unfortunate that Congress has to take this step, but I hope that the Department and the Bureau will understand as a result that we expect them to follow the law.

POWER MARKETING ADMINISTRATIONS

There are two issues concerning the Federal power marketing administrations in H.R. 2700 which I would like to address. They are: the planned third 500-kV AC line between the Pacific Northwest and California, and the Tracy-Livermore tie line in California.

With respect to the third AC line, Members from the Pacific Northwest and California have had extended discussions concerning the possibility of non-Federal ownership or participation in the line in the Pacific Northwest. This issue came up during a hearing held before my subcommittee last month on Bonneville Power Administration's proposed intertie access policy. At that time, utilities from the Pacific Northwest expressed an interest in owning a portion of the third AC line.

Although there are differences of opinion concerning what non-Federal participation the third AC line would mean, Members from both regions have agreed to ask the Bonneville Power Administration to study the various options. I look forward to the results of this 6-month study.

As the chairman of the Water and Power Subcommittee, I expect the study to assist the Congress in establishing the policy for participation. I realize there are potentially significant environmental concerns with respect to non-Federal participation, and encourage Bonneville to give such concerns adequate study. I am particularly interested in knowing how a policy which allows for non-Federal participation at the same time as it provides adequate protection for fish and wildlife resources could be implemented.

My final concern is the Western Area Power Administration's [WAPA's] proposal to build a 12-mile transmission line from the Lawrence Livermore National Laboratory to WAPA's substation at Tracy. WAPA has requested $2,265,000 in the fiscal year 1988 budget to begin construction of the line which is expected to cost $18.9 million. Although I do not intend to offer an amendment to strike moneys for this line at this time, I continue to have significant concerns about WAPA's need and legal authority to construct this line. I have asked the General Accounting Office to look into this matter and will await the Comptroller General's findings before taking further action.

Mr. Chairman, H.R. 2700 contains a number of significant provisions which will help improve the management of water resources in the West. I urge my colleagues to support this important bill.

Mr. MYERS of Indiana. Mr. Chairman, I yield 6 minutes to the gentleman from Michigan [Mr. PURSELL], who is a new and very valuable member of this subcommittee.

Mr. PURSELL. Mr. Chairman, on behalf of our subcommittee I too want to congratulate the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] for their outstanding leadership this year.

I as a new member of this subcommittee, although not new to Appropriations, have moved from the Transportation Subcommittee to this exciting subcommittee which has great staff on both sides. I think that there has been a bipartisan effort, and truly I think that we are going to have a great bill today.

I think overall when you look at our future research, I am excited about our new alternative sources of energy. I have been interested over the years in fusion, both ICF fusion and magnetic fusion. We have not had great progress over the years in magnetic, and maybe not even ICF, but it is relatively a young, new alternative source of energy for this Nation. I do think that we are ahead of the Soviet Union in that technology. So I do congratulate the committee for strongly supporting research at Sandia, Los Alamos, Lawrence Livermore, and Argonne, and other laboratories, KMS Fusion in my district, and for those who are turning out the bright young science researchers who are looking at new sources of energy for this Nation and for the free world.

I think that the supercollider is an exciting project. The committee is not making a decision on where it is to be located. As Mr. BEVILL indicated, it could be anywhere from $4 to $6 billion, maybe more, eventually if the Congress of the United States, OMB, and the White House decide on where to get the funds for that particular major significant development in splitting the atom.

I do not know for sure whether we can take money out of other research projects and pay for this solely out of the lateral transfer in the physics budget within our committee. I think that the Defense Department and other agencies are going to have to consider some sources of revenues to help—maybe SDI and others—to help look at this new supercollider if and when Congress—both the authorizing committee and the Appropriations Committee in the House and Senate—decide to fund it, because it is such an expensive program. I would not want to see funds diverted from other alternative sources of energy solely as a single major national priority as a super collider. I think that that would be counterproductive to our energy alternatives in the future.

So I think that we have a lot of work to do with the Energy Secretary and with our OMB officers Jim Miller and his staff, and the White House, to point out, not so much this year with our $25 million, legislation and policy decisions on behalf of all of Congress how we are going to fund the $360 million next year as the first phase of a major construction site if and when that decision is made to go ahead and build it.

I do not think that Congress is at the point to make that final decision. I am concerned that States like Texas, who are willing to put out up-front money and $1 billion funding mechanism, are going to compete maybe in sort of unfair terms with some of the smaller States who are now considered not having an opportunity to raise that kind of major capital at the local level to help finance the super collider project which I think 49 out of the 50 States would like to have.

So I think in the long term not only would our own individual States want to see that project, but I suggest that maybe we work out a regional consortium so that we have the best sites available that have States sharing in the spinoff of that technology not only the project itself but the thousands of jobs involved.

I also want to congratulate the subcommittee for their work on the Corps of Engineers projects. It is only $3.2 billion. I think that that is a rather tight, very conservative number in respect to the corps simply because we are trying, as the chairman said, to rebuild our infrastructure. We have 200-some ports. We have 25,000 miles of coast water and sea water areas that we need to help attract our export industries through our shipping and commerce.

I am interested in the St. Lawrence Seaway, the fourth seacoast. Those of us in our particular region are only asking for, and we put into this bill through the leadership of the chairman and the ranking minority member and myself, $50,000 to continue the study to look at the St. Lawrence Seaway as a viable export corridor for getting our products out overseas into the international competitive world.

So I want to thank the subcommittee for keeping that study open so that the Corps of Engineers, the environmentalists, and other commerce oriented people can look at the St. Lawrence Seaway as one of the great opportunities in the Midwest to be competitive, not only with our southern and western allies here in the continental United States, but the free world itself.

I want to thank the subcommittee for a tight budget. There probably will be some amendments later in the day, but as a member of the subcommittee, I want to congratulate the subcommittee for a fiscal responsible piece of legislation. I am proud to be a member of the subcommittee.

Mr. BEVILL. Mr. Chairman, I yield 2 minutes to the gentlewoman from Tennessee [Mrs. Lloyd], who chairs a subcommittee which is responsible for the authorization of many of the energy projects that we have in this appropriation bill.

□ 1055

Mrs. LLOYD. Mr. Chairman, I rise in support of the energy and water appropriations bill as crafted by my good friend and colleague, Congressman Bevill, and the members of the Appropriations Committee. The funding levels established by this bill go a long way toward emphasizing the desire of the Congress to enhance support for the Department of Energy's research and development activities in both nuclear and nonnuclear research and development programs.

In my judgment, we are not only dealing with the year-by-year funding requirements for the many science and technology research programs managed within the Department of Energy, but we are establishing a policy that will set the course for future congressional actions to strengthen our Nation's near-term and long-range science and technology efforts.

As chairman of the Energy Research and Development Subcommittee of the Committee on Science, Space, and Technology, I have become increasingly aware that the need for a strong, national energy policy that will prescribe the future path for science and technology enterprises over the next decade should be a primary goal of not only our committee, but also of the Congress as a whole. Our future economic health and well-being depends on such a strong policy directive. I think that the bill before us goes a long way in setting the proper course for future congressional action.

I fully concur with the committee's position on the superconducting super collider. This project will most certainly be the centerpiece of this Nation's scientific pursuits, and as such, will require congressional authorization. Until these congressional deliberations are completed on the SSC, we should maintain R&D support for the project and defer construction funds.

I am particularly pleased that this bill recognizes the importance of our national laboratories in maintaining and leading the way toward developing a strong program in science and technology. I am also pleased that several of the initiatives which my subcommittee has recommended have also been included in this bill. For example, we found that it was necessary to initiate a strong program in x-ray lithography in order to assure this country's competitive role in the manufacture of advanced microcircuitry.

The bill also includes our subcommittee's recommendation for enhancing support for several new research facilities such as the advanced neutron source at Oak Ridge National Laboratory, the advanced synchrotron light source to be constructed at the Argonne National Laboratory, and the continuous electron beam facility in Newport News, VA. I strongly support the Committee's enhancement of research support for the materials sciences division's work in high temperature superconducting materials research. This is clearly an area in which we lead in innovation, but must also strive to capture our share of potential markets.

In the technology area, the bill increases funding for high temperature gas reactor development, magnetic fusion research and the integral fast reactor. These activities, in my judgment, are critical elements of the Department's Energy Research and Development Program. The bill also provides funds to strengthen nuclear engineering departments at our universities, an essential ingredient to the preservation of our Nation's nuclear power option.

I am also pleased that the bill reflects my view that the Department's arguments for the monitored retrievable storage [MRS] activity do not justify continued congressional support. I applaud the fact that the bill provides no funding for this project. I have long argued that funds should not be appropriated for the MRS.

I want to thank Chairman Bevill and Congressman Myers for their leadership in bringing this bill before the House. The cooperative relationship which has developed over the years between our committees is very rewarding to me personally and I believe, as it continues, will result in further, strong directions for this country's energy research and development programs.

Mr. Chairman, for all the reasons I have talked about, I urge my colleagues in the Congress to give their full support to this bill.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentlewoman from Tennessee for the nice remarks. It is a pleasure to work in cooperation with the gentlewoman's subcommittee.

Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. Sensenbrenner].

Mr. SENSENBRENNER. Mr. Chairman, this bill contains $16,500,000 for energy storage systems. One technology currently under development in this area is the nickel-hydrogen battery.

The nickel-hydrogen battery could play an important role in helping this country meet its electric power needs in the near future. As a combination of environmental and financial pressures continue to hamper construction of major new generating stations, it may be necessary to squeeze more efficiency from our currently operating power sources by storing power generated during off-peak hours for use when it is needed during moments of peak demand.

Mr. Chairman, is it the view of the distinguished gentleman from Alabama, the chairman of the subcommittee, that the development of the nickel-hydrogen battery is an important initiative within the Department of Energy's electric energy storage research and development activities, and is worthy of continued support by Congress and the administration?

Mr. BEVILL. If the gentleman will yield, let me say that he is correct.

Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee [Mr. Boner], a very distinguished member of this panel.

Mr. BONER of Tennessee. Mr. Chairman, I am proud to rise in support of the fiscal 1988 energy and water appropriations bill.

It has been a distinct honor for me to serve on the Energy and Water Appropriations Subcommittee and I want to thank Chairman Tom Bevill, ranking member John Myers, and the subcommittee staff for their courtesies and their assistance during my tenure on the subcommittee. The bill which the subcommittee brings to the floor today is, as always, a balanced approach to meeting many of the needs of the Nation as well as some of the more important parochial needs of the residents of Tennessee and the Fifth Congressional District.

Of particular importance in this year's bill is the position adopted by the committee to the Department of Energy's request for funding the Civilian Nuclear Waste Disposal Program. The committee has included report language blocking excavation and shaft drilling at western waste repository candidate sites and preventing the Department from searching for an eastern waste repository site. In addition, the committee specifically refused to appropriate funds for a monitored retrievable storage facility, which the Department has proposed to be constructed at Clinch River, TN.

These steps were necessitated by the disarray which the Department of Energy has brought to the Civilian Nuclear Waste Disposal Program. Instead of utilizing the consensus which underlay the 1982 Nuclear Waste Policy Act, the Department has chosen instead a policy of injecting politics and partisanship into the process. It has chosen to divide regions, instead of uniting the Nation. It has chosen expediency and demonstrated amateurism instead of showing leadership. It has chosen to scare rather than educate and reassure. It has taken steps that have provided opponents an opening in which to challenge its actions. In sum, the Department has deservedly earned the votes of "no confidence" which this committee and the other congressional committees have shown in response to its proposed implementation of the 1982 act.

There is perhaps no better example of the Department's ineptness than its decision to postpone the date of the permanent waste repositories and seek instead speedy development of a "temporary" monitored retrievable storage [MRS] facility in Tennessee. As outlined in a recent hearing on the Department's proposal before the Energy and Commerce Subcommittee on Energy and Power, the Department has failed to justify the need for an MRS. The hearing exposed the Department's plan for what it truly is—an effort to save face and foist upon the citizens of Tennessee a waste dump which has not been authorized in law and which, for all practical purposes, will become a permanent dump while the Department plays politics while revising its schedule for selecting a permanent repository.

The hearing further showed that the Department is proceeding under the guise of meeting contractual obligations to receive waste when, in fact, the 1982 act requires "disposal" of such waste in a permanent "repository." Even if we assume forward movement under the Department's new, tentative schedule for establishing the permanent repository, it still will be technologically unnecessary for an MRS facility to be constructed. Packaging or repackaging nuclear waste can be completed on the site of the generator or at the site of the repository itself. As is the case now, by the late 1990's there will be no need for an MRS under the repository schedule now anounced by the Department.

In any event, the committee's action in the energy and water appropriation bill demonstrates the disarray which the Department has sowed. To restore consensus and continuity to the Nuclear Waste Disposal Program, I would encourage that a blue-ribbon panel be convened to assist the authorizing committees in drafting a new act. But whether or not this suggestion is accepted, it is evident that the fear and distrust which the Department has brought to the program imposes on this body the difficult challenge of rewriting the basic outlines of a policy necessary to meet the requirements for disposing of our Nation's civilian nuclear waste.

I thank Chairman Bevill and the other members of the committee for this opportunity to discuss this important provision in the energy and water appropriations bill.

Mr. MYERS of Indiana. Mr. Chairman, I yield 2 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, I want to express my appreciation to the distinguished chairman and ranking minority member and all the members of the Energy and Water Development Subcommittee for their work on this bill. I also appreciate the special assistance received from my distinguished colleague from Nebraska from the Third District (Mrs. Smith). Members of the subcommittee know well how difficult it is to garner support for particular projects which are frequently criticized and misunderstood.

A project which apparently has the unanimous support of Nebraskans and South Dakotans to which this subcommittee each year has given its support is the Missouri National Recreation River Project, also known as the Missouri River Bank Stabilization Project.

Without going into all of the details of this project, I would point out that this is a unique bistate project that combines the efforts and planning capabilities of the Army Corps of Engineers and the Department of the Interior. However, that uniqueness has proven to be a very big problem for funding and cost-sharing reasons.

In the past, I gratefully acknowledge, this subcommittee has appropriated funds for continued operation and maintenance of existing bank stabilization structures. However, because of 100-percent cost-sharing requirements for new bank stabilization structures, no new construction has occurred. That is a problem of and is caused by an interpretation in the Department of Defense and, this Member recognizes, a matter to be continued to be brought to the attention of the authorizing subcommittee.

This Member notes, and thanks the subcommittee for including $100,000 for new construction, and the committee's language in the report that "directs the corps to proceed with construction contingent upon the corps' determination and consideration of ability to pay, as provided in Public Law 99-662."

In my opinion, there is no question that expenditures for the bank stabilization portion of this project are properly the responsibility of the Federal Government. The bank erosion which has occurred along this stretch of the Missouri River is the direct consequence of the impoundment of the river upstream and the uneven discharges of water from those dams. The Federal Government should accept full responsibility for that damage and contribute 100 percent for the bank stabilization authorized by law.

PLATTE RIVER BANK STABILIZATION DEMONSTRATION PROJECT

A second bank stabilization project which I want to thank the committee for giving its consideration is the Platte River bank stabilization demonstration project.

It is my understanding that technical assistance has proceeded on certain stretches of the Platte River; namely; the 46-mile reach of the Platte River between Hershey, NE, and the boundary between Lincoln-Dawson Counties, NE.

I appreciate the committee's direction to "the corps to use available funds to initiate reconnaissance-level studies of two other bank stabilization projects in Nebraska also authorized by Public Law 99-662; namely, that reach of the Platte River from the boundary between Colfax and Dodge Counties, NE, to its confluence with the Missouri River and that portion of the Elkhorn River from the boundary between Antelope and Madison Counties, NE, to its confluence with the Platte River."

Mr. BRUCE. Mr. Chairman, I rise in support of H.R. 2700. I wish to commend the Appropriations Committee and especially Chairman Whitten and Mr. Bevill for their excellent work in crafting this bill and bringing it to the floor. I would also like to point out that, as in past years, this bill responsibly remains under budget.

Mr. Chairman, as you know, H.R. 2700 contains funding for many important programs and projects. However, I am particularly pleased to note that this bill includes funding for a project in which I have great interest: The superconducting super collider—also known as the SSC.

We in Congress worry a lot these days about the loss of U.S. competitiveness; and in particular we worry about the Japanese and the West Germans. It may only be coincidence, but in the past decade these nations have substantially increased the portion of their GNP that they are investing in basic research while the United States has effectively been decreasing that investment. We now trail both the Japanese and the West Germans in the percentage of our GNP that we invest in support of fundamental research.

As the world's preeminent basic research project, I believe the SSC to be of enormous importance to this country. If the United States is to retain its world leadership in basic scientific research, it is absolutely essential that we move ahead with the SSC.

If the United States does not move forward on the SSC, others will; and if we lose our world-leading science to Europe or Japan, we will lose our world-leading scientists to them as well. Scientifically and technologically, I cannot think of a less desirable position for the United States to be in as we move into the 21st century.

In addition to maintaining our leading edge in science, the SSC will result in the long-term benefit of the U.S. industrial economy. General Motors President Roger Smith has stated,

> You may find it strange that I should be concerned about (the SSC) . . . however, the fact is that solutions to the problems that GM faces, and our ability to produce better competitive manufacturing processes, depend in a major way upon continued technological progress . . . what is true of our

productivity is also true, for the same reasons, of our national security.

Columnist George Will compared the potential economic benefits of the SSC with the discovery of basic scientific laws which produced today's communication technologies and allowed the creation of the semiconductor industry.

The SSC possesses broad, bipartisan support. Last February, President Reagan endorsed the SSC saying it was time for America to "throw deep" in its quest for new knowledge. In addition, last March I hosted two special orders in which 43 Members of the House from 17 States went on record in support of the project. Majority Whip COEHLO described the super collider as the "first step toward economic and scientific prosperity" and House Minority Leader ROBERT MICHEL stated that "the knowledge that will emerge from this super collider will transform the very structure of knowledge itself."

The time to move ahead with the SSC is now. It should not be delayed because of recent advances in superconductivity. There is absolutely no guarantee that these advances can be applied to the SSC any time soon. In fact, in a recent article, the Economist notes that high-temperature superconductors are not yet out of the laboratory; and indeed, at the moment, the biggest current that researchers have managed to push through a wire measuring 1 millimeter across is around 10 amperes. For powerful magnets, that figure needs to be boosted about 1,000 times.

It took scientists 10 years to develop our present generation of high energy magnets; there is no reason to believe that the development of new superconducting magnets will occur any sooner.

Mr. Chairman, I am extremely pleased that H.R. 2700 initial funding for the SSC is an important first step in our quest to learn about the origin of our universe. I urge my colleagues to support H.R. 2700.

Thank you, Mr. Chairman.

Mr. WEISS. Mr. Chairman, I rise in strong opposition to H.R. 2700, the energy and water development appropriation for fiscal year 1988.

This bill should be a vehicle for researching safe and renewable sources of energy and for building necessary and environmentally sound water projects that serve our national interest. These are activities behind which we can all unite.

Unfortunately, the pending bill does nothing of the kind. Almost half of the bill is devoted to the nuclear weapons-related activities of the Department of Energy. In addition, the bill maintains a disproportionate level of support for civilian nuclear energy programs at the expense of solar and renewable sources.

Among the weapons activities supported by this bill are production of nuclear warheads for the Trident II and MX missiles, which are destabilizing first-strike weapons that increase the risk of nuclear war. The bill also includes substantial funding for nuclear directed energy weapons, including research for the President's misguided strategic defense initiative.

Further, the bill provides funding necessary for continued testing of nuclear weapons. Although the Soviet Union has now ceased its 18-month unilateral moratorium on nuclear testing, the House of Representatives has repeatedly voted to eliminate all but the smallest nuclear tests if the Soviets will do the same. Such a bilateral moratorium would be a giant step forward in the fight to slow and halt the nuclear arms race. We should be willing to join the Soviets in such a moratorium at this stage, rather than contributing to the development of a new generation of increasingly dangerous weaponry.

In addition to defense-related nuclear activities, the bill supplies substantial funding for civilian nuclear programs, including research into new technologies, programs to dispose of nuclear wastes, and programs to sell enriched uranium to the nuclear industry. The accidents at Three Mile Island and Chernobyl have proven that nuclear fission is a menace to humanity. I strongly believe that our Government's continued support for civilian nuclear energy programs represents a danger to the health and safety of American citizens.

I am also deeply disturbed that the committee report on this bill congratulates the Nuclear Regulatory Commission [NRC] for its proposed rule that would permit the issuance of operating licenses to nuclear power plants without any State and local emergency plans having been prepared or submitted. The requirements that State and local emergency plans be evaluated prior to the issuance of an operating license was established after the Three Mile Island accident. It is an essential safety requirement that must be preserved.

Rather than supporting the nuclear industry, we should be moving swiftly to support research and development of safe and renewable sources of energy, such as photovoltaic energy systems, solar thermal energy, biomass projects, and wind energy systems. These programs are once again shortchanged in this year's bill. The bill will cut solar energy research by 20 percent compared to last year. Solar thermal research will drop by 25 percent, and wind research will plunge by 40 percent.

Our Nation lacks a coherent plan for the development and commercialization of alternative energy sources. This only increases our dependence upon unreliable foreign sources of energy and damages our long-term competitiveness in those areas that prove to be economically viable. Moreover, solar and renewable energy sources hold out the promise of an improved environment for all Americans. It is only at our own peril that we continue to ignore these promising technologies.

The American public increasingly recognizes that nuclear war or nuclear accident would be catastrophic and must be prevented at all costs. But the bill before us today does not recognize that fact. By continuing our Nation's support for the production of nuclear weapons and for the civilian use of nuclear energy, we move ever closer to the brink of disaster.

We must change course if we hope to achieve energy self-sufficiency without threatening the safety of our citizens and the health of our environment. We must cease our support of dangerous nuclear technologies and instead craft a national plan for development of solar and renewable energy sources.

Once again, Mr. Chairman, I urge defeat of this appropriations measure.

Mr. GILMAN. Mr. Chairman, I rise to express my strong support for H.R. 2700, the energy and water development appropriation bill, 1988. This legislation, which has come to us, thanks to our colleagues on the Appropriations Committee, is an important and extremely worthwhile piece of legislation and the distinguished chairman, the gentleman from Alabama [Mr. BEVIN] and the ranking minority member, the gentleman from Indiana [Mr. MYERS] are to be congratulated for their work.

The need for this legislation is evident. Under these appropriations the Department of the Army will be authorized to perform essential tasks relating to the care of our Nation's rivers and harbors, flood control, beach erosion, and other related purposes.

Mr. Chairman, I am pleased that we have moved so close to enacting an authorization bill for these purposes. In my own 22nd Congressional District of New York there is a significant need for this legislation. Individuals residing along the Ramapo and Mahwah Rivers have been subjected to repeated flooding of their homes. Residents of Ardsley and Elmsford, NY, have also been plagued by repeated flooding. H.R. 2700 also contains provisions for investigations into the Passaic River Basin, the Hudson River Channel, and the plight of Greenwood Lake.

While at first glance these projects appear to represent a substantial cost, we must look beyond the numbers. The damage to property nationwide as a result of flooding and other water problems far exceed the expense we are debating now. The failure to act on this legislation would be pennywise and pound foolish.

Accordingly, I would like to thank my colleagues for their support of this measure which is so important to all Americans who live in constant fear of their lives and property as a result of their proximity to problem waters. This legislation will go a long way toward our goal of taming these waters and protecting the lives and property of those we represent. I look forward to the speedy enactment of this measure.

Mr. ALEXANDER. Mr. Chairman, I rise in strong support of this bill. It provides funds for the development and maintenance of energy and water resource projects which are vitally important to the economic and military security of our Nation.

First, I want to thank the chairman, members and staff of the Energy and Water Appropriations for the hard work they have put into this bill. The subcommittee has been faced, as are all our subcommittees on the Committee on Appropriations, with tough choices in their efforts to respond to national needs within the tight budget constraints we are dealing with.

Now, I particularly want to comment on the funding in this bill for Corps of Engineers water resource projects. These projects are important to city dwellers as well as farmers. They are important to the economic health of our Nation and to the physical safety of our people.

Day by day, the erosion, drainage, and flood protection problems of our Naiton become more and more serious. With every square foot of concrete and asphalt that goes down to provide housing, places of work and transportation networks, the speed of water runoff goes up. The local, State, and national flood threat increases. Recharge of underground water resources decreases.

On the one hand we get enough water, in the form of flooding, to wreck the livelihoods and lives of our people. On the other, we get so little increase in the underground water resources on which much of our Nation depends for life and agriculture, business and industrial activity that lives and livelihoods are threatened.

The corps flood control and flood and hurricane damage prevention programs are the Nations first line of defense against flooding caused by increasing water runoff rates. The approximately $23 billion invested in these programs have prevented an estimated $183 billion in damages. That is a 7.9-to-1 benefit to cost ratio. A very good ratio in anybody's investment book.

Another part of the corps program that is vitally important to the economic well-being of the Nation is its inland waterways navigation projects. These water-based transportation routes are crucial to the ability of U.S. farmers and manufacturers to compete in U.S. markets against imported products and to compete for sales in foreign markets.

The availability of inland harbors and navigation routes has a major impact on holding down the cost of transporting agricultural and manufactured products to market and essential supplies to farmers, businesses, and industries. Inland ports are also major parts of the economic development generator.

Included in this bill are funds to begin construction of a slackwater harbor in Helena, AR. More than 17 years ago, I began working with the people of Helena on this project. It is to be situated in one of the most economically distressed regions of the Nation.

Phillips County, where the project would be situated has experienced double-digit unemployment in 11 of the last 12 years. Yet, the people of Helena and Phillips County, AR, are so committed to this project that they have already set in motion the activities needed to raise the non-Federal cost share of the harbor project.

The Helena Harbor project will directly benefit a five-county region. Three of the five counties have majority black populations. One of the counties—Tunica, in Mississippi, across the Mississippi River from Helena—has been identified as the poorest county in the Nation. Lee County, AR, immediately north of Phillips County, is the 39th poorest county in the United States. The unemployment rate in Lee County has not been out of the double-digit range since 1975.

Within the five-county region directly affected by the harbor project, fully one-third of the people have annual incomes below the poverty level. Transfer payments are the single largest source of income in the five-county region.

Unemployment is high in the region. Job opportunity is low. Economic survival is tough. But, the people have a dream. It is hitched to being able to find jobs. They are investing in making the dream a reality. The Helena slackwater harbor is a part of their investment.

Studies of the economic needs of the area show within 15 years of construction of slackwater harbor, 40,000 new jobs will have been generated in the service area. These jobs could reroute the people of this region from the low road of economic desperation to the high road of economic achievement.

The bill before us is a good bill. Within constraints of the budget, it is directed at meeting energy and water resource development needs of the Nation. I urge you to join with me in voting for its passage.

Mr. MOAKLEY. Mr. Chairman, I rise in support of the energy and water appropriation, fiscal year (H.R. 2700), and urge passage of the bill.

Mr. Chairman, I would applaud the committee for including funding for two significant projects of vital academic and technological value to my district and the Nation.

The bill appropriates $8.5 million for construction and related equipment for the Institute for Advanced Physics Research at Boston University.

The Institute will perform basic research in advanced physics, tying together talents from traditionally unrelated academic disciplines. The research will focus on high energy experimental physics, computational science, particle theory, materials science, molecular biophysics, and polymer physics.

Also, Mr. Chairman, the bill appropriates $4 million for the multipurpose center at Boston College, a very substantial building of about 200,000 square feet. The funds are for a very small portion of the construction costs, specifically a very sophisticated energy system utilizing solar power. No institution could justify the speculation of incurring large construction costs for a solar power system for so large a building, a concept never before tested.

The Federal subsidy will provide valuable demonstration data on a technology that hold great promise for reducing U.S. dependence on imported oil.

The demonstration will also produce data on related technologies, including lighting, energy distribution and control, and reclamation of expended energy.

Mr. Chairman, I commend the committee and urge the passage of H.R. 2700.

Mr. SHARP. Mr. Chairman, this bill marks the continued effort to restore some balance to the spending priorities at the Department of Energy. The Congress has consistently favored balance, while the administration has just as consistently attempted to gut solar, conservation and fossil energy programs, while protecting only nuclear programs. I commend the committee both in this bill and the Interior appropriations bill for seeking to maintain some balance.

The Reagan administration has also been shifting the balance of spending at the Department of Energy from civilian programs to weapons programs. Weapons spending at the Department has increased by over $4 billion per year since the President took office in 1981. Meanwhile, spending on civilian energy programs has decreased by more than $2 billion dollars per year. Put another way, military programs that once made up one-third of the Department's budget, now constitute two-thirds of the budget. If we are looking for answers to why the administration has failed to develop a coherent national energy policy, we should consider the deep cuts in civilian energy programs which have been replaced by more military programs.

The Appropriations Committee has provided $500 million for the nuclear waste program. The report restricts the use of the funds by prohibiting the sinking of shafts at first round sites, and limiting funds for the second round Eastern sites to the amount requested by DOE, which cannot fund site-specific activities. No funds are provided for monitored retrievable storage, which has not been authorized. Having thoroughly restricted progress in the program, the committee's report calls upon the authorizing committees to restore consensus on the program.

I can empathize with the committee's dilemma with this program. The Secretary's decision in May of last year to suspend work on the second repository, apparently for political reasons, destroyed consensus on the program. It is now difficult to restart the second repository without administration support. But the postponement of the second repository has destroyed support for characterizing the Western, first-round sites, and so we have restrictions on that program as well.

The administration has stated that it will commence site-specific activities on the Eastern sites unless legislation is passed to enact their proposed delay. This legislation does not do that. I share the interest of the Appropriations Committee in seeking to reestablish a consensus. In the meantime, however, all we have is the Nuclear Waste Policy Act, and until that is amended or repealed, that is what DOE must follow.

I commend the committee for deleting funds for the monitored retrievable storage facility. The MRS has not been authorized. There have been a number of questions raised about the need for that facility at recent hearings before our subcommittee, and until they are resolved, it would be unwise to commit billions of dollars.

The committee's report language on uranium enrichment suggests that Congress has not authorized the repayment to the Treasury of revenues in excess of costs. While it is true that the Congress has not legislatively established the total debt to be recouped, it has specifically endorsed repayment to the Treasury in the Consolidated Omnibus Budget Reconciliation Act of 1985. Section 7502 of that law, entitled "Repayments to the United States Treasury" requires that during fiscal years 1986 through 1988, all revenues in excess of expenditures must be deposited in the Treasury. That section also requires the Secretary to seek to achieve at least a $150 million repayment. Notwithstanding any report language in an appropriation bill, this section remains law and must be followed.

The report language accompanying the committee's appropriation for the Nuclear Regulatory Commission notes the committee's endorsement of the proposed NRC rule on emergency planning. That view is not shared by the Energy and Commerce Committee, which shares legislative jurisdiction over the Commission with the Interior and Insular Affairs Committee. During the consideration of the NRC authorization bill, which will reach the floor later this year, an amendment designed to retain the current emergency planning rules failed on a 21-to-21 tie vote. It will likely be considered again when the bill reaches the floor, or on other legislation. Therefore, the NRC should not assume that the remarks of the Appropriations Committee reflect the views of the committees with legislative jurisdiction, nor the House as a whole.

Mr. GUNDERSON. Mr. Chairman, I rise today in support of H.R. 2700, the energy and water development appropriations bill for fiscal year 1987. This bill, while not perfect, and I will go into this in more detail later in my statement, is vitally important to the Third Congressional District of Wisconsin.

H.R. 2700 includes funding for five projects which are of particular importance. First, this bill provides $300,000 for an Army Corps of Engineers study of its cost-benefit project evaluation and selection criteria to determine if they are biased against rural areas. This project was authorized by section 719 of the Water Resources Development Act, Public Law 99-662. I wrote to the distinguished chairman and the vice chairman in late May urging their approval of $300,000 for this study, and am pleased today with their strong support for this initiative.

Second, the Energy and Water Appropriations bill includes $240,000, which I requested, for the Mississippi River/Black River/La Crosse River Flood Control Study. This modest appropriation will be used to determine ways in which to protect the city of La Crosse, WI, which has a population of over 50,000, against floods on these rivers.

Third, the bill provides $3.2 million for the State Road and Ebner Coulees flood control project also in La Grosse. This flood control project will provide standard project flood protection with an eye toward eliminating flood damage in the study area.

Fourth, the bill provides $4.168 million for the Upper Mississippi River System Environmental Management Program (UMRS-EMP), which was authorized by Public Law 99-662. This major environmental and recreation program is closely patterned after legislation which I had introduced. It is a 10-year program with a total authorization of $191.45 million.

Fifth, H.R. 2700 provides $4 million for the construction of a second lock at Lock and Dam 26 on the Mississippi River near Alton, IL. This project was approved as part of the whole upper Mississippi River management plan. The second lock is authorized at a level of $220 million.

Together the UMRS-EMP and the second lock constitute section 1103 of the Public Law 99-662. It was a balanced plan, providing adequate emphasis on navigation and environmental concerns. However, H.R. 2700, in my view, is not in keeping with this balanced approach.

The authorization ceiling for fiscal year 1988 for the UMRS-EMP is $16.72 million. Yet, we are only appropriated at a level of $4.168 million—25 percent. On the other hand, the construction estimate for the second lock is $4 million for fiscal year 1988, and the lock is funded in this bill at $4 million. While the numbers are the same, the lock is being funded at 100 percent of its construction estimate and the UMRS-EMP is being funded at 25 percent of its authorization level.

In early April, I testified before the House Subcommittee on Energy and Water Development requesting a $10 million appropriation for UMRS-EMP. I believe that that appropriation level would have been more in keeping with the congressionally mandated, balanced approach to the upper Mississippi River.

Mr. Chairman, despite my concerns over the level of funding for the UMRS-EMP, I urge my colleagues to support approval of H.R. 2700.

Mr. GAYDOS. Mr. Chairman, I rise in support of the fiscal year 1988 energy and water development appropriations bill and in support of the committee's recommendation to include funding for Children's Hospital of Pittsburgh. I thank you and the members of your subcommittee for your insight and wisdom you have displayed by supporting the many important programs and initiatives contained in this bill.

In 1983, the United States experienced an infant mortality rate of approximately 11.2 deaths per 1,000 live births, representing a loss of 40,000 newborn babies. In spite of modern technology and a high standard of living, the United States remains shamefully behind other developed nations in reducing infant mortality rates.

Aside from deaths resulting from neonatal complications, physical trauma is responsible for one-half of all deaths in children. In 1982, 21.7 million children were injured and 11,500 died as a result of complications arising from their injuries. And second only to trauma for causing death in childhood is cancer. Despite technological breakthroughs in cancer treatment, which have resulted in increasing a child's chance for survival to 54 percent, a cure continues to elude scientists and researchers. Diagnosing pediatric cancer is difficult because its symptoms are very similar to other ordinary childhood ailments. Children often are not brought in to see a physician until it's too late, making the physician's job even more difficult.

Children's Hospital is prepared to embark upon a major effort which will utilize state-of-the art medical technologies dedicated to moving the United States to a leadership position in saving lives of children. Expert researchers and physicians are developing techniques for solving many of the neonatal complications which arise from low birth weight, lack of prenatal care and genetic defects. The hospital is already recognized internationally for its work in transplantations, performing more than 100 transplants per year. It has developed a nationally renowned program in pediatric trauma management and prevention. And, perhaps most importantly, the hospital has taken the lead in developing safe and effective treatment methodologies for children afflicted with cancer. It provides the major program for the tri-state region, treating 95 percent of the region's pediatric cancer patients.

One of the most promising discoveries to date is in the area of monoclonal antibody and tumor specific antigens which can effectively eradicate the cancerous cells and leave the healthy ones unharmed. Much more work, however, needs to be done in this area before the full potential of monoclonal antibody treatment methods can be reached.

A Federal partnership with Children's Hospital will enable it to build much needed research and treatment space. Without this, Children's will continue to stand at the brink of major discoveries, with the ultimate cure for many of the diseases and ailments which kill our children remaining on the horizon. This would be a great tragedy indeed.

I hope my colleagues will join me in supporting this bill and in supporting the appropriation to the pediatric research center at Children's Hospital of Pittsburgh.

Mr. FRENZEL. Mr. Chairman, I don't think I have ever seen an appropriations bill that could not be reduced. This bill, H.R. 2700, the energy and water appropriation, is a good one, and its creators deserve great credit, but it is no exception. Every bill can be reduced and must be reduced if we are to make any progress in our effort to cut the deficit.

I shall vote for H.R. 2700 in tribute to a job done by the subcommittee. However, as this bill, and every other money bill moves through the process, conditions will change. I expect vetos and, eventually, summitry before we know how the budget and appropriations bills will work out.

If the President determines to veto this bill, or others, in order to maintain better discipline in spending, I am very likely to support such tactics, in spite of prior affirmative votes. Nothing is certain, the future is not clear. The only certainty is that conditions will change.

Therefore, I hope my vote, cast for good reasons now, is not used as a predictor of future behavior.

Mr. RAHALL. Mr. Speaker, I rise in strong support of H.R. 2700, the Energy and Water Development Appropriations bill for fiscal year 1988. Of paramount importance to my home State of West Virginia is funding contained in the bill for the Appalachian Regional Commission and for water development projects under the Army Corps of Engineers.

H.R. 2700 appropriates $110 million for 1988 for the Appalachian Regional Commission which has been a program of critical importance not only for my home State of West Virginia but for the other States which make up the unique section of this country known as Appalachia.

Since 1965, the ARC has continuously promoted much-needed economic progress in Appalachia, decreasing the poverty level, boosting the level of income, cutting infant mortality rates and increasing the number of doctors. The level of education in the area is approaching the national average. Progress has been made. However, the fact remains that there is much more that needs to be done.

While dramatic improvements have been made, Appalachia still suffers disproportionate socioeconomic hardships. My home State of West Virginia continues to struggle with one of the highest unemployment rates in our Nation. The unemployment level in the town of Gary which is in my congressional district is 95 percent. The State's industrial base has dangerously eroded. The people of Appalachia struggle not only for jobs but for the daily necessities others take for granted. The people of Appalachia are poor and struggling and they continue to need the valuable assistance—ranging from new roads to health education programs—provided by the ARC. Without the funding in this bill, not only will the much needed improvements cease, but the positive effects of past progress will be lost to inevitable regression. I cannot emphasize enough the continued need for the ARC in this Nation's heartland, Appalachia.

Also of critical importance to West Virginia is water development funding in the bill which among other things will help to modernize the antiquated waterways which are so vital to the shipment of West Virginia's coal. The bill provides $34 million for the construction of new locks at Gallipolis, on the Ohio River about 30 miles upstream from Huntington, WV. This facility has long been in dire need of replacement as shown by the lengthy and expensive delays routinely experienced at this critical link in our inland waterways.

Other important construction funding in the bill includes $1.9 million for Winfield Lock and Dam on the Kanawha River. I sponsored this much-needed project in the Public Works and Transportation authorizing legislation to provide for more efficient movement of steam and metallurgical coal from southern West Virginia to markets throughout the Nation. Also provided in the bill is $1.1 million for Lock and Dam 7 at Grays Landing on the Monongahela River and $6.8 million for Lock and Dam 8 at Point Marion, also on the Monongahela. The modernization of these facilities is also long past due and much needed.

Another area of funding in the bill covers the operation and maintenance of existing corps projects throughout West Virginia. Included is funding for operation and maintenance at the following areas:

Beech Fork Lake	$560,000
Bluestone Lake	736,000
Burnsville Lake	888,000
East Lynn Lake	821,000
Elk River Harbor	275,000
Elkins	7,000
Kanawha River	8,220,000
Monongahela River	8,524,000
Ohio River locks and dams, Huntington	11,625,000
Ohio River open channel work, Huntington	1,503,000
R.D. Bailey Lake	1,064,000
Stonewall Jackson Lake	485,000
Summersville Lake	1,057,000
Sutton Lake	1,183,000
Tygart River Lake	881,000

Again, I strongly support H.R. 2700 and urge its acceptance by my colleagues.

Mr. MYERS of Indiana. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BEVILL. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1988, for energy and water development, and for other purposes, namely:

TITLE I

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

The following appropriations shall be expended under the direction of the Secretary of the Army and the supervision of the Chief of Engineers for authorized civil functions of the Department of the Army pertaining to rivers and harbors, flood control, beach erosion, and related purposes.

GENERAL INVESTIGATIONS

For expenses necessary for the collection and study of basic information pertaining to river and harbor, flood control, shore protection, and related projects, restudy of authorized projects, miscellaneous investigations, and when authorized by laws, surveys and detailed studies and plans and specifications of projects prior to construction, $148,712,000, to remain available until expended: *Provided,* That funds are included to be used for the feasibility study for the multiple purpose project at Sunset Harbor, California, including analysis pursuant to sections 904 and 907 of Public Law 99-662.

Using funds previously appropriated in the Energy and Water Development Appropriation Act, 1987, Public Law 99-591, the Secretary of the Army is directed to undertake the following study: Indiana Shoreline Erosion, including preconstruction engineering and design, Indiana.

The Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following items under General Investigations in fiscal year 1988:

Greenwood Lake, New Jersey;

East Bank Stabilization, New Jersey;

Beatties Dam, New Jersey;

Olcott Harbor Improvements, New York;

Atlantic Coast of New York City from Rockaway Inlet to Norton Point, New York (Coney Island Area);

Red River Waterway, Shreveport, Louisiana to Index, Arkansas;

Beaver Lake, Arkansas;

Brunswick County Beaches, North Carolina;

Westwego to Harvey Canal, Louisiana;

McCook and Thornton Reservoirs (CUP), Illinois;

Hillsboro Inlet, Broward County, Florida;
Miami Harbor, Florida (cleanup);

St. Petersburg, Florida (coastal areas);
Little River, Horatio, Arkansas.

The Secretary of the Army is directed to expand the scope of the Denison Dam-Lake Texoma, Texas and Oklahoma, General Investigation study, authorized by United States Senate Public Works Committee Resolutions on April 30, 1960, and April 12, 1965, to consider alternatives for improving management and utilization of water resources of the Red River Basin at and above the Denison Dam-Lake Texoma project and to include consideration of the feasibility of additional reservoirs upstream of Denison Dam and direct current interconnections between the Southwest Power Pool and the Electric Reliability Council of Texas.

The Secretary of the Army shall allocate $300,000 to the RedArk Development Authority, a non-profit natural resources development organization located in McAlester, Oklahoma, for the continuation of the development, testing and application of the Water Resources-Based Economic Development Computer Model.

The Secretary of the Army shall allocate $400,000 to Rural Enterprises, Inc., a non-profit organization located in Durant, Oklahoma, for the purpose of establishing a demonstration project for technology transfer of unclassified Corps of Engineers developed technology for and in coordination with the Federal Laboratory Consortium for Technology Transfer pursuant to section 10(e)(8) of Public Law 96-480, as amended by Public Law 99-502; the expenditure of such funds to be credited toward the Corps of Engineers contribution to the Federal Laboratory Consortium, as required pursuant to section 10(e)(7) of Public Law 96-480, as amended.

Funds are included herein for the Arthur Kill extension to Fresh Kills, near Carteret, New Jersey, to continue the ongoing post authorization planning, engineering and design provided that the level of detail shall be commensurate with General Design Memorandum level so that at the conclusion of the current effort and Secretary of the Army approval under section 202(b) of Public Law 99-662, only the preparation of plans and specifications will be necessary before construction.

CONSTRUCTION, GENERAL

For the prosecution of river and harbor, flood control, shore protection, and related projects authorized by laws; and detailed studies, and plans and specifications, of projects (including those for development with participation or under consideration for participation by States, local governments, or private groups) authorized or made eligible for selection by law (but such studies shall not constitute a commitment of the Government to construction), $1,150,142,000 of which such sums as are necessary pursuant to Public Law 99-662 shall be derived from the Inland Waterway Trust Fund, to remain available until expended, and of which not more than $7,000,000 shall be available to pay the authorized governing body of the Tohono O'odham Nation in accordance with the provisions of section 4(a) of Public Law 99-469; and in addition, funds are included for construction of the Red River Waterway, Mississippi River to Shreveport, Louisiana, project, for work presently scheduled and the Secretary of the Army is directed as a minimum to award continuing contracts in fiscal year 1988 for construction and completion of each of the following features of the Red River Waterway: in Pool 3, Nantachie/Red Bayou Revetment Extension and Crain and Eureka Revetments; in Pool 4, Gahagan, Piermont, Nicholas, and Howard Realignments and Coushatta Capout. None of these contracts are to be considered fully funded. Contracts are to be initiated with funds herein provided.

The Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following projects in fiscal year 1988:

Sandy Hook to Barnegat Inlet, including Sea Bright to Ocean Township and Asbury Park to Manasquan, New Jersey;

New Melones Lake, California;

Barbourville, Kentucky (Levisa/Tug Forks of Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky);

Harlan, Kentucky (Levisa/Tug Forks of Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky): *Provided,* That no fully allocated funding policy shall apply with respect to the construction of Barbourville, Kentucky, and Harlan, Kentucky (Levisa/Tug Fords of Big Sandy River and Upper Cumberland River, West Virginia, Virginia and Kentucky);

Walnut and Cherry Street Bridges, Massillon, Ohio;

Mill Creek, Fort Smith, Arkansas;

Cape May Inlet to Lower Township, New Jersey;

Ouachita River Levees, Louisiana;

Gentilly, Minnesota.

The Secretary of the Army is directed to accomplish channel rehabilitation, repair and rehabilitation of fourteen pump stations and appurtenant works, and rehabilitation and replacement of bridge structures in the vicinity of the East Side Levee and Sanitary District in East St. Louis, Illinois, by awarding continuing contracts at an estimated cost of $25,000,000 in fiscal year 1988; the acquisition and costs for all necessary real estate interests will be the responsibility of non-Federal interests.

The Secretary of the Army, using funds provided by this Act, is directed to initiate construction of the Parker Lake Project, and is directed, as a minimum, to award continuing contracts in fiscal year 1988 for construction and completion of construction of the access road and project office and the purchase of necessary land for the Parker Lake Project.

The Secretary of the Army, using funds provided by this Act, is directed to construct at full Federal expense the Mud Creek Bridge Replacement Project at Eufaula Lake, Oklahoma.

The Secretary of the Army is authorized and directed within the sum of $11,000,000 herein appropriated to carry out the provisions for the Cleveland Harbor, Ohio, project contained in Public Law 99-662, including bulkheading and other necessary repairs at Pier 34 and approach channels and necessary protective structures for mooring basins for transient vessels in the area south of Pier 34 with necessary material to fill the area between Pier 34 and Pier 36 with remaining fill to be disposed in the existing containment site 14. The Corps of Engineers shall also conduct a study pursuant to section 922 of the Cuyahoga River and provide technical assistance for harbor modification to the Cleveland-Cuyahoga County Port Authority. Funds expended by the Ohio Department of Natural Resources beginning with the first quarter of fiscal year 1986 in the area south of Pier 34 shall be considered eligible as non-Federal share consistent with the provisions of section 215 of Public Law 90-483, as amended, for all elements in this appropriation toward the estimated first non-Federal cost of $9,000,000 called for in Public Law 99-662.

The Secretary of the Army is directed to dredge the Saxon Harbor, Wisconsin, and to construct wood cribs as a permanent solution to the damages being caused by the Federal navigation project under the provisions of section 111 of the 1968 River and Harbor Act, Public Law 90-483, as amended.

Flood Control and Coastal Emergencies

For expenses necessary for emergency flood control, hurricane, and shore protection activities, as authorized by section 5 of the Flood Control Act, approved August 18, 1941, as amended, $26,000,000, to remain available until expended.

Flood Control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee

For expenses necessary for prosecuting work of flood control, and rescue work, repair, restoration, or maintenance of flood control projects threatened or destroyed by flood, as authorized by law (33 U.S.C. 702a, 702g-1), $326,399,000, to remain available until expended: *Provided*, That not less than $250,000 shall be available for bank stabilization measures as determined by the Chief of Engineers to be advisable for the control of bank erosion of streams in the Yazoo Basin, including the foothill area, and where necessary such measures shall complement similar works planned and constructed by the Soil Conservation Service and be limited to the areas of responsibility mutually agreeable to the District Engineer and the State Conservationist. In furtherance of the development of the Atchafalaya Basin Floodway System, Louisiana, in accordance with Public Laws 99-88 and 99-662, the Secretary of the Army is directed to acquire necessary interests in real estate for all features of the project, flood control, developmental control, environmental, and public access, beginning at the North end of the basin and proceeding Southerly. With the funds herein provided, the Secretary is further directed to concurrently acquire all real estate interests approved for the project as the acquisition process proceeds in the manner described in the preceding sentence.

Funds provided to the Corps of Engineers are to be used in carrying out advanced engineering and design work on the Helena Harbor, Phillips County, Arkansas, project. The Corps will complete the advanced engineering and design work and be prepared to let a contract for the first phase of the construction not later than October 1, 1988.

Operation and Maintenance, General

For expenses necessary for the preservation, operation, maintenance, and care of existing river and harbor, flood control, and related works, including such sums as may be necessary for the maintenance of harbor channels provided by a State, municipality or other public agency, outside of harbor lines, and serving essential needs of general commerce and navigation; administration of laws pertaining to preservation of navigable waters; surveys and charting of northern and northwestern lakes and connecting waters; clearing and straightening channels; and removal of obstructions to navigation, $1,413,093,000 to remain available until expended, of which such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund, and of which $12,000,000 shall be for construction, operation, and maintenance of outdoor recreation facilities, to be derived from the special account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l). The Secretary of the Army shall allocate $388,000 to construct at full Federal expense a Water Resources Information and Visitors Center facility at Crowder Point, Eufaula Lake, Oklahoma; and, in addition, shall allocate $159,000 to construct at full Federal expense a Visitors Center facility at the Lake Texoma project in Oklahoma.

The Secretary of the Army, acting through the Chief of Engineers, is directed to undertake the following project in fiscal year 1988: Sauk Lake, Minnesota.

General Regulatory Functions

For expenses necessary for administration of laws pertaining to preservation of navigable waters, $55,262,000, to remain available until expended.

General Expenses

For expenses necessary for general administration and related functions in the office of the Chief of Engineers and offices of the Division Engineers; activities of the Board of Engineers for Rivers and Harbors, the Coastal Engineering Research Board, the Engineer Automation Support Activity, and the Water Resources Support Center, $128,200,000, to remain available until expended.

Administrative Provisions

Appropriations in this title shall be available for expenses of attendance by military personnel at meetings in the manner authorized by section 4110 of title 5, United States Code, uniforms, and allowances therefor, as authorized by law (5 U.S.C. 5901-5902), and for printing, either during a recess or session of Congress, of survey reports authorized by law, and such survey reports as may be printed during a recess of Congress shall be printed, with illustrations, as documents of the next succeeding session of Congress; not to exceed $2,000 for official reception and representation expenses; and during the current fiscal year the revolving fund, Corps of Engineers, shall be available for purchase (not to exceed 225 for replacement only) and hire of passenger motor vehicles.

General Provisions, Corps of Engineers

Sec. 101. In section 4(c) of Public Law 99-469, the word "Secretary" is deleted each time it appears and the words "United States" are inserted in lieu thereof.

Sec. 102. The Secretary of the Army is directed to initiate construction and to reimburse non-Federal interests for work completed in conjunction with the North Branch of Chicago River project in Illinois.

Sec. 103. Using funds previously provided in the Energy and Water Development Appropriations Act, 1987 (Public Law 99-500 and Public Law 99-591), the Secretary of the Army is directed to proceed with development of the Cross-Florida Barge Canal Conservation Management Plan as described in subsection 1114(e) of the Water Resources Development Act, 1986 (Public Law 99-662).

Sec. 104. A project for flood control along the San Timoteo Creek in the vicinity of Loma Linda is authorized for construction as part of the Santa Ana Mainstem including Santiago Creek Project in accordance with plans described in the San Timoteo Interim II of the Santa Ana Basin and Orange County study. For purposes of economic justification the benefits and costs of the San Timoteo Project shall be included together with the benefits and costs of the entire Santa Ana Mainstem, including Santiago Creek. The total cost for the Santa Ana Mainstem, including Santiago Creek, is to be raised by $25 million.

Mr. MYERS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

AMENDMENT OFFERED BY MR. BEVILL

Mr. BEVILL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bevill: On page 7, after line 8, add the following:

Century Park, Lorain, Ohio

Community Park, Sheffield Lake, Ohio
Tangier Island, Virginia
Port Austin Harbor, Michigan

Mr. BEVILL. Mr. Chairman, this amendment adds no money to the bill but merely inserts the names of four projects that were inadvertently omitted in the full committee.

Mr. MYERS of Indiana. Mr. Chairman, if the gentleman will yield, the minority has no objection and accepts the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. BEVILL].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I?

If not, the Clerk will read.

The Clerk read as follows:

TITLE II

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

For carrying out the functions of the Bureau of Reclamation as provided in the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) and other Acts applicable to that Bureau as follows:

GENERAL INVESTIGATIONS

For engineering and economic investigations of proposed Federal reclamation projects and studies of water conservation and development plans and activities preliminary to the reconstruction, rehabilitation and betterment, financial adjustment, or extension of existing projects, to remain available until expended, $17,795,000: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That all costs of an advance planning study of a proposed project shall be considered to be construction costs and to be reimbursable in accordance with the allocation of construction costs if the project is authorized for construction: *Provided further,* That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such amounts shall remain available until expended.

CONSTRUCTION PROGRAM

(INCLUDING TRANSFER OF FUNDS)

For construction and rehabilitation of projects and parts thereof (including power transmission facilities for Bureau of Reclamation use) and for other related activities as authorized by law, to remain available until expended $704,233,000, of which $146,298,000 shall be available for transfers to the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (43 U.S.C. 620d), and $152,498,000 shall be available for transfers to the Lower Colorado River Basin Development Fund authorized by section 403 of the Act of September 30, 1968 (43 U.S.C. 1543), and such amounts as may be necessary shall be considered as though advanced to the Colorado River Dam Fund for the Boulder Canyon Project as authorized by the Act of December 21, 1928, as amended: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That transfers to the Upper Colorado River Basin Fund and Lower Colorado River Basin Development Fund may be increased or decreased by transfers within the overall appropriation to the heading: *Provided further,* That funds contributed by non-Federal entities for purposes similar to this appropriation shall be available for expenditure for the purposes for which contributed as though specifically appropriated for said purposes, and such funds shall remain available until expended: *Provided further,* That the final point of discharge for the interceptor drain for the San Luis Unit shall not be determined until development by the Secretary of the Interior and the State of California of a plan, which shall conform with the water quality standards of the State of California as approved by the Administrator of the Environmental Protection Agency, to minimize any detrimental effect of the San Luis drainage waters: *Provided further,* That no part of the funds herein approved shall be available for construction or operation of facilities to prevent waters of Lake Powell from entering any national monument: *Provided further,* That of the amount herein appropriated, such amounts as may be necessary shall be available to enable the Secretary of the Interior to continue work on rehabilitating the Velarde Community Ditch Project, New Mexico, in accordance with the Federal Reclamation Laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof or supplementary thereto) for the purposes of diverting and conveying water to irrigated project lands. The cost of the rehabilitation will be nonreimbursable and constructed features will be turned over to the appropriate entity for operation and maintenance: *Provided further,* That of the amount herein appropriated, such amounts as may be required shall be available to continue improvement activities for the Lower Colorado Regional Complex: *Provided further,* That the funds contained in this Act for the Garrison Diversion Unit, North Dakota, shall be expended only in accordance with the provisions of the Garrison Diversion Unit Reformulation Act of 1986 (Public Law 99-294).

OPERATION AND MAINTENANCE

For operation and maintenance of reclamation projects or parts thereof and other facilities, as authorized by law; and for a soil and moisture conservation program on lands under the jurisdiction of the Bureau of Reclamation, pursuant to law, to remain available until expended, $154,797,000: *Provided,* That of the total appropriated, the amount for program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That of the total appropriated, such amounts as may be required for replacement work on the Boulder Canyon Project which would require readvances to the Colorado River Dam Fund shall be readvanced to the Colorado River Dam Fund pursuant to section 5 of the Boulder Canyon Project Adjustment Act of July 19, 1940 (43 U.S.C. 618d), and such readvances since October 1, 1984, and in the future shall bear interest at the rate determined pursuant to section 104(a)(5) of Public Law 98-381: *Provided further,* That funds advanced by water users for operation and maintenance of reclamation projects or parts thereof shall be deposited to the credit of this appropriation and may be expended for the same objects and in the same manner as sums appropriated herein may be expended, and such advances shall remain available until expended: *Provided further,* That revenues in the Upper Colorado River Basin Fund shall be available for performing examination of existing structures on participating projects of the Colorado River Storage Project, the costs of which shall be nonreimbursable.

LOAN PROGRAM

For loans to irrigation districts and other public agencies for construction of distribution systems on authorized Federal reclamation projects, and for loans and grants to non-Federal agencies for construction of projects, as authorized by the Acts of July 4, 1955, as amended (43 U.S.C. 421a-421d), and August 6, 1956, as amended (43 U.S.C. 422a-422l), including expenses necessary for carrying out the program, $41,574,000, to remain available until expended: *Provided,* That of the total sums appropriated, the amount of program activities which can be financed by the reclamation fund shall be derived from that fund: *Provided further,* That during fiscal year 1988 and within the resources and authority available, gross obligations for the principal amount of direct loans shall not exceed $40,237,000: *Provided further,* That any contract under the Act of July 4, 1955 (69 Stat. 244), as amended, not yet executed by the Secretary, which calls for the making of loans beyond the fiscal year in which the contract is entered into shall be made only on the same conditions as those prescribed in section 12 of the Act of August 4, 1939 (53 Stat. 1187, 1197).

GENERAL ADMINISTRATIVE EXPENSES

For necessary expenses of general administration and related functions in the office of the Commissioner, the Denver Engineering and Research Center, and offices in the six regions of the Bureau of Reclamation, $53,290,000, of which $1,000,000 shall remain available until expended, the total amount to be derived from the reclamation fund and to be nonreimbursable pursuant to the Act of April 19, 1945 (43 U.S.C. 377): *Provided,* That no part of any other appropriation in this Act shall be available for activities or functions budgeted for the current fiscal year as general administrative expenses.

EMERGENCY FUND

For an additional amount for the "Emergency fund", as authorized by the Act of June 26, 1948 (43 U.S.C. 502), as amended, to remain available until expended for the purposes specified in said Act, $1,000,000, to be derived from the reclamation fund.

SPECIAL FUNDS

(TRANSFER OF FUNDS)

Sums herein referred to as being derived from the reclamation fund or the Colorado River development fund are appropriated from the special funds in the Treasury created by the Act of June 17, 1902 (43 U.S.C. 391) and the Act of July 19, 1940 (43 U.S.C. 618a), respectively. Such sums shall be transferred, upon request of the Secretary, to be merged with and expended under the heads herein specified; and the unexpended balances of sums transferred for expenditure under the head "General Administrative Expenses" shall revert and be credited to the special fund from which derived.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Reclamation shall be available for purchase of not to exceed 13 passenger motor vehicles of which 11 shall be for replacement only; payment of claims for damages to or loss of property, personal injury, or death arising out of activities of the Bureau of Reclamation; payment, except as otherwise provided for, of compensation and expenses of persons on the rolls of the Bureau of Reclamation appointed as authorized by law to represent the United States in the negotiations and administration of interstate compacts without reimbursement or return under the reclamation laws; for service as authorized by section 3109 of title 5, United States Code, in total not to exceed $500,000; rewards for information or evidence concerning violations of law involving property under the jurisdiction of the Bureau of Reclamation; performance of the functions specified under the head "Operation and Maintenance Administration", Bureau of Reclamation, in the Interior Department Appropriations Act 1945; preparation and dissemination of useful information including recordings, photographs, and photographic prints; and studies of recreational uses of reservoir areas, and investigation and recovery of archeological and paleontological remains in such areas in the same manner as provided for in the Acts of August 21, 1935 (16 U.S.C. 461-467) and June 27, 1960 (16 U.S.C. 469): *Provided,* That no part of any appropriation made herein shall be available pursuant to the Act of April 19, 1945 (43 U.S.C. 377), for expenses other than those incurred on behalf of specific reclamation projects except "General Administrative Expenses" and amounts provided for plan formulation and advance planning investigations, and general engineering and research under the head "General Investigations".

Sums appropriated herein which are expended in the performance of reimbursable functions of the Bureau of Reclamation shall be returnable to the extent and in the manner provided by law.

No part of any appropriation for the Bureau of Reclamation, contained in this Act or in any prior Act, which represents amounts earned under the terms of a contract but remaining unpaid, shall be obligated for any other purpose, regardless of when such amounts are to be paid: *Provided,* That the incurring of any obligation prohibited by this paragraph shall be deemed a violation of section 3679 of the Revised Statutes, as amended (31 U.S.C. 1341).

No funds appropriated to the Bureau of Reclamation for operation and maintenance, except those derived from advances by water users, shall be used for the particular benefits of lands (a) within the boundaries of an irrigation district, (b) of any member of a water users' organization, or (c) of any individual when such district, organization, or individual is in arrears for more than twelve months in the payment of charges due under a contract entered into with the United States pursuant to laws administered by the Bureau of Reclamation.

None of the funds made available by this or any other Act shall be used by the Bureau of Reclamation for contracts for surveying and mapping services unless such contracts are awarded in accordance with title IX of the Federal Property and Administrative Service Act of 1949 (40 U.S.C. 541 et seq.)

GENERAL PROVISIONS

DEPARTMENT OF THE INTERIOR

Sec. 201. Appropriations in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided,* That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted.

Sec. 202. The Secretary may authorize the expenditure or transfer (within each bureau or office) of any appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior.

Sec. 203. Appropriations in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency, or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by the Act of June 30, 1932 (31 U.S.C. 1535 and 1536): *Provided,* That reimbursements for costs of supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

Sec. 204. Appropriations in this title shall be available for hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchases of reprints; payment for telephone services in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

Sec. 205. In accordance with repayment contract No. 9-07-70-W0363, entered into August 29, 1979, as amended December 18, 1981, for the Farwell Irrigation District, contractual party with the Farwell Unit, Middle Loup Division, Pick-Sloan Missouri Basin Program, and entitled "Contract between the United States of America and the Farwell Irrigation District for Additional Drainage Facilities", the costs of such project allocated to irrigation and drainage shall not be reimbursable. Payments already made under such contract shall be credited against overall payments due the United States.

Sec. 206. (a) Intent and Purpose.—The Reclamation Reform Act of 1982 (43 U.S.C. 390aa) is amended by inserting before Section 201 the following:

"Sec. 200. It is the intent of Congress that no individual or legal entity receive irrigation water under this title at less than full cost on more than 960 acres of class I lands, or the equivalent thereof, in which that individual or legal entity has an economic interest, except as otherwise provided in this title.".

(b) Trusts.—The text of section 214 of the Reclamation Reform Act of 1982 (43 U.S.C. 390nn) is amended to read as follows:

"Sec. 214. (a) All trusts established under State or Federal law shall be subject to all applicable provisions of Federal reclamation law, including this title.

"(b) All trusts established under State or Federal law subject to the provisions of this title which receive irrigation water under this title shall be deemed to be a qualified or limited recipient.

"(c) All trusts established under State or Federal law established after June 3, 1987, shall be required to: be in writing; be approved by the Secretary; and, identify and describe the interests of each trustee, grantor and beneficiary.

"(d) Lands placed in a revocable trust shall be attributed to the grantor.

"(e) An individual or corporate trustee holding land in a fiduciary capacity, shall not be subject to the ownership and full cost pricing limitations of this title and the ownership limitations provided in any other provisions of Federal reclamation law.".

(c) Farm Management Arrangements.—The Reclamation Reform Act of 1982 (43 U.S.C. 390aa et seq.) is amended—

(1) by redesignating section 230 as section 231; and,

(2) by inserting after section 229 the following new section:

"FARM MANAGEMENT ARRANGEMENTS

"Sec. 230. (a) Notwithstanding any other provision of law, any individual or legal entity who receives irrigation water and enters into a farm management arrangement, farm services agreement, or any other form of operational relationship shall submit for approval by the Secretary, on such reports or forms as the Secretary deems appropriate—

"(1) the name of the individual or legal entity performing such management or services;

"(2) the legal description of the land subject to such arrangement or agreement; and,

"(3) that such arrangement or agreement conforms with the requirements of subsection (c).

"(b) Failure to comply with subsection (a) or with a request by the Secretary for submission of any arrangement or agreement shall result in an increase in the cost of irrigation water to the full cost of all irrigation water delivered to such individual or legal entity until such time as the individual or legal entity has complied with the requirements of this section.

"(c) The Secretary may approve a farm management arrangement or farm services agreement or any other form of operational relationship only if—

"(1) such arrangement or agreement is in writing; and,

"(2) under such arrangement or agreement, the individual or legal entity is performing such farm management arrangement or farm services or any other form of operational relationship for a reasonable fee and does not assume an economic interest in the farming operation other than as a beneficiary of a security interest.".

Administrative Provisions—Evasion.—Section 224 of the Reclamation Reform Act of 1982 (43 U.S.C. 390ww) is amended by adding at the end thereof the following:

"(g)(1) If a trust, farm management arrangement, farm services agreement or any other form of operational relationship evades the intent or provisions of this title or any other provision of Federal reclamation law, the Secretary shall recast such arrangement, agreement, or trust to reflect the true situation and shall apply a penalty equal to the full cost of all irrigation water which has been delivered to such individual or legal entity less any amount already paid for such irrigation water, plus interest at the rate established for underpayment of tax under section 6621 of the Internal Revenue Code of 1986.

"(2) Any determination by the Secretary under this subsection shall be in accordance with Chapter 5 of title 5 of the United States Code (relating to administrative procedure), subject to an adjudicatory hearing

"(3) Any trust, arrangement or agreement which has received the approval of the Secretary as required by section 214 or section 230 shall not be liable for the penalty described in paragraph (1) during the period for which such trust, arrangement or agreement was approved, unless such Secretarial approval was obtained as a result of fraud, malfeasance or misrepresentation of fact.

"(4) Nothing in this subsection shall preclude the Secretary from reviewing any trust, arrangement or agreement utilized by an individual or legal entity who receives irrigation water for the purpose of determining compliance with this Act, or Federal reclamation law.".

(e) EFFECTIVE DATE. —The amendments made by this Act shall take effect upon the date of enactment of this Act. The Secretary is directed to issue any necessary draft regulations to conform past regulations to this section within 30 days and to issue final regulations to implement this section within 120 days of the date of enactment of this Act. Such regulations shall carry out the intent and purposes of this Act, the Reclamation Reform Act of 1982, and Federal reclamation law.

Mr. MYERS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there any points of order against title II?

AMENDMENT OFFERED BY MR. KOLBE

Mr. KOLBE. Mr. Chairman, I offer an amendment made in order by the rule under section 2.

The Clerk read as follows:

Amendment offered by Mr. KOLBE: On page 17, line 9, before the period insert the following: ": *Provided further*, That none of the funds appropriated in this Act shall be used to study or construct the Cliff Dam feature of the Central Arizona Project, except with respect to fish and wildlife and environmental mitigation costs; *Provided further*, That plan 6 features of the Central Arizona Project other than Cliff Dam, including such increments of flood control that may be found to be feasible by the Secretary of the Interior at Horseshoe and Bartlett Dams, in consultation and cooperation with the Secretary of the Army and using Corps and Engineers evaluation criteria, developed in conjunction with dam safety modifications and consistent with applicable environmental law, are hereby deemed to constitute a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.)".

Mr. KOLBE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. KOLBE. Mr. Chairman, this amendment is offered by me on behalf of the entire Arizona congressional delegation. Ten days ago, we were informed that an amendment would be offered by Mr. GOUGHLIN in the full Appropriations Committee consideration of this bill, to retrench any money that would be spent on the controversial Cliff Dam feature of the central Arizona project's plan 6. First of all, I want to thank the gentleman from Pennsylvania for allowing me the opportunity to offer this revised and expanded amendment on behalf of the Arizona delegation, and for his valuable participation in Arizona's search for a reasonable alternative to Cliff Dam. We come from the same arm of our party, in that we are both extremely concerned about our Federal budget deficit, and we look for every conceivable way to ease our fiscal burdens. I commend the gentleman for his fiscal responsibility, and hope that he will continue his assiduous efforts.

Frankly, 10 days ago, I would have adamantly opposed the Coughlin amendment in the Appropriations Committee and on the floor today. But 10 days ago, I would not have believed that the amendment would be modified in an acceptable manner, in the context of a comprehensive agreement between the Arizona congressional delegation and the National Environmental Coalition against Cliff Dam. But, as a result of nearly ten full days of discussions, negotiations, arguments and proposals, that is precisely what we have before us.

Now, I am not going to stand here and pretend this amendment, and this agreement, is everything the Arizona delegation wants. It is not. But it also isn't everything the environmentalists want either. Such is the nature of compromise.

For the benefit of the record, I might offer a short history of how this situation came to pass. In 1968, Congress passed the historic Colorado River Basin Project Act. This act authorized the central Arizona project which brings Colorado River water from the Parker Dam at Havasu City, across the scorching desert west to a point north of the city of Phoenix, and then south through Maricopa, Pinal, and Pima County to the city of Tucson. One feature of the project at that time was the proposed Orme Dam to be built at the confluence of the Salt and Verde Rivers north of Phoenix. This dam was to provide flood control, regulatory storage, and water conservation benefits to the city. On the downside, it would have inundated much of the Fort McDowell Indian Reservation. For this and other reasons, a suitable alternative was sought to provide the same benefits as Orme, without the significant impacts on the Indians and the environment. The alternative was a multifaceted plan entitled "Plan 6" consisting of dam construction and dam modifications along the Salt and Verde. One of the features included in this plan, which was the result of over 7 years of study and the expenditure of $17 million, was Cliff Dam.

Cliff Dam, which would have cost $312 million to build, also was to provide a cost-effective dam safety fix on the Verde River, in lieu of repairs that would have to be made on the Horseshoe and Bartlett Dams under the Reclamation Safety of Dams Act. Significant opposition began to arise when it was found that the reservoir associated with Cliff Dam would back up and inundate rare desert bald eagle habitat. Further problems arose when a Corps of Engineers study demonstrated that the flood control requirements were not as great as anticipated, and Cliff could be scaled down.

When Mr. COUGHLIN proposed his amendment, these and other problems faced the Arizona congressional delegation if we chose to stand and fight. An overriding concern was that if we were successful in defeating the Coughlin amendment in committee, the fight would have been carried to the floor—and there the fight might well have been over the entire plan 6 alternative to Orme Dam. While plan 6 as a whole doesn't suffer from questions of merit as did Cliff Dam specifically, the mood in Congress toward budget cutting and toward large Federal water projects is not one to be trifled with.

In response, my Arizona colleagues and I met over 13 times in a 5-day period, and our staffs met with national representatives from the National Wildlife Federation, the Friends of the Earth, and the National Audubon Society to forge an agreement. Throughout these discussions, the spirit was one of constructive cooperation, mutual respect, and sensitivity to our respective constituencies. As a result, a compromise was forged, and this amendment represents the first in a series of seven principles agreed to by the parties.

I will leave it to my distinguished colleage, Mr. UDALL, to list and describe the statement of principles for the record. I would like to describe the nature of this amendment and what it does in the context of our agreement.

The agreement, generally, calls for the Arizona delegation to drop Cliff Dam from consideration, and in return, the coalition against Cliff Dam will drop its lawsuit against plan 6, will support safety of dams modification to Horseshoe and Bartlett Dams, will support the balance of the plan 6 features, and to explore, with the delegation, appropriate flood control alternatives on or below the Verde River to make up for the loss of cliff. This agreement requires passage of this amendment in order to prohibit the use of Bureau of Reclamation funds for the purpose of constructing or studying Cliff Dam. It does, however, maintain funding of somewhat less than $400,000 for environment and fish and wildlife studies on the Verde River. Even though no dam like Cliff will be constructed on the Verde, such studies are considered to be important because of the modifications to the existing dams and the indisputable wildlife values along the river.

This amendment also states that the plan 6 features, excluding Cliff Dam, but including the flood control benefits that may derive as a result of safety of dams repairs on Bartlett and Horseshoe, are authorized as a "suitable alternative" to Orme Dam. Previous designations of plan 6 as a suitable alternative were strictly administrative, and this amendment clarifies the plan's viability.

The flood control benefits associated with safety of dams work on the existing Verde River dams are only one aspect of flood control reviews to be done in the Phoenix vicinity. Without Cliff Dam, it is unlikely that one alternative will be sufficient to provide equivalent flood control benefits. Therefore, the delegation and the coalition urge the Bureau of Reclamation to work with the Corps of Engineers to study a variety of flood control schemes both upstream and downstream. The delegation considers this to be a matter of real urgency because of the potential for severe flood damage to the city of Phoenix should Arizona experience the kind of storms it did in 1978, 1979, and 1980.

This amendment speaks to only one aspect of a comprehensive agreement which was negotiated in good faith, and will be carried out in good faith. The implications of this agreement are far reaching, and a great deal of work remains to be done. However, our pledge is to ensure that the process, as it continues, will be an open one. Resolution of outstanding issues, such as how to maintain the local cost sharing agreement that Arizona signed with the Department of Interior just a year ago, will require the best that the Department, this delegation, and Arizona can offer. Based upon the central Arizona project's history, I am confident that these issues will be resolved in the best manner possible.

□ 1110

Mr. RHODES. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment, and the accompanying detailed seven-point "Statement of Principles on the Arizona Cliff Dam Settlement" dated June 18, 1987, which has been included in the RECORD, marks another positive historic milestone in Arizona's water future.

What we have accomplished here is to keep together the Arizona water partnership. It is a partnership of Arizona water interests and local governments with the Federal Government. In total it is a partnership of their representatives in Congress with a partnership united toward the ultimate goal of completing the central Arizona project [CAP], including most of plan 6, and providing the people of Arizona the lifeblood which is the building block of the economic development of our great State—water.

My hope is this amendment and agreement puts the nail in the coffin of divisive and expensive litigation that has marked our march forward over the past several years. Over the past 2 weeks, there have been earnest, intensive yet difficult negotiations among the members of the Arizona congressional delegation, their staffs, and representatives of the environmental community.

The product we bring to the House floor today is an accommodation which, though we each may not be totally satisfied, we nonetheless now unite behind and make a joint commitment to implement.

We are just as committed to working with our partners in Arizona's water future, to make sure the flood control protections and water conservation benefits that would have been provided by Cliff Dam are provided to the cities we represent. We will work diligently to keep the crucial cost-sharing agreement together. That effort has already begun, and it will continue as the congressional delegation makes plans to meet next week in Phoenix with the plan 6 participants. Many of these people have poured their lives into this project. They have committed substantial upfront financing for plan 6. As we promised at the news conference last week, we are getting started early to fulfill our commitment, and it will be kept.

I want to extend a great deal of thanks and gratitude to my colleagues in the Arizona delegaton for the forthright and determined manner in which they conducted themselves over the past couple of weeks. It has been an extraordinary experience, and I am proud to have been a participant in this effort to help remove the legal roadblocks to completion of the CAP. We must now get on with the timely completion of the promise Congress made to the people of Arizona nearly twenty years ago.

Mr. COUGHLIN. Mr. Chairman, I move to strike the last word and I rise in support of the amendment.

Mr. Chairman, although the amendment which was just read at the desk bears my name, a more appropriate title for this proposal would bear the names of the Arizona delegation members who worked so tirelessly during this past week to forge a compromise on Cliff Dam and plan 6 of the central Arizona project.

These members worked to forge this compromise—a compromise which recognizes the legitimate elements of the central Arizona project, but which also sacrifices an exceptionally controversial dam. I frankly had sought to eliminate funds for Cliff Dam. Environmental groups through the National Coalition To Stop Cliff Dam had pledged to marshal all of their resources to stop this particular dam.

Cliff Dam faced countless budget and legal challenges. Years and years of battles over its construction confronted all interested parties.

The Arizona delegation wisely realized this situation and worked out a compromise. The distinguished chairman, Mr. UDALL, and my friends Mr. KOLBE and Mr. RHODES performed outstanding service. The amendment we consider today embodies the principles of their efforts.

As a first step, the amendment prohibits of any funds in the fiscal year 1988 Energy and Water Appropriations Act from being used to construct or study Cliff Dam. The amendment also clarifies that the other elements of plan 6—absent Cliff Dam—are a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act of 1968. Once the Secretary of the Interior acts to implement the negotiated agreement, and modifies previous decisions by removing Cliff Dam from the approved plan for the central Arizona project, the National Coalition To Stop Cliff Dam will drop its lawsuit against Cliff Dam and plan 6.

Once this lawsuit is terminated, the Arizona delegation has agreed not to pursue any future funding for Cliff Dam or for any similar water conservation storage feature on the Verde River.

I therefore urge the Secretary of the Interior to act promptly to implement this agreement so that the necessary work on plan 6 can proceed expeditiously.

The amendment under discussion also provides funds for several fish and wildlife studies. I want to emphasize my belief that these studies have independent utility. The studies should not be construed as an intent to resurrect or to fund Cliff Dam in the future.

Throughout the history of the central Arizona project, flood control issues have been of primary concern. The amendment currently under consideration addresses these flood control concerns. Specifically, if flood damage reduction measures are to be taken at two other dams in plan 6—the Bartlett and Horseshoe Dams—the measures would be developed in consultation and cooperation with the Secretary of the Army and the Secretary of the Interior. I am confident that during this process all alternatives for flood damage reduction on the Verde and Salt Rivers will be examined, including downstream reaches below their confluence as well as above.

Earlier in my statement, I mentioned the many hours of talks that went into this agreement. I would be remiss, however, if I didn't comment upon the fine work of the General Accounting Office and the Department of the Interior's Inspector General. It is through these Federal offices that many of the problems associated with Cliff Dam were brought to our attention. The reports of these offices clearly demonstrated the need for congressional action to correct Cliff Dam's problems.

In conclusion, I want to state that the cost, financing mechanism, and the environmental issues surrounding Cliff Dam helped lead to its demise. But there are positive results which will be realized through the elimination of Cliff Dam.

The statutory cloud surrounding plan 6 will be lifted once Cliff Dam is deleted from the approved plan. The overall cost ceiling for the central Arizona project, as contained in the 1968 enabling statute, will not be breached if Cliff Dam is eliminated. And the necessary water project construction can proceed.

All of this can be accomplished when the negotiated agreement is implemented. I pledge my assistance in implementing this accord and urge adoption of the amendment.

NATIONAL AUDUBON SOCIETY,
Washington, DC, June 24, 1987.
Hon. LAWRENCE COUGHLIN,
U.S. House of Representatives,
Washington, DC.

DEAR CONGRESSMAN COUGHLIN: I wish to extend the National Audubon Society's strong endorsement of the amendment you and the Arizona delegation are offering to the Energy and Water Appropriations Bill related to Cliff Dam on the Verde River in Arizona. This amendment is based on an unprecedented agreement reached last week between the Arizona congressional delegation and representatives of several of the environmental organizations presently in litigation to prevent construction of Cliff Dam. Under the terms of the agreement, the delegation will seek no further funding for construction of Cliff Dam, and the environmental organizations, including the National Audubon Society, will drop their litigation and withdraw their opposition to the remaining elements of Plan Six of the Central Arizona Project.

The Verde River is indeed a national treasure. Fifty miles of the Verde are presently in wild and scenic status. Cliff Dam would have inundated ten miles of adjacent river that was originally proposed for wild and scenic designation. This stretch represents some of the last remaining streamside wildlife habitat in the Sonoran Desert and includes critical nesting habitat for several pairs of the only known desert dwelling bald eagles in America.

Cliff Dam was highly problematic from its conception. A huge earthen dam (338 ft. high) at a cost of about $400 million, Cliff would have pushed the cost of Plan Six of the Central Arizona Project over its authorized ceiling. The Bureau of Reclamation proposed to pay for the dam with dam safety money, despite strict prohibition in the Dam Safety Act against use of its funds for new dams. Early this spring, the General Accounting Office concluded that it would be illegal to use dam safety funds to construct Cliff Dam. Furthermore, the GAO said that Arizona must seek new congressional authorization for CAP or cut some if its features to stay within existing authorization ceilngs.

All these problems meant that both Cliff Dam and the Plan Six portion of CAP would be in jeopardy when Congress voted this year on funding for water projects. To avoid a potentialy uncontrolled loss on the floor of the House, the Arizona delegation has taken the courageous step of working out an agreement with Plan Six opponents in advance of floor action that has stunned both Arizona and observers of western water conflict.

The agreement marks an historic resolution to a conflict of many years duration. In our view there are no losers in this agreement. The Verde River will continue to run free, and Phoenix will be permitted to pursue a number of other options to achieve flood control and water conservation needs for the city. It should be noted that this agreement nearly foundered over the issue of flood control. Because Phoenix's exact needs have yet to be identified, it was extremely difficult to achieve an agreed upon statement concerning future flood control. We are confident, however, that the spirit of cooperation that permeated the shaping of this agreement will prevail as both sides work together toward implementation of the agreement.

We want to thank you for your leadership in bringing to the attention of the Congress the many problems associated with Cliff Dam. Your opposition to Cliff Dam has not only saved the taxpayers hundreds of millions of dollars, it has saved one of the most magnificent free-flowing reaches of the West from becoming yet another reservoir. For this, we are very grateful.

Sincerely,

ELIZABETH RAISBECK,
Vice President for Government Relations.

FRIENDS OF THE EARTH,
Washington, DC, June 24, 1987.
Hon. LAWRENCE COUGHLIN,
Room 2467, Rayburn HOB, House of Representatives, Washington, DC.
Hon. MORRIS K. UDALL,
Room 235, Cannon HOB, House of Representatives, Washington, DC.
Hon. JIM KOLBE,
Room 1222, Longworth HOB, House of Representatives, Washington, DC.

DEAR SIRS: Through this letter I wish to express our support for the Coughlin-Udall-Kolbe amendment regarding the Cliff Dam and Plan Six of the Central Arizona Project. We understand that you intend to offer the amendment when the House takes up Floor Action on the 1988 Energy and Water Development Appropriations legislation. I also wish to express our sincere appreciation for the roles that each of you and the entire Arizona congressional delegation have played in bringing about this historic resolution of issues surrounding the C.A.P.'s Plan Six. These issues had threatened to divide the people of Arizona and the United States Congress for years to come.

As this amendment now flows from a Statement of Principles jointly agreed to by members of the Arizona delegation and environmental organizations, it represents more than simply a single year's halt in funding of a dam. The Arizona delegation has agreed to drop its current and future support for the Cliff Dam or any similar Verde River water storage feature and environmental organizations have agreed to terminate a lawsuit that has clouded the future and timely completion of other Plan Six features as well as Cliff Dam due to environmental, financial and other legal issues. Environmental organizations also agree not to contest the adequacy of the Final Environmental Impact Statement for remaining Plan Six features at New Waddell, Modified Roosevelt and Modified Stuart Mountain Dams and to support appropriations for Safety of Dams repairs at Horseshoe and Bartlett Dams on the Verde and at Roosevelt and Stuart Mountain Dams on the Salt River.

The agreement also establishes a framework and process involving both the Secretary of the Army and the Secretary of Interior in identifying and providing any needed additional flood control measures at Bartlett and Horseshoe Dams or elsewhere to protect the lives and property of residents in the greater Phoenix metropolitan area. Evaluation and implementation of flood control solutions must be accomplished using Corps of Engineers criteria and in compliance with environmental laws, including NEPA and the Endangered Species Act.

Also, in recognition of the serious potential for environmentally damaging riparian and habitat losses on the Verde River, the Arizona delegation has pledged to look at options elsewhere than the Verde for additional water supplies to meet urban demands and tribal water rights claims.

Finally, the agreement calls for a commitment of the parties to support a full mitigation effort for all habitat losses associated with the construction of the remaining Plan Six features.

There is no question of the historic nature of this agreement. It is our hope that the final result will be to provide the needed long term protection for the superlative natural values of the Verde River and that all legitimate water supply and flood damage control needs can and will be met through the implementation of this agreement at potentially large savings to the citizens of the United States.

Once again, on behalf of Friends of the Earth, I wish to express our deepest respect and highest regard for the wisdom, judgement and honor with which each of you conducted yourselves and each of the other members of the Arizona delegation conducted themselves in developing this legislation and the agreement.

Sincerely,

DAVID R. CONRAD,
Washington Representative.

NATIONAL WILDLIFE FEDERATION,
Washington, DC, June 24, 1987.
Hon. LAWRENCE COUGHLIN,
House of Representatives,
Washington, DC.

DEAR MR. COUGHLIN: I am pleased to extend the support of the National Wildlife Federation to the amendment to be offered to H.R. 2700, the Energy and Water Development Appropriation Bill for Fiscal Year 1988, deleting Cliff Dam from the Central Arizona Project. I also want to confirm our support for the "Statement of Principles" dated June 18, 1987, upon which the amendment is based.

Each member of the Arizona Congressional delegation is to be commended for his willingness to place the long-term future of the state above political posturing for short-term gain. Indeed, the businesslike atmosphere in which negotiations took place could be a model for the resolution of other water resource controversies.

Also deserving commendation at this time is Senator Howard Metzenbaum, whose interest in the environment and perseverance on this issue resulted in several General Accounting Office reports that documented serious problems in need of Congressional attention.

Although the language of the Statement of Principles speaks for itself in most respects, I would like to take this opportunity to elaborate on several key points.

Other Features of Plan 6.—The essence of the dispute over Cliff Dam relates to the loss of unspoiled riparian habitat along the Verde River that would result from the construction of the dam and the storage of water for water supply purposes. As long as Cliff Dam or similar proposals for storing significant amounts of water on the Verde River are eliminated from Federal and local plans, the Federation will not object to further Federal funding for the remaining elements of Plan 6. This commitment, and the corollary agreement not to contest the adequacy of the Final Environmental Impact statement as it pertains to other Plan 6 features, are made with the understanding by all parties that Plan 6 will be implemented in full compliance with all applicable environmental statutes.

Changes that may be proposed in the construction or operation of Plan 6 elements in the future—circumstances not covered in the Final Environmental Impact Statement—must be fully and fairly evaluated in their own right. And while we will not oppose the orderly completion of the remainder of Plan 6, we do not construe this commitment as exempting Plan 6 or the Central Arizona Project as a whole from any general budgetary reductions that may be made in the Bureau of Reclamation program in future years.

Termination of the Lawsuit.—Once the Secretary of the Interior has acted to officially remove Cliff Dam from the approved plan for the Central Arizona Project, the Federation will act promptly to terminate legal action against Cliff Dam and Plan 6 without prejudice. Indeed, we intend to inform the court of this agreement at an early date, and our counsel stands ready to cooperate in the timely resolution of all procedural steps necessary to carry out this agreement.

Dam Safety Funding.—The Federation strongly supports the installation of safety-related improvements at Bartlett and Horseshoe Dams on the Verde River. We will support any reasonable request for Federal funding necessary to accomplish this purpose on a timely basis.

Flood Control.—The replacement of the flood control storage that would have been provided by Cliff Dam with some combination of workable alternatives is clearly a high priority within the Valley. We believe that the need for additional flood damage reduction measures must be weighed carefully, in light of new Hydrological data pertaining to the flood plain of the Salt River through the Phoenix metropolitan area. Although the Federation is not committed to any particular flood control measures, we are committed to a cooperative effort between conservationists, local planners, and Federal agencies to identify needs and to evaluate alternatives.

Under the terms of this agreement, a path is open for additional flood control storage at Bartlett and Horseshoe Dams, provided that there is an updated determination of need, and a finding of feasibility pursuant to the evaluation criteria currently employed by the U.S. Army Corp of Engineers. The Corp is expected, under the terms of the Statement of Principles, to undertake studies to evaluate a range of flood control measures. The scope of these studies should include downstream measures in the metropolitan area, as well as upstream storage, and non-structural as well as structural measures. All parties will seek an expeditious review and evaluation of these alternatives by the Corps.

Water Supply.—The relatively modest yield of municipal water supply that would have been provided by Cliff Dam can be addressed by a wide variety of measures. We urge local officials, conservationists, and other knowledgeable citizens to work together to formulate a broad new water supply strategy for Valley cities. This agreement to forego Cliff Dam should give new impetus to the consideration of broad new water conservation and demand management measures by Phoenix and its suburbs, measures that are predicted to be necessary in any event as a result of the state groundwater management law. Water rate design, building and plumbing codes, and subdivision and landscaping requirements should all receive attention in order to stretch existing supplies in the most cost-effective manner. With continued rapid growth in the metropolitan area, the benefits of such a water conservation program could be realized well before the previously scheduled 1997 completion date for Cliff Dam itself.

River Protection.—We believe that the natural values of the remaining unspoiled portions of the Verde River warrant permanent protection and national recognition. We look forward to working with the delegation in the future on appropriate legislation to accomplish this purpose.

In conclusion, let me again underscore our appreciation for the leadership you have shown in resolving this issue, and express our strong support for the agreement and our commitment to work together to see its benefits fully realized.

Sincerely,

Jay D. Hair.

Mr. UDALL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by Mr. Kolbe on behalf of the Arizona congressional delegation.

I would first like to express my appreciation to the gentleman from Pennsylvania [Mr. Coughlin] for his cooperation and assistance in the preparation of this amendment.

I would also like to express my thanks to my friend and chairman of the Energy and Water Appropriations Subcommittee, the gentleman from Alabama [Mr. Bevill] for his understanding, assistance, and continued support for completion of the central Arizona project. I am grateful for his cooperation, and that of the ranking member of the subcommittee, the gentleman from Indiana [Mr. Myers] in helping the Arizona delegation achieve a solution to our Cliff Dam problem.

I would further like to extend my thanks and appreciation to my colleagues in the Arizona delegation: Senators DeConcini and McCain, Congressmen Stump, Kolbe, Rhodes, and Kyl. Their collective political judgment, conviction, and effort made possible the difficult and not altogether popular decision embodied in this amendment and in the June 18 statement of principles.

Mr. Chairman, adoption of this amendment will mark the first step toward implementing a settlement reached by the Arizona delegation and a coalition of 11 national and local environmental organizations—thereinafter "coalition."

These organizations—Maricopa Audubon Society, National Wildlife Federation, National Audubon Society, Sierra Club, Arizona Wildlife Federation, Prescott Audubon Society, Friends of the River, Environmental Policy Institute, American Rivers Conservation Council, National Parks and Conservation Association, the Wilderness Society, and Friends of the Earth—have been united in their efforts to wage a legal and political war to stop construction of Cliff Dam on the Verde River in Arizona.

Adoption of this amendment will begin a process of ending this warfare before it takes an increasingly greater toll of time, energy, resources, and political capital which the Arizona delegation needs to pursue successfully other objectives beneficial to Arizona and the Nation. Chief among these objectives is completion of the central Arizona project.

Cliff Dam is one of four structures comprising plan 6, which the Secretary of the Interior selected in 1984 from among nine possible alternatives to Orme Dam. Orme, a huge structure authorized by the Colorado River Basin Project Act of 1968, was to have been built at the confluence of the Salt and Verde Rivers north of Phoenix. In 1976, in the face of intense opposition by an Indian tribe, environmentalists, and the Carter administration, Orme was shelved, and a long process begun to identify a "suitable alternative" authorized by the 1968 act.

Cliff Dam became an object of controversy for many reasons, in particular because of its potential adverse impacts on Sonoran desert nesting bald eagles and their habitat. Increasing opposition from the coalition in the courts and in Congress influenced the delegation's decision to seek a settlement that would eliminate the persistent and serious threat which the coalition poses to the continued funding needed to complete the central Arizona project as scheduled.

The essence of the Cliff Dam settlement agreement is that in return for the delegation's commitment not to seek funding for Cliff, the coalition will drop its lawsuit against the dam and the other features plan 6, as well as their efforts in Congress to limit funding for the central Arizona project.

Summarized, the basic outline of the agreement between the delegation and the coalition would be effected by completion of four actions:

First, adoption by Congress of an amendment to the fiscal year 1988 energy and water appropriations bill, as more fully described below;

Second, modification by the Secretary of the Interior of his decisions of April 3, 1984, and May 20, 1986, to remove Cliff Dam from the approved plan for the central Arizona project;

Third, termination by the coalition of its lawsuit against Cliff Dam and plan 6; and

Fourth, declaration by the Arizona congressional delegation of its intention not to pursue any future funding for Cliff Dam or any similar water conservation storage feature;

The agreement, as set forth in a statement of principles, calls for a variety of related actions and commitments by the coalition, the delegation, the Secretary of the Interior and the Secretary of the Army.

While this agreement will resolve some very serious problems facing the central Arizona project, it also creates some new problems. The delegation is emphatically committed to working with the appropriate Federal agencies and Arizona entities to resolve these problems. Three stand out;

First, water supplies necessary to replace the water yield that otherwise would have been provided by Cliff Dam must be identified and secured.

Second, structural and nonstructural measures on the Verde and Salt Rivers, upstream and downstream from Granite Reef Dam, and including Horseshoe and Bartlett Dams, that, properly combined, could provide the most appropriate and cost-effective flood control protection for the Phoenix metropolitan area, must be identified.

Third, the plan 6 cost-sharing agreement must be restructured to reflect changes in the levels and sources of water and flood control benefits that will result from the determination of solutions to the preceding two problems.

The Cliff Dam settlement agreement is contained in a statement of principles dated June 18, 1987, the full text of which is as follows:

STATEMENT OF PRINCIPLES ON THE ARIZONA CLIFF DAM SETTLEMENT

1. Language in the FY 1988 Energy and Water Appropriations Act will state that no further funds will be appropriated for the study or construction of Cliff Dam, and that Plan Six without Cliff Dam is deemed to constitute a "suitable alternative" to Orme Dam within the meaning of the Colorado River Basin Project Act of 1968.

This prohibition includes funds appropriated under the Reclamation Safety of Dams Act, as well as the Lower Colorado River Basin Project Act of 1968.

Funding will continue for Verde River fish and wildlife studies now under way as a result of the 1985 U.S. Fish and Wildlife Service biological opinion.

2. The organizations comprising the National Coalition to Stop Cliff Dam (hereafter "Coalition") agree not to oppose funding in Fiscal Year 1988 and succeeding years for the construction of remaining features of Plan Six—New Waddell Dam, Modified Roosevelt and Modified Stewart Mountain Dams—provided that Cliff Dam or similar conservation storage reservoirs on the Verde River, federal or non-federal, are not a part of Plan Six, the Central Arizona Project generally, or any other plan.

(Remaining elements of Plan Six will be implemented in accordance with applicable environmental statutes. There is a continued commitment by all parties to implement a fish and wildlife mitigation plan that will fully offset the loss of habitat values to riparian and wetland communities resulting from the construction of the balance of Plan Six elements).

3. The Coalition agrees to terminate its lawsuit against Cliff Dam and Plan Six without prejudice, upon agreement by the Secretary of the Interior to modify his discisions of April 3, 1984, and May 20, 1986, to remove Cliff Dam from the approved plan for the CAP.

The Coalition further agrees not to contest the adequacy of the Final Environmental Impact Statement as it pertains to all Plan Six features other than Cliff Dam.

4. The Arizona Congressional delegation agrees, upon termination of the lawsuit, to delcare its intention not to pursue any future funding for Cliff Dam or similar water conservation storage feature on the Verde River.

5. The Coalition agrees to support Congressional appropriation of funding under the authority of the Reclamation Safety of Dams Act to complete safety-related improvements at Horseshoe, Bartlett, Modified Roosevelt and Modified Stewart Mountain Dams.

(Existing Safety of Dams Modification Reports for the Salt River Project Dams will be amended to remove Cliff Dam and to identify corrective measures for Bartlett and Horseshoe. Such measures will be subject to compliance with the National Environmental Policy Act and consultation under the Endangered Species Act, as appropriate.)

6. The parties agree that additional flood control measures may be needed on the Verde River and that the addition of flood control measures at Bartlett and/or Horseshoe Dams may be required to meet such needs. The parties agree to ask the U.S. Army Corps of Engineers to undertake studies to determine and identify appropriate flood control solutions on the Verde River. The parties further agree that once the studies are completed and flood control alternatives identified, the parties will work together to effectuate an appropriate flood control solution which is consistent with applicable environmental laws, to protect the people and property of the Phoenix Metropolitian Area from flooding.

7. The Arizona Congressional delegation and the Department of the Interior are committed to ensure that the Valley cities will secure water supplies necessary to replace the water yield that otherwise would have been provided by Cliff Dam and flood control consistent with the previous paragraph. The delegation has obtained a commitment from the Secretary of the Interior and the Commissioner of Reclamation to do all within their authority to assist in identifying sources of such water for the cities and for the purposes of settling the water rights claims of the Salt River Pima Maricopa and Fort McDowell Indian Communities.

In hopes of avoiding future conflicting interpretations of the intentions and understandings of the parties with respect to the Cliff Dam settlement, I include here my understanding of the specific provisions of the statement of principles.

First. The first provision of the agreement calls for language to be included in the fiscal year 1988 Energy and Water Appropriations Act providing that no further funds will be appropriated for the study or construction of Cliff Dam. It further provides that plan 6 without Cliff Dam is deemed to constitute a suitable alternative to Orme Dam within the meaning of the Colorado River Basin Project Act of 1968. The delegation amendment so provides.

It is understood that the bar to further funding for Cliff includes any funding which could be sought under the Reclamation Safety of Dams Act as well as the Lower Colorado River Basin Project Act of 1968.

The delegation amendment specifies that any increments of flood control at Horseshoe and Bartlett Dams on the Verde River that may be found feasible by the Secretary of the Interior, in consultation and cooperation with the Secretary of the Army and using Corps of Engineers evaluation criteria, are also deemed part of the suitable alternative to Orme Dam.

Cliff Dam was designed to provide flood control benefits to the Phoenix metroplitan area that would otherwise have been provided by Orme Dam. Construction of Cliff was also intended to preclude the need to perform substantial repairs to Horseshoe and Bartlett Dams upstream and downstream from Cliff, pursuant to the Reclamation Safety of Dams Act, as amended. It is understood that it may be feasible to modify these two dams to provide some measure of flood control as well as dam safety benefits. In view of the flood control functions assigned to Orme and Cliff, any such flood control benefits derived from modification of Horseshoe and Bartlett are properly considered authorized as part of the suitable alternative to Orme Dam.

It is understood that by deeming New Waddell, modified Roosevelt and modified Stewart Mountain Dams, and flood control improvements provided in conjuction with dam safety modifications at horseshoe and Bartlett Dams as the suitable alternative to Orme, the amendment precludes any funding for a confluence structure at the original Orme Dam site absent enactment of additional authority by the Congress.

It is understood from the language of the amendment that flood control improvements to Horseshoe and Bartlett Dams must be economically feasible and meet the requirements of applicable environmental law pursuant to the evaluation criteria of the Corps of Engineers.

It is further understood that the coalition's agreement to accept flood control improvements at Horseshoe and Bartlett Dams in conjunction with dam safety modifications is conditioned upon such improvements not being used or operated to provide additional water conservation storage that would permanently alter the natural riparian regime of the Verde River.

The delegation amendment, consistent with the first provision of the statement of principles, bars funding for Cliff except with respect to fish and wildlife and environmental mitigation costs. These costs are estimated to be $400,000 in fiscal year 1988. The studies to be continued with these funds have utility independent of Cliff Dam. For example, completion of studies of endangered fish species in the Verde as well as of the eagle population is needed to determine how CAP water exchanges may be accomplished.

It is understood that the decision to eliminate Cliff Dam does not eliminate the need or the commitment by the delegation or the Interior Department to mitigate losses of riparian and wetland habitat on the Verde River consistent with the 1985 biological opinion of the U.S. Fish and Wildlife Service for plan 6.

Second. The Coalition agrees not to oppose funding in fiscal year 1988 for the remaining features of plan 6 provided that Cliff Dam or similar conservation storage reservoirs on the Verde River, Federal or non-Federal, are not a part of plan 6, the central Arizona project generally, or any other plan. It is understood that the phrase "or similar conservation storage reservoirs on the Verde River" is intended to refer to new dams. It is further understood that this provision means that any attempt to construct a water conservation storage structure on the Verde River would relieve the coalition of its commitment not to oppose funding for plan 6 features.

The third provision of the statement of principles states that the coalition agrees to terminate its lawsuit against Cliff Dam and plan 6, without prejudice, upon agreement by the Secretary of the Interior to modify his decisions of April 3, 1984, and May 20, 1986, to remove Cliff Dam from the approved plan for the Central Arizona Project. We understand that the coalition interprets this provision to mean that they will take the necessary steps to dismiss their lawsuit entitled *Maricopa Audubon Society, et al.,* v. *Hodel, et al.,* No. CIV 85-2166 PHX RGS, upon the Secretary's issuance of the appropriately modified decisions. The delegation urges the Secretary to take such action promptly.

The third provision also includes the coalition's agreement not to contest the adequacy of the final environmental impact statement as it pertains to all plan 6 features other than Cliff Dam. It is understood that the reference to "all plan 6 features" in this provision does not include Horseshoe and Bartlett Dams within the meaning of the delegation amendment.

I note that the coalition's agreement in provision No. 2 not to oppose funding for plan 6 features other than Cliff Dam; their agreement in provision No. 5 to support funding for safety modifications to Horseshoe and Bartlett Dams; and the fact that the principal challenge in the above-referenced lawsuit was to the adequacy of the final EIS for plan 6, effectively combine to diminish the significance of the dismissal of that suit "without prejudice".

It is understood as a matter of law that dismissal of this particular suit, with or without prejudice, does not operate as a bar to the coalition's filing new litigation on matters distinct from Cliff Dam or plan 6 on the Verde River or elsewhere. This legal truth must be recognized by all parties as an incentive to keep faith with the spirit and the letter of the statement of principles, and to work together to ensure that dam safety, flood control and water conservation will be provided as envisioned in this agreement without further litigation.

Fourth. Upon the termination of the coalition's lawsuit against Cliff Dam and plan 6, the delegation agrees to declare its intention not to pursue further funding for Cliff Dam or similar water conservation storage feature on the Verde. It is understood that such declaration may be made by letter inserted in the CONGRESSIONAL RECORD or such other form of public notice as the delegation deems appropriate.

This provision recognizes that a major concern of the coalition is the potential adverse environmental impact on riparian habitat that would accompany creation of any new water conservation storage on the Verde River. This provision, together with provision No. 2, clearly signals the parties' understanding that efforts to obtain significant new water conservation storage would most likely be successful elsewhere than on the Verde River.

Fifth. By this provision the coalition agrees to support congressional appropriations under the Reclamation Safety of Dams Act, as amended, to complete safety-related improvements at Horseshoe and Bartlett Dams on the Verde River and modified Roosevelt and modified Stewart Mountain Dams on the Salt River. The coalition recognizes that safety modifications to Horseshoe and Bartlett Dams are a necessary consequence of eliminating Cliff Dam, and that the modifications to Roosevelt and Stewart Mountain are necessary and desirable attributes of plan 6.

It is understood that the SOD modification reports for Salt River project dams shall be amended to reflect the elimination of Cliff Dam as provided in this agreement and to identify corrective measures at Horseshoe and Bartlett Dams. The delegation fully expects the Bureau of Reclamation to consult and cooperate closely with the Corps of Engineers in determining whether and to what extent flood control improvements can be feasibly combined with safety modifications at Horseshoe and/or Bartlett Dams.

It is understood that additional water conservation storage may be developed at Horseshoe and/or Bartlett provided that such storage is incidental to safety modifications—as distinct from flood control improvements—and that the cost of which is reimbursable to the United States pursuant to the Reclamation Safety of Dams Act, as amended. It is further understood that amendments to SOD modification reports for Horseshoe and Bartlett are subject to such requirements of the National Environmental Policy Act and consultation under the Endangered Species Act as would be otherwise appropriate.

Sixth. This provision addresses further concern for flood control for the Phoenix metropolitan area, and emphasizes a cooperative approach to identifying and effecting appropriate flood control measures. As in the preceding comments about provision No. 1 with respect to the delegation amendment, and as in comments about provision No. 5 with respect to safety of dams modifications, provision No. 6 states that the parties to this agreement agree that additional flood control measures may be needed on the Verde River, including at Bartlett and/or Horseshoe Dams. They further agree to ask the Corps of Engineers to study and identify alternative flood control solutions.

It is understood that the term "Verde River" in this provision is intended to include the Salt River from its confluence with the Verde through the city of Phoenix. It is the understanding and intention of the delegation and the coalition that the Bureau of Reclamation will work closely with the corps in studying and identifying structural and nonstructural flood control measures on the Verde and Salt Rivers upstream and downstream from Granite Reef Dam, including improvements to Horseshoe and Bartlett Dams, that could provide appropriate and cost-effective flood control for the Phoenix metropolitan area.

It is understood that the corps and the Bureau will utilize appropriate existing studies, in the interest of completing the requirements of this agreement as expeditiously as possible. With respect to flood control measures that might be most appropriate to the proposed development known as Rio Salado, the corps in particular is urged to consider such flood control measures that have proven very effective in the area known as Indian Bend Wash. It is understood that the delegation will seek to designate funding later in the fiscal year 1988 appropriation process for the corps to perform necessary feasibility studies in connection with this agreement.

The parties recognize potential benefits to all concerned if local representatives of the coalition are included in the process of selecting a combination of flood control measures that would be economically feasible and environmentally acceptable. The Bureau and the corps are encouraged to include such representatives in their deliberations.

The seventh provision states the delegation's strong commitment to ensure that the cities who are party to the plan 6 agreement will secure water supplies necessary to replace the water yield that otherwise would have been provided them by Cliff Dam, an amount expected to average about 20,000 acre-feet annually. The Secretary of the Interior has personally assured the delegation of his commitment, not only to identify sources of water, but also to assist in taking whatever additional steps are needed to carry out the terms of this agreement. The Commissioner of Reclamation has given the delegation similar assurance.

It is understood that the Secretary, acting through the Bureau of Reclamation, will seek to identify sources of water to meet the delegation's commitment as soon as possible. It is further understood that an additional purpose of identifying such water sources and appropriate storage is to assist in completing negotiations with the Salt River Pima-Maricopa and Fort McDowell Indian communities aimed at settling their respective water claims against the United States and numerous other defendants in the Phoenix area.

Mr. Chairman, I wish to reiterate my own commitment to work to bring about quick and effective solutions to the three major issues created by the decision to drop Cliff Dam: water for the Valley cities, flood control, and restructuring of the plan 6 cost-sharing agreement. I am confident that with the full cooperation of the delegation, the Interior Department, the Corps of Engineers, and the ingenuity which has marked Arizona's long struggle to create and finish the central Arizona project, we will succeed.

I want to express my thanks and that of the delegation to Interior Secretary Hodel, Assistant Secretary Ziglar, Deputy Assistant Secretary Marchant, Commissioner Duvall, and their staffs for their timely cooperation and assistance in our efforts to bring about this agreement. The Arizona delegation especially appreciates the fine people in the Bureau of Reclamation in Arizona, Nevada, Colorado, and elsewhere who have devoted so much of their time and expertise to a dam which the delegation has decided must now be abandoned. We trust that as professionals they will join us and the Arizona water community in helping to make the necessary adjustments and solve the new problems that result from this decision.

I believe the decision to negotiate this agreement with the opponents of Cliff Dam in the long run will prove to be in the best interests of the Central Arizona Project, Arizona, and the Nation. I urge the citizens of Arizona, whether they were for or against Cliff Dam, to work together to settle our remaining problems affecting the project, and then to move on to new challenges.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this issue is certainly no stranger to this subcommittee.

Back in 1968 the central Arizona project was authorized and from that point forward the consideration of the upstream on the Verde River has been considered by the State of Arizona and by this Congress.

There have been a number of compromises struck through the years.

In 1972 when the environmental impact statement was issued by the Department of the Interior it created some concern among the environmental groups throughout the country. The Orme Dam was objected to, which was part of the central Arizona project, it was objected to by the environmentalists because it was going to flood the Fort McDowell Indian Reservation and might—they said it would—interfere with the habits of the bald eagle, the bandit eagle, which nested in that area. In 1977, the administration stopped any further consideration of Orme Dam and in 1978 the central Arizona compromise was started to be worked on to work out an alternative to Orme Dam.

In 1984, it finally came about the Secretary of the Interior approved plan 6, which was to not build Orme Dam, but to raise Roosevelt Dam, to raise the Stewart Mountain Dam and to build Cliff Dam. It further provided storage in New Waddell Dam west of Phoenix. All of these were to provide water both industrial as well as municipal water for the city of Phoenix, and flood control.

In 1985 then the U.S. Wildlife issued their statement that Cliff Dam would not jeopardize the bald eagle but again found some objection. In 1985 suit was filed by Audubon Society and some other environmental groups.

This committee has been caught in the middle somewhat. When the issue came up again this year, the committee agreed if a compromise could be worked out with the delegation in Arizona that the committee would go along with it.

So today the committee does accept this compromise worked out within the delegation from Arizona to not build the Cliff Dam and the lawsuit would be dropped by the environmental groups. So if it is agreeable to Arizona it is certainly agreeable to this subcommittee.

Mr. KYL. Mr. Chairman, I rise in support of the amendment.

Mr. COELHO. Mr. Chairman, I rise in support of H.R. 2700, the energy and water appropriations for fiscal year 1988. This measure includes a provision which is the result of a tremendous amount of compromise and negotiation between the chairman of the House Interior Subcommittee on Water and Power Resources, Congressman GEORGE MILLER.

This provision is designed to improve compliance with the reclamation laws, particularly the Reclamation Reform Act of 1982. I strongly support reclamation programs, and because of that support, I believe it is important to assure that the integrity of such programs are maintained.

I have worked closely with Congressman MILLER to reach an agreement to assure that reclamation programs continue and the potential abuse of the programs is eliminated. I would also like to thank Congressman FAZIO for his support in this effort as well.

The provision in H.R. 2700 dealing with reclamation law reaffirms the intent of the 1982 law and the agreement on which the 1982 law was based on that subsidized irrigation water be limited to 960 acres for each individual or legal entity. In no way does it require such individuals or legal entities to be required to come under sections 203–208 of the Reclamation Reform Act of 1982 unless such legal entity or individual receives irrigation water under the authority of those sections of the act.

This provision requires that trusts be subject to reclamation acreage limitations as well and is intended to limit the use of trusts as a potential means of circumventing the intent and purposes of the reclamation law. In particular, this provision directly requires that trusts receiving irrigation water pursuant to the provisions of the Reclamation Reform Act of 1982 shall be limited to such acreage limitations.

This provision also includes additional approval and review of farm management arrangements, farm services agreement, or other form of operational relationship by the Secretary of the Interior. This section is designed to limit any potential circumvention of the acreage limitations. This provision is not intended to impose burdensome reporting restrictions for normal farm employees or farm services which are incidental to the operation of such lands. Rather it is designed to provide a clearer indication of a profit-loss share of the farming operation, and the beneficiary of irrigation water.

Finally, the provision grants the Secretary of the Interior additional authority to prevent evasion of law through the authorization of penalty provisions. It also requires the Secretary to issue the necessary regulations within a set time period to assure immediate and adequate notice for the implementation of this provisions.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. KOLBE].

The amendment was agreed to.

Mr. GLICKMAN. Mr. Chairman, I move to strike the last word so that I may participate in a short colloquy with the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL].

Mr. Chairman, if the gentleman will recall, some time ago I contacted the subcommittee to request funding for two water resource studies important to my constituents' efforts to secure long-term, adequate supplies of potable water. In looking over the package before us today, I was disappointed to see that funding for those studies had not been included.

Mr. BEVILL. If the gentleman will yield, I do remember the gentleman's request and I would like to assure him that we gave it every consideration. However, when we submitted the gentleman's request, along with all others presented to the subcommittee, to the Bureau of Reclamation, the Bureau indicated that they could not use the money in fiscal year 1988. Thus, the committee did not recommend funding for the studies in south-central Kansas, but certainly with no bias against them.

Mr. GLICKMAN. I gather from what you say, then, that other studies around the country were similarly set-aside.

Mr. BEVILL. Yes. I can assure my colleague that his projects were not alone in being treated in this manner. We certainly appreciate his interest in the water needs of his constituents and want to be able to work with him in the future to see that they are met.

Mr. GLICKMAN. I thank the subcommittee chairman for his explanation.

The CHAIRMAN. Are there any other amendments to title II?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III

DEPARTMENT OF ENERGY

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

(INCLUDING TRANSFER OF FUNDS)

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for energy supply, research and development activities, and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 21 for replacement only), $2,053,260,000, to remain available until expended; in addition $104,000,000 shall be derived by transfer from Uranium Supply and Enrichment Activities provided in prior years and shall be available until expended; and of which $57,300,000 which shall be available only for the following facilities: the Institute for Human Genomic Studies at the Mount Sinai Medical Center, New York City; the Center for Applied Optics, University of Alabama in Huntsville; the Center for Automation Technology, Drexel University; the Institute for Advanced Physics Research, Boston University; the Multi-Purpose Center, Boston College; and the Pediatric Research Center at Children's Hospital, Pittsburgh, Pennsylvania; and funds provided for byproducts utilization activities shall be available only for the following regional projects: Florida Department of Agriculture and Consumer Services; Hawaii Department of Planning and Economic Development; Iowa State University; Oklahoma, RedArk Development Authority; Washington, Port of Pasco; State of Alaska.

URANIUM SUPPLY AND ENRICHMENT ACTIVITIES

For expenses of the Department of Energy in connection with operating expenses; the purchase, construction, and acquisition of plant and capital equipment and other expenses incidental thereto necessary for uranium supply and enrichment activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 26 for replacement only); $1,162,793,000, to remain available until expended: *Provided*, That revenues received by the Department for the enrichment of uranium and estimated to total $1,301,000,000 in fiscal year 1988, shall be retained and used for the specific purpose of offsetting costs incurred by the Department in providing uranium enrichment service activities as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302(b) of section 484, of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced as uranium enrichment revenues are received during fiscal year 1988 so as to result in a final fiscal year 1988 appropriation estimated at not more than $0.

GENERAL SCIENCE AND RESEARCH ACTIVITIES

For expenses of the Department of Energy activities including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for general science and research activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 22, of which 18 are for replacement only), $805,998,000 to remain available until expended.

NUCLEAR WASTE DISPOSAL FUND

For nuclear waste disposal activities to carry out the purposes of Public Law 97-425, including the acquisition of real property or facility construction or expansion, $500,000,000, to remain available until expended, to be derived from the Nuclear Waste Fund. To the extent that balances in the fund are not sufficient to cover amounts available for obligation in the account, the Secretary shall exercise his authority pursuant to section 302(e)(5) to issue obligations to the Secretary of the Treasury.

ATOMIC ENERGY DEFENSE ACTIVITIES

For expenses of the Department of Energy activities, $7,813,284,000, to remain available until expended, including the purchase, construction and acquisition of plant and capital equipment and other expenses incidental thereto necessary for atomic energy defense activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the acquisition or condemnation of any real property or any facility or for plant or facility acquisition, construction, or expansion; purchase of passenger motor vehicles (not to exceed 292 for replacement only including 43 police-type vehicles; and purchase of two aircraft, one of which is for replacement only).

DEPARTMENTAL ADMINISTRATION

For salaries and expenses of the Department of Energy necessary for Departmental Administration and other activities in carrying out the purposes of the Department of Energy Organization Act (Public Law 95-91), including the hire of passenger motor vehicles and official reception and representation expenses (not to exceed $35,000) $398,513,000, to remain available until expended, plus such additional amounts as necessary to cover increases in the estimated amount of cost of work for others notwithstanding the provisions of the Anti-Deficiency Act (31 U.S.C. 1511 et seq.): *Provided*, That such increases in cost of work are offset by revenue increases of the same or greater amount, to remain available until expended: *Provided further*, That moneys received by the Department for miscellaneous revenues estimated to total $233,896,000, in fiscal year 1988 may be retained and used for operating expenses within this account, and may remain available until expended, as authorized by section 201 of Public Law 95-238, notwithstanding the provisions of section 3302 of title 31, United States Code: *Provided further*, That the sum herein appropriated shall be reduced by the amount of miscellaneous revenues received during fiscal year 1988 so as to result in a final year 1988 appropriation estimated at not more than $164,617,000.

POWER MARKETING ADMINISTRATIONS

OPERATION AND MAINTENANCE, ALASKA POWER ADMINISTRATION

For necessary expenses of operation and maintenance of projects in Alaska and of marketing electric power and energy, $3,026,000, to remain available until expended.

BONNEVILLE POWER ADMINISTRATION FUND

Expenditures from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, are approved for fish passage improvements at the Umatilla River Diversion and for the Ellensburg Screen Fish Passage Facilities. Expenditures are also approved for official reception and representation expenses in an amount not to exceed $2,500.

During fiscal year 1988, no new direct loan obligations may be made.

OPERATION AND MAINTENANCE, SOUTHEASTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy pursuant to the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southeastern power area, $27,400,000, to remain available until expended.

OPERATION AND MAINTENANCE, SOUTHWESTERN POWER ADMINISTRATION

For necessary expenses of operation and maintenance of power transmission facilities and of marketing electric power and energy, and for construction and acquisition of transmission lines, substations and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U.S.C. 825s), as applied to the southwestern power area, $16,648,000, to remain available until expended; in addition, notwithstanding the provisions of 31 U.S.C. 3302, not to exceed $4,625,000 in collections from the Department of Defense from power purchases and not to exceed $1,721,000 in collections from non-Federal entities for construction projects in fiscal year 1988, to remain available until expended.

CONSTRUCTION, REHABILITATION, OPERATION AND MAINTENANCE, WESTERN AREA POWER ADMINISTRATION

(INCLUDING TRANSFER OF FUNDS)

For carrying out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (Public Law 95-91), and other related activities including conservation and renewable resources programs as authorized, including official reception and representation expenses in an amount not to exceed $1,500, the purchase of passenger motor vehicles (not to exceed 3 for replacement only), $258,512,000, to remain available until expended, of which $235,268,000, shall be derived from the Department of the Interior Reclamation fund; in addition, the Secretary of the Treasury is authorized to transfer from the Colorado River Dam Fund to the Western Area Power Administration $7,003,000, to carry out the power marketing and transmission activities of the Boulder Canyon project as provided in section 104(a)(4) of the Hoover Power Plant Act of 1984, to remain available until expended.

FEDERAL ENERGY REGULATORY COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Federal Energy Regulatory Commission to carry out the provisions of the Department of Energy Organization Act (Public Law 95-91), including services as authorized by 5 U.S.C. 3109, including the hire of passenger motor vehicles; official reception and representation expenses (not to exceed $2,000); $104,000,000, of which $3,000,000 shall remain available until expended and be available only for contractual activities: *Provided*, That hereafter and notwithstanding any other provision of law, not to exceed $104,000,000 of revenues from licensing fees, inspection services, and other services and collections in fiscal year 1988, may be retained and used for necessary expenses in this account, and may remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1988, so as to result in a final fiscal year 1988 appropriation estimated at not more than $0.

GEOTHERMAL RESOURCES DEVELOPMENT FUND

For carrying out the Loan Guarantee and Interest Assistance Program as authorized by the Geothermal Energy Research, Development and Demonstration Act of 1974, as amended, $72,000, to remain available until expended: *Provided*, That the indebtedness guaranteed or committed to be guaranteed through funds provided by this or any other appropriation Act shall not exceed the aggregate of $500,000,000.

GENERAL PROVISIONS—DEPARTMENT OF ENERGY

SEC. 301. Appropriations for the Department of Energy under this title for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may be made to other agencies of the United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act. The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.

(TRANSFERS OF UNEXPENDED BALANCES)

SEC. 302. Not to exceed 5 per centum of any appropriation made available for the current fiscal year for Department of Energy activities funded in this Act may be transferred between such appropriations, but no such appropriation, except as otherwise provided, shall be increased or decreased by more than 5 per centum by any such transfers, and any such proposed transfers shall be submitted promptly to the Committees on Appropriations of the House and Senate.

SEC. 303. The unexpended balances of prior appropriations provided for activities in this Act may be transferred to appropriation accounts for such activities established pursuant to this title. Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Mr. MYERS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there any points of order against title III?

Are there any amendments to title III?

Mr. LEWIS of Florida. Mr. Chairman, I move to strike the last word and I ask unanimous consent to speak out of order on title I for the purpose of entering into a colloquy with the chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL].

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. The gentleman from Florida [Mr. LEWIS] is recognized for 5 minutes.

Mr. LEWIS of Florida. Mr. Chairman, I rise to enter into a brief colloquy with the chairman of the Subcommittee on Energy and Water Development the gentleman from Alabama [Mr. BEVILL].

Mr. BEVILL. If the gentleman will yield, I will be happy to enter into a colloquy with the gentleman.

Mr. LEWIS of Florida. Mr. Chairman, as you know, H.R. 2700 contains a section regarding the Kissimmee River demonstration project which is largely in my district.

Many of my constituents have expressed concerns about the scope and direction of the demonstration project.

Is it the intent of the committee that several issues including: The ability of the wetlands to assimilate phosphates, the impact of dechannelization on flooding, the cost if the demonstration project is expanded to include the entire river basin, the impact of dechannelization on fish and wildlife, and the environmental impact of the proposed projects to remove phosphates from Taylor Creek-Nubbin Slough should be considered by the Army Corps of Engineers?

Mr. BEVILL. The gentleman is correct. We want the corps to determine that the Taylor Creek-Nubbin Slough would be consistent with section 1135 of the Water Resources Development Act and their criteria of what determines the Kissimmee River Basin watershed.

Mr. LEWIS of Florida. I thank the gentleman and would like to commend the subcommittee chairman and the ranking minority member, the gentleman from Indiana [Mr. MYERS] for their leadership and outstanding work on this bill.

Mr. MAVROULES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the committee report contains language praising the Nuclear Regulatory Commission for its rulemaking proceeding on emergency planning. The committee report also observes that NRC's proposed rule would not exclude State and local governments from participation in emergency planning.

I want to make it clear that this Member, along with more than 115 other Members who have cosponsored House Resolution 138, disagree sharply with the committee report's assessment of NRC's emergency planning rulemaking. The very intent and purpose of the proposed rule is to circumvent the legitimate objections of the Governors of Massachusetts and New York to the opening of the Seabrook and Shoreham nuclear power plants on the grounds that it is impossible to adequately protect the populations around those plants in the event of a serious accident involving release of radioactive material. The people of my district, which includes six communities within the 10-mile emergency planning zone of the Seabrook plant, bitterly oppose the proposed NRC rule, and I am committed to fighting it. I hope that we will have an up or down vote on this issue on the floor before this session of Congress is over.

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I just want all of the Members to know, it is a very, very controversial issue back home; and I represent the border right before we enter New Hampshire.

We are talking about thousands upon thousands of people who disagree with the proposed rule changes, not of this committee or recommended by this committee, but by the NRC, so hopefully sometime before Congress adjourns this year, we can have a legitimate vote up or down on the issue.

Mr. COMBEST. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do this for the purpose of engaging in a colloquy with the gentleman from Alabama [Mr. BEVILL], the chairman of the subcommittee.

I had intended to offer an amendment which would end in title III, the section on nuclear waste disposal, an amendment which would prohibit also the use of any funds authorized under this appropriation bill for the acquisition of real property.

I represent one of the three sites that have been proposed as a potential nuclear waste repository. It happens to be the only site of the three sites which would be on private land.

My major concern is not with the Committee on Appropriations. It has not been that I have a problem with the Committee on Appropriations in that section, in title III, but rather that there is some concern in this Member's mind relative to the act, and whether or not the considerations and the nonconsiderations of the second repository site and other matters in the Multiple Retrievable Site, the MRS, and the original site might be looked into to determine if that was the intent of the law as was originally passed.

It is my understanding that there is wording which would urge that the Committees on Appropriations of the House and the other body consult in an attempt to reestablish consensus on the repository on the MRS site.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. Mr. Chairman, I yield to the gentleman from Alabama [Mr. BEVILL] to see if that is a correct statement.

Mr. BEVILL. Mr. Chairman, I thank the gentleman for yielding.

Yes, we are in effect holding the status quo, and we are asking the appropriate legislative committees to resolve this and get together as soon as possible.

Mr. COMBEST. I appreciate that. Again, it is no concern at all relative to the appropriations process on this, and I appreciate the fact of the gentleman's understanding of the potential problem, and the fact that the gentleman would in fact request the committees of the House and the other body, the appropriate committees, to do so.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. COMBEST. Mr. Chairman, I yield to the gentleman from Arizona [Mr. UDALL].

Mr. UDALL. Mr. Chairman, I thank the gentleman for yielding.

We had thought we had the nuclear high level waste problem resolved, and it was badly politicized last year by the administration.

I am coming around to believe that the only thing we can do is go back to square one and start over again. That means every potential area, every area that has the potential for the heavy-duty waste repository, is going to have to have a right to come in and make the case.

It is unfair to Texas to single them out and say you can buy land down here.

I think the gentleman has a good case, and I concur with the gentleman from Alabama [Mr. BEVILL].

Mr. COMBEST. I appreciate very much the comments of the gentleman from Arizona, and will look forward to working with the gentleman in this effort.

I am extremely concerned about this, and I agree with the gentleman relative to the comments of the gentleman on the Department of Energy, how it has been politicized, and also feel there has been a tremendous loss of credibility.

I appreciate very much the gentleman's interest in that. I look forward to working with the gentleman.

Mr. HOCHBRUECKNER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise today to protest the language in the energy and water development appropriation bill relative to the Nuclear Regulatory Commission.

On page 130 of this report, it says:

> The Committee commends the Commission for displaying considerable initiative and courage in issuing its proposed rule on emergency preparedness. The Committee notes that the proposed rule would not exclude states and localities from the decision-making process or compromise the safety of nuclear power plants. The Committee encourages the Commission to proceed expeditiously with this rulemaking to resolve this important issue as soon as possible.

I protest this language, and obviously since 1980, the NRC after Three Mile Island created a rule that has stood well in this country for the last 7 years; and that rule essentially said that the NRC would not license a nuclear powerplant unless there was an evacuation plan approved by the State and local government.

That is a very good rule, a rule that we have lived by, a rule that makes sense, a rule that we should support; but we now find a situation when the NRC is in the process of changing that rule.

That is the wrong thing to do. I represent eastern Long Island, and certainly local governments do not support the Shoreham Nuclear Power Plant.

We have New York State controlled by the Democrats, and the Democrats and Republicans together have said that there cannot be a reasonable evacuation plan for the Shoreham Nuclear Power Plant.

The Suffolk County legislature and the county executive, which is controlled by the Republican Party, have said that we cannot have an evacuation plan that would work for Long Island. So this is not a partisan issue.

Eighty-five percent of the people who live in my congressional district on eastern Long Island, which is the location of the Shoreham Power Plant, do not want that plant. If Shoreham opens, it gives us the potential for a nuclear disaster on Long Island. It will double the cost of electricity, giving us the dubious distinction of having the highest rates in this Nation, and we do not need the electricity from that plant.

We have every reason not to open the Shoreham Nuclear Power Plant, and certainly the Seabrook Nuclear Power Plant. I would like to advise my colleagues that there are at least three bills before the House and the Senate which would prevent the Nuclear Regulatory Commission from changing this rule. It was a good rule, and today over 115 Members support this legislation to stop the NRC from changing that rule.

So I think it is inappropriate that this language should be included in this particular committee report. Shoreham is the single most important issue in my congressional district, and let me assure my colleagues that the full House will have an opportunity to vote up or down on this particular issue.

The language is in this report. I am here to protest that language because I do not think it is appropriate and correct, certainly in its application to the Shoreham and Seabrook plants.

So I join with the gentleman from Massachusetts [Mr. Mavroules], the gentleman from Massachusetts [Mr. Markey], the gentleman from New York [Mr. Downey], and many other Congressmen to protest this language in the report. I hope that my colleagues will continue to have an opportunity to vote on whether we should allow the NRC to change their regulation, and that Members will join with us and allow the regulation that has worked so well in this Nation for 7 years to continue and at a minimum to be applied in the case of the Shoreham and Seabrook Nuclear Power Plants.

Mr. PURSELL. Mr. Chairman, will the gentleman yield?

Mr. HOCHBRUECKNER. I am happy to yield to the gentleman from Michigan.

Mr. PURSELL. Mr. Chairman, I just want to make a brief point and say that it is not our jurisdiction in terms of the language. The committee of jurisdiction is the Committee on Energy and Commerce, chaired by the gentleman from Michigan [Mr. Dingell]. We appropriate the money for appropriate projects. So I just want to make it clear that our committee is not the committee of jurisdiction, but I appreciate the remarks of the gentleman from New York.

Mr. HOCHBRUECKNER. Mr. Chairman, I thank my colleague for pointing that out, but I would also like to point out that the fact of the matter is that this language is in this report, and, therefore, it is my duty representing my people to do everything possible to refute statements like this whenever and wherever they are made.

The CHAIRMAN. Are there further amendments to title III?

If not, the Clerk will read.

The Clerk read as follows:

TITLE IV

INDEPENDENT AGENCIES

Appalachian Regional Commission

For expenses necessary to carry out the programs authorized by the Appalachian Regional Development Act of 1965, as amended, notwithstanding section 405 of said Act, except expenses authorized by section 105 of said Act, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, and for necessary expenses for the Federal Cochairman and the alternate on the Appalachian Regional Commission and for payment of the Federal share of the administrative expenses of the Commission, including services as authorized by section 3109 of title 5, United States Code, and hire of passenger motor vehicles, to remain available until expended, $110,000,000.

Delaware River Basin Commission

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Delaware River Basin Commission, as authorized by law (75 Stat. 716), $203,000.

CONTRIBUTION TO DELAWARE RIVER BASIN COMMISSION

For payment of the United States share of the current expenses of the Delaware River Basin Commission, as authorized by law (75 Stat. 706, 707), $263,000.

Interstate Commission on the Potomac River Basin

CONTRIBUTION TO INTERSTATE COMMISSION ON THE POTOMAC RIVER BASIN

To enable the Secretary of the Treasury to pay in advance to the Interstate Commission on the Potomac River Basin the Federal contribution toward the expenses of the Commission during the current fiscal year in the administration of its business in the conservancy district established pursuant to the Act of July 11, 1940 (54 Stat. 748), as amended by the Act of September 25, 1970 (Public Law 91-407), $79,000.

Nuclear Regulatory Commission

SALARIES AND EXPENSES

For necessary expenses of the Commission in carrying out the purposes of the Energy Reorganization Act of 1974, as amended, and the Atomic Energy Act, as amended, including the employment of aliens; services authorized by section 3109 of title 5, United States Code; publication and dissemination of atomic information; purchase, repair, and cleaning of uniforms, official representation expenses (not to exceed $20,000); reimbursements to the General Services Administration for security guard services; hire of passenger motor vehicles and aircraft, $417,800,000, to remain available until expended: *Provided*, That from this appropriation, transfer of sums may be made to other agencies of the Government for the performance of the work for which this appropriation is made, and in such cases the sums so transferred may be merged with the appropriation to which transferred: *Provided further*, That moneys received by the Commission for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs including criminal history checks under section 149 of the Atomic Energy Act, as amended, may be retained and used for salaries and expenses associated with those activities, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That revenues from licensing fees, inspection services, and other services and collections estimated at $208,900,000 in fiscal year 1988 shall be retained and used for necessary salaries and expenses in this account, notwithstanding the provisions of section 3302 of title 31, United States Code, and shall remain available until expended: *Provided further*, That the sum herein appropriated shall be reduced by the amount of revenues received during fiscal year 1988 from licensing fees, inspection services and other services and collections, excluding those monies received for the cooperative nuclear safety research program, services rendered to foreign governments and international organizations, and the material and information access authorization programs, so as to result in a final year 1988 appropriation estimated at not more than $208,900,000.

Susquehanna River Basin Commission

SALARIES AND EXPENSES

For expenses necessary to carry out the functions of the United States member of the Susquehanna River Basin Commission as authorized by law (84 Stat. 1541), $197,000.

CONTRIBUTION TO SUSQUEHANNA RIVER BASIN COMMISSION

For payment of the United States share of the current expense of the Susquehanna River Basin Commission, as authorized by law (84 Stat. 1530, 1531), $249,000.

TENNESSEE VALLEY AUTHORITY

Tennessee Valley Authority Fund

For the purpose of carrying out the provisions of the Tennessee Valley Authority Act of 1933, as amended (16 U.S.C. ch. 12A), including purchase, hire, maintenance, and operation of aircraft, and purchase and hire of passenger motor vehicles, and for entering into contracts and making payments under section 11 of the National Trails System Act, as amended, $105,000,000, to remain available until expended: *Provided*, That this appropriation and other moneys available to the Tennessee Valley Authority may be used hereafter for payment of the allowances authorized by section 5948 of title 5, United States Code: *Provided further*, That the official of the Tennessee Valley Authority referred to as the "inspector general of the Tennessee Valley Authority" is authorized, during the fiscal year ending September 30, 1988, to require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and other documentary evidence necessary in the performance of the audit and investigation functions of that official, which subpoena, in the case of contumacy or refusal to obey, shall be enforceable by order of any appropriate United States district court: *Provided further*, That procedures other than subpoenas shall be used by the inspector general to obtain documents and evidence from Federal agencies.

Mr. MYERS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there any points of order to be raised against any part of title IV?

If not, are there any amendments to title IV?

Mr. ROE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask for this time in order to have a colloquy with the distinguished chairman of this subcommittee, the gentleman from Alabama [Mr. Bevill].

Mr. Chairman, I want to extend my high compliments to the subcommittee chairman and to the ranking member, the gentleman from Indiana [Mr. Myers]. As always, they have done an excellent job putting together a difficult bill. This is a very complicated and difficult series of compromises they have brought together for the consideration of the House, and it represents a fine package and product, one that all of us should support. I would like to ask one question regarding a project of interest to me and to my constituents. The Hawaii deep water cable project has been funded for a number of years and has included the participation of three major contractors: Hawaiian Electric Co., Hawaiian Dredging Corp., and Pirelli Cable Corp. Do you anticipate in fiscal year 1988 and through completion of the project, these three principal contractors would continue to be involved?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, I will answer by saying, yes, the gentleman is correct.

Mr. ROE. Mr. Chairman, does the gentleman believe that continuation of the project with the three existing principal contractors will expedite the completion of the research and development and be more cost efficient and effective?

Mr. BEVILL. Yes, once again, I agree with the gentleman.

Mr. ROE. Mr. Chairman, I thank the gentleman for his remarks and for his support for this project. I look forward to the time when this project is completed in fiscal year 1989, and I thank him for the great job he has done on this piece of legislation.

AMENDMENT OFFERED BY MR. SMITH OF NEW HAMPSHIRE

Mr. SMITH of New Hampshire. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SMITH of New Hampshire: Page 39, strike lines 7 through 20.

Mr. SMITH of New Hampshire. Mr. Chairman, my amendment really is quite simple. It calls for the opportunity for the House to save $110 million by eliminating the Appalachian Regional Commission.

Over the years since the Appalachian Regional Commission was begun in 1965, it has been a successful commission. There is no question about that. The question at this point is whether or not the work has been done, and is it time to move on and get the Appaliachian area in conjunction with the rest of the country?

The ARC was funded at $105 million in fiscal year 1987. The fiscal year 1988 appropriations are now $110 million; that is a $5 million increase. In terms of fiscal policy and fundamental fairness, I do not believe we can afford the special interest of the Appalachian Regional Commission. The Appalachian Regional Commission can apply to the Economic Development Administration or the Farmers Home Administration, just like the other regions of the country have to do.

We are faced today with the opportunity, under this amendment, to really eliminate more programs with this one vote than we eliminated in the entire budget operation yesterday when we eliminated milk programs.

It has been said in this House, on the floor yesterday in the debate on the budget, that the President somehow is responsible for the huge budget deficits. Let us look at the facts. One hundred forty billion dollars more than the President's budgets that have been offered over the last 5 years has been added by this House. So there is no question about where the deficit responsibility lies. It lies with the U.S. Congress, not with the White House.

Here is our opportunity to do something about that. We are faced with a budget that contains $19.5 billion in fiscal year 1988 alone for tax increases on the American people, and it is $64 billion over the next 3 years. That is unacceptable. It is unacceptable to the American people, and it is certainly unacceptable to me and my constituents.

□ 1140

For the 20 years or so since President Johnson signed the Appalachian Regional Commission into law, over $10 billion in Federal, State, and local funding has been spent to improve the infrastructure and the quality of life of the Appalachian region.

It has been a success. There is no question about that. I do not contest that. But let me emphasize what I do contest, what it says, and this point was made in the legislation itself, "temporary program." That is the term that was used.

As the region obtains the needed physical and transportation facilities and develops its human resources, the Congress expects that the region will generate a diversified industry, and that the region will then be able to support itself, through the workings of a strengthened free enterprise economy.

Well, I believe that they have done that. I believe it is time now to sunset the legislation.

Congress does not, nor should it grant a Federal Government program immortality, which seems to be the way we do around here.

On this side of the aisle we are criticized by saying that we have never seen a defense program we did not like. Well, I think on the other side of the aisle we can say very clearly that they have never seen a program they could not spend money on and certainly never say one they wanted to terminate, whether it was successful or unsuccessful. I think that is really the issue.

The Appalachian region still faces significant challenges, no question, but so does every other region of the country. How about the farmers in the Midwest? How about in Texas with the problems they are having today, and not to mention other areas of the country that are solely dependent upon EDA and the Farmers Home Administration and not dependent on this special Commission?

Let us take a look at the Commission itself. Fact: By law the Governors must hold two yearly meetings. There are 13, two yearly meetings, yet in 1984 they were unable to muster a necessary quorum of 7, so it cannot be that important to them.

According to the Appalachian Regional Commission, they have met only once a year for the last 3 years.

Then came the talk from the President about eliminating the Appalachian Regional Commission and then what happened? Well, the best attendance in 6 years when we had 11 out of the 13 Governors attend the last meeting; so maybe the message is getting through.

We have gone far in addressing the needs which provided the impetus for the Commission. More than 2,000 miles of roads have been built, more than 700 vocational schools have been built, and more than 13,000 development grants have been made, no question.

The question, Is should they continue to receive this unfair attention by the U.S. Treasury and by the taxpayers? I think the answer to that is no.

For that reason, Mr. Chairman, I would urge adoption of this amendment and urge that my colleagues take this opportunity to eliminate just one program, just one program in this budgetary process, in fiscal year 1988.

Mr. ROGERS. Mr. Chairman, I rise in very strong opposition to the amendment of our friend and colleague which has just been introduced. I do so for a very, very solid reason.

My district is in the middle of the Appalachian region, as are many on the floor at this moment. Over the years, I have to say that the Appalachian Regional Development Program has been one of the few bright spots on the horizon that we have been able to see in order to give us some hope for improving the lot and lives of many of our people. With the highway programs that would not have been developed without the Appalachian Regional Commission Program, without vocational retraining of our workers to fit the modern world, without the water districts and the developmental possibilities that ARC opened up to us, there would have been no hope in many sections of Appalachia, including my own.

Let me give you a personal example now. Over the last year or year and a half I have been involved in the most exciting thing that I have ever been involved in. My district is composed of 27 counties, about a fourth of the State of Kentucky, a very rural area, no town or city of more than 15,000 population, most of it in the Appalachian service region. We have put all those 27 counties into a single development organization called the Southern Kentucky Economic Development Corp. It has three different aspects of it operating at this moment.

I say this to you because the seed money for this people organization came from the Appalachian Regional Commission and in fairly small amounts, I might say; but today there is an organization called Forward in the Fifth attacking the educational shortcomings of my area. We have the highest dropout rate. We have the fewest percent of high school graduates of adult age living in that region in the Nation, and other glaring statistics in education.

The ARC helped us with some seed money, $50,000.

Now we have got hundreds of people encouraging kids to stay in school, companies with many grants to help teachers take their kids to the State Capital or to a factory for an educational outing. Efforts to get hundreds of people involved in the GED Degree Program, the Equivalent Degree Program, hundreds of people from the small Appalachian Regional Commission grant, that organization now numbers hundreds of people and has parlayed that money with about $300,000 to date from private foundations and still growing. They are aiming for a huge budget, private moneys. It would not have happened without some seed money and the encouragement from the Appalachian Regional Commission. That is one of them.

Another organization now is working for the same thing to develop our tourism industry much more, a tremendous potential in Appalachia for increased tourism business, which means jobs and increased income levels for our people, increased educational opportunities and the like.

We have had to export millions of people from the Appalachian region of the United States over these last 30 or 40 years. It is time we had a chance to keep them at home, with factories at home, with educational opportunities at home, with chances for cottage industries and tourism at home. That is why we are fighting so desperately to build these organizations of people, grassroots, to solve their own problems. We cannot do that without some sort of seed money from the Appalachian Regional Commission.

As budgets go, this is not a big sum of money in the ARC budget. In terms of what it means to the peoples we are talking about, they are enormous sums of money, because we can parlay them with private donations then manyfold over the amounts of money we get from the Appalachian Regional Commission.

I plead with you to keep this ARC there as a bright beacon of hope for the people to look up to and a chance for them to have a plan put together for their own bootstrap operations; so I urge you to keep the Appalachian Regional Commission funding in this bill. It is critically important for those of us working in those areas of economic and in many cases disaster areas to be able to pull ourselves up from a place of many times lack of hope.

Another aspect of this is that much of Appalachia is in the coal mining regions of the country, most of it is, in fact, an industry that is severely hurting now. Do not take this chance away in light of that peril as well.

Mr. WISE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong opposition to this amendment to eliminate funding for the Appalachian Regional Commission. It clearly would be a disaster.

Let us look at the facts. First of all, we are talking about a program that affects 13 States. Yes, my State is totally encompassed within the Appalachian Regional Commission; 12 other States derive significant benefits from it.

Now, what exactly is this large sum of money that is supposedly being wasted? Exactly how much is it? It is $110 million.

Now, to those who would say, well, everything is being cut, I would point out to them that this is about a third of what the Appalachian Regional Commission was receiving just a few short years ago.

I also have a feeling that this Congress does not want to get involved in losing an investment, and it has been a significant investment that is still being made. To give you an example, corridor-G a four-lane highway that is a lifeline to southern West Virginia, which is going to provide the only real hope we have for diversification of our economy from a coal economy to a diversified technologically based economy; 81 miles of highway yet to be completed, 50-some miles have been. This Government has already spent some $600 million.

Would you now say that we will not complete corridor-G? Will you now throw away the $600 million investment just as the toughest part is about to be surmounted, just as we are about to finish that highway and say that there will be no lifeline in southern West Virginia? We will renege on that commitment we made.

I would say that is simply penny-wise and pound-foolish.

There has been some comparison made to the defense budget. Well, as I say, the defense budget, as I remember, has increased since 1981 from something like $110 billion at least. That is billion. That is with a capital "B", Mr. Chairman.

The Apppalachian Regional Commission is $100 million. That is with a small "m." I might add that is down from well over $300 million in its spending heyday.

So indeed, once again there simply is no comparison. The ARC has been steadily cut back. The Appalachian Regional Policy Commission today requires a 50-percent match from those who would be the beneficiaries of ARC projects.

Also, it is now limited to the most distressed counties. It is not something that is widely used in affluent counties that may fall within the Appalachian Regional Commission boundaries. Indeed, it is limited to those most distressed counties. That is where the money is being targeted.

I wish I could tell you that the Appalachian region is to the point where the creators of the ARC envisioned that it would be; but as the gentleman from Kentucky just pointed out, coal mining is certainly going through a rough transition. There are half as many coal miners working in West Virginia today as there were only 7 or 8 years ago; so we have to deal with that transition.

The Appalachian region is catching up, but it is only catching up. It is not there yet.

To say "no" now to the completion of the water projects, and we have communities that have gotten water for the first time because of the Appalachian Regional Commission; oh, yes it is easy to live in Fairfax. It is easy to live in Arlington. It is easy to live in the suburbs around Washington or in many other areas of the country where we take things for granted; but until you have pulled water out of a well, until you have seen the sanitation problems that exist in much of Appalachia, then you should not be involved in cutting this money, because you have not appreciated what many people in Appalachia are just finally getting away from. So much that is taken for granted in the rest of the country is not yet reality in Appalachia.

So to those who would cut that $110 million, eliminate an investment that has been made, I say come and see exactly what that means.

Happily, the Appalachian Regional Commission has been a bipartisan effort supported by Republicans and Democrats alike.

So I would say finally to those concerned about the deficit, I did some rough calculations, because when you get the overall deficit, Mr. Chairman, of $180 billion, give or take, depending on whose figures you use, and I will take the President's figures; when you take $180 billion, I have trouble getting the decimal point down with the ARC, but what I did come up with is that it works out to being something like less than one-tenth of 1 percent of the Federal deficit. That is a heck of a cut that we are going to make, but what we are going to do is cut a vital program for 13 States and millions of people who live in the Appalachian region who are finally beginning to see some sunshine, and now somebody wants to close if off and wall up the tunnel; just like they wall up a mine.

You know, they just blow it out and wall it up. You do not see any light. That is what they want to do with the ARC.

Well, Mr. Chairman, I would urge my colleagues to remember the commitment that has been made. We need to finish corridor-G and some other vital projects, and I urge you to save the Appalachian Regional Commission.

Mr. CLINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, obviously those of us who represent areas which are within the Appalachian region have some bias in this matter, but it is also true that we are perhaps the best informed to tell you the merits of the program and the real progress that has made in the 13 States represented by the Appalachian Regional Commission.

As the gentleman from New Hampshire has pointed out, the program has been successful. It has worked real change, dramatic change in a number of the counties in the most distressed area of the country, but it still is true that of the 272 distressed communities in the United States today, 88 of those, nearly one-third, are in the Appalachian region; so the fact is that there still is a very real problem there.

I think we as a nation recognized over 25 years ago that the Appalachian region was unique, that it had unique problems that required a rather special kind of approach, and that approach was encompassed within the legislation creating the Appalachian Regional Commission.

□ 1155

I would submit that ARC has been the most effective delivery system, the most cost-effective delivery system, of Federal resources that we have ever come up with in this country, because it represents a true partnership—State, local, and Federal—in the delivery of vitally needed dollars.

I would also point out that the share of the Federal Government has been minuscule in terms of the amount that we have leveraged in both State and local and private sector dollars.

Mr. HOWARD. Mr. Chairman, will the gentleman yield?

Mr. CLINGER. I yield to the gentleman from New Jersey, the chairman of the Committee on Public Works and Transportation.

Mr. HOWARD. I thank the gentleman for yielding.

Mr. Chairman, I believe that this is an excellent program. Of course, my own State of New Jersey, with the low unemployment that we have at this time, 3.7 percent, will not be getting 1 cent of EDA or Appalachian Regional Commission money, but we do not need it at this time. But this program is vital to the area that do need it, and it does certainly have a beneficial effect.

It has been estimated through the history of this entire program that for every $1 of Federal or taxpayer money that goes into this program, it has generated an additional $13 of investment by the private sector. So it certainly is seed money well spent.

I would just like to report that just a matter of a few minutes ago the Committee on Public Works and Transportation just passed out unanimously by voice vote, bipartisan, the EDA and ARC development legislation, and for that program for this year we have authorized $162 million. This appropriation has that cut down by $51 million to only $110 million. I think that it would be disastrous for us to just wipe out that entire program at this time.

We are looking toward the phasing out of this program maybe 5 years down the road for the nonhighway portion of it, but this would be a terrible time, when this program can do so much good and then the authorizing committee has just overwhelmingly passed out of its full committee on its way to the Banking Committee now legislation that provides for a 50-percent additional amount of money in authorization than this appropriations bill provides. I think that it would be absolutely disastrous for us to knock out this program at this time.

Mr. CLINGER. I thank the chairman very much for his comments, and I would point out that in fact we have been phasing down this program. The Governors of the 13 Appalachian States have recommended a phaseout of the program. That has been happening. The funding for the program has been cut. But it would be very, very disruptive, it would be very harmful, to jerk the rug out totally in this 1 year by eliminating the entire $110 million appropriation.

That represents, I would point out to the committee, about the cost of one-half of one B-1 bomber. We are taking $110 million and spreading it through the 13 most distressed States in the United States for the cost of about one-half of one B-1 bomber.

The need is still there. Unemployment levels in the entire Appalachian region are still 1½ points higher than the national average, again pointing to the unique problems that exist in this area, and it is largely because the region has had in the past a heavy concentration of primary products and durable goods industries, and that is obviously changing, because all of those industries, the ones that have been uniquely located in the Appalachian region, have experienced a decline in employment in the United States.

The gentleman from West Virginia pointed out that coal has been the one common product throughout the entire 13 States. That industry has been distressed for a large number of years, and has lost a tremendous market share due to the low price of foreign oil.

So I think, Mr. Chairman, that it would be indeed a disaster for the area if we were to withdraw all of the funding at this time. As the chairman pointed out, we have reauthorized ARC for an additional 3 years. That does represent a continuation of the phaseout, but it would be disastrous to jerk the rug out all at once.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, as you know, I have the responsibility of saying grace over all the appropriations bills.

MONEY OR REAL WEALTH? LETS TAKE CARE OF OUR REAL WEALTH FIRST

May I say that in this bill before us there are some 2,000 items. I realize that we are in a desperate situation financially and our money, only a medium of exchange, is in a terrible fix. But keep in mind that you could leave your children and your children's children all the money in the world, and with a worn-out and eroded land they would never make it. Whereas if you take care of our own country, your children could go ahead from there.

You know, since 1934, according to history, when this Nation started paying attention to local problems with Federal programs, our wealth has increased 41 times. A breakdown on this year's budget shows that we are in bad shape, but of the money that is in appropriation bills, and the debt that we have, it is not what we spend on our own country that causes the debt.

In the budget that we have before us and in the report from the Office of Management and Budget, only $289 billion is available for discretionary spending. The other part of it has gone to entitlements, foreign aid, military spending, interest, and all these other things beyond our reach.

I say that this is a big Nation of ours. The smartest thing that we ever did was to throw the weight of the Federal Government behind local problems. I make no apologies for having voted for the Chrysler loan, for the bailout of New York, for the irrigation system of the West, the Bonneville Power of the Northwest, or for what we do in other areas, because it is wise and it has proven to be wise for us to throw the weight of the Federal Government behind programs that are said to benefit only a part of the country—for our country is only as strong as its weakest area.

This area that we are talking about has its problems, but I do not know of any section of the United States that does not have problems, and they all are covered in this bill. Certainly it would be a mistake for us to cut out here so as to increase the money that we have put aside in other places or that we could increase foreign aid that would spend the same money doing the same work in foreign countries that we don't want to spend for in this country.

I cannot help but throw this in here: The American farmer is the only person, the only group, that we have held their feet to the fire and made them pay everything they owe, everything they borrow, and all of that out of this years income.

We had better do something about our money, but do not do it at the expense of your country, because you do not have gold and silver behind your dollars, you have a promise to pay. I say that this is a big country, and we had better look after all its parts.

I am proud to say that since I have been here I have supported every section of the United States. Somebody told me, said, "Jamie, you're the biggest pork-barreler in Congress."

I said, "I guess I am, because that pork barrel is what you do in the other fella's district, and I've helped more districts than anybody."

Don't make the mistake of cutting down on the base on which all the rest depends. Let's spend what we have to on our own country. That's all we have behind our money.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this bill making appropriations for energy and water development for fiscal year 1988. I want to especially commend the hard work that has been put into this bill by the distinguished subcommittee chairman, the gentleman from Alabama [Mr. BEVILL] and the ranking minority member, the gentleman from Indiana [Mr. MYERS]. They, along with other members of the subcommittee, have assembled a bill that responds both sensitively and reasonably to the energy and water development needs of our Nation. And they have done so in a fiscally responsible manner.

I do not want to retread the same ground that has been so ably covered by those who have spoken before me, but there are a few items in this measure that bear highlighting.

Within the Bureau of Reclamation, funds have been included for continued environmental studies associated with the Prairie Bend project in Nebraska. Last year funds were provided for the Bureau, in cooperation with the Fish and Wildlife Service, to perform a number of hydrological and endangered/threatened species studies.

This portion of the Platte River provides critical habitat for such species as the sandhill crane, piping plover, lease tern, whooping crane, and bald eagle. Since comprehensive reviews of the potential impact of water projects in this area must be included in any draft environmental impact statements on such projects, the committee has directed that work on these studies proceed expeditiously, and that a status report be provided to the Committees on Appropriations by next January.

I was pleased, as were the other members of the committee, to learn of the efforts by a variety of interested parties to design and implement a comprehensive recovery program for endangered fish species in the Upper Colorado River. Although the tightness of our budgetary situation did not permit funding of this project in this bill, it is my hope that funding will be provided once plans for this effort are made more definite.

For the Garrison Diversion Unit in North Dakota, a project that has been the subject of much controversy over the years, the committee has provided $35 million. In light of last year's enactment of the Garrison Diversion Reformulation Act, it appeared appropriate to move ahead with a reasonable level of continued funding.

The committee has provided fairly explicit direction for the allocation of these additional funds, particularly in light of indications that the Bureau of Reclamation may be pursuing a somewhat loose interpretation of some of the provisions of the Reformulation Act. In particular, the committee has directed that $9.2 million of the $32.5 million in additional funds be used for fish and wildlife activities, including mitigation, in order to be able to bring mitigation activities concurrent with construction by the end of fiscal year 1989.

One final note on the Bureau of Reclamation that is worthy of my colleagues' attention is a general provision to tighten up some of the language in the Reclamation Reform Act of 1982. Recently issued regulations indicated that the Bureau was taking an overly generous approach to the interpretation of that act, and in particular not cracking down on some of the abuses that had been intended to be addressed in the 1982 act. The language in this bill, although it may require some additional fine tuning, addresses some of those abuses.

For energy supply research and development, the committee has recommended almost $2.1 billion, about $143.5 million above the budget request. This includes $101.2 million for solar programs, $30 million above the budget request.

Also within the Department of Energy is a general provision, identical to language enacted last year, that imposes a 30-percent Buy American differential on purchases of extra-high voltage [EHV] electrical equipment by the TVA and Federal power marketing administrations. This language will help level the playing field for American manufacturers of such equipment as they attempt to compete against foreign suppliers whose countries do not let American firms bid on their procurements. This language creates an incentive for other countries to open their markets to U.S. manufacturers by providing an exemption from the Buy American differential for countries that provide "fair competitive opportunities" to U.S. manufacturers of EHV equipment. It is intended that any exemptions provided under this provision will remain in effect unless evidence of a change in the underlying facts upon which the original exemption was granted is brought to the attention of the Secretary of Energy or the U.S. Trade Representative.

In short, Mr. Chairman, this is a well-crafted, responsible bill, and I urge its adoption.

Mr. BOUCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment to delete $110 million in appropriations for the Appalachian Regional Commission. That part of America is still not part of the economic mainstream of the United States.

Several of the other Members who spoke have talked about the condition of the economy in our coal-producing areas. Let me just elaborate on that a bit. Since 1982 we have experienced in excess of 40-percent unemployment in the coal-producing counties of the western part of the State of Virginia. I think that that is a figure that has been duplicated in the coal-producing areas in other neighboring States, all within the boundaries of the service area of the Appalachian Regional Commission.

What we badly need is economic diversification, and yet the key to that is building a sufficient local infrastructure so that we can make our area attractive to industries that are evaluating our part of the country for location of new plants.

☐ 1205

Our localities simply do not have sufficient local resources to build those facilities on their own. The only way that we are going to enjoy a growth in sewer and water installations, in clinics and libraries, in vocational education schools, the kinds of public facilities and services that will make our areas attractive to new industry is if we continue to have help from the Appalachian Regional Commission.

Much has been said about the budget impact of this particular appropriation. It is quite small, it is only $100 million. But I would suggest that this is a wise investment in the economic future of the United States.

I would also suggest that it is perhaps an answer to deficits in the long term as opposed to part of the cause. Every time a new sewer and water facility is constructed, every time a new vocational school is built or a new industrial access road is placed in an area in need of development, we see new industry locate, and that expanding industry creates economic growth that in turn expands the tax base, which in turn means that the Federal Government should receive more money back than its initial investment.

The distinguished chairman of the Committee on Public Works and Transportation has made precisely that point. For every dollar invested by the ARC, a $13 investment is correspondingly made by the private sector. The effect on Federal revenues is positive, I would suggest, rather than negative.

Mr. Chairman, this is a wise program. It is not one that should last permanently, but until the Appalachian region truly is a part of America's economic mainstream, it is one that we should continue.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I do rise in support for this amendment, and as I do, I again want to recognize the Appropriations Committee for the hard work they do. It is a difficult task they undertake, and they undertake it with a good deal of hard work and a great deal of sincerity. I think we should keep that in mind.

Yet, on the other hand, we know that we face a fiscal crisis. We face a budget process in this body that seems somewhat confusing and chaotic to us. It is hard even as Members of the House to understand where exactly we are with spending in this country, let alone the public.

But with respect to this amendment, I do want to express my appreciation to my friend from New Hampshire for going through the appropriations bill and finding a place to cut. And what did he find? He found a program that 22 years ago was put in place to respond to a short run emergency, a program that still exists today as the only regional development commission.

We have fallen on tough times in the oil patch. I might want to come to the well and ask for the establishment of an oil patch regional development commission. I doubt very much that we could afford the establishment of such a new commission. I doubt very much within the current budget difficulties that it would be established.

Yet, we continue to fund, albeit at $110 million, a regional commission that has been in place for 22 years, a regional commission that has been disclaimed by three Presidents, President Nixon, President Reagan, and President Jimmy Carter, who said it was a waste of time and money. Presidents on both sides of the aisle and political spectrum have said it is time to sunset this commission.

Why? The fact is that in the past 22 years the commission's initial mission has by and large been fulfilled. We have in fact reversed out migration. Hundreds of hospitals and health care centers have been built and modernized, hundreds of educational, vocational institutions have been added, thousands of miles of highways and access roads have been built, 75,000 housing units have been built and rehabilitated, 135 industrial parks have been built, more than 1,300 sewer and water projects have been completed. There are more jobs, more people, less poverty, better health and better education.

While there still are pockets of poverty in Appalachia, it is no longer a stepchild of the United States. There are in place other programs that can help with the specific individualized pockets that remain.

So why do we retain a single regional development commission when in fact this area of the country has no corner on hardship? Why are we unable to sunset a 22-year-old program that has fulfilled its mission when we are in a condition of budget distress and the American people are asking us to balance their budget?

I think it is time to vote yes on this amendment and to begin the process of going into every appropriation bill and finding every possible alternative where we can cut. If my colleagues feel as though they have been singled out here, go into the bill and find another area. I think it is time for us to be involved as the body at large, recognizing and appreciating as we do the work of the Appropriation Committee, but still, nevertheless, all of us in this body have a stake in trying to find a way for the American people to make cuts.

It is, as the gentleman said, a small cut, $110 million. During all of those years when this enormous Federal budget grew we heard about a billion here, a billion there, and it adds up. As we try to cut it down, let us say a billion here, a billion there, and pretty soon it will add down. We have to get our fiscal house in order. We have to control the deficit. We have to do that $110 million at a time, and we have to do that with the full participation of the body.

In that regard, I want again to express my appreciation to the gentleman from New Hampshire and urge a "yes" vote.

Mr. SAVAGE. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, let me just say I am in opposition to this amendment for many of the reasons that have already been cited here, including the fact that just this morning the Committee on Public Works and Transportation passed a reauthorization for ARC stating very clearly the reasons for the need for continuing this operation.

I rise as the chairman of the Subcommittee on Economic Development of that committee out of which this bill reauthorizing ARC came this morning. Let me add that what bothers me here is that sometimes we seem to be more concerned about people overseas than we are about people right here at home. This is certainly a small amount for people at home compared to the amount of money there is in our foreign aid programs for people overseas. I think we need to look first where we live.

People here who are pushing always for increasing money to kill overseas seem always to be so strained when we talk about money to heal right here. It is wrong to think that the meager help we are providing Appalachia has solved these problems or turned it around sufficiently. The facts are that while in the reauthorization bill that passed in committee this morning we target the activities of the ARC, and also of the EDA to areas where the unemployment rate is at least 1 percent higher than that of the Nation, in the Appalachian region it is 1½ percent higher, and in that portion of Appalachia where there are the most active ARC programs the rate often is almost twice as high as unemployment in this country. When that is the case, even though it may not be that high in our State or in our district, when that is the case, a problem of any part of America with unemployment that high and with the median family income less than 80 percent of this country, we all must be concerned.

I do not come from Appalachia. I do not know if I would recognize a coal mine if I passed by one. I come from an urban center of the Midwest, an industrial center, a center that is plagued with its own problems, particularly in the steel industry and other heavy industries. But despite those problems, and also coming from a portion of the country whose population indeed has even greater problems than that, but despite the problems that my people may face, and despite the problems of the Midwest industrial districts, I still find enough compassion in my heart and concern in my soul to be bothered when there is some section of this country, as is the case in Appalachia, that despite the meager help is still not able to pull itself up by its own bootstraps. It bothers me under those circumstances to have someone who can vote so freely, liberally, for money to kill, strain over a meager $110 million to help to heal.

It is my understanding that in this budget proposal in title IV that it is some $70 million beneath the President's own budget request, yet we are still not satisfied. I urge this body to reject this amendment.

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, as a member of the Appropriations Subcommittee on Energy and Water, I listened for many hours to the testimony of my colleagues. I rise maybe from a little different twist on this overall situation here today. I say to my colleagues I do not think we should be trying to repeal or destroy this particular legislation before us today. I think we should be expanding it across rural America.

Ladies and gentlemen, today rural America is in decay, just as it occurred 50 years ago in our country. During a time when in many of the areas like the Ozarks and the Appalachian area moved to the urban centers looking for jobs.

I do not represent the Appalachian area and I want my colleagues to know that. But I know that today if they will look at the facts we are seeing a large out migration of our people still leaving and going to the urban areas. We are losing a value of life in rural America which is vital to the long-time existence of our country.

It is meaningful to me. I do not know if it is meaningful to most of my colleagues, but I think we are destroying the very fabric of our country when we see rural America being destroyed and the decay taking place. We have massive areas of the country where we find main street being boarded up, closed down if you please. We are seeing the areas abandoned because of this destruction and decay. We need to do what we can to help these areas survive.

Mr. Chairman, I am not here just to help the Appalachian area survive. We need to be looking at what I call a Marshall plan for rural America. I think that is what we need to be thinking about today, just as my friend, the gentleman from New Jersey [Mr. HOWARD], chairman of the Committee on Public Works and Transportation said that his committee realizes that we get a return of $13 for each $1 Federal invested. Ladies and gentlemen, that is a good investment in anybody's book, whether you are in the private sector or in the public sector.

As our friend, the gentleman from Mississippi [Mr. WHITTEN], chairman of the Appropriations Committee has said many times, we are seeing our land destroyed, we are seeing the infrastructure destroyed, and we are not investing back the very foundation of the economic opportunities for our citizens. The Appalachian area is an area that has many rural poor. An area that needs a helping hand because a lot of the economic conditions a lot of the economic policies have been working against them.

I think we in this Congress, and I hope my colleagues, whether they are in their offices or on the floor, will stop and reflect momentarily about the fact we are losing a vital link of our country, rural America, those small communities which make up the glue that holds our country together.

□ 1220

Rural America, is agriculture but it is more than agriculture? Are we going to give those sons and daughters, the people in rural America the opportunity to stay there and live there and work there? I think it behooves us to look at the merits of this legislation and try to expand it into areas of depressed rural America across this Nation. I stand in strong opposition against this amendment and I ask my colleagues to vote against the amendment but begin looking at a way that we can expand it in the years ahead, to areas like the Ozarks to give other people opportunities for economic growth.

Let us provide a Marshall plan for rural America.

I was impressed 2 weeks ago when I realized that we invested—listen to this, 10 percent of our budget for the Marshall plan to rebuild Europe, 10 percent of our budget.

We reached for greatness and vision in this country then, but today we are trying to cut the very vital lines of support to build rural America.

I ask our people and I ask our colleagues to look to the future. Let us provide a greater opportunity for our citizens. Let us defeat this amendment and let us build a Marshall plan for rural America.

Mr. TRAFICANT. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, we hear some new terms that are created on the House floor. We have heard golden parachute being thrown around. Now today we hear sunset being used relative to the Appalachian Regional Commission. I would like to bring about the concept of another term, that would be the total eclipse of this maddening defense buildup in this country. Every time we talk about dollars for people we bust the bank here. When it is $100 million for Central America, it is strategic emergency funds.

When it is $200 million on the strength of a 1-hour visit from Mrs. Aquino, it is statesmanship and diplomacy. But when it is money for Americans who are suffering from the policies of this administration it is called pork barrel.

The finest speech I heard as a Member of Congress was made by the chairman of our Committee on Appropriations on an amendment that everybody argued about for years, the Tombigbee. They are still arguing. He said, "Go ahead and call me pork barrel, but I didn't send this money all over the world, I invested it in America and my children and their children and our grandchildren are going to get a job from it."

Yes, we need a Marshall plan. This is nothing in this budget; it is tokenism. I am not from the Appalachian region but when are you going to give to my region if you do not deal with those microcosms in our society that are pained and suffering?

I cannot imagine that someone would stand on the floor here and try to act like big cutters to save the American budget.

You take a look at the pork barrel in that defense budget, it is ridiculous.

We are here today about a matter of priorities. We must defeat this amendment. And if we had some sense we would be putting more money into these particular areas and making cuts in others.

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I would be glad to yield to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. I thank the gentleman for yielding.

Mr. Chairman, I might point out that in the budget that the gentleman voted for and passed yesterday you have $70 billion in proposed defense cuts. Where are the cuts for these programs? Maybe we could help those people in the gentleman's area of the country if we did not have an Appalachian Regional Commission which dealt specifically, specifically, with one region of the country.

There are poor people in other parts of the country other than Appalachia that do not have a regional commission.

Mr. TRAFICANT. Reclaiming my time and understanding what the gentleman stated, in the last 6 years we have doubled the defense budget and we have basically taken the "people" programs in this country and thrown them out the window.

Further reclaiming my time, the distinguished gentleman from the Subcommittee on Economic Development, Mr. SAVAGE, made an excellent point. Sometimes we have to look at those other areas as well.

But what is the answer then? Are we going to continue to just sent money all over?

Seventeen billion dollars passed this House last year for foreign aid on a voice vote. I did not see one Member stand up and ask for a vote. And I was not here.

That to me was disgusting. But we are talking about $110 million for people. Some of those people are in dire straits and needing the help. If our country does not help them, who does? What do we do with the taxpayers' dollars? I think an excellent point was brought up on the Marshall plan. We need an American plan, we need it drastically before this social situation in America comes up and bites us right in the buns because people are frustrated with the policy here.

We are here today on a matter of priorities. You are going to continue to escalate this madness in the defense arena or you are going to start looking at a comprehensive program that takes care of national security but addresses itself to the communities and cities of our country. That was what we are here about today. I think that we should get off of that; I am getting awful tired of hearing about pork barrel. I think the pork barrel is going all over the world and not necessarily going into America.

Mr. RAHALL. Mr. Chairman, I move to strike the requisite number of the words, and I rise in opposition to the amendment.

Mr. Chairman, I am as concerned about Central America as President Reagan or any Member of this body is concerned. The problem is that my geographical definition of where Central America is differs slightly from that of this administration. Central America to me is where the historic geographical problems continue to affect this country, the United States of America; in the heartlands of the United States where the true Central America is. We can send hundreds of millions of dollars to Central America or we can send them to other countries and not even be able to define where those dollars have gone.

We can spend billions of dollars on outdated military fighting machines, nuclear weapons; but yet when it comes to spending this paltry amount, this miniscule amount on our people right here at home in the true Central America, there are those who say that it is pork barrel.

I say to my colleagues, those in the House who have supported this program by unanimous margins on rollcall votes in the past in this body, that we are talking about investments in people's programs right here at home, true investments for which we see the returns with our eyes.

It has been said that no longer is the Appalachian region of this country the stepchild of America because of the progress that has been made and therefore the groundwork had been laid to abolish the Appalachian Regional Commission. Perhaps substantial progress has been made but, to my colleagues who are not from the Appalachian region or other rural parts of this Nation, I say look at the changing face of rural America today. There have been technological improvements which would allow us, for example, to mine more coal than perhaps we have in years past, but not with more men. Coal production figures may go up, but so do the unemployment figures because of the technology that is coming on line. So we have a job to do still in front of us which the ARC addresses and that is retraining these individuals to find new jobs, to diversify our economic base, to help rebuild the infrastructures of the rural parts of our region which are so necessary to bring jobs there, bring about job diversification. To those that say the Appalachian Regional Commission has outlived its usefulness I say that those in the region recognize that the program may not continue indefinitely. The Governors of the 13 affected States have adopted responsibly a phase-down program. They have not gone along with the administration's attempt since day one to chop the legs out completely from underneath this program, indeed chop the heart out.

Instead, the Governors have acted responsibly, and adopted a phase-down program over 5 years. But I say that the Governors still need the money to continue that phase-down program. You cannot have a phase-down in a program when you have zero money to phase it down with.

So that is the proper approach to take so that we do not wipe out the building hopes of these people in the Appalachian region who are not looking for handouts but are looking for help so they can rebuild their lives, so they can bring themselves up by the, as we have heard so often described today, the bootstraps. That is what the Appalachian Regional Commission has done so effectively over its tenure.

I again urge my colleagues to oppose this amendment and once again express the House's support for the Appalachian Regional Commission.

Mr. WATKINS. Mr. Chairman, will the gentleman yield to me?

Mr. RAHALL. I yield to the gentleman from Oklahoma [Mr. WATKINS].

Mr. WATKINS. I thank the gentleman for yielding.

Mr. Chairman, I would like to point out a while ago when I said that our country invested 10 percent of its budget to the Marshall plan to try to rebuild those countries, today we are investing less than 1 percent in individual, similar type programs for our area, for domestic growth and development. I think we can do better than that in this country because that is directly helping Americans, directly helping economically rural depressed areas and that is why we should be looking at a Marshall plan to try to help rebuild rural America.

We were willing to do it in the 1940's and 1950's in that area to try to help our allies and also even some of the enemies of our country. I think we need to look at how we are going to help our friends, the taxpayers and others, by making this kind of investment.

Mr. RAHALL. The gentleman is very accurate. When we speak of national security, this program is aimed at rebuilding the hopes and determination of the people in rural America to believe in this country. That to me is just as important as regards our national security and our willingness to fight and willingness to defend this country around the world as any amounts of money that we can throw into fighting machines or nuclear weapons.

Mr. OBERSTAR. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was present at the creation of the Appalachian Regional Development Commission and Economic Development Administration, as a member of and later as Administrator of the Committee on Public Works staff.

In the earlier years, 1964, 1965, when the ARC was being proposed and the Commission known as the Roosevelt Commission made its recommendations to then President Kennedy and later President Johnson picked it up, there was a comprehensive plan proposed, carefully thought out with the Governors of the 13 States and private sector groups, to attack the many causes of economic decline in Appalachia. In the early 1960's, Appalachia was a term synonymous with economic distress. When you wanted to refer to an area of this country that was having economic problems you called it a "junior Appalachia."

The original commission plan recognized that to build up Appalachia you needed to develop highways, schools, health clinics, water treatment systems, and sewage treatment systems because they found that in certain areas, due to the structure of the ground, people were drinking their own sewage. They had generations of intestinal ailments. Because they did not have an effective highway system, they could not get their goods to market. It cost more to transport coal out of the region than the coal itself cost. Appalachia was slipping further and further back.

Years later when I was elected to Congress and still later became chairman of the Subcommittee on Economic Development over a 4-year period we held hearings on the ARC, at a time when President Reagan wanted to abolish ARC and EDA.

One of the witnesses said, "Before the coming of the ARC we was so far down we had to look up to see bottom."

"Without the Appalachian Regional Commission our area could not have developed. It gave us the tools we needed, the financial assistance we needed to create jobs, to open up opportunity, to have vocational training schools and centers, to bring our people ahead."

That is what the ARC has done; $1.5 billion of Federal funds leveraging additional billions in non-Federal investments, creating 1½ million jobs throughout the 13-State region, at a cost of $2,400 per job.

When the ARC came into being, the income level in that region was 45 percent of the national average. Today it is almost 80 percent of the national average—78 percent to be exact.

We have not finished the job; but you cannot roll back, in one and a half decades, a century of neglect and decline. You cannot turn it around in less than a generation. What the ARC has done is extraordinary. It has been a wise and sensible public investment of a modest amount of dollars.

I heard the gentleman from New Hampshire say other areas of the country did not have regional commissions. But they did. There were seven regional commissions established including one in New England, the New England Regional Economic Development Commission. It would still be in operation today were it not for this administration abolishing the regional commissions.

I understand the concern of the gentleman, the gentleman from New Hampshire; that State is the birthplace, the Merrimack Valley is the birthplace of the American industrial revolution. It was also the first area of this country to experience decline of America's industry and the first to be hard hit and to suffer long term economic distress.

So people from that area ought to understand the economic distress of the rest of this country. When one area of America suffers all of America suffers. We cannot be regional; we cannot be local; we have to be national in our concern for this economy and its growth.

The Appalachian Regional Commission is part of a national economic growth plan to bring all America up.

Finally, let me just say in conclusion, in one of our hearings a witness from a child development center, the director of a child development center in western Tennessee, Tilda Kemplen came to the committee and she said:

> Gentlemen, when you go back to Washington, think of this program. Six thousand children who did not have an opportunity in life were given early education, were given early guidance, were given early direction to lead whole and constructive lives. So when you go back to Washington please try to look over the top of the dollar and see a child. Help us rebuild and regenerate and put people into the world who can lead creative and productive lives.

□ 1235

That is what the Appalachian Regional Commission is doing and is doing well.

Let us give it an opportunity to continue that job for the future.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think we have heard every Member that actually has dealt with this program, beginning with the gentleman from Minnesota who actually saw the program come into being.

The gentleman is correct, when the gentleman says the ARC has done a tremendous job; but I do disagree that it has completed its work.

Actually we have many projects that need to be completed, and we are completing them, and this program is being closed out.

Just 3, 4 years ago we were appropriating over $300 million; and now we are down to $110 million. The Members who actually hear the testimony, the Members who know this program, every single one of those Members has told the House that it would not be appropriate to use the meat ax approach, and just stop these projects that will be of so much benefit to 88 of the impoverished counties in the United States, and that is what we are talking about.

We are talking about 88 counties of the Nation's most distressed counties, and we do not need the meat ax approach that is being advocated here by this amendment.

I urge you to vote against this amendment. It would be ridiculous to cut this program off this way, a program that is being gradually closed out as these projects are being completed.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I know we have done some talking here, and every Member has said a number of words. I will try to be as brief as I can.

The Appalachian Regional Commission to me is more than just a program. It is something that I have watched during the course of my life change the way that Appalachia and the people that live in Appalachia live.

I come from eastern Kentucky, one of the poorest areas of the United States. I come from an area where we do not have water; and when one gets up in the morning, and goes to take a shower, and suddenly there is no water that comes down, you say, "well, gee, what happened?" That happens two or three times a week, and I am one of the lucky ones, because I have some sort of water to begin with. If the Members in everyday life think what this is like, and it goes across the entire region. What we are doing here is providing things like water systems that change what we do, what kind of water we drink when you get up, or whether we have water at all. It is as basic a type of program as we can talk about.

We are talking about the way people live, and this is something the Appalachian Regional Commission has done, and it has been dedicated to the proposition that we should make the lives of people better.

In my area we have 20-, 30-, 40-percent unemployment in many areas. We have literally been an economic colony of areas that have produced billions of dollars of coal.

My district produces more coal than any other district in the United States of America. We have sent wealth out across this country and across this world, but little has been returned to us in the way that we live, the type of lifestyle that we have.

What we are asking for, and what we want and what we should, I believe, expect is that the people of this country as a whole should look upon areas such as this that have given so much of themselves and have provided so much to this country, and that we should realize that there are needs that must be met. Those needs are the basic sort of lifestyle that we find acceptable in this country.

For that reason, I would ask for a continuation of the Appalachian Regional Commission, and a rejection of what I consider to be a heinous amendment.

Mrs. LLOYD. Mr. Chairman, I rise in strong opposition to the Smith amendment to strike the appropriation of $110 million for the Appalachian Regional Commission [ARC].

The committee recommendation of $110 million would continue ongoing, economic and community development programs which are crucial to meeting the needs of the disadvantaged Appalachian region. For over 20 years the ARC has supported development in the 13-State Appalachian region and sought to move this region into economic parity with the rest of the country. This has been a successful program—poverty and infant mortality have been cut more than in half to reflect national averages, more than 2,000 miles of road have been built and over 2.4 million new jobs created.

I believe it is imperative that we in Congress continue our commitment to the Appalachian region and unequivocally support the ARC. This program serves a population of 20 million people providing support for community facilities, health, education, housing, energy and other essentials to economic development. Our localities simply do not have the resources to provide these services on their own. The $110 million in this bill for the ARC is a wise economic investment in the future of our country. Until the Appalachian region is a bonified part of the American mainstream we must continue to strongly advocate the reauthorization of the ARC. I urge my colleagues to join with me in soundly defeating this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire [Mr. SMITH].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SMITH of New Hampshire. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 82, noes 337, not voting 14, as follows:

[Roll No. 210]

AYES—82

Archer
Armey
Badham
Bartlett
Barton
Bates
Bereuter
Bilirakis
Boulter
Brennan
Broomfield
Brown (CO)
Buechner
Callahan
Carper
Combest
Coughlin
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Dickinson
DioGuardi
Dornan (CA)
Dreier
Fawell
Fields
Gibbons
Goodling
Gradison
Gregg
Gunderson
Hansen
Hefley
Henry
Herger
Hiler
Holloway
Hunter
Ireland
Kemp
Konnyu
Kyl
Latta
Leach (IA)
Lott
Lukens, Donald
Lungren
Mack
Martin (IL)
McCollum
Meyers
Miller (WA)
Nielson
Oxley
Penny
Porter
Rhodes
Rowland (CT)
Saiki
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Slattery
Smith (TX)
Smith, Denny
(OR)
Smith, Robert
(NH)
Solomon
Stenholm
Stump
Sweeney
Swindall
Tauke
Upton
Vucanovich
Walker
Weldon
Wolf

NOES—337

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Bateman
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boxer
Brooks
Brown (CA)
Bruce
Bryant
Burton
Bustamante
Byron
Campbell
Cardin
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Inhofe
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Saxton
Scheuer
Schneider
Schroeder
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert
(OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—14

Bonior (MI)
Bunning
Daniel
Flake
Gephardt
Gilman
Gingrich
Michel
Petri
Roemer
Schumer
Smith (FL)
Tauzin
Towns

☐ 1250

Mr. DAUB and Mr. DONALD E. LUKENS changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. HOWARD. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I first would like to express my gratitude and appreciation to the gentleman from Alabama [Mr. BEVILL] and the gentleman from Indiana [Mr. MYERS] for this fine piece of legislation that they have brought forth today.

I would like to discuss for just a moment a project we have in the State of New Jersey that has been authorized and appropriations have been made for it which would correct a very serious problem along the New Jersey Northern Shore, that would be the construction of a feeder beach in the area of North Long Branch in New Jersey, which would have the northward literal drift of the sand extend across the communities of Monmouth Beach and Sea Bright leading up to the Sandy Hook National Recreational Area. Of course, this project will protect the seawall along those two communities and also protect the communities themselves.

I would like to join in a brief colloquy to clarify something that is in the report with the gentleman from Alabama, if the gentleman will refer to page 30 of the committee report. This statement reads:

> Sandy Hook to Barnegat Inlet, New Jersey.—The committee directs that if suitable material is obtained from dredging the Sandy Hook to Barnegat Inlet project, the material should be placed on the Sandy Hook Unit of the Gateway National Recreation Area.

I would like to state, Mr. Chairman, that in this area of New Jersey there are two authorized Corps of Engineers projects with similar names. One is a beach erosion control project, Sandy Hook to Barneget Inlet, Sea Bright to Long Branch, and the other is a navigation project, Barneget Inlet to Long Port, NJ.

I presume the project referenced in the committee report is the Barneget navigation project for which dredging is required, and not the beach erosion control project, which involves the deposition of sand on the reach of beach in the vicinity of Sea Bright to Long Branch. Obviously, it would make no sense to remove material from an eroded beach. Utilizing dredged material from the navigation project, on the other hand, could be beneficial if the material is suitable. Is my understanding of the committee report language correct?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, the gentleman is correct. That is the intent of the committee.

Mr. HOWARD. Mr. Chairman, I thank the gentleman very much for this important clarification.

Mr. LUJAN. Mr. Chairman, I move to strike the last word.

I have asked for this time, Mr. Chairman, so that I might engage the gentleman from Alabama in a small colloquy on a particular point.

Mr. Chairman, I would like to clarify the intent of the report language of title III accompanying H.R. 2700 with regard to the Wind Energy Systems and Geothermal Programs.

The committee recomemndations for wind energy systems total $9.54 million, including $1 million to continue the acceptance testing of the MOD-5B large-scale wind turbine, leaving $8.54 million for other wind energy systems R&D activities.

□ 1305

In addition, the committee recommendations for geothermal total $24.635 million, including $5 million to continue the existing contract work in three field wells, $8 million to initiate the long-term flow test of the hot dry rock technology at Fenton Hill, NM, and $2 million to continue industrial experiments for hot dry rock at Roosevelt Hot Springs, leaving a total of $9.63 million for other geothermal R&D activities.

Mr. BEVILL. If the gentleman will yield, yes, that is correct.

Mr. LUJAN. Would the gentleman agree that within the $8.54 million for other wind energy systems R&D activities, that $3 million shall be allocated for the purposes of continuing specific research on vertical axis wind turbine technologies and related research in fatigue and aerodynamics?

Mr. BEVILL. If the gentleman will yield, yes, I support the use of these funds for these purposes.

Mr. LUJAN. Would the gentleman also agree that within the total of $9.63 million for other geothermal R&D activities, that $3 million be allocated for hard rock penetration research and magma energy extraction?

Mr. BEVILL. If the gentleman will yield, yes, I support the use of these funds for these purposes.

Mr. LUJAN. I thank the gentleman.

Mr. ROBERT F. SMITH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to enter into a colloquy with the distinguished chairman of the subcommittee, the gentleman from Alabama [Mr. BEVILL].

As the chairman of the Subcommittee on Energy and Water Appropriations knows, Public Law 99-662 authorized the expenditure of $3.37 million for "structural and nonstructural measures to prevent flood damage resulting from rising lake levels at Malheur and Harney Lakes, OR." These rising lake levels have inundated a rail line that is needed to move timber, harvested primarily on U.S. Forest Service lands, and other products out of Harney County. This line is an integral part of economic life in the county and this part of Oregon. Recently, Harney County and the State of Oregon agreed to cost-share any program to raise this rail line. This agreement to contribute up to 25 percent of the cost of restoration is a good-faith effort demonstrating the viability of the rail line.

Can my distinguished colleague give me some assurances that the committee would look favorably on any action taken by either the other body or the conference committee?

Mr. BEVILL. Mr. Chairman, if the gentleman will yield as my friend from Oregon knows, while the committee understands the importance of the project to the area, they received no testimony during hearings on the fiscal 1988 budget with respect to the project. The continuing efforts of my colleague, the State, county, and the senior U.S. Senator from Oregon demonstrate the importance of this project. I assure the gentleman that the committee will consider actions taken by the other body on this flood situation. In addition, the Corps of Engineers should continue to work closely with State and local authorities to develop and implement an acceptable solution to the problem.

Mr. ROBERT F. SMITH. I sincerely thank the gentleman, and also the ranking member, the gentleman from Indiana [Mr. MYERS].

Mr. PASHAYAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I should like to engage in a colloquy with the honored chairman of the subcommittee on the subject of including a provision that was omitted in the bill for the purpose of having the corps study raising Pine Flat Dam on the Kings River, CA.

This was an historic agreement reached by myself and my colleague, the gentleman from California [Mr. LEHMAN]. It is part of a larger understanding that we have regarding the construction of a second dam on the Kings River. We have other legislation that puts that off, and the understanding that we reached was that the corps would study and if found feasible would raise the existing dam on Kings River.

Mr. LEHMAN of California. Mr. Chairman, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from California.

Mr. LEHMAN of California. I thank the gentleman for yielding.

Mr. Chairman, my colleague has very accurately represented the agreement reached between him and myself and members of the Committee on Interior and Insular Affairs on the Kings River legislation, and we are very hopeful that now the Army Corps will commence that study to see if it would be feasible to raise the existing facility.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. PASHAYAN. I yield to the gentleman from Alabama.

Mr. BEVILL. I thank the gentleman for yielding.

Mr. Chairman, we will certainly work with the gentleman and urge the corps to do this.

Mr. PASHAYAN. I should hope that we could in conference get some kind of language into the final product.

Mr. BEVILL. We will certainly work with the other body in trying to do that.

Mr. PASHAYAN. I appreciate the gentleman's cooperation.

Mr. BUECHNER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I originally intended to offer an amendment today pertaining to the routing of trains transporting radioactive material. Specifically, the energy supply R&D account of the DOE appropriations bill provides funds for the transportation by rail of the spent nuclear fuel from the Three Mile Island facility in Harrisburg, PA, to a Government research facility in Idaho Falls, ID. This amendment would have provided that this train should not go through metropolitan areas with more than 100,000 people unless no reasonable alternate route was available. The Secretary of Energy would be responsible for such a determination. Although I will not offer this amendment, I would like to engage the chairman in a colloquy regarding this matter.

Mr. Chairman, I understand that this is a sensitive issue with many of my colleagues. However, I do not think the transportation of radioactive waste by rail has been properly addressed by Congress. The train carrying the TMI waste goes through heavily populated area of western Pennsylvania, Ohio, Illinois, and my district of St. Louis. I believe that an accident is a very viable possibility. In April, a train derailed outside of Pittsburgh which caused 16,000 people to flee from their homes. If this train was carrying radioactive waste, instead of chemicals, I think that the consequences would be quite severe.

As the chairman knows, the Department of Transportation has issued regulations that require motor vehicles which transport radioactive waste to consider available information on accident rates and population density [49 CFR 177.825] before shipping such material. Mr. Chairman, it is my understanding that the criteria for route selection were based on the best quality track, the shortest distance, and the avoidance of large population centers. Unfortunately, I do not believe that these criteria are always adhered to.

If the gentleman would permit, I would like to inquire about his feelings on providing some regulations on the routing of trains transporting radioactive waste traveling through densely populated areas.

Mr. BEVILL. If the gentleman will yield, I certainly understand his concern over this issue. It is my sense that as more waste is transported by rail, regulations should be reviewed to ensure the secure safety of these shipments. I agree that the appropriate legislative committees should review the routing regulations of the Departments of Energy and Transportation to ensure their adequacy. I also agree that it is appropriate for the Secretary of Energy to review all rail routes that go through densely populated areas. This is an issue that Congress needs to address.

Mr. BUECHNER. I thank the chairman for his consideration on this matter, and he has done an admirable job. I really commend him for his help on this matter.

Mr. RIDGE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to engage in a colloquy with the distinguished gentleman from Alabama [Mr. BEVILL].

Mr. Chairman, I would like to commend the gentleman for his diligent work on this energy and water appropriation bill, which is a measure worthy of our support.

I do support the bill, Mr. Chairman, but I do so with understandable disappointment that funding is not included for a shoreline erosion control project along Presque Isle Peninsula in northwestern Pennsylvania. The peninsula contributes significantly to the economy of the region and has attracted over 5 million visitors annually, more than both the Grand Canyon and Yellowstone Park. Regrettably, the peninsula is being seriously threatened by a devastating erosion problem caused by severe storms and wave action of Lake Erie.

Under the current short-term erosion control plan, the beaches are replenished on an annual basis, costing the taxpayers over a million dollars annually. The Corps of Engineers, after years of study, has concluded that breakwalls will offer long-term, permanent protection to the shoreline which will save the Federal Government and the taxpayers scarce dollars which would otherwise be allocated toward a costly annual sand replenishment program. At this stage, the Presque Isle project has received an authorization of $34,800,000, as well as a cost-sharing commitment from the State of Pennsylvania, but did not receive the necessary $2.5 million appropriation necessary for startup construction in this legislation.

May I ask the gentleman from Alabama if he is aware of the merits of this project?

Mr. BEVILL. If the gentleman will yield. I am aware that the gentleman from Pennsylvania has worked very hard to secure the necessary funding for the Presque Isle breakwater project. Indeed, Presque Isle is one of many very worthwhile projects that the committee was unable to fund due to budget constraints placed upon us. Of 263 projects authorized, the committee was able to fund only 51 new starts in this appropriations bill.

Mr. RIDGE. I thank the gentleman and I certainly appreciate those budget restraints. One final comment, Mr. Chairman, regards possible funding for this project in the Senate appropriations bill. Given this possibility, I hope the distinguished chairman will look favorably in conference upon any effort made in the other body to finance construction of this project.

Mr. BEVILL. I assure the gentleman from Pennsylvania that I will continue to keep in mind the merits of the Presque Isle project, particularly if the Senate approves funding during its appropriations proceedings.

□ 1315

Mr. COATS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I simply want to bring to the attention of the chairman and ranking member of the subcommittee a project existing in Fort Wayne, IN. It is called the Fort Wayne Metropolitan project.

Title I includes funds for preconstruction engineering and design in the amount of $250,000 for fiscal year 1988. I would like to inform both the chairman and the ranking Member that there is some concern on the part of appropriate city and county officials that the specific solution selected by the Corps of Engineers is the proper solution for the flooding problems.

We do want to thank the subcommittee for being sensitive to and aware of the flooding problem in Fort Wayne and simply want to pledge our continued willingness to work with the subcommittee, to work with the Corps of Engineers in finding just the right solution.

I have this day spoken with a number of people, and my staff with a number of people in the Fort Wayne area, both from the county and city perspective. We want this project to go forward as listed here. We are confident that we can continue to work with the corps, work with the subcommittee and other appropriate officials in working out the recommended solution to deal with the flooding problems in Fort Wayne.

Mr. MYERS of Indiana. Mr. Chairman, will the gentleman yield?

Mr. COATS. I am happy to yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Chairman, I thank the gentleman for his comments.

Being a Hoosier myself, it is nice to have something in the bill for Indiana, even though I have nothing in the bill in my own district. But the committee is very much aware of the problem Fort Wayne has had in recent years. Being a Hoosier, I have visited Fort Wayne and observed the problem the gentleman has. We are very much aware of it and thank the gentleman for his words here. We will continue to monitor that and do what has to be done.

Mr. COATS. I thank the gentleman. I know he is aware of the project, having visited there and having discussed it on occasion.

We are committed as a community to moving forward with a solution to the flooding problems that we have, and we trust that we are able to resolve and unite the community behind one proposed solution, and look forward to working with the chairman and ranking member on this particular project.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. COATS. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, we certainly will work with the gentleman to accomplish his goal on this project.

Mr. COATS. I thank the gentleman and yield back the balance of my time.

Mr. HUGHES. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to get the attention of the chairman of the distinguished subcommittee for just a moment to talk about a project in title I of the bill dealing with Cape May Inlet to Lower Township Program Property.

In New Jersey, as the gentleman may know and may remember, this is the project that involves the Cape May Coast Guard facility, the only training center in the country which is located in Cape May.

When the Army Corps of Engineers built the jetty in 1911, it was done in such a fashion that it starved all of the beaches south of there. Since then, the corps has acknowledged that it was designed inefficiently, and for the last 16 years, 12½ of which I have been privileged to represent that area, we have been studying the problem.

The Army Corps of Engineers finally made some recommendations about the construction of a new weir jetty, and two new groins are proposed for the area, maintenance of two groins that exist there now, and some deposits on the beaches, both at the Cape May Coast Guard facility and also south of there.

The fact is it is an $85 million facility, Government facility. We have lost at the present time the entire rifle range, and the helipad is now under water. We are losing the Coast Guard facility at an accelerated rate because now the ocean is taking fill that was trucked in as opposed to the beach fill, which is coarser and a lot more stable on the beaches.

I want to first of all thank the distinguished gentleman from Alabama [Mr. Bevill] for being so sensitive to the problem over the years. The committee has worked with me in developing this project, and we are now ready to move ahead with the constuction start. But lo and behold, just a few months ago the Army Corps of Engineers, at the insistence of the Secretary, decided to study a side sand bypassing proposal which is cheaper, but which will not address the basic problems.

As I read the language in the bill in title I on page 7, I understand that what we are funding to the tune of hopefully $4.5 million is a project that we have studied now for 16 years, which the corps has recommended, which includes the construction of a weir type of jetty and groins that are needed, and the deposition basin as opposed to the quick fix at that location.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. HUGHES. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, yes, we are very familiar with that project and we will work with the gentleman in accomplishing his goals. We intend to fund the project the gentleman has described.

Mr. HUGHES. I thank the gentleman. I want to thank both gentlemen, the chairman and the ranking member, the gentleman from Indiana [Mr. Myers] because they have worked with me for 12½ years in trying to bring this project to fruition. Unfortunately, now we find that the Coast Guard facility is directly at risk. We now know that within the next year we are going to lose about $1 million in buildings, and we have a $85 million facility.

So Rome has been burning and now we have to get down to the serious business of beginning this construction project. I know it is tough in this fiscal climate to be talking about a new construction start, but it is going to cost a lot more money if we do not get underway with this project.

I thank the distinguished subcommittee for starting this project in this next fiscal year. I think that is the right decision. I know the subcommittee had a lot of trouble trying to sort out the projects and trying to prioritize. I think they have done yeoman's work, and have an excellent bill. I am just delighted we have a construction start in this next fiscal year and I thank the gentleman.

The CHAIRMAN. Are there any further amendments to title IV?

If not, the Clerk will read.

The Clerk read as follows:

TITLE V
GENERAL PROVISIONS

Sec. 501. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

Sec. 502. None of the funds in this Act shall be used to pay the expenses of, or otherwise compensate, parties intervening in regulatory or adjudicatory proceedings funded in this Act. This prohibition bars payment to a party intervening in an administrative proceeding for expenses incurred in appealing an administrative decision to the courts.

Sec. 503. None of the programs, projects or activities as defined in the report accompanying this Act, may be eliminated or disproportionately reduced due to the application of "Savings and Slippage", "general reduction", or the provision of Public Law 99-177.

Sec. 504. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

Sec. 505. None of the funds appropriated in this Act shall be used to implement a program of retention contracts for senior employees of the Tennessee Valley Authority.

Sec. 506. Notwithstanding any other provision of this Act or any other provision of law, none of the funds made available under this Act or any other law shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required "at cost" to a "market rate" or any other noncost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.

Sec. 507. None of the funds appropriated in this Act shall be used to pay the salary of the Administrator of a Power Marketing Administration or the Board of Directors of the Tennessee Valley Authority, and none of the funds authorized to be expended by this or any previous Act from the Bonneville Power Administration Fund, established pursuant to Public Law 93-454, may be used to pay the salary of the Administrator of the Bonneville Power Administration, unless such Administrators or Directors award contracts for the procurement of extra high voltage (EHV) power equipment manufactured in the United States when such agencies determine that there are one or more manufacturers of domestic end product offering a product that meets the technical requirements of such agencies at a price not exceeding 130 per centum of the bid or offering price of the most competitive foreign bidder: *Provided,* That such agencies shall determine the incremental costs associated with implementing this section and defer or offset such incremental costs against otherwise existing repayment obligations: *Provided further,* That this section shall not apply to any procurement initiated prior to October 1, 1985, or to the acquisition of spare parts or accessory equipment necessary for the efficient operation and maintenance of existing equipment and available only from the manufacturer of the original equipment: *Provided further,* That this section shall not apply to procurement of domestic end product as defined in 48 C.F.R. sec. 25.101: *Provided further,* That this section shall not apply to EHV power equipment produced or manufactured in a country whose government has completed negotiations with the United States to extend the GATT Government Procurement Code, or a bilateral equivalent, to EHV power equipment, or which otherwise offers fair competitive opportunities in public procurements to United States manufacturers of such equipment.

Sec. 508. None of the funds in this Act may be used to construct or enter into an agreement to construct additional hydropower units at Denison Dam—Lake Texoma.

Mr. MYERS of Indiana (during the reading). Mr. Chairman, I ask unanimous consent that title V be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The CHAIRMAN. Are there any points of order against title V?

Are there any amendments to title V?

AMENDMENT OFFERED BY MR. PENNY

Mr. PENNY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Penny: Page 46, after line 19, insert the following new section:

Sec. 509. Each of the amounts appropriated by this Act not required to be appropriated by law shall be reduced by 1.7 percent.

Mr. PENNY. Mr. Chairman, several weeks ago a bipartisan group was formed with the objective of monitoring each appropriation bill as it came to the House floor. While various amendments have been offered in the past to either freeze or cut across-the-board appropriation measures, most of those efforts were conducted on an informal basis. This time around we thought it would be important to make it clear that there is strong sentiment on both sides of the aisle to cut back spending levels as a way of further reducing the national deficit.

In recent weeks, we have seen reports from renowned economists indicating that instead of the deficit continuing on a downward trend, we are going to see those deficit numbers begin to increase again unless we make a fundamental change in spending priorities or in taxing policies that will allow those deficits to shrink. We ought to be concerned about that reversal of a trend that had been moving in the right direction until recently.

We just passed a budget resolution yesterday which calls for a deficit reduction in the coming fiscal year of about $36.5 billion. Half of that deficit reduction would be achieved through spending restraint, and I am not using the word spending reductions because, in fact, we are reducing the level of increase in most spending categories. We are not really making reductions in any spending categories. So spending restraints under that budget resolution will save about $18 billion or $19 billion in fiscal year 1988.

The other half of that deficit reduction plan is contingent on the passage of a tax bill. This House must go about the work of deciding what elements should be in that tax package, and it will not be an easy task. If my colleagues have doubts that we can agree on that kind of tax revenue, they certainly ought to be looking at amendments of this nature to cut back spending bills when those opportunities arise.

If my colleagues think the tax bill can pass but have doubts about it being signed into law, then they ought to take a very careful look at each appropriation bill when amendments of this nature are offered.

In the New York Times today an article points out that leaders in Congress acknowledge that if the President holds to his promise to veto tax increases, there may be no significant reduction in the Federal deficit this year. If he does hold to that veto threat, the only way we can meet our deficit reduction objectives is to cut a little more as each opportunity arises.

That is what this bipartisan task force is all about. I will call on my colleague, the gentleman from Iowa [Mr. TAUKE] in a few minutes to speak to this issue as well, because he cochairs this group with me. But the amendment to this bill, the energy and water appropriation bill which appropriates $16.2 billion, addresses that spending level by asking for a 1.7-percent across-the-board cut.

We have in this bill a $1.1 billion increase over last year's spending level. We have factored out a $700 million transfer from fiscal year 1987, the unexpended uranium enrichment moneys, into fiscal year 1988 for use in energy research and development, on the understanding that that is a onetime transfer and it will not increase the baseline for those programs. But we are still left with a $542 million spending increase in this bill.

□ 1330

The $542 million of additional spending that will have to be borrowed because we are still running a deficit in the neighborhood of $160 to $170 billion. All we are asking in this amendment is to cut this increase in half. Save us from borrowing another $270 million. It is a reasonable, modest approach; 1.7-percent reduction in all the accounts in this bill.

Mr. Chairman, I urge its adoption.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I rise in strong support of the energy and water development appropriations bill.

I would like to thank my chairman, TOM BEVILL, and my ranking minority member, JOHN MYERS, for their willingness to deal with a number of issues which are important to California. They and all the members of the Energy and Water Subcommittee have been extremely helpful on behalf of my State. I appreciate greatly the opportunity to work with them, as well as Chairman BEVILL's excellent subcommittee staff.

This bill achieves a difficult balance in a tough year. As passed by the full Appropriations Committee this energy and water bill is under the administration's budget estimates, under the allocations provided by the House budget resolution, and significantly below the expected allocations from the House-Senate budget conference agreement. Yet the subcommittee was able to fulfill requests for a myraid of programs important to localities, to regions, and to the Nation as a whole.

There is a compromise in this bill which I offered in full committee that should help lessen the conflict over the allocation of subsidized water to western farmers by the Bureau of Reclamation. It is the result of long and painstaking compromise between Congressman COELHO and Congressman MILLER—two Californians who are usually on opposite sides of this issue.

The amendment reflects the efforts of my colleagues to improve compliance with the reclamation laws. The amendment is supported by the chairman of the authorizing committee, Mr. UDALL.

The Interior Department recently issued regulations to implement the Reclamation Reform Act of 1982. Those regulations were seriously flawed and led to considerable controversy.

The language in section 206 of H.R. 2700 would correct the major flaws contained in those regulations.

It is important to note, however, that this language does not break new ground. It simply reaffirms the intent of the amendments the Congress passed in 1982 which was that reclamation subsidies should only be available for farming operations of less than 960 acres.

The language in section 206 assures that trusts and farm management arrangements will not be used as devices to evade the intent of the reclamation laws. This was a major deficiency of the regulations issued by the Department.

Finally, section 206 provides the Secretary with improved tools to enforce the law. These provisions will help the Secretary prevent the use of schemes or devices to evade the intent of the law.

Mr. Chairman, I recognize that the process we are following to revise the reclamation laws is unusual. However, this expedited process is necessary in order to bring stability to the program.

I would like to commend Congressman COELHO and Congressman MILLER for their hard work and statesmanship in crafting this compromise.

In addition to the reclamation reform provisions, this bill includes a number of other items which are important to the safety and livelihood of Californians.

There is continued funding for flood protection projects throughout the State. I am particularly pleased with those studies included in the Corps of Engineers and Bureau of Reclamation budgets which will help us to address the flood control problems in northern California, where the devastating flood of February 1986 is a recent memory. Many communities in the region, including Sacramento, are discussing the need for greater flood protection. The Federal investigations will provide information and impetus for decision in those communities.

I hope Sacramento's very crucial decision on greater flood protection will be benefited by language included in the report which tells the Department of the Interior to support new authorizing legislation for the proposed Auburn Dam by the time of its next budget submission. Secretary Hodel's position on Auburn Dam has been ambiguous for too long. Sacramentans need to know if the dam is among the options they have for improving the community's flood control.

There is also substantial funding in this bill which will benefit California's maritime commerce industry. Ports and harbors from Oceanside in the south to Crescent City in the north would receive help from the Corps of Engineers to deepen channels, dredge harbors, and build breakwaters. An item of particular importance to my district is funding to begin deepening the 47-mile Sacramento deepwater ship channel.

The subcommittee has generously added funding to continue U.S. leadership in research and development of renewable and alternative energy, as well as in conservation research. The President's budget proposed drastic reductions in Federal support for photovoltaic, solar, wind, biomass, and geothermal techologies. This energy and water bill increases funding for those programs by a third.

This bill also includes funding for the superconducting super collider, or SSC, which will bring this country to the forefront of international research on the forces which govern our universe.

Finally, Mr. Chairman, I would like to thank the subcommittee for adding $10 million to the $100.6 million requested by the President for verification and control technology. This program provides for the research, development, test, and support activities related to the detection of nuclear test activities in response to treaty verification and national security requirements.

The $10 million increase will provide $7 million for initial fabrication of a deployable seismic verification system [DSVS]. The DSVS system could be used to verify Soviet compliance with lowered threshold test ban agreements. Roughly 20 to 30 seismic stations will be needed to monitor a test ban agreement of unlimited duration. The administration's request only funds procurement of the first unit. The additional funds will allow more units to be acquired and support associated seismic research.

The remaining $3 million added by the committee for verification and control technologies will go to the development of improved capabilities for detection of space nuclear detonations by the boost surveillance and tracking system [BSTS]. These funds are critical to provide a nuclear test monitoring package in time to meet the launch of the BSTS satellite.

Mr. Chairman, this bill is a fiscally sound measure that continues a long and virtuous Federal investment in the Nation's economy, public safety, and national security. I urge my colleagues to join me in supporting it.

Mr. Chairman, this amendment is not just for the Energy and Water Subcommittee, but I think for the appropriations process in this fiscal year 1988 that begins the first of October.

We have just enacted the budget resolution setting forth the blueprint that this committee is bound to follow. If anyone thinks that this committee is disinclined to follow that blueprint, I think we will prove to you over the next several weeks, on up to the departure in August for the recess, that this committee is absolutely dedicated to meeting our targets for both budget authority and outlays.

This bill is an excellent bill to begin with because we do it very conservatively. Mr. BEVILL and Mr. MYERS have brought us a bill that can stand the test of the budget resolution and the budget process.

In prior years some of the subcommittees on appropriations have come to the floor at times vulnerable on these points. I think in total the committe has always been in a position to defend itself. But occasionally some of our subcommittees' bills have been suceptible to reductions because we did not meet those budget targets. That is not the case with this bill and I do not believe it will be the case for any of the subcommittees this year.

Let us place in context what we are talking about. We have cut discretionary appropriations for domestic programs 21 percent after inflation since 1981. And to continue to make these kinds of cuts I think flies in the face not only of where the American people are, but certainly where their elected representatives are in terms of adjusting only slightly the priorities that have been advocated by this administration for 7 years now.

This committee has, I think, come to the floor with a bill $1.5 billion less than the President's request, but in a way that is totally consistent with our overall spending priorities as expressed in the budget resolution. We are bringing, I think, with amendments like this offered by Mr. PENNY and Mr. TAUKE, a new approach that will provide for a degree of profligacy, perhaps, even an unwillingness on the part of this committee to do its work correctly. Those who are always willing to criticize, in fact to trash the committee's product by automatically cutting whatever it is we bring to the floor. If you want to instill fiscal discipline, you do it within the committee, and then by adhering to those figures when you come to the floor you discourage padding of the bill. If our committee must anticipate cuts we are going to begin the process by bringing something that is not worthy of us, that has fat that can be cut. We have not done that this year. We certainly do not deserve the kind of across-the-board approach that has been proposed.

I think it is particularly important that we look at this history of the Appropriations Committee in light of the deficits. We the Congress and the President, have missed our goals on deficit reduction by $47 billion on average each year since 1981. But the contribution of the Committee on Appropriations has been one half of 1 percent of that amount each year.

It is no more than $2 billion on average out of that $47 billion figure and those are requests for supplemental appropriations made by the administration, agreed with by a bipartisan consensus of our leadership and enacted as supplemental appropriations. In fact the problem is not with the Appropriations Committee, it is in technical estimates that are often wrong in terms of the degree of participation, the spendout rates, the number of eligible people for a farm program or a program for the poor.

It is in economic estimate errors, too optimistic figures often flowing out of OMB, flowed estimates of where the economy is going to be going and how rapidly. It comes from entitlements, direct spending not controlled by the Appropriations Committee. We all know the history of the growth of these programs in the sixties and on into the seventies and yet no one has proposed to cut them. This committee is not the source of our deficit problems. In fact, if any committee has contributed to deficit reduction it has been the Appropriations Committee each year.

Consequently, I think it would be a travesty to compound the problems that this committee has had to deal with as the place where the buck stops each year. Our mutual frustration with the budget process always brings us to the Appropriations Committee as a last resort. If we are not happy with the inclusion of the REA Program or some asset sale in the budget resolution—cut the appropriation bills; if you do not like the fact that revenues have been included in the budget resolution—cut the appropriations bills.

We are always the only committee left standing to take all the frustrations of the Members on both sides of the aisle.

So I would say that if we really wish to strike a blow for fiscal responsibility we ought to stand up and support the committee that has regularly brought its bills to the floor on target. We ought not to be rejecting their work and indicating, in effect, that they should take another approach, one that would be counterproductive to the ends, the worthy goals of Mr. PENNY and Mr. TAUKE and others have that of tightly drafted appropriation bills.

Please support the committee in its fine work.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment.

Mr. Chairman, it is never easy for a Member of the House to come to the floor and challenge the Committee on Appropriations which by and large has worked extremely hard over the last several years to live within the budget targets set out by the House of Representatives. We do not believe that in bringing this amendment to the floor of the House that we are challenging the Committee on Appropriations or challenging the members of that committee.

Instead, what we are attempting to do is to address the deficit question in the only way that we can address that question and that is to speak to the issue of spending by the House of Representatives and Congress as a whole.

During the course of this coming year we will have substantial increases in spending in those programs that are subject to the appropriations process. We do not believe that we can justify those kinds of increases in spending, in some of the bills up to 12 percent, at a time when we have deficits that are so large, when we are borrowing every dollar that we are spending.

It seems to me that it is critical, as a result, for the Members of the House of Representatives who want to responsibly address the spending issue to look at each spending measure that comes before the House and see what can be done to hold down that level.

We do not want to take a meat ax approach. We are not coming in and saying that we are going to freeze. We are trying to allow some recognition of different priorities within measures and the different priorities reflected in the budget resolution.

So therefore we came up with what we think is a very reasonable and supportable concept: That we would make an attempt to cut the increase in half. In this case that means that this measure will include spending of $270 million more than it included last year. It means that we take into account the shifting of funds that occurred in the uranium enrichment money so we are not in any way cutting back from last year. It means that we allow some growth in high priority programs. It means also, however, that we save $270 million without meat axing any particular program in this bill.

If we can sustain this kind of approach it seems to me that we could make a valuable contribution to the effort to hold down spending in this Congress. And there is no other effort available. It is true that estimates have caused problems in the past; it is true that entitlements have caused problems in the past and it is probably true they will cause problems in the future. But ladies and gentlemen, we do not have a handle on those things on the floor of this House. This is the only place where we can get a chance to vote in real terms on real dollars that are spent. That is why we are attempting to take our stand here.

As I mentioned, this is a bipartisan effort, it is designed to reflect the priorities and respect the judgment of the Committee on Appropriations. It is designed to do a little bit that, if consistently done, will mean a lot. That is why we are embarking on this effort to cut this increase in this bill by $270 million out of a $16 billion plus package, a mere 1.7 percent. We ask your support for this amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I am often not a fan of the bill before us today. In fact, I think if you check my record through the years you will see that I voted against this bill as often as I have voted for it. But I want to say that I think that every Member, before he votes today, ought to remind himself of the questions that we ask each other about the budget process and about the frustrations of this body in dealing with the budget process.

They should do that before they decide how they are going to vote on this amendment.

The purpose of the budget act, Mr. Chairman, was to establish a process that would define budget targets, that would require committees to live within those targets, that would allow priority choices to be made within the context of budget discipline and to discipline the committees that did not comply with the limits laid out in the budget.

Yesterday we passed a budget. if you did not like that budget, the time to vote against it was yesterday, not today.

Yesterday we passed a budget. Today you have the first appropriations subcommittee to come before this House. They are in compliance with the budget on budget authority, they are in compliance with the budget on outlays, they are below the President's own budgeted request. It seems to me under the circumstances that if you believe in the orderly process of legislating and if you believe in making real as opposed to phoney cuts in budgeting, that you will resist and defeat most soundly the amendment that has just been offered, or any others similar to it that will be offered over the next couple of hours.

If you vote for this amendment what you will be telling every subcommittee of this House is that, "No matter what you do to comply with the Budget Act, it is not sufficient. So do not take your job seriously." That is what you are telling them. And what you are going to invite, you are going to invite a phoney budget resolution that sets artificially high spending numbers and you are going to invite each and every appropriations subcommittee to artificially pad their bills, so that they can come in here and be insulated from the holy picture posing that will go on on the part of individual members who like to carry a budget-cutting vote back to their district even though the House has already agreed to follow a different, budget cutting approach.

Budgeting is more than simply putting on a green eyeshade and deciding whether or not you measure up to an accountant's view of what the budget ought to be. Budgeting is more than just simply adding up numbers; budgeting is making choices. And what we are supposed to do is not just use our pencils, but also use our heads and decide not only what we need to be in budget compliance, but also what we need to solve some problems that the country faces.

That is the purpose of a budget, to solve problems and to control spending. And if you just try to do one you are not doing the full job.

I would suggest to you that if you want to vote for these across-the-board amendments, what you might as well do is, admit up front that you do not believe in the budget process, you do not believe in the Budget Act and then you ought to have guts enough to abolish that act. Because unless you follow the processes laid down, unless you support the committees who do support the budget process and who live within it, then what you really do, is destroy the real ability of this House to attain budget control because people will give up on trying to be real and everybody will be painting their own phoney picture of the budget in their own district without regard to what this body does as a whole.

□ 1345

As the gentleman from California indicated, we have seen a systematic destruction of the ability of government to deal with our infrastructure problems and our domestic discretionary problems since 1981.

The Congressional Budget Office estimates that in 1964, before we ever passed dollar one of the Great Society Program, we were devoting 4.2 percent of our GNP to discretionary spending. That rose to a high point, 5.8 percent in 1980. It is now down to 4.1 percent.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. OBEY] has expired.

(By unanimous consent, Mr. OBEY was allowed to proceed for 1 additional minute.)

Mr. OBEY. We are today spending a smaller share of our national treasure to meet our domestic discretionary needs than we were expending before we ever passed dollar one of the great society programs in 1964. That is how far we have gone in squeezing the domestic discretionary side of the budget; and I suggest to you that, regardless of how you feel about public works, regardless of how you feel about some of the minutiae in any appropriations bill, I ask the Members to respect the processes of this House.

I ask the Members not to engage in a pernicious destruction of the orderly process by which we make decent budgetary choices.

I ask the Members to vote down this amendment, because it is the responsible way to proceed with choicemaking, as well as budget discipline.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I want to admit up front that I do not believe in the budget process. I do not believe in the Budget Act.

I certainly believe in the good intentions within which the act was enacted.

I believe in the good intentions of the Members of this body striving to work within the structure of that act. However, the fact that is inescapable to all of the Members is that within the current structure of the budget process, we are not achieving for the American people what they require of us.

It is still in this body today far, far easier to spend more money and to run a deficit than it is to find responsible ways in which we can pass reductions in expenditures.

As a consequence of that, I do not want to abolish the Budget Act or the budget process; but I would hope that we would be able to reform it and make it workable, workable for the House and workable for the American people.

In the meantime, the fact of the matter is the budgets we pass in this body, and I do not recall having voted for any of them, are always smoke and mirrors. They are always ambiguous. They are always difficult for the Committee on Appropriations to deal with, and they are never workable.

They are always waived when we bring legislation to the floor.

American taxpayer dollars are spent in appropriations bills and continuing resolutions and supplemental appropriations bills. Because of that, several of us Members understand, despite the high regard and enormous respect, especially in my case for the gentleman from Mississippi [Mr. Whitten], but for all of the members of the Committee on Appropriations, who do in fact work hard and whose work we are do respect, are committed to making our effort. Despite the regard that we have, we can no longer in good conscience leave it to the Committee on Appropriations, because we ask too much of them.

We believe that every Member of this body not only is entitled to, but has a responsibility to be involved in this process where in fact it counts.

This is the first appropriations bill to come to the floor. It is a good bill. The committee has done a good job, and we do not want to discount that.

The fact of the matter is, it does meet their 302(b) allocations.

I may have some personal difficulties with some of the line items in the budget, and we tried earlier to pass on one in particular that I supported.

It is very, very difficult to do that; and as a consequence of that difficulty and in an effort for us to fulfill our responsibility, exactly that reason, to fulfill our responsibility in conjunction with the members of the Committee on Appropriations, many of the Members have come together to try to develop an effort where at this point within this process, we do have a chance to make an impact that will come home to the American taxpayers.

We will have amendments for this appropriations bill and for the others as well. Hopefully, where we can, pass line-item cuts and avoid the meat ax of across-the-board cuts, but in this case to try a modest amount of 1.7 percent across the board, $271 million to save for the taxpayers, to force a great many agencies and operations and bureaucracies across this Nation's Government, to squeeze the fat out, maybe it is a trickle, a trickle at a time.

We are not asking for large cuts, but we are asking for cuts across the board. We have not singled out one bill. We will be here, and we will be here for all the bills; and we will be here, because we believe in the process and the necessity.

I ask the Members of this body to support this amendment; and in addition to that, I ask the Members to join in our effort to help the Committee on Appropriations wherever we can, and I enlist the will of this body on behalf of the people across this Nation that we individually and collectively represent to find the way to squeeze the fat out of the Federal budget, to reduce that deficit, and to enjoy all the benefits across this great economy.

Please vote "yes."

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in very strong, if not reluctant, support for this amendment today, strong because of the necessity of reducing the overall expenditure levels of the entire Government of the United States, reluctant because I do respect the fact that the committee has brought an honest appropriation bill, as the gentleman from Alabama [Mr. Bevill], always does.

I also want to state very emphatically to the suggestion that my being in the well is somehow disrespectful of the process of this House, I respect deeply the process of this House.

But I respect even more the individual votes of 435 individual Members on the process of this House. I agree that technically if we were going to make further reductions, we should have voted against the budget yesterday. My gut feeling was just to do that. But if I would have done that yesterday, I would have joined our colleagues on the other side of the aisle who have refused to participate in that process, but that process on the budget had done its best, and, therefore, I voted for that budget in the belief that we had to continue moving the process forward.

I started out this year on the budget as saying that we should get $36 billion real deficit reductions. Now, I would have preferred to have gotten $2 of spending cuts for $1 of revenue. I would have gladly accepted the President's revenue numbers in toto and gotten additional spending cuts in the same process that I am in the well today defending. We did not have that choice. The budget we passed yesterday had $7 billion in smoke and mirrors.

That is why I am in the well today asking each and every Member, all 435 of us, not to get all fuzzied up with the best intentions of the Appropriations Committee, because they are there and they are true and they are sincere, and they are 100 percent right. The bottom line is whether we are going to get real deficit reduction, somewhere close to $36 billion, and if we are going to do that, we have to make some additional reduction in the 302(b) categories that the Appropriations Committee will bring to this floor, and we have to do it straight across the board, with no exceptions. If we accept this one today, then the cows are out of the lot.

Now, to every Member who speaks of the deficit, with all of the rhetoric that is going on about the deficit, I ask them to search deep down in their hearts and in their souls on this vote today. If you are really and truly concerned about deficit spending, how can you vote against a 1.7-percent cut against your own appropriation? I ask that because I suspect there are far more Members of this House who have some project in here than there are those who have not, and we are suggesting 1.7 percent from each of our personal pet projects.

How many families out there in America are having to cut their budgets 10, 20, 30 percent at the same time when we are here saying we cannot cut our projects 1.7 percent because the Appropriations Committee has done a perfect job? In spite of my great respect for each and every member of the Appropriations Committee, I remind the Members that no one is perfect; I am not, you are not. The bottom line is this: are we going to make a conscientious effort to reduce the deficit, and are we asking too much of this particular appropriation to cut 1.7 percent more and say we should tighten our belts as we are asking the rest of the American people to do?

Is that too much? If it is, vote no on this amendment. If it is not, let us have a unanimous vote for the amendment and show that we are sincere about deficit reduction.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, earlier this year, as chairman of the Committee on Appropriations, I had a thorough study made of the President's budget, and I submitted that on behalf of the committee to the Budget Committee to show what we would have before us overall. Now, what we are doing here is considering a cut in this bill without knowing the effect just because some of our friends have made a commitment that they are going to cut everything our committee brings here, the good and the bad.

DISTINCTION BETWEEN MONEY AND WEALTH

This is the bill where we try to take care of our own country, which is all we have behind our money. In my judgment, if you will forgive me for differing with the author of the amendment. There is a distinction between money and wealth. At one time our money was worth something because it was backed up by gold and silver. Now it is backed up by our country, with a promise to pay. A promise to pay is all our money is today. Behind it is only our country.

Let me show the Members just what we have in this year's budget. I read from my report to the Budget Committee. Between 1980 and 1988 military spending has increased 50.5 percent, interest on the national debt has increased 82 percent, Social Security has increased no less than 20 percent, while other Government programs have been cut 26.7 percent.

I agree with the Members as to the serious situation our finances are in. For the first time since 1914 we are a debtor nation. The national debt has increased from $900 billion in the last 6 years to $2.3 trillion. But since the only thing behind that debt is our country, for goodness sake, I say, let us not cut the effort we make in this bill to help protect and develop all our country.

We have probably 2,000 items in this bill, affecting every part of the country. There is all the difference in the world between paper money and wealth. I agree that we need to stabilize our currency so we can trade and provide stability, but if we left our children all the money in the world and worn-out land, they would never make it; we would be like much of China and India.

We are fighting about money. Years ago Germany had to call in its money because of inflation and start over. They had a solid country behind them and made the change. Seriously I am afraid we may have to do that here. But in the meantime let us take care of our real wealth, the land and all the parts, our soil, our coast line, our roads and bridges, the material things on which our money depends, to have any value. Let us put our country first.

□ 1400

SHORTSIGHTED TO CUT

I say again, it is very shortsighted to cut funds which this bill would provide.

Now, what do we base it on? We base it on 800 requests by our colleagues to look after problems in their districts. We try to do that. There are 800 requests, some of them from members of the Budget Committee.

So I am just saying that your intentions are good. Your efforts are good, and you will pardon me for differing with you, you are trying to save the money while the physical wealth, our country goes to the dogs.

Miss SCHNEIDER. Mr. Chairman, I rise in strong support of the Penny-Tauke amendment to cut the energy and water appropriation by 1.7 percent. I respect the work that the committee has undertaken on this bill. I am not trying to second guess its work by recommending that any specific program be eliminated or dramatically reduced. I think, however, that a small cut that is applied to every program is a responsible action.

This appropriation is already more than $1 billion above last year's appropriation. This represents more than 6-percent growth in this appropriation—a growth factor that if applied to the entire budget would represent an additional $60 billion growth in the deficit. We simply cannot accommodate this level of growth in this appropriation. I find this amendment to be the least that we can do to tell the voters that we are willing to show some constraint in spending.

A 1.7-percent cut will not prove fatal to any program in this appropriation. Most programs will be able to absorb this without even feeling it. An across-the-board cut, while putting a small amount of pressure on programs important to my constituents as well as those of other Members, is not a radical move. Less than 2 cents on the dollar are the savings that we are asking. Such a cut would allow a growth of more than 4 percent and would maintain the priorities set by the committee.

Mr. Chairman, this is a modest amendment, but an important one. A vote for this amendment signals that we take the deficit seriously. A vote for this amendment shows that we are willing to vote to cut programs that affect our interests and our districts, and not just the other guy's. The amendment is responsible and fair, and I urge my colleagues to support its passage.

Mr. MORRISON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment. I take this time specifically to explain why I take this position, because at other times I have offered amendments similar to the amendment being offered here.

I think there is a reason that this across-the-board effort that is currently being launched is not an appropriate way to approach our present budgetary crisis. Last year we offered a series of amendments to enforce the budget and we called on the Appropriations Committee, even though it was difficult for them, to conform their bills to both the outlay and the budget authority requirements of the budget, both halves of the 302(b) numbers, and they found that difficult to do and occasionally they found themselves faced with across-the-board cuts that they would prefer would not have occurred; but I think it is fair to say that they heard the message of the House, which was that when we pass a budget we mean it and we hope to use it as a target and we expect the Appropriations Committee to come forward with appropriation bills that meet those targets.

What we have this year is an Appropriations Committee trying to do just that. Having pledged itself to go through the difficult process of conforming its bills to both the 302(b) outlay and budget authority limits, now they are faced apparently with a new theory about why they should be cut a small percentage across the board.

I think that the proponents of that approach prove too much with their arguments. What they prove too much is that you can always cut more in any given appropriation. Why not 1 percent? Why not 2 percent? Why not 3 percent? I mean, after all, it is only 2 cents on the dollar, 3 cents on the dollar.

I think the gentleman from Wisconsin [Mr. OBEY] was correct when he said that the lesson that comes from the across-the-board cuts that do not reflect the budget is the temptation to pad and then come in here with overfunded amounts and challenge the House to nibble at it and go back toward the budget. That would certainly be an unfortunate result from a process where we have asked the Appropriations Committee to play by the budget rules.

Obviously, the excesses in the budget, the spending, is not only the appropriation process, it is in a lot of the mandatory and entitlement spending that is not even reached by this process.

We passed the budget. We have heard it said that the $7 billion in savings or one-time revenues, if you like, are blue smoke and mirrors. They are not really blue smoke and mirrors. We may disagree about whether it is a good source of funds, but it is $7 billion that is available to be spent. Those who did not think that should be in the budget should have voted no on the budget and defeated the budget and sent the budget back to the committee of conference looking for something else.

If people believe that we should cut further below the budget, they should be here with proposals to cut specific line items, to cut specific programs, to cut certain areas by fixed amounts of money. In doing that, they are appropriately challenging the decisions the Appropriations Committee has made. That is the way to save money; but across-the-board cuts of small percentages below the budget number, it seems to me sends all the wrong message back to the Appropriations Committee.

It is not a question of being locked into the process. It is a question of confirming our own decisions as we go along so that they have some validity.

I think that the people who are offering these amendments are in every good faith trying to achieve savings, but I think the approach that is being used undercuts our ability to work as a body on some agreed set of standards. I think that is what we passed in the budget yesterday. Obviously we did not pass the budget by very much and there are lots of people in this House who can justifiably say, "I wasn't for that budget, so I'm going to vote against what the Appropriations Committee does."

But it does seem to me that any amendment, any arbitrary amount of small percentage, can be offered under the rationale that this amendment is being offered under, and I do not think that advances our purpose to make the tough decisions.

Cutting budgets in and of itself has not great virtue. Saving money that can be saved in order to deal with the budget crisis is the question, and I frankly think this amendment takes us in the wrong direction with respect to that question.

Mr. HOUGHTON. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I am new here. I have not made many speeches and I stand in awe of those people who are so articulate.

Everyone wants to cut expenses and everyone wants to reduce the deficit; but the point is that if you look at the budget which was passed yesterday, there is an increase of $40 billion in expenses, $40 billion.

You know, in efforts to save money we sometimes resort to drastic measures, such as reducing in entirety the Appalachian Regional Commission funds.

This affects many people. It seems to me that if we are to reduce funds like this, they should be reduced gradually. A slight decrease in many programs, such as in this amendment, to me is a far wiser and a sounder approach.

This is not a partisan amendment. This is not unfair to any group. It allows for growth, but it allows for modest growth.

What it does is deal responsibly with the key economic issue which faces not just this body, but all the citizens of this country, which if we do not face here pretty soon in this Chamber will haunt us for the rest of our days. If we are not willing to face up to a reduction of 1.7 percent, not in static dollars, but in growth dollars, maybe we in this body are unwilling to grapple with the deficit issue at all.

So not as a politician, but as a citizen, I rise to support this amendment.

Mr. BARTLETT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in strong support of this amendment, the first amendment that will be offered to appropriation bills during this process. In support of that amendment, I rise to offer several observations about both the merit and the substance of the amendment, as well as the process itself.

First, it is important that the House understand in voting on this that the proposal is only to reduce the rate of increase. It is not an appropriations cut per se. It is to reduce that increase which is built in to the appropriations bill presently projected to be $542 million over and above what we spent in fiscal year 1987.

The gentleman's amendment would reduce half of that and thus leave the other half of the amendment to increase over fiscal year 1987.

I would note, Mr. Chairman, that there are many of us in this House who believe that in this particular and several other appropriation bills that we should be making reductions that are substantially greater than that, but I would suggest that what the gentleman has offered in this bipartisan approach is a moderate middle course.

Second, this amendment is offered in a bipartisan nature that reaches across the aisle to Republicans and Democrats, and that reaches across philosophies within this House. It is supported by those who have a liberal political philosophy, those more moderate and those who are conservative.

Third, it is a modest proposal, but in fact, this amendment, coupled with the other amendment that will be offered to the subsequent appropriation bills, will be the only hope that this House has to make any adjustment to any appropriations so as to reach the deficit target level for this year.

These amendments in total will reduce the rate of growth of spending by $6 billion, still woefully short of where we need to be, but it is the only step that is available to us.

Fourth, the budget that the House has already passed, in fact, does not achieve and has no prospect of achieving in its present form the deficit targets that we would seek to reach that we set out for ourselves a year ago and it will not reach it and we all understand that for a series of reasons. It will not reach it because it is unlikely that there will be a tax increase of the size that is contemplated in the budget. We will not reach it because it is unlikely that the defense cuts that are contemplated in the budget will be of that size and it will not reach it because the budget that we are operating on proposed rather substantial increases in domestic spending, but we only have a prospect to reach those deficit targets if we reduce those increases. If we fund all of the domestic increases that have been proposed in the budget that the House passed, then it is absolutely impossible that we can reach and attain the deficit targets.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. BARTLETT. I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, I thank the gentleman for yielding.

I do think it is important that Members understand that this is just not a willy-nilly across-the-board cut. I believe that Members should understand the process that is being pursued by the bipartisan coalition.

□ 1415

First we are attempting to ascertain what the 302(b) allocation is for each subcommittee of the Committee on Appropriations. Incidentally, I might say that that is a fairly difficult process in and of itself. At the moment the 302(b) allocations for all of the subcommittees under the new budget resolution have not been distributed.

Mr. BARTLETT. The gentleman is saying that the 302(b) budget allocations are not published in the Washington Post or elsewhere that one can just simply pick it up and see that it is going to achieve the balance?

Mr. TAUKE. Or even in any document in the House, if the gentleman will yield further. But we are attempting to operate on the same allocations that the appropriations subcommittees are operating under. Then we take that allocation and we compare that with the appropriation level of last year, and we attempt to have the increase in that.

If we are able to do that, we of course achieve the savings that the gentleman alluded to. But in making that judgement we have been very mindful of some changes that occur from year to year in the appropriations bills. For example, in the Interior bill, which was scheduled to be up yesterday, we notice that the strategic petroleum reserve was included in that bill, and it had not been last year.

(On request of Mr. TAUKE and by unanimous consent, Mr. BARTLETT was allowed to proceed for 2 additional minutes.)

Mr. TAUKE. Mr. Chairman, will the gentleman yield further?

Mr. BARTLETT. I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, we took that into account in making a determination.

In making a judgment about this bill, if you look at the published figures, you will note that there is a difference of $1.1 billion between last year's appropriation and this year's appropriation. So why are we only talking about a $540 million increase and a $270 million cut in that increase? Because we have taken the trouble of looking at the various accounting procedures, and we have attempted to compare apples and apples.

So I say to the gentleman that we are willing to take into account the different circumstances that may arise, but at the same time we want to achieve some real savings in spending, and this is the best way that we think we can do that.

I think that the bottom line, if you will excuse the expression, for Members of the House is essentially, "If we aren't going to make the cuts in this fashion, how are we going to achieve some savings?" And if we don't achieve some savings, we not only will not reach the targets that are in the budget resolution, but we will in my view end up with a deficit that could in fact be equal to or larger than the deficit that we have in the current fiscal year.

So I congratulate the gentleman for his support, and I implore Members to take what is the only train that is passing in the effort to try to deal with the deficit responsibly.

Mr. BARTLETT. I thank the gentleman for his comment. The gentleman said it exactly correct. Members will find plenty of reasons to vote against this amendment. A Member can find a reason that, "Well, I don't like across-the-board cuts." On the next one, a Member may say, "Well, I don't like cuts that make decisions for the Appropriations Committee." Others will talk about the appropriations process or committee jurisdictions. Others may have a special project in this appropriations bill.

There is really only one reason to vote for this, and that is that it is the only prospect that this House has this year, this session, for achieving anywhere close to the deficit targets that we set for ourselves. It is the only prospect, it is the last train that is leaving, and we ought to pass this amendment on this appropriations bill and each subsequent one.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I hope that having adopted the budget resolution yesterday the House will now support the various appropriation bills which, in their sum, will be within the budget. With all respect to the distinguished gentlemen who are offering the amendment it is very easy to say, "What is wrong with cutting another 1½ percent?"

Is there any level of public undertaking, theoretical or otherwise, at which somebody could not stand up and say, "Well, can't you cut it another 1½ percent?"

Whether you cut something 10, 20, 30, 40, or 50 percent, someone else could always stand up and say, "It's just another 1½ percent."

It is appealing, I know, to suggest this as being very reasonable. However, we have an Appropriations Committee made up of distinguished Members from both sides of the aisle who have already devoted extraordinary amounts of time expertise, and effort, within in the confines of the budget, coming up with recommendations to bring to this floor.

I believe that it does a serious disservice, to the chairman of this subcommittee, its ranking minority member, the gentleman from Indiana [Mr. MYERS] and the members and to the countless hours of work that have been done by the Appropriations Committee to suggest that we simply throw away that work by accepting an across-the-board cut, however small it may be.

It is appealing, but it is wrong. As the gentleman from Wisconsin [Mr. OBEY] said earlier on this floor, it is destructive of the process. We cannot expect the members of the Appropriations Committee to continue performing the careful, long, deliberate, and hard work they do if they came to this floor only to be told that they must meet another 1- or 2-percent cut across the board.

It discourages their effort, does not pay appropriate credit to their work or knowledge, and is contrary to the kind of process this House should encourage. I ask Members on both sides of the aisle to show some respect for their colleagues who, having brought this bill forward, deserve our support.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the gentleman from Washington [Mr. FOLEY], our distinguished majority leader, is always a difficult act to follow, but I think that at this point in time is also an important act to follow to understand what we are doing here today.

Let me begin by saying that we are not in any way, shape, or form attacking either the Appropriations Committee or in particular the Energy and Water Subcommittee. The gentleman from Alabama and the gentleman from Indiana and their subcommittee did exactly what they were supposed to do, and I for one would not be involved in this process if I were up here simply to criticize this subcommittee.

The reason that the bipartisan task force, the coalition to deal with spending, has occurred is because when you look at the budget, we want to make sure that if we do anything in 1987, we make the decision to live within the budget that we establish for ourselves.

Anyone who followed the debate yesterday understands that that budget assumes that we are going to raise revenue by approximately $19 billion, and we are going to cut spending by approximately $18 billion, for a net deficit reduction of $36 billion.

The problem with that recognized by Members on both sides of the aisle is there is $6 to $7 billion in funny money, smoke or mirrors, within that package dealing with REA loan asset sales.

All we are trying to do and the only goal that we have set for ourselves is to bring the budget appropriation process back to the budget guidelines of yesterday in real terms by making up that $6 billion of smoke and mirrors. To do that we went through the various 302(b) and came up with what is necessary to get that $6 billion in savings.

So this is not an attack on the appropriations process. They are legitimately and properly the ones in this Congress assigned to determine where to make the spending allocations. What we are doing here is simply saying that this Congress will insist in 1987 for fiscal year 1988 that when we are talking about an honest budget, we are serious, and when we set guidelines for ourselves, we are going to live by them.

The chairman of the Appropriations Committee, the gentleman from Mississippi [Mr. WHITTEN], has said so often when you get to the appropriations process, "Now we are talking about real dollars." Well, that is why we are here. We are not here to attack the Appropriations Committee. We are here to simply make sure that through the process we deal with real dollars.

It is indeed a tragedy that the Energy and Water Committee is the first appropriation bill on this floor, because it gives the presumption that we are somehow disputing their work. We are not, not at all. Everything that they have done is honest. You have not heard one criticism from us of any appropriation or any accounting used by this subcommittee. We are simply trying to come up with the $6 billion in real savings necessary, and that is still living by a hope and a prayer that we are going to pass a $19 billion tax increase, and I do not think that many Members of either side believe that we are going to do that, but both of those steps are necessary to have the $36 billion in real deficit reduction.

This vote is not a vote for or against the Appropriations Committee. This vote is the vote on whether we are for or against real deficit reduction.

Mr. PENNY. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Minnesota.

□ 1425

Mr. PENNY. I appreciate the gentleman making the point about the process by which the bipartisan task force decided upon this amendment strategy. It is clear to anyone that looked at the budget before we voted on it that a $6 or $7 billion REA loan sale is being used to finance a variety of programs in fiscal year 1988.

The problem is that increases our baseline by $6 or $7 billion worth of spending, and we do not have another loan sale to take place in fiscal year 1989 or fiscal year 1990 or beyond to offset that higher spending baseline. So we have to be diligent about trimming back spending measures by $6 or $7 billion as these appropriation bills come along in order to stop that deficit from growing by that amount.

The amendment process we agreed on was to take half of the rate of increase in each appropriation bill because it will achieve reductions in the neighborhood of $6 or $7 billion in aggregate. That still leaves an increase in these bills. There are many around here that just do not increase. But it still leaves an increase, we are talking about half of the rate of growth in that spending as a way of cutting the deficit by $6 or $7 billion.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. GUNDERSON] has expired.

(On request of Mr. PENNY and by unanimous consent, Mr. GUNDERSON was allowed to proceed for 1 additional minute.)

Mr. GUNDERSON. I yield to my colleague, the gentleman from Minnesota.

Mr. PENNY. Mr. Chairman, I would make one last point. This is a difficult bill to amend. It is a difficult bill because so many Members around here have projects in the bill.

This simply asks that everybody's project take a 1.7-percent reduction. That is a modest sacrifice for each of us to make in order to save $270 million in spending. We cannot afford to go out and borrow that money and we should not.

If we cannot take that kind of savings out of a bill that is basically bricks and mortar construction, research and development, then what appropriation bill can we find where we can afford to make those savings?

I would say we have to start with this one today or we will never make progress on similar reduction measures in the future.

Mr. GUNDERSON. Mr. Chairman, I yield back the balance of my time.

Mr. DAVIS of Illinois. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Penny-Tauke amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of this amendment and want to stress that this is a very important vote. This is a very important amendment. It is not only a bipartisan amendment, but it is the result of the work of a bipartisan group that has met repeatedly over time, intends to continue meeting repeatedly over time because we have developed a strategy that will pair honest spending cuts with tax increases to reduce the deficit by $36 billion.

We all know from presentations around this Hill day in and day out, but most recently yesterday morning by a panel of well known economists, that it is essential for the well-being of the economy of the United States, but also for the world economy, that this year we have a believable, honest, nonsmoke and mirrors approach to reducing the deficit.

There are some of us that will be able to advocate tax increases if these increases can be clearly paired with expenditure reductions.

Yesterday's budget resolution passed by only a handful of votes. Considering the 2-to-1 majority that the Democratic Party has in this House, that is indeed exceptional and a very strong sign of keen dissatisfaction with our budget resolution. The dissatisfaction springs from the very simple fact that expenditure reductions were not tightly paired and equal to tax increases.

We have adopted a strategy that will develop that $7 billion in cuts that we need to make that pairing of tax increases and expenditure cuts an honest one, one that we can go to the public with, one we can stand by and through which we can reduce the deficit by $36 billion.

However, to accomplish this deficit reduction we must be able to cut in half the increase in each budget. Remember the budget came back to us yesterday with higher numbers than either the House or the Senate in many categories.

My colleague from Minnesota has clearly put before my colleagues of this House the very small sacrifice that this amendment requires of each of us. A 1.7-percent reduction in a function is tolerable. It is not a body blow. It is judicious, disciplined legislating that is necessary to refine the budget resolution to make our spending plan honestly achieve the budget deficit reduction goods that many of us have said, majority party and minority party alike, was the minimum that the Nation needed to steer a sound course to avoid recession, not just a U.S. recession, but worldwide recession in the upcoming years.

So this is theoretically correct. It is philosophically correct. It is fair. It is tough. But it is not disastrous. I ask my colleagues' support for it only diminishes the increase; it only pairs cuts with tax increases. The cost is bearable. The result will be honest deficit reduction, we can be proud of and that will preserve our constituents jobs and opportunities.

Mr. RAVENEL. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, having listened to the remarks of the gentleman from Mississippi, I would comment that if this country will go to the dogs if we cut this appropriation a minuscule 1.7 percent, then the dogs ought to have it.

I yield back the balance of my time.

Mr. CHAPMAN. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to this amendment. I will be very brief.

Mr. Chairman, I simply want to say as I listened to the debate here today what I am afraid I am hearing is an amendment which is going to encourage not only this body but specifically the Appropriations Committee to start playing games with the appropriation process. I think that is a very dangerous precedent to set, my colleagues.

This process has been honest. This bill is an honest bill from an appropriation standpoint, and I think we are ill-advised if we start across the board cuts of appropriation bills which meet the guidelines that this body has set forth for them to follow.

I understand the argument that a 1.7-percent cut is not a mortal wound, and it may not be. I rise not to challenge that supposition, but what I do think is wrong is the process by which we are attempting to reduce the deficit, which I applaud and which I support, but I think this is the wrong way to go about it.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. CHAPMAN. I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, I think the gentleman makes a good point and it has been made on several occasions that this process could encourage the Appropriation Committee Members to balloon their bills as they bring them to the floor.

Let me just say to the gentleman we have been following essentially a 3-step process. The first step is to see what the 302(b) allocation is. The second step is to see if the Appropriations Committee has been honest in budgeting, if you will, and has been including all of the items in the appropriation bill that should be included in it, has restrained itself from pushing some things over to a potential supplemental. So honesty in this budgeting is a second step. The third step is to determine what half the difference is between the 302 allocation and last year's appropriation and fashion an amendment to eliminate that much.

So in a sense we are not encouraging, I should say we are not encouraging dishonesty in budgeting or fattening, if you will, by the committee. Instead what we are attempting to do is set a little different standard from the standard that is contained in the budget resolution. That is ultimately what we are attempting to do.

Mr. CHAPMAN. I understand what the gentleman is trying to do, but the gentleman is taking away from the Appropriation Committee their discretion. They are the ones who heard the testimony, they are the ones that set the priorities, they are the ones out of hundreds of requests who have determined the appropriate funding levels in this appropriation bill, and the gentleman would be subverting that process with this amendment, however well intentioned it may be.

Mr. Chairman, let me say the bill is under the budget mark and the process has been honest. I think we are ill-advised to start across the board cuts in 13 appropriation bills not knowing what effect it is going to have on those processes and, in fact, having heard the debate today knowing it is going to hurt.

I would urge my colleagues to defeat this amendment. I think it is the wrong approach, the wrong process, however admirable the goal may be. This is not the way to go about that goal.

Every Member of this body knows the appropriate way to do this. This is not the way to do it, and I would urge the defeat of the amendment.

Mr. UPTON. Mr. Chairman, I move to strike the requisite number of words and I rise in strong support of this amendment.

Mr. Chairman, this is a very minuscule shaving, a 1.7-percent cut, $270 million out of $16 billion in the bill.

I would just like to share with my colleagues here where some of those cuts come from. I have a list of 14 programs. Let me just rattle off a few numbers.

The Corps of Engineers, General Investigations, it is $12 million more than it was in fiscal year 1987.

The Mississippi River Flood Control, $16 million more than last year.

Bureau of Reclamation Construction, $121 million more than last year.

Solar and Renewable Energy, $30 million above the President's request.

Advanced Reactor R&D, $26 million over the President's request.

Biological and Environmental Research, $66 million over last year.

Magnetic Fusion, $16 million over last year.

Supporting Research to Universities, $42 million over last year.

Uranium Supply and Enrichment, $39 million more than the President's request.

Atomic Energy Defense Activities, $331 million over last year.

Power Marketing Administration, $21 million over last year.

Appalachian Regional Commission, $110 million more than the President's request.

Nuclear Regulatory Commission Salaries, $17 million over last year.

The TVA, $32 million over the President's request.

Mr. Chairman, this is the very first appropriation bill for the 100th Congress, the very first one. I do not think we can send a message to our constituents that we cannot cut 1.7 percent across the board when we see 14 programs that I have just indicated what the levels are of the increases.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. UPTON. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, the gentleman is aware that this bill is $1.5 billion below the President's request, is that not correct?

Mr. UPTON. It is still $1 billion over last year, $1.1 billion.

Mr. FAZIO. The President certainly submitted to us what he thought was important to keep our National Defense Nuclear Weapons Program moving forward. He took into consideration the newly authorized projects under H.R. 6, which are part of our cost sharing arrangement to help local governments, State governments, participate in the development of water resources.

So I guess what I am saying is we are much less profligate, if that is the term, than the President when he asks to spend $2.5 billion more. I would hope that the gentleman would put his remarks in context.

Mr. UPTON. Mr. Chairman, I yield back the balance of my time.

□ 1440

Mr. WATKINS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I would like to make a point to my colleagues. As the gentleman from California [Mr. FAZIO] said, we are below the President's request. Our committee also, let me say before I go any further, that I want to thank the chairman, the gentleman from Alabama [Mr. BEVILL] and the ranking minority member, Mr. MYERS, from the great State of Indiana and all the Members along with our staff. I know this is very demoralizing to the staff and to the chairman and to the ranking minority member who went to great lengths working and trying to work out the very details of this to come in with an appropriation bill less than our House passed budget, less than the 302(b) allocation that we made here in the House which, and get this colleagues, which is less than what the conference committee report on the budget that was adopted yesterday. So we are in at a great deal less than what the President came in with, we are less than what the House-passed budget bill was, we are less than what the conference bill is and yet it is not satisfactory. I know this has got to be one of the most demoralizing times for an appropriations committee when you ask us to go about trying to do the tough tasks, to go about trying to cut back, when many of them will not even come before our committee and say what should be cut. I ask you to come before our committees and tell us if you do not like something in it, tell us what to cut. Do not come out now—yes, it is a small amount, probably will not affect one way or the other too much, may delay something awhile, maybe cost more in the long run; but I hope our colleagues witnessing the fact that the Subcommittee on Energy and Water Appropriations has done its job. We are in less than what the President requested, we are in less than what the House requested, we are in less than what the conference committee requested.

I ask my colleagues to vote against this amendment.

Mr. McMILLAN of North Carolina. Mr. Chairman, I move to strike the requisit number of words and I rise in support of the amendment.

Mr. Chairman, the objective of the bipartisan group that has been working for some time to try to come to grips with how we are going to really achieve a $36 billion deficit reduction is not to question anyone else's either motives or to question the good hard work of the Committee on Appropriations. Our objective is to end up with appropriations that at least do not exceed the budget and hopefully achieve and additional $7 billion in reductions that would make the $36 billion that the budget purports to reduce the deficit by, real in terms of outlays. We have achieved this in the budget action that was taken yesterday which I did not vote in favor of through $20 billion, almost, of tax increases, only about $4 billion in real reduction and $7 billion in asset sales.

So the objective of this strategy that we admittedly are pursuing is not to zero in on Energy and Water, but to be in a position to offer a similar amendment on any appropriations bill if we have not through individual floor amendments achieved that level of reduction, so that when we end up with this appropriations process we have achieved fully $7 billion of real deficit reduction in addition to what is contained in the budget. And I hope that my colleagues will accept our strategy and our position and appreciate the wisdom of it, if we really mean what we say about achieving $36 billion worth of deficit reduction this year.

I urge my colleagues to vote "yes" on this amendment.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN of North Carolina. I yield to the gentleman from Oregon [Mr. AuCOIN].

Mr. AuCOIN. I thank the gentleman for yielding.

Mr. Chairman, the gentleman made the statement that he seeks, and his group seeks, to bring this appropriation "in compliance" with the budget.

Mr. McMILLAN of North Carolina. No. I said at least in compliance with the budget.

Mr. AuCOIN. I would ask the gentleman which budget he refers to.

Mr. McMILLAN of North Carolina. That is a very good question. We just adopted the conference report yesterday which contains within it spending in excess of even what the House adopted some weeks ago.

Mr. AuCOIN. Does the gentleman assert that this bill is in violation of the limits in the budget resolution?

Mr. McMILLAN of North Carolina. I did not say that. I was responding to your question.

What I said was that the budget says what it says, and I am trying to urge that we achieve in real terms, in terms of outlays, what is our objective and what is the stated objective of the budget resolution and that is 36 billion dollars' worth of deficit reduction.

Mr. AuCOIN. Well, then I would ask the gentleman: doesn't it comport with the budget resolution, Congress' budget? Is it not also true that it comports with, and is under the ceiling of, the President's own budget?

So of the two budgets that are around, the only two budgets that I know of, this appropriation fits under the ceilings for both of them.

How, then, can the gentleman say he is trying to "get it under the budget?"

Mr. McMILLAN of North Carolina. We are dealing here with an appropriations bill, not a budget bill.

Mr. AuCOIN. It comes under the President's budget.

Mr. McMILLAN of North Carolina. If you look at all of the budget bills, they all say that they achieve a deficit reduction that would produce a deficit of $108 billion. Does the gentleman believe that?

Mr. AuCOIN. All I am saying to the gentleman is we have two budgets, one that is the President's and another that is Congress'. I will tell the gentleman I voted against the congressional budget yesterday.

Mr. McMILLAN of North Carolina. I did also.

Mr. AuCOIN. But I support this bill—and oppose this across-the-board amendment—for two reasons.

One, it comports with and comes under the ceiling of the congressional budget. But let's look at a stricter standard, the one in the President's budget, your President's budget. This bill also comes in under spending levels asked for in his budget. That's the second reason I oppose the assertion that this bill is somehow the product of spendthrifts.

Mr. McMILLAN of North Carolina. The President's budget is not an issue here today. We disposed of that some months ago.

Mr. AuCOIN. I understand that the gentleman would not even offer the President's budget for a vote on the floor of the House.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN of North Carolina. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, just to repeat what has been said before but I think before the gentleman [Mr. AuCoin] arrived on the floor, we are essentially following a three-step procedure. One, we are trying to insure that there is truth in budgeting and that the budget targets are met. Second, we are attempting to take the difference between the 302(b) allocation in each appropriations subcommittee and last year's spending and cut that in half. So we are admittedly attempting to bring the appropriations down below the 302(b) allocation.

But that we believe is essential in order to be able to achieve the $36 billion savings.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I am fascinated with the remarks of the bipartisan group. It is almost as if we are not speaking the same language. I mean, English is the language in this country that is commonly spoken, the language I have always taken to be the language we communicate with here on the floor. When I hear Members say this is an appropriation bill that does not "adhere to the budget," I cannot understand what Members are saying.

The point is this: These two budgets. One is the congressional budget, and I was at odds with my own party's leadership on that and voted against it.

The only other budget is the President's. This appropriation comes in under that budget in terms of dollars spent.

So what we have here is the President of the United States who is talking about wasteful spending on the part of the Congress. This same President looked at these categories of the Federal budget, weaponstesting, the whole military dimension of the Department of Energy, and all the other accounts within this budget, and the President, Mr. "Balanced Budget," asked us to actually spend more than the members of this committee were willing to do. The members of this subcommittee cut the President's request. We are spending less than the President requested. Mr. "Budget Cutter" requested more than this committee is presenting to the House today.

It just seems to me we ought to keep things in context. This is a cut in the spending this President asked for. It comes in under the budget. It comes in under the congressional budget. It is a good bill. Members should not be legislating across-the-board meat ax cuts, cutting into lineitems that Members have no idea what the consequences are. It is a poor way to legislate. It is not truthful budget-cutting. It is a mistake to pass the across-the-board cuts.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Texas [Mr. Stenholm]. I have a high regard for the gentleman but not for his amendment.

Mr. STENHOLM. I thank the gentleman for yielding. I thank the gentleman for the kind remarks. The gentleman is totally correct in everything that he has said regarding the budget.

Mr. AuCOIN. I am glad the gentleman agrees and maybe the gentleman will reconsider his position.

Mr. STENHOLM. The point that the gentleman missed, though, is that there is a big difference in the budget that the gentleman is asking us to adhere to today and the budget that passed this House several months ago. Our effort today is to conform with the $36 billion in real cuts. To do this we have had to have this amendment and 12 additional amendments to conform to the $36 billion in real cuts. That is the only difference.

Mr. AuCOIN. I understand what the gentleman is saying. But let me, reclaiming my own time, let me say to the gentleman: Why penalize this committee which has done its job? It has looked at line-item after line-item. It has come in under the congressional budget. It has come in under the President's budget.

Why come in with an across-the-board cut on this committee's work when it has adhered to the congressional budget and come in under the President's budget? That is blind-budgeting. I think it is foolish for all of those reasons, and reckless.

So with all due respect to my friend from Texas who I do have a high regard for, I have to say again I have little regard for this amendment.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I have high regard for the gentleman from Wisconsin also and I yield to him—but I do not agree with his views on this amendment.

Mr. GUNDERSON. I thank the gentleman for yielding. I understand that as well. The reason we are doing this is not an attack on the Committee on Appropriations. It is certainly not an attack on the subcommittee. I took the well earlier to emphasize that this subcommittee has come up to us with an appropriations bill in the energy and water area that has honest accounting and there is no objection, no debate about that. The reason we are doing this is, as the gentleman from

Texas said, there is $6 billion of smoke and mirror in the budget resolution.

Mr. AuCOIN. In this bill?

Mr. GUNDERSON. In the budget resolution which was passed yesterday.

Mr. AuCOIN. Let me reclaim my time.

Mr. GUNDERSON. What we are trying to do is find a means to get that. There is no attack on the subcommittee. It just so happens that this subcommittee is the first one to bring us an appropriations bill to the floor.

Mr. CARPER. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I will not take the 5 minutes allotted to me. What I would like to do, and we have already explained what the intent of our bipartisan task force is, but let me say that one of my problems that I had with the President's budget and I had many problems with the President's budget, but one of them was that the President proposed, in revenues, selling assets. He proposed selling assets whether it is 90 cents on the dollar, 80 cents on the dollar, 70 cents on the dollar; deeply discounted asset sales which are not repeatable in 1989, not repeatable in 1990, not sustainable in 1991.

There was one aspect of the budget resolution that we voted for yesterday, I voted for yesterday, that I did not like. Some of you did not like it either. We talked about it. It is the $6 or $7 billion that relates to the sale of and refinancing of REA. I do not like that. I did not have an opportunity yesterday to vote on an amendment to strike that.

I want us to end up wtih $36 billion of real sustainable deficit reduction. Our approach by asking that each increase in each of the 13 appropriation bills be cut by one-half enables us to do today and in the weeks ahead what we could not do yesterday with that budget resolution.

I am not a great fan of across-the-board cuts. I am going to be working, I have tried to work with the Legislative Branch Appropriations Subcommittee to try to figure out what programs, what aspects of each title can be cut by some percentage to come up with an overall halving of the increase in their bill. I like the rifle shot. I do not like an across-the-board approach. The across-the-board approach is what we are left with in this particular bill. I plan to vote for it.

Again, Mr. Gunderson said it well, others have said it as well; we do not mean to impugn the integrity of this subcommittee, we do not mean to impugn the integrity of the leadership of this subcommittee nor of the Committee on Appropriations. We think they are doing a good job, you are doing your best. We commend you for that effort.

□ 1455

By the same token, I do not enjoy voting for tax increases. If the Members plan to vote for any tax increase, at least vote for this amendment.

I do not like the prospect of voting for more taxes above $19 billion. If you do not like voting for tax increases in excess of $19 billion next year, vote for this amendment.

I want $36 billion in real deficit reduction for 1988. If you want $36 billion in real deficit reduction, I urge you to vote for this amendment and subsequent amendments in the weeks ahead as we take up each appropriation bill.

This is not an easy vote, I realize that. It is a tough vote; but if we think this is a tough vote, the real tough vote would come later this year when we vote on a reconciliation bill that includes 19 billion dollars' worth of taxes.

Mr. MYERS of Indiana. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, we have all heard more than we care to at this point. The Members are entitled to know the position of the members of the subcommittee.

I have voted for my share of cuts through the years that I have been here. I voted for a lot more cuts before I knew the system. Now that I know the system, I know there is a better way than the cut that is being proposed today.

It is being called a 1.7-percent cut, a minuscule cut, or very small, modest reduction.

How many of the sponsors or proponents of this amendment have read the report that the committee put out? If the Members had, the Members could not really call it an across-the-board, modest cut and only a reduction in increases.

I have heard that used here this afternoon.

Whenever a Member says it is only a reduction in increases, I know that Member has not read our report, because the committee cut many, many requests. Many of them are not even what the budget, nor what the President, requested, nor what you individually requested. It was necessary for the committee to make a number of cuts that are shown in this report.

I have heard today that we are going to come down to the President's figure, or down to last year's House figure in the budget. First, we are well under the President's request. The President's request was a billion and a half more than we have appropriated.

Second, if you look at the bottom lines compared to last year's appropriations passed, we are $1.1 billion over last year. Examine what makes up that $1.1 billion, if the Members would like to hear.

Three hundred thirty-one million dollars of that is for Atomic Energy Defense activities, $257 million less than the President requested.

We did appropriate right up against the authorization ceiling of the House Committee on Armed Services, under what the President requested but $331 million over last year.

Those of the members who are interested in national defense, the Members will recognize that when a 1.7 cut is being asked for here, that is $274½ million that will have to be cut. Half will come out of national defense. National defense is being cut by about $133 million, and the Members should be aware of that; and that adds up to $370 million below what the President requested in this one activity alone.

We are also going to cut SSC [superconducting super collider], we are going to cut another 1.7, a very high priority for the President, so for Members who support the President, are the Members sure they are by voting for this?

There is $684 million that was last year used for energy supply research and development, out of uranium enrichment revenues. That $684 million, with the $331 million in defense increase, make up that $1.1 billion over last year.

Do you want to cut the NRC, who is charged with the safety of our nuclear reactors around the country? That is what the Members are calling for, to cut this.

The Corps of Engineers projects, we have not had new starts for over 15 years. Seven of the new starts that we have put in are totaling up to $3 million in operation and maintenance.

In the corps, we are operating some of the locks and dams around the country that are 50 years old, and they require a high degree of maintenance in operating them.

The Members are going to cut those people out. We put $34 million in Gallipolis in the Ohio River, West Virginia and Pennsylvania and Ohio. Sometimes it is 4 days that the barges wait to get through the Gallipolis Lock and Dam. We are going to cut that?

It is already costing the American people hundreds of thousands of dollars each year. We also put $80 million in lock and dam No. 26 on the Mississippi River; and similarly, the grain coming out of the Northwest, the Midwest going down to be exported, there are big bottlenecks. We are going to cut that one, too?

The cuts that are being recommended here, some of them, like the Corps of Engineers, for every $2 we put in the Corps of Engineers because of local participation now, there is another dollar generated, so that is going to be cut.

We get $3 now for $2 we invest.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. MYERS] has expired.

(By unanimous consent, Mr. MYERS of Indiana was allowed to proceed for 2 additional minutes.)

Mr. MYERS of Indiana. Mr. Chairman, I know that it is politically popular today, and it is appealing to vote for this. I have been through it.

The Members are going to look good on some of the reports. What are we doing to the country?

I do not consider what the Members are doing today a lack of respect for the Committee on Appropriations, or an attack on the Committee on Appropriations, or even questioning what we did. I have been there before.

I know what the Members are doing, but the Members say it is an effort to get to truth in budgeting.

This is the Committee on Appropriations, not the Committee on the Budget. Why did the Members not say that yesterday?

Then the Members talk about the 302 allocations; we do not have that yet. We do not know what the 302 (a) or (b) will come to; that will come between now and the first of July, but we will have to live with it.

I say if the Members are interested in the REA sale or other asset sales, where were the Members yesterday? Do not take it out on us.

I agree with the Members, we do need to cut; and as I say, I have voted for my share of cuts through the years. The proper way is not to take this approach.

Two hundred seventy-four million dollars is not a huge amount of money, but the Members are cutting some items here, some projects that cannot afford to be cut, so I say the proper way is this:

Vote today against this amendment. Vote with your committee. We are all in the same boat.

We are going to have to make the cuts as we did last year when we go to conference with the other body, but the disadvantage the Members give to the Committee on Appropriations by dong this, the Members limit our ability to negotiate, to work with the other body.

They are going to have the 302 by the time they act on this. They are going to put their projects in. You put us at a terrible disadvantage to be able to represent the House side by limiting our ability to negotiate with them. We are going to come down to this figure probably, maybe even more, in the final analysis. But I ask the Members to not do it today because none of us knows what it is; I do not, you do not. We are all guessing today, and this is the wrong way to go about it.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. MYERS] has expired.

(By unanimous consent, Mr. MYERS of Indiana was allowed to proceed for 2 additional minutes.)

Mrs. SMITH of Nebraska. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentlewoman from Nebraska.

Mrs. SMITH of Nebraska. Mr. Chairman, I thank the gentleman for yielding.

I, like the gentleman from Indiana [Mr. MYERS], have voted for many cuts, but let me point out that this bill is a bill to strengthen America. It makes us more productive. It increases our income, and it makes life better all over America. It affects every congressional district.

This is an investment in the future. We put one dollar in flood control, and we make seven dollars more.

In the hearings we listened to 2,000 witnesses. We had to turn down many projects. This is a lean bill, and I hope we will stay with the committee.

Mr. MYERS of Indiana. Mr. Chairman, the gentlewoman from Nebraska is certainly a very valuable member of the committee, and she has contributed greatly to our work. She is exactly right in her statement.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. MYERS of Indiana. I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Chairman, I think, when we consider the various items the gentleman has pointed out, we should also ask the Members of the House if they really want to cut the verification and control technologies for nuclear weapons, if they really want to cut defense nuclear waste management and the nuclear waste disposal fund, and if they really and truly want to cut the environment safety and health components of the nuclear industry.

Mr. Chairman, I thank the gentleman for yielding.

Mr. MYERS of Indiana. Mr. Chairman, the gentlewoman is exactly right. It is very appealing to vote for this, but it is, let me assure the Members, the wrong time. Let the Appropriations Committee act. We will make the same cut later. Of course, you are not going to get credit for it, and I can see why that is a problem. I am not blind about this. But I ask the Members to stick with the committee. It is the right way to go.

Mr. BATES. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will try to be brief. I very strongly and proudly associate myself with the Penny-Tauke amendment.

I recognize that the process we have is a sacred one, and I recognize that we generally do not like to tamper with the Appropriations Committee's recommendations, but I think the bipartisan commission that is attempting to have some impact on the budget process is also attempting to deal with the overwhelming question of economic deficits, not just the annual budget deficit, not just the national debt, the interest on the debt, the Third World debt, the farm defaults, and the savings and loan problem—the lists goes on and on. It is a symptom, I believe, of fiscal irresponsibility. It is a symptom of things out of control.

When the class of 1982 came here, the one thing that united conservatives and liberals, Democrats and Republicans alike, in that class was the concern about the deficit, not as a political tool simply to demagogue or talk about in terms of campaign literature but realistically beginning to restructure and deal with the problems this country faces.

I know that many Members are timid today because no committee is as powerful and as important as the Appropriations Committee. No committee controls those projects back home the way this committee does. But I think there are times when you have to sacrifice even your district's project or your own career. Getting reelected is not the most important thing, but when you are here, making a difference is the most important thing, and I think this is the single most important vote we will be taking on the appropriation process, because this vote sets the pattern. This vote is a beginning of looking at all the appropriation bills and beginning to reduce them.

This 1.7-percent reduction on this bill is not enough for me. I want further cuts, but I will support this amendment because it is the only thing we get a chance to vote on. It is the only time we have a chance to make our being here meaningful and making this an important process.

So, Mr. Chairman, I ask the Members to support this amendment.

Mr. BEVILL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I realize that this amendment has been offered by the so-called bipartisan group. Every one of them have spoken, I assume, but I have heard of this group this afternoon for the first time. I have not had any bipartisan group in my committee room listening to our 3 months of testimony. We have heard over a hundred Members of Congress and hundreds of witnesses. We have done all these things under the system we have always operated under for 200 years.

But now we have a bipartisan group. I love every one of them. I think they are each outstanding Members, but this self-appointed group has offered these amendments, and I get the feeling that it would not make any difference what the bottom figure was, whether it is $16 billion or $15 billion, we would have to deal with the amendment.

This is the first of 13 appropriation bills we are going to be taking up. Frankly, if I were a member of one of those 12 appropriation subcommittees, or if I were chairman of one of those subcommittees, I would urge the committee to add 1.7 percent so it would not have to waste all this time down here with this so-called bipartisan, self-appointed, meat-ax approach committee. I think that would be the logical thing to do.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BEVILL. I yield to my friend, the gentleman from Illinois.

Mr. YATES. Mr. Chairman, as the chairman of the subcommittee dealing with the second bill that is going to be coming to the floor and destined to be subjected to a $300 million cut by the group, let me say that I have a copy of a letter they have addressed to themselves in which they describe my bill, and with respect to the bill I bring to the floor next, they say this:

> There are not any major gimmicks apparent in this bill. The committee has even included appropriations for firefighting which in recent years has been provided for only in a supplemental appropriations bill. Our group's first goal of truth in budgeting has more or less been met already by the Appropriations Committee.

□ 1510

They praise what we have done, and yet they propose to cut my bill by $300 million tomorrow.

Mr. BEVILL. I know just how the gentleman feels.

This amendment is going to cut energy research. It is going to cut defense. This bill is only $16.1 billion, and let met tell you, $7.8 billion of the $16.1 billion is for defense. Are you going to cut the defense program?

The President has been very upset about some of the cuts that have been made in his budget. You would be voting now to cut that $7.8 billion defense amount down another 1.7 percent. With the Middle East problems that we have and we are facing, this Nation could be in trouble in a matter of days on energy, and we are talking about cutting the energy research by 1.7 percent.

Oh, that sounds so little, does it not? But do you know what you are talking about cutting? It is $275 million. I have been sitting here all afternoon listening to this little 1.7 percent. Anybody can handle that. Anybody who just has to meet a household budget can handle 1.7 percent.

Now, $275 million, do you want to cut that? The Secretary of Energy has said in the last 2 months that we are going to have gasoline lines in this Nation within 2 to 5 years. This is assuming we do not have any cutoff over in the gulf that we are all concerned about, which could in a matter of days create these gasoline lines. So you are not going to be too proud of that 1.7-percent cut if it prevails, I can tell you.

Are you going to cut the Corps of Engineers' flood control projects? Are you going to cut the hydroelectric projects? Are you going to cut the serious erosion projects that are going to cost more next year than this year?

We only have two budgets. I wish the unofficial self-appointed bipartisan group, the meat-ax approach group, I wish they would come up with a third budget. We could use one. You know, we only have two. That is all we have got. We have the President's budget. We have got the one this House voted on yesterday. That is all.

This subcommittee has cut the President's budget by $1½ billion. We are under every budget known to mankind in this country today, and you still want to cut 1.7 percent. Do you want to cut $275 million out of this?

So this is what you are going to be cutting if you vote for this amendment. You are going to force the other 12 appropriation subcommittees to add 1.7 percent before they come to the floor so you will not have to take all this time like you have taken today.

So I just urge you to vote this amendment down and do not use this meat-ax approach.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. PENNY].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PENNY. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 143, noes 276, not voting 14, as follows:

[Roll No. 211]

AYES—143

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Bates
Bilirakis
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Carper
Chandler
Coats
Coble
Combest
Cooper
Courter
Craig
Crane
Darden
DeWine
DioGuardi
Dornan (CA)
Dreier
Eckart
Fields
Fish
Frenzel
Gallo
Gekas
Gingrich
Glickman
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (OH)
Hamilton
Hefley
Henry
Herger
Hiler
Hochbrueckner
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Jontz
Kasich
Kemp
Kennelly
Konnyu
Latta
Leach (IA)
Leath (TX)
Lewis (FL)
Lott
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Martin (IL)
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Moody
Moorhead
Neal
Olin
Oxley
Packard
Penny
Petri
Porter
Ravenel
Ray
Ritter
Roberts
Roemer
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saiki
Saxton
Schaefer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Slattery
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Spratt
Stenholm
Sweeney
Swindall
Tallon
Tauke
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weiss
Weldon
Wylie

NOES—276

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bliley
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carr
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Coyne
Crockett
Daub
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallegly
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Gonzalez
Gordon
Grant
Gray (IL)
Green
Guarini
Hall (TX)
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Johnson (SD)
Jones (NC)
Jones (TN)
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Manton
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Montgomery
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen

Rahall
Rangel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roybal
Sabo
Savage
Sawyer
Scheuer
Schumer
Shaw
Skeen
Skelton
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Stump
Sundquist
Swift
Synar
Taylor
Torres
Torricelli
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—14

Bonior (MI)
Daniel
Dannemeyer
Davis (IL)
Flake
Ford (TN)
Gephardt
Gray (PA)
Markey
McCurdy
Smith (FL)
Tauzin
Towns
Waxman

□ 1525

Messrs. STRATTON, LANCASTER, and ENGLISH changed their votes from "aye" to "no."

Mr. MADIGAN and Mr. OLIN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Chairman, I was present at a meeting at the White House, and was unable to be here for the vote on rollcall No. 211 on the Penny amendment to H.R. 2700. Had I been here, I would have voted "aye."

AMENDMENT OFFERED BY MR. MICA

Mr. MICA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Mica: On page 46, after line 19, insert the following new section:

Sec. 509. It is the sense of Congress that beach renourishment projects previously authorized are necessary projects; further that all Federal agencies shall cooperate fully in the application and permitting process to complete these necessary projects.

Mr. MICA (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

□ 1535

Mr. MICA. Mr. Chairman, I would say I am adding language to the legislation in this section that says that projects, programs, that are approved by this Congress and the President, signed into law, should be completed and, indeed, that is the sense of the Congress.

We have found some foot dragging, some questions, and we would just like to reemphasize it. I understand there is agreement on all sides.

Mr. BEVILL. Mr. Chairman, if the gentleman will yield, we have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. Mica].

The amendment was agreed to.

The CHAIRMAN. Are there further amendments to title V?

Mr. OWENS of Utah. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I commend the gentleman from Alabama, Chairman Bevill, and the ranking minority member, the gentleman from Indiana, Mr. Myers, for the excellent legislation they have brought forth at this time.

Some of my colleagues may remember that 4 years ago Salt Lake City was aswim in flood water. We created Main River down State Street with sand bags and out 13th south into the Great Salt Lake.

Since that time we have made genuine progress in curbing some of the serious problems that allowed that kind of rampage during the spring melt to happen.

This year in the preparation of this bill the committee prepared and provided for $1.75 million for the Little Dell Lake in Parley's Canyon above Salt Lake City.

That is an important project in flood control. Through an inadvertent error of the Corps of Engineers, however, Mr. Chairman, the wrong figure as to the need for the current year was given. The figure as given was provided for the committee. It should have been $300 million instead of $1.75 million.

It is my understanding, if I may address this question to the chairman of the subcommittee, it is my understanding that there may be funds available for reprogramming which might make available that critical appropriation for Little Dell Reservoir of $3 million instead of $1.75 million.

The error came about as the result of a good faith error by the Army Corps of Engineers.

Mr. BEVILL. If the gentleman will yield, he is correct. We intend to work with the gentleman to provide the necessary funding for this project. It is a good project, it is one that is needed, and we support the gentleman on it. It was unfortunate that we only funded it about halfway.

Mr. OWENS of Utah. I thank my distinguished chairman and yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, we have heard a lot of discussion about this bill today. We have heard about whether or not it has sufficient money in it to do certain things, whether or not it is over budget, under budget, what it is.

I have not heard very much discussion about the administration's position on this bill. That is a shame, because I think my colleagues ought to know that the administration has said flatly that this bill in its current form would be recommended for a veto.

Why would the bill be vetoed? Because of its excessive spending that it provides.

Compared with the President's budget, funds for domestic discretionary programs are increased $562 million while funds for atomic energy defense are cut by $237 million.

What kinds of things does the administration find objectionable in this bill? There is an extra $110 million for the Corps of Engineers financed largely through unobligated balances, including about 40 unrequested construction starts and other add-ons, and over 80 unbudgeted studies.

Particularly objectionable is mandated funding for the construction of the next segment of the uneconomic $1.6 billion Red River Waterway;

An extra $242 million for energy supply R&D activities financed in part by unobligated balances transferred from the uranium supply and enrichment account, and including—now get this—more than $75 million for special interest porkbarrel projects.

Mr. Chairman, I know the House does not like to hear about what is actually in these bills because it makes it difficult to vote "yes" on them when we find out how much we are spending on pork. But I thought the House ought to at least be informed about some of the problems that this bill might have.

For example, there is an inclusion of about 40 unbudgeted construction starts and other add-ons that will cost over $1 billion in total Federal costs over the next several years. There is a $16 million increase, 12 percent over the President's request for project planning. We have an additional construction and planning that is financed through unobligated balances, meaning we are going to have real problems in the out years.

The administration opposes the $700,000 appropriation for two nonprofit organizations in Oklahoma on a noncost shared basis.

The administration objects to the increase of $5.6 million for operation and maintenance activities of the California Central Valley project.

Let me say, Mr. Chairman, I do not want to belabor the committee, but this goes on and on and on and on and on of objections to this bill.

This bill is not as it has been described on the House floor. This bill in its present form will be vetoed as excessively costly.

I would hope the Members of the House will reflect on that as they make their decision as to which way to vote. Personally, I think a no vote would be very much deserved on a bill that is so far over the President's budget.

I yield back the balance of my time.

(By unanimous consent, Mr. FOLEY was allowed to speak out of order for 1 minute.)

LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Chairman, I take this time to advise the Members on the program for the remainder of the day and for the week because, Mr. Chairman, it has come to my attention that again, unfortunately, incorrect rumors are spreading across both sides of the aisle. For the clear information and careful advice of Members, let me suggest that we are planning to complete this bill and to then undertake general debate only on the Interior appropriation bill. So after the conclusion of the vote on this bill we do not anticipate any further votes for the day.

On tomorrow we will be taking up the Interior appropriation and the legislative appropriation bills to completion.

On Friday there will be a session with votes. Let me repeat that, Mr. Chairman. On Friday there will be a session with votes, most probably on the District of Columbia appropriation.

On Monday we will have suspensions and we will advise Members tomorrow on the program for the next week. But I want to make clear, at the risk of dull repetition once more, that this Friday there will be a session of the House, there will be votes, and most probably it will be on the D.C. appropriation bill.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman form Georgia.

Mr. GINGRICH. Mr. Chairman, I know there have been some unkind hissing and comments for our good friend from Washington, and I want to assure the gentleman that on our side we appreciate the difficulties he must face.

But I would like to inquire, is there any prospect in this distinguished and energetic new leadership team that the gentleman has put together that at some points this year we could develop a habit where maybe as early as 3 days in advance or 4 days in advance we could discover what we are doing? That is just a gentle request.

Mr. FOLEY. Let me tell the gentleman I am glad he has raised this point because this particular schedule for this Friday was announced 3 weeks ago, and has been repeated every week on our and I believe your whip notice and in every weekly announcement of the program on Thursday afternoon.

Mr. GINGRICH. Would my friend yield for a question?

Mr. FOLEY. And it has come to my great surprise indeed, my confusion, that the most brilliant and able Members of this House, including the gentleman from Georgia, cannot get the simple message.

Mr. GINGRICH. If my friend would yield for a moment, I had only risen to commend the Democratic leadership for sticking this week to the schedule, and to encourage you in future weeks when a schedule is printed to stick to it.

Mr. FOLEY. We accept the compliment and thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Energy and Water Development Appropriation Act, 1988".

Mr. BEVILL. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. COELHO] having assumed the chair, Mr. PEASE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill, H.R. 2700 making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

☐ 1550

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 340, noes 81, not voting 12, as follows:

[Roll No. 212]

AYES—340

Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Baker
Barnard
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
DeLay
Derrick
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Herger
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Ireland
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennelly
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lukens, Donald
MacKay
Manton
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McDade
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Roemer
Rogers
Rose
Rostenkowski
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schroeder
Schuette
Schulze
Schumer
Shaw
Shumway
Shuster

Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Synar
Tallon
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOES—81

Ackerman
Archer
Armey
Ballenger
Bartlett
Bates
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Coble
Combest
Crane
Dannemeyer
Dellums
DeWine
Dickinson
Dreier
Fish
Gingrich
Gradison
Gregg
Hall (OH)
Hefley
Henry
Hertel
Hiler
Hopkins
Houghton
Hunter
Inhofe
Jacobs
Johnson (CT)
Kasich
Kemp
Kennedy
Kildee
Latta
Leach (IA)
Lott
Lujan
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCollum
McEwen
McMillan (NC)
Michel
Miller (WA)
Moorhead
Olin
Oxley
Parris
Penny
Petri
Ray
Ritter
Roberts
Roth
Rowland (CT)
Schaefer
Schneider
Sensenbrenner
Sharp
Sikorski
Slattery
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stenholm
Swindall
Tauke
Upton
Walker
Weiss
Wylie

NOT VOTING—12

Bonior (MI)
Daniel
Davis (IL)
Flake
Ford (TN)
Gephardt
Markey
McCurdy
Roukema
Smith (FL)
Tauzin
Towns

☐ 1605

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

HOUR OF MEETING ON TOMORROW

Mr. FOLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon tomorrow.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Washington?

There was no objection.

GENERAL LEAVE

Mr. YATES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2712, which we are about to consider, and that I may be permitted to include tables, charts, and other material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1988

Mr. YATES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Ohio [Mr. Regula] and myself.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The SPEAKER pro tempore. The question is on motion offered by the gentleman from Illinois [Mr. Yates].

The motion was agreed to.

☐ 1610

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2712, with Mr. Boucher in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Illinois [Mr. Yates] will be recognized for 30 minutes and the gentleman from Ohio [Mr. Regula] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Illinois [Mr. Yates].

Mr. YATES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have the honor of bringing the appropriations bill for the Department of the Interior and related agencies for fiscal year 1988 to the floor of the House.

Ordinarily, I very much relish the task; but after the debates that occurred on the last bill that was before the House, I have some trepidation about the Members that argued in favor of the cuts.

I was delighted to see that the House sustained the actions of the Committee on Appropriations.

It is an honor, and it gives me the opportunity to pay my tribute to some of the most able Members of the House, Members who are on the Subcommittee on Interior of the Committee on Appropriations who crafted this bill, and to my mind did an outstanding job: The gentleman from Oregon [Mr. AuCoin], the gentleman from Pennsylvania [Mr. Murtha], the gentleman from Washington [Mr. Dicks], the gentleman from Massachusetts [Mr. Boland], the gentleman from Alabama [Mr. Bevill], and the gentleman from Mississippi [Mr. Whitten], the distinguished chairman of the full committee.

I want to pay particular tribute to the gentleman from Ohio [Mr. Regula], a man who I admire and respect, a great person, a great legislator who has made such a contribution on this bill. In all honesty, it could be called the Regula bill. The gentleman's contribution was so tremendous. It is a pleasure to be associated with the gentleman, and to work with the gentleman on this bill.

The Committee on Appropriations has worked its will, and we bring to the floor a very good bill. It is a bill that is not only technically correct, but it is within the 302(b) allocation. It is within outlays. It is within budget authority, but more than that, it is a responsible bill.

In all truth, we should have had higher appropriations in order to take care of the needs of the country, in order to protect the Government's resources and its programs.

On the other hand, the appropriations are not so low as to cripple them; but that is all that we can say about the levels that we bring to the Members in this bill.

Appropriations for almost all of the programs have been cut over the years. I do not think they can be cut very much more and still protect the interests of the American people.

Take the 1981 Interior bill for fiscal year 1981, as a reference point. It was $10.8 billion. The bill that we bring to the floor today is more than $1 billion less than the bill was in 1981, and we do this in the face of a 21-percent increase in the Consumer Price Index from June 30, 1981, to April 30, 1987.

We do this in the face of the responsibilities of our agencies which are increasing. There are 11 new park units which have been added in that time period and 30 new wildlife refuges. Recreation visitation is up 18 percent in the properties of the Bureau of Land Management, in the past year along.

Passage of the Alaska Lands Act in December 1980 has increased significantly our responsibilities in Alaska. For the Fish and Wildlife Service alone, expenses in Alaska have risen from $20.3 million in 1981 to $51.2 million in 1988. For the National Park Service, the increase is from $15.6 to $29.7 million.

Mr. Chairman, the totals in this bill are $9.4 billion. It is an increase over the amount last year as far as the total is concerned; but as far as the actual operating levels are concerned, there is no increase over the 1987 program.

A significant portion of this increase is due to mandatory pay and retirement costs of approximately $300 million which had to be recognized.

In addition to that, we provided for continuing the fill rate of the strategic petroleum reserve at 75,000 barrels per day, which requires an increase of $603 million in the appropriations.

The recommendation also exceeds the President's budget estimates by $1½ billion; but it must be remembered, Mr. Chairman, that the President's budget estimates were so erroneous that no Member voted for them in the House itself.

In preparing this bill, the committee took testimony from 75 Members of Congress, and received written requests from 168 more. These 243 requests cover 870 individual account requests.

The bill reflects our continuing investment in America and the American people. It provides the amounts necessary to support the national heritage of all Americans—the public lands, the national parks, the national forests, and the cultural and historic preservation of the heritage that we want to pass along to our children, our grandchildren, and the generations to come; and to continue the hope and dream that each of us has that what we pass along for our children and the coming generations will be better than what we now enjoy.

The bill includes $4,314,243,000 for programs for the Department of the Interior; $1,666,847,000 for the U.S. Forest Service; $1,738,662,000 for programs of the Department of Energy; and $1,721,082,000 for Indian Health, Indian Education, the Smithsonian Institution, the National Endowments for the Arts and Humanities, and the other related agencies contained in the bill, all of which are described in detail in the report accompanying the bill.

The programs represented in this bill in many ways represent an investment in America itself, and those investments provide significant returns. For example, programs funded in this bill will generate estimated revenues of over $8.4 billion in fiscal year 1988.

There are certain areas in this bill where the committee believed it important to exceed the amount requested in the President's budget. These include vital programs established to meet identified national goals, such as the land acquisition programs in refuges, parks, national forests, and public lands. The committee has included an increase of $105 million over the budget for this purpose. We could not agree with the administration's request for a minimal land acquisition program. Prices would only go higher; critical habitat would be lost; and private landowners would be inconvenienced.

The committee has recommended increases of $281 million in Indian programs, including construction of hospitals, clinics and schools, irrigation and sanitation facilities, and protection and development of natural resources on reservation lands, in keeping with our trust responsibilities to the Indian people. Although the recommended funding for these programs in fiscal year 1988 is $126 million above the enacted level for fiscal year 1987, most of the increase is attributed to fixed-cost increases for pay, retirement, and health care. The committee has also recommended increases totaling almost $210 million over the fiscal year 1988 budget request, but an increase of only $1,100,000 over the 1987 level, for the U.S. Forest Service, in order to maintain important programs in forest research, State and private forestry, and recreation in the national forest system.

With respect to Outer Continental Shelf leasing, the bill continues a moratorium in only one area—North Atlantic-Georges Bank. The committee has concluded that there is a need to maintain this restriction to ensure that all resource values are provided proper consideration.

The Congress continues to be confronted by gross inconsistencies in the energy policies of the administration. The understandable response of the oil industry to lower oil prices in the past year has decreased production and exploration. This has led some in the administration to forecast a reappearance of gas lines in the near future because of increasing vulnerability to imported OPEC oil. Our energy security has been reexamined. Both the Interior and Energy Departments have offered suggestions the total of which is both inconsistent and unbalanced. One suggestion, with which we agree, is continuing a strong strategic petroleum reserve program. The committee has included $164 million to continue construction of capacity for the strategic petroleum reserve and also has provided an additional $476 million over the fiscal year 1988 budget request to provide a 75,000 barrel per day fill rate. Imports are increasing, and prices are still low, making this a proper time to provide these funds for our national security.

In the long term the only other administration response is to concentrate on opening up frontier Outer Continental Shelf areas and the Arctic National Wildlife Refuge [ANWR] to oil and gas leasing. Both of these areas raise valid environmental concerns, but the rhetoric of administration spokesmen is that we have no alternatives to leasing and will be seen as weak and unwilling to make the sacrifices or changes necessary to protect our national interests if this is not done. There are other alternatives, none of which are being pursued with nearly the same vigor by the administration. Therefore, in fossil energy and conservation research and development, the committee recommends an increase of $265 million over the budget request.

We are providing an increase of $200 million for State conservation grants, $186,513,000 of which will finance the low-income weatherization and schools and hospitals programs. These funds allow continuing these programs at the same level, under the same conditions, and in the same proportions as in fiscal year 1987.

We have also provided $350 million over 3 years for a demonstration program for clean coal technologies to retrofit or repower existing coal-burning facilities to find ways to reduce acid rain. This is significantly less than sums proposed by the administration. The program is aimed at providing better ways to reduce acid rain, controls or not, and should go ahead separate from acid rain legislation.

The bill contains funding for the Navajo and Hopi Indian Relocation Commission. In 1974 Congress passed the Relocation Act in an attempt to resolve the centuries-old dispute between the Navajo and Hopi Tribes. At the time this legislation was adopted, it was represented that only 1,100 families needed to be relocated at an estimated cost of $41 million. To date, more than $150 million has been appropriated with about 1,400 certified eligible families still awaiting relocation. In retrospect, 13 years later, it has become obvious that the magnitude of this problem is much greater than originally estimated and that Congress must reexamine this issue in a comprehensive rather than a piecemeal fashion. There is no forced eviction in this relocation program. Only those who have voluntarily applied to the Relocation Commission and are certified eligible for relocation are presently being moved. The funding in this bill enables the Commission to go forward with housing people who have been uprooted, many of whom are living in adverse conditions. A recent survey of those families who have voluntarily left the land in compliance with the law reveals that 35 percent have no indoor plumbing, 36 percent have no electricity and 40 percent have to haul water. Although this may not differ greatly from other residents of the Navajo reservation, the Government has an obligation to provide decent, safe, and sanitary housing to these families. The committee has taken an additional step to ensure that the rights of the relocatees are protected by including the language carried in the fiscal year 1986 continuing resolution which states that none of the funds appropriated in this or any other act may be used for eviction of individuals until a replacement or new relocation home has been provided.

Mr. Chairman, this is a good bill. It continues important programs necessary for the protection and enhancement of our unsurpassed natural resources, while maintaining fiscal responsibility and providing a substantial return to the Treasury. I want to commend the subcommittee members for their unselfish efforts and contributions throughout the preparation of this bill. In particular, I want to note the contributions of our ranking minority member, RALPH REGULA.

House report 100-171 explains the committee actions represented in the bill in considerable detail. For further clarification I am placing a support table into the RECORD to accompany this statement.

Mr. Chairman, I recommend that the bill be adopted.

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1987 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1988

Agency and item	New budget (obligational) authority, fiscal year 1987	Budget estimates of new (obligational) authority, fiscal year 1988	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1987	Budget estimates of new (obligational) authority, fiscal year 1988
TITLE I - DEPARTMENT OF THE INTERIOR					
Bureau of Land Management					
Management of lands and resources	483,610,000	407,952,000	493,649,000	+10,039,000	+85,697,000
Construction and access	2,800,000	1,281,000	1,981,000	-819,000	+700,000
Payments in lieu of taxes	105,000,000	105,000,000	105,000,000	---	---
Land acquisition	6,220,000	10,000	4,170,000	-2,050,000	+4,160,000
Rescission	-3,200,000	---	---	+3,200,000	---
Oregon and California grant lands	54,524,000	53,937,000	57,817,000	+3,293,000	+3,880,000
Range improvements (indefinite)	9,253,000	8,506,000	8,506,000	-747,000	---
Service charges, deposits & forfeitures (indefinite)	5,195,000	7,195,000	7,195,000	+2,000,000	---
Miscellaneous trust funds (indefinite)	100,000	100,000	100,000	---	---
Total, Bureau of Land Management	663,502,000	583,981,000	678,418,000	+14,916,000	+94,437,000
United States Fish and Wildlife Service					
Resource management	314,692,000	302,203,000	335,524,000	+20,832,000	+33,321,000
Construction and anadromous fish	26,513,000	8,657,000	21,054,000	-5,459,000	+12,397,000
Migratory bird conservation account	7,000,000	---	1,000,000	-6,000,000	+1,000,000
Land acquisition	42,425,000	1,639,000	38,074,000	-4,351,000	+36,435,000
National Wildlife Refuge Fund	5,645,000	5,645,000	5,645,000	---	---
Total, United States Fish and Wildlife Service	396,275,000	318,144,000	401,297,000	+5,022,000	+83,153,000
National Park Service					
Operation of the national park system	658,613,000	714,844,000	725,129,000	+66,516,000	+10,285,000
Park receipts (indefinite)	-54,000,000	---	---	+54,000,000	---
National recreation and preservation	10,628,000	10,317,000	12,753,000	+2,125,000	+2,436,000
Historic preservation fund	24,250,000	---	25,000,000	+750,000	+25,000,000
Construction	88,095,000	30,990,000	86,056,000	-2,039,000	+55,066,000
Visitors facilities fund	---	(4,700,000)	(4,700,000)	(+4,700,000)	---
(Liquidation of contract authority)	(12,500,000)	---	(31,000,000)	(+18,500,000)	(+31,000,000)
Land acquisition and state assistance	87,220,000	16,031,000	48,431,000	-38,789,000	+32,400,000
Land and water conservation fund (rescission of contract authority)	---	---	-30,000,000	-30,000,000	-30,000,000
John F. Kennedy Center for the Performing Arts	4,771,000	4,920,000	4,920,000	+149,000	---
Illinois and Michigan Canal National Heritage Corridor Commission	250,000	---	250,000	---	+250,000
Jefferson National Expansion Memorial Commission	75,000	---	---	-75,000	---
Total, National Park Service	819,902,000	777,102,000	872,539,000	+52,637,000	+95,437,000
Geological Survey					
Surveys, investigations, and research	418,665,000	420,178,000	447,324,000	+28,659,000	+27,146,000
Minerals Management Service					
Leasing and royalty management	160,697,000	168,563,000	169,313,000	+8,616,000	+750,000
Payments to States from receipts under Mineral Leasing	---	750,000	---	---	-750,000
Total, Minerals Management Service	160,697,000	169,313,000	169,313,000	+8,616,000	---
Bureau of Mines					
Mines and minerals	138,162,000	118,630,000	132,727,000	-5,435,000	+14,097,000
Office of Surface Mining Reclamation and Enforcement					
Regulation and technology	100,003,000	105,605,000	102,305,000	+2,302,000	-3,300,000
Abandoned mine reclamation fund (definite, trust fund)	203,720,000	186,799,000	194,899,000	-8,821,000	+8,100,000
Total, Office of Surface Mining Reclamation and Enforcement	303,723,000	292,404,000	297,204,000	-6,519,000	+4,800,000
Bureau of Indian Affairs					
Operation of Indian Programs	921,182,000	910,181,000	966,452,000	+45,270,000	+56,271,000
Construction	88,601,000	57,894,000	73,967,000	-14,634,000	+16,073,000
Road Construction	---	---	1,000,000	+1,000,000	+1,000,000
White Earth Trust Fund	6,600,000	---	---	-6,600,000	---
Miscellaneous payments to Indians	---	13,628,000	13,340,000	+13,340,000	-288,000
Tribal trust funds	1,000,000	1,000,000	1,000,000	---	---
Revolving fund for loans	---	2,912,000	---	---	-2,912,000
Revolving fund for loans (limitation on direct loans)	(16,320,000)	(13,000,000)	---	(-16,320,000)	(-13,000,000)

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1987 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1988—Continued

				Bill compared with—	
Agency and item	New budget (obligational) authority, fiscal year 1987	Budget estimates of new (obligational) authority, fiscal year 1988	New budget (obligational) authority recommended in bill	New budget (obligational) authority, fiscal year 1987	Budget estimatea of new (obligational) authority, fiscal year 1988
Indian loan guaranty and insurance fund	2,452,000	12,094,000	3,085,000	+633,000	-9,009,000
Indian loan guaranty and insurance fund (limitation on guaranteed loans)	---	(33,500,000)	---	---	(-33,500,000)
Total, Bureau of Indian Affairs	1,019,835,000	997,709,000	1,058,844,000	+39,009,000	+61,135,000
Territorial and International Affairs					
Administration of territories	78,224,000	61,933,000	74,809,000	-3,415,000	+12,876,000
Trust Territory of the Pacific Islands	67,387,000	14,820,000	59,390,000	-7,997,000	+44,570,000
Compact of Free Association	2,250,000	27,920,000	33,220,000	+30,970,000	+5,300,000
Total, Territorial Affairs	147,861,000	104,673,000	167,419,000	+19,558,000	+62,746,000
Departmental Offices					
Office of the Secretary	42,816,000	50,976,000	45,849,000	+3,033,000	-5,127,000
Office of the Solicitor	20,880,000	24,794,000	23,109,000	+2,229,000	-1,685,000
Office of Inspector General	16,300,000	18,090,000	17,700,000	+1,400,000	-390,000
Construction Management	684,000	---	2,500,000	+1,816,000	+2,500,000
Total, Departmental Offices	80,680,000	93,860,000	89,158,000	+8,478,000	-4,702,000
Total, title I, Department of the Interior:					
New budget (obligational) authority (net)	4,149,302,000	3,875,994,000	4,314,243,000	+164,941,000	+438,249,000
Appropriations	(4,152,502,000)	(3,875,994,000)	(4,314,243,000)	(+161,741,000)	(+438,249,000)
Definite	(4,191,954,000)	(3,860,193,000)	(4,328,442,000)	(+136,488,000)	(+468,249,000)
Indefinite	(-39,452,000)	(15,801,000)	(15,801,000)	(+55,253,000)	---
Rescission	(-3,200,000)	---	(-30,000,000)	(-26,800,000)	(-30,000,000)
(Liquidation of contract authority)	(12,500,000)	---	(31,000,000)	(+18,500,000)	(+31,000,000)
(Limitation on direct loans)	(16,320,000)	(13,000,000)	---	(-16,320,000)	(-13,000,000)
(Limitation on guaranteed loans)	---	(33,500,000)	---	---	(-33,500,000)
TITLE II - RELATED AGENCIES					
DEPARTMENT OF AGRICULTURE					
Forest Service					
Forest research	128,882,000	122,212,000	137,670,000	+8,788,000	+15,458,000
State and private forestry	58,946,000	35,434,000	67,734,000	+8,788,000	+32,300,000
National forest system	1,158,294,000	1,016,417,000	1,218,406,000	+60,112,000	+201,989,000
Construction	261,736,000	221,543,000	200,914,000	-60,822,000	-20,629,000
(By transfer)	---	---	(25,000,000)	(+25,000,000)	(+25,000,000)
Timber receipts transfer to General Fund (indefinite)	(-78,029,000)	(-75,023,000)	(-75,023,000)	(+3,006,000)	---
Timber purchaser credits	---	(117,799,000)	---	---	(-117,799,000)
Land acquisition	52,236,000	3,907,000	36,327,000	-15,909,000	+32,420,000
Operation and maintenance of recreation facilities	---	52,000,000	---	---	-52,000,000
Acquisition of lands for national forests, special acts	966,000	966,000	966,000	---	---
Acquisition of lands to complete land exchanges (indefinite)	895,000	990,000	990,000	+95,000	---
Range betterment fund (indefinite)	3,644,000	3,750,000	3,750,000	+106,000	---
Miscellaneous trust funds	90,000	90,000	90,000	---	---
Total, Department of Agriculture	1,665,689,000	1,457,309,000	1,666,847,000	+1,158,000	+209,538,000
DEPARTMENT OF ENERGY					
Clean coal technology	---	350,000,000	50,000,000	+50,000,000	-300,000,000
Fiscal year 1989	---	(500,000,000)	(200,000,000)	(+200,000,000)	(-300,000,000)
Fiscal year 1990	---	(500,000,000)	(100,000,000)	(+100,000,000)	(-400,000,000)
Fiscal year 1991	---	(500,000,000)	---	---	(-500,000,000)
Fiscal year 1992	---	(500,000,000)	---	---	(-500,000,000)
Fossil energy research and development	295,866,000	149,900,000	345,394,000	+49,528,000	+195,494,000
(By transfer)	(2,922,000)	(500,000)	(500,000)	(-2,422,000)	---
Naval petroleum and oil shale reserves	122,177,000	159,700,000	159,700,000	+37,523,000	---
Energy conservation	233,612,000	86,090,000	326,114,000	+92,502,000	+240,024,000
Economic regulation	23,400,000	21,680,000	21,680,000	-1,720,000	---
Emergency preparedness	6,044,000	6,206,000	6,206,000	+162,000	---
Strategic Petroleum Reserve	147,433,000	142,437,000	164,225,000	+16,792,000	+21,788,000
SPR petroleum	---	127,744,000	603,744,000	+603,744,000	+476,000,000
Energy Information Administration	60,301,000	61,599,000	61,599,000	+1,298,000	---
Total, Department of Energy	888,833,000	1,105,356,000	1,738,662,000	+849,829,000	+633,306,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1987 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1988—Continued

Agency and item	New budget (obligational) authority, fiscal year 1987	Budget estimates of new (obligational) authority, fiscal year 1988	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1987	Budget estimatea of new (obligational) authority, fiscal year 1988
DEPARTMENT OF HEALTH AND HUMAN SERVICES					
Health Resources and Services Administration					
Indian health services	858,009,000	796,835,000	943,388,000	+85,379,000	+146,553,000
Indian health facilities	71,055,000	---	67,592,000	-3,463,000	+67,592,000
Total, Department of Health and Human Services	929,064,000	796,835,000	1,010,980,000	+81,916,000	+214,145,000
DEPARTMENT OF EDUCATION					
Office of Elementary and Secondary Education					
Indian education	64,036,000	64,234,000	66,343,000	+2,307,000	+2,109,000
OTHER RELATED AGENCIES					
Navajo and Hopi Indian Relocation Commission					
Salaries and expenses	22,335,000	21,490,000	25,270,000	+2,935,000	+3,780,000
Smithsonian Institution					
Salaries and expenses	183,920,000	204,862,000	203,635,000	+19,715,000	-1,227,000
Construction and improvements, National Zoological Park	2,500,000	5,150,000	7,650,000	+5,150,000	+2,500,000
Restoration and renovation of buildings	12,975,000	14,254,000	19,254,000	+6,279,000	+5,000,000
Construction	6,095,000	4,470,000	1,315,000	-4,780,000	-3,155,000
Subtotal	205,490,000	228,736,000	231,854,000	+26,364,000	+3,118,000
National Gallery of Art					
Salaries and expenses	34,607,000	37,259,000	37,401,000	+2,794,000	+142,000
Repair, restoration and renovation of buildings	2,400,000	400,000	400,000	-2,000,000	---
Subtotal, National Gallery of Art	37,007,000	37,659,000	37,801,000	+794,000	+142,000
Woodrow Wilson International Center for Scholars					
Salaries and expenses	3,322,000	3,998,000	3,827,000	+505,000	-171,000
Total, Smithsonian Institution	245,819,000	270,393,000	273,482,000	+27,663,000	+3,089,000
National Foundation on the Arts and the Humanities					
National Endowment for the Arts					
Grants and administration	120,761,000	101,950,000	120,811,000	+50,000	+18,861,000
Administrative expenses	15,900,000	17,350,000	17,300,000	+1,400,000	-50,000
Subtotal	136,661,000	119,300,000	138,111,000	+1,450,000	+18,811,000
Matching grants	28,420,000	25,900,000	28,420,000	---	+2,520,000
Total, National Endowment for the Arts	165,081,000	145,200,000	166,531,000	+1,450,000	+21,331,000
National Endowment for the Humanities					
Grants and administration	95,790,000	84,489,000	95,790,000	---	+11,301,000
Administrative expenses	14,200,000	15,350,000	15,350,000	+1,150,000	---
Subtotal	109,990,000	99,839,000	111,140,000	+1,150,000	+11,301,000
Matching grants	28,500,000	27,051,000	28,500,000	---	+1,449,000
Total, National Endowment for the Humanities	138,490,000	126,890,000	139,640,000	+1,150,000	+12,750,000
National Capital Arts and Cultural Affairs					
Grants	4,000,000	---	4,000,000	---	+4,000,000
Institute of Museum Services					
Grants and administration	21,250,000	19,250,000	22,000,000	+750,000	+2,750,000
Total, National Foundation of the Arts and the Humanities	328,821,000	291,340,000	332,171,000	+3,350,000	+40,831,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1987 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1988—Continued

Agency and item	New budget (obligational) authority, fiscal year 1987	Budget estimates of new (obligational) authority, fiscal year 1988	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1987	Budget estimatea of new (obligational) authority, fiscal year 1988
Commission of Fine Arts					
Salaries and expenses	450,000	446,000	446,000	-4,000	---
Advisory Council on Historic Preservation					
Salaries and expenses	1,533,000	1,734,000	1,719,000	+186,000	-15,000
National Capital Planning Commission					
Salaries and expenses	2,684,000	2,967,000	2,967,000	+283,000	---
Franklin Delano Roosevelt Memorial Commission					
Salaries and expenses	5,000	28,000	28,000	+23,000	---
Pennsylvania Avenue Development Corporation					
Salaries and expenses	2,397,000	2,531,000	2,531,000	+134,000	---
Public development	3,924,000	3,000,000	3,000,000	-924,000	---
Total, Pennsylvania Avenue Development Corporation	6,321,000	5,531,000	5,531,000	-790,000	---
United States Holocaust Memorial Council					
Holocaust Memorial Council	2,040,000	2,183,000	2,145,000	+105,000	-38,000
Total, title II, Related Agencies:					
New budget (obligational) authority	4,157,630,000	4,019,846,000	5,126,591,000	+968,961,000	+1,106,745,000
Definite	(4,153,091,000)	(4,015,106,000)	(5,121,851,000)	(+968,760,000)	(+1,106,745,000)
Indefinite	(4,539,000)	(4,740,000)	(4,740,000)	(+201,000)	---
(Timber receipt transfer to general fund)	-78,029,000	-75,023,000	-75,023,000	+3,006,000	---
(Timber purchaser credits)	---	117,799,000	---	---	-117,799,000
(By transfer)	2,922,000	500,000	25,500,000	+22,578,000	+25,000,000
RECAPITULATION					
Total, Department of the Interior and Related Agencies Appropriations:					
New budget (obligational) authority	8,306,932,000	7,895,840,000	9,440,834,000	+1,133,902,000	+1,544,994,000
Appropriations	(8,310,132,000)	(7,895,840,000)	(9,470,834,000)	(+1,160,702,000)	(+1,574,994,000)
Definite	(8,345,045,000)	(7,875,299,000)	(9,450,293,000)	(+1,105,248,000)	(+1,574,994,000)
Indefinite	(-34,913,000)	(20,541,000)	(20,541,000)	(+55,454,000)	---
Rescission	(-3,200,000)	---	(-30,000,000)	(-26,800,000)	(-30,000,000)
(Liquidation of contract authority)	(12,500,000)	---	(31,000,000)	(+18,500,000)	(+31,000,000)
(Limitation on direct loans)	(16,320,000)	(13,000,000)	---	(-16,320,000)	(-13,000,000)
(Limitation on guaranteed loans)	---	(33,500,000)	---	---	(-33,500,000)
(Timber receipt transfer to general fund)	(-78,029,000)	(-75,023,000)	(-75,023,000)	(+3,006,000)	---
(Timber purchaser credits)	---	(117,799,000)	---	---	(-117,799,000)
(By transfer)	(2,922,000)	(500,000)	(25,500,000)	(+22,578,000)	(+25,000,000)
TITLE I -DEPARTMENT OF THE INTERIOR					
Bureau of Land Management	663,502,000	583,981,000	678,418,000	+14,916,000	+94,437,000
United States Fish and Wildlife Service	396,275,000	318,144,000	401,297,000	+5,022,000	+83,153,000
National Park Service	819,902,000	777,102,000	872,539,000	+52,637,000	+95,437,000
Geological Survey	418,665,000	420,178,000	447,324,000	+28,659,000	+27,146,000
Minerals Management Serivce	160,697,000	169,313,000	169,313,000	+8,616,000	---
Bureau of Mines	138,162,000	118,630,000	132,727,000	-5,435,000	+14,097,000
Office of Surface Mining Reclamation and Enforcement	303,723,000	292,404,000	297,204,000	-6,519,000	+4,800,000
Bureau of Indian Affairs	1,019,835,000	997,709,000	1,058,844,000	+39,009,000	+61,135,000
Territorial and International Affairs	147,861,000	104,673,000	167,419,000	+19,558,000	+62,746,000
Secretarial Offices	80,680,000	93,860,000	89,158,000	+8,478,000	-4,702,000
Total, Title I - Department of the Interior	4,149,302,000	3,875,994,000	4,314,243,000	+164,941,000	+438,249,000
TITLE II - RELATED AGENCIES					
Forest Service	1,665,689,000	1,457,309,000	1,666,847,000	+1,158,000	+209,538,000
Department of the Treasury	---	---	---	---	---
Department of Energy	888,833,000	1,105,356,000	1,738,662,000	+849,829,000	+633,306,000
Indian Health	929,064,000	796,835,000	1,010,980,000	+81,916,000	+214,145,000
Indian Education	64,036,000	64,234,000	66,343,000	+2,307,000	+2,109,000
Navajo and Hopi Indian Relocation Commission	22,335,000	21,490,000	25,270,000	+2,935,000	+3,780,000
Smithsonian	205,490,000	228,736,000	231,854,000	+26,364,000	+3,118,000
National Gallery of Art	37,007,000	37,659,000	37,801,000	+794,000	+142,000
Woodrow Wilson International Center for Scholars	3,322,000	3,998,000	3,827,000	+505,000	-171,000

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR FISCAL YEAR 1987 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1988—Continued

Agency and item	New budget (obligational) authority, fiscal year 1987	Budget estimates of new (obligational) authority, fiscal year 1988	New budget (obligational) authority recommended in bill	Bill compared with—	
				New budget (obligational) authority, fiscal year 1987	Budget estimatea of new (obligational) authority, fiscal year 1988
National Endowment for the Arts	165,081,000	145,200,000	166,531,000	+1,450,000	+21,331,000
Arts and Artifacts Indemnity Fund	---	---	---	---	---
National Endowment for the Humanities	138,490,000	126,890,000	139,640,000	+1,150,000	+12,750,000
National Capital Arts and Cultural Affairs	4,000,000	---	4,000,000	---	+4,000,000
Institute of Museum Services	21,250,000	19,250,000	22,000,000	+750,000	+2,750,000
Commission of Fine Arts	450,000	446,000	446,000	-4,000	---
Advisory Council on Historic Preservation	1,533,000	1,734,000	1,719,000	+186,000	-15,000
National Capital Planning Commission	2,684,000	2,967,000	2,967,000	+283,000	---
Franklin Delano Roosevelt Memorial Commission	5,000	28,000	28,000	+23,000	---
Pennsylvania Avenue Development Corporation	6,321,000	5,531,000	5,531,000	-790,000	---
Holocaust Memorial Council	2,040,000	2,183,000	2,145,000	+105,000	-38,000
Total, Title II - Related Agencies	4,157,630,000	4,019,846,000	5,126,591,000	+968,961,000	+1,106,745,000
Grand total	8,306,932,000	7,895,840,000	9,440,834,000	+1,133,902,000	+1,544,994,000

Mr. REGULA. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, I would like to reiterate the comments of the gentleman from Illinois [Mr. YATES], the chairman of our Interior Subcommittee of the Committee on Appropriations, about the diligent work of all members on the committee.

We had extended hearings starting in late January and continuing into June. We heard from many different witnesses. We heard from many of the Members of the House.

We had 243 letters from Members of this body, more than half of the total membership of the House, requesting projects.

We tried to put together a bill that represents a responsible management of the natural resources of this Nation.

The gentleman from Illinois [Mr. YATES], the chairman of the subcommittee, worked diligently and with great patience listening to all of the many witnesses.

I want to particularly say that I appreciate the fact that, as far as the committee activities, there is no majority and no minority.

We worked as members on a collegial basis. Each member of the subcommittee, without regard to party, was able to participate in shaping this bill.

The gentleman from Illinois was extremely fair in every way providing leadership for this subcommittee.

I think we have crafted a bill that represents a good piece of work. One-third of the United States, one-third of all the land in this Nation is owned by the Federal Government, 750 million acres; and it is the responsibility of this subcommittee to provide the management for those resources, management not only for next year, but for the next generation and the next century. The Lord is not creating any more land. Therefore, the way in which we use what we have will determine what is the heritage of the next generations.

For that reason, I think it is important that we look at each project, that we look at each responsibility in the way in which we can achieve the desirable goal of providing a good heritage for the future. Not only do we have the responsibility for one-third of the land in America, but also for many of the cultural institutions of this Nation such as the Smithsonian, the Kennedy Center, many of the art galleries in this city, the arts programs of the Nation, the humanities programs, the Bureau of Indian Affairs and the Trust Territories in the Pacific all look to this committee for its leadership.

In the face of that, as the gentleman from Illinois [Mr. YATES] has pointed out, we have reduced from the 1981 budget by about $1.5 billion. This bill is less than the amount that was appropriated in 1981, while at the same time inflation has gone up 21 percent.

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As always, the bill has been well outlined by the chairman. There are some things that I would like to address in my comments. One of those is the President's proposed budget, and we will hear more about this in the debate tomorrow. This bill is $1.5 billion over the President's budget. However, I would remind my colleagues that on April 9 when the President's budget was before this body, exactly 27 Members supported that budget. I think that tells all of us very clearly that 408 Members of the House of Representatives had different priorities than the President, and what we have done in this bill is reflect those differing priorities.

Just to provide a few examples of the administration's objections, they oppose the increase in energy conservation research and development. This bill is $70 million over the President's request, but $4 million under last year's level.

This morning in the Washington Post there was an op-ed piece written by Senator LLOYD BENTSEN. I want to quote from this article that appeared in the Post this morning. Speaking of the oil crisis, the caption of the article is, "We Can't Count on Oil From the Gulf." It continues:

> The shocking truth is that our imports have already climbed so high that we could not meet our present need for imported oil even if we bought every barrel produced by Mexico, Canada and Venezuela.
>
> Since this is the case, what happens as our need for imports increases in the years ahead?
>
> The fact is that as our dependence on foreign oil grows, the vast bulk of that new oil must come from the Persian Gulf and the Persian Gulf alone.
>
> Our dependence on foreign oil is today at about the same level it was in 1973, when the first Arab oil embargo hit. When our dependence rises to 50 percent, our vulnerability to another oil embargo will be substantially higher. A repetition of the 1973 embargo would cut real income in the United States by more than $700 billion over five

years, cause our inflation rate to double and increase unemployment by 25 percent.

I use those figures because I think it illustrates how important oil conservation and the development of technology is for the future. That is the reason that we have in this bill money to do those things.

According to a recent CRS report, the budget for all conservation programs operated by DOE has declined by 74 percent over the past 9 years, falling from $1.21 billion in fiscal year 1979 to $311 million in fiscal year 1987.

That is a tremendous drop, while at the same time the Department of Energy defense-related spending has increased by more than 80 percent. Defense-related spending by DOE has grown from $3.4 billion in fiscal year 1979 to $6.2 billion in fiscal year 1987. If the trend continues, most of the Department's nonnuclear energy programs would end within the next 3 to 7 years.

We have heard a lot from this administration in recent months, much of which I agree with, concerning the possibility of a future energy crisis. I strongly support efforts, including increased domestic exploration and development, to ensure energy security; but our energy policy must be a balanced one and a balanced energy policy should include both development and conservation.

The administration also objects to the level of funding provided for Indian Health Services, which is $146.6 million more than requested by the administration.

Inflation in health care costs, over the last decade, has averaged 9.5 percent annual increase. Since 1981, the number of recognized tribes along with the population growth has resulted in a 17-percent increase in the number of Indians served.

Again, this is the reason we have to increase the funding.

The administration also objects to the inclusion of $40 million in the Indian health service account for sanitation facilities for Indian homes. According to OMB, funding for this purpose should be included with appropriations for construction or renovating Indian housing; in other words, in the HUD or Bureau of Indian Affairs appropriations for this purpose; and yet the administration has not requested funding for sanitation facilities in either the HUD bill or the BIA account. Housing for Indian families, under the administration's budget, would be built without any sanitation facilities.

I mention these things to point out why the administration can say, "Our budget is less than that of the committee." Of course it is, because they ignore a lot of important responsibilities of Government.

The administration continues to object to the inclusion of land acquisition funding. The bill includes funding for land acquisition for the Bureau of Land Management, the Fish and Wildlife Service, the National Park Service, and the Forest Service, total $127 million. This compares to a 1987 level of $188 million, or in other words, a 32.5-percent reduction for this year. Land acquisition is very important, however, because of the desire of the subcommittee to reach a responsible level, we cut in areas that we probably should not have.

No funding was provided for land and water conservation fund grants to States, a savings of $32 million from 1987. As recently as fiscal year 1981, this was $229 million. Many of our colleagues will hear from your Governors and legislators about the elimination of this program, but again we are constrained by the fact that we wanted to meet a responsible budget target.

When you evaluate the Interior bill and the other appropriation bills, you cannot use the benchmark of the President's budget, for the simple reason that only 27 Members support those priorities. What we need to do is measure it against last year's level and, perhaps more importantly, measure it against the needs of this Nation and what represents responsible management of our resources.

The amount appropriated in this bill is $1.1 billion over the fiscal year 1987 level, but I would point out to you that this is made up of two items primarily. One is an increase of $603,744,000 for strategic petroleum reserve oil acquisition. If you do not believe we should put oil in the strategic petroleum reserve for the day that there might be an embargo, then perhaps you would oppose spending this money. No new budget authority was provided in fiscal year 1987 because we had prior year appropriations available, so this is a new item, but I think the Congress has spoken very clearly that we should continue filling this reserve.

Another item was an increase of approximately $300 million to cover the mandatory pay and retirement cost increases.

Also, we have heard a lot about truth in budgeting, and because of that, we have included money in this bill to provide for firefighting, again an item that was not in last year's bill and, of course, is in the supplemental for fiscal year 1987.

When you take into consideration other items, I think you will find that actually the proposal that we have, comparing apples to apples, is a few dollars less than the fiscal year 1987 levels.

One other item I would like to talk about today is the Clean Coal Program. This bill provides $50 million in fiscal year 1988, $200 million in fiscal year 1989, and $100 million in fiscal year 1990 to enable the Department of Energy to solicit a second round of clean coal demonstration projects. These projects would be aimed specifically at demonstrating improved technologies for the control of sulfur and nitrogen oxide emissions from existing coal-burning facilities that are believed to contribute to acid rain.

As in the first round of clean coal projects, the private sector must provide a minimum of 50 percent of the cost of a project and must repay the Government if revenues are available. As a matter of fact, on the first round, we received a 65-percent match from the private sector, because the private sector believes that these programs will work, and therefore, it is willing to put in 65 cents out of every dollar being expended on clean coal research. We recognize the importance of continuing a clean coal program to meet the needs of society for clean air and therefore we have moved forward in this bill in that regard. I think this is the proper approach. I think it recognizes that one of the great assets of our Nation is coal.

It is interesting to note that of the world's proven resources of oil, the United States, the largest consumer, has only 4 percent within our boundaries. We have about 6 percent of natural gas, but we have 29 percent of the world's coal resources. Therefore, it is absolutely vital that we develop the technology to use this great resource.

As I pointed out earlier, as we face an energy crisis it becomes extremely important that we develop a way in which we can burn coal in a clean and environmentally efficient way.

The President, I might say, in his budget recommended a much larger sum for clean coal programs. This represents a 180 degree switch on the part of the administration. Two years ago they were opposing the Clean Coal Program. For fiscal year 1988, they are asking for even more money than we appropriated. We put the program on a 3-year basis, recognizing that we want to use the money very wisely in developing clean coal technology.

Let me point out that for every ton of coal that we can burn, for every ton of coal that we can put in the energy component of the United States as the result of clean coal technology, we replace four barrels of oil. That means barrels of oil that can be used for home heating in the Northeast. That means barrels of oil that will be available for our agricultural production. It means barrels of oil for the Midwest where jobs are vital. It means barrels of oil for California motor vehicles. For that reason, I think the Clean Coal Program is a very important component of this bill and one that deserves strong support on the part of the Congress.

Every congressional district in the United States is impacted by the need to have available oil resources. We found that out so clearly at the time of the embargo. Therefore, I think that it is in the interest of all the Members and those that they represent, the 230 million Americans, that we adopt a policy to make available in an environmentally safe way the use of a vital resource; namely, that of coal, and certainly to free us from energy dependence.

We are in a position now where we are talking about putting the American flag on Kuwaiti ships and with all the risks that go with it. Why? Because we have to be concerned about access to oil in the Middle East. Today, perhaps as much as any time this year, the need to develop a good program in clean coal is a vital activity and this subcommittee has addressed that, I think, in a very responsible way.

I believe that the bill represents a careful fashioning of responses to the priorities of the people of this Nation through management of resources, for the development for the future that will mean jobs, that will mean growth in our economy, that will continue the quality of life that we have come to expect as part of our national heritage.

Mr. YATES. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Oregon [Mr. AuCoin].

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding me this time.

I want to say to my colleagues at the outset of my remarks how much respect I have for the gentleman from Illinois [Mr. Yates], the chairman of the subcommittee, and for the gentleman from Ohio [Mr. Regula], the ranking Republican on the committee.

I think this committee has done an outstanding job. It is a fiscally responsible bill that we bring before the House. As I think will be brought out in the debate tomorrow, it is a defensible bill from the standpoint of not only budgeting, but just as importantly, from the standpoint of national priorities. This bill deals in very important ways with some of the highest priorities this Nation ought to set for itself, how we go about the questions and the problems of stewardship of our resources, our natural resources. I think this bill will bring before you and puts before the House a set of investments in stewardship of these lands and resources that every Member of this House can be proud of.

Mr. Chairman, this appropriation is probably the most important bill for the well-being of my constituents, and I think other Members have districts that are similar to mine, it is probably the most important that the House will consider this year. It is important because it sets the tone and the substance for managing more than one-half of the land in my State.

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It is important because it directly influences my State's economic well-being, and that of the States of many other Members of this House, and it is important because more than any other bill, it will help determine the quality of life for people in my State for years to come.

This bill, Mr. Chairman, promotes both economic growth as well as environmental protection. It takes a budget request that came to Capitol Hill that was out of whack in terms of its priorities, and puts it back into balance. It permits full implementation of the law which protects and promotes the spectacular Columbia River Gorge National Scenic Area, which Congress approved in the last session. It permits acquisition of nearly 30,000 acres of lands in Oregon that will be prime migratory waterfowl habitat, as well as pristine lands in the Columbia Gorge.

It provides funds to enable us to restore anadromous fish habitat in the Pacific Northwest, work which is vital to our salmon and steelhead stocks.

This bill will help begin to catch up on the backlog of construction and rehabilitation of forest trails and other recreation facilities in the Nation's forests. It will help manage wilderness lands better throughout the United States, and will help promote better use of products from commercial forest lands already committed to multiple-use purposes.

Mr. Chairman, this bill is an excellent piece of legislation from both a priorities standpoint as well as from a budgeting standpoint. We are going to hear arguments tomorrow that will try to persuade Members that this committee has been derelict either in setting priorities or in budgeting. I want to submit for reasons that will be brought out in the debate that those assertions are simply flat wrong.

It is a good bill in terms of budgeting; it is a good bill in terms of priorities. I am proud to serve with the gentleman from Ohio, who serves the Republican minority very well on this subcommittee, as well as with the chairman, the gentleman from Illinois, and I highly recommend this bill to the Members of the House of Representatives.

Mr. REGULA. Mr. Chairman, I yield 3 minutes to the gentleman from Nebraska [Mr. Bereuter].

Mr. BEREUTER. Mr. Chairman, thank you for the opportunity to participate in debate on the appropriations bill for the Department of the Interior. The subcommittee chairman, the gentleman from Illinois, and the ranking minority member, the gentleman from Ohio, are to be commended for their work on this bill. They and their staff have been particularly helpful to this Member, and I would like to use my time today to comment favorably on the tribally controlled community colleges, the continuation of the Wild Horse and Burro Management Program, and to focus on a very small project the committee is recommending for the first time in this year's appropriation bill.

For many years predating my service in Congress, I have been interested in promoting a greater awareness among the American people of our National Trails System. The trails that were blazed across America are a rich story of the courage, sacrifice, and drama that characterized the expansion of the North American Continent. That story is a very real part of our history—one that can be visibly displayed for those Americans who are eager to know more about our history.

As a Nebraskan, I have long been interested in the Lewis and Clark Trail—the path for the journey of William Clark and Meriweather Lewis to explore the newly acquired Louisiana Purchase. Their journey began in May 1804 and concluded in September 1806. I have spent a number of hours reading the journals of these two explorers during their journey through Nebraska. From July 11, 1804 to September 8, 1804, Lewis and Clark followed the Missouri River on the eastern edge of our State and then made the return trip beginning on August 31, 1806. Their diaries provide the earliest glimpse of what later became the State of Nebraska and other States of the Great Plains. It is a story that should be shared with all Americans who care to know about our past.

That is why in 1979, I began the effort to provide more recognition to the Lewis and Clark Trail. As a member of the House Interior and Insular Affairs Committee, I successfully amended the National Trails Act to authorize the Secretary—Interior or Agriculture—to "provide for trail interpretation sites, which shall be located at historic sites along the route of any national scenic or national historic trail, in order to present information to the public about the trail, at the lowest possible cost, with emphasis on the portion of the trail passing through the State in which the site is located."

My idea is to put in place a system of historical interpretation signs and a limited number of sites along nationally designated trails. My colleagues on the Interior Appropriations Subcommittee have now generously prepared, at my request, to begin that effort with a small demonstration project to get underway in Nebraska.

Included in the pending measure, H.R. 2712, is an appropriation of $30,000 to be used for Lewis and Clark Trail markings. This amount is an earmark of available funds to the National Park Service and does not represent additional moneys.

This is not an elaborate or complicated proposal. My hope is to see a system of historical markers placed along the route of the Lewis and Clark Trail that passes through key campsites in Nebraska. On each of these signs my intent is to inscribe all or portions of the actual Lewis and Clark journals that document events and sightings that occurred at the location of the campsite marked by the historical marker.

All campsites, signs and locations, when eventually established would be owned and operated by the State of Nebraska and the appropriate agency within State government or a political subdivision of the State. No Federal ownership or maintenance would be required.

Mr. Chairman, I would like to engage in a brief colloquy with the chairman and with the ranking minority member of the subcommittee to clarify my intent with respect to the use of these funds and to understand the committee's intention.

In trying to clarify committee intention with respect to the distribution of these funds, would the gentleman concur with my view that these funds are to be transferred to the appropriate State agency, and that that agency will in turn carry forward with a project along the lines that I have just described?

Mr. YATES. If the gentleman will yield, I think that his idea is a good one, and I intend to try to help him on it.

Mr. BEREUTER. One additional point, Mr. Chairman. As the Chairman will recall, in my letter to the subcommittee requesting Federal support for this project, I also suggested a small sum for the preparation of acquisition and development plans for a selected number of these campsites and a "trail interpretation site" as authorized by Public Law 96-199 (section 7(c)) of sites used as daily camps by the Lewis and Clark expedition. This planning activity would also be undertaken by the National Park Service within available funds for fiscal year 1988—an estimated $25,000.

Can the chairman and ranking minority member provide me their assurances that they would work toward that objective in the conference report?

Mr. YATES. If the gentleman will yield further, I am pleased to give the gentleman my assurance that I will do that.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BEREUTER. I yield to the gentleman from Ohio.

Mr. REGULA. I likewise would assure the gentleman. I commend him for his effort on trail markings. I think that we have had a renaissance of interest in history, and many people from all across the Nation will enjoy following the trail of Lewis and Clark and some of the historical monuments that are embodied in the gentleman's request. We certainly will strive to make sure that they are taken care of.

Mr. BEREUTER. I thank the gentleman. I think that this can be a demonstration for other parts of the country, and I appreciate the cooperation that I have had from the committee and the staff.

Mr. Chairman, I also rise to note that one of the most important provisions in this bill is funding for the tribally controlled community colleges. In response to a joint letter from several Members who have tribally controlled community colleges in our districts, the distinguished chairman and members of the Interior Appropriations Committee added an additional $750,000 for title I colleges and an additional $250,000 for Navajo College. This well deserved attention to the financial needs of the tribal colleges will assist in bringing the level of funding for tribal colleges in line with moneys available for students attending other community colleges. Adequate funding will enable these institutions to continue their fine efforts in the education of the Indian leaders of tomorrow.

This Member has had the privilege of observing and assisting in the growth of one of the tribal colleges, Nebraska Indian Community College. I have seen firsthand how a strong tribal college can play a vital role in the communities it serves. In settings where unemployment, alcoholism, and general hopelessness may be the norm rather than the exception, the tribal colleges offer stability and prospects for the future. Education represents one of the surest exits from poverty and stagnation for Indian people.

Currently, there are more than 4,000 students at 20 tribal colleges throughout Indian country. Since 1981, the tribal colleges have grown at an annual rate of 11 percent, reflecting their increasing stature and recognition. This Member commends the committee for their constant support for tribal colleges and their willingness to aid their growth. The Federal commitment to the tribal colleges is a wise and tangible investment. In all groups in our society, those who are educated are those who are powerful. Those who are educated develop perspective and imagination. These are the qualities that Indian people need most as they pursue the crucial goals of self-determination.

As a third part of these comments I would note that the House Interior Appropriations bill report states—

> Revised inventories show a 1987 end of year estimate of 40,873 wild horse and burros, a reduction of over 4,000 from previous estimates. If adoption continues at the current rates the population will soon be at planned levels in most States. At the planned adoption rates the number of animals in corrals at the end of fiscal year 1988 will be less than 10 percent of the 1986 level. On that basis and for humane reasons, the committee has included a provision prohibiting the destruction of healthy animals by BLM.

The BLM policy proposals for wild horses and burro program includes a five-step process for disposing of excess wild horses and burros removed from public lands: First, the regular adoption program at full fees; second, special adoptions at altered fees; third, adoption of horse trained by prison inmates; fourth, placement of horses on privately funded sanctuaries; and fifth, euthanasia for any animal not disposed of within 90 days after being available for adoption.

The current BLM contract with the Bloomfield wild horse ranch will expire September 30, 1987. The BLM has initiated a competitive bid process to contract with three holding facilities for fiscal year 1988. This Member hopes that there would not be any problems in obtaining another contract for the Bloomfield, NE, facility for another year.

Clark Mills and his late son, William, started their ranch in Bloomfield in 1985 to obtain a contract from BLM. With consumption of 37 tons of hay a day at $25 a ton, the horse ranch has provided a badly needed source of income to Bloomfield's agricultural community.

Currently, the Bloomfield ranch has 2,100 horses in a 3,000-horse-capacity facility. They have been moving out horses at a high rate as of late so they have a relatively low number at their ranch. They expect a large influx of horses and burros in July to bring the number of horses up to near capacity.

In terms of adoption, the Bloomfield has been better than the other two holding facilities in moving horses to adoption centers. For the Knox County area, this ranch provides a market for both corn and hay. The ranch uses 37 tons of hay a day at $25 a ton. Based on the average yield in Knox County, this amount equates into about 4,350 acres of alfalfa fields needed for the ranch. The ranch is a market for nearly 120,000 bushels of corn and soybeans in a area that continues to face grain storage problems.

The ranch currently has 20 employees on its payroll and they expect nearly 30 employees on the payroll this summer. The Bloomfield Motel has added rooms, tourism has picked up, and other indirect economic benefits have resulted from the horse ranch. This is but one example of some of the favorable economic impacts of the Wild Horse and Burro Program that need to be considered along with the costs of this wild animal survival and range management program.

In closing these remarks, this Member would like to make a few suggestions that I hope the committee will carefully consider and possibly include them as report language under the Wild Horse and Burro Program. These suggestions would urge the Bureau of Land Management to do the following:

First, provide sufficient horse removals from public lands to replenish the wild horses in the existing holding facilities on a 100-horse-out-to adoption centers to a 100-horse-in-to holding facilities as horse adoptions take place;

Second, maintain, as a minimum, a current level of horses in a holding facility at or above 75 percent of existing capacity during the contract period to maintain its viability and amortize the investment of the facility.

Third, extend the new contract period for fiscal year 1988 with holding facilities from a 1-year period to at least a 2-year period in order to provide the owners and operators some longer term guidelines for future investments and operations.

Fourth, provide a Wild Horse and Burro Program outlook report to holding facilities so owners, operators, and the surrounding communities, which depend on the viability of these ranches, will have an idea of what to expect about the future of the Wild Horse and Burro Program.

Finally, this Member is supportive of the BLM recommendations to place horses on private sanctuaries self-supporting through private funds. Indeed, this proposal may help maintain a viable program in years ahead.

I thank the chairman of the committee for his consideration of my suggestions. Finally, I urge my colleagues to support this appropriation legislation with their favorable vote.

Mr. YATES. Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Chairman, I rise in order to have a colloquy with the chairman.

Mr. Chairman, do I understand correctly that the original bill reported by the subcommittee contained a phased increase in the fee charged for grazing livestock on public lands?

Mr. YATES. If the gentleman will yield, yes, the gentleman is correct.

Mr. SYNAR. And the bill no longer contains such a provision?

Mr. YATES. The gentleman is correct again.

Mr. SYNAR. The grazing fee study conducted by the Departments of the Interior and Agriculture established that the current fee of $1.35 per animal unit month is well below the average appraised market value of $6.53 for Federal land. Furthermore, the fee covers less than one-half the costs of administering the grazing program. An increase in fees would serve to reduce the multimillion-dollar drain on the Public Treasury resulting from a below-market fee which benefits only 2 percent of American livestock producers. Does the fact that the Appropriations Committeee removed this provision mean that we have a commitment from the House Interior Committee to act on the bills which the gentleman from Georgia [Mr. DARDEN] and I have introduced to increase the fee?

Mr. YATES. If the gentleman will yield further, the answer to that question is that that is my understanding from having had conversations with various members of the Interior Committee. In addition to that, I have a letter dated June 15 addressed to the gentleman from Mississippi, Mr. JAMIE WHITTEN, chairman of the Committee on Appropriations, signed by the gentleman from Montana [Mr. MARLENEE], the ranking Republican member of the Subcommittee on National Parks and Public Lands of the Committee on Interior and Insular Affairs, in which he says that currently there are three legislative proposals on grazing fees which have been introduced and referred to the Committee on Interior and Insular Affairs.

In conversations that I have had with members of the committee, I have told them that we agreed to take out the provision that we had on grazing fees in our bill in order to give the Interior Committee an opportunity to take legislative action on the subject. With the assurance that I received from them that that would be done, I agreed to take it out.

I also told them that if action was not taken by the legislative committee, that I proposed next year to introduce the same provision into my appropriations bill.

Mr. SYNAR. Mr. Chairman, I want to take a moment to applaud the efforts of our colleague and chairman of the Interior Appropriations Subcommittee, Mr. YATES, and other subcommittee members for their continued commitment to the stragetic petroleum reserve [SPR]. The Interior appropriations bill will provide the necessary funds to continue an oil fill rate for SPR of 75,000 barrels per day.

Obviously, we all recognize the difficult budgetary decisions this and other Appropriations Subcommittees are facing. Nonetheless, we also recognize that a viable SPR option is the cornerstone of our Nation's energy security. Even the administration—a Johnny-come-lately to this issue—has finally decided that we need to continue to fill SPR and get on with reaching our goal of at least a 750-million barrel reserve.

I believe Chairman YATES deserves particularly recognition not only for his leadership in this area this year, but for his long-standing foresight on and commitment to SPR despite repeated efforts by this administration over the last six years to reduce or eliminate this vital program. His dedication has truly made the difference in our present preparedness to deal with a cutoff in oil supplies.

Mr. YATES. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, I would like to commend both the chairman and the ranking minority member, and the members of the subcommittee, for bringing out again such a thoughtful and solid piece of legislation as the bill that we have before us.

I would like to take one moment to highlight a portion of the Appropriations Committee report which addresses the serious state of decline in the Angeles National Forest, and I would like to commend my colleague, the gentleman from California [Mr. MARTINEZ], for bringing this to the committee's attention, and commend the subcommittee for placing this in the report as they have done.

The Angeles is a unique national forest, because it sustains heavy recreational use and specifically serves as the backyard to one of the largest cities along the west coast.

□ 1645

However, the pressure that has been brought to bear upon its natural and very limited administrative resources is degrading the forest to a point where recreational use is almost no longer considered safe.

There is a high incidence of violent crime and gang activities in the forest in part because there is not enough manpower to police the area and prevent criminal behavior from expanding out of the overcrowded urban areas. Streams, hillsides, and the landscape are overtaxed by unrestricted outdoor firearms use and uncontrolled litter and vandalism. And concessionaires are threatening to close their camping facilities if better maintenance and protection against liability are not provided.

At the same time the forest harbors hundreds of miles of fishable streams and wilderness areas that are virtually untouched by man. It is the home to several hundred species of birds and mammals and encompasses portions of the San Gabriel Mountains.

The report language reads: The committee expects the Forest Service to provide increased funds to meet as many of the deficiencies as possible in funding for the Angeles National Forest in such areas as recreation management, trail construction, and maintenance, and law enforcement. I concur with the committee, and recommend that the Forest Service heed their request. Additionally, the Forest Service must develop a land-management plan which encourages wilderness-oriented recreation and controls the degradation created by shooting and ORV use. I look forward to reviewing the Forest Service's future reports on this matter.

I thank the gentleman and the subcommittee for their assistance.

Mr. YATES. Mr. Chairman, I yield 4 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Chairman, I thank the committee for: First, including language in the bill prohibiting the implementation of the administration's proposal to charge Indian students at Haskell Indian Junior College an $850 annual tuition fee; and second, recognizing concerns regarding the dangerous and deteriorating building conditions at Haskell.

Haskell is one of three BIA postsecondary institutions in the country—but the only one which provides Indian students with an associate arts degree.

It is completely supported by Federal appropriations, and this year, provided instruction to 800 Indian students from approximately 100 tribes across the country.

Haskell's instructional budget in 1978 was approximately $5.3 million—by 1982, funding had been reduced to

$4.3 million, at a time when inflation averaged 8.7 percent.

In other words, Haskell realized not only an actual funding shortfall of $1 million during this period, but $3.1 million in real terms—a funding reduction which has never been made up.

If Haskell's instructional budget had kept pace with inflation since 1978, funding in fiscal year 1987 should have been approximately $8.7 million—and approximately $9 million in fiscal year 1988.

Instead, the administration proposed reducing this year's instructional budget of $4.9 million, by approximately $700,000.

The administration then proposed to make up the $700,000 funding reduction by imposing upon each Indian student an $850 tuition.

Almost 50 percent of the students at Haskell come from families with incomes of $9,000 or less. Another 10 percent come from families with incomes between $9,000 and $18,000.

Clearly, enrollment at Haskell would have been negatively affected through the imposition of the administration's $850 annual tuition charge. These students do not have the personal means to meet this type of requirement; and under the President's budget, access to a student loan or grant would have been nearly impossible inasmuch as the President reduced funding for these programs by 45 percent.

In addition to the instructional budget deficiencies which Haskell has been required to operate under for the past 10 years, a recent report on construction management done by the BIA revealed a backlog of $8.31 million in facility repair projects at Haskell.

These projects included major health and safety deficiencies which had been allowed to exist for a number of years, threatening the well-being of students and faculty, and posing potentially enormous legal ramifications for the Federal Government.

The committee had dedicated in the appropriations bill, $1.25 million to resolve immediate safety critical projects at Haskell which include:

First, installing fire alarm and detection systems in dormitories;

Second, installing exit lighting and emergency lighting in dormitories;

Third, upgrading the electrical wiring and receptacles in dormitories and instructional buildings to meet the fire code; and

Fourth, installing new water lines to provide the campus with sufficient water pressure—which is necessary in the event of a fire.

The funding in the bill will also allow for the completion of architectural design work on the balance of backlogged projects at Haskell so that actual rehabilitation can proceed as quickly as possible in subsequent fiscal years.

Haskell has tremendous potential, backed by 104 years of service, to do great things for the Indian community. The school is at a critical juncture right now, though, and Congress has got to focus its attention on helping Haskell respond to the needs of its students, so that they can compete in the world, and lead their tribes.

Mr. Chairman, again I appreciate the cooperation of the committee, the chairman and the Members of the committee, like the gentleman from Oregon [Mr. AuCoin] who have been very helpful and I appreciate it very much.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. SLATTERY. I am happy to yield to the gentleman from Oregon.

Mr. AuCOIN. Mr. Chairman, I appreciate the gentleman yielding.

Mr. Chairman, I understand tomorrow the bipartisan group might offer an across-the-board cut in the form of an amendment to this bill and I hope that is not so, because this bill is carefully considered and well crafted. As the gentleman knows, in the case of Haskell School, this committee understood the importance of what the gentleman is talking about and took steps to rectify that problem. I am sure the gentleman would not want to see a 3-percent cut in what the committee did for the Haskell School.

I would hope and I would urge the bipartisan task force not to do that.

Mr. SLATTERY. This Member is not aware of the specific proposal for tomorrow, whether it is 3 percent or whatever, but I certainly will help.

Mr. AuCOIN. We would not want the amendment of that type to be agreed to.

Mr. SLATTERY. I would not want that to happen, and I thank the gentleman.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Carr].

Mr. CARR. Mr. Chairman, I merely wanted to get up and say thank you to our chairman and our ranking Member on the Appropriations Subcommittee and to all of the subcommittee members with respect to the appropriation for the National Endowment for the Arts and Humanities and the Institute of Museum Services.

There are not too many people who understand that the priorities of this administration caused it to give us a budget recommendation to increase the appropriation for military bands in the Department of Defense by about $12 million, and in that same budget request from the administration asked the Congress to reduce the appropriation for the National Endowment for the Arts by almost $20 million.

I have nothing against military music and indeed some of the finest musicians in the country, some of the finest artists in our country, are in uniform and provide music to our military around the world. But the fact of the matter is the military bands' appropriation is almost equal to the entire appropriation for the National Endowment for the Arts. It seems to me that this committee was correct in rejecting the suggestion of the President and OMB to reduce the National Endowment for the Arts and Humanities and the Institute for Museum Services. While those of us who are interested in the arts most passionately might have wished for better numbers and a more productive environment which would have allowed that, nonetheless, we are extremely grateful to our Members of the Interior Appropriations Subcommittee for what they were able to accomplish by improving on last year's numbers, at least to the point of current services.

I would particulary like also to emphasize that the committee has placed State matching grants to make sure that what small funds and benefits flow from the National Endowment for the Arts and Humanities are spread evenly throughout the country.

I want to thank our chairman and ranking Member for their work in this area.

Mr. YATES. Mr. Chairman, I yield 3 minutes to the distinguished gentlewoman from Ohio [Ms. Oakar].

Ms. OAKAR. Mr. Chairman, today the House of Representatives is considering H.R. 2712, the Interior Appropriations bill for fiscal year 1988. I would like to commend my colleagues Chairman Whitten and Chairman Yates for the fine work they have done in preserving the arts and humanities in this country.

Mr. Chairman, all segments of our society should have the opportunity to take part in the experience of artistic expression and creativity. The Smithsonian Institution's fine collections and research services, as well as programs under the jurisdiction of the National Endowment for the Arts, National Endowment for the Humanities and Institute for Museum Services, provide the most direct return to Americans of all ethnic, social, economic, and educational backgrounds. The benefits of these programs are realized in rural as well as urban America, by the old as well as the young. These agencies have helped to make participation in the cultural community more equitable and feasible for all segments of our society.

Mr. Chairman, under the current administration, many Federal programs for the arts and humanities have been drastically cut. It is our job as elected officials to ensure the continuation of such worthwhile agencies. For example, yesterday I, along with members of my staff, had the unique opportunity to travel to New York to view the

Smithsonian Institution's Cooper-Hewitt Museum of Design.

The Cooper-Hewitt Museum opened its doors to the public in October 1976 as the Smithsonian Institution's National Museum of Design. The Cooper-Hewitt has world-renowned collections that include drawings, prints, textiles, wallcoverings, furniture, jewelry, glass ceramics, metalworks, and other examples of decorative and applied arts representing three millenia and dozens of cultures. I am convinced that if we focused more on designs, we would not have the enormous trade deficit which we have.

The Museum is a leading international center for the study and interpretive display of the arts of design. With over 167,000 items in its inventoried permanent collections, the Cooper-Hewitt is responsible for the third largest group of objects in any single Smithsonian museum and more than twice the number inventoried by the rest of the Smithsonian's art museums combined. My investigation showed an overwhelming need for expanded funding in order to renovate the Miller House which stores and maintains the quality and integrity of the Museum's antiques, textiles and manuscripts which are available for public use and research.

There is a myth held by many persons, including several of my distinguished colleagues, that the preservation of our culture and the arts is impractical and beyond the necessity of our daily lives. American artists have served as some of our most important Ambassadors to the entire world. Through their work, artists have historically brought diverse cultures together. The shared experience of artistic expression and aesthetics creates the elements that enrich the soul and appeal to our higher instincts as human beings. American literature, music, performing and visual arts, and architecture are emulated all over the world and are embraced by those countries where our politics have failed.

Traditionally, the arts and humanities have long served as a great stablizing force in society. They have served the function of relating an individual to the beliefs and the values of his community. The arts and humanities have acted to interpret the relationships between our past, present and future. Today we are competing in such an industralized and technological society that we have concentrated all our efforts on developing the science of the mind rather than the creations of the heart.

I urge my colleagues to support H.R. 2712. If we can spend billions of dollars on the instruments of destructions, why can we not afford to spend millions on the instruments of creation and beauty—on the things that nurture the human spirit, the soul of man—on the things that strengthen our vision and national character both culturally and physically?

Mr. YATES. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Chairman, I rise to speak in strong support of H.R. 2712 and to complement the distinguished chairman, Mr. YATES and his committee for their fine job in crafting a bill designed to give our Government the funds it needs to manage the natural resources conservation programs of America. Today Mr. YATES deserves the thanks of this Nation for both meeting tight budget contraints and for being a good steward of our national treasures. And he has accomplished these difficult goals under the most trying circumstances.

For 6 years, the current administration has presented Congress with budget proposals which would have decimated the very programs which preserve and protect the heritage of this Nation. Congress has been asked time and. time again to destroy the federal historic preservation program, to place a moratorium on land acquisition for parks and recreation, and to require citizens to pay for the privilege of a visit to such national landmarks as the Statute of Liberty. And year after year, Mr. YATES has stood here and said no to wrong, shortsighted policies and yes to long-term, balanced resource management.

I would like to share with my colleagues a telling story about the programs funded by this bill. Unlike many Federal programs, taken as a whole Interior programs return money to the Treasury—almost as much as expended to manage them. I had occasion to question a high-level Interior official about his Bureau's budget. I said: "Correct me if I'm wrong, but doesn't your agency make a profit. He answered: Yes sir, the problem is we don't have a profit-sharing plan."

I urge my colleagues to support the Interior appropriations bill and to oppose further cuts. The committee has already kept a tight reign on spending and should not be penalized for bringing to the House floor a bill where tough decisions have already been made. For example, cutting out the State portion of Land and Water.

Mrs. SAIKI. Mr. Chairman, I rise in strong support of H.R. 2712, the Department of Interior and related agencies appropriation bill, 1988. This measure contains funding for programs of vital concern to our friends and neighbors in the Pacific—our insular territories and the freely associated nations in Micronesia.

In particular, I note with satisfaction that the committee recommends an increase of $25,350,000 to satisfy the United States' outstanding obligations in the Micronesian war claims issue. I am pleased that we are putting an end to this chapter in our relations with the nations of the Micronesian region.

The Micronesian Claims Act of 1971 established a process by which islanders could submit claims based either on damage caused by direct hostilities during World War II or by the American occupation and immediate postwar military administration of those strategic islands.

By 1976, the Micronesian Claims Commission had awarded nearly $67 million for acceptable claims. Unfortunately, one category of claims, the so-called title I awards, were not paid in full. The United States and Japan provided only $10 million of the $34,344,509 that had been agreed to.

The Congress, in 1977, authorized the Secretary of the Interior to appropriate the balance of the title I awards as soon as the Government of Japan contributed $12 million in cash or goods and services to the Micronesian states. In the intervening years, Japan's contributions have actually surpassed $29 million. Unfortunately, we have not lived up to our end of the agreement.

The stumbling block was our interpretation of who could receive the Japanese contributions. While we continued to insist the Japanese contributions could be accepted only by the United States administered trust territory government, the Micronesian islanders moved ahead and negotiated their posttrusteeship political status.

The new governments that have been formed are the Republic of the Marshall Islands, the Federated States of Micronesia and the Republic of Palau. These were the political entities to which Japan made its contributions.

Now, I am pleased to note that the committee recommends that the Japanese contributions to the new governments will satisfy the intent of the law.

This will allow the United States, at long last, to honor its long-standing commitment to the peoples of Micronesia. The war ended 42 years ago, and many of those whose property was damaged have died. Indeed, by some estimates, 40 percent of those with accepted claims have died in the last decade.

The United States and the Governments of Micronesia have entered a new phase of friendship, a relationship among equals. Let us clear the books and fulfill our promises to our friends.

Mr. LANTOS. Mr. Chairman, while many today are discussing the important programs and policy initiatives in the Interior appropriations bill, I would like to point out that there are three small Federal agencies funded in this bill which deserve our attention and support.

The Interior Appropriations Subcommittee, in particular its chairman, Mr. YATES, are to be commended for the continued funding of the National Endowment for the Arts, the National Endowment for the Humanities and the Institute of Museum Services. The program budgets for each of these agencies are less than the cost of maintaining our national military bands. It is a small sum to support premier opera companies, dance companies, symphonies, State arts agencies, individual artists and writers, as well as those who work in the varied disciplines of the humanities.

We often overlook the unquantifiable value of the arts in national life. I would be the first to stand and speak of the need for environmental protection, a sound and sensible energy policy, native American health care, and the need to support the national park and wildlife protection programs we will vote on this week. I also believe that opportunities for children in inner city and rural schools to hear our heritage of music, to see our heritage of drama, and to discover the value of the disciplines of the humanities—history, ethics, philosophy, and literature—is the best foundation we can lay for a thoughtful citizenry which must decide those priorities on our national agenda.

John Adams remarked that his generation made war so that his children could prosper in business and commerce so that his grandchildren could reap the benefits of music and art. We are almost two centuries beyond President Adams' vision of priorities of the future, but we can still see his wisdom for our national well-being.

Mr. RAHALL. Mr. Chairman, the fiscal year 1988 Interior appropriations bill represents a sound and diligent effort to address issues affecting the land and resources of the United States in a fiscally responsible manner.

As chairman of the Subcommittee on Mining and Natural Resources, I am especially pleased with how this legislation would fund several programs of importance to the mining community.

The legislation would provide $7.3 million over the budget request for the health and safety technology program of the Bureau of Mines. Included in this amount is $2.5 million for respirable dust research at the generic center supported by West Virginia University and Pennsylvania State University and increased amounts for mine disaster prevention, fires and explosions research and postdisaster research to develop a new generation of self-contained, self-rescuer units among other initiatives. Under Mining Technology, an increase of $4.2 million over the budget request is proposed to provide for acid mine drainage and subsidence research, mining equipment testing, and the AML research program. For the latter, approximately $3 million would be made available with 60 percent of the funding to be contracted out.

One item contained in the legislation relating to the Bureau of Mines involves the administration's proposal to sell the Federal helium operations. Bill language has been included prohibiting that action. While I concur with the intent of this provision, bill language is unnecessary as the administration cannot make the sales without congressional authorization and has stated it intends to transmit a bill to the Congress this year.

The legislation would also provide $2.8 million in research grants for the Mineral Institute program. This amount is woefully inadequate to support the important work being conducted by the 32 institutes and the generic centers but, in the least, represents a starting point for future negotiations with the other body.

With respect to the U.S. Geological Survey, I am pleased the legislation provides for increases for certain programs relating to mapping and mineral resource surveys as well as for the earthquake hazards reduction program.

The Appropriations Committee has also done justice to the Abandoned Mine Reclamation Program, especially as it relates to State grants and RAMP. Under the bill, the States would receive $150 million in fiscal year 1988 for project construction and RAMP is funded at $9.4 million.

For the Minerals Management Service, bill language has been included to prohibit the agency from making final its proposed product valuation guidelines during fiscal year 1988. I support such a provision as part of the supplemental appropriation for the current fiscal year as the Committee on Interior and Insular Affairs is engaged in a thorough investigation of issues relating to product valuation as well as other items relating to the royalty management program. I do not believe, at this time, the prohibition should be extended into the next fiscal year. The lack of widely accepted product valuation guidance from the Federal Government is the major factor in royalty underpayments and while the current proposal is flawed, it is the Interior Committee's view that remedial actions can take place without extending the prohibition for a full year. As such, I believe this provision should be reconsidered during further congressional deliberations on this bill.

On a final note, I strongly support the level of funding provided for clean coal technology by this legislation. The bill would make available $350 million over 3 fiscal years for this program and would also ensure that the projects selected would achieve the greatest return to the public.

Mrs. LLOYD. Mr. Chairman, I rise in strong support of the bill, particularly because of its funding of clean coal technology and fossil energy and conservation R&D. I chair the Energy Research and Development Subcommittee on the Science, Space, and Technology Committee and this committee bill mirrors the policy thrust and general funding levels which we recommended very well.

The committee recommends a 2-year appropriation of $350 million for a second clean coal technology solicitation. I applaud this recommendation since I believe it is critical to attack acid rain emissions with new technology and I am most supportive of the retrofit emphasis of this bill. In both fossil R&D and energy conservation, the Interior bill fully funds most of the add ons which we made in the Energy Research and Development Subcommittee. The administrations requests were unacceptably low, roughly 50 percent of fiscal year 1987 levels, for both fossil energy and conservation R&D. In fossil energy R&D, the bill supports important industrial projects while providing for a strong university science program in control technology and coal preparation, coal liquefaction, combustion systems, and MHD. The committee recommends funding levels very close to the detailed programs we spelled out in the authorizing subcommittee. In oil and gas I am also pleased to note that the committee has increased the funding request to healthy levels slightly below energy research and development but above fiscal year 1987. In energy conservation R&D the committee has restored both the buildings and community systems and industrial conservation programs back nearly to fiscal year 1987 funding levels.

Mr. Chairman, I congratulate Mr. YATES and Mr. REGULA for an important bill which assures that our most abundant resource, coal, will be utilized more fully because the proper advanced technologies are developed so it can be burned in an environmentally acceptable manner. This is an acid rain R&D bill which deserves the support of the House and an energy conservation bill that funds the most promising advanced technologies.

Mr. FAZIO. Mr. Chairman, I rise in strong support of the Interior and related agencies appropriations bill for 1988.

All of us in California owe Chairman YATES and the members of his subcommittee, as well as Chairman WHITTEN, a great deal of gratitude for the tremendous support they have provided to our State. Their help each year has made immeasurable contributions to the State's environment, culture, and well-being for which Californians are deeply in debt and always in appreciation.

I am particularly supportive of several items in this bill which benefit my State.

Since fiscal year 1982, the subcommittee has funded the Santini-Burton Land Acquisition Program in the Lake Tahoe basin. By all accounts the program has been enormously successful, but the program must continue: Lake Tahoe is losing its clarity by 1½ feet each year. In its budget request, the administration did not propose any funding for the Burton-Santini program this year and proposed for rescission the fiscal year 1987 appropriation.

This year the subcommittee recommended, and the full committee approved, a total of $8.4 million in funding for the Santini-Burton program in fiscal year 1988: $7 million for acquistion of environmentally sensitive land and $1.4 million to provide grants to local government erosion control efforts.

It is safe to say that the Interior subcommittee's support of the Santini-Burton program has been the single most important catalyst behind the increasing efforts to preserve the lake. For the friends of Lake Tahoe in California, Nevada and around the country, the Interior Subcommittee's help has been irreplaceable.

I am very pleased that this year the subcommittee recommended an appropriation of $1 million for the creation of a Sacramento River National Wildlife Refuge in northern California. Riparian woodlands along the Sacramento River have dwindled from over 800,000 acres a century and a half ago to only 12,000 acres today. The new refuge will help us preserve the scant habitat we have left and protect a precious environmental resource for future generations.

This bill also includes $4.1 million for construction of a visitor center in the Mono Basin National Forest Scenic Area. My colleague from California, Representative RICHARD LEHMAN, has informed me that a site for the center has been selected on a bluff overlooking Mono Lake, and the Forest Service is ready to begin construction of a 10,000 square foot facility that will serve 250,000 visitors in its first year. The visitor center will provide an important educational role in teaching travelers the natural history of this beautiful and fragile area.

In addition to the items I have already mentioned which are important to California, I am also very supportive of many other programs under the Interior Subcommittee's jurisdiction that are more national in scope. These include the land and water conservation fund, for which the subcommittee recommended a $105 million increase from the President's request; and, the National Endowments for the Arts and Humanities, which the subcommittee funded above last year's levels despite the administration's request for substantially lower funding.

Of course, all of these programs benefit Californians, but their impact extends nationwide. I am very pleased the subcommittee was able to recommend higher funding levels for them, especially in this extremely difficult year.

Again, I support the bill and thank Chairman Yates and the subcommittee for their dedication and hard work. I urge a "yes" vote.

Mr. McDADE. Mr. Chairman, I rise today in support of H.R. 2712, the Interior appropriations bill for fiscal year 1988.

This legislation is the product of extensive public hearings and a thorough review of the programs of the Interior Department and related agencies. The distinguished Chairman of the subcommittee, Sid Yates, and the ranking Republican, Ralph Regula, deserve the highest praise for their leadership and bipartisan efforts to arrive at a fiscally responsible bill that realistically addresses our Nation's current and future needs.

President Teddy Roosevelt once said,

> In utilizing and conserving the natural resources of the nation, the one characteristic more essential than any other is foresight.

I believe that the subcommittee has demonstrated such foresight with a bill that provides for subsequent generations as well as our citizens today.

On a fiscal level, the $9.4 billion provided in the bill falls within anticipated section 302(b) allocations for Interior and related agency programs. The Interior bill, unlike most other appropriations bills, largely pays for itself through revenues generated by the Interior Department and other agencies represented in the bill. Receipts to the Treasury are estimated to reach nearly $8.4 billion during the coming fiscal year.

In commenting on this bill, I am reminded of another quote from Teddy Roosevelt. He said:

> The prosperity of our people depends directly on the energy and intelligence with which our natural resources are used. It is equally clear that these resources are the final basis of national power and perpetuity.

Mr. Chairman, the energy and intelligence that Roosevelt referred to earlier this century is clearly on display with the Interior appropriations bill we have before us today. The members of the subcommittee undertook an exhaustive examination of the administration's budget request. There were a number of areas where priorities were reordered to better meet the Nation's needs.

In the area of energy, the subcommittee looked to future needs and the possibility of supply disruptions with increases for fossil energy research, energy conservation programs, and a higher fill rate for the strategic petroleum reserve. The bill provides $603,744,000 to fill the Reserve at a rate of 75,000 barrels of oil a day, as compared to the 35,000 recommended by the budget request, and another $164,225,000 to build and run storage facilities. The bill increases research and development funds for fossil energy by $195 million over the President's budget and provides $240 million more for energy conservation. The legislation also provides increases over the budget request in weatherization, oil and gas recovery, and the development of energy technologies, including fuel cells, heat engines, and magnetohydrodynamics.

The bill responds to environmental concerns about acid rain with a compromise on the Clean Coal Program. The bill appropriates $50 million in fiscal 1988, $200 million in fiscal 1989, and $100 million in fiscal 1990 to enable the Department of Energy to solicit a second round of clean coal demonstration projects. The program is $2 billion less over the next 3 years than the administration's request.

Critics of the program will be pleased to know that the compromise redirects the clean coal effort so that it proceeds cautiously with a single solicitation. The bill provides adequate funding to promote the development of a variety of technologies to reduce emissions believed to cause acid rain and improve the efficiency of existing facilities. As in the past, the program requires at least 50 percent private financing of the projects.

Our natural resources are protected with moderate funding increases over the 1987 appropriations for the National Park Service (responsible for 79.6 million acres of public lands), the Forest Service (managing 191 million acres), the U.S. Fish and Wildlife Service (responsible for a national wildlife refuge system of over 90 million acres), and the Bureau of Land Management (charged with the protection of 270 million acres of public lands).

The Subcommittee took the initiative in providing increases over the budget request in a number of important areas, including the Historic Preservation Fund—which the administration wanted to eliminate—wildlife habitat management, recreation resources management, water research, and forest trail maintenance.

Receiving a small increase is the National Park Service's State and Local Assistance Program, which assists States and localities in developing conservation strategies for rivers, trails, and park lands. This type of program, with the Federal Government providing stimulation for local action and technical assistance to back it up with a strong local component, seems to be government at its best.

The bill provides for cultural, intellectual, and educational needs with adequate funding levels for the functions of the Smithsonian Institution, the National Gallery of Art, the Woodrow Wilson International Center for Schools, the National Foundation on the Arts and Humanities, the Commission of Fine Arts and the Advisory Council on Historic Preservation.

I am proud to be associated with this legislation. It provides for the stewardship of our public lands, addresses our energy priorities, protects our natural resources and respects our environment. It addresses the needs of the present without shortchanging the future, and it does so in a fiscally responsible manner. I urge House passage of H.R. 2712.

Mr. CONTE. Mr. Chairman, I rise in support of this bill, and I want to take this opportunity to acknowledge the hard work and leadership of Sid Yates and Ralph Regula. Each year, the subcommittee struggles with a familiar and recurring dilemma: a surplus of requirements and a deficit in resources. As in past years, a delicate balance is struck under the leadership of Chairman Yates and Ralph Regula, and it's a balance developed as a result of extensive hearings and years of experience.

I generally agree with the priorities presented in this bill. Yes, some programs were increased to meet expanding requirements or to make up unrealistic budget cuts. For example, the committee has recommended $604 million to purchase oil for the strategic petroleum reserve.

With these funds, the Government will substantially increase our energy security and take advantage of low oil prices. This investment is like having money in the bank.

To address the deficit situation, this bill also makes significant reductions in several programs. Compared to fiscal year 1987, land acquisition was reduced by 32 percent, and the construction account was cut by 16 percent.

Overall, funding provided by the Interior bill has been cutback significantly over the past several years. As Congressman Regula mentioned, in 1981, the Interior bill totaled $10.8 billion, and today the committee has recommended just $9.4 billion for this bill.

These reductions and others were made during a time when these agencies were saddled with additional responsibilities.

Since 1981, for example, the Fish and Wildlife Service was given the responsibility to manage 30 new wildlife refuges, and the National Park Service administered 11 additional park units and served 20 percent more visitors.

Overall this is a good bill, and as I told the full committee, it's almost perfect, except for a stray black mark.

As I explained in my committee views, the Clean Coal Program is fiscally irresponsible and environmentally unsound.

It's hard to imagine a more difficult time for spending increases or new starts, yet this program was allocated $350 million over the next 3 years. As I mentioned earlier, many needs in this bill remain unmet. It's difficult for me to justify corporate subsidies when there's not enough money to manage and acquire Federal lands, or to fund meaningful conservation programs, or to maintain existing Federal property.

The only positive aspect of this recommendation is that the amount is below the administration's request and below the expected Senate recommendation. I hope the Chairman and other House conferees will join me in pushing for the House position.

Budget arguments aside, the Clean Coal Program does not make sense without the enactment of responsible acid rain control legislation. Tough controls on emissions are the only way to stop the damage caused by acid rain damage.

We could end up spending billions and billions on clean coal technologies without reducing acid rain by one drop.

Real emission reductions will only come as a result of tough emission controls, and I invite every Member who is seriously interested in acid rain control to cosponsor a bill introduced by myself, Congressmen SIKORSKI, WAXMAN, and others—H.R. 2666. Instead of corporate welfare, let's control acid rain before it's too late.

Mr. Chairman, I may disagree with parts of this bill, but I do support the committee's overall recommendation. This is a good bill. It makes significant cuts, and it funds the programs which are most important to our national interests.

I urge the committee to adopt these recommendations.

Mr. Chairman, I would also mention that the administration does object to the bill in its present form.

In a letter to me, OMB Director Jim Miller was clear in his intentions about this bill. He says "the bill is unacceptable, and if the bill were presented to the President in its present form, the President's senior advisers would recommend that he veto it." Of course, these letters have appeared before, and I hope we can work out a fair compromise in conference.

I will include a copy of this letter, along with supporting material, for the RECORD at this point:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, June 17, 1987.

Hon. SILVIO CONTE,
Committee on Appropriations, House of Representatives, Washington, DC

DEAR SIL: As the House Appropriations Committee prepares to mark up the FY 1988 Interior and Related Agencies Appropriation bill, I want to bring to your attention the Administration's concerns about the Subcommittee version of the bill. It is critically important that the Administration and Congress agree this year on appropriations bills that support both national priorities and the fiscal constraint required by the Gramm-Rudman-Hollings Act. The President believes that his budget meets these dual objectives and commends it to the Committee.

The Administration is pleased that the Subcommittee has once again approved the concept of deducting Federal administrative costs before distributing Federal onshore mineral leasing receipts between the States and the Treasury. The Administration also is pleased that additional funding has been provided for the Clean Coal Technology Program, although the amount recommended is substantially below that requested to fulfill the United States' commitment to Canada to implement the recommendations of the Special Envoys on Acid Rain. Finally, we are pleased that the Subcommittee has provided funds for sustaining a 75,000 barrel per day fill rate for the Strategic Petroleum Reserve even though this is less than the President's recent energy security recommendations to Congress supporting a 100,000 barrel per day fill rate provided that budget offsets are made available to cover its higher costs.

Nevertheless, the bill is unacceptable, and if the bill were presented to the President in its present form, the President's senior advisers would recommend that he veto it. As I have indicated previously in conversations with you, in considering the acceptability of Congressional action on appropriations bills, the Administration will use as its benchmark the budgetary resources (i.e., budget authority, obligation limitations, and loan limitations) requested by the President for discretionary programs. The Interior Subcommittee's action exceeds that benchmark by $1.8 billion. The major increases over the levels included in the President's Budget are for items that can be easily delayed or are of a purely local rather than national interest. The national importance of achieving the deficit reduction targets of Gramm-Rudman-Hollings vastly outweighs the marginal value of these increases.

Of particular concern to the Administration are:

An unwarranted increase of $327 million (41 percent) for the Indian Health Service, including increases for contract care (fees for which in reality are declining), unnecessary hospital facilities, and sanitation facilities funded more appropriately elsewhere.

Increases of $194 million (130 percent) in Fossil energy research and development and $240 million (80 percent) in Energy conservation, which would finance programs that are more properly the responsibility of, and that should be supported by, the private sector and/or State governments. In particular, the Administration urges no funding for conservation grants since States have received large settlements from Exxon Corporation and other overcharges.

Numerous small increments to the President's Budget. The Subcommittee added small amounts of money for a large number of items that are of low priority or can be delayed easily (such as grants to States for recreation programs and land acquisition) or are of a purely local rather than national interest (park, fish, and wildlife, and Indian construction projects; demonstration, research and technology projects; and support of the arts in Washington, D.C.). The result is a rather large increase that should be reduced by the full Committee.

Moreover, the bill contains a number of objectionable language provisions. The most troublesome of these relates to Outer Continental Shelf (OCS) leasing activities off the East coast. This provision would threaten our future energy security by placing large OCS areas off limits to leasing. By refusing to allow responsible and environmentally safe study and exploration of our most promising OCS areas, the Subcommittee action will surely increase our dependence on foreign sources of oil. The Administration is also strongly opposed to the requirement that structures on the OCS contain at least 50 percent U.S. materials.

Other provisions in the bill overstep legislative functions (particularly those enunciated by the Supreme Court in INS v. Chadha) by requiring Congressional Committee approval of Executive Branch actions and impede the ability of the Executive Branch to manage properly and effectively its responsibilities. The most objectionable provisions involve micromanagement instructions (the Bureau of Indian Affairs, the Bureau of Mines, the Mineral Management Service, and the Office of Surface Mining), and exemptions from personnel ceilings necessary for prudent management of the Executive Branch by the President. While we remain open to discussion of specific issues and items of concern to Members and Committees of the Congress, we strongly oppose efforts to infringe upon the constitutional authority and legitimate policy and managerial functions of the Executive Branch.

The enclosed fact sheet discusses these and other funding and language provisions that are objectionable to the Administration.

It is crucial to the efficient management of the Nation's affairs that mutually acceptable decisions be made expeditiously in the budget process generally and the appropriations process in particular. It is equally important that, as I noted above, these decisions support both national priorities and the fiscal restraint required by the Gramm-Rudman-Hollings Act. We are prepared to work with the Subcommittee toward these ends.

I hope that when this bill is considered by the Appropriations Committee you will use your leadership to eliminate unwarranted spending increases and objectionable language provisions so that the President's senior advisers could recommend that he sign it.

Sincerely yours,
JAMES C. MILLER III,
Director.

Enclosure

INTERIOR APPROPRIATIONS BILL, FY 1988 OBJECTIONABLE PROVISIONS, JUNE 17, 1987

I. FUNDING LEVELS

Energy conservation.—The Subcommittee mark for conservation grants is $170 million above the President's Budget. This additional amount is unnecessary because the States have received $2.8 billion from petroleum overcharge violation cases they can use to fund conservation grant activities.

The Subcommittee's recommendation for total conservation R&D support is $70 million (or 80 percent) above the President's Budget. These levels of general increases are inconsistent with current budget constraints and the need to focus Federal R&D support on generic technology-based activities. The Administration objects particularly to $25 million in earmarked and special interest add-ons in areas such as consumer products, industrial efficiency improvements, electric vehicles, and steel research. These are not activities that should be the responsibility of the Federal government. As the underlying technologies improve (through both Federally and privately sponsored research), these applications will offer adequate economic incentives for private sector development.

Indian Health Service.—The Subcommittee mark for the Indian health services is $85 million or 10 percent over the FY 1987 enacted level. The Subcommittee ignores efficiencies and management improvements reflected in the President's Budget that would maintain services at current levels through increased productivity and third-party reimbursements and the growing savings that are resulting from reduced fees for contract care. The Subcommittee instead increases Indian health services appropriations by almost 15 percent over the FY 1987 enacted level for the Hospitals and health clinic programs. With inflation at around 3 percent, the Subcommittee has gone far beyond "restoring" services.

The Subcommittee provides $40 million for sanitation facilities for Indian homes. Funding for this purpose should be included with appropriations for constructing or renovating Indian housing, e.g., in the HUD or Bureau of Indian Affairs appropriations for this purpose. Full-funding of the unnecessary hospital construction projects proposed by the Subcommittee would cost almost $175 million eventually.

The Subcommittee provides $6.7 million for personnel quarters to house Indian Health Service personnel, even though over 200 personnel quarters are vacant (or occupied by unauthorized persons).

Clean Coal Technology Program.—The Administration is pleased that the Subcommittee has provided additional funding for the Clean Coal Technology Program without imposing objectionable regulatory requirements that would undermine the program's effectiveness as a major component of the joint efforts of the United States and Canada to determine and address the environmental effects of acid rain. We are disappointed, however, that the Subcommittee mark is substantially below the amount requested. The Administration requested a total of $2.5 billion for this program over five years, including an additional $350 million in FY 1988 and advance appropriations of $500 million per year in FY 1989 through FY 1992 to fund innovative emissions control demonstration projects. We urge that these amounts be restored by the full Committee.

Fossil energy research and development.—The Subcommittee recommendation for total Fossil energy research and development (R&D) support is $193.5 million (or 130 percent) above the President's Budget, and 17 percent higher than the FY 1987 enacted level. These levels of general increases are inconsistent with current budget constraints and the need to focus Federal R&D support on generic technology-based activities. The Administration particularly objects to $71 million in earmarked and special interest add-ons for industries and universities, to the $35 million for the Magnetohydro-dynamics (MHD) program, which is not an affordable or high-priority option at this time, and to the $28 million added for levels of personnel and overhead (program direction and support contracts) that are unnecessary and wasteful even if allowances are made for the Subcommittee's programmatic add-ons.

Cooperative research and development venture program.—The Administration also objects to any provisions that delete support for a new Cooperative R&D Ventures program. That request has not yet been transmitted to the Congress, so we do not believe that the Subcommittee has sufficient information to make an informed judgment on the proposal.

Land Acquisition.—Substantial funds (105 million) are added to the President's Budget for land acquisition (the Bureau of Land Management, the National Park Service, the Fish and Wildlife Service and the Forest Service). Given the 730 million acres already in Federal ownership and the serious budget situation, discretionary land acquisition should be postponed.

Historic Preservation Fund.—Funds ($25 million) are appropriated for the Historic Preservation Fund whereas the President's Budget proposed no funding. Financing State historic preservation offices and the National Trust for Historic Preservation is more properly a State and private sector responsibility.

Cumberland Gap Tunnel.—$31 million in funding (liquidation of contract authority) is added for continued work on the Cumberland Gap Tunnel. The budget proposed no funding in FY 1988. Federal funding should be deferred given the overall fiscal situation.

Construction.—Substantial funds ($83 million) are added to the President's Budget for construction (the National Park Service, the Fish and Wildlife Service, and the Bureau of Indian Affairs). Some of these projects are primarily of local interest. All can be forgone or postponed until the fiscal situation improves.

Research.—A total of $47 million above the President's Budget was added for Geological Survey and Bureau of Mines operating programs and research programs for the Fish and Wildlife Service. The Administration opposes these unnecessary discretionary program increases for lower priority projects as running counter to the goal of reducing the huge Federal deficit.

Territorial Affairs.—The Administration objects to the addition of $63 million to the President's Budget to fund low-priority construction projects, government operations, and grants.

Operation of Indian Programs.—The Administration objects to the addition of $56 million to the President's Budget ($45 million over the FY 1987 appropriation) for this account, to fund a variety of low-priority discretionary activities.

Forest Service.—Discretionary appropriations exceed the President's Budget by $262 million. An increase of $78 million for the National forest system is unwarranted. This includes $60.4 million for recreation management which conflicts with the principle of funding this program with increased recreation fees and thereby adds unnecessarily to the national deficit. The Administration objects to the increase of $32.3 million for State and private forestry activities. The States should assume more program and funding responsibility for their forestry programs. The Administration strongly objects to increases of $34.7 million for facilities and trail construction. Renovation of research laboratories, the visitor center at Mono Lake, new recreation facilities and trail reconstruction should be postponed during this period of fiscal restraint. Unrequested funding of $15.5 million is included for research. This would fund low-priority projects that can be addressed through productivity improvements within existing funding levels or by reallocations within the budget request.

National Foundation on the Arts and the Humanities.—The Subcommittee provides $41 million more than the President's Budget. The Subcommittee provided an unrequested $4 million for the National Capital Arts and Cultural Affairs program which funds major Washington, D.C. cultural organizations already fully eligible for competitive grants.

Departmental Offices—Interior.—The Administration objects to the $7.2 million reduction for the Office of the Secretary, Office of the Solicitor, and Inspector General and to the continued earmarking of funds in the immediate Office of the Secretary. These reductions and limitations hamper the efficient administration of a complex department.

II. LANGUAGE PROVISIONS

Buy American.—Language has been included that would require that structures on the Outer Continental Shelf (OCS) contain at least 50 percent U.S. materials. The Administration is strongly opposed to this provision. It would delay seriously and increase the cost of oil production in the OCS; it also conflicts with the Administration policy of encouraging reliance on indigenous energy sources, and it is contrary to U.S. obligations under the General Agreement on Tariffs and Trade.

Legislative vetoes.—The Administration strongly objects to language prohibiting the Executive Branch from taking certain actions without prior approval of the Appropriations Committees. Such restrictions overstep the Legislative function as enunciated by the Supreme Court in *INS* v. *Chadha.* Most objectionable is an administrative provision that would prevent the National Park Service from reprogramming funds "to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System." This provision is contrary to legal requirements to enforce the laws of the land and to moral and ethical responsibilities to preserve life. Other examples of intrusions into Executive Branch responsibilities include (in addition to those mentioned specifically below) prohibitions on changing regional boundaries and office locations on the Forest Service and implementing proposed eligibility regulations of the Indian Health Service.

Bureau of Indian Affairs.—The Administration opposes language provisions intended to prevent implementation of almost every BIA initiative proposed in the President's Budget, including prohibitions on: contracting with States or local educational agencies to operate BIA schools; charging a minimal tuition at Bureau-operated postsecondary schools; collecting fees (as authorized by existing law) to cover the cost of administering tribal timber sales; and improving methods of funding tribal contractor indirect costs. Language is also included to prevent implementation of proposed regulations affecting the Higher Education Grant Program (these regulations are being promulgated in response to a court order) and the Housing Improvement Program. By placing such roadblocks before proposals to improve BIA operations, the Committee ensures perpetuation of a wasteful and ineffective status quo.

Moratorium on Outer Continental Shelf (OCS) Leasing.—Language excludes the Georges Bank OCS area of the North Atlantic from the offshore leasing program. Such a moratorium contradicts the statutory mandate of the OCS Lands Act to expedite exploration and production consistent with proper balancing of environmental and other concerns, and overrides the process of scientific studies and balancing analysis required by Sections 18 and 19 of the OCS Lands Act.

Implementation of Product Value Regulations.—The Administration has serious concerns about the policy implication of language that prohibits the Minerals Management Service from modifying its product valuation guidelines. This action will prevent Interior from proceeding in a timely manner with the implementation of rules to modify the product valuation guidelines used for determining Federal royalty values.

Privatization of Helium Operations.—The Administration has serious concerns about the policy implications of language that prohibits the Bureau of Mines form proceeding with the sale of Federal helium operations deemed more appropriately a function of the private sector.

Unadoptable wild horses and burros.—The Administration objects to the Subcommittee's including a provision that prohibits the Bureau of Land Managemewnt (BLM) from destroying unadoptable wild horses and burros. While the provision only applies to healthy animals, there is no clear agreement on the meaning of this term. It costs

BLM $2.50 per animal per day to hold the animals. With a backlog of 10,000 unadoptable animals, a prohibition on disposal of these animals costs the Federal Government over $9 million annually. Additionally, this type of substantive legislation should be handled by the authorizing committees.

Employment ceilings.—Section 310 appears to exempt programs funded by the bill from employment ceilings. The Administration opposes this provision because it prevents effective and efficient management of agency programs and promotes wasteful spending.

Required supplementals.—Sections 101 and 102 require that supplementals be requested to replenish funds transferred to cover emergencies. The President should have discretion on requesting supplemental appropriations.

Employee details.—Section 110 is superfluous language included to prevent detailing of employees except by Office of Personnel Management regulations.

Office of Surface Mining.—The Administration opposes the requirement that OSM keep the Wilkes-Barre Office open. The agency's work is significantly diminished in that area of Pennsylvania and the office ought to be closed for both budgetary and administrative reasons.

Mr. KENNEDY. Mr. Chairman, I rise in strong opposition to this appropriations bill. In the guise of a funding bill for energy and water projects, this bill comes before us with half of its funding directed to nuclear defense activities. The largest single line item in the bill is $3.8 billion for "nuclear weapons activities"—an increase of $131 million over last year's funding. There is another $279 million for "nuclear directed energy weapons" to be used in the Star Wars Program; another $473 million for nuclear testing; and another $1.8 billion allocation for nuclear materials production. In total, there is over $7.8 billion dollars in this bill for military-related activities. That is more than two-thirds of the money we appropriate for the Energy Department's entire budget.

The Defense Department gets the lions' share of the money around here already. I don't see any reason for us to throw still more money into nuclear weapons production through the Energy Department. I agree that the peaceful use of nuclear power, however misguided it may be, should be in the jurisdiction of the Department of Energy. But that does not mean we should hide money for more and more nuclear weapons in the appropriation for energy and water. Are we trying to fool the American people? Let's at least force the Defense Department to pay its own bills, so we know how much we are actually throwing away.

The country should know what we are doing in this bill: We are appropriating here today the funds that will pay for the MX missile system and for the destabilizing D-5 missiles for the Trident submarines. And those deadly, destabilizing, and devastating weapons all will be passed under the benign title of "energy and water development appropriations." I think that is a fraud on the American people and I, for one, will not vote for it.

There are some good things in this bill as well. There are a number of useful water projects and funds for peaceful research in a number of areas, particularly projects that would enhance energy conservation. But we should also note, as my colleague from Massachusetts tells us, that the committee report accompanying this bill endorses the recent proposal by the Nuclear Regulatory Commission to change the regulations on evacuation plans for nuclear powerplants. Many of us are very concerned about what would happen in the event of a nuclear power accident, and the evacuation plan requirement is one of the key safeguards against catastrophe. In practical terms, the proposed change would make it easier to open up the Seabrook nuclear plant on the border of Massachusetts, without the approval or participation of the Governor of Massachusetts. I am strongly opposed to such a change in the regulatory requirements, and I have joined my colleagues from Massachusetts in sponsoring a bill that would codify the present rule.

Mr. Chairman, in the spirit of open and honest government, I urge my colleagues to vote against this bill. The engines of death that are fueled with this appropriation are bad enough on their own merits. They are doubly bad when they are funded deviously through the energy and water development appropriation. There are many worthy energy and water projects that would be legitimate and valuable investments in the future of our country and that could be funded if we were to reclaim the nearly $8 billion squandered in this bill on nuclear weapons and military activities.

□ 1700

Mr. REGULA. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. YATES. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. GRAY of Illinois] having assumed the chair, Mr. BOUCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, had come to no resolution thereon.

BERLIN WALL RESOLUTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BROOMFIELD] is recognized for 1 minute.

Mr. BROOMFIELD. Mr. Speaker, today, I have introduced a resolution supporting President Reagan's challenge to Mr. Gorbachev to tear down the Berlin Wall.

I am sure that many of you who heard the President's recent speech at the Brandenburg Gate were moved by his eloquence and his challenge to the Soviet leader. Our President called upon Mr. Gorbachev to "open this gate," and "tear down this wall."

Those among my colleagues who have visited the wall will surely agree that its presence is an affront to the dignity of man.

That long gray barrier is a cruel monstrosity dividing the East from the West. It separates families and splits the German people.

Many brave souls yearning for liberty lost their lives in vain attempts to scale that wall to freedom.

More than anything, that structure has come to represent the dark side of man. It is a symbol of the mentality of closed police states that choose to enslave and control men rather than to trust and serve them.

I am confident that someday the Berlin Wall will be reduced to rubble. Someday, that wall of shame will be no more than a distant memory.

I call upon my colleagues who share my vision about the wall to join in support of this resolution.

COMMONSENSE ADVICE FROM JEFFERSON COUNTY TO CONGRESS

(Mr. ERDREICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ERDREICH. Mr. Speaker, through thousands of letters and phone calls every month, by taking my office on the road with community office hours, in speeches to companies, civic clubs, churches and schools, I make every attempt to keep in touch with the people I represent as I voice the opinions of Jefferson County, AL, in the U.S. Congress. I also use my congressional questionnaire as a barometer to measure the views of Sixth District residents on major issues facing Congress, and use their sound advice as a valuable yardstick as I cast votes and propose initiatives to best serve the people of my State and Nation.

Those responding to my questionnaire let me know what their budget priorities are, and strongly supported action by Congress to reduce and eventually eliminate Federal red ink spending levels. Fifty-nine percent supported an across-the-board freeze on all Federal spending, 61 percent supported efforts to reduce Federal spending in all areas except Social Security and defense, while 67 percent supported a combination of restraint on all Federal spending and new tax increases.

A strong majority voiced the opinion that the United States needs to toughen U.S. trade policies, with an overwhelming 86 percent registering strong concern that the United States is losing its competitive edge to Japan and Europe. A solid 83 percent of those responding supported the adoption of stronger U.S. trade laws to ensure full and fair U.S. participation in international trade, 64 percent supported imposing a user fee on imported goods, 79 percent favored efforts to limit imports from countries that compete unfairly with U.S. goods, even if it means higher consumer prices, and 89 percent supported the enactment of legislation that would protect U.S. intellectual and property rights by strengthening present laws against imports that infringe upon U.S. ideas, copyrights, and patents.

In response to other issues, 76 percent favored the inclusion of an additional program under Medicare to cover catastrophic health care expenses, a resounding 90 percent favored the establishment of a national workfare plan that would replace our current welfare system, and 84 percent favored limiting contributions by political action groups to political campaigns.

I would like to thank the over 7,000 Sixth District residents who took the time to answer and return their questionnaire response cards, and hope my colleagues in the House will follow this good Alabama common sense on issues affecting our Nation. I will continue to take my marching orders from those whom I represent as I work for a brighter future for Jefferson County.

The responses to each question follow:

QUESTIONNAIRE RESULTS

[In percent]

	Yes	No
1. Do you agree with the Administration's budget proposal to reduce federal spending in all areas except Social Security and Defense	61	36
Do you agree with spending reductions over the next 3 years proposed by the President that would:		
2. Reduce Medicare by $13.7 billion over the next three years, increasing out-of-pocket costs to recipients by over 65% by 1991	30	68
3. Lower the Guaranteed Student Loan program by $10 billion over the next three years	65	33
4. Reduce funding for drug abuse and prevention programs by $500 million	51	46
5. Eliminate Section 202 housing construction for senior citizens	45	50
6. Cut child nutrition and school lunch programs by almost $1 billion	51	47
In order to further reduce the deficit, would you favor:		
7. A reduction in defense spending	51	47
8. A combination of restraint on all Federal spending and new tax increases	67	31
9. An across-the-board freeze on all Federal spending	59	37
The President's budget contains 22.4 billion in revenues which include user fees for various Federal programs. Would you favor:		
10. An increase in fees on veterans' and VHA guaranteed home loans	56	42
11. A user fee for entrance into U.S. national parks	73	26
The U.S. trade deficit has risen dramatically since 1980, continuing to plague the health of our national economy and rob us of millions of jobs. In order to reduce the trade deficit and put us on a course of aggressive promotion and marketing of American goods and services, would you favor:		
12. Adopting stronger U.S. trade laws to ensure full and fair U.S. participation in international trade	83	15
13. A user fee on imported goods	64	33
14. Adopting policies to limit imports from countries that compete unfairly with U.S. goods, even if it means higher consumer prices	79	19
15. Enacting legislation that would protect U.S. intellectual and property rights by strengthening present laws against imports that infringe upon U.S. ideas, copyrights, and patents	89	8
16. Is the United States losing its competitive edge to Japan and Europe	86	11
17. Do you favor the inclusion of an additional program under Medicare to cover catastrophic health care expenses	76	21
18. Do you favor the establishment of a national workfare plan that would replace our current welfare system	90	7
19. Do you favor continuing negotiations for a verifiable nuclear test ban treaty with the Soviet Union	82	16
20. Do you favor limiting contributions by political action groups to political campaigns	84	14
21. Do you think the current level of domestic spending is: a. about right, 23%; b. too much, 58%; c. too little, 17%		
22. Do you think the current level of defense spending is: a about right, 40%; b. too much, 43%; c. too little, 14%		

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[1] The total "Yes" and "No" response percentages on some questions do not equal 100% because a small number of respondent did not answer all of the questions.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST THE CONFERENCE REPORT ON H.R. 558, URGENT RELIEF FOR THE HOMELESS ACT

Mr. PEPPER, from the Committee on Rules, submitted a privileged report (Rept. No. 100-181) on the resolution (H. Res. 209) waiving certain points of order against the conference report on the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children, which was referred to the House Calendar and ordered to be printed.

ACADEMIC FREEDOM ON THE WEST BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 60 minutes.

Mr. DYMALLY. Mr. Speaker, I want to add my voice to those of Israeli academics who have expressed their concern over the closure of Birzeit University in the occupied West Bank. I emphasize that I join with Israeli academics because, unfortunately, discussion of the issue of West Bank academic freedom is not an easy one in Congress, at a time when concern for human rights in the West Bank and Israel is wrongly equated with being anti-Israeli. We are caught in an unfortunate situation where criticism of Israeli practices in the occupied West Bank has been muted because we do not want to be wrongfully perceived as anti-Israeli. The sad thing is that we have lost our ability to perceive how ridiculous such a fear should be.

If we had the same reticence to criticize our own policies, we would be ridiculed for shirking our responsibility as representatives. We would be laughed at if we said we could not speak out because we would be perceived as anti-United States. It is basic to the democratic system that positive criticism is a tool for improvement, not a weapon of destruction. We do our friends in the world a disservice when we hold in check our own fundamental values in order to be ingratiating. Even friends make errors in judgment. We are true friends when we let our friends know we think they have made an error. I think our friends in the world have little reticence about letting us know when they think we are wrong. We welcome their views because they help to make our system better.

Academic freedom is fundamental to any society trying to develop. It is something we cherish in the United States, something we would fight to preserve in America. We respect our allies in part because they share this value. Yet, from the occupied West Bank comes disturbing news of repeated infringement of the academic freedom of Palestinians by the Israeli occupation authorities. The continuation of these reported infringements over time leads one to suspect that they are not an aberration but the norm. The 1.3 million Palestinians on the West Bank are being deprived of the academic freedom that is essential to the blossoming of their society. For 4 months now, the Israeli authorities have kept Birzeit University closed. Birzeit is the oldest Palestinian institution of higher education and is one of the major centers of higher learning for Palestinians. Birzeit University has been closed repeatedly, allegedly as a "preventive" measure for time periods ranging from a few days to a month. But this recent closure is the most punitive and the most damaging because a whole semester has now been lost.

This collective and indiscriminate punishment is a burden with far ranging adverse effects. Obviously, a student body has been deprived of education. Many students are extremely poor and have great difficulty making the relatively small tuition payment. They have expended their precious resources and have nothing to show for the investment. Those who were waiting eagerly for graduation day will have to wait another year. The university, even under normal circumstances, faces grave financial problems. The 4-month closure has cost the institution $500,000. This closure order also barred the faculty from research laboratories, computer facilities, and the library, bringing the university's academic and administrative work to a complete halt.

Closure of Birzeit University for 4 months is the most glaring, but not the only, example of deprivation of academic freedom on the West Bank. Consider these other examples: According to the Israel Jerusalem Post reporter Joel Greenburg, authorities have fired live ammunition at unarmed students in nonlife threatening situations. The result? Three students have been killed since the beginning of the academic year.

The army forcibly entered and searched Al-Najah and Birzeit Universities on March 8 and 19. They confiscated cultural material and over 100 textbooks which used to be lent out to needy students on a semester basis.

The authorities have deported student council leaders because of their political activism alone. That is, the students were not accused of paramilitary or violent charges. I would point out that purely political deportations are illegal under international law as specified in article 9 of the Universal Declaration of Human Rights and article 49, section 1 of the Fourth Geneva Convention.

Effective university closure through the setting up of checkpoints has occurred 36 times in the past academic year.

Students and faculty are arrested arbitrarily. For example, in the first semester of the 1986-87 academic year, only 4 of the 55 students and 2 faculty members who were detained were convicted of any offense. Thirty-eight were released without charge. The rest were still in detention awaiting release or charge as of March 10, 1987.

The standard response of authorities when these incidents are raised is that the actions are preventive measures. The standard response does not ring true to me. I am moved by the number, the severity, the generality, and the arbitrariness of the incidents to conclude that, collectively, they constitute an active campaign to deprive the Palestinians of academic freedom. To illustrate what I mean, let me outline the events which led to the most recent closing of Birzeit University.

On April 11, 1987, an Israeli woman was killed on the West Bank. In retaliation, Israeli settlers rampaged through the town of Birzeit breaking car windows and uprooting fruit trees. Settler threats of retaliation against Palestinian institutions worried people at the university, particularly when settlers were seen roaming around the town of Birzeit. This, coupled with the news of a widespread campaign of arrests, including the placement of nine Palestinians under administrative detention for 6 months, and the detention of scores of others, led students to stage a rally and demonstration.

Soldiers attacked the demonstrators firing live ammunition into the crowd. This reportedly was their first step before instructing the demonstrators to disperse and before using tear gas. One student was shot in the throat and killed. Three other students were wounded. The university was subsequently closed.

In reflecting on this chain of events, it is clear that the murder of the Israeli settler is abhorrent. The murderer should be caught and punished. But the response of the Israeli Army is not less abhorrent. Death and pain were meted out indiscriminately and unncessarily to people who took no part in the original crime, and who were reacting to the overreaction on the part of Israeli authorities and to alarming activities by settlers.

I would point out that students protest the world over. In a free society, there is room for such protest. The curtailing of academic freedom is not a justifiable reaction to student protest in a free society. I have spoken with many Israeli citizens who are coming to loath such overreaction on the part of their authorities. Perhaps this is why on the occasion of the 20th anniversary of the Israeli occupation of the West Bank, there were so many somber articles in the Israeli press discussing the troublesome and corrupting effects of occupation on the occupier. When a society reaches the point where suppression of academic freedom can be accepted as no more than a preventive measure, then one must fear that the society has lost an important element of consciousness.

I do not think Israelis in general have lost sight of fundamental values. In fact, I think it is of great importance that more and more young Israelis refuse to serve on the West Bank. While taking measures to preserve its freedom, Israel must not lose its humanity. Israel was founded as a home for those who wished for their humanity to blossom in an atmosphere free from oppression. It would be tragic for Israel if, in protecting the country, it lost the values that were the source of that country's creation. The peace movement within Israel is a hopeful and positive sign of a human renaissance there, and I for one applaud the effort and urge its support.

The way to achieve harmony between Palestinians and Israelis is not to systematically deprive the Palestinians of learning and of opportunity. Rather, it is to encourage learning and thereby to create opportunities. One needs think for a very short time to see that taking students out of classrooms and off athletic fields insures that the students will grow in their frustration rather than in wisdom. Closing the University also gives the students a great deal of free time in which to express their frustration. Closing the university, therefore, promotes rather than suppresses protest.

I urge the Israeli authorities to listen to those of its citizens who urge the reopening of the university and the restoration of academic freedom. The Jewish people know from their own experience that oppression does not engender the tranquility of the oppressed, but rather it breeds resolve to cast off the oppressor and to do whatever is necessary to never be oppressed again.

Mr. RAHALL. Mr. Speaker, I commend my colleague, the gentleman from California [Mr. DYMALLY], for organizing this special order. Academic freedom on the West Bank is an issue which is of concern to all mankind, and I believe that the interest shown in preserving this inalienable right by my good friend from California, a valuable member of the Foreign Affairs Committee, is indicative of the importance of the issue.

Education is not a black-and-white issue. It is not an Arab-Jewish issue, either. It is an issue which gets right to the heart of basic human rights. And, I am sorry to say, students on the Israeli-occupied West Bank are being denied their basic human rights of free speech, dignity, and education. It is very disheartening when an occupying force uses the education of the area's young people as a political and military tool—when young men and women are used as pawns in a chess game of protest and occupation.

The issue of the West Bank occupation has been debated for decades. And, until an equitable solution is reached, the Israeli occupation will continue to be debated for many years. I have my own feelings as to what needs to be done to alleviate this situation. I am sure that my colleagues also have their own ideas. We have debated them a few times right here on the floor of this institution, and we will no doubt continue to engage in a healthy debate about this issue—that is the beauty of a democratic society. At the proper time, this aspect can—and should—be debated.

But, this evening, political and military questions are not the order of the day. Tonight, we are concerned with human rights. And freedom. And education. And people—young people.

The real losers in this 20-year battle are the people who must live under occupation, who must live under the threat of an educational cutoff. The constant closing of Birzeit University in the West Bank is becoming a constant symbol of the frustration of the occupied—as well as the occupier. The Palestinian residents of the West Bank have shown a great deal of resilience over the year—as well as frustration.

Frustration, as we all know, can turn into anger. And, unfortunately, anger can turn into violence. Yes, there has been violence on both sides in the West Bank—I think we can all agree on that. But, rather than fight violence with violence, we need to remember for what educational institutions stand, and stop using their availability as a tool of punishment.

To many in the West Bank who have suffered for two full decades under occupation, a quality education stands as the only way out—the only hope for the future. When the university is shut down, so is a young man's, or woman's dream of making something of himself. I can fully understand the jolting effect this can have on someone—seeing the future closing down before your very eyes.

I cannot, and will never, condone violence—no matter who the perpetrator. Violence will not solve our problems. It will not drive the occupiers off the West Bank and it will not reopen the schools. It will take a concerted, reasonable, nonviolent approach to keep the flame of education burning in the West Bank. I urge all parties to come together, to reason, to not snuff out that flame of the future. Too many people's hopes are pinned to that flame.

□ 1715

REPORT ON H.R. 2763, DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATION, 1988

Mr. SMITH of Iowa, from the Committee on Appropriations, submitted a privileged report (Rept. No. 100-182) on the bill (H.R. 2763), making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. ROGERS reserved all points of order on the bill.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 51

Mr. FAUNTROY. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Pennsylvania [Mr. YATRON] be removed as a cosponsor of the bill, H.R. 51, the D.C. statehood bill. The name of the gentleman from Pennsylvania [Mr. YATRON] was inadvertently added to the list of cosponsors of this bill.

The SPEAKER pro tempore. (Mr. HATCHER). Is there objection to the request of the gentleman from the District of Columbia?

There was no objection.

CDS PAYBACK RULE: A DISGRACE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee [Mr. QUILLEN] is recognized for 15 minutes.

Mr. QUILLEN. Mr. Speaker, the Department of Transportation is once again ignoring the views of Congress on an issue with substantial impact on our national defense.

Despite a series of congressional actions to the contrary over the past several years, despite an adverse court order, and despite the damage to the Federal budget the last time it was tried, the Department has again published a rule permitting permanent repayment of construction differential subsidy, or CDS, as it is called.

This time they've put out the rule even as conferees on the fiscal year 1987 supplemental appropriations bill are in the middle of considering the House's position opposing such a rule.

This rule is an outrage. Its timing is an insult. Finally, it exposes some obvious political pressure that has been brought on the Navy to coverup its long-standing opposition to CDS payback.

For those who aren't too familiar with CDS, let me provide a bit of background.

U.S.-flag vessels used in the foreign trades compete with subsidized vessels from many foreign nations. To help them compete, the government has, in the past, assisted in paying ship construction costs through the CDS Program. U.S.-flag vessels used in the domestic trades do not compete with foreign vessels, and so have not received any CDS.

When shipments of Alaska oil boomed, the domestic fleet for a time could not accommodate the demand for tankers. Based on that tanker shortage, the Maritime Administration permitted two tankers to repay their CDS and enter the domestic trade. Again when domestic vessel shortages could be documented, MarAd also allowed several other foreign-trades tankers to enter the Alaska oil trade for temporary periods of up to 6 months in return for repaying a pro rata portion of their CDS.

The Department of Transportation in 1982 initiated the idea of permitting foreign-trades vessels to permanently repay CDS without the need for determining whether there was a need for their capacity in the domestic trades.

Congress wouldn't accept that proposal. Congress correctly concluded that foreign-trades vessels shouldn't be allowed to repay CDS if their switch to the domestic fleet would merely drive unsubsidized domestic vessels out of business.

The Navy also objected, pointing to the damage that would be done to the Nation's emergency preparedness if militarily useful domestic tankers were driven out of business.

Congress blocked a CDS payback rule in three separate appropriations bills during 1983 and 1984.

In May 1985, however, the barrier expired and the Secretary of Transportation quickly passed a rule permitting CDS payback. Three vessels repaid CDS and entered the Alaska oil trade. But the Court of Appeals found the rule was arbitrarily and capriciously issued, and vacated it last January. The Court said the three vessels would have to leave the domestic trade by mid-July.

Even before the Court decision, the rule had proven to be a budgetary catastrophe. Although DOT told Congress to take a $200 million budget credit for the rule in the fiscal year 1986 budget resolution, the rule wound up costing the budget $76 million thanks to fewer revenues and more related loan defaults that DOT had projected.

Despite this sorry experience with the rule, on April 15 DOT again proposed to issue the CDS payback rule. The House Committee on Appropriations already had voted on March 27 in favor of barring such a rule, and the full House later adopted that position as part of the fiscal year 1987 supplemental appropriations bill (H.R. 1827).

That legislation is pending in conference right now. But did the Department pause for direction from Congress on this issue? No, it did not. On Monday, MarAd published a final CDS payback rule, effectively thumbing its nose at Congress and at Congress' long-time opposition to CDS payback.

It is very difficult to understand why DOT and the administration are so much in favor of this rule. It's bad for the budget, it's bad for national defense, it's bad for jobs, and it is of no benefit to consumers.

Perhaps most puzzling of all has been the role of the Navy in this proceeding.

Without objection, I would like to enter into the RECORD five letters documenting the Navy's peculiar evolution on this issue.

First is a letter from Assistant Secretary of the Navy Sawyer to the Secretary of Transportation dated March 29, 1983. This letter opposed CDS payback for a number of national defense and other reasons.

Second is a letter from Assistant Secretary of the Navy Pyatt to the Maritime Administration dated April 28, 1987. This letter again opposed CDS payback for reasons similar to those stated in 1983.

Third is a letter from MarAd to the Navy dated May 6, 1987, confirming the Navy's mysterious withdrawal of Assistant Secretary Pyatt's letter of 8 days earlier.

Fourth is a letter from Secretary of the Navy Webb to a private tanker operator in which he makes the following statement:

> The CDS payback rule was debated extensively within the Administration during 1983 and 1984. The decision was taken to implement the rule in 1985. The reissue of the rule on 15 April 1987 was simply to correct the procedural problems found by the U.S. Court of Appeals. No new evidence has been presented which would warrant reopening debate within the Administration on the issue.

Fifth is a letter from Assistant Secretary Pyatt to MarAd sent June 10, 1987, nearly a month after the close of the comment period on the payback rule. In this letter, he retracts his letter of April 28 and says:

> Those comments were based upon a misunderstanding of the proposed rulemaking in that this is a technical correction to a prior rulemaking. On this matter the Navy supports the position of the administration, as stated by the Department of Transportation.

I find these last three letters to be absolutely incredible.

How can the Navy say there has been no evidence to warrant reopening the issue? The original decision was made before a CDS payback rule was ever tried. Then the rule was tried and turned out to be a budgetary disaster, with all DOT projections far off the mark. Isn't that new evidence?

If the Navy took this approach to procurement, it would approve the plans for a new kind of aircraft carrier, watch the first carrier sink due to faulty design, and then refuse to review the plans before building a second carrier.

To term the CDS rule a technical correction of a prior rulemaking is an insult to the Court of Appeals. The Court of Appeals didn't just find some technical element that needed fixing—it found that the Secretary essentially ignored the Merchant Marine Act of 1936 and the statutory criteria it establishes for such regulations.

Among other things, the Court said the "Secretary's response to concerns about the rule's effects on the fleet as a naval auxiliary, to take another example, is similarly unsatisfying." The court went on to point out some of the Navy's arguments and how she failed to properly respond to them.

For the Navy to now forego its own excellent arguments and meekly call this major rulemaking a technical correction is ludicrous. Who, I wonder, forced Assistant Secretary Pyattt to repudiate his position. Was it someone in the Navy or someone higher in the Department of Defense or the administration?

White House officials have joined in misrepresenting the Court's position. One senior official told a Member of Congress that the administration had no choice but to issue the rule because the Court had directed it to do so.

The Court did no such thing. After vacating the 1985 rule, the Court, in an effort to avoid disruption in the fleet, provided a 6-month period in which the Secretary could try again to issue a CDS payback rule if she wished. There was no requirement to issue such a rule, and, indeed, the Court said it took no position on whether it was even possible to square DOT's CDS payback policy with the requirements of the Merchant Marine Act.

In all, this is a sorry record of rulemaking and an obvious slap in the face of Congress by officials bent on pursuing a policy that's already been found to be wrong.

We need some answers and some accountability on how this happened. I, for one, am going to pursue them. I urge my colleagues, particularly those with interests in defense and maritime policy, to join me.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONIOR of Michigan (at the request of Mr. FOLEY), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. BROOMFIELD) to revise and extend their remarks and include extraneous material:)

Mr. CRANE, for 60 minutes, on June 25 and June 26.

Mr. GILMAN, for 5 minutes, today.

Mr. QUILLEN, for 15 minutes, today.

(The following Members (at the request of Ms. OAKAR) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. KENNEDY, for 60 minutes, on June 25.

Mr. WISE, for 60 minutes, on June 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. DANNEMEYER, immediately following rollcall No. 211 today.

(The following Members (at the request of Mr. BROOMFIELD) and to include extraneous matter:)

Mr. WELDON.

Mr. DAVIS of Michigan.

Mr. COUGHLIN.

Mr. PORTER.

Mr. BEREUTER in two instances.

Mr. CRANE in two instances.

Mr. GILMAN.

Mr. CONTE.

Mr. DRIER of California.

Mr. DEWINE in two instances.

Mr. SAIKI in two instances.

Mr. GUNDERSON.

Mr. SENSENBRENNER.

Mr. COURTER.

Mr. DUNCAN.

Mr. LIGHTFOOT in two instances.

(The following Members (at the request of Ms. OAKAR) and to include extraneous matter:)

Mr. FLORIO.

Mr. ROE.

Mr. ATKINS.

Mr. FRANK.

Mr. ASPIN.

Mr. GARCIA.

Mr. RAHALL.

Mr. EDWARDS of California in two instances.

Mr. TALLON.

Mr. HOYER.

Mr. HUBBARD.

Mr. MONTGOMERY.

Mr. FASCELL.

Mr. BONIOR of Michigan.

Mr. JONTZ.

Mr. SHARP in five instances.

Mr. ERDREICH.

Mr. HAMILTON.

Mr. KLECZKA.

Mr. LANTOS in two instances.

Mrs. BYRON.

Mr. MILLER of California.

Mr. RODINO.

Mr. STARK.

Mr. HERTEL.

Mr. SKELTON in two instances.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 284. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week."

ADJOURNMENT

Mr. FAUNTROY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 21 minutes p.m.) under its previous order, the House adjourned until tomorrow, Thursday, June 25, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1650. A letter from the U.S. Trade Representative, transmitting regarding the Outer Continental Shelf amendment contained in the 1988 Interior Department appropriations bill; to the Committee on Appropriations.

1651. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to amend title 32, United States Code, relating to the National Guard, to authorize Federal support of State defense forces; to the Committee on Armed Services.

1652. A letter from the Auditor, District of Columbia, transmitting a copy of the report entitled, "Review of D.C. General Hospital's Reporting of Revenues for FY 1986 and Funding for Radiology Equipment," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

1653. A letter from the Auditor, District of Columbia, transmitting a copy of the report entitled, "FY 1987 Revised Revenue Analysis," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

1654. A letter from the Director of Congressional Relations, U.S. Consumer Product Safety Commission, transmitting Commission comments on proposed administration draft legislation, Consumer Product Safety Amendments of 1987, submitted concurrently to the Office of Management and Budget, pursuant to 15 U.S.C. 2076(k)(2); to the Committee on Energy and Commerce.

1655. A letter from the Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting notification of travel advisories recently issued for Panama and Zambia, which have security implications for Americans traveling or residing in those countries, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

1656. A letter from the Assistant Secretary, Legislative and Intergovernmental Affairs, Department of State, transmitting correspondence received by the U.S. interests section in Havana concerning Rafael del Pino Lopez; to the Committee on Foreign Affairs.

1657. A letter from the Chairman, Navajo and Hopi Indian Relocation Commission, transmitting a draft of proposed legislation to reauthorize Housing Relocation Under the Navajo-Hopi Relocation Act, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Interior and Insular Affairs.

1658. A letter from the Secretary of Commerce, transmitting the biennial report on coastal zone management for fiscal years 1984 and 1985, Office of Ocean and Coastal Resource Management, National Oceanic and Atmospheric Administration, pursuant to 16 U.S.C. 1462; to the Committee on Merchant Marine and Fisheries.

1659. A letter from the Secretary of Energy, transmitting the fifth annual revision to the comprehensive program management plan for the Federal Ocean Thermal Energy Conversion Program, pursuant to 42 U.S.C. 9002(d); to the Committee on Science, Space, and Technology.

1660. A letter from the Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting a report setting for the reasons for not completing, within 6 months, a written consultation and cooperation agreement on the development of a nuclear waste repository with the certain States and Indian tribes, pursuant to 42 U.S.C. 10137(c); jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

1661. A letter from the Secretary of Transportation, transmitting a draft of proposed legislation to amend the National Driver Register Act of 1982 to assist in the identification of operators of aircraft and trains who have driving problems by permitting access to the National Driver Register; jointly, to the Committees on Public Works and Transportation and Energy and Commerce.

1662. A letter from the Office of Civilian Radioactive Waste Management, Director, Department of Energy, transmitting the mission plan amendment relating to the disposal of radioactive waste as a follow-up to an earlier mission plan report submitted in July 1985 (EC 1664), pursuant to Public Law 97-425, section 301(b)(3); jointly, to the Committees on Energy and Commerce; Interior and Insular Affairs; Science, Space, and Technology; and Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. Report on USDA's import meat inspection system: Don't be in any rush (Rept. No. 100-180). Ordered to be printed.

Mr. WHEAT: Committee on Rules. House Resolution 209. Resolution waiving certain points of order against the conference report on the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children (Rept. No. 100-181). Referred to the House Calendar.

Mr. SMITH of Iowa: Committee on Appropriations. H.R. 2763. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1988, and for other purposes (Rept. No. 100-182). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. PEPPER:

H.R. 2761. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to provide for prescription drugs benefits under the Medicare Program and provide for coverage of all State and local government employees under the Medicare Program; jointly, to the Committees on Ways and Means and Energy Commerce.

By Mr. PEPPER (for himself and Mr. Roybal):

H.R. 2762. A bill to amend title XVIII of the Social Security Act and the Internal Revenue Code of 1986 to provide long-term home care benefits under the Medicare Program for chronically ill individuals and children, to provide quality assurance for home care services, and for other purposes; jointly, to the Committees on Ways and Means and Energy Commerce.

By Mr. SMITH of Iowa:

H.R. 2763. A bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1988; and for other purposes.

By Mr. BONKER:

H.R. 2764. A bill to authorize the Federal Trade Commission to conduct a study and prepare reports respecting insurance sales to the elderly; to the Committee on Energy and Commerce.

By Mr. CARPER:

H.R. 2765. A bill to provide that banks which become limited service banks in the future are banks for purposes of the Bank Holding Company Act of 1956, to protect the safety and soundness of existing limited service banks by establishing limits on the extent to which such banks may engage in certain transactions with affiliates, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CARPER:

H.R. 2766. A bill to suspend for a 5-year period the duty on pyromellitic dianhydride [PMDA]; to the Committee on Ways and Means.

By Mr. DioGUARDI:

H.R. 2767. A bill to amend title 23, United States Code, relating to drug testing of individuals applying for drivers' licenses; to the Committee on Public Works and Transportation.

By Mr. DUNCAN:

H.R. 2768. A bill to amend title XVIII of the Social Security Act to provide coverage under part B of Medicare for therapeutic shoes furnished to individuals with severe diabetic foot disease; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. EDWARDS of Oklahoma:

H.R. 2769. A bill to maintain the viability of the domestic oil industry by enhancing capital investment and ensuring future oil and gas exploration; to the Committee on Ways and Means.

By Mr. STARK (for himself, Mr. Gradison, Mr. Waxman, Mr. Pepper, Mr. Roybal, Mr. Pickle, Mr. Anthony, Mr. Coyne, Mr. Levin of Michigan, and Mr. Moody):

H.R. 2770. A bill to amend title XVIII of the Social Security Act to change the Medicare requirements for skilled nursing facilities based on recommendations of the Institute of Medicine of the National Academy of Sciences; to the Committee on Ways and Means.

By Mr. GONZALEZ (for himself, Mr. Wylie, Mr. Lehman of California, and Mr. Swift):

H.R. 2771. A bill to impose a moratorium on prepayments under section 515 of the Housing Act of 1949; to the Committee on Banking, Finance, and Urban Affairs.

By Mr. JOHNSON of South Dakota:

H.R. 2772. A bill to authorize the Lyman-Jones, West River, and Oglala Sioux Rural Water Development projects; to the Committee on Interior and Insular Affairs.

By Mr. KENNEDY:

H.R. 2773. A bill to require confidentially for medical records maintained with respect to acquired immune deficiency syndrome on the same basis as is required by law for medical records maintained with respect to alcoholism and alcohol abuse and drug abuse and dependence and to require nondiscrimination in the admission to hospitals of persons with human immunodeficiency virus infection; to the Committee on Energy and Commerce.

H.R. 2774. A bill to amend title 38, United States Code, to ensure confidentiality of Veterans' Administration medical records relating to acquired immune deficiency syndrome, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. LaFALCE (for himself, Mr. Robinson, Mr. Bevill, Mr. Aspin, Mr. Boehlert, Mr. Hawkins, Mr. Durbin, Mr. Evans, Mr. Sunia, Mr. Sikorski, Mr. McGrath, Mr. Solarz, Mr. McCollum, Mr. Schaefer, Mr. Kostmayer, and Mr. de Lugo):

H.R. 2775. A bill to amend the Small Business Act, and for other purposes; to the Committee on Small Business.

By Mr. LIGHTFOOT:

H.R. 2776. A bill to provide tax deductions to those who provide contributions of agricultural property for victims of natural disasters; to the Committee on Ways and Means.

By Mrs. MORELLA:

H.R. 2777. A bill to amend title 39, United States Code, to prohibit the mailing of certain locksmithing devices, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SHAW:

H.R. 2778. A bill to amend the Public Buildings Act of 1959 to authorize the Administrator of General Services to issue obligations to finance the acquisition and construction of public buildings; to the Committee on Public Works and Transportation.

By Mr. WAXMAN (for himself and Mr. Roybal):

H.R. 2779. A bill to amend the Public Health Service Act to revise and extend the program of grants for the prevention and control of sexually transmitted diseases; to the Committee on Energy and Commerce.

By Mr. AKAKA (for himself, Mrs. Saiki, Mr. Anderson, Mr. Annunzio, Mr. Anthony, Mr. Applegate, Mr. Atkins, Mr. Berman, Mr. Bevill, Mr. Blaz, Mrs. Boxer, Mr. Bustamante, Mr. Clay, Mr. Coleman of Texas, Mrs. Collins, Mr. Conte, Mr. Conyers, Mr. Crockett, Mr. Daniel, Mr. Davis of Illinois, Mr. DeFazio, Mr. Dellums, Mr. de Lugo, Mr. Dixon, Mr. Dymally, Mr. Dyson, Mr. English, Mr. Fauntroy, Mr. Feighan, Mr. Fuster, Mr. Gonzalez, Mr. Hatcher, Mr. Horton, Mr. Hughes, Mr. Hutto, Mr. Kolter, Mr. Leland, Mr. Levin of Michigan, Mr. Lewis of Georgia, Mr. Thomas A. Luken, Mr. Martinez, Mr. Mineta, Mr. Montgomery, Mr. Murphy, Mr. Neal, Mr. Price of North Carolina, Mr. Roe, Mr. Scheuer, Mr. Smith of Florida, Mr. Stokes, Mr. Sunia, Mr. Towns, Mr. Udall, Mr. Vento, Mr. Wilson, Mr. Wolpe, Mr. Wortley, and Mr. Young of Alaska):

H.J. Res. 322. Joint resolution designating 1987 as the "Year of the Hawaiian"; to the Committee on Post Office and Civil Service.

By Mr. CONTE (for himself, Mr. McDade, Mr. Myers of Indiana, Mr. Miller of Ohio, Mr. Coughlin, Mr. Young of Florida, Mr. Kemp, Mr.

Regula, Mrs. Smith of Nebraska, Mr. Pursell, Mr. Edwards of Oklahoma, Mr. Livingston, Mr. Green, Mr. Lewis of California, Mr. Porter, Mr. Rogers, Mr. Skeen, Mr. Wolf, Mr. Lowery of California, Mr. Weber, Mr. DeLay, Mr. Kolbe, Mr. Lott, Mr. Craig, Mr. Robert F. Smith, Mr. Gunderson, Mr. Marlenee, Mr. Roberts, Mr. Lightfoot, Mr. Bereuter, Mr. Emerson, Mr. Daub, Mr. Whittaker, Mr. Combest, Mr. Mack, Mr. Morrison of Washington, Mr. Hammerschmidt, Mr. Taylor, Mr. Schuette, Mr. Grandy, Mr. Michel, Mr. Hunter, and Mr. Nielson of Utah):

H.J. Res. 323. Joint resolution making urgent supplemental appropriations for the Department of Agriculture for the fiscal year ending September 30, 1987; to the Committee on Appropriations.

By Mr. BROOMFIELD (for himself, Mr. Michel, Mr. Fascell, Mr. Lungren, Mr. Lott, Mrs. Martin of Illinois, Mr. Vander Jagt, Mr. Kemp, Mr. Mack, Mr. Roth, Mr. Pashayan, Mr. Solomon, Mr. Dornan of California, Mr. Hunter, Mr. Gingrich, Mr. Hyde, Mr. Stratton, Mr. Smith of New Jersey, Mr. Porter, Mr. Regula, Mrs. Johnson of Connecticut, Mr. Stump, Mr. Hopkins, Mr. Edwards of Oklahoma, Mr. Roberts, Mr. Gilman, Mr. Burton of Indiana, Mr. Ireland, Mrs. Bentley, Mr. Bilirakis, Mr. Duncan, Mr. Frenzel, Mr. Pursell, Mr. Walker, Mr. Dannemeyer, Mr. Coble, Mr. Armey, Mr. Dickinson, Mr. Bateman, Mr. Moorhead, and Mr. Donald E. Lukens):

H. Con. Res. 148. Concurrent resolution supporting President Reagan's challenge to General Secretary Gorbachev to open the Brandenburg Gate and tear down the Berlin Wall; to the Committee on Foreign Affairs.

By Mr. DREIER of California (for himself, Mr. Penny, Mr. Porter, and Mr. Pease):

H. Res. 210. Resolution to amend the Rules of the House of Representatives to restore the role of continuing resolutions as short-term funding measures; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

144. By the SPEAKER: Memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to the obligations of the United States to the Republic of Palau; jointly, to the Committees on Interior and Insular Affairs and Foreign Affairs.

145. Also, memorial of the House of Delegates, Second Olbiil Era Kelulau, Republic of Palau, relative to the assistance of the Security Council, and the Trusteeship Council of the United Nations concerning the obligations of the United States to the Republic of Palau; jointly, to the Committees on Interior and Insular Affairs and Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 44: Mr. Marlenee.

H.R. 162: Mr. Flake.

H.R. 192: Mr. Torricelli, Mr. Dwyer of New Jersey, Mr. Clarke, Mr. Miller of California, Mr. Rangel, Mr. Lantos, Mr. Traxler, Mr. Garcia, Mr. Williams and Mr. Weiss.

H.R. 346: Mr. Udall.

H.R. 382: Mr. Solomon.

H.R. 385: Mr. Traficant.

H.R. 387: Mr. McMillen of Maryland and Mr. Visclosky.

H.R. 432: Mr. Carper and Mr. Nielson of Utah.

H.R. 548: Mr. Dellums, Mr. Morrison of Connecticut, Mr. Florio, Mr. Fauntroy, Mr. Atkins, Mr. Martinez, Mr. Evans, Mr. Edwards of California, and Mr. Frank.

H.R. 549: Mr. Atkins, Mr. Weiss, Mr. Berman, Mr. Pepper, Mr. Crockett, Mr. Rangel, Mr. Towns, Mr. Garcia, Mr. Studds, Mr. Morrison of Connecticut, Mr. Howard, Mr. Evans, Mr. Rinaldo, Mr. Brown of California, Mr. Boehlert, Mr. Hughes, and Mr. de Lugo.

H.R. 612: Mr. Hertel.

H.R. 618: Mr. Pickle and Mr. Skelton.

H.R. 640: Mrs. Morella, Mr. Robinson, Mr. Horton, Mr. Evans, Mr. Gray of Pennsylvania, Mrs. Boggs, Mr. Towns, Mr. de Lugo, Mr. DeFazio, Mr. Crockett, Mr. Bilbray, Mr. Owens of New York, Mr. Fuster, Mr. Jacobs, Mr. Kennedy, Mr. Livingston, Mr. Berman, Mr. Flake, Mr. Stokes, Mr. Dymally, Mr. Leland, Mr. Holloway, Mr. Clay, Mr. Conte, Mr. Levin of Michigan, Mr. Swift, Mr. Espy, Mr. Mfume, Mr. Hayes of Illinois, Mr. Savage, Mr. Hawkins, and Mrs. Collins.

H.R. 674: Mr. Tallon.

H.R. 810: Mr. LaFalce, Mr. Conyers, and Mr. Lewis of Georgia.

H.R. 898: Mr. Hayes of Illinois.

H.R. 910: Mr. Coelho, Mr. Waxman, Mr. Penny, Ms. Kaptur, and Mr. Skaggs.

H.R. 914: Mr. Yatron.

H.R. 954: Mr. Andrews.

H.R. 1008: Mr. Beilenson and Mr. Lowry of Washington.

H.R. 1076: Mr. Williams, Mr. Downey of New York, Mr. Wolf, and Mr. McCloskey.

H.R. 1250: Mr. Bevill, Mr. Crane, Mr. Kolter, Mr. Leath of Texas, Mr. Morrison of Connecticut, Mr. Towns, and Mr. Wilson.

H.R. 1259: Ms. Snowe and Mr. Skelton.

H.R. 1423: Mr. Gray of Pennsylvania.

H.R. 1452: Mr. de Lugo and Mr. Rhodes.

H.R. 1546: Mr. Skeen, Mr. Tallon, Mr. Mfume, and Mr. Sikorski.

H.R. 1614: Mr. Skeen.

H.R. 1646: Mr. Conyers, Mr. Ackerman, Mr. Biaggi, Mrs. Boxer, Mr. Scheuer, Mr. Solarz, Mr. Towns, and Mr. Stokes.

H.R. 1731: Mr. Blaz.

H.R. 1734: Mr. Vento.

H.R. 1754: Mr. Courter.

H.R. 1810: Mr. Matsui and Mr. Jacobs.

H.R. 1812: Mr. Berman, Mr. Fuster, Mr. Lipinski, Mr. Frank, Mr. Frost, Mr. Fauntroy, Mr. Kennedy, Mr. Lewis of Georgia, Mr. Ackerman, Mr. Dellums, Mr. Leland, Mr. Owens of New York, Mr. Dymally, Mr. Smith of Flordia, Mr. Edwards of California, Mrs. Boxer, Mr. Atkins, Mr. Savage, Mr. Bates, Mr. Torres, Mr. Mrazek, Mr. Lowry of Washington, Mr. Martinez, Mr. de Lugo, Mr. Garcia, Mr. Ortiz, Mr. Solarz, Mr. Feighan, Mr. Gray of Illinois, Mr. Walgren, Mr. Bustamante, Mr. Richardson, Mr. Fazio and Mr. Stokes.

H.R. 1873: Mr. Skelton, Mr. Brooks, Mr. Ford of Tennessee, Mrs. Lloyd, and Mr. Spence.

H.R. 1874: Mr. Skelton, Mr. Brooks, Mr. Ford of Tennessee, Mrs. Lloyd, Mr. Spence, Mr. Bates and Mr. Traficant.

H.R. 2033: Mr. Wylie.

H.R. 2045: Mr. Hubbard, Mr. Daniel, Mr. Barnard, Mrs. Roukema, Mr. Jacobs, and Mr. Owens of Utah.

H.R. 2065: Mr. Shumway.

H.R. 2117: Mr. DeLay and Mr. Clinger.

H.R. 2205: Mr. Kolter.

H.R. 2260: Mr. Frank, Mrs. Lloyd, Mr. Coats, and Mr. Brooks.

H.R. 2319: Mr. Chapman and Mr. Bates.

H.R. 2383: Mr. Leland, Mr. Lantos, and Mr. Dellums.

H.R. 2574: Mr. Frank, Mr. Price of Illinois, Mrs. Boxer, and Mr. Bates.

H.R. 2622: Mr. Markey.

H.R. 2645: Mr. Rowland of Connecticut, Mr. Conyers, Mr. Lagomarsino, Mr. Stokes, and Mr. Tallon.

H.R. 2662: Mr. McEwen.

H.J. Res. 8: Mr. Coble and Mr. Lowery of California.

H.J. Res. 100: Mr. Weiss, Mr. Waxman, Mr. Kennedy, Mr. Hawkins, Mr. Mineta, and Mr. Borski.

H.J. Res. 243: Mr. Walgren, Mr. Garcia, Mr. Gilman, Mr. Miller of California, Mr. Fuster, Mr. Fazio, Mr. Lantos, Mr. Coelho, Mr. Berman, Mr. Hawkins, and Mr. Horton.

H.J. Res. 251: Mr. Garcia, Mr. Bustamante, Mr. McCloskey, Mr. Lehman of California, Mr. Clay, Mr. Rowland of Connecticut, Mr. Hall of Texas, Mr. Moakley, Mr. DeWine, Mr. Skelton, Mr. MacKay, Mr. Gingrich, Mr. Applegate, Mr. Lowry of Washington, Mr. Blaz, Mr. Towns, Mr. Kanjorski, Mr. Kasich, Mr. Dannemeyer, Mr. Chandler, Mr. Oberstar, Mr. Chapman, and Mr. Hutto.

H.J. Res. 255: Mrs. Boxer, Mr. Eckart, Mr. Lowery of California, Mr. St Germain, Mrs. Smith of Nebraska, Mr. Bryant, Mr. Burton of Indiana, Mr. Conyers, Mr. Daniel, Mr. Dickinson, Mr. DioGuardi, Mr. Dymally, Mr. Scheuer, Mr. Frenzel, Mr. Gunderson, Mr. Hamilton, Mr. Hoyer, Mr. Kasich, Mr. McDade, Mr. Moakley, Mrs. Collins, Mr. Perkins, Mr. Tauzin, Mr. Traxler, Mr. Blaz, Mr. Sunia, and Mr. Kostmayer.

H.J. Res. 256: Mrs. Boxer, Mrs. Meyers of Kansas, Mr. Morrison of Connecticut, Mr. Towns, Mr. Mrazek, Mr. Garcia, Mr. Stokes, Mr. Mineta, and Mr. Dixon.

H.J. Res. 282: Mr. Atkins, Mr. Clarke, Mr. de Lugo, Mr. DeWine, Mr. Dixon, Mr. Fazio, Mr. Hall of Ohio, Mr. Florio, Mrs. Bentley, Mr. Smith of Florida, Mr. Lehman of Florida, Mr. Lungren, Mr. McHugh, and Mr. Oberstar.

H.J. Res. 287: Mr. Torricelli.

H.J. Res. 289: Mr. Atkins, Mr. Bevill, Mrs. Boxer, Mr. Brennan, Mr. Bryant, Mr. Conyers, Mr. Courter, Mr. DeWine, Mr. Dicks, Mr. Dyson, Mr. Emerson, Mr. Fauntroy, Mr. Fazio, Mr. Ford of Tennessee, Mr. Ford of Michigan, Mr. Frost, Mr. Gray of Illinois, Mr. Gregg, Mr. Henry, Mr. Horton, Mr. Hughes, Mrs. Johnson of Connecticut, Mr. Kennedy, Mr. Lagomarsino, Mr. Lancaster, Mr. Leach of Iowa, Mr. Lipinski, Mr. Lungren, Mr. McDade, Mr. McMillen of Maryland, Mr. Martinez, Mr. Morrison of Connecticut, Mr. Mrazek, Mr. Nielson of Utah, Ms. Oakar, Mr. Panetta, Mr. Russo, Mr. Sabo, Mr. Savage, Mr. Smith of Florida, Mr. Smith of New Hampshire, Mr. Stokes, Mr. Sunia, Mr. Towns, Mr. Traficant, Mr. Volkmer, and Mr. Weldon.

H.J. Res. 310: Miss Schneider, Mr. Cardin, Mr. Lewis of Georgia, Mr. Crockett, Mr. Waxman, and Mrs. Schroeder.

H.J. Res. 313: Mr. Mrazek.

H. Con. Res. 48: Mr. Mavroules, Mr. Fazio, Mr. McHugh, Mr. Bustamante, Mr. Howard, Mr. Bates, Mr. Sikorski, Mr. Fish, and Mr. Panetta.

H. Con. Res. 84: Mr. Espy and Mr. Atkins.

H. Con. Res. 141: Mr. Blaz and Mr. Green.

H. Res. 146: Mr. Lehman of California.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 51: Mr. Yatron.

SENATE—*Wednesday, June 24, 1987*

(Legislative day of Tuesday, June 23, 1987)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable WILLIAM PROXMIRE, a Senator from the State of Wisconsin.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray.

Almighty God, You questioned Your servant, father Abraham, as he faced an impossible situation: "Is anything too hard for God?" (Genesis 18: 14). That question is as relevant today as it was 4,000 years ago. We face an impossible situation, if we are humble enough to admit it. Massive problems confront our leaders: national debt that keeps soaring, annual budget that will not balance, ballooning personal and corporate indebtedness, trade imbalance mounting precariously, even waste disposal challenges ingenuity—overwhelming social disorder, growing epidemically, divorce, child molestation, chemical dependency, AIDS, greed, lust, and the relentless threat of war.

Loving Lord, Your question was rhetorical; it answers itself. You are the omnipotent God for whom nothing is too hard. Our frustration increases as we search desperately for answers—but we keep looking in the wrong place. For some strange reason, in our human pride, we refuse to look to You. Patient Father, give us the good sense to turn to You and discover the One for whom nothing is impossible. To the glory of Your name and the relief of human need. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 24, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WILLIAM PROXMIRE, a Senator from the State of Wisconsin, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. PROXMIRE thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

Mr. BYRD. Mr. President, I thank the Chair.

THE CHAPLAIN'S PRAYER

Mr. BYRD. I am glad, Mr. President, for the Chaplain's prayer today. What he was saying in his prayer was that God reminds us that we need to look to Him; we need to look to Him for answers, as well as to ourselves. Yet, the Scriptures quoted are not to have us believe that we are to be entirely relieved of efforts on the part of ourselves. We need to work, but we need to look to Him for help in solving our problems. And we do not look to Him enough.

I am reminded to do that when I am in a plane and there is great turbulence. I do not say, "Oh, President Reagan," or, "Oh, President Carter, will you help me get home? Will you see me home safely to my family?"

I say, "Oh, God, get us through this safely."

So we call on Him when we are in dire need. We do not, however, call on Him enough to help us in our everyday—everyday—struggles.

I asked the robin, as he sprang
From branch to branch and sweetly sang,
What made his breast so round and red;
Twas "looking at the sun," he said;

I asked the violets, sweet and blue,
Sparkling in the morning dew,
Whence came their colors, then so shy;
They answered, "looking to the sky";

I saw the roses, one by one,
Unfold their petals to the sun,
I asked them what made their tints so bright,
And they answered, "looking to the light";

I asked the thrush, whose silvery note
Came like a song from angel's throat,
Why he sang in the twilight dim;
He answered, "looking up at Him."

Man fails to look upward to the hills from whence cometh our strength. I thank the Chaplain for reminding us in this busy, busy world, this busy workplace, to pause and call on the eternal source of inner strength that can enable us to overcome these worldly problems.

SCHEDULE

Mr. BYRD. Mr. President, the Senate will go on the budget resolution at 9:30. There are 10 hours of debate, 5 hours to each side. If the full 10 hours are taken, the Senate will complete action about 7:30 this evening. I hope that we can finish action on this budget earlier than that. It is my plan to go to the omnibus trade bill upon completion of action on the budget resolution. Opening statements on trade can be made into the evening and then, by tomorrow morning, the Senate can begin in earnest, dealing with amendments.

Again, I, with some trepidation, "warn" all of our colleagues that they should expect votes at any time during the days, during the long evenings of Thursday, on Friday this week—Friday morning, Friday afternoon, Friday evening; and on Saturday, Saturday morning, Saturday afternoon; and on next Tuesday morning, not Tuesday afternoon alone, but also next Tuesday morning; and on next Wednesday, all day into the evening.

So I urge Senators not to have airline reservations that will bring them in here at 2 o'clock next Tuesday or 3 o'clock next Tuesday, thinking there will be no votes before 2 o'clock or 3 o'clock or 4 o'clock or 5 o'clock next Tuesday. There will be votes. There will be votes every day, and they are going to be important votes, early and late.

Senators probably get a little weary and a little tired of hearing me say these things, but I do caution them, because they are going to find, in the end, that the admonitions were accurate.

The campaign financing reform legislation is still the unfinished business, is still very, very, very much alive and is not going to go away. I think we just might as well make up our minds that we are going to live with this bill quite awhile unless we deal with it.

We are operating on multitrack systems at the moment. We are attempting to get as much work done as we can by the Fourth of July break, and, as a consequence, most of the debate and most of the time spent between now and the July break will be spent on matters, other than campaign reform. But, like Banquo's ghost, I must still appear at the head of the table every now and then to say that campaign financing reform still lives and is not going to go away. It will be around until we deal with it because it is an idea whose time has come.

We are still working on an amendment which we hope will garner support from our friends on the Republican side of the aisle.

The nominations on the Executive Calendar are going to be dealt with in due time. On the Wells nomination, the Senate has waited long enough; and I have given ample notice of intention soon to go to the judgeship that has been on the calendar since May 1: David Bryan Sentelle, of North Carolina, to be U.S. circuit judge for the District of Columbia Circuit vice Antonin Scalia, elevated.

There will be votes, one way or another, on those nominations before many days.

The supplemental appropriations conference report will be coming along at some point, hopefully. The homeless relief conference report will be coming along. Then, following the holiday break, of course, we have to clean up these leftovers. Additionally, we will have reconciliation. We have the Department of Defense authorization bill. That is another measure that Senators may have forgotten, but it is still around, although we have had three attempts at cloture on taking it up, and we failed. But obstructionism, for the sake of obstructionism, is not going to go over very well with the American people in the long run.

The business has to be done and there is one way or another of getting it done. We may have to take some days from the August recess. We had also hoped to get out of here in early October. I suppose there is still a fleeting chance that we might do that. But if we have difficulty in getting bills up, we will be around in October. We will be here after Columbus Day and we will still be around after Thanksgiving, if necessary, to get the work done.

SENATE PHOTOGRAPHIC SESSION

Mr. BYRD. Let me remind all Senators that there will be a photograph taken today in this Chamber at 2 p.m., so I brought my new tie which my granddaughters bought for me for Father's Day. I hope that all Senators are ready and in the Chamber at 2 o'clock. We will not tarry long waiting on Senators. I urge all Senators to be here in the Chamber before 2 o'clock so the photo can be taken and we can get on with our work.

Mr. President, I ask unanimous consent that the time of the distinguished Republican leader be reserved for his use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I yield the floor.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business not to extend beyond the hour of 9:30, with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from Delaware is recognized.

Mr. ROTH. Thank you, Mr. President.

DECEPTIVE MAILINGS PREVENTION ACT

Mr. ROTH. Mr. President, I am pleased to join my distinguished colleague from Pennsylvania, Senator HEINZ, in cosponsoring S. 1393, the Deceptive Mailings Prevention Act of 1987. I want to commend Senator HEINZ for his efforts on this important issue.

I know that I am not the only Senator who has received letters from distraught constituents who have been terribly alarmed by solicitation letters received in the mail from what I call the merchants of fear and the prophets of doom.

Many Americans at or near retirement age have been understandably concerned in recent years about the future of the U.S. Social Security system. Warnings that the system could run out of money before the turn of the century, coupled with inflammatory statements about imaginary plans to "dismantle" Social Security, have left many Americans on edge about the fate of their hard-earned retirement benefits.

Working closely with President Reagan, Congress recently took decisive action to ensure that Social Security will remain strong and solvent well into the 21st century. While there will always be room for improvement, it is safe to say that the reports of the death of Social Security have been, in Mark Twain's words, greatly exaggerated.

Yet despite the firm commitment of the President and Congress to ensure the continued soundness of Social Security, dire warnings of impending catastrophe continue to echo across the land. Sometimes the prophets of doom are politicians seeking an advantage over their opponents; in other cases the merchants of fear are clever marketing experts, trying to drum up contributions to enrich their coffers. In either case, those who are tempted to cast their votes or send in their money based on threats about the impending collapse of Social Security would do well to take another look—both at the warnings and at the people who sound them.

The staff of the Permanent Subcommittee on Investigations, on which I serve as ranking minority member, has taken a look at the methods of some of these operators who use direct mail solicitations to frighten elderly citizens into making cash contributions that they too often can ill afford. That investigation turned up substantial evidence to support the need for this legislation.

Numerous fly-by-night groups, which call themselves "educational" social welfare organizations in order to qualify for tax-exempt status, are using outrageous direct mail solicitation techniques to play on the fear and apprehensions of our senior citizens. These groups, through their misleading and highly deceptive tactics, have aroused fear and consternation, apparently in the cynical belief that arousing these unwarranted fears is the best way to raise big bucks fast.

The deceptive Mailing Prevention Act of 1987 will help deal with this problem by requiring that such solicitations include on the envelope or outside wrapper of the mailing the message: "Private Solicitation Enclosed" and by the requirement that the face of the mailing contain in large, legible type the message: "This product, service, or solicitation is being offered by a private organization. This organization is not affiliated with the Federal Government or any agency of the Federal Government."

While passage of this legislation would help a great deal in counteracting the effects of these "scare" tactics, we all should recognize that the Government's ability to shield the public from hyped-up, misleading mailings is limited. The most important protection against high-pressure scare tactics is the caution and good judgment of the American people. As with any other request for money received in the mail or over the phone, the best advice the consumer can follow in deciding whether to send a donation in response to a direct-mail solicitation—whether to "save Social Security" or for any other cause—is the ancient wisdom of caveat emptor: "Let the buyer—or the contributor—beware."

As I previously indicated, in order to find out what contributors to these so called "nonprofit" groups get for their money, I directed the staff of the Permanent Subcommittee on Investigations to conduct an inquiry into the operations of a half dozen organizations whose fundraising appeals are tied to Social Security or other issues of special concern to the elderly.

These organizations send solicitation letters to carefully selected mailing lists of retirees and others likely to be worried about their Social Security benefits, and they use every trick of the direct-mail trade to solicit contributions: Exaggerated, emotional language; personalizing devices like blue-pen underlinings and handwritten "P.S.'s"; "participation" gimmicks—surveys and "petitions" to Congress—imaginary deadlines for contributions; matching checks; special "funds" requiring "emergency" contributions; "personal gifts" for members; and the like. The mailings, which some groups send out as often as once a month, reflect the direct-mail expert's ability to exploit such powerful human emotions and foibles as fear, guilt, anger, greed and vanity.

And they work. The largest of these groups, in 4 years of operation, has recruited nearly 4 million members and collected more than $70 million. Most of these groups call themselves "educational" social welfare organizations in order to qualify for tax-exempt status under the Internal Revenue Code. Only one member of this club, the Social Security Protection Bureau, makes no effort to disguise the fact that it is a commercial venture. Run by a direct-mail firm in Alexandria, VA, the company operates a series of "Social Security Sweepstakes"; top prize in one recent sweeps was a choice of a new car, a mink coat, or a European vacation. The bureau charges its members $7 for these items: A plastic Social Security card; a promise of a $500 reward for information leading to the conviction of anyone fraudulently misusing the member's Social Security number; a 12-page "Guide to Social Security Benefits"; a "free gift"—packet of seeds, refrigerator magnet, et cetera—and a form for requesting a copy of the member's Social Security earnings statement—a form which is available free directly from the Social Security Administration.

While the value of membership in the Social Security Protection Bureau may be open to question, at least the organization can claim the virtue of candor—it is a straightforward, moneymaking enterprise that pays taxes on its profits.

But what do contributors to the so-called "nonprofit" groups get for their money? In general, our investigation showed that at least through the end of last year, these organizations tended to spend a large portion of the money they collect on producing and sending out more mailings, trying to raise still more money. Unlike well-established senior citizens' organizations like the American Association of Retired Persons and the National Council of Senior Citizens, which provide their members with a wide range of benefits and services and lobby actively on their behalf, the "letterhead" organizations have yet to establish themselves as major players in the Social Security debate. In fact, several such organizations have recently gone out of business because their initial mailings did not generate enough revenue for them to continue. While their directors may decide to reorganize and try again later on, the thousands of dollars contributed in response to their startup, or "prospect," mailings have gone straight down the drain.

The subcommittee's staff investigation also revealed that enriching the coffers of direct-mail firms is not the only commercial purpose served by some of these "nonprofit" groups. These groups, which can mail their letters at cutrate postage because of their nonprofit status—the taxpayers make up the difference in the actual cost of mailing—often include sales pitches for group life, health and "credit care pay-up" insurance plans—ostensibly made available as an additional benefit for joining the organization.

According to insurance experts, these group plans may charge as much or more for the same coverage as insurance purchased on an individual basis. And the value of the insurance is questionable; one $10,000 life insurance policy offered, for example, is cut to $5,000 when the policyholder reaches age 65, to $2,500 when he or she reaches 70 and to just $1,250 at age 75. Coverage for natural—as opposed to accidental—death doesn't begin until the policies have been in force for 2½ years.

Officials of the organizations insist that they make little or no money from their arrangements with insurance companies, and offer the insurance strictly as a service to their members. But consumer advocates argue that insurance should be purchased as part of an overall financial plan for retirement—not as a gimmicky "benefit" of membership in a senior citizen's organization. Consumer advisers also warn against giving out credit card account numbers in response to direct-mail or telephone solicitations—yet the application form for "credit card pay-up" insurance requires the applicant's credit card number in order for the insurance to take effect.

Another problem uncovered by our investigation is the use by some letterhead organizations of an attention-getting device called a "teaser." Some organizations mail their solicitations in envelopes designed to resemble, in size and color, the envelopes containing Social Security checks and other official Government documents. At times an organization will try to reinforce this impression by printing slogans like "Buy and Hold U.S. Savings Bonds" on the envelopes. One mailing we saw has the words "Urgent! Important Social Security and Medicare Information Enclosed" emblazoned in large red and blue letters across the front of its envelope, along with this breathless message: "Attention Postmaster: Time Dated Official National Committee Documents Enclosed. Expedite for Immediate Delivery."

While these practices are not currently illegal, they are misleading at best and give every appearance of being deliberately deceptive. The Postal Service, the Social Security Administration, and other Government agencies have sometimes been able to persuade organizations to alter their mailings and eliminate suggestions that they contain Government documents; but under present law, such cooperation is voluntary and subject to change if a direct-mail firm comes up with a new "teaser" to grab people's attention.

Mr. President, this legislation will help deal with that particular problem. It is important and vital legislation. I urge its prompt adoption.

Mr. President, I yield my time.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Wisconsin.

TRIBUTE TO THE MAJORITY LEADER

Mr. PROXMIRE. Mr. President, first I want to pay tribute to the majority leader. That was a remarkable performance this morning. I was sitting in the chair, and I heard him respond to the Chaplain's prayer with a marvelous poem. I never heard the poem before, I believe he wrote it himself. But he had every word and every inflection.

The majority leader did not know what the Chaplain was going to say, but it was exactly on target.

Then, if that were not enough, he followed with a warning to the Senate that we were going to stay in session tonight, tomorrow, probably late, Friday, maybe Saturday, and it was the kind of action that I admire, because it is unpopular. He knows it is unpopular. Nobody likes it, including this Senator. But it is the kind of action the Senate has to take and it is the kind of bitter medicine that the majority leader has to administer.

Then he ended up with a reference to Shakespeare, Banquo's ghost, which took me back 50 years ago when I was in college reading Shakespeare.

This is an amazing man, our majority leader, and I think he is not widely enough appreciated. He has a remarkable talent.

Mr. BYRD. Mr. President, I thank the distinguished Senator for his comments.

Mr. President, this is one Senator on whom we all can count to be here on every rollcall vote. It matters not when the vote may occur—morning, noon, or midnight. I thank the Senator for his dedication to his Senate duties.

Again, Mr. President, I thank the Senator for his kind compliments.

WHY WE NEED TOTAL NUCLEAR AND CONVENTIONAL ARMS CONTROL

Mr. PROXMIRE. Mr. President, how can arms control make its greatest contribution to peace? Why shouldn't we judge arms control proposals strictly on the basis of this standard: The degree of their contribution to the achievement of peace in this nuclear world? The New York

Times, in an editorial on May 14, makes this point vividly. It argues that "Newton's third law of motion has a parallel in modern arms control: For every prospective reduction in one class of armaments there are inevitably increases in others." The New York Times example: Salt I froze missile launchers on both sides. It did not limit warheads. Result: both sides increased the number of warheads on each missile. Example two: SALT II limited both ballistic missiles and missile warheads. But it did nothing to limit cruise missiles. So both sides rushed to increase cruise missiles. Example three: now the two sides are negotiating the reduction of medium range missiles in Europe. So both sides are getting ready to add other nuclear weapons to their European arsenal to compensate in the field for what they have given up at the bargaining table. For example, the Pentagon is thinking of stationing long range B-52 bombers in Europe and stationing submarines with nuclear armed cruise missiles near Europe.

From the standpoint of peace this is not all bad. The substituted weapons are generally more mobile and less vulnerable. Bombers and submarines are far less vulnerable than stationary land based weapons. They are not use 'em or lose 'em weapons.

But the Times has a solid point. Just think of it. The superpowers have been pursuing arms control for more than 25 years. They have negotiated a number of treaties to restrain nuclear arms. And where are we today—25 years after serious arms control agreements came into vogue? Each side has nuclear arsenals, the size and destructive power of which has steadily grown, with 10,000 strategic warheads on both sides and some 15,000 tactical nuclear warheads. Both superpowers are working feverishly to improve their capacity for delivering this lethal power. Attempts by our country to research and eventually build missile defenses with a star wars or SDI are certain to be met with an intense Soviet countereffort to stockpile the number, and increase the penetrating capacity of a nuclear offense to overcome the star wars defense. The SALT II Anti-Ballistic Missile Treaty [ABM] was designed expressly for the purpose of stopping this defense-offense arms race. But the star wars, strategic defense initiative program—the top military priority of this administration—would destroy the ABM Treaty. It would set off a hell-for-leather arms race with a vengeance.

For those who believe that arms control can and should reduce the prospect of nuclear war the course is clear. We should press hard for agreements that stop the nuclear arms race comprehensively and on every front. This would certainly include an agreement to end nuclear weapons testing—a pledge this Nation has made in two treaties signed by previous Presidents. It would include a revival of the widely supported freeze on all—I repeat all—production and deployment of nuclear weapons in the future. I cannot emphasize strongly enough the importance of making this agreement comprehensive for precisely the reasons advanced in the New York Times editorial. It is as certain as night follows day that any agreement which only limits a certain kind of nuclear capability—whether it be warheads or launchers or delivery systems such as submarines or bombers—will simply result in the rapid production and deployment of other nuclear weapons that are excluded from the agreement.

Even a comprehensive nuclear arms agreement is not enough. To be effective, the agreement must include conventional as well as nuclear arms. Suppose the superpowers agree to negotiate away all nuclear arms. What would be the result? Answer: a world made safe for conventional war. And what a conventional war. Conventional weapons today rival and surpass in destructive power the nuclear weapons of 20 or 30 years ago. And those conventional weapons are becoming more devastating every day. Furthermore, a conventional war involving the superpowers would not spare our homeland. The major American cities would suffer a devastation every bit as horrible as Hiroshima or Nagasaki. How long into a superpower conventional war before one side or the other would produce and deliver hydrogen bombs? A week? A day? After all, there would be an immense premium on being first. And let us not kid ourselves; treaty or no treaty, both sides would have the scientific know-how and the materials to put together nuclear weapons in a matter of hours.

So, Mr. President, arms control—across-the-board arms control—with no exemption for any variety of modern arms, nuclear or conventional, comprehensive arms control that would leave both sides with a credible deterrent, has become the prime prerequisite, the quintessential necessity of our time.

Mr. President, I ask unanimous consent that the editorial to which I referred from the May 14, New York Times, headlined "Arms Reaction and Reactionaries," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ARMS REACTION—AND REACTIONARIES

Newton's third law of motion finds a parallel in modern arms control: For every prospective reduction in one class of armaments there are inevitably increases in others.

Take the first strategic arms limitation treaty, SALT I of 1972. The treaty froze the number of Soviet and American missile launchers. But it did not limit the number of warheads to be carried on top of each missile. So both sides proceeded to increase them.

Take the SALT II treaty of 1979. It limited increases in ballistic missiles and ballistic missile warheads. But it did nothing to limit cruise missiles. Both sides started to deploy them by the thousands.

Now Moscow and Washington are nearing agreement on reducing medium-range and perhaps shorter-range missiles in Europe and Asia. Moscow could end up destroying some 2,000 weapons as against about 220 for Washington. That would still leave each side with over 4,000 nuclear weapons in Europe alone, and many thousands more elsewhere. Yet some European and American leaders and defense experts find that inadequate.

They have turned their inventive skills to ways of adding to the immediate European arsenal even while reductions are on the negotiating table. The Pentagon contemplates "compensatory" actions like stationing long-range B-52 bombers in Europe for the first time, and putting more nuclear-armed cruise missiles on submarines and positioning them near Europe.

Former Secretary of Defense Harold Brown described some of these ideas as "goofy." So is the underlying mentality. For arms control actions to be met with equal and opposite reactions is a tribute neither to Newton nor intelligence but to mindless reflex. Try modernizing F-111's already in Britain if something must be done.

THE REMARKABLE JOHNSON FAMILY OF RACINE, WI

Mr. PROXMIRE. Mr. President, last Friday's USA TODAY featured a story describing the remarkable Johnson family of Racine, WI.

The article traces the 101-year history of the highly successful Johnson Wax Co. and the enlightened generations of Johnson family members who have owned and directed it. The article describes the progressive labor-management record of the company. It points out that Johnson Wax was one of the first American companies to pioneer profit sharing and the 5-day, 40-hour work week. Almost unbelievably, the company has never laid anyone off and does not plan to do so anytime in the near future.

The article focuses on Sam Johnson, the current chairman and chief executive officer of the company. It points out his great love and commitment to his workers. It describes the down-to-Earth nature of Sam Johnson and the city of Racine. Sam Johnson's home phone number is in the local telephone directory and he drives himself to work everyday. He is quoted in the article as saying that anybody in Racine with a chauffeur would be drummed out of town.

Just think of that, Mr. President. According to Forbes' magazine, Sam Johnson is one of the 400 richest men in the United States and is worth over $600 million. This industrial giant drives his own car around town in Racine, WI. If only we could get more of the status-seeking Federal bureaucrats to follow Sam Johnson's lead and give up their chauffeur-driven limousines!

The contributions of Sam Johnson and his family have so many facets that the excellent article in USA TODAY could only touch on a few. Those of us from Wisconsin know that Sam Johnson's father, Herbert, in 1937, commissioned Frank Lloyd Wright to produce three buildings, which are still hailed as some of the most interesting and innovative ever designed by that great architect. The article does not point out that the Johnson family turned one of those buildings into a convention center dedicated to improving our lives.

Clearly, Sam Johnson is helping to carry on a 100-year old family tradition which symbolizes the very best in progressive business activities in our Nation.

I ask unanimous consent that the article from USA TODAY be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From USA TODAY, June 19, 1987]

THE JOHNSON FAMILY STICKS TOGETHER

(By Mark Memmott)

RACINE, WIS.—When Sam Johnson decides to throw a party for his employees, he doesn't let little things like oceans get in his way.

That's why 230 Australians are coming to this quiet little city Saturday night.

Johnson wants to celebrate the 70th anniversary of S.C. Johnson & Son Inc.'s Australian operations. And when the 59-year-old chairman/CEO of the company that makes such household names as Johnson Wax, Edge shaving gel and Raid pesticides decides his employees deserve something special, they get it.

That's part of the attraction of being a successful private company with $2 billion in annual sales, says Johnson. With no shareholders watching his moves and no corporate raiders ready to pounce, he can have some fun.

"I don't have to be looking over my shoulder all the time to see who's eyeing my balance sheet," he says with a grin during a rare interview at Johnson Wax's headquarters here.

Founded 101 years ago by Samuel Curtis Johnson, the company everyone knows as Johnson Wax has evolved from a tiny marketer of parquet flooring into an 11,000-employee business with operations in 45 countries. And it has expanded its product line and businesses from the original Johnson's Prepared Paste Wax, which it started making in 1888 in response to floor buyers' requests, into an array that includes shampoos, industrial cleaners and a developing commercial extermination service.

At the company's 2-million-square-foot "Waxdale" plant in Racine, more than 400 products are produced.

Through all the growth and changes, the company has remained family owned and controlled. From S.C. Johnson, Sam Johnson's great-grandfather, it was passed on to Herbert Fisk Johnson Sr., Sam Johnson's grandfather. And from 1928 until 1966, when Sam Johnson became the president, control was in the hands of his father, Herbert Fisk Johnson Jr.

This month Sam Johnson plans to begin the process of selecting the next Johnson to run his company. All four of his children (Curt, 32; Helen, 30, Fisk, 29; and Winfred, 28) now work for Johnson Wax.

"I'll be working out a management succession plan for the board which will include my children," he says. "Hopefully, there will be a logical transition to the next generation." Passing the business on, Johnson says, "gives real meaning to what you're doing in your life's work." As to who might be tapped when he takes his final leave of the company in 10 years, "It's much too early."

Whoever succeeds him will have to work hard to match his record.

Johnson was the one who persuaded his father to branch out into products besides waxes and cleaners. The first foray: Raid House & Garden Bug Killer, introduced in 1956.

Now, the chairman says, Johnson Wax is diversified enough that "if we're put out of the floor wax business it isn't a major thing to us any more. I feel much more confident being diversified." An example of the strength the company gained by branching out: Edge alone, Johnson says, accounts for $300 million of the company's annual sales.

He's not shopping the diversification process. Last year's purchase of Miami-based "Bugs" Burger Bug Killers Inc., says Johnson, should help the company tap the services market. "Bugs" provides pest control services to restaurants, hotels, hospitals and cruise ships in 44 states.

"We see real growth prospects in providing services that use our products and technology," Johnson says. "Insecticides can obviously be transferred to such operations."

Of course, the company has managed to do pretty well with most of its more traditional home- and personal-care products. Smart marketing has been a key, says John Nevin, a business professor at the University of Wisconsin at Madison. One example: Gillette Co. hasn't been able to knock Edge out of its number one slot in the shaving foam/gel market.

"When they (Johnson Wax) knew Gillette would be coming out with a gel product to compete with them, they used some clever promotion techniques (a two-for-the-price-of-one offer on Edge) to take customers out of the market," Nevis says. "Then they put Edge through a crash redevelopment program and came out with an improved product just as their customers were coming back into the market."

There have been less successful marketing moves: Clean 'N Clear Floor Cleaner made its debut in 1982 in an opaque bottle. Customers mistakingly thought it was a polish.

Johnson hopes a pared-down organizational structure will reduce the likelihood of such goofs. "We had tended to double-up the number of people who needed to do things," he says. Attrition, he says has thinned out management.

But even if management gets thinner and the products keep diversifying, one policy remains constant at Johnson Wax: no layoffs.

The company has never laid anyone off and doesn't plan to do that any time soon.

"Some of the employees may interpret that as meaning they have a job for life no matter what they do, and that's not true," Johnson says. "But as long as the great bulk of people do their jobs, we can offer job security—even though we don't promise that," Johnson says.

Johnson says loyalty to his employees "began with my grandfather. He started profit-sharing, the five-day work week and the 40-hour week, all way in advance of most other companies."

He also has inherited a loyalty to Racine, and to maintaining an open relationship with its 85,000 residents. Johnson's home number is in the local phone book. "Jean (his wife) and I have always had a fetish about that," Johnson says.

And he drives himself to work. "Anybody in Racine with a chauffeur would be drummed out of town," he says. "I have never felt threatened by anything. We aren't like that in Racine."

Johnson half-jokingly says that celebrations like this week's trip by the Australians might be stretching his loyalty to employees.

They'll be entertained with parties, tours of the Racine facilities, and evenings at the homes of Johnson Wax employees, where they're expected to get a taste of backyard barbecuing. And before leaving the USA next Friday they'll spend two days touring Los Angeles.

But the visit sets up great expectations. Just as the Australians expected an invitation because 400 British employees were brought here in 1984 to celebrate their operation's 70th anniversary, Johnson knows milestones are approaching in most of Johnson Wax's 42 other non-USA operations.

Next up: the 70th anniversary, in 1990, of Johnson Wax's Canadian operations. That wouldn't cost the several million dollars that will be spent on the Australians but could still be rather expensive. "If business is lousy, we might not do the same thing," Johnson says, "but I would have a hard time not doing it."

Don't be surprised, however, if Johnson Wax does lavish more parties and trips on its employees in coming years. After all, this is a company that believes in tradition: It still uses the desks and chairs that Frank Lloyd Wright designed to complement the distinctive headquarters he built for Herbert Fisk Johnson Jr. in 1936.

And it's a company that believes in a family atmosphere. "We don't have any unions . . ." Sam Johnson says. "We are all Johnson people. We sit on the same side of the table and try to work our problems out ourselves."

JACK TROTTER, CONGRESSIONAL FELLOW

Mr. WARNER. Mr. President, I have been most fortunate since last November to have had Lt. Col. Jack Trotter, USA, an American Political Science Association congressional fellow, serve on my staff. He has made significant contributions during his time with us and is now about to leave for a new assignment. Because of his dedication, intellect, and commitment, I wanted to take a few moments to recognize his work.

As a professional, officer Jack brought a broad perspective to the Senate on a wide variety of issues, both in the defense and foreign affairs arena. As such, he was able to make an immediate contribution to the ongoing legislative work.

He played a key role with respect to the continuing developments on a measure I introduced last year concerning our national security strategy. The administration submitted its first report on national security strategy of the United States early this year, while the Senate Armed Services Committee held an extensive series of hearings focusing on national strategy.

These hearings laid the foundation for subsequent formulation of our fiscal years 1988-89 defense authorization bill. Jack played a key role in maintaining an active liaison with the administration during work on its report and in providing a valuable perspective in application of this report during our hearings. All through this process, he displayed superb insight into the essential elements of our national strategy and the conduct of our national security affairs.

This month marks the 40th anniversary of the Marshall plan. Jack was a driving force behind a Presidential proclamation designating the month of June as "George C. Marshall Month." At the same time, his perseverance resulted in securing well over the requisite 50 signatures for consideration of Senate Joint Resolution 70 honoring the late Secretary of State, George Catlett Marshall, and the anniversary of his plan. This resolution was passed by the Senate on March 20 and ultimately signed by President Reagan on June 1 and is now Public Law 100-49.

Furthermore, Jack Trotter has played an important role with a host of veterans issues. His sensitivity, along with a keen appreciation for the consequence of these issues, contributed in a meaningful way to bettering the situation of the American vet. His experience provided a solid basis from which to take positive action.

Highly motivated, extremely intelligent, and clearly a self-starter, Jack quickly became an integral and invaluable member of my staff. He expresses himself extremely well both in written and verbal communication, and is a consistent source of reliable and well-conceived advice.

His recommendations were always well-founded and reflected a genuine intellectual maturity. He is highly respected by all with whom he has associated and is liked equally well. His accomplishments are indicative of a persevering and authentic dedication, both to duty and to our Nation. I am extremely appreciative for the many contributions he made while a part of my staff. His leaving will, unfortunately, leave a void that will be difficult to fill.

As the colonel moves on to a new challenge, I would like to again express my sincere appreciation for his outstanding service. I wish him the very best for his future.

TRIBUTE TO OLIVE BEHRENDT

Mr. WILSON. Mr. President, Olive Behrendt died on Thursday, May 28th. Fittingly, this renaissance woman ended her life in Venice, a city steeped in historical and artistic riches. Mrs. Behrendt was a familiar face in classical Italy. But then, she was at home on several continents, in the Hollywood Bowl as much as on the Grand Canal. She counted among her friends many of the world's most celebrated musicians, along with movie stars and other artists of the first rank. But, first and always, Olive Behrendt was a friend to all Los Angeles.

The daughter of a clothier father and a Russian immigrant mother, she was raised in an atmosphere of continental refinement. Her family spoke French at home, and Olive herself learned four languages in furtherance of the promising career as an operatic soprano which she gave up for marriage and philanthropy. In 1939, she wed Los Angeles insurance executive George W. Behrendt. Instead of becoming an opera star, she became a modern Medici, a patron of the arts who functined simultaneously and brilliantly as a businesswoman, fundraiser, and philanthropist.

She was a mainstay of the Los Angeles Philharmonic Association, Plaza de la Raza, the Norton Simon Museum, and the Founders of the Music Center. Not content just to promote life's finer things, this wonderfully warm and caring woman promoted life itself, both in her early work on behalf of what were then two separate hospitals, Cedars of Lebanon and Mount Sinai, and later in her life as a generous benefactress to a Catholic Orphanage in far-off Salzburg, Austria. On top of everything else, Mrs. Behrendt was an accomplished horsewoman, a jazz accompanist to no less than Jascha Heifetz, and the first and only woman in Venice to have her own powerboat license.

Of course, in recalling Olive's many contributions, we can hardly overlook the Music Center of Los Angeles County that was among her life's great passions. For 30 years, she polished this brightest jewel in the cultural crown of southern California. Her achievement ranks second only to that of Dorothy Chandler, her close friend.

It came as no surprise that when Buff Chandler was looking about for kindred spirits to share her dream of a cultural hub for the City of Angels, Olive Behrendt was one of the first people to which she turned. For Olive knew that the most sophisticated artistry depended in large part on some pretty basic arithmetic. Because she gave so much of herself, she was ideally suited to solicit support from others.

So many and so great were her contributions to Los Angeles that she won recognition by the Los Angeles Times as Woman of the Year.

Mrs. Behrendt never fully realized her early operatic ambitions. But her place in the artistic community is assured. Her stage grew to worldwide proportions. Through a crowded life, her virtuoso performance never wavered, her energy never flagged. Her enthusiasm and zest for life at 72 was no less than that of the UCLA voice major she was just a few quick decades ago.

She will be remembered deservedly, by friends and by the city she loved and gave so much, with pride, with love and with profound gratitute, for as long as composers set emotions to music and musicians play with love in their hearts.

BOISE MAYOR DIRK KEMPTHORNE'S NEW VISION FOR THE FUTURE

Mr. SYMMS. Mr. President, it is always refreshing and exciting to see new leaders emerge in the public sector. That is what is happening in the capitol city of my State, Boise, ID.

Dirk Kempthorne was elected mayor of Boise in November 1985. Since then, the people of the "city of trees" have enjoyed and admired their new mayor's youthful vigor, enthusiasm, dedication, leadership and unending vision.

Despite Idaho's economic difficulties due to its natural resource-based economy so heavily reliant on agriculture, timber, and mining, Boise is a city on the move with a dynamic mayor leading the charge for economic development and prosperity.

An article and interview in a recent Boise magazine highlights Mayor Dirk Kempthorne's style and accomplishments. Mayor Kempthorne is a real credit to my State, and I am pleased to share this article with my colleagues and ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOISE'S BIGGEST BOOSTER

(By Larry Munden)

The office of Mayor is an ancient and venerable one. Even in small towns, it carries a degree of prestige and is given its rightful honors in local parades and celebrations—even if the Mayor is also the local barber. In a city the size of Boise, of course, the Mayor's job is a full-time and very active one which has considerable impact on the way the City of Trees operates.

In Boise's case, too, most of us know the Mayor primarily from brief appearances in television news coverage or from articles in the newspaper reporting immdiate events. I was pleased, therefore, to have an opportunity to interview Mayor Dirk Kempthorne, to give him a chance to talk about some of the larger issues that he feels are important to Boise, about his hopes and aspirations for our city, about the way he approaches the job in order to accomplish the things he believes are important. I looked forward, as well, to the opportunity to catch at least a glimpse of the personal side of the city's major public figure.

I approached the interview, I must say, with very little preconception of the Mayor as an individual or of what he would have to say—but with some anticipation that all of us could take this chance to become a little better acquainted with him. My anticipation was amply rewarded by finding that I enjoyed talking with him, found him to be very approachable on most issues. And, perhaps most important, I came away believing that here is a Mayor whose enthusiasm for his city is genuine. In Dirk Kempthorne we appear to have a Mayor who is committed to his job, and who sees his own success in that job as being intimately linked with the success of Boise.

Indeed, for a transplanted Idahoan who was born in California and grew up in Spokane, he appears to be very taken with his adopted state and particularly with the capital city for which he is now the chief elected official.

For those of us who live in the City of Trees, the Mayor is the one elected official who has the greatest influence on the daily progression of our lives in the community. It seems well worth the effort to spend more time getting to know his thoughts about our city, the issues that face it, and his ideas for its future. Downtown redevelopment, city finance, and the administration of city government will be with us for a long time. Mayor Kempthorne's willingness to address these issues not only helps us become better acquainted with him, it helps make us feel more a part of what's happening in our city.

And what's happening appears to be good. When Mayor Kempthorne speaks of Boise's future, his enthusiasm comes through loud and clear. When he remarks that ". . . in Boise, we are still about to happen as a great city. Our brightest days are ahead!" There's no doubt that he means it.

But his enthusiasm isn't just strongly apparent—it's also highly contagious. You get the feeling that his comments reflect a new spirit of hope and optimism which seems to be taking root in the City of Trees. Mayor Kempthorne may be Boise's chief official booster, but he also appears to be confident that he has the support of a newly united community behind him as he takes on this welcome role.

Are you enjoying being the Mayor?

I find it an exhilarating challenge. I can't say that it's fun job, because there are so many times when there are crises, but overall I would say that it is an exciting office to be in. I also feel that we're making progress and so, yes. I'm pleased with being able to attain and maintain the office.

A lot of things represented real problems when you came into office. What have you found to be the biggest problems you've had to face so far?

There were some very tangible things. For example, this was the first year that this city—and every city across the country—had to put together a budget that did not contain federal revenue sharing. That was about $1.3 million worth of funds to Boise and—with a tight budget anyway—to have to put together a budget that didn't include that $1.3 million was a difficult task.

Developing a new working relationship with the state legislature I felt was important as well, and I think that we got off to the right start. The day after taking office I addressed the state Senate. I brought them words of welcome from Boiseans and simply told them we were delighted that they were here, acknowledging that they personally spend one or two million dollars every sixty to ninety days while they're here during the legislative session.

I also emphasized that this is the capital for all of Idaho; I don't think that they had heard that message for a while. And, because of that, I think they helped us with our efforts to expand the BRA, whereas the year before their mood was to abolish it. Also, a significant bill—House Bill 754—was passed, which for the first time since the 1% Initiative gave an incentive for new growth and annexation to occur.

This was also the year that our contracts with the police and firefighters expired. Anytime you have two major union contracts expiring in the same year, you're going to have to really spend a great deal of time on them. We have now separated those contracts so that they'll expire in different years, and I believe that will be to the benefit of both the unions and the city. Also, we will negotiate prior to the budget-setting process instead of after it. It's difficult to negotiate when you've already set your budget?

The fiscal administration seems to be the guts of this job, so to speak. We've been through a number of years in which things always seem to be up in the air each time the budget process rolls around. Do you think the fiscal situation has stabilized somewhat?

I don't know that it will be stabilizing. We will endeavor now to establish some long-range plans but, again, with each legislative session there are bills that can either add revenue to the community or detract revenue from the community. There are a number of imponderables at times. Also, what will the growth rate be?

That's why we're embarking on an aggressive economic development program—so that, to the extent possible, we can generate additional revenue right here at home through an expanded tax base, by bringing new business in, and ensuring that existing businesses can succeed, can prosper, can expand. Most of your new growth in a community, probably 80 percent of it, comes from your existing businesses just expanding.

Soon, for the first time in Boise's history, we will have an economic development director. That person's sole mission will be to work with both existing businesses and to help coordinate and enhance the efforts of the Chamber, the Economic Development Council, the Idaho Company, and all these other efforts working on economic development so that City Hall plays its legitimate role as well.

What do you see that role as being?

Well, for many of these manufacturers and potential companies that have come into town, one of the things they want to know is, "What is the attitude of your local government? Will we be welcome? Will it be a difficult process to try to get through planning and zoning to get a building permit and to understand the ordinances that apply?" In some communities those things may take six months; in others less than a month. We want to be one of those communities where the effort is reasonable, and is streamlined to the extent possible so that when they do come in and talk they find there is a welcome mat out in City Hall.

You see your administration, then, as being growth-oriented,

Yes, very much.

That's a high priority?

It is. Growth that is directed, and growth that will enhance the quality of life that we have. I'm especially interested in those companies and corporations that are attracted to Boise because of our quality of life. I like to see that they appreciate it, and to hear them say they believe this would be a nice place to live.

When I know that that's their attitude, then I feel they would be good citizens who would want to contribute and be a part of maintaining and enhancing that quality of life. On the other hand, if it's a company that doesn't seem to care where it locates its people and if quality of life doesn't seem to be a key issue, then I'm a little less anxious to go the extra mile to help them. There are times when that can be a net drain on the community.

You see quality of life as being Boise's major selling point?

I think it's one of our top selling points, but I also think that one of the things we have going for us is the community itself, the people.

I've had occasion to do some travelling since taking office, and on those occasions have met some governors of other states. When it's mentioned that I'm from Boise, Idaho, they immediately reflect upon the grand treatment they had here last year at the National Governors' Conference. And the Wally Byam people I talk to—many of whom have taken their trailers to these events every year for the past twenty-five years—say that Boise sticks out as one of the finest rallies they've ever had. And that was because—whether it was in grocery stores, restaurants, or retail stores—everybody made them feel special and welcome.

With that sort of community, what we want to do now is put in place the physical structure downtown that matches the greatness of its people. Then I think we're going to have truly the bright spot in the Pacific Northwest.

Speaking of new physical structures downtown, you must be pleased with the results of the election on the Greater Boise Auditorium District, and with the strength of the vote to retain the District.

Oh, I am, and I feel that this is a real reflection of the progress made in the past year. Had that vote been taken a year or two years ago, I don't think it would have succeeded. But now I think that people are sensing and they're seeing the momentum and the new progress that's happening, and they want to see that continue.

How will the new Convention Center help market Boise?

We believe that if we can bring a variety of people to Boise and let them see what we have here—both in terms of physical attributes as well as the people—we can't help but impress them. And we need to have an additional tool to allow us to bring more people in.

Tourism can become one of our leading industries. It's clean, those who visit pay the local sales tax and room tax, and then they go home. I think that we have to become aggressive in tourism, and that's why we need to have the Convention Center here in the capital city.

Now that it appears that one or more malls are actually going to be built in Boise outside of the downtown area, do you feel the BRA has adapted to the change in direction as to what's going to happen downtown?

I believe that the BRA has adapted to the new mixed-use approach. I think it was significant that, in our expansion of that agency, we now have two City Council members who are directly involved in the redevelopment process—Councilman Ron Twilegar and Councilwoman Sara Baker. In fact, Ron Twilegar is now the cochairman for the BRA.

With the malls, the thing that these national retailers needed to hear was that we were no longer going to try a government solution that dictated where they would locate. That's why I went to Seattle and New York and met with the presidents of the major retail stores and just said, "I'm here to tell you that we want you in Boise, Idaho; that it is a market that has been waiting some years for your arrival; and that we will allow the marketplace to determine where the location should be, because you have the sophisticated market studies and analyses. You know what location will allow you to prosper, and we just want to see a regional mall that will prosper because that will be good for this entire region."

One executive in New York said that he never thought he would hear the day when the Mayor of Boise was sitting in his office saying, "The welcome mat is out; please come to Boise." I believe that we have made significant progress.

You mention the new mixed-use concept for downtown. Can you expand on that a bit? What do you see happening first in terms of mixed-use development downtown?

There's a saying that "Retail always follows." I don't expect to see a great amount of square footage of retail to happen first, or to be the lead in attracting the office space. I think we'll see the office space become a reality first, and perhaps within the same time period we can get the Convention Center construction in place. Then, with those as anchors, I think that retail will then want to come in and provide the services and the goods for those individuals in the downtown area. The other activities would just begin to fall into place.

It's hard for me to tell you what will be the first items, because really we're trying to encourage the marketplace to work. As entrepreneurs and business folks out there determine that they can succeed in the downtown environment, I think they'll make the decision to stay.

Peterson Motors, for example, recently made an announcement that they will invest $200,000 to expand their current property on Main Street. They believe that Boise has now made a strong commitment to its downtown, and is moving forward, so they're going to be part of it. Their decision is one very positive signal that here is a downtown business which is willing to invest and stay in the downtown area. The Bon Marche is putting $250,000 into their downtown store as well, so I think that—in addition to some of the vacant lots where we'll see construction occurring—we will also see existing businesses make new investments.

How will the development of one or more regional malls, and what's happening downtown, affect local businesses?

I think it will be very positive, using as just one example the fact that Westgate was recently purchased by an out-of-state concern. There were people who thought that Price's Westpark development would have a very detrimental effect on Westgate because they're so close, and assumed all the customers would be drawn from Westgate to the new mall. But one of the key reasons the new investors gave for purchasing Westgate was that they wanted to be close to the Westpark shopping area—they see it as a real plus. So I think that, as we see things begin to develop and occur, it's going to help each business that's already here.

When the group of architects came to town for four days for the R/UDAT study to examine downtown and make suggestions, I happened to attend one of the meetings which involved several of the local merchants in a round-table discussion. One of the members of the R/UDAT team asked one of the businessmen, "Who is our competition?" The merchant responded that it was the fellow sitting across the table. That person in turn referenced the person sitting next to him, and they generally identified one another as the competition.

The R/UDAT team member than emphasized that they must realize that their competition was not one another, but rather Salt Lake City and Denver and Seattle and San Francisco and Portland. By working together collectively, he said, the merchants could help establish the image and perception among Boiseans that, "You can find whatever you're looking for in Boise." They would begin to capture these important business dollars, which will stay right here in Boise instead of flowing to other regions.

The city exists within the county. There were some obvious rough spots in the relations between the two about the time you came into office. Do you feel that Boise City and Ada County have achieved, or are working to achieve, a better working relationship?

I do, definitely. The County Commissioners' offices are on the same floor as my own—they're really just down the hall. In the past there was a lot of discussion about who owed who and how much it should be and whether or not the cost should be increased. We now have signed working agreements—contracts signed by both sides—on things such as the maintenance and utilization of the Law Enforcement Building, record-keeping, dispatch services, the mail services, and so on. Now we know for two years what the numbers will be under that agreement.

Where is Boise at in terms of the services it provides? Are we about where we should be? Are there things you would like to see the City doing that it's not able to do given the current fiscal situation?

We are not in an expansion mode where we can provide more services, so we want to hold the line so that we're not cutting back on services.

What we've been having to do is not expand, but try to maintain the assets that the City currently has. Since about 1979 the work force of the City has actually declined by about 23 percent, although the population has been increasing. We're doing more, therefore, with fewer people.

What about personal goals that you brought to the job? What would you like to accomplish during your administration?

I would like to be able to look back and see that I was part of the change and the progress that will have led to new construction, where people will see the tangible evidence that a new downtown is certainly underway, that there are new facilities for them to visit and enjoy, that a new vibrancy has been brought downtown. And also that they can go for good retail shopping in a regional mall that will be the flagship of malls for the entire Northwest area, a mall that we're proud to show off. We've talked about it for a number of years, but I'd like to look back on it as becoming a reality.

I'd like, too, as an administrator to bring principles to City Hall so that it is smooth in operation and so that financial forecasting and the budget-setting process is accurate and fair and aggressive in trying to provide service to community members at the least tax dollars possible.

And I'd like for City employees to be happy working here, to think it's a good place to work, and to have the community recognize that they're a good work force.

Going back to the malls for just a minute, and your hopes for them, do you see either or both of the currently proposed malls as satisfying your description as a "flagship" kind of facility for the Northwest?

I do. When I was in Seattle I spoke to the president of the Bon Marche, who incidentally was manager of the local Boise store when the escalators were put in—he's very proud of that fact it was state-of-the-art at that time. He has a special fondness for Boise and, in discussing what the new Bon Marche store will look like in the mall, he said that it will be something all of us will be proud of because it will be upscale and upbeat. He said that it will be top-of-the-line in the Bon Marche line.

I could sense as I spoke to these different retailers that they're ready to make a statement through their interior design that this is an ideal facility for their marketplace, that it's going to be beautiful, it's going to offer the variety of goods that we want, and it may lead to additional retail stores that will address a different segment of the market.

I think what's important is that, because of our current spending patterns—and this was pointed out to me by the president of the Allied Stores—our per capita retail sales are the lowest of any community of our size in the United States. That's because a lot of retail money is going to Salt Lake City and Portland and Seattle and San Francisco. We need to change those spending habits, which a new regional mall will do, and once the spending habits have been changed and the numbers improve then the other retailers will take a look at this market and say, "it looks as though the time is arriving when we too can do well in Boise."

On a personal note, how has your family been affected by you being the Mayor?

Well, it has been a new experience for all of us in the family. This is my first time in public life. I have a very, very supportive and loving wife. Before we got into this, as we were just discussing whether or not to seek the office, we came to the agreement that the first priorty for Patricia is to be Mom to the children. They're young—five and seven year old—and we want to make sure there's no deterioration of the home front.

We have some good very good quality time together with the kids and, in fact, in some of my official capacities I will take the children with me. At the Miss Boise Pageant, for example, my date was my daughter Heather. She really enjoyed seeing these girls and their performances, and she was cheering for Amber—who ultimately won. During the National Cycling Championships in town this summer I took Jeff with me (who is five), and we got to get in a police car and follow the bicyclists on their route, and that was pretty special for him.

We try to make it so they're comfortable with it. I guess they're young enough, too, that it really doesn't faze them. If they see Dad on the news they'd still just as soon turn it and watch some cartoons.

You're obviously very up on Boise. As you've gained some exposure as Mayor in your travels, how does Boise stack up with other cities of comparable size? In terms of the problems we face, how we're dealing with them, where are we at?

When I attended a conference of mayors of cities of comparable size, I found that there certainly are some similarities of things that we're all contending with, but I found too that there are some significant issues that they're having to deal with that Boise isn't.

I think that probably overall in Boise we are still about to happen as a great city. Our brightest days are ahead. Some of these communities, however, are wondering whether their future is bright, because of dilemmas such as congestion that they're facing, the transportation problems and some of the people problems they're having to deal with. I think when we inventory all that we have going for us, and then match that with the type of people we have here—which is an involved group of people—if we continue moving in the same direction, there's no stopping us in becoming a truly great city!

Are you Boise's biggest booster right now? Do you like that role?

Yes, I am. And I do like that role. It's a natural role for me to play because I don't have to go from script. It's something that I believe, something that I can just speak to at a moment's notice. But what's so interesting to me is that when I'm in a gathering of people and we begin to talk about Boise, it's so contagious. So much of my material about the positive things that we have to offer comes from these people who just tell me their own observations. It's easy for me to be a salesman and a booster for Boise, because I believe in Boise.

If you had the power to give Boise one thing, or to change one thing about Boise, what would that one thing be?

I would say that it would be that we continue on the course we are now on, that we could see the reality of the new highrise that will be built, of the Convention Center that will be built, that we can see mixed-use development occurring downtown. And that the talk and the studies will be over, and that Boise's new day has arrived.

The reason that I don't use this wish to say that everything would just appear overnight is that I think that Boiseans want to experience the feeling and the sense of excitement that will come from seeing the cranes in place, and seeing the buildings rise from one story to three and then pretty soon to seven—to see the step-by-step process so that they can sense that they're a part of this new era that Boise's entering into. They deserve it; they've earned it.

The growing itself is part of what it's all about?

That's right.

Looking back over the past year, then, you're pleased?

Yeah, I am.

Looking back, if the day I took office someone had handed me a list of the things I would be confronted with, it would have been staggering. It was just a year, though, that a number of firsts had to happen no matter who was sitting in this office. The fact that we have dealt with every major issue, and are moving forward, I feel very good about.

IDAHO'S JERRY RUDD OF ALBERTSONS INC., OPPOSES MANDATED BENEFITS

Mr. SYMMS. Mr. President, nothing epitomizes the dramatic shift in the legislative priorities of this year's Senate more than the initiatives underway to mandate certain employer provided benefits.

Even those among us who have been at the forefront of designing and enacting massive Government programs have reluctantly come to recognize that the Federal deficit has to be addressed and that the cost of Government must be controlled.

But instead of shelving the plans for bigger and more inclusive social programs, Congress' aim now is to require private sector employees to shoulder the massive costs of these expanded programs.

Such an approach is a roadmap to economic disaster for the working people of this country who depend on private sector employers for much-needed jobs.

I was delighted to learn of a dicussion of the adverse impact of these legislative initiatives delivered by Gerald R. Rudd, senior vice president of human resources of Albertsons Inc., which is headquartered in Boise, ID.

Mr. Rudd's remarks, delivered to the Food Manufacturers Institute annual convention on May 5, are right on target. I urge each of my colleagues to study Jerry Rudd's remarks and take heed of the consequences which such legislation would impose on those who are at the forefront in providing for jobs for American workers. I ask that Mr. Rudd's remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

FMI Annual Convention—Mandated Benefits Workshop

(By Gerald R. Rudd)

Welcome to our workshop on mandated benefits. In the spirit or equal opportunity, I wanted to come up with some description a little less chauvinistic than "MANdated," such as PERSONdated or UNIdated benefits, but it didn't seem to carry the same clout as mandated benefits, so we'll stick with that term which by now seems to be universally accepted in the Congress anyway.

To the uninitiated among you, the term "mandated benefits" is a "catch phrase" for all the good things that the newly elected Democratic Congress would like to give the American electorate as a post-election year bonus, but can't afford to on their own. So, they've tumbled onto a new system: They simply pass a law mandating that you, the American employer, provide the new benefit for them—(your employees) . . . at your cost, on the "trickle-down theory" that the cost will be passed on to the American consumer, who will be forced to pay for the new benefit through increased prices on food, automobiles, TV's, etc. So, what we really have is a socio/political/economic phenomenon: The financing of a public sector social agenda through the mechanisms of the private sector. In effect, a giant sales tax on consumers, even though most of the sponsors would denounce the sales-tax approach as regressive, falling most heavily on the consumers who are least able to afford it.

Now, irrespective of how you feel about the substance of that social agenda, I think we have to be concerned about the ability of American industry—increasingly imperiled by the severity of foreign competition, the threat of renewed inflationary pressures, and the displacement of American workers by the exportation of jobs to countries with lower labor costs—to function as that vehicle without foundering on its own generosity. And, I suggest that it is terribly dangerous, and irresponsible, for Congress to expiate its sense of political obligation, by adding more and more burdens on the backs of employers, ignoring the fact that all of these burdens simply become a direct cost of production, which must either be recovered in increases in prices, or productivity, which seems an ever-more elusive target.

I think it's important in understanding this legislative agenda, to understand the political mindset behind it. This mindset is premised on the fact that the system of private employee benefits has been an enormously successful mechanism for enhancing the conservative political agenda:

It has diminished the attractiveness of state control, by providing an extremely important program of benefits to the American working people without the intervention of government;

It has contributed very significantly to the decline of interest in unions—which now represent the lowest percent of the American work force in 50 years. The lastest figures show that organized labor now represents approximately 18 percent of the total American work force, versus 24 percent in 1950.

It has been the primary vehicle for developing support and loyalty of the American work force to their employers, rather than to either the federal government or the unions, and has generally been the source of stability and harmony in the work force.

Consequently, the liberals in Congress would like to undercut the effectiveness of this private system, by deprivatizing it, and turning it into a semi-public mechanism which they can control and use for their own purposes.

Unfortunately, desire met with opportunity through two developments which basically threw a lighted match on a well-laid fire:

1. A set of changing demographics which focuses on the workplace as the arena for social change:

(A) The emergence of the second generation of the baby boom.

(B) The transition of a production-oriented economy to a service-oriented economy.

(C) The emerging role of women in the workplace—the development of the feminist movement.

(D) The graying of America; people living longer and staying in the work force longer.

(E) The increasing portability of American workers—the great migration of industry from the industrial states of the Northeast to the nonunion South and West; and . . .

(F) The development of a part-time work force.

2. With . . . the deficit, which confronted Congress with a situation which made it very difficult to continue to pass on increases in deficit spending, or tax increases, to the American public.

The confluence of these two developments resulted in a program of legislative proposals designed to implement the social welfare agenda through a shift from the public to the private sector:

(A) The Family and Medical Leave Act of 1987 which would mandate all firms with 15 or more employees:

To grant 18 weeks of unpaid parental leave within any two-year period for the birth or adoption of an employee's child;

And 26 weeks of unpaid disability leave for the employee within one-year period;

It would guarantee reemployment of the leave-taker to the same or similar position, and continue all health-and-welfare benefits for the employee during the entire period of their absence, at the cost of the employer.

In addition, it would establish a commission to recommend ways in which leave paid by the employer could be implemented in the near future.

FMI opposes this legislation because at the very least it would jeopardize other benefits which may better suit your employees' needs, which would have to be curtailed if we have to come up with the cost of paying for an unwanted and unneeded leave program . . . and at its worst would add another layer of cost onto an already extravagant program of employee benefits.

(B) Another item on the mandated benefits agenda is the Kennedy Bill for Minimum Health Care Coverage. This would provide a minimum schedule of health-and-welfare benefits for all employees working over 17½ hours per week, and we oppose it for basically the same reasons that we oppose the Family Medical Leave Program. Most employers in the food industry already pay medical benefits to their employees, and having to comply with a specific schedule of benefits imposed by Congress would simply limit our ability to fashion a medical program which would be most responsive to the needs of our own unique work force.

(C) In addition to these benefits, Congress has proposed to add a Catastrophic Health Care Coverage Provision to the Medicare Bill, which would require employers who already offer health care coverage to their employees to include an additional catastrophic coverage benefit in their programs.

It would also require the establishment of state health risk pools, funded by employers, to provide coverage for persons not covered by private employer health plans.

Closely related to this Bill, is a proposal to require employers to provide guaranteed health coverage to their retired employees, at full employer cost, and to further require that retiree health and welfare benefits be pre-funded.

(D) One of the most controversial pieces of legislation to be proposed in the new Congress is that of Plant Closing legislation. This would require an employer to give advance notice of closing of a plant or other commercial facility to their employees, their union representatives, and to members of local government. If the employer has over 500 employees, he would be required to give 180-days' notice; between 100 and 500 employees, 120-days' notice; and, less than 100 employees, 90-days' notice. The problem with this legislation, of course, is that it just doesn't apply in any realistic sense to the supermarket industry. The legislation was designed to remedy a problem found in manufacturing facilities in declining industries, where plants are permanently closed, displacing hundreds of thousands of employees, with no other alternatives.

Food stores are simply not in this category; we are a job-producing industry. Smaller, older stores are closed, and larger ones are built, which increases employment, on almost a daily basis. The Bureau of Labor Statistics reports that in 1975, 1.8 million people were working in grocery stores; in 1980, there were over 2.1 million; and, in 1985, 2.4 million. In fact, stores are more often sold to a different operator rather than closed, in our industry. Faced with the costly burden of losing money for months during a notification period, a grocer may become less willing to take a gamble on expanding to new markets. Legislation which would require prior notice of plant or store closing would stifle one of the most important facets of the food-distribution industry, the constant change and innovation which makes our industry so dynamic and exciting.

(E) Another benefit which may not fit precisely under the definition of mandated benefits, but which certainly falls in the area of increased government intervention, is the Kennedy-Hawkins proposal to increase the minimum wage rate from its present $3.35 an hour to $4.65 an hour in three steps, by 1990, and index it to 50% of the average weekly wage thereafter.

The problem with this, as FMI sees it, is that the wage increase may help those who are able to keep their jobs, but even a modest 10% increase—and this is approximately a 39% increase—would push hundreds of thousands of minimum-wage earners out of the job market and into the "non-working and poor" category.

An argument frequently used to support the concept of a higher minimum wage is that the minimum-wage earner stands as the sole breadwinner of the family, toiling 8 hours a day to eke out a meager living for his wife and children. To the contrary, however, demographic research done in 1980 by the Minimum Wage Commission found that most minimum-wage earners were single, without dependents, and living in mid- to upper-income families. Only 1 in 10 headed a family with a poverty-level income. More than 3 out of 4 lived in households with incomes at least 50% above the poverty line. Thus, the lion's share of the new money would flow to middle-income families, perhaps even widening the gap between upper- and lower-income people.

The minimum wage increase would be most harmful to two groups:

Marginal employers; and,

Marginal employees.

It would contribute heavily to inflation. It would reduce productivity. And, as the New York Times said in an editorial on January 14, 1987, "there is a virtual concensus among economists that the minimum wage is an idea whose time has past."

This is a brief over-view of the subject of "Mandated Benefits."

Mr. PROXMIRE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. If there is no further morning business, morning business is closed.

Under the previous order, the majority leader is recognized to call up the conference report on the budget resolution.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEARS 1988, 1989, AND 1990—CONFERENCE REPORT

Mr. BYRD. Mr. President, I submit a report of the committee of conference on House Concurrent Resolution 93 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the United States Government for fiscal years 1988, 1989, and 1990, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of June 22, 1987.)

Mr. BYRD. Mr. President, I believe the time on the resolution is equally divided and controlled by the two leaders or their designees.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. I yield the time on my side to the control of Mr. CHILES, with the exception of 1 hour, which I shall retain for my own control for the time being.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be equally divided between both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized.

Mr. CHILES. Mr. President, I have a series of unanimous-consent agreements which I will pose.

Mr. President. I ask unanimous consent that members of the staff of the Committee on the Budget and its members be allowed to remain on the floor during consideration of House Concurrent Resolution 93. I send to the desk a list of those staff members.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

STAFF OF THE COMMITTEE ON THE BUDGET REGULAR FLOOR PRIVILEGES

MAJORITY STAFF

Dennis Beal, *Rick Brandon, Jim Carr, Barbara Chow, *Alan Cohen, Jeff Colman, Douglas Cook, *Bill Dauster, Kathy Deignan, Randy DeValk, Anne Durgin, Lisa Faulkner, John Hilley, Steve Hornburg, *Mark Logan, *Doug Olin, Kate Sparks, James Stasny, Kim Wallace, Dave Williams.

MINORITY STAFF

Bruce Blanton, Hal Brayman, Michael Carozza, Dick Doyle, Charlie Flickner, Gail Fosler, Carol Hartwell, *Bill Hoagland, Bill Hughes, Rob Johnson, Carole McGuire, Anne Miller, Michelle Mrdeza, *Nell Payne, Austin Smythe.

NONDESIGNATED

Wendy Counihan, *Sue Nelson.

*These individuals have privileges to be admitted without pass under a previous letter to the Sergeant at Arms.

FIFTEEN MINUTE FLOOR PRVILEGES

Margaret Baker, Lisa Bartko, Liz Beall, Michelle Edwards, Mary Jo Gillen, Noreen Kelly, Kathy Kovac, Susan Latham, Fletcher Martin.

Francine Nelson, Angeline Nicholas, Laura O'Shea, Vanessa Palmer, Richard Rasmussen, Patricia Smith, Beth Strader, Maggie Taylor.

STAFF MEMBERS—SENATOR ON WHOSE BEHALF REQUEST IS MADE

Barry Strumpf, Senator Hollings.
Laura Hudson, Senator Johnston.
Lance Simmens, Senator Sasser.
Joan Huffer, Senator Riegle.
Chris McLean, Senator Exon.
Mitchell Ostrer, Senator Lautenberg.
Tom Stubbs, Senator Simon.
David Poisson, Senator Sanford.
Neil Fiske, Senator Wirth.
Bill Johnstone, Senator Fowler.
Mary Eccles, Senator Conrad.
Jeff Anders, Senator Dodd.
Tony Coppolino, Senator Armstrong.
Valerie Baldwin, Senator Kassebaum.
Barbara Thompson, Senator Boschwitz.
Joe Cobb, Senator Symms.
Kris Kolesnik, Senator Grassley.
Cesar Conda, Senator Kasten.
Dave Juday, Senator Quayle.
Tom Dwyer, Senator Danforth.
Hal Lewis, Senator Nickles.
Rachel Sotsky, Senator Rudman.

Mr. CHILES. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during the consideration of House Concurrent Resolution 93.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, there are some typographical errors in the print of the conference report on House Concurrent Resolution 93.

I ask unanimous consent that the following list of corrections and explanatory note be printed in the RECORD and that the errata sheet be printed and distributed with the conference report.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ERRATA

On page 11, section (21)(A), line 15 (Fiscal Year 1990), change "$37,150,000,000" to "−$37,150,000,000".

On page 11, section (21)(A), line 16 (Fiscal Year 1990), change "$37,150,000,000" to "−$37,150,000,000".

On page 11, section (21)(B), line 2 (Fiscal Year 1988), change "$14,650,000,000" to "−$14,650,000,000".

On page 11, section (21)(B), line 3 (Fiscal Year 1988), change "$14,650,000,000" to "−$14,650,000,000".

On page 11, section (21)(B), line 8 (Fiscal Year 1989), change "$18,150,000,000" to "−$18,150,000,000".

On page 11, section (21)(B), line 9 (Fiscal Year 1989), change "$18,150,000,000" to "−$18,150,000,000".

On page 11, section (21)(B), line 14 (Fiscal Year 1990), change "$32,350,000,000" to "−$32,350,000,000".

On page 11, section (21)(B), line 15 (Fiscal Year 1990), change "$32,350,000,000" to "−$32,350,000,000".

On page 29, Function 700, line 7 (House-passed LG), change "30[.40" to "30.40".

On page 30, chart on Reconciliation in Conference Agreement by House Committee, line 5 (Contributions: CON), change "−0.788 −0.788" to "0.788 0.788".

On page 31, line 5 of continued chart (Contributions: REA prepayment: CON), change "−0.788 −0.788" to "0.788 0.788".

On page 32, line 12 of continued chart (Total, Post Office and Civil Service: BA), change "−5,105" to "−5.105".

On page 35, paragraph 4, line 8, change "Committee to "Committees".

On page 37, paragraph 1, line 4, change "loan" to "loans".

On page 38, line 3, change "othewise" to "otherwise".

On page 38, section on Sense of Senate on Income Tax Rates, line 2, change "underlaying" to "underlying".

On page 39, paragraph 1, line 4, change "32" to "3".

On page 39, paragraph 4, line 1, change "bne" to "be".

On page 39, after paragraph 5, insert the heading "FUNCTION 500".

On page 40, paragraph 3, line 2, change "code" to "cope".

NOTE

In addition to the printing errors noted above, the conference report agreed to states "$788,000,000" where it should state "−$788,000,000" in the reconciliation instructions to the Agriculture Committees on page 12, paragraph (b), line 10; on page 12, paragraph (b), line 12; on page 14, paragraph (k), line 10; and on page 14, paragraph (k), line 11. The Agriculture Committees will be held harmless for the contributions that this error instructs them to realize in the out-years.

Mr. CHILES. Mr. President, I ask unanimous consent that the joint explanatory statement of the committee of conference be included in the RECORD at the conclusion of these remarks.

There being no objection, the explanatory statement was ordered to be printed in the RECORD, as follows:

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the concurrent resolution (H. Con. Res. 93) setting forth the congressional budget for the United States Government for the fiscal years 1988, 1989, and 1990, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

EXPLANATION OF CONFERENCE AGREEMENT

The following tables show the functional allocations and budget aggregates included in the conference agreement. The fiscal year 1988 columns show the budget aggregates and functional allocations for the budget resolution for fiscal year 1988. The columns for fiscal year 1989 and fiscal year 1990 show budget aggregates and functional allocations which the conferees consider appropriate for those years.

Conference agreement

[Dollars in billions]

Fiscal year 1988:	
Budget authority	$1,153.20
Outlays	1,040.80
Revenues	932.80
Deficit	108.00
Debt subject to limit	2,565.1
Fiscal year 1889:	
Budget authority	1,217.90
Outlays	1,083.85
Revenues	993.95
Deficit	89.90
Debt subject to limit	2,777.1
Fiscal year 1890:	
Budget authority	1,261.60
Outlays	1,117.05
Revenues	1,066.75
Deficit	50.30
Debt subject to limit	2,964.2

CONFERENCE AGREEMENT BY FUNCTION

[Dollars in billions]

	1988	1989	1990
050 National Defense—High tier:			
BA	$296.00	$303.70	$311.00
O	289.50	292.30	299.20
(050 National Defense—Low tier:)			
BA	(289.00)	(294.80)	(297.90)
O	(283.60)	(288.00)	(292.00)
150 International Affairs:			
BA	16.20	21.70	18.45
O	16.10	15.25	15.20
250 General Science, Space, and Technology:			
BA	11.30	13.50	15.00
O	11.10	13.00	14.60
270 Energy:			
BA	4.50	5.05	4.65
O	4.55	4.15	4.25
300 Natural Resources and Environment:			
BA	15.90	16.45	16.85
O	15.10	16.15	17.25
350 Agriculture:			
BA	29.45	29.95	25.55
O	28.60	26.10	22.35
370 Commerce and Housing Credit:			
BA	12.50	12.05	15.35
O	7.80	5.00	6.80

CONFERENCE AGREEMENT BY FUNCTION—Continued

[Dollars in billions]

	1988	1989	1990
400 Transportation:			
BA	29.20	29.50	30.20
O	28.25	27.85	27.65
450 Community and Regional Development:			
BA	7.50	7.65	7.80
O	6.60	6.40	6.70
500 Education, Training, Employment, and Social Services:			
BA	36.45	38.05	39.25
O	32.90	35.70	37.50
550 Health:			
BA	45.65	49.75	54.20
O	44.85	49.45	53.70
570 Medicare:			
BA	92.85	102.30	113.05
O	81.60	89.45	99.95
600 Income Security:			
BA	168.60	176.65	183.15
O	131.45	139.00	144.60
650 Social Security:			
BA	256.80	281.50	310.60
O	220.75	235.40	252.00
700 Veterans Benefits and Services:			
BA	27.90	28.15	28.25
O	27.35	27.55	27.90
750 Administration of Justice:			
BA	9.60	9.55	9.50
O	9.35	9.55	9.55
800 General Government:			
BA	7.70	7.65	7.85
O	7.15	7.00	7.20
850 General Purpose Fiscal Assistance:			
BA	1.80	1.85	1.90
O	1.80	1.85	1.90
900 Net Interest:			
BA	139.25	143.30	144.55
O	139.25	143.30	144.55
920 Allowances:			
BA	−0.70	−0.30	0.35
O	−0.70	−0.55	0.05
950 Undistributed:			
A. Offsetting Receipts:			
BA	−40.60	−41.95	−43.55
O	−47.90	−41.90	−43.50
B. Offsetting Receipts:			
BA	−14.65	−18.15	−32.35
O	−14.65	−18.15	−32.35
Grand Total Spending:			
BA	1,153.20	1,217.90	1,261.60
O	1,040.80	1,083.85	1,117.05
Revenues [1]	932.80	993.95	1,066.75
Deficit, OMB estimate	−108.00	−89.90	−50.30
(Deficit, CBO estimate)	(−133.85)	(−115.05)	(−72.25)

[1] Revenue estimates include an economic and technical adjustment for OMB assumptions.

HOUSE-PASSED BUDGET RESOLUTION

[Dollars in billions]

	1988	1989	1990
050 National Defense:			
Budget Authority	$288.70	$299.20	$310.60
Outlays	281.70	289.00	298.60
150 International Affairs:			
Budget Authority	16.35	22.05	18.75
Outlays	16.20	15.55	15.45
250 General Science, Space, and Technology:			
Budget Authority	10.25	10.75	11.25
Outlays	10.45	11.10	11.60
270 Energy:			
Budget Authority	3.25	4.15	4.20
Outlays	3.60	3.30	3.25
300 Natural Resources and Environment:			
Budget Authority	13.90	14.80	15.55
Outlays	13.80	14.55	15.75
350 Agriculture:			
BA	29.50	30.00	26.15
O	28.65	26.10	23.00
370 Commerce and Housing Credit:			
BA	12.70	12.60	15.85
O	8.10	5.55	7.10
400 Transportation:			
BA	28.35	29.05	30.10
O	27.95	27.95	28.35
450 Community and Regional Development:			
BA	7.60	7.75	7.90
O	6.70	6.50	6.80
500 Education, Training, Employment, and Social Services:			
BA	36.45	38.05	39.25
O	32.95	35.70	37.50
550 Health:			
BA	45.70	49.75	54.20
O	44.90	49.45	53.70
570 Medicare:			
BA	93.20	102.60	113.30
O	81.60	89.25	98.75
600 Income Security:			
BA	168.60	176.65	183.15
O	131.35	139.10	144.75
650 Social Security:			
BA	256.80	281.45	310.60
O	220.95	235.55	252.20
700 Veterans Benefits and Services:			
BA	27.90	28.25	28.50
O	27.40	27.65	28.15
750 Administration of Justice:			
BA	9.20	9.35	9.50
O	9.00	9.30	9.50
800 General Government:			
BA	7.70	8.00	8.20
O	7.15	7.40	7.65
850 General Purpose Fiscal Assistance:			
BA	1.80	1.85	1.90
O	1.80	1.85	1.90
900 Net Interest:			
BA	139.10	142.45	143.60
O	139.10	142.45	143.60
920 Allowances:			
BA	−0.20	1.95	3.15
O	−0.20	2.05	3.40
950 Undistributed:			
A. Offsetting Receipts:			
BA	−40.35	−41.95	−43.55
O	−40.35	−41.95	−43.55
B. Offsetting Receipts:			
BA	−14.30	−17.85	−32.10
O	−14.30	−17.85	−32.10
Grand Total Spending:			
BA	1,142.20	1,210.90	1,260.05
O	1,038.50	1,079.55	1,115.15
Revenues	930.90	990.25	1,062.95
Deficit	−107.60	−89.30	−52.20

SENATE-PASSED BUDGET RESOLUTION

[Dollars in billions]

	1988	1989	1990	1991
050 National Defense (with Pay-For-Defense):				
Budget Authority	$301.50	$307.30	$310.40	$313.60
Outlays	290.60	295.00	299.00	303.00
050 National Defense (without Pay-For-Defense)				
Budget Authority	(289.00)	(294.80)	(297.90)	(301.10)
Outlays	(283.60)	(288.00)	(292.00)	(296.00)
150 International Affairs:				
Budget Authority	15.80	20.30	16.00	15.30
Outlays	15.80	14.30	13.30	11.30
250 General Science, Space, and Technology:				
Budget Authority	11.50	13.70	15.20	15.80
Outlays	11.20	13.10	14.80	15.50
270 Energy:				
Budget Authority	4.80	5.40	5.00	4.70
Outlays	4.80	4.50	4.60	4.20
300 Natural Resources and Environment:				
Budget Authority	16.00	16.50	16.90	16.80
Outlays	15.10	16.20	17.30	17.20
350 Agriculture:				
Budget Authority	29.40	30.10	25.50	22.20
Outlays	28.60	26.20	22.30	20.30
370 Commerce and Housing Credit:				
Budget Authority	12.20	12.40	15.40	12.80
Outlays	7.50	5.40	6.80	4.80
400 Transportation:				
Budget Authority	29.40	29.60	30.30	30.90
Outlays	28.40	27.90	27.70	27.50
450 Community and Regional Development:				
Budget Authority	7.40	7.30	7.20	7.00
Outlays	6.70	6.40	6.50	6.30
500 Education, Training, Employment, and Social Services:				
Budget Authority	36.00	36.40	37.70	39.20
Outlays	32.90	35.90	36.90	38.20
550 Health:				
Budget Authority	45.10	48.00	51.80	56.00
Outlays	44.40	48.10	51.60	55.50
570 Medicare:				
Budget Authority	93.20	102.70	113.20	123.80
Outlays	80.10	89.10	99.80	111.30
600 Income Security:				
Budget Authority	168.00	175.50	181.50	215.20
Outlays	130.60	137.60	142.90	151.70
650 Social Security:				
Budget Authority	256.80	281.50	310.60	338.80
Outlays	220.70	235.40	252.00	269.70
700 Veterans Benefits and Services:				
Budget Authority	28.00	28.10	28.00	28.30
Outlays	27.40	27.50	27.70	27.90
750 Administration of Justice:				
Budget Authority	9.80	9.60	9.60	9.60
Outlays	9.50	9.60	9.60	9.60
800 General Government:				
Budget Authority	7.60	7.60	7.80	7.80
Outlays	7.10	7.00	7.20	7.10
850 General Purpose Fiscal Assistance:				
Budget Authority	1.80	1.70	1.80	1.80
Outlays	1.80	1.70	1.80	1.80
900 Net Interest:				
Budget Authority	139.20	142.20	142.50	140.30
Outlays	139.20	142.20	142.50	140.30
920 Allowances:				
Budget Authority	−0.30	0.00	0.60	1.20
Outlays	−0.60	−0.30	0.30	0.80
950 Undistributed Offsetting Receipts:				
Budget Authority	−40.40	−42.00	−43.60	−45.30
Outlays	−40.40	−42.00	−43.60	−45.30
Grand Total Spending (with Pay-For-Defense):				
Budget Authority	1,172.80	1,233.90	1,283.40	1,355.80
Outlays	1,061.40	1,100.80	1,141.00	1,178.70
Revenues (with Pay-For-Defense)	927.80	995.40	1,084.70	1,181.70
Deficit, CBO estimate	−133.60	−105.50	−56.30	+2.70
(Deficit, OMB estimate)	(−107.80)	(−80.20)	(−33.60)	(−23.80)

ECONOMIC ASSUMPTIONS

The Conferees accepted the economic assumptions used in the President's budget as the basis for the deficit estimates. These economic assumptions are shown in the table below. Rates of change have been adjusted to reflect revisions in economic data for 1986.

[Calender years, billions of dollars]

	1987	1988	1989	1990	1991
Annual averages:					
Gross National Product	4,493	4,816	5,165	5,524	5,879
(percent change)	6.8	7.2	7.3	6.9	6.4
Real GNP (1982 dollars)	3,794	3,928	4,071	4,218	4,367
(percent change)	3.2	3.5	3.6	3.6	3.5
GNP deflator (percent change)	3.5	3.5	3.5	3.2	2.8
CPI–W (percent change)	3.0	3.6	3.6	3.2	2.8
Civilian unemployment rate (percent)	6.8	6.4	6.1	5.9	5.7
3 month Treasury bill rate (percent)	5.4	5.6	5.3	4.7	4.2
Taxable incomes:					
Wages and salaries	2,210	2,371	2,546	2,716	2,885
Corporate profits (before tax)	309	341	377	411	444

These are the amounts that the deficits would have been had they been determined on the basis of the economic and technical assumptions reported to the Congress by the Congressional Budget Office:

Fiscal year 1988: $133,850,000,000.

Fiscal year 1989: $115,050,000,000.

Fiscal year 1990: $72,250,000,000.

CREDIT BUDGET RECOMMENDATIONS BY FUNCTION

[Dollars in billions]

	1988	1989	1990
150 International Affairs:			
Senate-passed:			
DL	$6.00	$5.80	$5.70
LG	9.00	9.40	9.80
House-passed:			
DL	6.85	7.15	7.35
LG	9.10	9.45	9.90
Conference:			
DL	6.70	7.00	7.20
LG	9.10	9.45	9.90
270 Energy:			
Senate-passed:			
DL	2.10	2.10	2.10
LG	7.30		
House-passed:			
DL	1.90	2.05	2.10
LG	0.05	0.05	0.05
Conference:			
DL	2.10	2.10	2.10
LG	7.30	0.05	0.05
300 Natural Resources and Environment:			
Senate-passed: DL	0.10	0.10	0.10
House-passed: DL	0.10	0.10	0.10
Conference: DL	0.10	0.10	0.10
350 Agriculture:			
Senate-passed:			
DL	17.50	16.20	15.00
LG	8.50	9.00	9.00
House-passed:			
DL	17.35	16.15	15.00
LG	7.80	8.40	8.50
Conference:			
DL	17.45	16.20	15.00
LG	8.50	9.00	9.00
370 Commerce and Housing Credit:			
Senate-passed:			
DL	4.00	4.10	4.10
LG	91.60	93.90	98.80
House-passed:			
DL	3.95	4.20	4.35
LG	91.65	94.05	99.00
Conference:			
DL	4.00	4.10	4.10
LG	91.65	93.90	98.75
400 Transportation:			
Senate-passed: DL	0.40	0.20	0.20
House-passed: DL	0.40	0.25	0.20
Conference: DL	0.40	0.25	0.20
450 Community and Regional Development:			
Senate-passed:			
DL	1.10	1.10	1.10
LG	0.30	0.30	0.30
House-passed:			
DL	1.05	1.10	1.15
LG	0.35	0.35	0.35
Conference:			
DL	1.05	1.10	1.15
LG	0.35	0.35	0.35
500 Education, Training, Employment, and Social Services:			
Senate-passed:			
DL	1.70	1.70	1.80
LG	9.10	9.10	9.20
House-passed:			
DL	1.65	1.65	1.65
LG	9.05	9.15	9.15
Conference:			
DL	1.65	1.65	1.65
LG	9.10	9.10	9.20
550 Health:			
Senate-passed:			
DL	(*)	(*)	(*)
LG	0.30	0.30	0.30
House-passed:			
DL	0.05	0.05	0.05
LG	0.30	0.30	0.35
Conference:			
DL	0.05	0.05	0.05
LG	0.30	0.30	0.35
600 Income Security:			
Senate-passed: DL	+(*)	+(*)	+(*)
House-passed: DL	+(*)	+(*)	+(*)
Conference: DL	+(*)	+(*)	+(*)
700 Veterans Benefits and Services:			
Senate-passed:			
DL	1.10	1.00	0.90
LG	30.40	28.40	30.70
House-passed:			
DL	1.20	1.10	1.00
LG	30.40	28.40	30.70
Conference:			
DL	1.10	1.00	0.90
LG	30.40	28.40	30.70
Totals:			
Senate-passed:			
DL	34.00	32.30	31.00
LG	156.50	150.40	158.10
House-passed:			
DL	34.50	33.80	32.95
LG	148.70	150.15	158.00
Conference:			
DL	34.60	33.55	32.45
LG	156.70	150.55	158.30

*Less than $50 million.

RECONCILIATION INSTRUCTIONS

The House resolution included reconciliation instructions to seven House committees to report legislation to achieve savings in fiscal years 1988-90. The House resolution also included directions to House Committee on Ways and Means to report legislation to increase revenues in fiscal years 1988-90. The Senate amendment contained instructions of this nature directed to 10 Senate committees and 10 House committees covering the period of fiscal years 1988-91. The conference agreement includes reconciliation instructions directed to 9 House committees and 9 Senate committees for the period of fiscal years 1988-90.

The House resolution required that instructed committees respond by June 10, 1987. The Senate amendment required instructed committees to report by May 14, 1987. The conference agreement provides that committees must report by July 28, 1987.

The conference agreement further instructed the Senate Committee on Finance to report changes in laws to increase the statutory limit on the public debt to an amount not to exceed $2,565,100,000,000.

RECONCILIATION IN CONFERENCE AGREEMENT BY HOUSE COMMITTEE

[Savings in billions of dollars]

	1988	1989	1990	1988–90
Conference agreement:				
Spending:				
BA	−2.394	−4.536	−6.755	−13.685
O	−3.976	−7.713	−11.318	−23.007
Contributions: CON	−7.218	−0.788	−0.788	−5.642
Revenues: REV	−19.300	−22.000	−23.000	−64.300
Total savings	−30.494	−28.925	−33.530	−92.949
Agriculture:				
Spending:				
Agriculture programs:				
BA	−1.200	−1.600	−2.650	−5.450
O	−1.200	−1.600	−2.650	−5.450
REA reforms:				
BA	−0.130	−0.130	−0.128	−0.388
O	−0.130	−0.130	−0.128	−0.388
Total, spending:				
BA	−1.330	−1.730	−2.778	−5.838
O	−1.330	−1.730	−2.778	−5.838
Contributions: REA prepayment: CON	−7.218	−0.788	−0.788	−5.642
Total, Agriculture:				
BA	−1.330	−1.730	−2.778	−5.838
O	−8.548	−0.942	−1.990	−11.480
Banking:				
Unspecified reconciliation:				
BA	−0.200	−0.200	−0.200	−0.600
O	−0.200	−0.200	−0.200	−0.600
Total, Banking:				
BA	−0.200	−0.200	−0.200	−0.600
O	−0.200	−0.200	−0.200	−0.600
Education and Labor:				
PBCG: [1]				
BA				
O	−0.100	−0.200	−0.200	−0.500
Total, Education and Labor:				
BA				
O	−0.100	−0.200	−0.200	−0.500
Energy and Commerce:				
Unspecified reconciliation:				
BA	−0.300	−0.300	−0.000	−0.600
O	−0.300	−0.300	−0.000	−0.600
NRC fees: [2]				
BA	−0.150	−0.150	−0.150	−0.450
O	−0.150	−0.150	−0.150	−0.450
Unspecified Medicare Provider reform: [3]				
BA				
O	−1.500	−2.950	−4.250	−8.700
Unspecified reconciliation:				
BA	−0.140	−0.250	−0.250	−0.640
O	−0.140	−0.250	−0.250	−0.640
Total, Energy and Commerce:				
BA	−0.590	−0.700	−0.400	−1.690
O	−2.090	−3.650	−4.650	−10.390
Interior:				
NRC fees: [2]				
BA	−0.150	−0.150	−0.150	−0.450
O	−0.150	−0.150	−0.150	−0.450
Unspecified reconciliation:				
BA	−0.030	−0.030	−0.030	−0.090
O	−0.030	−0.030	−0.030	−0.090
Total, Interior:				
BA	−0.180	−0.180	−0.180	−0.540
O	−0.180	−0.180	−0.180	−0.540
Merchant Marine and Fisheries:				
Sec. 32 (NOAA share):				
BA	−0.044	−0.044	−0.044	−0.132
O	−0.026	−0.041	−0.043	−0.110
Coast Guard user fees:				
BA	−0.050	−0.050	−0.050	−0.150
O	−0.050	−0.050	−0.050	−0.150
Total, Merchant Marine and Fisheries:				
BA	−0.094	−0.094	−0.094	−0.282
O	−0.076	−0.091	−0.093	−0.260
Post Office and Civil Service:				
Federal pay and other:				
BA	−0.100	−1.752	−3.253	−5.105
O	−0.100	−1.782	−3.357	−5.239
Total, Post Office and Civil Service:				
BA	−0.100	−1.752	−3.253	−5,105
O	−0.100	−1.782	−3.357	−5.239
Ways and Means:				
PBCG: [1]				
BA				
O	−0.100	−0.200	−0.200	−0.500
Unspecified Medicare provider reform: [3]				
BA				
O	−1.500	−2.950	−4.250	−8.700
Subtotal, Spending:				
BA				
O	−1.600	−3.150	−4.450	−9.200
Revenues	−19.300	−22.000	−23.000	−64.300
Total, Ways and Means:				
BA				
O	−20.900	−25.150	−27.450	−73.500
Veterans Affairs:				
Increase real property cash sales:				
BA	−0.050	−0.030	−0.000	−0.080
O	−0.050	−0.030	−0.010	−0.090
Total, Veterans Affairs:				
BA	−0.050	−0.030	−0.000	−0.080
O	−0.050	−0.030	−0.010	−0.090

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[1] Reconciled to Ways and Means and Education and Labor; not double counted in total.

[2] Reconciled to Energy and Commerce and Interior; not double counted in total.

[3] Reconciled to Energy and Commerce and Ways and Means; not double counted in total.

RECONCILIATION IN CONFERENCE AGREEMENT BY SENATE COMMITTEE

[Savings in billions of dollars]

	1988	1989	1990	1988–90
Conference agreement:				
Spending:				
BA	−2.394	−4.536	−6.755	−13.685
O	−3.976	−7.713	−11.318	−23.007
Contributions: CON	−7.218	0.788	0.788	−5.642
Revenues: REV	−19.300	−22.000	−23.000	−64.300
Total Savings	−30.494	−28.925	−33.530	−92.949
Agriculture:				
Spending:				
Agriculture programs:				
BA	−1.200	−1.600	−2.650	−5.450
O	−1.200	−1.600	−2.650	−5.450
REA reforms:				
BA	−0.130	−0.130	−0.128	−0.388
O	−0.130	−0.130	−0.128	−0.388
Total, spending:				
BA	−1.330	−1.730	−2.778	−5.838
O	−1.330	−1.730	−2.778	−5.838
Contributions: REA prepayment: CON	−7.218	0.788	0.788	−5.642
Total, Agriculture:				
BA	−1.330	−1.730	−2.778	−5.838
O	−8.548	−0.942	−1.990	−11.480
Banking:				
Unspecified reconciliation:				
BA	−0.200	−0.200	−0.200	−0.600
O	−0.200	−0.200	−0.200	−0.600
Total, Banking:				
BA	−0.200	−0.200	−0.200	−0.600
O	−0.200	−0.200	−0.200	−0.600
Commerce:				
Unspecified reconciliation:				
BA	−0.300	−0.300	−0.000	−0.600
O	−0.300	−0.300	−0.000	−0.600
Sec. 32 (NOAA share):				
BA	−0.044	−0.044	−0.044	−0.132
O	−0.026	−0.041	−0.043	−0.110
Coast Guard user fees:				
BA	−0.050	−0.050	−0.050	−0.150
O	−0.050	−0.050	−0.050	−0.150
Total, Commerce:				
BA	−0.394	−0.394	−0.094	−0.882
O	−0.376	−0.391	−0.093	−0.860
Energy and Natural Resources:				
Unspecified reconciliation:				
BA	−0.170	−0.280	−0.280	−0.730
O	−0.170	−0.280	−0.280	−0.730
Total, Energy and Natural Resources:				
BA	−0.170	−0.280	−0.280	−0.730
O	−0.170	−0.280	−0.280	−0.730
Environment and Public Works:				
NRC fees:				
BA	−0.150	−0.150	−0.150	−0.450
O	−0.150	−0.150	−0.150	−0.450
Total, Environment and Public Works:				
BA	−0.150	−0.150	−0.150	−0.450
O	−0.150	−0.150	−0.150	−0.450
Finance:				
PBCG:[1]				
BA				
O	−0.100	−0.200	−0.200	−0.500
Unspecified Medicare provider reform:				
BA				
O	−1.500	−2.950	−4.250	−8.700
Subtotal, Spending:				
BA				
O	−1.600	−3.150	−4.450	−9.200
Revenues	−19.300	−22.000	−23.000	−64.300
Total, Finance:				
RB				
O	−20.900	−25.150	−27.450	−73.500
Governmental Affairs:				
Pay and other management savings:				
BA	−0.100	−1.752	−3.253	−5.105
O	−0.100	−1.782	−3.357	−5.239
Total, Government Affairs:				
BA	−0.100	−1.752	−3.253	−5.105
O	−0.100	−1.782	−3.357	−5.239
Labor and Human Resources:				
PBGC:[1]				
BA				
O	−0.100	−0.200	−0.200	−0.500
Total, Labor and Human Resources:				
BA				
O	−0.100	−0.200	−0.200	−0.500
Veterans Affairs:				
Increase real property cash sales:				
BA	−0.050	−0.030	−0.000	−0.080
O	−0.050	−0.030	−0.010	−0.090
Total, Veterans Affairs:				
BA	−0.050	−0.030	−0.000	−0.080
O	−0.050	0.030	−0.010	−0.090

[1] Reconciled to Finance and Labor and Human Resources; not double counted in total.

RECONCILIATION OF THE RURAL ELECTRIFICATION ADMINISTRATION LOANS

At the time of passage of this conference report, the Senate had passed a supplemental appropriations bill utilizing receipts from the prepayment of Rural Electrification Administration (REA) loans. The House-passed version of the supplemental bill contained no such provision. This conference report directs the anticipated savings from the REA loan prepayments to be achieved by the Agriculture Committees of the House and Senate, based on the situation existing at the time of the conference on the budget resolution, as reflected in the House-passed version of the supplemental appropriations bill. If any or all of the assumed REA savings are achieved in another legislative vehicle, then the conferees assume that the Agriculture Committees will be held harmless for the savings from the prepayment of REA loans that they will no longer be able to realize.

SCOREKEEPING IN THE SENATE

In the exercise of its scorekeeping duties, the Committee on the Budget of the Senate shall continue to develop its reports to the Senate regarding the status of particular bills and amendments based on the economic and technical assumptions of the Congressional Budget Office. The Committee on the Budget shall determine the aggregate levels of new budget authority, budget outlays, new spending authority, and revenues for a fiscal year on the basis of standard, consistent, defined adjustments to the Congressional Budget Office's estimates consistent with the adjustments underlying this budget resolution.

BANKING COMMITTEE RECONCILIATION

Function 450 asumes reconciliation of $200 million in budget authority and outlays to the Banking Committees in the House and Senate in each of fiscal years 1988-90. This reconciliation is intended to produce budget authority and outlay savings from direct spending programs under the jurisdiction of the Banking Committees, and therefore cannot be achieved through a reduction in discretionary authorizations for programs such as the Community Development Block Grant and the Urban Development Action Grant programs.

REVENUES

Revenue that results from spending decisions not within the jurisdiction of the taxwriting committees, such as an additional Internal Revenue Service appropriation, is not subject to, nor credited towards, reconciliation.

MISCELLANEOUS PROVISIONS

FUNDING FOR DEFENSE

The Senate amendment contained a procedure under which spending levels for function 050 (National Defense) would be increased if a reconciliation bill is enacted with additional revenues. The provision further directed that the Senate Committee on Finance and the House Committee on Ways and Means, as part of their reconciliation submissions, provide that revenue changes earmarked for defense increases shall not be effective unless the House and Senate Appropriations Committee report the higher defense funding levels.

The House resolution contained no similar provision.

The conference agreement contains a provision similar in effect to the Senate position, except that it does not contain the language directing that the Senate Committee on Finance and the House Committee on Ways and Means provide that the portion of revenue changes earmarked for defense increases shall not be effective unless the Appropriations Committees report the higher defense funding levels.

DETERMINATIONS OF WHETHER MAXIMUM DEFICIT AMOUNT IS EXCEEDED

The Senate amendment contained a provision expressing the sense of the Congress that any determination under section 311(a) of the Budget Act, with respect to whether a measure would cause the maximum deficit amount to be exceeded, would be based upon the economic and technical assumptions underlying the President's fiscal year 1988 budget as submitted.

The House resolution contained no similar provision.

The Senate conferees receded to the House position.

DEFICIT REDUCTION ACCOUNT

The House resolution provided that for fiscal years 1988 through 1990, specific amounts of revenues increased through legislation would only be used for purposes of deficit reduction and further directed the President to establish a separate account in the Treasury into which such revenues would be deposited.

The Senate amendment directed the Senate Committee on Finance and House Committee on Ways and Means to report legislation, as part of revenue reconciliation submissions, to establish a separate account in the Treasury into which revenues increased through reconciliation would be deposited, ensure that revenues deposited be used to retire Government debt obligations, and ensure that revenue increases reconciled not be effective if either the House or Senate Appropriations committees exceed their allocations under section 302(b) of the Budget Act. The Senate amendment further provided that the deficit reduction account legislation directed would not be considered extraneous to a reconciliation bill under Senate rules.

The conference agreement contains a provision similar to the Senate provision with the exception of excluding the requirement that reconciled revenues would not be effective if Appropriations Committee 302(b) allocations are exceeded.

SALE OF GOVERNMENT ASSETS

The Senate amendment included a provision expressing the sense of the Congress that, from time to time, the Government should sell assets to non-governmental buyers, but noted amounts realized from such sales are not recurring and do not reduce the demand for credit. The provision further included language in subsection (c) allowing the Senate to provide for specific asset sales if it so desired. The Senate amendment also provided that amounts realized from the newly-authorized sales would not be treated as revenues, receipts, or negative outlays for purposes of certain Budget Act enforcement and scorekeeping procedures.

The House resolution contained no similar provision.

The conference agreement is similar to the Senate position except that it does not contain language allowing the Senate to provide for specific sales, and except that it specifically distinguishes the treatment of prepayments under the following section.

BUDGETARY TREATMENT OF LEGISLATION AUTHORIZING THE PREPAYMENT OF CERTAIN LOANS

The Senate amendment contained a provision stating that when legislation authorized waivers of prepayment penalties on certain Government guaranteed loans and allows repayment with new guaranteed loan, proceeds from such prepayments would be scored as revenues rather than negative outlays for purposes of reconciliation and would remain unassigned to committees for purposes of allocation and enforcement under section 302 of the Budget Act.

The House resolution contained no similar provision.

The conference agreement contains a provision similar to the Senate provision except that contributions from the prepayment would not be counted as revenues.

FUNDING FOR WELFARE REFORM INITIATIVE

The Senate amendment contained a procedure under which specific amounts of new budget authority and outlays for the child care and job training initiative assumed in the resolution would be withheld from allocation to committees until such time as the appropriate committees of the House of Representatives or Senate report legislation that would, if enacted, make funds available for such initiative.

The House resolution contained a provision that stated it would be appropriate for the House Committee on Ways and Means to increase outlays for programs within its jurisdiction if the committee also increased revenues or decreased outlays in an offsetting amount.

The conference agreement contains a provision similar to the Senate provision that would apply only in the Senate and the identical House provision that would apply only in the House.

FUNDING FOR MEDICARE CATASTROPHIC HEALTH INSURANCE INITIATIVE

The Senate amendment contained a procedure under which budget authority and outlays for the Medicare catastrophic health insurance initative, assumed to be deficit neutral, would be allocated to the appropriate committees of the House of Representatives and the Senate and aggregates adjusted accordingly when legislation is reported ensuring the deficit-neutrality of such an initiative and legislation is reported that would, if enacted, make funds available for such an initiative.

The House resolution contained a provision that stated it would be appropriate for the House Committee on Ways and Means to increase outlays for programs within its jurisdiction if the committee also increased revenues or decreased outlays in an offsetting amount.

The conference agreement contains a provision similar to the Senate provision that would apply only in the Senate and the identical House provision that would apply only in the House.

MEDICARE SAVINGS

The Senate amendment contained a provision stating the assumption that the Senate Committee of Finance and the House Committees on Ways and Means and Energy and Commerce would achieve Medicare savings assumed in the resolution without increasing premiums or deductibles or delaying eligibility or othewise raising beneficiary out-of-pocket costs.

The House resolution contained no similar provision.

The House conferees receded to the Senate position.

SENSE OF SENATE ON INCOME TAX RATES

The Senate amendment contained a provision expressing the sense of the Senate that the assumptions underlaying the revenue levels in the resolution will not be achieved by raising or delaying the individual or corporate income tax rates enacted in the Tax Reform Act of 1986.

The Houses resolution contained no similar provision.

The House conferees receded to the Senate position.

RURAL HOSPITALS MEDICARE PROGRAM

The Senate amendment contained a provision expressing the sense of the Congress that any legislation that amends the Medicare program to reconcile its expenditures with those required in the budget resolution should take into account the special needs of rural hospitals which are not currently taken into account under the Medicare hospital prospective payment system.

The House resolution contained no similar provision.

The House conferees receded to the Senate position.

FUNCTIONAL LANGUAGE

FUNCTION 050

The managers expressed concern over the ability of the U.S. industry to support the needs of defense as well as to compete in the world economy. The United States may well be at a turning point today in terms of economic competitiveness and technological superiority. The U.S. semi-conductor industry is a significant example of a crucial industry currently facing these difficulties. In response, funding is provided within this budget to begin addressing the problems in the semi-conductor industry and certain other manufacturing technologies.

The budget allocation for National Defense includes funds required for the continuation of the congressionally initiated modernization of the National Guard and Reserve.

The conference recommendation assumes that within the funds available in this function, funding will be made available sufficient to pursue a vigorous Defense Waste and Transporation Management Program to provide for the cleanup, interim storage, transportation, and disposal of radio active and hazardous wastes at the several affected sites (including Hanford and Savannah River among others.)

FUNCTION 150

Foreign assistance

The conferees assume the 1988-1990 program levels for the discretionary appropriated accounts are set at the 1987 level. In addition, the conferees assume an overall reduction in foreign aid outlays of less than 32 percent. Committees of jurisdiction could choose to consolidate and reduce less effective economic and military assistance programs, particularly those with large unobligated or unexpended balances, to achieve these savings. The conferees assume these reductions could be incorporated without reducing the level of assistance to those countries covered by the Camp David accords.

Guarantee reserve fund

The conferees remain concerned that the resources of the Foreign Military Sales Guarantee Reserve Fund will not be adequate to make required payments to the Federal Financing Bank for anticipated defaults and reschedulings of Foreign Military Sales loans in 1988. In order to ensure that the Guarantee Reserve Fund will be able to meet its obligations to the Federal Financing Bank, the conferees intend that for all scorekeeping purposes $0.5 billion of the total amount available in Function 150 shall be treated as mandatory spending to replenish the Guarantee Reserve Fund.

FUNCTION 250

The totals assumed for the Department of Energy's general science programs are sufficient to fund the Budget Request for the Superconducting Supercollider. The conferees anticipate that the budget submittals for fiscal year 1989 and beyond will reflect the construction schedule proposed for the Superconducting Supercollider, without adversely affecting funding for other programs in this function.

FUNCTION 270

The managers assume that no changes will be made in the reconciliation bill that would result in increasing the rates charged by DOE's Power Marketing Administrations (PMA's)—such as legislated changes to the repayment schedule, or to the interest rates due on PMA debt.

FUNCTION 350

The Conference recommendation assumes that, to the extent feasible in determining these program changes, the Agriculture Committee will not make reductions in programs which promote and enhance the export of agriculture commodities.

FUNCTION 500

The conference agreement assumes the House budget authority levels for fiscal years 1988 through 1990, the Senate outlay level for fiscal year 1988, and House outlay levels for fiscal years 1989 and 1990.

The Senate conferees assume $134 million in budget authority and $11 million in outlays to increase funding for the Job Corps in fiscal year 1988.

The conferees urge the appropriate committees of jurisdiction to continue assisting business-education consortia in ameliorating enrollment declines of graduate minority students.

The Immigration and Control Act of 1986 established a State Legalization Impact Assistance grant program to help states cope with the cost incurred due to the participation of legalized aliens in programs of public assistance. The Conferees encourage the appropriate committees of jurisdiction to consider the fiscal impact on States of the Federal administrative offset, and give thought to providing the appropriation of $1 billion to the states for each fiscal year 1988 through 1991.

The Senate conferees recognize a consensus to effectively improve the delivery of public assistance services to dependent children, the chronically unemployed, and individuals working to become self-sufficient. To finance welfare reform and job retraining initiatives, in the Senate, funds in fiscal years 1988 not to exceed the following amounts shall be allocated to the appropriate committees when legislation to achieve these objectives is reported:

Fiscal Year 1988:
Budget Authority, $900,000,000.
Outlays, $300,000,000.

To finance child care initiatives, in the Senate, funds in fiscal years 1988 not to exceed the following amounts shall be allocated to the appropriate committees when legislation to achieve this objective is reported:

Fiscal Year 1988:
Budget Authority, $150,000,000.
Outlays, $110,000,000.

The House conferees assume no reserve funds in this function.

FUNCTION 550

The conference agreement provides for an increase of $0.55 billion in 1988 and $2.4 billion over three years for Medicaid initiatives to combat infant mortality and to address the needs of the elderly poor and working welfare recipients. This amount could also accommodate an increase in Medicaid funding for insular areas to cover inflation since the last adjustment was made.

Recognizing the crisis nature of the AIDS epidemic, the conference agreement provides for a significant funding increase to combat AIDS, the nation's number one public health priority.

FUNCTION 570

The conference agreement on the budget resolution provides for enactment of new Medicare catastrophic health insurance on a deficit neutral basis.

It is the sense of the conferees that reconciled Medicare savings will be achieved through continued restraint and reform in payments to providers, not through reductions in benefits or increases in beneficiary out-of-pocket costs.

FUNCTION 600

The Conference report assumes the baseline amount for refugee and entrant assistance and that $48 million be used for the refugee targeted assistance program.

FUNCTION 650

The conferees wish to make it clear that none of the savings in Function 650 are assumed to come from reductions in Social Security beneficiary payments or from reductions in personnel costs or the closing of offices of the Social Security Administration.

FUNCTION 700

The conference agreement provides for $27.90 billion in budget authority and $27.35 billion in outlays for veterans benefits and services in fiscal year 1988. The agreement provides for full inflation for medical care, and full COLAs for veterans disability compensation and pensions. The agreement reconciles savings of $50 million in fiscal year 1988 ($90 million over three years) to be achieved through increased cash sales of real property, not affecting veterans benefits or services in any way.

LAWTON CHILES,
ERNEST F. HOLLINGS,
J. BENNETT JOHNSTON,
JIM SASSER,
DONALD W. RIEGLE, JR.,
J. JAMES EXON,
Managers on the Part of the Senate.
WILLIAM H. GRAY III,
THOMAS S. FOLEY,
MIKE LOWRY,
BUTLER DERRICK,
MARTIN FROST,
VIC FAZIO,
MARTY RUSSO,
JAMES L. OBERSTAR,
MIKE ESPY,
Managers on the Part of the House.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent that the time previously reserved to the distinguished Republican leader [Mr. DOLE] be transferred to the Senator from New Mexico. This is being done at his request and with his concurrence.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, today we bring before the Senate the Conference Report on House Concurrent Resolution 93, the budget resolution.

Under the terms of the Budget Act, the Senate has 10 hours to debate the measure. I want to take these first few minutes to describe the main features of the conference agreement. But before I do that, let me take some time to describe where we are, and how we got here.

During the last 6 months, there have been many times when Democrats felt like we were working on a construction project in a thunderstorm. The more we tried to build a budget, the more we had to contend with White House lightning.

What we have in the Senate today are the girders of the budget. In the days ahead, we have to take the final steps to implement our decisions, and—with all that lightning around—there couldn't be a worse time for a power failure at either end of Pennsylvania Avenue.

The Democrats in the Senate and in the House have worked hard. And the record clearly shows we have worked alone. It didn't have to be that way. The "Help Wanted" sign has been out for months. The gates have never been shut. In fact, they are still open.

We can probably finish the job without the help of our Republican colleagues in Congress but without the President's cooperation and positive involvement, the next few weeks will not be easy.

The President continues to say that all the Congress has to do is give him more of the Constitution, and he can solve the budget problems. The fact is, if the President will give us more cooperation, we can solve the problems together. So, I ask again for the President to join us.

Mr. President, I started off the first of the year making that plea and I guess I will just continue to make it. At some stage we hope it will be answered.

The measure we consider today is very close to the shape of the resolution approved by the Senate in early May. I think that's a tribute to the good faith and hard work of many people.

A sizable number of Senators—those who were members of the conference and those who lent us their time and perspective—deserve a great deal of credit.

At the same time, I want to offer my thanks to Chairman GRAY of the House Budget Committee for his good will and his resolve. We spent many hours—during many days over the last 5 weeks—in regular discussions. The combined Democratic leadership of the House and Senate were with us every step of the way.

Everyone knows this is a Democratic budget. We had to make choices, and we made them. The mandate given to us by the American people carried with it the responsibility of looking for answers in the best interests of the Nation.

The same mandate told us that if you find fault with the economy, work to fix it. Don't stand around and find fault with each other. That's not good enough. Do your best, they told us, and we believe we have.

Mr. President, let me briefly describe the central features of the budget now before the Senate.

To begin with, it's a budget meant to sharply reduce our borrowing needs. Yesterday's report of the Department of Commerce showing America's descent into debt, confirms what we've been saying for years. We have our hands out to the world to help us sustain our lifestyle. Our tin cup may be gold plated, but's it's still a tin cup.

So this budget cuts down on Federal borrowing by cutting down on the Federal deficit. Total decifit reduction for 1988 is $36.8 billion. That's approximately what was required by the Gramm-Rudman-Hollings law. According to the Congressional Budget Office, it is about $3 billion more deficit reduction than offered by the White House.

The level of savings in the budget under consideration lowers the deficit to $108 billion based on the economic assumptions of the President's Office of Management and Budget. If we use the assumptions of the Congressional Budget Office, the deficit figure for 1988 is $133.8 billion, substantially lower than the administration's figure when subjected to the same accounting methods.

This budget has four main components.

First, it includes a two-tier, "par-for-defense" plan. If the low-tier option takes effect, military spending will be set at 1987 freeze levels, with budget authority of $289 billion, and outlays of $284 billion.

If the revenues are provided under the high-tier option, defense spending moves up to the zero real-growth level with $296 billion in budget authority, and $290 billion in outlays.

The budget includes $29 billion in reconciled outlay savings over 3 years, and $6.3 billion in domestic program savings for 1988.

Even with these savings, priorities in the budget are rearranged so that we still have room for key investments in areas like education, research, and science. Each of these areas is essential in the effort to restore and reassert this country's economic power.

Like the proposal the administration submitted in January, this budget includes neccessary new revenues designed to reduce the Federal deficit. In 1988, the revenues total $19.3 billion, and amount to $64.3 billion over 3 years. The resolution also preserves the Senate language which prohibits an increase in individual tax rates.

Mr. President, we should pause here for just a moment to put something in perspective. The White House would have the Nation believe that somehow a Democratic Congress has cooked up a tax increase bill, and that the President is somehow a lonely defender on the public ramparts.

Both those notions simply are not true. To begin with, the Democrats did not originate the idea that additional revenues are essential if the deficit is going to be wiped out. That is the President's own idea.

Before the figures could be closely examined by the Congressional Budget Office, the President claimed his January budget would produce savings for $42 billion. More than half those savings—some $23 billion—were derived from additional new revenues proposed by the President. So I have a hard time understanding why the President wants to give credit to the Democrats for an idea he came up with.

The second notion I find troubling is that the President paints himself as a watchman in the night. It was on the watch of this administration that the national debt was doubled, and the trade deficit rose to record levels.

So I find some contradictions when an administration that borrowed its way to a massive increase in the national debt gets upset about $19 billion in new revenues to cut the deficit—especially when the revenue figure is lower than the one proposed by the President.

ASSUMED PROGRAM CHANGES

Mr. President, the Nation has plenty to get done. We have neglected a great deal in the past several years. While the United States enjoyed a measure of comfort, our competition was hard at work, spending long hours in the classroom, in the laboratory, and on the assembly line.

We have to do more than just respond to the challenge. We have to size up our own needs and reassert our economic power, the ability to deliver a rising standard of living on a sustainable basis.

Economic power is not limited to the young, or those in college, or the professions. It is a function of the country's ability to address its needs and make improvements.

So this conference agreement provides for the startup of a national catastrophic health insurance program. The langauge of the budget resolution also makes it clear the program must be deficit neutral, with a self-financing provison at the core.

Included in the agreement are the Senate provisions on Medicare. The budget assumes $1.5 billion in reconciled savings for Medicare in 1988, and $9 billion over 3 years. These savings are to be accomplished without an increase in beneficiary out-of-pocket costs.

Another Senate provision assumed in the agreement is a sense-of-the-Congress statement taking into account the special needs of rural hospitals. Allowance is made for those rural hospitals not currently taken into account under the Medicare hospital prospective payment system.

Under the terms of the conference agreement, $2.4 billion would be invested over 3 years in a Medicaid initiative to combat infant mortality and address the needs of the elderly poor and working welfare recipients. The agreement also allows for a significant funding increase to fight AIDS.

Furthermore, the measure pending before the Senate includes a prohibition against closing Social Security offices or reducing beneficiary payments as a means of finding budget savings.

The budget provides $27.9 billion in budget authority and $27.35 billion in outlays for veterans' benefits and services in 1988. It includes full inflation for medical care and full COLA's for veterans' disability compensation and pensions.

A welfare reform initiative is also assumed in the conference agreement.

Because the conferees recognize that the semiconductor industry is vital to our national interest and that it is now facing a serious challenge, the agreement addresses the situation. Funding is provided within the budget to begin addressing the needs of the industry together with the needs of certain other manufacturing technologies.

The budget includes a $2.3 billion increase for education programs in contrast to the 30-percent reduction in such programs proposed by the administration. Education is now—as it has been in the past—vital to the strength of the Nation, and we must continue our investment to continue national progress.

Mr. President, I will include a comprehensive list of the changes in the agreement at the conclusion of my remarks. But the preceding list shows that even while cutting the deficit, we have still found room for key investments.

It simply is not true that this is a tax and spend budget. Domestic spending has been cut. Military spending will either be held to last year's level or allowed to grow only with the level of inflation. So the revenues that have been added have been added for one reason alone: to cut the Federal deficit. Those revenues are as sound an investment in our future as anything else we could do.

Mr. President, in these preliminary thoughts, I have tried to be candid about the circumstances. The Democrats in Congress have been forced to move ahead without the help we have asked for so often in the past. We have brought this agreement to the floor, and will proceed in good faith.

But if what we want most is a solid budget plan to cut the deficit and put the economy on firm footing, what we want next is a cooperative approach. We want the help of the President. We believe the country wants the White House to be a full and active partner in this work.

The President has never hesitated to say what he thinks. I think it is important the President understand what we think. Now what we have to do is reach a mutual understanding and work together. I have every confidence we can do it.

To that end, this conference report brings with it reconciliation instructions. Selected committees are to report their implementing changes by July 28. These changes are the gears of the budget, the steps to convert good intentions into sound results.

Among these changes is a reconciliation instruction for debt limit increase as provided in the Budget Act.

I want to make it clear at the outset, this is not an attempt to rule out procedural reforms in the budget process, such as restoring the automatic trigger mechanism under the Gramm-Rudman-Hollings law.

We are willing to work out a procedure through which we can include procedural reform in the reconciliation bill. What we would like to do is wrap all key elements into one package. It would include domestic spending cuts, effective funding for the military, deficit-reduction revenues, and changes in the process to implement the agreement on substantive policy.

Frankly, if we can work that out, everyone will gain. The President will get the reform, a higher level of defense funding, and the increase in the debt limit for 1 year.

The Congress will get key investments and the deficit reduction we want. The Nation will get lower deficits and a healthier economy, both for now and into the future.

If that cannot be worked out, then a freestanding debt limit bill will come over from the House under the Gephardt rule. Under those circumstances, the President would then have to persuade the Congress to increase the debt limit by an extra $30 billion, which is the amount of deficit reduction contemplated in the reconciliation bill.

I believe it is in the best interest of everyone to work hard toward an agreement on the reconciliation package to address all these issues at the same time.

There is no need for confrontation. The President wants to cut the deficit. No one doubts that. The Congress wants the same thing.

Both the President and the Congress have acknowledged the need for revenues to cut the deficit. There should not be any bickering about that, either.

Everyone wants a strong national defense, and both Congress and the President have made that clear. Now, the President doesn't think he's getting much of a deal when he compares defense dollars to revenues. The trouble is he compares 3 years of revenues with 1 year of defense.

In addition to a strong national defense, we certainly need sound investments for the future. If either the President or Congress have any doubts about that, we need only look to our trade imbalance and the ambition of our competitors to understand the need for those investments.

It seems to me, all the parties have had the chance to speak their piece. Now it's time for all of us to do our part. I invite the President's cooperation.

I understand that the President might find some fine tuning necessary with this plan before it would be acceptable to him. We recognize that. We ask him to get his minutiae people to look at this. We think it would be very wise if he would convene discussions so we could examine areas like budget reform that the President and my good friend from New Mexico have promoted. We could look at defense, 1 or 2 years—2 years if the President thought that was desirable. We could look at a meaningful package to bring down the deficit. We could look at other spending cuts.

I hope we could come out of that meeting and give the American people the confidence and assurance that the Congress and the President were ready to take on this issue and we were ready to enter into a compact that would provide the assurance to financial markets, to our friends overseas, and others that we were going, in the next 2 years, to make a meaningful reduction in the deficit and put us on the path toward a balanced budget.

Mr. President, I ask unanimous consent that additional materials detailing the budget resolution be printed in the RECORD.

There being no objection, the materials were ordered to be printed in the RECORD, as follows:

HIGHLIGHTS OF THE CONFERENCE AGREEMENT ON THE FISCAL 1988 BUDGET RESOLUTION

$36.8 billion reduction in deficit for 1988.

The deficit is cut to $108 billion based on OMB economic assumptions, and $113.8 billion according to CBO calculations.

Includes two-tier "pay for defense" plan.

Contains $29.0 billion in reconciled savings over three years.

Contains $6.3 billion in FY '88 savings for domestic programs.

Provides for the creation of a deficit-reduction trust fund for all new revenues.

PROGRAM HIGHLIGHTS

Includes $19.3 billion in additional revenues for 1988, and $64.3 billion over three years.

Creates deficit reduction trust fund in which all new revenues are to be deposited.

Retains Senate language prohibiting increase in individual tax rates.

IRS initiative produces savings of $1.8 billion.

Defense

Two-tier "pay for defense" program.

Low-tier provides a freeze in budget authority at 1987 levels ($289 billion in budget authority; $284 billion in outlays).

High-tier buys inflation adjustment to zero real growth ($296 billion in budget authority; $290 billion in outlay with additional revenues.)

Domestic Programs

Includes provision for Catastrophic Health Insurance.

Program increase of $600 million for Medicaid.

Includes $800 million for NIH and AIDS research.

Increases funding for assistance for the Homeless.

Provides approximately $150 million increase for the Women, Infants and Children program Supplemental Feeding program (WIC).

Allows approximately $1 billion for Welfare Reform and dislocated worker initiatives in 1988.

Reconciled Medicare measures yield savings of $1.5 billion in 1988 and 8.7 billion over three years. No increase in beneficiary out-of-pocket costs are assumed.

Includes $2.3 billion increase for education programs.

Includes additional outlays for Job Corps.

Provides for three percent pay raise for federal workers; provides for all scheduled within-grade pay increases; and provides for continued availability of "lump sum" retirement option.

Assumes full COLAs for civil service, railroad, military retirees, and Social Security recipients.

Fully funds veterans medical care, including inflation increases, and assumes full COLAs for Veterans compensation and pension programs.

Increases funding for the science and technology programs of the National Science Foundation NASA, and Department of Energy, including the Space Station, and Supercollider.

Increases funding for key environmental programs, including Superfund and Clean Coal Technology.

Assumes full funding at current levels for community development programs.

Saves $1.2 billion in farm programs in 1988.

Provides adequate funding for recently enacted Highway bill.

Allows room for significant increases for air safety programs.

Includes $250 million for war against drugs and law enforcement.

Foreign assistance programs reduced $1.3 billion below baseline in budget authority.

Sufficient funding included for enactment of Senate Campaign Financing bill.

DEFICIT REDUCTIONS IN CONFERENCE AGREEMENT

[In billions of dollars]

	1988	1989	1990	1988–90
1988 baseline deficit	−170.70	−164.25	−136.75	−471.70
Defense [1]	−0.95	−11.15	−17.85	−29.95
Domestic	−6.30	−9.80	−13.65	−29.75
REA	−7.20	0.80	0.80	−5.60
IRS initiative	−1.85	−2.95	−3.10	−7.90
Reconciled revenues	−19.30	−22.00	−23.00	−64.30
Debt service	−1.25	−4.10	−7.70	−13.05
Total deficit reductions	−36.85	−49.20	−64.50	−150.55
Resulting CBO deficits	−133.85	−115.05	−72.25	−321.15
Resulting OMB deficits	−108.00	−89.90	−50.30	−248.20

[1] Assumes high-tier defense.

COMPARISON OF 1988 BUDGET OPTIONS

[In billions of dollars]

Conference agreement	Senate-passed	House-passed	
1988 baseline deficit	−170.7	−170.7	−170.7
Defense [1]	−1.0		−8.8
Domestic	−6.3	−8.6	−8.4
REA	−7.2	−7.2	
IRS initiative	−1.8	−1.8	−1.8
Reconciled revenues	−19.3	−18.3	−18.0
Debt service	−1.2	−1.3	−1.3
Total deficit reductions	−36.8	−37.1	−38.2
Resulting CBO deficits	−133.8	−133.6	−132.5
Resulting OMB deficits	−108.0	−107.8	−107.6

[1] Assumes high-tier defense.

CONFERENCE AGREEMENT ON 1988 BUDGET COMPARED TO PRESIDENT'S BUDGET AND TO A SEQUESTER

[In billions of dollars]

	Conference agreement	President's budget	1988 sequester
1988 CBO baseline deficit	−170.7	−170.7	−170.7
Defense [1]	−1.0	7.8	−29.9
Domestic	−6.3	−24.8	−30.7
REA	−7.2		
IRS initiative	−1.8	−1.8	
Reconciled revenues	−19.3	−16.3	
Debt service	−1.3	−1.2	−2.1
Total deficit reductions	−36.8	−36.3	−62.7
Resulting CBO deficits	−133.0	−134.3	−108.0
Resulting OMB deficits	−108.0	−107.8	

[1] Assumes high-tier defense for conference agreement.

CONFERENCE AGREEMENT BY FUNCTION

[In billions of dollars]

	1988	1989	1990
050 National Defense—High tier:			
BA	296.00	303.70	311.00
0	289.50	292.30	299.20
(050 National Defense—Low tier):			
BA	(289.00)	(294.80)	(297.90)
0	(283.60)	(288.00)	292.00)
150 International Affairs:			
BA	16.20	21.70	18.45
0	16.10	15.25	15.20
250 General Science, Space, and Technology:			
BA	11.30	13.50	15.00
0	11.10	13.00	14.60
270 Energy:			
BA	4.50	5.05	4.65
0	4.55	4.15	4.25
300 Natural Resources and Environment:			
BA	15.90	16.45	16.85
0	15.10	16.15	17.25
350 Agriculture:			
BA	29.45	29.95	25.55
0	28.60	26.10	22.35
370 Commerce and Housing Credit:			
BA	12.50	12.05	15.35
0	7.80	5.00	6.80
400 Transportation:			
BA	29.20	29.50	30.20
0	28.25	27.85	27.65
450 Education, Training, Employment, and Social Services:			
BA	7.50	7.65	7.80
0	6.60	6.40	6.70
500 Education, Training, Employment, and Social Services:			
BA	36.45	38.05	39.25
0	32.90	35.70	37.50
550 Health:			
BA	45.65	49.75	54.20
0	44.85	49.45	53.70
570 Medicare:			
BA	92.85	102.30	113.05
0	81.60	89.45	99.95
600 Income Security:			
BA	168.60	176.65	183.15
0	131.45	139.00	144.60
650 Social Security:			
BA	256.80	281.50	310.60
0	220.75	235.40	252.00
700 Veterans Benefits and Services:			
BA	27.90	28.15	28.25
0	27.35	27.55	27.90
750 Administration of Justice:			
BA	9.60	9.55	9.50
0	9.35	9.55	9.55
800 General Government:			
BA	7.70	7.65	7.85
0	7.15	7.00	7.20
850 General Purpose Fiscal Assistance:			
BA	1.80	1.85	1.90
0	1.80	1.85	1.90
900 Net Interest:			
BA	139.25	143.30	144.55
0	139.25	143.30	144.55
920 Allowances:			
BA	−0.70	−0.30	0.35
0	−0.70	−0.55	0.05
950 Undistributed:			
A. Offsetting Receipts:			
BA	−40.60	−41.95	−43.55
0	−47.90	−41.90	−43.50
B. Offsetting Receipts:			
BA	−41.65	−18.15	−32.35
0	−14.65	−18.15	−32.35
Grand Total Spending:			
BA	1,153.20	1,217.90	1,261.60
0	1,040.80	1,083.85	1,117.05
Revenues	921.60	986.95	1.077.15
Economic and technical adjustment	11.20	7.00	−10.40
Deficit	−108.00	−89.90	−50.30

RECONCILIATION IN CONFERENCE AGREEMENT

[Savings in billions of dollars]

	1988	1989	1990	1988–90
Conference agreement				
Spending:				
BA	−2.294	−2.784	−3.502	−8.580
0	−3.976	−7.863	−11.468	−23.307
Contributions:				
BA	0.090	0.743	0.742	1.575
0	−7.218	0.788	0.788	−5.642
Revenues: REV	−19.300	−22.000	−23.000	−64.300
Total savings	−30.494	−29.075	−33.680	−93.249
Agriculture				
Spending:				
Farm programs:				
BA	−1.200	−1.600	−2.650	−5.450
0	−1.200	−1.600	−2.650	−5.450
REA reforms:				
BA	−0.130	−0.130	−0.128	−0.388
0	−0.130	−0.130	−0.128	−0.388
Total, spending:				
BA	−1.330	−1.730	−2.778	−5.838
0	−1.330	−1.730	−2.778	−5.838
Contributions:				
REA prepayment:				
BA	0.090	0.743	0.742	1.575
0	−7.218	0.788	0.788	−5.642
Total, Agriculture:				
BA	−1.240	−0.987	−2.036	−4.263
0	−8.548	−0.942	−1.990	−11.480
Banking				
Function 450 rec (total):				
BA	−0.200	−0.200	−0.200	−0.600
0	−0.200	−0.200	−0.200	−0.600
Commerce				
Function 370 rec:				
BA	−0.300	−0.300	−0.000	−0.600
0	−0.300	−0.300	−0.000	−0.600
Sec. 32 (NOAA share):				
BA	−0.044	−0.044	−0.044	−0.132
0	−0.026	−0.041	−0.043	−0.110
Coast Guard user fees:				
BA	−0.050	−0.050	−0.050	−0.150
0	−0.050	−0.050	−0.050	−0.150
Total, Commerce:				
BA	−0.394	−0.394	−0.094	−0.882
0	−0.376	−0.391	−0.093	−0.860
Energy and Natural Resources				
Function 270 rec:				
BA	−0.140	−0.250	−0.250	−0.640
0	−0.140	−0.250	−0.250	−0.640
Function 300 rec:				
BA	−0.030	−0.030	−0.030	−0.090
0	−0.030	−0.030	−0.030	−0.090
Total, Energy and Natural Resources:				
BA	−0.170	−0.280	−0.280	−0.0730
0	−0.170	−0.280	−0.280	−0.730
Environment and Public Works				
NRC fees (total):				
BA	−0.150	−0.150	−0.150	−0.450
0	−0.150	−0.150	−0.150	−0.450
Finance				
PBCG: [1]				
BA				
0	−0.100	−0.200	−0.200	−0.500
Medicare:				
BA				
0	−1.500	2.95	4.25	8.700
Subtotal, Spending:				
BA				
0	−1.600	−3.300	−4.600	−9.500
Revenues	−19.300	−22.000	−23.000	−64.300
Total, Finance				
BA				
0	−20.900	−25.300	−27.600	−73.800
Governmental Affairs				
Pay and other management savings (total)				
BA	−0.100	−1.752	−3.252	−5.104
0	−0.100	−1.782	−3.357	−5.239
Labor and Human Resources				
PBGC: [1]				
BA				
0	−0.100	−0.200	−0.200	−0.500
Veterans Affairs				
Increase real property cash sales (total)				
BA	−0.050	−0.030	−0.000	−0.080
0	−0.050	−0.030	−0.010	−0.090

[1] Reconciled to Finance and Labor and Human Resources; not double counted in total.

FUNCTION 050: NATIONAL DEFENSE

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate passed high tier	301.50	290.60	307.30	295.00	310.40	299.00
Senate passed low tier	289.00	283.60	294.80	288.00	297.90	292.00
House passed	288.70	281.70	299.20	289.00	310.60	298.60
Difference high tier	+12.80	+8.90	+8.10	+6.00	−.20	−.40
Difference low tier	+.30	+1.90	−4.40	−1.00	−12.70	−6.60
Conference agreement:						
High tier	296.00	289.50	303.70	292.30	311.00	299.20
Low tier	289.00	283.60	294.80	288.00	297.90	292.00
Change from Senate passed:						
High tier	−5.50	−1.10	−3.60	−2.70	+.60	+.20
Low tier						
Change from House passed	+7.30	+7.80	+4.40	+3.30	+.40	+.60

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The high tier of the conference agreement provides for zero real growth in 1988 and in the outyears. In the event that inflation exceeds current economic projections, it is assumed that the DOD will make nonprogrammatic adjustments to maintain the steady state program level. The low tier provides a nominal freeze in budget authority. Enactment of the high tier is contingent upon the signing of the 1988 reconciliation bill.

Reconciled and other

The Conference agreement contains no reconciled savings in this function.

FUNCTION 150: NATIONAL DEFENSE

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	15.80	15.80	20.30	14.30	16.00	13.30
House-passed	16.35	16.20	22.05	15.55	18.75	15.45
Difference	−.55	−.40	−1.75	−1.25	−2.75	−2.15
Conference agreement	16.20	16.10	21.70	15.25	18.45	15.20
Change from Senate-passed	+.40	+.30	+1.40	+.95	+2.45	+1.90
Change from House-passed	−.15	−.10	−.35	−.30	−.30	−.25
Change from baseline	−1.30	−.65	−1.55	−1.10	−1.55	−1.30

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Conference agreement partially restores discretionary program reductions in Senate-passed resolution. Assumes no reductions in key foreign assistance programs to Israel, Egypt and Africa.

Reconciled and other

The conference agreement contains no reconciled savings in the function.

FUNCTION 250: GENERAL SCIENCE, SPACE, AND TECHNOLOGY

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	11.50	11.20	13.70	13.10	15.20	14.80
House-passed	10.25	10.45	10.75	11.10	11.25	11.60
Difference	+1.25	+.75	+2.95	+2.00	+3.95	+3.20
Conference agreement	11.30	11.10	13.50	13.00	15.00	14.60
Change from Senate-passed	−.20	−.10	−.20	−.10	−.20	−.20
Change from House-passed	+1.05	+.65	+2.75	+1.90	+3.75	+3.00
Change from baseline	+.75	+.40	+2.45	+1.55	+3.45	+2.70

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Assumes increases in general science and basic research programs of the National Science Foundation and Department of Energy at levels between those passed by the House and Senate.

Overall increase of $1.1 billion above a freeze allows all major new initiatives, such as the manned space station and the superconducting supercollider, while maintaining adequate funding for NASA space flight programs.

Reconciled and other

The conference agreement contains no reconciled savings in this function.

FUNCTION 270: ENERGY

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	4.80	4.80	5.40	4.50	5.00	4.60
House-passed	3.25	3.60	4.15	3.30	4.20	3.25
Difference	+1.55	+1.20	+1.25	+1.20	+.80	+1.35
Conference agreement	4.50	4.55	5.05	4.15	4.65	4.25
Change from Senate-passed	−.30	−.25	−.35	−.35	−.35	−.35
Change from House-passed	+1.25	+.95	+.90	+.85	+.45	+1.00
Change from baseline	−.85	−.90	−1.25	−1.20	−1.75	−1.30

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement assumes net discretionary reductions of $0.40 billion in 1988 in budget authority and $0.40 billion in outlays in 1988.

The agreement assumes increases for Clean Coal and other discretionary programs and reductions for nuclear waste.

The agreement could also allow for energy efficiency initiatives included in the Economic Power Budget.

Reconciled and other

The conference agreement assumes NRC user fees of $150 million will be reconciled in 1988.

The agreement assumes a package of REA reforms totaling $150 million in budget authority and outlays in 1988.

The agreement deletes a House assumption concerning cost recovery for the Strategic Petroleum Reserve.

The agreement also assumes unspecified savings of $140 million in budget authority and outlays reconciled to the Senate Energy and Natural Resources Committee.

FUNCTION 300: NATURAL RESOURCES AND ENVIRONMENT

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	16.00	15.10	16.50	16.20	16.90	17.30
House-passed	13.90	13.80	14.80	14.55	15.55	15.75
Difference	+2.10	+1.30	+1.70	+1.65	+1.35	+1.55
Conference agreement	15.90	15.10	16.45	16.15	16.85	17.25
Change from Senate-passed	−.10	−.00	−.05	−.05	−.05	−.05
Change from House-passed	+2.0	+1.30	+1.65	+1.60	+1.30	+1.50
Change from baseline	−.60	+.40	−1.00	−.75	−1.45	−1.20

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement assumes net discretionary reductions in 1988 of $550 million in budget authority and $350 million in outlays.

The agreement would allow increases for EPA, land acquisition and other discretionary programs within this restrained total.

Reconciled and other

The conference agreement contemplates termination of USDA Section 32 program funds resulting in a slight reduction in overall funding levels for NOAA.

The agreement also reconciles savings of $30 million in budget authority and outlays to the Senate Energy and Natural Resources Committee.

The agreement deletes a Senate assumption concerning EPA user fees and a House assumption concerning oil and gas administrative savings.

FUNCTION 350: AGRICULTURE

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	29.40	28.60	30.10	26.20	25.50	22.30
House-passed	29.50	28.65	30.00	26.10	26.15	23.00
Difference	−.10	−.05	+.10	+.10	−.65	−.70
Conference agreement	29.45	28.60	29.95	26.10	25.55	22.35
Change from Senate-passed	+.05	.00	−.15	−.10	+.05	+.05
Change from House-passed	−.05	−.05	−.05	.00	−.60	−.65
Change from baseline	−1.45	−1.35	−1.90	−1.90	−3.00	−3.00

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement assumes net discretionary reductions of $250 million in budget authority and $200 million in outlays in 1988.

The agreement could allow increases for the Homeless bill and the Economic Power initiatives.

Reconciled and other

The agreement reconciles $1.2 billion in fiscal year 1988 farm program savings to the Agriculture Committee.

FUNCTION 370: COMMERCE AND HOUSING CREDIT

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	12.25	7.55	12.40	5.40	15.45	6.90
House-passed	12.70	8.10	12.60	5.55	15.85	7.10
Difference	−.45	−.55	−.20	−.15	−.40	−.20
Conference agreement	12.50	7.80	12.05	5.00	15.35	6.80
Change from Senate-passed	+.25	+.25	−.35	−.40	−.10	−.10
Change from House-passed	−.20	−.30	−.55	−.55	−.50	−.30
Change from baseline	−.50	−.50	−.90	−.80	−.85	−.65

Note: Detail may not add to totals due to rounding.

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Assumes freeze on discretionary programs.

Assumes split between House and Senate on additional discretionary program changes, except for postal subsidy.

Assumes postal subsidy at the CBO-estimated level reflecting implementation of the "equal markup" method of calculating the postal subsidy for preferred-rate mailers.

Reconciled and other

Reconciliation of $300 million in both 1988 and 1989 budget authority and outlays to Commerce (Senate) and Energy and Commerce (House).

FUNCTION 400: TRANSPORTATION

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	29.35	28.40	29.60	27.95	30.30	27.75
House-passed	28.35	27.95	29.05	27.95	30.10	28.35
Difference	+1.00	+.45	+.55	....	+.20	−.40
Conference agreement	29.20	28.25	29.50	27.85	30.20	27.65
Change from Senate-passed	−.15	−.15	−.10	−.10	−.10	−.10
Change from House-passed	+.85	+.35	+.50	−.05	+.10	−.70
Change from baseline	−.50	−.50	−.95	−1.55	−1.35	−2.45

Note: Detail may not add to totals due to rounding.

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Assumes a freeze on discretionary programs.

Assumes increases for high priority programs such as air safety, airport construction, and Coast Guard.

Reconciled and other

Reconciliation of $50 million in Coast Guard user fees.

FUNCTION 450: COMMUNITY AND REGIONAL DEVELOPMENT

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	7.40	6.75	7.30	6.40	7.25	6.45
House-passed	7.60	6.70	7.75	6.50	7.90	6.80
Difference	−.20	+.05	−.45	−.10	−.65	−.35
Conference agreement	7.50	6.60	7.65	6.40	7.80	6.70
Change from Senate-passed	+.10	−.15	+.35	....	+.10	+.10
Change from House-passed	−.10	−.10	−.10	−.10	−.10	−.10
Change from baseline	−.35	−.20	−.40	−.25	−.40	−.35

Note: Detail may not add to totals due to rounding.

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Assumes freeze on discretionary program levels, except for high priority, low-income programs.

Reconciled and other

Reconciliation of $200 million in 1988-90 budget authority and outlay savings to Banking Committees in the Senate and House.

FUNCTION 500: EDUCATION, TRAINING, EMPLOYMENT & SOCIAL SERVICES

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	36.00	32.90	36.45	35.95	38.00	37.00
House-passed	36.45	32.95	38.05	35.70	39.25	37.50
Difference	−.45	−.05	−1.60	+.25	−1.25	−.50
Conference agreement	36.45	32.90	38.05	35.70	39.25	37.50
Change from Senate-passed	+.45	....	+1.60	−.25	+1.25	+.50
Change from House-passed	....	−.05	....	....	....	....
Change from baseline	+2.15	+.25	+1.95	+.95	+1.80	+1.05

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

$2.3 billion increase for education programs including Head Start, Chapter 1, the Drug Free Schools Act, vocational education, Pell Grants, Math Science grants, TRIO, and the Minority Institutions Science Improvement Programs. The agreement allows for funding of new initiatives to

combat illiteracy, and provides funds for dropout prevention.

$134 million in budget authority and $11 million in outlays to increase funding for the Job Corps.

Reconciled and other

Increased funding for the Title XX social services block grant.

Provides separate funding of $1 billion for welfare reform, worker training and retraining, and child care initiatives.

FUNCTION 550: HEALTH SERVICES AND RESEARCH

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	45.10	44.35	48.00	48.10	51.80	51.60
House-passed	45.70	44.90	49.75	49.45	54.20	53.70
Difference	−.60	−.55	−1.75	−1.35	−2.40	−2.10
Conference agreement	45.65	44.85	49.75	49.45	54.20	53.70
Change from Senate-passed	+.55	+.50	+1.75	+1.35	+2.40	+2.10
Change from House-passed	−.05	−.05				
Change from baseline	+1.10	+.75	+1.40	+1.30	+1.60	+1.60

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Provides for an increase over current appropriations of $1.05 billion in 1988 budget authority for discretionary health programs, including $0.80 billion for AIDS research and education and biomedical research within the National Institutes of Health. Increases are also provided for several low-income high priority programs such as maternal and child health, community health centers and others.

Medicaid

Provides $0.6 billion in 1988 budget authority and outlays ($2.4 billion over three years) for improvements in services to low-income elderly, children, and pregnant women. These increases are in addition to any offsets resulting from Medicare catastrophic insurance.

Reconciled and other

The conference agreement contains no reconciled savings in this function.

FUNCTION 570: MEDICARE

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	93.25	80.15	102.70	89.05	113.25	99.75
House-passed	93.20	81.60	102.60	89.25	113.30	98.75
Difference	−.05	−1.45	−.10	−.20	−.05	−1.00
Conference agreement	92.85	81.60	102.30	89.45	113.05	99.95
Change from Senate-passed	−.40	+1.45	−.40	+.40	−.20	+.20
Change from House-passed	−.35		−.30	+.20	−.30	+1.20
Change from baseline	−.55	−1.50	−.90	−3.10	−1.20	−4.40

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Maintains Medicare contractor and other administrative costs at baseline levels.

Reconciled and other

Reconciles Medicare provider savings of $1.5 billion in 1988, $8.7 billion over three years. No increases in beneficiary out-of-pocket costs are assumed.

FUNCTION 600: INCOME SECURITY

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	168.00	130.60	175.50	137.60	181.50	142.90
House-passed	168.60	131.35	176.65	139.10	183.15	144.75
Difference	−.60	−.75	−1.15	−1.50	−1.65	−1.85
Conference agreement	168.60	131.45	176.65	139.00	183.15	144.60
Change from Senate-passed	+.60	+.85	+1.15	+1.40	+1.65	+1.70
Change from House-passed		+.10		−.10		−.15
Change from baseline	+.60	+.05	+.55	+.20	+.55	+.20

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement provides sufficient room for full current services funding for all discretionary programs plus room for an *additional* $600 million in BA and $150 million in outlays in 1988. These additional funds can be used to fund increases above the baseline in such programs as WIC and initiatives to aid the homeless.

Reconciled and other

All entitlement programs are assumed to receive funding at full current service levels.

The conference agreement assumes increased savings for the Pension Benefit Guaranty Corporation of $100 million in 1988 and $200 million in 1989 and 1990.

FUNCTION 650: SOCIAL SECURITY

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	256.80	220.70	281.50	235.40	310.60	252.00
House-passed	256.80	220.95	281.45	235.55	310.60	252.20
Difference		−.25	+.05	−.15		−.20
Conference agreement	256.80	220.75	281.50	235.40	310.60	252.00
Change from Senate-passed		+.05				
Change from House-passed		−.20	+.05	−.15		−.20
Change from baseline		−.25		−.20		−.20

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Assumes $250 million in outlay savings in 1988. Savings are assumed to come solely from line-item for computer expenses. Computer savings of $200 million per year are assumed in the out-years as well.

Reconciled and other

The conference agreement contains no reconciled savings in this function.

FUNCTION 700: VETERANS BENEFITS AND SERVICES

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	28.00	27.35	28.10	27.45	28.00	27.65
House passed	27.90	27.40	28.25	27.65	28.50	28.15
Difference	+.10	−.05	−.15	−.20	−.50	−.50
Conference agreement	27.90	27.35	28.15	27.55	28.25	27.90
Change from Senate-passed	−.10		+.10	+.10	+.25	+.25
Change from House-passed		.05	−.10	−.10	−.25	−.25
Change from baseline	+(*)	−.05	−.10	−.10	−.25	−.25

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

Assumes full inflation for medical care, education and training and other discretionary programs. Assumes modest increases in nursing home construction.

Reconciled and other

Assumes full COLAs for compensation and pension programs.

Assumes increase of $0.05 billion in 1988 budget authority for unspecified veterans program improvements.

Reconciles $50 million in 1988 savings from real property cash sales, not affecting veterans in any way.

FUNCTION 750: ADMINISTRATION OF JUSTICE

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	9.75	9.50	9.60	9.60	9.60	9.65
House-passed	9.20	9.00	9.35	9.30	9.50	9.50
Difference	+.55	+.50	+.25	+.30	+.10	+.15
Conference agreement	9.60	9.35	9.55	9.55	9.50	9.55
Change from Senate-passed	−.15	−.15	−.05	−.05	−.10	−.10
Change from House-passed	+.40	+.35	+.20	+.25		−.05
Change from baseline	+.25	+.25		+.05	−.20	−.10

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement provides increases above the baseline of $0.25 billion in budget authority and outlays for administration of justice programs in 1988—for a function total of $9.6 billion in budget authority and $9.35 billion in outlays.

The conference agreement allows increases for key federal agencies—such as the FBI, Drug Enforcement Administration, Immigration and Naturalization Service, U.S. Customs Service and judiciary branch programs to strengthen federal law enforcement efforts in 1988 and beyond.

All other programs in this function would be continued at 1987 levels.

Reconciled and other

The conference agreement contains no reconciled savings in this function.

FUNCTION 800: GENERAL GOVERNMENT

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	7.60	7.15	7.65	7.00	7.85	7.20
House-passed	7.70	7.15	8.00	7.40	8.20	7.65
Difference	−.10		−.35	−.40	−.35	−.45
Conference agreement	7.70	7.15	7.65	7.00	7.85	7.20
Change from Seante-passed	+.10					
Change from House-passed			−.35	−.40	−.35	−.45
Change from baseline	+.40	+.30	+.20	+.10	+.10	

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement provides sufficient funding for enactment of Senate campaign financing legislation.

The conference agreement assumes that $7.7 billion in budget authority and $7.15 billion in outlays would be provided for programs in the general function in 1988.

The conference agreement allows increases for the Internal Revenue Service at the President's requested levels in 1988.

Reconciled and other

The conference agreement contains no reconciled savings in this function.

FUNCTION 850: GENERAL PURPOSE FISCAL ASSISTANCE

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	1.75	1.75	1.75	1.75	1.80	1.80
House-passed	1.80	1.80	1.85	1.85	1.90	1.90
Difference	−.05	−.05	−.10	−.10	−.10	−.10
Conference agreement	1.80	1.80	1.85	1.85	1.90	1.90
Change from Seante-passed	+.05	+.05	+.10	+.10	+.10	+.10
Change from House-passed						
Change from baseline	−.05	−.05	−.05	−.05		−.05

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement provides a total of $1.8 billion in budget authority and outlays for this function in 1988.

All discretionary programs in this function are continued at 1987 levels in 1988-90.

Reconciled and other

The conference agreement contains no reconciled savings in this function.

FUNCTION 920: ALLOWANCES

[In billions of dollars]

	1988		1989		1990	
	BA	0	BA	0	BA	0
Senate-passed	−0.30	−0.60	0.00	−0.25	0.65	0.35
House-passed	−.20	−.20	1.95	2.05	3.15	3.40
Difference	−.10	−.40	−1.95	−2.30	−2.50	−3.05
Conference agreement	−.70	−.70	−.30	−.55	−.35	−.05
Change from Seante-passed	−.40	−.10	−.30	−.30	−.30	−.30
Change from House-passed	−.50	−.50	−2.25	−2.60	−2.80	−3.35
Change from baseline	−1.60	−1.60	−3.45	−3.85	−5.00	−5.70

DESCRIPTION OF CONFERENCE AGREEMENT

Discretionary programs

The conference agreement assumes reductions in both federal civilian travel and in non-permanent change of station travel under the Defense Department. Unspecified management savings are also assumed.

Reconciled and other

The conference agreements reconciles a total of $1.75 billion in budget authority and $1.80 billion in outlays in 1988 for pay and other management savings. The agreement also assumes a three percent pay rise for federal civilian employees in each of the years, 1988-90, with 100 percent absorption assumed in the first year.

CONFERENCE AGREEMENT ON 1988 BUDGET COMPARED TO PRESIDENT'S BUDGET AND TO A SEQUESTER

[In billions of dollars]

	Conference agreement	President's budget	1988 sequester
1988 CBO baseline deficit	−170.7	−170.7	−170.7
Defense:			
High tier	−1.0	7.8	−29.9
Low tier	(−6.8)		
Domestic	−6.3	−24.8	−30.8
REA	−7.2		
IRS initiative	−1.8	−1.8	
Reconciled revenues	−19.3	−16.3	
Debt service	−1.3	−1.2	−2.0
Total deficit reduction [1]	−36.8	−36.3	−62.7
Resulting deficits (CBO estimate)	−133.8	−134.3	−108.0
Resulting deficits (OMB estimate)	−108.0	−107.8	−83.7

[1] Assumes high-tier defense for conference agreement, consistent with assuming passage of deficit reduction in Reconciliation bill.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself 15 minutes at this time.

I want to take the first few seconds to remind my colleagues on this side of the aisle that we are now on the budget resolution. A number of them have asked to be heard on this budget resolution and I want them to know that I shall try my very best to accommodate them. I trust that they will be calling in from time to time to the Cloakroom to confirm what time is available for them. Everyone knows this is a measure that, by statute, is under time constraint.

The Senator from New Mexico controls the time. I am going to be as generous as I can to my colleagues because many of them have asked to speak and I want that to occur. They ought to know that this is important and that we cannot all wait until 3 o'clock this afternoon to be heard because the time will have expired.

Mr. President, I wonder if I may now proceed to ask my friend, the chairman of the committee, Mr. CHILES, a question with reference to reconciliation and the debt limit. Before I do that, let me say I have the greatest respect for the distinguished chairman. He knows that. I am his good friend, I hope he is my good friend. Let me say this is not an issue here today of personalities or friendship. This is an issue upon which we disagree substantively and disagree rather seriously. I believe most Republicans will disagree rather seriously with the Democrats whom he leads on this floor with reference to this budget resolution.

Having said that, Mr. President, when the Senator discussed procedural reform, Gramm-Rudman-Hollings, and the possibility of an automatic trigger, I did not understand why he assumed that might occur in this process. Did I hear him say that might occur on reconciliation?

Mr. CHILES. The Senator from Florida said he hoped there would be a way of working that out so it could be included if that were something that could be arranged.

Mr. DOMENICI. On the other hand, may I ask, I think it will come as a very big surprise to many Senators that, for the first time since we have had a budget resolution, there is an instruction that the Finance Committee report out a debt limit bill. There are some very specific numbers in there as to how much they should increase the debt limit. I understand we are using OMB estimates for the remainder of this year of what the deficit would be. Nonetheless, may I ask, does he envision that we would have a freestanding debt limit bill in addition to that mandated reconciled debt limit bill?

Mr. CHILES. No, Mr. President. I think the Senator from Florida said that the instruction allows the Finance Committee as part of the reconciliation to report out a debt limit. I said in the event that that did not happen, we also could have—under the Gephardt rule—the freestanding debt limit would come over from the House.

Mr. DOMENICI. I thank the distinguished chairman.

Mr. President, let me now use the remainder of this first 15 minutes I have allocated to myself to talk about a few issues that the distinguished chairman raised and talk a little bit about this budget.

I think every Member of the U.S. Senate knows that the Senator from New Mexico has not been bashful in the past in terms of disagreeing with the President. Obviously, it is very difficult for Congress not to have disagreements of a serious nature with reference to Presidents on budgets. I have done that in the past. I have put together bipartisan budgets here, I have put together budgets that were solely Republican in the past, taken them to conference and done my very best. And from time to time, the President has not been in accord with those budgets.

Frequently, he has negotiated a defense number with us; after hours and hours of debate, we have arrived at some consensus with him. He is somewhat shocked, and I did not disagree with him, that these kinds of negotiations under this budget process just never end. You make a deal with the President of the United States regarding defense or any other major item of the budget and it turns out 4 or 5 months later that is not so, because budget resolutions do not have binding functions in them.

I might just suggest right up front that on defense, we have had a serious problem. Forty-seven billion dollars of defense spending that had been prescribed in budget resolutions was spent elsewhere as we moved through the budget cycle over the past 6 years. I have a suggestion, Mr. President: If it is the President that we want to help us with this budget resolution, when we sit down at a table to talk about budget reform, we should put on the table a new issue that the President ought to sign budget resolutions. We will see how Congress likes that. It is being suggested that it is the President and the President alone that is holding up progress on this budget and holding up progress on deficit reduction and that, in some way, this budget resolution that we have before us is his fault.

My good friend, the chairman, is asking that he cooperate, that he in some way help us. I think the words have been used that he come to the table. The American people ought to know, as the Senators know and as the U.S. Representatives know, the President is not part of this process. Maybe we ought to make him part of the process. Maybe we ought to change the budget resolution and send him a budget resolution and let him sign it or veto it. We would either have a budget resolution with his imput or we would not have one, or we would override him.

Frankly, Mr. President and Members of the Senate, I, too, wish that we could be in a different posture than we are here today. I would wish that serious budget issues, tax issues, how much defense is enough defense for the free world and America, could be worked out just nice and smooth around some table with the President of the United States and Members of Congress. That is just not possible. That has hardly occurred in this great democracy other than in times of war. Even then, I surmise that we have had great, great disagreements between Congress and the President. So my first suggestion is if we want the President so intimately involved in this, then let us make him part of the budget process, let us let him sign budget resolutions.

Mr. President, with reference to this budget, there is a lot to be said about what is wrong with it. But the first thing we have to try to do today—and we are going to try to do that—is to make sure that anybody who is interested in this budget for the people of the United States this year understands what it is and what it is not. The first thing that we have to do is make sure, as to the normal budget gobbledygook, the use of language that nobody understands, that we try as best we can within a complex process to make it as simple as possible.

We are going to try to do that. A number of Senators are going to try to do it on defense. A number of Senators are going to try to do it on the issue of taxation before we finish this budget resolution. I am hopeful we are through that the Senator from New Mexico can contribute, if nothing else, to an understanding of what we have done and what we have not done in this budget resolution and to distinguish clearly between those of us who oppose it and why we oppose it and the Democrats on the other side of the aisle who have to take full responsibility for this budget.

Now, Mr. President, there are States in this country, at least eight that I am aware of—I happen to be looking at the Chair and I will say Louisiana; I look behind me and I see Texas; and I can think of States like New Mexico, my own; and I can go on—these States in the past 4 or 5 years for one reason or another have had to raise taxes. I have seen the Governors go to their people, and they are all worried about the fact that they have to ask their people to pay some more gasoline tax or to do something because of the state of their budgets.

Now, Mr. President and Members of the Senate, I have not studied that issue in detail, but I have come to one conclusion—when you go to the people and ask them to let you raise taxes, and you are the governing body, and in particular in this case, when you go to the people and ask them to let you raise taxes by the largest amount in any single year in our history—and that is not an overstatement: We have never raised taxes by affirmative passage of legislation by an amount in excess of the amount in this budget in our history—when you do that, you normally tell the people in the State, "We don't have enough money to pay our bills." That is generally the promise. Something dramatic has happened, oil prices have dropped and there is no revenue in the coffers of the State of Louisiana or the State of Texas or the State of New Mexico, and in essence legislators go to their people and say, "We are bankrupt." Normally they say, "There is just not going to be enough money around to pay the bills."

That is usually the first statement. Second, they normally go to the people and say, "We have cut every program we could cut and, Mr. and Mrs. Louisiana, Mr. and Mrs. Texas, Mr. and Mrs. New Mexico, we have cut everything we can cut and we are still short. Will you let us have some gasoline tax? Will you let us raise the sales tax a quarter percent?" And the people normally, though reluctantly—and that is understandable—say, "Yes."

Now, Mr. President, it comes to me as I think about this budget resolution in that context that the American people from what I can understand are about 7 or 8 to 1 against raising taxes for this Federal budget. It comes to me that in their marvelous, intuitive way they understand precisely why. We cannot take this budget that is pending at this time and say to the American people, "We have cut every program we could cut. We have eliminated every surplusage in Government we could eliminate. We have looked over the 1,500-plus programs that make up the inventory of American programs and we have cut every one we could cut. We have eliminated every surplusage in Government we could eliminate. We have looked over the 1,500-plus programs that make up the inventory of American programs and we have cut every one we could cut. We have restrained every single one we could. As a matter of fact, we have eliminated a few, Mr. and Mrs. America."

We cannot do that because the truth of the matter is—forget the budget rhetoric, about baselines and how much we would have spent—this budget says to the American people, "We are going to increase domestic spending from 1987 to 1988, the year that we are asking you to let us tax you by the largest amount"—we do not know how yet—"by the largest amount we have ever increased taxes." We cannot tell the American people what the Governors and legislators of our respective States have told their constituents because this budget on the domestic side does not go down, is not cut, is not restrained, and all that talk around that we have reduced expenditures by $10 or $20 billion or we have reduced the deficit by $36.8 billion pales in the reality that domestic spending alone goes up $41 billion in 1988 versus 1987.

Let me repeat, if my theory of how you can genuinely go to the American people and say, "Let us raise your taxes," is so—let me repeat, 1,500-plus American programs in the American budget—this budget contemplates not one to be eliminated and there are more than 1,500.

We cannot tell the American people we have cut anything. And I know some will get up and say, "Well, in one of these functions, it is not going to grow as much as it should have. We have taken inflation out."

But the truth of the matter is, when you pull away all the chaff, domestic spending alone is increasing $41 billion in 1988 over 1987. Now, my friends on the other side will stand up and talk about entitlements, that they have to go up, and that the Senator from New Mexico's $41 billion includes those. Well, I am going to be generous, because obviously the American people are not yet convinced that we should raise taxes and take everything off the table. But we have decided as politicians we are going to take some off, so I will take off basic entitlements, and that is about $13 billion to $14 billion. And if you do the arithmetic, you have about $21 billion as the minimum that we are increasing domestic spending aside from entitlements.

And what a coincidence. What a coincidence. That $21 billion increase in domestic outlays equals the taxes that we are asking the American people to stand for under this budget resolution. That is an accident, but it turns cut to be just about right. It is going up by $21 billion so we want you to pay $21 billion more in taxes.

Now, I have a lot more to say about what we are doing to defense in this budget, the brinkmanship we are playing with holding it hostage by saying if the President signs a tax bill, we will provide an additional $7 billion for the national defense. We will talk a lot more about that later. But I thought I would bring it up because it turns out that we are holding a defense increase hostage to a tax increase.

But, Mr. President, we are not holding domestic spending increases hostage to a tax increase. If the American people want these increases in the budget as bad as some people assume, then why do we not hold all the increases hostage to the taxes and say, if you want increases in the budget, pay for them with taxes and, if not, there will be no increases.

Mr. President, there are a lot of other things to talk about in this budget. We are talking about ordering savings. I will go on to discuss the reconciliation instructions. For those listening and wondering about it, this is a fancy term that means a budget resolution is the will of the Congress and it orders committees to do something. Most committees do not have to do anything. They do what they want.

But we are ordering them under reconciliation to do something.

Mr. President, let me make sure that everybody understands what the reconciliation instruction does.

It is heralded as a great deficit-reduction package.

The Democratic plan orders various committees, including the tax-raising committee, to save, and I put that in parenthesis, $93 billion over the next 3 years.

Mr. President, and Members of the Senate, three-quarters, 75 percent of those savings comes from two things: taxes and refinancing the loan portfolio of the Rural Electrification Administration.

Three-quarters of the alleged savings come from taxes that are to be increased and refinancing a loan portfolio of the REA. By an accounting accident, if you refinance the entire loan portfolio of the Rural Electric Coops, you take that loan off the books for the time being and when you take it off the books, you get about 7 billion dollars' worth of credit in this reconciled savings. Then I assume Congress will put it right back on the books.

There is nothing in this budget resolution that says they cannot, and they will put it back on spread out over a long period of time, and you will take credit for $7 billion this year and over the next 10 or 15 you will probably spend a substantial number of billions to refinance it again.

There is more to talk about, but let me close these opening remarks with my assessment of this situation.

First, the President of the United States notwithstanding, he can talk about what he wants to talk about, balanced budget, constitutional amendments, line item vetoes, he is still President. Thank God, he has some prerogatives and he can talk about what he wants to talk about. I do not believe this budget resolution can be blamed on him and if we want him involved in budget resolutions, let us let him sign them.

Second, I just do not believe in this great country you can ask the American people for new taxes for the programs under your control unless you can to to them and say they are absolutely necessary, you want them all, you know we need them all, none can be restrained, none can be cut, they must go up. I just do not believe that you can raise taxes under those circumstances.

I understand this is a democracy and I understand it is not as simple as the State legislature and the Governor working with a small group of constituents, most of which States cannot spend in the red ever and we can. I understand all of those things.

But, Mr. President, this is too much tax increase for a budget that does little or no real cutting of domestic programs.

I yield the floor.

The PRESIDING OFFICER. The Senator has 3½ minutes remaining.

Who yields time?

Mr. CHILES. Mr. President, I yield myself such time as I might need.

The Senator from New Mexico started his remarks talking about our friendship. I assure him it is not to be reconciled. It is not on the table. And there is no way it can be impaired by anything that goes on in this debate.

Mr. President, I listened with interest to my friend's remarks, I want to make brief comments about slowing down the spending growth.

If we look at our spending, we see in the proposal before us net domestic spending decreases more than $6 billion in 1988 below the CBO baseline.

So, Mr. President, we see—as a share of GNP—spending will actually decrease by one-half of 1 percent under this conference agreement.

Now, if you consider the way we have been doing business in the past, Mr. President, that is a pretty good mark. That is a pretty good adjustment to what we are doing. Perhaps more could be done. I am sure it could, if everybody could sit down and participate.

But the growth in domestic outlays for 1987 is due entirely to a growth in the baseline and not to any new spending. None of the spending growth we have talked about, an increase of some $41 billion, is due to any new spending. That is not because of any new program we are contemplating. The spending growth assumes continuation of the current services.

You talk about this baseline. What in the world is that? That is simply saying that programs like Social Security no one has proposed to cut or to touch, increases by $13 billion due to new beneficiaries, new people retiring, and the cost-of-living increases. That is part of the increase in here, and I have not seen anyone propose to adjust or to tamper with that.

The $3.2 billion is to cover new beneficiaries in the Civil Service, military retirement, the food stamps, SSI, and family support payments. Those are people who are eligible under the law. I have not seen anybody propose to cut that, to say to a military retiree "We are not going to pay you now, you have contributed your years of service, the law said that you would be paid this if you stayed in 20 or 30 years, but we have decided that we cannot pay you now." It just would not be fair for us to do so we are not going to do that.

There is $9.2 billion in mandatory increases to cover increased utilization and inflation in Medicare and Medicaid Programs. Mr. President, we are talking about trying to make savings of $1.5 billion in the Medicare Program. We think that money can be squeezed out. We think that by better utilization, but some cost containment, without hitting the beneficiaries, we can take $1.5 billion in savings. Over 3 years, We expect those savings to be approximately $9 billion.

So, Mr. President, we are trying to make all of the savings we can. But in spite of that we have $9.2 billion in mandatory increases. Those are the law. I have not seen any proposal to change that law; or require that beneficiaries pay more. No one has done that, and yet we talk about increases here.

Nine billion dollars in prior domestic spending commitments that were made by this Congress, by this President were already there. Those are prior commitments. There are $8 billion in technical additions to fund new legislation enacted last year. What is that new legislation? Immigration reform, for example, that was not included in the 1987 provisions for base line.

In addition, last year's domestic base line was low by some $7 billion due to asset sales and other one-time savings. Since these artificial reductions do not occur in 1988, spending appears to increase.

So, Mr. President, what we are doing now is picking up some of the spending increases because of some of the mirrors that were used last year in asset sales. Yet we are now being blamed for the policy that Congress adopted last year, not that my friend from New Mexico or I wanted to adopt it. It was one that was necessary to get us out of the budget impasse last year because, we could not get any kind of agreement between the White House and the Congress on what we should do.

So, Mr. President, none of these domestic spending increases are as a result of new spending called for in the budget. These are ones that are there because of mandated programs. They are there because of entitlements. They are there because of past action. Last year, if you take out those one-time savings, domestic spending went up over $32 billion last year.

So, after all is said and done, the original point I made stands on its own. Domestic spending is cut by $6 billion below the current service levels. And the revenue increases, therefore, are not going to be used for anything other than deficit reduction. They will not be used for any domestic spending.

The PRESIDING OFFICER (Mr. SHELBY). Does the Senator from New Mexico yield time?

Mr. DOMENICI. I yield 5 minutes to myself and then I am going to yield to the junior Senator from Texas.

Mr. President, you cannot have it both ways. My friend from Florida, in representing the Democratic budget here, says last year we took credit for asset sales and in some way that skewed the real picture.

Mr. President, the budget before us has $7.2 billion that is credited as a savings by refinancing the REA loan portfolio. If that is any different than an asset sale, I do not know; I have not been around; I have been asleep someplace; $7.2 billion is one of the cuts they take credit for and it is not a cut of anything. It is refinancing, an accounting gimmick. You cannot have it both ways.

My friend from Florida, in response to my argument, says we have cut spending not increased it, yet in his opening remarks he took credit for a new approach, new areas that are in need, and ticked them off, indicating that there were substantial increases in Medicaid, substantial increases in AIDS research, substantial increases in homeless, the coverage for them.

I want the people that are listening and my friends to know that I think some of these areas ought to go up, not down. But I really think the American people again have fantastic intuition. If you ask them, they say increase some of these programs, but, Mr. President and fellow Senators, they say decrease the ones that are not as necessary. In a sense, they say all programs are not created equal.

Somewhere in this monstrous budget, some programs could be eliminated, some could be cut 5 or 6 percent so that you could spend more in the needed areas. But you cannot say, on the one hand, there are no new programs we have cut and then go to the American people and try to take credit for increasing significantly areas of need.

Now, I yield 15 minutes to the distinguished junior Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I thank the distinguished Senator for yielding.

I would like to begin by noting that the Senator did leave out one area of new spending and that is giving ourselves a pay raise this year. Also in this bill we provide money to fund elections for candidates running for the U.S. Senate. That is a new program and is a contributor to the deficit.

Mr. President, you can talk around in circles about current services, you can talk about baselines until you are blue in the face, but the bottom line on this budget is about as simple as any bottom line could be in any debate.

First of all, this budget mandates, through binding reconciliation, the largest tax increase in any one single year in American history. If you want to raise taxes and have the largest first year tax increase in American history, you want to vote for this budget. In fact, it is not even close. The next largest single year tax increase undertaken by Congress was about a third less than the current tax increase mandated in this bill.

So the first issue is, no matter how you want to try to beat around the bush, this budget calls for a massive increase in Federal taxes on the working men and women of America, because other people do not pay taxes.

Second, this budget, by the definition used by the people of America, does not cut spending. People listening to this debate need to understand that Government does not use the same language that the people use. If a person said, "I have cut spending"—and a lot of people in my State have because of the deep recession Texas is experiencing—they invariably mean they are spending less than they spent last year. A cut in spending means to them spending less than you used to spend.

In this budget and in the budget debate of the Congress, in part to mislead the American people, a spending cut means spending less than you would have spent. It is sort of like the first day of hunting season. You get all excited. You go out and buy a shotgun. You already have 11 of them. You come home. Your wife looks at you kind of funny. You say, "Honey, I saved $400. I saved $400. I was going to spend $1,200, but I only spent $800. So I cut $400."

Now, I do not know about your household, but this does not work in my household. In fact, it works in no household, in no business, and in no private institution in America. But, unfortunately, it works here in the U.S. Senate. That is part of the problem.

The bottom line is that this budget calls for $42.8 billion more spending in outlays than we had last year. It is true that some of those increases occur as a result of growth in entitlements. Of course, there is no law that says we cannot go back and adjust eligibility for entitlement programs, that we cannot go back and try to find ways of doing it better. You would think a law said that we could not, because we so rarely do.

But the bottom line is that in this budget domestic spending, excluding defense and excluding interest on the debt, grows twice as much as taxes are increased. In fact, if the committee on this budget had found a way to tighten the belt of government and to limit spending this year to how much we spent last year, we could have climinated the tax increase and still made the deficit $21 billion lower without it than the deficit is with the tax increase. So we are not raising taxes here to lower the deficit. We are raising taxes to fund more spending.

Now when you are looking at raising taxes in the sense that the distinguished Senator from New Mexico was talking about, looking at a State that has had economic hardship—and my State is one of those States—that State government goes through its budget, scrubs it down, makes cuts—and that is cuts relative to what they spent last year—and then it goes out and, in essence, says we have scrubbed down the State budget and we have concluded that there is more fat in the family budget than there is in the State budget.

In essence, by calling for a $21 billion tax increase here, forgetting for a moment the $42 billion add-on in spending, we are saying to the working men and women of America:

> We have looked at the 1,500 Federal programs. We have looked at our new program to fund our elections so Senators do not have to go out and ask people for money to run for office, do not have to be accountable to people who are contributing. We have looked at our programs in our supplemental appropriations that we passed only 2 weeks ago—the Weed Research Center in North Dakota. We have looked at new aid to Poland. We have looked at archeological digs in Nevada. We have looked at all the things we are spending money on and we have concluded that there is more fat in the family budget of the working men and women of American than there is fat in the Federal budget of the United States.

I do not believe that the majority of the people in the U.S. Senate believe that, and I am absolutely confident that virtually no one outside this Chamber believes that there is more fat in the average family budget of working Americans than there is in the Federal budget.

But we are going more than that. We are saying, in this budget, not only is there more fat in the family budget than there is in the Federal Government so we are going to reach way down deep in their pockets and take out $21 billion next year, the largest tax increase in any one single year in American history, but also we are going to increase domestic spending twice that much.

I do not believe that represents the priority that most Americans have in mind for their Government.

This is not a stand-still budget. In terms of deficit reduction, in terms of trying to promote economic growth and competitiveness, this is a budget going backward.

In fact, this budget goes a long way toward repealing the Reagan economic program. This budget goes exactly backward from everything we have tried to achieve since 1981, in leaving more money in the pockets of the people who earned it to provide incentives for them to work, save, and invest. It goes backward from what we have done in trying to set higher priorities in domestic spending. It goes backward in our effort to try to provide for the common defense.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. GRAMM. I am happy to yield.

Mr. DOMENICI. Is the Senator aware that if the taxes prescribed in this bill become law, that the tax ratio to GNP will be 20 percent, and that that is the second highest level or ratio of what we take from all of our people and everything they do, second highest level in history? Was the Senator aware of that?

Mr. GRAMM. I was not aware of that exact number, but I think, again, it is an indication of how real the statement is that this is the largest mandated tax increase in American history that we are discussing. We are moving to give Government more of the money of the working men and women of America and still we will have deficits, because this budget takes the money of the working men and women of America but it spends twice as much as it takes on domestic programs above the level that was spent last year.

Finally, this budget is a reversal of everything we have done since 1981 because while it funds domestic and social programs, it decimates national defense.

I know this is an old cry of wolf that we have all heard for such a long time that we stopped believing it. So I have illustrated the story here on this chart.

I want to remind people of 1980 and 1979. In 1980 and 1979, there was virtual unanimity in the U.S. Senate and in the House of Representatives and in the Nation that we were not providing for the common defense. Our planes did not fly because we did not have mechanics and we did not have spare parts; our ships did not sail because we did not have sailors. When one warship came into port, we cross-shipped the weapons to put them on another one because we did not have enough weapons to supply the ships we had.

The average IQ level, the average education level of our inductees into the service were at record lows in the postwar period. The defense of the Nation was in shambles. With a Democratic majority in the Senate, with a Democratic majority in the House, and with a Democratic President, the Congress jammed the largest defense increase in American history down President Carter's throat in 1980 in the form of the 1981 budget for national defense.

When we started this buildup, when there was virtual unanimity in the Congress that we were at peril, that the peace of the world was in jeopardy, that our freedom was at risk, we were spending about 5 percent of GNP on defense.

Under the Reagan defense buildup, we have built that up to 6.5 percent of GNP. For the last 2 fiscal years that ratio has been declining and if this budget is adopted, and if the budget is enforced—and I remind my colleagues as the distinguished Senator from New Mexico has pointed out, in the last 4 years Congress has always cheated defense out of what it got in the budget and transferred that to social programs—but, assuming we did not break our promise, which would be new, we would virtually return to where we were when we started the defense increase in 1980.

If we were vulnerable in 1980, if the Congress was virtually unanimous that 5 percent of GNP was not doing the job to keep Ivan back from the gate and to keep the world free, how are we going to do these things when we are moving right back to where we were?

I do not think many of our colleagues understand how dramatic and drastic the cuts in defense are. You might ask: How did the House Armed Services Committee, if it is so difficult to meet these targets, how did they write a budget that met the targets? If they could do it, why can we not do it?

Well, let me tell you how they did it. They went through the budget. They wrote their authorization bill. Then they discovered they were not even close to meeting their target so they called up the Congressional Budget Office and they said, "How much, in the way of bills, does the Pentagon pay every day? How much are they sending out in checks that people are cashing?"

They found out that the Pentagon was sending out about a half a billion dollars daily. So then they said, "Well, we are going to meet the targets we have set out in defense and show that you can make these cuts in defense because we are going to write into our authorization bill that in the last 12 days of the fiscal year the Pentagon is not going to pay its bills."

I know that people think that that could not be so. In fact, we in the Congress have lost our ability to be outraged. So we just sort of laughed this off. I do not even know if the American people would believe it, but I want to repeat it. If anybody thinks it is not right, I wish they would get up and correct me, but we all know that that is exactly what happened, so no one is going to get up and correct me——

Mr. DOMENICI. My friend, would you let me correct you?

Mr. GRAMM. Please.

Mr. DOMENICI. They did one other thing. You forgot to say in this line item where they say delay payments for 12 days, they put in a parenthesis because they do not want to hurt too many voters' feelings, and said, parenthesis: "Except as to small business." Close parenthesis.

So that is how they did that one so nobody out there with a small business was going to be offended by that, that we would not pay our bills. But that is exactly how they reached the target.

Mr. GRAMM. I appreciate that correction.

So they took the last 12 days of the year and they said, in those last 12 days we won't pay our bills. Then, when the new year comes, then we will rush out and pay the bills, like Scarlett O'Hara. She is going to worry about getting Rhett back tomorrow. And, after all, tomorrow is another day.

Now, that is the way that the House of Representatives has tried to deal with this defense budget.

I want my colleagues to focus on what is going to happen here if we adopt this budget. Ronald Reagan is going to veto these tax increases. Let me let you in on a secret: I do not believe we are ever going to adopt these tax increases. I think the odds are pretty good the President is never going to have his day made by vetoing them because I doubt very seriously if the U.S. Congress—I ask that I may have 5 additional minutes.

Mr. DOMENICI. I yield 5 additional minutes

Mr. GRAMM. I doubt very seriously if the U.S. Congress is actually going to vote to have the largest tax increase in American history and take working lower income Americans back to where they were before we had the tax reform package, in terms of tax burden.

If that happens, we are talking about cutting defense $10.2 billion in outlays, or spending as the public would call it, below what we have right now in the bill that was reported by the Senate Armed Services Committee.

I remind my colleagues that there is a Democratic majority on that committee.

I would like to just go over what we would have to do even to approach this level of cuts that are mandated in this budget. If you vote for this budget, you are not just voting to mandate a tax increase, you are not just voting to mandate a $42 billion increase in domestic spending—about twice the level of growth in domestic spending that occurred in last year's budget, by the way—but you are voting to mandate another $10 billion of cuts from what the Senate Armed Services Committee has already done.

Let me give you basically how we might try to go about it. First of all, cut military pay. Cut it back to 3 percent as of January 1. Go in and cut another $1.5 billion out of O&M. Eliminate the entire shipbuilding accounts of the U.S. Navy. And then kill the following programs: Kill the C-17, the A-6F, the B-22, the F-14, the FA-18, the F-15, the F-16, the Trident II missile, the MX missile, the M-1 tank, the Bradley fighting vehicle, the Patriot Air Defense System, AMRAM, the Advance Technology Fighter, the Strategic Defense Initiative, and ASAT. And guess what? You kill all that, you cut pay, you cut O&M, you eliminate the shipbuilding accounts, and you still are $1.6 billion short of meeting the budget level that is contained in this budget.

In conclusion, I submit that we are talking about a budget that is a complete reversal in economic policy. Anybody who ever wanted to see what the alternative to the Reagan vision of more economic growth was they can see it in this budget. The alternative is more Government—more Government giving more benefits to more people—rather than America growing, providing more opportunities for people.

If you vote for this budget, you are voting for the largest tax increase in American history. You cannot beat around the bush on that point. That is an absolute fact. But yet, you are also voting to raise domestic spending twice as much as you increase taxes. So you are not raising taxes to lower the deficit; you are raising taxes to fund more domestic programs.

Finally, you are voting in this budget to cut defense back to where it was as a percentage of GNP when we concluded in 1979 and 1980 that the world was imperiled and we started out to modernize our defense forces.

Under that modernization program, we recruited and retained the finest young men and women who ever wore the uniform. We have modernized the strategic triad. We have developed new technology.

But if we go back and now cut defense back to the level that we started at, all of these expenditures will be greatly reduced in terms of effectiveness. I cannot believe that the same people who forced the defense increase on President Jimmy Carter are now going to force a defense cut on President Ronald Reagan. The plain truth is they are doing it because they desperately want that money to spend on domestic programs, to court a new constituency, to create a new group of people who are dependent on the Federal Government.

That is the issue. It is a very stark and clear choice. I urge my colleagues to vote no on this budget.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. JOHNSTON. Will the Senator yield me 3 minutes?

Mr. CHILES. I yield.

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. JOHNSTON. Mr. President, first of all, I commend the distinguished Senator from Florida for his work on this budget resolution. To be able to put together a budget resolution in an emotionally charged atmosphere such as we have with respect to a budget, and in an area where all the tradeoffs that are made are painful tradeoffs, tradeoffs between cutting programs and raising taxes, and to be able to do it entirely on the Democratic side of the aisle without any significant help at all from the other side of the aisle is a great accomplishment.

Of the Senator from Florida, I do not know whether the Members of this body know what he really did in putting together this budget resolution and in conference with the House, but it was a monumental job.

We are given the hyperbole, Mr. President, in this body of praising one another for our work, which is not always really that good, for the work of the staff, but I want to say truly in this instance the Senator from Florida deserves great credit for this budget resolution, and I commend him.

Mr. President, I want to add one further thing. That is to lament the fact that we have not had, up to this point, a bipartisan approach to this budget. I say that in sadness and in hope—in hope that this great national problem can be solved by the Senate and not simply by the Democratic Party.

It is easy on both sides of the aisle. If the Republicans had the responsibility for this budget and we were sitting it out, it would be very easy to shoot barbs over on that side of the aisle and maybe get a political advantage, short-term though it may be.

But, Mr. President, the country and both parties are involved in this process. We need to be both involved not with slogans and not with simplistic approaches about tax and tax, spend and spend, and bumper sticker approaches, Walter Mondale, and all those kinds of things, but with serious talk about tradeoffs, about what is the size of the deficit that we can accommodate, and about how the Nation needs to approach it.

I just hope we can do that, Mr. President. Thus far, it has been a one-sided, one-party approach. No suggestion, no help, no votes, except for one or two small exceptions.

The hour is getting very late. I do not know when the President proposes to enter this process. I do not know if the Republican Party plans to enter it. But the hour is very late. From my point of view, he who does not participate loses his right to criticize. I might say from the standpoint of people back home, if their Senator or their Congressman is not a part of the process, then I would think as a voter at home their credibility was not very high when they came to criticize a product. They cannot only criticize and participate at this point but have an effect, if they will be part of the process. It is both a criticism and an invitation from me to be part of the deal and not simply be obstructionists.

Mr. DOMENICI. Mr. President, I yield myself 1 minute and then I will yield to Senator BOSCHWITZ.

How much time does the Senator desire?

Mr. BOSCHWITZ. Fifteen minutes.

Mr. DOMENICI. Then recognizing the rights of the majority in terms of time, I would then intend that the distinguished former chairman of the Finance Committee be recognized next and then the distinguished Senator from Idaho, each one for 10 or 15 minutes.

Mr. President, I will take just 1 minute at this point and than I will yield.

I think there is a lot of misunderstanding among the people as to how much growth has occurred in various parts of the Government so I think I will take this opportunity to put into the RECORD, following the remarks of the Senator from Texas on defense, the following statement which I believe is a fact:

From 1976 to 1986, defense grew $184 billion in nominal terms. The rest of the budget for entitlements and nondiscretionary accounts—I am not talking about debt service—grew $352 billion. So in just that one decade, we are talking about increases in domestic versus defense of almost two to one.

The reason I put it into the RECORD now following the remarks of the Senator from Texas is because many people still ask about defense as if it was the primary driving force in terms of the expenditure side of the budget of the United States. I submit that it is not.

Now I yield 15 minutes to Senator BOSCHWITZ.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. I thank the distinguished Senator from New Mexico.

Mr. President, I would like to talk about the budget and particularly direct my remarks to the agricultural side of the budget, function 350, which is the only function of the budget where major programmatic changes are required to make absolute cuts from fiscal year 1987 levels. There will actually be less money spent by agriculture than the year before. Again, I will take a minute or two to define what the cut means, as did my friend from Texas.

I also want to comment on the remarks of the Senator from Louisiana, who said that there was no bipartisanship at all in this budget process, and also that he who does not participate can therefore not complain.

I would remind him that when the Republicans were the majority party, there was no cooperation on many, many budgets from the other side of the aisle, and in this case, very frankly, we did not have the opportunity. I was a conferee on the budget, but a conferee really in name only. There were only three budget conferences: One for brief opening statements and one that occurred on defense, a discussion on defense, and then 4½ weeks went by while the party on the other side of the aisle was trying to make up its mind what to do. Then we had a third very brief conference where the work of those 4½ weeks, all of which was done behind closed doors, was ratified by the majority party of the U.S. Senate and the House.

I do not know exactly what my friend from Louisiana wants, but we indeed did try to participate. We were not given the opportunity to participate. There were basically no open conferences. Even when we put together budgets on this side, there were always open conferences. We always had a conference process that was indeed what it should be, a process. Not this time, however.

I also remind my friends on the other side of the aisle that the problem was not the Republicans; the problem was that, even coming out of the Budget Committee, the majority could not agree. So four budgets were submitted, for the first time as long as I have been here, at least. Four budgets were submitted to the Senate because the majority party could not agree on one. Indeed, to the best of my knowledge, never before have even two been submitted. Only one has been submitted to the body for consideration by the Budget Committee. But this time, four.

So it is true that the Republicans did not in this instance participate a great deal in the budget process, but it was not our fault. There were not open conferences. There was not a call for us to participate. Now we are heard to be the ones who are complaining about a budget that we are not supposed to complain about because we had no part in constructing it. Unfortunately, it is the case: We had no part in constructing this budget.

Let me also talk for a moment, if I may, as my friend from Texas did, about "cut" and the word "cut." Technically here, the word "cut" is not what the folks from Texas or the folks from Minnesota or any other American would consider "cut." The word "cut," in normal language, means you cut your expenditures, you spend less than you did last year, you lower your outlays because you have deficits because somehow, your income has gone down.

Not so in the American Congress. First, the budget baseline level is determined on the basis of current law. If a program has a $100 outlay this year, the current law baseline may take it to $105 next year. If you only spend $103, you have cut the budget $2, even though spending goes up. It is a very interesting way of doing it. It is like the old cartoon of Blondie going to the store and there is a sale at the store and there is 20 or 30 percent off and she saves money by buying at a sale. So it is in the way the vocabulary is of the budget here, that if you spend below current services, somehow you are cutting, even though you are spending more than last year. We Republicans would like to take a more forceful and a more objective look at the budget.

Objectivley looking at the budget, spending goes up $65 billion this year. If you look at last year, the budget of 1986 was $988 billion. The budget that the Republicans passed for 1987 was $1,000 billion or a trillion dollars. It went up $12 billion in the course of a year. That is not too bad. That is a rise of about 1 percent in spending. That indeed is a slow-growth kind of budget.

Now, in this particular Congress, under the Democrats, we have had a supplemental appropriation so that the spending in 1987 will be a little higher than we as Republicans passed in the budget. But compare that $12 billion growth—everything, including defense, Social Security, and so forth. My friend from New Mexico points out that the $65 billion in increased spending includes increased interest on the debt. But so did the $12 billion in the 1987 over 1986.

In 1986 again, we spent $988 billion. The budget for 1987 was a 1-percent increase. If we could hold the budget increases to 1 percent a year for 2 years, we would almost balance the budget, because income normally goes up at 8.5 percent. That is about the estimate at the present time. So really, the key to holding down the deficit is to slow the growth of spending. Because of the very arcane nature of the vocabulary here, holding down the growth of spending is very difficult for the American people to grasp.

In real dollars, in 1988, the budget being proposed here this morning will spend $65 billion more than the budget of 1987. Indeed, without the supplemental, it would be $75 billion more and therefore a fast-growth kind of budget is being returned and no progress really is being made on lowering the deficit unless we increase taxes. Certainly, this budget does that as well.

But, I want to get back to agriculture. That is my main course of discussion here this morning. When questioned in the budget conference about this budget, its authors could only think of one domestic program that was scheduled for actual reductions in outlays. That was agriculture. I am going to say more about that later.

As my friend from Texas has already said, this is a real tax bill, not only a budget. This budget calls for tax increases greater than any tax bill has ever called for before in the history of the U.S. Senate. Indeed, it must be seen as such. So what we do in this budget is increase spending. We increase taxes, we cut defense, and we also cut agriculture. Sure, lots of the fellows who are here now in the Senate, campaigned in 1985–86 talking about agriculture: "Ronald Reagan and the Republicans have been the ruination of American agriculture; we have to throw out the 1985 farm bill" they said this action was called for even before the 1985 farm bill took effect. We Republicans lost some seats. We lost control indeed of the Senate. A lot of that had to do with the farm vote. Lo and behold, the farmers are still going broke in record numbers, some farm groups tell us.

What has been the response of the new Senate since the election? It has not been to throw out the 1985 farm bill. As a matter of fact, there was a great deal of change of tone right after the 1986 election about the 1985 farm bill. Now we are not going to throw out the 1985 act, and I do not think we should, but we are going to cut the agriculture budget. The only item in this budget on which there will be less spending as a result of program changes than the year before is agriculture.

Keep in mind that agriculture, in addition, is on a declining baseline. That is, spending is already scheduled to go down. But that is not enough. The downward schedule of spending is not enough for the makers of this budget. They want to see that that decline go even faster, even as they bemoan the plight of the farmer, even as they talk about the decline of rural America. Nevertheless, the baseline for agriculture is to go down faster than under current law.

Where do these cuts come from in agriculture? Of course, the Agriculture Committee can do anything it wants. We could even take all of our $5.8 billion in spending reduction instruction out of food stamps. I doubt if that is going to be done. We could save it out of school lunch or out of the WIC Program. But that is not going to be done, nor do I think it should be.

No, the money is going to come off the backs of the farmers. It is going to come off the very people who sent new Senators here to help them in this plight, to help them in restoring rural America. In fiscal year 1988, we are supposed to cut $1.2 billion, out of the Commodity Credit Corporation. It could, I suppose, and the way to do it would be to cut target prices. That is the most direct approach. That would be about 6 percent overall or at least a third of the advance deficiency payments. On corn, that would be about an 18-cent reduction, and certainly none of my friends on the other side of the aisle is going to get up and do that. It would be a 6-percent reduction in wheat overall in addition to the corn, cotton and rice reductions. That would be about 25 cents a bushel on wheat.

Is that what my friends on the other side of the aisle, who went through a campaign most recently bemoaning low prices, bemoaning the fact that farmers are in such trouble, now want to do? It is very difficult to cut spending in fiscal 1988 because, again, most of our obligations are incurred as part of the 1987 crop. Farmers have already signed up for programs. They are counting program benefits to pay their debts. Are we going to renege on them, renege even after planting has occurred?

That would be very unfair. Why are farmers singled out for this special type of treatment? It is bad enough that farmers are being singled out to come up with $1.2 billion out of the Farm Program. They are also being asked to come up with $300 million in discretionary cuts after you consider the $50 million in add on that are assumed. Let us look at where the cuts would come from. It could come from the Extension Service or the Cooperative State Research Service or the Agriculture Research Service. All could take substantial reductions.

I find that ironic, when just this morning as a matter of fact in the Agriculture Committee the same people who are bemoaning the situation in agriculture passed yet another bill, S. 970, and is going to provide new authorization for research in agriculture.

Yes, I voted for it. I think new research is necessary to come up with new means for using agricultural products. But are we going to be able to fund it? Absolutely not.

Today press releases will go out heralding this new bill and saying that the future for agriculture has been improved, but we will not be able to fund the bill because we have to cut $300 million out of discretionary agricultural programs.

Agriculture is the only program that has to be cut out of hand, the only domestic program where there will be less spending in actual dollars than there was the year before—indeed, the only program which is on a downward spending curve already. But it is not fast enough for my friends on the other side of the aisle. It is not fast enough for the Democratic Members of the Senate. They want to speed the process of reducing the help that the American taxpayer has given to the farmers, the help that has finally helped agriculture start to turn the corner. But now we have to cut some more from support that is going down already.

Of course, we could raise loan rates, some people say, and through the rather difficult-to-understand process of the budget by raising loan rates you have a short-term fix on budget outlays. But then, indeed, we would reverse some of the progress that has been made with respect to agriculture, progress that is finally bringing the Europeans and other nations to the table so that we can remove some of the subsidies around the world, so that we can remove some of the barriers to international trade, so that we can get back to the business of being competitive once again, a business that has served American agriculture so well in the past.

For 6 years I heard here on the floor of the Senate, and out on the campaign trail, a lot of rhetoric about balancing the budget on the backs of the farmers; that is what the Republicans were doing; we were taking the very energy out of the soil by bringing about the ruination of the farmers, but this is the first year that such a statement comes close to being true, all brought to you by the people who said they were going to save the family farm, all brought to you by the people who complained bitterly about the situation——

The PRESIDING OFFICER. The Senator has used 15 minutes.

Mr. BOSCHWITZ. May I have 3 minutes more?

Mr. DOMENICI. I yield 3 minutes more.

Mr. BOSCHWITZ. All brought to you by the people who complained bitterly about what Republicans were allegedly doing to the American farmer.

Now, what about the farm credit situation? Well, we all know it is going to take a few billion dollars to fix that. Where are we going to come up with the money? Because, indeed, the budget now for agriculture is not only on a downward trend as planned but that downward trend is being hastened. It is not clear to me where we are going to get the money.

So what is the bottom line? We have a package, a budget that singles out the farmers for the only real domestic programmatic cuts in this entire budget, and by cuts I mean spending less than the year before—cuts made by those who told the farmer during the election cycle that not enough was being done for the farmer.

Now, the only place in the budget that is being really cut in hard dollars is agriculture. It is a budget that blackmails the President and those of us committed to a strong defense by tying huge tax increases to defense spending. It is a budget that does not even make a real effort to cut spending except in the area of agriculture.

I say, Mr. President, that it should be rejected out of hand.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Mr. President, I yield myself such time as I might need.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Mr. President, I want to respond a little bit to my good friend from Minnesota. He talks about all of the great cuts that were made—I love that—by the Republicans last year. I thought we were a party to that budget last year.

I thought we provided as many committee votes, as the Republicans did. I thought there was a Democratic House that also voted on that budget last year. But now I am told it was only a Republican budget. I really would like to give you all the credit for it because I do not think any of us can be too dad-gummed proud of that budget last year, to tell you the truth. The "less spending" you were talking about last year was all done on the basis of asset sales and that is one reason we have $7 billion more that had to be added this year because those savings were one shot. They were a loser.

If you look at this year's budget you see that it goes further than last year's budget in slowing down spending growth. In 1987 outlays grew 1.1 percent after inflation, 1.1 percent. And if we remove the effective asset sales and other one-shot savings in 1987, then in 1988 the spending adjusted for the one-shot savings is 0.3 percent, Mr. President, above inflation, 0.3 percent; Thus the real spending growth is less in this year's budget than last year. And I have taken out REA as well as the asset sales. As a share of GNP, the total spending actually decreases by one-half of 1 percent under this conference agreement.

Now, Mr. President, if you look at the defense-domestic share—and I keep hearing of these changes—as a percent of GNP, the defense will be restrained 0.83 percent. Domestic spending will be restrained 1.12 percent. So there is substantially more off the domestic side than off the other.

The notion I found the most amusing by my friend from Minnesota was what he had to say on agriculture. Mr. President, it is pretty clear what we have here is a team approach. They are bringing in a team that is going to work over this budget. We have the Senator from Texas; he talks about the terrible spending, that we will not cut any programs. We hear a little bit of that from the Senator from New Mexico. And here the Senator from Minnesota comes in and cries that there has got to be some more money spent for agriculture. Poor agriculture is being singled out as the only place where there are going to be some cuts.

Mr. President, agriculture has gone from $4 billion in 1981, when this President took office, to $24 billion in 1987, a 500-percent increase.

Now, just go ahead and find anything in this budget that has grown 500 percent. Yet, we have more farmers going broke than ever.

Now, obviously we have a program that is not working and we need to try to do something about it. Pouring in more money does not seem to be the answer. Certainly we try to restrain some of the spending there.

My friend, if he would look a little bit further, would find that agriculture is not the only place we have cut. He needs to correct his remarks there.

Energy is cut over last year $1.32 billion in outlays and $0.65 billion in BA.

Commerce and housing is cut $2.63 billion in outlays. Then community development is cut $1.73 billion. Each one of those other than energy are cut more than agriculture in all of those programs.

So, as we compare those functions to 1987 levels, adjusted for the asset sales, we certainly find cuts.

We have not cut that more than any of those other programs. So I have a hard time deciding what we are being damned for here. Is it because we are trying to restrain some spending? If we try to do anything on defense, that is intolerable. If we try to do anything on agriculture, that is intolerable; we should have done something somewhere else. And we tried.

So it is sort of that we are going to have something for everybody in the team approach and we are going to find something to find wrong for all of these in the team approach. It seems to me if you look at what we have tried to do, it is a balanced job of how we tried to restrain this spending.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield myself 1 minute and then I am going to yield. Would the Senator from Minnesota like to respond?

Mr. BOSCHWITZ. Yes, I would when the Senator finishes.

Mr. DOMENICI. Mr. President, I want to say to my friend from Florida we have a team approach all right, and maybe you all would like to have a team approach. Maybe you ought to bring some Senators down here who want to tell the American people what they support in this budget, the $21 billion in taxes, the cut in defense. Maybe we ought to have defense experts from your side come down and tell us before the day is out how they are going to meet these targets before we have to vote here.

Some would like to know how the chairman of the committee thinks we are going to meet these targets in defense. So we welcome a team approach on your side also.

We think some of them would come down and brag about all the new programs and then leave, and some would come down and brag about what you have cut and then leave.

I am not so sure anyone would come down and brag about 73 billion dollars' worth of taxes.

Would the distinguished Senator need 3 minutes to respond?

Mr. BOSCHWITZ. Yes.

Mr. DOMENICI. I do want to say we now have to proceed after that because there are a number of Senators who want to be heard.

I yield 3 minutes to the distinguished Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I say to my friend from Florida that I did not maintain that 1987 was an all-Republican budget. The 1986 budget was certainly an all-Republican budget, he will recall the vote here on May 10, 1985, that occurred finally at 2 or 3 in the morning where it was 50 to 49, and we wheeled in the Senator from California. That certainly was an all-Republican budget. 1987 may not have been.

As to the spending from the last year, with respect to asset sales, there are far more asset sales in this budget than there were last year. OK. So we will change the numbers by $5.2 billion, and spending might have gone up in that case 1.5 percent in 1987 over 1986.

It is still a very modest growth and still a way to control the deficit. Indeed, the deficit in 1987 will come down by about $50 billion.

I am surprised that the Senator from Florida would criticize and be amused, as he says, by the team approach.

I am a member of the Agriculture Committee. I do not exactly understand what he expects me to come down here and speak about if not agriculture, but that indeed is why I am here to speak principally about agriculture. I am not crying for more money for agriculture. I am just crying for justice that in the event you are going to cut agriculture below spending last year do it to some other parts of the budget as well, do it to some other parts of domestic spending. Do not just single out the farmers, particularly after conducting a campaign, an election campaign, in which so much moaning and groaning about the state of American agriculture was made.

Again, agriculture is the only function in this budget for which there have to be major programmatic changes made in order to reduce spending below October 1987 levels.

The Senator from Florida talks about the commerce and housing function. It has gone down, but that is because of postal increases and changes in that department. Major programmatic changes do not have to be made.

So, I thank the Senator from Florida for pointing out that indeed we do have a team approach, that those of us who are particularly involved in certain parts of the budget should reasonably be expected to speak about those parts of the budget.

I have been pleased to talk about agriculture, the only part of the budget in which there have to be major programmatic changes, and even as my friends on the other side of the aisle spoke about the plight of the farmer, they have cut, they have cut in actual numbers, spending for the farmer and for rural America.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Mr. President, I want to yield myself 1 minute and say there are reconciled cuts both to the Banking Committee and to the Energy Committee, so there would be programmatic changes in both of those areas.

Mr. DOMENICI. Mr. President, I yield 20 minutes to the distinguished Senator from Oregon, Senator PACKWOOD.

The PRESIDING OFFICER (Mr. FOWLER). The Senator from Oregon.

Mr. PACKWOOD. Mr. President, as I have been listening to the debate, I can well understand why some portions of the public may be confused as we toss around terms and phrases such as "GNP," percentage of this and that, "outlays" versus "authorizations," and "reconciliation."

If the Chair will forgive me, I am going to try to define a couple of these budgetary expressions and then speak in some very broad lay language rather than the intricate budget language that we have been using so far.

First of all, I will define gross national product, or GNP. This is not an economist's definition; it is mine for the purpose of this speech.

Gross national product is the sum total of all goods and services and income in the country. It counts the wages you make. It counts the profits your employer makes. It counts the sales that the auto dealer makes. It counts the interest you receive on the savings bond or bank account. Add all of them together and we call it the gross national product.

Often, somebody says that taxes are a certain percentage of the gross national product, or that expenditures are a certain percenage of the gross national product. Let's use an example to illustrate what they mean. Let us say the total gross national product in the country is $1,000 and that all governments, Federal, State, and local, are spending 20 percent of the gross national product. What we mean is that all of those governments are spending $200, or take roughly 20 percent of our economic wealth and spending it for, by and large, good purposes.

What bothers many I think on both sides of the aisle, especially on the Republican side, is that we have seen a growth over the past several decades in the amount of money that government takes out of the gross national product.

In 1950, Federal, State, and local governments spent about, and I will round the figures off, 23 percent of the gross national product. If the GNP was $1,000, about $230 went for Federal, State, and local government expenditures.

In 1986—and the reason I use 1986, Mr. President, rather than 1987, is that we are in fiscal year 1987 and we have not finished our spending yet. We will pass what is known as a supplemental bill and increase the spending, so there are no accurate figures yet for what we will spend this year. But there are for 1986—Federal, State, and local governments took 32 percent of the gross national product. So for a GNP of $1,000, they took $320.

Between 1950 and 1986, the percentage of the gross national product that Federal, State, and local governments have taken has gone from 23 percent to 32 percent.

Of that increase, about 8 percent was Federal and about 2 percent was State and local. State and local governments, by and large, paid for their share of the increase. I do not know if they paid for it willingly or by compulsion. I think perhaps the latter, because almost all States have requirements in their State constitutions that they have to balance their State budgets. If they want to increase spending for education or highways or jails, they have to increase their taxes to pay for it. That is tougher to do than if you simply can increase your spending and borrow the money. States, with a few exceptions, cannot do that.

The bulk of the increase in spending over the last 35 years, therefore, has come predominantly from Federal increases in spending I am talking about real increases in spending, not those due to inflation. Permit me to explain what I mean by the term "constant dollars." It is a better concept to use than inflated dollars. Inflation raises costs artificially. Let us say that today you are entitled to $100 of Social Security benefits. If over the next year we have 100 percent inflation, you would get $200. The same would be true for other items—movies would cost $4 instead of $2, cantaloupes cost $2 instead of $1, haircuts cost $8 instead of $4. You have not gained anything because inflation has raised the cost of Social Security and everything else.

When we talk in terms of constant dollars, we talk in terms of taking any base year and establishing what the value of the dollar was then. From there, you subtract out the effect of inflation over the years.

That is the only way you can really compare whether we are spending more or less for defense, for Social Security, or for education. Are we spending too much on defense and too little on the homeless? Or too little on defense and too much on the homeless?

Remember how much we are spending totally. Thirty-five years ago, roughly 23 percent of our gross national product went for all government services, Federal, state and local. Thirty-five years later, it is 32 percent.

What bothers many people in this Senate is wondering if 10, 20, or 30 years from now, instead of 32 percent, that figure is going to rise to 35 percent or 40 percent or 45 percent. Is there any end to it? Do we at some stage say, "Let's not just talk about the budget this year, but let's look at and see what it is we are spending it on and whether or not there are programs this Government could drop or reduce in order to bring spending back toward the level that it was in past years."

The argument is made that what has driven the deficit under President Reagan is defense spending. So here I do want to talk in terms of constant dollars, uninflated dollars.

In 1953, in terms of constant dollars—and these are constant 1985 dollars—if prices in 1953 were what they are today, in 1953 we spent $303 billion on the defense budget. We spent $46 billion on what this chart calls human resources. This chart is entitled "Budget Outlays by Large Clusters in Constant 1985 Dollars." It is published by the Congressional Research Service of the Library of Congress.

In 1953, we spent roughly $303 billion on the military, $46 billion on human resources, and $22 billion on interest on the debt. We had a debt even then. About $40 billion was spent on everything else. Everything else includes such items as dams, highways and airports—as opposed to human resource programs, which include education, Social Security, Medicare and Medicaid.

Let me go over those figures again. In 1953, the military, in today's dollars, had a budget of $303 billion. It was 74 percent of the entire Federal budget. All the other three things I mentioned put together—human resources, interest, and everything else—were 26 percent. The human resource figure in 1953, $46 billion, was 11 percent of the budget.

Now come down to 1986. Military spending in 1986 is $264 billion. Bear in mind that almost 35 years ago it was $303 billion. It has come down in terms of constant dollars. It has gone up and down during those years. It went up through the Vietnam War, down a bit after the Vietnam war, dropped during all the years of Presidents Nixon and Ford, went up a little bit during the years of Jimmy Carter and a little bit more during the years of President Reagan. That is where it was 35 years ago. Where is it now? Down.

Human resources spending, which in 1953 was $46 billion, in 1986 was $466 billion—up $420 billion.

Now, a fair portion of that is Social Security. A fair portion of that is Medicare. I do not throw these figures out to say, "Isn't it evil what we have spent on human resources?" I simply put these figures out to say that this is what we have spent the money on. It has not been the military budget, it has been the human resources budget—education, the environment—by and large things that we think of as good.

But the time has come I think, to question whether there is any end to this trend. Is 32 percent the magic figure? Is 35 percent the magic figure? Is 40 percent the magic figure?

The reason we spent so little on human resources in 1953, 1954, and 1955 is because, by and large, many of the things we now spend money on, other than Social Security, are new programs. In education, prior to the late 1950's, almost all of education money was local. As for highways, a great predominance of spending prior to 1950 was State and local. We did not spend any money on mass transit at the Federal level in the 1950's.

Here is what happened, Mr. President. All the people that had an interest in spending in those areas were having a difficult time getting State and local governments to increase the spending, because the States were constrained by balanced budget amendments and they did not want to raise taxes. So they turned their attention to the Federal Government and attempted to portray the Federal Government as mean and uncaring because we would not spend the money. And we began to spend Federal money on education and the environment and mass transit and highways and airport development—on almost anything you can think of.

But we did not pay for it, because we did not have a requirement that we had to balance our budget. We borrowed the money. So long as everyone in this country will loan the Federal Government money, I suppose we can borrow forever. But I think there is an end to that rope eventually.

The budget that has been given to us by the Democrats in the House and the Senate is the absolute zenith for 1 year of increased spending. Give them some credit for increasing taxes, too, although they increased spending infinitely more than taxes. This budget starts us again down the road that we have been trodding for 35 years: up, up, up goes the spending.

I know the difficulty, Mr. President. We all go home and discuss these issues with our constituents. You can go to a conservative business audience, a chamber of commerce, a rotary, and you can ask: "What do you think is a top priority for the Federal Government?"

Most of them will say, "the defense of the country." Clearly that is not an obligation of the States.

Then you ask, "How many people here think the Federal Government has an obligation to help in education?" "How many people think you have an obligation to help in highways?"

They raise their hands. These are conservative groups. You ask, "How many people here think the Federal Government has an obligation to build airports?" Again they raise their hands.

Finally, you can turn the question the other way around and ask, "How many people here can think of anything the Federal Government does not have an obligation to help?" Very few people raise their hands. What has happened over the last 35 years is that we have nurtured a dependency in this country on Federal money for things that we used to spend State funds and local funds on. We have nurtured that dependency from groups who say it is easier to get it from the Federal Government.

I must confess, I was a State legislator and it is a lot easier for State legislators to say, "Let's get it from the Federal Government." They, then, do not have to vote for the taxes to pay for it. Congress votes for it, but does not vote for the taxes to pay for it.

So all I would say is this: This bill has an immense tax increase in it. It has a bigger spending increase in it. And if you look at the historical data, it is not defense that has been the budget buster.

Despite whatever group you speak to, liberal or conservative, they will say that defense is a legitimate obligation of Federal Government. I have yet to find anybody, short of a pacifist—and this is a genuine and religious philosophy that just says, "No military spending. Turn the other cheek and love. Love will work and you will collapse your enemies on that basis."

That is not a philosophy that is widely shared in this country. It is a respectable one and a decent one. But I would say it does not represent 2 percent of the populace of the country. The remainder would say you need a decent military to carry out the obligations that you have undertaken.

Mr. President, that ought to be the test of what we are going to spend. For example, we are talking about reflagging ships in the Persian Gulf?

Let me read the Persian Gulf doctrine:

> Let our position be absolutely clear. An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America and such an assault will be repelled by any means including military force.

That statement, Mr. President, does not come from a hawkish Ronald Reagan. That is Jimmy Carter's Persian Gulf doctrine. President Reagan has ratified it.

Prior to 1980, when President Carter enunciated this doctrine, we did not have a primary military obligation in the Persian Gulf and we decided to undertake a major military obligation in the Persian Gulf. But ask yourself this question: Could we do it if we cut the defense budget?

We have not withdrawn any troops from NATO. We have not withdrawn any troops from Korea. I am not suggesting we do. We have not withdrawn any ships in the 7th Fleet. How do you undertake these obligations in the Persian Gulf without paying for them? Where will the money come from?

I think those are the questions we ought to be asking; not is $289 billion enough, which is what the House suggests for the defense budget; or $312 billion, which is what the President suggested—that is a difference of $23 billion. That is not a great difference in a budget of over $1 trillion.

Unfortunately, that is probably less than the increase in interest we will pay on the deficit if inflation goes up 3 of 4 points.

The question we ought to be asking is not is $289 billion enough or is $312 billion enough. The questions we ought to be asking are: What are the obligations we are going to undertake? How many ships will it take? Do we need two more aircraft carriers if we are going to patrol the Persian Gulf? How much will they cost? How many men do you need to operate an aircraft carrier? What is the retraining cost? What is their pension going to be?

Those are the questions we ought to be asking; and we are begging those questions. We are attempting to put a cap on military spending and say: "Stretch it and stretch it and stretch it. It cannot cover anything."

I do know this, and I will close with this thought. The people of this country, I think, if a policy is properly explained to them that involves spending money for defense, will spend it. But, if the President cannot sell it to them, if he is not a great enough communicator; if Congress cannot or will not sell it to them, then the public is not going to support it. That is the upside and the downside in a democracy. In a dictatorship, the dictator can say: "We are going to the Persian Gulf; we need two more aircraft carriers; here's the money." He does not have to sell the public.

Well, in World War II, this public was sold. To put into perspective the kind of an effort this country could make if it thought it had to make it, in 1945 we spent 39 percent of our gross national product on defense. Remember that thousand dollar gross national product I talked about? We were spending roughly $390 of it on defense out of the total $1,000 this country had.

Today, in terms of the gross national product, we are spending about 6.6 percent. About 6 or 7 cents on the dollar.

If we were spending today at the same rate to defend ourselves that we were spending in 1945, the military budget would be roughly $1.6 trillion.

So the question, should not be can we afford $289 billion or $312 billion; the question ought to be: What is necessary for the defense of this country?

Maybe we are spending too much. Why do we not talk about the obligations and commitments and what we say we are going to defend?

I do not think you heard yet in this debate anybody raise the issue of what happens if we enter into the medium-range arms treaty with the Soviets, and the increase in the military budget that will have to come for conventional weapons—the increase over the present budget if we enter into that treaty.

I think it is worth entering into the treaty to get rid of the horrible weapons. Unfortunately, General Eisenhower correctly understood, when he said "more bang for the buck," that the nuclear deterrent was cheaper than tanks. If you get rid of the nuclear deterrent you are going to need more tanks, and they cost more.

Those are the kinds of issues we ought to be discussing, and in the context of discussing them we ought to say, in addition to whatever we need for the military, legitimately need for the military, do we also want to keep spending at the same rate or an increased rate as we have for the last 35 years for education, for environment, for highways, for airports, for dams, ports, dredging rivers? If the answer to that is yes, then let us face up to the fact that we are not talking about government spending 32 percent of the gross national product, we are probably edging up toward 35, 38, 39, 40 percent.

We are lucky so far. Most of the civilized industrialized countries of the world spend a lot more of the public's money on Government programs than we do. That is one of the reasons why we, by and large, have been more successful than some of our competitors.

Scandinavia and Sweden, they take over half of the gross national product for taxes and public expenditures. Certainly Sweden is a legitimate country with a legitimate governmental philosophy. Let us talk about the U.S. moving in that direction. I would oppose it, but let us talk about the consequences of adopting many of the things in this budget that we apparently are about to adopt. Let us talk about what they are going to cost, not this year or next year, what do they cost 5 years from now, 10 years from now?

If we adopt this budget, and they are going to cost more, 5 or 10 years from now, are we prepared to move toward government taking 35 or 38 or 39 or 40 or 42 percent of all of your money? I hope not.

But I think the budget that is presented before us begs the question; it attempts to cover over those philosophical issues.

May I have 2 more minutes, please?

Mr. DOMENICI. Two minutes.

The PRESIDING OFFICER. Without objection, 2 minutes.

Mr. PACKWOOD. The budget as it will be adopted, apparently—is just a budget resolution. It does not bind the President. It does not even bind this Congress because we can change it by any subsequent law.

I will predict, Mr. President, that the budget that is adopted here today will not be the budget that we finally end up with several months from now. But I would hope for the remainder of the time we debate it, we talk about philosophies and obligations of the State and Federal Governments—which obligations are priorities, how much we should spend, and what we want to do? Then, if we convince the public of the merits of what we want to do, I think they will willingly support the taxes to pay for them.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico, Mr. DOMENICI.

Mr. DOMENICI. I yield myself 1 minute. Then I will yield to the distinguished senior Senator from Iowa.

Mr. President, I want to thank my friend from Oregon [Mr. PACKWOOD] for what I believe was a most stimulating discussion of where we have been, where we are, and where we ought to be going, and I want to compliment him, not only for the analysis but for the lucid manner in which complex issues were explained to anyone that is interested in listening.

But, most important, I want to compliment him on the theory that he expounded here, on why we continue to add programs and add responsibilities to the Federal Government. I believe he has it analyzed right.

I believe the sovereign States that make up the United States of America cannot spend in the red for the most part. They cannot borrow. It is very neat over the past 3½ decades for them to look to Washington, not for things that we must do but for things that they welcome us to do because they cannot afford them and they do not want to tax to pay for them.

I do not know if my friend was here this morning when I suggested that when the sovereign States have to raise taxes, for the most part they have emergencies. As I look out in the country, I said before you arrived, a number of States have had to raise taxes in the last 3 or 4 years, 5 years, some because of economic downturns, some because of oil and gas; States like yours because of timber resource losses and losses in those whole industries. But they had to go to their people saying they had dramatically reduced their expenditures except for the vital, vital programs. They did not go there to ask for a tax increase, in an emergency status, to spend more than they had been spending before.

I use that as an analogy of what we were doing, asking for taxes to spend more; not having cut, restrained, curtailed.

You, today, have added the finishing touches to that argument by suggesting that if we do not address it in the manner that you discussed, we will continue to feel obligated to do these things and then in some way justify tax increase based upon some cutting of the deficit when, as a matter of fact, programs and expenditures continue to grow and I thank you for that.

I yield 10 minutes to the distinguished senior Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I want to thank Senator DOMENICI for yielding me this time. I want to say to my colleagues that it is not too often that many of us are on the floor to listen to the debate. I am sure we see a lot of it in our office over the television tube.

But I thought it was very educational this morning as I listened to several of my colleagues take, already each of them giving many reasons, at least for those of us on this side of the aisle many good reasons, why we ought to vote against this budget resolution that has this tremendous tax increase and tremendous deficit in it. Each of these speeches have been very good reasons, but I have some reasons of my own, and I think I ought to take just a minute or two to highlight what I cannot believe, but which I do not question as a fact, what the Senator from Texas said, about this resolution having one way to meet the budget target of just delaying for 12 days in September the paying of some bills by the Defense Department.

Mr. CHILES. Will the Senator yield?

Mr. GRASSLEY. Yes, I will yield.

Mr. CHILES. I wonder if——

Mr. GRASSLEY. Does the Senator want to say that the Senator from Texas is wrong when he told this body that?

Mr. CHILES. No, but I do not think the Senator from Iowa heard the Senator from Texas correctly. I think he was talking about something that the House Armed Services Committee did, not something that is in the budget. I know the Senator from Iowa is a person who likes to be correct. He may want to read the transcript on that.

That is not something I would say to the Senator from Iowa that is in this budget. It is not contemplated in this budget. The Senator from Texas was referring to an action taken by the House Armed Services Committee, an action that I do not agree with and which I do not think should be taken either.

Mr. GRASSLEY. I surely appreciate very much the Senator from Florida clarifying that. But the fact that either House of this Congress might contemplate meeting targets by doing that, for saving money, we have to realize that the people of this country are not going to let that wool be pulled over their eyes. I think whether it is the Senator from Florida explaining in further detail what the Senator from Texas said, or whatever the case might be, I think that it does highlight very much, Mr. President, some of the shenanigans that go on in the budget and appropriations process by which we want to fool the people about how we meet targets that we ourselves set.

Then I think, too, of the second point that was made this morning which I would like to highlight, that which was done so well by the Senator from Minnesota [Mr. BOSCHWITZ]. Again I will ask the Senator from Florida whether that was correct or not, when the Senator from Minnesota said that agriculture is the only program in this budget that takes a cut. If that is not true, then I want to know that.

Mr. CHILES. Well, that is not true either. Just to be correct, the energy function——

Mr. GRASSLEY. Let me ask this: Does the agricultural budget take a bigger cut than any other portion of the budget?

Mr. CHILES. No, sir. If the Senator will look at the 1988 budget function-by-function in comparison with the 1987 level after adjusting it for the asset sales, one-shot savings that we know do not provide any deficit reduction, he will find that energy is cut $1.32 billion in outlays, commerce and housing is cut $2.63 billion, and the community development programs are cut $1.73 billion. Agriculture is cut $1.60 billion. So it is the third lowest.

Mr. GRASSLEY. I think the point that the Senator from Minnesota was making, though, is a very good point in the sense that the agricultural budget surely has taken more than its fair share of the cuts in this budget as a whole.

Mr. President, I want to join my colleagues on this side of the aisle and hopefully several on the other side of the aisle so that, in fact, we will be successful in defeating this budget resolution. I oppose this budget resolution on the ground that it is too timid in the face of higher spending and too afraid to go head to head against the deficit.

What it has tried to do, instead, is to try to buy its way out of the problem with taxes. I might add that it does not succeed in arresting that problem, even considering the very large tax increase that is included in this effort.

The path of least resistance, Mr. President, used to be just to forget about the budget deficit, to not care about it. The path that used to be used was just allowing those deficits to grow.

Now the path that is used is the growing deficit, but more than that, a growing deficit plus a growing tax burden for the working men and women of this country.

We are right back where we were, Mr. President, right back there where we were in the 1970's, back to the height of the tax and spend days.

If there was any hope of progress in our Nation's fiscal policy, given the debt that we have accumulated over the past 6 years, it certainly does not lie with this budget agreement that we are going to be voting on in a few hours.

Let us examine for a moment this notion of the path of least resistance. During the last 6 years, the deficit widened because of the polarity created by an administration adamant against a tax increase and at the same time obsessed with overfeeding the defense industry.

That is all on one hand, on the part of the administration. But do not forget where the Congress comes in. That is a Congress obsessed and being overly protective of entitlement programs.

Despite the aberration that somehow all sides can be winners, there were, in fact, in that process no winners, because the debt we piled up in the process is great enough to break the back of our country's economy. The only question is, when will that happen? it surely is going to happen if we do not do more than this budget deficit does.

The path of least resistance has now grown a second head and that second head is that of a tax burden. We still have a problem of polarity on the issue of taxes and entitlements, which has kept this deficit so very large.

The defense budget, in my view, is still caught up in a political quagmire. The idea that somehow more taxes are needed for more wasteful defense spending tests the bounds, Mr. President, of any definition of reasonableness. Higher taxes for wasteful defense spending is certainly not understood by the working men and women of this country as they are called upon in this budget resolution to pay a higher tax bill.

There is an old saying around here, and a true one, I might add, that tax increases do not reduce the deficit. What they do is merely increase spending. They give us further license, Mr. President, for fiscal irresponibility. That is true of all parts of the budget, the defense budget not being excluded from that, either.

Grassley's first law states that given the structural problems in the Department of Defense, more money will necessarily be ill-spent.

All of these points add up to one thing: a very large deficit that is locked in over the long term despite a large tax increase.

Just how large a deficit is another matter, Mr. President. There is no way in the world that this deficit will be only $134 billion in 1988. Based on new economics, budget experts are telling us that it will be more like $160 billion, and it is, therefore, likely to be higher.

And it is therefore likely to be higher. It is going to be higher than the current year's budget deficit. At best, the 1988 deficit will be no lower than in this fiscal year of 1987. If that is the case, Mr. President, if all this work is getting us no progress against the deficit, then $73 billion in increased taxes is a pretty steep price to pay.

The very least the American working men and women of this country would like to have, if we are going to increase taxes, is a lower level of spending and a lower deficit. It is not going to happen, Mr. President. It is one thing to raise taxes to shrink the deficit or to create an environment of fairness, but it is another thing entirely to raise taxes simply to close the gap caused by our reluctance to pull the belt a notch tighter.

If we step back from this budget and view its probable impact on the economy in the country, what is it that we can conclude? First and foremost, Mr. President, there is absolutely no signal being sent that, somehow, we are getting this deficit under control. We missed our self-imposed target by $26 billion and, after all the bills are in and have been paid by September 30, 1988, the deficit will most likely be higher than that of the current year if this conference agreement is implemented.

Beyond that, as the Senator from Minnesota said, the farmers in my State and others will not take kindly to the fact that a disproportionate share of deficit reduction has fallen on the shoulders, in the midst of the farm crisis, of the farmers of this country. The taxpayers of this country will have sacrificed $21 billion of their tax money—and that is just in 1 year. What for? To buy an increase in the deficit.

That single fact best sums up the shortcomings of this budget. The Nation's fiscal policy will remain stalemated. The Deficit Control Act will have been derailed, and we will end up with $160 billion deficits as far as the eye can see into the future.

That is not a very encouraging legacy for this budget to have left, Mr. President. In that regard, it is a budget without hope. It is one that obviously will not establish credibility with the people of this country. That explains, I believe, the reluctance of my colleagues and myself to support it.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield 20 minutes to the Senator from Delaware [Mr. ROTH].

The PRESIDING OFFICER. The Senator from Delaware is recognized for 20 minutes.

Mr. ROTH. Mr. President, I thank the Senator from New Mexico.

Mr. President, when the American public turn on their TV set to watch the 100th Congress, they may think they have tuned into the wrong program. With all the new spending the 100th Congress has enacted, the viewers, might think they have turned on the popular series "Lifestyles of the Rich and Famous" rather than the U.S. Congress.

"Lifestyles of the Rich and Famous" looks into the spending habits of ultra-wealthy people who supposedly can afford their luxurious spending styles. But with the congressional spending spree, we not only cannot afford it, it is not even our money. It belongs to the taxpayer, most of whom are not living lavish lifestyles. The American people do not expect their taxes to be raised any further to pay for all the new programs the Congress has passed.

That is precisely what is happening. Let us look at the spending programs the Senate has authorized or appropriated this year along. All totaled, we have new authorizations of more than $32 billion in 1988. I realize these are only authorizations and that some of these funds will initially spend out more slowly than the authorized levels. But the fact is that the recipients of these funds expect to receive them, and the appropriators are expected to fund them. There is no doubt, Mr. President, those funds will be spent. You can be sure that any attempt to retract from the authorized level would end in failure.

I am not maintaining that each and every funding bill must be voted down for the single reason that it spends money. Each of these programs deserves our careful consideration. But we must learn to set priorities in our spending habits. Like most American families, we should be maintaining a budget—something Congress has failed to do for a very long time.

If we had attempted to prioritize our spending earlier this year, clearly the highway bill would not have been $88 billion long and 150 demonstration projects wide. The highway bill authorized $13.4 billion in fiscal year 1988, and $88 billion total over the next 5 years. I was one of only two Senators who voted against this bill when it was first considered by the Senate. By the time this body considered the President's veto, 32 of my colleagues joined me in opposing this massive highway spending measure.

The highway bill bassed by Congress contained more than 150 demonstration projects costing almost $1.5 billion of Federal money, not to mention matching State and local funding. The taxpayers hard-earned money will now be spent on futile parking lots, unnecessary roads and tunnels, not to mention the all too many pork barrel projects—projects that cannot be justified on any reasonable cost-benefit basis and are for the direct benefit of the few. These programs were put in that bill only because Uncle Sam's deep pockets will pay the bill. Not only is Congress passing the buck, it is spending it along the way.

On April 1, when the Senate first considered the President's veto of the highway bill, I said on the Senate floor, "We must face our large looming budget deficits with candor, and I submit that those people whose favorite pork is in this budget busting legislation will be the first to come out in favor of a tax increase." All 54 Democratic Members of the Senate voted to override the President's veto—and 53 of 54 Democrats passed the Senate budget which called for a tax increase of more than $88 billion over the next 3 years.

Mr. President, today, we begin to consider the conference report on the fiscal year 1988 budget resolution. At the outset, I should like to observe that what is happening to the Federal budget gives me real pause for concern. What disturbs me most is that part of the budget proposal which provides for $64 billion in tax increases over the next 3 years.

What worries me about this, Mr. President, is that the budget conference is proposing substantial tax increases for the purpose of financing increased spending. The budget resolution we are considering today will increase spending by almost 4.5 percent over last year's level. This compares to the 2.5-percent increase passed in last year's budget. In fact, total spending in the conference report we are considering today is $1.055 trillion—actually higher than the outlay levels contained in either the House or Senate budget as they entered into conference. This budget resolution will increase domestic spending through new initiatives by at least $9 billion over the next 3 years.

Now, Mr. President, what this means is that we are going back to the old policies of the seventies of spend, spend, spend, tax, tax, tax, and that is wrong for this country. We cannot continue to increase spending. We cannot continue to play the role of the rich and famous and spend money like we have got it. We cannot continue to increase taxes when the most serious problem this country faces is being competitive in world markets. This is critical if we are to maintain and create American jobs.

That means we need savings—savings so that we can invest in building the best industrial facilities in the world. Instead, we see program after program increase on the spending side, and then we seek to finance it with new taxes. These new taxes are not—I emphasize, are not—for deficit reduction but instead for increased spending. The tax increase in this bill will hit the American pocketbooks to the tune of $64 billion over the next 3 years.

This conference report recommends increasing revenues $3.3 billion more in the first year than the largest tax increase in history. That increase, contained in the Tax Equity and Fiscal Responsibility Act of 1982, raised $15.9 billion in the first year. This budget recommends a $19 billion increase, and even this amount fails to consider that both the Finance and Ways and Means Committees have a 20-percent flexibility clause built into their reconciliation instruction. Taking this into account, the tax bill could reach the $70 billion range.

Mr. President, a recent study reveals that based on reviewing our budgets from 1947 through 1986, for every dollar of increased revenue, the Federal Government spends an additional $1.58. So here we have $64 billion in tax increases over the next 3 years, and based upon the concepts outlined in this paper, we can expect for every dollar increase in taxes an additional $1.58 to be spent by the Federal Government. I strongly agree with President Reagan when he said he will fight such increases in revenue, and hope, when confronted with the ultimate choice, we will prevail.

I would like to examine for a moment the excise taxes that so many of the tax advocates around here like to talk about. This plan will raise taxes by $19.3 billion in 1988, and, as I have said, $64 billion over the next 3 years. The advocates of a tax increase are pointing toward the so-called sin taxes. But let us look at the impact of these proposals.

What if the Congress increased the 16-cents-per-pack cigarette tax by another 16 cents? What if the Congress increased the tax on distilled spirits by 20 percent? What if the Congress increased taxes on wine and beer to match that of distilled spirits? And what if the Congress extended the 3-percent excise tax on telephone use beyond 1987? All of these increases together would add only $8.8 billion in the first year and $32.5 billion over the next 3 years. So other means would have to be found to satisfy the budget resolution. Proponents for the tax increase view it as a means of increasing the balance in the Federal checkbook for new spending. Certainly if there were to be any tax increase, it should be used to reduce the deficit. Clearly, that is not the case here.

One of the merits of the tax reform legislation enacted last year was that it reduced the tax burden for lower income Americans. But if taxes are raised through excise taxes, a recent study shows, the tax increase would eliminate all of the tax benefits provided last year in the Tax Reform Act to households with incomes below $20,000. Is this our new low income and poverty program? My fellow colleagues, these new taxes will hit the pocketbooks of every American family but particularly those at the lower end of the scale.

Before I finish, I would like to speak about another budget matter that concerns me greatly. I am referring to the budget process and what I see in this agreement disturbs me greatly.

I remember serving on the joint House-Senate committee that brought forth our current process with the 1974 Budget Act. At that point it was universally agreed that Congress urgently needed two things. First, a standardized, coordinated process to halt the fragmented and contradictory fiscal decisions made each year and, second, a solid information base enabling us to plan, track, and enforce our budgetary goals.

However, I am afraid these guiding principles have been lost. To our already complicated procedure has been added an incomprehensible layer of reserve funds, trust funds, delayed allocations, reallocations, fences, high tiers, and low tiers. Perhaps we need a moat with some alligators, too.

For the first time in history, as has been pointed out, the defense policy will become the burden of the tax writers on the revenue committees. Purportedly, how much we can afford for defense will depend on how much we can raise taxes. This is a dangerous precedent which is sure to impede the appropriators and ensure us another continuing resolution.

What troubles me most about this budget is its failure as a planning document. As I read through the explanatory materials from both sides, the word "unspecified" continually appears. Some items are unspecified increases and some are unspecified decreases. But they are unidentified nonetheless.

In looking at the reconciliation instructions for the Governmental Affairs Committee, I see a required $100 million in unspecified management savings. As ranking Republican, I will do everything possible to help Chairman JOHN GLENN meet those targets. However, it is very hard to pledge the bipartisan support sought by the majority when our goals are unclear.

Mr. President, this is not budget process. It is budget pandemonium. Fiscal inaccuracy has replaced factual information. The two principles sought in the 1974 Budget Act have gone awry and with it the patience of every American who has to witness the poor performance every year.

If we are going to have any hope of becoming accountable, then we must change the budget process. The process itself may not lower the deficit, but it might raise congressional credibility with the public. And the 2-year budget is an idea everyone can understand.

Mr. President, Republicans and Democrats in each Chamber now have task forces recommending both long- and short-term process solutions. That budget reform is on the agenda of the very busy 100th Congress attests to its urgency. In addition, the President has made it part of his legislative initiatives.

I have again proposed a 2-year budget. This year I am pleased to be joined by the distinguished Senator from New Mexico, Senator DOMENICI. It is one of the very few ideas that has bipartisan support. So I hope that in the near future, either through informal consultations, a special committee, or by any other means, we will enact a 2-year budget.

For any budget process to work it must be simple enough for the Congress to use and for the public to follow. It must be fair to the individuals affected by budget decisions. It must balance the competing institutional forces within the Congress. It should have a stabilizing effect for both the legislative and executive branches. Last, it must be enforceable. The 2-year budget can meet all these requirements.

As I have said before, a 2-year process signals the public that we are serious about making a fiscal plan and sticking to it. Oversight responsibilities that have been cast aside for lack of time would resume. The current imbalance between the authorizing committees and the rest of Congress would equalize. Best of all, agencies and recipients of money back home, whether they be State or local governments or individuals, could plan more in advance and be assured of the availability of funds.

I realize that some critics feel economic changes could quickly date a 2-year process. However, with the exception of Defense, funding levels for other appropriated funds have remained fairly level during both the recession and the economic boon of the 1980's. With the moderation in defense, there is no reason we cannot plan and appropriate for 2 years. In fact, the Pentagon would rather have it this way.

To solve our true budget problems, the authorizing committees need to reexamine the suitability of their programs for future years. But that takes time and time is what we never have under the current annual budget process.

For example, when I was chairman of the Governmental Affairs Committee, we redesigned a major entitlement program, Civil Service Retirement Benefits, into a pension plan for the 21st century. It took a lot of time and hard work, but it dramatically lowered the cost of pensions with better benefits to the employees. The effect on the budget will be longlasting. That is the kind of new start we need in the Congress.

So I say to the viewing public, the problem is not with your TV set, the problem is with the return to the tax and spend policies of the seventies. The American public is not interested in watching reruns of a bankrupt fiscal policy. The American public knows that the tax increases proposed are to pay for increased spending and not to reduce the deficit. If this continues, I would expect the American people to change the channel.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield 10 minutes to the junior Senator from Arizona, Senator MCCAIN.

The PRESIDING OFFICER. The Senator from Arizona [Mr. MCCAIN] is recognized for 10 minutes.

Mr. McCAIN. Mr. President, I thank the senior Senator from New Mexico, and I associate myself with his remarks concerning the deep reservations that he and most Members on this side of the aisle share with respect to the budget proposal before us.

Mr. President, I think it is of interest to note that the other body yesterday approved this budget resolution by a slim four-vote margin. Over 20-some Members of the opposite party can not live with this kind of a resolution and, I think, this signifies the real division that exists about the approach this resolution takes, and its implications for the future of this Nation.

Mr. President, it is very clear from all the polling data received and the letters and phone calls that come into our offices, that Americans are deeply concerned about the deficit. They are deeply concerned that they keep getting larger and larger; they are worried about our status as a debtor nation; and they are troubled by the future this fiscal profligacy ordains for their children.

Over the weekend a group of Republican Senators were in Williamsburg. We were briefed on various opinion polls and attitudes of Americans throughout the country. One alarming aspect of how Americans feel today was brought to our attention, and that is the number of Americans that believe this country is headed in the wrong direction.

Over the last 2 years we have seen a dramatic reversal in American opinion. During that time many of the overwhelming majority of Americans who believed this country was headed in the right direction changed their minds. Now over 50 percent believe it is headed in the wrong direction.

There are no doubts many factors that have contributed to this change in Americans' attitudes, Mr. President, but I would suggest that the inability of this Nation to solve this enormous debt problem and this enormous deficit problem—which are mortgaging the future of our children—certainly have contributed greatly to that change.

It is my commitment to the people of my State that prevents me from supporting this resolution. Under this resolution spending will not be curbed. It actually increases at almost twice the rate by which it increased this year, as has been pointed out by the senior Senator from New Mexico.

This resolution does not prioritize Federal spending. It does not curtail waste. Nor does it terminate a single solitary Government program. Surely, there must be at least one program of the thousands that exist that has either outlived its usefulness or no longer is effective. But in all deliberations the Budget Committee could not recommend the termination of one single solitary program.

Mr. President, this resolution does not reach the Gramm-Rudman-Hollings deficit target, nor is it consistent with the last two budget resolutions which turned the forecasts of $300 and $400 billion deficits into smaller, more manageable ones. Yet, these are the most basic actions that I think Americans want.

In my view, the message behind this resolution is that we can balance the budget without making the most fundamental of spending decisions and that we should raise taxes and slash defense while increasing spending on various programs designed to benefit the needy and promote competitiveness.

Ironically, the needy may well be better off without tax increases and our trade deficit would certainly be much smaller without huge deficits.

I would like to talk for a moment about what form these tax increases might take. No one knows because it is not specified in this resolution, but everything I hear suggests that these tax increases will take the form of excise taxes. Who pays the excise taxes in America? We know who pays. The poor and lower income Americans of this country.

So if we do increase Americans' taxes, then we will succeed in denigrating and denying them the benefits that they have only received most recently from a tax reform bill in 1986.

And I would like to point out that for most of us the primary reason for supporting the tax reform bill was because it did remove low-income Americans from the tax rolls. We will now lay another tax burden on low-income Americans which I do not think they deserve.

It is crystal clear that supporters of this resolution are asking the American people to shoulder an enormous tax hike—$21 billion.

Mr. President, I know of no Americans today that seek a tax increase unless that tax increase is directed at reducing the deficit. I see nothing in this resolution which will head us in that direction.

Let me ask one question about excise taxes. If excise taxes are not adopted from where is this level of revenues going to come? I would suggest that although it is not the responsibility of the Budget Committee to make such specifications, at least the Members of this body should be given some indication as to where those tax increases are going to come from if—especially Congress is going to implement a budget resolution that indeed increases the tax burden on the American people.

I would also like to know how we are going to retain the gains we have made in our defense readiness and capability over the last 6 years in the wake of the dramatic cuts this budget resolution implies.

I have to confess to a little confusion on this point. I recall supporting a DOD authorization bill in the Armed Services Committee recently which called for $303 billion in defense budget authority, a figure which appeared to have solid bipartisan support in committee.

In fact, on February 24, 1987, both the ranking minority member and the chairman of our committee sent letters to the chairman and ranking minority member of the Budget Committee stating their strong support for a level of $312 billion in budget authority for the coming fiscal year.

I also recall comments about the reasonable level of defense spending requested by the President for fiscal year 1988. These comments were made on both sides of the aisle. It is generally accepted that in the previous 2 years the requests by the administration for defense authorization levels were inordinately high. Most, including this Member, believe that the request sent over by the President this year was indeed a reasonable one.

With the sort of broad support steady defense spending has received from both parties—and the recognition by both sides as to the need for continued funding for our readiness accounts—how then is it possible to cut $7 to $14 billion from the committee's DOD authorization bill? How can we make these cuts without undoing exactly what we all know must be done?

Let me point out that I find it difficult to believe that 51 Members of this body are going to support a tax increase high enough for us to be able to work with the so-called "high-tier" budget figures in this resolution. I believe this resolution, in effect, binds us to the 4.5-percent real cut implicit in the low-tier proposal.

If I am right, the effects on our Armed Forces—and on the men and women who are willing to put their lives on the line to protect our Nation—will be immediately and deeply felt.

So if we are to implement this resolution, for starters, we will have to cancel the military pay raise of 3 percent that is scheduled for January. We have already started down the same road we were on in the late seventies—we could not pay competitive wages, and therefore, we could not hire enough people. This cut will accelerate our return to exactly this problem.

It is not long ago that the captain of the oiler called the Canisteo was given orders to put to sea—and could not because he did not have enough technical petty officers to man the engine rooms and the boiler rooms.

Perhaps the greatest legacy of the first 6 years of the Reagan administration will be the restoration of this Nation's defense. That is epitomized by the quality of outstanding young men and women that man the military today. We cannot undercut those years of investment that the American people have made by adopting a budget number either at $289 or $296 billion in budget authority.

The investment we have made in people over the past 6 years has been the most important stride that I know of. Not only do we have to provide pay and benefits, which is generally supported in this body, but we also must give those men and women in the Armed Forces the best equipment possible with which to fight and we will not be able to do that with this level of defense authorization.

Furthermore, under this proposal we would have to make deeper cuts in operations and maintenance and terminate endless programs. Defense R&D would be on the line and so would procurement. And we are almost out of gimmicks with which to protect this deterioration.

One of the more amusing proposals that was made was that the Department of Defense simply would not pay its bills for the last 12 days of the fiscal year, except to small businesses. I think it is really quite incredible to tell the people that build our equipment and maintain it that we are not going to pay them for 12 days so that we can put into place some kind of bookkeeping gimmickry.

The point is, the defense budget has already declined in real terms for the past 2 years. If we implement either the high or low tier, we will once again have hollow armies, people hemorrhages, low morale, and inadequate capabilities.

It is incredible to me that at a similar juncture 6 years ago Democrats and Republicans alike realized that we needed to modernize our forces and build up at least at a reasonable level of defense spending. Yet here we are, faced with the choice of maintaining our achievements or throwing them away—and this resolution would have us throw them away.

As the saying goes, those who neglect the lessons of history are doomed to repeat them. I implore the Members of this body not to repeat the mistakes we made in the 1970's and not to do great damage to this Nation's ability to defend its vital national security interests throughout the world.

In keeping with the rhetoric that the President can continue the defense buildup if he agrees to raise taxes by a specific amount, this budget resolution would require the President to agree to a tax hike so that he can have the higher of two defense figures proposed.

In the first place, it is absurd to hold any part of the budget hostage to taxes. We either have spending needs and must fund them, or we don't. Taxation should not be a bargaining chip. And in point of fact—the higher tier defense figure is actually a cut of more than 2 percent in real terms.

It is simply not true that, as proponents of this tactic would have us believe, a dollar raised in taxes will yield a dollar in defense spending.

So, what will the American people have in exchange for a historically high tax increase? An imbalanced, but not leaner defense and continued, unfettered domestic spending. And uncontrolled budget deficits for a long time to come.

It is clear that, even though these taxes are linked to defense for whatever political purposes, the real reason is to pay for the spending increases this budget resolution contains.

I will close my comments by pointing out that the American people have not been fooled by this creative approach to budgeting. In fact, a recent editorial in my State pronounced this budget resolution as "another sorry performance," which, in fact it is.

The editorial points out the irony of proposing to solve the problem of escalating debt by "going deeper into debt."

It concludes that this sorry performance would be laughable, only, the joke is on us.

But, if this resolution is implemented, I think it would be more accurate to say that there is a majority of compulsive gamblers among us—gamblers who are betting on our economy and our defense. To me, a vote in favor of this proposal is one more bet in a game of economic Russian roulette. If this bet is made, we and our children surely will regret the inevitable—and perhaps irrevocable—consequences.

Mr. President, I ask unanimous consent to have printed in the RECORD letters from Senator WARNER and Senator NUNN, each dated February 24, 1987, and an article from the Arizona Republic.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, February 24, 1987.

Hon. LAWTON CHILES, *Chairman,*
Hon. PETE V. DOMENICI,
Ranking minority member,
Committee on the Budget, U.S. Senate, Washington, DC.

DEAR PETE AND LAWTON: The Republican Members of the Senate Committee on Armed Services strongly support the President's fiscal year 1988 defense budget request. This morning, our Committee voted 18 to 2 to recommend defense funding levels of $312 billion in budget authority and $297.6 billion in outlays.

In our opinion, the President's request for defense is both credible and restrained. Having sustained two consecutive years of real declines in defense spending, it is imperative that this trend be reversed. Over the past several years, we have made substantial progress toward restoring our nation's military capabilities. The modernization of our Army is one-third complete, we are well on our way to achieving the goal of a 600-ship Navy, and the quality of our military personnel is at an all-time high. We should not allow these and other gains to be sacrificed by an unwillingness to recognize the need for a continuing and stable defense program.

I understand the difficulties your Committee faces in formulating a bipartisan budget which will reduce the projected deficit while providing adequately for our national defense and other important government programs. It is essential that we work together in achieving an early agreement on the funding levels in the budget resolution, and I urge you to call on me and my Armed Services Committee colleagues for any assistance we may provide in this effort.

Sincerely,

JOHN WARNER,
Ranking Minority Member.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, February 24, 1987.

Hon. LAWTON CHILES, *Chairman,*
Hon. PETE V. DOMENICI, *Ranking minority member,*
Committee on the Budget, U.S. Senate, Washington, DC.

DEAR LAWTON and PETE: In accordance with the provisions of Section 301(d) of the Congressional Budget Act, I am forwarding the recommendation of the Committee on Armed Services for the National Defense Function (050) for FY 1988.

As you know, the President's FY 1988 budget includes $312.0 billion in budget authority and $297.6 billion in outlays for the National Defense function. The Armed Services Committee supports the overall level of spending proposed by the President for National Defense for FY 1988. However, I believe I speak for a majority of our Members when I point out the following caveats:

1. The Committee's recommendation is based on what we believe is a justifiable level of spending for National Defense. It is not based on a comprehensive review of how the FY 1988 Defense budget might fit into the overall context of a Budget Resolution that conforms to the Gramm-Rudman deficit target.

2. The Congressional Budget Office estimates that the deficit in the President's FY 1988 Budget is $134 billion, $27 billion above the Gramm-Rudman deficit target. If CBO is correct and the President's budget request for FY 1988 fails to meet the Gramm-Rudman deficit target, I understand the almost impossible job the Budget Committee faces in reducing the President's deficit by $27 billion while preserving his proposed Defense funding level.

3. The Committee is recommending a National Defense spending level only for fiscal year 1988 because the President's FY 1988 Budget fails to meet the Gramm-Rudman deficit targets after FY 1988. The Defense Department submitted a credible two-year budget for FY 1988 and FY 1989 as part of its FY 1988-1992 Five Year Defense Plan. Our Committee strongly supports the concept of shifting to a two-year budget. Unfortunately, the President has not told Congress how he plans to pay for his proposed level of defense spending after FY 1988 within the Gramm-Rudman deficit targets, making our job of recommending and adopting a two-year defense budget extremely difficult.

4. In endorsing the level of Defense spending proposed by the President for FY 1988, the Committee is not endorsing the details of the President's Defense budget. Many members of the Committee believe the priorities of the FY 1988 Defense budget are seriously out of balance. For example, the budget proposes to start a number of new weapons programs at the same time it increases the inefficiency of the production rates of many weapons programs currently in production.

In closing, I would like to emphasize the important relationship between budget authority and outlays in the National Defense function. Last year, the relatively high ratio of budget authority to outlay reductions in the National Defense function required by the FY 1987 Budget Resolution forced the Congress to choose between reducing more budget authority than required by the Budget Resolution targets in order to achieve the required outlay reductions; reducing the faster-spending readiness and personnel accounts disproportionately; or using budgetary gimmicks.

This year, I strongly recommend that the first year outlay rate of any adjustments in the level of National Defense budget authority be set at 38-45%. This will leave the decision of the appropriate mix of any adjustments to the FY 1988 Defense budget to the Armed Services and Appropriations Committees.

We look forward to working with you on the Budget Resolution in the weeks ahead.

Sincerely,

SAM NUNN,
Chairman.

ANOTHER SORRY PERFORMANCE

Back in January of this year, two smiling Democrats, in their televised response to President Reagan's State of Union message, assured the nation's taxpayers—and voters—that the 100th Congress would demonstrate their party's ability to govern.

Feeling confident after regaining control over both chambers in the fall elections, House Speaker Jim Wright and Senate Majority Leader Robert Byrd promised they would get down to business in managing the government's affairs. Some five months later—with an agreement on a $1 trillion budget plan for the next fiscal year—the Democrats came through on their promise. They got down to business, all right: business as usual.

Instead of taking the opportunity to reverse decades of excessive taxation and outrageous spending, the Democratic leadership retreated to its familiar pattern of placing financial and personal expediency over fiscal principle.

Not only did the Democrats fail to meet Congress' self-imposed limits on spending, they are recommending $19 billion in new taxes to finance their fiscal profligacy. Instead of coming close to the Gramm-Rudman deficit-reduction target—even with new taxes—they overshot it by a mile.

And never mind that the burden of the Democrats' new excise taxes to finance their out-of-control spending spree—levies on such things as beer, cigarettes and gasoline—will fall most heavily on the lower-income wage earners. Moreover, while the increase in federal revenues—a nice way to say taxes—has outpaced inflation during the past five years, government spending has soared by more than $140 billion during the same period.

No, to the Democratic leadership, the answer to the ever-soaring national debt is to go deeper in debt: Spend now, pay later, no matter the cost. The blank check given the Democrats last year by the voters has been signed, sealed and delivered, wrapped in fiscal insolvency.

As the grinning Democrats reach ever deeper into the taxpayers' pockets, they justify their addiction to spending by the outrageous claim that the fault really lies with Reagan. After all, they say, the president has not submitted balanced budgets.

While Reagan no doubt could be blamed for not standing firm enough against congressional spending excesses, the truth is that the president has little or no power in budgetary matters. The budget deficits were created by the people's representatives and senators who, by law, have appropriated each and every misspent dollar.

If it weren't so serious, Congress' sorry budgetary performance would be laughable. The trouble is, the joke's on us.

The **PRESIDING OFFICER.** Who yields time? If neither side yields time, time will be equally divided.

TO ENTER THE COMMITTEE CROSSWALKS INTO THE RECORD

Mr. **CHILES.** Mr. President, I send to the desk the estimated allocations—based on the budget in the conference report—of the appropriate levels of total budget outlays, total new budget authority, and new credit authority among each committee of the House of Representatives and the Senate, pursuant to section 302(a)(2) of the Congressional Budget Act. I ask unanimous consent these allocations be considered as part of the joint explanatory statement of the managers accompanying the conference report and be printed in the RECORD.

There being no objection, the estimated allocations were ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT FOR 1988

[In millions of dollars]

Committees	Direct spending jurisdiction		Entitlements funded in annual appropriations	
	Budget authority	Outlays	Budget authority	Outlays
Appropriations	585,792	593,365	0	0
Agriculture, Nutrition and Forestry	26,285	28,919	(18,723)	4,425
Armed Services	44,256	30,359	161	161
Banking, Housing, and Urban Affairs	6,657	3,639		
Commerce, Science, and Transportation	1,933	150	393	393
Energy and Natural Resources	1,302	875	28	28
Environment and Public Works	14,839	777	6	6
Finance	602,543	547,088	57,614	57,650
Foreign Relations	7,304	7,247		
Governmental Affairs	63,684	40,136		
Judiciary	1,701	786	98	98
Labor and Human Resources	3,184	2,546	4,038	4,611
Rules and Administration	82	262		
Small Business	43			
Veterans' Affairs	1,558	1,234	15,235	15,244
Select Indian Affairs	531	413		
Not allocated to committees	(208,402)	(216,996)		
Total, budget	1,153,200	1,040,800	58,850	82,616

SENATE COMMITTEE CREDIT AUTHORITY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT FOR 1988

[In millions of dollars]

Committees	Direct loans	Primary loan guarantees	Secondary loan guarantees
Appropriations	16,952	103,835	100,600
Agriculture, Nutrition and Forestry	16,364	12,814	
Armed Services			
Banking, Housing, and Urban Affairs	30	301	
Commerce, Science, and Transportation	307		
Energy and Natural Resources			
Environment and Public Works	280		
Finance	3		
Foreign Relations			
Governmental Affairs			
Judiciary			
Labor and Human Resources		9,350	
Rules and Administration			
Small Business			
Veterans' Affairs	664	30,400	
Select Indian Affairs			
Not allocated to committees			
Total, budget	34,600	156,700	100,600

Mr. **CHILES.** Mr. President, I yield the floor.

I understand the time is divided equally.

The **PRESIDING OFFICER.** The chairman of the Budget Committee [Mr. CHILES] is correct.

Mr. **DOMENICI** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from New Mexico, Mr. DOMENICI.

Mr. **DOMENICI.** I yield myself 10 minutes.

I might say to the Senate, we have a number of Senators that still desire to be heard and they will be here in due course. I would like to use 10 minutes to talk about an issue that seems to be pervasive in this discussion. I do not choose to talk about it as it relates to this budget resolution, necessarily, but with reference to taxation and the American people.

Perhaps I might follow with some more discussion that I thought was extremely beneficial. The distinguished ranking member of the Finance Committee made some very good points this morning with reference to the overall picture of Government expenditures over the past three and one-half decades. I am referring to what he had to say about passing the buck, so to speak, on to the Federal Government. I thought I might speak about another item that I think is very much a myth in the United States.

We had a tax reduction that occurred in 1981. I have even heard some distinguished Members of Congress say that it was that gigantic tax cut that occurred in 1981, followed by the tax reform package which had some small impact on individual taxes, that is the reason for this big American debt. This leaves one with the impression that one of the ways we should have solved this deficit was to not have reduced taxes on the American people so much.

I thought I would dispel the notion that the taxes on the American people have been reduced by talking specifically about tax burdens today.

Before I do that, let me make this statement. Many suggest that an average American household with a little over $21,000 in income in 1980 has had their taxes reduced so much that that household ought to favor increasing taxes. There is sort of a lingering. "We don't understand why the American people don't appreciate how much their taxes have been cut."

Mr. President, let me suggest to you that the American people generally have pretty good intuition. More than that, they really understand arithmetic. And even more, they really understand what's in their paycheck and what they get to keep and what they get to spend.

I want to dispel any notion that the average American taxpayer is not paying enough taxes and that is the reason for this big deficit.

This is a very simple chart. The first bar represents a head of household with two dependents and a little more than $21,000 in income in 1980. That would be $30,000 in income in today's dollars. That household paid $3,279 in income taxes and $1,293 in Social insurance taxes. Those numbers are very simple: $3,279 and $1,293 for a total tax burden of $4,572.

With all we have heard, this family is obviously paying substantially less today, right? They are taking home more, right? We have reduced their taxes and that is why we have such a big deficit.

Well, wrong, wrong, wrong. That same household today is paying $2,693 in income taxes and $2,253 in Social Security and Medicare taxes for a total tax burden of $4,946.

What I have done is I have assumed that a $21,000 head of household with two dependents needs $30,000 in income to be in the same place that he was then, to adjust for inflation.

I heard one other suggestion by a very distinguished leader of the other body that it was a big mistake when we dramatically reduced taxes in 1981. Well, let me suggest that it was inevitable that individual taxes were going to be dramatically reduced from the 1980 level. If I left the Tax Code intact and we did not have any tax cuts since 1980, this same household would be paying $8,464 in income tax withholding and withholding for Social Security and Medicare. Can any one honestly tell the American people that we would have left taxes this high and that is how we would have paid for this deficit? I do not believe it is a credible story. When you take the first two examples, which show that families are paying more now than they were then, it is obvious to me that the polls are reflecting the pocketbook.

The reason they are telling us they do not want to pay any more taxes is because they have not had their bottom line taxes cut.

Some might get up here and argue, "Well, the rich have had their taxes cut." I am willing to look at those numbers. I am willing to talk to anybody who wants to bring numbers to this Chamber and wants to contend that the two new brackets in the Tax Code which reduce the highest level of taxes cause us to really lose enormous amounts of revenue. I think the revenue loss amounts to almost nothing when compared to the national deficit.

There is another myth around. Namely, that we do not have to worry about income tax rates. The myth is that we can find new taxes from what we call excise taxes.

If people are wondering why there is a lot of resistance to the notion of significant increases in the excise taxes, it is because of what I will describe in my next chart.

We contend that the new tax law reduce the burden of individual taxation, and we touted that across America. It is still out there for the American people, but the people are not so sure. The complexity of the change has caused a lot of confusion.

The best we can figure is this, Mr. President: we reduced individual taxes by a total of $35.7 billion in 1988 in that tax reform law. Who do we think pays excise taxes? It's individuals. I do not know that corporations pay cigarette taxes, or the bulk of gasoline taxes, or alcohol taxes.

This chart looks at typical excise taxes that we could increase. If we raise only $18 billion of the needed taxes under this budget resolution in excise taxes, we will have cut in half the reduction in individual taxes that we so loudly acclaimed in the tax reform package of last year—half. We claim to have cut individual taxes by $35 billion. If we only take $18 billion of the $21 billion in this proposal from excise taxes, we will add back to individual tax burdens exactly one-half of the highly touted individual tax reductions we enacted just last year.

It is pretty easy to understand why the average taxpayer understands and opposes this and why this is probably not going to work.

The PRESIDING OFFICER (Mr. DODD). The Senator's time has expired.

Mr. DOMENICI. I yield myself 2 additional minutes.

The other thing many people touted was that tax reform reduced the level of taxation on the working poor. We ran across America saying, "If anything, tax reform will reduce the burden on the poor, and the time has arrived to accomplish that. Let the working poor keep more of their earned dollars so that they can take care of themselves more, so that we do not need more and more Federal programs to back them up as they attempt to succeed in this American society."

Well, this graph simply explains why people with good conscience are not going to use excise taxes, at least in the manner suggested, as a substantial portion of this $21 billion tax increase recommended in this budget.

For example, let's look at folks earning less than $20,000, according to the best experts we can put together. If $18 billion in excise taxes are added next year the less than $20,000 income households will lose 136 percent of what they gained under tax reform. All of the savings that we claimed they could keep under the tax reform are gone and then some. They will be bearing, instead of the tax savings, 36 percent more taxes from where we told them they would be if the tax reform package were left alone.

The rest of the graph is self-explanatory. For those between $20,000 and $100,000, you will take away 66 percent of the tax reduction, and for those over $100,000, you will take away 6 percent.

If you add in State and local taxes, which have increased dramatically in the past decade, you understand why the American people are saying, "Reduce the size of Government. Do not increase the taxes that you take from us as you deliberate on budgets."

I repeat, the taxes in this budget resolution are needed to cover increases in the budget, are not needed to reduce the budget deficit. The budget for nonentitlement domestic expenditures is going up under this resolution almost as much as the amount of taxes we are seeking to raise.

Now, Mr. President, my friend from the State of Colorado has indicated that he desires to speak. I am prepared to yield. Does he want 15 minutes?

Mr. ARMSTRONG. If the Senator from New Mexico would yield 15 minutes, I would be grateful, but I would like to use at least a portion of that time to check a few signals with him and ask a couple of questions about this budget resolution. There is a rumor or two running around here.

The PRESIDING OFFICER. Will the Senator suspend? Who yields time?

Mr. DOMENICI. I yield such time as the Senator from Colorado requires.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Could the Senator from New Mexico clarify for me, is there some kind of notion in this budget resolution that we will save some kind of money in the defense budget by simply not paying the bills at the end of the year?

Mr. DOMENICI. I might say not necessarily in this budget resolution. I will see if I can explain it. If you fund only the lower tier of the two tiers for defense—which is the level for defense if the President does not sign a tax increase—it seems to me you would have to use the same rationale that the U.S. House of Representatives Armed Services Committee did on the floor because those numbers are identical to the lower tier.

What they did, I might say to my friend from Colorado, is they went to the floor and somebody said, "Your defense authorization bill is over so you will have to get it within these new budget numbers."

What they did is they put in a new item. It is called "delay in payments." We have discussed it a little here this morning. It says we will not pay our bills for the last 12 days of the year except for small business bills.

To the extent that the House had a game plan from their Armed Services Committee that passed the floor of the House and to the extent that the lower tier numbers for defense are going to be adopted, then the House, at least, in mind that one way to get there was to not pay our bills for the last 12 days of the year.

Mr. ARMSTRONG. Does the Senator from New Mexico think that a proposal like that can meet the test of integrity in budgeting, sound business practice, or even truth in public finance?

Mr. DOMENICI. I say to my friend I really cannot believe that it finds its way into these processes. It is absolutely incredible to me.

Yes, there are gimmicks galore in trying to meet budget targets. One time we slipped the pay increase for 1 day so that it would be in the next year, thus charging the following year for the pay increase and taking credit for $3 billion worth of savings. That occurred around here. This one even tops that.

If you cannot pay bills for 12 days, why not 20? If you cannot pay bills, if you do not pay the bills on defense for 12 days so that you can phony up the numbers and let the American people think you are meeting a deficit target, why not apply it across the board?

Why should Labor or the Health and Human Services Department pay their bills when they are due? Why not let them postpone payments for the last 10 or 12 days?

How about HUD? Let me tell the Senator the reason I add those to the answer to his question. If we delay all these payments, we do not have to cut anything.

Mr. ARMSTRONG. I thought the Senator told me we were not cutting anything.

Mr. DOMENICI. We are not cutting anything anyway. But we could let spending just grow and start to say how many days we will not pay the bills and we can meet almost any target anyone can set under Gramm-Rudman-Hollings or otherwise. Of course, it would all be phony and it would come home to roost, if not the next year, then the year after that.

Mr. ARMSTRONG. Why, in the subsequent year, could we not just slip the date again and slip it 24 days the following year?

Mr. DOMENICI. I just suggest that if we get into that habit, we will soon get to the point where nobody will sell us any services, nobody will sell us anything for the Government because they will not expect to get paid.

This reaches a real peak, in my opinion, of budget gimmickry that I am glad the Senator asked about it. I do not know how it escaped the American people. I do not know if the American people knew that is how they met their targets in the House on the first round of defense. But I think we ought to share with them today the best we can that this is no way to run a ship, to run a government, and that, clearly, it will not work.

Mr. ARMSTRONG. Mr. President, will the Senator from New Mexico remind us how long he has been a member of the Senate Budget Committee?

Mr. DOMENICI. I have been on it so long I do not remember.

Mr. ARMSTRONG. Mr. President, I think I have been a member of the Senate Budget Committee for 8 or 9 years.

Mr. DOMENICI. I have been on it for 13 years.

Mr. ARMSTRONG. How in the world, I ask my friend, has he been able to stand it for this long?

Mr. DOMENICI. It is taking its toll.

Mr. ARMSTRONG. The years I have been on there, each year I have come to the task with a certain degree of optimism and enthusiasm and a sort of feeling that last year is over and we can put it all behind us and start over and, by gosh, we are going to get serious about this thing and something good will come of it. We finally elected a President who is known for his optimism, and we are all reminded of his favorite story, the punch line of which is there has to be a pony in there someplace. I thought each year, this thing is going to turn around.

I remember back in 1980 and 1981, I felt we were really getting someplace. I think that was the year we put in the asterisk.

Does the Senator remember the big asterisk?

Mr. DOMENICI. Oh, yes.

Mr. ARMSTRONG. I have forgotten the value that I understood would be saved; I think $40 billion.

Mr. DOMENICI. It was $44 billion.

Mr. ARMSTRONG. Something, though we did not know what it was, we knew was going to happen. But we had confidence and just plugged it in. I think we were going to attribute it to fraud, waste, and abuse.

Mr. DOMENICI. Management savings.

Mr. ARMSTRONG. That is correct. That did not pan out too well.

Then I remember one year—this was not when the Senator from New Mexico was chairman. I think this was when our friend from South Carolina was chairman. He brought a bill to the floor and people actually thought we had balanced the budget. In those days, we thought we had gotten there. I did one thing which proved to be improvident. I came down to the floor and recalled for the then chairman of the committee the story of the emperor who had no clothes. He objected to my characterization of this budget he was presenting as being off the mark, actually misleading in its terms. I did not realize until subsequently how much he objected to that when our party, the Republicans, finally got control of the process and we brought a budget to the floor and he accused me of nudism, which was a response to my suggestion that his budget had no clothes. He went even further. As luck would have it, it turned out he was completely right. Our budget did not add up and track, either.

Then, a year or 2 ago, we finally thought we had gotten the answer to this thing. My gosh, we were going to start selling off Government assets and everytime we sold one, we were going to count it as closing the deficit gap.

Am I correct, I ask the Senator from New Mexico, are we doing some more of that in this budget, back to that old trick of selling something off and claiming that somehow that closes the deficit gap?

Mr. DOMENICI. That is correct. It is my understanding that a little over $7 billion comes from refinancing the REA loan portfolio, which is the equivalent, in my opinion, of asset sales.

Mr. ARMSTRONG. In the long run, will that save us money or cost us money?

Mr. DOMENICI. If the committees of jurisdiction refinances the REA loan portfolio, it will cost us money, not save us money, over the long run.

Mr. ARMSTRONG. But we are going to claim it in this current fiscal year as a saving?

Mr. DOMENICI. From what I understand, it is in this budget resolution as a saving. Last year, we had asset sales that we took credit for, like Conrail, which did happen. We got out of that business.

I think we picked up about $2 billion for the Treasury from the sale of Conrail. Not all the asset sales occurred, but for the most part, they did.

Mr. ARMSTRONG. Mr. President, I am all for selling some of these things. I would be glad to sell Conrail. I would be glad to give Amtrak away if anybody would take it off our hands. I would be glad to dispose of it even if they would not pay us anything for it. I would say the same for some other assets of the Federal Government which I think could be sold. I am all for that and I would not want anybody to think I am loathe to dispose of these things. There are some loans in our portfolio that we ought to sell, there are some physical assets we ought to sell.

The military owns some bases that actually should be sold and put back into private hands. Some of them are located in very attractive spots. I would guess, for example, if you go out and sell some of the military installations in Hawaii on the open market, they would bring in billions of dollars. Also, I would guess if you sold the Presido in San Francisco—that is strategically located. That might bring in billions of dollars.

I am not kidding about that. It may well be that the military function would be as well or better performed some place else. But it seems crazy, it seems hypocritical or seems nonsensical to me to count that or score it in the budget process as closing the deficit gap. It is sort of like a family that is spending more every week, more every month, more every year than they are taking in in income from all sources—wages and whatever other income they might have. And they say, well, in order to make ends meet, we are going to sell the car. Maybe they should sell the car, but if the gap between revenue and spending increases, they have not solved the situation. Then they sell the other car and the family boat.

Maybe they should do all these things; maybe they should not have those things if they cannot afford them. Maybe they ought to sell their house and move into a tent.

Maybe the Federal Government ought to sell off some office buildings. In fact, I think that is probably true. There may be some public lands that need to be sold.

But the notion or the suggestion that these constitute a way to close the budget gap is absolutely preposterous, in my opinion.

Does the Senator from New Mexico have any recollection of a thing called the Byrd amendment?

Mr. DOMENICI. Yes, Mr. President.

Mr. ARMSTRONG. One of the finest men ever to serve in the Senate was the Senator from Virginia, Mr. Harry F. Byrd, Jr. He proposed an amendment that said on and after a certain date, the budget would be balanced. I forget what the date was. I think it was 1981.

That amendment was adopted. It was the law of the land. It was a statute. It was not just a budget resolution, it was a statute.

It said that we were going to balance the budget thereafter, it would be kept in balance, and we would not have any more of these deficits. And you know, nobody paid the slightest bit of attention to that any more than they did to the asterisks or any more than they did to the golden gimmicks or any more than they did to the smoke and mirrors or any more than they did to the notion of not paying our bills for the last 12 days of the year.

I am starting to wonder, Mr. President, whether or not this whole process, this display each year of pious rhetoric, accompanied by reprehensible action, is not one of the reasons why people are so cynical about this budget process. In fact, I read in the Washington Post a while back an account of a bunch of interviews that David Broder and Haynes Johnson and a team of reporters did down in Tennessee. It was basically an account of how cynical people are about politics. They found, and it was backed up I guess by an ABC-Washington Post poll, that people just do not believe their political leaders anymore.

They have a sour, bitter outlook.

In essence, one of them said—and I think I can quote it pretty directly—"You just can't trust anybody anymore. It is a disgusting way to live," is the way he put it. The notion is abroad that people in public life will do or say just about anything to get past the next election or to get past the next deadline. And it does not matter even if it is true, it does not matter whether or not it is even believable if somehow it provides some rationale to get on with it and to take the summer recess and adjourn for the year and go back to the voters and blame it on everybody else. Somehow that is what we do.

Mr. President, this process that we are engaged in really comes down to this, that in January the President sends up his budget, and just before he sends it up, before it is officially announced to the world, you begin to see Senators trashing it. Even before he sends it over to us, it is pronounced dead before arrival, dead before transmittal. Before he even has a chance to send his budget over here, the President is told it would be grossly irresponsible if he does not begin to compromise on something he has not even submitted. Finally, it gets sent over here and some poor devil from the administration, the OMB Director or somebody, has to come before the Budget Committee where a bunch of Senators browbeat him, make fun of him, and tell him this does not constitute valid participation by the administration.

That is not just this year. It has happened every year since I have been here, and that is 9 years. In the 9 years I have been on the Budget Committee, we have approximately doubled the amount of debt owed to our children and grandchildren. It is now I guess about $2 trillion. The amount we are spending has increased and every year we lay claim to the idea that somehow we are making the situation better. We are not; we are making it worse, and we all know we are making it worse. We are all trying to pretend that some kind of asterisk or golden gimmick or selling of assets or smoke and mirrors or something is going to make things different, and it is not.

I went back and refreshed my recollection by looking at some of the statements and declarations and reports that we have made in past years and every year we say, both officially and unofficially, now we are on the road; this year we are going to do something. We are not going to slip back into the old habits.

Some people in the Chamber may have noticed, but they have been kind enough not to point it out to me, that over the winter I put on a few pounds. And it did not look too good on me; my suits did not fit just right. It finally got to the point that my wife told me if I did not lose some weight, she was going to donate my body to science fiction. I thought about making a pious declaration, I thought about passing a resolution, I thought about putting an asterisk in my diet, and I thought about, well, maybe if I did not eat until after midnight, the calories would not count. But the truth is I never did figure out any way to lose any weight.

I have lost a few pounds now and need to lose a few more. I never could figure out how to lose any weight except balancing my energy output with my food intake. It is the same with this budget.

Now, I do not want to be simple minded about this but this is a simple problem. The fact is that in this budget resolution we are not coming to grips with the underlying issue, which is we are continuing to spend far more than we ought to on domestic programs and we are saying we are going to raise taxes to cover it, although I doubt if those tax increases will ever be enacted because that has got to be in a statute passed by the President of the United States and he has said he would veto it and he ought to veto it.

Mr. DOMENICI. Will the Senator yield?

Mr. ARMSTRONG. So, Mr. President, I am going to yield the floor because I think the—am I mistaken about that?

Mr. DOMENICI. I just want to confirm that I am yielding a given amount of time. I yield 10 additional minutes to the Senator.

Mr. ARMSTRONG. I thank the Senator. I am just rambling on. I have a lengthy prepared statement here which outlines with greater precision and in fact with greater scholarship exactly what is the matter with this budget resolution, but I almost hate to get into the technicalities; I have been through them so often. Every year I come down to the floor and point out the details and it does not seem to change the outcome. What I am hoping is that somehow we could rise above the minutia, the trivia and the details, even rise above the recriminations and the finger-pointing—and I have tried to do that this afternoon—to make it clear that I do not blame this on the Democrats. The Republicans have not got clean hands in this matter. We have not been as frank as we ought to have been during the years when we controlled this Chamber. We did not do as good as we should have. And so it is not a partisan problem as far as I am concerned.

I think the President has sent us up a lot better budget than what the budget resolution has in it, but I did not think the President's budget was as good as it should be. The reality of it, however, is this: This budget, which is sent to us by the conference committee, is a joke. It is a travesty. It is not something which serious people can look at and say this is a fair or reasonable or thoughtful or even a dead level, earnest approach to balancing the budget at any date. Nobody thinks it balances it this year or next year. I do not think it puts us on a track which even under its own terms would ever result in getting the budget in balance even if you assume the tax increase will be forthcoming, even if you assume that supplementals will not balloon the spending beyond what is specified in the budget resolution.

Now, I regret very much, Mr. President, that after all is said and done, every single proposed spending reduction or program reform suggested by the President of the United States in his budget submission has been ignored or turned down in this budget resolution. I may be wrong about that, and if someone can mention to me one single instance of the kind of reform the President has suggested which has been incorporated in this budget resolution, I would like to hear about it.

Now, the President said we ought to do away with the UDAG program. For those are not familiar with it, UDAG is a program under which people in various areas around the country are able to get bargain-priced Government moneys in order to build hotels, marinas, condominiums, convention centers, and one thing and another. I do not want to go into detail because I recall one day I got up and made a speech about the UDAG program and one of the Senators said, "Well, the Senator from Colorado just doesn't understand; it is a popular program."

Of course, it is a popular program. If you give away money, the people who get it are going to think that it is a very popular idea.

My question is, Where is the justice, where is the common sense of shuffling out money for a program like this, a program which is proven to be so extravagant that even its chief sponsor, even the person who originated it, said it is time to repeal it?

Well, so did the President. He sent up a budget which called for doing away with UDAG. We have not done that in this budget.

Then there is the HODAG budget. It is the same story—a program which by its own terms have been a failure. In terms of its own defined purpose, this costly program has failed. We are not doing anything about it.

Then there is Amtrak. Amtrak is a program which started out to spend $40 million a year and now we have spent about $14 billion. The amount of passenger railroad service provided for all this cost has declined I think to a third of what we had decade ago. The passenger cost per mile is higher than it has ever been before. The pollution per mile is higher than it has ever been before.

In the meantime we deregulated the airlines and everybody is traveling on unregulated, unsubsidized airlines instead of on Amtrak but we are still spending several hundred million dollars a year on this.

The President said, "Let's do away with it," but the budget resolution says, "No. We don't care." And on and on and on—EDA, mass transit, they are all in there. They are in bigger than ever. Nothing has been cut.

We are going to finance the whole thing through a tax increase.

Mr. President, the conference report on the 1988 budget resolution has almost no redeeming qualities. It proposes no restraint on Federal spending, especially domestic spending. It offers no hope of lower deficits, but relies on phony economic assumptions to meet the Gramm-Rudman-Hollings deficit target. It proposes $64 billion in new taxes on the American people, an indefensible proposition, in my view. It is about as bad a budget plan as I could have envisioned.

Another year is slipping past, about the sixth in a row when Congress has known the magnitude of the deficit problem and failed to take any meaningful action. Each year begins with high hopes, and each year those hopes come crashing down.

In January, the ritual begins with a sound trashing in Congress of the President's budget proposal. The President's budget is seldom perfect—there are things in it I don't like much—but it usually proposes some sound spending reforms and much needed program terminations that would help control Federal deficits. But President-bashing is the order of the day, and everyone feels good about fighting for the programs they hold dear.

Then Congress starts to write its own budget, and things really go haywire. The result of the congressional budget writing process is before us today—and it is not pretty. I believe that, individually, each Member of this body on both sides has a desire to solve the deficit problem and restore our Nation to sound budget practices. But acting collectively, Congress manages to produce a budget which achieves the worst possible result. That is where Congress stands today. Many speeches will be heard today about how progress is being made. But, truthfully, the Senate is just going through the motions, putting off the inevitable for another day.

Mr. President, let me review some of the more odious aspects of this conference agreement.

SPENDING INCREASES

First, the conference report proposes an increase in Federal spending of $46 billion in fiscal year 1988, up 4.5 percent over last year. Let me emphasize that point: This budget proposes no reduction in Federal spending below the amount spent last year. In fact, no budget proposal has even cut Federal spending despite the existence of the deficit problem. The conference report does assume $7.6 billion in "savings"—but these savings are, for the most part, illusory. Generally, they are savings below assumed spending increases in the budget baseline. The Government will not spend $7.6 billion of the built-in increase it assumes will occur each year. Even if one counts such "savings," they amount to a whopping reduction of seven-tenths of 1 percent in projected 1988 outlays.

Let's look at the real facts. Federal spending will exceed one trillion, fifty-five billion next year, another all-time high. Domestic spending alone will increase by $41 billion. Not one Federal program is proposed for termination by this budget. Every termination and significant spending reform proposed by the President is rejected. UDAG, HODAG, AMTRAK, SBA, EDA, mass transit funds, all survive and prosper. This budget makes no pretense to constrain Federal spending. Indeed, it proposes $5.2 billion in budget authority for new spending programs next year.

TAX INCREASES

Despite that sorry effort on the spending side, the conference agreement proposes a tax increase of $19.3 billion in fiscal year 1988 and $64.3 billion for the fiscal year 1988-90 period. Actually, that understates the revenue increase in the plan. When receipts from loan asset sales, user fees, the REA refinancing are counted, the budget proposes an increase in Federal revenues of $29.3 billion in fiscal year 1988 and $80.6 billion by 1990.

And even that understates things because, according to CBO projections, growth in the economy will itself generate $66 billion in additional revenue next year and $217 billion by 1990—without the $80.6 billion proposed increase in this budget. You would think this $200 billion in higher revenues generated by the current tax system would be enough to meet the Nation's spending needs and help lower the deficit. Not according to this budget.

This Senator finds it unjustifiable to ask people to pay higher taxes so that Washington can increase spending by $50 billion next year. I've heard it said that these revenue increases will be used to reduce the deficit. If you believe that, you'll also believe there's some ocean front property in Death Valley. With every passing year, the notion that higher taxes would go toward deficit reduction becomes more transparent and pathetic.

Just take a look around: this budget proposes a spending increase of $50 billion next year. It starts $5 billion worth of new programs. This year, Congress voted itself a pay raise and overrode Presidential vetoes of two budget busting authorization bills for highways and water. The Senate passed a major housing authorization bill. It passed a new bill to help the homeless. It is about to consider a new and unlimited trade assistance entitlement in the trade bill. It will shortly consider a vast expansion of the Medicare program for catastrophic care. It will later consider an expansion of the welfare system—so called welfare reform. And, for the past 2 weeks, the Senate has been debating whether to use taxpayer money to pay for Senators election campaigns.

The notion that higher taxes will help reduce the deficit is about as preposterous as they come, and, frankly, Senators discredit themselves by seriously asserting it.

LITTLE DEFICIT REDUCTION

Mr. President, the conference report claims to reduce the deficit to $108 billion in fiscal year 1988—the level required by the Gramm-Rudman-Hollings law. This claim, pure and simple, is phony. The budget incorporates the optimistic OMB economic assumptions to deliberately avoid the structures of Gramm-Rudman. If more accurate CBO economic assumptions are used, this budget leaves a deficit of $133.9 billion in fiscal year 1988—$26 billion in excess of what the law requires.

Let me confidently predict, Mr. President, that before fiscal year 1988 is over, the deficit will be at least $150 billion. Indeed, I think most Senators know this will occur, so why should we acquiesce in this charade and tell the American people we've cut the deficit to $108 billion. What a farce!

Earlier this year, the Senate Budget Committee report claimed that only

CBO economics would "give a realistic and sound basis for constructing the budget." Now the Senate is ready to take advantage of a $26 billion quick fix from OMB economics, plug it into the budget, and say Congress has complied with the law. It reminds me of the days of David Stockman's magic asterisk of 1981 which balanced the budget in 2 years. What the Senate is doing today is that infamous.

Mr. President, of the $36.8 billion proposed deficit reduction in this conference report, $29.3 billion—80 percent—comes from higher revenues. This budget relies on higher revenues almost exclusively. It lacks any semblance of balance, and that is why it is destined to fail. My colleagues may be interested in a more detailed analysis of how this proposal would reduce the deficit, so I ask that a table reflecting this be inserted at this point in the RECORD.

Deficit reduction breakdown in conference report

Baseline deficit	–$170.7
Revenue increase over baseline	+29.3
(Unspecified tax increase	–19.3)
(REA refinancing	+7.2)
(Asset sales/user fees	+1.0)
(More tax collections by IRS	+1.8)
Spending cuts below baseline	–7.6
Nondefense cuts	–5.4
(Discretionary freeze	–2.1)
(Medicare	–1.5)
(Agriculture	–1.4)
(Other domestic programs	–.3)
Defense cuts	–1.0
Net interest savings	–1.2)
Total deficit reduction	–36.8
Remaining deficit	–133.9
Gramm-Rudman-Hollings target	–108.0
OMB economics plug line	–26.0
Claimed deficit level	–107.9

TAXES FOR DEFENSE

Next, Mr. President, I am compelled to discuss the linkage between defense spending and tax increases proposed in this budget. The conference report would allow a $10 billion increase in defense outlays over last year—but only if the President agrees to sign a tax increase of $64.3 billion. $1 for more defense spending for every $6 dollars in higher taxes. That is someone's idea of "paying for defense."

And that isn't the worst of it. The conference report in fact proposes a massive reduction in the President's defense request. Here's the real deal offered by this budget: if the President refuses to sign a tax increase, Congress cuts his defense request by $79 billion over 3 years; if the President agrees to sign a tax increase of $64.3 billion, his defense request is still cut by $51 billion.

Can anyone be serious about that kind of deal? I imagine when the President dismisses such a ridiculous proposition, he will be criticized for not being forthcoming in the budget process, for not "participating." Anyone who expects the President to respond to this kind of provocation is simply ill-advised. You won't get the President to the bargaining table by first insulting his intelligence. That is what this budget does.

Mr. President, I ask that a table detailing the reality of this taxes-for-defense linkage be inserted at this point in the RECORD.

DEFENSE REDUCTION FROM PRESIDENT'S REQUEST

	Fiscal year— 1988	1989	1990	Total
President's defense outlays	298	313	331	942
CBO defense baseline	291	303	317	911
Conference "High Tier"	290	292	299	881
Conference "Low Tier"	284	288	292	864
Cut per "High Tier"	–8	–11	–32	–51
Cut per "Low Tier"	–14	–25	–40	–79
Proposed tax increase	+19	+22	+23	+64

DEBT LIMIT INCREASE

Finally, Mr. President, I am compelled to comment on perhaps the most insidious provision in the pending budget proposal. My colleagues should note that this conference report would require that legislation authorizing an increase in the national debt be buried in an omnibus budget reconciliation bill. Last year was the first time the debt limit was included in budget reconciliation, and I feared then the Senate would be setting a terrible precedent. This provision would allow the Senate to escape a separate, open and public vote to borrow more money from the private sector to pay for Federal deficits.

The House has labored under a similar rule for several years, and I find this course of action just deplorable. I must respectfully but emphatically disagree with some of my colleagues who deem the debt limit increase something of a routine, bookkeeping, "paying the bills," good government kind of thing. I'm here to tell you the debt limit is the only true budget bill ever considered by Congress. It's the only bill which forces everyone to face the consequences of the fiscal policies Congress has refused to come to grips with.

I understand the debt limit is a difficult vote to take separately. I realize it is hard to muster a majority for it. Running and hiding from it solves nothing. It only avoids tough decisions and helps Congress skirt accountability to our constituents.

Mr. President, this conference report is beyond repair. it will solve no problems and, indeed, make matters worse. I urge my colleagues to reject it.

Mr. President, I will now yield the floor just with the request that my colleagues think carefully and consider carefully and that if there should be a willingness to turn down this budget resolution we could then get serious about making some spending cuts in areas that have been overspent and put together a budget resolution that would target us toward a balanced budget at some point 3 or 4 years down the road and do so without a tax increase.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. HATFIELD. Mr. President, I have an understanding with the chairman and the ranking member of the Budget Committee to have 10 minutes yielded on his behalf to me.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Oregon is recognized for 10 minutes.

Mr. HATFIELD. Mr. President, I rise this afternoon to join in the opposition to the concurrent resolution on the budget for fiscal year 1988. And I do so very reluctantly and I do so for different reasons than I believe have been expressed heretofore on the floor of the Senate, for despite my protests against the excesses of the budget process from time to time I have generally been supportive of the budget resolution. But today I cannot vote for this budget resolution. I would like to indicate why.

My principal objection to this resolution has to do with its implicit proposition that it is fine to raise taxes so long as the increased revenues are used to pay for higher levels of defense spending. I am not opposed to raising taxes. I have argued for several years that we must look at both the spending side and revenue side of the budget if we are serious about deficit reduction. But I am opposed to the provision of this resolution that would reserve for defense expenditures a specific share of any new revenues that may be enacted.

I am aware of the politics that created this budgetary contraption. The prospect of higher spending levels for defense is supposed to lure the President into accepting tax increases in a reconciliation bill. I am not at all sure at all he is going to take that bait. From his point of view, $64 billion in new taxes over the next 3 years is a lot to swallow to gain the possibility of $7 billion more for defense in fiscal year 1988, with no guarantee on the outyears. From my point of view, $7 billion more for defense in fiscal year 1988 is too much to swallow to gain $64 billion in new revenues.

It is not the new taxes to which I am opposed, Mr. President. It is the linkage of new taxes with more defense spending. If we are to have greater revenues, why do we need to spend more on defense? Do higher revenues somehow increase the threat to our national security, and therefore increase the need for defense spending? If we are to have higher revenues, why should only defense programs be increased? Why not use some of those revenues for health, for education, for research, for foreign aid, for pollution abatement, for drug enforcement, or, perhaps, for deficit reduction? Why must we be faced with the choice of winning the additional revenues badly needed to fund necessary programs only at the cost of allocating a specific share of those revenues to military spending? I reject that choice, Mr. President, and I oppose this resolution in part on that basis.

This concern about the special status of defense spending in this resolution is heightened when I look at section 6 of the resolution. That section instructs the Finance and Ways and Means Committees to report legislation in their reconciliation bills creating a "deficit reduction account" in the Treasury into which all the increased revenues and contributions eventually produced by this resolution would be placed and "would not be available for appropriation." I am unsure how the authors of the resolution resolve the apparent conflict between promising higher defense spending if new revenues are enacted and promising that if new revenues are enacted they shall not be available for appropriation. We cannot have it both ways.

But whatever the explanation may be, Mr. President, I am very much opposed to this idea of creating special revenue accounts that are unavailable for appropriation. All revenues raised as a result of tax laws enacted by Congress ought to be available for whatever purposes Congress deems appropriate, whether those purposes are entitlement programs created by the Finance Committee or discretionary programs funded in annual appropriations bills, and it is political gimmicry to attempt to do otherwise. Would the authors of this provision have us believe that the new revenues flowing into this account would not be available for appropriation to pay interest on the national debt, or to pay Social Security benefits, through the permanent indefinite appropriation that funds those programs? I would hope not, because it would be hard to believe.

Finally, Mr. President, I am concerned that in this budget resolution we have yet another example of arbitrary actions of the Budget Committee intruding on the rightful jurisdiction of the Appropriations Committee. Buried in the language of the statement of the managers on this conference report is the arbitrary direction that no less than $500 million in function 150 shall be regarded as mandatory spending to replenish the guarantee reserve fund. The effect of that direction is to tell the Appropriations Committee that it must cut discretionary foreign aid programs by $500 million in order to appropriate $500 million for the GRF or the guarantee reserve fund, and remain within out allocation.

There is nothing mandatory about that fund, Mr. President. It is a discretionary program to which we appropriate funds from time to time in order to cover possible defaults on foreign loans. There is no request from the administration for the guarantee reserve fund, and we have assurances from the Treasury Department and the Federal Financing Bank that no appropriation will be needed in fiscal year 1988.

But the Budget Committee has now deemed this a mandatory program, and if the Appropriations Committee does not provide what the Budget Committee believes necessary, then we will have outcries about "later requirements" and Budget Act points of order.

It is the job of the Appropriations Committee to determine appropriate levels of funding for discretionary programs, Mr. President, and the Budget Committee cannot arbitrarily characterize a program as mandatory and then dictate the spending level for that program. I am sure the chairman and ranking member of the Foreign Operations Subcommittee join me in this concern and will continue to resist these intrusions of the Budget Committee.

COMMENTS ON ENERGY AND NATURAL RESOURCES PORTION OF THE BUDGET RESOLUTION

Contrary to the declarations of some of my colleagues, I am not satisfied that the potential problems for the West, regarding funding for Energy and Natural Resources Programs, have been averted.

Let us look at the two main budget functions:

For functions 270—energy—and 300—natural resources—the conference agreement assumes reductions for all discretionary appropriated programs amounting to approximately $550 million in BA and $450 million in outlays in fiscal year 1988. According to the Budget Committee Republican staff, it would take approximately a 12-percent across-the-board cut in these appropriated programs to achieve this level of outlay savings in fiscal year 1988.

In addition, the reconciliation instructions contained in the resolution directs the Energy Committee to make $170 million in fiscal year 1988, and $730 million over the 3-year period, in unspecified savings.

Although the savings are unspecified, and the joint explanatory statement assumes that no changes will be made resulting in an increase in rates charged by the PMA's, the Energy Committee's direct spending jurisdiction for the energy function—function 270—is almost entirely limited to the power marketing administrations.

While there is every intention to achieve the required savings without affecting such vital programs as the power marketing administrations, the outcome is not certain. There is still much to be concerned about.

Mr. President, I want to close by telling my good friends, the chairman of the Budget Committee and the ranking member, that while I cannot support this final product, I appreciate and admire the diligence and hard work in very difficult circumstances. The various parties in this budget process have become quite polarized, and for one who values concensus as highly as the Senator from Florida, it must be a very difficult role. I want to say to him and to my good friend Senator DOMENICI that I hope to continue to work with them to develop reasonable budgets and enact prudent appropriations bills, and I look forward to our continued cooperation in that endeavour.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. May we have quiet, please?

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, the quorum call is suspended.

Mr. BYRD. Mr. President, I ask that all Senators take their seats.

The PRESIDENT pro tempore. May we have quiet, please? The Senate is in session. The Senate is in session.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I ask that all Senators take their seats and Senators who are in the nearby vicinity and within hearing should come to the Senate quickly. The photograph of the Senate is about to be taken and if Senators are not here they will not be in the photograph, because we will not delay the Senate very long, the hour of 2 o'clock having arrived and it already having been announced that there would be a photograph taken at 2 o'clock.

Mr. President, I ask unanimous consent that the time now being taken and during the brief recess be equally charged against both sides.

The PRESIDENT pro tempore. Without objection, the request of the Senator from West Virginia is agreed to.

Now, we must have quiet, gentlemen?

The Senator will suspend until we have order. May we have quiet, please? The Senate will be in order.

RECESS FOR 15 MINUTES

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess for 15 minutes and that the time be equally charged to both sides.

The PRESIDENT pro tempore. The motion is that the Senate stand in recess for 15 minutes.

The motion was agreed to and, at 2:04 p.m., the Senate recessed until 2:21 p.m.; whereupon, the Senate was called to order by the President pro tempore (Mr. STENNIS).

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEARS 1988, 1989, AND 1990—CONFERENCE REPORT

The Senate continued with the consideration of the conference report.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDENT pro tempore. The 15-minute recess has expired. The Chair asks that the Senate be in order.

Mr. BYRD. Mr. President, I yield myself 2 minutes.

Mr. President, I thank all Senators and officers of the Senate and employees of the Senate for the cooperation that we had during the 15-minute recess.

The Senate will now resume its consideration of the conference report on the budget. I hope that Senators will be prepared to proceed with the debate.

I also hope that what I am saying will help to bring us back to the point of discussion of the issue before the Senate, the conference report on the budget. This time I am taking now I charge against myself.

Mr. President, I see the distinguished ranking manager. I am ready to relinquish the floor. I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDENT pro tempore. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield 5 minutes to the Senator from Wyoming, Senator WALLOP, on the budget resolution.

Mr. WALLOP. Mr. President, I thank the Senator from New Mexico.

Mr. President, I rise more from dismay than anything else about the budget resolution that sits in front of us. This resolution is an inherent betrayal of confidence in the American people who make judgments of their own, and, who spend, keep and save and do as they wish with money which they earn by the sweat of their own backs.

Mr. President, several week ago I read a study prepared by three economists which examined the relationships between tax increases and budget deficits.

It is, Mr. President, a most enlightening study, and grew from the work of Dr. James Buchanan, 1986 Nobel Prize-winning economist.

The study casts doubts—indeed, it does not cast doubt at all. The study disapproves the conventional wisdom which holds that tax increases will reduce budget deficits. In point of fact, throughout the past 20 fiscal years, the study indicates that precisely the opposite occurs, namely, that for every $1 increase in taxes Congress manages to spend $1.58. Thus, 58 cents is added to the deficit for each dollar of new taxes.

We have now before us a budget resolution which, amongst other things, requires a $21.1 billion tax increase. Using the findings of the study to forecast the effects of this tax increase leads me to conclude that we will see no ultimate reduction in the deficit, but rather, an increase. One has only to look at this budget to see that a $46 billion increase in spending has been envisioned by the Congress, and it assumes that Congress is seeking to exceed, let alone match, the performance of its old habits.

I cannot and will not accept or support a budget that calls for such a tax increase, and, in particular, one which does nothing to reduce the deficit which all America decries. The increase in taxes, furthermore, Mr. President, will absolutely wipe out what little gains we made in last year's tax reform.

Earlier I made reference to the work of Dr. James Buchanan. Dr. Buchanan developed an economic theory which does much to explain the behavior of this body. This theory is known as the "public choice" perspective of Government.

The theory holds that politicians are incentive driven, and this incentive is political self-preservation. Read self-preservation to mean reelection. Politicans will then tend to take actions that ensure their reelection. Because raising taxes is unpopular, there is a tendency to mask tax increases with popular spending programs funded by these additional taxes. It is no small wonder that we see spending increases in this budget that far exceed the amount of new taxes we are called upon to raise. I believe that this budget is yet another classic example of the popular choice theory at work. It is unfortunate that the burden of paying for this misbegotten habit falls upon the backs of the citizens of our Nation who work and, through higher taxes and larger deficits, see their work product diminished and taken from them.

So the burden falls not on the politicians who espouse this theory but on those who work for their living in the marketplace of America. Apparently, the authors of this budget view this body as one giant committee to reelect.

I think Democrats and Republicans alike would be wise to: Decry the provisions contained in this budget resolution, go back to the drawing boards, relive the effects of Gramm-Rudman, reduce the huge and enormous budget deficit by eliminating self-electing spending programs, and without enacting self-defeating tax increases.

Mr. President, I yield back the remainder of my time.

Mr. CHILES. Mr. President, I yield 5 minutes to the Senator from Oklahoma.

The PRESIDENT pro tempore. The Senator from Oklahoma.

Mr. BOREN. Mr. President, I thank my colleague from Florida.

Mr. President, the vote which we will cast on the budget this afternoon is a very difficult vote for me. When the vote is called, there are only two choices with which I am confronted. I can either vote for it or against it. That vote will not reflect the very mixed emotions which I have. It is not the budget that I would have written.

First of all, I would like to see us reduce the deficit more than this budget will allow.

It is not the budget I would have written in terms of the distribution which it makes of the sacrifice which is planned. In one area, for example, I believe agriculture is being called upon, at a time in which it is in a desperate situation, to make more than its fair share of the sacrifice.

I am also concerned about the revenues which are called for in this resolution. I would have written a budget resolution that achieved the deficit reduction where the balance tilted more strongly toward spending reductions than toward revenue increases. Having said that, Mr. President, I make it clear that I intend to use my own individual responsibility as a Senator and my own individual discretion as a Senator to try to improve this budget as it goes along. In casting votes for and against individual appropriations bills, in casting votes for and against revenue changes as a member of the Finance Committee, I intend to exercise my own individual discretion and my own individual conscience. By voting for this budget resolution today, I certainly do not feel bound to vote for any kind of revenue measure that might happen to come out of the Finance Committee. I am not going to vote for increases in income tax rates and there are other taxes I simply cannot support. There are some revenue-raising meaures, like an oil import fee, that I could support.

So, it remains to be seen whether or not proposals for raising revenues are ones that I can ultimately support. It remains to be seen whether the kind of cuts in agricultural programs which would be called for would be fair and balanced and would be the kind of cuts that I could support.

I do not want anyone to misunderstand and feel that in casting a vote for this budget resolution today, I am binding myself to certain individual parts of that budget resolution which I frankly hope to change to some degree as we move through the process of writing the actual appropriations bill.

Having shared my misgivings with my colleagues, Mr. President, I have to say that, as one who feels very, very strongly that the budget deficits must be reduced, that we are mortgaging the future of this country, that we are undermining the future of our economic well-being if we do not do something about it, I do not believe I could be a responsible Senator and vote against the only real opportunity that we have left this year to make some reduction in the deficit.

This is the only opportunity left to us, Mr. President. The President has chosen to sit on the sidelines. He sent a budget to the Capitol that he knew would not be seriously considered. In fact, only about 40 Members of the House and Senate combined, out of 535—a very small minority of those in his own political party—took that budget proposal seriously enough to vote for it.

So, with the President sitting on the sidelines, we have had no choice but to try to go ahead and achieve as much deficit reduction as we could possibly achieve.

The choice is really not a choice between this budget and a perfect budget; it is not a choice between this budget resolution and one that would reduce the deficit twice as much. We are not faced with a choice between this budget resolution and one that would more fairly distribute the sacrifices called for or one that would minimize the amount of revenues and maximize the amount of spending reductions. This choice with which we are really left is to pass this budget resolution or to do nothing; to get a reduction of the deficit this year of $36 billion or to set out on a course that will leave us with no reduction in the deficit.

Faced with that choice, Mr. President, with misgivings as strong as those that I hold, in conscience, I feel compelled to vote for this budget resolution today because I do not think we can afford to totally cast budgetary discipline to the winds and to leave ourselves in a situation where there is absolutely no force working on the side of budgetary deficit reductions. We cannot afford to do that to our country, Mr. President.

While I hope that we will still be able to improve the process as we vote on the appropriations bill, as we vote on the revenue matters, as we hope that the President might decide to come back to the table and negotiate further, when I vote this afternoon, I feel compelled to vote for the only chance that we will have to reduce the deficit this year at all. Therefore, I shall vote for this budget resolution.

Mr. DOMENICI. Mr. President, I yield 15 minutes to the distinguished senior Senator from Alaska [Mr. STEVENS].

Mr. STEVENS. Mr. President, I am honored and privileged to be here at the same time the distinguished President pro tempore [Mr. STENNIS] is in the Chair because I know he understands the appropriation process better than any man in the Senate. I want to talk about this budget resolution agreement and its relationship to the defense appropriations bill.

We have had a series of years now, since 1983, in which Congress has reduced the President's request annually. In 1983, we reduced the President's budget in defense by $17.2 billion; in 1984 by $15.3 billion; in 1985, $20.5 billion; in 1986, $33.1 billion; in 1987, $30.6 billion. At the same time that we were doing that, Members of this body were going throughout the world, particularly in Western Europe, urging those who are allied with us in the pursuit of freedom to increase their expenditures for defense. Our standard request to our allies was to increase defense expenditures by at least 3 percent, modernize your defense forces, and join us in trying to protect the free world. Yet, we are now reluctant to support the 3-percent standard in our own defense budget.

We now have reached a situation, Mr. President, where the easy cuts have been made. In the past 6 years, we have benefited from lower inflation. Inflation has been lower than predicted. We have been able to take fuel savings. The fuel costs of the Department of Defense declined markedly in the early 1980's. We have enjoyed other savings through competition, to get lower unit prices for production.

Mr. President, the easy cuts are over. The easy cuts are really behind us. Now inflation is slightly edging up. The value of the dollar is different abroad. It costs us more to quarter our troops abroad. It costs us more to operate abroad.

In addition to these economic realities, we have the situation where we are asked now to approve a budget which is based on a contingency.

The contingency is that this Congress will approve a tax increase. Under the terms of this resolution, if Congress does not approve a tax increase, we will have a rather serious reduction in defense spending.

We must cut $2.8 billion, as I understand it, under this budget resolution unless we enact a tax increase. The President has stated his opposition to a tax increase. I am one of those who believes we have not done enough to forestall the growth in other sectors of the budget for us now to turn to a tax increase which is not dedicated solely to defense.

I am also one who is spending a great deal of my time working with the arms control negotiators in Geneva in the hopes that we will be able to bring about a significant reduction in nuclear arms throughout the world. But, Mr. President, this is a critical time in the negotiations. We hope we can bring about reductions that are mutually fair. But we must be on the alert and we must be capable of defending this country. It is no time for us to have a budget which will compel us to make a $2.8 billion reduction without saying where it ought to be made.

Now, it is one thing to say, "Well, Secretary Weinberger presented this budget. Let him decide where these cuts will be made."

Secretary Weinberger's position is, "I need all the money I asked you for because you have cut in the last 2 years alone $63 billion from the defense budget. And you cannot now cut another $23 billion and leave us in a position where we can't defend ourselves."

I remember standing on this floor in the seventies and deploring the fact that we had ships in Norfolk that could not leave the docks because we did not have fuel, we did not have spare parts, we did not have crews. I remember we had built aircraft for which we did not have pilots. We did not have parts for those planes. We were really not up to par.

Now we have on a bipartisan basis—I emphasize "on a bipartisan basis"—over the past few years partially modernized our defense forces. I say to the Senate it is not time to stop that process.

Now, the outlay-budget authority relationship in this budget resolution is out of balance. If we have no tax increase, the outlays that are provided are $1.7 billion too low. Under the terms of the "contingency" we'd have to cut $7 billion in budget authority and $5.9 billion in outlays. That's unrealistic.

We have additional procedural problems. The appropriations bill cannot be considered until after the reconciliation bill is enacted to increase taxes. The President has said he will not sign a bill to increase taxes. So we must proceed in the appropriations process, in my opinion, on the basis that there will be no tax increase and we must deal with the lower defense number.

The administration's request for defense this year is not unreasonable. At a request of $312 billion, a 3-percent real growth figure, this is the smallest increase sought by President Reagan since he has been in office.

Now, even at the "high," with tax, defense level there would still be a $15.8 billion reduction in defense spending. This is a real decline of 2 percent compared to fiscal year 1987.

Defense spending has basically been static, at a nominal level of about $290 billion, since fiscal year 1985 in compliance with budget resolutions.

If we were to try to comply with the "low" budget resolution defense number in the appropriations process, we will have a real decline of 4.5 percent in defense spending. That is contrasted once again to what we are urging our NATO allies to do, to have a positive 3 percent real growth in their defense spending.

What kind of an example does the United States set for the world in this critical time if we unilaterally start to disarm this Nation?

I emphasize that in the defense portion of the appropriations bills I think we have complied with the budget resolutions of the past to a greater extent than those in the nondefense area. But the difficulty we have with this budget resolution before us, with no priorities having been established, is that the Appropriations Committee will have to cut defense at least $23 billion in budget authority and at least $14.7 billion in outlays.

If we compare that to the defense authorization bill which is now before the Senate, it means the appropriators will have to cut $14 billion more in budget authority and $10-plus billion in outlays to comply with the budget resolution.

I do not need to remind my colleagues of the number of times we in the Appropriations Committee have been accused of trying to write the authorization bill. Yet, this is exactly what this Budget Committee report will compel us to do. We will now have to try to establish some priorities with no guidelines from the Senate. There are certainly no guidelines in this budget resolution.

Senators on the Budget Committee should look at how we have attained these budget cuts in the past. Last year we rescinded $5.5 billion of prior year moneys; we imposed a $1.5 billion financing responsibility on contractors by reducing their profit margins and forcing them to pay tooling costs; we reduced $500 million in contract progress payments; we have changed the military retirement accrual system to save $300 million.

Mr. President, I challenge anyone to look at the defense bill and find such savings for the future. These were "one-time" opportunities. We are now talking about cutting into the real red meat of defense if we are going to comply with this budget resolution. To meet this budget resolution we will have to cut into readiness.

Do not anyone in the Senate mislead themselves to think that all we need to do is cut out a few big ticket items. The outlays for those procurement items are very small. It will not meet the budget outlay guidelines to cut big ticket items. We will have to deal with faster spending readiness accounts. We will have to deal with steaming hours at a time we are increasing costs as a result of the emergencies in the Persian Gulf. We are going to have to decrease the amount we spend for ammunition. We are going to have to decrease eventually, if we hold to this budget, the number of people we have in the standing military.

Mr. President, through the leadership of our distinguished President pro tempore, who is in the chair, we have in the past gone to a greater reliance on the Guard and Reserve, which costs roughly one-third that of a person who is full time in the military. So if we try to take money from the Guard and Reserve, we only save one-third if we take it from the standing Army. If we are forced to make this kind of cut, then we are going to see a reduction in the troops in Europe, a reduction in the troops in Japan, a reduction in the number of deployable fighters, a reduction in the number of manned bombers, a reduction in the readiness to defend this country.

In my opinion, this budget is a mismatch. It ought to be sent back to the committee and the committee ought to be instructed to consult with those people who know defense in order to try to reach a workable number.

I do not think that we have the flexibility to continue this downward spiral in terms of real appropriations. This kind of continued, negative growth in defense spending is bad enough, but the restrictive outlay levels are deceiving us into more difficult problems in the future. There's very little near-term cost to opening new production lines, for example, because the initial outlays in the first 2 or 3 years of a program are very low. It is the programs we approved in the past that are maturing now that drive current year outlays. We should restrict the current production lines if we want to control future outlays.

I can only say to the Senate that in my judgement we would have to stretch out production of a great many things, of some things that are too sensitive really to even talk about on this floor. We have made great technological development strides to modernize our defense forces. But that is a high cost defense force, Mr. President.

The Stealth bomber is not going to be cheap, nor are these new defenses against tanks, nor are the new helicopters inexpensive. The V-22 aircraft is going to be a vertical takeoff, fixed-wing, fairly long-ranged aircraft will revolutionize the whole concept of landing as far as our Marines. They very much want that airplane. But this program is in the development stage.

Are those people involved in this budget telling us to do away with the V-22, the No. 1 priority of the Marines?

I cannot believe conferees have really examined the shipbuilding budget, Mr. President. We have a vigorous, ongoing shipbuilding program. To stretch these programs now will increase the cost to prohibitive levels. People will be talking about the excessively high cost for the new Navy vessels when actually we've decreased costs in the past through competition by increasing the rate of construction.

Mr. President, I can only say that in my judgment this budget conference agreement is not in the best interest of the defense of the United States. We are headed back to the game of shortchanging readiness, shortchanging personnel, not being able to respond to the lifestyle needs of those who have committed their careers to the defense of our country.

I really say to you, Mr. President, this budget is out of whack. It is not the kind of budget that we can respond to in the appropriation process with honesty and fairness. We are going to have to use smoke and mirrors. We are going to have to come out on the floor and be duplicitous if we are to comply with this budget resolution which I have not wanted to do. I have avoided and opposed that in the past.

Mr. President, I am one of those Members of the Senate who has told the President of the United States that I will support a tax increase. If we get to the point where we have made all of the reductions in the nondefense area we can make and we still cannot fund what we have to have for defense, I will support a tax increase if it is dedicated to defense, 100 percent dedicated to defense. Otherwise, I cannot see a tax increase.

Mr. President, I cannot support this budget resolution. It will be the first budget resolution since the Budget Act was passed that I will oppose.

The PRESIDENT pro tempore. The Senator's time has expired.

What is the pleasure of the Senate?

Mr. DOMENICI. Mr. President, I yield 15 minutes to Senator DANFORTH off the resolution.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. DANFORTH. Mr. President, I thank the ranking member of the Budget Committee for yielding me this time.

I have been watching some of the debate on television in my office, and I have been here on the floor to hear some of the debate, and I have expressed some sense of commiseration to the chairman of the Budget Committee because I am sure he feels something like a punching bag with one Republican Senator after another standing on the floor attacking the budget resolution, which he and the Democrats both in the House and the Senate have given us.

Some Senators have attacked the defense level in this budget resolution. The Senator from Alaska just did so very eloquently.

Many Senators feel that this is an irresponsible resolution because it is too deep a cut in defense, and I think that many Senators on the other side of the aisle feel that this is too tough on defense as well. So that point has been made by members of the Armed Services Committee and members of the Appropriations Committee.

Then other Senators have stood on the floor and attacked the gimmickry in this budget resolution, the so-called smoke and mirrors, the fact, for example, that we intend to save some money by simply not paying the bills of the Defense Department in the last 12 days of the fiscal year; in other words, what we are saying is that in fiscal year 1986, we are going to cut spending that year by not paying bills for 12 days and holding the bills over until the next fiscal year. Obviously under that kind of strategy we could save even more money by not paying bills for 13 days, or 14 days, or 15 days, and this could be a whole new strategy for us.

We have heard all these criticisms, but I want to be one Senator on this side of the aisle who congratulates the chairman of the Budget Committee and who congratulates the Democratic members of the Budget Committee for producing this budget because I think that it presents such a clear choice to the Senate and such a clear choice to the American people on basic economic policy.

And that is what the Senate is all about, Mr. President. That is what we are here for to debate major issues and major policies and major courses for the future of the country.

We have a real alternative, and we are here to debate that alternative and to vote on that alternative and to make a choice on economic policy for the future of our country.

Since 1981, since the dawn of the Reagan era, the basic strategy of the administration and the basic view of the Republican Party has been to attempt to reduce spending and to reduce taxes, and that is what we voted on back in 1981, very tough votes on spending measures, and we also voted to cut taxes. President Reagan pointed out that he ran for office on the basic philosophy of cutting spending and cutting taxes, and we went along with that.

We had a problem, of course, in that the pieces did not fit, the deficit was too high, many people blamed the President for that, many Republicans blamed the Democrats for that, and my view is that with respect to the deficit and the Federal budget there is plenty of blame to go around. Instead of blaming each other we should try to do something about it. But in any event we have had these three basic issues of the budget. One is the size of the deficit and what to do about the deficit and how to reduce the deficit in the Federal budget and then under that large issue we have the two subsidiary issues of to what extent do we cut spending and to what extent do we raise taxes if we are to raise taxes at all?

This budget resolution that has been presented to us by the Democratic members of the Budget Committee, by the conferees, takes the position that, first of all, we are going to give up on Gramm-Rudman-Hollings. And this resolution does give up on Gramm-Rudman-Hollings. It does not even come close, does not come within $26 billion of Gramm-Rudman-Hollings. Gramm-Rudman-Hollings called for a $108 billion deficit for the next fiscal year. So we are going to miss that target, miss it by a mile.

Now, later today we are going to take up the trade bill. I have been very active in trade legislation. I can tell the Senate that there is nothing that we can do in specific trade legislation that will improve our international trade situation more than reducing the budget deficit. But we are giving up on the budget deficit. We are not only giving up by the underlying figure in this budget resolution, but by the fact that we are not even going to meet that target. We are kidding ourselves when we believe that we are really going to enact a tax cut. And, to the extent that we use gimmicks, we are not coming to grips with the budget deficit.

So the first flaw in this resolution is that it not only misses the Gramm-Rudman targets but it misses those targets by a mile.

The bill increases domestic spending. Since 1981, we have been trying to cut back on spending. This bill increases spending. So it misses the budget deficit and then it increases spending, increases domestic spending by $41 billion next year.

It does not cut out any programs whatever. It creates at least one new program, and that is public financing. It puts in the budget resolution $100 million for taxpayer financing of election campaigns. I think the public feels that about the most productive things we do around here is raise our own salaries and then figure out ways for the taxpayers to pay for our political campaigns. There is $100 million in this budget resolution for paying for taxpayer financing for political campaigns.

And then, in addition to increasing domestic spending, the budget resolution builds in a major tax increase, 19-plus billion dollar tax increases for next year. Now we realize, of course, that that is not going to happen. The President would veto a tax bill if we ever passed one. But the basic policy is established here. The basic policy is established that what we should do is run up a big deficit, increase spending and raise taxes on the American people by the largest amount in the history of our country, $19 billion a year.

Now, it is interesting that within the budget resolution is sense-of-the-Senate language. And the sense-of-the-Senate language says we are not going to have any tax rate increase. Now, for somebody to hear this for the first time, they think, "This sounds like a political trick to me," because the budget resolution says we are not going to raise taxes and yet we are going to raise $19 billion in taxes.

"No tax rate increase." Well, of course, it is possible to raise tax revenue without raising tax rates. And the most speculated-about way of raising tax revenue without raising tax rates is to impose excise taxes. That has been the basic assumption; that we are going to come up with $19 billion, if we come up with anything at all in tax revenues, we are going to come up with $19 billion in raising excise taxes.

The Senate should realize that if we raise excise taxes by $19 billion this would be a tax increase that would be especially targeted to low-income taxpayers. Last year, the Senate, the Congress passed a tax reform bill. I did not think it was a very good bill. I opposed it. But it was not a pure loss. There were some good features in the tax bill last year.

One good feature in the tax bill is that it took 6 million low-income taxpayers and took them off the tax rolls altogether and it did reduce tax rates for low-income taxpayers. That was one of the good things about the bill. It was not totally terrible, just mainly terrible, in my view.

Well, this budget resolution, if the tax feature of it ever became law, would undo those few good points of the bill of 1986.

This budget resolution, if we increase excise taxes by enough to create $19 billion, would wipe out all of the tax cut for those who have incomes below $20,000 and, instead of getting a tax cut after what we do, they would get a tax increase. And, according to the Peat-Marwick accounting firm, according to a study made by that firm, for low-income people, for people with incomes of $10,000 or less, the effect of excise tax increases—taxes on beer and wine and cigarettes, especially—the effect of excise tax increases on people with incomes of under $10,000 would be that instead of cutting their taxes we would increase their taxes by five times the amount of what they got out of the 1986 tax bill. That is what we are doing under this budget resolution.

Mr. President, I want to make my own position as clear as I can. I am one Republican Senator who does not totally rule out the possibility of raising taxes someday. I was willing to vote, for example, in the Budget Committee for Senator HOLLINGS' substitute budget resolution which would have raised taxes. I voted for that Hollings proposal on the assumption that we have to come to grips with the Federal deficit and that if we can put together a package, including additional revenues, that meets the Gramm-Rudman targets, I would be willing to vote for that package, grudgingly.

Philosophically, I believe in spending cuts, not tax increases. But I think we have to work out of a budget deficit situation. I am flexible. I am willing to work on a package, even one which increases revenue, but I am not willing to support a budget resolution which calls for the largest tax increase in the history of this country and then blows that tax increase not on reducing the budget deficit, but instead on increasing domestic spending. That is absolutely the worst result that we can come up with. The worst result that we can have is to increase the tax burden on the working people of this country and then, instead of reducing the size of the budget deficit to the Gramm-Rudman targets, use that money to help finance $41 billion of increased domestic spending. That is what this budget resolution would do.

So, Mr. President, I do want to compliment the Budget Committee, and I am sure that the chairman would view this as kind of an unwelcome sort of a compliment, but I do believe that we have before us a fundamental choice on the direction of our country.

Some people believe that the health of the country is best promoted by more spending in Washington, by more programs, by more spending.

Some people believe, almost as a matter of philosophy, that the American people pay too little in the way of taxes and that the job of Congress is to increase taxes, not to reduce the deficit, but to provide for more spending. Some people do not care much about the deficit.

I think that the budget resolution that has been presented to us today presents us with a policy of missing Gramm-Rudman, raising taxes, and increasing spending. I think it is absolutely wrong.

So I would say in just 30 seconds, Mr. President, I would say to the Senate that we can either vote for more taxes and more domestic spending and missing Gramm-Rudman or we can vote responsibly and vote down this budget resolution.

Mr. CHILES addressed the Chair.

The PRESIDENT pro tempore. The gentleman from Florida is recognized.

Mr. CHILES. I thank the distinguished Senator from Missouri [Mr. DANFORTH], I think, for his great compliment about producing this budget.

The Senator from Missouri said that this does provide a basic debate on economic policy. I think that is correct. I concur with that. I think that would have been a much healthier debate if you had had something that you were debating with, if you would have had some alternatives.

The Senator had a chance to sit on the Budget Committee. He has heard me make this kind of talk before, and we asked that side of the aisle to participate with us as we tried to put together the budget; as we participated when we were in the minority. I think we would have a much better debate if that had happened on this economic policy.

The Senator also said that there is a basic difference from the Republican policies. He enunciated those policies as they began in 1981—and he said they were the President's policies—but I think he said they were embraced by the Republicans, and that is that you were going to cut taxes and were going to cut spending. That was a policy the people had a chance to look at.

I see today that the U.S. foreign debt has skyrocketed to $263.6 billion. Our Nation owes more than Brazil, Mexico, and Argentina combined. We have gone from the world's greatest creditor to the world's greatest debtor since 1981 during the time of that policy and that strategy. Yes, there is a basic difference here. That choice is whether we are going to borrow more money, which has been that Republican policy.

By the time the administration goes out of office, according to the letter that was written to us by the Secretary Treasury, Mr. Jim Baker, they want to raise the debt ceiling to $1.8 trillion from May of 1989. That allows the twilight of this policy to start in 1981; 8 years. In 8 years, we would triple the national debt of this country.

It took us 200 years to reach the first $900 billion of that debt. But during this Republican strategy of cutting taxes, and I guess they were supposed to have been cutting spending, we have tripled the national debt.

What has happen to us? Our trade picture is a shambles and the Senator rightly said the best thing we could do about trade: fix the deficit. We certainly concur in that. I am delighted to see that we do. But are we fixing it with the policy that we had presented, again by the President in his budget, which got 18 votes in the Senate?

I am not sure how the Senator from Missouri voted on that, so I do not include him or say how he would be counted, as part of that 18 votes. But the Senator mentioned that this misses Gramm-Rudman-Hollings. The President's budget missed it a little bit more.

We missed it a little bit less.

Again, we have talked about whether anybody can present a budget that gets to $108 billion, and no one did, that truly gets under there, under the CBO figure. But that was the Gramm-Rudman-Hollings target.

The President did not see fit to do that.

The choice, I think, is very clear here. The choice is whether we are going to continue to borrow or whether we are going to say it is time that you have to face up. Whatever you decide is the amount of money that you have to spend, be willing to pay for it. That is the first thing we did.

The Senator used some figures that we were increasing spending with the taxes. That is not correct. That is not correct. We have cut spending in this proposal, overall about $9.7 billion. Then we had some additions that we felt were important, to try to get the country moving forward: Some programs like that we were doing in math and science, some of our university programs that the Senator cares about very much; in job promotion and job training some of the areas that we should do something about there; trying to do something about catastrophic health coverage; trying to do something about welfare reform and trying to put people back to work; some initiatives that the Governors have had. Those were $3.4 billion.

Did we raise taxes to pay for them? No. We cut some programs. We cut $9.7 billion and we ended up with $6.3 billion in domestic spending as a cut. That would be a cut.

Then the revenues that we put in this proposal all come off of the deficit. All are used to reduce the deficit.

This proposal reduces the deficit more than the President's budget.

Now, you are right, that is a policy that we can debate. Maybe we could have done it better with the Senator from Missouri's help and the people from that side of the aisle. I am convinced we could have done it better. I would like to have had that.

You probably could show me the way right now that we could do it a lot better. We do a lot of bumbling and stumbling on this side, certainly this Senator from Florida. But at least we are willing to try. We are willing to say that that great policy that started in 1981 ain't working—ain't working.

The Laffer curve, supply-side economics, that we are going to be able to tax cut ourselves into prosperity, has reached the same fate as the old Democratic philosophy that you could spend yourself into prosperity: It did not work. The Laffer curve, supply side, did not work either.

If you spend more than you take in, that is your deficit, whether you do it with cutting taxes with red ink, which we did in 1981—and a deficit, in 1981. We had a major tax cut. We gave the people that tax cut with red ink but it was supposed to cause us tremendous stimulation and people were going to take all of their tax money and they were going to put that into new plant, new equipment, new jobs, and it was going to create this great prosperity.

Well, we are seeing what it created now: a tripling of the national debt, an abnormal interest rate, a high dollar that had us lose all of our trading competitive positions across the world. That was what that policy did.

Is this a chance to try to change that? Or, let us say an attempt to change it? It is. It certainly is. And I plead guilty to being a party to doing that.

Could we have done it better? We could have; certainly; much better. With the Senator from Missouri's help and with the help of the other people from that side of the aisle we could have done it much better.

Mr. DANFORTH. Mr. President, would the Senator yield me 1 minute?

Mr. CHILES. I would be happy to.

The PRESIDENT pro tempore. Who seeks recognition?

Mr. DANFORTH. I would, if I could have 1 minute.

Mr. CHILES. Mr. President, how much time do we have remaining on this side?

The PRESIDENT pro tempore. Forty-eight minutes.

Mr. CHILES. I yield.

Mr. DANFORTH. I think the distinguished chairman of the Budget Committee has done an excellent job in stating his opposition to the 1981 tax cut and his defense for a $19 billion tax increase.

I have said previously I do not completely rule out in my own mind the possibility of raising revenue. What I do rule out is raising revenue and still not meeting the Gramm-Rudman-Hollings target. Raising revenue is still having a Federal deficit of over $133 billion when it should be $108 billion, and that $133 billion is constructive deficit. That is what I think. I think much of what the committee has produced is not a tax increase designed to getting at the budget deficit but a tax increase designed solely for the purpose of a tax increase and solely for the purpose of justifying this budget.

Mr. DOMENICI. Mr. President, I yield myself 2 minutes and then the Senator from Alaska will be recognized for 10 minutes.

The PRESIDENT pro tempore. The Senator is recognized.

Mr. DOMENICI. Mr. President, the distinguished Senator from Florida has indicated that they have cut programs in this budget to the tune of $9.6 billion. I think I am right; $7.2 billion of that $9.6 billion is because of REA refinancing; this budget takes credit for refinancing a loan program and calls it a cut.

Frankly, Mr. President, if we want to harken back to what policies are right and what policies are wrong, we can take it to the American people today. I guarantee you that they favor the policies that we have had in the last 4 years over the policies of 21-percent interest, double-digit inflation that at one point reached 20 percent, an economy that was about to go down the tubes. Essentially, this deficit is about 65 percent the result of a recession.

If this budget resolution is going to restore America's prosperity, I know of no one around that suggests that more taxes is the way to do it. It needs fixing; certain areas need repairing. But there are more people working than ever. It is an absolute joke to say that the new jobs are poor. We have been hearing about quality of jobs. Someone has written that the new jobs being created are all poor jobs. It is not even close to true. The quality of jobs is excellent today. America is growing.

We have to fix the deficit, but our argument is, do you reduce domestic expenditures before you impose taxes? Our answer is yes. This budget does not do that. As a matter of fact, the taxes are eaten up almost dollar for dollar by increases on the domestic side and yet it touts a deficit reduction trust account someplace with these taxes.

The deficit is going up on its own under this budget resolution because we are not cutting spending. Then we set up a deficit reduction trust fund and put the taxes in it. That is a sham. What are you setting that up for when you still have a deficit?

If my Democratic colleagues can make a point that this budget is going to fix the American economy, I am sure you will have a lot of converts.

I yield 10 minutes to the Senator from Alaska.

The PRESIDENT pro tempore. The Senator is recognized——

Mr. CHILES. If I might have a minute, I wanted to say to the Senator from New Mexico that the $9.7 billion that I have talked about did not include the REA refinancing.

The PRESIDENT pro tempore. The Senator from Alaska.

Mr. MURKOWSKI. I thank the Chair and I thank my colleague, the ranking minority member of the Budget Committee for yielding me time. I also thank the American people who are viewing the obviously partisan discussion on the merits of the budget.

It was my hope we would remain conscientious to our commitment to reduce the Federal deficit. It was also my hope that we would not resort to transparent guises to veil the inability of the Congress to squarely take on the difficult task of deficit reduction. It was further my hope, Mr. President, that we would make the deficit reduction which we commited ourselves to just 2 years ago when Congress agreed to be bound, and I emphasize the word "bound," by the Gramm-Rudman-Hollings deficit targets. However, I regret to say that it is my sincere disappointment that we could not meet the deficit reduction targets required by Gramm-Rudman-Hollings without making a mockery of the budget process. I would suggest, Mr. President, that indeed that is what it is.

In the final analysis, the budget recommended by this conference report makes no meaningful impact on reducing the deficit.

Mr. President, I appreciate the difficulty of the unenviable task which the Budget Committee members and the conferees were faced with this year. To attain mandated deficit reduction goals, very difficult and unpopular decisions would have had to be made. Some of them were made and are reflected in this agreement; but, unfortunately, even more of those difficult decisions were completely sidestepped.

The biggest fallacy of this agreement is the decision to use the OMB economic assumptions instead of the CBO assumptions. While this strategy technically satisfies the Gramm-Rudman-Hollings deficit targets of $108 billion, in reality, it does not even come close to complying with the letter and spirit of the law.

If CBO economic assumptions had been used as they should have been, the deficit for fiscal year 1988 would be $134 billion, which is $26 billion over the maximum deficit amount, and which would surely have called for sequestration again next year.

So we squeak by again this year, but who are we fooling and when will the charade stop? If we do not have the will to stick to the mandate of deficit reduction established by Gramm-Rudman-Hollings, why did we take such painstaking efforts to enact such a law? Have we become so hardened that we cannot face up to the responsibility that is ours? If so, where do we go from here, Mr. President? I suggest to my colleagues that perhaps it is time for us, once again, to reassess our priorities, and to face up to the fact that we cannot continue to "pass the buck" on making the tough choices in order to meaningfully reduce the Federal deficit.

Mr. President, I am also disappointed with the balance of priorities which this budget would have between revenues, defense and domestic spending in the aggregate, and the allocation of the funding for several major functions in the conference report.

The revenue increases required by this agreement are too high, Mr. President. What this agreement comes down to is a budget where the American taxpayer will pay directly for the fenced portion of the defense budget and many other increases in domestic spending programs. This might not be an unreasonable alternative, except this funding alternative follows right on the heels of monumental tax legislation which promised the American public, individuals and corporate entities alike, that the sweeping changes which were just enacted in the Tax Reform Act of 1986 would reduce tax rates in exchange for the forbearance of many credits, exemptions, and deductions, which have been swept away.

Although the conference agreement includes a sense-of-the-Senate provision which states that the assumptions underlying the revenue levels in the resolution will not be achieved by delaying or raising the individual or corporate tax rates enacted in 1986, this conference agreement mandates that $73 billion in new revenue be raised over the next 3 years. So even if there is not an increase in the tax rates, this agreement requires $73 billion in revenue increases.

In the end, whether or not taxes are raised by an adjustment to tax rates or by some other means, there is no uncertainty of the fact that the American taxpayer is going to pay the price for this budget through new taxes. Mr. President, I ask is this fair? Is this realistic? Is this honest? I think not.

Mr. President, much has been said in the debate and the discussion on the merits of this agreement, but there is no reference in this agreement to the fact that the increase in revenues is not going to reduce the deficit. That is the fallacy here. We are talking about approximately $21 billion in total revenue increases in the next fiscal year alone, yet these revenues are not reducing the accumulated Federal debt nor the deficit. If we were raising revenues to reduce the accumulated debt, we would be reducing the principal; we would be reducing our interest payments on the debt; and we would be doing something positive. But as evidenced by this agreement, we are not making those kinds of judgments, and I think that is unfortunate.

We will take more taxes from the American people and they will lose the productive use of those funds. Make no mistake about it, Mr. President, the Government uses those funds to provide more services. The hard decisions to cut spending and to avoid such a large tax increase have simply not been made.

Mr. President, I am also distressed with the defense portion of the budget which I feel is inadequate. It is unfortunate that the conference agreement ties the tier-two defense funding level to the enactment of a reconciliation bill which would yield $93 billion over the 3 years. If it is necessary in the view of the conferees to fence the additional fiscal year 1988 defense funding and tie it to reconciliation, then perhaps the same technique should have been adopted for those domestic spending programs which would receive increases over baseline for fiscal year 1988.

Mr. President, funding for domestic spending programs in this agreement would provide for a myriad of possibilities. Some programs would be funded at baseline levels, some would receive generous increases above baseline, and some would be reduced below baseline funding levels. It all depends on the program and the budget function.

It is hard to pick out which of the many important functions merit funding increases over baseline and which programs will be reduced below baseline. Every program is important in its own right and could be justified. I'm sure that funding can be put to good use for the beneficiaries of each program. However, there are some disturbing results which flow from the funding levels recommended in this conference agreement. It makes me once again ask my colleagues, where are our priorities?

Certainly, funding increases over baseline can be justified for programs such as education, health, and income security. But I question the absolute need for sizable funding increases over baseline for functions such as 800: general government, which will receive a $400-million increase in BA over the fiscal year 1988 baseline level, and no reconciliation requirements. I think it is crucial to point out that a substantial portion of this function 800 funding increase is for Senate campaign financing legislation. We debated the merits of the priority of funding campaign financing legislation just a short time ago during the consideration of the budget resolution, when the senior Senator from Alaska [Mr. STEVENS] and I attempted, unsuccessfully, because of a partisan vote, to amend the resolution by transferring $100 million from function 800 to function 700, veterans benefits and services, to provide additional funding for veterans' programs. I believe now every bit as strongly as I believed then, that funding of campaign financing can never compare with the needs of other vitally important programs, such as veterans' programs which, instead of being increased above baseline level, or even maintained at the fiscal 1988 baseline level, has been cut by $50 million in outlays. It's interesting that the veterans' funding reduction below baseline is slightly less than the amount of funding increase over baseline for campaign refinancing. The fact that new funding for our campaign financing has survived and has been included in this conference report disappoints me—because it's a classic case of what we think is more important, in spite of our token expressions of budget consciousness and responsibility.

Make no mistake about it, Mr. President, the proposal to fund campaign refinancing means that the taxpayers of this Nation, not in the guise of public financing, but indeed the taxpayers themselves will directly finance and fund our elections, and I find the fact that there is still $100 million left in this budget for that purpose very disagreeable.

Finally, Mr. President, let me conclude by making a few observations about the funding for veterans' benefits and services that this agreement would provide.

Funding for veterans' programs would be $50 million below the fiscal year 1988 baseline level, and on top of that reduction will be an additional $50 million reduction imposed by the reconciliation requirements contained in this agreement.

Mr. President, if all the other domestic spending programs had been held to baseline or sub-baseline spending levels to tighten the belt, so to speak, in order to meaningfully reduce the deficit, I could accept this reduction below the baseline level for the veterans' function and so could veterans. But that is not the case. The cuts in domestic programs which were made are not part of a uniform means of reducing the deficit. Rather, those cuts are made, along with huge revenue increases, to pay for increases above baseline in other domestic functions. I find that to be unacceptable.

Also, the fiscal year 1988 funding level for veterans' programs will be less than that unanimously requested by the authorizing committees of both the Senate and the House and less than the funding levels passed in both the Senate and the House budget resolutions. Thus, funding for veterans' programs actually came out of conference with an even lower level than it went into conference with! I think that is not equitable when the reduction in the funding of veterans' programs is to be used for other domestic programs, which clearly have no higher priority than the obligations we have to the veterans of this country.

In conclusion, Mr. President, I think we can do better. I do not believe the right priorities have been picked in the budget proposed in this conference agreement, and I do not think that this budget will serve the American people well. The price of this budget is, without a doubt, too high, and the cost is not justifiable. I do not think the spending choices are wise, and the staggering tax increases can not even be justified by a claim that it is necessary to reduce the deficit, because this budget does not really reduce the deficit in any meaningful way. Rather, the tax increases will merely support more, more, and even more Government spending. I do not believe that even the logic that "more is better" can justify this budget agreement.

I thank the Chair.

Mr. President, I yield the floor back to the ranking minority member of the Budget Committee, who yielded the time to me.

The PRESIDENT pro tempore. The Senator from Florida.

Mr. CHILES. Mr. President, I yield such time as the distinguished Senator from Connecticut may need.

The PRESIDENT pro tempore. The Senator from Connecticut.

Mr. WEICKER. Mr. President, I would like to address the matter of this budget for just a few minutes. It is not one that I have an easy time with, so let me review exactly the thought processes which brought me to my final conclusion as to how to vote on the matter.

First, insofar as the conference report on the budget is concerned, it is far superior to anything that was proposed by the White House or proposed Senate Republican alternative. When I say far superior, I mean far superior in the sense that the defense figures are lower, the deficit is lower, spending for education, health, housing, science, and transportation is higher. So, clearly, it marks a sea change insofar as the priorities of the Nation are concerned.

It brings an end to the ever-escalating defense expenditures. It brings an end to the never-ending cuts in domestic programs. And it starts to face up to the problems of the deficit.

I have heard many of my colleagues speak on the floor today and I have certainly heard and read about the President's crusade on the road relative to the matter of taxes. I would like to address that subject for a few minutes. I think there are problems on both sides of the aisle, but first, let me address this matter of the fact of no new taxes. That is a great political statement even though it might totally fly in the face of reality. Let me give a very good example, one that I posed to the President of the United States a week ago in the Republican caucus.

We have in our midst a new crisis, the matter of the disease AIDS. This is something of recent vintage. It really was not around, or recognized as AIDS, at the time the President of the United States took office in 1981. It really was not even an issue during the course of the 1984 campaign. It is something that only within the last couple of years, we have recognized as a disease, tried to find an answer to, tried to take care of those who have the disease, and tried to anticipate the costs of the disease into the future. All this is new matter.

On one aspect of it, the cost of health care in the future, the Surgeon General of the United States, indicated in his report that the health care costs to the Nation will be somewhere between $8 billion and $16 billion by the year 1991.

No one anticipated this when they made their political statements of no taxes, either in 1980 or in 1984. It was a matter thrust upon us, but certainly one to which we have to respond. So what do you do now at this juncture? Do you say, we are not going to tend to the matter or do you say we are not going to pay for the matter? Obviously, both of those options are irresponsible—indeed, unthinkable—by this body.

I posed this question to the President a week ago: What do we intend to do with the figure of $8 billion to $16 billion which is going to have to be expended by this Nation in health care costs? I am not now referring to education. I am not referring to research or science. I am just talking about the health care costs.

And the President responded, "Well, constitutionally I will not be around here in 1990 and, No. 2, how do we know these costs are true costs?"

Well, that is a nonanswer. The fact is you ought to take the worst case scenario and prepare for it fiscally. That is fiscal responsibility.

If there is the potential of that liability over the hill—and believe me, there is that potential; it is a figure cited by the Surgeon General of the United States—you better prepare for it.

You cannot say we are not going to take care of these people or it is not going to happen. You better prepare for it, and there is only one way I know how to prepare for a $16 billion tab. You better raise revenues.

I do not intend to turn this into an AIDS argument, but I cite it as a example of how matters change. New problems demand new responses and to go around giving a one-note argument ad nauseum—do not raise taxes—might make great political fodder but it makes no practical sense.

I wonder if the response would be no new taxes if we found ourselves in a shooting war tomorrow. I suspect from this administration all of a sudden there would be a great need for new taxes.

The fact is that this budget is a very cold document when it comes time to toting up or assessing our assets and liabilities and our potential assets and our potential liabilities.

What is needed is a practical argument in terms of fiscal responsibility both in meeting the needs of the Nation and in reducing the deficit.

For too long within this Government we followed the political response, that is, we did not go at the business of reducing the deficit because everybody had their own piece of partisanship or philosophy which made that impossible. Specifically, if you want to reduce the deficit, you have to do three things: You have to reduce the defense spending; you have to put all of our programs on budget, and you have to raise revenue. There is no other way of reducing the deficit.

I am sorry we have the deficit, but it is there. It is there as a result of both Democratic and Republican administrations. The only way you are going to reduce it is in the fashion that I have described.

The difficulty has been that Republicans have not wanted to reduce the defense budget; Democrats have not wanted to put all the programs on budget, and neither party has wanted to raise taxes. It has been a political response to a very real problem, and that is why the problem is still with us.

So when I hear from my own side of the aisle, "Don't raise taxes," fine. That assumes the world is the same in 1987 as it was in 1980, and that is preposterous. It also disregards the costs that we know lie ahead.

Now, let me disabuse my fellow American citizens of one thing, that we have a lot of welfare handout programs here and if we get rid of those, we are going to get rid of the deficit. Forget it. That type of program reduction started in the Carter years and continued through the Reagan years. You are down to the bone now. There is nothing else to cut. There is no money being handed out willy-nilly.

I have told you how to reduce the deficit and there is nobody in this room who can argue the point. The money for deficit reduction is in the defense budget, it is in revenues, and it is putting all programs on budget and making provision for them.

So if anybody is going to act in a responsible way fiscally, let them concede the fact that if you are going to have deficit reduction—and I think many Americans think that is pretty darned important because it is a time bomb waiting to blow up in our face—then you better not rule out any option.

I said I have a few comments as usual on both sides of the aisle. I am not enthralled by this Democratic proposal of raising taxes and applying it to defense. I congratulate my colleagues on the other side of the aisle for at least having a modicum of political courage to suggest the raising of taxes under any set of circumstances. I think they are to be given credit for that.

The problem arises when they then say, "But this is to be applied to defense." Why to defense? It seems to me you cannot have your cake and eat it, too. On that score, if we are going to do it, then it should apply to whatever the priorities happen to be as determined by this body.

I have cited one example, the crisis that we are facing in the area of

AIDS. Let me give you another one in the area of health, the problem of the aged. We know—and this is a matter of statistics—that by the year 2000 the over-85 population in this Nation will have doubled, and by the year 2020 the over-65 population will have doubled. Yet, the provision for the elderly in this budget is penurious indeed—a few extra dollars here and there but cuts in other areas, or level funding certain programs such as geriatric medicine. There is no way this budget meets the problem of the aging. I might add I intend, starting with today's debate, to define the problem of the aging as more than whether we have Social Security or not. That completely obfuscates everything else that involves a quality of life for our elderly citizens.

We know that problem is coming over the hill. This is not my opinion. I am not bleeding over the floor here for the elderly. I am just saying what the statistics are.

We will not have the personnel in medicine to handle the problem. We will not have the programs. We will not have the science. We will not have the facilities or the housing.

It is these types of matters that should be debated on this floor. These are the matters that should be declared priority, and if you are going to have a tax increase, then let it be for those matters that are of a priority nature. I have just disclosed at least two. There are many others. It is not sufficient to go ahead and say, well, we will raise taxes but that money goes to defense.

The last point that I want to make has to do with the budget before us and another aspect of my disquiet with it.

First of all, I compliment my colleague, Senator CHILES, for working closely with this ranking member on the Labor, Health and Human Services, and Education Appropriations Subcommittee. I think we had a fair give and take within the parameters of what was put before us regarding moneys to be allocated for health and education.

My feeling was that the health function in the budget resolution should be at least a billion dollars more, a billion dollars more than that which was in the original proposal. We went back and forth and finally arrived at a figure of $400 million more. I am now informed that in this budget, that $400 million over the original proposal is estimated to be down to $200 million.

I have no doubt of the assurance of the chairman that the matters that relate to AIDS will be taken care of. He has given that assurance and so I do not want to even discuss that any further. The fact is that there are many other areas of science and health that cry out for appropriate allocation of our resources. I repeat day in, day out, thousands of people across the width and breadth of this Nation make the statement one to the other, "If you don't have your health, you don't have anything."

But we have yet to translate that into national policy. Research into heart disease, cancer, diabetes, brittle bone disease, and schizophrenia is not yet a national priority. I can go right down the whole checklist, big illnesses and small, big dollar amounts and little, all causing hurt and all causing death.

Yet we have to sit here and scrounge for every last penny, $200 million more than the original proposal. It is considerably more, I might add, than the proposal of the President, so I am not arguing that one. But when are we finally going to give to health and science the due which each of us believe individually is owed? It is not in this budget.

I was delighted to see again that funding for education is considerably more than proposed either by the President or any proposal coming from the Republican side of the aisle during the budget debate, and that is a good thing.

When are we once again going to be a Nation that lives for our children, all of our children, those going to college, those going to elementary school, those desiring of special education, those desiring of vocational education? Notice not for 1 minute since I have been on this floor have I asked for anything for welfare or handouts. I am talking about the investments in people.

As much as this is an increase over what the President proposes, it still falls far short of what is needed by this society in terms of the enlightenment of all of its people, the quality of life of all of its people, and the health of all of its people.

I realize that my concept of what the Nation's priorities should be are not going to be totally realized in this document. The reason why I am going to vote for it, and I will, is that it comes far closer than any other proposal offered to what I envisage as the future of my Nation, both in terms of its fiscal responsibility and in terms of its priorities.

I think those of us who are going to vote for this document are going to carry the day today, but I would hope that as the debate continues, and the main debate is not going to be here on the floor of the U.S. Senate, the real decision has to be made by the American people as to what they want. Are they finally going to come face to face with reality as to how you reduce the deficit, or are they going to be spoon fed politics to make them feel good?

Do the American people believe that the national security is as much as a matter of housing, transportation, science, health, and education as it is defense?

If they believe that, then not only will we carry the day today, but we will be able to override a potential Presidential veto on legislation to implement the budget resolution.

But in this, as in all matters, it is reality that we have to deal with and not politics and philosophy.

The year is 1987. To my way of thinking, the priorities of the last 6 years have brought us dangerously close to being imperiled in a variety of ways. The deficit speaks for itself. For all the protestations of fiscal responsibility, where does this deficit sit? It grows and grows. For all the protestations of wars on drugs and assistance to those who have AIDS, and on down the checklist, where is the money to do these things? Reality—the reality of the world around us is what calls me to go ahead and vote for this legislation.

I would hope that the time will come when not only will we have the courage to raise taxes, but we will also have to realize that those taxes are far better devoted to the business of life than to the business of death.

The PRESIDENT pro tempore. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield 5 minutes to the junior Senator from California, Senator WILSON.

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. WILSON. Thank you, Mr. President.

Mr. President, because my friend and the manager of this legislation, the Senator from New Mexico, can yield but 5 minutes, I am going to concentrate on a few main points.

First, to give an appropriate setting to this whole discussion, I would remind all within earshot that in 1984 a major Presidential election was fought explicitly on the issue of deficit reduction and tax increases, and was decided by the American people. Subsequently, the Congress, having in both parties preached the necessity of deficit reduction to avoid mortgaging the future of our children and grandchildren with interest payments on a growing, mounting national debt, finally took action on the Gramm-Rudman-Hollings legislation which held out for the first time within decades of promise to the American people of bringing us back to a balanced Federal budget, and indeed offered to do so by 1991.

With that setting, Mr. President, the first unhappy fact that we need to concentrate on now is that this proposal upon which we shall vote tonight misses the Gramm-Rudman deficit target by over $26 billion. And it does so while substantially increasing domestic spending by $41 billion next year compared to the levels established in the fiscal year 1987 budget.

Insofar as it does seek to bring about deficit reduction, it does so by a combination of new taxes, still more defense cuts, and a scheme to refinance the Rural Electrification Administration.

What I want to know is where are our colleagues who in 1984 cried out so loud that we must reduce the deficit, who voted for the Gramm-Rudman legislation, and who told their constituents that it was our solemn duty to bring down the deficit and return us to economic health and the level of interest rates that would encourage job creation by small businesses in this Nation?

Where are they now? Are they prepared to vote for a deficit target level that is $26 billion above that called for by the Gramm-Rudman legislation? And if they are willing to make cuts in defense spending what is the impact of those cuts?

This budget plan holds hostage our national security to tax increases. The only segment of spending that is predicated upon approving a tax increase is defense spending. Nondefense spending will increase $53 billion over fiscal year 1987 levels under this plan regardless of what action the Congress takes on tax increases.

I agree with my friend from Connecticut. We do need to make provisions for new spending. And AIDS—he and I happen to share the conviction—is one of the most compelling demands upon this Nation. But there is more than one way to make such a provision. There are other cuts that can be made to programs which, though desirable, are of less importance by far than the kind of health demands made by this new threat, one that did not exist a few years ago.

For example, we passed the 1985 farm bill—a farm bill which was advertised as costing $52 billion over 5 years. Estimates are that its cost will reach $80 billion. At the same time, it does not fulfill the expectations of American farmers and consumers that we will, in fact, be able to assure them a decent farm income.

But the point, Mr. President, is that we are treating defense as a hostage. Even with this tax increase we will underfund not just the administrations' request, but also the real spending required to maintain our Nations' defenses; and to maintain our international credibility.

And how are we going to cut military spending, by the way? I would like those who are proposing this budget to tell me what cuts they plan. Are they going to cut the military pay raise? Are they going to argue for reductions in maintenance and readiness that we hear we are deserting so often in favor of new spending? Are they going to kill the entire shipbuilding account? Are they going to kill all of the new lines of equipment that are so eagerly advocated by so many Members of this body? We do not have the time to get into a reasonable discussion of how we might reduce defense spending.

So let us spend the last minute or two on the nature of these tax increases. If they are raised as proposed, they will be raised by $19.3 billion, the largest single first-year tax increase in history. But how will these new taxes be raised? Are we going to increase individual rates? Are we going to engage in the ultimate hypocrisy of having told the American people last year in the tax reform debate that we are going to lower your tax rates only to turn right around and raise them? Are we going to do it instead by increasing excise taxes, by taxing the poor in a regressive way that will rob them indirectly and less honestly than that if we were to increase tax rates?

Mr. President, neither option is acceptable. I would remind my colleagues that in 1982 this Congress passed a $100 billion tax increase, supported by this President in the name of deficit reduction, and promised to him on the basis that the Congress would produce $3 of spending cuts for every $1 tax increase, but clearly failed to deliver on that promise. No wonder many of us are so highly skeptical that we will, in fact, lower the deficit with this tax increase.

Mr. President, my time has all but expired, so I will take my seat by saying that this is an unwise proposal. It is unfair to the American taxpayer, and unfair to our Nation's future.

The **PRESIDENT** pro tempore. Who yields time?

Mr. **EXON**. Mr. President, I yield time necessary to the Senator from North Carolina.

The **PRESIDENT** pro tempore. For how long?

Mr. **EXON**. How much time does the Senator from North Carolina need?

Mr. **SANFORD**. About 10 or 12 minutes.

Mr. **EXON**. I yield 10 minutes to the Senator from North Carolina.

The **PRESIDENT** pro tempore. The Senator is recognized for 10 minutes.

Mr. **SANFORD**. Mr. President, there is one big point that ought to be made before we conclude this debate on the budget. Now that we have before us for our consideration this budget conference report, the administration is once again—the President—going about the land leveling against the Congress its same old tired charge that ours is not a credible budget plan; that it swells the deficit, that it hurts defense, and that if fails to reduce wasteful Federal spending. I believe it is high time to set the record straight about the fiscal ruination being brought down upon us by President Reagan and his administration. It is high time we lay out for the public to see what David Broder refers to as the administration's "spend-now-pay-later fiscal foolishness."

Let me document just a few aspects of this President's budget record.

This is the President who rode into town in 1981 preaching the virtues of a balanced budget while condemning the fiscal waste and unhealthy deficits of prior administrations. Today, 6 years later, the Nation is drowning in a sea of red ink from his policies, which have yielded the six largest budget deficits in our Nation's history.

By 1988, this President will have presided over an unbelievable, and completely irresponsible, buildup in our national debt, from about $900 billion in 1981 to a projected $2.8 trillion in 1989.

This is the President who rode into town in 1981 preaching the virtues of free trade. His anything goes policies have had some astounding results in the last 6 years as our Nation as plunged from having long been one of the leading trading nations in the world to having now become the largest debtor Nation in the world with trade deficits exceeding $100 billion in each of the last 3 years. The total U.S. trade debt at the end of 1986 was greater than the cumulative total of the next three largest debtor nations. These deficits have had the absolutely intolerable effect of creating millions of jobs overseas while taking away millions of jobs from citizens in this country. And the world's largest financial institutions, long concentrated here in the United States, shifted in the 1980's to Japan.

This is the President who rode into town in 1981 clamoring for a smaller Government budget. His strident attacks were based on a Federal budget that in 1980 consumed 23 percent of our total gross national product. And where do we stand today? Surprisingly, in fiscal 1987 under the benign leadership of Ronald Reagan, the Federal budget still consumes 23 percent of total gross national product. Defense spending and interest on our bulging national debt now comprise a much larger share of the total, offsetting the President's imposed cuts in a wide range of domestic programs, from education and training to clean water and transportation.

And what have we gotten for these large budget increases? Interest on the national debt rose from $53 billion in 1980 to $136 billion in 1986—an increase of over 150 percent. And sadly the primary beneficiaries of these interest payments are overseas investors, who are taking good advantage of our fiscal mess by loaning us the money to float our massive deficits at premium interest rates.

In defense, the Reagan administration has added over $500 billion real growth beyond inflation from 1981 to

1987. That is a tremendous portion of our national wealth over this period. And what have we received from this investment? The short answer is, not much. The Reagan team adopted no overall strategy; money was just made available for whatever the military services and their contractor friends wanted. The results included higher prices for all weapons and unprecedented profits for all defense contractors, who then proceeded through tax loopholes to pay little or no taxes in the period from 1981 to 1985. The defense contractors certainly did well but our military capability did not grow proportionately. Our military forces are only slightly larger, the investment in new weapons has produced no major shifts in the military balance, and military commanders still claim large shortfalls in readiness. What was widely described as a defense "boom" might more properly be called a defense "bust."

This is the President who rode into town in 1981 promising to tell the truth to the American people. And what have we seen in recent years? Budgets with false economic forecasts have become the norm each year. These "fudged forecasts" have been deliberately concocted to deceive the Congress and the American people as to the true nature of the budget problem. Outyear projections of expenditure cuts are designated with a "magic asterisk" to avoid telling the Congress and the American people the true extent of the actions that have to be taken.

This is the President who states that he will bear full responsibility for his actions. And yet this is the same President who always seems to find a fall guy for the bad things that happen on his watch—be it the tragic loss of our Marines in Lebanon in 1983, the Iran-Contra affair with all of its unsavory implications, and the budgetary and fiscal mess which he has created, nourished, and now lays at Congress' door for us to clean up. Have you no shame, Mr. President? The American people can see through your smooth talk.

Let us place responsibility for the fiscal situation squarely where it belongs—on the shoulders of this President. What better source can I cite than David Stockman. The chief fiscal expert for President Reagan from 1981 to 1985. Here is what Mr. Stockman says:

> If President Reagan had entirely gotten his way from 1981 to 1986, the atrocious 1986 deficit of $221 billion would have exceeded $350 billion, or more than 8 percent of the Gross National Product.

Mr. Stockman goes on to say that—

> The Reagan administration has never hesitated to turn the substance of the budget into an occasion for political theater.

Mr. Stockman states that—

> Ronald Reagan has no comprehension that Congress saved him from a far more severe budget crisis.

Finally, Stockman concludes that—

> The American economy and the government have literally been taken hostage by the awesome stubbornness of our current President.

A more devastating indictment I could not imagine.

And, finally, this is the President who rode into town in 1981 as a man of great courage and political savvy. Today we see a President who prefers to leave town before dawn to snipe at the Congress or other targets about problems which lay right at his feet. Rather than racing off to Florida and other cities to do his tough talking, a man of "true grit" would sit down with the congressional leadership and hammer out an acceptable compromise. That would be in the best interest of the Nation, but somehow that does not seem to be this President's top concern.

Everyone in the Senate knows what is in this budget. No budget can suit all needs, but this one is a good job of setting the national priorities. And is responsible.

No, Mr. President, we are not the ones whose budget plan lacks credibility. Ours is not the budget that failed 81 to 18 in this Chamber. That was the President's budget. The bottom line figures in his budget for Gramm-Rudman were the same as this budget, but getting there by padded revenue estimates, user fees, sale of assets, was not considered sound. The Senate in a bipartisan vote turned down the President's budget 81 to 18.

The plan introduced this morning is a responsible as well as responsive one. It is the product of considerable foresight and intelligent compromise. I commend the chairman of the conference, my distinguished colleague and good friend from Florida, Senator LAWTON CHILES, for the hard work I know he put into producing this report. I strongly urge my colleagues to give it their full support, and I yield the floor, Mr. President.

The PRESIDENT pro tempore. To whom does the Senator yield time? The Senator from New Mexico.

Mr. CHILES. I yield 5 minutes to the distinguished Senator from Oklahoma [Mr. NICKLES].

The PRESIDENT pro tempore. The Senator from Oklahoma is recognized for 5 minutes.

Mr. NICKLES. Mr. President, I thank my friend, the Senator from New Mexico.

Mr. President, I rise in opposition to the budget before us today and I would like to give a few reasons why. First, I wish to compliment my friend, Senator CHILES, from the State of Florida. I know he has worked hard on this but I do not think the result, the budget that we have before us today, is a product that we should pass in the Senate.

Mr. President, I have been in the Senate for 7 years. We look at the budget and we hear a lot of talk about how bad the deficits are. We hear a lot of statements that it is the President's fault. Some of us think it is the President's fault as well as Congress' fault.

A lot of people decry deficits and say how bad the deficits are, but I say that deficits are nothing but the symptom of the problem. The problem is that spending has been out of control and Congress for the last several years, has been primarily responsible for the enormous growth of spending.

Mr. President, in 1979 we spent $503 billion. This year, 1987, we are spending more than twice that amount; we are spending over a trillion dollars. So spending has grown and it has grown substantially.

We hear all this talk about cuts. I hear talk when I go back to town meetings about all the cuts that have been made, but total spending has grown in every area, not just defense. Yes, defense has grown in the last 6 years but nondefense has grown very rapidly as well.

Last year we made a little progress. I was looking at the summary report that comes from the U.S. Department of the Treasury and noted that the deficit—compared year to date through April—this year is high, it is $126 billion. But last year, for the same months, it was $173 billion. So the deficit thus far this year compared to last year, is almost $50 billion less. The deficit is coming down and that is good news.

The reason this has happened, or part of the reason, is that this year we held to a budget that said that we were going to only increase outlays about 1 percent. We underestimated outlays, which we said were going to be $994 billion. They are now estimated by Treasury to come in at $1.015 trillion. So we underestimated a little bit but the growth in spending has been much smaller than it has been in years.

But the budget that we have before us takes us back into a much faster rate of growth in spending and I am afraid it again grossly underestimates the total amount of money that we will spend.

It limits defense very severely, more than we have limited defense in any time in the last many years. But it provides for increase in nondefense spending of many times the rate of inflation.

Last year's inflation rate was about 2 percent. It is forecast for next year to be 3 or 3.5 percent, I believe, by the budget. We are looking at the figures of growth, and I am talking about growth in outlays, and we see international affairs is growing by 16.6 percent. We see science, space, and technology is growing by 16.8 percent. We look at national resources and it is growing by 9 percent. Transportation is growing by 11 percent. We look at education, training, and employment, and it is expanding 8.5 percent; health is growing by 11.3 percent; Medicare is growing by 10.7 percent; income security, 5.8 percent; Social Security 6.1 percent; administration of justice, 6.8 percent; general government, 8.3 percent; fiscal assistance, 5.8 percent.

So you notice, Mr. President, lots of categories—not every category, but lots of categories are—growing at three, four, five, six times as much as the rate of inflation.

So we have a massive tax increase, one of the largest tax increases in history. I have heard some say it is the largest. It is a massive tax increase, about $20 or $21 billion in the first year. We hear people say this will not be a general tax increase, but if we were going to pay for this by personal income tax, it would equal a 6-percent tax increase on everyone's 1040. Everyone's Federal income tax would be increasing by 6 percent to pay for this $20 billion. That is a very, very large tax increase to pay for very, very large spending increases.

If these taxes were to reduce the deficit, I might be one who would say I would agree, but this isn't a tax increase to reduce the deficit. It is a tax increase to pay for items like the clean water bill, the homeless bill, the space station, welfare reform, jobs retraining, farm credit legislation, AIDS research, a whole multitude of items that are well outside this budget.

Again, my fear is that we are going to spend a lot more than even provided for in this budget if we do not start showing discipline. This budget does not show discipline.

Mr. President, I ask unanimous consent that the figures I have been citing as well as a summary of receipts and outlays of the U.S. Government for April 1987 be included in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Revenue	CBO estimate, 1987	Administration, 1987	Conference, 1988	Comparison conference, fiscal year 1987	
				Difference	Percent
New revenues		5.00	21.10		
Total	834.10	905.60	921.60	87.50	10.49
050 Defense—W/taxes:					
Budget authority			296.00	11.7	4.10
Outlay			289.50	12.9	4.70
050 Defense—WO/taxes:					
Budget authority	284.30	311.80	289.00	4.70	1.65
Outlay	276.60	298.30	283.60	7.00	2.53
150 Intl Affairs:					
Budget authority	15.30	19.50	16.20	0.90	5.88
Outlay	13.80	16.60	16.10	2.30	16.67
250 Science, Space, and Tech:					
Budget authority	12.20	11.50	11.30	−0.90	−7.38
Outlay	9.50	11.20	11.10	1.60	16.84
270 Energy:					
Budget authority	5.20	2.50	4.50	−0.70	−13.46
Outlay	3.70	3.50	4.55	0.85	22.97
300 Natural Resrcs:					
Budget authority	13.20	14.10	15.90	2.70	20.45
Outlay	13.80	14.10	15.10	1.30	9.42
350 Agriculture:					
Budget authority	30.50	25.70	29.45	−1.05	−3.44
Outlay	30.20	24.90	28.60	−1.60	−5.30
370 Commerce/Hsng Cr:					
Budget authority	12.10	11.70	12.50	0.40	3.31
Outlay	8.70	4.30	7.80	−0.90	−10.34
400 Transportation:					
Budget authority	26.80	24.90	29.20	2.40	8.96
Outlay	25.40	27.00	28.25	2.85	11.22
450 Comm/Reg Dev:					
Budget authority	8.40	5.60	7.50	−0.90	−10.71
Outlay	7.30	5.20	6.60	−0.70	−9.59
500 Ed/Trng/Emply:					
Budget authority	33.00	29.10	36.45	3.45	10.45
Outlay	30.30	28.50	32.90	2.60	8.58
550 Health:					
Budget authority	40.80	43.50	45.65	4.85	11.89
Outlay	40.30	40.80	44.85	4.55	11.29
570 Medicare:					
Budget authority	83.50	93.90	92.85	9.35	11.20
Outlay	73.70	78.00	81.60	7.90	10.72
600 Income Security:					
Budget authority	158.20	162.10	168.60	10.40	6.57
Outlay	124.20	127.20	131.45	7.25	5.84
650 Social Security:					
Budget authority	226.90	257.30	256.80	29.90	13.18
Outlay	207.90	220.80	220.75	12.85	6.18
700 Vets:					
Budget authority	26.90	27.60	27.90	1.00	3.72
Outlay	26.20	26.70	27.35	1.15	4.39
750 Admn Justice:					
Budget authority	8.40	9.00	9.60	1.20	14.29
Outlay	8.00	9.20	9.35	1.35	16.88
800 Gen Govt:					
Budget authority	6.90	7.80	7.70	0.80	11.59
Outlay	6.60	7.70	7.15	0.55	8.33
850 Fiscal Asst:					
Budget authority	1.60	1.50	1.80	0.20	12.50
Outlay	1.70	1.50	1.80	0.10	5.88
900 Net Interest:					
Budget authority	133.60	139.00	139.25	5.65	4.23
Outlay	133.60	139.00	139.25	5.65	4.23
920 Allowances:					
Budget authority	0.40	−1.30	−0.70	−1.10	−275.00
Outlay	0.40	−1.20	−0.70	−1.10	−275.00
950 Offsetting Rcpt:					
Budget authority	−35.20	−43.50	−40.60	−5.40	15.34
Outlay	−35.20	−43.50	−47.90	−12.70	36.08
Total:					
Budget authority	1,093.00	1,153.40	1,153.20	60.20	5.51
Outlay	1,009.80	1,039.70	1,035.45	45.6	4.5
Deficits	−175.70	−134.30	−133.85	41.85	−23.82

TABLE 3.—SUMMARY OF RECEIPTS AND OUTLAYS OF THE U.S. GOVERNMENT, APRIL 1987 AND OTHER PERIODS

[In millions of dollars]

Classification	Actual this month	Actual this fiscal year to date	Actual comparable prior period	Budget estimate full fiscal year [1]
Budget receipts:				
Individual income taxes	71,850	244,191	208,400	364,002
Corporation income taxes	11,189	46,679	35,131	104,761
Social insurance taxes and contributions:				
Employment taxes and contributions (off-budget)	23,814	12,492	116,806	214,018
Employment taxes and contributions (on-budget)	6,643	35,176	31,716	59,230
Unemployment insurance	2,827	10,378	10,670	23,781
Other retirement contributions	362	2,741	2,755	4,431
Excise taxes	2,471	18,311	19,702	32,602
Estate and gift taxes	810	4,415	3,938	5,998
Customs duties	1,165	8,042	7,310	14,445
Miscellaneous receipts	1,767	11,235	11,883	19,122
Total receipts	122,897	506,661	448,311	842,390
(On-budget)	99,083	381,169	331,505	628,372
(Off-budget)	23,814	125,492	116,806	214,018
Budget outlays:				
Legislative Branch	171	1,008	958	2,131
The Judiciary	112	641	660	1,241
Executive Office of the President	10	65	64	118
Funds Appropriated to the President	810	6,620	6,026	11,830
Department of Agriculture	4,754	36,589	35,888	55,063
Department of Commerce	171	1,297	1,252	2,441
Department of Defense—Military	23,758	158,506	152,510	274,200
Department of Defense—Civil	1,687	11,939	11,836	20,942
Department of Education	1,312	10,686	10,864	16,752
Department of Energy	738	6,168	6,608	10,611
Department of Health and Human Services, except Social Security	14,355	87,497	84,856	145,292
Department of Health and Human Services, Social Security	15,449	114,820	106,184	202,857
Department of Housing and Urban Development	1,678	9,204	9,465	14,622
Department of the Interior	422	2,991	2,582	5,213
Department of Justice	377	2,301	2,199	4,788
Department of Labor	2,155	14,086	14,057	24,456
Department of State	216	1,632	1,766	3,324
Department of Transportation	1,878	13,933	15,177	26,216
Department of the Treasury:				
General revenue sharing	1	72	3,380	66
Interest on the public debt	13,616	105,889	105,310	191,754
Other	−1,571	−7,537	−6,591	−11,589
Environmental Protecton Agency	381	2,817	2,873	4,579
General Services Administration	−270	−293	−64	−73
National Aeronautics and Space Administration	525	4,218	4,511	7,876
Office of Personnel Management	2,333	15,105	13,603	27,732
Small Business Administration	−85	10	152	125
Veterans Administration	2,382	15,755	15,623	26,835
Other independent agencies	1,388	9,141	6,006	17,920
Allowances, undistributed				
Undistributed offsetting receipts:				
Interest	−283	−13,999	−13,625	−34,670
Other	−4,230	−21,227	−19,406	−37,091
Total outlays	84,240	589,935	574,726	1,015,572
(On-budget)	69,215	479,490	472,368	821,074
(Off-budget)	15,025	110,445	102,358	194,498
Surplus(+) of deficit (−)	+38,657	−83,274	−126,414	−173,182
(On-budget)	+29,867	−98,321	−140,863	−192,702
(Off-budget)	+8,790	+15,047	+14,449	+19,520

[1] Based on the submission of the fiscal year 1988 budget released by OMB Jan. 5, 1987.

Source: Financial Management Service, Department of Treasury.

Mr. CHILES. Mr. President, I yield myself 2 or 3 minutes.

Mr. President, I enjoy the debate. I enjoyed the way it builds on the first speaker we had, the Senator from New Mexico. He talked about the tax increase as the largest tax increase in the first year. As the debate has progressed, it has become the largest tax increase in history, period.

First in constant dollars, it is not the largest tax increase in history in the first year. TEFRA was higher. But if you want to say that $19.2 billion is higher in the first year than TEFRA in dollars, maybe it is. TEFRA was $92 billion over the first 3 years. This budget has $64 billion over the first 3 years. But license and rhetoric is free around here and that is nice. I have used it myself. I guess we all have. But I like the way this progresses, how this is the greatest and largest tax increase and all these programs and outlays are increasing.

Basically, this budget, this resolution, has slower growth for spending than last year's. When you take out the asset sales, it is 0.3 percent increase above inflation. Last year, spending grew by 1.2 percent above inflation.

The Senator likes to read his figures and talk about the outlay numbers. It has nothing to do with the fact that you have a lot of growth in programs based on formulas and everything else. But the rate of growth is 0.3 percent in this resolution above inflation. Last year it was 1.2 percent above inflation.

So taxes are not as high as TEFRA; the rate of spending growth is not as high; more real spending cuts are included in this bill, basically, than the President's. But we can cut out and call it anything we want to.

Mr. President, I yield 10 minutes to the Senator from Nebraska.

The PRESIDENT pro tempore. The Senator from Nebraska is recognized for 10 minutes.

Mr. EXON. Mr. President, I congratulate Chairman Gary and Chairman Chiles for working together to produce a budget package which goes a long way toward restoring fiscal discipline and setting the priorities of the United States for the future. This proposal is not a perfect work of budget art and I do not agree with all of its provisions. In short this is a product of necessary compromise and therefore imperfect in the eyes of each individual's wishes.

The conference budget was the result of many long hours of hard work and negotiation. Each provision was carefully considered and the proposal before the Senate represents the consensus view of the 100th Congress.

Despite the President's persistent criticism, it should be made absolutely clear that the conference budget reduces the deficit more than the President's budget. I repeat; the conference budget reduces the deficit more than the President's budget. It contains a rational split between spending reductions and revenue adjustments and is based on long lasting actions which will permanently reduce the deficit rather than just pass the problem along to next year, which has been our customary modus operandi. It is a partisian budget in that the Republicans took their ball home early on and never appeared even on the sidelines, let alone stepping on the playing field. They now groan loudly and moan of the need for more budget reductions. Fine, come forth. I say, and outline in detail your further cuts totaling $18 billion for fiscal year 1988. Let us see your proposals or concede you have no plan other than nonsense political rhetoric.

The "pay for defense" provision is an important step toward fiscal discipline. Under this proposal, the President will have to decide whether he is more interested in rhetoric or deficit reduction. In this budget the Congress tells the American people, defense is so important that the Congress is willing to pay for it. This budget abandons the customary concept that the Nation's defense buildup should be financed through ever increasing deficits and skyrocketing national debt.

The $19 billion in increased revenues, refreshingly enough, is earmarked for deficit reduction. If there are those who decry this, then they must necessarily be for raising the deficit and the national debt, for there can be no other explanation for their lack of specifics. Or they would specifically spell out, responsibly, where the budget cuts come from because I say that above all else the people are weary of doubletalk.

I am especially pleased that the conference package contains only a moderate reduction in the Nation's farm programs next year. Agriculture must make its contribution to deficit reduction. However, its share must be viewed in the context of the continuing crisis in rural America. This proposal significantly improves the agriculture budget approved by the Senate and essentially reflects the figure for agriculture spending that I had advocated during the Senate Budget Committee's consideration of the 1988 budget.

I also applaud the Conference Committee for accepting the Senate provisions on rural electric refinancing. This agreement will allow, S. 912, the Rural Electric Refinancing Act, which I introduced earlier this year, to move forward. This legislation has over 40 cosponsors and is much needed by rural power consumers.

The reason this budget was locked up in conference for so many weeks was that there were fundamental differences between the Senate and the House of Representatives on the issue of defense. The $296 billion in national defense outlays contained in this conference agreement is $1 billion above the level I advocated as the bottom line of authorization. In this regard, the conference came to a good agreement. The defense budget will require both the Senate and the House of Representatives to be very careful in its defense proposals. This close to the bone budget provides little room for error and no room for porkbarrel programs. Producing a defense plan under this budget will be tough, but it can be done.

The President challenged the Congress to reduce the deficit. The conference agreement meets that challenge. In recent weeks, the President and the members of his party have played the roles of critics rather than participants.

We have heard a lot about the budget "process" today. I support budget process reform. I have authored a constitutional amendment to require a balanced Federal budget, and I have authored a proposal to reform the debt limit process. I am also in full support of the Quayle-Exon enhanced rescission legislation and I have been a long-time advocate of the line-item veto.

Mr. President, as much as I want to change the budget process, I most of all want to reduce the deficit. As an advocate of reform, I have always maintained that process reform alone will not magically reduce the deficit.

And the term "budget reform" should not be confused with reducing the deficit.

After 6 years of Reaganomics and Republican control of the Senate, the national debt has doubled and the annual deficit has repeatedly—again and again—hit new highs. Now the Members on the other side of the aisle advocate process reform. The problem is not process. It is time to face reality. If you are going to reduce the deficit, you are going to have to make some tough decisions. You are going to have to march to the table and cast some votes which can be distorted and used against you in a campaign. More than process reform, we need courage reform.

Certainly, with bipartisan cooperation, this budget could have been a better budget. I want to be the first to concede that. Let no one misunderstand, the members of the other party were invited time and time again to participate in the budget process, to put together an alternative plan, to negotiate in good faith with the majority party. Those invitations, almost from the first day of hearings of the Budget Committee, were curtly dismissed.

The Members on the other side of the aisle chose to sit on the side lines, criticize and let the Democrats "stew in their own juices." Now, they do not like the taste of this supper.

Mr. President, the table is set, the food is ready. It's not a perfect meal, but it is wholesome and it is honest. It puts the nation on a diet of deficit reduction and builds the Nation's economic body. The U.S. Senate now faces the decision of whether to come to the table for a healthy home cooked meal or to once again gorge itself with the junk food of deficit spending.

To my Republican colleagues, I say, there is still time for your involvement. I urge your participation. I hope you will join in the effort to convince our reluctant President to face reality. If we do not cooperate, we risk chaos in the coming months.

The budget deficit is no longer a Republican or Democratic problem, it is an American problem. For 6 years, the Congress and President have given nothing but lip service to the deficit and the national debt doubled to over $2.2 trillion and the annual deficit topped $220 billion. One thing is clear, we cannot go on like this much longer.

The conference budget is an action plan which will reverse that trend and make significant progress toward fiscal discipline.

I thank the Chair.

I yield the floor.

The PRESIDENT pro tempore. Who yields time?

Mr. DOMENICI. Mr. President, I want Senators on this side, Senators in opposition to the resolution, to understand that we only had 5 hours on this side and the distinguished majority leader yielded 15 minutes to me, so it is 5 hours and 15 minutes. He did that because he was accommodating me for other time used. For those asking about time, we have almost used up our time. We have about 25 minutes left. I am going to yield 4 minutes to the distinguished Senator from Indiana.

I understand Senator COCHRAN wants to speak and Senator EVANS. Senator D'AMATO has his own proposal upon which he gets time. If he does not, I shall yield him time in that regard.

The PRESIDENT pro tempore. The Senator from Indiana.

BUDGET NONSENSE

Mr. QUAYLE. Mr. President, we are considering a final budget resolution today that claims to reduce the deficit and provide for an adequate level of national defense through an increase in taxes.

The truth, however, is that this budget resolution is a sham. Not only does it revisit the failed tax-and-spend policies of the past, it throws deficit reduction right out the window and actually hurts our national defense posture.

This budget resolution, for instance, claims that all new taxes go to a so-called deficit reduction trust fund. Mr.

President, we talk about blue smoke and mirrors a lot around here—especially around budget time—but this is the granddaddy of them all. This one walks away with the prize as perhaps the greatest budget deception we have ever attempted. There is absolutely no way that this accounting gimmick can ever be enforced.

In order to reduce the deficit by raising new taxes, Congress has to make sure spending at least remains constant. That is basic arithmetic. This budget, however, would increase domestic spending nearly $41 billion in fiscal year 1988—and not one program is to be terminated. Not a single one.

So the question here is a fairly simple one, despite the blue smoke and mirrors. If spending is going to increase next year, how can these new tax revenues go toward deficit reduction? The answer, obviously, is that they cannot. The new taxes will not reduce the deficit—they will pay for that increased spending. Furthermore, many of the spending reductions that are assumed in this budget resolution are neither achievable nor enforceable.

Mr. President, this budget simply does not provide the American public with a guarantee that any of these new taxes will ever be used to reduce the deficit. In fact, if history is any guide, the only thing this tax-and-spend budget guarantees is an expansion of the Federal bureaucracy.

But the badly misnamed "deficit reduction fund" is not the only eyesore in this budget. Besides its other glaring faults, this budget would also hold our national defense hostage to a tax increase.

This budget raises enough new taxes to restore fiscal year 1988 defense spending to a level that is below where it would have been this year after inflation is accounted for. But to achieve this insufficient investment in our national security, the President must first agree to sign a tax increase bill that would raise about $64 billion in new revenues over the next 3 years.

What I find intriguing about all this, of course, is that just $7 billion of that $64 billion in new taxes would go to defense. Most of the remaining $57 billion will go toward new domestic programs. Only a fraction—the remaining $15 or $16 billion—would supposedly go toward deficit reduction. Most likely, however, even these revenues will go to pay for spending that results from Congress' likely failure to achieve some of this budget's nonreconciled cuts, which are in effect unenforceable.

I do not know about anyone else in this body, but I am not about to ask the President to agreed to $64 billion in new taxes so that just $7 billion of it—about 11 percent—can keep next year's defense spending below the baseline level. It just is not right. We should not be tying the defense of this Nation to a whopping tax increase, particularly since most of it will go for everything but defense.

What is worse than any of this blue smoke and mirrors, however, is what this budget does to the long-term prospects for defense spending. For even if we were to adopt the "high tier" in this budget, defense spending would still fall $39 billion below the baseline over the next 3 years. If we were to adopt the "low tier," defense spending would fall some $68 billion below the baseline over the same time period. Either way, Mr. President, this budget would guarantee a 5-year decline in defense spending from 1986 to 1990.

Our defense funding is already dangerously low at a time when our negotiators are continuing to try to reach an accord on verification mutual arms reductions. Reducing defense spending deals a potentially crippling blow to their efforts.

Still more devastating is Congress' practice of appropriating less money for defense than is provided by the budget resolution. Over the past 5 years, Congress has appropriated from $3 to $13 billion less than the amount called for in the final budget resolution.

In fact, according to the CBO, the deficit reductions that have been achieved for fiscal year 1987 from appropriations have come from defense spending over domestic spending in an 18 to 1 ratio. According to CBO, of the savings that will be realized over 3 years from the levels provided by fiscal year 1987 appropriations, defense is anteing up a total of $20 billion in cuts, international affairs accounts for $5.8 billion in savings, but domestic spending will increase the deficit by $1.3 billion. That is hardly a balanced approach to deficit reduction.

Coupled with these cuts, the Department of Defense must also accommodate in its budget congressional addons that were not part of the Department's original request. These add-ons totaled $2.1 billion in fiscal year 1985, $3.9 billion in fiscal year 1986, and $2.7 billion in fiscal year 1987. To date, the DOD has received, in writing, requests of $1.9 billion in add-ons for the current fiscal year. These add-ons are forced by Congress, on top of reductions in the Pentagon's planned programs, and then Congress charges the DOD with waste and mismanagement.

In addition to the false claims of this budget, it employs another deceptive and irresponsible tactic that cannot go unnoticed. Last year, to meet its budget restraints, the Pentagon was forced to delay the pay date of military and civilian personnel. This year, we are going to legislate almost the same thing to save money.

In order to meet the fiscal 1988 budget constraints, the chairman of the House Armed Services Committee—LES ASPIN of Wisconsin—has proposed that the Pentagon simply refuse to pay its bills during the last 12 days of the fiscal year. This may save about $6 billion on paper, but it is questionable public policy at best simply to delay payment on bills until a fiscal year has run out.

Somewhere, at some time, this country will have to honor the debts it incurs. Pushing them forward from 1 year to the next for accounting purposes will not make them go away, and such irresponsibility can affect the procurement costs in the future. What business would want to contract with a customer that says 1 year in advance that it will not pay its bills?

Mr. President, this budget will not reduce the deficit, as it claims, and it will not maintain an adequate level of defense spending. What it will do is add still more programs to the bureaucracy and revive the old tax-and-spend policies most of us here thought were long ago discredited.

Mr. President, when we go through the budget process, what we do as a Congress is establish priorities. The budget process forces Congress to establish what in fact is going to be a high priority, what is going to be a low priority, what is going to be somewhat in between. Unfortunately, this budget resolution as compared to others places the national defense as basically the lowest priority. National defense, under this budget resolution, is held hostage to a tax increase.

In other words, what we are saying is that we will take the revenue that we get normally; we will spend it for all the other programs—we will spend it for the domestic programs, we will spend it for perhaps the low-tier national defense. But what is needed for national defense will basically be held hostage to a tax increase, which is very doubtful. Therefore, what we have in essence done is just take national defense, slam dunk, and say it is the lowest priority.

That is not my budget. That is not the budget on this side of the aisle. That is the budget from over there. I think we could have anticipated that the defense would have received this prioritization. Now we are seeing realization. National defense, Mr. President, is no longer the high priority that it had been.

There is no doubt about it. When you take national defense, which is about 28 percent of the budget, you go back and look at what we are spending under this budget resolution and where we were in 1979 and 1980, and you find we are at about the same level as we were at the end of the Carter years, which everybody said, on a bipartisan basis, was simply inadequate to provide for national defense. Now we are getting back to that basic baseline. We are going to be spending $65 billion less than the baseline of the current services called for over a period of time.

Yes national defense under this budget has the lowest priority. It is held hostage to a tax increase.

Let me tell my colleagues something. There are some risks involved and I think those who vote for this budget ought to understand the risk they are taking, how in fact history is going to record this. We are not talking about a UDAG grant, we are not talking about EDA, we are not talking about fixing the highway, we are not talking about building a building. We are talking about an image. We are talking about national security. We are talking about an investment to preserve a deterrent to our adversaries, an investment to preserve and protect the cherished freedoms of this country.

Yes, there are risks, Mr. President. There are profound risks. There is no doubt in my mind, Mr. President, that you unleash this private sector, you unleash the entrepreneurship, the innovation that this country can go out and make that investment in national defense, a national defense that will be second to none, that will be able to preserve these thing that are so near and dear to our hearts.

When you have a budget that will run roughshod over national defense, that makes these kinds of reductions, what it is saying to this country and to the world is that perhaps we are lacking what they call the political will to do what is necessary to preserve a strong and strengthened and determined national defense.

Political will is a very, very important commodity. Political will makes the determination of where this country is going to go in the future. Where is the political will today? The political will is saying, "Well, we will put national defense aside. We will hold it hostage to a tax increase. It will be the lowest priority."

The political will says, "We will spend everything on our domestic programs and take care of part of national defense. But if we cannot take care of what we think is the high tier and basically the very low high tier, too bad."

Well, it is too bad, Mr. President. I think it is too bad for this Senate, it is too bad for this Congress, and it is too bad for this country that we have now taken this type of position on the priority of national defense.

As we reflect upon this, there is no doubt that we have made much success by reinvesting in national defense. We have made success in reinvesting in arms control.

The PRESIDENT pro tempore. The Senator's time has expired.

To whom does the Senator yield time?

Mr. CHILES. Mr. President, I yield myself a couple minutes.

Mr. President, I listened with great interest to my good friend from Indiana, and he speaks of national defense. It is interesting to note that if we approve the low-tier defense option, then defense is cut the same amount that we cut domestic programs. So it is treated the same.

If we have the high tier for defense, then defense is put in the favored position. It is cut $0.95 billion as opposed to $6.8 billion in cuts on the domestic side, so there is a marked difference.

I listened with great interest to the remarks about political will. Political will is an interesting term. It seems to me that what we are trying to say is we should have the political will to be willing to pay for defense. We should have the political will to say we need not worry about defense if we can borrow the money.

We care about defense enough to pay for it. And we think the American people are willing to pay for it. We think they think it is important. We think they are willing to defend this country adequately and that they will pay for it.

But we have not been doing that. We had a tax cut in 1981. We had some spending cuts, and the spending cuts did not quite equal the amount that we raised defense. But we decided we would cut those revenues and at the time we had that tax cut we were dripping in red ink. So we wrote people a big tax cut with a deficit, red ink all the way. Since then we have continued the defense buildup. The Senator from Florida has participated in that effort like the Senator from Indiana. We want to continue that buildup. But we have not had the will to pay for it.

I think political will is a very interesting term. I think political will says we care enough about this country to believe the American people will support what we need for defense and that they will be willing to pay for it.

Mr. DOMENICI addressed the Chair.

The PRESIDENT PRO TEMPORE. Does the Senator yield time?

Mr. DOMENICI. Mr. President, I yield 4 minutes to Senator EVANS.

The PRESIDENT PRO TEMPORE. The Senator from Washington is recognized.

Mr. EVANS. Thank you, Mr. President. I am somewhat amused listening to my good friends and colleagues on the other side talk about the recent history of this Nation, the awful deficits of the last 6 years. They failed to mention, however, that we have come to a point where inflation is lower than it has been in more than a decade, interest rates have dropped almost in half from their position in 1980. We have created a record 12 million new jobs, good jobs during that period of time. We have a record gross national product. And I say to my friend from Florida that you cannot separate dollars for defense from dollars for any other domestic program. They are all part of the same budget. And you cannot hold hostage one piece of the budget to a tax increase any more than any other.

Let us face reality, Mr. President. We are all responsible for where we are. We all can take partial credit for the good, partial responsibility for the problems. The last time I looked every budget of the last 6 years was passed by a Democratic House, by a Republican Senate, and signed by a Republican President. We all ultimately have to get together on what the budget shall be.

Now, I do not necessarily agree with the President and the administration in all respects on what should come. But I do want to say, Mr. President, that things are perhaps not quite as bleak as we think they are.

The current deficit reduction is down. We had a $221 billion deficit at the end of the last fiscal year. The most recent CBO estimates are that the year-end budget deficit may be as low as $155 billion, $165 billion. That is not bad news. That is moving in the right direction.

Revised gross national product figures for the first quarter look very positive, up 4.8 percent; corporate profits increased 7.8 percent in the first quarter; exports have been increasing quite rapidly since the third quarter of 1986, and our international trade balance is steadily and even more rapidly beginning to come down.

Mr. President, there is no quicker way to slow down the economy, to turn around the positive trends which now exist than to impose another tax increase on our citizens and in doing so take from them the very money that could otherwise be used to invest in our economy and invest in our own future.

There are two ways to get back to a budget balance. One is to invest and invest properly to get back there. Another one purportedly is to tax to get back there. One is positive, one is generally negative.

Mr. President, we have twin dragons, the dragon of the budget deficit and the dragon of the trade deficit, and it is ironic that when we finish this act we will immediately turn to the trade bill.

Mr. President, the best trade bill we could pass in this Congress is no trade bill at all. It is our Federal budget deficit and lack of fiscal responsibility as a country rather than trade deficits that are causing the problem. One is a result of the other and not a cause of the other.

There are some current myths in the trade debate which we will enter into shortly: that the U.S. trade balance continues to worsen, false; that the U.S. competitive position in the world continues to worsen, false; that Japan, our biggest adversary, continues to increase its exports worldwide, false; that we need to change our trade laws to become more competitive and to erase our trade deficit, false; that reducing the U.S. Federal budget deficit is less important than attacking unfair foreign trade practices as a way of improving U.S. industry competitiveness, false, false, and false.

The bad and the mischievous in the trade bill which we are about to consider far outweighs the good and legitimate in the trade bill. The action we will take on that trade bill, if we take some, will contribute more to growing budget deficits in my view than anything else we can do even including the second worse choice which would be a substantial tax increase.

Let us spend more time talking about the tough choices needed on deficit reduction to do our job properly. Our job is not to increase import barriers and restrictions and deny proper choices to American consumers but to continue to lower our budget deficit and, in doing so, to help ourselves nationally and internationally.

I yield the floor.

Mr. CHILES addressed the Chair.

The PRESIDING OFFICER (Mr. ADAMS). Who yields time?

Mr. CHILES. Mr. President, I yield myself 1 minute.

I listened to the first half of the remarks of the Senator from Washington and got to feeling warm all over. He talked about how inflation is down, interest rates are down, the growth of the economy seems to be going up. The good times are right here. And then I heard him start saying we did not need a trade bill and the reason we did not need a trade bill is because of this horrendous deficit.

If times are so good, if things have been so good, how in the heck did we get this big deficit? What in the world happened to us? How did we become the world's largest borrowing nation and how did we lose from a country with the world's largest assets?

It seems to me we did that because we spend more than we were willing to pay for.

The Senator from Washington has been a Governor of his State. I am convinced that out in his State whatever they decided in the year they were going to spend they had to be willing to pay for it. That is what we are really talking about here; are we willing to face up and pay for what we say we have to spend?

Now we want to bring in some plans to cut some spending some more. Fine, we welcome that.

We started out in the Budget Committee asking for participation. We did not get much. We had some amendments on the floor on the budget resolution. One by my good friend from New Mexico would have made some cuts. It got 26 votes. I did not get all the votes off that side. Two or three other amendments that came from that side added to spending, rather than cut spending.

But nobody seems to want to face up to the fact that at some stage you have to pay for all this deficit. We are paying for it now in high interest rates we are paying and the trade deficit, and yet we do not want to deal with this budget resolution. We can find a lot of things wrong with it. We do not like additional taxes. We do not like any of these things. We would prefer to just let that borrowing continue, just let her go, let her keep going.

We are approaching $2.8 trillion and that is what it will be, a tripling of the national debt. We have done all that in a period of 8 years. We triple that national debt. Why worry about paying for it?

Mr. EVANS. Mr. President, will the Senator from Florida yield for a question?

Mr. CHILES. I am happy to yield.

Mr. EVANS. Does the Senator from Florida understand that at least a share, and I would admit not all of the deficit, but at least a share of the deficit comes because we have no capital budget in this country? And I would say to the Senator from Florida in my terms as Governor we always had a balanced budget but we always invested in capital projects and added to the debt of the State just as virtually every other State does, and during the course of the last decade we have added almost a half-trillion dollars to State and local debt, we have added well over a trillion dollars to corporate debt and even more than that to individual debt, and we keep saying, and I think not quite honestly, that we balance our budget as individuals, we balance our budget as States, we balance our budget and make profits as corporations. How in the world is it that all of them add to their debt at the same time.

Mr. CHILES. I will say to my good friend from Washington there is a good philosophical argument that can be made of capital budgets. Whenever we get this thing on a down trend, and we know we are getting close to zero, I will be willing to try to work on that. But it seems to me to start talking about the capital budget to solve our problems over the last 6 or 8 years just would not do it at this point.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield 4 minutes to the distinguished Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 4 minutes.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from New Mexico for yielding me this time.

Mr. President, it occurs to me at this stage in the process that it becomes very clear to us once again that this budget procedure that we are following needs to be fixed. We continue to miss deadlines. We continue to figure out ways to get around provisions of the Budget Act with waivers or by just not paying attention to the provisions we voted on in the past. We refuse to meet the targets that are imposed on us by law.

I think we are losing our credibility as a part of the fiscal policy team of the Federal Government.

I have heard Senators come to the floor today to accuse the Republicans of not participating in the process or the President for not being a part of the team on the field. The President has already submitted his budget. That is all the process requires of him.

I can remember when the Congress had no role, in effect, in the budget process; and it was not until 1974 when we enacted the Budget and Impoundment Control Act that the Congress injected itself into the procedure by requiring approval of a budget resolution.

I am not sure that we have accomplished all that much in terms of control over spending or better management of the fiscal policy of the country through the enactment of that Budget Act. But nonetheless, we have it and I think we ought to follow the rules. We ought to abide by the guidelines. We ought to meet the targets. And this resolution does not purport to meet the Gramm-Rudman target. It does, however, suggest a very large tax increase.

I am going to vote against the resolution, Mr. President, not just because it is an imperfect resolution as described by the Senator from Nebraska, because I frankly think that we are short changing defense. We are short changing our ability to protect our Nation's security and we are making it very, very difficult to achieve success in our negotiations in Geneva with this kind of budgeting for defense.

I wonder how our negotiators can expect to have any degree of success in getting concessions from the Soviets when they see through the enactment of a resolution like this that we are willing to take steps to cut back substantially our defense effort without getting anything in return from them?

I think that is the signal that we are sending to those who are in Geneva trying to work out an arms reduction agreement, and I think that is really a sad state of affairs.

I hope, Mr. President, after seeing that we have not met the target for agreeing on a resolution again this year, pushing the appropriations process farther along the road as we are doing with the delays that are attendant to the process, that we will take a careful look at reforming the process by developing a 2-year budget cycle instead of this annual exercise in political gamesmanship.

I think it becomes apparent that this is the time every year when the Democrats try to make the Republicans look bad and vice versa in the budget process.

We should not continue this kind of sharply divisive, rancorous, partisan fight that we have been following in the development of fiscal policy every year. We need to work with the administration and our own congressional leaders to develop a new procedure that will help avoid this annual exercise in partisan gamesmanship.

The PRESIDING OFFICER. The Senator has utilized the 4 minutes that were yielded to him.

Mr. COCHRAN. I thank the Chair, and I thank the Senator from New Mexico.

Mr. CHILES. Mr. President, I yield 5 minutes to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 5 minutes.

Mr. CONRAD. Mr. President, first I salute the distinguished chairman of the Senate Budget Committee for extraordinary patience in putting together this document. Anyone who has gone through the process understands the extreme difficulty of developing compromises on the contentious issues that are brought to bear by the budget.

So, again I salute the extraordinary patience that he has displayed in putting together this budget.

As I have sat in my office this afternoon and had the television tuned in to the action on the floor of the Senate, I have heard comments that really require a response.

I have heard comments that the defense of this Nation has become a low priority. That is simply rhetorical excess of the worst sort.

I have heard that we are cutting the defense of this country. I think it is really time for us to share directly with the people of the country what the facts are. The facts are in the 1987 budget, the fiscal year that we are in, the budget authority for the defense function was $284 billion. In the budget that is before us, the budget authority goes up to $296 billion. That is not making defense the lowest priority.

The outlay number, the actual expenditures on defense in the current fiscal year, is $280 billion; in fiscal 1988, according to this budget, $289.5 billion.

I defy others to explain to us where the cuts in defense are. There are no cuts. There are increases. Oh, there are cuts from what was requested. But there are no cuts in what is being paid out for defense in this country. There are increases for defense, and the American people deserve to know that as a fact.

We have heard a lot of talk on the floor here about tax increases, as though the only budget before this body that proposed a tax increase was the budget that is being offered by the majority. Hogwash. Anybody who studied the main alternative, which was the budget of the President, knows full well that it contained $18.1 billion in new revenue. And you can call it a lot of different things. You can call it fees; you can call it excise taxes; you can call it whatever you want. The fact is it was revenue.

Now why did the administration come to the Congress and request more revenue? Because it is apparent to everyone that we have to have more revenue to deal with the budget problems of this country.

And let me just outline very briefly why that is the case. If we look at this budget, 28 percent of the spending, or thereabouts, is going for defense. When we hear people say it is now the lowest priority, that is sheer nonsense. The No. 1 item in this budget is defense—28 percent of our total spending, 21 percent is for Social Security; 7 percent is for Medicare; and 14 percent is for interest.

The President and our friends on the other side of the aisle say you cannot cut one nickle out of defense. They claim 28 percent of the budget is out of bounds. Next, we all agree you cannot cut Social Security. That is another 21 percent. Now we are at 50 percent that cannot be touched. Then there is the interest on the debt, about 14 percent of our total spending. So here we are at close to 65 percent of this budget that supposedly cannot be touched.

Then we add in Medicare, 7 percent, which most of us would agree cannot be cut further. That is 72 percent of the total spending in this budget that people have ruled out of bounds, cannot be touched. That leaves 28 percent of the budget that would be available for cuts. And the size of the deficit is about 14 percent of the budget.

So the question is quite simple. Are we ready to cut 50 percent or more out of every program in this 28 percent category? Nobody supports that. Nobody believes we could cut 50 percent out of education, out of veterans' programs, out of highways, and every domestic discretionary program. It is not going to happen.

So the truth is that we need more revenue; the truth is that we need spending restraint.

The PRESIDING OFFICER. The Senator has consumed 5 minutes.

Mr. CONRAD. I ask for 2 more minutes.

Mr. CHILES. I yield 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. CONRAD. Now this is not a perfect budget. No product of compromise is. But this budget does reduce the deficit. We ought to be reducing the deficit even more. I feel very strongly about that. I do not think there is another Senator in this Chamber who is as committed to reducing the deficit as am I. I do not think there is another Senator who has taken the pledge that I have that, unless the budget deficit is brought under control by the time of my next term, I would not seek reelection. So I am committed to deficit reduction.

I am committed to deficit reduction because I believe that is the way to reduce interest rates and get this country's economy moving again.

How should we do that? Frankly, I believe we ought to have spending reductions. I believe we ought to look to the defense component of the budget and say to our allies in Japan and Western Europe, "The free ride is over. It is time for you to start paying your fair share of your own defense costs." We are providing over $100 billion a year to provide the defense umbrella for Western Europe and Japan. Why not ask them to pick up a larger part of the burden?

On the revenue side, we are passing up $100 billion a year of revenue because we are not collecting what is already owed and due. That is revenue owed under existing tax laws—without any tax increase. That is the money that is owed and due but not being collected.

Now, again, this budget is not perfect, but it is the only game in town. And it is the only game in town because the other side took a walk. After the President's budget——

The PRESIDING OFFICER (Ms. MIKULSKI). The additional 2 minutes that have been yielded to the Senator have expired.

Mr. CONRAD. I would request an additional 2 minutes.

Mr. CHILES. I yield an additional 2 minutes.

The PRESIDING OFFICER. The Senator may resume for 2 minutes.

Mr. CONRAD. Let us review what happened to the President's budget. In this Chamber, the President's budget received 18 votes out of 100—18 out of 100. In the House of Representatives, the President's budget received 27 votes out of 435 Members on the House side. That budget was not serious. It did not receive serious attention here and it did not receive serious attention on the House side because the priorities were kiddiewampus.

The President's budget proposed cutting education 30 percent; it proposed cutting agriculture 20 percent; and it proposed increasing military spending more than $20 billion without asking our allies in Western Europe and Japan to even begin paying their fair share.

Well, that is the reason the President's budget was overwhelmingly defeated. The Republican side did not choose to come forward with a serious and viable alternative. And that is why the budget we have before us, imperfect as it is, is the only game in town. That is why it is going to receive this Senator's support and why I hope in the next round—because, remember, this is not the end game—we will have a chance to take more meaningful action to reduce the deficit. I am hopeful that we will consider in the next round an across-the-board cut, leaving out Social Security, but putting virtually everything else on the table.

With that, I thank the Chair and I thank the distinguished manager of the bill. This budget measure is not perfect, but it is our best alternative.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Madam President, I understand that the distinguished Senator from New York, Senator D'AMATO, wants to offer a motion and that would be on his own time.

I gather that, since I would agree to yield to him next, he is indicating that he would not be upset if I yielded 30 seconds to the distinguished Senator from Virginia, Senator WARNER. I yield 30 seconds to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Madam President, I rise in opposition to the proposed Democratic budget resolution for fiscal years 1988-90.

Mr. President, I am disappointed and very concerned at the direction this resolution would take us. In my opinion, the effect of this bill on our national security would be disastrous.

As my colleagues are aware, this resolution includes a two-tiered approach under which the higher tier for defense spending is held hostage to additional taxation. We are told that this approach requires the President to "pay for defense"—which would give most listeners the impression that defense spending has been the culprit in creating the Federal budget deficit. The facts, however, lead to a very different conclusion.

In fact, because defense spending declined steadily during the decade of the 1970's while domestic spending was growing steadily, the contribution to the deficit made by defense has been just a fraction of that made by domestic spending. Over the past two decades, for example, for every dollar defense spending contributed to the deficit, nondefense spending contributed $7. That is right—7-to-1.

So if the higher taxes proposed in this resolution are necessary, they are needed to reduce the deficit caused by domestic spending—not defense. In fact, as others have already noted, this budget proposal does very little to reduce the deficit. What it does is raise taxes, increase domestic spending, and add $134 billion to the deficit, and then it cuts defense more than 2 percent in real terms below last year's level.

So don't let anyone tell you that this budget proposal raises taxes to "pay for defense." It does not. It raises taxes and still cuts defense below last year's level.

And do not let anyone tell you that the tax increases proposed in this budget resolution would be spent for defense. The Democratic budget requires $64.3 billion in new taxes over the next 3 years, allegedly to pay for defense increases. But this budget only spends $17.4 billion, or a mere 27 percent of those new taxes, for defense. Where is the other $46.9 billion spent?

Mr. President, to be fair, we must focus on the "low tier" defense level proposed in this budget. We all know that the President has vowed to veto any tax increase legislation, even with the "defense as hostage" approach, and I see little prospect of agreement within the Congress on the level of new taxes proposed in this budget. So what we are dealing with in this resolution is the "low tier" defense level. And while I believe the "high tier" budget is itself inadequate for our national security, the "low tier" level is unquestionably too low.

The "low tier" defense budget represents a reduction of $14 billion in budget authority below the defense authorization bill reported by the Senate Armed Services Committee—a bill which already reduced the President's budget request by $9 billion. But even more disturbing is the reduction of $10.2 billion in outlays below the Armed Services Committee bill. This reduction is extreme and is seriously out of proportion to the stated $14 billion reduction in budget authority. The mismatch between the outlay target and the budget authority target will force Congress to choose between huge reductions in the slow-spending investment accounts or further reductions in the faster spending personnel and O&M accounts. In either case, such cuts would have a devastating effect on our military posture.

One of our most important military assets is people. This budget resolution would break faith with our men and women in uniform. For several years, Congress has reduced requested pay raises so that average military pay is almost 10-percent below comparable civilian pay levels. This approaches the largest gap between military and civilian pay comparability since the beginning of the All-Volunteer Force. As a result, there is now evidence that reenlistments have begun to decline. Although we have not yet observed large numbers of people leaving the service, military personnel are hedging their bets, extending their service 1 year at a time rather than reenlisting for the normal 4 or 6 years. They have adopted a wait-and-see attitude about the future desirability of reenlisting.

Skilled people are influenced in their decisions to reenlist by more than just pay. Working conditions, pride in unit training, and modern equipment are also major factors in their decisions. If they can't do their jobs because of a lack of spare parts, or if they have to work 12 hours a day for 6 days a week because they are undermanned or the people junior to them are not sufficiently skilled to do their jobs, we will again face the "people hemorrhages" of the 1970's with an immediate adverse effect readiness. If these people leave the service, it will take many years and considerably greater costs to replace them.

There is another way to meet the outlay targets of the "low tier" budget proposal—that is, to resort to budgetary gimmicks. The House of Representatives used a $6 billion gimmick to meet the outlay target in the House-passed budget resolution—they would prohibit DOD from paying any bills—except to small businesses—during the last 12 days of fiscal year 1988. But those bills will have to be paid in fiscal year 1989, and late payment penalties may cost even more. This is not deficit reduction—it is budget fraud.

This Democratic budget is being portrayed as a "zero real growth" defense budget. According to CBO, this budget—at either level—would make fiscal year 1988 the third consecutive year of real decline for defense. In fiscal year 1986, defense declined 4.2 percent, and in fiscal year 1987, 2.6 percent. The Democratic proposal would result in another real decline in fiscal year 1988 of 2.2 percent at the high tier and 4.5 percent at the low tier. Combined with the real cuts in fiscal year 1986 and 1987, the Democratic budget projections through fiscal year 1990 would result in −11.4 percent decline at the high tier and −15.6 percent at the low tier. Such reductions are simply irresponsible.

In the early 1980's with bipartisan Congressional support, this Nation made substantial advances in restoring America's military strength. I do not believe that this body should turn its back on the progress we have made and give up what we all worked so hard to achieve. I therefore urge my colleagues to reject the inadequate funding for defense, increased taxes, and increased overall spending proposed in this budget.

As President John F. Kennedy so wisely stated, "This Nation can afford to be strong, it cannot afford to be weak * * * we will do what is necessary to make and keep it strong."

So I rise in opposition on behalf of the men and women in the Armed Forces of the United States who are fairly entitled to a pay raise and this budget would deny this raise.

Mr. CHILES. Madam President, I yield myself 30 seconds to correct that.

This does provide for a pay raise. We did nothing to eliminate the pay raise, so I rise on behalf of the Armed Forces men and women of the United States to say that we provide a pay raise for them.

Mr. WARNER. Not in the amount we would provide.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. I yield to the distinguished Senator from New York, Senator D'AMATO.

The PRESIDING OFFICER. The Senator for New York.

Mr. D'AMATO. Madam President, I send a motion to the desk and ask that it be read.

The PRESIDING OFFICER. The clerk will report the motion.

The legislative clerk read as follows:

> The Senator from New York [Mr. D'AMATO] moves to refer the pending report to the Committee on Finance.

The PRESIDING OFFICER. The Senator from New York is recognized on behalf of his motion.

Mr. D'AMATO. Madam President, I move to do so, so that the Finance Committee can be allowed to study the ramifications of the conference report, in particular whether the reconciliation instructions can be complied with without resorting to an oil import fee. We have heard a lot about whether or not it is necessary to raise taxes. We have a substantial portion of this budget with a figure of $64.3 billion that is to be raised somehow. The question is, should we not have an idea as to where dollars are going to come from? We have a figure of over $19 billion for the first year, which would be the largest increase, even larger than that which took place in 1982.

Madam President, where is the Finance Committee going to find all this money? Raising taxes from any source is rather difficult, rather unpopular, and I am very much concerned that there is a predisposition that exists on the Finance Committee and that it will turn to an oil import fee for at least part of that $64.3 billion of new revenue.

Now, this is not just some kind of hypothesis. As a matter of fact, the majority of the committee is already on record as favorably disposed to an oil import fee. The trade bill, reported out by the Finance Committee, includes a Trojan horse that gives the President unilateral ability to enact the oil import fee.

A committee willing to abdicate so much power to the executive branch clearly would have no problem enacting an oil import fee on its own.

Mr. DOMENICI. Would the Senator yield to the Senator from New Mexico for a parliamentary question?

I understand the motion which is to refer this report to the Committee on Finance——

Mr. D'AMATO. I would suggest, if I might, they did not finish reading the motion.

Mr. DOMENICI. I just wanted to know how much time the Senator has and whether that time is off the budget resolution.

The PRESIDING OFFICER. There is 1 hour of debate that the Senator from New York has that is evenly divided by himself and the Senator from Florida; in addition to the 10 hours that are provided for general debate.

Mr. DOMENICI. I thank the Senator for yielding.

The PRESIDING OFFICER. The Senator from New York may proceed, if he so chooses.

Mr. D'AMATO. Thank you, Madam President.

Madam President, why am I concerned? Because I do not believe that there is within this body the ability to come up with $64.3 billion without looking to that oil import fee. I think it is rather important that we get this out on the table, rather than being faced with a fait accompli with a tax bill that comes to this floor which has little, if any, likelihood of being amended, given the constraints that we will be faced with, and we will have that tax on imported oil to deal with and little opportunity to represent the views of most Americans. Because it is mighty difficult, if not impossible, to defeat that kind of a proposition once it is reported out onto the floor.

You have got to get offsetting revenues and how do you find them and where will they be?

Let me refer to my concern on an oil import fee. An oil import fee will probably be the least effective way of generating revenues to reduce the deficit. The Energy Information Administration estimates that an oil import fee would generate 7 cents in net revenue, 7 cents for every $1 that it costs the American citizen. That, to me, is one of the most incredible methods of attempting to raise revenues. It is something that should be discarded.

A major private economic forecaster, Data Resources, Inc., projects that a $5 oil import fee in effect for 5 years would slow the economy, increase Federal expenditures so dramatically that it would actually increase the deficit by about $6 billion as a result of that economic turndown.

The fee that has often been bandied about is a fee of some $10 per barrel on imported oil. What would that do? Well, such a fee would have repercussions throughout the length and breadth of this economy as to reduce the gross national product by $30 billion to $45 billion annually; increase inflation by 2 to 3 percent; cause the loss of some 400,000 jobs. These costs directly hit our consumers.

If you own a home, for instance, and you heat with oil they estimate that it will cost the average family some $408 annually to heat that home and to drive that person's automobile. That is a mighty big cost and it is a small return to reduce the deficit of this Nation.

An oil import fee would be devastating to many domestic industries. Right now, Congress is considering trade legislation to help keep our industries more competitive in world markets.

Madam President, it is a legitimate question to say, Where do we get that $64 billion from? For months now we have had a rather lively debate about how to raise taxes and some have suggested even a stock transfer tax, not allowing trades to be reduced pursuant to the current law in 1988.

The Finance Committee, again, has already included a formal oil import fee as part of the trade bill. My instruction simply makes the Finance Committee find the $64 billion. I think the American public has a right to know where you are going to get these kinds of dollars. I think there are many of us, particularly who live in the Northeast region of the United States, who are dependent upon oil that comes from abroad and who will have a tremendous burden placed upon them who say, "Where will these revenues be raised; and will you come and impose a tax that will be devastating, particularly to those who live in the Northeast part of our country?"

I think it is a serious question. I think it is one that we deserve an answer to. I would hope that before we go further that we would begin to get some answers.

Mr. GRASSLEY. Would the Senator from New York yield?

Mr. D'AMATO. I certainly will.

Mr. GRASSLEY. Madam President, I thank the Senator from New York for this motion. I think it brings to the forefront a major problem that this Senator is going to have to deal with sometime or other during this entire debate. We might as well face it right now, whether or not this country is ready for an oil import fee.

The Senator from New York speaks of the problems that it is going to cause the consumer in the Northeast of the country. Let me say that those problems are just as prevalent and real and costly to us in the Middle West, particularly when agriculture is so dominated by high energy usage and costs.

For the benefit of supplementing Senator D'AMATO's rationale for this, I would like to refer to a report put out by the Iowa Department of Natural Resources, a major State agency in my State of Iowa. They projected the savings due to lower prices in oil as compared to 1985 is going to be $600 million, in 1987, for Iowa consumers.

If a $10 oil import fee were implemented, and we do not know exactly what it might be, but let us just say $10, that would put the current price of approximately $18 a barrel up to $28 a barrel; the cost to consumers, of just my State, would amount to around $600 million. That is well over half a billion dollars.

I am sure the costs would be as great or greater to many other States.

Notwithstanding many other provisions of this budget resolution that are unacceptable, I cannot support instructions that are in that resolution. They may very likely lead to the enactment of an oil import fee that will lead to higher costs for Iowans, and so I urge my colleagues to support the motion of the Senator from New York and I would like to have those Members of this body who are visiting my State on a very regular basis, campaigning for their respective parties' nomination for President, that they would think in terms of what the cost of a possible $10 oil import fee would be to the people of just one of the 50 States.

So I commend the Senator from New York and I intend to fully support it and to work for its passage.

I thank the Senator for yielding.

Mr. D'AMATO. I thank my distinguished colleague for being so supportive and commend him for his forthrightness.

Madam President, I would like to read the statement of purpose attached to my motion to refer the conference report on the budget to the Finance Committee. The full extent of my motion was not read and I want there to be no misunderstanding about what I am attempting to do, so Members and staffs should not be confused about my motion.

That statement of purpose, which I submitted, read:

> To allow the Finance Committee to study the ramifications of the conference report; and in particular whether the reconciliation instructions can be complied without resorting to an oil import fee.

I think there are some interesting facts, as they relate to what the imposition of an oil import fee would do at $10 a barrel. It would increase U.S. petroleum costs by $53 billion per year, raise gasoline costs $24.5 billion a year, heating oil by $1.7 billion a year, diesel fuel by $4.2 billion a year.

It would be a rise in natural gas costs of some $27 billion, since prices would rise to meet higher levels, increasing total costs to the average family with natural gas by about $400 a year.

Madam President, we Senators feel it is rather important that we get an indication of where these dollars are going to come from, will there be a tax, a so-called sin tax, excise tax? Will it be, indeed, what the Senator perceived to be a very strong area of representation from various States as it relates to the energy industry and a method by which to help that area of economic activity by imposing an oil import tax which will bring very little to the Treasury and a great burden to the consumers of this Nation?

Given the matter which one must face, a bill coming to the floor from the Finance Committee, I would suggest we have little or no chance of succeeding in any efforts to strike an oil import fee. In fact, the changes of the tax bill are just about virtually impossible to pass. That is why I think it is important before we are faced with that kind of a battle that we get some kind of indication from the Finance Committee as to just how they intend to deal with this matter.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield time to the Senator from South Carolina?

Mr. D'AMATO. Yes. I yield 4 minutes.

Mr. THURMOND. Madam President, I rise to express my opposition to this $1.1 trillion budget plan which calls for over $73 billion in new taxes in the next 3 years. This is one of the largest tax increases in the history of our Government. The Senate Democrat budget proposal, which I strongly opposed, called for an $18 billion tax increase for next year. The conference report calls for a $21.1 billion tax increase for next year. In other words, a vote in favor of this budget plan is a vote for a tax increase of over $21 billion next year.

Many have suggested that the revenues necessary for such an increase should be derived from excise taxes. Recent studies show that this would eliminate all of the tax benefits provided in the Tax Reform Act of 1986 to households with incomes below $20,000.

Where will these taxes be spent? according to the Democrat budget plan, domestic spending for fiscal year 1988 will increase $41 billion over 1987.

During the course of this debate, the distinguished Republican leader said that in his travels around this Nation he did not hear any hue and cry from Americans to raise their taxes. I can assure my colleagues that the South Carolinians whom I talk to certainly do not want Federal taxes increased. Many of these citizens have family incomes of less than $20,000 per year. They supported last year's historic tax reform bill and looked forward to its benefits.

I find a great deal of irony in this Democrat budget plan. My colleagues from across the aisle seem to give with one hand and take away with the other. They want the opportunity to tell the advocates of increased domestic spending that they have championed their cause. However, they have no hesitation to impose a greater tax burden on the beneficiaries of those spending programs. I can clearly envision a typical American family making less than $20,000 per year saying "Members of the Democrat Congress, we appreciate your thoughtfulness, but we would rather spend our hard earned money on what we think will help us, and not what you think will help us."

In a nutshell, this Democrat budget plan when compared to the Republican tax reform bill clearly illustrates the differences between the two major parties. We would rather reduce the taxes of lower income Americans and let them decide how the savings can best be spent. This budget proposal takes away that freedom of choice and imposes a huge tax burden to pay for $41 billion more in domestic spending. This budget plan basically tells the American people "Our Democrat controlled Congress will decide what we think is important to Americans. We will raise taxes because we want to increase domestic spending. Take it or leave it."

Madam President, for my part, I choose to leave it. I urge my colleagues to do the same.

Mr. D'AMATO. Madam President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHILES. Madam President, a parliamentary inquiry. Will the Chair read the motion that is before the Senate?

The PRESIDING OFFICER. The clerk will read the motion.

The legislative clerk read as follows:

> The Senator from New York [Mr. D'AMATO] moved to refer the pending report to the Committee on Finance.

Mr. CHILES. Madam President, I do not think I understood the motion before the Senate. Could I get that read one more time?

The PRESIDING OFFICER. The clerk will read the motion once again.

The legislative clerk read as follows:

> The Senator from New York [Mr. D'AMATO] moved to refer the pending report to the Committee on Finance.

Mr. CHILES. Madam President, I tried to listen to that twice and I did not hear anything about oil import fees either time. Am I wrong in that or did that motion say we are just going to take this report and send it to the

Finance Committee? Could I make a parliamentary inquiry? Is there anything in that motion about oil imports, that the Finance Committee has to study it?

The **PRESIDING OFFICER**. The Chair will read the motion herself. [Laughter.]

The Chair must advise the Senator from Florida that in reading the motion by the Senator from New York I note no specific reference to oil imports.

Mr. **CHILES**. I thank the Chair.

Mr. **D'AMATO** addressed the Chair.

Mr. **CHILES**. Madam President, I believe I have the floor.

The **PRESIDING OFFICER**. The Senator from Florida does have the floor.

Mr. **CHILES**. Now we have had it read twice and the Chair has read it and there still is not anything in there that says the Finance Committee has to study anything. I take it that this is just a motion to send this conference report to the Finance Committee. The chairman of the Finance Committee is here and I will yield to him in a minute. I would like to find out whether he feels that this is something we should send to the Finance Committee. I have not found anything in the Budget Act that says it normally goes that route. I thought we were getting close to an up or down vote in this body. I will yield such time as the chairman of the Finance Committee might require.

The **PRESIDING OFFICER**. The Senator from Texas.

Mr. **BENTSEN**. Madam President, I think this will get to the Finance Committee quite soon enought under the orderly procedures of the Senate.

Obviously, when it does come to the Finance Committee, we would like to know what we are supposed to be coming back with. We have been working now with staff on the Joint Tax Committee on a whole list of possible revenue raises. You look at the list of $30, $40, $50, $60 billion worth of options and try to decide where you can reach a consensus; but you have to know what the target is. There is no sense in trying to work out in the Finance Committee something that is far in excess of the target or far less than the target. That means we have to know what the Senate wants.

We are carrying out the will of the Senate; that is what will be our job and our responsibility. That is what we will be working on once it comes to us under the orderly procedures of the Senate, which have been long thought out and worked out and which is the logical way to pursue this. To try to short circuit the process will only allow a delay in the overall resolution of the problem that has to be addressed now.

We are looking at a debt ceiling that is going to be facing us about the middle of July. The question is whether we will accomplish it in that period of time or whether we spill over beyond that. Obviously, if you throw this extra study into the procedures, you are going to delay the whole process and I think it would be self-defeating.

I certainly do not want the Members of our committee to sit down without working out what the will of the Senate is as to the attempt to decide where the taxes go and where the revenues should come from. I strongly oppose the referral to the committee at this time until the Senate has exercised its will and tells us what the number is, what the objective is, and what we have to work with.

I yield back the floor.

The **PRESIDING OFFICER**. Who yields time?

Mr. **DOMENICI**. Madam President, will the Senator from Florida yield 2 minutes to the Senator from New Mexico?

Mr. **CHILES**. Yes, Madam President, I yield.

Mr. **DOMENICI**. Let me say briefly to the Senator from New York that I do not think there is anybody in this body for whom I have more respect. But frankly, if this were an argument on the oil import fee, it would not get by this easily. I happen to agree that when it comes to the taxes that we might impose, and I hope we do not have to, one of the best is the oil import fee.

On the other hand, I do not think an oil import fee is the issue. The Senator from New York has a motion before this body. I do not think we have to have it read to us. It is very simple. It moves that this budget resolution be referred to the Finance Committee, period, end of motion. There is nothing else in it. It has nothing to do with import fees, cigarette taxes, user fees, income taxes, or anything else. It is plain and simple: If you want to send this budget resolution to the Finance Committee of the Senate, you vote aye; if you do not want to, you vote nay. There is nothing more to the resolution than that. It has nothing to do with any specific issue whatsoever.

If you want to move that this budget resolution be sent to the Agriculture Committee and then have an hour's debate on military preparedness, that is one of the glitches in this budget process: You get an hour to debate that kind of thing. But you cannot order them to study anything, you cannot order them to report back anything on the oil import fee. That is why it is phrased in this way.

So I do not believe we should be confused on this point. I do not want to be confused. I am for an import fee. I would vote for it. But this has nothing to do with an import fee. We are just getting rid of a budget resolution by sending it to the Finance Committee.

That may be a good thing. People may want to do that. I may want to do that. On the other hand, it has nothing to do with import fees.

We will have an opportunity to have a much more serious debate about the positives and negatives of an import fee if the issue ever arises here in the Senate.

I thank the Senator from Florida for yielding.

The **PRESIDING OFFICER**. Who yields time?

Mr. **D'AMATO** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from New York.

Mr. **D'AMATO**. Madam President, let me indicate that my motion, of necessity, in order to withstand challenge, was drawn in such a way as to refer it to the Committee on Finance. There was a very real question if we could have instructions and whether or not those instructions would then have made the motion subject to a point of order.

Let us make it clear: It may be beyond an import fee. That is what I happen to be most concerned about. I am also concerned about a possible stock transfer tax, two taxes that could be devastating to my State and region. We have heard no less than the Speaker of the House talking about a stock transfer tax.

This budget process is preposterous. I owe my colleague from New Mexico a debt of gratitude. Let us focus in on it.

We are asked to pass on a document here—and we have done it in the past. We did it when the Republicans were in the majority. It will raise x number of dollars, $64.3 billion, not an insignificant sum; and we sign off and say we have a budget process. I want to suggest to my colleagues that it is ludicrous.

Where are we going to get the $64.3 billion? Why should we not ask that the process really be turned around so the Finance Committee says, "Here is where we are going to get the money," or "We do not have the ability to raise $64.3 billion." So we refer it there in this manner.

The Senator is deeply concerned about how we are going to raise that money, if we can raise that money. I certainly respectfully disagree to saying that one of the most ineffective, inefficient ways to raise the revenues is to place an oil import fee on, because there will be tens of billions of dollars raised that consumers pay, that manufacturers pay, that every segment of our economy has to pay, and only a small fraction of that money, relatively speaking—one consumer report, from no less than the energy people, indicated that 7 percent of the total would go to deficit reduction. What a shoddy return.

Let me say that the procedure here is such that it is pretty hard for any Member, unless he is a member of the Finance Committee, to have any impact on a bill that comes out here on the floor, where we have to provide offsetting revenue if we seek to strike. It becomes almost impossible. That is what we are going to be faced with.

So I am setting the stage and saying, let us understand that we are playing a game of deadly Russian roulette. I think the American taxpayers and citizens will be very much affected.

Let me read the statement of purpose attached to my motion, the statement of purpose which was attached to my motion but was not read. It was at the opening part: "To allow the Finance Committee to study the ramifications of the conference report and in particular"—I say study the ramifications—"and in particular whether the reconciliation instructions can be complied with without resorting to an oil import fee."

I think our Members have sufficient ability to understand the statement of purpose.

The PRESIDING OFFICER. The Senator from Florida.

Mr. CHILES. Madam President, I yield myself 1 minute.

I think the Senator from New York is not properly informed if he feels that he could not move to strike in a reconciliation bill on any taxes. He does not have to have an offset on a reconciliation bill on taxes. A motion to strike is always in order. It does not require that he substitute additional revenue.

Mr. D'AMATO. I thank the chairman for that. It certainly makes this Senator feel better with respect to that matter.

Mr. CHILES. Madam President, how much time does this Senator have on the motion?

The PRESIDING OFFICER. The Senator from Florida has 22 minutes. The Senator from New York has 9 minutes, 16 seconds.

Mr. CHILES. Madam President, I yield 5 minutes to the majority leader.

Mr. BYRD. Madam President, I have a great deal of respect for the Senator from New York. I like him personally. I hope he feels the same way toward me, and I believe he does.

I am not given to using strong, strong adjectives and I hesitate to use one here, so perhaps I will not use such a strong one. The distinguished Senator has used some rather strong adjectives. He use the word "ludicrous." I will simply say that this is a very unusual motion. It is unusual for a number of reasons.

It is very unusual that a conference report should be referred to a committee, with no instructions to report back. It is even more unusual, far more unusual, for a motion to be made to refer the conference report on the budget to a committee.

Why do I say that? Because, to begin with, this whole matter of a budget conference report—going back to the budget resolution itself and all of the other actions and vehicles that are utilized in the budget process—is time-sensitive. Take a look in the book, Standing Rules of the Senate, page 72. We have a timetable.

I will just quote a few items therefrom. The Congress is supposed to complete action on the concurrent resolution on the budget on April 15. The Congress is supposed to complete action on reconciliation by June 15. The House is to complete action an annual appropriation bills by June 30.

Look also at the time constrictions under the statute with respect to debate on this conference report. Debate is limited to 10 hours. Any debatable motion or appeal is limited to 1 hour. And so we can see that this resolution, the whole process itself is time-sensitive.

Now we have a motion that is in order to send this conference report to the Finance Committee, period. The motion does not say it has to be reported back in 1 day, 10 days, 2 months, or ever. There is a provision in the statute for committing the original budget resolution with instructions to report back. So let us take a look at what that says.

With respect to motions to recommit the concurrent resolution—I am not talking about the conference report now, going back to the resolution itself—a motion to recommit the resolution is not in order. The motion to recommit with instructions to report back within a specified number of days is in order, but the specified number of days in which the resolution has to be reported back is not to exceed 3 days. If this is not time-sensitive, I do not know what is.

So here we have a most unusual motion to refer the conference report to the Finance Committee.

What else is unusual about it? The rules in the statute say that the resolution to begin with cannot be recommitted. That is when the resolution is here before this Senate the first time. It cannot be recommitted except with instructions to report back within not to exceed 3 days.

Now, what are we talking about? This is not the concurrent resolution. This is the conference report, which is the work of both Houses. So what are we going to do? Refer to the Finance Committee the conference report which is the work of two Houses and just let the conference report lie there? That is the end of it.

Then how are we going to get reconciliation? Reconciliation flows from this conference report on the budget resolution. What else flows therefrom? The appropriation bills.

So if you want to just stop everything, stop reconciliation, stop the appropriations process, make it impossible for this Senate to act upon the business of the people without a multiplicity of points of order every time we turn to our right and to the left, like the 600 who rode into the Valley of Death, cannons to the right of them, cannons to the left of them, we can have points of order to the right, points of order to the left, points of order in front, points of order behind. If the Senate agrees with this motion, the Senate will be most irresponsible. I do not believe the Senate is going to do that.

As the distinguished chairman of the Finance Committee has indicated, a reconciliation measure will be in that committee soon enough and there and then is when and where the hearings will be held with respect to the revenues that are directed to be raised by this conference report. So the distinguished Senator from New York will then have his day in court. He will have an opportunity to go there and talk about whatever he may object to with respect to the raising of revenues. He will not be denied his due process in that regard.

But let us not deny the Senate its due process now and do a vain, unwise, ridiculous thing by sending this conference report to the Finance Committee. It is laughable if it were not so serious. I hope that the chairman will move to table this motion and I hope that the tabling motion will be upheld by the Senate and that the motion by the distinguished, very distinguished Senator from New York, my good friend, Mr. D'AMATO, will be rejected resoundingly.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. Madam President, I think we are ready to yield back our time on this side. I do not know whether the Senator from New York is ready.

Mr. D'AMATO. Madam President, I think that I had an opportunity to adequately express my concerns. I think the American people should know where these revenues are going to come from. There are several areas that I think all of us will be concerned about. I think that really would give us a better opportunity to vote intelligently on this budget and, believe it or not, to eliminate the partisan political wrangling and maybe we will have more wrangling, as it were, with respect to the issue in different areas, but I am prepared to yield back the remainder of my time.

Mr. DOMENICI. How much time does the Senator have remaining?

Mr. D'AMATO. I believe about 8 minutes or so.

The PRESIDING OFFICER. The Senator has 8 minutes.

Mr. DOMENICI. Will the Senator yield me 4 minutes?

Mr. D'AMATO. Certainly.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Madam President, let me suggest that I have already spoken in terms of what I think this motion does. But I want to say by way of defending the distinguished Senator from New York, I really do not think a simple little motion of this type at this hour deserves what the majority leader had to say on the floor. That is just my own personal view.

We have not been dilatory with reference to this budget resolution. We have not had a batch of extraneous motions from this side of the aisle. I do not know of any motions besides this one that is pending other than my intention to raise a point of order with reference to a portion of this resolution.

Frankly, if there was any delay in bringing this resolution to the floor, it was not our fault. It was 4½ weeks in conference. I was a conferee and was never invited to a single meeting. So it was a 4½ weeks' stalemate between Democrats, none of which I think are on this side and I do not think the Senator from New York is one.

Now, it is one thing to just say we ought not be doing this and to give us some kind of a historic explanation of what is in a Budget Act and what its history is. It is another to invent adjectives about it that discredit the Senator from New York. He is seriously worried about something. As a matter of fact, he got something cleared up here on the floor. The distinguished chairman said that you can move to strike any portion of a tax bill without an offset. That is very much misunderstood around this body.

Frankly, it is not that simple. That is a true statement. But reconciliation bills are tough, tough animals, and they are intended to be.

I think if nothing else when it comes to taxes, he has made a point. When that Finance Committee gets ahold of this budget resolution, I can guarantee you no Senator will be able to substitute any tax for what they have in there. That is the rules. You might move to strike. But you will not substitute one because that is just the rule of germaneness as it is applied to reconciliation instructions.

So I think there is some genuine concern, and the point of concern has been raised. I do not think we ought to refer this budget resolution indefinitely to the Finance Committee.

The Senator wants to make a point. There are not very many ways to make it. I think he raised the issue here in an admirable way and I commend him for it.

I do not think it is conduct that deserved any kind of look in one's pocket of adjectives to describe it.

Plain and simple, it is what it is. If you do not like it, do not vote for it, and that is it.

I thank the Senator for yielding.

The PRESIDING OFFICER. Who yields time?

Mr. D'AMATO. Madam President, I thank my colleague, the distinguished Senator from New Mexico, for the kind words.

Mr. PELL. Madam President, I am strongly, adamantly opposed to imposition of an oil import fee. Indeed earlier this year I introduced in the Senate a resolution opposing an oil import fee, and a number of Senators have joined as cosponsors of that resolution.

An oil import fee would not be in the interests of our Nation as a whole, and in addition would impose an unfair and highly discriminatory tax burden on consumers, business, and industry in the Northeast section of country which is most dependent on oil as an energy source.

I cannot, however, support the motion by the Senator from New York to refer the entire budget resolution to the Senate Finance Committee. This budget resolution does not propose, and does not even recommend or suggest an oil import fee. And referring the budget resolution to the Finance Committee will neither prevent nor encourage enactment of an oil import fee.

Referring the budget resolution to the Finance Committee will simply delay action on the budget resolution. For these reasons, I voted in opposition to the motion to refer the resolution to the Finance Committee.

Mr. D'AMATO. Madam President, I am prepared to yield the remainder of my time.

Mr. CHILES. Madam President, I yield back the remainder of my time and, Madam President, I move to table and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion of the Senator from New York. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is necessarily absent.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 155 Leg.]

YEAS—56

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—43

Armstrong
Bond
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hecht
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Packwood
Pressler
Proxmire
Quayle
Roth
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—1

Biden

So the motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The PRESIDING OFFICER. Without objection, the motion to table is agreed to.

Who yields time? If no one yields time, time will run equally against both sides.

Mr. GORE. Mr. President, this budget sends a message to the American people that Congress is willing to make tough choices to preserve our national fiscal integrity and to ensure an adequate level of social services. While the budget package is not perfect, it does serve as a blueprint for reducing the burgeoning Federal budget deficit. At the same time, the provisions of this budget reflect our commitment to maintaining essential services and providing for the national defense.

We need a humane and responsible budget. I supported this plan because I believe it accomplishes these twin goals through sustained, long-term deficit reduction and targeted funding for vital programs such as job training, AIDS research, and education.

While the Administration and some of our colleagues refused to negotiate on a bipartisan budget plan, neither could they offer viable budget alternatives. Moreover, the President has threatened to veto legislation that calls for new revenues. Instead, the administration calls for the line-item veto and the balanced budget amendment as a smokescreen to solve our economic problems. I fully agree that we must balance the budget, but the President must be a more active participant in the budget process.

America took 176 years to accumulate a $1 trillion debt. The current administration needed only 5 years to double it. This administration's borrow-and-spend policies have made our products more expensive overseas, cost us millions of jobs, stopped investment in economic growth, and squeezed important domestic programs. If inflation was the legacy of economic policies of the 1970's, then surely the trade deficit is the legacy of the fiscal policies of the administration.

The administration's current approach is short-sighted and obstructionist. Yet the administration declines to entertain the idea that we need a comprehensive and realistic policy to attack the Federal deficit. Despite more than doubling the Federal budget deficit, the President adheres to an over-simplified prescription of continued economic growth, the sell-off of Government assets, and hidden taxes known as user fees.

The American people and the Congress realize that short-term gains and absolute faith in economic conditions will not solve our fiscal problems. We must face the issues squarely. To reduce the deficit we must encourage economic growth. More jobs translates to more Americans working and paying taxes.

Congress has achieved a compromise to set the fiscal agenda for the year. The burden is being spread as equitably as possible.

I congratulate my colleagues for their diligence and persistence in crafting this budget resolution. We must face the issues squarely and build a consensus on the budget which achieves the goals of humaneness and responsibility. I encourage my colleagues to join me in supporting this budget resolution.

Mr. HELMS. Mr. President, the conference report before us calls for the largest single tax increase for 1 year in history. It proposes to increase the tax burden on the average American worker by $21.1 billion in fiscal year 1988—a total of $73 billion over the next 3 years. In addition, it assumes new entitlement programs and increases domestic spending at the sake of our national security.

The single most important function of the Federal Government is to ensure the national security of this Nation. Yet it is our national security that is being sacrificed and being used in an attempt to coerce the President into sharing the blame for a tax increase.

Mr. President, year after year, the American people have been led to believe that Congress is finally about to take some action to stop the growth of Federal spending. They've been led to believe that the Tax Reform Act of 1986 will somehow result in a tax break for the average person.

But if this budget resolution is passed, the taxpayers will be getting just the opposite: more Federal spending and more Federal taxes. Supporters of this conference report call these revenue increases but there's not a person listening to this debate who doesn't know precisely where the Government will get the extra $73 billion over the next 3 years. The American taxpayers are about to have their pockets picked again. I am confident that President Reagan will veto this scheme, and I certainly hope he will.

Mr. President, if we are to maintain a sustained economic growth, Congress will have to stop the proliferation of spending by the Federal Government—not raise taxes. Tax increases will only impede economic growth, reduce the standard of living, increase unemployment, and make it more difficult for our industries to remain competitive in the world market.

Will these tax increases help to reduce the deficit? Not a chance. According to the U.S. Chamber of Commerce, for every dollar in new taxes raised between 1947 and 1986, Congress has increased spending by $1.58. If taxes are increased, there is no doubt in my mind that the current Congress will find new ways to spend it—and more.

Mr. President, we started this Congress by adopting several budget-busting authorization bills: the water bill, the highway bill, and the housing bill. I opposed all three. Not content to increase the deficit only for future years, the Senate then passed an emergency supplemental appropriations bill to add $2.6 billion to this year's deficit. That was another cruel hoax perpetrated on the taxpayers.

Now the Senate proposes to adopt a budget resolution which prescribes the largest single tax increase for 1 year in history. Yet we continue to hear talk of fiscal responsibility and budget cuts.

Mr. President, I don't believe the American people will be fooled. The truth will be revealed, not in what is said on this floor, but how each of us votes. The American people will then see who voted to waive the Budget Act to increase the deficit; they will see who votes to increase taxes.

Mr. HATCH. Mr. President, after reviewing in the budget resolution conference report, I had the eerie feeling that somehow—by some mysterious mechanism, perhaps the blue smoke and mirrors that we all talk so much about—I had been transported back in time. The time that I which recall was the 1970's. Mr. President, I don't know how many members here remember the 1970's, but if I could, I would like to take a short trip down memory lane and talk about how the budget was handled in the 1970's.

The 1970's was a period of massive growth in Federal spending, and a period when the deficit started to grow as well. It was at about this time that I joined the Senate Budget Committee as a new member, optimistic about our opportunities to bring spending, inflation, and deficits under control. As you might imagine, I was disappointed by what I found occurring with our newly established budget process, for the process which held out the hope of reorganizing our spending priorities, indeed establishing spending priorities, was in reality a hollow shell; or perhaps worse, a smokescreen which did even more to hide the massive spending agenda of those who ran Congress at that time.

I was amazed to discover, for instance, that the spending level that was occurring during the last half of the decade of the seventies' was even more unconstrained than the first half of that decade. In effect, the congressional budget process was being used as a screen to hide the fact that there was no discipline. Every member had the opportunity to vote for this resolution and claim to their constituents at home that they were fiscally responsible because they voted for that resolution. But a hard look at the resolution's numbers revealed another story. For in each one of the 17 different spending categories, and there were only 17 then, the ceilings were placed at such a high level that the limitation on spending, that were the hope for many of us to believe in discipline and leadership, were so high that they, in effect, had no impact on the spending plans of the different constituencies which came to us for more and more and more.

It was all too often that we took last year's number, which was automatically increased by the current policy formulation at the Congressional Budget Office to account for inflation and growth in constituency, and we added perhaps another 5 to 10 percent on top of that number, so that there was in fact little chance that the ceilings which we established would have any real meaning. Oh yes, there was one exception to that, and that was in the defense category, function 50. We seem to bump up against that ceiling more than the others.

Mr. President, after watching this mechanism with great frustration over a few years I sat down to look at what we had accomplished in the post Budget Act era in the late seventies', and I was not really surprised to find out that with the smokescreen provided by the 1974 Budget Act we were in fact spending more than we did prior to the implementation of the Act. If, for instance, you compare the 6 years prior to its implementation, that is, fiscal year 1970 through fiscal year 1975, and the 6 years following the implementation of the act, fiscal year 1976 through 1981, we find that total outlays before the Budget Act in constant 1972 dollars—inflation adjusted dollars—was at a 3.2 percent annual compound growth rate, while after the implementation of the act we find a 4 percent annual compound growth rate. Now some might say, "Well, this was the result of inflation," and I would agree, except that, as I said, these numbers were adjusted for inflation. The reason that I would agree that inflation had something to do with it was simply that we were spending more money in large part because we had more money. This was at a time when the high levels of inflation that were caused in part by the deficits of previous years were driving taxpayers into higher and higher brackets. In effect, Mr. President, Congress found a way to raise everybody's taxes without passing new legislation, without modifying the Internal Revenue Code.

In looking at these numbers at the end of that decade, I understood why raising taxes was not the answer that many pretend that it is. Tax receipts were growing by leaps and bounds, but this did little to quench the thirst in Congress for additional spending.

Mr. President, I came to the conclusion that the spending restriction elements of Congressional Budget Act was "dead on arrival," a phrase we like to use here in the Congress, and by looking at the true growth in Federal spending and taxes, I realized that the real intent of the Congress in passing the 1974 act was something other than restricting spending. So it is interesting to go back and look at the record that was established by the Members of Congress when they wrote this apparently revolutionary piece of legislation. And if you look at the transcripts of the debates on that bill you find time and time again references to the need for Congress to control spending, to get spending under control. And if it had not been for the hindsight of several years on the Budget Committee and as a Member of this House, I too, would have read those debates as a statement by Members that they had intended to bring spending to a slower growth rate than had previously existed, but this had not happened, and I then understood in 1980 why it has not come about and what Congress really meant when it said that they needed to control the budget. For the word "control" in the lexicon of those Members who insisted that the act was necessary meant not a reduction in rates of spending increases, but rather the control that is so important for Members who would like to have the spending initiative. "Control" meant the ability for Members of Congress to take the initiative on spending bills, rather than to leave this initiative to the administration, Republican or Democratic.

Mr. President, the Congress had in fact achieved a magnificent victory for itself in the creation of the 1974 Budget and Impoundment Control Act, because it provided itself with a mechanism for taking the initiative on overall spending limits, and this looked good to the constituents back home who worried about such matters, and at the same time Congress provided itself with the expertise to defend itself against the pleadings of the administration or other experts who might have the temerity to complain about Congresses actions. This expertise took the form of a budget committee in each House and a Congressional Budget Office.

And the theme, as well as the actions that emanated from these three bodies, was a cry for more spending. And when some of us suggested that large deficits and rapid increases in spending by the Federal Government were inappropriate, we were told that the economic philosophy which the majority of the Members adhered to permitted such massive spending and its accompanying deficits, because it was stimulative to the economy. And we were told about this stimulative impact time and time again. We were told that it was good for us. Yet when challenged, the "experts" had to admit that they had no sound economic explanation why deficit spending should be stimulative.

The saddest part of the history of the 1970's was that the real variable that should have been watched by those concerned about stimulating the economy was the one variable that no one wanted to address appropriately. No one wanted to control spending.

The bottom line when you added up all of these excuses was more spending, and it was not until the early 1980's that some hope for the reversal of this process was seen on the horizon. The discipline over the last few years has not been as great as I would have hoped. There have been more gimmicks than I would care to see, but the hope for fiscal discipline was much greater and there were some results. In particular, the passage of the Gramm-Rudman resolution raised my hopes even further, and I am sorry that the law provided a loophole in its first year, a loophole that required only $12 billion in spending reductions through and across the board sequester, rather than the $40 billion that would have been required to get to the proper target of a $180 billion deficit.

Mr. President, what bothers me now, however, is not that we might have done better in the past, not that the Gramm-Rudman approach had flaws, but now we appear to have relinquished any pretext of discipline. We are now returning to those undisciplined days of the 1970's when tax increases were the answer to everything and spending increased in leaps and bounds.

Mr. President, I would be the first to admit that there are individual programs that I would prefer to see with more money, but the problem we face here is not that we have individual preferences, not that we prefer one program over another, but the problem here is we want all of it. We have terminated no programs. Yes, we have only slowed defense as a bargaining chip with the President, and we have once again resorted to the answer of the 1970's—more taxes.

There are other similarities in this situation. Like the Budget Act of the 1970's Gramm-Rudman suffered a major assault here on the Senate floor at the end of May. A simple parliamentary ruling, a simple whisper from a member of the staff, and the enforcement provisions of Gramm-Rudman were dead. Mr. President, this is a whisper that may be heard around the world. Unfortunately, with the sequester mechanism of Gramm-Rudman-Hollings in suspension, I suspect that the sequestration provisions which have been so important in developing the disciplinary architecture of Gramm-Rudman-Hollings will also be nonexistent this year.

Once again, back to the 1970's with the same trends, and the same excuses. We are told we cannot spend less, we cannot cut any programs, we must raise taxes, there is no other way out. This conference report provides higher outlays than either the Senate or House versions of the budget. It assumes over $73 billion in new taxes over the next 3 years. Do we need these taxes? Of course we don't. Tax revenues over the next few years are slated to increase by significant amount, $70 billion in 1988 alone and by more than $320 billion over the next 4 years, even without any tax increases. We need spending discipline, not tax increases.

But on the bright side, at least in this decade of the 1980's we are not being told it's good for us. Maybe that is what we will have to call progress this year.

Mr. DODD. Mr. President, I rise in strong support of the fiscal year 1988 budget resolution conference report.

First, I would like to commend Senator CHILES and Congressman GRAY, the cochairmen of the budget conference, for their hard work and patience in bringing this budget conference report to the floor of the Senate and House, respectively.

Mr. President, this budget is not perfect. In all likelihood, this budget is not the budget that any one of us might design individually.

However, I believe that on balance, the budget conferees have done an admirable job of crafting a budget that is far preferable to the budget sent to us by the President. I believe that what we have before us is a budget that takes into consideration the needs and concerns of the American people in the midst of a time of unprecedented deficits.

I support this budget because it both confronts the sources of our deficit and addresses the future needs of the country. I think that is what a budget ought to do. An enormous deficit, as we all know, cannot be assumed away by unrealistic projections about future economic performance. It will not be reduced through illusory savings such as certain asset sales which were included in the President's budget that artifically reduce the deficit in the first year but have no lasting impact at all.

The budget conference report, however, with all of its imperfections, achieves real savings to reduce the structural deficit we face in this country. In 1988, the first year of the plan, the deficit would be reduced by some $36.8 billion, which is consistent with the $36 billion annual reduction required by the Gramm-Rudman-Hollings legislation; legislation that I strongly supported when it came before the Congress of the United States in the last Congress.

We cannot continue to finance Government spending by massive borrowing. Under this conference report, the current spend-now-and-pay-later approach would be replaced by what I have advocated for many years, a pay as you go system which would result in significantly less borrowing over the next 3 years.

Mr. President, both spending cuts and revenues must play key roles in the deficit reduction effort. Without additional revenues, including taxes, the forbidden word at the White House, the borrow and spend pattern of recent years will continue. Any realistic budget resolution, obviously, must include revenues. Moreover, it is my firm belief that the American people agree with that.

The budget plan before us includes modest revenue increases in 1988 and subsequent years. These revenues are designed to reduce borrowing, and not to increase spending.

Mr. President, I support the conference agreement because I believe that on balance it defines the major policy priorities which will best serve this country over the next 3 years. The budget includes adequate funding for essential health programs such as catastrophic health insurance; AIDS research, education, and prevention; and Medicaid. It includes an additional $550 million for assistance to the homeless. It provides funding for new initiatives in areas such as education, child development, trade, and welfare reform.

The budget plan includes increased funding for children's programs, with sufficient resources to bring hundreds of thousands of additional children into proven programs that will reduce long-term health, nutrition, and educational costs. This budget plan provides an approximately $150 million increase for the women, infants and children supplemental feeding program. The WIC Program saves $3 for every $1 it costs us to provide nutritional supplements to high risk women and their infants.

The budget provides increased funding for science and technology programs essential to enhancing our international competitiveness and for key environmental programs, including Superfund. It also preserves funding levels for veterans medical care, income security programs, and community and regional development programs.

Mr. President, let me speak briefly about the other side of this budget—national defense.

Like all of my colleagues here, I support keeping this country strong. Those of us from my home State of Connecticut are deeply proud of our contribution to the national security of this country. While my State is a small State, we are responsible for some of the major parts of our defense arsenal today. Our modern submarine fleet, our jet engines, our helicopters, and our tank engines are just some of the Connecticut products that make us a stronger nation.

It is my belief that the people of my home State of Connecticut, as well as all Americans care enough about the national security of our country that they are willing to pay for it. In that regard, I believe that the American people would support a budget which ties the level of defense spending to the President's acceptance of revenues for deficit reduction.

If the President signs reconciliation, defense would be funded at $296 billion in budget authority and $289.5 billion in outlays. If he doesn't sign reconciliation, defense budget authority would be $289.0 billion and outlays would be $283.6 billion.

Thus, if the President accepts revenues for deficit reduction, defense spending could grow by $6 billion in 1988, bringing it nearly to the inflation-adjusted CBO baseline. That ought not be considered skimping on defense spending.

I happen to believe that these amounts are sufficient for sustaining improvements in the U.S. defense posture, resulting from the trillion dollar military buildup in the early 1980's.

This budget deserves the support of all Members of this body. It is a workable plan that provides for the important priorities and needs of our Nation. It is a budget that reflects the priorities that make an investment in the future of this country and its people.

The President and our friends on the other side of the aisle have criticized this budget plan. The President says he wants reforms in the budget process before he will even talk to us about the budget.

Just last week, the President was calling his budget responsible and refusing to negotiate, except on the same old basis of more domestic cuts, higher defense spending, and absolutely no taxes. I would remind the President that his fiscal year 1988 budget received only 18 votes in this body in early May and only 27 votes out of 435 in the House in April. The President criticizes the so called Democratic budget for missing the Gramm-Rudman-Hollings deficit target in fiscal year 1988, yet even the White House concedes that the President's budget falls $27 billion short of reaching the target.

Mr. President, I would favor some changes in the Federal budget process. I currently am serving on a Senate task force which is examining ways of improving the process.

However, the budget process can never work unless there is participation by the key parties—the President and both Republicans and Democrats in the Congress—working together in a spirit of good will and compromise.

Is the budget plan before us perfect? I would be the first to say no, it is not. However, it is the best one we can produce now with the consensus that is available, since our Republican friends are not participating in the process.

I would simply ask those who stand here on the floor of the Senate and urge you to vote no on this budget plan—where is their budget? They did not produce one several weeks ago. They still do not have one, and they voted against their own President's budget.

The budget plan before us is not perfect, but I support it because it begins to make the hard choices essential to deficit reduction and sound long-term economic growth. It recognizes our Nation's priorities—education, science, and technology, job training, job promotion, catastrophic health insurance, infant mortality, welfare reform, and a strong national defense. It is a budget that presents us with a balanced approach that puts us on a glidepath to reducing deficits and investing in our country's needs. It is a budget that reflects the hopes and desires of the American people, their priorities and their sense of reality.

Mr. ADAMS. Mr. President, I rise in support of the budget conference report. This is a bill that has been intensely discussed and debated in both Houses. As the original chair of the House Budget Committee, I am acutely aware of the negotiations that had to take place to bring this document to the floor today.

I congratulate my colleague from the State of Florida, Senator CHILES, Chair of the Budget Committee, who provided the necessary leadership to bring us together on this issue. I also want to recognize the important and critical role my friend from the State of Pennsylvania, Representative WILLIAM GRAY played as Chair of the House Budget Committee. I am sure there were many times that the chairs of both committees were frustrated with the progress of the conference, but with the assistance and participation of key Democratic members, they persevered and were able to hammer out a well-thought-out and realistic budget for our consideration.

This is a good budget, but it could have been better if the President and members of his party had joined with congressional Democrats in an effort to address the problems we face. That didn't happen. So as we review this budget, we need to remember what we were given to work with.

Earlier this year, we were given a budget proposal from the President which was as unrealistic as the six that came before. It relied on the same drastic domestic spending cuts that had been rejected by Congress before. It would, for example, have detrimentally affected programs for low-income individuals, who are in the most need of help. Although such programs constitute only one-ninth of the Federal budget, the administration's budget proposed to make one-third of its 1988 programmatic spending reductions in low-income programs. Further, the President proposed that we continue to overfund defense without telling us how we could pay for it. His initial proposal, then, contained unacceptable priorities, unrealistic economic assumptions, and unsupportable deficits.

Our Republican colleagues joined us in rejecting that proposal. But they did not join with us in developing an alternative. Rather than accept the opportunity to shape a bi-partisan proposal, they elected to sit on the sidelines and criticize. That may have been smart politics, but it was bad policy. Their criticism has a hollow ring to it given their failure to participate in shaping this budget.

Even given those handicaps, Democrats developed a budget which is, as I have suggested, both realistic and reasonable. In the area of defense, for example, this proposal suggests that if we are to give the defense budget a substantial increase in 1988, then it is only fiscally responsible to give the Government the means to pay for that increase. If the President deems it unnecessary to raise the revenue to pay for defense, this budget function will still retain its 1987 budget authority level. It is now for the President to decide. Congress has done its job and laid out the options.

In the domestic area, the congressional budget proposal contains $6.3 billion in domestic savings, yet includes provisions for critical programs such as catastrophic health insurance, increases in Medicaid and assistance for the homeless.

This conference report also includes $36.8 billion in deficit reduction for 1988. Congress has recognized the need to seriously confront this national problem. Nonetheless, Mr. President, there are real questions about how well we can deliver on that promise to reduce deficits. We need to continue to effectively prioritize our spending and thereby reduce our deficit. And we need to do that in our appropriation and authorization bills as well as in this budget.

In that context, Mr. President, there has been a lot of talk about reforming the budget process. I agree that reforms are needed. But we also need a change in attitudes—a change which suggest that everyone needs to participate in the process. If the President wants to have a balanced budget—he can submit one even without a constitutional amendment. If our colleagues want to make sure that the budget process does not stretch on for months, they can participate in the process and speed up the deliberations.

Finally, Mr. President, I would like to recognize the hard work of many Senators from the West who devoted their time and energy to develop a western budget package that will protect our regional interests by enhancing our employment opportunities and containing energy costs. In that context, I want to pay special tribute to the hard work and dedication of my two friends from the Washington State delegation, House Majority Leader TOM FOLEY and Representative MIKE LOWRY. Majority Leader FOLEY and Representative LOWRY continually monitored the needs of the West, sought to include pertinent facts and figures when appropriate, and provided critical leadership and input throughout the budget conference process.

In conclusion, Mr. President, this budget may not be perfect; however, we live in an imperfect world that requires us to confront new questions and problems daily. Accordingly, on balance, I believe that the budget before us today meets many of our critical national needs. That is why I will be supporting it. I congratulate the leadership and the Budget Committee for their work.

Mr. KASTEN. Mr. President, the Federal budget is a political and economic blueprint for America. This budget represents the Democratic Party's vision on where this country should be headed.

The big question is: Do the American people want to follow? I think not. Let's look at what the Democrats are proposing in this budget plan.

First, the budget calls for the largest 1 year tax increase in the history of this country. It proposes to increase taxes by $19.3 billion in 1988 and $64 billion over the next 3 years.

Second, wasteful spending is not restrained. Total spending would rise nearly 4.5 percent next year under the Democratic budget compared to 2.5 percent last year. I think the American people will be surprised to find out that domestic spending would increase nearly $41 billion next year under this budget plan.

Given this proposed increase in domestic spending, does anybody truly believe the $64 billion in new taxes will go to deficit reduction?

Past experience shows that tax increases are likely to be used to increase spending rather than to reduce the deficit. The Government's tax collections have skyrocketed from $150 billion in 1967 to over $834 billion in 1987. But so has spending which has risen from $158 billion to over $1 trillion and, not surprisingly, deficits which have risen from $8 billion to $174 billion.

In fact, for every dollar in new taxes raised in the last 20 fiscal years, the Congress has increased spending by $1.58. This pattern has been confirmed by recent experience, and there is no reason to believe that this pattern will not continue.

Is the tax burden on the American people too low? The Democrats seem to think so. They believe that the tax cuts of 1981 were too generous. Well, I believe they weren't enough. The original Kemp-Roth tax rate cuts were reduced, diluted, and delayed. As a result, the American people were denied the full economic benefits of the tax cuts. Delaying the rate cuts until 1984 was partly responsible for prolonging the recession and thus, widening the budget deficit.

Furthermore, since 1981, taxes were raised in 1982, 1983, and 1984. Virtually every dollar of the 1981 tax reduction has been retrieved. If the tax increases called for in this budget resolution become law, taxes will be higher than they were in 1980.

Tax Freedom Day, the day the average American begins working for himself rather than for the Government, now is May 4, as late in the year as it has ever been, tying the record set in 1981. It seems that the Democrats want to extend Tax Freedom Day to

Independence Day, the Fourth of July.

Mr. President, I believe that the budget deficit is a serious problem. But raising taxes is a counterproductive solution. Tax increases will impede economic growth, reduce the American public's standard of living, increase unemployment, and limit the opportunities available to the least fortunate among us.

Substantive deficit reduction can occur only if the economy remains strong and the growth rate of Federal spending is reduced. This budget does the exact opposite: it will cripple economic growth with large tax increases and increase Federal spending to nearly $1.1 trillion.

It is a disastrous fiscal blueprint for America and I urge my colleagues to reject it.

Mr. RIEGLE. Mr. President, reducing the Federal budget deficit is one of the most critical tasks facing this Congress today. This budget resolution puts us clearly on the path of significant deficit reduction. This budget makes significant, real reductions in the Federal deficit not only next year but for the next several years, while setting realistic Federal priorities. It reduces the deficit more than the budget submitted by the President. The chairmen of both the Senate and House are to be commended for their patience and persistence in putting this budget together.

Bringing down the budget deficit in a reasonable and responsible manner is vital toward strengthening our national economy and an important part of improving our trade position in the world. As we worked through the budget process, it became clear that there was no way to continue to achieve the kinds of savings that are necessary through reductions in domestic programs alone. This budget does in fact assume over $6 billion in savings from domestic programs. We took our cue from the President to achieve significant reductions in the deficit from new revenues. This budget assumes less in deficit reductions from the revenue side of the ledger than the President's own budget called for.

This budget resolution is notable for its emphasis on strengthening programs that will help stimulate economic growth. I am particularly pleased that the conferees have agreed with me that urban development action grants and community development block grants should be fully funded. These programs have absorbed more than their share of cuts over the last 6 years. CDBG has been cut by 20 percent and UDAG has been cut by 66 percent since 1980. These programs are essential for solving economic problems in distressed areas. We cannot continue to balance the budget at the expense of urgent needs in our economically depressed communities.

This budget also gives priority to education, science and technology, job training, and trade promotion in order to bring down our trade deficits and improve our ability to compete in international markets. Providing for a well-educated and well-trained work force is absolutely critical for the future strength of our economy and our ability to compete in the world economic marketplace.

This budget also accommodates important initiatives to begin to solve growing national problems. It provides for the creation of a catastrophic health insurance program to help senior citizens who face unbearable medical expenses as the result of a severe illness. It provides for increased funding to fight infant mortality, and to improve maternal and child health care programs. Funding will also be available to improve air traffic safety. This budget acknowledges that we must face the AIDS crisis head on by providing funding for accelerated research. We have a responsibility to respond to these kinds of national problems. This budget does so in a responsible manner.

This budget takes a hard line on defense spending. It tells the President that if he wants to maintain the current level of spending at the Pentagon, he cannot continue to do it through deficit financing. Instead he is going to have to raise the revenues to pay for it. Defense spending has increased 24.5 percent as a percent of GNP since 1981 while discretionary programs have been cut 27 percent. I believe that we cannot continue to make significant progress in deficit reduction without demanding responsible spending practices from the Pentagon.

In conclusion, I believe that this budget resolution takes the kind of bold, responsible action that is needed to make real deficit reductions while restoring a balance to our Federal spending priorities. I commend the distinguished chairman of the Budget Committee for his leadership and dedication in crafting this budget resolution. I support this plan even with its shortcomings because I believe that the future strength of our national economy depends on steady reduction of massive Federal deficits while addressing critical national needs. I urge my colleagues to join with me in supporting this budget.

Mr. LEVIN. Mr. President, I compliment the Senator from Florida for his efforts and his success at achieving this budget compromise. In some respects, such as in the area of community development and education, the conference report is an improvement over the resolution which the Senate approved in May. I would have liked to see more deficit reduction in this conference report, but I recognize that this is probably the best that can be done at this time. One of the reasons why we will fall short of our deficit-reduction goals is that our options for deficit reduction through tax loophole closing were greatly reduced as a result of last year's tax bill. I regret to see the tax reform bill bear this bitter fruit so quickly.

However, what I find to be most troubling is that we are passing this budget resolution in an environment of partisanship and misinformation, or as part of a salvage operation for a faltering Presidency. The challenges we face are too important to be shaped and debated only as a way of positioning ourselves for electing a new Congress and a new President 2 years from now. Each year we delay, the risks of inaction to our economy and our national security grow, and each year we delay the solutions will become more difficult.

I would like to take just a few minutes to comment on a few points which we should keep in mind as we debate how to implement this budget resolution over the next weeks and months.

First, it is important to keep clear as the President goes throughout the country complaining that this budget resolution misses the Gramm-Rudman deficit targets, that his budget proposal also misses the Gramm-Rudman targets. In fact, today before a subcommittee of the Government Affairs Committee, the Deputy Director of OMB, Joseph Wright, acknowledged for the first time that I am aware of that the congressional budget resolution has approximately as much deficit reduction in it as does the President's budget. If the congressional budget misses the Gramm-Rudman targets using realistic economic assumptions, then so does the President's budget. And the President's own Office of Management and Budget now admits that. So, as we debate this issue in the coming weeks, it should be clear to all that it is not a debate between a President's budget that hits the Gramm-Rudman targets and a congressional budget that does not. What we are debating is the content of a budget.

And when we are debating the substance, we should listen to what the American people have to say before speaking for them. The President indicates that he will veto any tax increase which comes to his desk. Putting to the side the fact that the President's own budget included billions of dollars of tax increases, the President is operating under a false impression if he believes that his adamant opposition to tax increases of any kind is reflected by the American public. He should not be under this misimpression as he campaigns on the budget issue and we should not be under such a misimpression as we legislate on it.

In a question which I commissioned in a nationwide poll conducted by the Opinion Research Corporation of Princeton, NJ, by a margin of 61 percent to 21 percent, the public indicated that they would prefer to see the top income tax rate frozen at 38.5 percent for the wealthiest taxpayers and to use that additional revenue for deficit reduction rather than to see the maximum tax rate cut from 38.5 percent to 28 percent. I ask unanimous consent to have the results of this poll included in the RECORD following my remarks. I would ask my colleagues to note those results held pretty steady throughout the country and throughout income categories. So before we speak about the American public's consensus about not touching last year's tax bill, we should listen to what the American public has to say for itself.

Specifically, in this regard I am concerned that the budget resolution contains in it sense of the Congress language ruling out any freezing of the maximum income tax rate as part of the deficit-reduction effort. I trust that the comments of the chairman of the Finance Committee and the majority leader after the vote on this provision still hold true. At that time, they indicated that this language, while suggesting a preference, should not be read as foreclosing any revenue raising options by the Finance Committee. I have talked with the chairman of the Budget Committee and he has assured me that this budget resolution in no way binds the Finance Committee—or any committee for that matter—on how it will meet the reconciliation instructions contained within it. Even though I believe that in addition to spending restraint, an effective and equitable deficit-reduction package must include revenues, my support for this budget resolution does not automatically mean that I will support every kind of revenue bill reported out as part of meeting reconciliation instructions. I say that as one who opposed last year's tax reform bill, in part, on grounds that it could lead us to rely heavily on regressive tax increases in order to meet our deficit-reduction goals, and as one who made that point over and over again on the floor of the Senate. It will be hard to justify, for instance, a reconciliation bill that relies heavily on excise tax increases and does nothing at all about freezing income tax rates for the wealthiest taxpayers in our society, those earning over $200,000, a majority of which will be receiving a tax cut next year averaging out to $50,000.

Mr. President, we have a lot of difficult choices in front of us, if we are going to be serious about reducing the deficit in an effective and equitable manner. Those choices are not going to be made any easier by partisan rhetoric. The folks who elected us are not going to be impressed by arithmetic gymnastics. They will and should only be impressed by action and effective leadership. And that is what the Congress, hopefully with the assistance of the President, should set out to demonstrate as we work to implement this budget resolution in the weeks and months ahead.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

POLL QUESTIONS ON DEFICIT REDUCTION AND TAXES CONDUCTED BY OPINION RESEARCH CORP., PRINCETON, NJ

Question. 1. Do you think the top federal income tax rate for the wealthiest taxpayers should be cut next year, as scheduled, to 28%; or should the rate for the wealthiest taxpayers stay at the current 38½%, with the money gained being used to reduce the federal budget deficit?

	Percent
Cut rate to 28 percent	20
Keep rate at 38.5 percent	61
No opinion	19

Question 2. There have been a number of suggestions to reduce the federal budget deficit. If more money has to be raised to reduce the deficit, which one of the two approaches would you prefer?

(1) Increase taxes on beer, wine and telephone bills;

(2) Freeze the top federal income tax rate for the wealthiest taxpayers at 38½% instead of cutting the rate to 28% next year, as scheduled?

	Percent
Increase selected excise taxes	20
Keep rate at 38.5 percent	63
No opinion	17

The questions were asked of a national sample of 1,015 adults in telephone interviews during the period of May 22-27, 1987. ORC was founded in 1938. The firm has conducted surveys for virtually every U.S. government agency, including the Departments of Defense, Treasury, State, HHS, Labor, Transportation and Agriculture and many of the Fortune 500 companies. The results of this poll are subject to a margin of error of plus or minus 3 percentage points.

INTERNALS FOR QUESTION 1

[In percent]

	Cut to 28 percent	Keep at 38.5 percent	No opinion
Under age 35	21	62	17
Age 35 to 44	18	67	14
Age 45 to 54	25	58	17
Age 55 to 64	17	61	21
Age 65 and over	17	55	28
High school graduate	17	66	17
College graduate	26	55	19
$15,000 to $25,000	21	66	13
$25,000 to $35,000	17	66	17
$35,000 or more	26	60	14
Professional/manager/owner	29	60	11
Blue collar	16	67	17
Northeast	16	66	19
North Central	18	65	18
South	22	59	19
West	25	57	19
Nonmetro	20	62	18
Metro under 1 million	17	62	21
Metro over 1 million	23	61	16

INTERNALS FOR QUESTION 2

[In percent]

	Selected excise tax increases	Keep at 38.5 percent	No opinion
Under age 35	25	65	10
Age 35 to 44	17	66	17
Age 45 to 54	17	65	18
Age 55 to 64	20	61	20
Age 65 and over	13	56	31
High school graduate	17	70	10
College graduate	27	53	20
$15,000 to $25,000	18	68	14
$25,000 to $35,000	16	70	14
$35,000 or more	26	58	16
Professional/manager/owner	26	58	16
Blue collar	19	68	14
Northeast	18	66	16
North Central	16	67	17
South	25	61	14
West	19	59	22
Nonmetro	22	60	17
Metro under 1 million	19	63	18
Metro over 1 million	19	65	15

REDUCTIONS IN FUNCTION 370 AND 450

Mr. **BOSCHWITZ**. Mr. President, in response to my comments made earlier about the agricultural function, the chairman of the Budget Committee noted that spending was going down in at least two other functions: function 370, commerce and housing credit, and function 450, community and regional development.

It is true that outlays in fiscal year 1988 for these two functions are lower than in 1987. But most of the reduction is built into the CBO freeze baseline. That means spending will go down in these functions because of decisions made in the past or other technical reasons, not the action of this budget.

Outlays for function 370 in the budget resolution are $0.9 billion below the fiscal year 1987 level. But over half of this amount—$0.5 billion—represents built-in reductions.

Seventy percent of the reduction in function 450—$0.5 billion out of $0.7 billion—is built in.

The rest of the reductions in these functions can hardly be described as real program cuts:

Function 370 includes $140 million in fiscal year 1988 savings by assuming a provision in current law which changes the way we calculate payments to the Postal Service. It simply changes the way we pay for postal subsidies; it doesn't reduce those subsidies.

It also assumes $300 million in savings reconciled to the Commerce Committee, which presumably can be achieved through some form of fees or asset sales related to broadcast licenses—not through program cuts.

Finally, the chairman of the Budget Committee noted that function 450 assumes $200 million in fiscal year 1988 savings reconciled to the Banking Committee. I believe that he called this a real cut.

But since the conferees did not specify the assumptions behind these reconciliation instructions—and the record doesn't provide much of a clue—it is hard to conclude that they will result in any real program cuts. More likely, these savings will be achieved through some kind of fee or other receipts.

In summary, spending is going down in these two functions. But in large measure, that is not due to this budget resolution. Moreover, reductions assumed in the resolution in all likelihood will not result in any real program cuts.

Mr. LEAHY. Mr. President, I rise today to support the conference report on the budget resolution for fiscal year 1988. While I do not agree with every provision of this measure, especially its questionable economic assumptions, the Senate must pass a budget which reduces the Federal deficit, makes our Nation more competitive, and ensures a strong national defense.

Mr. President, there are two alternatives to this budget. We can trigger the mechanistic, across-the-board cuts called for by the Gramm-Rudman-Hollings law or we can approve the President's budget whose misplaced priorities garnered only 18 votes in the Senate earlier this year.

The budget conference report will reduce the deficit by more than $37 billion next year. More than $6 billion is saved by making sensible changes in domestic programs—changes that reduce waste and inefficiency without cutting vital programs and services for Vermonters. In addition, the budget holds the line on defense spending, while still maintaining our readiness as a nation.

The General Accounting Office recently reported that the Pentagon has overestimated the costs of major weapons contracts by more than $55 billion over the last 5 years. This kind of inflation padding breeds waste and fraud by Government contractors. I cannot support billions of dollars in increases for defense spending, until this kind of institutional abuse is eliminated.

The conference report also calls for $19 billion in new revenues. I believe the revenue level is too high. During Senate consideration of the budget resolution, I voted to cut the taxes in the budget by $6 billion over 3 years by rooting out waste at the Pentagon. I also supported an amendment which will ensure that individual income taxes will not be increased to raise the revenues called for in the budget. I am pleased that the amendment was included in the final budget conference agreement.

I have one final concern about the conference report on the budget resolution. During Senate debate on the budget, I voted to eliminate the funny numbers used to meet the deficit targets set out in the Gramm-Rudman-Hollings law. Unfortunately, the amendment failed, and the final Senate budget used a combination of economic assumptions provided by the Congressional Budget Office and the Office of Management and Budget.

OMB's economic assumptions are widely recognized as politically driven. For the past 6 years, the administration has used OMB economics to sell the Nation on the notion that by cutting taxes and increasing defense spending we can reduce the Federal deficit. The American people have seen through the smoke and mirrors. Vermonters want honest action to reduce the Federal deficit. Congress should not get into the "hocus pocus" business of massaging economic forecasts to make ends meet.

With these reservations, I will support the conference report on the budget resolution. For, Mr. President, we must consider the alternatives.

If we were to trigger the across-the-board cuts under the Gramm-Rudman-Hollings law, 600,000 needy students would lose their Pell grants and might be forced to leave college. Five out of six Superfund toxic waste clean up projects would have to be abandoned. Scientific research at the National Institutes of Health, including efforts to find a cure for AIDS, would be cut by $2 billion. Finally, national defense spending could be cut by $55 billion—not held to a freeze—but cut by almost 20 percent.

In short, Mr. President, the Gramm-Rudman-Hollings sequester would set off wholesale, unthinking cuts in programs, including national defense, which would threaten our security, our competitive position in the world, and our ability to educate our children and care for the elderly and those in need.

The budget conference report, while far from perfect, provides a much more responsible course of action—by setting priorities and making tough choices.

The second alternative, Mr. President, is the budget sent to Congress by the President in January. That budget reduces the deficit by exactly the same amount as the budget conference report. But it does so by setting priorities which are out of line with the priorities of Vermonters. The President's budget calls for massive increases in star wars spending, while proposing to cut Federal support for education by 22 percent. This, at a time when the United States is struggling to maintain its position as the world leader in scientific research—research that can only continue if we make a commitment to educate scientists and engineers.

To fund increases in defense spending, the administration's budget also calls for deep cuts in child nutrition programs, the elimination of compensatory education for poor and minority students and the virtual elimination of all mass transit programs.

These are not Vermont's priorities. These priorities do not offer our country a vision for the future.

In addition, the President's budget again uses "funny numbers" to give the impression that the budget complies with the Gramm-Rudman-Hollings law.

According to the independent, nonpartisan Congressional Budget Office, the President's budget includes more than $4 billion in faulty economic assumptions, $27 billion in false savings and $19 billion in savings that have been rejected previously by Congress. The President's budget clearly does not comply with the Gramm-Rudman-Hollings law.

Finally, the President's budget calls for $22 billion in new revenues, including tax increases and asset sales. While I support a lower level of revenues than the $19 billion in the budget conference report, it strikes me as ironic that the administration opposes the congressional budget which actually contains a lower level of revenues.

The American people are counting on Congress and the President to reduce the Federal deficit. This cause is not served by partisan quarreling. The budget conference report produced this year by a Democratic Congress is virtually identical to the budget reported last year by the Republican-controlled Senate Budget Committee. The Federal deficit is not a Democratic problem or a Republican problem. It is all of our problem.

The budget conference report, while not perfect, sets sound priorities in Federal spending and reduces the deficit by more than $37 billion. I hope Congress and the President can work together in the best spirit of bipartisanship to implement this budget and sustain our efforts to bring the deficit under control.

Mr. DURENBERGER. Mr. President, I rise in strong opposition to the pending conference report on the first concurrent budget resolution.

The story is told of two men on a camping trip in Alaska. Sitting on a log in front of their tent, the men look across a glacier in front of them, they see a huge grizzly bear up on its hind legs, roaring. The bear then charges right toward them. One man says, "That bear is going to be here in 1 minute and he's going to rip us to shreds."

The other man reaches into his back pack and takes out a pair of running shoes. He puts them on and laces them up. His companion says, "You've got to be kidding. There is no way in the world you're going to be able to outrun that bear."

He answers, "I don't have to outrun the bear. I just have to outrun you."

And that, Mr. President, is the message of the majority party of the Congress in the budget agreement before us today.

We face a monstrous deficit Mr. President. It threatens our economy and our Government and our people like nothing we have every experienced. The majority party of this body apparently would like to blame the deficit on a Republican President and the erstwhile Senate Republican majority and make a run for it. Well I've got news for them, this bear has an appetite big enough for all of us.

We have tried a number of techniques to "stop the bear" over the last several years. In 1985 we passed Gramm-Rudman-Hollings, which established a binding process for reducing the deficit to zero. That ended on this floor during the consideration of the budget resolution last month. Not with a bang—but a whimper. When the Chair allowed and the body affirmed the Chiles amendment, which declared Gramm-Rudman-Hollings had been complied with, the facts not withstanding, the letter and the spirit of that act died.

Earlier that same year, this body passed a budget resolution by the barest of majorities—one Member going into the hospital that morning, another coming to the floor on a hospital gurney to make the vote and the Vice President breaking the tie. We eliminated programs in that budget. We restrained entitlements in that budget. We raised some taxes in that budget. And we would have balanced the budget with that budget. But unfortunately, both the President and the Speaker of the House reached for the running shoes.

Mr. President, as bad as our budget picture looks now, imagine where we will be if the economy begins to turn down. Expenditures would go up, revenues would go down, and the deficit would explode by the sum of those two changes. A leaky roof doesn't bother you much during a drought, but when the rains come, the problem becomes painfully apparent. The tragedy is that we are bypassing another previous opportunity to get our house in order.

I cannot support the resolution before us because it violates an implicit contract between the people of this country and those who serve them in Government. That agreement says that we will not take more of their paychecks without something significant to show for it. We are asking the American people to ante up $75 billion in new taxes in this budget. As a member of the Finance Committee, I know that will probably mean a whole raft of regressive excise taxes and fees on everybody who wants to buy a gallon of gasoline, a pack of cigarettes, or a long-distance telephone call.

We're asking lower income people, who spend a large share of their income on those things, to make a lot of changes. What kind of hardship are we putting on Government, to make it change the way it does its job? How many programs are being eliminated? How many programs are being reformed? Where are future savings going to come from? This budget has no answers to those questions. So what does the American taxpayer buy with his $75 billion? Not hope of a declining deficit, only more of the same old, tired thinking. I think that's an offer they can and will refuse.

Mr. President, the situation we find ourselves in is dangerous, but not hopeless. But what I think is clear is that none of us is going to get out of it by running for cover or letting anyone else do the same. This problem can be solved by Senators, Members of Congress, Department Secretaries, Republicans, Democrats, and the President doing their part. That means each of us taking a little more than our share of the blame, and a little less of the credit.

Winston Churchill said that democracy is the worst form of government, except for all the others. We are deeply fortunate to have a system which miraculously responds, often just before it is too late. My hope today is that it is late enough already for us to put aside our labels and dogmas and narrow constituencies and get to work.

Mr. BOND. Mr. President, I would like to take this opportunity to comment on my first experience with the congressional budget process. Certainly it would be accurate to say it was not quite what I expected.

As one of seven former Governors currently serving in the Senate, I would like to share with my colleagues how different, and difficult our process is in comparison:

First, the State of Missouri—along with many other States—has a constitutionally mandated balanced budget requirement.

Second, the Governor has line item veto power—as do 42 other State Governors.

Third, at the State level we did not factor inflation into our spending baseline—so all our proposed cuts were real, rather than cuts in the level of increases. This means if we wanted an inflation increase we had to ask for it—not simply assume it.

And fourth, if revenues ever fell short, then the Governor had the authority to withhold spending.

This process meant we were forced to make tough choices every year on taxes and spending, and I think the discipline provided by the process was imperative to its success.

Unfortunately our Federal process has no such imperative:

We don't have a constitutional balanced budget requirement.

The President does not have line item veto authority.

We use a "current services" baseline which includes inflation automatically.

And for all intents and purposes the President does not have any withholding or recission authority.

In addition, Gramm-Rudman-Hollings is being ignored.

So I would like to make a brief comment about the product that has resulted from our process.

This budget resolution calls for the highest first year tax increase in U.S. history, raising $73 billion over the next 3 years.

Eighty percent of the deficit reduction accomplished by this bill coming from only three areas: tax increases, cuts in defense, and a one-time accounting savings from refinancing REA loans.

And overall spending increasing 4.5 percent above last year's level.

Mr. President, in my travels around Missouri no one is calling for higher taxes—let alone a tax plan that could best be described as a $200 tax hike being forced on to each taxpayer next year. Thus it is very easy for me to oppose this resolution.

However, we cannot give up on our efforts to produce a responsible budget. I believe that where there is a will there is a way—but clearly that will is simply not present when it comes to dealing with the deficit. Therefore I must conclude that if we cannot handle the problem under the current rules—we must change the rules so we can.

For starters I suggest we put teeth back into Gramm-Rudman-Hollings; and that we look at our successful State models—meaning we give the President line item veto power; we reform recission and deferral authority; and that we purge the process of budget gimmicks.

Perhaps then we can have a process and a product which will work.

Mr. BINGAMAN. Mr. President, I am happy to support the conference agreement on the first congressional budget resolution for fiscal year 1988. I believe that this measure strikes an acceptable balance between raising new and necessary revenues to fund essential programs and decreasing Federal spending on other programs in order to reduce our budget deficit. In fact, I think this is the very best budget I have seen in my service in the Senate.

For quite some time, I have been talking about the urgent need to make our country more competitive. The budget resolution puts a high priority on funding for education and training and science and technology—key elements in keeping the United States competitive. The President has this year finally also begun talking about improving U.S. competitiveness and making this one of his highest priorities. Yet despite the President's rhetoric, he continues to demand cuts in the very programs designed to make us more competitive.

It's not possible for us to compete internationally on an equal footing if we continue to cut educational programs. It's not possible for our technology to advance if we do not fund technological innovation. It's not possible for us to maintain a decent standard of living if we are not trained to compete in the rapidly changing work force. And it's not possible for our country to prepare for the future if we remain short-sighted.

I am pleased the congressional budget resolution resists cuts in these important procompetitive programs and takes a more long-term view at our trade and competitiveness problems.

The goal is to attack the root of the problem. For example, instead of putting the unemployed or unskilled worker on welfare, we should help retain and educate him. We should take care that we and/or children are educated up to a world class level. It doesn't make sense to wait until kids drop out of school before we deal with the problem. We should "get ahead of the curve." Drop-out prevention programs would do this. This resolution earmarks $2.3 billion in increased funding for education programs. It also provides nearly $1 billion for welfare reform and dislocated worker initiatives. In addition, this budget understands the fundamental importance of health care. The resolution allots $400 million for the homeless, $150 million for child care, $600 million for Medicaid, $150 million for the WIC Program, and $800 million for AIDS research. The bottom line, which the authors of this measure realize, is that we as a nation must maintain and develop programs to help people help themselves.

This bill also makes a strong commitment to improving science and technology—the cornerstones to our success as a nation. It earmarks funding for manufacturing technology, simulators and training, general science research, the space station, and more—all leading to a sharper competitive edge. Funding for space and science programs would be increased by $1.1 billion.

Despite all of these positive elements, this is not a perfect bill, especially in the field of defense. I would have preferred that the original figure of $303 billion for defense spending, which was in the Senate budget resolution, had been retained. The conference agreement calls for a two-tier program of either $289 billion or $296 billion, provided that the President accepts the reconciliation bill. I certainly hope the President accepts this measure and allows for the higher figure. In the likely event, however, that he rejects this bill, my colleagues and I on the Armed Services Committee stand ready to allocate the $7 billion in spending cuts in the way that best preserves our national security and minimizes damage to our most crucial programs.

These programs do not come without a price. The resolution calls for $19.3 billion in additional revenues for 1988, and $64.3 billion over the 3-year period of fiscal years 1988-90. I remain hopeful that this money will come from sources other than tax rate adjustments and I am encouraged by the fact that this resolution retains the Senate language prohibiting an increase in individual tax rates. However these funds are raised, I believe we must realize that if we are to have procompetitive, prohealth, and proeducation programs and an adequate national defense, we must be able to pay for them. In my opinion these funds can not be raised from budgetary quick-fixes or spending cuts alone, and I commend the authors of this bill for having the courage to call for new revenues.

Mr. President, I believe this legislation is more compassionate, realistic, and effective than the President's budget. It calls for a realistic level of defense spending and recognizes the need for other spending that is important to the Nation's economic health and prosperity. It does this while reducing the deficit by $36.8 billion in 1988 and over $150 billion by fiscal year 1990. I think this budget can be summed up not by the old cliche of "spend, spend, spend, tax, tax, tax" that its opponents have levied against it, but by the phrase "spend, but spend wisely." It's a budget that makes sense to me because it puts the priorities where they belong. I strongly support this budget and urge my colleagues to vote for passage of this resolution.

Mr. SIMON. Mr. President, this country is a crossroads. We can begin to budget responsibly or we can continue the spend and spend, borrow and borrow policies of the Reagan era.

The budget before us today takes the responsible path. It is far from perfect, but it is a good first step. Under this proposal, we can educate our children, train our unemployed, protect our interests abroad and make a major cut in the deficit.

The key to deficit reduction is jobs. If we cut the current unemployment rate in half, we would eliminate the deficit. Putting people back to work reduces spending on welfare and unemployment compensation, while it increases our tax revenues.

The best measure of a budget, then, is its ability to stimulate job creation. And by this yardstick, the budget before us stands tall. Jobs are stimulated in three ways. First, the deficit is reduced, thereby easing pressure on the interest rates and helping to create jobs. Second, while the administration tried to retreat from our commitment to education, this budget will strengthen it. And third, while the administration tried to cut back on job training in the face of 7-percent unemployment rates, this budget allows us to retrain those people so they can return to work.

In other areas, the budget also makes strides. During my work on the Budget Committee and on the Senate floor, I fought to maintain current levels of support for our cities and towns. I am pleased that the conference committee took my advice and made room for those funding levels in CDBG and UDAG. I also was concerned about the cuts called for in Medicare. Those cuts were tempered by the conference committee, though I would prefer even less of a cut.

On the trade front, Mr. President, this budget is the most important step we can take to redress our incredible troubles. Our trade problems are multifaceted and must be approached from several angles. The most critical factor, however, is the budget deficit. The deficit props up interest and exchange rates, stifling our exports and creating a flood of imports. By refusing to deal with the deficit, this administration has chosen to export our jobs and our standard of living. This budget begins the climb back to international competitiveness.

I am very disappointed in several parts of the budget. Spending on transportation is due for a rise, not the cut called for in this budget. We have neglected our roads and bridges for too long already. They must be repaired if America is to travel safely. In addition, mass transit funding is desperately needed in many of our clogged cities. These areas are investments in our economy; as with all investments, we should consider the long-term effects of these programs to decide on the appropriate funding levels. If we take that long view, I believe most will agree that this funding level is too low.

The second disappointment is the lack of restraint in defense spending. The defense budget has grown dramatically over the past 7 years. Can anyone say they are more secure today? I do not think so. Some increases may have been in order, but the time has come for restraint in our Defense Department. This budget does not follow that advice, and we have missed the chance for further deficit reduction as a result.

The third disappointment concerns our economic aid abroad. The funds provided simply are not adequate to the task at hand. The budget will put a great strain on the many desperately poor nations we should be helping. Sadly, this administration has tilted the balance in our foreign policy toward military aid at the expense of economic aid. With the low total levels of aid allowed by the budget, Congress will have to be very diligent to keep the administration from taking food from the poor in the Sahara to fund some weapon it decides to give away.

The most disappointing aspect of this budget debate is the lack of good faith exhibited by the administration. Instead of seriously negotiating with the Republicans and Democrats in Congress, the President just lobbed cheap shots from the sidelines. Instead of learning the issues involved, he turned to one-liners on 3-by-5 cards for insights that belonged on bumper stickers, not a serious debate. The leadership we desperately need was desperately lacking.

Mr. President, I commend the hard work of Senator CHILES, Congressman GRAY and their staffs. This budget strikes a good balance between the competing needs of our Nation. While I supported greater deficit reduction, this budget nonetheless reduces the deficit more than the plan submitted by the President. It serves this Congress and this country well and it should be passed.

Mr. FORD. Mr. President, last week, after more than a month of negotiations, the conferees on the budget announced that they had reached an agreement on House Concurrent Resolution 93, the $1 trillion budget for fiscal year 1988. This 3-year plan, which we will be considering shortly, will also reduce the Federal budget deficit to approximately $134 billion by the end of fiscal year 1988—some $37 billion below the CBO baseline.

The annual budget resolution has proven to be one of the most difficult and contentious legislative items that must be considered. I have enormous respect for the chairman of the Budget Committee, Senator CHILES, as well as the committee's ranking member, Senator DOMENICI, for their continuing efforts to gain approval of a budget that is acceptable to both the Members of this body, as well as those in the House of Representatives. And I applaud them for having crafted a budget for fiscal year 1988 that will enable us to continue to fund critical Federal programs, while at the same time reducing the deficits that have put a drag on our economy.

Increasingly, one of the most visible of all programs is the Federal Aviation Administration's effort to ensure aviation safety. Record numbers of near-misses, air traffic controller errors, airline delays, and consumer complaints have focused the public's attention on the importance of aviation safety to the traveling public. These problems have also made clear the need for significant expansion of the capacity of our Nation's air transportation system.

On June 4, the Commerce Committee unanimously approved legislation to significantly increase funding levels for the FAA and its airport and airway development programs. S. 1184, the Airport and Airway Capacity Expansion Act of 1987, increases spending on airport development to $1.6 billion—60 percent over current levels—and authorizes a substantial increase for the modernization of air traffic control facilities and equipment. These programs are critical to providing the additional capacity needed to accommodate current and projected levels of air traffic.

As chairman of the Aviation Subcommittee, and sponsor of S. 1184, I am convinced that $1.6 billion is the absolute minimum that can be spent on airport development in the coming year. During our hearings on this reauthorization bill, the subcommittee learned that in the last 5 years, the FAA has been forced to turn down funding requests for almost $10 billion in airport development and expansion projects—solely because of a shortage of appropriated funding. And today, because of that funding shortfall, we are seeing ever-worsening problems with airline safety, airport congestion, and passenger delays.

These FAA programs are funded entirely by the airport and airway trust fund—which is supported by aviation users. The trust fund is designed to support not only aviation capital development, but to defray a portion of the Federal Government's cost of operating the air traffic control system. Yet, even though the trust fund has a surplus of over $5.6 billion—that's right, $5.6 billion in surplus funds—the Federal share of airport development has failed to keep pace with the growth in aviation.

I am pleased that in the proposed budget agreement, specifically function 400—which covers all transportation programs—provides the $1.6 billion needed for the Airport Improvement Program, as well as increases adequate to provide for the continued modernization of the air traffic control system. The budget also assumes an increase above current funding levels for FAA operational expenses—thus giving the Appropriations Committee the room it needs to approve the 955 air traffic controllers and support staff recently requested by the Secretary of Transportation.

Development of our airports and airways—needed to ensure air safety and efficient travel—requires a substantial financial commitment. In our reauthorization legislation, which we hope to bring to the Senate sometime before the August recess, we have attempted to provide the framework through which Federal funding can be made available. The fiscal year 1988 budget takes the next step by providing the resources needed to fulfill that commitment. And it is my intent to continue to work until we have an appropriations bill in place that will ensure that our air transportation system is equipped to safely handle the current and future levels of air traffic.

Mr. SYMMS. This budget conference report is a sad commentary on the ability of the Congress to manage public policy. It is about 2 months late. It does not meet the spending target limits that Congress embraced with the Gramm-Rudman-Hollings bill. It is a budget plan that increases spending and increases taxes. The President is going to veto tax increases, and this Congress is going to sustain that veto; so this budget is one that is going to end up increasing the deficit.

Last year this Congress was able to hold total spending to an increase of 2.5 percent. That was a step in the direction we should be going. This year the spending increase would be 4.5 percent, and that is after greater than a 2-percent real decrease in defense. If the President caves in and agrees to raise taxes, the defense cut would be 2 percent.

Domestic spending will increase under the conference agreement by nearly $41 billion. No domestic programs are assumed to be terminated by the budget resolution.

What is, after all, the most important responsibility of the Federal Government? National defense. Defense is the one function of Government that no State government can perform. It is a function that we can't "privatize." Yet it is the one part of this budget resolution that you want to cannibalize to pay for special interest programs.

I noticed in the New York Times this week a remarkable statement by candidate Jesse Jackson at the leadership conference in Atlanta. He believes it is a bad label to call these programs "special interest." I think, however, that the treatment in this budget of national defense—the one truly general interest program in the United States—demonstrates that the majority on the conference committee very much shares the views of the Reverend Mr. Jackson.

This budget guarantees 5 consecutive years of real cuts in spending for defense, fiscal years 1986 through 1990. Although there is supposedly a "two tier" system for defense spending, more taxes, less defense or no taxes, cripple defense, even at the high-tier and high-tax level, there will be negative growth this year.

Mr. President, the world appears to have been swept off its feet by the charming Mikhail Gorbachev and his "new" policy of "openness". Maybe it seems to the budget conference majority that we don't really need a stronger national defense now.

Polling in a number of countries would indicate that many people worldwide view Gorbachev as being more interested in "world peace" than is President Reagan.

In light of the "positive" changes taking place within the Soviet Union, many in this country see the United States as the main obstacle in the United States and the U.S.S.R. embarking upon a new era of beneficial relations.

Many believe that we are on the verge of a bright and progressive period of cooperation and peaceful coexistence with the U.S.S.R. If only we will try harder. If only the United States will not act so provocatively toward Moscow and would adopt a conciliatory defense posture, then peace must surely follow.

Mr. President, "hope springs eternal in the human breast." Would the world be such that real "peace" and "freedom" may indeed follow. But I am afraid that the "charming" Gorbachev and the "openness" and supposed "internal reforms" within the Soviet Union are nothing more than a well advertised program of disinformation; a program of disinformation similiar to numerous other programs coming from Moscow designed to mislead and confuse the West.

For our own future welfare, we cannot allow ourselves to be led away by this latest "siren song" emanating from the keepers of the gulags. We must not delude ourselves into thinking we no longer need necessary and proper defense systems such as the SDI.

Until Moscow's real actions match their protestations of good intentions we must provide a strong defense of our liberties.

Mr. President, I would bring to my colleagues' attention an editorial written by Mr. David L Gray, publisher of Air Force magazine. In the editorial, Mr. Gray highlights a cautious and proper course for the United States to follow. I believe he realistically evaluates the situation within the Soviet Union and commend his thoughts for all to read. I ask unanimous consent that the June 1987 Air Force magazine editorial be reprinted in the Record.

Mr. President, some Senators on that side of the aisle have tried to create the impression that the defense budget is solely responsible for this country's immense deficit. On the contrary, the figures show that taxes and nondefense spending are rising a lot faster than defense spending.

I wish to share with my colleagues some interesting figures. The on-budget revenue figure in 1986, the last full fiscal year, was $568.9 billion. The conference majority has proposed to raise taxes so that in 1988 the on-budget revenue will be $692.3 billion. This is a $123.4 billion annual tax increase.

I thought the issue of raising taxes to pay for more government spending programs had already been settled in the 1984 elections. The notion of increasing taxes to pay for government programs is unacceptable to the American people.

At the same time, the on-budget outlays in 1986 were $803.3 billion. Under this majority budget proposal, on-budget outlays would be $836.2 billion in 1988, $868 billion in 1989, and $888.3 billion in 1990. This would result in total 3-year outlays of $173.6 billion in excess of what outlays would have been if spending had been frozen at last year's level.

Let me repeat that. The majority budget would result in total 3-year outlays of an additional $173.6 billion.

The majority budget would increase spending, between 1988 and 1990, in international affairs by $3.95 billion in excess of the amount we would spend if the figure had been frozen at the level of the last full fiscal year. Spending in the general science, space, and technology field would increase $11.7 billion. The increased spending in natural resources and environment $7.7 billion.

Mr. President, I think we can all see that the budget reported by the conference majority would increase spending in most nondefense areas. To finance these spending increases, it would raise taxes. This budget package is not what the American people want. The American people do not want these tax increases.

As for the rhetoric about massive "defense increases," since President Reagan took office, there is also a certain amount of hypocrisy about this.

For years and years, taxes and domestic spending have gone up and up. But the advocates of increasing spending have wailed about "tax cuts" and "spending cuts" because these increases were less than the current services baseline.

What does the current services baseline for defense look like? Well, according to the CBO, defense spending, in order to stay even, would have to rise to $290.5 in outlays in 1988, $303.4 in 1889, and $317.1 in 1990.

Using these figures as a guideline, the conference majority budget will—and this is the so-called high-tier budget—will cut defense spending by $1 billion in 1988. It cuts defense spending by $11.1 billion in 1989. And it cuts defense spending by $17.9 billion in 1990. This means that the total defense cuts embodied in the majority proposal over 3 years amount to $30 billion.

I repeat: The Democrat proposal would cut our Nation's military preparedness by $30 billion over what the CBO says is necessary merely to remain abreast with current spending.

This goofy system of holding defense hostage to the tax increase only promises to add 47 billion back to the defense budget in exchange for $64 billion in new taxes without holding any of the domestic spending in the same way hostage to taxes.

As a matter of fact, it is a complete deception of the American people to even make the argument that we have to pay for defense with a tax increase. What this budget resolution really is doing is paying for domestic spending increases with a tax increase. First, the conference majority proposes to shift $6.7 billion in budget authority away from defense in order to apply that sum elsewhere in the budget. Then they make the offer to restore the defense spending only if taxes are enacted to pay for it.

Mr. President, I am going to vote against this conference report and I hope, for the sake of the national security of the American people that some of the Senators on the other side of the aisle will join me. We must reject this budget resolution and send it back to the conference committee with a strong message that tax increases and defense cuts must be eliminated.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

THE RUSSIANS AND THEIR REFORMS

(By David L. Gray)

The Soviet Union may—or may not—be in the midst of fundamental change. In either case, General Secretary Mikhail Gorbachev has won the enthusiastic acclaim of the international community for his well-advertised program of internal reforms. Even before Gorbachev decided it was all right for the babushkas to read Doctor Zhivago, though, many Westerners were already in the habit of straining to find positive interpretations for the behavior of the Soviet Union. Now, each time Gorbachev frees another dissident or promises to pull his invasion troops out of Afghanistan, the perception grows that the Soviet threat is melting away.

The Soviet Union is well into its third decade of the most relentless and massive buildup of military power the world has ever known. This continues unabated, although obscured considerably by the new talk of peace and cooperation flowing steadily out of Moscow. So strong is the desire to believe a Russian Renaissance is under way that those who urge caution are likely to be regarded as obstructionists.

Gorbachev is no doubt sincere about economic, political, and social reform insofar as it suits his purposes. The Soviet economy is a scandal. The work force is unmotivated and lethargic. Both industry and the military are largely dependent on stolen technology. Soviet per capita GNP trails not only the major Western nations but also East Germany and Czechoslovakia in the Eastern bloc. It is roughly on a par with that of Hungary. Any superpower with such shabby credentials would have reason to welcome change.

But does this mean that the Russians, after seventy years of struggling for world domination, are ready to renounce the October Revolution, chuck out Marxism-Leninism, and hammer their MiGs into plowshares? Don't bet on it.

A recent editorial in the Economist observed that free nations have long been repelled by three aspects of the Soviet regime: "It has been an undemocratic police state of the worst kind: its economy for the past twenty-five years has done shamefully badly; and it has been a geopolitical menance." We would do well to watch developments in all three of these areas as we assess the Gorbachev Revolution. Although The Economist did not rank its three factors by severity, the one that threatens the West most directly is Soviet ambition for global power.

Despite Gorbachev's talk of change, growth of the Soviet military machine has actually accelerated during his tenure. (See "The Guns of Glasnost," p. 84 of this issue.) The GNP of the Soviet Union is only about fifty-five percent of that of the United States, yet some fifteen to seventeen percent of it is allocated for military use. (The U.S. allocates just over six percent of its GNP to defense.) A major motivation for Gorbachev's reforms, in fact, may be concern about the ability of the Soviet Union to sustain its military power objectives.

Improved productivity is a big element in Gorbachev's plan. He says he intends to get two-thirds of his increase from industrial modernization and the other third from "human factors." More money has already been channeled to industrial reconstruction and tooling. The aspiration is to bring quality up to "world standards," which is revealing in itself.

The inability to match Western technology worries and sometimes obsesses the Russians. Stealing secrets is one way to narrow this gap. East-West trade cooperation—which Gorbachev has been applauded for promoting—is another. A pervasive envy and awe of American technical ingenuity, especially fear of what it might achieve in defense against ballistic missiles, have stimulated Soviet interest in arms control.

Gorbachev says he intends to increase quantity and quality at the same time, which is difficult under the best of circumstances, and that is hardly the prevailing condition in the USSR today. So far, what the workers have gotten out of this, mainly, is more work. Consumer demands go unmet. There are indications of dissatisfaction as a result of the crackdowns on factory inefficiency and shakeups of a system that has been comfortable for bureaucrats and petty officials.

To make his reform program really work, Gorbachev would probably have to take the Soviet Union much farther in the direction of a market economy, with supply geared to demand, greater freedom of choice, and more encouragement of innovation. That would almost certainly lead to a revision of budget priorities—more butter, fewer guns—a loosening of control by the power elite, and a drift toward democratic capitalism.

The Soviet Union qualifies as a superpower in one respect only: its huge military establishment, which it has used effectively to intimidate other nations and to keep its vassal states from breaking free. Unless the Russians maintain their military posture, their status in the world will be diminished. Even if industrial reform works to an improbable degree, the Soviet Union will still not be a leader in the economic arena. And if Gorbachev manages to direct the yields of increased productivity toward military purposes, then reform has only made the Soviet Union a more formidable adversary.

We should give Gorbachev his due and listen to what he has to say. He is an energetic reformer, and some good may come of what he is doing. But we should also inspect his offerings carefully. They may not be as they seem on the surface. For example, the Soviets made a great show of withdrawing some forces from Afghanistan—but quietly had brought in two infantry units from Central Asia for the express purpose of being able to withdraw them. We should also remember that we have seen apparent reform in the Soviet Union before.

Nikita Khrushchev looked like the antidote to Stalin's despotism, and American college students nearly made a cult figure of him in 1959. Yet it was he who made the aggressive bid for Soviet domination by introducing missiles into Cuba. Partly for his failure in that and partly for his reform notions, the Old Guard toppled him eventually and launched a wave of counterreform. And then there was détente in the 1970s, when the optimists thought the Russians might tear down the Iron Curtain. It proved to be only a screen for business as usual.

The Soviet Union remains a totalitarian state—which is one reason why its economy is in a mess—and its military power continues to grow and threaten the rest of the world. Are we to believe that the Russians will suddenly stop being Russians? It would be foolish to expect too much and relax our guard. When something seems too good to be true, it probably is.

Mr. BYRD. Mr. President, I yield myself 1 minute.

Mr. President, for the information of Senators, I believe there will be two more rollcall votes. One will probably be in reference to a point of order that will be made by, I suppose, the distingished ranking manager of the bill, who will make a point of order, and the Chair will rule, and there may be an appeal of the Chair's ruling. There will be a vote on that procedural matter.

Then, unless someone else raises another procedural matter, why, the Senate would be ready to vote upon the yielding back—all time would have already been yielded back. The Senate would then report on the conference report and then it would be my plan to go to the trade bill.

So, the sooner we can get Senators speaking now—how much time remains to all sides? May I ask the Chair?

The PRESIDING OFFICER. The Senator from Oregon controls 1 hour 30 minutes, the majority leader controls 41 minutes, and the Senator from New Mexico controls 18½ minutes.

Mr. BYRD. I thank the Chair.

Mr. DOMENICI. Mr. President, I yield 4 minutes to the distinguished Senator from Wyoming, Senator SIMPSON.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. DOMENICI. Could we have order, Mr. President?

The PRESIDING OFFICER. The Senator from New Mexico is correct. We will have order in the Chamber so the Senator from Wyoming can be heard. There will be order in the Chamber.

The Senator from Wyoming.

Mr. SIMPSON. Mr. President, I wish to express my opposition to the conference report on the budget for fiscal year 1988. I think this agreement falls very, very short of the deficit-cutting goals that we all said we wanted to meet. We set those for ourselves. We even shackled ourselves with Gramm-Rudman-Hollings because we knew we could not do it ourselves.

The old business of using your self-discipline and your will power do not work on us. They do not work on me, either. So we visited upon ourselves Gramm-Rudman-Hollings. I voted for that; 76 of us did, in this Chamber; both parties. That was what we tried to do.

Now here we are back here dealing with something that I think is not at all an equitable tradeoff, and certainly one I cannot support.

Mr. DOMENICI. Can we have order?

The PRESIDING OFFICER. The Senate is not in order.

Mr. SIMPSON. This budget agreement would increase spending. We heard the figures: $46 billion up from current year spending for a total budget of $1.1 trillion. I think that is very far from the spending restraint the Congress has been working toward over the past several years.

The conference agreement also raises the year's total taxes by $21.1 billion in fiscal year 1988 alone. It calls for a whopping increase in taxes.

The PRESIDING OFFICER. Will the Senator suspend? The Chair does not have order in the Chamber. It is not proper for the Senator from Wyoming to proceed if the Senate is not in order. The Chair would appreciate if the Chamber would be silent and listen to the Senator.

Mr. SIMPSON. Mr. President, it was getting so bad I just roared right ahead anyway. I thank my colleagues.

My remarks shall be very short.

I am curious, really, as to just how the proponents of this resolution intend to reach those large revenue figures. Let us see how we are going to do that. We are not going to get there. We cannot get to those revenue figures. I am a Senator who is ready to vote for some revenue enhancement. I hate to use that term, but I would. I always have said that. I think there is going to come a time at the 11th hour of the 11th day when we are going to say we are going to have to have some.

But certainly in this budget we are in for some very "creative accounting". It really is not just smoke and mirrors this time—It is really kind of a laugh and a rip-roaring joke. We cannot get there.

The President has told us what he will do. I guess that is the reason we do this budget exercise. We know what he will do. We may not agree but we know what he will do. He says no to spending and we say new revenue.

Sometimes I think the budget is like kind of a giant bomb where they have rigged it up with about 14 trip wires going off from it hoping one will blow up at 1600 Pennsylvania Avenue and one will blow up over here and one will blow up over there. It takes some real kid gloves to go out there and defuse this baby.

That is what we have done. We are all kidding ourselves. We do it often. We did it when we were doing it, "creative accounting". Boy, we have some creative stuff this time.

REA—there is the doozy of the century. We are going to get $7.2 billion. Well, that is absurd. We are going to subtract that and say that that is going to be deficit reduction. If you took that out of there, there would not be any deficit reduction at all. There is not any anyway. Nobody does any heavy lifting here.

We are going to take a real blow in the chops on this one. When we do this one for REA alone, the forgiven interest will cost us $24 billion over the 20 or 30-year lifespan of the loan. I do not think that is what we had in mind. We must protect rural America and REA users, but this is not the way.

On technical reassessments, my mind cannot reach into the——

The PRESIDING OFFICER. The Senator from Wyoming has used 4 minutes.

Mr. SIMPSON. Will the Senator yield one additional minute?

Mr. DOMENICI. Yes.

Mr. SIMPSON. On "technical reestimates", I cannot conjecture into the gray area of what that may be as we cover all that to meet a target and then going up to $41 billion from the 1987 level on domestic programs.

I oppose this dazzling inconsistency and double standard. Both parties do it and the American public suffers. But I think to rig it in a way which hopefully will detonate over the President's pen is not the best way to do our business. I just share with you that to my mind "boys will be boys", but this is really quite ridiculous and I think offensive. We are not cutting anything, except always only proposed increases. I have heard that said. Then we maybe ought to freeze everything. Maybe that is the way to do it. We scaff at it but maybe we ought to do that someday and quit playing around as we are doing here—for we all do it.

This budget, I think, is quite a ridiculous thing and it is surely not intended to do what we said we would do under Gramm-Rudman-Hollings.

I yield the floor.

Mr. DOMENICI. Mr. President, I yield 4 minutes to the distinguished Republican leader, Senator DOLE.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, I know the hour is late and there have been a number of good speeches on this budget resolution. I have listened to many in my office. I do not believe anybody is going to change any votes. I believe the majority party has the votes. But, as I indicated yesterday when people are shopping around looking for a difference, the fundamental difference in the two parties, this budget resolution should be exhibit A. It would seem to me that it may be described as exhibit A in the weeks and months ahead.

I know the difficulty in passing a budget resolution. Believe me. I know the difficulty in putting it together and keeping it together and getting enough votes to pass it.

I can recall the vote on May 10, 1985, where at 2 o'clock in the morning by a one-vote margin, with one member of the other party voting for the budget resolution, we passed the budget resolution by one vote. So I guess in a way I commend the majority for having a budget resolution.

But I do not believe we can escape the fact that there is going to be a lot of new taxes. I do not know where they are going to come from. Excise? Import Fees? Loopholes? Whatever. Changing the 1986 Tax Reform Act? I doubt it. I would remind by colleagues that by a vote of 90 to 10 this body voted for an amendment that would not tamper with the 1986 rates, the individual or corporate rates.

I guess the next big step will be whether or not reconciliation would pass, when we really get down to voting for something real instead of the budget resolution, which sort of sets the priorities and establishes the guidelines for reducing the deficit.

I would just urge my colleagues to vote against the budget resolution. I can count and I know the votes are there.

Mr. DOLE. Mr. President, the point of the budget process is to set priorities and to establish guidelines for cutting the budget. And there is no question that the time for the adoption of a fiscal blueprint is now here. As a matter of fact, the law requires that we have this accomplished by April 15—over 2 months ago.

But Mr. President, what we have before us is no blueprint for success, it is a map leading to a disaster.

NONDEFENSE SPENDING

This Democratic plan assumes $93 billion in reconciled savings over the next 3 years—three quarters, or over $70 billion, in savings from just REA refinancing and taxes, alone.

The increased taxes, $21.1 billion in total taxes next year alone, is the single largest tax increase ever proposed. Should we turn to excise taxes to raise this money, recent studies have shown that families earning less than $20,000 would lose almost all of the benefits we provided in the Tax Reform Act just last year. This would mean a substantial increase in taxes for the working poor.

Most Americans might expect that a resolution purporting to reduce the deficit by $34 billion would include some reduction in spending. But, domestic spending is not restrained at all in this budget. Total spending would increase nearly 4.5 percent next year, approximately $41 billion. And this of course includes along with a number of other bad ideas, money to pay for our campaigns. The original Senate-passed resolution which I also opposed was bad enough, but this conference agreement actually picked up additional spending of $2.5 billion above the current policy baseline.

DEFENSE OF THE NATION

But perhaps the most frightening aspect of this conference report is the impact on our national security.

The conference agreement holds hostage our national security to those reconciled tax increases of $64 billion. And for this $64 billion, the defense budget for next year would be adjusted by a mere $7 billion.

This level would still result in defense spending being reduced in real terms over 2 percent next year. Such a level is below the Senate-passed resolution level, below the Senate authorization level, and significantly below the President's request.

And if the President does not embrace the largest tax increase in history, spending for our Armed Forces would suffer a negative 4.5-percent real growth.

Even assuming the high-end defense numbers, personnel end strength reductions will create serious imbalances in force structure. Many of the higher trained troops simply will not be allowed to reenlist. Even more may elect to jump ship when they find out that any further pay raises will be reduced or delayed. We could easily witness the personnel exodus experienced in the late 1970's. And do not expect the Reserves and National Guard to pick up the slack, for the Reserves and Guard will also be cut back in drill strength and some full-time support will be cut back.

Regardless of what the present Senate defense authorization bill espouses, significant reductions in operating accounts will result in a serious deterioration of readiness, support, and sustainability. Air Force flying hours will fall below the fiscal year 1980 levels and the Navy's primary mission readiness figures will decrease from 87 to 81 percent. Ship operating tempos will be reduced for both deployed and nondeployed fleets resulting in less support to battle groups throughout the world.

Modernization of aircraft, missiles, and ships will be deferred resulting in an increased average age of our resources, which will deny our troops the important technological edge that we need. More specifically, you can expect reductions in the much needed Amraam missiles, Aegis ships, and ground launched cruise missiles—the very ones that are providing the Soviets with the incentive for an INF agreement.

In the research and development area, the strategic defense initiative could be doomed to a "research forever" program, canceling all experiments and eliminating exploration of several competing technology approaches. Further research on a basing mode for the remaining Peacekeeper missiles will deny us an essential element of our deterrent strategy.

And finally, quality of life programs such as family housing will require reductions. The living and working conditions will not be modernized thus resulting in poor morale, lower productivity, and higher personnel turnover.

SUMMARY

Mr. President, in short this resolution is nothing more than a blueprint for more taxes, more domestic spending, and a reduction in defense spending to dangerous levels. It is a blueprint of a map—a map of the road to ruin.

Mr. President, just to sum up, I think what we have in this budget resolution is something that not many American people voted for in 1986, 1984, 1982, or 1980. It is higher taxes, severe cuts in the defense budget—in fact, you do not get the $7 billion increase in defense unless you vote for $64 billion in taxes—and a sharp increase in nondefense domestic spending.

If that is what the American people are aching for across the land, then this is their opportunity. But I must say as I travel around the country I do not have many people clamoring for higher taxes. Not many people rush up to me and say, "Please raise my taxes," particularly at $20 billion a year, the biggest single tax increase in any 1 year, ever. That is a big, big tax increase.

Maybe there is some painless way to raise $20 billion. If there is, it escapes my notice, and I was chairman of the Finance Committee. I recall the 1982 tax bill when not a single Member of the other party voted for it and I know how difficult it is to raise revenues, to close loopholes, to do whatever it is that has to be done.

It would seem to me that we have been able to escape our responsibility again, that we have been able to tell the American people that we are reducing the deficit when that is not accurate. We are, in effect, spending more money by raising taxes and by cutting defense. Certainly, defense ought to be scrutinized like everything else in the budget. I had in my statement a number of areas that I think are going to start to show.

But I do not know of any alternative if we fall behind, and a good alternative.

So this budget resolution separates the two parties philosophically and any way you want to slice it. If the American people want higher taxes and more domestic spending and radical cuts in defense, this is what they ought to hope we pass and go to reconciliation. I do not think that is what the American people want.

Mr. DOMENICI. Mr. President, I imagine that the majority would desire to close on this matter, so I am going to yield whatever time I have to myself. Then we will be finished on this side.

Let me first dispel any notion that I have given up on the budget process. I have not. Let me just suggest to a few Senators—not very many, but some have alluded to the fact that we have not helped and it is all their product and they have had to do it all alone on the Democratic side. That is right. I just remind Senators that that is not the first time that has happened. It has happened the reverse way when we had to do it.

We had to do it when the Democrats were in the minority and we did it without them. We did get one Democrat, Senator Zorinsky. He is dead now.

We have had to pass taxes. We passed TEFRA when we were at the peak of recovery. We had to do it. Not one single vote to help on that side.

Someone said, they put the plate out and we are not participating. That is right, because we do not like what is on the plate. It is plain and simple.

The distinguished minority leader said it very plain and clear: This is not our cup of tea. This is not our solution to the problems we have in this country. This budget resolution, despite all the high-sounding phrases, is not going to change one thing that is wrong with the United States of America. It is spoken of as a budget for the future, a budget to help us become more competitive.

Mr. President, I submit that before this budget runs its way through the appropriations process, if there is a major new, exciting American program that helps competitiveness, I will stand here on the floor and compliment the other side. I do not believe that is going to happen.

It is really more of the same: $41 billion in domestic spending increases and a couple of new programs in the health and senior citizens field that we probably ought to have. Except we ought to do it another way.

You ask the American people and they will tell you how to do it. They will say, spend more money in a few of these major areas, but get rid of some programs that are less effective; reduce the programs. Do not consider all programs to be created equal in this inventory of American programs, 1,500 plus. That is one point.

The second point is very plain and simple: The American people will pay taxes and will stand behind tax increases and those who propose them when they know we have reduced spending abolutely to rock bottom, as has happened in many States, many sovereign States of the United States. We are not there in this budget.

Third, if you want to keep America first and you do not want to worry about the next 5 or 6 years, make sure that you are doing one thing that is absolutely right: Do not cut defense as much as we are cutting it here.

I had occasion to add in this budget resolution defense spending and foreign assistance. If my arithmetic is right, the sum total of the two under the budget trends here will soon be at the lowest point in the history of the Republic. What we have committed to our allies, the budding democracies, and to the defense of freedom will soon be at the lowest point in the history of the Republic. All in the name of some futuristic budget for America.

Frankly, Mr. President, we have heard all about defense here, it is true, on the floor of the Senate. You can see the lines, they were shown to you today. We will soon be back to the 1978 era, when even the Democrats had enough of it and they said to President Jimmy Carter, "Enough is enough; increase defense." Now we have spent money on modernizing it and we are about to turn our backs on the young people who are in the military, on the modernization that we paid our money for and say now, we cannot afford it.

I tell you, Mr. President, the American people are getting a double whammy on that one. They paid for it and now they are not going to be able to use it because there is no way to get to the low levels of this defense budget, especially tier 2, without literally causing American military personnel to go down in every respect; operations and maintenance of the new equipment to go down in every respect.

I submit, when you have those kinds of ingredients in a budget, it is pretty clearcut. If you are for that, you vote for this budget. If you are not, you do not vote for it. It is as simple as that. I hope we are around to put together a bipartisan budget one of these days. This one is not it.

Mr. President, I regret that they had to do it alone, but in a sense, it is really, in that respect, a distinguishing feature. If they think this is good for America's future, is going to solve all kinds of problems that somebody envisions out there in this country, this Senator disagrees.

I just do not think it has any chance of solving any of the major American problems—none. Competitiveness, international trade, freedom in the world, the kind of umbrella of peace that has permitted the industrial nations to progress—none of those are enhanced under this budget resolution. In a very real sense, it is spend more and tax more. I regret that I have to say that. I have never said that before but I truly can say it about this budget. It will pass, but I think another day will come.

I do not see any way that it will be implemented. I still have a ray of hope that we might be able to get ourselves together on something that is more moderate, yet achieves some more deficit reduction. But my hope is waning.

I say to my fellow Senators that when the debate is finished, I shall raise a point of order on a very serious point. I cannot do it until the debate is finished but it has to do with including a debt limit in reconciliation. Senators are going to hear a little about that, how important that issue is. I am sure there are not 10 Senators here who know that in this budget resolution, we have said that you may include in the next reconciliation bill the next debt limit bill for the United States.

That is historic. I believe it is out of order. I believe we should vote on whether or not it is out of order to do it this way.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. CHILES. I yield to the Senator from Nebraska

Mr. EXON. Mr. President, I thank the chairman of the Budget Committee. I have a question of him.

All afternoon I have been listening to these moans and groans and cries of irresponsible budgeting. I am a member of the Budget Committee, and I remember all during those years when it was customary in the Budget Committee to have different marks offered by different Senators, Democrats or Republicans. We freely debated.

Is there any way that the Senator, as chairman of the Budget Committee, has prevented the Republican minority from offering any kind of a total reduction in spending that we have heard so much about on the floor of the Senate this afternoon? How many marks did the Republicans offer during our deliberations on the budget to make anywhere near the cuts that they are talking about making and criticizing this budget for on the floor this afternoon?

Mr. CHILES. I think, as the Senator from Nebraska knows, there were no marks made by the Senate Republicans in the Budget Committee. There was one provision, an amendment offered by the Senator from New Mexico, on the floor during the budget reconciliation. I think it got 24 votes.

Mr. EXON. Does the Senator remember all our years when not a single Democratic mark was put up when the Republicans were in control of the committee and in control of the U.S. Senate?

Mr. CHILES. No, sir; I do not, Mr. President.

Mr. EXON. Can the Senator explain why they offered nothing in the form of a specific reduction in the Budget Committee when it could have been debated for the good and information of all?

Mr. CHILES. No, Mr. President; I cannot.

Mr. EXON. I thank the Senator very much.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Mr. President, I yield myself such time as I may require.

One of the fundamental elements of leadership is the willingness to face up to tough decisions. Another aspect of honest leadership is the willingness not to duck sensible if somewhat painful solutions. The Budget Committee has met those requirements of leadership—courageous leadership, honest leadership.

This country is in a very bad situation. We have a public debt that has more than doubled within the past 5½ or 6 years. Through 39 administrations and 192 years, this country accumulated a national debt of a little under $1 trillion. In fiscal year 1982, the first fiscal year for which President Reagan was responsible as our President, we had a budget deficit which, for the first time, was of triple-digit proportions, $128 billion. In the next year it increased $80 billion to $208 billion; the next year, $185 billion; the next year, $212 billion; the next year, $221 billion.

We saw the public debt more than double, so that it stands now well over $2 trillion. And it happened on this President's watch.

This President goes around the country and he talks about the "tax and spend Congress." Well, I have done my part of taxing and spending. Those of us who have been here on this Hill for any length of time all have done some taxing and spending. The American people have asked for some taxing and spending.

Mr. President, this President talks about a constitutional amendment to balance the budget. He talks about how things were when he was Governor of California. I keep hearing all these Presidents who have previously been Governors talk about how things were when they were Governors of such and such States. President Carter talked about how things were in the State of Georgia when he was Governor, and now President Reagan keeps talking about how the California constitution requires a balanced budget and how, as Governor, he saved money and turned money back to the treasury.

Well, I was in the State legislature 41 years ago in West Virginia. We also had a requirement for a balanced budget, but the State of West Virginia does not have to bear the U.S. constitutional burden to provide for the national defense. It does not have to maintain a Federal postal service. One reason why West Virginia was able to balance its budget for a long time—it is having real troubles right now—was that the Federal Government provided a good many of the moneys that were needed for our interstate highways and other programs, and the same thing is true with California.

But the President goes around with this old quack nostrum about a constitutional amendment. I voted for a constitutional amendment. I probably would do so again. But I can tell you one thing, it will not solve this country's problems. It will take years for it to be ratified if it is ever ratified by three-fourths of the States.

So what we have here is a President who will not play. And these triple-digit budget deficits have occurred on his watch.

I voted for the tax cut in 1981, and been sorry of it ever since. But I voted for it because the people back home said, "Give him a chance." Well, I voted to give him a chance. I voted for that tax cut.

I have also supported his buildup in defense. We hear our friends on the other side talk about Democrats, how weak they are on defense. I will match my defense record with anybody on the other side of the aisle, anybody.

As I said to the President the other day when I was down at the White House, "I voted for Midgetman missile, the Trident missile, the Trident submarine, the MX, SDI. You had two votes last year and you won by 1 vote on each of those two votes on SDI. I voted for SDI." So I have voted for everything in the book when it comes to national defense, but as I also pointed out to the President, I am getting a little tired of reading in the newspapers where we are wasting all this money on national defense.

Look here in the newspaper, a story that says one-third of our MX missiles will not fire. One-third of our MX missiles will not fire.

So I am beginning to have some questions as to just how wise we are in judging how patriotic we are simply by putting a price tag on our vote for every defense program that comes along. I voted for this, I voted for that, I voted for something else; therefore, I am strong on national defense.

Mr. President, nobody can challenge this Senator with respect to his support for national defense. I supported the President's $1.5 trillion buildup of national defense.

I will not go into the history of all this, but I will say that I did try to persuade the President in 1981 to make the third year of that tax cut conditioned on the economy of this country, which we could not foresee at that time when we were being asked to vote for a 10-percent tax cut for every year for 3 years and vote for it all at once without knowing what the third year was going to be like as to the economy. In any event, my request was turned down.

But here we are now, we have seen this public debt increase to the tune that 37 cents out of every individual income tax dollar that you pay and I pay goes for interest on that national debt—$136 billion last year, $140 billion this year, and it is going to keep on and on and on.

How much is it, a trillion dollars? $1,000,000,000,000—12 zeroes. That is a trillion dollars. What does it mean? I said to my younger granddaughter the other day, "Let us figure up how long it would take to count a trillion dollars. At $1 per second, how long would it take to count a trillion dollars?" Thirty-two thousand years.

It begins now to take on some proportions that mean something. And that granddaughter of mine and her grandchildren's grandchildren are going to be paying taxes on that national debt which you and I ought to be doing something about today.

So one of the essentials of leadership then is the willingness to face up to tough, though questions, and the Democrats on the Budget Committee have faced up to some tough questions.

Now, we have heard it said by our Republican friends many times, "Well, back so and so, way back when, there was only one vote, one Democratic vote cast for the budget." Well, that is true. But we are not living way back when. We are living now. We have got to be responsible for what we do now as well as way back when. And by now we have a $2.2 trillion public debt.

The President talks about this "tax and spend" Congress, this "tax and spend" Congress, the same old speech that we have been hearing ad infinitum over the past several years and now he is going around the country to tell it all over again.

But if you look at that public debt, the President in 1981 on television pointed to the public debt as represented by a stack of $1,000 bills. He said that stack of bills would reach 67 miles into the stratosphere.

Mr. President, you will never see President Reagan do that again, never. He will never get on television again and point to that stack of $1,000 bills as an image of the national debt. If he ever does point to that stack of bills again, it is going to be almost 150 miles in the air, way more than 67 miles in the air. I do not think he will do that ever again.

That happened on his watch. Why did it happen? Because we are borrowing and spending—not taxing and spending, but borrowing and spending.

How does the public debt go up? Because we borrow. We are borrowing and spending. And we are paying interest to other countries. They are loaning us the money to fund that debt with. So we are going in hock to foreign countries so that we can pay the interest on that public debt today.

So, what the Democrats in this Senate are trying to do is tear up our national credit card. It is time to tear up our national credit card, and it is time for some truth in budgeting.

No one likes to pay taxes, but the President had taxes in his budget. Why does he not say so?

He never has sent up a balanced budget during all his years as President. Yet he pushes for a constitutional amendment requiring a balanced budget. He says Democrats are proposing to raise taxes. He does not say anything about his own budget which was sent up to this Senate and which was voted down. His budget got only 18 votes, out of 100 Senators, and 46 of those Senators were Republicans. He got 18 votes. Why? Because his own party did not believe in his budget. They saw through it. Eighteen Senators, and he had taxes in his own budget, but you will never hear him admit it.

No one likes to pay taxes, but to assert that America can keep on borrowing and borrowing and borrowing and spending our way into debt and that all will be well is a fundamental dishonesty.

A great nation must be willing to pay some price if it wants to remain a great nation.

So it is time, Mr. President, to give the next generation a leg up.

The Government of the United States has been borrowing from their piggybank, their piggybank.

So the next time the President talks about that tax-and-spend Congress—I mean when he talks about Congress he talks about Republicans, too, his own party—when he talks about that tax-and-spend Congress I hope someone will ask him about that piggybank of future generations from which he apparently wants to go on taking money and running up the public debt.

This budget says it is time to put it back in that piggybank, time to put back what we have taken out.

Mr. President, I am well aware, as I have indicated, that the President has mounted a campaign to criticize this budget. A great deal of taxpayers' money will be spent as the President travels around this country bashing this budget and bashing the Congress which he has been doing for over 6 years—continually bashing the Congress.

I would like to remind the President what the question is. Are we willing to pay the price to keep America No. 1? The President will spend a great deal of time flying around the counry talking about an economic bill of rights. I understand that speech will occur on, I believe, about the 3d of July, the economic bill of rights.

He will tell the American people a fairy tale about the future that he does not want to pay for. The American people know there is no tooth fairy. They want a serious debate about America's future and what we need to do to keep America No. 1.

The budget is based on that assertion, the assertion that each of us has a stake in this country's future that is more than the sum of what each of us can get out of it.

It is a budget that speaks to America's future, and America's future cannot be built on a foundation of debt that we owe to other countries. It is time to think about what we are leaving to our children and our grandchildren.

Mr. President, it took a long time to build this country and it has been built out of the blood and treasure of the American people—people of all races, all religions, people of many origins. It has taken decades and decades to build, and I hope we will stop and ask ourselves what do we owe our country?

I watched them tear the building down,
A gang of men in a busy town;
With a ho-heave-ho, and a lusty yell,
They swung a beam and a sidewall fell.
I asked the foreman, "Are these men skilled,
And the men you would hire if you had to build?"
He gave a laugh and said, "No, indeed;
Just common labor is all you need.
I could easily wreck in a day or two
What builders have taken years to do."
I thought to myself as I went away,
Which of these roles have I tried to play:
Am I a builder who works with care,
Measuring life by the rule and square,
Am I shaping my deeds to a well-made plan,
Patiently doing the best I can?
Or am I a wrecker who walks the town,
Content with the labor of tearing down?

Mr. President, we can play either role. We can go around the country playing the role of tearing down; we can bash the Congress; we can bash the Democrats; we can offer these fake nostrums that will not work, because it will take years if they are ever ratified by the American people through conventions or legislation, or we can face up to the problem, admit that it occurred on our watch, get the cooperation of those in both parties and get to work on finding a solution so that when we leave office, as all of us will one day, we can look in that mirror and say, "I haven't cheated the man in the glass." The future generations are going to hold us responsible. They are going to hold me responsible, and they are going to hold this President responsible, and they are not going to deal with us lightly.

When you get all you want
In your struggle for pelf,
And the world makes you king for a day,
Then go to a mirror and look at yourself,
And see what that guy has to say.

It isn't your father, mother or wife
Who judgment upon you must pass.
The fellow whose verdict means most in your life
Is the man looking back from the glass.

He's the fellow to please, never mind all the rest,
For he is with you clear down to the end,
And you have passed your most difficult, most dangerous test
If the man in the glass is your friend.

You may be a Jack Horner and chisel a plum,
And think, "Boy, you are a wonderful guy,"
But the man in the glass will just say you're a bum
If you can't look him straight in the eye.

You may fool the whole world down the pathway of years,
And get pats on the back as you pass;
But your final reward will be heartaches and tears
If you cheated the man in the glass.

Mr. President, I think it is about time we all stopped and took inventory of where we stand when we look in the glass. It is about time we stopped bashing and finger pointings and start sitting down and work together. This chairman of this Budget Committee has offered his hand to the President. Let us work together. I say the same thing. Let us work together. Let us develop a package. It is going to be painful. It is going to hurt me. It is going to hurt all of us.

But if we work together, I do not clobber you and you do not clobber me, and we hammer out a bipartisan approach to cutting the deficits and reducing the national debt.

But if this President will not listen, and I regret to say that I do not think he is going to listen, I do say that we still have our responsibility and I hope that we will have the support of both parties in this Senate as we face up to our responsibilities.

I do not attempt to judge any other person as to how he shall decide how he shall vote. I know a lot of Senators are opposed to this budget for fundamental reasons, basic good reasons in their own viewpoint, but we are going to have to face up to the fact that we have serious problems in this country and that we need each other to solve them.

So I hope that the President along with myself will take a look in the glass and ask ourselves, "Where do you stand?"

Mr. President, I yield the floor.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. GRAHAM). The Senators from West Virginia has yielded the floor.

Who yields time?

Mr. CHILES. Mr. President, just before yielding back all of our time, I know the hour is late and we have been on the floor since 9:30 debating this. The Senator from Florida is not going to take any more time. I think that everyone understands what is before us.

Mr. President, I ask for the yeas and nays on the adoption of the conference report.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. CHILES. Mr. President, I yield back the remainder of my time.

Mr. DOMENICI. Mr. President, I yield back the balance of my time. I understand I had 35 seconds.

The PRESIDING OFFICER. (Mr. REID). All time is yielded back.

Mr. DOMENICI. Mr. President, I would like to propound a series of parliamentary inquiries. As I understand it, the only limitation placed on the authority of the Senate conferees is that they may not report language which is "entirely irrelevant" to what is initially agreed to in each House. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. Mr. President, after having reviewed the proceedings in each House as they deliberated their two versions of the budget resolution for fiscal year 1988, I find that neither Chamber agreed to language which instructed the Finance Committee to report, as part of its reconciliation submission, legislation increasing the statutory limit on the public debt.

I would ask Chairman CHILES, the chairman of the committee, if that is correct.

Mr. CHILES. I think that is correct.

Mr. DOMENICI. And I would ask the Chair if that is correct.

The PRESIDING OFFICER. That does appear to be the case.

Mr. DOMENICI. Mr. President, because this conference report contains a reconciliation instruction regarding the debt limit, and because that language was not agreed to in any form in either House, I raise a point of order that the conferees on this measure have exceeded their authority by reporting language which is entirely irrelevant to the House and Senate-passed measures.

The PRESIDING OFFICER. The point of order will not be sustained, because the Senate conferees are authorized to agree to a conference report that contains provisions germane to any provision in either the Senate or House version of a measure in conference. Under the precedence of the Senate, the term "germane," as it applies to material in a conference report, means any matter not entirely irrelevant to the subject matter contained in either version of the measure in conference.

The budget resolution as it passed the Senate contained an appropriate figure for the public debt limit and reconciliation instructions to the Finance Committee. It is not entirely irrelevant to instruct the Finance Committee to report such a measure.

Mr. DOMENICI. Mr. President, I appeal the ruling of the Chair and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. DOMENICI. Mr. President, do I understand now that the Senator from New Mexico has a half hour to debate this appeal?

The PRESIDING OFFICER. The Senator is correct.

Mr. DOMENICI. And that the distinguished floor manager has a half hour in opposition?

The PRESIDING OFFICER. The Senator is also correct.

Mr. DOMENICI. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from New Mexico is recognized for 10 minutes.

Mr. DOMENICI. Mr. President, Members of the Senate, today, as on many occasions in the past, we have heard a debate that, because we are Democrats and Republicans and U.S. Senators, has had a certain amount of political flair to it and, perhaps, on this particular resolution more than on many other occasions.

Now, the Senator from New Mexico has participated in that debate and I have, from time to time, had a bipartisan budget when it was not so much a partisan issue. But I would hope that the Senate would not consider what the Senator from New Mexico is raising tonight and talking about to have any partisan overtones whatsoever.

I could not be more honest with the Senate than to tell you that my raising of this point of order and appealing the ruling of the Chair has to do with the Senate as an institution and nothing whatsoever to do with Republican politics or Democratic politics.

I think I understand the institution now fairly well and I believe it is fair to say that I understand the budget process reasonably well. And I believe it is fair to say that I understand reconciliation and what it was intended for and how its use has progressed over the years. As a matter of fact, I assume that this Senator may, when a little bit of history is written on the budget process, even be accused of using the budget resolution on reconciliation in some very different ways than were contemplated when the people wrote it many, many years ago, 12 or 13.

But, Mr. President, I think this is a serious issue and I want the Senate to listen seriously. It would appear to me that the ruling of the Parliamentarian clearly would indicate that the U.S. Senate has decided to throw out the window the Byrd rule, 60 votes required for nongermane items on reconciliation. And I note the distinguished majority leader is here. I hope he will listen. I think I make a point and I hope the Senate will listen.

Mr. President, a reconciliation bill is one of the truly phenomenal pieces of legislation in the U.S. Senate. As you look at this Senate's history, a reconciliation bill may indeed be the most extraordinary bill affecting legislation, from taxes to programs to anything else in between that is ever used in the U.S. Senate. Why? Because, automatically, there is no filibuster. By operation of the definition of what a reconciliation bill is, no filibuster.

The Senate takes filibusters seriously. We only changed it once in decades and still cherish it and we are still profoundly confused about how to close off a filibuster. But we take it seriously and that stems from the Constitution, whose 200th birthday we celebrate.

One of the main arguments in that Constitutional Convention was that the U.S. Senate was not the U.S. House; never intended to be. The framers of the Constitution made sure we were not. It said, you will represent States and there will be two of you, one in the original document and two eventually, regardless of the population. And from that day on, as the Senate evolved, we took seriously the rights of the minority because we were not supposed to become a body like the U.S. House that was elected essentially every 2 years, each by an equal number of people. We are not elected by an equal number of people. We are elected by sovereign States, two to each one.

So there is one very important credential, quality, that goes out the window when you have reconciliation. And those who put the budget process together thought long and hard about that reconciliation, because there goes a right.

Now I am not arguing that we should abolish reconciliation. I think I am somewhat suggesting why a number of Senators are pretty frustrated about reconciliation. You heard them a while ago. They were wondering about amending it. Somebody clarified that you could strike. Yes, you could strike, but it is pretty difficult to amend a reconciliation bill. As a matter of fact, the precedents of this Senate make it nigh on impossible to significantly amend a reconciliation bill other than the motion to strike.

And so what did we find? We found that a small group of Members of Congress, meeting in some little room could put legislation in a reconciliation bill and so long as it got packaged up and got to the floor as part of a reconciliation package, a very, very small minority of both Houses got their way and you could hardly amend it.

Extraneous material was put in by the bushel loads to the frustration of this place. Then one day the distinguished majority leader, when he was minority leader, joined with us in saying: We are getting pretty tired of extraneous material. It is not that we do not like legislation on reconciliation bills. Some people love it and they have learned how to put anything in there. Some of it is wonderful. Some people love the legislation. But the then-distinguished minority leader, now distinguished majority leader, joined with us in saying we ought to have some kind of rule limiting extraneous material.

We now have the Byrd rule that says if you are going to put in extraneous material—and that process of defining extraneous material is evolving in this place—you need 60 votes in order to put extraneous material in.

We really did that as tightly as we could.

Mr. President, the Chair has just ruled that if the U.S. House of Representatives has not debated in a budget resolution and not included any language about putting in reconciliation a debt limit bill, if the Senate has put absolutely nothing in a budget resolution about a debt limit bill, that a few Senators can go off, meeting in a conference, and put in a conference report that a debt limit bill is in reconciliation, just wiping out the Byrd rule because it only takes 51 votes to pass a budget resolution.

But, worse than that, it has not been debated in the Senate. It was not debated in any committee. It was not included in the House resolution and now we get a ruling from the Chair that the next time the Finance Committee produces a reconciliation bill here in the Senate under this budget resolution, they shall include the debt limit extension as piece of legislation in their reconciliation bill.

We have actually in this budget resolution, interestingly enough, told them what the level of the debt limit should be in that bill. Interestingly enough, that is going to be rather confusing, just as an aside, because the dollar number that is in there is OMB's calculation of what the deficit is going to be and we are using CBO's economics. So it probably will last 5 or 6 months. But if it was intended to cover the expenditures and deficits under this budget resolution, it is probably wrong, it probably is off the mark.

Mr. President, and Members of the Senate, I repeat: Tonight, this part of what I am talking about has nothing whatsoever to do with being a Democrat or Republican. It has to do with what I perceive to be—5 additional minutes?

The **PRESIDING OFFICER**. The Senator is recognized for 5 additional minutes without interruption.

Mr. **DOMENICI**. What I perceive to be a dramatic departure from what should be a ruling of this Chair and what this Senate should be adopting; that if you are going to include in a reconciliation instruction the debt limit bill of the United States, that it ought not come out of a conference for the first time, not voted out by a committee, and not even considered by the U.S. Senate.

I really believe that we ought to overrule the Chair. I am loath to overrule the Chair. I think the Chair is dead wrong. Because the size of the debt is debated in it, discussed in it, the Chair has ruled that makes the mandating of the debt limit bill in reconciliation relevant.

Fellow Senators, if you want a reconciliation bill to include the debt limit, then you say the Chair is right.

A few weeks ago we extended the debt limit here. I think I heard—I think I heard the distinguished majority leader, the minority leader, the President of the United States and a number of Senators say: Senators, vote to extend to debt limit and do it clean. Do not put any amendments on it because we are going to have another debt limit coming down the line and let's all work together to put budget reform on it, to fix Gramm-Rudman-Hollings on it.

I think I heard that. I think we were encouraged to do that: vote for the debt limit bill clean. Do not use your rights to amend because there is going to be another debt limit. We will work on Gramm-Rudman-Hollings and all the other things you want to fix.

When you adopt this budget resolution tonight with the majority members of the Budget Committee having inserted this language in a conference report, all of that is gone. You will bet the debt limit sometime after the 29th day of July, 28th day of July. You will get it in a reconciliation bill. You cannot filibuster it so you have given up your right here.

I am not for filibustering debt limits but I am trying to tell the Senate the significance of it. That is gone, because it is in reconcilation.

You want to amend the debt limit to include a Gramm-Rudman-Hollings fix? You want to amend the debt limit to put some kind of reform of the budget process into that bill? You cannot do it.

Somebody will get up and say: Of course you can do it. We can agree to put it in that reconciliation bill.

Why, of course you can do it. Of course you can. Because in some committee you can agree to violate the Byrd rule, which says it cannot be germane, does not have to be germane, and then bring it to the floor and sustain it.

Let me tell you, it will not be germane to the debt limit bill. It will be extraneous to it. It does not belong on it. If you do not want to do the reform there, you bring that big reconciliation bill here and it is as simple as that. If you want to offer Gramm-Rudman-Hollings to it, you have got to get 60 votes for the amendment because it is obviously not germane to that bill.

I think it is a very major change and I urged my friend, the chairman, not to do it. When they brought this language to us the last day of the conference, they did not even have it written in its completed form.

I urged him in behalf of the Senate not to do it, that it is a very significant decision. It is in here anyway.

Frankly, had we had an opportunity to thoroughly debate this issue in the appropriate forum with the appropriate legislation, if it had been offered to a budget resolution and we had time to debate: Does the U.S. Senate want to include within reconciliation, debt limit bills so we do not have them come up any more, I can tell the U.S. Senate this is one Senator who has an open mind, because I am of two minds about those debt limit bills.

On the one hand, I am not so sure we ought to do them as a matter of running government. On the other hand, I understand from time to time it is the only relief and, in a sense, the only relief valve for this place, is that debt limit that we can offer amendments to. So I am of two minds and we could have had a good debate on it and perhaps it would have been the Senate's will.

But, Mr. President, to go about it this way, for the Chair of this Senate at the urging of the Parliamentarian to rule that in a budget conference report with neither House having considered it that we can make the debt limit bill part of reconciliation and say that is relevant, in this Senator's opinion, that ruling deserves to be overturned.

I wish I could find a simpler way. I wish I could find an easier way to get it out of this bill. I cannot. The only thing I can do under the rules is appeal to the rules of this body.

The Chair and the Parliamentarian have applied the rules and I think they have applied them wrong and I think we will regret this, although it seems to me that there may never be a reconciliation bill. Perhaps it will never see the light of day on this particular measure. I hope—on this one I doubly hope it does not, because I think we have a standing commitment to the U.S. Senate to bring a freestanding debt limit bill here so that we can accomplish some Gramm-Rudman type fix and some reform.

Nonetheless, we are establishing the precedent that in this kind of conference report under the guise of being relevant we can do this kind of major surgery to the processes of this institution just like that, out of a conference committee that in all deference I say to my good friend, the chairman, never held a meeting until the day the language was handed to us, was never thoroughly discussed. It is someone's idea or the chairman would not have agreed to it, would not have put it in. But I would hope that the Senate would say, "No, this time, no, take it out. Let us get on with doing it the orderly way. Maybe someday we will decide not to have freestanding debt limit bills, but not this back door method that will accomplish it if we do not overrule the Chair."

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Florida is recognized.

Mr. CHILES. Mr. President, section 310(a)(c) of the Budget Act specifically applies to applying the debt limit to reconciliation. I would say this is not extraneous, this is not something that is not in the Budget Act. It is there and has been used before. Last year, at the suggestion of the then majority leader, Senator DOLE, we provided for the debt limit to be in the Reconciliation Act. So this is not something that has never been done before. It has been.

What we are simply saying is that—and the Senator from New Mexico, I think, has said this as well—if you want to try to get a compromise, you want to try to get all of the pieces into one package so you can hope to have a compromise, and the way you do that is you have debt limit a part of that reconciliation bill as well.

Are we not saying in the reconciliation bill that what we are trying to do is say we are going to make some savings here? We are going to cut off the deficit, and we are going to increase the debt limit enough that will take care of that. Should we be able to say, "Mr. President, if you do not think that is right, if you do not think that is enough for the debt limit, then you can veto this." Then we will have a debate as to whether that should shut down the Government or not, if he vetoes that.

We think we are borrowing enough money. The debt limit should not be higher, should not need to be higher than we are talking about in here.

To me, when we were drafting the Budget Act, we thought of putting that in there. It has been in there. It has been used before. I do not think we are doing anything extraordinary here. It is a part of the process. Why should it take 60 votes? It is not extraneous. It is a part of what we are talking about in the deficit reduction process.

I want to make it clear at the outset that this is not an attempt to rule out procedural reforms to the budget process, such as restoring the automatic mechanisms under Gramm-Rudman-Hollings. We are certainly willing to work out a procedure through which we can include procedural reform in the reconciliation bill.

What we would like to do, of course, is to wrap all those key elements into one package. That is obviously the reconciliation package where it would be. It would include domestic spending cuts, effective funding for the military, deficit reduction revenues, changes in the process to implement the agreement on substantive policy.

Frankly, if we can work that out, I think everybody will gain. The President would get the reform. He would get a higher level of defense funding. He can get an increase of the debt limit for at least a year, and Congress is going to get key investments and the deficit reduction they want. Certainly, the Nation is going to get lower deficits and a healthy economy both for now and in the future.

If that cannot be worked out, then, as you well know, a freestanding debt limit bill will come over from the House under the Gephardt rule. Under those circumstances, the President would have to persuade the Congress to increase the debt limit if he feels that increase is necessary.

I think it is within the best interests of everybody to see that we include this as a part of the reconciliation package. I think it is the best way to work toward trying to sit down and to have a reasonable compromise worked out. I think it is the best way for us to be able to express ourselves that we think we have sufficient money saved in this and we think the debt limit could be held to an area and why should we borrow more?

To me, it is a very legitimate part of the reconciliation package. We are not trying to do anything that is strange. It has been done before. I urge the Senate to sustain the ruling of the

Chair. I think the Parliamentarian could not have been more correct. I do not think his ruling could have been more clear. It is covered in the Budget Act. It has been done by the Senate before. It is well within the province in which it would be in the reconciliation bill. I think it is a ruling that had to be made in that way. I think the ruling should be sustained. We would be working a bad precedent against our rule if we fail to sustain the ruling of the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. How much time have I remaining?

The PRESIDING OFFICER. Two minutes fourteen seconds.

Mr. DOMENICI. I yield myself the remainder of the time.

Mr. President, whether we are going to have good deficit reduction or not has nothing to do with my argument. I really hope the Senate will understand. It has nothing to do with whether this budget resolution and the debt limit under it are appropriate or not. It has to do with this simple proposition: the Budget Act says that indeed you may include debt limit in reconciliation. We brought out of the Budget Committee a budget resolution. The House brought a budget resolution out. That is subject to debate. That is subject to amendment. That is subject to the Senate working its will. No mention in those documents, no debate by the United States Senate, no inquiry as to what it means, no offers by way of amendments or substitutes to it. We go to conference. The conferees decide that even though it is permissive under the Budget Act, never was considered in the budget resolution, we will put it in a conference report.

Normally, under normal conference rules, any reasonable scope limitation would throw that out. We never even thought about it and we just added it in conference.

You cannot do that in conference. The Parliamentarian, however, says on a budget resolution it is this different rule, totally irrelevant, and he is saying that it is relevant to add to a budget resolution after it passes both Houses and while it is in conference a change in our rules such that the debt limit that comes up under it, regardless of whether the debt limit is high or low, what you are talking about then is that it is no longer debatable, it is no longer amendable, amendable under some extreme rule. That is what the Senator from New Mexico suggests the U.S. Senate ought not agree with the Chair on.

If you want to do this, do it in the full light of debate, not off as part of a conference when it was not debated in either body, when it is a thing as major as a debt limit bill which heretofore has been subject to delay, has been subject to open amendment. We have just changed that by the stroke of a conference with a few words and a Parliamentarian who says it was relevant. That is the issue. It is not the issue of whether it is a good budget or a bad budget, whether we should extend the debt limit to the number it says or not. That has nothing to do with my argument. I would be making this argument under anyone's budget, if, as a matter of fact, the Senate had not considered it and we put in the abolition of debt limit debate by putting it in reconciliation.

If I have any additional time I yield it back and I thank the Chair and my friend from Florida.

The PRESIDING OFFICER. Who yields time? The Senator from Florida.

Mr. CHILES. Mr. President, this is not a new rule that the Chair has made. This is a rule that has been in effect, I think, since 1932. The rule states that a conference report may not include new matter entirely irrelevant to the subject matter not contained in the House or Senate versions of the measure as distinct from the substitute thereof.

Mr. President, this has been the rule of the Senate. It would be the rule of whatever committee. It is true that neither the Senate-passed language nor the House-passed langauge specifically include an instruction to the Finance Committee to include an increase in the debt limit. Both sets of language include figures on the appropriate level of the national debt for this year. In the House, of course, the Gephardt rule makes automatic an increase in the debt limit.

Mr. President, the figures were included in both of them and the ruling is a ruling that has been part of the Senate rules since 1932. I repeat, the Budget Act itself explicitly allows this to be in.

It has been done before. We are not plowing any new ground or setting any new precedent. I think it improves the reconciliation bill and gives us a better chance to get a reform package. I hope the Senate will uphold the ruling of the Chair.

Mr. CONRAD. Will the Senator yield for a question or two?

Mr. CHILES. I yield.

Mr. CONRAD. There are those of us who would like an opportunity, at least, to have a vote at a later time on some sort of across-the-board cut with certain exclusions. I am inquiring whether or not, if we sustain the Chair's ruling, we would be then precluded at a later time, as part of the debt ceiling, from getting a vote?

Mr. CHILES. I think that the cuts the Senator contemplates could still be offered in the reconciliation bill. I do not think this ruling would have anything to do with that.

Mr. CONRAD. I want to make very sure when I cast my vote that if we sustain the ruling of the Chair, we will not be precluded from having a vote on the debt limit extensions that would provide for an across-the-board cut, because there are those of us who believed we have jousted now over how the pie ought to be divided; some of us would now like to see the pie reduced in size using the debt limit. I just want to make sure that I shall have the opportunity to have a vote like that.

Am I correct in my understanding of that, I would?

Mr. CHILES. I think the Senator is correct that he would have that opportunity.

Mr. DOMENICI. Mr. President, I have no time, but I ask unanimous consent that I may have 1 minute for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator may reclaim his time.

Mr. DOMENICI. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. DOMENICI. Under the language that we are talking about, if a reconciliation bill is reported out to the Senate and has the debt limit as prescribed by this budget resolution, would an across-the-board budget cut be in order?

The PRESIDING OFFICER. The Chair would have to see how the amendment is drafted to determine if the amendment is germane.

Mr. DOMENICI. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. DOMENICI. What kind of across-the-board cut would be germane to a reconciled debt limit bill as prescribed by this resolution?

The PRESIDING OFFICER. Without seeing the proposal recommended by the committee or seeing the amendment itself, it would be impossible to determine whether or not it is germane at this time.

Mr. DOMENICI. Mr. President, I ask unanimous consent that I have 1 additional minute.

The PRESIDING OFFICER. The Senator has time remaining, about 7.5 minutes.

Mr. DOMENICI. Let me give my version, since the Parliamentarian—and I do not say this with regard to the occupant of the Chair, but rather the Parliamentarian—since he does not seem to want to answer the question, or perhaps I am not asking it with enough specificity, let me give my version.

I say to the Senator from North Dakota, I believe "you just done lost your rights" to offer an across-the-board appropriations cut, an across-the-board cut of any type on a debt limit bill if you expect to do it on a debt limit bill that comes out of this mandated reconciliation. I believe it would be out of order, is not germane, and requires 60 votes under the Byrd rule.

If the Senator wants to have 60 votes instead of a majority, I think the Senator could get his amendment there.

Mr. CHILES. Mr. President, let me say I differ with that. I think the amendment could be so drafted that it would be germane and he could make the across-the-board cut.

I yield back my time and ask for the yeas and nays.

The PRESIDING OFFICER. The Senator has yielded back his time. All time has expired or been yielded back.

The question is, Shall the decision of the Chair stand as the judgment of the Senate? The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 54, nays 45—as follows:

[Rollcall Vote No. 156 Leg.]

YEAS—54

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Hatfield
Heflin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—45

Armstrong
Bond
Boschwitz
Chafee
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Harkin
Hatch
Hecht
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Proxmire
Quayle
Roth
Rudman
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—1

Biden

The PRESIDING OFFICER. The decision of the Chair stands by a vote of 54 yeas, 45 nays.

Mr. BYRD. Mr. President, we cannot hear the Chair.

The PRESIDING OFFICER. The Senate will come to order.

The yeas are 54, the nays are 45; the decision of the Chair stands.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the decision of the Chair stands.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. If I may have the attention of the Senate.

The PRESIDING OFFICER. The Senate will come to order.

The majority leader is recognized.

Mr. BYRD. Mr. President, this will be the last rollcall vote this evening.

ORDER FOR RECESS UNTIL 8:45 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 8:45 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that at 9:15 tomorrow morning the Senate proceed to the consideration of the trade bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, upon the final action today on the conference report on the budget resolution, I will introduce the trade bill. Under the order that was previously entered, I will introduce the trade bill. I ask unanimous consent that I be recognized at 9:15 tomorrow morning to call up that trade bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, under the order previously entered, after consulting with the distinguished Republican leader, I am at liberty to call up that trade bill. I will do that tomorrow morning at 9:15 a.m. The chairman, Mr. BENTSEN, and the ranking manager of the Finance Committee will be on hand to proceed with opening statements. I hope that tomorrow morning we could get a consent order to take up the bill title by title.

The PRESIDING OFFICER. Will the majority leader withhold? The Senate will be in order.

The majority leader may proceed.

Mr. BYRD. Nine committees have reported components of the overall trade bill that we will put together. It is hoped that each chairman of each committee that has jurisdiction over a particular title, at a given moment when the Senate reaches that title, will be able to deal with that title so that we could proceed title by title and all nine chairmen will not have to be over here all the time to protect all nine titles. So I hope we could get that consent tomorrow morning. But, in any event, we will proceed on tomorrow morning at 9:15 to act on the trade legislation.

Now, tomorrow evening, I expect to be a late evening. This would have been a later evening than it is going to be had it not been for the fact that the chairman of the Finance Committee wants to wait until the morning to begin action on it, and I think he is entitled to that consideration. So that is the way it will be.

But there will be votes throughout the day on tomorrow. We will have a late, late day tomorrow, going well into the evening. As long as we can make progress, I want to do so.

We will come in early on Friday. We will have business all day long and into the evening. We will be in on Saturday. We will be in early on Saturday and I expect to have rollcall votes on Saturday, because there is no purpose in being here if we are not going to have rollcall votes. There is no point in coming in just for the fun of it. So there will be votes on Saturday. And next Tuesday, we will have rollcall votes early. I can guarantee that one. There will be rollcall votes early on Tuesday.

I only say that because we only have Tuesday and Wednesday of next week and then we are out for the break. I hope we can complete action on the trade bill by the close of business on Wednesday, and that could be late. I do not know what the chances are; maybe they are 50-50, maybe they are not.

But that is the program as well as I can lay it out at the moment.

Does the distinguished Republican leader have anything to say?

Mr. DOLE. I am just curious about how late we might go on Friday. There are a number of us who were headed out toward the Midwest.

Mr. BYRD. Inasmuch as we are going to be in on Saturday, Mr. President, I do not see any reason why we should not be in late Friday evening, as late as we are doing business, because, if you come in on Saturday, it does not make sense if you are going to get out early on Friday.

Mr. DOLE. I was talking about Saturday. Saturday, probably 3 or 4 o'clock Saturday?

Mr. BYRD. Yes;

Mr. DOLE. So we could catch the late flight to Des Moines?

Mr. BYRD. Yes.

Mr. DOLE. If the majority leader will yield further, I think with reference to the amendments that you will introduce, as I understand it there is no disagreement on this side to any of the modifications of the Finance Committee, the Banking Committee, Foreign Relations, Agriculture, Governmental Affairs, and Commerce. And, as I understand it, the Small Business section, Judiciary, and Labor will be as reported by the committee.

Mr. BYRD. Well, I had understood that the provision coming out of the Labor Committee would be as reported.

It is also the case, I am told, with regard to Judiciary and Small Business. So the minority leader is correct.

Mr. DOLE. So we have consent that you may proceed on that basis.

Mr. BYRD. Yes, the minority leader is correct.

Mr. President, I thank all Senators for their patience.

CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEARS 1988, 1989, AND 1990—CONFERENCE REPORT

The PRESIDING OFFICER. The question now is on agreeing to the conference report. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 53, nays 46, as follows:

[Rollcall Vote No. 157 Leg.]

YEAS—53

Adams
Baucus
Bentsen
Bingaman
Boren
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Conrad
Cranston
Daschle
DeConcini
Dixon
Dodd
Exon
Ford
Fowler
Glenn
Gore
Graham
Harkin
Hollings
Inouye
Johnston
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Simon
Stafford
Stennis
Weicker
Wirth

NAYS—46

Armstrong
Bond
Boschwitz
Cochran
Cohen
D'Amato
Danforth
Dole
Domenici
Durenberger
Evans
Garn
Gramm
Grassley
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Karnes
Kassebaum
Kasten
Lugar
McCain
McClure
McConnell
Murkowski
Nickles
Packwood
Pressler
Proxmire
Quayle
Roth
Rudman
Shelby
Simpson
Specter
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—1

Biden

So the conference report was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CHILES. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. CHILES. Mr. President, I ask unanimous consent that the Senate recede from its amendment to the title.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHILES. Mr. President, with the Senate's adoption of this conference, we bring to a close action on the budget resolution for fiscal 1988.

The budget process is both exacting and demanding. Throughout the past 6 months, the professionals at the Congressional Budget Office have been invaluable. There have been countless times when they responded in short order to complicated questions. There have been other times when they were asked to do exactly the same work, only faster.

They live by the rule that, regardless of the timeframe, neither objectivity nor accuracy can be sacrificed in the process. Because of that rule and because of the quality of the people themselves, the Congressional Budget Office has won the trust and respect of us all.

I want to offer my thanks to all for their work, and express my particular appreciation to the following who have worked most closely with the Budget Committee.

Jim Blum, Assistant Director, Budget Analysis Division.

C.G. Nuckols, Deputy Assistant Director, Budget Analysis Division.

Paul Van de Water, Chief Projections Unit.

Analysts, Projections Unit: Dave Bashore, Paul Christy, Andy Haughwout, Richard A. Krop, Kathy Ruffing.

Priscilla Aycock, Chief, Scorekeeping Unit.

Analysts, Scorekeeping Unit: Janet Aris, Ed Blau, Betty Embrey, Glen Goodnow, Bob Sempsey, Carla Trujillo.

Charles E. Seagrave, Chief, Human Resources Cost Estimates Unit.

Analysts, Human Resources Cost Estimates Unit: Diane Burnside Murdock, Hinda R. Chaikind, Paul Cullinan, Marianne S. Deignan, Carmela Dyer, Deborah Kalcevic, Julia Isaacs, Anne Manley, Donald Muse, Janice Peskin, Kenneth G. Pott, Michael F. Pogue, Kathleen W. Shepherd.

Michael Miller, Chief, Defense and International Affairs Cost Estimates Unit.

Analysts: Defense and International Affairs Cost Estimates Unit: Lisa R. Brown, Eugene Bryton, Kent R. Christensen, Diane Griffith, Barbara Holinshead, Alex Manganaris, Michael J. McCord, William Myers, Joseph Whitehill.

Robert Sunshine, Chief, Natural and Physical Resources Cost Estimates Unit.

Analysts, Natural and Physical Resources Cost Estimates Unit: Hsin-Hui Hsu, Mary Maginniss, Marjorie Miller, Andrew Moton, Deborah Reis, Brent G. Shipp.

William J. Beeman, Assistant Director, Fiscal Analysis Division.

Jacob S. Dreyer, Deputy Assistant Director, Fiscal Analysis Division.

Robert A. Dennis, Chief, Economic Projections Unit.

Analysts, Economic Projections Unit: Suszanne Cooper, Lucia Foster, Douglas Hamilton, John Peterson, Matthew Salomon, John Sturrock, Eng Meng Tan, Bragi Valgeirsson.

Rosemary D. Marcuss, Assistant Director, Tax Analysis Division.

Eric Toder, Deputy Assistant Director, Tax Analysis Division.

Kathleen O'Connell, Chief, Revenue Estimating. Analysts: Valerie Amerkhail, Neil Fisher, Richard Kasten David Lindeman, Rosemarie Nielsen, Larry Ozanne, Linda Radey, Pearl Richardson, Frank Sammartino, Jan Sundgren.

Mr. BYRD. Mr. President, I extend my thanks to the distinguished chairman, Senator Chiles, for another splendid demonstration of dedication and skill. He has had a very, very difficult, long, arduous period of labor in trying to bring this conference report to the floor. It has required weeks. But he prevailed. His leadership on the floor and his managership of the conference report were excellent. I personally not only thank him and congratulate him, but I feel that the Senate is in his debt. He has done a splendid, splendid job.

Mr. President, does the distinguished Republican leader have any further business?

Mr. CHILES. Mr. President, I thank the majority leader and the minority leader for their courtesies.

Mr. BYRD. I also thank Senator Domenici for his courtesies and the Republican leader. They did not agree with us, but that is their right. We cannot always agree. Whereas we do not agree today, when we go on tomorrow perhaps we will agree tomorrow on the next matter that comes before the Senate.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The minority leader.

Mr. DOLE. Mr. President, I want to extend my congratulations to both the chairman of the committee, Senator Chiles, and the ranking Republican member of the committee, Senator Domenici. As indicated by the majority leader, we did not agree on this issue, but that does not detract from the hard work that the chairman of the committee, Senator Chiles, expended on behalf of the successful vote that we just cast on the budget resolution. I congratulate him for his effort and the effort of members of his staff, and Senator Domenici on the other side of the issue for his determination and usual skill in presenting the arguments from our viewpoint on the Republican side.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PRESIDENTIAL APPROVALS

A message from the President of the United States announced that he had approved and signed the following enrolled bill and joint resolution:

On June 16, 1987:

S.J. Res. 5, joint resolution designating June 14, 1987, as "Baltic Freedom Day."

On June 19, 1987:

S. 626, an act to prohibit the imposition of an entrance fee at the Statue of Liberty National Monument, and for other purposes.

MESSAGE FROM THE HOUSE

ENROLLED JOINT RESOLUTION SIGNED

At 10:47 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 284. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week."

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. Stennis].

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 1320: A bill to amend the Land and Water Conservation Fund Act of 1965, and for other purposes (Rept. No. 100-86).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 1164: A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes (Rept. No. 100-87).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

Roger William Jepsen, of Iowa, to be a Member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 1993;

Edward H. Fleischman, of New Jersey, to be a Member of the Securities and Exchange Commission for the term expiring June 5, 1992;

M. Danny Wall, of Virginia, to be a Member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1991; and

Simon C. Fireman, of Massachusetts, to be a Member of the Board of Directors of the Export-Import Bank of the United States for a term expiring January 20, 1991.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. GLENN, from the Committee on Armed Services:

The following named officer for appointment as Commandant of the Marine Corps under Title 10, United States Code, section 5043:

To be Commandant of the Marine Corps

Lt. Gen. Alfred M. Gray, Jr., [redacted], United States Marine Corps.

Mr. GLENN. Mr. President, on behalf of the 20 members of the Armed Services Committee and my fellow former marines on the committee—Senators Warner, Wilson, and Symms—I am pleased to report favorably to the Senate the nomination by the President of Lt. Gen. Alfred M. Gray, Jr., to be Commandant of the Marine Corps.

Mr. President, many fine officers and enlisted men over the years have been referred to as a "marines' marine." While all, I'm sure, deserve the title, I would say none rate it more than Al Gray. General Gray has already had a distinguished career spanning some 37 years in the corps. He enlisted in the Marine Corps in 1950 during the Korean conflict, attaining the rank of sergeant before he was commissioned a second lieutenant in April 1952.

He has served in combat with distinction in two wars: Korea and Vietnam, and has convincingly demonstrated that he is a forceful and inspiring leader. He has held a wide variety of command and staff positions, and currently is commanding general, Fleet Marine Force Atlantic in Norfolk, VA. FMFLANT, I might note, is the largest single combat organization in the Marine Corps, and is comprised of over 50,000 marines, or over one quarter of the total strength of the Marine Corps.

General Gray's experience includes training and duty in infantry, artillery, communications, intelligence, and special operations. He also has served as the Deputy of Development, and the Director of the Marine Corps Development Center, at Quantico, VA. His substantial formal military schooling includes the Army War College at Carlisle Barracks, PA.

Mr. President, there is no question in my mind, that Lt. Gen. Al Gray is superbly qualified to be promoted to general and to lead the Marine Corps. As a retired marine myself, I welcome him to the helm or our corps for the next 4 years. He is a worthy successor to the long line of distinguished commandants and soldiers of the sea with whom the corps has been blessed in its over 211 years of history in defending this Nation and its ideals.

Mr. President, at this point I also would like to ask unanimous consent to have printed in the Record General Gray's official Marine Corps biography.

There being no objection, the material was ordered to be printed in the Record, as follows:

LT. GEN. ALFRED M. GRAY, JR., USMC

Lieutenant General Alfred M. Gray Jr., is the Commanding General, FMF, Atlantic/Commanding General, II MAF and Commanding General, FMF Europe (Designate), Norfolk, Virginia.

General Gray was born June 22, 1928 and hails from Point Pleasant Beach, N.J. He enlisted in the Marine Corps in 1950 and served overseas with the Amphibious Reconnaissance Platoon, FMF, Pacific, attaining the rank of sergeant. He was commissioned a second lieutenant on April 9, 1952.

After attending The Basic School, at Quantico, and the Field Artillery School, Fort Sill, Okla., he joined the 1st Marine Division in Korea. He served a tour as an infantry officer with the 2nd Battalion, 11th Marines, and a subsequent tour as an infantry officer with the 1st Battalion, Seventh Marines. In October 1953, he was promoted to first lieutenant.

Returning to the United States in December 1954, General Gray was assigned to the Eighth Marines, 2d Marine Division, at Camp Lejeune, N.C., until August 1955, when he attended the Communications Officer School, Quantico. He was promoted to captain in July 1955. From April 1956 until May 1961, General Gray served overseas in special command billets.

In May 1961, he was assigned to Headquarters Marine Corps, Washington, D.C., for duty as special operations and plans officer, G-2 Division. During this tour he saw service in Guantanamo Bay, Cuba, and in Vietnam. He was promoted to major in February 1963.

General Gray joined the 12th Marines, 3d Marine Division, Vietnam in October 1965, serving concurrently as Regimental Communication Officer; Regimental S-3 Officer and Artillery Aerial Observer. In April 1967, he was assigned command of the Composite Artillery Battalion and the U.S. Free World Forces at Gio Linh. In September 1967, he was reassigned to the III Marine Amphibious Force in DaNang, where he commanded the 1st Radio Battalion elements throughout I Corps. He was promoted to lieutenant colonel in October 1967.

In February 1968, he returned to Washington, D.C., for duty with the Defense Special Projects Group as Chief, Intelligence and Operations Division.

He was reassigned to the Marine Corps Development and Education Command at Quantico, in November 1968, and tasked with the development of interim doctrine for employment of sensor technology in the Marine Corps. During the period June through September 1969, General Gray returned to Vietnam in conjunction with surveillance and reconnaissance matters in the I Corps Area.

Upon his return to Quantico, he was assigned duty as Chief, Intelligence and Reconnaissance Division, at the Development Center, until August 1970. He attended the Command and Staff College and upon completing the course in June 1971, was transferred to the 2d Marine Division at Camp Lejeune, where he assumed command of the 1st Battalion, Second Marines, and Battalion Landing Team (BLT). The BLT was deployed to the Mediterranean in September 1971, as part of the 34th Marine Amphibious Units, and returned to the U.S. in March 1972. General Gray commanded the Second Marines from April through December 1972, when he was reassigned as Assistant Chief of Staff, G-3, 2d Marine Division. He was promoted to colonel in August 1972.

General Gray attended the Army War College, Carlisle Barracks, Pa., from August 1973 to June 1974, and upon graduation, was assigned to the 3d Marine Division on Okinawa, as Commanding Officer, Fourth Marines and Camp Commander, Camp Hansen. He later served as CO, 33d MAU/CO, RLT-4/DepCdr, 9th MAB, during the Southeast Asia evacuation operations.

Reassigned to HQMC in August 1975, he was assigned duty as Deputy Director, Training and Education Division, Manpower Department. He was advanced to brigadier general on March 24, 1976, and presided over a special group on the Marine Corps Reserve until June 11, 1976, when he was assigned duties as Commanding General, Landing Force Training Command, Atlantic, and Commanding General 4th Marine Amphibious Brigade. He served as the Deputy for Development/Director, Development Center, Marine Corps Development and Education Command, Quantico, from October 1978 to May 1981. While serving in this capacity, he was selected in January 1980 for promotion to major general. He was promoted to that grade in February 1980, with a date of rank of April 1, 1976. On June 4, 1981, General Gray was assigned duty as the Commanding General, 2d Marine Division, FMF, Atlantic, Camp Lejeune, N.C. Following his promotion to lieutenant general on August 29, 1984, he assumed his current assignment.

General Gray is married to the former Jan Goss of Burlington, Vermont.

By Mr. NUNN, from the Committee on Armed Services:

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The nominations ordered to lie on the Secretary's desk were printed in the RECORD of March 23, June 16, and June 18, 1987 at the end of the Senate proceedings.)

**Captain Everette D. Stumbaugh, U.S. Navy, to be Deputy Judge Advocate General of the Navy (Ref. 208)

*Lieutenant General Forrest S. McCartney, U.S. Air Force, to be placed on the retired list in the grade of lieutenant general (Ref. 412)

*Major General Robert D. Beckel, U.S. Air Force, to be lieutenant general (Ref. 413)

*General Jack N. Merritt, U.S. Army, to be placed on the retired list in the grade of general (Ref. 414)

*In the Army there are 39 promotions to the grade of major general (list begins with Charles E. Edgar III) (Ref. 415)

*Colonel Clara L. Adams-Ender, U.S. Army, to be Brigadier General (Ref. 416)

*Vice Admiral Jonathan T. Howe, U.S. Navy, to be reassigned in the grade of vice admiral (Ref. 417)

**David L. Franks, U.S. Air Force, to be appointed in a grade no higher than major (Ref. 418)

**In the Air Force there are two appointments to the grade of major (list begins with Richard R. Digney) (Ref. 419)

**In the Air Force there are 31 promotions to the grade of colonel and below (list begins with Drue L. Deberry) (Ref. 420)

**In the Navy there are 7 appointments to the grade of second lieutenant (list begins with David T. Anderson) (Ref. 421)

**In the Air Force there are 55 promotions to the grade of colonel (list begins with Charles M. Baier, Jr.) (Ref. 422)

**In the Army there are 50 promotions to the grade of major (list begins with David C. Ballew) (Ref. 423)

**In the Army there are 886 promotions to the grade of major (list begins with John S. Ahmann) (Ref. 424)

**In the Marine Corps Reserve there are 116 appointments to the grade of lieutenant colonel (list begins with Francis P. Ahearn, Jr.) (Ref. 425)

**In the Marine Corps and the Marine Corps Reserve there are 450 appointments to the grade of major (list begins with David R. Aday) (Ref. 426)

*Vice Admiral Thomas J. Hughes, U.S. Navy, to be placed on the retired list in the grade of vice admiral (Ref. 441)

**In the Air Force Reserve there are 15 appointments to the grade of lieutenant colonel (list begins with Sidney C. Wisdom) (Ref. 442)

**In the Air Force there are 39 promotions to the grade of lieutenant colonel (list begins with Larry L. Allen) (Ref. 443)

**In the Navy Reserve there are 218 promotions to the grade of captain (list begins with Philip B. Bailey) (Ref. 444)

**In the Navy Reserve there are 373 promotions to the grade of commander (list begins with Dorrit E. Ahbel) (Ref. 445)

*General Duane H. Cassidy, U.S. Air Force, to be reassigned in the grade of general (Ref. 446)

*General Joseph T. Palastra, U.S. Army, to be reassigned in the grade of general (Ref. 447)

Total: 2,291.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

BY Mr. JOHNSTON (by request):

S. 1413. A bill to amend the Reclamation Project Act of August 4, 1939, to authorize modification of certain contracts, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCONNELL (for himself and Mr. KARNES):

S. 1414. A bill to improve the operation of agricultural price support programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. ARMSTRONG (for himself, Mr. WIRTH, Mr. DOMENICI, and Mr. BINGAMAN):

S. 1415. A bill to facilitate and implement the settlement of Colorado Ute Indian reserved water rights claims in southwest Colorado, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. DASCHLE (for himself and Mr. PRESSLER):

S. 1416. A bill to authorize the Lyman-Jones, West River and Oglala Sioux Rural Water Development Projects; to the Committee on Energy and Natural Resources.

By Mr. HARKIN (for himself, Mr. WEICKER, Mr. KENNEDY, Mr. METZENBAUM, Mr. STAFFORD, Mr. SIMON, and Mr. COCHRAN):

S. 1417. A bill to revise and extend the Development Disabilities Assistance and Bill of Rights Act; to the Committee on Labor and Human Resources.

By Mr. CRANSTON:

S. 1418. A bill to direct the Secretary of the department in which the United States Coast Guard is operating to cause the vessel M/V Polar Ice to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade; to the Committee on Commerce, Science, and Transportation.

By Mr. DURENBERGER (for himself, Mr. LEAHY, Mr. BAUCUS, Mr. CHAFEE, Mr. STAFFORD, Mr. MITCHELL, Mr. HARKIN, Mr. GORE, Mr. COHEN, Mr. PROXMIRE, Mr. DODD, Mr. KERRY, and Mr. DASCHLE):

S. 1419. A bill to prevent ground water contamination by pesticides; to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Environment and Public Works, jointly, by unanimous consent.

By Mr. BYRD:

S. 1420. A bill to authorize negotiations of reciprocal trade agreements, to strengthen United States trade laws, and for other purposes; placed on the calendar.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. JOHNSTON (by request):

S. 1413. a bill to amend the Reclamation Project Act of August 4, 1939, to authorize modification of certain contracts, and for other purposes; to the Committee on Energy and Natural Resources.

MODIFICATION OF CERTAIN CONTRACTS

● Mr. JOHNSTON. Mr. President, pursuant to an Executive Communication referred to the Committee on Energy and Natural Resources, at the request of the Department of the Interior, I send to the desk a bill to amend the Reclamation Project Act of August 4, 1939, to authorize modification of certain contracts, and for other purposes.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the bill, and the executive communication which accompanied the proposal from the Acting Assistant Secretary be printed in the RECORD.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1413

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (h) of section 8 of the Reclamation Project Act of 1939 (43 U.S.C. 485g(h)) is amended to read as follows:

"(h) If any classification or reclassification of irrigable lands undertaken pursuant to this section results in an increase in the outstanding construction charges or rate of repayment on any project, as established by an existing contract with an organization, the Secretary shall amend the contract to increase the construction obligation or the rate or repayment. No other modification in outstanding construction charges or repayment rates may be made by reason of a classification or reclassification undertaken pursuant to this section without the approval of Congress."

U.S. DEPARTMENT OF THE INTERIOR,
OFFICE OF THE SECRETARY,
Washington, DC., June 12, 1987.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: There is enclosed a draft bill, "To amend the Reclamation Project Act of August 4, 1939, to authorize modification of certain contracts, and for other purposes."

We recommend that the draft bill be introduced, referred to the appropriate committee for consideration, and enacted.

The draft bill would require the Secretary of the Interior to increase the contractual repayment obligation or accelerate the rate of repayment of contracting entities where such changes result from the classification or reclassification of Reclamation project lands. In the context of the proposed legislation, the classification or reclassification of project lands refers to the results of an assessment by the Secretary of relative irrigability or productivity. Under existing law, any such change in an existing repayment obligation requires express congressional authorization.

Section 8(h) of the Reclamation Project Act of 1939, as amended by the Act of January 2, 1975 (88 Stat. 1970; 43 U.S.C. 485g(h)), provides "No modification of any existing obligation to pay construction charges on any project shall be made by reason of any classification or reclassification undertaken pursuant to this section without express authority therefor granted by Congress upon recommendations of the Secretary made in a Report under subsection (f) of this section." Pursuant to Public Law 93-608 (1975), this requirement for a report from the Secretary on land classifications and reclassifications was eliminated. Thus, under current Federal law, Congress has deleted the requirement for a periodic land classification and reclassification report from the Secretary but at the same time has retained its discretion to approve any modification in the existing contractual repayment obligation.

The draft bill would amend 8(h) of the Reclamation Project Act to provide that if any land classification or reclassification resulted in an increase in such repayment obligation or rate of repayment, the Secretary would amend the contract without first securing express approval from Congress. It should be emphasized that congressional consent to any reduction in an existing contractual repayment obligation or other change in the rate of repayment would still be required.

The proposed legislation would not change existing Reclamation law with respect to the allocation of costs associated with classification or reclassification work. Any increase in project net revenues derived from the irrigation of new lands made possible by the increase in the project repayment obligation or rate of repayment would be used to repay, as appropriate, the contracting entity's existing or increased financial obligation to the United States.

The current requirement of congressional approval of any increase in contract repayment terms is costly and time-consuming. We believe that these modifications could be more effectively handled by the Secretary on an administrative basis. The 1975 deletion by Congress of the reporting requirements removed much of the substantive informational base on which congressional assent to such contract modifications has rested. We therefore believe that enactment of the draft bill would be of significant benefit to the Department of the Interior in our continuing effort to reduce paperwork and increase efficiency in the administration of reclamation project contracts.

The Office of Management and Budget has advised that there is no objection to the submission of this proposed legislation from the standpoint of the Administration's programs.

Sincerely,

WAYNE N. MARCHANT,
Acting Assistant Secretary.●

By Mr. McCONNELL (for himself and Mr. KARNES):

S. 1414. A bill to improve the operation of agricultural price support programs, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

IMPROVED AGRICULTURAL PRICE SUPPORT PROGRAMS

Mr. McCONNELL. Mr. President, I rise today, along with my distinguished colleague, the junior Senator from Nebraska, Senator KARNES, to introduce a piece of legislation which deserves the immediate attention of this Congress. As many of you are aware, our Nation's farmers have not been able to receive their Federal farm program payments in over 6 weeks. While Congress has been forced to debate and ponder the merits of various line items attached to the supplemental appropriation bill, which contains the necessary appropriations to allow the Commodity Credit Corporation [CCC] to fund farm payment checks, farmers have been forced to wait, and they have become understandably impatient. They have made plans months ago based on the terms established in the contract they signed with the Federal Government, and now they have found themselves waiting for the Federal Government to fulfill its end of the agreement.

The irony in this whole situation is that there is no valid reason for CCC's inability to fund Federal farm program payment. Not one valid reason. Farmers have been waiting on their farm program payments for weeks because of a simple, arbitrary bookkeeping convention. CCC has merely hit the ceiling of their borrowing authority in their account with the Treasury.

Farmers call me up daily, frustrated, desperate, wanting to know why the Federal Government has stopped paying them. I don't have a good answer for them, because there is no good answer. This is a classic example of how Washington bureaucratic redtape gets in the way of the end we are trying to accomplish, and this particular example has become a common occurrence in recent years. This is ludicrous and unfair to those men and women on the farms trying to make a living from day to day; were the situation reversed, I do not think we would be so calm about addressing the situation.

The legislation I am introducing, which I hope Congress chooses to act upon with urgency, would simply change the law to work around the arbitrarily low ceiling on CCC's borrowing authority at the Treasury Department. It would, first, raise the ceiling to $40 billion, and, second, in the future would give CCC current, indefinite spending authority from year to year. These changes in accounting and appropriation procedure have absolutely no effect on the deficit. The Federal Government has already entered into contracts with the farmers. The money for these payments has already been committed. The bottom line is that farmers, under the provisions of my bill, will never be put in the position of waiting for their Federal program payments again.

I would note for my colleagues that the first of these changes was a part of President Reagan's budget request package. The second element—current, indefinite annual appropriations to cover net realized losses of the CCC—was included in the Senate version of theagriculture, rural development, and related agencies appropriation bills for fiscal year 1986 and fiscal year 1987. I ask unanimous consent that excerpts from the committee reports accompanying each of these bills be inserted in the RECORD, for the purpose of establishing legislative intent.

I implore my colleagues to give this piece of legislation urgent consideration. It represents a change toward common sense in our Government, and it is the only fair way to treat our Nation's farmers.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATION BILL, 1986

The Committee on Appropriations, to which was referred the bill (H.R. 3037) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1986, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

COMMODITY CREDIT CORPORATION

Committee recommendations

For reimbursement for net realized losses, the Committee recommends a current, indefinite appropriation. The budget requested a permanent, indefinite appropriation, and the House appropriated $9,195,240,000. Under the current, indefinite budet authority, it is estimated that at least $9,396,240,000 will be necessary to reimburse the Corporation for net realized losses.

The Committee does not, under ordinary circumstances, approve indefinite appropriations. However, the current state of affairs in the agricultural economy is far from ordinary. Several overriding issues make a current, indefinite appropriation a justifiable alternative to the potential problems that could occur in fiscal year 1986 if a direct appropriation is provided.

First among the issues is the probability that CCC will acquire a large volume of commodities due to record crops which are projected for the upcoming harvest. CCC has no control over the volume of business it must handle. The relationship of the market price to the support price for each commodity largely determines the volume of that commodity which will be placed under loan or acquired by the CCC. This, in turn, is determined by weather conditions, insect damage, use of fertilizers, and all other factors influencing production. The volume of acquired commodities is also affected by existing supplies, domestic and export demand, the strength or weakness of the dollar, and other factors affecting the market. Dispositions of inventory are governed by the same set of economic factors. These circumstances can cause tremendous variations over relatively short periods of time in the volume of CCC support operations. Due to this year's increased level of uncertainty concerning the volume of commodities to be acquired, and the flexibility needed to react to this volatility, a current, indefinite appropriation is justified.

Second, the Secretary of Agriculture has proposed to establish a 10-year, 20 million acre conservation reserve. Both the House and Senate Agriculture Committees have tentatively approved some form of such a reserve. At least one of the proposals under consideration would call for initial funding from the Commodity Credit Corporation. While the Committee does not favor this approach, it nevertheless recognizes the possibility of its occurrence. This reserve is estimated to cost at least $1,000,000,000 per year for the 10-year life of the reserve. Depending on the magnitude of the program as it may ultimately be approved, the cost of this program would likely drain the balance of CCC's borrowing authority if contracts were signed during a particularly volatile time of CCC activity. That would be the least opportune time for CCC to be forced to cease operations as it did in July 1985, as is discussed below.

Third, the Committee recalls that all CCC activities were halted in July 1985, as pending supplemental appropriations bill, which included funds for reimbursement for net realized losses, was stalled in conference committee. Only an emergency supplemental appropriation bill prevented a lengthier shutdown. Through a current, indefinite appropriation, the Committee hopes to alleviate the need for similar action in fiscal year 1986.

The President's budget requested a permanent, indefinite appropriation. The Committee rejects this proposal because of the diminished oversight it would afford the Committee. In providing a current, indefinite appropriation, and in light of the factors discussed above, the Committee will expect to be more closely and consistently informed as to the status of the Corporation's financial position and its use of the current, indefinite authority. Therefore, the Committee directs the Department to submit to the Committee quarterly reports which include the balance of borrowing authority, the level of net outlays, the level of net realized losses, and any other relevant information concerning the Corporation's financial condition. If a conservation reserve is funded from the CCC, the quarterly reports should detail any activity associated with the funding of the reserve. Further, the Committee directs that the Department notify the Committee each time net realized losses are reimbursed in accordance with the current, indefinite authority provided in this bill.

AGRICULTURE, RURAL DEVELOPMENT, AND RELATED AGENCIES APPROPRIATION BILL 1987

The Committee on Appropriations, to which was referred the bill (H.R. 5177) making appropriations for Agriculture, Rural Development, and Related Agencies programs for the fiscal year ending September 30, 1987, and for other purposes, reports the same to the Senate with various amendments and presents herewith an explanation of the contents of the bill.

COMMODITY CREDIT CORPORATION

Committee recommendations

For reimbursement for net realized losses, the Committee recommends a current, indefinite appropriation. The budget requested a permanent, indefinite appropriation, and the House appropriated $16,808,806,000. Under the current, indefinite budget authority, it is estimated that at least $16,808,806,000 will be necessary to reimburse the Corporation for net realized losses.

Last year, the Senate approved a current, indefinite appropriation for this account, but House opposition in the conference committee on the agriculture appropriations bill (H.R. 3037) necessitated that a direct appropriation be approved. The House had originally approved a direct appropriation of $9,195,240,000. The conferees agreed to that amount and approved an additional $4,000,000,000 to be available upon congressional receipt of an official budget request. The subsequent submission of that budget request was, in effect, the first supplemental appropriation for CCC. On February 6, 1986, an additional $1,492,857,000 was approved in House Joint Resolution 520 (Public Law 99-243). On March 24, 1986, a further amount of $5,000,000,000 was appropriated in House Joint Resolution 534 (Public Law 99-263). It was anticipated that that amount would be sufficient for the remainder of the fiscal year. On June 4, however, CCC once again reached its statutory ceiling on borrowing authority and was forced to instruct local ASCS offices to discontinue the issuance of checks to farmers. In anticipation of that action, this Committee on May 12 approved a $5,300,000,000 supplemental appropriation, which was subsequently passed by the Congress and signed into law on July 2.

It is obvious that an indefinite appropriation would have served the farmers of America more effectively and would have prevented the disruption in local ASCS offices caused by repeated shutdowns and delayed appropriations. Uncertainties in the farm programs and wide-ranging estimates of the potential costs of CCC operations in fiscal year 1987 indicate that multiple supplemental appropriations bills may be required next year as estimates are periodically adjusted.

As stated by the Committee in its report on the fiscal year 1986 agriculture appropriations bill (S. Rept. 99-137), an indefinite appropriation is not the optimal means of financing government programs, because it could curtail somewhat the congressional review of such spending. However, the Committee recognizes the unique nature of this reimbursement account and considers it to be a proper exception to standard appropriations practices.

CCC programs are not the equivalent of other entitlement programs which are funded by specific appropriations (including child nutrition programs in this bill), which are based largely on economic indices and/or fairly predictable participation rates (for example, projected school attendance). Participation estimates and costs for CCC programs are affected by numerous factors which are difficult, if not impossible, to predict, including whether—and to what degree—individual farmers will choose to participate. While this situation is not new to CCC, the problem is exacerbated by the fact that most CCC's $25,000,000,000 borrowing authority has been used to make commodity loans and acquire inventories, neither of which is reimbursable as a realized loss. In previous years, when the amount of outstanding commodity loans and inventory levels were lower, CCC could withstand fluctuation in participation and cost because of an adequate balance of borrowing authority.

The Committee rejects the administration's request for a permanent, indefinite appropriation. The Committee hopes that the high levels of loans and inventories will be reduced in the near future, at which time it may once again be appropriate to provide a specific appropriation.

In providing a current, indefinite appropriation, and in light of the factors discussed above, the Committee will expect to be more closely and consistently informed as to the status of the Corporation's financial position and its use of the current indefinite authority. Therefore, the Committee directs the Department to submit to the Committee quarterly reports which include the balance of borrowing authority, the level of net outlays, the level of net realized losses, and any other relevant information concerning the Corporation's financial condition. Proper detail should be included in the report. Should any aspect of CCC's financial condition become critical, reports should be made more frequently—at least monthly. Further, the Committee directs that the Department notify the Committee each time net realized losses are reimbursed in accordance with the current, indefinite authority provided in this bill.

By Mr. ARMSTRONG (for himself, Mr. WIRTH, Mr. DOMENICI, and Mr. BINGAMAN):

S. 1415. A bill to facilitate and implement the settlement of Colorado Ute Indian reserved water rights claims in southwest Colorado, and for other purposes; to the Select Committee on Indian Affairs.

COLORADO UTE INDIAN WATER RIGHTS SETTLEMENT ACT

● Mr. ARMSTRONG. Mr. President, today, on behalf of myself and Mr. WIRTH, and on behalf of Mr. DOMENICI and Mr. BINGAMAN, I am introducing legislation which will implement the Colorado Ute Indian Water Rights Settlement Agreement.

The settlement agreement which this legislation implements will conclude years of complex and costly litigation by the Ute Mountain and Southern Ute Indian tribes to resolve their claims to water in southwest Colorado. The agreement not only settles the Colorado Ute Indian water rights question, but saves millions of dollars and many years of effort that would have been spent by Indians and non-Indians, Government and private parties on litigation.

Not only will the water rights settlement fulfill a century-old obligation to Colorado Ute tribes, it will remove a serious cloud from the adjudicated water rights of seven rivers in southwest Colorado and the water supply of Mesa Verde National Park.

The Colorado Ute Indian Water Rights Settlement Agreement is a remarkable document. The agreement represents more than 2 years of negotiation by as diverse a group as you can imagine. Involved in the monumental challenge of resolving the Indian reserved water rights question while recognizing existing uses of southwest Colorado water were representatives of several agencies of the Federal Government, the States of Colorado and New Mexico, the two Indian tribes, and numerous water conservancy districts, cities and other entities representing the non-Indian water users of southwest Colorado and northwest New Mexico. At the beginning of the negotiations, no one seriously believed that such a final settlement agreement could be attained. But, it has been accomplished. Now it is necessary for the U.S. Congress to implement the agreement.

In addition to those parties, key leaders in the administration, led by Wayne Marchant, Principal Deputy Assistant Secretary for Water and Science, have labored long and hard to perfect this legislation. The administration has approved components of this settlement agreement two different times: once as a signatory to the detailed Animas-La Plata Project Cost-Sharing Agreement, and again as a signatory to the Colorado Ute Indian Water Rights Final Settlement Agreement.

The implementing vehicle for the Indian Water Rights Settlement Agreement is the Animas-La Plata reclamation project to be located near Durango, CO. Not only does the Animas-La Plata project enable the resolution of the Indian water rights question, it is another step the Federal Government must take to meet its commitment to the States of Colorado and New Mexico under the Colorado River Storage Project Act of 1956, as amended by the Colorado River Basin Project Act of 1968.

Contributions by non-Federal parties to the project will approach 40 percent of project costs. Non-Federal parties will contribute $73.2 million through cash contributions, ad valorem taxes or revenue bonds, of which $5 million will be for the tribal development funds to aid the two tribes in developing their natural resources. Non-Federal parties will further assume a $133 million obligation toward construction of proposed Animas-La Plata project facilities. In addition, the State of Colorado will spend $6 million to construct a domestic pipeline and distribution system to the town of Towaoc on the Ute Mountain Ute Indian Reservation. Once this pipeline is built, the people of Towaoc will no longer have to daily haul their drinking water to the reservation.

This legislation is being introduced with the entire delegations of Colorado and New Mexico as cosponsors, which indicates the kind of accord that has been reached on this bill. A companion bill to this measure is being introduced in the House. Seldom has any piece of legislation received such word by word scrutiny. Every phrase and sentence has been carefully negotiated. Because of this, I hope that amendments can be avoided and the bill be given speedy approval by the U.S. Senate.

Mr. President, I ask unanimous consent that the bill be printed in the CONGRESSIONAL RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1415

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

That this act may be cited as the "Colorado Ute Indian Water Rights Settlement Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) The Federal reserved water rights claims of the Ute Mountain Ute Indian Tribe and the Southern Ute Indian Tribe are the subject of existing and prospective lawsuits involving the United States, the State of Colorado, and numerous parties in southwestern Colorado.

(2) These lawsuits will prove expensive and time consuming to the Indian and non-Indian communities of southwestern Colorado.

(3) The major parties to the lawsuits and others interested in the settlement of the water rights claims of the Ute Mountain Ute Indian Tribe and Southern Ute Indian Tribe have worked diligently to settle these claims, resulting in the June 30, 1986, Binding Agreement for Animas-La Plata Project Cost Sharing which was executed in compliance with the cost sharing requirements of chapter IV of Public Law 99-88 (99 Stat. 293), and the December 10, 1986, Colorado Ute Indian Water Rights Final Settlement Agreement.

(4) The Ute Mountain Ute Indian Tribe and the Southern Ute Indian Tribe, by resolution of their respective tribal councils, which are the duly recognized governing bodies of each Tribe, have approved the December 10, 1986, Agreement and sought Federal implementation of its terms.

(5) This Act is required to implement portions of the above two agreements.

SEC. 3. DEFINITIONS.

For purposes of this Act—

(1) The term "Agreement" means the Colorado Ute Indian Water Rights Final Settlement Agreement dated December 10, 1986, among the State of Colorado, the Ute Mountain Ute Indian Tribe, the Southern Ute Indian Tribe, the United States, and other participating parties.

(2) The term "Animas-La Plata Project" means the Animas-La Plata Project, Colorado and New Mexico, a participating project under the Act of April 11, 1956 (70 Stat. 105; 43 U.S.C. 620; commonly referred to as the "Colorado River Storage Project Act") and the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.).

(3) The term "Dolores Project" means the Dolores Project, Colorado, a participating project under the Act of April 11, 1956 (70 Stat. 105; 43 U.S.C. 620; commonly referred to as the "Colorado River Storage Project Act"), the Colorado River Basin Project Act (82 Stat. 885; 43 U.S.C. 1501 et seq.), and as further authorized by the Colorado River Basin Salinity Control Act (98 Stat. 2933; 43 U.S.C. 1591).

(4) The Term "final consent decree" means the consent decree contemplated to be entered after the date of enactment of this Act in the District Court, Water Division No. 7, State of Colorado, which will implement certain provisions of the Agreement.

(5) The term "Secretary" means the Secretary of the Interior.

(6) The terms "Tribe" and "Tribes" mean the Ute Mountain Ute Indian Tribe, the Southern Ute Indian Tribe, or both Tribes, as the context may require.

(7) The term "water year" means a year commencing on October 1 each year and running through the following September 30.

SEC. 4. PROJECT RESERVED WATERS.

(a) WATER FROM ANIMAS-LA PLATA AND DOLORES PROJECTS.—The Secretary is hereby authorized to use water from the Animas-La

Plata and Dolores Projects to supply the project reserved water rights of the Tribes in accordance with the Agreement.

(b) APPLICATION OF FEDERAL RECLAMATION LAWS.—With respect to the project reserved water supplied to the Tribes or their lessees from the Dolores and Animas-La Plata projects, Federal reclamation laws shall not apply to those project reserved waters except to the extent that those laws may also apply to the other reserved waters of the Tribes. Federal reclamation laws shall not be waived or modified by this subsection insofar as those laws are required to effectuate the terms and conditions contained in article III, section A, subsection 1 and 2, and Article III, section B, subsection 1 of the Agreement.

SEC. 5. TRIBAL WATER USE CONTRACTS.

(a) GENERAL AUTHORITY.—Subject to the approval of the Secretary and to the provisions of its constitution, each Tribe is authorized to enter into water use contracts to sell, exchange, lease, or otherwise temporarily dispose of water in accordance with Article V of the Agreement, but the Tribes shall not permanently alienate any water right. The maximum term of each such water use contract, including all renewals, shall not exceed 50 years in duration.

(b) APPROVAL BY SECRETARY.—(1) The Secretary shall approve or disapprove any water use contract submitted to him within 180 days after submission or within 60 days after any required compliance with section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) whichever is later. Any party to such a contract may enforce the provisions of this subsection pursuant to section 1361 of title 28, United States Code.

(2) In determining whether to approve or disapprove a water use contract, the Secretary shall determine if it is in the best interests of the Tribe and, in this process, the Secretary shall consider, among other things, the potential economic return to the Tribe and the potential environmental, social, and cultural effects on the Tribe. The Secretary shall not be required under this paragraph to prepare any study regarding potential economic return to the Tribe, or potential environmental, social, or cultural effects, of the implementation of a water use contract apart from that which may be required under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(3) Where the Secretary has approved a water use contract, the United States shall not thereafter be directly or indirectly liable for losses sustained by either Tribe under such water use contract.

(c) SCOPE OF AUTHORIZATION.—The authorization provided for in subsection (a) shall not amend, construe, supersede, or preempt any State law, Federal law, interstate compact, or international treaty that pertains to the Colorado River or its tributaries, including the appropriation, use, development, storage, regulation, allocation, conservation, exportation, or quality of those waters.

(d) PER CAPITA PAYMENTS.—The proceeds from a water use contract may not be used for per capita payments to members of either Tribe.

SEC. 6. REPAYMENT OF PROJECT COSTS.

(a) MUNICIPAL AND INDUSTRIAL WATER.—(1) The Secretary shall defer, without interest, the repayment of the construction costs allocable to each Tribe's municipal and industrial water allocation from the Animas-La Plata and Dolores Projects until water is first used either by the Tribe or pursuant to a water use contract with the Tribe. Until such water is first used either by a Tribe or pursuant to a water use contract with the Tribe, the Secretary shall bear the annual operation, maintenance, and replacement costs allocable to the Tribe's municipal and industrial water allocation from the Animas-La Plata and Dolores Projects, which costs shall not be reimbursable by the Tribe.

(2) As an increment of such water is first used by a Tribe or is first used pursuant to the terms of a water use contract with the Tribe, repayment of that increment's pro rata share of such allocable construction costs shall commence by the Tribe and the Tribe shall commence bearing that increment's pro rata share of the allocable annual operation, maintenance, and replacement costs.

(b) AGRICULTURAL IRRIGATION WATER.—(1) The Secretary shall defer, without interest, the repayment of the construction costs within the capability of the land to repay, which are allocable to each Tribe's agricultural irrigation water allocation from the Animas-La Plata and Dolores Projects in accordance with the Act of July 1, 1932 (25 U.S.C. 386a; commonly referred to as the "Leavitt Act"), and section 4 of the Act of April 11, 1956 (70 Stat. 107; 43 U.S.C. 620c; commonly referred to as the "Colorado River Storage Project Act"). Such allocated construction costs which are beyond the capability of the land to repay shall be repaid as provided in subsection (g) of this section. Until such water is first used either by a Tribe or pursuant to a water use contract with the Tribe, the Secretary shall bear the annual operation, maintenance, and replacement costs allocable to the Tribe's agricultural irrigation allocation from the Animas-La Plata Project, which costs shall not be reimbursable by the Tribe.

(2) As an increment of such water is first used by a Tribe or is first used pursuant to the terms of a water use contract with the Tribe, the Tribe shall commence bearing that increment's pro rata share of the allocable annual operation, maintenance, and replacement costs. During any period in which water is used by a tribal lessee on land owned by non-Indians, the Tribe shall bear that increment's pro rata share of the allocated agricultural irrigation construction costs within the capability of the land to repay as established in subsection (b)(1).

(c) ANNUAL COSTS WITH RESPECT TO RIDGES BASIN PUMPING PLANT.—(1) The Secretary shall bear any increased annual operation, maintenance, and replacement costs to Animas-La Plata Project water users occasioned by a decision of either Tribe not to take delivery of its Animas-La Plata Project water allocations from Ridges Basin Pumping Plant through the Long Hollow Tunnel and the Dry Side Canal pursuant to Article III, section A, subsection 2.i and Article III, section B, subsection 1.i of the Agreement until such water is first used either by a Tribe or pursuant to a water use contract with the Tribe. Such costs shall not be reimbursable by the Tribe.

(2) As an increment of its water from the Animas-La Plata Project is first used by a Tribe or is first used pursuant to the terms of a water use contract with the Tribe, the Tribe shall commence bearing that increment's pro rata share of such increased annual operation, maintenance, and replacement costs, if any.

(d) TRIBAL DEFERRAL.—The Secretary may further defer all or a part of the tribal construction cost obligations and bear all or a part of the tribal operation, maintenance, and replacement obligations described in this section in the event a Tribe demonstrates that it is unable to satisfy those obligations in whole or in part from the revenues which could be generated from a water use contract for the use of its water either from the Dolores or the Animas-La Plata Projects or from the Tribe's own use of such water.

(e) USE OF WATER.—For the purpose of this section, use of water shall be deemed to occur in any water year in which a Tribe actually uses water or during the term of any water use contract. A water use contract pursuant to which the only income to a Tribe is in the nature of a standby charge is deemed not to be a use of water for the purposes of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated such funds as may be necessary for the Secretary to pay the annual operation, maintenance, and replacement costs as provided in this section.

(g) COSTS IN EXCESS OF ABILITY OF THE IRRIGATORS TO REPAY.—The portion of the costs of the Animas-La Plata Project in excess of the ability of the irrigators to repay which are to be repaid from the Upper Colorado River Basin Fund pursuant to the Colorado River Storage Project Act and the Colorado River Basin Project Act shall be repaid in 30 equal annual installments from the date that the water is first available for use.

SEC. 7. TRIBAL DEVELOPMENT FUNDS.

(a) ESTABLISHMENT.—There is hereby authorized to be appropriated the total amount of $49,500,000 for three annual installment payments to the Tribal Development Funds which the Secretary is authorized and directed to establish for each Tribe. Subject to appropriation, and within 60 days of availability of the appropriation to the Secretary, the Secretary shall allocate and make payment to the Tribal Development Funds as follows:

(1) To the Southern Ute Tribal Development Fund, in the first year, $7,500,000; in the two succeeding years, $5,000,000 and $5,000,000, respectively.

(2) To the Ute Mountain Ute Tribal Development Fund, in the first year, $12,000,000; in the two succeeding years, $10,000,000 and $10,000,000, respectively.

(b) ADJUSTMENT.—To the extent that any portion of such amount is contributed after the period described above or in amounts less than described above, the Tribes shall, subject to appropriation Acts, receive, in addition to the full contribution to the Tribal Development Funds, an adjustment representing the interest income as determined by the Secretary in his sole discretion that would have been earned on any unpaid amount had that amount been placed in the fund as set forth in section 7(a).

(c) TRIBAL DEVELOPMENT.—(1) The Secretary shall, in the absence of an approved tribal investment plan provided for in paragraph (2), invest the moneys in each Tribal Development Fund in accordance with the Act entitled "An Act to authorize the deposit and investment of Indian funds" approved June 24, 1938 (25 U.S.C. 162a). Separate accounts shall be maintained for each Tribe's development fund. The Secretary shall disburse, at the request of a Tribe, the principal and income in its development fund, or any part thereof, in accordance with an economic development plan approved under paragraph (3).

(2) Each Tribe may submit a tribal investment plan for all or part of its Tribal Development Fund as an alternative to the investment provided for in paragraph (1). The Secretary shall approve such investment plan within 60 days of its submission if the Secretary finds the plan to be reasonable and sound. If the Secretary does not approve such investment plan, the Secretary shall set forth in writing and with particularity the reasons for such disapproval. If such investment plan is approved by the Secretary, the Tribal Development Fund shall be disbursed to the Tribe to be invested by the Tribe in accordance with the approved investment plan. The Secretary may take such steps as he deems necessary to monitor compliance with the approved investment plan. The United States shall not be responsible for the review, approval, or audit of any individual investment under the plan. The United States shall not be directly or indirectly liable with respect to any such investment, including any act or omission of the Tribe in managing or investing such funds. The principal and income from tribal investments under an approved investment plan shall be subject to the provisions of this section and shall be expended in accordance with an economic development plan approved under paragraph (3).

(3) Each Tribe shall submit an economic development plan for all or any portion of its Tribal Development Fund to the Secretary. The Secretary shall approve such plan within 60 days of its submission if the Secretary finds that it is reasonably related to the economic development of the Tribe. If the Secretary does not approve such plan, the Secretary shall, at the time of decision, set forth in writing and with particularity the reasons for such disapproval. Each Tribe may alter the economic development plan, subject to the approval of the Secretary as set forth in this subsection. The Secretary shall not be directly or indirectly liable for any claim or cause of action arising from the use and expenditure by the Tribe of the principal of the funds and income accruing to the funds, or any portion thereof, following the approval by the Secretary of an economic development plan.

(d) Per Capita Distributions.—Under no circumstances shall any part of the principal of the funds, or of the income accruing to such funds, be distributed to any member of either Tribe on a per capita basis.

(e) Limitation on Setting Aside Final Consent Decree.—Neither the Tribes nor the United States shall have the right to set aside the final consent decree solely because subsection (c) is not satisfied or implemented.

SEC. 8. WAIVER OF CLAIMS.

(a) General Authority.—The Tribes are authorized to waive and release claims concerning or related to water rights as described in the Agreement.

(b) Condition on Performance by Secretary.—Performance by the Secretary of his obligations under this Act and payment of the money authorized to be paid to the Tribes by this Act shall be required only when the Tribes execute a waiver and release as provided in the Agreement.

SEC. 9. ADMINISTRATION

In exercising this authority to administer water rights on the Ute Mountain Ute and Southern Ute Indian Reservations, the Secretary, on behalf of the United States, shall comply with the administrative procedures in Article IV of the Agreement.

SEC. 10. INDIAN SELF-DETERMINATION ACT.

The design and construction functions of the Bureau of Reclamation with respect to the Dolores and Animas-La Plata Projects shall be subject to the provisions of the Indian Self-Determination and Education Assistance Act (88 Stat. 2203; 25 U.S.C. 450 et seq.) to the same extent as if such functions were performed by the Bureau of Indian Affairs. Any preference provided the Tribes shall not detrimentally affect the construction schedules of the Dolores and Animas-La Plata Projects.

SEC. 11. RULE OF CONSTRUCTION.

(a) In General.—This Act shall be construed in a manner consistent with the Agreement.

(b) Individual Members of Tribes.—Any entitlement to reserved water of any individual member of either Tribe shall be satisfied from the water secured to that member's Tribe.

SEC. 12. EFFECTIVE DATE.

Sections 4(b), 5, and 6 of this Act shall take effect on the date on which the final consent decree contemplated by the Agreement is entered by the District Court, Water Division No. 7, State of Colorado. Any moneys appropriated under section 7 of this Act shall be placed into the Ute Mountain Ute and Southern Ute Tribal Development Funds in the Treasury of the United States together with other parties' contributions to the Tribal Development Funds, but shall not be available for disbursement pursuant to section 7 until such time as the final consent decree is entered. If the final consent decree is not entered by December 31, 1991, the moneys so deposited shall be returned, together with a ratable share of accrued interest, to the respective contributors and the Ute Mountain Ute and Southern Ute Tribal Development Funds shall be terminated and the Agreement may be voided by any party to the Agreement. Upon such termination, the amount contributed thereto by the United States shall be deposited in the general fund of the Treasury.●

● Mr. WIRTH. Mr. President, I am pleased to join with the senior Senator from Colorado in introducing this legislation. Many people, in my home State of Colorado and in New Mexico, have worked hard to put together the cost sharing and water rights agreements that are embodied by this legislation.

The Ute Mountain Ute and Southern Ute Indian Tribes have negotiated with their neighbors on water rights, and have reached an agreement that will provide the tribes with water that they can use to develop their reservations and provide the basic services that most of us take for granted. And this agreement will also provide water for several communities in New Mexico and Colorado and for irrigation of non-Indian farm lands.

The Animas-La Plata project is an integral part of this agreement. The water that will be stored in that project, and water from the Dolores project in the same part of Colorado, are the keys to making this agreement work. The States of New Mexico and Colorado recognize the importance of this agreement and they have committed to an unprecedented cost-sharing agreement, along with the local conservancy districts.

This legislation is supported by the States of Colorado and New Mexico, the Ute Indian Tribes, and the conservancy districts. It is the product of many long hours at the negotiating table. It is a fair agreement, and I urge our colleagues to support this legislation.●

By Mr. DASCHLE (for himself and Mr. Pressler):

S. 1416. A bill to authorize the Lyman-Jones, West River and Oglala Sioux Rural Water Development projects; to the Committee on Energy and Natural Resources.

AUTHORIZATION OF CERTAIN WATER PROJECTS

Mr. DASCHLE. Mr. President, I rise today to introduce legislation to authorize the construction of the Lyman-Jones/West River/Oglala Sioux Rural Water Pipeline. For the sake of simplicity, I will refer to this project as the West River rural water pipeline, in reference to the West River region of South Dakota in which the Oglala Sioux Tribe, the Lyman-Jones Rural Water District, and the West River Rural Water District are located.

I join my good friend and colleague from South Dakota, Mr. Pressler, in introducing what must be considered one of the most critical bills for the people of our State currently before this body. As the lead sponsor of similar legislation in the Senate last Congress, the senior Senator's leadership on this issue has been exemplary. I look forward to working with Senator Pressler in strong bipartisan partnership to authorize this model project. The West River pipeline is not a luxury item on our list. It is, quite frankly, the only means we have to deliver safe drinking water to a large portion of our people.

The setting for the proposed West River rural water pipeline is an 11,000 square miles area on the prairie grasslands of western South Dakota, one of the most geographically isolated and starkly beautiful areas of the United States. This vast, rugged land is inhabitated by approximately 12,000 Indians and 8,300 non-Indian individuals, most of whom eke out a modest living raising livestock. While this is a land that is blessed with many things, it lacks one of the most basic life-sustaining elements for human beings—safe ground water.

The few people in western South Dakota who can afford it transport their water by truck from hundreds of miles away. It is not hard to imagine why they choose this expensive option. Simply viewing and smelling the water in western South Dakota gives one an indication that all is not well with the water. A laboratory analysis of the water confirms that suspicion. The water that is consumed by the typical western South Dakota citizen in the project area contains unsafe levels of sodium, dissolved solids, sulfates, iron, and radium 226/228. It has been estimated that the average water consumer in this area consumes the equivalent of a 1.8 pound rock in dissolved solids every year. Perrier, France, this is not.

The high content of these dangerous elements is directly related to a wide variety of serious health problems for area residents, including high blood pressure from the water's high sodium content and a variety of serious digestive disorders caused by the high levels of dissolved solids in the water. The problem is so pervasive that members of the Oglala Sioux Tribe have joined with ranchers in seven counties in western South Dakota to try to do something about it.

The West River pipeline will be similar to the highly successful WEB rural water pipeline in northeastern South Dakota. Like WEB, West River will draw easily treatable water from the Missouri River, purify the water at a plant adjacent to the river tap, and deliver the water via pipeline to areas where clean ground water is not available. It is notable that WEB is perhaps the only Bureau of Reclamation project around that was supported by national and State conservation groups and is being constructed ahead of schedule and under budget. We plan to follow that lead with the construction of the West River pipeline.

As we begin the debate over this project, you will probably not find anyone in the administration or the Congress that will oppose this legislation on the premise that the water in the project area is safe to drink. It is not safe, and no one can dispute that fact.

What we can expect to hear from the administration, however, is that the modest $100 million price tag for this pipeline is too much for the Government to pay for drinkable water for a handful of geographically isolated ranchers. Granted, the per user cost of this project is higher than we are accustomed to seeing in much of America. But I can assure you that these people, who are used to paying anywhere from $10,000 to $30,000 to drill a shortlived well producing water that often cannot begin to meet Federal safe drinking standards, will pay their fair share to be able to serve clean water to their children.

I must reiterate that South Dakotans are not asking for a free ride in this instance. The consumers in the project area, which includes the poorest county in America, are willing to bear a significant portion of the cost of this protect. The State of South Dakota, despite the fact that its coffers have been drastically reduced due to the depressed state of the farm economy, is also willing to do as much as it can to share in the cost of the project. But State and local governments cannot afford the means to deliver clean water for these people without Federal help. The bottom line is that construction of a rural water pipeline from the Missouri River is the only way to deliver drinkable water to these citizens, and the pipeline will never become a reality without some degree of Federal assistance.

I remind my colleagues that the Federal Government sets safe drinking water standards for a reason. We strive to protect the American people from the whole range of serious health hazards associated with the consumption of impure water. For the most part, we are remarkably successful in that endeavor. If we do not authorize the West River rural water pipeline, however, we will, in effect, be making a statement that "Congress is only concerned about providing safe drinking water for Americans when it is convenient to do so."

Mr. President, that is not the message that we sent the American people last winter when we boldly overrode a Presidential veto to enact a revitalized Clean Water Act. I think this body is sincere in wanting to ensure that all American families have safe water for their children, even in those pockets of rural America where ground water is not drinkable and a pipeline is the only feasible way to deliver clean water. I join Senator PRESSLER in urging Senators to authorize the West River rural water pipeline and send that positive message clearly to the American people.

At this time, Mr. President, I ask unanimous consent that the text of S. 1416 be printed into the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PURPOSE AND AUTHORIZATION.

SECTION 1(a) The Congress declares that the purposes of this Act are to:

(1) Meet the domestic and livestock water needs of residents of Haakon, Jackson, Jones, Lyman, Mellette, Pennington and Stanley Counties, South Dakota; and

(2) Meet the domestic and livestock water needs of the Pine Ridge Indian Reservation:

(b) The Secretary of the Interior (hereinafter referred to as "the Secretary") is authorized to direct planning and construction of a municipal, rural and industrial water treatment and distribution system in Haakon, Jackson, Jones, Lyman, Mellette, Pennington and Stanley Counties, South Dakota, as described by the engineering reports for the West River Rural Water System and the Lyman-Jones Rural Water System; and to provide funds for such planning and construction.

(c) The Secretary is authorized to direct planning and construction of a municipal, rural and industrial water treatment and distribution system for the Oglala Sioux Tribe to meet the economic, public health and environmental needs of the Pine Ridge Indian Reservation, hereinafter referred to as the Oglala Sioux Rural Water System, including such off-Reservation facilities as are necessary to assure adequate water supply for the Reservation.

(d) Nothing in this Act is intended, nor shall be construed, to preclude the State of South Dakota or the Oglala Sioux Tribe from seeking Congressional authorization to plan, design and construct additional Federally-assisted water resource development projects in the future.

(e) Nothing in this act shall:

(1) Impair the validity of or preempt any provision of state water law, or of any interstate compact governing water;

(2) Alter the rights of any state to any appropriated share of the waters of any body of surface or ground water, whether determined by past or future interstate compacts, or by past or future legislative or final judicial allocations;

(3) Preempt or modify any state or federal law or interstate compact dealing with water quality or disposal;

(4) Confer upon any non-federal entity the ability to exercise any federal right to the waters of any stream or to any ground water resources; or

(5) Affect any water rights of any Indian or Indian tribe which were established by the setting aside of a reservation by treaty, executive order, agreement or act of Congress. Nothing in this act is intended, nor shall be considered, to diminish or affect the quantity or quality of water from the Missouri River basin or elsewhere which is owned or claimed by the Oglala Sioux Tribe under aboriginal title, recognized title or under the Winter's doctrine.

SECTION 2. SPECIFIC FEATURES.

SEC. 2(a) The service area of the West River Rural Water System and the Lyman-Jones Rural Water System shall be generally as described by the engineering studies for the respective projects, except that the Secretary may approve adjustments to the service area boundaries, within the counties named in Section 1, so as to maximize the project benefits.

(b) The service area of the Oglala Sioux Rural Water System shall be the boundaries of the Pine Ridge Indian Reservation and any area near or adjacent thereto which the Secretary may approve to maximize the project benefits. Notwithstanding the service area boundary, the facilities provided for the Oglala Sioux Rural Water System may include capital contributions toward water supply and transmission facilities of the Lyman-Jones or West River Rural Water Systems by the Oglala Sioux Rural Water System shall be recognized in setting water rates charged to the Oglala Sioux Rural Water System, in accordance with such rules and regulations as the Secretary may prescribe.

(c) Facilities authorized under this Act for rural water systems shall include water intake, pumping, treatment, storage and pipeline facilities, appurtenant buildings and access roads, necessary property and property rights, electrical power transmission and distribution facilities necessary for service to water system facilities, planning and design services for all facilities, and other facilities and services customary to the development of rural water distribution systems in South Dakota.

(d) In addition to the features described in Section 2(c), the Oglala Sioux Rural Water

System shall include such other facilities as are necessary to meet the domestic, municipal, livestock and industrial water needs of the Pine Ridge Indian Reservation; including but not limited to purchase, improvement or repair of water storage tanks, water lines and other facilities for the Oglala Sioux Tribe and reservation villages, towns and municipalities. The Oglala Sioux Rural Water System shall also include connection fees of Oglala Sioux tribal members as may be assessed by the Oglala Sioux Rural Water System, and purchase, improvement or repair of existing water systems of individual tribal members located on the Pine Ridge Indian Reservation. The Secretary shall provide technical assistance as may be necessary to the Oglala Sioux Tribe to plan, develop, construct and operate the system including operation and management training.

(e) The Secretary may, when benefits will not be decreased and costs will be reduced by such action, authorize with the consent of the Rural Water System or Systems affected, changes in Project plans, including changes of water sources; provided that no such change shall result in delivery of water to any project beneficiary which is substandard to the quality of water provided from Lake Oahe in South Dakota.

SECTION 3. POWER.

SEC. 3(a) Section 5 of the Act of September 30, 1982 (96 Stat. 1182), is hereby made applicable to the Pine Ridge Indian Reservation, and the Oglala Sioux Tribe shall, in addition to the purposes contained in Section 5 of that Act, be eligible to obtain pumping power for facilities constructed with funds authorized by Section 4(b) of this Act.

SECTION 4. AUTHORIZATION OF APPROPRIATIONS.

SEC. 4(a) There is authorized to be appropriated $65,000,000 for carrying out the provisions of Section 1(b) of this Act. Such sums shall remain available until expended.

(b) There is authorized to be appropriated $35,000,000 for carrying out the provisions of Section 1(c) of this Act. Such sums shall remain available until expended.

(c) The authorization amounts of Sections 4(a) and 4(b) of this Act shall be adjusted plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations in development costs incurred after January 1, 1987, as indicated by the engineering cost indices applicable to the types of construction involved.

SECTION 5. ADMINISTRATION.

(a) The Secretary shall use funds authorized under Section 4(a) of this act to provide financial assistance to plan, develop and construct the Lyman-Jones and West River Rural Water Systems. Administration of funds authorized shall be under the terms and conditions of Public Law 97-273 section 2(c), the WEB Rural Water Development Act and the rules and regulations promulgated under that Act, except to the extent such Act or rules or regulations are inconsistent with the provisions of this Section. Funds appropriated under Section 4(a) of this Act shall be made available in a combination of grants and loans that will provide grants for not less than 75 per centum of eligible development costs; and such loans as may be necessary to complete the Lyman-Jones and West River Water Development Projects.

(b) The Secretary shall use funds appropriated under Section 4(b) of this Act to provide financial assistance to plan, develop and construct the Oglala Sioux Rural Water System on the Pine Ridge Indian Reservation. The design and construction of the Oglala Sioux Rural Water System shall be subject to the provisions of Public Law 93-638 (25 U.S.C. 450 et seq.). All funds provided under Section 4(b) shall be grants. The Oglala Sioux Rural Water System, including electrical power facilities, shall be owned and operated by the Oglala Sioux Tribe provided however, that the Oglala Sioux Tribe shall not sell, mortgage or otherwise encumber the system without the approval of the Oglala Sioux tribal membership in a referendum election conducted by the Secretary of the Interior.

(c) All agreements between the Oglala Sioux Tribe and any governmental or private entity executed pursuant to or in fulfillment of this act shall be subject to the approval of the Secretary of the Interior pursuant to 25 U.S.C. 81.

Mr. PRESSLER. Mr. President, today I am introducing legislation with my colleague from South Dakota, Senator DASCHLE, to authorize the development of the Lyman-Jones, West River and Oglala Sioux rural water project in South Dakota. Congressman JOHNSON is introducing a companion bill in the House of Representatives today. In July of 1985, I introduced the initial bill, S. 1471, to authorize the Lyman-Jones and West River rural water system. A companion House bill was subsequently introduced. Hearings were held by the appropriate subcommittees in both the House and the Senate and further action was scheduled but time ran out. On the first day of the 100th Congress, I introduced S. 55 authorizing the Lyman-Jones and West River project. Since that time, S. 55 has been modified to include the Oglala Sioux Tribe to provide good quality water to residents of the Pine Ridge Indian Reservation.

The Lyman-Jones, West River and Oglala Sioux rural water project is the result of a grassroots effort to bring good quality water to western South Dakota. For over 25 years local residents in western South Dakota have been working to make this project a reality. Several years ago during a public listening meeting I held in Chamberlain, SD, Frank Woster, a director on the Lyman-Jones rural water project, talked to me about the poor quality of water in the area. Following our meeting, I worked with the water district in an effort to obtain FmHA financing. The project would not fit FmHA criteria so I drafted legislation to authorize the project. Last year during Senate field hearings representatives of the Oglala Sioux Tribe expressed an interest in participating in the project. Early this year, engineering studies were completed and S. 55 was modified to include the Pine Ridge Indian Reservation.

The best testimonial to the need for this project would be to have Senators drink the water from this area. I don't want all of my colleagues to become ill so I will try to explain the problem. Water in the area to be served contains dissolved solids far in excess of the recommended EPA limit. The water contains exceedingly high levels of sodium, sulfate and iron which cause digestive problems in humans and livestock. A recent study conducted by South Dakota State University linked the high level of radioactivity in the water in this area to cancer. The study linked 29 percent of all cancer in people under 20 years of age to radioactivity in the water. The highest levels of radioactivity in South Dakota is the area to be served by this project. The high sodium content also causes problems for residents with high blood pressure.

Owners of restaurants and service stations in western South Dakota must caution visitors about the possible hazards of drinking the water. This is of particular concern since Interstate 90, the primary route for tourists traveling to the Black Hills, passes through this area. The large amount of dissolved solids in the water is not only bad for human health, but also substantially increases the cost of maintaining water systems and household appliances.

In this area, most of the water comes from deep wells. The wells are very costly to drill and have a short useful span. The average community must spend near one-quarter of a million dollars to drill a new well. The area ranchers also pay an average of between $10,000 and $30,000 to drill a well. Even with these high costs, the average lifespan of a well is only 4 to 12 years with average annual maintenance costs of 10 percent of the construction costs. Having to live with this poor quality water and expensive water systems has made the area residents very thirsty for good quality water from the nearby Missouri River.

The project will provide good quality Missouri River water to over 20,000 Indians and non-Indian residents in seven counties and the Pine Ridge Indian Reservation.

The Lyman-Jones rural water system was originally organized in 1971. Initially, no signup fee was assessed; but later, when the signup fee was collected, approximately 85 percent of the area residents paid the signup fees. Six municipalities also signed up for the project. A similar signup occurred in the West River rural water system area in the 1980's. The need and desire for good quality water in the area has been clearly demonstrated.

The estimated total cost of the projects is approximately $100 million. The non-Indian portion of the project would cost an estimated $65 million and be financed with a combination of loans and grants. The State of South Dakota has also expressed support for the project and provided funding to continue to develop the project. Local residents have also raised over a million dollars to fund engineering studies and develop the project. The State and local people have already made a significant investment in the project.

The Pine Ridge Indian Reservation includes Shannon County, which has the lowest per capita income in the Nation. The per capita income in this area is approximately $3,000 annually. The project features serving the Indian reservation would be 100 percent grant. The estimated cost for the Indian share of the project would be $35 million.

Mr. President, the residents of this area desperately need good quality water for domestic use. The proposed pipeline project is the only feasible means of providing the area with good quality water.

By Mr. HARKIN (for himself, Mr. WEICKER, Mr. KENNEDY, Mr. METZENBAUM, Mr. STAFFORD, Mr. SIMON, and Mr. COCHRAN):

S. 1417. A bill to revise and extend the Developmental Disabilities Assistance and Bill of Rights Act; to the Committee on Labor and Human Resources.

DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT AMENDMENTS

Mr. HARKIN. Mr. President, I am pleased to introduce today, along with Mr. WEICKER, Mr. KENNEDY, Mr. METZENBAUM, Mr. STAFFORD, Mr. SIMON, and Mr. COCHRAN, legislation amending and extending for 3 years programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act.

While the programs authorized under this act are small compared to other legislation providing assistance to persons with special needs, they have significant impact on the lives of many persons with severe handicaps. This legislation is critical to enable persons with developmental disabilities achieve their maximum potential through increased independence, productivity, and integration into the community and to ensure the protection and advocacy of the legal and human rights of persons with developmental disabilities.

Only a generation ago, persons with developmental disabilities and their families had limited options, consisting primarily of institutionalization. We, as a nation, viewed persons with developmental disabilities in terms of their limitations—limitations on what persons with severe handicaps could accomplish and contribute to society.

The Developmental Disabilities Assistance and Bill of Rights Act has been a major impetus for the creation of the many and varied programs now available and initiatives that facilitate the creation of opportunities enabling individuals with developmental disabilities to assume socially valued roles, to live in communities, to participate in competitive employment, and to develop greater self-respect and dignity.

Let me give you an example of what the DD Act has meant for Ron, who lives in my home State of Iowa. The following description appeared in the Iowa Governor's Planning Council for Development Disabilities, 1986 Annual Program Report.

Ron is a young man who has mental retardation and a history of emotional problems. His educational needs have been addressed through special education classes in the local school, primarily in classrooms for individuals with behavior disorders. For a time, it appeared that his emotional problems would severely restrict his opportunity for future independent living. His inability to cope with social pressures was largely responsible for this failure to make progress mastering academic and independent living skills that he was capable of learning. His behavioral outbursts had seriously jeopardized his foster home placement.

Ron's school brought his needs to the attention of a community-based residential and vocational program that included service coordination (case management) among the services offered. Ron went to live in a group home staffed by individuals professionally trained to respond to disruptive behavior creatively and with a range of appropriate alternatives. A new diagnosis and evaluation stressed the need for strong direction in planning and early vocational training.

The community agency's social worker initiated communication between the residential program and the school so that each program began reinforcing the skills and learning strategies taught in the other setting. In addition, placements at community job sites, supervised by staff from the agency's vocational program, were integrated into Ron's individualized service plan. Through the success he experienced in these community job placements, Ron became much more comfortable in social situations.

Today, Ron has as long, and probably broader work history than most teenagers his age. He is making more decisions at the group home than ever before. He is talking about living in his own apartment some day and holding a full-time job. This progress is due not only to the particular services Ron receives, but to the case manager who coordinates these services in a meaningful way and monitors his access to them.

The Developmental Disabilities Assistance and Bill of Rights Act has four components: The basic State Grant Program; the protection and advocacy systems; the university affiliated programs; and special projects.

The bill reaffirms the thrust of the basic State Grant Program and includes several amendments that clarify and strengthen the program. The basic State Grant Program provides payments to States to plan and conduct activities to increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

The findings sections of the legislation focuses on the capabilities, competencies, and preferences as well as the needs of persons with developmental disabilities and emphasizes the important role the family and members of the community can play in enhancing the lives of persons with developmental disabilities, especially when necessary support services are provided.

The bill specifies that it is in the national interest to offer persons with developmental disabilities the opportunity, to the maximum extent feasible, to make decisions for themselves and to live in typical homes and communities where they can exercise their full rights and responsibilities as citizens.

The bill also clarifies and strengthens the independence of the State planning councils to carry out their advocacy role under the act and refocuses the activities the councils may fund to include policy analyses and other activities that are most likely to have a positive impact on the greatest numbers of persons with developmental disabilities. The bill also amends the State plan to require States to take a hard look at how they are meeting the needs of persons with developmental disabilities attributable to physical impairment, a mental impairment, or a combination of physical and mental impairments. The bill also increases state flexibility in selecting priority areas in which to focus their efforts.

The bill increases the minimum State allotment under the basic State grant to $350,000. It authorizes to be appropriated $62,200,000 for fiscal year 1988, $69,900,000 for fiscal year 1989, and $77,400,000 for fiscal year 1990.

The bill adds several provisions designed to enhance the accountability of the protection and advocacy system by: ensuring particular attention be paid to the needs of members of racial and ethnic minorities who are developmentally disabled; requiring the establishment of a grievance procedure; and providing the public with an opportunity to make public comment on the priorities established by the system.

The bill clarifies that access to the records of a person with developmental disabilities applies to a person who resides or was abused or neglected while residing in a facility for persons with developmental disabilities. The bill also clarifies the authority of the protection and advocacy system to investigate incidences of abuse and neglect reported to the system if there is probable cause to believe that the incidents occurred. These changes are consistent with comparable authority set out in the Protection and Advocacy for Mentally Ill Individuals Act of 1986, Public Law 99-319.

The bill increases the minimum State allotment for protection and advocacy systems to $200,000. The bill authorizes to be appropriated $20,000,000 for fiscal year 1988; $22,000,000 for fiscal year 1989; and $24,200,000 for fiscal year 1990.

The bill retains the current focus of the part of the legislation establishing university affiliated programs, which are designed to assist in the provision of interdisciplinary training, the demonstration of exemplary services and technical assistance and the dissemination of information which will increase and support the independence, productivity, and integration into the community of persons with developmental disabilities.

The bill establishes a new grant program for university affiliated programs under which the Secretary is directed to make training grants of sufficient size and scope in areas of emerging national significance—particularly in the areas of early intervention; programs for the elderly; and community based service programs.

The bill permits universities to apply for funds to study the feasibility of establishing a new university affiliated program or a satellite. In addition, the bill increases the amount of core funding for existing university affiliated programs and provides authority for expanding this program into States which currently do not have or are not served by a university affiliated program. The bill requires in the application that the university affiliated program demonstrate coordination between its activities and the activities conducted by the State under the State plan.

Separate line-items are established for core funding and for the funding of grants. The bill authorizes to be appropriated for core funding $9,400,000 for fiscal year 1988, $10,200,000 for fiscal year 1989, and $11,000,000 for fiscal year 1990. For grants to university affiliated programs, the bill authorizes to be appropriated $4,500,000 in fiscal year 1988, $5,000,000 in fiscal year 1989, and $5,500,000 in fiscal year 1990.

Finally, the bill renames the special projects part of the bill to read "projects of national significance." The Secretary is authorized to make grants to or enter into contracts with agencies and nonprofit entities for projects of national significance relating to persons with developmental disabilities to train policymakers, develop an ongoing data collection system, determine the feasibility and desirability of developing a nationwide information and referral system, pursuing interagency initiatives and other projects of sufficient size and scope which hold promise of expanding opportunities for persons with developmental disabilities. The bill authorizes to be appropriated $3,650,000 for each of the fiscal years 1987-90.

Mr. WEICKER. Mr. President, I rise today as an original cosponsor of the Developmental Disabilities Act Amendments of 1987. This legislation will reauthorize the Developmental Disabilities Act for 3 years and continue to strengthen the Federal mandate for increasing the independence, productivity and integration of our Nation's developmentally disabled citizens.

As the state of the art changes with respect to the provision of services for persons with disabilities, Federal disability policy must evolve to ensure we are not attempting to solve today's problems with yesterday's solutions. Since its creation 17 years ago, the Developmental Disabilities Act has supported research and demonstrations that have provided the impetus for Congress to continually refine its policies to keep up with our expanding knowledge and understanding, and assist those with disabilities to lead dignified and fulfilling lives.

During the last reauthorization, important priorities were added to the act to emphasize independent living and supported employment opportunities for individuals with developmental disabilities, in order to ensure expanded opportunities for integration of such individuals into the community and the workplace upon completion of their education.

The reauthorization bill introduced today contains numerous provisions which will further refine the programs authorized by the Developmental Disabilities Act. Specifically, the bill will strengthen the ability of the State Planning Councils to ensure that all individuals who are developmentally disabled, including individuals with mental or physical impairments or a combination thereof, will have access to the supports and services necessary to enable them to achieve their maximum potential. In order to accomplish this objective, State Planning Councils are authorized to conduct policy analyses and other activities which will ultimately impact all individuals who are developmentally disabled. Thus the State Planning Councils become a catalyst for change—from accessing existing service systems and identifying service gaps, to attempting to mobilize systems and communities toward the goals of increased independence, productivity and integration for all who are developmentally disabled. At the same time that the legislation encourages this evolution, the bill recognizes the importance of the disabled individual, the family, and members of the community in this process.

Another major component of the Developmental Disabilities Act is the Protection and Advocacy System, which has been critical in protecting and advocating the rights of individuals with disabilities. These Protection and Advocacy Systems were mandated by Congress in response to public outcry against the abuse and neglect to which disabled persons were subjected. During this 10th anniversary of their establishment, the range of Protection and Advocacy System activities is broad—and includes protection of individuals from abuse and neglect in institutions and nursing homes, assisting disabled children secure their right to a free, appropriate public education, and advocating for accessible transportation and housing, among other activities.

The reauthorization bill will enable these systems to continue their important work, and expand their authority to include investigation of incidences where there is probable cause to believe that abuse or neglect has occurred, with special emphasis on minority populations who are developmentally disabled and in need of protection and advocacy services.

The reauthorization bill retains the current focus for the University Affiliated Program and authorizes the Secretary to expand these systems in geographically unserved areas. The bill also authorizes the Secretary to establish a new grant program to enable University Affiliated Programs to examine areas of emerging national significance, such as in the areas of early intervention, the elderly disabled, and the area training for community based service programs.

Finally, the Special Projects Section of the act has been changed to Projects of National Significance, again reflecting the role of the Developmental Disabilities Act in supporting projects which will ultimately benefit all individuals with disabilities.

Thus the mandate of each of the programs authorized under the Developmental Disabilities Act has been strengthened and refined through this reauthorization. Accordingly, the authorization levels have been increased, since we cannot expect to expand and strengthen programs without adequate financial support. Although small in comparison to other Federal discretionary activities, funds from the Developmental Disabilities Act have a multiplier effect, and stimulate additional funds from States and other organizations. Clearly, these dollars represent a worthwhile investment.

I urge my colleagues to join with me in reaffirming our Federal commitment to all developmentally disabled Americans through prompt consideration and passage of this reauthorization bill, and I would like to especially thank Senator TOM HARKIN, chairman of the Subcommittee on the Handicapped, for his leadership in its development.

Mr. KENNEDY. Mr. President, I am pleased to join my colleagues on the Handicapped Subcommittee in introducing legislation to reauthorize the Developmental Disabilities Assistance and Bill of Rights Act.

In 1963, President Kennedy initiated the first mental retardation legislation. He said then that the nonsystem of mental health care "has been tolerated too long. It has troubled our Nation's conscience, but only as a problem unpleasant to mention, easy to one's conscience, but only as a problem unpleasant to mention, easy to postpone and despairing of solution."

In the Developmental Disabilities Assistance and Bill of Rights Act, we took a major step to give substance to the national policy of deinstitutionalization, we were determined to enact a Federal-State partnership aimed at comprehensive services to the developmentally disabled citizens in our Nation.

In the ensuing years, advanced technology, a more sophisticated way of addressing the needs of our Nation's developmentally disabled citizens, and educational efforts aimed at mainstreaming these citizens has helped make the lives of these individuals more productive and fulfilling. But just as importantly, society as a whole has benefited tremendously from the insights and contributions these individuals have made to our Nation.

I am especially pleased that this legislation establishes, under the University Affiliated Programs, a new grant system for programs of emerging significance in the developmentally disabled population. Important among these grants is a commitment to our Nation's elderly developmentally disabled population.

The current lack of services for the aging mentally retarded is of great concern to me. When most of the retarded elderly were growing up there were no community-based services available. These people were sent to State institutions and have been, for the most part, deinstitutionalized.

The retarded elderly who are now living at home are living long enough to see their own parents become disabled or die. These individuals need special assistance from recreation to adult education to a social support network. This legislation takes important steps to address those needs and I am pleased the members of the subcommittee have joined me in addressing those needs.

I would like to thank the members of the subcommittee and their staffs for their hard work and dedication in addressing the needs of our Nation's developmentally disabled population. In addition, I am especially grateful to Senator HARKIN and Senator WEICKER for their leadership in drafting this important legislation.

Mr. STAFFORD. Mr. President, I am pleased to join my colleagues, Senator HARKIN and Senator WEICKER, in support of the Developmental Disabilities Act Amendments of 1987 that are being offered today. Since its inception in 1963, this act has maintained a mechanism to plan and coordinate services for persons with developmental disabilities and to advocate for and protect their rights.

Some of the new provisions that are of particular significance to my own State of Vermont are the changes in the State planning councils; the training grants; and the change in the State minimum for the State grant program and for the protection and advocacy system.

The changes in the State planning councils will allow greater independence of the State developmental disability councils from the administering agency. It will also allow the council's staff to be responsible only to the council and not assigned other duties by the administering agency and that the staff will be hired by the council and not the agency. These are key issues that the Vermont Developmental Disabilities Council has been interested in and I feel they will strengthen the role of each State's council.

This legislation also establishes a new grant program for university affiliated programs for training personnel in order to better address the needs of persons with developmental disabilities. The bill targets the areas of early intervention, elderly persons with developmental disabilities and community-based service programs. For the first time in the history of mankind, due to the advances in medical technology, we are seeing a generation of elderly disabled individuals. Their ongoing and future needs must be addressed.

Also, of particular interest to Vermont and other small States is the increase in the State minimum for the State grant program from $300,000 to $350,000. The State grant program is the foundation by which the planning of and services to persons with developmental disabilities are carried forth. The minimum allocation for the protection and advocacy systems is increased from $150,000 to $200,000. These P&A's are the primary entities which are out in front advocating for the rights and programming for persons with developmental disabilities thereby fulfilling a critical role in the lives of these individuals.

Mr. President, I support the goals and objectives contained in this legislation and commend my colleagues for their unfailing support for initiatives that truly seek to integrate individuals with disabilities into the mainstream of American life.

By Mr. CRANSTON:

S. 1418. A bill to direct the Secretary of the department in which the U.S. Coast Guard is operating to cause the vessel *MV Polar Ice* to be documented as a vessel of the United States so as to be entitled to engage in the coastwise trade; to the Committee on Commerce, Science, and Transportation.

DOCUMENTATION OF VESSEL "MV POLAR ICE"

Mr. CRANSTON. Mr. President, today I am introducing a bill which would remove a technical restriction on the vessel *MV Polar Ice* and allow it to engage in coastwise trade.

In April 1979, the Coast Guard determined that the vessel's ownership technically was "alien" since two of the three directors, one of whom was an alien, constituted a quorum, hence, an alien could have 50 percent control in violation of section 2 of the Shipping Act.

In 1981, the *MV Polar Ice* was sold by the U.S. marshal at Seattle pursuant to an order of the Bankruptcy Court and was purchased by a group of American citizens.

The *MV Polar Ice* was built for the U.S. Navy at Camden, NJ, in 1945. She has been an American vessel except for the brief period of time in 1979 when she came under a technical form of alien ownership. This bill would document the *MV Polar Ice* as a vessel of the United States with the privilege of engaging in coastwise trade.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1418

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of section 27 of the Merchant Marine Act of 1920 (46 U.S.C. 883), or any other provisions of law to the contrary, the Secretary of the department in which the United States Coast Guard is operating shall cause the vessel *MV Polar Ice* (official number 604676, owned by Polar Ice Seafoods, Inc., a Washington corporation which is a wholly owned subsidiary of Fishking Processors, Inc., a California Corporation, to be documented as a vessel of the United States, upon compliance with the usual requirements, with the privilege of engaging in the coastwise trade so long as such vessel is owned by a citizen of the United States.

By Mr. DURENBERGER (for himself, Mr. LEAHY, Mr. BAUCUS, Mr. CHAFEE, Mr. STAFFORD, Mr. MITCHELL, Mr. HARKIN, Mr. GORE, Mr. COHEN, Mr. PROXMIRE, Mr. DODD, Mr. KERRY, and Mr. DASCHLE):

S. 1419. A bill to prevent ground water contamination by pesticides; by unanimous consent, referred jointly to the Committee on Agriculture, Nutrition, and Forestry, and the Committee on Environment and Public Works.

GROUND WATER SAFETY ACT

Mr. DURENBERGER. Mr. President, today Senator LEAHY and I join with several of our colleagues, including Senators BAUCUS, CHAFEE, STAFFORD, MITCHELL, HARKIN, GORE, DODD, PROXMIRE, and COHEN to introduce the Ground Water Safety Act of 1987. This bill is designed to prevent pesticide contamination of the Nation's ground water resources.

Pesticides in drinking water is rapidly rising to the top of the national agenda of public health issues. Some 23 different pesticide products applied in normal agricultural activities have been found in drinking water wells in 24 States. Another 50 pesticides have reached underground equifers as a result of spills and accidents. Thousands of drinking water wells have been closed across the country as a result of pesticide contamination.

My own State of Minnesota has recently completed a test of 500 public and private drinking water wells. They found pesticides in 38 percent of the wells tested. The people in these communities are unwillingly—and in most cases unknowingly—consuming 11 herbicides and 3 insecticides in their drinking water. The principal pesticides of concern in these tests were atrazine and Lasso, both herbicides used on row crops.

Studies in Iowa indicate that 25 percent of all families consume water containing some amount of pesticide and that in vulnerable areas 70 to 90 percent of all farm wells have been contaminated. In a high percentage of cases several pesticides are detected in a single well.

Even the USDA is now sounding the alarm. It has just released a report indicating that the water supply for 50 million Americans is at risk of contamination from pesticides used in agriculture; 767 counties in the United States have a combination of vulnerable ground water and moderate to high pesticide use which together put the drinking water supply at risk. Those counties occur in every region of the Nation.

Pesticide contamination of ground water is a public health problem with national dimensions.

The Ground Water Safety Act is designed to address the pesticide contamination problem. Under the bill EPA is required to examine all of the pesticides on the market to determine whether they have the potential to leach to ground water as the result of normal agricultural practices. For those that are potential leachers EPA is to set a health-based standard, the ground residue guidance level or GRGL, which will serve as a foundation of the regulatory program for that pesticide.

The manufacturers of leaching pesticides will be required to monitor uses and report any evidence of ground water contamination. There are two regulatory action levels in the bill. If the pesticide is detected at 25 percent of the GRGL, EPA is to tighten up on the label to restrict uses and practices that may contribute to contamination. If the pesticide is detected at 50 percent of the GRGL, EPA and the State in which the contamination is occurring are charged to take site-specific action including a prohibition of further use of the pesticide in the area and the provision of alternative water supplies to assure that public health is protected.

This bill is stronger than the ground water amendment that both Houses of the Congress adopted last year. It is stronger because the ground water resources protected are more broadly defined. It is stronger because the standard—the GRGL—is tied more directly to scientific evidence on adverse health and environmental effects. And it is stronger because it includes new prevention programs that require the pesticide producers, the States and EPA to assist the farmer with the management practices that are necessary to prevent contamination.

The real test of this bill is what it does for the American farmer. The economic well-being of most American farmers is tied to the use of agricultural chemicals.

Farmers won't abide a program that takes all these products off the market because of detectable amounts in ground water at the very lowest ranges of today's analytical science, unless the program is designed and run to give them a central role in protecting the resource. Show them how to prevent contamination and they will, because the drinking water supply that is at risk is their water supply serving their family, neighbors and community.

I am very pleased that we have been able to draft this bill jointly with the members of the Agriculture Committee and the Environment Committee in the Senate. The bill will be referred to both committees and each will play a role in the legislative process.

Mr. President, back in October of 1984, the Office of Technology Assessment issued a major two-volume study on ground water contamination. The report called for a national ground water protection strategy that would have three parts: First, prevention; second, detection; and third, correction.

OTA argued that the national strategy must emphasize prevention because a strategy that relies on detection or correction, only, would not work. To fully appreciate their conclusion, you must understand a little bit about ground water.

Ground water does not mix like surface water or air, so plumes of contamination which move like slugs through the soil can be highly concentrated.

Because contaminants percolate to ground water slowly, pollution can go on for several years before any hint of the problem would be identified by a detection strategy. Even if the source of the pollution is then capped or closed, damage to the ground water resource may continue and even increase for many years afterward.

Testing ground water supplies for contamination is expensive. The average water sample—for a limited number of parameters—costs between $200 and $2,000 to analyze. There are 240,000 public and 14 million private ground water wells in the Nation. That is a cost of $3 to $30 billion just to test each well once. So we can't rely on a strategy that allows the resource to be degraded in the belief that we can detect the contaminants at the point where we use the water.

Ground water is generally delivered to the consumer without treatment. Unlike surface water supplies, where we often filter the water or apply disinfectants, we drink our ground water raw—untested and untreated.

Ground water, once contaminated, is very expensive to clean up. Superfund—really a ground water protection program—will cost the Nation $8.5 billion over the next 5 years, averaging more than $8 million in cleanup costs at each site. Preventing contamination at those sites would have been far less costly.

Prevention of ground water pollution by pesticides is possible. Let me use the case of the pesticide aldicarb as an example. Aldicarb—which is also called Temik—is a pesticide applied to soil to kill nematodes, small worms that invade plants in the root zone. In the late 1970's and early 1980's, aldicarb was found to be a ground water pollutant over extensive areas of the United States including Long Island, upstate New York, Wisconsin, Florida, and California. In fact, it has been identified as a problem in 15 different States. Hundreds of water wells have been lost to aldicarb contamination. Union Carbide, the manufacturer of aldicarb, has installed carbon filtration systems on over 2,600 private water supplies to remove aldicarb from household water. Union Carbide has found it necessary to sample an additional 20,000 wells to determine the extent of the contamination problem.

Only after all of that expensive experience with detection and correction did Union Carbide begin to search for ways to prevent ground water contamination by aldicarb. There prevention research was highly successful. By making only small changes in the timing and rate of application, by using very simple best management practices, it was demonstrated that the leaching rate for aldicarb on many crops could be reduced by as much as 70 percent without losing the efficacy of the pesticide.

The lesson, here, is that no one thought to look for the management practices that would reduce the leaching rate before the pesticide had contaminated water supplies in 15 States. And even today, EPA is not requiring the use of those practices in the application of aldicarb. We can and we must find means to prevent contamination by pesticides.

PURPOSE

Prevention is the focus of this amendment. Mr. President, in that regard I would like to emphasize language which is contained in the statement of purpose for this legislation. Those words are as follows:

> It is the purpose of this section to establish standards, regulations and requirements that will prevent contamination of underground sources of drinking water by pesticides and to authorize and require the Administrator of the Environmental Protection Agency to take appropriate regulatory and other actions to protect human health and the environment from injury or damage that may result from the presence of pesticides in ground water.

It is most important that we not lose sight of the environmental aspects of this legislation. Most of the pesticide contamination discussion is conducted in the context of protecting human health and preventing contamination of drinking water wells. But the reference to environmental protection which has been carefully included all through this bill is not some vague invocation of magic words. What is the significance of the phrase, "protect the environment from pesticides in ground water?" Well, 30 percent of the water that flows in our streams and rivers each year is discharged to the surface from a ground water supply. At critical times and in flow periods, ground water discharge may be the entire source of water in some surface water bodies. If that water is contaminated by pesticides, serious environmental damage—damage to fish, aquatic life, and other wildlife—may result. Therefore, in carrying out the provisions of this act, the Administrator is to give all necessary attention to the responsibility for environmental protection which is assigned to the EPA under this amendment. When we review the actions taken by EPA under this new authority, we expect to see a recognizable component or components that are designed to protect environmental resources from damage by pesticides which reach the surface environment as a result of ground water contamination.

SUMMARY

Mr. President, perhaps it would be helpful at this point in my comments to include a brief summary of the Ground Water Protection Program that we are proposing today.

First, the bill is designed to prevent the contamination of ground water resources broadly defined. This includes current and future drinking water supplies and water that may be used for other purposes. The definition of underground sources of drinking water is taken from an EPA regulation which has been in place for 10 years in the underground injection control program.

Second, when registering a pesticide for use, EPA will examine research and monitoring data to determine whether the pesticide has the potential to leach to ground water. Any pesticide found at three or more sampling points is defined to be a leacher.

Third, if a pesticide is classified as a leacher, EPA will set a ground water residue guidance level for the pesticide. The GRGL is to be set at a level which is protective of public health. If the pesticide is a carcinogen and EPA has established an MCL for the pesticide, the MCL may be used as the GRGL but only if there is negligible risk of chronic health effects at the MCL level. If EPA fails to set a GRGL and the pesticide is detected at three or more locations, a five parts per billion GRGL is established automatically. The objective of the program is to assure that the GRGL will not be exceeded. The authority for the GRGL is included in an amendment to the Safe Drinking Water Act.

Fourth, if a pesticide is classified as a leacher, the producer of the pesticide is required to develop management practices which will be effective in preventing leaching. Information on these practices is to be disseminated to State agencies and pesticide users.

Fifth, if a pesticide is classified as a leacher, the registrant of the pesticide will establish a representative ground water monitoring program at a number of sites where the pesticide is used to detect contamination at the earliest possible time. EPA can also require registration monitoring to determine national exposure to the pesticide and remedial monitoring to determine the extent of contamination at any particular site.

Sixth, registrants and other persons with information on the detection of a pesticide in ground water are to report that information to EPA.

Seventh, if a pesticide is detected in ground water and EPA determines that there is a reasonable likelihood that the GRGL will be exceeded as a result of the registered use or normal agricultural practice, EPA is to impose further restrictions on the use of the pesticide to prevent contamination. These are national requirements applying to all users of the pesticide and appearing on the label for the product; 25 percent of the GRGL is the presumptive trigger for these amendments.

Eighth, if the pesticide is detected at more than 50 percent of the GRGL at any site, the EPA and the State in which the detection occurred are to take action to protect public health and the environment in the vicinity of the contamination. This action may include a ban on further use of the pesticide in the area of the detection and orders to require the provision of alternative water supplies or other abatement action.

Ninth, EPA is to provide various forms of technical assistance and information to the States and to the users of pesticide products to improve management practices.

Tenth, States are to establish programs to prevent surface water pollution and ground water contamination by pesticides. These programs are to be coordinated with the new nonpoint source pollution programs under the Clean Water Act. State programs must be approved by EPA and pesticides which present a significant threat of polluting surface waters or contaminating ground waters are not to be used in States without approved programs.

Eleventh, annual authorizations of $50 million for the EPA program and $25 million for grants to the States are included in the bill.

And finally, the legislation contains an authorization of $25 million per year for 5 years to carry out this new Ground Water Protection Program.

DEFINITIONS

The bill that we are introducing today seeks to protect ground water from contamination in a variety of ways and the resource protected is broadly defined. Protection is afforded not only to current drinking water sources, both public and private wells, but also to any other waters which may serve drinking water or for other purposes in the future. The definition of "underground sources of drinking water" in this legislation tracks the definition that is used in current EPA regulations for the underground injection control program. That definition turns on two notions, one related to quantity and the other to quality. To be an underground source of drinking water, an underground supply must be able to yield a sufficient quantity of water to a well to meet daily needs. Yield is, of course, a function of the depth of the well and also of the permeability of the geologic formation. Water that is above the zone of saturation in the root zone would not generally be a potential source of drinking water because it would not yield a sufficient quantity of water to meet daily needs which is about 50 gallons per day per person.

On the issue of quality, this definition, and the definition of underground sources of drinking water in the current EPA regulations, affords an extra margin of protection. Human beings will generally drink water only if the mineral content is less than about 500 parts per million total dissolved solids. But the definition of underground sources of drinking water in this legislation includes waters with total dissolved solids up to 10,000 parts per million. Extending the definition to this range provides protection from pesticide contamination for water that might be treated to remove dissolved solids to bring it within the normal range considered appropriate for human consumption and also protects ground water for other uses such as livestock watering where use is not excluded because of the presence of dissolved solids at low levels.

Of course, any source, whatever the yield of the well, the depth of the well or the quality of the water produced which is currently used as a drinking water supply would be afforded protection under this legislation.

Mr. President, there are two other aspects of the definitions in this amendment which I would like to mention. First, the definition of "ground water sampling point" indicates that the sampling well should be of an adequate depth to assure the collection of ground water samples. This language does not mean that the sample has to be representative of the quality of all the water in the aquifer. It is not required that one go to a depth of 500 feet in a 1,000-foot thick aquifer to get a representative sample. All that is required is that the sampling well be of depth adequate to sample water that could eventually enter a drinking water well taking into account the quantity of water that is necessary to meet daily needs.

The second item in the definitions that needs to be mentioned relates to the meaning of the term "reliable analytical data." Such data is information on the presence of a pesticide in ground water. The methodology used to produce the data should be of sufficient validity and reliability so that a positive indication in a sample can be used for regulatory purposes. To assure this level of quality the definition refers to recognized standards and good laboratory practices. No extraordinary effort to verify or prove contamination is intended.

Another important definition in this bill is the definition of the term pesticide. As used in this legislation that term includes all of the active and inert ingredients and their metabolites and degradation products associated with a pesticide product. It is not necessary under the provisions of this definition that a ground water sample contain ingredients in precisely the same chemical formulation as is found in the pesticide product when it is sold. Because ingredients will be transported and degraded at different rates once they are released into the environment, ground water samples will not match the formulations of the pesticide product in its manufactured form. Therefore, it is necessary to read the use of the term pesticide broadly here to include all of the chemical constituents and byproducts in order to assure adequate protection of ground water resources.

It is not intended by the inclusion of this definition that EPA be required to set a standard for all of the possible degradation products of a pesticide at the time of registration. However, if it is apparent at the time of registration or becomes apparent through use of the pesticide that one or more degradation products are a significant ground water contamination problem, standards must be established by EPA.

POTENTIAL TO LEACH

Moving on from the definitions to the substantive provisions, an important element of this bill is a requirement that EPA establish criteria to determine whether a pesticide has the potential to leach into ground water. This is an essential element, if we are serious about preventing, rather than simply responding to, ground water contamination. In developing such criteria, the Administrator of EPA is to begin with the factors listed in subsection (c)(1) of the new section 31. EPA has been working to develop such criteria and the purpose of this language is simply to give a legislative home to the work that is already underway.

At the time of registration or at the time EPA proposes a registration standard for a pesticide, the Administrator is to determine whether the pesticide has the potential to leach into ground water. The Administrator will require the person proposing to register a pesticide to provide data on the fate and transport of that pesticide in the environment including the saturated and unsaturated zone. Based on that information, the criteria that the Administrator has established and other information that may be available, the Administrator will make a determination whether the pesticide has the potential to leach into ground water.

Any pesticide that has been detected at three or more sampling points is considered to have leaching potential. If at the time of registration, EPA makes a determination that a pesticide does not have the potential to leach, but subsequently, that pesticide is discovered at three or more ground water sampling points, then the determination is to be changed to classify the pesticide as a potential leacher. In addition, we would expect EPA to revisit the criteria, if they fail to flag pesticides which are subsequently found in ground water supplies.

A determination that a pesticide has the potential to leach into ground water is the first step in prevention of contamination. For this reason, the Administrator should err on the side of protecting human health and the environment and make a determination that a pesticide has no leaching potential only when any other conclusion is unsupportable.

RECOMMENDED PRACTICES

If a pesticide is determined to be a leacher, the registrant of the pesticide is to develop best management practices which will be effective in preventing ground water contamination. Information on these practices is to be disseminated to the users of the pesticide and to the State agencies which are developing management programs under the new section 32. It is important to emphasize the authority of the States to get information from the registrants—including fate and transport data—that would be helpful in putting together prevention programs. The management practices to be developed under this new subsection are in addition to the label requirements which EPA identifies as necessary to assure that the GRGL will not be exceeded.

Mr. President, this is an important new prevention subsection of the bill which was not included in the ground water amendments which the House and Senate adopted last year. The information generated and made available as a result of these requirements is to be helpful to the farmer in managing his or her operation to prevent ground water contamination. It is a means to enlist the stewardship of our agricultural producers to achieve the goals and objectives of this bill.

MONITORING

Mr. President, there is an additional element of ground water protection in subsection (e) of this new section 31 of FIFRA. If EPA determines that a pesticide has the potential to leach into ground water, then the registrant is required to conduct ground water monitoring with respect to that pesticide. The purpose of the monitoring is to assure that we get the earliest possible information on the actual fate of the pesticide in the environment. We should not wait for the pesticide to be accidentally discovered by a person monitoring a drinking water supply for some other purpose, but rather should require the registrant of the suspected leacher to conduct a targeted monitoring program at sites that are representative of the places where the pesticide is used.

It is not intended that the registrant be required to install monitoring wells at all or even a very large number of locations. It is only intended that EPA design a reasonable monitoring program for the pesticide to be conducted by the registrant at sites reasonably representative of the crops, climates, soils, and hydrogeology associated with use of the pesticide so as to assure that reliable analytical data will be available at the earliest practicable time should the pesticide, in fact, leach to ground water.

Mr. President, one aspect of the pesticide contamination problem that is especially troubling is the long lag time that may occur between application of the pesticide and the date that it actually shows up on a ground water sample. Contaminants move very slowly in the soil and ground water. It may take years for a pesticide applied on the surface to reach the water table 40 or 50 feet below. Because of this long period of percolation, pesticides will build up on the soil and, even if the pesticide is banned for use on the surface after the first detection is made in the ground water below, the level of contamination will continue to increase as the built up pesticide moves into the saturated zone. It is for this reason, Mr. President, that we have focused in this amendment on provisions that will assure the earliest possible detection of ground water contamination. That is the purpose of the representative monitoring provisions included in this legislative language.

Mr. President, this representative monitoring requirement is one of three new monitoring provisions included in the bill. The other two might be called registration and remedial monitoring. Authority to require monitoring exists under the data collection provisions of existing law. This new language is simply to clarify the likely conditions under which that authority might be used. Registration monitoring would occur in a situation where EPA was reviewing the registration of a pesticide and needed to determine the exposures which might be experienced across the country. Remedial monitoring is intended to determine the nature and extent of contamination at a specific site for the purpose of planning response actions. In both cases this monitoring would be conducted by the registrant or registrants of the pesticide.

In addition to the actions legally required here, it is my hope that EPA will also be exploring monitoring technology that does not rely solely on ground water samples. We need to develop and take advantage of technology that focuses on monitoring of the unsaturated zone so that ground water contamination might be predicted even before it occurs. I know that monitoring technology for the unsaturated zone is not entirely reliable at this time, but EPA should be making every effort in its research and development program to perfect monitoring techniques for the unsaturated zone so that they can be implemented as a part of the FIFRA program and in other ground water protection regimes like the Solid Waste Disposal Act. We have included an authorization for that kind of research at a later point in the bill.

NOTIFICATION

Another important aspect of this amendment is the notification requirement. Registrants are required to notify EPA within 15 working days if a registrant obtains, through its own testing source or through some other source, reliable analytical data that a pesticide has been detected at any ground water sampling point. The notification report to EPA is to include information regarding the detection, and circumstances under which the pesticide was detected. The amendment mentions factors such as well type, soil type, method used, date, information on the accuracy of the method, and quality assurance and control procedures.

GROUND WATER RESIDUE GUIDANCE LEVEL

Mr. President, one of the principal elements in this consensus package is not actually an amendment to FIFRA, but rather is drafted as an amendment to the Safe Drinking Water Act. Under a new section 1429 of the drinking water law, EPA will be setting new health-based standards for drinking water supplies to assure that pesticide contamination does not become a threat to the health of our citizens. These new standards are called ground water residue guidance levels—the acronym is GRGL, pronounced "gurgle" in the discussions that we have been having. However frivolous the nickname, the purpose embodied in this amendment to the drinking water law is a serious and important effort to assure adequate protection for our drinking water and ground water supplies.

We have made the ground water residue guidance level a part of the drinking water law because the considerations that are to be taken into account when setting a GRGL are very similar to those that are employed when setting standards under the drinking water law. The MCLG standard in that law is based on a level of protection that assures no adverse effect on human health. The standard in this proposed legislation in the same standard.

Mr. President, FIFRA is a risk balancing statute. It instructs the Administrator to allow the use of a pesticide where no unreasonable risk of injury to human health, welfare, or the environment can be expected. The Safe Drinking Water Act does not call upon the Administrator to balance the risks and benefits of a pesticide, or any other chemical, in setting standards. It is not like FIFRA in that respect.

The Environment and Public Works Committee conducted a hearing on legislation similar to the bill we introduced today in September of last year. At that hearing every witness—including representatives of EPA, the States, the pesticide manufacturers, the environmental community and farm organizations—all of those witnesses testified that the GRGL established by this legislation should be solely health-based and that no consideration of the benefits of the pesticide should be taken into account when setting drinking water standards for the pesticide. So we decided in this bill to make the GRGL setting authority a new part of the Safe Drinking Water Act, rather than FIFRA, to assure that the standard is one that protects human health from any adverse effect.

The GRGL is consistent with the health protection requirements of SDWA, as specified in the authority of the Administrator to set maximum contaminant level goals under that law. The language in this bill requires that the Administrator set the GRGL at the level which presents no adverse effect on the health of persons. This is an appropriate standard for the GRGL, Mr. President, because this standard is intended to be a part of a regulatory program that protects ground water from contamination. This is not a cleanup program. This is not a program for treating contaminated water. This is a prevention program, and as such, it is appropriate that the standard for the GRGL parallel the standard for the maximum contaminant level goal in the Safe Drinking Water Act.

The Administrator is to establish a ground water residue guidance level for a pesticide whenever the Administrator registers or reregisters a pesticide that has the potential to leach into ground water. In addition, GRGL's are to be issued if: First, the pesticide has been detected at ground water sampling points at three different locations; second, the pesticide has been detected in drinking water wells or wellfields serving more than 500 people, or three, a Federal agency or the Governor of a State petitions the Administrator to set a GRGL for a pesticide.

Based on these criteria, it is expected that GRGL's would be established for a large number of pesticides. EPA is preparing to conduct a national survey on pesticide contamination of ground water. As a part of that survey EPA is developing health advisories for several dozen pesticides. It is expected that EPA will be able to use the information in the health advisories to quickly develop the GRGL's authorized by this amendment.

But it must be understood that GRGL's will not be serving the same purpose as those advisories. Health advisories have been developed by the drinking water office at EPA as an informal mechanism to assist others in preventing short-term exposures that may present an imminent and substantial endangerment to public health. They are not intended to substitute for regulatory standards, nor do they reflect the same considerations as to health protection which the Administrator is instructed to take into account under this legislation.

I cannot overstate the importance of the health standard, Mr. President. It has been and continues to be fundamental to all our environmental statutes. Here the the Administrator is required to establish GRGL's that are sufficiently stringent to protect human health, including populations such as children who may be particularly sensitive to pesticide exposure. He must also take into account other factors which, if present, would indicate that an additional margin of safety in the standard is necessary.

Mr. President, there is some resistance to using a health-based standard in this and other ground water protection programs. Much of this resistance comes from the present Administrator of the Environmental Protection Agency, Mr. Lee Thomas. His concern arises because EPA has traditionally—and rightly—interpreted the MCLG mandate of the Safe Drinking Water Act as a zero standard for some drinking water contaminants. The zero standard results from the fact that there is no known threshold for the adverse effects of some substances. In particular, cancer-causing substances are not thought to be safe—of no effect—in any amount.

EPA has proposed that they be given authority to set a non-zero GRGL for carcinogenic pesticides which will be regulated under this legislation. Generally, the authors of this bill are very uncomfortable with this proposal by the Agency. Risk assessment is the source of substantial and continuing friction between EPA and its authorizing committees in the Congress. It is a complicated scientific methodology, easily manipulated for political purposes and relatively new and unsettled as a major tool in the decisionmaking processes of the Federal Government.

Nevertheless, and with considerable caution, we are willing in the context of this legislation to discuss with EPA nonzero standards for carcinogens in very limited circumstances. Where EPA has adopted a maximum containment level under the Safe Drinking Water Act which presents no more than a negligible lifetime risk of chronic adverse health effects, the MCL may be used as the GRGL for purposes of this program.

We must be extremely cautious and thoroughly consistent in our understanding of the term "negligible risk" throughout this debate. It is offered in response to the Agency's request for a reference standard which would expose persons to no more than a 1 in 1 million lifetime risk of chronic adverse health effects with an adequate margin of safety using traditional and conservative risk assessment models and inferences. In some cases negligible risk might require standards affording even more protection where especially sensitive populations will be exposed or where there are other significant exposures in addition to the presence of the pesticide in ground water. In no event would the term "negligible risk" imply or authorize a GRGL with a risk of chronic effects greater than 1 in 1 million.

Mr. President, the Environmental Protection Agency has established guidelines for risk assessment which have been published in the Federal Register. These guidelines are to serve as the foundation for any MCL which would meet the "negligible risk" test which I have just outlined. We don't wish to freeze these guidelines in place. They will gradually evolve as we learn more about the science of risk assessment. But any MCL established as the result of a radical departure from these guidelines shall be disqualified as a potential GRGL under this legislative language.

It should be clear that we take this step with great reluctance. But we do so here to protect a larger concern. It is our impression that the drinking water program at EPA is moving—and moving rapidly—away from adequate health protection in the maximum contaminant levels which it is setting. Because MCL's are now being used in other programs including Superfund and RCRA there is growing and inappropriate pressure on the drinking water office to set less stringent standards—standards that will trigger less regulation and impose lower costs on the regulated community. MCL's in the risk range of 1 in 10,000 are simply unacceptable. But that is the direction in which the program is going. And to reach this accommodation with purposes other than protecting drinking water supply, the Agency has completely abandoned the standard-setting procedures which the Congress established in SDWA and the 1986 amendments.

The bill we offer today imposes incentives that may move the program in the other direction. Only if the MCL affords protection against all but negligible risk can it be used as a GRGL in the pesticide program.

We sincerely hope that this will be deemed an adequate response to the concerns which the Agency has expressed with respect to standards for nonthreshold contaminants. We offer it in the spirit of cooperation and conciliation. But we do not intend to move further. Using MCL's which are not protective of human health is not an option. It would also not be appropriate to establish negligible risk GRGL's completely independent of the drinking water program. We need to be integrating, not balkanizing, the various ground water protection authorities that are being developed. This bill does that. It is a good faith response to the concerns that the Agency has expressed.

Mr. President, the ground water residue guidance level established under the Safe Drinking Water Act will serve as a standard for prevention measures taken under the two other major sections of this legislation. Those sections are amendments to FIFRA. One section requires the Administrator to regulate pesticides through so-called registration amendments to prevent the ground water residue guidance levels from being exceeded in drinking water and potential sources of drinking water. And subsection (i) of this new section 31 of FIFRA will require the States and EPA to work together, taking measures that may necessarily go beyond general registration requirements, to assure on a site-specific basis that the GRGL is not exceeded in any underground source of drinking water.

REGISTRATION AMENDMENTS

One of the principal elements of pesticide regulation under FIFRA are the restrictions that are put on the use of a pesticide at the time of registration. Subsection 31(h) of this bill uses these registration amendments to assure that GRGL's will not be exceeded in ground water. Nothing in this language authorizes the Administrator to register a pesticide that may present an unreasonable risk of injury to human health or the environment as a result of the potential for the pesticide to leach into ground water. This legislation is not designed to license leachers, but to protect ground water and, thus, the Administrator's authority and current policy to decline to register pesticides that present an unreasonable risk because of the likelihood that they will leach to ground water or for any other reason is not disturbed.

Furthermore, EPA is to include at the time of registration all the restrictions on the use of a pesticide which the Administrator determines are necessary to meet the requirements of the FIFRA statute. We do not intend to send a signal with this bill that restrictions on the registration or label of a pesticide to protect ground water are only appropriate after contamination has actually been discovered. That would be completely contrary to the intent of this bill. Rather it is our purpose to assure that when the EPA learns that a ground water residue guidance level for a pesticide is likely to be exceeded, a mandatory and judicially enforceable duty is imposed on the Administrator to restrict the use of the pesticide to avoid that result. Again this language is designed to prevent contamination and to assure that the health-based ground water residue guidance level will not be exceeded.

Mr. President, this bill includes certain provisions that define the point at which the Administrator is required to impose registration amendments to protect ground water supplies. To give definition to the phrase "determine whether there is a reasonable likelihood that the ground water residue guidance level will be exceeded" this legislation explicitly includes a presumption that such a determination will be triggered whenever the pesticide has been detected in an amount which exceeds 25 percent of the ground water residue guidance level in different localities. The 25 percent standard—which is a fraction of the health-based standard—is appropriate in this instance because ground water is, as I have said earlier, not thoroughly mixed and as a result the quantity of a contaminant at a particular sampling point may vary by as much as an order of magnitude in separate samples drawn from that single site over a short period of time. So at one time we may find that the level of contamination is only 25 percent of the GRGL, but could find, even on the next day, a sample that is contaminated at a level which is two-and-one-half times the GRGL. Thus, it would be reasonable to conclude that a GRGL might be exceeded, even if a sample or samples indicate contamination at a fraction of the health-based standard established under the drinking water law. Again, as in other public health and environmental protection programs, when there is doubt or uncertainty, EPA is to err on the conservative side—on the side of protecting health and the environment.

In this section of the amendment the phrase "in different localities" is to indicate that EPA is not required to impose registration amendments because the 25 percent trigger has been exceeded at a single place. There is no need to set in motion a national restriction because of a unique contamination incident. However, the phrase is not intended to allow EPA to ignore the first signs of contamination which may result from normal practices of pesticide use. EPA is not to set some arbitrary trigger based on the number of locations at which contamination has been detected in excess of 25 percent of the GRGL and wait to act until after that number of incidents has been discovered. EPA should impose restrictions even if the 25 percent level has been exceeded at only one site, if at that site the contamination resulted from normal practices which can be expected to result in contamination at other places where the pesticide is used.

The registration amendments required by this section are to be imposed promptly. The procedures for imposing amendments are specified in the FIFRA statute rather than this bill. EPA is to begin the process by proposing the amendments within 60 days after the 25 percent trigger has been reached and is to proceed with the regulatory process so that the restrictions necessary to protect ground water are effective as soon as practicable thereafter. Although the administrative processes are those of FIFRA, we do not intend to substitute the "unreasonable risk" standard of FIFRA for any part of the determinations that are triggered by the ground water residue guidance levels which are established under the Safe Drinking Water Act.

RESPONSE AUTHORITIES

Mr. President, another major provision of this legislation is subsection 31(i) which establishes authority for response to ground water contamination at a specific site. Again, the purposes of this section are to assure that the ground water residue guidance level for a pesticide will not be exceeded. Here, the Administrator is required to take action, action which goes beyond that required by general registration amendments, only after EPA receives information that a detection of 50 percent of a GRGL has been made at a particular ground water water sampling point. The action taken by the Administrator in the first instance will rely on the States which are given 180 days to take steps that will bring and retain the level of the pesticide in the water supply to a point that is below the GRGL. If the State do not have sufficient authority or fail to act within the 180 day period, the duty to bring and retain the contamination to a level that is below the GRGL falls on EPA. The general standard which applies to EPA's actions under this section is one which will protect human health and the environment from adverse effects as a result of the presence of the pesticide in the drinking water well.

The authority for EPA to conduct a response is available immediately. There is no time lag between the date of enactment and the time when EPA may use this response authority. There are thousands of wells in the Nation that are already contaminated with pesticides and it is expected that response to that contamination will begin as soon as GRGLs are promulgated under the Safe Drinking Water Act.

People should not drink contaminated water. And authority to prevent the distribution of contaminated water should be used. Alternative water supplies should be made available immediately. But the response should also include cleanup of the contaminated supply so that the original resource is restored to productive use.

Mr. President, we have made significant modifications in the site-specific response authorities which were included in the bill last year. The purpose of these changes is to reduce the resource burden that the response program will impose on EPA. It is estimated that significant pesticide contamination has already been discovered in 7,000 wells. Responding to contamination of that extent will be a very big job.

The way the bill was structured last year, site-specific response was very resource intensive. It included substantial administrative procedure and was open to challenge and review by all affected persons. This bill takes a more generic approach. EPA is to promulgate a regulation which includes a formula to determine the land area in which any use prohibition will be effective. The regulation may be reviewed in court at the time of promulgation but will not be subject to review when it is applied on a site-specific basis. The response shall to the extent practicable rely on readily available data.

These modifications are intended to respond to legitimate resource concerns which were raised by EPA. But they are not intended to diminish the public health protection afforded by this part of the program. Response authorities have not been removed—the administrative process is simply streamlined.

Mr. President, the Administrator of the Environmental Protection Agency has authority to respond to contamination of drinking water supplies by pesticides pursuant to the provisions of several laws. In addition to FIFRA, the EPA may also respond under the Safe Drinking Water Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Clean Water Act, the Solid Waste Disposal Act and perhaps other statutes. These authorities are very broadly drafted and include everything from imposing monitoring requirements to mandating cleanup of a contaminated aquifer. Although the language of the bill we are introducing only makes reference to the specific response authorities of FIFRA, there is nothing in this bill which displaces or alters the response authorities that are contained in these other statutes or which would suggest that only FIFRA authorities should be used to respond to pesticide contamination of ground water.

The other response authorities do exist. They were intended to be used. And they should be applied by EPA to incidents of pesticide contamination which come to light as a result of implementing the provisions contained in these amendments. The duty of the Administrator to prevent human exposure to dangerous levels of drinking water contaminants which is contained in the Safe Drinking Water Act is not a duty to be segregated from the responsibilities created here. All of the authorities that have been granted by the Congress to the Environmental Protection Agency should be used in a coordinated way to protect public health from the threat that is posed by pesticide contamination of ground water supplies.

INFORMATION

Mr. President, an additional element of this legislation creates an authority for EPA and other agencies of the Federal Government, including the Department of Agriculture, to enter into arrangements that will make available to individual farmers information that has been collected on soil and climate characteristics that would be helpful to the farmer as he or she makes decisions with respect to the use of a particular pesticide. Mr. President, much of this site-specific information has already been developed by the soil conservation districts and natural resource agencies of this country. What we are promoting here is an effort to organize this information in a way that makes it useful to the farmer as decisions on pesticide uses and application practices are made.

I wanted to mention this section on site-specific information, in particular, so that I could thank the distinguished Chairman of the Environment Committee, Senator BURDICK, for his efforts in developing the legislative language that is included here. It is quite a thorough and carefully crafted subsection and is an important complement to the other preventive measures that we are proposing.

STATE PREVENTION PROGRAMS

This bill includes a new section 32 of FIFRA which provides that each State will develop a program to prevent pollution of surface water and ground water by pesticides. These programs will build on the new nonpoint source pollution control programs which the Congress recently authorized in the Water Quality Act of 1987 and on the ground water protection program established in section 31 of FIFRA.

These programs will focus on best management practices for pesticide uses that prevent run-off and leaching as the result of agricultural practices. Registrants of the pesticides are to provide the States the information necessary to develop these management practices.

EPA will approve the general program that each State develops. The State will then apply its program to each pesticide registered for use in that State which has been determined to be a "leacher" by EPA or which has been identified by any State as a problem for surface water quality. The bill includes criteria for approval of State programs. It also authorizes $25 million per year in grants to the States to develop and implement the programs.

Finally, in this area there is a sanction. No pesticide which has been identified as a surface water or ground water problem can be registered for use in a State which does not have an approved program.

I will just conclude by once again thanking the cosponsors of this amendment. Senator BAUCUS, who is the chairman of the Toxic Substances Subcommittee, and Senator MITCHELL, who together with the Senator from Montana has introduced comprehensive ground water protection legislation, have been steadfast partners in this effort. Their expertise in matters relating to the drinking water law, ground water protection, and cleanup has been an essential element in developing a workable program. I have mentioned Senator BURDICK's role already. I also want to thank the distinguished former chairman of the Environment Committee, Senator STAFFORD, for supporting our work on this legislation.

Finally, let me offer to the chairman of the Agriculture Committee, Senator LEAHY, the assistance and support of all of us on the Environment Committee as he begins efforts to reauthorize the Nation's pesticide law. We wish him well and hope this bill gets that effort off to a good start.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD along with my comments this afternoon.

Thank you, Mr. President.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.—This Act may be cited as the "Ground Water Safety Act of 1987".

SEC. 2. FIFRA AMENDMENT.—The Federal Insecticide, Fungicide and Rodenticide Act is amended by—

(a) redesignating section 31 (7 U.S.C. 136y) as section 33; and

(b) inserting after section 30 (7 U.S.C. 136x) the following new sections:

"SEC. 31. PROTECTION OF GROUND WATER.

"(a) PURPOSE.—It is the purpose of this section to establish standards, regulations and requirements that will prevent contamination of underground sources of drinking water by pesticides and to authorize and require the Administrator of the Environmental Protection Agency to take appropriate regulatory and other actions to protect human health and the environment from injury or damage that may result from the presence of pesticides in ground water.

"(b) DEFINITIONS.—For purposes of this section—

"(1) DRINKING WATER WELL.—The term 'drinking water well' means a well or spring currently supplying water for human consumption;

"(2) GROUND WATER.—The term 'ground water' means water below the land surface in the zone of saturation;

"(3) GROUND WATER RESIDUE GUIDANCE LEVEL.—The term 'ground water residue guidance level' means—

"(A) with respect to a pesticide for which a ground water residue guidance level has been established under section 1429 of the Safe Drinking Water Act, such level, or

"(B) with respect to any other pesticide which has been detected at 3 or more ground water sampling points, 5 micrograms per liter;

"(4) GROUND WATER SAMPLING POINT.—The term 'ground water sampling point' means a public or community water supply, a private water supply, a spring, or a monitoring well or other ground water source, if the well or source is reasonably designed and of adequate depth to permit the collection of ground water samples;

"(5) PESTICIDE.—The term 'pesticide' includes any active or inert ingredient of a pesticide product and the metabolites and degradation products of such ingredients;

"(6) RELIABLE ANALYTICAL DATA.—The term 'reliable analytical data' means information indicating the presence of a pesticide in a ground water sample at or above the limit of detection and developed according to generally recognized standards and good laboratory practices for sampling and analysis of pesticides in ground water; and

"(7) UNDERGROUND SOURCE OF DRINKING WATER.—The term 'underground source of drinking water' includes current and potential sources of drinking water and means an aquifer or its portion which:

"(A) supplies any public water system; or

"(B) contains a sufficient quantity of ground water to supply a drinking water well and which—

"(i) currently supplies drinking water of human consumption; or

"(ii) contains fewer than 10,000 mg/1 total dissolved solids.

"(c) LEACHING POTENTIAL.—

"(1) CRITERIA.—The Administrator shall publish and seek comment on criteria to determine whether a pesticide has the potential to leach into ground water. Such criteria may include, but are not limited to, factors such as: the intended use of the pesticide; the timing, rate and method of application for the pesticide; the mobility of the pesticide in soil and water under various conditions; the persistence of the pesticide in the environment; the use of the pesticide in combination with other agents; and the level of care necessary to assure that the pesticide is properly used.

"(2) DATA SUBMISSION.—Each person seeking to register or reregister a pesticide under this Act shall submit complete and adequate data and information with respect to the potential for the pesticide to leach into ground water and the fate and transport of the pesticide.

"(3) DETERMINATION OF LEACHING POTENTIAL.—At the time of the initial registration of a pesticide or upon issuing a reregistration standard for a pesticide (and using the criteria developed under paragraph (1)) the Administrator shall determine whether the pesticide has the potential to leach into ground water. With respect to a determination made under this paragraph, any pesticide detected at three or more ground water sampling points shall be determined to have the potential to leach into ground water. Any determination that a pesticide does not have the potential to leach into ground water made under this paragraph shall be amended, if the Administrator receives reliable analytical data that the pesticide has been detected at three or more ground water sampling points.

"(4) AUTHORITY TO DENY REGISTRATION.—Nothing in this section shall be interpreted, construed or implied to authorize the Administrator to register or reregister a pesticide for use, if, in the judgment of the Administrator, the requirements of section 3(c)(5) are not satisfied.

"(d) Recommended Practices.—If the Administrator determines that a pesticide has the potential to leach into ground water according to the provisions of subsection (c) of this section, the registrants of the pesticide shall develop management practices designed to prevent, to the maximum extent practicable, the potential for the pesticide to leach into ground water. In developing such practices, the registrants shall consult with agencies of the various States which have been designated pursuant to subsection (p) to develop and implement programs to prevent water pollution and shall provide such agencies any information necessary to carry out such programs. The registrant shall disseminate information on such management practices as recommended practices to applicators and other persons using the pesticide in a form that will facilitate use of the management practices. Such recommended practices may include, but are not limited to, practices with respect to—

"(1) the purposes for and the locations at which the pesticide should be used, considering factors such as environmentally sensitive areas and conditions.

"(2) the rate at which the pesticide should be applied;

"(3) the time or frequency of pesticide use;

"(4) the method of pesticide application, storage, handling or disposal;

"(5) the appropriate training of pesticide applicators and other persons using the pesticide;

"(6) the appropriate response if the pesticide is spilled or otherwise released in a manner likely to significantly increase the potential for leaching to ground water.

The recommended practices required by this subsection shall be in addition to label requirements that are imposed under this Act to assure that use of the pesticide will not present an unreasonable risk of damage or injury to human health or the environment.

"(e) Monitoring.—In addition to any monitoring which may be required under section 3(c)(2)(B) of this Act, monitoring shall also be conducted pursuant to the following authorities.

"(1) Leaching pesticides.—If the Administrator determines that a pesticide has the potential to leach into ground water according to the provisions of subsection (c) of this section, the registrants of the pesticide shall conduct ground water monitoring at representative geographical and hydrogeologic areas associated with locations where the pesticide is to be used and under conditions of concern and for such time as determined by the Administrator. Monitoring by a registrant of a pesticide pursuant to this paragraph shall be conducted according to generally recognized standards and good laboratory practices (which may be identified by the Administrator) for sampling and analysis of pesticides in ground water taking into account seasonal and other factors which may affect the fate and transport of pesticides in soil and ground water.

"(2) Continuing registration.—

"(A) If, in the judgment of the Administrator, additional data on the presence of a pesticide in ground water are required to maintain in effect an existing registration of the pesticide, registrants of such pesticide shall conduct ground water monitoring.

"(B) The design and the scope of the monitoring requirement should take into account information such as the magnitude and frequency of detection, pattern of pesticide use and soil types involved in the detection, physical and chemical properties of the pesticide, rainfall patterns, well construction, rates of degradation, reliability and analytical accuracy of the detection, and results of State or other sponsored monitoring.

"(C) To the extent feasible, monitoring should be conducted at representative geographical and hydrogeologic areas associated with locations and conditions of concern as determined by the Administrator.

"(3) Areawide monitoring.—Notwithstanding any other provision of this Act, if the Administrator (or the designated State agency) determines, based on reliable analytical data, that:

"(A) a pesticide has been detected in an underground source of drinking water;

"(B) the concentration of the pesticide equals or exceeds 50 per centum of the ground water residue guidance level for that pesticide or, on the basis of reliable analytical data as to a specific site, the Administrator determines that there is a likelihood that the ground water residue guidance level for that pesticide will be reached or exceeded at that site; and

"(C) the presence of the pesticide in the underground source of drinking water may be the result of use of the pesticide in accordance with the label or widespread and commonly recognized practice;

the Administrator (or the designated State agency) may require registrants of the pesticide to conduct monitoring within the vicinity of the underground source of drinking water. The purpose of such monitoring shall be to determine the extent of pesticide contamination of ground water and the geographic area that will be subject to the use prohibition under subsection (i) and, to the extent feasible, to determine the cause of the contamination.

"(4) Savings clause.—Nothing in this section shall limit the authority of any State or policital subdivision thereof to require ground water monitoring by a registrant at any location within that State or subdivision.

"(f) Notification.—

"(1) Requirement.—When a registrant of a pesticide obtains reliable analytical data that the pesticide has been detected at any ground water sampling point, the registrant shall file a report containing such information within 15 working days with the Administrator, the State where such pesticide has been detected, the owner of the property at the ground water sampling point, and any other person relying upon the underground source of drinking water for drinking water or household needs.

"(2) Content of report.—A report required under paragraph (1) upon detection of a pesticide shall contain information known to the registrant on the level detected, frequency of detection, location (including depth), date, well construction, soil type, the analytical method used, including information on the precision, accuracy, and limit of detection of the method and any quality assurance and control procedures and such other information as the Administrator may specify.

"(3) Other information.—The Administrator may receive reports of such information from any other person and if such information is received by the Administrator it shall be transmitted by the Administrator to the designated agency in each State where the pesticide has been detected and to the owner of the property at the ground water sampling point.

"(g) Review for Further Action.—On receiving information of a detection of a pesticide at any ground water sample point, the Administrator shall promptly review the information to determine the reliability of the detection and to determine whether action should be taken to protect ground water resources.

"(h) Registration Amendments.—

"(1) Requirement.—

"(A) After reviewing reliable analytical data, the Administrator shall determine whether there is a reasonable likelihood that the ground water residue guidance level for a pesticide will be reached or exceeded in underground sources of drinking water in different localities as a result of uses of the pesticide in accordance with the labeling on the pesticide or as a result of widespread and commonly recognized practice.

"(B) If the Administrator determines that there is a reasonable likelihood of reaching or exceeding such level in different localities, the Administrator shall within 60 days propose and require as expeditiously as practicable amendments to the registration of the pesticide with respect to which the determination has been made which will assure that the use of the pesticide in accordance with the amended registration will not cause the ground water residue guidance level to be reached or exceeded in underground sources of drinking water.

"(C) The Administrator shall make public any determination (including information on which such determination was based) under subparagraph (A).

"(D) If the Administrator proposes to require registration amendments under this paragraph, the Administrator shall notify registrants of such amendments and shall publish notice of the determination in the Federal Register.

"(2) Consultation.—In taking action under paragraph (1), the Administrator shall notify the Secretary of Agriculture and the designated agency in any State where the pesticide (with respect to which the determination is made) has been detected in any ground water sampling point and the designated agency in each other State in which there is significant use of the pesticide or potential for use. The Administrator shall provide each designated State agency with information relevant to this determination. Designated State agencies shall promptly provide the Administrator with information (including information on the actions which the State intends to take under any prevention program approved pursuant to section 32 of this Act) relevant to taking action under this section and shall make recommendations regarding necessary registration amendments with respect to that State.

"(3) Reasonable likelihood.—

"(A) The Administrator shall determine that there is a reasonable likelihood that the ground water residue guidance level for a pesticide will be reached or exceeded whenever such pesticide is detected in amounts which exceed 25 per centum of such level unless, considering the other factors described in subparagraph (B) of this paragraph, the Administrator determines that there is not a reasonable likelihood that such level will be exceeded as a result of use of the pesticide in accordance with the labeling on the pesticide or as a result of widespread and commonly recognized practice.

"(B) Notwithstanding subparagraph (A), the Administrator may, after consideration of all relevant information, including the frequency and time of occurrence at the site of detection and elsewhere, use patterns, soil types, physical and chemical properties of the pesticide, rainfall patterns, well construction, analytical accuracy, and rates of degradation determine that the ground water residue guidance level for a pesticide will not be reached or exceeded. The Administrator shall make available a statement supporting any determination made under this subparagraph and shall publish notice of the availability of such statement in the Federal Register.

"(4) HEALTH EFFECTS OF ALTERNATIVES.—In taking action under paragraph (1), the Administrator may consider the health and environmental effects of chemical and nonchemical pest control measures which are available for use as alternatives to the pesticide under review in the event amendments to the registration are imposed under this subsection. If the Administrator determines that all such alternative measures present a substantially greater risk of adverse health and environmental effects, the Administrator may delay implementation of the registraton amendments which would otherwise be required under this subsection, provided that—

"(A) the Administrator requires pursuant to subsection (e)(2) that the registrant of the pesticide conduct a monitoring program of sufficient scope to determine where the pesticide occurs in underground sources of drinking water;

"(B) site-specific response actions pursuant to subsection (i) will be taken at all locations as necessary to assure that the ground water residue guidance level will not be exceeded in any water supply used for drinking water or household needs; and

"(C) the Administrator establishes a schedule for implementing the necessary registration amendments which is as expeditious as practicable (but not later than 60 months after the determination under paragraph (1)) and which encourages the development of alternative pest control measures that are safe. In no event shall the absence of an effective alternative pest control measure be reason for the Administrator to delay imposition of registration amendments as may be required by this subsection.

"(5) SCOPE OF AMENDMENTS.—

"(A) Amendments to the registration of a pesticide required pursuant to this section may include—

"(i) limitations on the purposes for and location at which the pesticide may be used, considering factors such as environmentally sensitive areas and conditions;

"(ii) limitations on the rate at which the pesticide is applied;

"(iii) limitations on the time or frequency of pesticide use;

"(iv) limitations on the method of pesticide application, storage, handling, or disposal;

"(v) reporting or other requirements, including label changes or changes in classification;

"(vi) requirements for the training or certification of pesticide applicators or other persons using the pesticide;

"(vii) required site-specific responses; or

"(viii) any other requirement under this Act to ensure that the ground water residue guidance level for such pesticide will not be reached or exceeded.

"(B) The amendments to the registration of a pesticide should, to the extent feasible, be directed to the same or similar uses of the pesticide, similar or potentially more vulnerable geographical and hydrogeologic areas and other similar conditions that led to the determination under subparagraph (A) or (B) of paragraph (1).

"(C) In taking regulatory action under this subsection, the Administrator may utilize recommendations provided by the designated State agencies under paragraph (2).

"(6) REVIEW.—If the Administrator has imposed registration amendments on the use of a pesticide according to the provisions of this subsection, the Administrator shall

"(A) periodically review reliable analytical data on the occurrence of the pesticide at ground water sampling points representative of the locations at which the pesticide is used to determine whether such amendments are effective in meeting the requirements of pargraph (1) of this section;

"(B) require additional registration amendments, if such amendments are necessary to assure that the ground water residue guidance level for such pesticide will not be reached or exceeded in underground sources of drinking water;

"(C) report to the Congress and transmit the report to the States at 36 months, 60 months, and 96 months after such amendments are first imposed indicating whether the amendments have been effective in meeting the requirements of pargraph (1) of this subsection and describing any additional actions which are being taken by the States pursuant to section 32 to prevent water pollution.

"(i) SITE-SPECIFIC RESPONSE.—

"(1) REQUIREMENT.—

"(A) If the Administrator determines that a pesticide is present in an underground source of drinking water at a concentration that reaches or exceeds 50 per centum of the ground water residue guidance level for such pesticide, the Administrator shall—

"(i) notify the designated agency for the State in which the underground source of drinking water is located of the determination of the Administrator; and

"(ii) provide the designated State agency with information relevant to the determination;

"(B) The State shall take action within 180 days of such notification to prevent any adverse effect on human health or the environment which may result from the presence of such pesticide. The State shall take appropriate action with respect to the sale or use of the pesticide detected at such underground source of drinking water to bring and retain concentration of the pesticide at or below the ground water residue guidance level applicable to the pesticide.

"(2) ACTION BY THE ADMINISTRATOR.—

"(A) If—

"(i) a State does not have the authority to take action required by paragraph (1) of this subsection with respect to a pesticide detected in an underground source of drinking water or fails to take such action within the time period prescribed by such paragraph;

"(ii) a pesticide is present in an underground source of drinking water in the State at a concentration that reaches or exceeds 50 per centum of the ground water residue guidance level; and

"(iii) the presence of the pesticide may be the result of use in accordance with the labeling or of widespread and commonly recognized practice,

the Administrator shall issue an order prohibiting the use of the pesticide in the vicinity of the underground source of drinking water or take such other action, including but not limited to issuing such orders as may be necessary to protect human health or the environment (including an order that the registrant provide water treatment facilities or alternative water supplies) or commencing civil or ciminal action for appropriate legal, equitable or other relief to assure that the concentration of the pesticide in the underground source of drinking water will not reach or exceed the gound water residue guidance level for such pesticide.

"(B) The Administrator shall publish notice of the action in the Federal Register and take appropriate steps to inform all registrants, potentially affected persons, and interested members of the public. Such notice shall specify the factual findings and conclusions relied on in support the decision.

"(C) The Administrator shall promulgate regulations which shall govern and define prohibitions ordered under this paragraph. Such regulations shall include a formula or other method to be used in determining the land area over which any prohibition ordered under this section shall extend. Such formula or method shall be designed to facilitate an expeditious and definitive determination of such land area using readily available data and may reflect factors including, but not limited to, climate and soil characteristics, hydrogeologic conditions and the concentrations of the pesticide detected at ground water sampling points within the area. The regulations shall provide for a county-wide prohibition on use of a pesticide whenever such pesticide has been detected at 50 per centum of the ground water residue guidance level at 5 or more different locations within the county. Any judicial review of regulations promulgated pursuant to this subparagraph shall be obtained under section 16(b) of this Act and application for review shall be made within 60 days of promulgation. Regulations promulgated pursuant to this subparagraph shall not be subject to judicial review in any civil or criminal proceeding resulting from the application of the formula on a site-specific basis.

"(D) The Administrator shall provide reasonable procedures for a petition to modify or terminate the action of the Administrator under this paragraph, if the concentration of the pesticide in the water from the underground source of drinking water no longer reaches or exceeds 50 per centum of the applicable ground water residue guidance level and will likely remain below such level.

"(j) INFORMATION ON PESTICIDES IN GROUND WATER.—The Administrator shall collect and make available through a public information file information concerning the detection of pesticides at any ground water sampling point. The file may summarize for each pesticide that has been detected in ground water, based on reliable analytical data, whether the pesticide has been detected at a concentration that exceeds 25 per centum of the applicable ground water residue guidance level and whether the presence of the pesticide in ground water appears to have been caused by use of the pesticide in compliance with this Act.

"(k) TECHNICAL ASSISTANCE TO STATES.—The Administrator shall provide technical information to a designated State agency for the purpose of implementing this section. The technical information shall include, but not be limited to, data on the toxicity, environmental fate, physical or chemical pesticide ingredient characteristics, predictive modeling, exposure, hydrogeologic conditions relative to areas specifically vulnerable to ground water contamination for the purpose of providing vulnerability mapping and other relevant subjects. In addition, the Administrator may provide information, to the extent reasonably available, on the alternative methods of pest control and on agricultural or other management practices that could minimize the presence of pesticide in ground water.

"(l) Special Review.—On receiving reliable analytical data that a pesticide has been detected above the ground water residue guidance level in ground water not in an underground source of drinking water or that pesticide concentrations which are detected below such level in an underground source of drinking water may have an adverse effect on the environment as a result of discharge to surface waters, the Administrator may initiate a public interim administrative review under section 3(c)(8) of this Act to determine whether the pesticide may cause unreasonable adverse effects on the environment from such use.

"(m) Monitoring in the Unsaturated Zone.—The Administrator shall undertake research activities to develop and demonstrate techniques to monitor for the presence of pesticides in the unsaturated zone and to develop models that are predictive of the potential for leaching of pesticides to ground water based on data gathered by monitoring in the unsaturated zone.

"(n) Site-Specific Information.—The Administrator shall enter into a memorandum of understanding with the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of the Interior, for the purpose of initiating and developing information management systems and other techniques designed to make readily available to State and local officials and agricultural producers, applicators and other persons using the pesticide information on the soil, hydrology, climate and other characteristics at specific sites of pesticide application to be used by such officials and users in developing practices and making application decisions that will prevent the contamination of ground water by pesticides.

"(1) Under the direction of the Administrator a council will be established in order to assist the Environmental Protection Agency in developing a site-specific pesticide information system. This council shall consist of experts on information management who have experience with information retrieval from the following agencies: the Environmental Protection Agency, the National Agricultural Library, the Soil Conservation Service, the U.S. Geological Survey, and the National Oceanographic and Atmospheric Administration. This council shall—

"(A) review existing information retrieval and referral services which access information on soil, hydrology, climate, and other characteristics at specific sites important to pesticide application;

"(B) determine what information relevant to making site-specific pesticide decisions is available to users of the pesticide products and designated State agencies directly from existing data banks; and

"(C) develop and submit to the Administrator a plan for an information management system which would direct and assist users in gaining access to site-specific information available in printed and electronic form.

"(2) The Environmental Protection Agency shall take the plans developed by the council into consideration when developing the site-specific pesticide information management system.

"(o) Effect on Other Provisions.—

"(1) Nothing in this section shall limit the authority of the Administrator under other provisions of this Act or under any other law.

"(2) Nothing in this section shall preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement or standard that is more stringent than a regulation, requirement or standard of performance in effect under this section or to preempt any State or local statute or common law with respect to liability for damages and injury caused by pesticides.

"(p) Designated State Agencies.—Not later than 90 days after the date of enactment of this section, the Governor of each State shall designate a single State agency which shall have the duty and responsibility to carry out the requirements of this section and section 32 of this Act.

"(q) Authorization.—For purposes of carrying out the provisions of this section there are authorized to be appropriated $50,000,000 for each of the fiscal years ending on September 30, 1988, 1989, 1990, 1991 and 1992. Of such amounts $5,000,000 in each fiscal year shall be available only to carry out the purposes of subsection (m).

"SEC. 32. STATE PROGRAMS TO PREVENT WATER POLLUTION.

"(a) In General.—Not later than 24 months after the date of enactment of this section, the Governor of each State (acting through the agency designated pursuant to section 31(p)) shall, after notice and opportunity for public comment, prepare and submit to the Administrator for approval a program to prevent surface and ground water pollution by pesticides which the Administrator had determined have the potential to leach to ground water pursuant to section 31 of this Act or which have been identified by the State for control pursuant to section 303, 307 or 319 of the Clean Water Act. Such program shall include—

"(1) an inventory of the pesticides used in the State which may cause or contribute to the pollution of surface water resources or the contamination of underground sources of drinking water;

"(2) an identification of the areas (including information of the crops, climate, soil characteristics, hydrological conditions, and pesticide application practices in such areas) where such pesticides are used and information with respect to the surface water pollution or contamination of underground sources of drinking water which may have already occurred;

"(3) an identification of the process, including intergovernmental coordination and public participation, the State will use to develop and implement management practices that would be effective in preventing surface water pollution or the contamination of underground sources of drinking water by such pesticides; and

"(4) a schedule for the implementation of such practices and identification of the methods the State will use to assure that such practices are employed in the use of pesticides which may cause or contribute to surface water pollution or the contamination of underground sources of drinking water at the earliest practicable date.

"(b) Public Participation.—Each State shall establish procedures including, but not limited to, the establishment of technical and citizens' advisory committees, to encourage public participation in developing the prevention programs required by this section. The procedures shall include notice and opportunity for public hearing and comment on the State program before it is submitted to the Administrator.

"(c) Approval of State Programs.—Not later than 180 days after the date of submission of any State program under this section, the Administrator shall either approve or disapprove such program. The Administrator shall disapprove a program if the Administrator determines that—

"(1) the proposed program does not include each of the elements specified in subsection (a);

"(2) adequate authority does not exist or adequate resources are not available at the State level to implement the program;

"(3) the schedule for implementing the program is not sufficiently expeditious; or

"(4) the practices and measures proposed in such program are not adequate to prevent the pollution of surface water resources and the contamination of underground sources of drinking water in the State by pesticides.

If the Administrator disapproves a proposed program, the State shall be notified in writing of any modifications which are necessary to obtain approval. The State shall thereupon have an additional 3 months to submit a revised program which shall be subject to approval or disapproval according to the provisions of this subsection. Whenever the Administrator determines after public hearing that a State is not administering and enforcing a prevention program approved pursuant to this subsection in accordance with the provisions of this section, the Administrator shall so notify the State and, if appropriate action to bring such program into compliance with this section is not taken within 90 days, the Administrator shall withdraw approval of such prevention program. The Administrator shall not withdraw approval of any such prevention program unless the State shall have been notified and reasons for withdrawal shall have been stated in writing and made public.

"(d) Failure to Submit an Approvable Program.—After 36 months after the date of enactment of this section, no pesticide which has the potential to leach to ground water (as determined pursuant to section 31 of this Act) or which has been identified for control in a State nonpoint source pollution management program submitted pursuant to section 319 or identified pursuant to section 303 or 307 of the Clean Water Act may be registered for use in a State under this Act unless the Administrator has approved (and not withdrawn) under this section a program submitted by the State to prevent surface water pollution and the contamination of underground sources of drinking water by pesticides. Notwithstanding the provisions of this subsection, the Administrator may register a pesticide for use in a State without an approved program if the Administrator determines that the registered use or normal and widespread practice, and the labeling requirements imposed for such use, will assure tht leaching or runoff of pesticide will not occur under all hydrogeologic conditions found in that State. Any such registered use shall be immediately cancelled upon detection of the pesticide in surface water or in an underground source of drinking water.

"(e) Financial Assistance.—The Administrator may make grants, subject to such terms and conditions as the Administrator determines appropriate, to any State for the purpose of developing and implementing a water pollution prevention program under this section. The Federal share shall not exceed 50 per centum of the cost of developing and implementing any State program under this section. Any grant to a State made after 3 years after the date of enactment of this section shall be made only on the condition that the State is making adequate progress in implementing the program approved according to the schedule set forth pursuant to subsection (a)(4).

"(f) Definitions.—For purposes of this section the terms "pesticide", "ground water" and "underground source of drinking water" shall have the same definitions as are assigned to such terms in section 31 of this Act.

"(g) Authorization.—There are authorized to be appropriated to carry out the purposes of this section not to exceed $25,000,000 for each of the fiscal years ending September 30, 1988, 1989, 1990, 1991 and 1992.".

(c) Unlawful Acts.—Section 12(a)(2) (7 U.S.C. 136j(a)(2)) is amended by adding at the end thereof the following new subsection:

"(U) to violate an order issued under section 31(i)(2).".

Sec. 3. Safe Drinking Water Act Amendment.—Part C of title XIV of the Public Health Service Act (the Safe Drinking Water Act) is amended by adding at the end thereof the following—

"Sec. 1429. Ground Water Residue Guidance Level.—

"(a) Requirement.—

"(1) The Administrator, on the Administrator's own initiative, may issue a ground water residue guidance level for a pesticide registered under the Federal Insecticide, Fungicide, and Rodenticide Act. The Administrator shall issue a ground water residue guidance level for a pesticide at the time the Administrator initially registers the pesticides or upon issuing a reregistration standard for the pesticide under such Act if the Administrator determines that the pesticide has the potential to leach into ground water. In addition, the Administrator shall issue a ground water residue guidance level for a pesticide if—

"(A) based on reliable analytical data, the pesticide has been detected at ground water sampling points in three different locations;

"(B) based on reliable analytical data, the pesticide has been detected in a drinking water well or wellfield that serves a public water system; or

"(C) a Federal agency or a State petitions the Administrator to set a ground water residue guidance level for the pesticide.

"(2)(A) If the Administrator has promulgated or promulgates a maximum contaminant level goal under section 1412 that applies to a pesticide, the ground water residue guidance level required under paragraph (1) for the pesticide shall be set at such level within 30 days of being required under such paragraph.

"(B) Notwithstanding the provisions of subparagraph (A), the Administrator may set the ground water residue guidance level for a pesticide at a level equivalent to the maximum contaminant level for such pesticide, if—

"(i) it is determined that there is likely to be no threshold for the chronic adverse health effects of the pesticide; and

"(ii) the maximum contaminant level has been set at a level which assures, considering other exposure to the pesticide including dietary exposure, that concentrations of the pesticide in drinking water will not present more than a negligible risk of chronic adverse health effects with an adequate margin of safety for groups of sensitive individuals and other subpopulations.

"(C) If a maximum contaminant level or maximum contaminant level goal that would be applicable to a pesticide for which a ground water residue guidance level is required by paragraph (1) has not been established under section 1412, the Administrator shall issue a ground water residue guidance level for such pesticide at a level at which no known or anticipated adverse effect on the health of persons occur and including an adequate margin of safety, taking into consideration the nature of the toxic effects caused by the pesticide, and the validity, completeness, and adequacy of data about the pesticide. If all required chronic, oncogenicity, reproduction, neurotoxicity, or teratogenicity date are absent or invalid for the pesticide, the ground water residue guidance lever for the pesticide shall be set at the limit of detection. If any required chronic, oncogenicity, reproduction, neurotoxicity, or teratogenicity date are absent or invalid for the pesticide, the ground water residue guidance level for the pesticide shall include an additional margin of safety that takes into account the absence of such data.

"(3) If the Administrator is required under paragraph (1) to issue a ground water residue guidance level for a pesticide and the ground water residue guidance level is to be issued pursuant to paragraph (2)(C), the Administrator shall issue such level within 180 days after it is required pursuant to paragraph (1) and may issue an interim guidance level for use as an advisory during such 180-day period.

"(4) The Administrator may revise a ground water residue guidance level for a pesticide. The Administrator shall allow at least 30 days for public comment on any proposed revision.

"(5) An interim ground water residue guidance level shall not be subject to judicial review before the expiration of 180 days after its issuance. Judicial review of any final ground water residue guidance level or failure to establish an interim or final ground water residue guidance level shall be governed by section 1448. A ground water residue guidance level established under paragraph (2)(A) or (B) shall not be subject to judicial review except that review of any action which sets a ground water residue guidance level at a level equivalent to a maximum contaminant level for a pesticide may be obtained under this Act to determine whether such action may present more than a negligible risk of chronic adverse health effects or is otherwise inconsistent with paragraph (2)(B)(ii).

"(b) State Authority.—Nothing in this section shall preclude or deny any right of any State or political subdivision thereof to adopt or enforce any standard that is more stringent than a ground water residue guidance level in effect under this section.".

Mr. MITCHELL. Mr. President, I am very pleased to join Senators Leahy, Durenberger, and others in introduction of the Ground Water Safety Act of 1987.

This legislation is a major step forward in our efforts to prevent pollution of ground water by pesticides.

This bill amends both the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA] and the Safe Drinking Water Act [SDWA]. It is a revised and improved version of the legislation concerning ground water and pesticides which passed the Senate last year as part of the FIFRA reauthorization bill.

Ground water is a resource of great importance. Half of the population of the United States, and the great majority of those in rural areas, rely on ground water for drinking water. In my home State of Maine, 57 percent of the population relies on ground water for domestic supply.

For many years, the pesticides were not thought to be a serious source of ground water contamination. Most pesticides were thought to degrade in the soil or become trapped in impervious layers of soil preventing migration to ground water supplies.

In recent years, pesticides have been found in ground water with increasing frequency. While data on pesticides in ground water is limited, EPA reports that in 1985 at least 17 pesticides had been found in ground water in 23 States. One year earlier, only 12 pesticides had been detected in the ground water in 18 States.

A number of States, such as Iowa and California, have identified serious ground water contamination problems resulting from pesticides. In Iowa, scientists found pesticides in 28 of 70 monitored wells representing 18 public water supplies. In California, some 57 pesticides have contaminated almost 3,000 wells in 28 counties.

Fortunately, pesticides have not been found to be a major source of ground water contamination in my home State of Maine. In a recent study by the Maine Geological Survey, a total of 37 percent of samples from wells in potato-growing areas were found to have detectable levels of pesticides.

The study concluded, however, that while pesticides were present in ground waters in some areas of Maine, the concentrations were low and did not appear to pose a threat to water quality. Additional testing will be conducted this summer in the State.

The bill we are introducing today will provide for better response to incidents of pesticide contamination. But, more importantly, the bill will improve significantly our ability to prevent future ground water contamination problems.

A major provision of the bill provides for the establishment of "Ground Water Residue Guidance Levels" or "GRGL's". GRGL's will establish a safe concentration level for pesticides in ground water. These concentration levels will be the same as the health-based maximum-contaminant-level goals established in the

Safe Drinking Water Act in most cases.

The bill provides for specific actions at a contamination site when the concentration of a pesticide reaches 50 percent of a GRGL. EPA and the States are to take steps to protect public health and may restrict use of the pesticide to assure that the GRGL will not be exceeded.

In addition, if a pesticide is found at a site at a level of 25 percent of the GRGL, EPA is to review the registration of the pesticide and impose general, national level restrictions which will assure that the GRGL will not be exceeded.

Manufacturers of pesticides will be required to develop general management practices to prevent ground water contamination problems and will monitor ground water to identify contamination incidents.

The bill also provides for the development of State programs to prevent ground water contamination. States are to identify pesticides used in that State which may contribute to ground water pollution and establish a process and specific management practices which will assure the protection of ground water quality. EPA would provide grant assistance to States at a level of $25 million a year.

I look forward to hearing the comments and suggestions of interested persons as this legislation is developed in the Agriculture and the Environment and Public Works Committees over the next several months. This is a complicated issue and we will need the views and comments of a wide range of interested parties to develop the best possible legislation. I plan to review carefully the comments and suggestions to be sure that we improve this bill and make it as effective as it can be.

Enactment of legislation to protect ground water from pesticide contamination will address one of the most significant sources of ground water pollution. We needed to remember, however, that there is a need to develop legislation which will provide for comprehensive protection of the ground water resource from the full range of contamination sources.

I look forward to working with my colleagues on the Environment and Public Works Committee, including our chairman, Senator BURDICK, Senator MOYNIHAN, Senator DURENBERGER, and others, in the development of comprehensive ground water protection legislation.

We made an important step toward such comprehensive legislation with the introduction of bipartisan legislation addressing ground water research several weeks ago. I am confident that we can continue our cooperative approach to ground water protection and develop comprehensive ground water legislation in the near future.

Thank you, Mr. President.

Mr. CHAFEE. Mr. President, I am pleased to join with my colleagues today in introducing the Ground Water Safety Act of 1987. This bill represents the second major legislative proposal in this important area. Last month, several of us introduced a bill to consolidate and improve the Government's research activities in the area of ground water and ground water pollution. Today we are going one step further.

This bill is designed to prevent and respond to pesticide contamination. This will be done through the use of increased monitoring, standard setting, and requirements to take corrective action when contamination does occur. A key element of this program is the requirement for manufacturers of pesticides to assume more responsibility for their products. They will do this by developing instructions on how to use their product in such a way as to reduce the likelihood of contaminating ground water. They will also be required to collect and analyze data on use of their product and its effect on ground water quality.

The word "pesticide" is used here in its broadest sense and includes any chemical used to control insects, weeds, and other undesirable organisms. It includes insecticides, herbicides, and defoliants. The best known examples are EDB, aldicarb, alachlor, and Temik.

The problem of pesticide contamination in ground water is not just a rural problem. It is not just farmers who use pesticides. Power companies and road crews use herbicides to control vegetation along right-of-way power lines, roadways, and railways. Weekend gardeners all across the country use pesticides. This is a problem that has the potential to affect everyone.

To understand the importance of ground water as an environmental issue, one need look no further than their own backyard. Let's take Rhode Island as an example. In my home State, ground water is a locally abundant and widely used resource. When people think of the Ocean State they don't think of ground water. But, in 1980, ground water supplied drinking water to 24 percent of the State's population. Fifty-one percent of all ground water withdrawals were for public supply. From 1960 to 1980, withdrawal of ground water for public supplies nearly doubled, from 10 to 19 million gallons per day.

Reserves are adequate in my State to meet a substantial part of our future public-supply and industrial water needs. But we have a problem.

Because of high aquifer permeability and the depth to the water table, which in most cases is small, ground water in Rhode Island is extremely susceptible to contamination. In fact, we have already had incidents of local contamination.

The best known incident of pesticide contamination in Rhode Island is the recent Temik fiasco. That case serves as a case study on the need for the bill we are introducing today.

In the summer of 1984, after numerous complaints by local residents, some wells were tested and showed excessive levels of Temik—a pesticide used by potato farmers to kill the Colorado beetle. The first problem encountered was the fact that the State had no equipment to test for Temik. So, officials from the neighboring University of Massachusetts did the analysis.

Next, there was the familiar problem of cost. The State had to bear the cost of extensive monitoring and testing. The test results varied somewhat but it was clear that Temik was showing up in local water supplies. Throughout all of this, the EPA and the manufacturer maintained that the chemical could not get into ground water. But there it was.

Finally, the State had to act on its own to control the use of Temik and the manufacturer agreed to put carbon filters in the homes of some affected residents.

If this bill had been law several years ago, we would have known ahead of time that Temik could pollute the ground water and use of the chemical would have been restricted to prevent contamination. The manufacturer would have paid for the monitoring and testing. EPA would have set standards for corrective action and, working with the State, made sure that such action was taken.

A 1984 study by the Congressional Office of Technology Assessment reported the detection of ground water contamination from 17 different pesticides in 23 different States. State officials repeatedly cited insufficient expertise at the State level as the biggest problem and increased Federal assistance, in the form of accelerated research and development of standards, as the biggest need. This bill is designed to address that problem and to fill that need. Introduction of this bill is a significant event and I look forward to its enactment.

Mr. LEAHY. Mr. President, I am pleased to join with Senator DURENBERGER in introducing the Ground Water Safety Act of 1987.

This new legislation offers a strong, comprehensive solution to a growing environmental problem—contamination of ground water by pesticides. Let me say at the outset that at this time there is no Federal law to prevent and respond to pesticide contamination of subsurface water supplies.

Ground water is an invaluable natural resource; it constitutes virtually all of the fresh water available in the

United States. Ground water is the primary source of drinking water for half of our general population and 95 percent of our rural population. Over 60 billion gallons a day are drawn from rural wells for irrigation, livestock watering, and household use. In my home State of Vermont, more than 275,000 people depend on ground water as a source of drinking water.

It is only in the last decade that scientists have discovered that pesticides are not degrading or being cleansed from ground water by the natural filtering action of soil. The detection of the chemical aldicarb in the ground water of Long Island in 1979 was the first—but far from the last—indication that pesticides can leach into aquifers used for drinking water.

The Environmental Protection Agency now reports that 17 pesticides have been detected in the ground water in 23 States. Evidence that the pollution is more pervasive is mounting.

Mr. President, what's most disturbing is that this contamination is believed to be the result of normal use of the pesticides * * * use according to label instructions. I believe that most farmers are following the federally approved directions that accompany chemicals. The problem is that in many cases the Environmental Protection Agency is providing out-of-date, poorly researched directions.

Moreover, Federal drinking water standards exist for only 6 pesticides * * * none of the 17 detected. Given the fact that some of these chemicals are known or suspected carcinogens, or have other adverse health effects, this level of regulation is inadequate.

As an illustration of the gravity of this problem, let me outline the case of one pesticide, DBCP, in one State, California. DBCP is a chemical applied to the soil to kill small worms that attack plant roots. DBCP, banned 8 years ago because it is an animal carcinogen and is linked to male sterility, was found to be responsible for contaminating over 2,400 wells throughout California. Sixty percent of the DBCP-contaminated wells had concentrations exceeding 1 part per billion, a level considered by EPA to cause 150 additional cases of cancer per million people exposed continuously over their lifetimes. And this is just one chemical. The California Assembly Office of Research reports that 56 pesticides have been found in the State's ground water.

During a hearing on ground water contamination by pesticides, Diane Cognal, a teacher in Bakersfield, CA, testified before the Committee on Agriculture. She told the committee a story that every parent can understand. For 6 years, her children were needlessly exposed to DBCP in the drinking water in their school. She became alarmed when her son, now 17, failed to grow at a normal rate. She still worries about whether this problem—or other problems she does not know about—could have been caused by exposure to DBCP, suspected of causing sterility in males.

As chairman of the Agriculture Committee, I am deeply concerned about problems associated with ground water contamination. Although I am a longtime advocate of low input agriculture, I recognized that some pesticides serve a useful purpose. But the troubling paradox remains: Our farmers, who benefit directly from the gains in efficiency and crop yield that pesticides provide, may face the greatest risk from contaminants in their drinking water. Let me reiterate: 95 percent of our rural population rely on ground water as their primary source of drinking water.

Congress must act to prevent further ground water contamination. We cannot wait until pollutants are detected and then respond. Once underground sources of drinking water are contaminated, cleaning up the well—or worse, losing it and having to pay for alternative sources of drinking water—is difficult and often prohibitively expensive. It is senseless to risk needlessly the health or our citizens and waste a precious natural resource when there are means to prevent or mitigate pesticide contamination.

The Ground Water Safety Act is the most effective means to achieve this goal. It is based on a plan passed by the Senate last year—though not enacted—as part of the Federal Insecticide, Fungicide, and Rodenticide Act, or FIFRA, Amendments. That plan would have required EPA to decide whether a given product has potential to leach into ground water, and if so, whether to obligate registrants of such pesticides to monitor ground water. If such pesticides were detected in ground water above a certain limit, the plan would have required EPA or the States to restrict the use of the pesticides. In my opinion, that plan was flawed—it was based almost entirely on response, rather than prevention.

The Ground Water Safety Act of 1987 would strengthen and improve last year's proposal in a number of ways. First, by expanding the definition of water to be covered, the bill would protect a greater range of potential drinking water. This is important because groundwater is a very complex and poorly understood resource for which our needs may change from one year to the next or one generation to the next.

Second, the bill would establish a health-based residue standard that would trigger action by the Environmental Protection Agency in order to prevent contamination or alert public officials that remedial action must be taken.

The third improvement this bill would offer is a strong role for State government. Once the legislation is enacted, the States would be required to set up a program to regulate ground water contamination. The program would include preventive measures, as well as site-specific actions the States would take to bring and retain detected pesticide residues to acceptable levels.

So that my colleagues will have a thorough explanation of this bill, I ask unanimous consent to insert a summary of the Ground Water Safety Act of 1987 in the Record following my remarks.

Mr. President, most of our citizens assume that when they turn on the tap—whether for cooking, bathing, or filling the baby's bottle—that the water is safe and uncontaminated. That assumption should never be called into question because of poor governmental oversight. Passage of the Ground Water Safety Act would demonstrate that Congress will do its part in continuing to assure the public that its drinking water is safe.

There being no objection, the summary was ordered to be printed in the Record, as follows:

SUMMARY OF THE GROUND WATER SAFETY ACT OF 1987

The purpose of the Ground Water Safety Act is to establish standards that would prevent contamination of underground sources of drinking water by pesticides and to authorize the Environmental Protection Agency to take actions to protect human health and the environment from injury or damage resulting from pesticides in ground water. Underground sources of drinking water would be defined broadly to include current and potential sources of drinking water.

The mechanics of the bill are as follows:

When registering or reregistering a pesticide under FIFRA for use in the United States, the EPA would be required to determine whether that pesticide has the potential to leach into ground water.

If the pesticide is determined to have the potential to leach, the registrants of the pesticide would be required to develop management practices designed to prevent, to the maximum extent practicable, the potential for the pesticide to leach into ground water. Such information would be disseminated to applicators. The registrants further would be required to conduct ground water monitoring prior to registration or reregistration, and may be required to monitor as a condition of maintaining registration. This is an important enforcement tool—EPA could initiate cancellation proceedings if the registrant refuses to comply.

In addition to making a leaching determination, EPA would be required to issue a ground water residue guidance level (GRGL) for a pesticide at the time of registration or reregistration. The GRGL would be a health based standard; the economic benefits of the pesticide would not be considered. The Administrator would also be required to issue a GRGL when a pesticide is 1) detected at sampling points in 3 different locations; 2) detected in a drinking water well or wellfield serving public water system; or 3) at the petition of State or federal agency. The Administrator would have broad discretion to set a GRGL for any other pesticide currently registered under FIFRA.

If 25% of the GRGL were reached or exceeded, the Administrator must within 60 days propose and require amendments to the registration of the pesticide. The Administrator would be required to notify the public and the registrants, and to periodically review the amendments. The Administrator would have the discretion to consider the health effects of alternative pesticides when amending the registration.

If 50% of the GRGL were reached or exceeded, the Administrator must notify the affected State(s) and may require the registrant to conduct area wide monitoring. The State would be required to initiate a site specific response within 180 days to bring and retain concentration of the pesticide at or below the GRGL. If the state fails to take action, the Administrator must prohibit the use of the pesticide in the vicinity of the underground source of drinking water.

In addition to responding to pesticide contamination, States would be required to submit to EPA a program to prevent surface and ground water pollution by pesticides that have the potential to leach. Such program would include the development and implementation of management practices to prevent pollution. EPA would be allowed to fund 50 percent of the cost of the State program by making grants.

EPA would be authorized to collect information on ground water contamination by pesticides and to make that information available to the public.

EPA would be authorized to provide technical assistance to the States to carry out ground water protection programs that are focused on pesticide contamination.

EPA and the Departments of Agriculture, Commerce and Interior would be authorized to enter into cooperative agreements to make available to farmers information on soil, climate and hydrogeology at specific sites of pesticide use that would be helpful to the farmer in protecting ground water from contamination.

The legislation would authorize appropriations of $50 million per year for five years.

ADDITIONAL COSPONSORS

S. 368

At the request of Mr. Matsunaga, the name of the Senator from Nebraska [Mr. Exon] was added as a cosponsor of S. 368, a bill to amend the Federal Food, Drug, and Cosmetic Act to ban the reimportation of drugs in the United States, to place restrictions on drug samples, to ban certain resales of drugs purchased by hospitals and other health care facilities, and for other purposes.

S. 553

At the request of Mr. Rockefeller, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 553, a bill to amend the Veterans' Job Training Act to extend and improve the program under that act.

S. 562

At the request of Mr. Weicker, the name of the Senator from North Carolina [Mr. Sanford] was added as a cosponsor of S. 562, a bill to establish the National Marine Policy Commission, and for other purposes.

S. 830

At the request of Mr. Stafford, the name of the Senator from South Carolina [Mr. Hollings] was added as a cosponsor of S. 830, a bill to clarify the treatment of certain education loans in bankruptcy proceedings.

S. 970

At the request of Mr. Harkin, the names of the Senator from Idaho [Mr. McClure], the Senator from North Carolina [Mr. Sanford], the Senator from Hawaii [Mr. Matsunaga], the Senator from South Dakota [Mr. Daschle], the Senator from Nebraska [Mr. Karnes], the Senator from Arkansas [Mr. Pryor], the Senator from Minnesota [Mr. Durenberger], and the Senator from Mississippi [Mr. Cochran] were added as cosponsors of S. 970, a bill to authorize a research program for the modification of plants focusing on the development and production on new marketable industrial and commercial products, and for other purposes.

S. 999

At the request of Mr. Cranston, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of S. 999, a bill to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans employment, counseling, and job-training services and program.

S. 1005

At the request of Mr. Stafford, the name of the Senator from Pennsylvania [Mr. Heinz], and the Senator from Wyoming [Mr. Wallop] were added as cosponsors of S. 1005, a bill to reauthorize and improve chapter 2 of the Education Consolidation and Improvement Act of 1981, and for other purposes.

S. 1059

At the request of Mr. Moynihan, the names of the Senator from Washington [Mr. Adams], the Senator from Alabama [Mr. Heflin], the Senator from Illinois [Mr. Simon], the Senator from Maryland [Ms. Mikulski], and the Senator from Maryland [Mr. Sarbanes] were added as cosponsors of S. 1059, a bill to terminate the application of certain Veterans' Administration regulations relating to transportation of claimants and beneficiaries in connection with Veterans' Administration medical care.

S. 1196

At the request of Mr. Hollings, the name of the Senator from Rhode Island [Mr. Chafee] was added as a cosponsor of S. 1196, a bill to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College and by initiating a Strategic Coastal Research Program, and for other purposes.

S. 1200

At the request of Mr. Lautenberg, the name of the Senator from Alabama [Mr. Shelby] was added as a cosponsor of S. 1200, a bill to amend title 35, United States Code, with respect to patented processes, patent misuse and licensee challenges to patent validity.

S. 1333

At the request of Mr. Nickles, the name of the Senator from Arkansas [Mr. Bumpers] was added as a cosponsor of S. 1333, a bill to allow the 65 miles per hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways.

S. 1393

At the request of Mr. Heinz, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 1393, a bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes.

SENATE JOINT RESOLUTION 40

At the request of Mr. Kasten, the name of the Senator from New Mexico [Mr. Domenici] was added as a cosponsor of Senate Joint Resolution 40, a joint resolution to give special recognition to the birth and achievements of Aldo Leopold.

SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the names of the Senator from Oklahoma [Mr. Nickles] and the Senator from Vermont [Mr. Leahy] were added as cosponsors of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

SENATE JOINT RESOLUTION 111

At the request of Mr. Heinz, the name of the Senator from North Carolina [Mr. Helms] was added as a cosponsor of Senate Joint Resolution 111, a joint resolution to designate each of the months of November 1987 and November 1988, as "National Hospice Month."

SENATE JOINT RESOLUTION 121

At the request of Mr. Trible, the names of the Senator from Oklahoma [Mr. Boren] and the Senator from Hawaii [Mr. Matsunaga] were added as cosponsors of Senate Joint Resolution 121, a joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day."

SENATE JOINT RESOLUTION 142

At the request of Mr. Weicker, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Joint Resolution 142, a joint resolution to designate the day of October 1, 1987, as "National Medical Research Day."

SENATE JOINT RESOLUTION 147

At the request of Mr. LEVIN, the names of the Senator from Washington [Mr. ADAMS], the Senator from New Jersey [Mr. BRADLEY], the Senator from California [Mr. CRANSTON], the Senator from Arizona [Mr. DECONCINI], the Senator from Vermont [Mr. LEAHY], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Joint Resolution 147, a joint resolution designating the week beginning on the third Sunday of September in 1987 and 1988 as "National Adult Day Care Center Week."

SENATE JOINT RESOLUTION 154

At the request of Mr. PELL, the names of the Senator from Ohio [Mr. METZENBAUM], the Senator from Alaska [Mr. STEVENS], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of Senate Joint Resolution 154, a joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week."

SENATE JOINT RESOLUTION 156

At the request of Mr. GRASSLEY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Joint Resolution 156, a joint resolution to establish a U.S. Commission on Improving the Effectiveness of the United Nations.

SENATE CONCURRENT RESOLUTION 46

At the request of Mr. KENNEDY, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of Senate Concurrent Resolution 46, a concurrent resolution expressing the sense of the Congress concerning representative government, political parties, and freedom of expression on Taiwan.

AMENDMENT NO. 160

At the request of Mr. CRANSTON, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of Amendment No. 160, intended to be proposed to S. 999, a bill to amend title 38, United States Code, and the Veterans' Job Training Act to improve veterans employment, counseling, and job training services and programs.

NOTICES OF HEARINGS

SUBCOMMITTEE ON ENERGY RESEARCH AND DEVELOPMENT

Mr. FORD. Mr. President, I would like to announce for the information of the Senate and the public that a field hearing has been scheduled on conservation and solar energy research and development. This hearing will take place on July 13, 1987, at 9:30 a.m. at the Georgia Power Building, 333 Piedmont Road NE, 23d floor, Atlanta, GA.

Those wishing to submit written testimony for the hearing record should send it to the Committee on Energy and Natural Resources, Subcommittee on Energy Research and Development, U.S. Senate, Washington, DC 20510.

For further information, please contact Teri Curtin or Cheryl Moss at (202) 224-7569.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON AFRICAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on African Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 24, 1987 to hold a hearing on Mozambique and United States policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, June 24, 1987, to conduct hearings on corporate takeover legislation pending before the committee in the 100th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Wednesday, June 24, 1987, to mark up the nomination of: M. Danny Wall, to be a member of the Federal Home Loan Bank Board; Edward Fleischman, to be a member of the Securities and Exchange Commission; Roger Jepsen, to be a member of the National Credit Union Administration; and, Simon Fireman, to be a member of the Board of Directors of the Export-Import Bank. Following the votes on these nominations, the committee will mark up a committee print making authorizations for the Securities and Exchange Commission.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SURFACE TRANSPORTATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Surface Transportation, of the Committee on Commerce, Science, and Transportation, be authorized to meet during the session of the Senate on June 24, 1987, to resume hearings on legislation affecting the rail industry and the Staggers Rail Act of 1980.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, June 24, 1987 to consider the nomination of Lt. Gen. Alfred M. Gray, Jr., USMC, to be Commandant of the Marine Corps. The nominee will be present.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Veterans' Affairs be authorized to meet during the session of the Senate on Wednesday, June 24, 1987, for an open hearing on AIDS and the Veterans' Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENTAL EFFICIENCY, FEDERALISM, AND THE DISTRICT OF COLUMBIA

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Governmental Efficiency, Federalism, and the District of Columbia of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, June 24, 1987, to hold hearings on legislation relating to general revenue sharing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Wednesday, June 24, 1987 to conduct a hearing on "Access to Health Care."

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS AND INTERNATIONAL COMMUNICATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Communications of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, June 25, 1987, at 2:30 p.m., to hold an executive session.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

WEST GERMANY'S DECISION NOT TO EXTRADITE HAMADEI

● Ms. MIKULSKI. Mr. President, I share with the Stethem family and all of America a deep sense of disappointment at West Germany's decision to deny the United States, extradition request for Mohammed Hamadei. I still believe as I did when the extradition request was first made, that the

United States by right is the country to try the accused murderer of one of its beloved sons.

Having said this, I accept West Germany's decision to abide by the terms of our Joint Extradition Treaty by choosing to try Hamadei in West Germany on the full charges for which extradition was sought. These include murder, air piracy, and the planning of an explosion.

I have received personal assurances from West Germany's Ambassador to the United States, Guenther Van Well, that the West Germans will "abide by the letter and the spirit of the treaty," and I will hold him to that commitment. It is not enough for West Germany to say that they will try Hamadei. They must also demonstrate that they will prosecute, and if found guilty, punish him to the fullest extent allowable under law. Release of Hamadei, in exhange for hostages held by other terrorists, would be totally unacceptable.

The whole world will be watching to see how West Germany handles this case. We are all counting on them to do justice. The honor and memory of Robert Stethem of Waldorf, MD demands nothing less.●

KENTUCKIANS WORK TO PREVENT BLINDNESS

● Mr. McCONNELL. Mr. President, diabetes is a terrible illness which affects nearly 11 million Americans. Life for diabetics is often a struggle, and those who have been diagnosed must work carefully to maintain their metabolism's fragile balance. A terrible side-effect of diabetes, which could be prevented, often goes needlessly untreated—blindness. The American Academy of Opthamology [AAO] reports that about 60 percent of individuals who have suffered from diabetes for 15 years or more suffer some damage to the blood vessels in their eyes. The elderly are especially vulnerable to this condition known as diabetic retinopathy. Though one of the most treatable of eye diseases, it often goes undiagnosed until too late.

However, the AAO, in conjunction with State organizations like the Kentucky Academy of Eye Physicians and Surgeons, has developed a program to help diabetics. Since March 1986, the national eyecare project has operated a toll-free helpline to provide information and assistance to diabetics nationwide about the risks of blindness. In my State of Kentucky, 2,078 individuals have taken advantage of this important service, and over 570 individuals with serious eye diseases have been diagnosed and treated.

In addition to information and referral services, local opthamologists, through the eyecare project, work with hospitals to defer some of the major costs involved with treatment of eye disorders for those in need. I applaud the efforts of the physicians in Kentucky, and around the Nation and the American Academy of Opthamology as they work to reduce the threat of this terrible disease. AAO recently circulated a press release regarding this project, and I ask that this article be inserted in the RECORD.

The article follows:

KENTUCKY EYE PHYSICIANS HELP ELDERLY RESIDENTS WITH EYE PROBLEMS RELATED TO DIABETES

A total of 21 elderly Kentucky residents have been examined and treated for a potentially blinding eye disease related to diabetes in a public service program sponsored by the state's eye physicians and surgeons.

In addition, the program has uncovered more than 419 cases of cataracts, 41 cases of glaucoma, and 89 cases of macular degeneration—serious eye diseases that in many cases can lead to blindness. The project is designed to bring needed medical eye care and information to the nation's disadvantaged elderly.

Since it started in March 1986, more than 2078 Kentucky residents have called the toll-free Helpline 1-800-222-EYES (3937) of the National Eye Care Project, sponsored by the Foundation of the American Academy of Ophthalmology and the Kentucky Academy of Eye Physicians and Surgeons. Nationwide, more than 185,000 people have dialed the toll-free Helpline.

Diabetic retinopathy is one of the most treatable eye diseases, yet if often progresses to blindness because many people with diabetes fail to seek medical eye care, according to the American Academy of Ophthalmology.

The disease is the leading cause of new blindness in the U.S. It can develop in people who have diabetes mellitus, a common metabolic disease which causes changes in blood vessels throughout the body, including those in the eye.

Ophthalmologists estimate that early diagnosis and treatment can reduce the risk of severe visual loss from diabetes by 50 percent or more. About 60 percent of people who have diabetes for 15 years or more suffer some blood vessel damage in their eyes, making the elderly especially vulnerable to the eye disease.

"Laser therapy has been particularly effective in preventing irreversible loss of vision," said Craig H. Douglas, MD, president of the Kentucky Academy of Eye Physicians and Surgeons.

People with diabetes should have periodic medical eye examinations to find out if they have sight-threatening problems, he said.

"The elderly often feel that nothing can be done to prevent blindness, or they lack the financial resources to seek needed treatment. We're working to remove these obstacles," said Dr. Douglas.

He pointed out that 34 percent of Helpline patients had never had an eye exam until they called the toll-free number.

By calling the Helpline, U.S. citizens or legal residents 65 and over who do not already have access to an eye physician are eligible to receive services. Volunteer ophthalmologists treat program participants at no out-of-pocket cost, and will accept Medicare assignment or insurance coverage as payment in full (for this project only). For the truly needy with no Medicare coverage, care is offered without charge. Information on eye diseases affecting the elderly is sent to all interested callers.

Many people with diabetes experience very mild changes in their vision. In others, however, the vascular changes lead to leakage of fluid into the retina or growth of abnormal blood vessels in the front of the eye. When scarred, the retina, the delicate tissue in the back of the eye, sends a blurred image to the brain.

Depending on the type of diabetic retinopathy involved, two forms of treatment may prevent serious visual loss: The powerful light beam of a laser can be used to stop leaking blood vessels, reduce abnormal blood vessel growth and seal the retina securely to the back of the eye. No incision is necessary with the laser procedure, which can be done in the ophthalmologist's office with minimal discomfort to the patient.

A surgical technique, vitrectomy, is also effective in improving sight by removing the blood-filled vitreous, the normally clear gel-like substance in the center of the eye, and replacing it with an artificial solution.

Through the Eye Care Project, ophthalmologists work with local hospitals to make hospital care available at no cost for those who need it. Hospital charges, eyeglasses and prescription drugs are not paid through the program.

The National Eye Care Project is open weekdays, 8 am to 5 pm, except in Alaska (8 am to 4 pm) and Hawaii (8 am to 2 pm). The Helpline number is 1-800-222-EYES (3937).

RECOGNIZING JOHN E. MONTGOMERY

● Mr. McCONNELL. Mr. President, I rise today to recognize the accomplishments of an outstanding native of the Commonwealth. John E. Montgomery has achieved a notable distinction, having been recently named dean of the University of South Carolina School of Law. He will assume that position on July 1 of this year. We are certainly proud of John as he undertakes this new challenge.

John, originally from Louisville, completed his undergraduate studies at the University of Louisville, where, as a member of Phi Kappa Tau fraternity, we became good friends. John graduated Phi Beta Kappa in chemical engineering, and, after working for Proctor & Gamble Co. in Cincinnati, went on to law school at the University of Louisville, graduating with honors. John joined the faculty of the University of South Carolina in 1971, and in 1978 was named associate dean of the law school in charge of academic affairs.

It is unfortunate that John chose to leave our State. However, Kentucky's loss has been South Carolina's gain. John has a clear vision of what he hopes to accomplish as dean of USC's law school, and I am certain that he will distinguish himself in that position. I wish him the best of luck in his new endeavor.

I ask that an article about John, which recently appeared in Columbia, SC, The State, be inserted in the RECORD.

The article follows:

[From the State, May 22, 1987]

MONTGOMERY NAMED DEAN OF LAW SCHOOL

John E. Montgomery, associate dean of academic affairs at the University of South Carolina School of Law, was named dean of the law school on Thursday.

Montgomery, 46 will assume the post July 1. He succeeds Charles H. Randall, who has served as acting dean since January 1986.

Randall replaced Harry M. Lightsey Jr., who left to become president of the College of Charleston.

Montgomery, an authority on environmental law and products liability, joined USC's faculty in 1971 as an assistant professor. He was named associate dean for academic affairs in 1979, with responsibilities for the law school's academic, student recruitment and counseling programs as well as adminisirative matters.

Montgomery described USC as "an excellent state law school" striving to be one of the top 15 in the country.

"When you look at the quality of our faculty and the value of the education, and what you get for the money, we turn out a good product. Our students are competitive all over the country," he said.

Montgomery said one of his first goals as dean will be to establish a law school advisory group from members of the bar and judiciary.

"They will serve as a sounding board to keep us more in touch with what their needs are and also give them a chance to find our what's going on here so we can turn out a better product," Montgomery said.

He said the law school also must address the issue of technology, and look toward incorporating computers into the curriculum.

"That is the next step up in productivity in the legal profession and may be the only way that smaller attorneys are able to compete with larger firms."

Montgomery said he also is concerned about the number of USC law school graduates who are being recruited by out-of-state law firms.

"We need to convince the best to stay instate. Many law firms are merging into bigger firms and will need more attorneys. We need to become deeper in the group we offer so there's enough for everybody to select from," he said.

A native of Louisville, Ky., Montgomery earned his bachelor's degree in chemical engineering at the University of Louisville, where he graduated with Phi Beta Kappa honors and earned his law degree with honors.

He earned a master's in law from the University of Michigan in 1971.

Before entering law school, he worked as a chemical engineer for Proctor & Gamble Co. in Cincinnati.

Montgomery is a member of the American, South Carolina, Kentucky and Richland County bar associations.

He serves on advisory committees for the S.C. Senate Committee on Land and Natural Resources, the S.C. Coastal Council and the S.C. Sea Grant Consortium.●

THE GARY CRUSADER—25 YEARS OF EXCELLENT SERVICE

● Mr. LUGAR. Mr. President, I want to bring to your attention the outstanding service rendered by the Gary Crusader which is located in Gary, IN.

On June 17, 1961, the Gary Crusader opened its doors to the citizens of Gary to fulfill the role of the black press. The philosophy of the founders, Balm L. Leavell, Jr., and Joseph Jefferson, was to inform and carry the news to the black community on issues such as jobs, equal rights, and open occupancy.

The first battle which the Crusader tackled was discrimination in employment. The desire to print the truth led to several victories, including exposing corruption in the Gary city government in 1962.

Words regarding Balm L. Leavell, Jr.'s legacy are summed up by N.B. Armwood:

> Courage undaunted, and a will as strong as in a human breast can dwell, we will strive to fulfill our mission not just to equal, but to excel.

After the death of Mr. Leavell, Jr., his wife, Dorothy R. Leavell, continued the legacy in fine tradition. She managed to increase the stature of both the Gary and Chicago Newspapers that her husband founded.

In 1981, Dorothy Leavell made this historic statement:

> Our role has been consistent for the past twenty years in that we praise when it is earned and protest when it is deserved. We continue to believe that blacks must control their own destinies and their own communities, and we will continue to work toward those goals as long as there is ink to print.

I want my colleagues to join me in paying tribute to a great lady, Mrs. Dorothy R. Leavell, who is fighting the good fight to continue the 159 years of history of the black press, and the 25 years of service provided by the Gary Crusader.●

SBA PROGRAM AMENDMENTS

● Mr. WEICKER. Mr. President, I rise in support of H.R. 2166 which would amend the Small Business Act and Small Business Investment Act of 1958 to change Small Business Administration [SBA] authorizations and program levels. Specifically, the bill would make changes in the authorized levels for the Surety Bond Guarantee Program, the development company programs and the Pollution Control Guarantee Program.

First, the bill would increase the authorizations for the Surety Bond Guarantee Program by $108 million for fiscal year 1988 from $1.142 billion to $1.250 billion. This program level increase was recommended by the Administration in its fiscal year 1988 budget request. Some of my colleagues may recall that last summer during the height of the construction season the surety bond program was shut down by SBA before the end of the fiscal year in order to avoid exceeding the authorized program level for the year. The Senate tried to address that problem by adopting an amendment to the debt limit bill, but the amendment was eventually dropped in conference. Thus, many small contractors who were unable to secure a bond without the SBA guarantee were precluded from bidding and receiving contracts. This provision will help avoid that problem in fiscal year 1988.

The second major provision of the bill would eliminate all financing by the Federal Financing Bank [FFB] of debentures issued by certified development companies and guaranteed by SBA through 1988. The Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99-272) authorized a pilot program to sell development company debentures to private investors rather than to the FFB. That pilot program has worked well. Through the end of May, SBA estimates that over $250 million of debentures have been approved for sale through the pilot program in fiscal year 1987. If we do not increase the authorized level for the pilot program for the remainder of this year, the SBA may have to return to the FFB to finance development company debentures. To do that would have an adverse budgetary impact and would be disruptive to the effective implementation of this important economic development program.

Thus, H.R. 2166 increases the authorized amount of debentures to be sold through the pilot program from $295 million in fiscal year 1987 to $425 million, in both fiscal years 1987 and 1988. This will insure that this vital job creation program is able to operate at the authorized level for the next 2 years.

Finally, H.R. 2166 would provide funding to pay for losses incurred under the pollution bond program. These are losses which have already occurred for which the Government is obligated to pay. Even if we did not approve this provision the appropriations committee would have no choice but to fund them.

Mr. President, I urge my colleagues to support this measure. As I have stated, it is a noncontroversial measure. It was voted out by the Small Business Committee by a vote of 17-0. I urge my colleagues to support the bill.●

A TRIBUTE TO DR. DAVID W. FERRIS

● Mr. CHAFEE. Mr. President, on July 9, 1987, Dr. David W. Ferris will end his term as president of the American Optometric Association.

Dave Ferris has served as president of the American Optometric Association since last June, culminating nearly two decades of volunteer service to optometry and eye care at the local, State, and national levels. Dr. Ferris has exhibited a commitment to quality vision care and public health that has made him an outstanding and respected leader. While serving his patients and profession. Dr. Ferris has also found the time to serve his community—first as a member of the Cranston City Council in the 1970's and later as a member of the board of trustees of Cranston General Hospital.

The stated objective of the American Optometric Association is "to improve the vision care and health of the public and promote the art and science of the profession of optometry." Dave Ferris' professional life has been dedicated to that objective. I am proud to be associated with a man who has done so much to bring better vision care to all Americans and pleased that Dr. Ferris' colleagues have honored a fellow Rhode Islander with the recognition he so richly deserves.●

HUMAN RIGHTS AND INTERNATIONAL LAW

● Mr. HARKIN. Mr. President, I address the Senate today on one of the most critical issues of our times—the promotion and protection of human rights. In Chile, South Korea, and Central America, denial of basic human rights is a daily occurrence. As we work to shape U.S. policy in these areas, a better understanding of the concept of human rights is essential. Too often we forget that the protection of human rights is a moral concern and a legal obligation as well.

As Senator from Iowa, I am fortunate to have a tremendous resource in this area in the work of University of Iowa Law Prof. Burns Weston. Professor Weston is the author of an entry in the Encyclopedia Britannica on the legal concept of human rights.

Professor Weston, a graduate of Oberlin College and with degrees from the Yale Law School, is a prominent scholar in the field of international law. He is the recipient of numerous honors including an award for technical craftsmanship from the American Society of International Law for his coursebook, "International Law and World Order." Professor Weston sits on the editorial boards of several scholarly journals, has authored numerous books and articles and speaks frequently around the country on the issues of human rights, nuclear disarmament and world peace.

The attached article traces the historical and philosophical origins of the concept of human rights and explains the evolution of international mechanisms for their protection, such as the Universal Declaration of Human Rights.

America's standing in the world community will be judged, to a great extent, on the degree to which we support and defend human rights. As those responsible for formulating American foreign policy I believe it is incumbent upon all of us to better understand our obligations to our own citizens and those of other nations. This article, which outlines the current state of international law regarding human rights, can help us better meet that vital obligation.

At the present time, when the fostering of human rights ought to be an integral element of our foreign policy, I believe my distinguished colleagues will find this article a valuable and informative reference. I ask that Professor Weston's article be printed in the RECORD.

The article follows:

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HUMAN RIGHTS

It is a common observation that human beings everywhere demand the realization of diverse values to ensure their individual and collective well-being. It also is a common observation that these demands are often painfully frustrated by social as well as natural forces, resulting in exploitation, oppression, persecution, and other forms of deprivation. Deeply rooted in these twin observations are the beginning of what today are called "human rights" and the legal processes, national and international, associated with them.

This article is divided into the following sections:

HISTORICAL DEVELOPMENT

The expression "human rights" is relatively new, having come into everyday parlance only since World War II and the founding of the United Nations in 1945. It replaces the phrase "natural rights," which fell into disfavor in part because the concept of natural law (to which it was intimately linked) had become a matter of great controversy, and the later phrase "the rights of Man" which was not universally understood to include the rights of women.

Most students of human rights trace the historical origins of the concept back to ancient Greece and Rome, where it was closely tied to the premodern natural law doctrines of Greek Stoicism (the school of philosophy founded by Zeno of Citium, which held that a universal working force pervades all creation and that human conduct therefore should be judged according to, and brought into harmony with, the law of nature). The classic example, drawn from the Greek literature, is that of Antigone, who, upon being reproached by Creon for defying his command not to bury her slain brother, asserted that she acted in accordance with the immutable laws of the gods.

In part because Hellenistic Stoicism played a key role in its formation and spread, Roman law may similarly be seen to have allowed for the existence of a natural law and, with it, pursuant to the jus gentium ("law of nations"), certain universal rights that extended beyond the rights of citizenship. According to the Roman jurist Ulpain, for example, natural law was that which nature—not the state—assures to all human beings, Roman citizen or not.

It was not until after the Middle Ages, however, that natural law doctrines became closely associated with liberal political theories about natural rights. In Greco-Roman and medieval times, natural law doctrines taught mainly the duties, as distinguished from the rights, of "Man." Moreover, as evident in the writings of Aristotle and St. Thomas Aquinas, these doctrines recognized the legitimacy of slavery and serfdom and, in so doing, excluded perhaps the centralmost ideas of human rights as they are understood today—the ideas of freedom (or liberty) and equality.

For the idea of human (i.e., natural) rights to take hold as a general social need and reality, it was necessary that basic changes in the beliefs and practices of society take place, changes of the sort that evolved from about the 13th century to the Peace of Westphalia (1648), during the Renaissance and the decline of feudalism. When resistance to religious intolerance and political-economic bondage began the long transition to liberal notions of freedom and equality, particularly in relation to the use and ownership of property, then were the foundations of what today are called human rights truly laid. During this period, reflecting the failure of rulers to meet their natural law obligations as well as the unprecedented commitment to individual expression and worldly experience that was characteristic of the Renaissance, the shift from natural law as duties to natural law as rights was made. The teachings of Aquinas (1224/25-1274) and Hugo Grotius (1583-1645) on the European continent, and the Magna Carta (1215), the Petition of Rights of 1628, and the English Bill of Rights (1689) in England, were proof of this change. All testified to the increasingly popular view that human beings are endowed with eternal and inalienable rights, never renounced when humankind "contracted" to enter the social from the primitive state and never diminished by the claim of "the devine right of kings."

It was primarily for the 17th and 18th centuries, however, to elaborate upon this modernist conception of natural law as meaning or implying natural rights. The scientific and intellectual achievements of the 17th century—the discoveries of Galileo and Sir Isaac Newton, the materialism of Thomas Hobbes, the rationalism of René Descartes and Gottfried Wilhelm Leibniz, the pantheism of Benedict de Spinoza, the empiricism of Francis Bacon and John Locke—encouraged a belief in natural law and universal order; and during the 18th century, the so-called Age of Enlightenment, a growing confidence in human reason and in the perfectability of human affairs led to its more comprehensive expression. Particularly to be noted are the writings of the 17th-century English philosopher John Locke—arguably the most important natural law theorist of modern times—and the works of the 18th-century Philosophes centered mainly in Paris, including Montesquieu, Voltaire, and Jean-Jacques Rousseau. Locke argued in detail, mainly in writings associated with the Revolution of 1688 (the Glorious Revolution), that certain rights self-evidently pertain to individuals as human beings (because they existed in "the state of nature" before humankind entered civil society); that chief among them are the rights to life, liberty (freedom from arbitrary rule), and property; that, upon entering civil society (pursuant to a "social contract"), humankind surrendered to the state only the right to enforce these natural rights, not the rights themselves; and that the state's failure to secure these reserved natural rights (the state itself being under contract to safeguard the interests of its members) gives rise to a right to responsible, popular revolution. The Philosophes, building on Locke and others and embracing many and varied currents of thought with a common supreme faith in reason, vigorously attacked religious and scientific dogmatism, intolerance, censorship, and social-economic restraints. They sought to discover and act upon universally valid principles harmoniously governing nature, humanity, and society, including the theory of the inalienable "rights of Man" that became their fundamental ethical and social gospel.

All this liberal intellectual ferment had, not surprisingly, great influence on the Western world of the late 18th and early 19th centuries. Together with the practical example of England's Revolution of 1688 and the resulting Bill of Rights, it provided the rationale for the wave of revolutionary agitation that then swept the West, most notably in North Amercia and France. Thomas Jefferson, who had studied Locke and Montesquieu and who asserted that his countrymen were a "free people claiming their rights as derived from the laws of nature and not as the gift of their Chief Magistrate," gave poetic eloquence to the plain prose of the 17th century in the Declaration of Independence proclaimed by the 13 American Colonies on July 4, 1776: "We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the Pursuit of Happiness." Similarly, the Marquis de Lafayette, who won the close friendship of George Washington and who shared the hardships of the American War of Independence, imitated the pronouncements of the English and American revolutions in the Declaration of the Rights of Man and of the Citizens of August 26, 1789. Insisting that "men are born and remain free and equal in rights," the declaration proclaims that "the aim of every political association is the preservation of the natural and imprescriptible rights of man," identifies these rights as "Liberty, Property, Safety and Resistance to Oppression," and defines "liberty" so as to include the right to free speech, freedom of association, religious freedom, and freedom from arbitrary arrest and confinement (as if anticipating the Bill of Rights added in 1791 to the Constitution of the United States of 1787).

In sum, the idea of human rights, called by another name, played a key role in the late 18th- and early 19th-century struggles against political absolutism. It was, indeed, the failure of rules to respect the principles of freedom and equality, which had been central to natural law philosophy almost from the beginning, that was responsible for this development. In the words of Maurice Cranston, a leading student of human rights, ". . . absolutism prompted man to claim [human, or natural] rights precisely because it denied them."

The idea of human rights as natural rights was not without its detractors, however, even at this otherwise receptive time. In the first place, being frequently associated with religious orthodoxy, the doctrine of natural rights became less and less acceptable to philosophical and political liberals. Additionally, because they were conceived in essentially absolutist—"inalienable," "unalterable," "eternal"—terms, natural rights were found increasingly to come into conflict with one another. Most importantly, the doctrine of natural rights came under powerful philosophical and political attack from both the right and the left.

In England, for example, conservatives Edmund Burke and David Hume united with liberal Jeremy Bentham in condemning the doctrine, the former out of fear that public affirmation of natural rights would lead to social upheaval, the latter out of concern lest declarations and proclamations of natural rights substitute for effective legislation. In his *Reflections on the Revolution in France* (1790), Burke, a believer in natural law who nonetheless denied that the "rights of Man" could be derived from it, criticized the drafters of the Declaration of the Rights of Man and of the Citizen for proclaiming the "monstrous fiction" of human equality, which, he argued, serves but to inspire "false ideas and vain expectations in men destined to travel in the obscure walk of laborious life." Bentham, one of the founders of Utilitarianism and a nonbeliever, was no less scornful. "Rights," he wrote, "is the child of law; from real law come real rights; but from imaginary laws, from 'law of nature come imaginary rights . . . Natural rights is simple nonsense; natural and imprescriptible rights (an American phrase), rhetorical nonsense, nonsense upon stilts." Hume agreed with Bentham; natural law and natural rights he insisted, are unreal metaphysical phenomena.

The assault upon natural law and natural rights, thus begun during the late 18th century, both intensified and broadened during the 19th and early 20th centuries. John Stuart Mill, despite his vigorous defense of liberty, proclaimed that rights ultimately are founded on utility. The German jurist Friedrich Karl von Savigny, England's Sir Henry Maine, and other historicalists emphasized that rights are a function of cultural and environmental variables unique to particular communities, and the jurist John Austin and the philosopher Ludwig Witternstein insisted, repectively, that the only law is "the command of the sovereign" (a phrase of Thomas Hobbes) and that the only truth is that which can be established by verifiable experience. By World War I, there were scarcely any theorists who would or could defend the "rights of Man" along the lines of natural law. Indeed, under the influence of 19th-century German Idealism and parallel expressions of rising European Nationalism, there were some—the Marxists, for example—who, although not rejecting individual rights altogether, maintained that rights from whatever source derived, belong to communities or whole societies and nations preeminently. Thus did F.H. Bradley, the British Idealist, write in 1894: "The rights of the individual are today not worth serious consideration. . . . The welfare of the community is the end and is the ultimate standard."

Yet, though the heyday of natural rights proved short, the idea of human rights nonetheless endured in one form or another. The abolition of slavery, factory legislation, popular education, trade unionism, the universal suffrage movement—these and other examples of 19th-century reformist impulse afford ample evidence that the idea was not to be extinguished even if its transempirical derivation had become a matter of general skepticism. But it was not until the rise and fall of Nazi Germany that the idea of rights—human rights—came truly into its own. The laws authorizing the dispossession and extermination of Jews and other minorities, the laws permitting arbitrary police search and seizure, the laws condoning imprisonment, torture, and execution without public trial—these and similar obscenities brought home the realization that law and morality, if they are to be deserving of the name, cannot be grounded in any purely Utilitarian, idealist, or other consequentialist doctrine. Certain actions are wrong, no matter what; human beings are entitled to simple respect at least.

Today, the vast majority of legal scholars, philosophers, and moralists agree, irrespective of culture or civilization, that every human being is entitled, at least in theory, to some basic rights. Heir to the Protestant Reformation and to the English, American, French, Mexican, Russian, and Chinese revolutions, the last half of the 20th century has seen, in the world of human rights scholar Louis Henkin, "essentially universal acceptance of human rights in principle" such that "no government dares to dissent from the ideology of human rights today." Indeed, except for some essentially isolated 19th-century demonstrations of international humanitarian concern to be noted below, the last half of the 20th century may fairly be said to mark the birth of the international as well as the universal recognition of human rights. In the treaty establishing the United Nations (UN), all members pledged themselves to take joint and separate action for the achievement of "universal respect for, and observance of, human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion." In the Universal Declaration of Human Rights (1948), representatives from many diverse cultures endorsed the rights therein set forth "as a common standard of achievement for all peoples and all nations." And in 1976, the International Covenant and Economic, Social and Cultural Rights and the International Covenant on Civil and Political Rights, each approved by the UN General Assembly in 1966, entered into force and effect.

DEFINITION OF HUMAN RIGHTS

To say that there is widespread acceptance of the principle of human rights on the domestic and international planes is not to say that there is complete agreement about the nature of such rights or their substantive scope—which is to say, their definition. Some of the most basic questions have yet to receive conclusive answers. Whether human rights are to be viewed as divine, moral, or legal entitlements; whether they are to be validated by intuition, custom, social contract theory, principles of distributive justice, or as prerequisites for happiness; whether they are to be understood as irrevocable or partially revocable; whether they are to be broad or limited in number and content—these and kindred issues are matters of ongoing debate and likely will remain so as long as there exist contending approaches to public order and scarcities among resources.

NATURE

Despite this lack of consensus, however, a number of widely accepted—and interrelated—postulates may be seen to assist, if not to complete, the task of defining human rights. Five in particular stand out, although it is to be noted that not even these are without controversy.

First, regardless of their ultimate origin or justification, human rights are understood to represent individual and group demands for the shaping and sharing of power, wealth, enlightenment, and other cherished values in community process, most fundamentally the value of respect and its constituent elements of reciprocal tolerance and mutual forebearance in the pursuit of all other values. Consequently, they imply claims against persons and institutions who impede realization and standards for judging the legitimacy of laws and traditions. At bottom, human rights limit state power.

Second, reflecting varying environmental circumstances, differing worldviews, and inescapable interdependencies within and between value processes, human rights refer to a wide continuum of value claims ranging from the most justifiable to the most aspirational. Human rights partake of both the legal and the moral orders, sometimes indistinguishably. They are expressive of both the "is" and the "ought" in human affairs.

Third, if a right is determined to be a human right it is quintessentially general or universal in character, in some sense equally possessed by all human beings everywhere, including in certain instances even the unborn. In stark contrast to "the devine right of kings" and other such conceptions of privilege, human rights extend, in theory, to every person on Earth without discriminations irrelevant to merit.

Fourth, most assertions of human rights—arguably not all—are qualified by the limitation that the rights of any particular individual or group in any particular instance are restricted as much as is necessary to secure the comparable rights of others and the aggregate common interest. Given this interdependency, human rights are sometimes designated prima facie rights, and it makes little or no sense to think or talk of them in absolutist terms.

Fifth and finally, human rights are commonly assumed to refer, in some vague sense, to "fundamental" as distinct from "nonessential" claims or "goods." In fact, some theorists go so far as to limit human rights to a single core right or two—for example, the right to life or the right to equal freedom of opportunity. The tendency, in short, is to de-emphasize or rule out "mere wants."

In several critical respects, however, this last postulate raises more questions than it answers. What does it mean to say that a right is fundamental? Does it entail some bare minimum only, or, more plausibly, does it admit to something greater? If the latter, how much greater and subject to what conditions, if any? In other words, however accurate, this last postulate is fraught with ambiguity about the content and legitimate scope of human rights and about the priorities, if any, that obtain among them. Except for the issue of the origin and justification of human rights, no cluster of preliminary human rights considerations is more controversial.

CONTENT

It cannot be disputed that, like all normative traditions, the human rights tradition is a product of its time. It necessarily reflects the processes of historical continuity and change that, at once and as a matter of cumulative experience, help to give it substance and form. Therefore, to understand better the debate over the content and legitimate scope of human rights and the priorities claimed among them, it is useful to note the dominant schools of thought and action that have informed the human rights tradition since the beginning of modern times.

Particularly helpful in this regard is the notion of "three generations of human rights" advanced by the French jurist Karel Vasak. Inspired by the three normative themes of the French Revolution, they are: the first generation of civil and political rights (liberté); the second generation of economic, social, and cultural rights (égalité); and the third generation of newly called solidarity rights (fraternité). Vasak's model is of course a simplified expression of an extremely complex historical record; it is not intended as a literal representation of life in which one generation gives birth to the next and then dies away.

The first generation

The first generation of civil and political rights derives primarily from the 17th- and 18th-century reformist theories noted above, which are associated with the English, American, and French revolutions. Infused with the political philosophy of liberal individualism and the economic and social doctrine of laissez-faire, it conceives of human rights more in negative ("freedoms from") than positive ("rights to") terms; it favours the abstention rather than the intervention of government in the quest for human dignity, as epitomized by the statement attributed to H.L. Mencken that ". . . all government is, of course, against liberty." Belonging to this first generation, thus, are such claimed rights as are set forth in Articles 2-21 of the Universal Declaration of Human Rights, including freedom from racial and equivalent forms of discrimination; the right of life, liberty, and the security of the person; freedom from slavery or involuntary servitude; freedom from torture and from cruel, inhuman, or degrading treatment or punishment; freedom from arbitrary arrest, detention, or exile; the right to a fair and public trial; freedom from interference in privacy and correspondence; freedom of movement and residence; the right to asylum from persecution; freedom of thought, conscience, and religion; freedom of opinion and expression; freedom of peaceful assembly and association; and the right to participate in government, directly or through free elections. Also included is the right to own property and the right not to be deprived of one's property arbitrarily, each fundamental to the interests fought for in the American and French revolutions and to the rise of capitalism.

Of course, it would be error to assert that these and other first-generation rights correspond completely to the idea of "negative" as opposed to "positive rights. The right to security of the person, to a fair and public trial, to asylum from persecution, and to free elections, for example, manifestly cannot be assured without some affirmative government action. What is constant in this first-generation conception, however, is the notion of liberty, a shield that safeguards the individual, alone and in association with others, against the abuse and misuse of political authority. This is the core value. Featured in almost every constitution of today's approximately 160 states, and dominating the majority of the international declarations and covenants adopted since World War II, this essentially Western liberal conception of human rights is sometimes romanticized as a triumph of Hobbesian-Lockean individualism over Hegelian statism.

The second generation

The second generation of economic, social, and cultural rights finds its origins primarily in the socialist tradition that was foreshadowed among the Saint-Simonians of early 19th-century France and variously promoted by revolutionary struggles and welfare movements ever since. In large part, it is a response to the abuses and misuses of capitalist development and its underlying, essentially uncritical, conception of individual liberty that tolerated, even legitimated, the exploitation of working classes and colonial peoples. Historically, it is counterpoint to the first generation of civil and political rights, with human rights conceived more in positive ("rights to") than negative ("freedoms from") terms, requiring the intervention, not the abstention, of the state for the purpose of assuring equitable participation in the production and distribution of the values involved. Illustrative are the claimed rights set forth in Articles 22-27 of the Universal Declaration of Human Rights, such as the right to social security; the right to work and to protection against unemployment; the right to rest and leisure, including periodic holidays with pay; the right to a standard of living adequate for the health and well-being of self and family; the right to education; and the right to the protection of one's scientific, literary, and artistic production.

Yet, in the same way that all the rights embraced by the first generation of civil and political rights cannot properly be designated "negative rights," so all the rights embraced by the second generation of economic, social, and cultural rights cannot properly be labeled "positive rights." The right to free choice of employment, the right to form and to join trade unions, and the right freely to participate in the cultural life of the community, for example, do not inherently require affirmative state action to ensure their emjoyment. Nevertheless, most of the second-generation rights do necessitate state intervention in the allocation of resources because they subsume demands more for material than for intangible values according to some criterion of distributive justice. Second-generation rights are, fundamentally, claims to social equality. Partly because of the comparatively late arrival of socialist-communist influence in the normative domain of international affairs, however, the internationalization of these rights has been somewhat slow in coming; but with the ascendancy of the Third World on the global stage, intent upon a "resolution of rising expectations," they have begun to come of age.

The third generation.

Finally, the third generation of solidarity rights, while drawing upon, interlinking, and reconceptualizing value demands associated with the two earlier generations of rights, are best understood as a product albeit one still in formation, of both the rise and the decline of the nation-state in the last half of the 20th century. Foreshadowed in Article 28 of the Universal Declaration of Human Rights, which proclaims that "everyone is entitled to a social and international order in which the rights set forth in this Declaration can be fully realized," it appears so far to embrace six claimed rights. Three of these reflect the emergency of Third World nationalism and its demand for a global redistribution of power, wealth, and other important values: the right to political, social, and cultural self-determination; the right to economic and social development; and the right to participate in and benefit from "the common heritage of mankind" (shared Earth-space resources; scientific, technical, and other information and progress; and cultural traditions, sites, and monuments). The other three third-generation rights—the right to peace, the right to a healthy and balanced environment, and the right to humanitarian disaster relief—suggest the impotence or inefficiency of the nation-state in certain critical respects.

All six of these claimed rights tend to be posed as collective rights, requiring the concerted efforts of all social forces, to substantial degree on a planetary scale, and implying a quest for a possible utopia that projects the notion of holistic community interests. Each, however, manifests an individual as well as collective dimension. For example, while it may be said to be the collective right of all countries and peoples (especially developing countries and non-self-governing peoples) to secure a new international economic order that would eliminate obstacles to their economic and social development, so also may it be said to be the individual right of all persons to benefit from a developmental policy that is based on the satisfaction of material and nonmaterial human needs. Also, while the right to self determination and the right to humanitarian assistance, for example, find expression on the legal as well as the moral plane, the majority of these solidarity rights tend to be more aspirational than justiciable in character, enjoying as yet an ambiguous jural status as international human rights norms.

Thus, at various states of modern history—following the "bourgeois" revolutions of the 17th centuries, the socialist and Marxist revolutions of the early 20th century, and the anticolonialist revolutions that began immediately following World War II—the content of human rights has been broadly defined, not with any expectation that the rights associated with one generation would or should become outdated upon the ascendancy of another, but expansively or supplementally. Reflecting evolving perceptions of which values, at different times, stand most in need of encouragement and protection, the history of the content of human rights also reflects humankind's recurring demands for continuity and stability.

LEGITIMACY AND PRIORITY

This is not to imply that each of these three generations of rights is equally acceptable to all or that they or their separate elements are greeted with equal urgency. First-generation proponents, for example, are inclined to exclude second- and third-generation rights from their definition of human rights altogether (or, at best, to label them as "derivative"). In part this is due to the complexities that inform the process of putting these rights into action. The suggestion of greater feasibility that attends first-generation rights because they stress the absence rather than the presence of government is somehow transformed into a prerequisite of a comprehensive definition of human rights, such that aspirational and vaguely asserted claims to entitlement are deemed not to be rights at all. The most forceful explanation, however, is more ideologically or politically motivated. Persuaded that egalitarian claims against the rich, particularly where collectively espoused, are unworkable without a severe decline in liberty and quality (in part becasue they involve state intervention for the redistribution of privately held resources), first-generation proponents, inspired by the natural law and laissez-faire traditions, are partial to the view that human rights are inherently independent of civil society and are individualistic.

Conversely, second- and third-generation defenders often look upon first-generation rights, at least as commonly practiced, as insufficiently attentive to material human needs and, indeed, as legitimating instruments in service to unjust domestic, transnational, and international social orders—hence constituting a "bourgeois illusion." Accordingly, while not placing first-generation rights outside their definition of human rights, they tend to assign such rights a low status and therefore to treat them as long-term goals that will come to pass only with fundamental economic and social transformations to be realized progressively and fully consummated only sometime in the future.

In sum, different conceptions of rights, particularly emerging conceptions, contain the potential for challenging the legitimacy and supremacy not only of one another but, more importantly, of the political-social systems with which they are most intimately associated. As a consequence there is sharp disagreement about the legitimate scope of human rights and about the priorities that are claimed among them.

On final analysis, however, this liberty-equality and individualist-collectivist debate over the legitimacy and prioritries of claimed human rights can be dangerously misleading. It is useful, certainly, insofar as it calls attention to the way in which notions of liberty and individualism can be, and have been, used to rationalize the abuses of capitalism; and it is useful, too, insofar as it highlights how notions of equality and collectivism can be, and have been, alibis for authoritarian governance. But in the end it risks obscuring at least three essential truths that must be taken into account if the contemporary worldwide human rights movement is to be objectively understood.

First, one-sided characterizations of legitimacy and priority are likely, over the long term, to undermine the political credibility of their proponents and the defensibility of their particularistic values. In an increasingly interdependent and interpenetrating global community, any human rights orientation that does not genuinely support the widest possible shaping and sharing of all values among all human beings is likely to provoke widespread skepticism.

Second, such characterizations do not accurately mirror behavioral reality. In the real world, despite differences in cultural tradition and ideological style, there exists a rising and overriding insistence upon the equitable production and distribution of all basic values. U.S. Pres. Franklin D. Roosevelt's Four Freedoms (freedom of speech and expression, freedom of worship, freedom from want, and freedom from fear) is an early case in point. A more recent demonstration was the 1977 Law Day speech by then U.S. Secretary of State Cyrus R. Vance, in which he announced the U.S. government's resolve "to make the advancement of human rights a central part of our foreign policy" and defined human rights to include "the right to be free from governmental violation of the integrity of the person, . . . the right to the fulfillment of such vital needs as food, shelter, health care, and education, . . . [and] the right to enjoy civil and political liberties." Essentially individualistic societies tolerate, even promote, certain collectivist values; likewise, essentially communal societies tolerate, even promote, certain individualistic values. Ours is a more-or-less, not an either-or, world.

Finally, none of the international human rights instruments currently in force or proposed say anything whatsoever about the legitimacy or rank-ordering of the rights they address, save possibly in the case of rights that by international covenant are stipulated to be nonderogable and therefore, arguably, more fundamental than others (for example, freedom from arbitrary or unlawful deprivation of life, freedom from torture and from inhuman or degrading treatment and punishment, freedom from slavery, freedom from imprisonment for debt). There is disagreement, to be sure, among lawyers, moralists, and political scientists about the ligitimacy and hierarchy of claimed rights when they treat the problem of implementation. For example, some insist on certain civil and political guarantees, whereas others defer initially to conditions of material and corporal well-being. Such disagreements, however, partake of political agendas and have little if any conceptual utility. As the UN General Assembly has repeatedly confirmed, all human rights form an individual whole.

In short, the legitimacy of different human rights and the priorities claimed among them are a function of context. Because people in different parts of the world both assert and honour different human rights demands according to many different procedures and practices, these issues ultimately depend on time, place, setting, level of crisis, and other circumstance.

INTERNATIONAL HUMAN RIGHTS: PRESCRIPTION AND ENFORCEMENT—BEFORE WORLD WAR II

Ever since ancient times, but especially since the emergence of the modern state system, the Age of Discovery, and the accompanying spread of industrialization and European culture throughout the world, there has developed, for economic and other reasons, a unique set of customs and conventions relative to the humane treatment of foreigners. This evolving International Law of State Responsibility for Injuries to Aliens, as these customs and conventions came to be called, may be understood to represent the beginning of active concern for human rights on the international plane. The founding fathers of international law—particularly Francisco de Vitoria (1486?-1546), Hugo Grotius (1583-1645), and Emmerich de Vattel (1714-67)—were quick to observe that all persons, outlander as well as other, were entitled to certain natural rights; and they emphasized, consequently, the importance of according aliens fair treatment.

Except, however, for the occasional use of treaties to secure the protection of Christian minorities, as early illustrated by the Peace of Westphalia (1648), which concluded Thirty Years' War and established the principle of equal rights for the Roman Catholic and Protestant religions in Germany, it was not until the start of the 19th century that active international concern for the rights of nationals began to make itself felt. Then, in the century and a half before World War II, several noteworthy, if essentially unconnected, efforts to encourage respect for nationals by international means began to shape what today is called the International Law of Human Rights (which for historical but no theoretically convincing reasons has tended to be treated separately from the International Law of State Responsibility for Injuries to Aliens).

Throughout the 19th and early 20th centuries, numerous military operations and diplomatic representations, not all of them with the purest of motives but done nonetheless in the name of "humanitarian intervention" (a customary international law doctrine), undertook to protect oppressed and persuaded minorities in the Ottoman Empire and in Syria, Crete, various Balkan countries, Romania, and Russia. Paralleling these actions, first at the Congress of Vienna (1814-15) and later between the two world wars, a series of treaties and international declarations sought the protection of certain racial, religious, and linguistic minorities in central and eastern Europe and in the Middle East. During the same period the moments to combat and suppress slavery and the slave trade found expression in treaties sooner or later involving the major commercial powers, beginning with the Treaty of Paris (1814) and culminating in the International Slavery Convention (1926).

In addition, toward the end of the 19th century and continuing well beyond World War II, the community of nations, inspired largely by persons associated with what is now the International Committee of the Red Cross, concluded a series of multilateral declarations and agreements designed to temper the conduct of hostilities, protect the victims of war, and otherwise elaborate the humantarians law of war. At about the same time, first with two multilateral labour conventions concluded in 1906 and subsequently at the initiative of the International Labour Organisation (ILO; established in 1919), a reformist-minded international community embarked upon a variety of collabortive measures directed at the promotions of human rights. These included not only fields traditionally associated with labour law and relations (for example, industrial health, safety, and welfare; hours of work; annual paid holidays) but also—mainly after World War II—in respect of such core human rights concerns as forced labour, discrimination in employment and occupation, freedom of association for collective bargaining, and equal pay for equal work.

Finally, during the interwar period, the Covenant establishing the League of Nations (1919), while not formally recognizing "the rights of Man" and while failing to lay down a principle of racial nondiscrimination as requested by Japan (owing mainly to the resistance of Great Britain and the United States), nevertheless committed the League's members to several human rights goals; fair and humane working conditions for men, women, and children; the execution of agreements regarding traffic in women and children; the prevention and control of disease in matters of international concern; and the just treatment of native colonial peoples. Also, victorious powers who as "mandatories" were entrusted by the League with the tutelage of colonies formerly governed by Germany and Turkey accepted as "a sacred trust of civilization" responsibilities for the well-being and development of the inhabitants of those territories. (The arrangement was carried over into the UN trusteeship system and had serious repercussions more than a half century later in relation to the mandate entrusted to South Africa over the territory of South West Africa [now Namibia].)

As important as these pre-World War II human rights efforts were, however, it was not until after the War—and the Nazi atrocities accompanying it—that active concern for human rights on the international plane truly came of age. In the proceedings of the International Military Tribunal at Nurnberg in 1945-46, German high officials were tried not only for "crimes against peace" and "war crimes" but also for "crimes against humanity" committed against any civilian population even if in accordance with the laws of the country where perpetrated. While the tribunal, whose establishment and rulings subsequently were endorsed by the UN General Assembly, applied a cautious approach to allegations of "crimes against humanity," it nonetheless made the treatment by a state of its own citizens the subject of international criminal process.

HUMAN RIGHTS IN THE UNITED NATIONS

The Charter of the United Nations (1945) begins by reaffirming a "faith in fundamental human rights, in the dignity and worth of the human person, in the equal rights of men and women and of nations large and small." It states that the purposes of the United Nations are, among other things, "to develop friendly relations among nations based on respect for the principle of equal rights and self-determination of peoples . . . [and] to achieve international co-operation . . . in promoting and encouraging respect for human rights and for fundamental freedoms for all without distinction as to race, sex, language, or religion. . . . And, in two key articles, all members "pledge themselves to take joint and separate action in cooperation with the Organization" for the achievement of these and related purposes. It is to be noted, however, that a proposal to ensure the protection as well as the promotion of human rights was explicity rejected at the San Francisco Conference establishing the United Nations. Additionally, the Charter expressly provides that nothing in it "shall authorize the United Nations to intervene in matters which are essentially within the domestic jurisdiction of any state. . . .," except upon a Security Council finding of a "threat to the peace, breach of the peace, or act of aggression." Moreover, although typical of major constitutive instruments, the Charter is conspicuously general and vague in its human rights clauses, among others.

Thus, not surprisingly, the reconciliation of the Charter's human rights provisions with the Charter's drafting history and its "domestic jurisdiction" clause has given rise to not a little legal and political controversy. Some authorities have argued that, in becoming parties to the Charter, states accept no more than a nebulous promotional obligation toward human rights and that, in any event, the United Nations has no standards to insist on human rights safeguards in member states. Others insist that the Charter's human rights provisions, being part of a legally binding treaty, clearly involve some element of legal obligation: that the "pledge" made by states upon becoming party to the Charter consequently represents more than a moral statement; and that the "domestic jurisdiction" clause does not apply because human rights, whatever isolation they may have "enjoyed" in the past, no longer can be considered matters "essentially within the domestic jurisdiction" of states.

When all is said and done, however, it is clear from the actual practice of the United Nations that the problem of resolving these opposing contentions has proved somewhat less formidable than the statements of governments and the opinions of scholars might lead one to assume. Neither the Charter's drafting history nor its "domestic jurisdiction" clause nor, indeed, its generality and vagueness in respect of human rights has prevented the United Nations—on the basis of individual petitions, statements from witnesses, state complaints, and reports from interested nongovernmental organizations—from investigating, discussing, and evaluating specific human rights situations. Nor have they prevented it from recommending or prescribing concrete action in relation to them, at least not in the case of "a consistent pattern of gross violations" of human rights, provided there has been a majority persuasive enough to force the action desired (as in the imposition by the Security Council in 1977 of a mandatory arms embargo against South Africa). Of course, governments usually are protective of their sovereignty (or domestic jurisdiction). Also, the UN organs responsible for the promotion of human rights suffer from most of the same disabilities that afflict the United Nations as a whole, in particular the absence of supranational authority and the presence of divisive power politics. Hence, it cannot be expected that UN actions in defense of human rights will be, normally, either swift or categorically effective. Nevertheless, assuming some political will, the legal obstacles to UN enforcement of human rights are not insurmountable.

Primary responsibility for the promotion of human rights under the UN Charter rests in the General Assembly and, under its authority, in the Economic and Social Council and its subsidiary body, the Commission on Human Rights, an intergovernmental body that serves as the UN's central policy organ in the human rights field. Much of the commission's activity, initiated by subsidiary working groups, is investigatory, evaluative, and advisory in character, and the commission annually establishes a working group to consider and make recommendations concerning alleged "gross violations" of human rights referred to it by its Sub-Commission on Prevention of Discrimination and Protection of Minorities (on the basis of communications from individuals and groups, pursuant to Resolution 1503 [1970] of the UN Economic and Social Council, and sometimes on the basis of investigations by the subcommission or one of its working groups). Also, the commission has appointed special representatives and envoys to examine human rights situations on an ad hoc basis, who, in the course of preparing their reports, examine reliable information submitted in good faith, interview interested persons, or make on-site inspections with the cooperation of the government concerned.

In addition, the commission, together with other UN organs such as the International Labour Organisation (ILO), the UN Educational, Scientific and Cultural Organization (UNESCO), and the UN Commission on the Status of Women, drafts human rights standards and has prepared a number of international human rights instruments. Among the most important are the Universal Declaration of Human Rights (1948), the International convenant on Civil and Political Rights (together with its Optional Protocol: 1976), and the International Covenant on Economic Social and Cultural Rights (1976). Collectively known as the International Bill of Rights, these three instruments serve as touchstones for interpreting the human rights provisions of the UN Charter.

The Universal Declaration of Human Rights

The catalog of rights set out in the Universal Declaration of Human Rights, which was adopted without dissent by the General Assembly on December 10, 1948, is scarcely less than the sum of all the important traditional political and civil rights of national constitutions and legal systems, including equality before the law: protection against arbitrary arrest: the right to a fair trial; freedom from ex post facto criminal laws: the right to own property: freedom of thought, conscience, and religion: freedom of opinion and expression: and freedom of peaceful assembly and association. Also enumerated are such economic, social, and cultural rights as the right to work and to choose one's work freely, the right to equal pay for equal work, the right to form and join trade unions, the right to rest and leisure, the right to an adequate standard of living, and the right to education.

The Universal Declaration, it must be noted, is not a treaty. It was meant to proclaim "a common standard of achievement for all peoples and all nations" rather than enforceable legal obligations. Nevertheless, partly because of an 18-year delay between its adoption and the completion for signature and ratification of the two covenants, the Universal Declaration has acquired a status juridically more important than originally intended. It has been widely used, even by national courts, as a means of judging compliance with human rights obligations under the UN Charter.

The International Covenant on Civil and Political Rights and the Optional Protocol

The civil and political rights guaranteed by this convenant, which was opened for signature on December 19, 1966, and entered into force on March 23, 1976, incorporate almost all of those proclaimed in the Universal Declaration, including the right to nondiscrimination. Pursuant to the covenant, each state party undertakes to respect and to ensure to all individuals within its territory and subject to its jurisdiction the rights recognized in the covenant "without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status." Some rights listed in the Universal Declaration, however, such as the right to own property and the right to asylum, are not included among the rights recognized in the covenant. Similarly, the covenant designates a number of rights that are not listed in the Universal Declaration, among them the right of all peoples to self-determination and the right of ethnic, religious, or linguistic minorities to enjoy their own culture, to profess and practice their own religion, and to use their own language. To the extent the Universal Declaration and the covenant overlap, however, the latter is understood to explicate and help interpret the former.

In addition, the covenant calls for the establishment of a Human Rights Committee, an international organ of 18 persons elected by the parties to the convenant, serving in their individual expert capacity and charged to study reports submitted by the state parties on the measures they have adopted that give effect to the rights recognized in the covenant. As between the state parties that have expressly recognized the competence of committee in this regard, the committee also may respond to allegations by one state party that another state party is not fulfilling its obligations under the covenant. If the committee is unable to resolve the problem, the matter is referred to an ad hoc conciliation commission, which eventually reports its findings on all questions of fact, plus its views on the possibilities of an amicable solution. State parties that become party to the Optional Protocol further recognize the competence of the Human Rights Committee similarly to consider and act upon communications from individuals claiming to be victims of covenant violations.

The International Covenant on Economic, Social and Cultural Rights

Just as the International Covenant on Civil and Political Rights elaborates upon most of the civil and political rights enumerated in the Universal Declaration of Human Rights, so the International Covenant on Economic, Social and Cultural Rights elaborates upon most of the economic, social, and cultural rights set forth in the Universal Declaration: the right to work; the right to just and favourable conditions of work; trade union rights; the right to social security; rights relating to the protection of the family; the right to an adequate standard of living; the right to health; the right to education; and rights relating to culture and science. Unlike its companion International Covenant on Civil and Political Rights, however, this convenant is not geared, with modest exception, to immediate implementation, the state parties having agreed only "to take steps" toward "achieving progressively the full realization of the rights recognized in the . . . Covenant," and then subject to "the maximum of [their] available resources." The covenant is essentially a "promotional convention," stipulating objectives more than standards and requiring implementation over time rather than all at once. One obligation is however, subject to immediate application: the prohibition of discrimination in the enjoyment of the rights enumerated on grounds of race, colour, sex, language, religion, or political or other opinion; national or social origin, property, and birth or other status. Also, the international supervisory measures that apply to the covenant oblige the state parties to report to the UN Economic and Social Council on the steps they have adopted and the progress they have made in achieving the realization of the enumerated rights.

Other UN human rights conventions

The two above-mentioned covenants are by no means the only human rights treaties drafted and adopted under the auspices of the United Nations. Indeed, because there are far too many to detail even in abbreviated fashion, it must suffice simply to note that they address a broad range of concerns, including the prevention and punishment of the crime of genocide; the humane treatment of military and civilian personnel in time of war; the status of refugees; the protection and reduction of stateless persons; the abolition of slavery, forced labour, and discrimination in employment and occupation; the elimination of all forms of racial discrimination and the suppression and punishment of the crime of apartheid; the elimination of discrimination in education; the promotion of the political rights of women and the elimination of all forms of discrimination against women; and the promotion of equality of opportunity and treatment of migrant workers. (For particular agreements, see Human Rights: A Compilation of International Instruments, 3rd ed.. [1978], published by the United Nations.) Many of these treaties are the work of the UN specialized agencies, particularly the International Labour Organisation (ILO), and many also provide for supervisory and enforcment mechanisms—for example, the Commtitee on the Elimination of Racial Dsicrimination established under the International Convention on the Elimination of All Forms of Racial Discrimination of December 21, 1965.

UN human rights declarations

In addition to developing human rights standards and procedures through treaties, the UN General Assembly, impressed by the impact of the Universal Declaration of Human Rights, also has resorted to the proclamation of declarations as a means of promoting human rights. Adopted in the form of a resolution of the General Assembly, which technically is not binding on the member states in the sense of a treaty, a declaration, particularly when it enunciates principles of great and solemn importance, may nevertheless create within the international community strong expectations about authority and control. Perhaps the best known examples subsequent to the Universal Declaration, while not devoted exclusively to human rights considerations, are the Declaration on the Granting of Independence to Colonial Countries and Peoples (1960) and the Declaration on Principles of International Law Concerning Friendly Relations and Co-Operation Among States in Accordance with the Charter of the United Nations (1970).

HUMAN RIGHTS AND THE HELSINKI PROCESS

Post-World War II concern for human rights also has been evident at the global level outside the United Nations, most notably in the proceedings and aftermath of the Conference on Security and Cooperation in Europe, convened in Helsinki on July 3, 1973, and concluded there (after continuing deliberations in Geneva) on August 1, 1975. Attended by representatives of 35 governemnts that included the NATO countries, the Warsaw Pact nations, and 13 neutral and nonaligned European states, the conference has as its principal purpose a mutally satisfactory definition of peace and stability between East and West, previously made impossible by the period of the Cold War. In particular, the Soviet Union was concerned with achieving recognition of its western frontiers as established at the end of World War II.

There was little tangible, however, that the Western powers with no realistic territorial claims of their own, could demand in return and accordingly they pressed for certain concessions in respect of human rights and freedom of movement and information between East and West. Thus, at the outset of the Final Act adopted by the conference, in a Declaration of Principles Guiding Relations Between States, the participating govenments solemnly declared "their determination to respect and put into practice," alongside other "guiding" principles, "respect [for] human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief" and "respect [for] the equal rights of peoples and their right to self-determination." It was hoped that this would mark the beginning of a liberalization of authoritarian regimes.

From the earliest discussions, however, it was clear that the Helsinki Final Act was not intended as a legally binding instrument. "Determination to respect" and "put into practice" were deemed to express moral commitments only, the Declaration of Principles was said not to prescribe international law, and nowhere did the participants provide for enforcement machinery. On the other hand, the Declaration of Principles, including its human rights principles, always has been viewed as at least consistent with international law. Additionally, the fourth of four sections (commonly known as "baskets") of the Final Act provides for the holding of periodic review conferences in which the participating states are called upon "to continue the multilateral process initiated by the Conference." But most importantly, ever since their adoption, the Final Act's human rights provisions have served as important and widely accepted yardsticks for external scrutiny and appropriate recourse to perceived violations.

In sum, like the Universal Declaration of Human Rights and other such declarations of the UN General Assembly, the Helsinki Final Act, though not a treaty, has created widespread expectations about proper human rights behaviour, and consequently it has inspired and facilitated the monitoring of human rights policy. Assuming some cordiality between East and West, the Helsinki Process may be said at least to hold out the potential for modestly beneficial results in the human rights arena.

REGIONAL DEVELOPMENTS

Action for the international promotion and protection of human rights has proceeded at the regional level in Europe, the Americas, Africa, and the Middle East. Only the first three of these regions, however, have gone so far as to create enforcement mechanisms within the framework of a human rights charter. The Permanent Arab Commission on Human Rights, founded by the Council of the League of Arab States in September 1968 but since then preoccupied by the rights of Arabs living in Israeli-occupied territories, has not brought a proposed Arab Convention on Human Rights to a successful conclusion and so far has tended to function more in terms of the promotion than the protection of human rights.

European human rights system

On November 4, 1950, the Council of Europe agreed to the European Convention for the Protection of Human Rights and Fundamental Freedoms, the substantive provisions of which are based on a draft of what is now the International Covenant on Civil and Political Rights. Together with its five additional protocols, this convention, which entered into force on September 3, 1953, represents the most advanced and successful international experiment in the field. A companion instrument, similar to the later International Covenant on Economic, Social and Cultural Rights, is the European Social Charter (1961), whose provisions are implemented through an elaborate system of control based on the sending of progress reports to, and the appraisal of these reports by, the various committees, and organs of the Council of Europe. The instrumentalities created under the European convention are the European Commission of Human Rights and the European Court of Human Rights. The convention also makes use of the government organ of the Council of Europe, the Committee of Ministers.

The commission may receive from any state party to the convention any allegation of a breach of the convention by another state party. Also, provided its legal competence to do so has been formally recognized, the commission may receive petitions from any person, group of individuals, or nongovernmental organization claiming to be the victim of a violation of the convention. In such cases, the commission is charged to ascertain the facts and to place itself at the disposal of the parties to secure "a friendly settlement . . . on the basis of respect for Human Rights." If no such solution is reached, the commission is called upon to draw up a report, stating its opinion as to whether the facts disclose a breach, and to recommend action to the Committee of Ministers, including referral of the case to the European Court of Human Rights.

The jurisdiction of the court extends to cases referred to it by a state party whose national is alleged to be a victim of a violation, by a state party against whom a complaint has been lodged, and by any state party that may have referred the case to the commission. The court may not, however, receive a complaint by an individual applicant. Moreover, it may receive state complaints only if the defendant state has accepted its jurisdiction. This may be done ad hoc for a particular case or by a general declaration accepting the compulsory jurisdiction of the court. In either event, and in cases referred by the European commission as well, the judgment of the court is final. If a question is not or cannot be referred to the court, then the Committee of Ministers of the Council of Europe makes a final decision on human rights complaints.

The instrumentalities of the European convention have, over the years, developed a considerable body of case law on questions regulated by the convention; and the provisions of the convention are deemed, in some European states, part of domestic constitutional or statutory law. Where this is not the case, the state parties to the convention have taken other measures to make their domestic laws conform with their obligations under the convention.

Inter-American human rights system

In 1948, concurrent with its establishment of the Organization of American States (oas), the Ninth Pan-American Conference adopted the American Declaration on the Rights and Duties of Man, an instrument similar to, but coming a full seven months before, the Universal Declaration of the United Nations and setting out the duties as well as the rights of the individual citizen (a throwback perhaps to Greco-Roman and medieval natural law theories). Subsequently, in 1959, a meeting of consultation of the American Ministers for Foreign Affairs created, within the framework of the oas, the Inter-American Commssion on Human Rights, which has since undertaken important investigative activities concerning human rights in the Americas. Finally, in 1969, the Inter-American Specialized Conference on Human Rights, meeting in San José, Costa Rica, adopted the American Convention of Human Rights, which made the existing Inter-American Commission on Human Rights an organ for the convention's implementation and established the Inter-American Court of Human Rights, which sits in San José.

Both the substantive law and the procedural arrangements of the American convention, which entered into force in 1978, are strongly influenced by the UN covenants and the European convention, and they were drafted also with the European Social Charter in mind. Under the American convention, however, unlike its UN and European predecessors, the right of petition by individuals, groups of individuals, and nongovernmental organizations operates automatically. Under the UN system, the right of petition applies only when the state concerned has become a party to the Optional Protocol to the International Covenant on Civil and Political Rights, and under the European system a special declaration by the states concerned is required. On the other hand, again in contrast to the European system (but not the UN system), interstate complaints under the American convention operate only among states that have expressly agreed to such procedure.

African human rights system

In 1981, following numerous pleas by the UN Commission on Human Rights, interested states, nongovernmental organizations, and others dating as far back as 1961, the Eighteenth Assembly of Heads of State and Government of the Organization of African Unity (oau), convening in Nairobi, Kenya, adopted the African Charter of Human and Peoples Rights. The charter provides that it will become effective three months after ratification or adherence of a majority of the member states of the oau, numbering 50 as of December 31, 1983. By the mid-1980's, the 26 ratifications or adherences needed had not been reached and the charter was, therefore, not yet in force.

Like its European and American counterparts, the African charter provides for the establishment of an African Commission on Human and Peoples' Rights, with both promotional and protective functions and with no restriction on who may file a complaint with the commission (signatory states, individuals, groups of individuals, and nongovernmental organizations, whether or not they are victims of the alleged violation). In contrast to the European and American procedures, however, concerned states are encouraged to reach a friendly settlement without formally involving the investigative or conciliatory mechanisms of the commission. Also, the African charter does not call for a human rights court. African customs and traditions, it is said, emphasize mediation, conciliation, and consensus rather than the adversarial and adjudicative procedures common to Western legal systems.

Four other distinctive features of the African charter are especially noteworthy. First, it provides for conomic, social, and cultural rights as well as civil and political rights. In this respect it bears resemblance to the American convention, but is distinctive from the European convention. Next, in contrast to both the European and American conventions, it recognizes the rights of groups in addition to the family, women, and children. The aged and the infirm are accorded special protection also, and the right of peoples to self-determination is elaborated in the right to existence, equality, and nondomination. Third, it uniquely embraces two third-generation, or "solidarity," rights "as belonging to all peoples"; the right to economic, social, and cultural development and the right to national and international peace and security. Finally, it is so far the only treaty instrument to detail individual duties as well as individual rights—to the family, society, the state, and the international African community.

INTERNATIONAL HUMAN RIGHTS IN DOMESTIC COURTS

Using domestic courts to clarify and safeguard international human rights is a new and still evolving approach to human rights advocacy. In addition to the inevitable interpretative problems of applying conventional and customary norms that are fashioned in multicultural settings, controversial theories about the interrelation of national and international law plus many procedural difficulties—carrying such labels as "standing," "act of State," and the "political questions doctrine"—burden the party anxious to invoke international human rights norms in the domestic context. To be sure, considerable progress has been made, as perhaps best evidenced in the far-reaching decision handed down by the U.S. Court of Appeals for the 2nd Circuit in 1980 in *Filartiga* v. *Pena-Irala*, in which the court held that the international prohibition of torture is unequivocally established in the law of nations and therefore to be honoured in U.S. courts. But as human rights scholar Richard Lillich has cautioned, ". . . in all likelihood the [national] judiciary will have to experience much more international human rights law consciousness-raising before [wholesale resistance to its domestic application] is rejected."

CONCLUSION

Whatever the current attitudes and policies of governments, the reality of popular demands for human rights, including both greater economic justice and greater political freedom, is beyond debate. A deepening and widening concern for the promotion and protection of human rights, hastened by the self-determinist impulse of a postcolonial era, is now unmistakably woven into the fabric of contemporary world affairs.

Substantially responsible for this progressive development has been, of course, the work of the United Nations, its allied agencies, and such regional organizations as the Council of Europe, the Organization of American States, and the Organization of African Unity. Also visibly helpful, however, particularly since the early 1970s, have been three other factors: the public advocacy of human rights as a key aspect of national foreign policies, make initially legitimate by the example of U.S. Pres. Jimmy Carter; the emergence and proliferation of activist nongovernmental human rights organizations such as Amnesty International (winner of the Nobel Price for Peace for 1977), the International Commission of jurists, and diverse church-affiliated groups; and a worldwide profusion of courses and materials devoted to the study of human rights both in formal and informal educational settings. Indeed, in light of the weaknesses that presently inhere at the intergovernmental level of global and regional organization, it is likely that each of these factors will play an increasingly important role in the future.

To be sure, formidable obstacles attend the endeavours of human rights policymakers, activists, and scholars. The implementation of international human rights law depends for the most part on the voluntary consent of nations; the mechanisms for the observance or enforcement of human rights are yet in their infancy. Still, it is certain that a palpable concern for the advancement of human rights is here to stay, out of necessity not less than out of idealism. As Nobel laureate and political dissident Andrey Sakharov once wrote from his internal exile in the Soviet Union:

"The ideology of human rights is probably the only one which can be combined with such diverse ideologies as communism, social democracy, religion, technocracy and those ideologies which may be described as national and indigenous. It can also serve as a foothold for those . . . who have tired of the abundance of ideologies, none of which have brought . . . simple human happiness. The defense of human rights is a clear path toward the unification of people in our turbulent world, and a path toward the relief of suffering."

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THE CHILD CARE CRISIS: ONE TRAGEDY

● Mr. CRANSTON. Mr. President, America's working parents need help. They and their children are caught in the middle of a crisis—the child-care crisis. All across our country, in towns large and small, parents struggle to make child care arrangements they feel secure with.

Of course, it is easier for some than others. If parents are affluent, they can hire live-in or full-time help. If they are fortunate, they have family, friends, or neighbors they can rely on, or they work for an employer who provides some type of assistance. But if their bank account is not big enough or their luck has run out, they have three choices: First, they can leave their children home alone; second, they can place their children in a home or facility they consider inadequate; or third, they can create a crazy-quilt combination of the first two choices. Single mothers have a fourth choice: they can quit work and go on welfare.

I would like to share a story of one woman's choice with you.

Linda Grant of Miami, a single mother who rejected welfare, struggled for a while trying to make a go of the crazy quilt option. But as is so often the case, things kept falling through. Although she had placed her children's names on a waiting list for subsidized child care 2 years ago, there had been no progress. She had called a number of times and always got the same answer: please call back later; they have not made it to the top of the list yet.

They never did.

On November 6 of last year, Linda Grant left Anthony and Maurice—ages 3 and 4—home alone when she went to work. She called periodically to see how they were and, when there was no answer, she became alarmed. Unable to get a hold of anyone in her family to check on them, she left work early. When she arrived home, there was no sign of the children. Assuming her sister had come by and picked them up, Linda Grant decided to take care of the clothes in her dryer. And that is when she found her children.

Anthony and Maurice had crawled inside the clothes dryer—we can only assume looking for a place to play—and closed the door behind them. The dryer was an older model, and, when the door was closed, the dryer automatically came on. The children were burned beyond recognition.

If this story seems familiar to you that is at least partly because one of the homicide detectives who investigated the case came to Washington early this month to testify before the Senate Subcommittee on Children, Families, Drugs and Alcoholism, chaired by the distinguished Senator from Connecticut [Mr. DODD]. Detective Marva Preston came, she said, because her "supervisors felt this was a good opportunity to express our concern for the urgent need for child care for working parents." The Miami Police Department recognizes that child care has become an issue of paramount importance.

I want to thank Detective Preston for making the trip. In telling this story—one I am sure she would never forget—to the subcommittee, she relates a come-to-life "worst case scenario."

I would like to remind my colleagues that this tragedy occurred in Florida—a State which has in recent years expended funds on child care. A waiting list of 6,000 in Dade County alone, however, shows clearly that the need overwhelms the funds provided. It is staggering to consider the dimensions of the problem nationally, but we must: Since 1981, Federal assistance to low-income families to help pay the cost of child care has been reduced by 20 percent. Thus, we have seen a dramatic reduction in assistance at a time when the need has grown, not lessened.

The time is well past for Federal leadership to address the child care crisis in America. If we fail to act, then we run the risk of witnessing more tragedies like the one that took the lives of Anthony and Maurice Grant. I know none of us wants that.

Mr. President, I ask that the text of a column by Washington Post writer Judy Mann on the Grant family tragedy and on Detective Preston's testimony be included in the RECORD at this point.

The column follows:

THE SAD STATE OF CHILD CARE

(By Judy Mann)

Detective Marva H. Preston and three other Miami City homicide detectives arrived at an inner city housing project at 3:45 p.m. on Nov. 6, 1986. The rescue squad was already there, but it was too late. A 3-year-old child and a 4-year-old child were dead. They had been badly burned inside a clothes dryer. Their mother had not been able to find anyone to care for them and had left them alone briefly because she was afraid of losing her job.

That, folks, is the state of child care in America today. There are children who are dying because their parents cannot find or afford child care. There are children who are dying because Congress and the Reagan administration cut 20 percent out of child care support funding in 1981 instead of adding 20 percent—or doubling it—so women such as that mother could have had a place to take their children instead of leaving them alone at home to crawl inside a clothes dryer.

Preston came to Washington last week to testify at a hearing on child care held by the Senate's Subcommittee on Children, Families, Drugs and Alcoholism. The story she told is as damning an indictment of our national priorities as any to come along in a long time. She made the point of telling the subcommittee that the department is busy, and she had to get special permission to come here. "However, my supervisors felt that this was a good opportunity to express our concern for the urgent need of child care for working parents." The investigation of the children's deaths, she said, "brought us face to face with a tragic reality, things some of us had only heard of."

The mother, said Preston, was employed as a cafeteria worker. "Approximately two years ago she was placed on a waiting list to receive child care assistance for her children. She had contracted the agency many times but she didn't get any help. She was not financially able to put them in a private day care center. A relative had lived with her during the past year, and she looked after the children. Without any notice, she moved out" on Saturday, Nov. 1. On Monday, "the mother stayed home from work because she couldn't find anyone to keep them.

"On Tuesday, Nov. 4 a woman who risked losing her license for keeping too many children agreed to keep them for that day only. On Wednesday, Nov. 5, a friend of hers agreed to keep them."

On Nov. 6, "the mother could not find anyone to keep the children. She had taken [one day] off and was very hesitant about taking another. She finally decided that the children would be safe alone for a short time.

"After she got to work, she would contact her sister or her niece and have one of them go over to look after the children. We also verified that after the mother got to work she called home and spoke with the children. She tried to call her sister to have her go by and pick up the children. She contacted several other relatives who were at work or going to work. When she called home again and did not get a response, she made numerous calls to get someone to check on the children.

"She eventually left work early because no one was answering her phone. She arrived home and did not find the children. She assumed that her sister or her boyfriend had come by and picked them up. She began making phone calls as she sat down to fold clothes.

"Then she opened the dryer and found her children badly burned. Miami Fire Rescue responded and found the children dead."

Tests conducted on the dryer determined that the door could be easily pulled closed from the inside and firmly shut. The dryer was a type that could be stopped by opening the door, and then restarted simply by closing the door. "Background information showed that one of the children had a fascination for the dryer," Preston testified.

"Our state attorney's office reviewed our investigation and agreed with us that there was no criminal negligence by the children's mother.

"There children died because they were not supervised. Their mother felt that she had to make a decision between providing for her children by keeping her job or staying home again and risk losing her job. She wanted to be able to work and provide food and shelter. She did not want to be on welfare. She wanted her children to get to school and be among other children. She fed them before leaving and assured herself that they would be safe until she contacted someone to go over and watch them.

"This lady will always have to live with the fact that the decision she made resulted in her children losing their lives," said Preston. "Our jobs are to try and prevent this tragedy from ever happening again."●

ARIAS PEACE PLAN

● Mr. HATFIELD. Mr. President, for 3 years the Center for International Policy has been promoting a negotiated settlement to the conflicts in Central America. The center's research on the Contadora peace plan and more recently on the plan put forward by Costa Rican President Oscar Arias has been widely circulated and, I am sure, is familiar to many of my colleagues. The Center for International Policy has a well-deserved reputation for careful research, and their most recent publication, "Fear of Signing: The Maneuvering Around the Arias Peace Plan," is the best analysis of the Arias Plan I have seen. Knowing of this body's commitment to President Arias' initiative, I ask that the center's report be printed in the RECORD.

The report follows:

FEAR OF SIGNING: THE MANEUVERING AROUND THE ARIAS PEACE PLAN

Originally, the Arias plan was to be presented as an ultimatum to Nicaragua. As El Salvador's foreign minister Ricardo Acevedo Peralta saw it unfolding in early February, 1987, the four other Central American countries would agree on the plan, gather endorsements from the United States, Europe, and Contadora, and then give Nicaragua fifteen days to take it or leave it. If Nicaragua refused, it would be subjected to political and diplomatic sanctions for its recalcitrance.

How ironic then that it was El Salvador who balked at going to the planned June 25 summit meeting of the Central American presidents. Barely ten days before the meeting, Salvadoran President Napoleon Durate remembered that he had an appointment in Europe. Privately, he complained of the arrogance and inflexibility not of Nicaragua, but of Costa Rica's foreign minister, Rodrigo Madrigal Nieto and objected that the foreign ministers had failed to meet to prepare the documents for the summit.

HABIB TRIP

Just days before Durate's announcement, U.S. special envoy Philip Habib had traveled through the region faulting the Arias plan

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Footnotes at end of article.

for stopping U.S. aid to the contras. While there is no proof Durate's decision was prompted by Habib, and both swore up and down that it was not, Washington's opposition to the Arias plan cast a long shadow.

By May, the Arias plan was threatening a diplomatic disaster to the Reagan policy. Both Nicaragua and Guatemala were lining up in support of the plan. They had reportedly assured Costa Rica that they would support the plan as written, or, at the most, with minor refinements.[1] Even if this report was impossible to confirm, and the cautious Nicaraguans gave contradictory signals in public, just the threat of their signing threw the Americans into a panic. Then it would be a majority of three for the plan; Honduran President Jose Azcona Hoyo would then also assent; and El Salvador, no matter how aid-dependent, could scarcely resist alone. A State Department official in Washington confirmed that the department half-expected Nicaragua to sign. "The Americans are scared to death of the talks," a Nicaraguan official chuckled, "because they know we might walk in the door and say it's a great peace plan, then pull out our pen and offer to sign it immediately."[2] After all, the Nicaraguans had done just that with the 1984 Contadora treaty, catching the Americans by surprise, and again in 1986 they were the first to approve the Contadora draft (Guatemala being the only other). What they had done before, they could do again: They might just wield that fearsome, affirmative pen.

DEEP IRONY

There was a deep irony in Washington's, and El Salvador's, opposition to a summit meeting to approve the Arias plan. For not only did they wish to use it tactically to isolate Nicaragua, but the plan itself was totally premised on Washington's position that the root problem in the region was Nicaragua's "lack of democracy." As the plan's author had said, "I don't have the slightest doubt that peace in Central America depends on the will of the nine comandantes to democratize Nicaragua. They have shown an absolute divorce between words and action, a cynicism between what is said and what is done."[3] His plan would hold their feet to the fire.

The core of the plan is an even trade-off between the current positions of the United States and Nicaragua. The United States would allow an immediate cease-fire and suspension of aid to the contras. Simultaneously, Nicaragua would grant political amnesty, start talks with the political opposition, and restore press and political freedoms. The first verification checkpoint would come in sixty days: Nicaragua (and the other Central American countries) would have had to restore full freedoms by then. Within a year would come internationally supervised elections for the Central American Parliament, with the Organization of American States going to Nicaragua to ensure that the opposition was participating on an equal footing. In short, Nicaragua would get peace; the Reagan administration would prevent the consolidation of a one-party Sandinista regime. To avoid singling out Nicaragua, the provisions also apply to the other four Central American countries. (See International Policy Report, "Arias Primer" [June, 1987].

There was little chance the plan would be approved at the summit meeting, even if it could be rescheduled to everyone's satisfaction. Even though the plan proceeds from Washington's own premises, the Reagan administration still opposes the plan as unenforceable, just as it has Contadora for the past four years. Washington's objections would be carried to the meeting by aid-dependent El Salvador and Honduras.

As the Mexican analyst Frida Modak recently put it, "For the Reagan administration, there is no good plan. All that counts is its obsession to overthrow the Nicaraguan government."[4]

A major disappointment for the administration has been its failure to get President Arias to change essential aspects of the plan, e.g., to include the contras in negotiations or to postpone the envisioned cease-fire until after Nicaragua has made political concessions. Repeated trips by U.S. special envoy Philip Habib and even two meetings of the four other Central American countries excluding Nicaragua have failed to change the plan in Washington's favor. According to top Costa Rican officials, President Arias has decided to stick to the original text and consider changes only as they are offered in regional meetings.[5]

ARIAS PLAN BACKGROUND

From the day of his inauguration, President Arias consistently urged Nicaragua to carry out a dialogue with its opposition, make compromises, and create a more flexible political system.[6]

Whereas the Contadora Group and most independent observers saw the root of the problem in American intervention, Arias took Washington's point of view. When the Contadora Group submitted its third draft in June, 1986, he joined El Salvador and Honduras in rejecting it because he said it lacked a guarantee that the "democratic processes in the area can be verified."[7] As he later explained, "By not establishing a timetable and by not requiring a start on the implementation of Contadora's recommendations, the problem was simply skirted, thus making it easy for Nicaragua to consolidate its regime. To some extent Contadora has been a tool in the Sandinistas' hands."[8] This was Washington's position as well.

Accordingly, Arias's foreign minister Madrigal called for a plan of deadlines for the carrying out of concrete actions creating democratic institutions. There would be verification of compliance with political commitments at the expiration of each deadline. "Each country has to share its sovereignty somewhat," Madrigal said.[9] On this basis, the Arias plan took form at a June meeting in San Salvador of the four Central American foreign ministers excluding Nicaragua.

DODD ROLE

The plan took further shape in December, 1986 when Sen. Christopher Dodd (Democrat of Connecticut) traveled to Nicaragua to pick up Eugene Hasenfus, whom the Nicaraguans were releasing. He stopped off in Costa Rica, telling Arias that the Democratic majority in Congress would not approve new contra aid. This spurred the Costa Ricans into greater activity. As they saw it, the U.S. military presence exerted through the contras was, for better or worse, and element of pressure on Nicaragua. If that was coming to an end, it would be more effective if the Central Americans themselves would be the ones to ask the administration to suspend aid to the contras rather than leave it to the Democratic majority. It would enhance Central American credibility as interlocutors with Nicaragua, or so the Costa Ricans reasoned.

Senator Dodd agreed and asked the Costa Ricans what they wanted to negotiate with Nicaragua. The Costa Ricans dusted off the June 1986 version of the Arias plan: democratization in return for the suspension of aid to the contras. Dodd liked the plan and laid it out before Nicaraguan President Daniel Ortega Saavedra, who was noncommital.[10]

Meanwhile Arias went public with a preliminary version of the plan, based on a cease-fire Nicaragua, to be followed by a search for a political solution. As long as violence continued in Nicaragua, he said, it would be impossible for the Western democracies to influence political change in a positive direction there.[11] Fleshing out the proposal, Foreign Minister Madrigal called for "negotiation between the Sandinistas and Nicaraguan political parties and the armed opposition." He added for good measure, "A change in the Sandinista attitude is essential for peace." He said nothing about a change in Washington's attitude.

EVOLUTION OF PLAN

When in the following month the eight foreign ministers of the Contadora countries and the secretaries-general of the United Nations and Organization of American States visited San Jose and the other Central American capitals, the Costa Ricans were still not clear what they would do with the plan. (On the Contadora trip, see "Contadora Eludes U.S.," International Policy Report [January-February, 1987].) They had not decided whether to make it a plan only for Nicaragua or for all of Central America, or how it would handle the issues of the contras and the Salvador FMLN; three or four versions of the plan existed. Arias could only tell the visitors that he had a "series of ideas that we would release at an appropriate time." As before, his ideas were based on three fundamentals: a cease-fire in Nicaragua, suspension of U.S. aid to the contras, and an amnesty for the rebels with other verifiable steps toward democracy to follow. He stressed the need for simultaneity. Prior to the cease-fire, he said, Nicaragua must show signs of willingness to begin a process of democratization. But since Nicaragua said it could not lift the state of emergency until external agression ceased, there must be a cease-fire. In short, there would be concessions on both sides, simultaneous actions to eliminate the pressures which the Sandinistas claimed were holding up the process of democratization.

Arias still voiced the rhetoric of Washington. But simply by asserting the fundamental premise of diplomacy—the necessity of concessions by both sides—he had unknowingly wandered far off the reservation as far as Washington was concerned. Rhetoric aside, the Reagan administration had made no concessions at all in the Contadora negotiations, and the one offer it had made, contained in Habib's April 1986 letter promising a cutoff of aid to the contras on signature of a Contador treaty, had been repudiated a month later. Nicaragua, on the other hand, had made a series of concessions in the Contadora talks and after three years ended up being the only country to accept the final treaty draft. The fact that none of Nicaragua's concessions had been reported in the U.S. press did not make them any less real.

By voicing Washington's stated position, and proceeding in workmanlike fashion to implement it, Arias thought he had found a formula for bridging the gap. The next few months would provide a rude education.

Arias reiterated that to solve the Nicaraguan situation it was necessary to have a cease-fire, "but simultaneously the Sandinista government must take actions of the highest importance, and ultimately, there must be a fair election which guarantees to the Nicaraguan people that they can choose their rulers in absolute freedom." He added, "The day that the Sandinista government has legitimacy will be the day it has been chosen by the Nicaraguans in truly free elections." [12] The November 1984 elections had not reflected the will of the majority of the Nicaraguan people. "Now, as then, the conditions do not exist for the parties to be able to compete on an equal footing with the Sandinista Front." [13]

And, "The U.S. aid to the contras, which we oppose, has been an excuse for the Sandinistas to radicalize Nicaragua."

Among these important Nicaraguan actions, Arias said, was a dialogue with the internal opposition. Significantly, he stepped back from his foreign minister's earlier-expressed position and rejected the U.S. demand for talks with the armed contras "because we cannot pursue something that we know is impossible beforehand, and unrealizable, because then we would not be offering anything constructive." [14]

CONTADORA SKEPTICISM

The Contadora officials were skeptical about the plan. The idea that the Central American crisis could be resolved only and exclusively by the democratization of Nicaragua revealed "an ignorance" of the problems of the area, said one of the Contadora participants. A Mexican newspaper editorialized, "This Costa Rican position tallies more with the dictates of Assistant Secretary Abrams, who met in Miami earlier with Madrigal. But this violates one of the pillars of the peace process—nonintervention in internal affairs."[15]

However, this criticism was off the mark. Arias had already moved to meet these points, first by removing any requirement for Nicaragua and the other governments to negotiate with the guerrilla movements opposing them, and second by accepting the election schedules already set in the countries' national constitutions. This avoided making Nicaragua void its 1984 elections—in effect, declare its government illegitimate—as the United States and seven of the internal political parties in Nicaragua were demanding. Certainly it was the Reagan administration's diplomatic strategy to have the other four Central American countries present Nicaragua with a proposal designed from the start to be rejected by Managua. But Areas did not play his appointed role in this game.

Far from seeking to supplant Contadora, Arias said, his plan only sought to bring Contadora to fruition. "We waited a long time. Finally, Costa Rica presented to Central America its own proposal on February 15. Four years have passed since Contadora initiated its negotiations. . . After waiting so long, we took up the gauntlet that Contadora threw down to us. Let us remember that the Contadora countries always said that they and the Support Group have always participated in this because there was no desire or willingness by the Central Americans themselves to settle their own problems"[16]

Returning to the theme three weeks later, he said, "Central America is tired of empty promises and words. We need facts and actions." The economic situation was worsening, his country was "desperate" for peace. Central America had hoped to see the Contadora effort succeed; he offered his proposal "with the intention of continuing the struggle when the Contadora Group efforts seems to have less possibilities of success."[17]

Various factors led to this more-balance distance adopted by Arias. Explaining his plan on February 16, 1987, he said, "Things have changed since May, 1986. Central American geopolitics are always changing. The fact is that in Esquipulas, as well as in September 1983 in the Document of Objectives, [President Ortega] has made a commitment to guarantee a pluralist government. Therefore, once again we appeal to him to fulfill his commitments."[18]

Also, Senator Dodd evidently influenced the final choices made in the plan. As the U.S. analyst Betsy Cohn noted, "There is increasing speculation that Dodd had a hand in the last-minute changes that appear to have been written into the proposal, having convinced Arias that Reagan's hard-line position has been weakened by the crisis wracking his Administration."[19]

Finally, the fact that the plan had to apply to all five Central American countries limited how obtrusively it could regulate affairs that are the normal prerogative of sovereign governments. Not only Nicaragua, but no other country in the world could seriously entertain a plan branding its government illegitimate by demanding immediate new elections, voiding those already held. And although President Duarte had already twice held talks with his armed internal opposition, it was uncertain how many Central American countries would bind themselves by international agreement to talk to armed rebels who by definition were outside the law. Over U.S. objections, President Arias dropped both of these demands from his plan in order to make it workable.

TURNAROUND IN SAN JOSE

While the substance of the plan thus moved toward a workable compromise, the surrounding rhetoric and atmospherics still conformed to the anti-Nicaraguan pattern that had characterized Arias and all the meetings of the Tegucigalpa bloc (Costa Rica, El Salvador and Honduras) since they had rejected Contadora in June, 1986. Since then as well, they had refused even to meet with Nicaragua, boycotting the Contadora process. At the beginning of February, Costa Rican deputy foreign minister Carlos Rivera Blanchina proposed including Nicaragua in a presidential meeting to consider the Arias plan. Rejecting this idea, President Arias invited the other three "democratic" presidents to San Jose on February 14-15, pointedly excluding Nicaragua. At San Jose, as noted, they would adopt the plan, then give Nicaragua fifteen days to take it or leave it.[20] As Salvadoran Foreign Minister Acevedo laid out the sequence:

(1) Presentation of the plan by President Arias to his counterparts from El Salvador, Guatemala, and Honduras.

(2) Approval of the Arias plan by these four countries.

(3) Approval of the plan by the Contadora group, the United States, and the European Economic Community.

(4) Discussion of the plan with Nicaragua "in an effort to make that country restore its democracy and establish good relations with its neighbors."

(5) Recommendation of political and diplomatic sanctions against the Sandinistas for "rejecting the peace plan, not complying with the Contadora document," and showing that it is a regime "with which one cannot coexist."[21]

This ingenious plan for Nicaragua's diplomatic isolation seemed close to realization as the four presidents converged on San Jose on February 14. But then they sat down and read the Arias plan. Suddenly, the rough talk about using the plan to isolate Nicaragua evaporated like the morning mist. Instead, there were only lame references to the plan as a mere "working document." It is "senseless to say that we fully endorse it," the Honduran foreign ministry said. "We only learned about the proposal two days before the meeting."[22] The four presidents failed to approve the binding language of the plan and the mini-summit, which was to have presented a united front to Nicaragua, broke up in disarray.

Predictably, Nicaragua had denounced the whole proceeding, rudely calling Costa Rica a "neocolony" and a "traitor" for holding it without including Nicaragua. But after reading the Arias plan of February 15, President Ortega reversed himself and on February 18 agreed to go to the Esquipulas summit meeting. The same game of musical chairs that had been seen so often in the Contadora negotiations now resumed for the Arias plan: as Nicaragua swung in favor of a peace plan, the unconditional U.S. allies swung against.

U.S. ALTERATIONS

The United States now sought to alter the Costa Rican proposal. As Abrams testified before the Senate on March 6, 1987, the United States and the other Central American countries "have some ideas about how to improve the proposals and will make them known through the appropriate channels at the appropriate time." On March 25 the peripatetic Habib visited San Jose and tried to make Arias put the Nicaraguan political concessions first, as a signal of goodwill, before a cease-fire and suspension of contra aid. Arias resisted. "We don't see why they can't be simultaneous," a Costa Rican offical said. This point of Habib was unacceptable to Arias, because it would change the original intent: a cease-fire to allow dialogue to get underway. Habib also wanted a requirement that Nicaragua talk to the contras. He also stressed the need for more specificity in the cease-fire. Some other of Habib's points were more acceptable to the Costa Ricans, those dealing with the supervisory body, the monitors, and verification in general.[23]

On May 3 President Reagan outlined the U.S. position toward the Arias plan: "At the center of his proposal is an insistence on democracy in Nicaragua. The United States welcomes the initiative and supports its general objective. At the same time we have some concerns which need to be resolved, particularly on the sequence of implementation. It's essential that any cease-fire be negotiated with the full range of the opposition."

HONDURAN ECHO

Already the Hondurans were echoing several of Habib's points, both good and bad. Honduran Foreign Minister Carlos Lopez Contreras said that the U.S. position has been to find a comprehensive general agreement, not a step-by-step agreement. "The position of Honduras has been similar." There was not much sense in resolving one problem and leaving the others, he maintained. This larger concept informed the Contadora negotiations and was accepted by the five Central American countries.

The Arias plan lacked some technical aspects that need to be corrected for it to be implemented, the Honduran went on. It called for a cease-fire agreement between the five presidents. "This is not very realistic, as there is no conflict between them," but only with the armed opposition groups. "Therefore, we believe talks should be held not only with the unarmed internal opposition, as President Arias proposes, but with the armed opposition." Otherwise, the peace plan would not be effective internally, because if the armed opposition would not agree to a cease-fire, it would make no sense for the government to proclaim one and assume the responsibility for it." [24]

A month later, Honduras again expressed its objections to the Arias plan as an official delegation arrived from San Jose to collect the Honduran "observations." The plan had several "defects," Foreign Minister Lopez said: the lack of verification and control, and the exclusion of the internal opposition in the various countries from the peace process. However, Honduras did not demand the presence of the contras at the negotiating table.[25]

Similarly, the Salvadoran military, acting on its well-known devotion to democratic principles, faulted the plan for its inability to bring democracy to Nicaragua. "President Arias is a man with very noble ideals," said Gen. Adolfo O. Blandon, chairman of the Salvadoran armed forces' joint chiefs of staff. "He believes the Sandinistas can still be led down the democratic path. I believe that is impossible. They have a distorted concept of democracy, and they believe in that distortion."[26]

But Arias did not accept this U.S., Honduran and Salvadoran opposition passively. He set out to win other endorsements for his plan.

CONGRESSIONAL ENDORSEMENT

Seemingly the easiest endorsement was from the U.S. Congress. Arias's rhetoric was tailor-made for both sides of the debate in Congress, which accepted as a given that the Sandinistas were suppressing democracy in Nicaragua. On March 12, newly elected Sen. Terry Sanford (Domocrat of North Carolina) submitted a resolution on the Arias initiative:

"The Congress strongly supports the thrust of this initiative and looks forward to the summit meeting in Esquipulas, Guatemala, within the next three months, as the next phase in this historic effort of the Central American heads of state to forge a firm and lasting peace in Central America."

The key evasion in this resolution was the support of "the thrust of" this initiative which Senator Sanford added at the behest of Sen. Jesse Helms (Republican of North Carolina). This way, although the Arias plan provided for a cutoff of aid to the contras, the resolution would not bind the Senate to support this exact text and contra supporters could vote for it. The resolution passed, 97-1.[27]

In the House, Rep. Jim Slattery (Democrat of Kansas) gathered 120 signatures, including 42 contra-aid supporters, on a letter that both endorsed the Arias plan and proposed another plan. Under this plan, there would be a ninety-day cease-fire in place (thus recognizing the contras as holding territory), with a halt in delivery of U.S. military aid to the contras, a halt in the delivery of Soviet aid to the Nicaraguan government, restoration of freedoms, elections, and a national dialogue with opposition political parties. If Arias thought he had gone as far as he could in accommodating the White House and yet producing something the Sandinitas could conceivably sign, the Slattery letter cut the salami even finer.

As the American political scientist William O. LeoGrande pointed out, "In Congress, the Arias plan is now enjoying the sort of honeymoon that Contadora had in 1983-1984. Everyone favors it. This alone should be sufficient warning that the plan is still too ambiguous to be workable. Ultimately, the Arias plan will face the same obstacles Contadora encountered. But politically, the newness of the Arias plan makes it invaluable for Democrats. It looks viable because, unlike Contadora, it hasn't yet had time to fail." [28]

Further sign of the Arias plan's appeal was the enthusiasm of another contra supporter, Rep. Doug Bereuter (Republican of Nebraska) who went to the House floor on May 21, 1987 to chastise the Nicaraguans for not supporting the plan and call on the administration to support it in a "very open, forthright fashion." [29] Although the congressman seemed a bit confused about who was actually supporting the plan, his initiative, coming as it did from a senior Republican member of the Committee on Foreign Affairs, might have resonance. Similarly, on March 24 Republican Senators Nancy Kassebaum, Warren Rudman, and William Cohen (respectively of Kansas, New Hampshire and Maine) sent a letter to the president vaguely threatening to vote against the contras if diplomacy were not pursued. The letter seemed impressive, although the three had sent the same letter to the president a year earlier, diplomacy was not pursued, and they still voted for the contras.

CONTADORA ENDORSEMENT

The Contadora and Support Group's endorsement would be more difficult to obtain, since the Arias plan was widely seen as a competitor to Contadora, and the Central Americans and numerous times pledged that Contadora was the only viable route. But the Contadora Group wanted to resume dialogue among the Central Americans, and Arias's plan did that. Arias now moved adroitly to win over Contadora. On April 8 Costa Rica wrote to the Contadora Group pledging that during the summit meeting planned for Esquipulas, it would sponsor a provision, to be annexed or included in the plan's text, to resume the Contadora negotiations. Meeting in Buenos Aires on April 14, the Contadora and Support countries responded in kind. They emphasized the importance of the Arias plan in reactivating the larger Contadora negotiating process. The upcoming Esquipulas meeting had "renewed the commitment to work for peace." The Arias plan, Contadora said, was fully within the framework of the overall Contadora negotiating effort, and would create conditions for quickly resuming the Contadora talks.[30]

The Costa Ricans were grateful. The Declaration of Buenos Aires was the most important diplomatic victory yet won by Arias, especially since his plan was first denounced as an obstacle to Contadora. Interior Minister Carlos Rivera Bianchini said on April 16 said that the Contadora endorsement had lifted a cloud of suspicion. "It is now understood that the Costa Rican plan is a complement to the Contadora effort, and far from being a substitute plan is consistent with all Contadora has done." [31]

ANTIGUA MEETING

The difficulties of getting even the Tegucigalpa bloc countries of Costa Rica, El Salvador, and Honduras to agree emerged in sharper focus at a meeting of the four foreign ministers excluding Nicaragua on April 23 in Antigua, Guatemala. (Foreign Minister Madrigal said the Nicaraguans had been invited; they said they never received the invitation.) Subject of the meeting was the objections Honduras and El Salvador had lodged against the Arias plan. Yet even without the Nicaraguans to argue with, the four foreign ministers could not agree and departed farther apart than when they had come.[32]

Madrigal put the best face on the situation. The official Honduran, Salvadoran, and Guatemalan positions reflected a "positive attitude," he said. They wanted to strengthen provisions insuring that no country aided rebels in neighboring countries; they also wanted to strengthen provisions for verification and control by the United Nations and the OAS. "None of these conditions is inflexible," Madrigal continued; they did not deviate from the original idea. He pledged that Costa Rica would persist with its original proposal, but with flexibility.[33]

Arias was becoming discouraged. "It will be difficult, but not impossible," Arias now said. The Costa Rican president, who had criticized Nicaragua so harshly, was now learning what Nicaragua had been up against. On May 7 he noted the favorable comments by Nicaraguan Vice-President Sergio Ramirez, who had said the plan was positive because it respected the legitimacy of the area governments. Arias agreed. "Yes, it is a moderate and fair plan." It was not aimed against any single country. We knew governments would oppose it if it questioned their legitimacy, Arias went on. Now he anticipated that El Salvador and Honduras would have the greatest difficulties with it.

AMERICAN POSITION

As for the Americans, Arias denied that he had been subjected to American pressure, although he acknowledged they had made their comments. He said he would prefer that those who opposed it said so plainly rather than drag out the process.[34]

"A Costa Rican diplomat noted the evolution in the American position:

"At first we did not reveal the plan. So the people who should not be in agreement with the plan did agree with it, and those who should agree with it did not.

"Obviously the plan ran counter to the policy of the U.S. and they had supported it at first. For them it was very hard later, once they has learned the plan's contents, that they had drunk so deeply at that well, for at first we did not reveal the plan. So the people who should not be in agreement with the plan did agree with it, and those who should agree with it did not.

"Obviously the plan ran counter to the policy of the U.S. and they had supported it at first. For them it was very hard later, once they had learned the plan's contents, that they had drunk so deeply at that well, for the plan attacked their policy in Central America." [35]

The Reagan administration, having helped Arias prepare the plan to isolate Nicaragua, now realized its chosen instrument was faulty and worked with its unconditional allies, El Salvador and Honduras, to reject it. Meanwhile Nicaragua, seeing that the plan was more positive toward its position than it thought at first, turned in favor. As Nicaraguan Vice-President Sergio Ramirez Mercado said, "We were not invited to the preparatory meeting in February; that was why we were suspicious." [36]

The tensions engendered by the administration's about-face spilled over into communications among the Central American four. The next foreign ministers' pre-summit meeting was scheduled for the pleasant Honduran resort town of Tela, on June 11. Guatemalan Foreign Minister

Mario Quinonez Amezquita backed out at the last minute and instead invited them all to Guatemala on June 23, on the eve of the summit, for another meeting. This drew a curt note from Honduran Foreign Minister Lopez: "Since the ministerial meeting in Tela was agreed to in consultation with you and the other Central American foreign ministers who have already confirmed their attendance, I request an explanation . . ."[37] The foreign ministers never did pull off their pre-summit meeting in June.

UNUSUAL COMPANY

In rejecting the Arias plan, the Reagan administration found itself in ususual company. The Salvadoran guerrilla front rejected it because it delegitimized armed insurgent movements, requiring governments to talk only with the unarmed political opposition. The Salvadoran government had already twice talked with them, the armed opposition, and they wanted these talks to resume.

And Radio Havana weighed in with a negative commentary on Arias's initiative. "His plan is only a project that instead of seeking solutions, intends to confuse people."[38]

On June 17, as Presidents Reagan and Arias met in the White House, the Reagan administration was in an awkward situation. Up to now it had checkmated the peace-seekers in Congress since it held the key to their chief alternative, the Contadora peace plan.

Arias was faced with Reagan and all his advisers: Vice President Bush; Frank C. Carlucci, the national security adviser; Howard H. Baker, the White House chief of staff; Assistant Secretary of State Elliott Abrams; and Habib. The Costa Rican stood his ground, vainly trying to convince the president to give his peace plan a chance.[39]

President Ortega the same day told a press conference in Managua, "Nicaragua insists on holding the meeting of Central American presidents on the twenty-fifth of this month as scheduled and that all the Central American governments come." At the meeting urgent issues would be addressed "within the framework of Contadora and the Arias plan."

Failure to hold the meeting would give a "fatal blow" to the efforts that had been made, "both at the Esquipulas meeting and with the Arias plan," Ortega went on. It would be totally knuckling under to the United States. Nicaragua would not go along with a new, endless series of foreign ministers' meetings designed to indefinitely delay the summit. "Nicaragua cannot attend this type of ministerial meeting conceived within the framework of a strategy to impede dialogue and a negotiated solution and to spread the war in the region." The fiasco of the summit meeting, Ortega concluded, proved that Contadora was the only viable negotiating forum, and Nicaragua was ready to go to any meeting convened by Contadora.

This was the final irony. The country which was to be isolated by the Arias plan now demanded that the meeting on the plan be held as scheduled. And the country whose stated aim—the imposition of democracy on Nicaragua—was embodied in the plan, now denounced the plan to the author's face.

Costa Rica, Contadora, Guatemala, and Nicaragua had now done all they could do. All had supported the Arias plan. Now it was the turn of Congress and the American public to wholeheartedly support the plan, if they ever hoped to see it implemented.

FOOTNOTES

[1] As written: According to a Honduran official cited in the Mexico City Excelsior, "Podrian suspender la cumbre de Esquipulas," April 29, 1987. With minor refinements: Interview of Melvin Saenz, an adviser to Costa Rican Foreign Minister Rodrigal Madrigal Nieto, by Lidwien Michiels, of the Oficina por la Paz en Centroamerica in Managua (sponsored by Dutch churches) on May 14, 1987; a high Costa Rican official source in Washington (interview, March 26, 1987); a Costa Rican official at the United Nations (interview, New York, April 29, 1987); and a Costa Rican presidential representative (interview, Ottawa, May 11, 1987).

[2] New York Times, June 16, 1987.

[3] Excelsior, January 20, 1987.

[4] El Dia, April 28, 1987.

[5] Excelsior, April 29, 1987.

[6] Mexico City NOTIMEX, May 10, 1986 in U.S. Central Intelligence Agency, Foreign Broadcast Information Service Daily Report: Latin America (FBIS; distributed by U.S. Department of Commerce, National Technical Information Service, Springfield, Va.), May 12, 1986, p. P1.

[7] San Jose Radio Reloj, June 3, 1986, in FBIS, June 4, 1986, p. P1.

[8] Barcelona La Vanguardia, February 1, 1987, in FBIS, February 17, 1987 p. P10.

[9] San Jose Radio Reloj, June 20, 1986, in FBIS, June 23, 1986, p. P1.

[10] Melvin Saenz interview, May 14, 1987.

[11] Panama City ACAN, December 19, 1986, in FBIS, December 22, 1986, p. P1.

[12] Excelsior, January 20, 1987.

[13] La Vanguardia, February 1, 1987 in FBIS, February 17, 1987 p. p10.

[14] Mexico City Interpress Service, January 19, 1987.

[15] El Dia, January 20, 1987.

[16] San Jose Radio Reloj, March 11, 1987 in FBIS, March 20, p. P5.

[17] Mexico City Unomasuno, April 13, 1987 in FBIS, April 17, 1987.

[18] San Jose Radio Reloj, February 16, 1986, in FBIS, February 17, 1986. p. P2.

[19] Central American Historical Institute, Georgetown University, "Update: Costa Rican Peace Proposal" (vol. 6, No. 9, March 13, 1987), p. 6.

[20] Central American Historical Institute Update, p. 1.

[21] Bogota El Tiempo, February 4, 1987, in FBIS, February 9, 1987, p. P6; San Salvador Canal Doce Television, February 13, 1987, in FBIS, February 17, 1987, p. P12.

[22] Tegucigalpa Voz de Honduras, March 24, 26, 1987, in FBIS, March 26 and 30, pp. P6, P8.

[23] Interview with ranking Costa Rican official in Washington, March 26 and April 7, 1987.

[24] Reuter, March 24, 1987 in FBIS, March 26, 1987, p. P6.

[25] Agence France Press, April 22, 1987 in FBIS, April 23, p. P4.

[26] Excelsior, March 29, 1987, in FBIS, April 2, 1987, p. P5.

[27] Congressional Record, March 12, 1987.

[28] Coalition for a New Foreign Policy, Washington, DC, Iran-Contra Monitor (vol. 1, no. 1, April 7, 1987), p. 3.

[29] Congressional Record, May 21, 1987, p. H3911.

[30] Buenos Aires DYN, April 14, 1987, in FBIS, April 17, 1987, p. A1.

[31] United Press International dispatch in Diario las Americas, April 17, 1987; Agence France Press in ibid, April 20.

[32] Panama City ACAN, April 24, 1987 in FBIS April 27, 1987 p1.

[33] La Nacion, San Jose, April 25, 1987, in FBIS, May 11, p. P1.

[34] Arbeiderbladet, Oslo, May 7, 1987 in FBIS May 14, 1987, p. P2.

[35] Melvin Saenz interview, op. cit.

[36] Arbeiderbladet, May 7, 1987 in FBIS, May 14, p. P10.

[37] Lopez to Quinonez, June 6, 1987.

[38] "Our America" on Radio Havana, June 1, 1987 in FBIS, June 5, p. A12.

[39] New York Times, June 8, 1987.●

DEMOCRACY IN SOUTH KOREA ACT

● Mr. HARKIN. Mr. President, I am proud to join Senators KENNEDY, MIKULSKI, and KERRY, in introducing S. 1392, the Democracy in South Korea Act. S. 1392 would impose economic sanctions against South Korea until free and fair elections are assured in that country. This legislation is a national security bill and a human rights bill.

In South Korea, the protection of United States security and the promotion of democracy are indivisible.

Since President Chun halted dialog last April, Korea has followed a path of protests, police violence, and growing disorder. The government's sham elections offer only 4 more years of military dictatorship, and a recurring cycle of confrontation, repression, and renewed confrontation. As Korean politics become more polarized, and prospects for a peaceful democratic transition become more remote, the frustrations of the Korean people will fuel anti-Americanism and our security in the region will suffer as a result.

It is time we recognize that the best defense against North Korean totalitarianism is the end of dictatorial rule in South Korea.

Real democracy cannot wait until the summer Olympics. If it does, the Korean games will become a showcase for repression and bloodshed, not economic progress.

Negotiations between the Chun government and the opposition must be reopened now. This dialog could lead to a national consensus and result in the constitutional reforms essential to assuring free, fair, and representative presidential elections.

The Korean Government must also move to improve its human rights record. It must lift constraints on the press, release all political prisoners, end Kim Dae Jung's house arrest, and stop torturing political detainees.

It is time the Korean Government recognize it can no longer keep the democratic aspirations of its people under house arrest.

It is time that the U.S. Government make equivocally clear that it stands on the side of democracy, not of dictatorship.

The time for gradualism and quiet diplomacy is over. Our Government can no longer remain silent to the Korean people's cry for freedom.

It is time we stop equivocating and start using our economic leverage to reinforce our commitment to democracy. Toward this end, we must now use our trade and our diplomacy as incentives for internal accord and for reforms leading to real democracy in Korea.

It is not too late to change course. The future of Korean democracy and American security depend on it.

I urge my colleagues in the Senate to support this important legislation and call on the administration to join us in seeking genuine democracy in South Korea.

Mr. President, I ask that the following article from Foreign Policy magazine, "Dateline South Korea: A Divided Seoul," by Selig S. Harrison be printed in the RECORD. Mr. Harrison is a senior associate of the Carnegie Endowment.

The article follows:

DATELINE SOUTH KOREA: A DIVIDED SEOUL

(By Selig S. Harrison)

Despite a remarkable economic growth rate now surpassing 12 per cent, South Korea is engulfed in a deepening political crisis. Once again, an army regime in Seoul has spurned opposition demands for a democatic constitution, and once again, a frustrated opposition has taken to the streets. But never in 26 years of American-backed military rule have the battle lines been so sharply drawn and the populace so bitterly divided. The United States finds itself harnessed to an increasingly despised dictatorship that can no longer be relied upon to mobilize unified popular support for the defense of the South in the event of another Korean war.

South Korean President Chun Doo Hwan faces a firmly rooted opposition movement that has gathered strength steadily since his predecessor, Park Chung Hee, seized power from the elected regime of Chang Myon in 1961. At first, Park's repressive rule won a measure of public acceptance as the price of his ambitious campaign for economic development. By the late 1960s, however, opposition had become widespread. In the rigged 1971 election, Park's challenger, Kim Dae Jung, won 47 per cent of the vote in the official count, and overwhelming evidence of electoral fraud in the countryside suggested that Kim was the rightful winner by a wide margin. Popular resentment over Park's attempt to make himself absolute ruler for life touched off a series of violent confrontations that culminated in his assassination in 1979.

Faction-ridden and poorly organized, the opposition forces were unable to block Chun when he staged a new military coup in early 1980, overthrowing an interim constitutional regime. But his brutal repression of a 1980 uprising in Kwangju, where government forces opened fire on demonstrators, killing 800 or more, shocked antigovernment activists into unity.[1] A disciplined and broad-based coalition of opposition groups, spearheaded by seasoned veterans of the anti-Park struggle, gradually has crystalized. Now 3 years old, the United People's Movement for Democracy and Unification consists of 23 established, nonpartisan organizations. These groups encompass not only urban labor, landless peasants, and leading intellectuals, but also most of the country's Buddhist, Protestant, and Roman Catholic clergy and lay groups. Radical students, who receive the most media attention, are a relatively marginal part of this alliance. Although Chun's electoral laws make it difficult to organize effective political parties, the United People's Movement provides a mass base for the major parliamentary opposition, the Party for Unification and Democracy, led by Kim Dae Jung and his more moderate ally, Kim Young Sam. Most of the movement's leadership is secret and operates underground to escape ever intensifying repression.

Confronted with an unprecedented opposition challenge, the army, police, and intelligence services systematically have refined their machinery for managing dissent, employing the latest high-technology equipment for crowd control and population surveillance. In the decisive street battles preceding the 1986 collapse of former Philippine President Ferdinand Marco's regime, Filipino soldiers hesitated to fire on their compatriots. But the South Korean armed forces showed no such hesitation at Kwangju, and Chun's 120,000-member police force, half of which consists of specially trained combat officers, has seriously injured hundreds of demonstrators during the past year in bloody clashes at Inchon, Pusan, Seoul, Taegu, and elsewhere, using steel pipes, truncheons, and tear-gas cannisters fired at close range. Hence, despite overwhelming popular support for the opposition, many ordinary citizens are reluctant to join in prohibited political demonstrations and marches. Fear of the government's firepower is one of several factors that make facile predictions of "another Philippines" misleading. Equally important, the South Korean economic growth rate presents a striking contrast to the virtual collapse of the Philippine economy during Marcos's last days. There appears to be little immediate prospect of a cataclysmic convulsion like the one in Manila. Barring a major reversal of American policy, however, the danger of such an upheaval will grow.

South Korea is locked in a recurring cycle of confrontation, repression, and renewed confrontation that is steadily converting moderates into militant activists. As the opposition is radicalized, it will become progressively more difficult to replace military rule with a moderate regime through a peaceful democratic transition. Moreover, in a climate of endemic instability, North Korea will have an unprecedented opportunity to infiltrate South Korean political life. So far, no evidence has surfaced that Pyongyang has connection with any student or other opposition groups. But such linkages are likely to develop if the present polarization of forces in Seoul continues. Although they reject communism as a model for the South, the more militant student groups are attracted by the North's nationalistic, anti-Japanese propaganda, especially its goal of a North-South confederation and its emphasis on self-reliant economic development.

The false reports of North Korean leader Kim II Sung's death in November 1986 provided a dramatic reminder of the built-in uncertainties on the Korean peninsula and the importance of a unified South Korean populace as the foundation for the 40,500-person American military presence. The danger that North Korea will launch another full-scale, 1950-style invasion of the South often is exaggerated, given the many indications that Pyongyang's allies in Moscow and Beijing want peace in the region. Nevertheless, the possibility of another Korean war could grow amid political turmoil in Seoul and a succession struggle in Pyongyang.

Instability in the South will exacerbate what is already an alarming growth of anti-Americanism directed partly at the U.S. presence. At worst, American forces could be called upon to join South Korean forces in shooting down South Korean civilians. At best, the United States will be held responsible for increasing repression by the South Korean military. American identification with military rule stems from the fact that U.S. and South Korean forces operate under a joint command. When Chun took power in 1980, redeploying some South Korean soldiers from the front line to Seoul, General John Wickham, then the American commander in South Korea, said that he had not been informed of the move in time to intervene. But most Koreans suspect American complicity in the coup, citing Wickham's statement, quoted in the Los Angeles Times on August 8, 1980, that Koreans are "lemming-like" and "need a strong leader." Critics also blame the United States for permitting the use of Korean forces in Kwangju, even though the American command did not have operational control over the Speical Forces units that committed the most serious atrocities.

The United States has not yet used the political leverage provided by its military presence to back up its declared support for South Korean democratization. The State Department periodically issues statements suggesting greater restraint in the use of force and the desirability of a government dialogue with the opposition on constitutional reform. But such statements fall flat because the Reagan administration has conspicuously aligned itself with Chun since the inception of his regime while minimizing contacts with opposition leaders. In fact, the South Korean leader was the first foreign dignitary to visit President Ronald Reagan after he took office, arriving in early 1981.

Subsequently, American officials have attempted to whitewash the present rigged electoral system. Shortly before his recent retirement after 5 years in Seoul, Ambassador Richard Walker described the carefully controlled 1985 National Assembly election as "generally free and fair." And Secretary of State George Shultz said during his May 1986 visit that "the institutions of democracy are taking shape."[2] The assistant secretary of state in charge of East Asian affairs, Gaston Sigur, called for a "more open and legitimate" political system in a February 6, 1987, speech, but Shultz backtracked during a visit to Seoul in March. Praising Chun for his plan to retire in February 1988, Shultz pointedly ignored the bitter struggle over the procedure for succession. One month later, Chun, confident of U.S. support, decreed that his successor would be chosen in December by the 5,300-member Electoral College under the same system of manipulated local elections that ratified his coup in 1980. Chun has indicated that he plans to remain chairman of the ruling Democratic Justice party (DJP), installing a top party subordinate, probably Roh Tae Woo, also a former general, to serve as president until 1992.

Chun has refused to meet Kim Dae Jung or Kim Young Sam to discuss reform of the Constitution and electoral laws, arguing that any changes can come only after the 1988 Seoul summer Olympics. South Koreans hope that, just as the 1964 Tokyo games heralded the postwar emergence of Japan, the 1988 Olympics will advertise their economic progress. But Chun's unyielding posture makes it certain that the games will be held in a turbulent political climate. The world will be reminded that behind the glitter and growth rates, South Korea is still ruled by the gun.

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[1] This estimate of the number killed between May 1, and May 2, 1980, is supported in United Presbyterian Church of the U.S.A. Fact-Finding Mission on Kwangiu, 28 June 1980. The latest Korean government figure is 200. Former U.S. Ambassador Wiliam Gloysteen, in an interstate in the May 17, 1985, issue of the Ssahi Shimbun (Tokyo), estimated that between 600 and 1,000 demonstators died. Asia Watch, in its January 1986 report Human Rights in Korea, concludes that estimates of more than 2,000 are "closer to the truth" than lower figures.

[2] Wall Street Journal, *19 May 1986, 47.*

Despite the trappings of democracy, the Chun regime rests on a centralized authoritarian structure in which the president appoints all local officials. The government does not rely primarily on ballot-box stuffing to remain in power but rather on a vast apparatus of local police and intelligence agents who scare off opposition contributors and bribe or browbeat potential opposition supporters. The government uses controls on the media, restrictions on campaigning, gerrymandering, and a carefully contrived structure of multiple-member districts and proportional representation to prevent an opposition majority in the National Assembly. By official count, only 34 per cent of the electorate voted for the DJP in the last Assembly election, while 51 per cent voted for the opposition New Korea Democratic party (NKDP) and another antigovernment splinter group. But 148 out of 276 Assembly seats went to the ruling party, compared with only 104 for the two opposition parties.

Kim Dae Jung and Kim Young Sam have called for direct presidential elections rather than the constitutional reform offered by the government, under which the existing electoral laws would remain in effect and the Assembly would choose the prime minister and the president. Chun, in turn, has used a variety of pressures and inducements in an unsuccessful effort to win over enough of the 90 NKDP deputies to push his reform plan through the Assembly. It was after this strategy failed that he decided to choose a successor under the present constitution. One of the nine he did win over, however, was NKDP chairman Lee Min Woo, a figurehead who was put in office by the two Kims. When Lee began carrying on his own secret dialogue with the government, the two Kims, in April 1987, created their new Party for Unification and Democracy, followed by 72 Assembly members. The government promptly brought legal action against 14 deputies who joined the new group and against another 9 waverers for alleged offenses ranging from delinquent taxes to sedition.

Chun's defenders in the Reagan administration contend that an entrenched military dictatorship cannot be expected to permit a direct transition to democratic rule. Establishing the principle of a constitutional succession in itself would be a major achievement, the argument runs. The gradualist approach may sound plausible, but it disregards the breadth and depth of the opposition to military rule. An unpublished national poll taken for the government recently by a leading newspaper, Kyungbyang Shinmun, showed that 65.2 per cent of those questioned were either "dissatisfied" or "very dissatisfied" with the Chun regime and only 21.7 per cent were "satisfied."

ECONOMIC AMBIVALENCE

The underlying premise of the Reagan administration's gradualist approach is that South Koreans will accept authoritarian rule so long as economic growth continues to be satisfactory. But this view overlooks the politically explosive consequences of rapid development.

Successive South Korean regimes, emulating Japan, have actively pushed mass education as the key to economic modernization. An astonishing 98 per cent of the population is literate. More than 77 per cent of South Koreans go to high school, and 36 per cent of high school graduates attend universities. College enrollments, which have doubled in the past 4 years, have surpassed 1.2 million. But unemployment is growing among the estimated 200,000 graduates yearly, providing a fertile breeding ground for opposition activists. The politically volatile mood of the educated middle class can be gauged not in the tepid, officially controlled press and television but rather in the more aggressive weeklies and monthlies, in a widely read underground press, and in the supercharged climate of the coffee houses.

Moreover, South Koreans are surprisingly ambivalent about their economic achievements. Pride is mixed with deep anxieties about the country's dependent pattern of growth. Many of the South's industries serve as subcontractors for Japanese and American companies. Heavily dependent on imported components and raw materials, such businesses contribute little to the economy in value-added production or new technology. Opposition leaders also point to the South's growing foreign debt—$44.5 billion, compared with $29.3 billion in 1980 and $8.4 billion in 1976—owed primarily to Japanese and American banks.

The fourth largest foreign debt of any country, it equals one-half of the country's annual gross national product. Still, many economists are unconcerned because Seoul has expanded its production and exports at a rate of 10 to 20 per cent annually and has held its annual debt repayments under 20 per cent of its export earnings—a far better performance than the big Third World debtors. Defenders of Seoul's development strategy argue that South Korea registered its first post-Korean War trade surplus in 1986, $2.4 billion. But critics caution that low interest rates, low oil prices, and favorable exchange rates relative to the United States and Japan made 1986 an unusually favorable year. Above all, they warn that it is risky to rely so overwhelmingly on exports to the uncertain American and Japanese markets.

Just a generation after Japan's 40-year colonial domination of Korea, Tokyo's growing economic grip on the South is a powerful emotional symbol for the opposition. Out of the $44.5 billion foreign debt, more than $30 billion is owed to Japanese banks. Official projections indicate a growing deficit in trade with Japan, which doubled during 1986, reaching $5.5 billion, and which is expected to exceed $8 billion by 1990. In contrast, Seoul's trade surplus with the United States jumped from $4.9 billion in 1985 to $7.6 billion in 1986 and is expected to reach at least $8.5 billion in 1987. Koreans complain bitterly that Japan was the major beneficiary of their moves to accept more imports in response to U.S. pressures. When South Korea cautionally liberalized import restrictions on 31 items in 1984, Japan captured 44 per cent of those imports during 1985, as against 16 per cent for the United States.

Supporters of Seoul's export-led development strategy stress that it has produced rising incomes for all Koreans. But they gloss over dangerous inequalities in income distribution. A 1985 U.S. Agency for International Development study showed that there is "evidence of increasing disparities in income, both between the urban and rural sector and between the richer 10 per cent of the population and those at the bottom." Although economic inequities are not as extreme in South Korea as in some newly industrializing countries, their impact on low-wage factory workers and farmers is politically explosive.

Without regard to increases in productivity, the government holds down wages by ruthlessly crushing strikes and union-organizing efforts. Even the skilled workers who make the Hyundai automobiles now inundating the American market, earn only $2.50 per hour in wages and benefits, and workers in electronics and textile plants make less than half that much. The most sordid examples of sweatshop conditions are found in Seoul's East Gate garment industry, where women in some firms toil at their sewing machines up to 60 hours per week, sandwiched into rooms with ceilings so low that they cannot stand up straight.

The government nominally permits unions but bans industrywide bargaining and pressures labor groups to join the government-controlled Federation of Korean Trade Unions. The Labor Ministry often uses plainclothes police armed with clubs to storm factories where strikes or sitins are under way. Known as the Love the Company Corps, this widely feared task force is recruited from paratroopers and police. A special arm of the intelligence services as the Committee to Counteract Labor Insurgency keeps an eye on union activity, conducting periodic "purification campaigns" to purge union ranks. According to National Police Headquarters statistics, labor activists and students made up the majority of the 1,480 political prisoners serving jail terms at the end of 1986 and another 5,770 arrested or detained during the year on political charges.

To keep wages low, the government also has had to depress the price of food grains as a means of holding down the consumer price level. Many farmers have been forced off the land, perpetuating the need to import food and clearing the way for powerful industrial and real estate combines to acquire valuable acreage. Farmers have gravitated to the cities thus depressing already low wages and aggravating urban unemployment. More than 65 per cent of the population lives in cities of 50,000 or more, compared with 40 per cent in 1970.

To coordinate South Korea's export drive, Park and Chun built a tightly centralized network of government-backed conglomerates and affiliated banks, squeezing out small business from access to markets and credit. An October 1986 Korean Development Institute study showed that the top 10 conglomerates controlled 29.3 per cent of South Korean exports in 1983 and the top 30 controlled 39.9 per cent. In Japan, the partnersip between business and government has been subject to democratic checks and balances. But in South Korea, centralized economic power has been concentrated in the hands of a narrow military and business elite group operating without the restraints of a free press or parliament. The result has been corruption on a scale that may soon invite comparison with the Marcos regime. Asked to evaluate the importance of a variety of national issues, 40.6 per cent of the respondents in an unpublished survey by the Social Security Institute of Seoul National University rated corruption as a "very serious" problem. Another 42 per cent considered it "serious."

During the Park years, corruption cases dramatized the new riches of a high-riding elite, but Park and his immediate family were relatively untouched by scandal. But continual charges of corruption have swirled around Chun's wife, Lee Soong Ja, and her family, as well as his own brothers and a nephew. Since the controlled media cannot print or even investigate such charges, most of them surface in underground periodicals and books or in the constantly buzzing coffee houses.

Lee Soong Ja's uncle and his wife's sister were convicted in 1982 for key roles in scandal involving $522 million in illegally discounted promissory notes. Underground publications repeatedly have alleged that her father helped arrange rezoning permits that enabled the Myungsung conglomerate to buy up prime resort land at giveaway prices. But a Seoul court did not implicate the father when 22 Myoungsung officials went to jail in 1982.

In a 10-part series on corruption in December 1986, the Korean Sunday Journal of Los Angeles recited cases of multimillion-dollar rake-offs involving the president's younger brother. Chun Kyung Hwan ("Little Chun"); his older brother, Chun Ki Hwan; and his nephew, Chun Woo Hwan. The president;s younger brother worked as a bodyguard for a leading industrialist and later in the palace security guard during the Park regime. When Chun came to power, however, Chun Kyung Hwan suddenly rose to prominence as director of the government's rural public works program, Saemaul Undong, which has an $80 million annual budget. Opposition leaders in the National Assembly repeatedly have accused Little Chun of misappropriating Saemaul funds. The president's younger brother has become a major political liability since reports linking him with organized crime figures surfaced in connection with a much publicized murder case. In August 1986 members of one gang killed four members of a rival with fish knives at a Seoul nightclub. It turned out that the godfather of the victorious Mokpo gang had received a lucrative Saemaul land-reclamation contract. Chun Kyung Kwan subsequently resigned from his government post, spent the next 3 months at a Harvard University seminar, and has maintained a low profile since his return.

The corruption issue has become an important opposition weapon because it dramatizes the arrogance of unrestrained power. Corruption also carries a special stigma in a society still influenced by Confucian values. The ruler loses his right to govern if he cannot uphold public morality. In the eyes of most South Koreans, Chun's repression at Kwangju made his regime illegitimate from the start, and unsavory revelations touching the presidential family only reinforce this image of illegitimacy.

FRUSTRATED NATIONALISM

At bottom, the most significant element in the opposition's strength is a deep-seated nationalistic ferment resulting from the division of the Korean peninsula and the magnitude of the South's foreign dependence. As memories of the Korean War have receded, the issue of unification has acquired a growing emotional appeal. Invoking historical memories of Korea's ancient identity, opposition leaders maintain that Chun repeatedly has bypassed opportunities to test the North's readiness for dialogue and accommodation. Many South Koreans of the older generation, still deeply suspicious of the North, believe that peaceful unification is impossible. But even these mainstream Koreans often express hopes that some form of modus vivendi can be negotiated and suggest that the government inflates the threat for political reasons. For younger Koreans, born after the Korean War, the government's use of tensions with the North to justify military rule is wearing thin. Feelings of frustrated nationalism underlie the militant radicalism exemplified by 35 students and other young activists, including the son of a leading industrialist, who have burned themselves to death since 1980, 19 of them in 1986 and 1987.

Unification consciousness has been bubbling beneath the surface in the South for the past two decades, periodically erupting in nationalistic upheavals. Park's 1961 military coup came in response to one such explosion. The South's first free elections, in 1960, came after the ouster of President Syngman Rhee and marked the beginning of a rare, 10-month interlude of free speech that revealed the underlying strength of pro-unification sentiment. Then Senator Mike Mansfield's proposal for neutrality and unification on the Austrian postwar model inspired a nationwide federation of student groups to propose a meeting with North Korean students at Panmunjom on May 20, 1961. The proposal, which pointedly avoided endorsing Pyongyang's confederation concept, called for a discussion of postal, athletic, journalistic, and trade exchanges with the North. Even strongly anticommunist historians have found no evidence that Pyongyang directed the 1960 movement.[3] Nevertheless, when North Korea accepted the offer, alarmed hardliners in the army, many of them Korean War veterans, thought they saw a communist plot. On May 14 a huge rally in Seoul called on the government to approve the Panmunjom meeting. On May 16 Park staged his coup. An official Foreign Ministry White Paper 10 days later pointed to the unification campaign as the principal justification for Park's takeover.

Park sought to defuse the unification issue in the late 1960s by setting up the Special Committee on Reunification in the National Assembly with vague instructions to study possible avenues to national unity. The idea backfired, however, because Park's choice to head the committee, a popular young lawmaker in the ruling party, decided to make the committee's meetings a genuinely free forum. Instead of packing the witnesses with government partisans, he invited testimony from a star-studded list of civic leaders and intellectuals who had never before felt free to speak out on this sensitive topic in public. Held from July 1966 through January 1967, the hearings were dominated by three central themes: Pyongyang's increasing independence of Moscow and Beijing, the global transformation from bipolarity to multipolarity, and the belief that the two Korean states should not be pawns of the superpowers and should move toward a unified national identity.

While the bipartisan committee's report was cautious, its recommendation of autonomous unification institutes that would "investigate relations between South and North Korea, including contacts and exchanges," and "initiate plans for territorial unification" upset the government. The National Assembly voted to shelve the entire document. Nevertheless, the committee members leaked the report, which the opposition republished and circulated widely. Even though the daily press largely blacked out the hearings, the spectator galleries invariably were packed, and underground journals reported the proceedings in detail. Everyone seemed to know what was going on. People from all walks of life expressed deeply felt views in private that contrasted markedly with the government's rigid stand.

Reacting to the explosion of sentiment during the hearings, Park clamped down hard on any discussion of unification. But in the 1971 presidential election, Kim Dae Jung defied Park with a popular stand in favor of contacts with the North. By May 1972, with American policy warming toward China, Park offered to hold talks on families separated by the 38th parallel that soon broadened into a larger, year-long dialogue. The rupture of these North-South talks in mid-1973 reflected a continuing conflict over the arithmetic of unification. Given its smaller population, the North wants a gradual, long-term movement toward unification based on the principle of coequal representation. Joint North-South committees on various issues would lead to a confederal union in which a de facto division into two governments with two armies and two differing economic systems should continue indefinitely. The South, for its part, has advocated a unified government based on U.N.-supervised elections in which the areas now constituting South Korea would dominate by virtue of their numerical superiority.

In Pyongyang's view, the critical significance of the July 4, 1972, North-South communique was the South's agreement to seek unification without external interference through the newly established North-South Coordinating Committee. But was Seoul really prepared for coequality and détente, giving up U.N. elections? Pyongyang tested Seoul's intentions by pressing for the establishment of a military subcommittee empowered to consider mutual force reductions and restrictions on arms flows into the peninsula. Park was chary of the North's emphasis on mutual force reductions, since the armed forces provided his principal policital base and a North-South thaw would jeopardize the privileged position of the military elite and its political allies. In any event, Park's advisers scoffed at the North's claim that it needed peace for economic reasons. In stressing force reductions, they said, Pyongyang was seeking merely an artificial relaxation of tensions that would soften the South psychologically, paving the way for political subversion and a return to military pressure.

The South's retreat from the July 4 communiqué was formalized in a key proclamation on June 23, 1973, which advocated a two-Koreas approach through the admission of both states to the United Nations and the recognition of Seoul by Moscow and Beijing. Since then, North-South relations have remained frozen except for an abortive attempt to revive them in 1984. North Korea, resisting North-South contacts on the South's terms, is seeking negotiations with the United States to replace the 1954 armistice with a peace treaty. Washington, urging a resumption of North-South contacts, insisted until recently that any U.S. meeting with Pyongyang would have to include Seoul. Then, when Pyongyang agreed to the trilateral proposal, the United States called for a quadrilateral meeting involving China, arguing that Beijing was a party to the armistice.

The continuing impasse in North-South relations accounts to a great extent for the remarkable upsurge of unification consciousness in the South. The furtive nationalism of earlier years has been replaced by a desperate, assertive brand, colored by a new anti-Americanism that embraces progovernment elements as well as the opposition. Rejecting the long-standing American convention that Moscow was solely responsible for the division of the peninsula. South Korean writers cite recent American historians who assign a major share of the blame to the

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[3] See Robert A. Scalapino and Lee Chong-sik, Communism in Korea, vol. 1 (Berkeley: University of California Press, 1973) 648.

United States.[4] The U.S.-Soviet pacts adopted at Cairo, Potsdam, and Yalta, and the events preceding the arrival of American and Soviet occupation forces, are minutely dissected. In the opposition's nationalist catechism, the United States snuffed out any possibility of unification in 1945 and 1946 by opposing the People's Republic set up by the militant nationalist leader Yo Un Hyong in order to install Rhee. Conservative writers, for their part, recall that when Rhee wanted to march north after the 1954 truce to unify the peninsula, the United States imposed an "unequal" security treaty to prevent him from doing so. Leading intellectuals of differing political shades agree that the 1954 treaty, which is still in effect, affronts Korean sovereignty by giving a U.S. general control over the American-South Korean Combined Forces Command.

Politically conscious South Koreans share the belief that, as one of those responsible for dividing the country, Washington has a special responsibility for helping to put the pieces together and for supporting Seoul until the division is ended. Thus when Washington pushes Seoul to make trade concessions, the South Koreans respond with unanimous nationalist outrage. Older Koreans brand the United States a faithless big brother, and student radicals depict Washington's trade policies and investment inroads as "economic imperialism." Because South Korea accounts for only 4 percent of the total U.S. trade deficit, as against 35 percent for Japan, many Koreans argue that Seoul is being used as a scapegoat for Washington's frustrations with Tokyo. But protectionist pressures in Congress are likely to intensify unless Seoul moves more seriously to liberalize its import barriers. So far Seoul has made only token gestures. A 1986 agreement that nominally opened up access for U.S. cigarette exports has since led to sales totaling only $15 million in a $1.7 billion annual market. Congressional critics are demanding reduced tariffs on lumber and wine, greater access for U.S. exports of beef and citrus, and, above all, the removal of nontariff barriers designed to frustrate inroads by U.S. companies.

The belief that Washington wants to keep Korea divided for global strategic reasons has come to a sharp focus in opposition protests against stationing tactical nuclear weapons in the South. The United States equips its forces with nuclear land mines and artillery shells and stores nuclear bombs in Korea for fighter aircraft based there. In an announcement on November 13, 1986, the Pentagon said that U.S. forces also would be equipped with nuclear-capable Lance missiles. Recent press reports have fueled nuclear anxieties by suggesting that Pershing II and cruise missiles might be deployed there as well. Significantly, the rationale for Pershing and cruise missile deployments is to counter Soviet SS-20 deployments in Siberia. But opposition analysts have been quick to argue that Korea is a secondary American concern. Son Kun Ho, one of the South's most respected journalists, wrote in his underground monthly Mal (The Word) in July 1986 that "we'll be the first to be hit, but the Americans are really concerned about the defense of Japan and China."

PROMOTING CONSTITUTIONAL COMPROMISE

Given both the legacy of good will toward the Untied States left over from the Korean War and the vitality of economic relations between the two countries, it is not too late for the administration to arrest the growth of anti-Americanism. The United States must formulate a new Korea policy designed to stabilize the political situation in the South as part of a broader peace effort on the Peninsula. Washington should press openly for Chun to abandon his December electoral charade and to engage in a serious dialogue on constitutional reform. While he is likely to reject such American "interference," the overriding American priority should be to identify the United States with the aspirations of the overwhelming majority of the Korean people.

The administration should consciously distance itself from the Chun dictatorship while increasing public contacts with a variety of opposition leaders. American pressure in 1980 helped avert Kim Dae Jung's death sentence for alleged sedition and forestalled his imprisonment after he returned from the United States in 1984. But the Reagan administration has looked the other way while Chun has placed Kim under temporary house arrest more than 50 times since his return.

American officials should speak out forthrightly concerning the inequities and repressive aspects of the present system, using the Armed Forces Korea Network and the U.S. armed forces newspaper Stars and Stripes, both of which reach many Koreans, to circumvent government censorship. In several recent cases, the State Department has made pro forma criticisms of the military regime that were never communicated to the South Korean people. Responding to congressional pressure, the State Department's 1987 global review of human rights referred to "credible reports" of torture, observing that "use of excessive force by the police continues to be a pervasive and ingrained problem." Citing the U.S.-South Korean Status of Forces Agreement, the American embassy has often barred Armed Forces Korea Network and Stars and Stripes from disseminating news that would "embarrass" the host government. But a strong case can be made that such censorship violates the First Amendment rights of U.S. military personnel serving in Korea. Whatever frictions a more open policy might create within the present regime, it would serve long-term American interests by slowing the growth of anti-Americanism.

The central objective of American policy should be to promote a constitutional compromise based on a genuine withdrawal of the armed forces from the political arena or, at the very least, meaningful power sharing between the ruling party and major elements of the opposition. Kim Dae Jung's announcement that he would not run for president if the government agreed to direct presidential elections has already facilitated such a compromise. This remarkable act of statesmanship offers an opportunity to defuse the present crisis, since it opens the way for the presidential candidacy of Kim Young Sam, who is more acceptable to the military and business establishment.

With his close links to the United People's Movement and his base in the Cholla region, Kim Dae Jung is deeply distrusted by the army, which blames him for the uprising in Kwangju, a Cholla city. In contrast, Kim Young Sam is a more moderate figure who shares a Yongnam regional identity with the entrenched elite. Many business leaders and generals who fear political instability are reconciled to the idea of Kim Young Sam as a directly elected president or as prime minister in a parliamentary system. In one widely discussed compromise, the opposition would agree to a modified version of the government's plan for a parliamentary constitutional arrangement—dropping its demand for a directly elected president—if the government would make basic changes in the laws governing elections to the National Assembly. This formula assumes that Kim Dae Jung would promise to let Kim Young Sam become prime minister in the event of an opposition victory. Kim Dae Jung probably would do so, but only if Chun restored his civil rights so that he could build his own power base in the Assembly.

The United States need not indicate a preference for any specific form of constitutional compromise or seek to play a mediatory role that would embroil it in the details of Korean domestic politics. But American officials should make clear that public support for the U.S. security commitent cannot be sustained in the absence of meaningful reforms that command broad acceptance in South Korea. They need only cite the February 1987 Chicago Council on Foreign Relations study showing that 64 percent of a nationwide random sample would oppose the use of U.S. troops if North Korea were to invade South Korea.

In pressing for reforms, the United States cannot prudently use its maximum leverage: the direct threat of withdrawing its forces and security commitment. Short of such a self-defeating step, however, Washington could effectively use burden sharing and trade leverage to push political reforms. At present, Seoul makes annual offset payments of $1.2 billion to help cover the costs of the U.S. presence, but Washington would be justified in asking for at least twice as much, given the South's rapid growth rate and its $8 billion in foreign-exchange reserves. Apart from the direct cost of stationing its troops in the South—$2 billion per year—the United States spends much more on related equipment support and reinforcement capabilities, as well as on the broader regional costs of preparing to fight in Korea. According to one calculation, the United States spent $47 billion in fiscal year 1985-86 for the Pacific force deployments and base structure needed for the defense of Japan, South Korea, and other regional allies and for global deterrence.[5] South Korea, with the American presence and a population of 42 million, devotes 7 percent of its gross national product to defense. North Korea, with no foreign forces and a population of 20 million, must spend 24 percent. To a significant extent, the American presence subsidizes higher consumption levels in the South and reduces the incentive for Seoul to reach an accommodation with Pyongyang.

Washington also could promote democratic reforms by attaching binding labor rights clauses to new trade agreements with Seoul or at least by suspending Seoul's preferential trade benefits until the Chun regime permitted labor to organize and engage in collective bargaining. Denial of such benefits would be consistent with 1984 legislation that forbids preferences for any country that is not taking steps to afford its workers internationally recognized labor rights. But pending congressional moves to erect protectionist barriers against South Korean exports to the United States would victimize the American economic sector as well as low-income South Koreans. South Korea is the fourth largest export market for American farmers and the seventh largest trading partner with the United States.

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[4] See, for example, Bruce Cumings, Child of Conflict: The Korean-American Relationship, 1943-53 (Seattle: University of Washington Press, 1983), and The Origins of the Korean War (Princeton: Princeton University Press, 1981).

[5] Earl Ravenal, Defining Defense: The 1985 Military Budget (Washington, D.C.: Cato Institute, 1984), 16.

Apart from using their leverage more effectively, American policymakers should recognize the connection between resolving the South Korean political crisis and easing North-South tensions. This link is illustrated by the problems resulting from the joint command. To distance itself from the repressive excesses of the South Korean forces, the United States should be moving to turn over control to a Korean, possibly by a target date like 1992. But such a far-reaching step should be tied to broader diplomatic efforts designed to defuse tensions in the peninsula. For the present, the United States should make clear to the Korean public which units of the Korean armed forces are under peacetime U.S. operational control. In the event of future requests for permission to use U.S.-controlled forces to maintain internal law and order, as in the latter stages of the Kwangju uprising, the United States should refuse. While retaining control of the U.S.-Korean Combined Forces Command for the time being, the United States could accept a Korean as commander of the ground force component to improve Korean visibility in the joint command structure.

A new U.S. policy to promote North-South detente should emphasize negotiations with the Soviet Union and China for mutual limitation on military aid to the two Koreas. When Washington agreed to supply F-16 fighter aircraft to Seoul in 1981, Pyongyang was forced to deepen its dependence on Moscow for sophisticated weaponry that Beijing could not supply, purchasing MiG-23 figthers and SA-3 missiles. Washington should try to stop further escalation of the arms race through negotiations with the communist powers. At the same time, the United States should encourage South Korean moves to open up trade and other contacts with the Soviet Union and China to stabilize the peninsula.

Removing nuclear weapons from the South also would ease North-South tensions significantly. Although North Korea has nuclear-capable weapons, such as the FROG/VII missile, the United States does not contend that Pyongyang has a nuclear capability or is storing nuclear warheads. The rationale for the U.S. nuclear presence in the South is that it deters a conventional attack by the North's larger army. Many specialists, citing the conventional balance, challenge this argument. But in any case, nuclear weapons do not have to be deployed and stored in Korea itself because they could be brought to the scene rapidly from nearby aircraft carriers and other ships. A nuclear presence would be needed only if nuclear weapons were used in the early stages of a conflict. But early use of such devastating force is not a credible threat and would not be politically and strategically defensible in the face of Soviet and Chinese military ties to Pyongyang. Nuclear weapons would be a last resort in a Korean crisis escalating to global war, and North Korea knows it. Given the depth of popular anxieties in the South over the American nuclear presence, its continuance needlessly fans anti-Americanism. The United States should store nuclear weapons and warheads intended for possible use in Korea on its Seventh Fleet ships in East Asian waters. More important, the administration should actively encourage Seoul to pursue Pyongyang's proposal for a Korean nuclear-free zone, offering to honor such an agreement if other concerned powers do so.

The United States should show sensitivity to the South's aspiration for unification by making clear that it does not stand in the way of reducing North-South tensions. Anti-Americanism in the South can be mitigated in the long run only if Washington makes a credible effort to probe whether the North is prepared for an accommodation and to explore what its confederation proposal would entail. Such an effort is long overdue because the North has made a series of conciliatory overtures since the American opening to China that have never been adequately tested. Most recently, in June 1986, the North proposed a Panmunjom meeting to discuss mutual force reductions and a suspension of military exercises, and in March 1987 it offered to resume high-level military and political talks with Seoul.

The first step in this process should be a more flexible American attitude toward North Korean proposals for a trilateral meeting. The March 1987 U.S. decision to permit "nonofficial" social contacts with North Korean diplomats is a step in the right direction. Washington also signaled a more conciliatory attitude toward Pyongyang in April 1987 by offering several modest concessions, among them sales of food and medicine and the end of opposition to North Korean participation in some international organizations, in return for North Korean participation in the Seoul Olympics and a resumption of North-South talks. American and other noncommunist contracts with North Korea can indirectly reduce Pyogyang's dependence on Moscow. But significant porogress in improving relations with Pyongyang is not likely until Washington agrees to formal bilateral or trilateral meetings.

In addition to discussion of a peace treaty, as proposed by Pyongyang, Washington could condition U.S. participation in a trilateral meeting on discussion of North-South issues and a parallel resumption of the North-South dialogue. Opening American economic and academic contacts with Pyongyang, could accompany greater flexibility on the issue of direct contacts. Washington should not make bilateral commitments to the North concerning the withdrawal of U.S. forces from the peninsula as Pyongyang demands. However, renewed consideration should be given to proposals for unilateral American moves to phase out U.S. ground forces while retaining an air force presence. The need for American ground forces has become increasingly questionable as the training and equipment of South Korean forces have improved. American air power will be necessary in Korea for a longer period than ground forces because it offsets the North's larger army. New disengagement moves should be linked to progress in easing North-South tensions. The Reagan administration should encourage moderation in the North by making clear that it would like to remove all U.S. forces from the peninsula as soon as conditions permit and is prepared to terminate its security treaty with Seoul if Moscow and Beijing end their military commitments to Pyongyang.

The growth of North Korean dependence on the Soviet Union could have serious military consequences. Western intelligence reports in 1986 indicated that Moscow may have acquired overflight rights in the North. Soviet ship visits to Nampo on the west coast and Najin on the east coast pose the danger of another Cam Ranh Bay. Such a naval base would unchoke the Tsushima Strait between South Korea and Japan, making it much easier for the Soviet navy to operate in East Asian waters. Yet Pyongyang frequently has shown its desire to reduce its Soviet dependence through expanded Western contacts. Beijing has long pushed Washington to pursue a dialogue with Kim II Sung that would help detach Pyongyang from Moscow. A more flexible posture toward the North would serve critical American security interests in the Asian-Pacific region while helping the United States to stabilize an increasingly untenable position in South Korea.●

NEW JERSEY CELEBRATES 17TH ANNUAL IRISH FESTIVAL

● Mr. LAUTENBERG. Mr. President, on June 28, a very special celebration will take place in my State. The Garden State Arts Center in Holmdel will be the site of the 17th annual New Jersey Irish Festival.

Each year the Irish Festival brings together Irish Americans and others who enjoy Irish culture for a day of friendship and celebration. This year's festival will feature an Irish bagpipe competition, a Gaelic football match, cultural exhibits, shops, and traditional Irish food. Entertainment will be provided by Dublin's Brendan Grace, the Irish singing duo "Erin's Pride," and Irish dancers. Tom Dunn, anchorman of channel 9 nightly news will serve as master of ceremonies, and Most Reverend Theodore E. McCarrick, archbishop of Newark will celebrate the Mass.

The proceeds from the Irish Festival go to the Garden State Cultural Center Fund, which provides free programs for senior citizens, disabled veterans, the handicapped, and children throughout the State. The festival also raises money for the Irish Festival Foundation, which contributes to a number of Irish charities.

I would like to take this opportunity to congratulate the general chairman, George E. McCormack and the many volunteers whose hard work have gone into this joyous celebration. June 28 will truly be a great day for all who rejoice in the culture and traditions of the Irish people. I am proud to be able to participate in this special day.●

A NEW ECONOMIC DEVELOPMENT TEAM

● Mr. GORE. Mr. President, earlier this week, an important agreement was signed and a new team effort was launched to help create jobs and improve the well-being of communities across the Nation. The Tennessee Valley Authority and the National Rural Electric Cooperative Association

[NRECA] established a formal cooperative working relationship to develop economic and community activities in the areas served by the 1,000 member cooperatives of NRECA.

Under the agreement, TVA and NRECA will provide training and technical assistance to rural electric cooperatives to help them identify job creation opportunities; marshal development resources; and plan, organize and build an economic development program. The two agencies will cosponsor national economic and community development training sessions to provide basic training to NRECA member staffs.

In today's constantly changing economic environment, successful job creation programs no longer can be limited solely to industrial recruitment. Instead, successful economic development programs need to be broad-based efforts which include several elements: new industry and business, retention and expansion of existing firms, development of natural and human resources, agricultural development, new technologies, and trade and service sector alternatives.

Mr. President, I find this agreement to be significant and extremely important. It breaks new ground while addressing the real issues related to rural economic development. This effort has three important elements, which I believe should be emphasized.

TVA AS A NATIONAL RESOURCE

First, TVA is taking a positive leadership role in a national program for economic development. TVA operates in two spheres: power programs and economic and community development programs. Too often, people outside the Tennessee Valley believe that the agency is simply a large utility. But TVA is more than just an electric company. It continues to run extremely successful programs in many fields—agricultural research, soil conservation, farm innovation, fertilizer research, water resource management, waste management, tourism promotion, rural development, and economic assistance programs. Working with regional learning centers, businesses and industries, TVA has identified skills that are needed in the job market and set up training centers.

While TVA is vital to the Tennessee Valley itself, it is also a national resource—a national laboratory to develop, test, and implement new approaches to the problems facing the Nation. The partnership that TVA had forged with NRECA demonstrates that TVA benefits every State and region of the country. This economic and community development agreement puts TVA at the forefront of the national effort to spur rural development.

LEADERSHIP BY RURAL ELECTRIC COOPERATIVES

Second, electric cooperatives are asserting a role of leadership in rural development. Bob Bergland, the executive vice president and general manager of NRECA—himself a former Secretary of Agriculture—has pointed out that rural America faces unprecedented economic uncertainties; and as a result, the need for leadership from the rural electric cooperatives has never been greater.

With the number of workers in farming continuing to decline, it is clear that the future economic viability of rural America hinges on jobs created through growth in rural industries and businesses other than agriculture. This represents a tremendous challenge to rural electric cooperatives to assume a leadership role in creating innovative local partnerships and devising effective strategies to promote job creation in rural America.

I congratulate NRECA for rising to the challenge. The electric cooperatives can, and I am confident will, provide a link to the people of rural America and serve as an organizing and supporting force in economic development in the communities they serve.

THE IMPORTANCE OF RURAL DEVELOPMENT

Finally, this agreement is an important element in the battle for America's rural health. Rural America is at a turning point. Communities in the heartland have been dealt one blow after another—staggering declines in farm income and land values; increased agricultural competition; the collapse of resource-based industries such as mining, timber, and petroleum; and, perhaps most importantly, the loss of manufacturing jobs to domestic economic upheaval and foreign trade. It has become increasingly difficult to maintain even an adequate infrastructure or system of public services in many rural areas.

Too often, Mr. President, discussions of ways to help rural America center on tinkering with the various farm programs, but real solutions must come through sound approaches to our overall economic policy. Helping small town America improve its standard of living and produce new jobs—particularly in agriculture related small businesses or value-added enterprises—will accomplish much more than any commodity program. For anyone who wants a short answer to the problems of our Nation's rural areas, I will provide it here: jobs, jobs and more jobs.

The TVA-NRECA joint program fits well with a bill I have cosponsored, S. 845, the Rural Area Revitalization Act of 1987. This legislation is designed as a first step toward shoring up the Nation's rural economy. It will fund a series of innovative demonstrations aimed at planting the seeds of revitalization at a time of budget restraint. Among other things, it will make up to $70 million in loans and grants available annually to public and private nonprofit agencies that are fostering new businesses and jobs in depressed rural areas.

CONCLUSION

In closing, Mr. President, let me note that a successful economic development program for rural America must begin at the local level, with the participation of leaders and citizens from all parts of the community. While there is a proper and necessary role for the Government, for the private sector, and for development organizations at all levels, the real key to success is the involvement and commitment of rural people themselves.

TVA and NRECA have taken a great step toward a healthier economic climate throughout the Nation. I commend both agencies, and I look forward to the successful implementation of their program.●

ORDER FOR JOINT REFERRAL

Mr. BYRD. Mr. President, I ask unanimous consent that when the Ground Water Safety Act of 1987 is introduced by Senators LEAHY and DURENBERGER, it be jointly referred to the Committees on Agriculture, Nutrition, and Forestry and Environment and Public Works.

The PRESIDING OFFICER. Without objection, it is so ordered.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987—S. 1420

Mr. BYRD. Mr. President, I am going to introduce the trade legislation which is in accordance with the order that was entered and also in accordance with the understandings that were entered into between the distinguished Republican leader and myself.

Mr. President, I introduce this bill and, in accordance with the order that was entered some days ago, it is to go directly on the calendar. On tomorrow morning at 9:15, under the order, having consulted with the distinguished Republican leader, I will call it up before the Senate.

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. Yes.

Mr. DOLE. Mr. President, as I understand, what will be introduced is the modified version, except for the Committees on Small Business, Judiciary, and Labor, and they will be the versions as reported by the committees.

Mr. BYRD. That is correct.

Mr. President, I send a bill to the desk.

The PRESIDING OFFICER. Under the previous order, the bill will be placed on the calendar.

Mr. BYRD. I thank the Republican leader.

ORDER FOR RECESS UNTIL TOMORROW AT 9 A.M.

Mr. BYRD. Mr. President, if the Republican leader has no objection, I ask unanimous consent that the convening time for tomorrow be 9 o'clock a.m. instead of 8:45 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

REDUCTION IN LEADERSHIP TIME ON TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that the time of the two leaders under the standing order be reduced to 5 minutes each on tomorrow. I have asked the Republican leader for his agreement, and he is in accord with the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR MORNING BUSINESS

Mr. BYRD. Mr. President, I ask unanimous consent that following the two leaders there be a period for morning business tomorrow not to extend beyond the hour of 9:15 a.m., and that Senators may speak during that period for not to exceed 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, under the previous order, I believe I am to be recognized at 9:15 tomorrow morning.

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. At that time I will call up the trade bill, which has been introduced and placed on the calendar. The distinguished Republican leader understands that that will be done. I have already indicated what the approach will be on tomorrow following that.

Does the distinguished Republican leader have any further statement or business?

ORDERS FOR CONVENING OF SENATE

FRIDAY, JUNE 26, AT 9 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow, it stand in recess until the hour of 9 o'clock on Friday.

The PRESIDING OFFICER. Without objection, it is so ordered.

SATURDAY, JUNE 27, AT 9 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday, it stand in recess until the hour of 9 o'clock on Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

TUESDAY, JUNE 30, AT 10 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Saturday, it stand in recess until the hour of 10 o'clock on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

WEDNESDAY, JULY 1, AT 9 A.M.

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business on Tuesday next, it stand in recess until the hour of 9 o'clock on Wednesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Republican leader for his cooperation.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, if the distinguished Republican leader has no further business or no further statement, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9 o'clock tomorrow morning.

The motion was agreed to and, at 8:30 p.m., the Senate recessed until tomorrow, Thursday, June 25, 1987, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 24, 1987:

DEPARTMENT OF STATE

Warren Clark, Jr., of Connecticut, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Gabonese Republic and to serve concurrently and without additional compensation as Ambassador Extraordinary and Plenipotentiary of the United States of America to the Democratic Republic of Sao Tome and Principe.

DEPARTMENT OF AGRICULTURE

Roland R. Vautour, of Vermont, to be Under Secretary of Agriculture for Small Community and Rural Development, vice Frank W. Naylor, Jr.

Roland R. Vautour, of Vermont, to be a member of the Board of Directors of the Commodity Credit Corporation, vice Frank W. Naylor, Jr.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Deborah Gore Dean, of Maryland, to be an Assistant Secretary of Housing and Urban Development, vice Alfred Clinton Moran, resigned.

EXTENSIONS OF REMARKS

U.S. POLICY ON THE STANDING CONSULTATIVE COMMISSION

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. HAMILTON. Mr. Speaker, on September 22, 1986, Congressman DANTE B. FASCELL, chairman of the House Foreign Affairs Committee and I initiated correspondence with the Department of State concerning the handling of arms control compliance matters within the Joint U.S.-U.S.S.R. Standing Consultative Commission [SCC], which was established by treaty for the purpose of resolving such questions.

We received a reply on December 30, 1986. A followup letter was sent on February 11, 1987, and a reply was received on April 9, 1987. We requested further clarification on April 29, 1987, and a reply was received on June 12.

This correspondence comprises an important statement of U.S. policy on the SCC. The first three letters of this correspondence were printed in the Extension of Remarks dated June 22, 1987. The last three letters in this series of correspondence are attached for the attention of our colleagues:

U.S. DEPARTMENT OF STATE,
Washington, DC, April 9, 1987.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of February 11, 1987 to Secretary Shultz concerning the handling of arms control compliance matters in the Standing Consultative Commission (SCC).

As I noted to you in my previous letter, it has been, and continues to be, the policy of the Administration to raise and pursue its compliance concerns with the Soviet Union in the SCC and through other appropriate diplomatic channels. As I also stated in that letter, we believe a consultative forum, such as the SCC, is a vital component of a stable arms control regime, and it is useful for discussing implementation of agreements and for clarifying ambiguities.

On the specific types of issues to be raised in the SCC, Article 7 of the Agreement on Measures to Reduce the Risk of Outbreak of Nuclear War and Article XIII of the ABM Treaty specify that the Standing Consultative Commission (SCC) will deal with matters related to these agreements. We will continue to raise issues related to these agreements in the SCC.

Regarding your questions about Soviet violations, we view their noncompliance with arms control agreements as a very serious matter. The President's reports to the Congress on Soviet Noncompliance with Arms Control Agreements have enumerated and documented in detail issues of Soviet noncompliance, their adverse effects on our national security, and our attempts to resolve the issues. This series of reports provides a clear picture of the continuing pattern of Soviet violations and a basis for our continuing concerns. Despite our efforts, the Soviet Union has not taken adequate steps to correct its noncompliant activities; neither have they provided explanations sufficient to alleviate our concerns. We have often expressed our deeply held conviction that compliance with past arms control commitments is an essential prerequisite for future arms control agreements. Soviet noncompliance not only undermines the confidence essential to an effective arms control process, it also calls into question the security benefits of an arms control agreement.

On the issue of Soviet noncompliance with SALT II, as you know, the President decided on May 27, 1986 to end U.S. observance of the provisions of the SALT I Interim Agreement and SALT II because of a continuing pattern of noncompliant Soviet behavior and Soviet unwillingness to address adequately our expressed concerns. As I pointed out before, in view of that decision, the US will no longer base its strategic force decisions on the standards of SALT II or the Interim Agreement, and we deployed the 131st ALCM-equipped bomber without compensating dismantlement of Poseidon submarine SLBM launchers. Although it is no longer appropriate, therefore, to pursue in the SCC compliance issues associated with the SALT I Interim Agreement and the SALT II Treaty, this is not meant to suggest that the significance of the Soviet violations is in any way reduced. We have conclusively documented Soviet violations of both substantive and verification provisions of the SALT II Treaty (e.g., violation of one "new type" of ICBM, Soviet encryption, and concealment activities). Our concern over the military implications of these activities has in no way diminished.

With respect to the instruction to the US Commissioner to the SCC and the deliberations within that body, as you know, the SCC, its discussions, and any agreements it concludes are considered confidential diplomatic exchanges and remain classified. The classified President's December 1985 report on Soviet noncompliance addresses the issue of the 1985 agreement on concurrent operations, and I would draw your attention to it. It is also discussed in the March 1987 report.

On the question of certain types of Soviet concurrent operations of ABM and air defense components of concern to the US government, I would quote again from the President's December 1985 Unclassified Report to Congress on Soviet Noncompliance with Arms Control Agreements:

"The US Government reaffirms the judgment made in the February 1985 report that the evidence of Soviet actions with respect to concurrent operations is insufficient fully to assess compliance with Soviet obligations under the ABM Treaty. However, the Soviet Union has conducted tests that have involved air defense radars in ABM-related activities. The large number, and consistency over time, of incidents of concurrent operation of ABM and SAM components, plus Soviet failure to accommodate fully US concerns, indicate the USSR probably has violated the prohibition on testing SAM components in an ABM mode. In several cases this may be highly probable."

A more detailed treatment of this issue will be provided in the near future, in a classified form, when an intelligence briefing on the March 1987 Report to Congress on Soviet Noncompliance is provided to interested Members. The obvious remedial action for the Krasnoyarsk radar violation of the ABM Treaty would be the radar's complete dismantlement. We have stated our position to the Soviets, but so far they refuse to admit the radar is a violation, much less take remedial action. Moreover, if the Soviets were to cease activity that constitutes a violation of a treaty, such as their current practice of impeding verification through their extensive use of telemetry encryption, that action would not erase the fact that they violated a treaty in the first place. Their willingness to violate treaties is a source of deep concern.

A new Deputy Commissioner, Dr. Benson David Adams, was appointed by the President on April 1, 1987.

The ABM Treaty calls for review conferences to be held every five years. The US fully intends to carry out its treaty obligations. The specific details of the next conference have not yet been determined.

On the issue of the "broad" vs. "narrow" interpretation of the ABM Treaty, we reviewed the ABM Treaty and the associated negotiating record and, on the basis of that review, concluded that a broad interpretation of the treaty is fully justified. We have no doubt of the validity of that assessment. However, there are, in addition to the negotiating record, other bodies of records with a bearing on this issue, including the ratification debates in the Senate and the record of subsequent conduct by the two sides, to include the exchanges in the SCC. The Department is undertaking a deliberate and orderly study of the entire record subsequent to the negotiation of the ABM Treaty. We will work collaboratively with the Congress in assessing these records. The President will, of course, consult with the Congress and our allies in the process of making a decision on any restructuring of the SDI program.

I hope this information will be of use to you.

With best wishes,

Sincerely,

J. EDWARD FOX,
Assistant Secretary,
Legislative and Intergovernmental Affairs.

HOUSE OF REPRESENTATIVES,
Washington, DC, April 29, 1987.

Hon. GEORGE P. SHULTZ,
Secretary,
Department of State,
Washington, DC.

DEAR MR. SECRETARY: We have studied your reply of April 9 to our letter of February 11, 1987 concerning the Standing Consultative Commission.

We appreciated the reply but feel it was not responsive to several questions we posed. Your reply did not address questions #2, #3, #5, #6, #7, #11 and #12 and only

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface **indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.**

partially answered questions #8 and #10. We believe thorough responses to all the questions in our letter are warranted and look forward to a complete answer.

Attached is a copy of our letter of February 11, 1987 to you and your April 9th reply. We look forward to your follow-up letter.

With best regards,

Sincerely yours,

DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs.
LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

U.S. DEPARTMENT OF STATE,
Washington, DC, June 12, 1987.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Washington, DC.

DEAR MR. CHAIRMAN: Thank you for your letter of April 29, 1987 to Secretary Shultz in which you again raised questions about the handling of arms control compliance matters in the Standing Consultative Commission (SCC). I sought to address these questions in two previous letters and regret that you regarded the responses as incomplete.

You asked for the Administration's view of the SCC today. For a number of years, the SCC has not been as successful as we would have wished. Nonetheless, as I stated before, the Administration believes that a consultative forum, such as the SCC, is a vital component of a stable arms control regime. Accordingly, the U.S. will continue to pursue opportunities for useful discussion and clarification within this forum.

You have noted in your questions the charge of critics who say the U.S. in the SCC pursues ideal solutions to treaty compliance problems raised by Soviet actions, and when the Soviets refuse to accept these demands, the U.S. labels Soviet actions as treaty violations. Further, you quoted critics as saying the U.S. raises problems at the SCC and then refuses to negotiate alternatives that might also serve U.S. interests. The Administration rejects such criticism. In consultations in the SCC, the U.S. raises only serious questions about Soviet behavior. In response to those questions, we deserve full and forthright answers.

This Administration is direct with the Soviets and the public about Soviet actions. Even though our reporting of Soviet violations initially resulted in Soviet intransigence at the SCC in resolving our concerns, we believe our approach to be correct. There are signs that this approach is beginning to have an impact. The U.S. does not use the SCC to make capricious charges of Soviet violations, and in no case have we charged a violation without first raising questions and seeking clarifications from the Soviets about their activity. In instances where the Soviets provide clarifying responses, we are fully prepared to acknowledge those responses. On that basis, the SCC has achieved progress in the past and will again in the future. However, when Soviet answers are incomplete or unsatisfactory, the U.S. is not prepared to be accommodating simply to remove issues from the SCC agenda.

You have also asked whether the Administration believes the SCC has evolved from a discrete channel for solving arms control problems to a forum where each side now repeats carefully scripted accusations of the other's misdeeds. Although carefully prepared written statements are presented by each side during plenary meetings, a common practice in negotiating fora, the SCC also holds informal meetings of advisors from both sides where the issues raised in plenary meetings are discussed in detail in an effort to clarify ambiguous activities. In addition, by agreement between both sides, the proceedings are held in private, and normally not made public except with the express consent of both Commissioners. This practice is designed to allow for frank exchanges and greater opportunity for arriving at mutually acceptable solutions. The Administration believes informal advisors' meetings and private proceedings ensure that the SCC remains a discreet channel for both resolving arms control problems and for negotiating any agreed understandings, treaty clarifications, or other language to redress compliance issues.

In response to your questions about instructions to the U.S. SCC Component, I regret that I am unable to provide information beyond that contained in my previous communications. However, as I also noted before, the issues you have raised were addressed in the President's December 1985 and March 1987 Reports to Congress on Soviet Noncompliance. I would draw your attention to those documents. In addition, we prepared in 1986 a classified briefing on noncompliance and offered it to the appropriate committees of the Senate and House. Unfortunately, no members indicated interest in receiving such a briefing. We have again this year prepared such a briefing and are again willing to present it to interested Members in the near future.

In the sixth question of your letter, you asked why the Administration has not initiated a discussion on procedures for dismantling or converting strategic bombers. The logic of the U.S. and the USSR's agreement to "abide by" SALT II assumed that some numerical ceiling on strategic nuclear delivery vehicles (SNDVs) existed even though there was no explicit agreement between the U.S. and the USSR on the numerical value of such a ceiling. In order to compensate for the introduction of new SNDVs into its inventory, the Soviet Union could have removed existing SNDVs by dismantling or destroying them. They could have done so by utilizing the SALT I Interim Agreement Protocol for ICBMs. In the case of heavy bombers, the Soviets could have used the agreed portions of the draft SALT II Protocol for Dismantling or Destruction as an ad hoc guide. In short, there was a process in place by which the Soviets could have achieved the necessary reductions. They chose not to use the available means or at least to demonstrate such use, and the consequence for SALT-accountable SNDVs were the following.

At the time SALT II was signed (June 1979) the Soviet Union had 2,504 SNDVs. When the U.S. informed the Soviets in September 1981 that it would not seek to ratify SALT II, we believe the Soviets had about the number of SNDVs it had in June 1979. Thus, their action during this period appears consistent with their obligation. At the time they agreed to "abide by" the Treaty in 1982, the Soviets had a few more SNDVs than in June 1979.

Through the fall of 1984, the Soviet Union increased the number of SALT-accountable SNDVs in its arsenal to more than 2,520.

By December 31, 1984, additional SNDVs had become SALT accountable. Also, during the last several months of 1984 the Soviet Union destroyed a number of launchers of the SS-11 ICBM. We believe these launchers were destroyed to compensate for the deployment of the SS-25 ICBM; the destruction did not compensate for the production of new BEAR H bombers that had originally placed the SNDV aggregate over 2,504.

During 1985, the Soviets continued to deploy SS-25s and destroy old SS-11 launchers. In addition, more new BEAR H cruise-missile-carrying bombers were deployed and some older heavy bombers were destroyed. The net effect of these Soviet actions was to maintain their SNDV count at a level above the 2,504 allowed. While the SNDV aggregate varied from near 2,504 to approximately 2,540 on November 30, 1985 the best U.S. estimate of Soviet SNDVs was approximately 2,520.

This issue has been discussed with the Soviets on a number of occasions. To this day, they have not provided us a credible explanation in support of their claim that the number of Soviet SNDVs has been continuously at or below 2,504. In this regard, the Soviets asserted that they had converted a number of bombers to tankers using procedures that existed before 1979, thereby removing those bombers from SALT accountability. They provided no further explanations nor did they take any other steps to allow for a determination on the accuracy of this claim. Based on a variety of intelligence sources, we can neither confirm nor deny that these asserted conversions did, in fact, take place.

In response to question 7, we believe it inappropriate to comment on or provide copies of internal memoranda or guidance on national security policy prepared for and exchanged among the President's advisors.

Again, in respect to the ABM Treaty Review, the Treaty calls for a reveiw conference to be held every five years. The U.S. intends to carry out this treaty obligation. We have told the Soviets we will be in touch with them in diplomatic channels on this subject. Specific plans for the conference have not yet been concluded, and I am unable to provide any further elaboration in response to your questions.

As I have stated in the past on the question of the "broad" versus "narrow" interpretation of the ABM Treaty, our review of the Treaty, the associated negotiating record, and the ratification debates in the Senate concluded that a broad interpretation on the Treaty was fully justified. Copies of the Legal Adviser's reports have been made available to the Congress, and we will consult further with the Congress on this matter. The record of subsequent conduct by the two sides, including exchanges in the SCC, also has a bearing on this issue. When the review of this record is concluded by the Legal Adviser, we will consult fully with the Congress on this question as well.

I hope this information will be of help to you.

With best wishes.

Sincerely,

J. EDWARD FOX,
Assistant Secretary, Legislative and Intergovernmental Affairs.

TWO-HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 19)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SHARP. Mr. Speaker, for Virginia's James Madison, the Convention's session of June 19, 1787 was crucial.

A new proposal, the New Jersey Plan, had just been offered by delegates from the smaller States who felt Madison's Virginia Plan took away too much State sovereignty.

In Madison's view, the small-State plan potentially could destroy the chances of establishing a strong Federal Government to replace the existing Articles of Confederation. Madison attacked the New Jersey Plan point by point in his. He argued that continued consideration of the new proposal might prevent the adoption of any changes to the articles.

Although the smaller States were far from convinced, Madison's presentation did carry the day and the delegates voted down the New Jersey Plan.

"KILLER KIDS" IN SOUTH AFRICA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. CRANE. Mr. Speaker, I would like to bring to your attention some important facts pointed out in a statement by Mr. Adriaan Vlok, South African Minister of Law and Order, released on June 2, 1987, regarding the incarceration of black African youths. These youths are not innocent victims of apartheid as the media would have us believe, but rather, they are "killer kids" who "necklace" to death hundreds of their fellow black South Africans. They are rebellious revoluntionaries, and they are hardened criminals, many of them murderers.

Though it was heavily reported that 256 of these children were being detained without trial by the South African Government, it was never even mentioned by the media that of these, all but 11 of the most brutal have been released or have appeared in court, and these 11 are currently awaiting trial. They are being detained because their parents cannot be tracked down, and there are no custodians to whom they can be released, while the South African Government continues to search for the parents and/or guardians of these youths.

Another point that should be addressed is that concerning the false and malicious allegations that those being held in custody are being assaulted. This could not be further from the truth. As Minister Vlok points out.

The government requires that all persons held in detention be treated in terms of civilized standards. To ensure this, all persons held under the Emergency Regulations are regularly visited by a judge. In addition, they are also examined by medical doctors, and minors are entitled to visits by parents, guardians as well as legal advisors.

The full extent and nature of the crimes perpetrated by these supposed innocents has not been disclosed to the public. Furthermore, although the alleged abuse of youths by the South African Government is heavily reported upon, the African National Congress egregious manipulation of these youths goes virtually unnoticed by that body which constantly preaches "the public's right to know."

For instance, the death of Rosaline Skosana is a horrifying, yet typical example of such violence. Skosana, in attendance at a funeral of an antiapartheid activist, was unjustly accused of being an apartheid collaborator. Subsequently, Skosana was savagely beaten by clubs, doused with kerosene and set afire, and kicked and stoned while she lay dying. Even long after she died and her body ceased twitching in reaction to the blows she received, the surrounding mob continued its kicking and stoning of the lifeless, charred corpse, and even went to the extent of dropping large, heavy stones on Skosana's battered, burned, and seminaked body for the benefit of the camera crews covering this spectacle.

Such a crime, one would think, could only be perpetrated by maniacal, calculating adult mass murderers. On the contrary, several of Skosana's killers were children under 12, committing this unspeakable act at the advice and consent of the African National Congress. The Marxist ANC, which receives much of its backing from the Soviet Union, strategically uses these youngsters at the forefront of their attacks, knowing full well that Government authorities are embarrassed and looked down upon as a result of any child injuries or casualties. In certain respects, this tactic is similar to that of warring Iran and Iraq, which send mere children into the field to kill each other in the name of extremism. These young South African children, many of them as young as 8 years old, become casual guerrillas marching to their deaths in a massacre against innocent individuals who have nothing whatsoever to do with the South African Government or apartheid.

What choice does the South African Government have but to hold these individuals—thus preventing them from further jeopardizing the lives of other blacks—until they are tried in that country's judiciary? Surely, the Government cannot be expected to release these young terrorists only to see them repeat their horrifying acts. The main function of Government is to protect the people, and those who would have us believe that the South African Government should do otherwise encompass the epitome of hypocrisy. The American people and others worldwide have been misled and even deceived by the media in its portrayal of this and other aspects of the current situation in South Africa. It is time that this matter be exposed in its true light. South Africa does not imprison children at whim. It does, however, take the necessary precautions to protect innocent South Africans from losing their lives to the "killer kids." Attached is a copy of Minister Vlok's statement to be included in my remarks.

STATEMENT OF MR. ADRIAAN VLOK

June 2, 1987—Ambassador P.G.J. Koornhof today released the following excerpts from a statement made in Capetown by the Minister of Law and Order, Mr. Adriaan Vlok:

Shortly after my appointment as Minister of Law and Order, I expressed my deep concern over the detention of children in terms of the Emergency Regulations and felt strongly that children should lead normal lives within the care of the family circle and that they should not be misused to achieve revolutionary objectives.

Because of the Government's concern with the predicament in which these minors find themselves, I ordered a special and urgent high level investigation into every individual case to determine the personal circumstances thereof and what could be done about it. Where the parents could be traced discussions were entered into in order to determine if they were prepared and able to accept responsibility for their children. In addition the possibility of involving communities as well as welfare organizations and churches were also considered.

As a result of the completion of this country-wide investigation I am now able to announce that all those arrested under the emergency regulations and under the age of 16 years have been released, with the exception of 11 persons who are still being detained and a further 58 who have already appeared in court on various charges. The remaining 11 in detention are being held in connection with criminal cases which include necklace murders and public violence.

The investigations into these cases are being pursued as a matter of urgency. These cases will be handled in court in accordance with the established practices in Western countries.

The children that have been released were placed in the care of their parents or legal guardians.

The investigation also revealed a lack of community involvement as one of the factors contributing to children being misused and involved in acts of violence and I therefore also make a most urgent appeal to all parents, community leaders, church institutions, etc. to actively assist in preventing children against becoming involved in acts of violence.

The investigation revealed that on 12 February 1987 there were 281 minors below the age of 16 in detention. By 28 May 1987 this number was reduced to the 11 individuals already referred to.

These figures contrast sharply with those being maliciously distributed here and abroad.

I wish to point out that the investigation was specifically conducted in respect of persons under the age of 16 because in international practice a distinction is drawn between "children" and "youth". In South Africa, children are in accordance with Roman-Dutch Law, held legally accountable for their actions from the age of 14 years.

Furthermore, in South Africa a person is registered as a citizen of the country at the age of 16 years. This is accompanied by certain legal obligations similar to those applicable to adults.

It is a fact that youth and children were involved to a large degree in the wave of unrest which swept the country and which led to serious violence, crime and death.

I wish to stress that, as in the case of children being held, I am similarly concerned about the detention of youths. Although investigations into criminal cases against these youths are time consuming, these investigations are continuing uninterruptedly and nobody will be held for longer than is absolutely necessary. In this regard I also wish to point out that several thousand people that were initially held under the Emergency Regulations have already appeared before the courts.

In conclusion I would like to state categorically that I reject false and malicious allegations that those being held in custody are being assaulted. The government requires that all persons held in detention be treated in terms of civilized standards. To ensure this, all persons held under the Emergency Regulations are regularly visited by a judge. In addition they are also examined by medical doctors and minors are entitled to visits by parents, guardians as well as legal advisors.

Any complaints of alleged assault are urgently investigated with a view to legal action being taken.

I wish to emphasize that all parents whose children are being held in terms of the Emergency Regulations are allowed regular access to their children. To facilitate this every effort is made to hold detainees as near to their homes as possible.

LOST IN THE WOODS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. FLORIO. Mr. Speaker, on June 18, one of my summer staff members attended a White House briefing for college journalists at the Old Executive Office Building as part of her studies for a BA degree from Rutgers—the State university of New Jersey.

The students were at the White House for a briefing on how the U.S. Government formulates and then justifies policies. While speaking with my staffer, I was struck by the lack of seriousness that was consistently demonstrated by each of the speakers' comments to the students.

Instead of a lesson in public policy, these students apparently received an unfortunate lesson in misplaced humor. Some of the comments made at this briefing were clearly irresponsible.

The speakers included Frank Donatelli, assistant to the President for Political and Intergovernmental Affairs, and Dolf Droge, introduced as "free-lance lecturer, writer, and consultant."

Mr. Droge, speaking on Congress and foreign affairs, said he believes that "STEPHEN SOLARZ has not finished counting Imelda Marcos' shoes yet," and the "Congress is childish. There is no one less informed than JIM WRIGHT—he's ignorant. And LOWELL WEICKER is just a monumental pillar of ignorance."

With regard to Soviet leader Mikhail Gorbachev's leadership abilities, Mr. Droge asked, "What's so different about Gorbachev? He's the first leader to weigh more than his wife."

On the peace process in Central America, Mr. Droge contends that "Nicaragua provides hometown curb service training for terrorists."

Other "choice" comments by Mr. Droge included the following:

"The Sandinistas sent the guns that the M-19 used at the Palace of Justice."

"The two groups who know nothing about Central America are one: Mexico, and two: Latin America."

"Why haven't we put the Contras in power? We could do it overnight. It's a case of 'send your guns or you'll send your son.' "

Mr. Droge's comments were not the only ones which caught the attention of these students. Speaking on military spending, Mr. Donatelli said, "There is a fetish on the part of the House to adhere to SALT II * * *."

Moreover, Mr. Donatelli said that "We must increase our military strength and enforce SDI * * *. It is military strength that will make our people proud again."

The recurring theme throughout the student's briefing, Mr. Speaker, was that the world is being overrun by Marxist-Leninists, including the Congress of the United States, and that the administration is making America proud once again.

Mr. Speaker, where is the pride in such behavior? How can anyone who purports to represent or speak on behalf of the present U.S. administration truly believe that such behavior sets anything but a bad example to these college students of what our officials are doing in the Nation's Capital these days?

It is ironic that an administration, which has run afoul because of its own misbegotten goals and priorities, now seeks temporary recourse by slandering people outside the White House confines. Such people, unlike some others, have not only proven themselves good leaders, but loyal followers and enforcers of the U.S. Constitution.

GLASNOST IS NOT QUITE OPENNESS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. BEREUTER. Mr. Speaker, here all this time the West was told by editorialists, columnists, and opinion leaders that the Russian word "glasnost" means "openness." Stephen S. Rosenfeld in his column—Washington Post of June 19, 1987—referring to the conclusion of Ambassador William H. Luers says that "we have got the translation wrong—and that it makes a heck of a difference, too." Generally, like most Americans, this Member welcomes Chairman Mikhail Gorbachev's new policy. Cautious optimism about this change of approach in the Soviet Union by its leadership is certainly appropriate, as is careful scrutiny of the use and impact of a glasnost policy. As one can see from the following Rosenfeld article which gives the Luers' "public airing" definition and the first try of permission to speak in the June 13-19, 1987, article from the Economist, our expectations of the Soviet glasnost policy might best be viewed and measured against the appropriate Russian meaning of the word, not an inadequate or even misleading English translation. The difference may indeed be very consequential and much more than a semantic difference.

Glasnost: What's in a Word?

(By Stephen S. Rosenfeld)

For a couple of years now, we of the press, including those of us who know some Russian, and lots of others have been talking of Soviet leader Mikhail Gorbachev's campaign for "openness"—to the point of making glasnost one of those few Russian words that is presumed to be in the informed citizen's vocabulary and so hardly needs to be translated anymore.

It comes, then, as a rude but necessary awakening to be told by former American diplomat William H. Luers, in a footnote to his article on Eastern Europe in Foreign Affairs magazine, that we have got the translation wrong—and that it makes a heck of a difference, too.

Luers, an old Moscow hand and our ambassador to Czechoslovakia in 1983-86, translates glasnost as "public airing," footnoting as follows:

"One equivalent in Czech to glasnost seems to be hlasitost, which means 'loudness.' The Czechs . . . simply use the Russian word in reporting about Gorbachev's efforts, but they, like others in Eastern Europe, know that it does not mean 'openness,' and speculate that it is closer in meaning to 'publicity.' This is the meaning listed in Russian/English dictionaries. The English-language media and scholars seriously distort its meaning, in my view, by translating glasnost as 'openness.' "

With a clutching feeling, I looked up—for the first time—glasnost in my old student Smirnitskii. "Publicity." An unsystematic computer search established that in Gorbachev's first days, Reuter was saying "publicity" and the Associated Press "openness or publicity"—evidence that some journalists were trying to grapple with the complexity of its all—but in more recent times almost all of us have succumbed to the convenience of "openness."

What difference does it make? Only this: openness summons up the friendly images of an open Western-type or would-be-Western society, while publicity or public airing, though not exact, indicates more of the truth of the matter, which is the use of information or inquiry by an otherwise closed communist society for purposes that the leadership alone defines.

Practically speaking, openness involves publicity and publicity involves some openness. Essentially, however, openness goes to the nature of a society that is shedding controls, and publicity is merely a technique of manipulation, something subject to being turned on and off.

In political terms, routine usage of "openness" gives an unearned gift to Gorbachev. That term tends to make his policy sound familiar, safe, innocent, incipiently democratic, potentially converging. No single thing may have softened his Western reception more than the uncritical spreading of this one definition of glasnost by the journalists and others who are supposedly the guards at the linguistic/political gates. Carelessness and wishful thinking surely account for some part of this pervasive misreading.

But there is another part, which is that glasnost is an odd duck, and none of us, perhaps not even Gorbachev, has yet figured out exactly what it is. It is not just hopeful Westerners, for instance, who see the new mode as something that could move the Soviet Union toward pluralism and democracy. Wary Soviet communists feel the same way. Princeton's Robert C. Tucker notes that Gorbachev has found it necessary to quash fears that his prescriptions seemed too radical, assuring the Communist Party's central committee that "no breakup of our political system" is intended.

Gail W. Lapidus, a Berkeley professor, locates in glasnost a "simultaneous connotation of both candor and publicity" whose purposes are to reduce the Soviet peoples reliance on foreign (radio) and unofficial (gossip) sources of information and to enhance the regime's credibility and popular standing. Glasnost also offers, she observes, "a convenient weapon for use against political opponents."

This element of official hands-on is precisely what fades into the mists of openness. The Economist tried and failed this week to find a one-word substitute. Bill Luers' "public airing" has two words and handles a bit awkwardly but goes in the right direction. It's got openness.

IN THE BEGINNING WAS THE WORD

And the word was glasnost, so persistently intoned as part of the Gorbachev liturgy that it has found its way into the West's political vocabulary. Glasnost is commonly described as meaning "openness" (which it doesn't, quite), and is sometimes used in the West as shorthand for Mr. Gorbachev's fresh approach to running Russia (which is even less accurate). What does glasnost really mean?

Glasnost was around long before Mr. Gorbachev, and indeed long before Lenin, who was also fond of the word. It was formed from the Church Slavonic word for "voice" (glas, whose modern Russian equivalent, golos, also means "a vote") and the suffix nost, used to make abstract nouns in Russian. Glasnost appears in the dictionary produced under Catherine the Great in 1790 and is defined in the 17-volume dictionary of the Soviet Academy of Sciences as "availability for public discussion". It is often found in a phrase meaning "to make something public"; while the adjective glasny is used in the Russian expression for "open court". The most common translation given in Russian-English dictionaries is "publicity".

But no single-word translation is really satisfactory. "Publicity" has a commercial resonance which is absent in glasnost: for the commercial usage the Russians have themselves adopted the word publisiti. "Openness" conveys neither the sense of disclosure implicit in glasnost nor the selective way in which glasnost is applied: the refreshing candidness is used when it suits the Gorbachev team (for example, to expose corruption or drug abuse) but not when it would embarrass it (open criticism of the general secretary himself, let alone of the one-party system, is still taboo).

Might a short phrase convey the meaning of glasnost better? Among the suggestions made to this newspaper are "letting things out" and "make public that which you want publicised". Nice tries, but these phrases suggest action, whereas glasnost is an abstract noun. "Permission to speak" gets close, though it sounds a bit military. So, for convenience, perhaps "openness" is best after all—but remember that the censor is still lurking in the background.

COMMERCIAL BANKS AND THE DEBT CRISIS

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. GARCIA. Mr. Speaker, today's Financial Times has an excellent editorial on the role of commercial banks in the LDC debt crisis. It states succinctly and fairly that the bank must accept a measure of responsibility for the creation and continued management of this pressing problem.

There is no need to scapegoat the banks, anymore than there is a need to put the blame for this dilemma entirely on the debtor nations themselves. Crisis management requires cooperation if it is to be effective. It is, therefore, time that we all share the burden in trying to better manage the LDC debt crisis. It is certainly in our best interest.

[From the Financial Times, June 24, 1987]

THE BANK'S ROLE IN LDC DEBT

What future role are the commercial banks to play in the resolution of the Third World debt problem? The question may sound superfluous given the widespread assumption that this role will continue to be large and central, almost whatever happens. Yet this week's report by the Institute of International Finance in Washington has challenged this assumption by suggesting that alternatives to bank finance should be increased and that the banks' contribution should be commensurately smaller.

This could turn out to be an ill-timed statement. It is bound to reinforce the impression, created by the large provisions which banks have recently made against their Third World loans, that they are trying to disengage themselves from the problem.

The positive aspects to the report fall into two areas: proposals for improving the management of the debt, and development of new forms and sources of finance. The banks offer, for example, to help debtor countries improve the management of their liabilities, using new interest rate and foreign exchange techniques. They also ask to be included at an earlier stage in discussions between debtor countries and the international financial agencies so that they do not have requests for new money forced or sprung upon them. These proposals could bring a more commercial flavour to debt management.

The report reiterates the bank's wish to see the IMF and the World Bank play a leading role so that pressure is maintained on debtor countries to get their houses in order, particularly by making loans conditional on internal adjustment or the establishment of certain policies.

The creditor countries are also asked to make their contribution by expanding export credit guarantees for Less Developed Countries (LDCs), restructuring official debts through the Paris Club, and creating a positive economic environment in which LDCs can boost their exports and flourish. Again, these wishes are perfectly reasonable.

But having set this grandiose agenda for the other parties to the debt problem, the Institute's report defines the banks' contribution much more narrowly. The guidelines it sets out specifically exclude the banks from filling gaps in LDCs' financing needs; it demands that debtor countries and the IMF/World Bank replace general purpose lending with lending for specific purposes (trade and investment), and create better conditions for banks to exchange loans into equity.

TRADE FINANCE

The main thrust of the banks' argument is that they are not in the business of making generalised loans to finance countries' balance of payments, and that this now needs to be more clearly recognized. That may, in principle, be true. But the fact is that commercial banks did make exceedingly large general purpose loans to LDCs, and they are now stuck with them whether they like it or not. There is certainly no justification for the banks to try to narrow their role at this stage. Indeed, it is rather disappointing to find the report crudely shifting the blame for the debt crisis on to the debtor and creditor governments, as if the banks had had no part in it.

The suggestion in the report that opportunities be enlarged for conversions of debt to equity, deserves support but, like the provision of more trade finance, only with the recognition that it does not address the central problem of the LDCs' needs for cash. Even if the present amount of debt-equity swaps (about $2bn-$3bn) were multiplied many times it would have little impact on a debt mountain several hundreds of billions of dollars high.

Nobody can force the banks to lend good money on top of bad, as experience with the Baker plan has already shown, but neither can they walk away from their existing involvement, or hope that some official fairy godmother will bail them out. What they might usefully discuss is the price they are prepared to pay to encourage a bail out, by passing on their claims at the kind of discounts which their provisioning now begins to suggest. As it stands, they show more realism about the problem than about the solution.

DR. ROBERT L. SINSHEIMER RETIRING AS CHANCELLOR OF UCSC

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. PANETTA. Mr. Speaker, Dr. Robert L. Sinsheimer, who has served as chancellor of the University of California, Santa Cruz, for nearly 10 years, will retire on June 30. He will be greatly missed, and I am pleased to have this opportunity to tell my colleagues of his accomplishments.

Dr. Sinsheimer has been a fine administrator and educator, and he has had a distinguished career as a scientist as well. Following is a brief biography of Dr. Sinsheimer which should give my colleagues some indication of the quality of work he has performed during a long and varied career:

BIOGRAPHY OF ROBERT L. SINSHEIMER

Robert Louis Sinsheimer was appointed by the Regents of the University of California as Chancellor of the Santa Cruz campus in March 1977, and took office September 1 of that year, upon Angus E. Taylor's retirement. A scientist of international distinction, he made significant breakthroughs in the field of genetic research by artificially creating strands of DNA (deoxyribonucleic acid), the universal genetic material in all forms of life. He also brought to the Santa Cruz campus a strong record as both teacher and administrator, most recently as Chairman of the Division of Biology at the California Institute of Technology.

Chancellor Sinsheimer was born in Washington, D.C. on February 5, 1920. He attended high school in Chicago, and took his S.B. degree in quantitative biology at the Massachusetts Institute of Technology in 1941. He followed this with a master's degree in biophysics, taken in 1942, then served as a staff member at the MIT Radiation Laboratory, designing radar equipment for airplanes. He returned to research in 1946, and received his Ph.D. degree in biophysics from MIT in 1948. He taught briefly at MIT before moving to Iowa State College in 1949, where he served as Associate Professor and later Professor of Biophysics. In 1957 he accepted the post of Professor of Biophysics at the California Institute of Technology where he worked for the next twenty years, the last nine of them as Chairman of the Biology Division, before accepting the post of Chancellor at Santa Cruz.

During Dr. Sinsheimer's time at Caltech he and his colleagues succeeded in isolating, purifying, and finally replicating synthetically the DNA of the virus Phi X 174. This feat, which has been called "the closest anyone has yet come to creating life in the laboratory," earned him international acclaim as a pioneer in nucleic acid research. He was named California Scientist of the Year 1968, and awarded the Beijerinck Virology Medal by the Royal Netherlands Academy of Sciences and Letters in December 1969. He has also used his position as an acknowledged authority in this controversial field to warn the public of the potential long-range hazards in uncontrolled recombinant DNA research.

Dr. Sinsheimer's major fields of scientific interest have been physical and chemical properties of nucleic acids; the replication of nucleic acids; bacterial viruses; the biological effects of ultraviolet radiation; and the biological applications of ultraviolet and infrared spectroscopy.

A member of the National Academy of Sciences, Dr. Sinsheimer is on the Editorial Board of its *Proceedings*, and a member of its Institute of Medicine. He was Chairman of the Editorial Board from 1972-1981. He is also a fellow at the American Academy of Arts and Sciences; a member of the American Society of Biological Chemists; the Biophysical Society; the American Association for the Advancement of Science, and of the Jane Coffin Childs Memorial Fund for Medical Research; the visiting Committee of the College of Arts & Sciences, Northwestern University; member of the U.S. National Committee for the International Union of Biochemistry (9/81-6/86). He holds honorary Sc.D. degrees from St. Olaf College and from Northwestern. He has authored some 200 publications in his various areas of research interest.

Dr. Sinsheimer currently resides on campus with his wife Karen. He has three children, one of whom is a graduate of Santa Cruz.

Mr. Speaker, I suspect that while Dr. Sinsheimer is officially retiring, his scientific work will continue. Regardless, he can be proud of a lifetime of accomplishment, and I am sure my colleagues join me in congratulating him on his retirement and wishing him the best of luck in the future.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 20)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SHARP. Mr. Speaker, on June 20, 1787, Connecticut's Oliver Ellsworth sought to allay the concerns of the smaller States' delegates by proposing that the phrase "a national government ought to be established" be stricken from the Virginia Plan.

The idea of a "national" government was still frightening to some delegates especially because many delegations had strict instructions to make only limited alterations in the Articles of Confederation.

After making the cosmetic change, the Convention then heard a last-ditch effort to maintain a one-house legislature. Several delegates argued that the existing Continental Congress had successfully conducted the War of Independence against the British.

George Washington was one of the many delegates in attendance who would testify to the inadequacy of the Continental Congress' efforts in the Revolution and so the proposal was voted down.

THE ECONOMIC OUTLOOK

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, June 24, 1987, into the CONGRESSIONAL RECORD.

THE ECONOMIC OUTLOOK

Last month the economic recovery from the 1981-82 recession passed the 4½ year mark. In only a few more months, the present expansion could become the longest period of peacetime growth in U.S. history.

No one considers this a boom time, but, for most American families, the economic recovery has been a time of relative prosperity. Inflation has been low, averaging less than 4% since 1982. Prices last year rose only 1.1%, the lowest inflation rate in 25 years. Jobs are plentiful in many parts of the country. Even the Midwest, passed over during the first part of the recovery, has been experiencing renewed job growth. More than 112 million Americans are now at work, higher than ever before. The unemployment rate has fallen to 6.3%, the lowest level since 1979. With lower interest rates, American families have been able to buy 7.5 million new homes and more than 44 million new cars since the recovery began.

But unlike the 1950s and early 1960s, when growth and prosperity gave rise to unbounded optimism in our future, this expansion has been accompanied by many questions about the vitality of our economy.

We have had steady economic growth during this recovery, but it has been disappointingly low—just 2.5% in recent years compared to 3.1% during the 1970s and 4.3% during the 1960s. This slow growth has held down wages for many workers. Hourly employees in private industry have seen their earnings rise less than 1% since 1982, after subtracting the effects of inflation. Most new jobs are in service industries, where average wages are lower than in manufacturing or construction. Many families now require two workers to meet their financial obligations.

A major source of concern throughout the recovery has been the federal budget deficit. In three of the last five years, it has exceeded $200 billion. In a break with past experience—and counter to Administration predictions—the deficit has not been reduced by economic growth. Our national debt has more than doubled in the last 6 years, to well over $2 trillion.

During this same period, our merchandise trade deficit with the rest of the world has soared, from $28 billion in 1981 to $144 billion last year. Less than half of the manufacturing jobs lost during the 1981-82 recession have since been recovered. In fact, ten major manufacturing industries, including steel and textiles, have continued to lose jobs during the economic expansion. While manufacturing productivity has improved in recent years, productivity in the rest of the economy has been flat.

Other concerns are that Americans are not saving and that debt is rising. In the first four months of 1987, U.S. households saved less than 3% of their incomes, compared to an average of 8% during the 1970s. While saving has reached a record low, debt is at record heights. U.S. household, government, and nonfinancial corporate debt has soared to a staggering $7.8 trillion, almost double the level of our gross national product and a much higher ratio than normal.

Given the mix of positive and negative trends in the economy, what is the outlook for the rest of 1987 and beyond? The two major questions asked by Hoosiers about the economy are whether we can anticipate a re-emergence of inflation and whether a recession is in the offing.

Recently, both inflation and interest rates have turned up. Interest rates have jumped sharply across the board, with mortgage rates climbing from under 9% a few months ago to almost 11% currently. Prices this year have been rising at an annual rate of 6%, due partly to higher energy prices and partly to higher prices for imports. Economists foresee prices rising at a 4-5% rate the rest of this year. Inflation is back, but fortunately not at 1970s levels.

Overall, economists do not expect a return soon to double-digit inflation. Inflation is caused basically by too much money chasing too few goods. Yet in recent years, there has developed a significant world overcapacity to produce goods, including surplus capacity for cars and manufactured goods, oil, and agricultural products. Moreover, consumers in recent years have been buying at record levels, and now seem to be retreating because of heavy debts. The greatest inflationary threat is the declining value of the U.S. dollar. The cheaper dollar likely means higher prices for imported goods and the domestic goods competing with them.

We are hearing more talk now about a possible recession, though few economists are predicting one before 1989. One concern is simply the length of the current recovery—few recoveries last this long, eventually running up against constraints to further growth. If interest rates and inflation continue to rise, they could be two such constraints. High interest rates could easily choke off economic growth, as could measures by the Federal Reserve to tighten the money supply to head off inflation. Another threat to the economy is high U.S. debt. The current period of economic growth has been fueled largely by heavy spending and borrowing at all levels—consumer, corporate, government. The likelihood of a recession becomes greater as consumers and others reach the limits of their borrowing. The economy is also vulnerable to shocks arising from disagreements between the U.S. and its trading partners over how to resolve the global trade imbalance.

Even if 1987 is not a banner year, we simply must strive to make progress on fundamental problems that will strengthen our longer-term prospects. Congress and the President must do a better job of reducing the federal deficit. Difficult choices still lie ahead on spending cuts and revenue increases. The decline in the dollar has improved the ability of American goods to compete in the world economy, and passing the trade bill should help open more foreign markets to our products. We should continue our efforts to get Germany and Japan to take steps to become less dependent on exports to the U.S. to support their own economic growth. Reducing inflationary pressures will be a major challenge for the new chairman of the Federal Reserve. Low savings, high debt, and low productivity growth also stand in the way of achieving our full potential.

WHAT ARE THE TARGETS IRAN LIKES TO ATTACK

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. ASPIN. Mr. Speaker, today I would like to continue the series of speeches I have been giving on the Persian Gulf by looking at what Iran has been doing on its side of the tanker war in the gulf.

There are some very instructive lessons to be learned. For one thing, the Iranians have shown themselves to be uncertain about challenging others, especially the superpowers. They test the waters and see what they can get away with. If they meet firm resistance, they retreat. We have not been demonstrating much in the way of firmness.

Second, the Iranians are prone to error. The Iraqis hit the *Stark*, but it could have been the Iranians. The Iranians, as has often been pointed out, take far greater care than the Iraqis in checking out targets. They check a target visually before firing, unlike the Iraqis. But that hasn't made the Iranians error free.

Third, the Iranians have shown great inventiveness—while we have demonstrated laziness in responding to their inventiveness. Quite simply, they are a step ahead of us and will remain so until we treat their ingenuity with respect.

These lessons come out of the history of the tanker war in the Persian Gulf. According to data collected by Lloyd's Maritime Information Service in London, Iraq initiated attacks on shipping in May 1981. Over the next 3 years, Baghdad's attacks were rather desultory and erratic. Most of the attacks were on freighters rather than tankers; most were bound for ports in the northern gulf, especially in the Khor Musa Channel, well to the north of Iran's principal oil terminal at Kharg Island. Iran didn't respond. The Iraqis were hitting vessels flying the Iranian flag or heading into Iranian ports. But Iraq's ports on its minuscule bit of gulf coastline were closed in the opening days of the war, so there were no Iraqi-flag or Iraqi-destined ships for the Iranians to target.

Then, on April 18, 1984, the Iraqis fired a missile at the Panamanian tanker *Rover Star* as it was one mile off Kharg. No serious damage was done.

One week later, on April 25, the Iraqis struck a Saudi-flag supertanker, the 179,000 ton *Safina Al-Arab,* after it left Kharg. The missile set off an explosion and fire. The ship was a total loss.

On May 7, the Iraqis attacked another Saudi-flag tanker, the 65,000 ton *Al-Ahood,* after it had loaded at Kharg. It too caught fire and was eventually declared a total loss.

On May 13, Iran responded for the first time. An Iranian aircraft fired a missile at the Kuwaiti tanker *Umm Casbah* as it was carrying Kuwaiti oil down the gulf. The missile started no fire and did only minor damage. Under the proposed reflagging plan, that ship, the *Umm Casbah,* is about to become the American-flag tanker *Ocean City.*

That effectively began the tanker war. Baghdad thereafter concentrated its fire on tankers headed to or from Kharg Island.

Iran responded, slowly escalating its responses. In 1984 and 1985, Iran attacked 45 percent as many ships as Iraq. In 1986, the Iranians hit 62 percent as many ships as the Iraqis. This year, Iran has hit 100 percent as many as Iraq. This year each side has hit 26 vessels. Iran is now responding tit-for-tat.

The slow escalation by Iran, however, hints at an uncertainty on Tehran's part. As it has gotten away with its attacks, it has escalated the war on neutral shipping. Perhaps, if there had been a firm response earlier, the Iranians would have backed off.

Three years ago, for example, the Iranians started sending aircraft in action just off the Saudi coast. The Saudis shot down an Iranian Phantom. Tehran didn't scream. It simply stopped sending planes to the Saudi side of the gulf. The Islamic Republic does respect firmness.

The accompanying chart shows every vessel attacked by Iran since the start of 1986. That's a total of 67 ships over 17 months. Prior to that, Iran hit another 32 vessels over 20 months. Its concentrated effort on the tanker war really begins at the top of this table.

The table illustrates a number of interesting and curious points.

First, Iran can make mistakes. It has its own variant of the *Stark* attack. On June 28, 1986, Iran hit one of its own vessels. Iran had leased the Cypriot-registered tanker *Superior* to shuttle oil from Kharg Island south to Sirri Island near the south end of the Persian Gulf. Iran had started running such a shuttle service because the Iraqi attacks were discouraging foreign vessel from calling at Kharg. The Iraqis fired a missile at *Superior* May 6, starting a fire. The Iranians towed *Superior* into port, but couldn't repair it. So they took it across the Persian Gulf to the Arab shaikhdom of Dubai, where the war has generated a corps of workmen skilled at damage repairs. While anchored off Dubai, the Iranians fired a missile at *Superior* and finished it off. The ship was eventually broken up for scrap. One year before the *Stark* attack, that was a warning of the possibility of error.

RECORD OF IRANIAN ATTACKS ON SHIPPING IN PERSIAN GULF

Date	Vessel	Type	Flag	Gross tonnage	Destination	Nature of attack	Damage
Jan. 28, 1986	D'Artagnan	Tanker	France	141,000	Saudi Arabia	Missiles ^{2} from ?	Missed.
Jan. 28, 1986	Tomoe III	Tanker	Panama	5,300	Saudi Arabia	Missiles ^{3} from helos	Minor.
Jan. 30, 1986	Skaubo	Freighter	Liberia	67,000	Saudi Arabia	Missiles ^{2} from helo	Missed.
Feb. 3, 1986	Noga	Tanker	Liberia	65,000	Saudi Araiba	Missile from ?	Minor.
Feb. 6, 1986	Avocet	Tanker	Cyprus	21,500	Kuwait	Missile from helo	Lost.
Feb. 9, 1986	Sabs I	Tanker	Panama	6,100	Saudi Arabia	Missiles ^{3} from helo	Missed.
Mar. 2, 1986	Atlas I	Tanker	Turkey	80,000	Saudi Arabia	Attacked by helo	Lost.
Mar. 2, 1986	Bow Fighter	Tanker	Norway	19,000	Saudi Arabia	Missile from ?	Missed.
Mar. 4, 1986	Chaumont	Tanker	France	132,000	Saudi Arabia	Missile from helo	Medium.
Mar. 6, 1986	Wise	Tanker	Cyprus	17,400	Bahrain	Missile from helo	Medium.
Mar. 13, 1986	Gogo Recent	Tanker	Liberia	18,500	Bahrain	Strafed by plane	Minor.
Mar. 29, 1986	Berge King	Tanker	Norway	138,000	Saudi Arabia	Missile from helo	Unexploded.
Mar. 30, 1986	Stelios	Tanker	Panama	97,000	Saudi Arabia	Missile from helo	Minor.
Mar. 31, 1986	Zor	Tanker	Qatar	3,800	Bahrain	Missiles ^{2} from helo	Major.
Apr. 5, 1986	Petrostar XVI	Tanker	Saudi Arabia	14,000	Bahrain	Missiles from helo	Lost.
Apr. 17, 1986	Leegas	LPG	Panama	2,600	Bahrain	Missiles from ?	Lost.
Apr. 20, 1986	Atlas–I	Tanker	Turkey	80,000	Saudi Arabia	Missile from helo	Lost.
May 1, 1986	AS–Safaniya	Tanker	Saudi Arabia	31,500	Saudi Arabia	Missiles from helo	Major.
May 7, 1986	An-Nisr Al-Arabi	Tanker	Saudi Arabia	144,000	Kuwait	Missiles ^{2} from helo	Medium.
May 9, 1986	Aristotle Onassis	Tanker	Liberia	125,000	Saudi Arabia	Missiles ^{4} of ^{5} 2 unexploded	Medium.
June 14, 1986	Koriana	Tanker	Greece	39,000	Saudi Arabia	Missiles ^{2} from helo	Medium.
June 23, 1986	Diego Silang	Tanker	Philippines	52,000	Saudi Arabia	Missile from helo	Medium.
June 28, 1986	Superior	Tanker	Cyprus	134,000	Iran	Missiles from plane	Lost 1.

RECORD OF IRANIAN ATTACKS ON SHIPPING IN PERSIAN GULF—Continued

Date	Vessel	Type	Flag	Gross tonnage	Destination	Nature of attack	Damage
June 28, 1986	Koriana	Tanker	Greece	39,000	Saudi Arabia	Missile from plane	Unexploded.
Aug. 1, 1986	Ethnic	Tanker	Greece	126,000	Saudi Arabia	Missile from plane	Medium.
Aug. 3, 1986	Mercedes	Bulk	Liberia	37,600	Kuwait	Missiles from helo	Minor.
Aug. 4, 1986	Konkar Dinos	Tanker	Greece	114,500	Qatar	Missiles [2] from helo	Unexploded.
Aug. 11, 1986	Olympian Spirit	Tanker	Greece	178,800	Saudi Arabia	Missiles [2] from helo	Medium.
Aug. 15, 1986	Kyokuho Lily	Tanker	Panama	4,000	Saudi Arabia	Missile from helo	Unexploded.
Aug. 10, 1986	Golar Robin	Tanker	Liberia	99,000	United Arab Emirates	Missile from aircraft	Major.
Aug. 17, 1986	Weelek No. 3	Tanker	Panama	10,000	Saudi Arabia	Missile from aircraft	Medium.
Aug. 18, 1986	Akarita	Tanker	Liberia	110,000	Qatar	Missile from aircraft	Medium.
Sept. 13, 1986	Brissac	Tanker	France	118,000	Kuwait	Missiles [2] from helo	Unexploded.
Sept. 16, 1986	Al Funtas	Tanker	Kuwait	160,000	Kuwait	Missile from ship	Major 2.
Sept. 23, 1986	Pawnee	Bulk	Britain	69,000	Saudi Arabia	Missile from helo	Unexploded.
Oct. 5, 1986	August Star	Bulk	Liberia	14,300	Kuwait	Missiles [2] from helo	Lost 3.
Oct. 17, 1986	Five Brooks	Tanker	Panama	13,000	Kuwait	Shells or missiles from frigate	Lost.
Oct. 22, 1986	Al-Faiha	Tanker	Kuwait	137,000	Kuwaait	Missile [1] from frigate	Minor.
Oct. 31, 1986	Johs, Stove	Tanker	Philippines	69,500	Saudi Arabia	?	Minor.
Nov. 15, 1986	Shaam	Bulk	United Arab Emirates	8,500	Kuwait	Strafed by gunboats	Major 4.
Nov. 18, 1986	Crown Hope	Tanker	Liberia	22,000	Kuwait	Missiles (?) from frigate	Medium.
Jan. 6, 1987	Cosmo Jupiter	Tanker	Japan	135,500	Kuwait	Missile [1] from ship	Minor.
Jan. 8, 1987	World Dawn	Tanker	Panama	42,000	Kuwait	Missile [1] from ship	Unexploded.
Jan. 8, 1987	Berge Saga	LPG	Norway	44,000	Saudi Arabia	Missile [1] from frigate	Missed.
Jan. 12, 1987	Atlantic Dignity	Tanker	Liberia	43,500	Kuwait	Missile [1] from ship	Minor.
Jan. 14, 1987	Saudiah	Tanker	Kuwait	16,745	Kuwait	Missile [1] from ship	Unexploded.
Jan. 23, 1987	Isqmeria	LPG	Britain	40,000	Kuwait	Missiles by frigate	Missed.
Feb. 3, 1987	Ambia Fortuna	Bulk	Bahamas	45,000	Kuwait	Missile [1] by frigate	Unexploded.
Feb. 26, 1987	Wu Jiang	Freighter	China	9,500	?	Strafed by gunboats	Major.
Feb. 27, 1987	Sea Empress	Tanker	Cyprus	40,500	Kuwait	Strafed by gunboat	Minor.
Mar. 11, 1987	Arabian Sea	Tanker	Saudi Arabia	160,500	Saudi Arabia	Missiles [1] from frigate	Missed.
Mar. 16, 1987	Pivot	Tanker	Cyprus	110,000	Saudi Arabia	Strafed by gunboat	Minor.
Mar. 28, 1987	Sedra	Tanker	Singapore	1,000	Kuwait	Missile [1] from ship	Lost.
Apr. 11, 1987	Colossus	Freighter	Kuwait	9,000	Kuwait	Missiles [2] from ship	Missed.
Apr. 15, 1987	Corriedale Express	Livestock	Philippines	12,000	Kuwait	Strafed by gunboat	Killed 248 sheep.
Apr. 20, 1987	Tenryu Maru	LPG	Japan	49,500	Kuwait	Missiles [2] from helo	Missed.
Apr. 25, 1987	Mega Point	Tanker	Liberia	68,500	Kuwait	Strafed by gunboats	Minor.
May 4, 1987	Petrobulk Regent	Tanker	Panama	18,000	Kuwait	Strafed by gunboat	Medium.
May 5, 1987	Shuho Maru	Tanker	Japan	136,000	Saudi NZ	Strafed by gunboat	Minor.
May 6, 1987	Ivan Koroteyev	Freighter	Soviet	6,500	Saudi Arabia	Strafed by gunboats	Minor.
May 11, 1987	B.R. Amdedkar	Tanker	India	52,000	Kuwait	Strafed by gunboat	?
May 17, 1987	Marshal Chuikov	Tanker	Soviet	39,000	Kuwait	Struck mine off Kuwait	Medium 5.
May 18, 1987	Golar Robin	Tanker	Liberia	99,000	Saudi NZ	Strafed by gunboat	?
May 21, 1987	Rashidah	Freighter	Qatar	1,500	Kuwait	Strafed by gunboat	Minor.
May 26, 1987	Primrose	Tanker	Liberia	122,000	Kuwait	Struck mine off Kuwait	Minor.
June 9, 1987	Ethnic	Tanker	Greece	126,000	Kuwait	Struck mine off Kuwait	Minor.
June 19, 1987	?	Tanker	Liberia	?	Kuwait	Struck mine off Kuwait	Minor.

[1] Superior was charted by Iran, struck by Iraq, towed across gulf for repairs, where it was hit by Iranians.

[2] First missile attack from ship.

[3] Last (but one) attack from helo.

[4] First Pasdaran gunboat attack.

[5] First mine hit.

One year to the day after the Iranians hit their own ship, they hit a Soviet freighter in the gulf. This was an attack from gunboats operated by the Pasdaran, which are the Iranian Revolutionary Guards. What isn't known is whether this attack was an error by the less professional Pasdaran—or a conscious attack by an overzealous Pasdar commander—or a test.

The Iranians had another run-in with Moscow last year. Iran had stopped innumerable freighters and searched them for military supplies destined for Iraq. Military goods are contraband of war and can legally be seized by Iran. But the Iranians allow Soviet freighters loaded to the gunwales with military supplies to sail the gulf on an average of one per week without stopping.

For a long time, the Soviets didn't even bother escorting those freighters. Then last September, an Iranian Navy ship stopped a Soviet freighter, searched it, found weapons, and ordered it into port to be unloaded. The freighter didn't stay in port long, however. It was set free and sailed for Kuwait where it unloaded all its military goods for Iraq. It's possible an overzealous Iranian skipper hauled that ship into port. But that seems unlikely since Iranian warships had long been stopping and searching vessels and had obviously been very careful to avoid Soviet freighters. Therefore, it's quite possible the Iranians were testing the Soviets by stopping that ship. If so, the fact that the freighter was set free with all its contraband intact would indicate that the Soviets had been very firm with Tehran. Again, that is evidence that the Iranians are not foolish and respect firmness, something they have not seen out of Washington. The Soviets, incidentally, now provide naval warships to escort those freighters laden with military equipment.

Looking at the table in the column marked "Flag," we see that Iran has eclectic tastes. Since January 1986, it has struck ships flying the flags of 19 different countries. The big winners are the flags of convenience: 12 Liberian ships and 9 Panamanian vessels have been hit. Then there have been six Greek and five Cypriot vessels, and four each from Saudi Arabia and Kuwait. One of the Kuwaiti flag vessels on the list is the *Al-Funtas,* which will soon become the U.S.-flag vessel *Middleton.* Another of the vessels to be reflagged, *Kazimah,* was hit twice by the Iranians in 1985. Thus, three of the 11 tankers to be reflagged have already been stuck by Iran.

The Iranians have also hit three French and two British ships—although those countries maintain warships in the Indian Ocean. The Iranians have not, however, ever struck an American vessel. They have had plenty of opportunity. An American tanker sails into the Persian Gulf on an average of once a week, going to Bahrain to pick up a load of fuel for the U.S. Navy. Since Iran began attacking ships, there have been about 150 trips into the gulf by tankers flying the American flag. They have all been ascorted by the U.S. Navy.

Going back to the chart and looking at the "Destination" column, it becomes clear that Iran is now concentrating on vessels calling at Kuwaiti ports. In the 9 months since last September, 25 of the 34 ships attacked have had Kuwait as their destination. Of the remaining nine attacks, eight have been on Saudi-bound shipping and the destination of the ninth is unknown.

Before last September, it was a different story. From January through August 1986, 20 of the 32 ships hit by Iran had Saudi destinations and only three were going to Kuwait. The concentration clearly shifted from Saudi destinations to Kuwaiti destinations in September.

The administration has made the point that Kuwait sought American assistance because of that concentration on Kuwaiti-bound targets. Kuwait first made known its interest in aid on November 1, according to the administration's chronology. But, if you put your hand over the table so as to obscure the ships hit after November 1, it is not at all obvious that the Iranian effort is concentrated on Kuwait-bound vessels. That doesn't really become obvious until later.

Turning to the column marked "Nature of attack," one can see how the Iranians have improvised. From the start of their attacks in May 1984, they generally fired missiles from F-4 Phantoms. One year later, they started using helicopters as well. By the time this table starts, the planes were being used less and the helicopters predominate.

The Iranians started using Maverick antitank missiles, with a warhead too small to do much damage to a tanker unless they got a lucky hit. The shelf life on the Mavericks we sold the Shah expired, however, and the Iranians may well have used up their entire supply, forcing them to use whatever they could buy. They may have been taken by some sharpies. A look at the last column shows a large number of ships hit by missiles that never exploded, which hints that some arms merchant made a bundle by selling Tehran a batch with a lot of defective missiles.

Last September, just as Iran focused its attention on Kuwaiti-bound vessels, it also started using missiles from Navy ships for the first time. At the same time, air attacks just about came to an end. In the last 8 months, there has been only a solitary air attack on a ship—two missiles fired from a helicopter at a Japanese liquid petroleum gas carrier. Both missiles missed.

In the period late last year that saw the phasing out of air attacks and the start of Iranian Navy attacks, another novelty occurred. On November 15, a small bulk carrier flying the flag of the United Arab Emirates reported that it was attacked by two Iranian gunboats. This may have been the first appearance of the Pasdar Navy. Khomeini had earlier authorized the Revolutionary Guards to start their own air and maritime arms, thereby replicating the regular armed forces, with which many leaders of the revolutionary regime do not feel comfortable.

Since February, there have many reports of attacks by gunboats. Gunboat is not really the right term. These are small launches that pull up beside ships; the Pasdaran on board then fire machine guns, mortars, and rocket-propelled grenades [RPG's] at the ships. The Pasdar attacks now predominate. In fact, no regular Navy vessel has fired on a ship since April 11.

The latest Iranian innovation appeared May 17—the same day the *Stark* was struck. That day, *Marshal Chuikov,* the first Soviet freighter leased to Kuwait made her first arrival at a Kuwaiti port. As she sailed down the channel, she struck a mine. In the weeks since, three more ships have struck mines in that same area.

It could be coincidence—but it looks more like Iranian ingenuity. Both Iran and Iraq sowed mines in the other's harbors early in the war. Many of them have floated loose. Every several weeks one washes up on a beach somewhere in the gulf. But the presence of four mines in the same shipping channel is suspicious—especially when the first ship hit is the first tanker leased to Kuwait by the Soviets.

The suspicion is fed by a Tass dispatch from Kuwait. It said that Soviet seamen on board the tanker saw a speedboat approached unlighted after the explosion, stop some 2 miles away, watch the Soviets for more than an hour without offering assistance, and then speed away—still without any lights.

A mine makes sense. The Iranians certainly aren't happy about the Soviet and American assistance for Kuwait. But they are also reluctant to attack a superpower directly. Loose mines are a known problem in the gulf, so no blame would likely accrue to the Iranians.

The mine should be taken very seriously. I do not mean to suggest that the U.S. Navy could be sent to the bottom of the gulf by the occasional Iranian mine. But a ready willingness to dismiss the mine threat is heavy with deja vu. The marines in Beirut didn't act like there was a serious threat either. Despite that experience, the United States military still tends to dismiss the Iranians and their followers as just so many looney fanatics. The military mind only takes Iran seriously when it gets a classic weapon like the Silkworm. But the Iranian revolutionary regime has not relied on conventional weapons. It has made a specialty of unconventional tactics. The tactics are simple and unsophisticated.

It shouldn't be hard to defeat the Iranian mine tactic. But when we have deployed the resources to do that, the Iranians and their allies won't go away. They will come back with something else. They used the truck bomb very effectively in Lebanon. We don't hear of truck bombs anymore, do we? That's because the Israelis eventually managed to counter that threat. The Iranians and their allies don't continue banging their head against the wall by using an ineffective tactic. They shifted. They now kidnap Americans. We have not yet figured out how to counter that tactic, so it remains an active one.

Now, it appears to be mines in the gulf. That's a manageable threat. We can deploy the resources to contain it. But before the Pentagon pats itself on the back for doing so, it must understand the Iranian mindset. In Tehran, they are already working on a tactic to be tried after the mine. Our mindset, which doesn't treat them seriously, simply allows them to stay one step ahead of us.

As I mentioned at the beginning, there are some very instructive lessons to be learned from this review of the tanker war.

First, the Iranians have shown themselves to be uncertain about challenging others, especially the superpowers. They test the waters and see what they can get away with. If they meet firm resistance, they retreat. We have not been demonstrating much in the way of firmness.

Second, the Iranians are prone to error. The Iraqis hit the *Stark*, but it could have been the Iranians. The Iranians, as has often been pointed out, take far greater care than the Iraqis in checking out targets. They check a target visually before firing, unlike the Iraqis. But that hasn't made the Iranians error free.

Third, the Iranians have shown great inventiveness—while we have demonstrated laziness in responding to their inventiveness. Quite simply, they are a step ahead of us and will remain so until we treat their ingenuity with respect.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 21)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SHARP. Mr. Speaker, on June 21, 1787, the Convention made important decisions about the nature and composition of the National Legislature.

Moving along briskly, the delegates voted to approve a two-house legislature. Next, they turned to the question of election of the House—should it be chosen directly by the people, or in some way chosen by the State legislatures?

George Mason of Virginia, a tenacious defender of individual rights, reminded the delegates that "whatever inconvenience may attend the democratic principle, it must actuate one part of the Government. It is the only security for the rights of the people." The Convention agreed to popular election by a solid majority.

The delegates then set another of the enduring characteristics of the House of Representatives, choosing a 2-year term as a compromise between the annual elections then common in the State legislatures, and the longer 3-year term originally proposed.

THE BUDGET CONFERENCE REPORT: CONGRESS VERSUS THE TAXPAYERS

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. LIGHTFOOT. Mr. Speaker, yesterday this body passed a budget resolution which makes a sham of the budget process, is an abomination of fiscal integrity and is in direct opposition to the will of the people of this country.

This trillion-dollar turkey fails miserably in attempting to reach the deficit-reduction targets that a majority in this House approved in the Gramm-Rudman-Hollings law. It contains domestic spending increases of $47 billion over last fiscal year. And, unbelievably, it raises taxes by $64 billion over 3 years—$64 billion.

In anticipation of such a budget resolution, I conducted a districtwide poll in Iowa's Fifth Congressional District and asked my constitutents if they approved of a tax increase to reduce the deficit. They reply was a resounding three to one margin against a tax increase. Iowans in my district and Americans in every congressional district in this country have demanded time and again we put the skids on Government spending and higher taxes. And what do we give them. A $64 billion tax increase.

Not only is this a bad budget, it shows bad judgment. What it doesn't take into account is that the people stand between this Congress and this budget, and I guarantee you that it is their judgment that will prevail.

A SALUTE TO DWIGHT E. RADCLIFF

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. DEWINE. Mr. Speaker, today, Wednesday, June 24, 1987, Sheriff Dwight E. Radcliffe is being sworn in as president of the National Sheriff's Association. I would like to have the following statement entered into the CONGRESSIONAL RECORD on this date. It is part of a letter I sent to the Circleville Herald newspaper for its special section saluting Sheriff Radcliff.

I take pride in honoring my good friend and colleague, Sheriff Dwight E. Radcliff. For over twenty-three years, the Sheriff's personal integrity and honesty have served Pickaway County well in solving and preventing crimes. His ability to get to the bottom of tough cases is legendary.

Sheriff Radcliff is more than a dedicated public servant, he is a one man public relations campaign for Pickaway County. During his long and successful career as Pickaway County Sheriff, he has put the public's interest first in everything he does. He is an exemplary leader in civic and community activities.

I admire Sheriff Radcliff's dedication to old fashioned values, his competent ability to solve problems, and his tireless work ethic. I would also like to take this opportunity to recognize his wife, Betty, who has worked by the Sheriff's side throughout his career. Sheriff Radcliff's reputation is well deserved.

I am proud to represent Dwight E. Radcliff in the U.S. Congress and am honored to call him friend and I salute him.

CARMEL BACH FESTIVAL CELEBRATES ITS 50TH YEAR

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. PANETTA. Mr. Speaker, it is with great pleasure that I inform my colleagues that the Carmel Bach Festival is being put on this year for the 50th time.

Over the years, the Carmel Bach Festival has entertained and enthralled many thousands of listeners in hundreds of audiences in locations around the Carmel area. Its reputation has grown over the years, and it is now considered one of the Nation's premiere music festivals.

As a music enthusiast myself, I am particularly proud of the Carmel Bach Festival. I would like to take this opportunity to insert in the RECORD a brief history of the Bach Festival. I hope my colleagues will find it of interest.

HISTORY OF THE CARMEL BACH FESTIVAL

When the lights go down for the first performance of the 1987 Carmel Bach Festival, the 50th season will begin. The Festival has grown and changed over the years, while continuing to celebrate the works of Johann Sebastian Bach, his contemporaries and musical heirs. Today, it is a three week festival consisting of concerts, recitals, lectures and symposia. The B Minor Mass or one of the two Passions alternates each year in the program and there is an opera as well as cantatas, orchestral works, and the special programming and pageantry of the Carmel Mission Basilica performance. The Festival has both an imported chorale and a local chorus, as well as an orchestra drawn from all over the world and noted vocal and instrumental soloists.

The full-grown Festival of today is the mature form of the infant musical offering created in 1935 by Dene Denny and Hazel Watrous. Dene Denny was musician of the two, while Hazel Watrous was more involved in the plastic arts; yet whatever one woman was interested in, the other supported, and their two spiritual children, the Carmel Bach Festival and the First Theater in Monterey, are still flourishing institutions of the Peninsula.

The first Carmel Bach Festival was planned in response to the enthusiasm for a performance of Bach at a Carmel Music Society concert. Denny and Watrous produced four days of concerts at the Sunset School Auditorium and the Carmel Mission Basilica with Ernst Bacon as guest conductor. From the outset the founders published their intention to have an annual event and they succeeded except for a gap of three years during the Second World War. Because the 1930's were not a time of grants and government sponsorship of the arts, Denny and Watrous had to dip into their own pockets to make up the inevitable shortfalls over the early years. In doing so they began a tradition of private financial support that has sustained the Festival and allowed it to grow.

The first Festival also established the principle of having free lectures. They were held at the Denny Watrous Gallery in Carmel. The Sunday concert was at the Carmel Mission Basilica, though the use of that church lapsed for many years. From the first, the heralding brass played before the concerts. In the early days there was a strong community feeling to the Festival and smaller compositions and selections from cantatas were presented because most of the musicians were amateurs.

Sacha Jacobinoff conducted the second Festival and Ralph Linsley was the pianist. Linsley remained the backbone of the Festival until his retirement after the 1981 season. The fourth annual Festival established Gastone Usigli as conductor in 1938 and Alfred Frankenstein of the S.F. Chronicle lectured; both men lasted as participants for many years—Usigli until 1956 and Frankenstein until 1962. Also in 1938 a shortened version of the B Minor Mass was given at the Mission and was broadcast nationally over the NBC blue network on the radio. In 1938 the compositions of Bach's sons were added to the program, and organ recitals were first given. In 1940, the Festival was expanded to a full week.

Throughout the 40s, with a gap of three years for the war, the program included smallworks of varied composers such as Lully, Gluck, Rameau, Scarlatti and Morley—many arranged by Usigli. 1950 saw the Festival begin with the Mass on Sunday and run for eight days. Excerpts from cantatas and the Art of the Fugue were presented, often orchestrated by Usigli. For the first time part of the St. John Passion was presented on the final Sunday. In 1954 the two passions of Bach and Schutz were presented for contrast and the The Muscial Offering, orchestrated by Usigli.

The Festival of 1955 was dedicated to the memory of Hazel Watrous who died that year. The program contained selections from the Magnificant. 1956 was dedicated to the memory of Usigli and conducted by Sandor Salgo, with Richard Lert as guest conductor. There was no B Minor Mass but instead the Mozart Requiem. Salgo's influence was felt immediately. He presented the complete St. Matthew Passion for the first time and a number of dramatic oratorios by other composers. Charpentier's "The Denial of Christ" was presented that year on Friday night as a foretaste of our present opera night.

In 1958 the Festival was incorporated as a non-profit arts organization. Priscilla Salgo was made assistance Choral Director in 1959 and the chorus of local singers and the chorale of imported singers were formally separated. Program notes were done by the music librarian from Stanford University, and a theme for the Festival was stated—to endeavor to re-create the musical and historical environment of Bach's time.

In 1960 the program was dedicated to the memory of Dene Denny, who died that year. Sylvia Landon, Dene Denny's sister, remembers, "Dene was devoted to Sandor . . . I think she felt that her Bach Festival would be safe in his hands. I feel that the Carmel Bach Festival will become an institution; under his direction and his able vision . . . Sandor did more choral work and was able to do this because he brought in a host of singers, many of whom he worked with at Stanford . . . with the solid background of experienced singers he is able to have marvelous choral works and that has been the growth of the Festival."

In 1961 the Festival was extended to ten days. Salgo reinstituted the use of the Carmel Mission. Maestro Salgo's innovations have become traditions—erudition, professionalism, works performed in entirety, and a more dramatic concept of performance. Because of the demand for seats, the Festival expanded from ten days to three weeks over the next ten years. To judge its artistic growth one has only to compare two reviews—the first is by Alfred Frankenstein of the San Francisco Chronicle. "Those of us who want to see the Carmel Bach Festival take its place as an event of nation-wide importance for which no excuses need be made were greatly encouraged. That goal has not been attained as yet, but this year it hove in sight . . ."

The second review is from 1984 by Byron Belt of the Newhouse News Service. "Maestro Salgo has clearly mastered the art of festival planning and conducting, and nothing was less than expert. The St. Matthew was the inspired climax of a week that . . . mounted to the soaring final chorus of Bach's sublime masterpiece with such logic and spiritual exhaltation . . . Bach festivals are not all that unusual, but quality performances remain discouragingly rare. This in Carmel offered intellectual stimulation and musical inspiration in sufficient degree that four major events convinced a willing debutant that the combination of natural and artistic beauties make the Carmel Bach Festival a gem among giants . . ."

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 22)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SHARP. Mr. Speaker, the question of legislative pay occupied the Convention on June 22, 1787. It proved, then as now, to be a sensitive issue.

Oliver Ellsworth of Connecticut suggested that the States should provide the compensation, but Virginia's Edmund Randolph insisted that this would endanger the independence of the National Legislature. He noted that "the whole Nation has an interest in the attendance and services of the members. The National Treasury, therefore, is the proper fund for supporting them."

After inconclusive debate on the pay question, the delegates moved to something they could agree on, voting to require that members of the first branch of the legislature be at least 25 years of age. No delegate would have been denied membership by the decision: they ranged in age from New Jersey's Jonathan Drayton, at 26 the youngest delegate, to the Benjamin Franklin of Pennsylvania at 81.

BUDGET RESOLUTION BACKED BY DISTRICT SURVEY

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. WALGREN. Mr. Speaker, yesterday I cast the vote of residents in Pennsylvania's 18th Congressional District in support of House Concurrent Resolution 93, the budget resolution for fiscal year 1988.

I am convinced that this budget resolution best reflects the wishes of my constituents to reduce the deficit. This resolution will reduce the deficit by nearly $38 billion to the Gramm-Rudman required levels of $108 billion. While I—and a majority of my constituents—would have preferred that this budget held the line on military spending instead of a $6.4 billion increase, this budget is still far preferable to the one offered by the administration.

The results of my spring questionnaire confirm that this budget resolution is on the right track as far as residents in suburban Pittsburgh are concerned.

Recently I mailed my annual questionnaire to residents in my district and over 10,000 responded.

Over 70 percent of those responding finger the current budget deficit as one of the two most important problems facing the country in 1987, but only 10 percent endorse the Reagan approach to deficit reduction.

A large majority—68 percent—support a freeze in military spending, cuts in domestic programs where possible, and an increase in taxes on upper income levels.

Another 22 percent would maintain current domestic programs by cutting the military, and 10 percent support the Reagan budget proposal to increase military spending, cut domestic spending, and raise taxes through higher user fees.

Since both President Reagan and Democratic leaders have proposed different ways to raise new revenue, residents were asked which source of new revenues they would support.

None of the Reagan tax proposals receive majority support.

The most popular Reagan tax increase is his proposal to raise national park fees which is supported by 38 percent of the respondents. Other proposals of the President receive the following vote of approval: sell Government assets—supported by 32 percent; raise student loan fees—supported by 18 percent; increase FHA and VA mortgage fees—supported by 17 percent; tax black lung disability benefits—supported by 9 percent; and increase Medicare premiums—supported by 7 percent.

Three of the alternative tax proposals did receive majority support, while two did not.

Some 66 percent of the respondents support a delay in the tax cuts under last year's tax reform bill for those who earn above $150,000. This proposal would raise $5 billion.

Some 59 percent support an increase in taxes on cigarettes, beer, and wine which would raise $7 billion, and a narrow majority of 51 percent support a 1-percent transfer tax on the sale of stocks which would raise $17 billion.

Two other proposals to increase taxes receive less support: Delay tax cuts for those who earn above $50,000—supported by 46 percent—and impose an import fee on foreign oil—supported by 37 percent.

When asked directly, "Should the tax reform measure of last year be changed to delay some rate cuts for the wealthiest Americans in order to help reduce the budget deficit," an overwhelming 78 percent said "yes."

Mr. Speaker, although I realize that views across the country may differ from district to district, I am very comfortable in my support for House Concurrent Resolution 93 because people in my district recognize the importance of the responsible budget reductions we are undertaking in this resolution.

A LAW THAT BOOSTS INSURANCE COSTS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. EDWARDS of California. Mr. Speaker, on June 18, 1987, I and several of our colleagues introduced H.R. 2727, the Fairness in Insurance Act of 1987. Today, an excellent article by Bob Hunter and Jay Angoff, of the National Insurance Consumer Organization, appeared in the Washington Post. This article presents compelling evidence on the need for H.R. 2727. I commend the article to the attention of our colleagues and encourage them to cosponsor this important bill.

[From the Washington Post, June 24, 1987]

A LAW THAT BOOSTS INSURANCE COSTS

(By Bob Hunter and Jay Angoff)

For the first time, consumer groups and banks, environmentalists and small businesses, builders of shopping centers and the Federal Trade Commission, state legislators and attorneys general and feminist organizations and unions are working together in Washington. Not because they love each other—they don't—but because they have all been hurt by a common enemy: the McCarran-Ferguson Act, the federal law that allows insurance companies to price fix.

If two candy stores agreed that they would sell candy bars for 60 cents, they could both go to jail for three years. But McCarran-Ferguson allows Prudential (with assets totaling $93.1 billion) and State Farm (assets $30.3 billion) to agree on the auto insurance rate they will charge a 25-year old male in Northeast Washington who drives a 1980 Toyota to work.

The McCarran-Ferguson Act also allows insurance companies to do the following without fear of antitrust prosecution:

Raise prices in concert—by 500 percent or 1,000 percent or even more.

Refuse to sell one type of insurance to an individual unless he also purchases another type.

Have an organization wholly owned by insurance companies issue a rate for a certain type of insurance and require all companies to charge that rate.

Insurers admit that they can do all of these things, but maintain that in fact they don't.

For example, they claim that insurance rates rose dramatically last year not because insurers colluded but because juries and judges were requiring them to pay out greater amounts in personal injury cases than they ever had before.

But insurance prices rose by $60 billion last year, while the cost of the entire civil justice system—including verdicts and settlements, lawyers' and judges' salaries, overhead and everything else—was less than half that amount, according to the industry-funded Rand Institute for Civil Justice.

Insurers also claim they do not refuse to sell one type of insurance unless the buyer also another type of insurance. But our organization recently received a copy of a letter from Allstate to one of its policy holders, notifying him that if he wished to continue buying personal umbrella coverage from Allstate, "the primary liability coverages afforded by the homeowners and auto policy must be with Allstate."

Finally, insurers claim that companies do not actually charge the rates published by the industry rate-making organizations, known as rating bureaus. But the constitution of the National Council on Compensation Insurance, the rate-setting organization to which all workers' compensation insurers belong, provides that "each member shall . . . adhere to all filings made by the National Council on its behalf with state supervisory authorities." And even when the rating bureau does not expressly require each company to charge the rate it issues, many companies use that rate as a benchmark. For homeowners' coverage of $150,000 in the District in September 1986, for example, the rate bureau rate was $417; Fireman's Insurance Co. charged $417; Republic charged $417; Travelers charged $414; and State Farm charged $404.

The antitrust exemption also allows insurance companies to require, and insurance agents to agree, that all agents will charge the same commission. Laws requiring such arrangements—misleadingly known as "fair trade" laws—have been abolished in virtually all industries, resulting in the rise of discount stores. But they have not been abolished in the insurance industry—where there are no discount stores.

Those seeking repeal of the insurance industry's antitrust exemption do so for different reasons. Small businesses, consumers and unions have seen their insurance rates rise because of exemption. Feminists believe that the exemption makes it easier for insurers to get together to discriminate on the basis of sex. Environmentalists see the exemption as facilitating collusion in insuring nuclear power plants; banks, which would like to be able to sell insurance (they are generally prohibited from doing so by state law), do not want the insurance industry to have a special privilege they don't have. And law enforcement officials, whether state or federal, want to prevent price-fixing—whether by candy stores, manufacturers, insurer or anyone else.

The last three presidential administrations have strongly urged repeal of the antitrust exemption for insurance. President Reagan's Federal Trade Commission chairman, Daniel Oliver, has been particularly critical of it.

Yet calls to repeal the exemption have never been taken seriously because of the industry's political power. Insurance is a $400 billion industry accounting for 13 percent of gross national product (Americans spend more on insurance than anything else except food and shelter). It employs more than 2 million people, and it has more lobbyists and contributes more money to political campaigns than any other industry. And insurers have always cared more about retaining the exemption than opporents have cared about repealing it.

But this year may be different. Because of the sudden dramatic and unjustified insurance price increases of the last two years, bills to repeal the insurance industry's antitrust exemption are getting serious consideration in both houses. After 42 years, Congress may finally be realizing that if it is illegal for two candy stores in fix prices, it should also be illegal for State Farm and Allstate to fix prices.

RETIREMENT OF MAJ. GEN. RICHARD D. KENYON

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SKELTON. Mr. Speaker, I rise today to pay tribute and salute the outstanding military career of Maj. Gen. Richard D. Kenyon. General Kenyon is retiring from the U.S. Army after 30 years of patriotic service.

General Kenyon was commissioned a second lieutenant upon his graduation from the U.S. Military Academy in 1957. He also holds a masters degree in Aeronautical Engineering from Princeton University and is a graduate of the Advanced Management Program at Cornell University.

General Kenyon has held a wide variety of important command and staff positions culminating in his current assignment as Chief, Legislative Liaison. Other key assignments include duty as Deputy Commanding General-Assistant Commandant of the Army Aviation Center at Fort Rucker, AL and Director of Weapons Systems and later Assistant Deputy Chief of Staff for Research, Development and Acquisition, in Washington.

Awards and decorations which General Kenyon has received include the Distinguished Service Medal, the Legion of Merit, the Bronze Star Medal, and the Meritorious Service Medal (with one Oak Leaf Cluster).

Mr. Speaker, those of us on the Armed Services Committee who deal frequently with Dick Kenyon know of his professionalism and dedication. He is a true soldier in the finest sense of the word. With his retirement from the Army, America's national defense is losing a valuable resource.

Let me take this opportunity to thank General Kenyon for his service to our country and wish the entire Kenyon family all the best in the many years to come.

STEPHEN JOBS HONORED FOR DISTINGUISHED PUBLIC SERVICE

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. LANTOS. Mr. Speaker, today at the Supreme Court Building, a number of distinguished Americans received the Jefferson Awards from the American Institute for Public Service. These awards are given annually "to honor the highest ideals and achievements in the field of public service in the United States."

The award recognizing "the Greatest Public Service Performed by an Individual Thirty-five or Under" was given to Steven Jobs, the cofounder of Apple Computers.

Mr. Speaker, I would like to pay tribute to Mr. Jobs and his contribution to our Nation. Almost singlehandedly, Steven Jobs brought America into the personal computer age. His entrepreneurial achievement is now an American legend—he and his partner built the prototype of the first Apple computer in a garage, inspired by the dream of producing a machine that was technologically advanced and yet priced within the reach of average Americans. By the age of 20, he saw his dream become reality. Steven Jobs became the head of the fastest growing computer firm in the United States.

In September 1965 he resigned as chairman of Apple Computer and started a new company, NeXT, Inc. Continuing with this original philosophy, he is preparing to introduce his latest computer—a sophisticated machine capable of running complex scientific experiments, simulating human body mechanics, and producing color animation. The goal is to offer this powerful, but affordable state-of-the-art research tool to benefit research and education.

In his speech accepting the Jefferson Award today, Mr. Jobs explained the philosophy that motivates him. He introduced himself as "a tool maker." He noted that as a young boy he had been intrigued by an article in a scientific magazine which compared the efficiency and speed of animals with a running man. Some animals and birds like the Condor have been built far more effectively to achieve the goal of speed than is man. However, when man is given a bicycle to ride, his speed far surpasses that of the birds or animals.

Thus, at a young age, Steve Jobs recognized that it is man's use of tools which gives him the advantage. He developed the strong desire and conviction to become a "tool maker." He noted that he hopes to continue building tools which will provide better and more effective ways for doers of the world, like those honored today with the public service awards, to accomplish their important work.

Mr. Speaker, I pay tribute to Steven Jobs. His recognition by the American Institute for Public Service for public service is most deserved and appropriate.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION—JUNE 23

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SHARP. Mr. Speaker, debate on June 23, 1787 centered on the question of whether members of the legislature might simultaneously hold other public offices. It had been common practice for Members of the Continental Congress to also serve in local government or in their own State legislatures.

After a lively discussion, the delegates decided that multiple office holding and the spectacle of legislators jockeying for other positions and appointments should have no part in the new system.

The action strengthened the doctrine of the separation of powers between the executive, legislative and judicial branches. It also further distinguished the U.S. Constitution from the British system of government which allowed its officials to hold a combination of public offices.

MEDICARE DIABETIC FOOT DISEASE PREVENTION AMENDMENTS OF 1987

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. DUNCAN. Mr. Speaker, I rise today to introduce the Medicare Diabetic Foot Disease Prevention Amendments of 1987. The bill would provide coverage of therapeutic shoes for Medicare beneficiaries who suffer from severe diabetic foot disease.

Mr. Speaker, I recently heard the story of a 70-year-old gentleman with diabetes who lost a leg because of foot disease. He had been under treatment for an infected foot. The infection became gangrenous and his physician had to amputate his leg below the knee.

For financial reasons, the gentleman could not afford a therapeutic shoe which might have prevented the infection and the resulting amputation.

Soon after losing one leg, the elderly gentleman suffered an infection in his remaining foot. After a hospitalization, his sister and brother raised the funds for an appropriate shoe. Today, 5 months later, he is progressing well. And there is every reason to believe he will be ambulatory for the rest of his life.

If the gentleman had obtained therapeutic shoes early in his treatment, he probably would have two healthy legs. Instead, he experienced two costly hospitalizations and the loss of one leg.

This is not an isolated case. All persons with diabetes, particularly the elderly, are at risk of contracting foot disease. Diabetes frequently leads to degeneration of the nerves in the feet and legs with an accompanying loss of sensation. The loss of feeling and circulatory problems make diabetics susceptible to injury, ulceration, infection and even gangrene—conditions which often require costly hospitalizations and even amputations.

Of the 2.1 million Medicare beneficiaries with diabetes, 63,000 suffer from severe foot disease.

The tragedy for many of these elderly Americans is that the hospitalizations and amputations they require are often avoidable. Research indicates hospitalizations and amputations due to severe diabetic foot disease can be reduced by as much as 50 percent if foot disease sufferers wear specially fitted therapeutic shoes. These shoes are molded to the feet to protect infected areas and prevent further damage.

Despite the effectiveness of these shoes, most at-risk elderly diabetics do not wear them—primarily because they cannot afford them. These shoes have an average cost of $150 but can cost as much as $300 a pair. Purchase of the shoes is not reimburseable by Medicare. So physicians often treat the side effects of the disease which Medicare covers and do not prescribe the expensive special shoes.

This is a classic case of being penny wise and pound foolish. And, the Medicare Program as well as some of its beneficiaries pay dearly for it.

Each year more than 12,000 amputations are performed on Medicare beneficiaries with diabetes. Beyond the human cost in lost mobility and quality of life, these operations cost Medicare between $8,600 and $12,000 per patient. And these statistics do not include the additional hospitalizations due to the disease which may not require amputation, at averages of $5,000 per admission.

Clearly, preventive care to avoid hospitalizations and loss of limbs makes good sense, both medically and economically.

The legislation I am introducing today would provide Medicare payment for 80 percent of the cost of a pair of therapeutic shoes annually for those beneficiaries with severe diabetic foot disease.

Despite the added cost of this new benefit to the Medicare Program, it actually will save the program money. The Congressional Budget Office expects that as much as $120 million would be saved over the next 5 years from reduced hospital costs for beneficiaries suffering from the ravages of severe diabetic foot disease.

This bill gives the Congress the opportunity to provide a cost-effective benefit.

Mr. Speaker, the advantages of this measure speak for themselves. I urge my colleagues to join with me in supporting this important legislation which will enhance the lives of so many elderly Americans.

A summary of the bill follows the introductory remarks:

Summary of H.R. 2768, The Medicare Diabetic Foot Disease Prevention Amendments of 1987

The bill would provide coverage of therapeutic shoes for medicare beneficiaries with severe diabetic foot disease, when the physician of a diabetic beneficiary certifies need for the shoes. Following the physician's certification, a podiatrist or other qualified physician would prescribe the shoes, and the shoes would be fitted and furnished by a podiatrist or other qualified individual.

The certifying physician would not be allowed to furnish the shoes unless he is the only qualified provider in the area to furnish such shoes.

Beneficiaries would be eligible to receive one pair of shoes per year. Payment for the shoes would be limited to 80 percent of the reasonable charge for a pair of shoes, up to a limit of $300 for custom molded shoes, $100 for extra-depth shoes, and $50 for shoe inserts, including payment for any expenses for the fitting of such shoes. These limits may be lowered by the Secretary or a carrier if the Secretary finds that shoes and inserts of an appropriate quality are readily available below such limits. The limits would be indexed by the same percentage increase given to durable medical equipment for future years.

This bill would apply to shoes furnished on or after January 1, 1988.

THE ARROGANCE OF IGNORANCE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. CRANE. Mr. Speaker, I would like to bring to your attention an article which appeared in the May 15 edition of the New York Post entitled "The Arrogance of Ignorance." When the Sandinista Liberation Front and its allies overthrew the 42-year-old Somoza dynasty and came to power on July 19, 1979, the victors rode in on a wave of national and international goodwill. The general world perception was that a small band of visionary rebels had come to power with good intentions. Unfortunately, rather than standing for the principles of democracy, the Sandinista regime has been characterized by increasing repression similar to the pattern followed by Fidel Castro in the early 1960's. This article illustrates what kind of people the Sandinistas are, and I therefore urge my colleagues to read it.

[From the New York Post, May 15, 1987]

The Arrogance of Ignorance

Bishop John McGann of the Roman Catholic Diocese of Rockville Centre took advantage of the funeral of former CIA director William Casey to denounce U.S. support for the Nicaraguan contras. And why not? His captive audience included, among other dignitaries, the President of the United States. When else such an opportunity?

If, however, the bishop had read a recent report on Nicaragua's refugees from a nonpolitical Catholic lay institute, he might have felt rather less justified in berating the President for "the violence wrought in Central America" by U.S. policies.

The New York-based Puebla Institute's report, entitled "Fleeting the Homeland," makes it plain that—in the view of a cross-section of Nicaragua's thousands of refugees—the principal source of violence in that country is the Sandinista regime itself.

Refugees claim that both arbitrary imprisonment and physical torture are used by the regime to supress political dissent—and to prevent the practice of religion. Sandinista aricraft and ground troops, they say, often bomb and machine-gun defenseless civilians in regions where the contra rebels operate.

The institute's Washington director, Nina Shea, accompanied by the historian Ronald Radosh, visited the region in January. Their report is based on interviews with more than 100 refugees in four large United Nations refugee camps in Costa Rica and Honduras.

In Sandinista jails, according to the Puebla report, prisoners are often tortured—by means of severe beatings, the prolonged denial of food and water, mock executions and imprisonment in "hot" cells the size of telephone booths.

As for the military measures, Shea and Radosh received reports of 13 separate Sandinista attacks on unarmed civilians. Soviet MI-24 Hind gunships and other aircraft—backed by ground troops—bombed and strafed farmsteads, killing men, women, children and livestock. The aim is to prevent supplies from being turned over to the contras.

The Sandinista revolution has driven some 300,000 Nicaraguans—10 percent of the country's population—to seek refuge in Honduras, Costa Rica and the United States, according to the Puebla report.

Yet it's Washington's support for the brave Nicaraguans who've taken up arms against this brutal regime that Bishop McGann, from his Long Island vantage point, rises to condemn. The bishop might do well to read the Puebla institute's quite painful report—and then think again about the misguided tirade he delivered on Sunday.

ANOTHER OUTSTANDING AWARD FOR JOHN HARBERT

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. ERDREICH. Mr. Speaker, for the last 5 years, the Greater Birmingham Area Community Service Award has been presented to a distinguished leader in our community who has displayed outstanding leadership in and selfless dedication to civic and charitable endeavors in the Birmingham community. This year, that award was presented to a man whose continuing and constant philanthropic efforts have greatly benefitted not only the people of my local community, but also, those of our State.

John M. Harbert III is already known as an outstanding business leader. One would think that the tremendous success he has achieved as head of his own company, Harbert International Corp., would leave little time for outside endeavors. But John Harbert has tackled the needs of our local community with the same fervor and enthusiasm with which he has built and expanded his corporation. His contributions to the citizens of Birmingham's metropolitan area are endless, and he has received an impressive list of honors for his civic work, including Birmingham's "Citizen of the Year" by the Women's Committee of 100, the Silver Beaver Award by the National Council of the Boy Scouts of America, the "Outstanding Philanthropist of the Year" award by the Alabama Society of Fund Raising Executives, and the

Wallace Award by the American-Scottish Foundation. He was named "Kidstar" by the Big Brother/Big Sisters of Greater Birmingham for his contributions to the youth of the Birmingham area, "Citizen of the Year" by the Alabama Broadcasters Association, awarded the "Aubrey D. Green Award" by the Alabama Lions Club, and the Exemplary Dedication to Higher Education Award by the Alabama Association of Colleges and Universities.

It is no exaggeration to say the list goes on and on, just as his contributions to our community go on and on. I can think of few people more deserving of the 1987 Greater Birmingham Area Community Service Award than John Harbert. He has given and continues to give so much to the community that has afforded him the opportunity to prosper, and he is a shining example of a level of community activism that few achieve and to which more should aspire.

I congratulate John M. Harbert III for being tapped to receive this distinguished award, and include the following editorial that appeared in the Birmingham Post-Herald on this recognition of his outstanding leadership and civic activities:

ANOTHER HONOR FOR HARBERT

This the time of year when many organizations honor individuals for their contributions to the community cr a profession. Among the more noteworthy is the Greater Birmingham Area Community Service Award, now in its fifth year and which will be presented during a banquet tonight at The Club.

The award has two purposes, to recognize an individual's leadership, character, integrity and longtime service on behalf of civic and charitable endeavors in this community and to raise money for programs at the University of Alabama at Birmingham. This year, the banquet proceeds will benefit UAB's Spain Rehabilitation Center.

The recipient, John M. Harbert III, is a worthy choice. In addition to being a highly successful businessman, he gives of himself to help a variety of institutions and organizations. He is on the National Council of the Salk Institute and a trustee of Birmingham-Southern College, the Alabama School of Fine Arts and American University in Cairo. He is past chairman of the board for the Eye Foundation Hospital and is on the executive committee on the Birmingham Area Council of the Boy Scouts of America.

Harbert is one of those individuals this community has come to rely on to get things done.

WHAT NATO MEANS TO ME AS A U.S. CITIZEN

HON. MICHAEL DeWINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. DEWINE. Mr. Speaker, recently the North Atlantic Treaty Organization sponsored an essay contest on "What does NATO mean to you as a U.S. citizen?" One of my constituents, Tony Arnett of Yellow Springs, OH, was one of six high school students selected to win the contest. I am proud to submit Mr. Arnett's inspiring discussion of the extreme importance NATO plays in the protection of freedom and the preservation of peace.

WHAT NATO MEANS TO ME AS A U.S. CITIZEN

The North Atlantic Treaty Organization was founded by free nations of free men so that they might stay free. Knowing that united we stand and divided we fall, the founding members of NATO took a step toward world unity by standing together against the communist threat which sought, and still does today, to rob us of our most prized possession, our freedom.

Through NATO, free people have a responsibility, an obligation, to help their brothers in arms. An attack on one is an attack on all. As a U.S. citizen, I gladly accept this responsibility. I would gladly lay down my life so that others might remain free. The only person who has the right to take away your freedom is yourself. But not only is NATO a responsibility to ourselves, but it is a responsibility to our children and our children's children. If we do not protect ourselves now, future generations may never know what it means to be free, and that would be a crime against humanity.

But what kind of defense do we provide? We must provide two defenses: one for times of war; the other for times of peace. Our wartime defense must have several key aspects. First, it must be flexible. Set position defenses are a thing of the past, as was shown by blitzkrieg in France during World War II. Our defense must adaptable to a variety of scenarios. Secondly, our defense must be as technologically advanced as possible. We must take full advantage of the fruits of our scientific labors. Modern war requires modern equipment.

More important than a wartime defense is a peacetime defense, a defense to prevent war from happening, because life is too precious to be cut short by a bullet or nuclear blast. A peacetime defense has two essential parts. The first is deterrence. By showing your opponent how strong you can be, you deter him from attacking. Therefore, you must be strong. Once you have deterred your opponent into a stalemate, the next step is to negotiate with him/her, in the hopes of achieving an understanding, thus relieving tension and preventing conflict. This is détente. As long as we continue meeting and talking with the Soviets, peace, and freedom, will be maintained. I believe that NATO provides both of these defenses.

As a U.S. citizen, NATO means to me that I have a responsibility to help other free people stay free. This is achieved through cooperation, something very rare today. Through cooperation with others—French, Spanish, German, Italian, Greek, English—together we can create a more perfect world. NATO asks us not what we can do for each other, but what together we can do for the world. By standing side by side, the free people of the world can protect their freedom and watch it grow into the future and beyond. We are all in the same ship after all, the spaceship Earth.

HONESTY IS MORE IMPORTANT THAN MONEY

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. WELDON. Mr. Speaker, I rise to share with my colleagues a story worthy of recognition on the highest level. I recently learned of an honest gesture of selflessness and integrity exhibited by two youths from my district. I am proud to present to this body an article from the Delaware County Daily Times. I urge my colleagues to bring similar good works to the attention of their constituency, in order to promote values most important to the strength of our Nation.

The article follows:

Matthew Sweeney and Trevor Saccomandi were riding double on Matt's bicycle Wednesday morning, reveling in the first day of summer vacation, when Matt spotted a wallet on the parking lot of a small group of stores on MacDade Boulevard.

"It looked like a pocketbook and I stayed on the bike while Trevor picked it up," Matt recalled. "We opened it up and saw a lot of money; a whole lot of money."

In fact, the wallet found by the boys contained $5,400.

Trevor said he reacted by thinking he and his buddy "would get in trouble or something."

So the two friends, both 12, decided to take the wallet to Matt's home on Tasker Street.

"I didn't know what to think," Matt said. "I didn't want to keep it. I thought, if this happened to me, I wouldn't want someone to take my money."

At the Sweeny home, Pat didn't believe her son when he told her about the money that he and Trevor had found.

"My mom said, 'naw,' then she saw it and thought it was fake," Matt said with a laugh.

Mrs. Sweeney got in touch with Trevor's mother, Dianne Saccomandi, who took the information from cards in the wallet and tracked down the source—a store owner.

The businessman first missed his wallet about noon, and his first reaction was one of dismay.

"I looked around the store and then out in the parking lot; it was gone," he said.

But a short time later he received a call from Mrs. Saccomandi, and before long he knew the money was safe.

"It was super to find two honest young guys," the proprietor added that he planned to reward the two boys.

"In addition to the money, there were checks and cards in my wallet that I need in my business," he said.

Matt and Trevor paid a visit to the store Wednesday afternoon where they were thanked by the businessman as well as other nearby storekeepers. The grateful store owner presented each of the boys with a reward of $75 cash plus a gift certificate worth $50.

The boys parents were justifiably proud of their sons action.

"I am proud of both boys," Mrs. Sweeny said. "They were happy to just win a baseball game or catch a fish."

The Edgewood School seventh graders both live in the Folcroft section and have been friends for several years.

"If it happened to me I would want someone to return the money to me," Trevor said. "It was too much money to play around with."

Matt agrees with his friend. "Honesty is more important than the money," Matt said.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of

all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Thursday, June 25, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JUNE 26

8:15 a.m.
Select on Intelligence
To hold a closed business meeting.
SH-219

9:00 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

9:15 a.m.
Armed Services
Closed meeting to discuss a pending list of Marine Corps nominations.
SR-222

10:00 a.m.
Agriculture, Nutrition, and Forestry
Agricultural Research, and General Legislation Subcommittee
To hold hearings to examine new uses for farm and forest products.
SR-332

Banking, Housing, and Urban Affairs
To hold oversight hearings on the role of employee ownership in corporate takeovers.
SD-538

Labor and Human Resources
Education, Arts, and Humanities Subcommittee
To resume hearings on S. 373, authorizing funds for fiscal years 1988 through 1993 for elementary and secondary education assistance.
SD-430

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JUNE 29

9:30 a.m.
Budget
To hold hearings on embassy construction and diplomatic security.
SD-608

10:00 a.m.
Special on Aging
To hold hearings on the need for a new Consumer Price Index (CPI) to reflect the inflation rate that the elderly face and the process by which the Department of Labor should develop such an index.
SD-628

2:00 p.m.
Energy and Natural Resources
To hold oversight hearings on the Department of Energy's geologic disposal of civilian high-level radioactive nuclear waste.
SD-366

Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clean air quality standards.
SD-406

JUNE 30

9:00 a.m.
Veterans' Affairs
To hold hearings on S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 453, Veterans' Ionizing Radiation Compensation Improvements Act, S. 1002, Veterans' Radiation Exposure Disability and Death Benefits Act, and other related measures.
SR-418

Select on Intelligence
To hold closed hearings on intelligence matters.
SH-219

9:30 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings on the nominations of Ewen M. Wilson, of Virginia, to be an Assistant Secretary of Agriculture, and a Member of the Board of Directors of the Commodity Credit Corporation, and Milton J. Hertz, of North Dakota, to be a Member of the Board of Directors of the Commodity Credit Corporation.
SR-332

Judiciary
Antitrust, Monopolies and Business Rights Subcommittee
To hold hearings on proposed Antitrust Remedies Improvement Act of 1987.
SD-226

10:00 a.m.
Banking, Housing, and Urban Affairs
Securities Subcommittee
To resume hearings on S. 1380, to provide a statutory definition of insider trading under the Federal securities laws.
SD-538

Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on S. 1388, to reform Federal onshore oil and gas leasing procedures, and S. 66, to provide for competitive leasing for onshore oil and gas.
SD-366

Judiciary
Immigration and Refugee Affairs Subcommittee
To hold hearings on the Administration's proposed regional refugee admissions level for fiscal year 1987.
SD-430

10:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clean air quality standards.
SD-406

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 59, National Forests and Public Lands of Nevada Enhancement Act, and S. 854, Nevada-Florida Land Exchange Authorization Act.
SD-366

JULY 1

10:00 a.m.
Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clear air quality standards.
SD-406

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

2:00 p.m.
Judiciary
Constitution Subcommittee
To resume hearings on S. 558, to revise the procedures for the enforcement of fair housing under title VIII of the Civil Rights Act of 1968.
SD-226

JULY 7

9:30 a.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.
Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 8

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 9

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 10

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 13

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 14

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.

SD-366

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 735, to revise certain provisions of the Land and Water Conservation Fund Act of 1965.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 15

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 16

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

National Ocean Policy Study Subcommittee

To hold joint hearings on global climate change.

SR-253

Energy and Natural Resources

To hold hearings on proposals to resolve certain problems relating to the storage of high-level radioactive waste, including S. 1007, S. 1141, S. 1211, and S. 1266.

SD-366

Veterans' Affairs

Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 17

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

Energy and Natural Resources

Research and Development Subcommittee

To hold oversight hearings on environmental and safety issues at the Department of Energy's defense materials production reactors.

SD-366

JULY 20

2:00 p.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 21

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 7, to provide for protection of the public lands in the California desert.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 22

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Environment and Public Works

Water Resources, Transportation, and Infrastructure Subcommittee

To hold hearings to review infrastructure issues.

SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Darrell M. Trent, of Kansas, Robert D. Orr, of Indiana, and Charles Luna, of Texas, each to be a Member of the Board of Directors of the National Railroad Passenger Corporation.

SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 23

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To resume hearings on S. 7, to provide for protection of the public lands in the California desert.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicarguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicarguan Opposition

To resume joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 28

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To hold hearings on proposed legislation to create an independent Federal Aviation Administration.

SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 29

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 30

9:30 a.m.

Commerce, Science, and Transportation

Aviation Subcommittee

To hold hearings on S. 582 and S. 876, bills to provide for improved air transportation to small communities.

SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 31

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.

SR-253

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee To Investigate Covert Arms Transactions With Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

CANCELLATIONS

JUNE 25

7:00 p.m.

Labor and Human Resources

Business meeting, to mark up S. 79, High Risk Occupational Disease Notification and Prevention Act, proposed Public Health Service Infant Mortality Amendments Act, and proposed Nursing Shortage Reduction Act.

SD-430

JUNE 29

10:00 a.m.

Labor and Human Resources

Education, Arts, and Humanities Subcommittee

To hold hearings on proposed legislation authorizing funds to provide grants to assist local school districts in implementing voluntary desegregation plans (Magnet School Assistance).

SD-430

HOUSE OF REPRESENTATIVES—*Thursday, June 25, 1987*

The House met at 12 noon.

The Reverend Dr. Bruce Hargrave, pastor, Oaklawn Baptist Church, Texarkana, TX, offered the following prayer:

Our Heavenly Father, as we pause in this moment of prayer, in the silence of this House Chamber, we ask that there not be silence in Thy presence. Hear our prayers this morning.

We acknowledge Your love for us and this great Nation. We know that You love all peoples of all nations and desire to have peace abound. Help us to be peacemakers.

We are burdened by many things that both matter and do not matter. We are bewildered by problems created by our mere humanity. Help us to bear our burdens.

We are aware of the great responsibility to serve this great Nation and that we are the recipients of a great united heritage and the trustees of freedom. Help us not to forget the price paid for such things and grant us wisdom, courage, and vigilance as we seek to preserve them.

We pray through Jesus Christ our Lord. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced, that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the concurrent resolution (H. Con. Res. 93) "Concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years, 1988, 1989, and 1990."

The message also announced that the Senate recedes from its amendment to the title of the above-entitled bill.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The gentleman from Texas [Mr. CHAPMAN] will be recognized to comment with respect to our guest chaplain. Beyond that, the Chair has agreed to postpone 1-minute speeches today until the conclusion of our legislative business in order that we may proceed with these important appropriations bills.

INTRODUCTION OF DR. BRUCE HARGRAVE, PASTOR

(Mr. CHAPMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAPMAN. Mr. Speaker, I take great pleasure in introducing this morning's guest chaplain, Dr. Bruce Hargrave of Texarkana, TX.

Dr. Hargrave is no stranger to the legislative arena. Over the past 6 years, Dr. Hargrave has enjoyed the honor of serving as guest chaplain to the Texas House of Representatives and the Texas Senate. He understands the pressures and spiritual needs of legislators.

Since 1983, Dr. Hargrave has served the church family of Oaklawn Baptist Church in Texarkana. His accomplishments in serving his community and the world are impossible to number in 1 minute. He has participated in crusades across the Nation and in Africa. During his pastorates across Texas, he has led phenomenal growth in attendance and baptisms, receiving numerous awards.

Mr. Speaker, I hope I speak for the whole House when I say how much I appreciate Dr. Hargrave sharing his spiritual gifts with us today.

APPOINTMENT AS MEMBER OF SELECT COMMITTEE ON NARCOTICS ABUSE AND CONTROL

The SPEAKER. Pursuant to section 303 of House Resolution 26, 100th Congress, the Chair appoints the gentleman from Florida [Mr. LEWIS] to the Select Committee on Narcotics Abuse and Control to fill the existing vacancy thereon.

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1988

Mr. YATES. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois [Mr. YATES].

The motion was agreed to.

☐ 1206

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 2712, with Mr. BOUCHER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee of the Whole rose on Wednesday, June 24, 1987, all time for general debate had expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau of Land Management, $493,649,000, of which $75,000,000 for firefighting and repayment to other appropriations from which funds were transferred under the authority of section 102 of the Department of the Interior and Related Agencies Appropriations Act, 1987, as contained in Public Law 99-591, shall remain available until expended: *Provided,* That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau of Land Management or its contractors.

CONSTRUCTION AND ACCESS

For acquisition of lands and interests therein, and construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $1,981,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976 (31 U.S.C. 6901-07), $105,000,000, of which not to exceed $400,000 shall be available for administrative expenses.

LAND ACQUISITION

For expenses necessary to carry out the provisions of sections 205, 206, and 318(d) of Public Law 94-579 including administrative expenses and acquisition of lands or waters, or interest therein, $4,170,000, to be derived

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☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $57,817,000, to remain available until expended: *Provided,* That the amount appropriated herein for road construction shall be transferred to the Federal Highway Administration, Department of Transportation: *Provided further,* That 25 per centum of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land grant fund and shall be transferred to the General Fund in the Treasury in accordance with the provisions of the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 per centum of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315, et seq.), but not less than $8,506,000 (43 U.S.C. 1901), and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, to remain available until expended: *Provided,* That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under sections 209(b), 304(a), 304(b), 305(a), and 504(g) of the Act approved October 21, 1976 (43 U.S.C. 1701), and sections 101 and 203 of Public Law 93-153, to be immediately available until expended: *Provided,* That notwithstanding any provision to the contrary of subsection 305(a) of the Act of October 21, 1976 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that subsection, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to subsection 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this or subsequent appropriations Acts by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such forfeiture, compromise, or settlement are used on the exact lands damage to which led to the forfeiture, compromise, or settlement: *Provided further,* That such moneys are in excess of amounts needed to repair damage to the exact land for which collected.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing law, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of Octo- ber 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $25,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau of Land Management; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: *Provided,* That appropriations herein made for Bureau of Land Management expenditures in connection with the revested Oregon and California Railroad and reconveyed Coos Bay Wagon Road grant lands (other than expenditures made under the appropriation "Oregon and California grant lands") shall be reimbursed to the General Fund of the Treasury from the 25 per centum referred to in subsection (c), title II, of the Act approved August 28, 1937 (50 Stat. 876), of the special fund designated the "Oregon and California land grant fund" and section 4 of the Act approved May 24, 1939 (53 Stat. 754), of the special fund designated the "Coos Bay Wagon Road grant fund": *Provided further,* That appropriations herein made may be expended for surveys of Federal lands of the United States and on a reimbursable basis for surveys of Federal lands of the United States and for protection of lands for the State of Alaska: *Provided further,* That an appeal of any reductions in grazing allotments on public rangelands must be taken within thirty days after receipt of a final grazing allotment decision. Reductions of up to 10 per centum in grazing allotments shall become effective when so designated by the Secretary of the Interior. Upon appeal any proposed reduction in excess of 10 per centum shall be suspended pending final action on the appeal, which shall be completed within two years after the appeal is filed: *Provided further,* That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Bureau.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For expenses necessary for scientific and economic studies, conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, except whales, seals, and sea lions, and for the performance of other authorized functions related to such resources; for the general administration of the United States Fish and Wildlife Service; and for maintenance of the herd of long-horned cattle on the Wichita Mountains Wildlife Refuge; and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, $335,524,000, of which $4,300,000, to carry out the purposes of 16 U.S.C. 1535, shall remain available until expended; and of which $6,409,000 shall be for operation and maintenance of fishery mitigation facilities constructed by the Corps of Engineers under the Lower Snake River Compensation Plan, authorized by the Water Resources Development Act of 1976 (90 Stat. 2921), to compensate for loss of fishery resources from water development projects on the Lower Snake River, and shall remain available until expended: *Provided,* That, of the amounts provided above, not less than $1,204,000 is available for the National Fishery Research and Development Center at Wellsboro, Pennsylvania.

CONSTRUCTION AND ANADROMOUS FISH

For construction and acquisition of buildings and other facilities required in the conservation, management, investigations, protection, and utilization of sport fishery and wildlife resources, and the acquisition of lands and interests therein; $21,054,000, to remain available until expended, of which $2,000,000 shall be available for expenses to carry out the Anadromous Fish Conservation Act (16 U.S.C. 757a-757g).

MIGRATORY BIRD CONSERVATION ACCOUNT

For an advance to the migratory bird conservation account, as authorized by the Act of October 4, 1971, as amended (16 U.S.C. 715k-3, 5), $1,000,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $38,074,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $5,645,000.

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 145 passenger motor vehicles, of which 144 are for replacement only (including 41 for police-type use); not to exceed $350,000 for payment, at the discretion of the Secretary, for information, rewards, or evidence concerning violations of laws administered by the United States Fish and Wildlife Service, and miscellaneous and emergency expenses of enforcement activities, authorized or approved by the Secretary and to be accounted for solely on his certificate; repair of damage to public roads within and adjacent to reservation areas caused by operations of the United States Fish and Wildlife Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the United States Fish and Wildlife Service and to which the United States has title, and which are utilized pursuant to law in connection with management and investigation of fish and wildlife resources: *Provided*, That the United States Fish and Wildlife Service may accept donated aircraft as replacements for existing aircraft.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not to exceed $424,000 for the Roosevelt Campobello International Park Commission and not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408, $725,129,000, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451): *Provided*, That the National Park Service shall not enter into future concessionaire contracts, including renewals, that do not include a termination for cause clause that provides for possible extinguishment of possessory interests excluding depreciated book value of concessionaire investments without compensation: *Provided further*, That none of these funds may be used to compensate a quantity of staff greater than existed as of May 1, 1986, in the Office of Legislative and Congressional Affairs of the National Park Service or to compensate individual staff members assigned subsequent to May 1, 1986, at grade levels greater than the staff replaced.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, environmental compliance and review, and grant administration, not otherwise provided for, $12,753,000.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the provisions of the Historic Preservation Act of 1966 (80 Stat. 915), as amended (16 U.S.C. 470), $25,000,000 to be derived from the Historic Preservation Fund, established by section 108 of that Act, as amended, to remain available for obligation until September 30, 1989: *Provided*, That the Trust Territory of the Pacific Islands is a State eligible for Historic Preservation Fund matching grant assistance as authorized under 16 U.S.C. 470w(2): *Provided further*, That pursuant to section 105(1) of the Compact of Free Association, Public Law 99-239, the Federated States of Micronesia and the Republic of the Marshall Islands shall also be considered States for purposes of this appropriation.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, without regard to the Act of August 24, 1912, as amended (16 U.S.C. 451), $86,056,000, to remain available until expended, of which $4,700,000 shall be derived by transfer from the National Park System Visitor Facilities Fund, including $1,500,000 to carry out the provisions of sections 302, 303, and 304 of Public Law 95-290 and not to exceed $300,000 for assistance to Mariposa County, California for a solid waste disposal facility: *Provided*, That the National Park Service may not pay a fee for use of the facility at rates higher than for other users of the facility: *Provided further*, That for payment of obligations incurred for continued construction of the Cumberland Gap Tunnel, as authorized by section 160 of Public Law 93-87, $31,000,000 to be derived from the Highway Trust Fund and to remain available until expended to liquidate contract authority provided under section 104(a)(8) of Public Law 95-599, as amended, such contract authority to remain available until expended.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1988 by 16 U.S.C. 460l-10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the National Park Service, $48,431,000 to be derived from the Land and Water Conservation Fund, to remain available until expended, including $3,433,000 to administer the State Assistance program: *Provided*, That of the amounts previously appropriated to the Secretary's contingency fund for grants to States, $27,000 shall be available in 1988 for administrative expenses of the State grant program.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

For expenses necessary for operating and maintaining the nonperforming arts functions of the John F. Kennedy Center for the Performing Arts, $4,920,000.

ILLINOIS AND MICHIGAN CANAL NATIONAL HERITAGE CORRIDOR COMMISSION

For operation of the Illinois and Michigan Canal National Heritage Corridor Commission, $250,000.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 370 passenger motor vehicles, of which 320 shall be for replacement only, including not to exceed 300 for police-type use and 25 buses; to provide, notwithstanding any other provision of law, at a cost not exceeding $100,000, transportation for children in nearby communities to and from any unit of the National Park System used in connection with organized recreation and interpretive programs of the National Park Service; options for the purchase of land at not to exceed $1 for each option; and for the procurement and delivery of medical services within the jurisdiction of units of the National Park System: *Provided*, That no funds available to the National Park Service may be used, unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714, to maintain law and order in emergency and other unforeseen law enforcement situations and conduct emergency search and rescue operations in the National Park System: *Provided further*, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided further*, That none of the funds appropriated to the National Park Service may be used to add industrial facilities to the list of National Historic Landmarks without the consent of the owner: *Provided further*, That the National Park Service may use helicopters and motorized equipment at Death Valley National Monument for removal of feral burros and horses: *Provided further*, That notwithstanding any other provision of law, the National Park Service may recover unbudgeted costs of providing necessary services associated with special use permits, such reimbursements to be credited to the appropriation current at that time: *Provided further*, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, and the mineral and water resources of the United States, its Territories and possessions, and other areas as authorized by law (43 U.S.C. 31, 1332 and 1340); classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; $447,324,000: *Provided*, That $60,364,000 shall be available only for cooperation with States or municipalities for water resources investigations: *Provided further*, That no part of this appropriation shall be used to pay more than one-half the cost of any topographic mapping or water resources investigations carried on in cooperation with any State or municipality.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the Geological Survey shall be available for purchase of not to exceed 25 passenger motor vehicles, for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Geological Survey appointed, as authorized by law, to represent the United States in the negotiation and administration of interstate compacts: *Provided*, That appropriations herein made shall be available for paying costs incidental to the utilization of services contributed by individuals who serve without compensation as volunteers in aid of work of the Geological Survey, and that within appropriations herein provided, Geological Survey officials may authorize either direct procurement of or reimbursement for expenses incidental to the effective use of volunteers such as, but not limited to, training, transportation, lodging, subsistence, equipment, and supplies: *Provided further,* That provision for such expenses or services is in accord with volunteer or cooperative agreements made with such individuals, private organizations, educational institutions, or State or local government: *Provided further,* That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in Public Law 95-224.

MINERALS MANAGEMENT SERVICE

LEASING AND ROYALTY MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $169,313,000, of which not less than $50,929,000 shall be available for royalty management activities including general administration: *Provided,* That notwithstanding any other provision of law, funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721 (b) and (d): *Provided further,* That of the above enacted amounts, $250,000 proposed for data gathering to help determine the boundary between State and Federal lands offshore of Alaska shall be available only if an equal amount is provided by the State of Alaska from State revenues to match the Federal support for this project: *Provided further,* That notwithstanding any other provision of law, $128,600,000 shall be deducted from Federal onshore mineral leasing receipts prior to the division and distribution of such receipts between the States and the Treasury and shall be credited to miscellaneous receipts of the Treasury: *Provided further,* That none of the funds in this Act may be used to implement a rule which modifies the product value guidelines of the Minerals Management Service, including the proposed modification to NTL-5.

BUREAU OF MINES

MINES AND MINERALS

For expenses necessary for conducting inquiries, technological investigations, and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs; to foster and encourage private enterprise in the development of mineral resources and the prevention of waste in the mining, minerals, metal, and mineral reclamation industries; to inquire into the economic conditions affecting those industries; to promote health and safety in mines and the mineral industry through research; and for other related purposes as authorized by law, $132,727,000, of which $82,859,000 shall remain available until expended: *Provided,* That not more than $1,890,000 of the amount appropriated may be used for executive direction: *Provided further,* That none of the funds in this or any other Act may be used for the closure or consolidation of any research centers or the sale of any of the helium facilities currently in operation.

ADMINISTRATIVE PROVISIONS

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, or private: *Provided,* That the Bureau of Mines is authorized, during the current fiscal year, to sell directly or through any Government agency, including corporations, any metal or mineral product that may be manufactured in pilot plants operated by the Bureau of Mines, and the proceeds of such sales shall be covered into the Treasury as miscellaneous receipts.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not to exceed 14 passenger motor vehicles, of which 9 shall be for replacement only; and uniform allowances of not to exceed $400 for each uniformed employee of the Office of Surface Mining Reclamation and Enforcement; $102,305,000, and notwithstanding 31 U.S.C. 3302, an additional amount, to remain available until expended, equal to receipts to the General Fund of the Treasury from performance bond forfeitures in fiscal year 1988: *Provided,* That notwithstanding any other provision of law, the Secretary of the Interior, pursuant to regulations, may utilize directly or through grants to States in fiscal year 1988, monies collected pursuant to the assessment of civil penalties under Section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out the provisions of title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95-87, including the purchase of not more than 21 passenger motor vehicles, of which 15 shall be for replacement only, $194,899,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended: *Provided,* That pursuant to Public Law 97-365, the Department of the Interior is authorized to utilize up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further,* That of the funds made available to the States to contract for reclamation projects authorized in section 406(a) of Public Law 95-87, administrative expenses may not exceed 15 per centum: *Provided further,* That none of these funds shall be used for a reclamation grant to any State if the State has not agreed to participate in a nationwide data system established by the Office of Surface Mining Reclamation and Enforcement through which all permit applications are reviewed and approvals withheld if the applicants (or those who control the applicants) applying for or receiving such permits have outstanding State or Federal air or water quality violations in accordance with section 510(c) of the Act of August 3, 1977 (30 U.S.C. 1260(c)), or failure to abate cessation orders, outstanding civil penalties associated with such failure to abate cessation orders, or uncontested past due Abandoned Mine Land fees: *Provided further,* That the Secretary of the Interior may deny fifty percent of an Abandoned Mine Reclamation fund grant, available to a State pursuant to title IV of Public Law 95-87, in accordance with the procedures set forth in section 521(b) of the Act, when the Secretary determines that a State is systematically failing to administer adequately the enforcement provisions of the approved State regulatory program. Funds will be denied until such time as the State and Office of Surface Mining Reclamation and Enforcement have agreed upon an explicit plan of action for correcting the enforcement deficiency. A State may enter into such agreement without admission of culpability. If a State enters into such agreement, the Secretary shall take no action pursuant to section 521(b) of the Act as long as the State is complying with the terms of the agreement: *Provided further,* That expenditure of moneys as authorized in section 402(g)(3) of Public Law 95-87 shall be on a priority basis with the first priority being protection of public health, safety, general welfare, and property from extreme danger of adverse effects of coal mining practices, as stated in section 403 of Public Law 95-87: *Provided further,* That section 405(k) of Public Law 95-87 is amended by adding at the end thereof, "except for purposes of subsection (c) of this section with respect to the Navajo, Hopi, and Crow Indian Tribes": *Provided further,* That 23 full time equivalent positions are to be maintained in the Anthracite Reclamation Program at the Wilkes-Barre Field Office.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For operation of Indian programs by direct expenditure, contracts, cooperative agreements, and grants including expenses necessary to provide education and welfare services for Indians, either directly or in cooperation with States and other organizations, including payment of care, tuition, assistance, and other expenses of Indians in boarding homes, institutions, or schools; grants and other assistance to needy Indians; maintenance of law and order; management, development, improvement, and protection of resources and appurtenant facilities under the jurisdiction of the Bureau of Indian Affairs, including payment of irrigation assessments and charges; acquisition of water rights; advances for Indian industrial and business enterprises; operation of Indian arts and crafts shops and museums; development of Indian arts and crafts, as authorized by law; for the general administration of the Bureau of Indian Affairs, including such expenses in field offices, $966,452,000, of which not to exceed $51,121,000 for higher education scholarships and assistance to public schools under the Act of April 16, 1934 (48 Stat. 596), as amended (25 U.S.C. 452 et seq.), and $25,000,000 for firefighting shall remain available for obligation until September 30, 1989, and the funds made available to tribes and tribal organizations through contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450 et seq.) shall remain available until September 30, 1989: *Provided,* That this carryover authority does not extend to programs directly operated by the Bureau of Indian Affairs unless the tribe(s) and the Bureau of Indian Affairs enter into a cooperative agreement for consolidated services; and for expenses necessary to carry out the provisions of section 19(a) of Public Law 93-531 (25 U.S.C. 640d-

18(a)), $1,971,000, to remain available until expended: *Provided further,* That none of the funds appropriated to the Bureau of Indian Affairs shall be expended as matching funds for programs funded under section 103(b)(2) of the Carl D. Perkins Vocational Education Act: *Provided further,* That notwithstanding any provision of the American Indian, Alaska Native, and Native Hawaiian Culture and Art Development Act, the amounts appropriated for fiscal year 1988 for the Bureau of Indian Affairs for the Institute of American Indian Arts shall be available for use under part A of that Act: *Provided further,* That $250,000 of the funds made available in this Act shall be available for cyclical maintenance of tribally-owned fish hatcheries and related facilities: *Provided further,* That no part of any appropriations to the Bureau of Indian Affairs shall be available to provide general assistance payments for Alaska Natives in the State of Alaska unless and until otherwise specifically provided for by Congress: *Provided further,* That none of the funds contained in this Act shall be available for any payment to any school to which such school would otherwise be entitled pursuant to section 1128(b) of Public Law 95-561, as amended, until after July 1, 1988: *Provided further,* That the Secretary shall take no action to close the school or dispose of the property of the Phoenix Indian School until the Congress has specifically approved the school closure or provided for disposition of the property in legislation: *Provided further,* That none of the funds in this Act shall be used by the Bureau of Indian Affairs to transfer funds under a contract with any third party for the management of tribal or individual Indian trust funds until the funds held in trust for such tribe or individual have been audited and reconciled, and the tribe or individual has been provided with an accounting of such funds, and the appropriate Committees of the Congress and the tribes have been consulted with as to the terms of the proposed contract or agreement: *Provided further,* That none of the funds in this Act shall be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' higher education grant program that were not in effect on March 1, 1987: *Provided further,* That none of the funds in this Act shall be used to implement proposed initiatives to transfer any school operated by the Bureau to the control of any tribe, State, or local government agency (except that this prohibition shall not apply with respect to the transfer of a Bureau-operated school to the control of an Indian tribe under a contract entered into under the Indian Self-Determination and Education Assistance Act if the governing body of the Indian tribe approves of the transfer); to charge tuition at Bureau post-secondary schools; to implement the proposed economic self-assistance initiative (except for a limited demonstration program); to change the method of funding tribal contractor indirect costs, including imposition of a flat rate for contract support costs; to make available to the Bureau administrative deductions collected from Indian timber sales; to contract out the administration of the Bureau forestry program or any other Bureau-operated programs without prior approval of the Committees on Appropriations; or to implement any reorganizations, including "regionalization" of programs, without the prior approval of the Committees on Appropriations: *Provided further,* That Public Law 99-349 is amended by deleting under the heading "Bureau of Indian Affairs, Operation of Indian Programs" the second, third, and fourth provisos and substituting: "*Provided further,* That the funds appropriated hereunder shall be used pursuant to the consent decree and subsequent court orders in United States v. Michigan (M-26-73)".

CONSTRUCTION

For construction, major repair, and improvement of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands and interests in lands; preparation of lands for farming; and construction, repair, and improvement of Indian housing, $73,967,000, to remain available until expended: *Provided,* That $1,482,000 of the funds appropriated for use by the Secretary to construct homes and related facilities for the Navajo and Hopi Indian Relocation Commission in lieu of construction by the Commission under section 15(d)(3) of the Act of December 22, 1974 (88 Stat. 1719; 25 U.S.C. 640d-14(d)(3)), may be used for counseling, archeological clearances, water production and administration related to the relocation of Navajo families: *Provided further,* That $2,000,000 of the funds made available in this Act shall be available for rehabilitation of tribally-owned fish hatcheries and related facilities: *Provided further,* That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: *Provided further,* That none of the funds available in this Act may be used to implement any regulations, or amendments to or revisions of regulations, relating to the Bureau of Indian Affairs' housing improvement program that were not in effect on October 1, 1986.

ROAD CONSTRUCTION

For construction of roads and bridges pursuant to authority contained in 23 U.S.C. 203, the Act of November 2, 1921 (42 Stat. 208; 25 U.S.C. 13), and the Act of May 26, 1928 (45 Stat. 750; 25 U.S.C. 318a), $1,000,000 for the Honobia Indian Road in Oklahoma, to remain available until expended: *Provided,* That not to exceed 5 per centum of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover roads program management costs and construction supervision costs of the Bureau of Indian Affairs.

MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals pursuant to Public Laws 98-500, 99-264, and 99-503, including funds for necessary administrative expenses, $13,340,000, to remain available until expended: *Provided,* That not to exceed $10,700,000 is made available to the Tohono O'Odham Nation for purposes authorized in the Gila Bend Indian Reservation Lands Replacement Act, Public Law 99-503.

MISCELLANEOUS TRUST FUNDS

TRIBAL TRUST FUNDS

In addition to the tribal funds authorized to be expended by existing law, there is appropriated in fiscal year 1988 and thereafter to the Secretary of the Interior for the benefit of the tribes on whose behalf such funds were collected, not to exceed $1,000,000 in each fiscal year from tribal funds not otherwise available for expenditure.

REVOLVING FUND FOR LOANS

During fiscal year 1988, and within the resources and authority available, gross obligations for the principal amount of direct loans pursuant to the Indian Financing Act of 1974 (88 Stat. 77; 25 U.S.C. 1451 et seq.), shall not exceed resources and authority available.

INDIAN LOAN GUARANTY AND INSURANCE FUND

For payment of interest subsidies on new and outstanding guaranteed loans and for necessary expenses of management and technical assistance in carrying out the provisions of the Indian Financing Act of 1974, as amended (88 Stat. 77; 25 U.S.C. 1451 et seq.), $3,085,000, to remain available until expended: *Provided,* That during fiscal year 1988, total commitments to guarantee loans pursuant to the Indian Financing Act of 1974, as amended, may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed resources and authority available.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans and the Indian loan guarantee and insurance fund) shall be available for expenses of exhibits, and purchase of not to exceed 150 passenger carrying motor vehicles, of which 100 shall be for replacement only.

TERRITORIAL AND INTERNATIONAL AFFAIRS

ADMINISTRATION OF TERRITORIES

For expenses necessary for the administration of territories under the jurisdiction of the Department of the Interior, $74,809,000 of which (1) $71,847,000 shall be available until expended for technical assistance; late charges and payments of the annual interest rate differential required by the Federal Financing Bank, under terms of the second refinancing of an existing loan to the Guam Power Authority, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for support of governmental functions; construction grants to the Government of the Virgin Islands as authorized by Public Law 97-357 (96 Stat. 1709); construction grants to the Government of Guam, as authorized by law (Public Law 98-454; 98 Stat. 1732); grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94-241; 90 Stat. 272); and (2) $2,962,000 for salaries and expenses of the Office of Territorial and International Affairs: *Provided,* That the territorial and local governments herein provided for are authorized to make purchases through the General Services Administration: *Provided further,* That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or utilized by such governments, shall be audited by the General Accounting Office, in accordance with chapter 35 of title 31, United States Code: *Provided further,* That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 99-396, except that should the Secretary of the Interior believe that the performance standards of such agreement are not being met, operations funds may be withheld, but only by Act of Congress as required by Public Law 99-396.

TRUST TERRITORY OF THE PACIFIC ISLANDS

For expenses necessary for the Department of the Interior in administration of the Trust Territory of the Pacific Islands pursuant to the Trusteeship Agreement approved by joint resolution of July 18, 1947 (61 Stat. 397), and the Act of June 30, 1954 (68 Stat. 330), as amended (90 Stat. 299; 91 Stat. 1159; 92 Stat. 495); grants for the expenses of the High Commissioner of the Trust Territory of the Pacific Islands; grants for the compensation and expenses of the Judiciary of the Trust Territory of the Pacific Islands; grants to the Trust Territory of the Pacific Islands, in addition to local revenues, for support of governmental functions; $59,390,000, of which $50,940,000 is for operations including $24,350,000 for payment of claims pursuant to the Micronesian Claims Act of 1971: *Provided further,* That section 105 of Public Law 95-134 (91 Stat. 1159) is amended by inserting after the word "Islands" the words "(TTPI), or TTPI constituent or successor governments,"; and of which $8,450,000 is for construction, to remain available until expended: *Provided,* That all financial transactions of the Trust Territory, including such transactions of all agencies or instrumentalities established or utilized by such Trust Territory, shall be audited by the General Accounting Office in accordance with chapter 35 of title 31, United States Code: *Provided further,* That the government of the Trust Territory of the Pacific Islands is authorized to make purchases through the General Services Administration.

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, and 223 of the Compact of Free Association, $33,220,000, including $2,500,000 for the Enjebi Community Trust Fund, to remain available until expended, as authorized by Public Law 99-239: *Provided,* That the $2,500,000 provided herein for the Enjebi Community Trust Fund, and all funds appropriated heretofore and hereafter into such Fund, and all earnings and distributions therefrom, shall not be subject to any form of Federal, State, or local taxation: *Provided further,* That notwithstanding the provisions of the Public Laws 99-500 and 99-591, the effective date of the Palau Compact for purposes of economic assistance pursuant to the Palau Compact of Free Association, Public Law 99-658, shall be the effective date of the Palau Compact as determined pursuant to section 101(d) of Public Law 99-658.

Departmental Offices

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of the Interior, including $1,722,000 for the Immediate Office of the Secretary, $45,849,000 of which not to exceed $10,000 may be for official reception and representation expenses.

Office of the Solicitor

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $23,109,000.

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $17,700,000.

CONSTRUCTION MANAGEMENT

For necessary expenses of the Office of Construction Management, $2,500,000 which, together with unexpended balances in this account and personnel of the Office of Construction Management, shall be transferred to the "construction" appropriation of the National Park Service for continued operation of the facilities construction, operation and maintenance programs and to manage the facilities improvement and repair program of the Bureau of Indian Affairs.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 8 aircraft, all of which shall be for replacement: *Provided,* That no programs funded with appropriated funds in the "Office of the Secretary", "Office of the Solicitor", and "Office of Inspector General" may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: *Provided,* That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: *Provided further,* That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of forest or range fires on or threatening lands under jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods or volcanoes; for emergency reclamation projects under section 410 of Public Law 95-87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: *Provided,* That appropriations made in this title for fire suppression purposes shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for fire suppression purposes, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: *Provided further,* That all funds used pursuant to this section must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, U.S.C.: *Provided,* That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $300,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members: *Provided,* That no funds available to the Department of the Interior are available for any expenses of the Great Hall of Commerce.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901-5902 and D.C. Code 4-204).

SEC. 106. Appropriations made in this title shall be available for obligation in connection with contracts issued by the General Services Administration for services or rentals for periods not in excess of twelve months beginning at any time during the fiscal year.

SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the preparation for, or conduct of, pre-leasing and leasing activities (including but not limited to: calls for information, tract selection, notices of sale, receipt of bids and award of leases) of lands described in, and under the same terms and conditions set forth in section 107 of the Department of the Interior and Related Agencies Appropriations Act, 1986, as contained in Public Law 99-190.

SEC. 108. None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to finance changing the name of the mountain located 63 degrees, 04 minutes, 15 seconds west, presently named and referred to as Mount McKinley.

SEC. 109. Notwithstanding any other provision of law, appropriations in this title shall be available to provide insurance on official motor vehicles, aircraft, and boats operated by the Department of the Interior in Canada and Mexico.

SEC. 110. No funds provided in this title may be used to detail any employee to an organization unless such detail is in accordance with Office of Personnel Management regulations.

SEC. 111. Section 5 of the Outer Continental Shelf Lands Act (43 U.S.C. 1334) is amended by adding at the end the following new subsection:

"(j)(1) Any vessel, rig, platform, or other structure used for the purpose of exploration or production of oil and gas on the Outer Continental Shelf south of 49 degrees North latitude shall be built—

"(A) in the United States either by a United States chartered corporation or by a joint venture between a United States chartered corporation and a foreign corporation, with at least 50 percent of total person hours expended in the United States; and

"(B) from articles, materials, or supplies at least 50 percent of which by cost, shall have been mined, produced, or manufactured, as the case may be, in the United States.

"(2) The requirements of paragraph (1) shall not apply to any vessel, rig, platform, or other structure which was built, which is being built, or for which a building contract has been executed, on or before October 1, 1987, and shall expire with respect to any vessel, rig, platform, or other structure for which either the bidding or award process has commenced on or after September 30, 1991.

"(3) The Secretary may waive—

"(A) the requirement in paragraph (1)(B) whenever the Secretary determines that 50 percent of the articles, materials, or supplies for a vessel, rig, platform, or other structure cannot be mined, produced, or manufactured, as the case may be, in the United States; and

"(B) the requirement in paragraph (1)(A) upon application, with respect to any classification of vessels, rigs, platforms, or other structures on a specific lease, when the Secretary determines that at least 50 percent of such classification, as calculated by number and by weight, which are to be built for exploration or production activities under such lease will be built in the United States in compliance with the requirements of paragraph (1)(A).".

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that the bill be read by title, and that title I be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title I?

Are there amendments to title I?

Mr. UPTON. Mr. Chairman, I have a number of amendments at the desk. I ask unanimous consent that they be considered en bloc and taken up at the end of the bill prior to the point of amendments providing for across-the-board cuts.

I have discussed this with both the ranking minority member and the chairman of the subcommittee, and I understand that there is no objection to that.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan [Mr. UPTON]?

There was no objection.

The CHAIRMAN. The gentleman's rights will be protected.

Mr. PANETTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to express my support for the measure now being considered and to take this opportunity to call the Members' attention to two aspects of the legislation which I believe are worthy of note.

CALIFORNIA OCS LEASING

The first is significant not by its inclusion in the bill but by its absence. For the first time since 1982, the Interior Appropriations Act has been reported for floor action without bill language addressing the problems related to California Outer Continental Shelf leasing. Unfortunately, this landmark has not been reached because the problem has been resolved but because Congress wisely decided last year to delay further leasing offshore California until a new President and Interior Secretary take office in 1989.

This extraordinary action was mandated by the Interior Department's continued intransigence on this issue. Twenty-two months of negotiations between the Department and Members of Congress aimed at resolving the outstanding conflicts relative to California OCS leasing failed to produce a consensus—or any significant movement in Interior's position. As it has done since 1982, the Department continues to insist on a policy which would make most sensitive near-shore areas along the California coast available to the oil industry—the same approach which caused Congress to impose leasing restrictions in the first place.

I am pleased to note that in the report which accompanies this bill the committee has recognized the inadequacy of Interior's efforts, and has expressed its disappointment with the Department's failure to reach a resolution of this conflict. The report encourages the Secretary to continue discussions with representatives of the coastal States affected by the Department's new 5-year leasing plan in order to reach a consensus on this issue. Finally, the committee would require the Department to report back to Congress on progress made in resolving the long-term leasing status of controversial areas.

While I am discouraged by the lack of progress made after 22 months of negotiations with the Secretary and his representatives, I remain willing to pursue efforts to achieve a reasonable policy regarding offshore leasing and development. I want to make it clear once again that the goal of the majority of Californians is not to lock up California's offshore resources, but rather to establish a policy which recognizes the importance of balancing competing interests—a policy which would provide for protection as well as for development.

Unfortunately, the necessary balance is almost totally lacking from the Interior Department's approach. Rather than the good stewardship which is required, we continue to face a development-driven program which ignores the need to protect traditional coastal industries and the marine and coastal environments. If we choose to accept the recommendations of the administration, we will open to development some of the Nation's most spectacular and sensitive coastal areas all for the purpose of developing a tiny percentage of the energy America will need in the future.

The delay voted by Congress last year provides us with the opportunity to carefully weigh the risks involved in developing our Nation's energy resources as well as an opportunity to reassess alternative solutions to the problems posed by the Nation's growing sources of foreign oil. It is my hope that the Interior Department, working with the Congress, will move to resolve the conflicts relating to OCS development and to develop a truly comprehensive and workable energy plan for the future. It is clear that such a plan cannot rely solely on a resource, which, even if completely developed, could not begin to solve America's long-term energy problem. It is also clear that we must seriously address this issue by encouraging conservation, the development of alternative energy sources, and the stockpiling of adequate strategic reserves. Finally, such a plan must recognize the need to preserve some of our most sensitive and spectacular environmental resources for future generations.

I am grateful to the committee, and especially to Chairman YATES, for working to modify the ill-advised leasing schemes of this administration and to encourage the development of a truly balanced OCS program.

BIG SUR MULTIAGENCY FACILITY

I would also like to draw attention to a project which has received the support of the House in the past and which I believe again merits favorable consideration.

The continuing resolution for fiscal year 1987 includes $100,000 for the Federal share of the design costs of a multiagency headquarters facility to house the offices of the Forest Service and several of the State and local agencies which have jurisdiction in the area. The construction of this facility would greatly enhance the coordination of efforts in managing the Big Sur area, and would help, I believe, to avoid increased Federal expenditures in the area in the future.

As the Members' may be aware, several efforts have been made over the past 30 years to provide special Federal protection for Big Sur. These efforts have ranged from proposals to create a Big Sur National Park or national scenic area to national parkway status for California Route 1 through the area. For a number of reasons these proposals have met with strong and successful opposition from the local community. Fortunately, the community has gone beyond merely opposing Federal action and has established a stringent and workable plan for area preservation based on local initiatives. In fact, community leaders are now working to place a $25 million bond issue on the statewide November 1988 ballot to finance land purchases in the area for preservation.

I am also assisting with the implementation of the local plan, and I am convinced that one of the keys to the success of this effort is to ensure the cooperation and coordination of agencies with jurisdiction in the area. The Forest Service is the largest of these, and has agreed to share the costs of construction of the multiagency facility with the State of California and Monterey County. The design work has now been completed and it will be possible to begin construction in the near future.

Because I believe that the local preservation effort could ultimately eliminate the need for much larger Federal expenditures to protect the spectacular Big Sur coast, I am grateful to the committee and to Chairman YATES for including $1,450,000 in the Forest Service appropriation for fiscal year 1988 to provide the Federal share of construction of this much needed facility.

The CHAIRMAN. The clerk will read.

The Clerk read as follows:

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST RESEARCH

For necessary expenses of forest research as authorized by law, $137,670,000 of which $4,000,000 shall remain available until expended for competitive research grants, as authorized by section 5 of Public Law 95-307.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with, and providing technical and financial assistance to States, Territories, possessions, and others; and for forest pest management activities, $67,734,000, to remain available until expended, as authorized by law: *Provided*, That a grant of $3,000,000 shall be made to the State of Minnesota for the purposes authorized by section 6 of Public Law 95-495.

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, and for repayment of advances made in the preceding fiscal years pursuant to 16 U.S.C. 556d for forest firefighting and emergency rehabilitation of National Forest System lands, and for administrative expenses associated with the management of funds provided under the heads "Forest Research", "State and Private Forestry", "National Forest System", "Construction", and "Land Acquisition", $1,218,406,000, of which $252,975,000 for reforestation and timber stand improvement, cooperative law enforcement, firefighting, and maintenance of forest development roads and trails shall remain available for obligation until September 30, 1989: *Provided*, That not more than $30,366,000 shall be obligated for support costs for timber sales in fiscal year 1988.

CONSTRUCTION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Forest Service, not otherwise provided for, for construction, $200,914,000, to remain available until expended, of which $42,143,000 is for construction and acquisition of buildings and other facilities; and $158,771,000 is for construction of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532-538 and 23 U.S.C. 101 and 205; and $25,000,000 to be derived by transfer from the permanent appropriation entitled "Timber purchaser roads constructed by the Forest Service": *Provided*, That funds becoming available in fiscal year 1988 under the Act of March 4, 1913 (16 U.S.C. 501), shall be transferred to the General Fund of the Treasury of the United States.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 4601-4-11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $36,327,000 to be derived from the Land and Water Conservation Fund, to remain available until expended.

ACQUISITION OF LANDS FOR NATIONAL FORESTS

SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, and Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, and Cleveland National Forests, California, as authorized by law, $966,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 per centum of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the sixteen Western States, pursuant to section 401(b)(1) of Public Law 94-579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

MISCELLANEOUS TRUST FUNDS

For expenses authorized by 16 U.S.C. 1643(b), $90,000 to remain available until expended, to be derived from the fund established pursuant to the above Act.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (a) purchase of not to exceed 186 passenger motor vehicles of which nine will be used primarily for law enforcement purposes and of which 179 shall be for replacement only, of which acquisition of 157 passenger motor vehicles shall be from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed two for replacement only, and acquisition of 50 aircraft from excess sources; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (b) services pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 for employment under 5 U.S.C. 3109; (c) uniform allowances for each uniformed employee of the Forest Service, not in excess of $400 annually; (d) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (e) acquisition of land, waters, and interests therein, pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); (f) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a note); and (g) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to change the boundaries of any region, to abolish any region, to move or close any regional office for research, State and private forestry, or National Forest System administration of the Forest Service, Department of Agriculture, without the consent of the House and Senate Committees on Appropriations and the Committee on Agriculture, Nutrition, and Forestry in the United States Senate and the Committee on Agriculture in the United States House of Representatives.

Any appropriations or funds available to the Forest Service may be advanced to the National Forest System appropriation for the emergency rehabilitation of burned-over lands under its jurisdiction.

Appropriations and funds available to the Forest Service shall be available to comply with the requirements of section 313(a) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1323(a)).

The appropriation structure for the Forest Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service may be used to reimburse employees for the cost of State licenses and certification fees pursuant to their Forest Service position and that are necessary to comply with State laws, regulations, and requirements.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Office of International Cooperation and Development in connection with forest and rangeland research, technical information, and assistance in foreign countries.

Funds previously appropriated for timber salvage sales may be recovered from receipts deposited for use by the applicable national forest and credited to the Forest Service Permanent Appropriations to be expended for timber salvage sales from any national forest: *Provided*, That not less than $21,502,000 shall be made available to the Forest Service for obligation in fiscal year 1988 from the Timber Salvage Sales Fund appropriation.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report 99-714.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Funds available to the Forest Service shall be available to conduct a program of not less than $1,000,000 for high priority projects within the scope of the approved budget which shall be carried out by Youth Conservation Corps as if authorized by the Act of August 13, 1970, as amended by Public Law 93-408.

Notwithstanding section 705(a) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 539d(a)), not more than $41,471,000 shall be available for timber supply from, and protection and management, and resource protection on the Tongass National Forest in fiscal year 1988.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

Of the funds deposited and retained in the Clean Coal Technology Reserve pursuant to Public Law 98-473, $50,000,000 are appropriated for the fiscal year beginning October 1, 1987, and shall remain available until expended, $200,000,000 are appropriated for the fiscal year beginning October 1, 1988, and shall remain available until expended, and $100,000,000 are appropriated for the fiscal year beginning October 1, 1989, and shall remain available until expended.

No later than sixty days following enactment of this Act, the Secretary of Energy shall, pursuant to the Federal Nonnuclear Energy Research and Development Act of

1974 (42 U.S.C. 5901, et seq.), issue a general request for proposals for emerging clean coal technologies which are capable of retrofitting or repowering existing facilities, for which the Secretary of Energy upon review may provide financial assistance awards. Proposals under this section shall be submitted to the Department of Energy no later than ninety days after issuance of the general request for proposals required herein, and the Secretary of Energy shall make any project selections no later than one hundred and twenty days after receipt of proposals: *Provided*, That projects selected are subject to all provisos contained under this head in Public Law 99-190: *Provided further*, That pre-award costs incurred by project sponsors after selection and before signing an agreement are allowable to the extent that they are related to (1) the preparation of material requested by the Department of Energy and identified as required for the negotiation; or (2) the preparation and submission of environmental data requested by the Department of Energy to complete National Environmental Policy Act requirements for the projects: *Provided further*, That pre-award costs are to be reimbursed only upon signing of the project agreement and only in the same ratio as the cost-sharing for the total project: *Provided further*, That Federal financial assistance shall not be in the form of grants.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95-91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, $345,394,000, to remain available until expended, of which $230,000 is for the functions of the Office of the Federal Inspector for the Alaska Natural Gas Transportation System established pursuant to the authority of Public Law 94-586 (90 Stat. 2908-2909), and of which $9,000,000 shall be available for a grant for an energy center at the University of Oklahoma in Norman, Oklahoma, pursuant to section 111(b)(1)(B) of the Energy Reorganization Act of 1974, as amended (42 U.S.C. 5821(b)(1)(B)), and $500,000 to be derived by transfer from amounts derived from fees for guarantees of obligations collected pursuant to section 19 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5919), and deposited in the "Energy security reserve" established by Public Law 96-126: *Provided*, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas: *Provided further*, That notwithstanding any other provision of law, funds appropriated under this head in Public Law 99-190 for demonstration of the Kilngas coal gasification process, which remain unobligated, shall be available for carrying out any fossil energy research and development activities.

Of the funds herein provided, $35,000,000 is for implementation of the June 1984 multiyear, cost-shared magnetohydrodynamics program targeted on proof-of-concept testing: *Provided further*, That 25 per centum private sector cash or in-kind contributions shall be required for obligations in fiscal year 1988, and for each subsequent fiscal year's obligations private sector contributions shall increase by 5 per centum over the life of the proof-of-concept plan: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That cost-sharing shall not be required for the costs of constructing or operating government-owned facilities or for the costs of Government organizations, National Laboratories, or universities and such costs shall not be used in calculating the required percentage for private sector contributions: *Provided further*, That private sector contribution percentages need not be met on each contract but must be met in total for each fiscal year.

NAVAL PETROLEUM AND OIL SHALE RESERVES

For necessary expenses in carrying out naval petroleum and oil shale reserve activities, $159,700,000, to remain available until expended.

ENERGY CONSERVATION

For necessary expenses in carrying out energy conservation activities, $162,247,000, to remain available until expended, and up to $200,000,000 to remain available until expended for use in energy conservation programs as defined in section 3008(3) of Public Law 99-509 (15 U.S.C. 4507) which shall be available only in such sums as are equal to the difference between $200,000,000 and the excess amount for fiscal year 1988 disbursed by the Secretary of Energy for use in energy conservation programs under the provisions of section 3003(d) of Public Law 99-509 (15 U.S.C. 4502): *Provided*, That notwithstanding section 3003(d)(2) of Public Law 99-509 such sums and the excess amount disbursed shall be allocated to the eligible programs in the same amounts for each program as in fiscal year 1987, and of which $6,000,000 shall be available for a grant for an energy demonstration and research facility at Northwestern University as authorized by section 202 of Public Law 99-412 (42 U.S.C. 8281 note): *Provided further*, That $4,800,000 of the amount provided under this heading shall be available for continuing a research and development initiative with the National Laboratories, industry, universities, or others for new technologies up to proof-of-concept testing to increase significantly the energy efficiency of processes that produce steel: *Provided further*, That obligation of funds for these activities shall be contingent on an agreement to provide cash or in-kind contributions to the initiative or to other collaborative research and development activities related to the purpose of the initiative equal to 30 percent of the amount of Federal Government obligations: *Provided further*, That existing facilities, equipment, and supplies, or previously expended research or development funds are not acceptable as contributions for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice: *Provided further*, That the total Federal expenditure under this proviso shall be repaid up to one and one-half times from the proceeds of the commercial sale, lease, manufacture, or use of technologies developed under this proviso, at a rate of one-fourth of all net proceeds.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Economic Regulatory Administration and the Office of Hearings and Appeals, $21,680,000.

EMERGENCY PREPAREDNESS

For necessary expenses in carrying out emergency preparedness activities, $6,206,000.

STRATEGIC PETROLEUM RESERVE

For expenses necessary to carry out the provisions of sections 151 through 166 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), $164,225,000, to remain available until expended.

SPR PETROLEUM ACCOUNT

For the acquisition and transportation of petroleum and for other necessary expenses under section 167 of the Energy Policy and Conservation Act of 1975 (Public Law 94-163), as amended by the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), $603,744,000, to remain available until expended.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $61,599,000.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles, hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign: *Provided*, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: *Provided further*, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: *Provided further*, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

The Secretary of Energy may transfer to the Emergency Preparedness appropriation such funds as are necessary to meet any unforeseen emergency needs from any funds available to the Department of Energy from this Act.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Resources and Services Administration

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles III and XXI and sections 208 and 338G of the Public Health Service Act with respect to the Indian Health Service, including hire of passenger motor vehicles and aircraft; purchase of reprints; purchase and erection of portable buildings; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; $943,388,000 together with payments received during the fiscal year pursuant to 42 U.S.C. 300aa-2 for services furnished by the Indian Health Service: *Provided*, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86-121 (the Indian Sanitation Facilities Act): *Provided further*, That funds made available to tribes and tribal organizations through grants and contracts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (88 Stat. 2203; 25 U.S.C. 450), shall remain available until September 30, 1989; and $10,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: *Provided further*, That of the funds provided, $2,000,000 shall be used to carry out a loan repayment program under which Federal, State, and commercial-type educational loans for physicians and other health professionals will be repaid at a rate not to exceed $25,000 per year of obligated service in return for full-time clinical service in the Indian Health Service. Each individual participating in this program must sign and submit to the Secretary a written contract to accept repayment of educational loans and to serve for the applicable period of service in the Indian Health Service: *Provided further*, That funds provided in this Act may be used for one-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: *Provided further*, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall be available until September 30, 1989 for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, construction of new facilities, or major renovation of existing Indian Health Service facilities): *Provided further*, That of the funds provided, $2,500,000 shall remain available until expended, for the establishment of an Indian Self-Determination Fund, which shall be available for the transitional costs of initial or expanded tribal contracts, grants or cooperative agreements with the Indian Health Service under the provisions of the Indian Self-Determination Act: *Provided further*, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under section 103 of the Indian Health Care Improvement Act and section 338G of the Public Health Service Act with respect to the Indian Health Service shall remain available for expenditure until September 30, 1989.

INDIAN HEALTH FACILITIES

For construction, major repair, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of portable buildings, purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act and the Indian Health Care Improvement Act, $67,592,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service, available for salaries and expenses, shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem equivalent to the rate for GS-18, and for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902), and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: *Provided*, That none of the funds appropriated under this Act to the Indian Health Service shall be available for the initial lease of permanent structures without advance provision therefor in appropriations Acts: *Provided further*, That non-Indian patients may be extended health care at all Indian Health Service facilities, if such care can be extended without impairing the ability of the Indian Health Service to fulfill its responsibility to provide health care to Indians served by such facilities and subject to such reasonable charges as the Secretary of Health and Human Services shall prescribe, the proceeds of which, together with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651-53), shall be deposited in the fund established by sections 401 and 402 of the Indian Health Care Improvement Act: *Provided further*, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: *Provided further*, That with the exception of service units which currently have a billing policy, the Indian Health Service shall not initiate any further action to bill Indians in order to collect from third-party payers nor to charge those Indians who may have the economic means to pay unless and until such time as Congress has agreed upon a specific policy to do so and has directed the Indian Health Service to implement such a policy: *Provided further*, That the Secretary of Health and Human Services may authorize special retention pay under paragraph (4) of 37 U.S.C. 302(a) to any regular or reserve officer for the period during which the officer is obligated under section 338B of the Public Health Service Act and assigned and providing direct health services or serving the officer's obligation as a specialist: *Provided further*, That none of the funds in this Act shall be used to implement proposed eligibility regulations until such regulations have been submitted to and approved by the Committees on Appropriations: *Provided further*, That personnel ceilings may not be imposed on the Indian Health Service nor may any action be taken to reduce the full-time equivalent level of the Indian Health Service by the elimination of temporary employees by reduction in force, hiring freeze or any other means without the review and approval of the Committees on Appropriations: *Provided further*, That funds provided in this Act may be used to reimburse the travel costs of spouses who accompany prospective Indian Health Service medical professional employees to the site of employment as part of the recruitment process: *Provided further*, That section 103(c) of the Indian Self-Determination Act (88 Stat. 2206) is amended by adding the following sentence at the end thereof: "For purposes of section 224 of the Public Health Service Act of July 1, 1944 (42 U.S.C. 233(a)), as amended by section 4 of the Act of December 31, 1970 (84 Stat. 1870), with respect to claims for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, a tribal organization or Indian contractor carrying out a contract, grant agreement, or cooperative agreement under sections 103 or 104(b) of this Act or the so-called Buy Indian Act in the Act of April 30, 1908 (35 Stat. 71) or section 23 of the Act of June 25, 1910 (36 Stat. 861; 25 U.S.C. 47) is deemed to be part of the Public Health Service in the Department of Health and Human Services while carrying out any such contract or agreement and its employees (including those acting on behalf of the organization or contractor as provided in section 2671 of title 28) are deemed employees of the Service while acting within the scope of their employment in carrying out the contract or agreement.".

DEPARTMENT OF EDUCATION

Office of Elementary and Secondary Education

INDIAN EDUCATION

For necessary expenses to carry out, to the extent not otherwise provided, the Indian Education Act, $66,343,000, of which $49,170,000 shall be for part A and $14,707,000 shall be for parts B and C: *Provided*, That the amounts available pursuant to section 423 of the Act shall remain available for obligation until September 30, 1989.

OTHER RELATED AGENCIES

Navajo and Hopi Indian Relocation Commission

SALARIES AND EXPENSES

For necessary expenses of the Navajo and Hopi Indian Relocation Commission as authorized by Public Law 93-531, $25,270,000, to remain available until expended, for operating expenses of the Commission: *Provided*, That none of the funds contained in this or any other Act may be used to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: *Provided further*, That no relocatee will be provided with more than one new or replacement home: *Provided further*, That the Commission shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d-10.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed ten years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to 5 replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees; $203,635,000, including such funds as may be necessary to support American overseas research centers: *Provided*, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations.

CONSTRUCTION AND IMPROVEMENTS, NATIONAL ZOOLOGICAL PARK

For necessary expenses of planning, construction, remodeling, and equipping of buildings and facilities at the National Zoological Park, by contract or otherwise, $7,650,000, to remain available until expended.

RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of restoration and renovation of buildings owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $19,254,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses to design and construct a base camp at the Fred L. Whipple Observatory, $1,315,000, to remain available until expended: *Provided*, That notwithstanding any other provision of law, the Institution is authorized to transfer to the State of Arizona, the counties of Santa Cruz and/or Pima, a sum not to exceed $150,000 for the purpose of assisting in the construction or maintenance of an access to the Whipple Observatory.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901-5902); purchase, or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; purchase of one passenger motor vehicle for replacement only; and purchase of services for restoration and repair of works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $37,401,000, of which not to exceed $2,420,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $400,000, to remain available until expended: *Provided*, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356), including hire of passenger vehicles and services as authorized by 5 U.S.C 3109, $3,827,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $138,111,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to groups and individuals pursuant to section 5(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $28,420,000, to remain available until September 30, 1989, to the National Endowment for the Arts, of which $20,000,000 shall be available for purposes of section 5(l): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of section 10(a)(2), subsections 11(a)(2)(A) and 11(a)(3)(A) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $111,140,000 shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $28,500,000, to remain available until September 30, 1989, of which $16,500,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): *Provided*, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the Chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99-190 (99 Stat. 1261; 20 U.S.C. 956a), as amended, $4,000,000.

INSTITUTE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out title II of the Arts, Humanities, and Cultural Affairs Act of 1976, as amended, $22,000,000, including $100,000 as authorized by 20 U.S.C. 965(b): *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further*, That the Museum Services Board shall not meet more than three times during fiscal year 1988.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: *Provided*, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $446,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing an Advisory Council on Historic Preservation, Public Law 89-665, as amended, $1,719,000: *Provided*, That none of these funds shall be available for the compensation of Executive Level V or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71-71i), including services as authorized by 5 U.S.C. 3109, $2,967,000.

FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

SALARIES AND EXPENSES

For necessary expenses of the Franklin Delano Roosevelt Memorial Commission, established by the Act of August 11, 1955 (69 Stat. 694), as amended by Public Law 92-332 (86 Stat. 401), $28,000 to remain available until September 30, 1989.

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

SALARIES AND EXPENSES

For necessary expenses, as authorized by section 17(a) of Public Law 92-578, as amended, $2,531,000, for operating and administrative expenses of the Corporation.

PUBLIC DEVELOPMENT

For public development activities and projects in accordance with the development plan as authorized by section 17(b) of Public Law 92-578, as amended, $3,000,000, to remain available until expended.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96-388, $2,145,000: *Provided*, That hereafter persons other than members of the United States Holocaust Memorial Council may be designated as members of committees associated with the United States Holocaust Memorial Council subject to appointment by the Chairman of the Council: *Provided further*, That any persons so designated shall serve without cost to the Federal Government: *Provided further*, That none of these funds shall be available for the compensation of Executive Level V or higher positions: *Provided further*, That hereafter the Chairman of the Council may waive any Council bylaw when the Chairman determines such waiver will be in the best interest of the Council: *Provided further*, That immediately after taking such action the Chairman shall send written notice to every voting member of the Council and such waiver shall become final if 30 days after the Chairman has sent such notice, a majority of Council members do not disagree in writing with the action taken.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there any points of order against title II?

Are there amendments to title II?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 50, line 21, delete "$162,247,000" and insert in lieu thereof "$137,247,000," and on page 51, line 7, strike all after (15 U.S.C. 4502)" through line 17 before the word "*Provided*".

The text of the amendment, as offered and without modification, is as follows:

Amendment offered by Mr. WALKER: On page 50, line 21, delete "$162,247,000" and insert in lieu thereof "$137,247," and on page 51, line 7, strike all after "(15 U.S.C. 4502)" through line 17 before the word "*Provided*".

□ 1210

Mr. WALKER. Mr. Chairman, I ask unanimous consent to correct the amendment as reported. The Clerk reported it correctly, but it should read "$137,247,000," and I ask unanimous consent to make that correction.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The modification is agreed to.

The text of the amendment, as modified, is the same as the text of the amendment as read by the Clerk.

Mr. WALKER. Mr. Chairman, if I could, in offering the amendment, I would like to pose some questions to the gentleman from Illinois [Mr. YATES], if I could, please, to try to understand what the committee has done here and see whether or not we cannot work out some accommodation on the amendment.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I am always glad to accommodate the gentleman.

Mr. WALKER. What I am really getting at here is not fundamentally, and the gentleman may be surprised by this, not fundamentally the money so much as the problem I have with Congress making determinations about what good science is, doing it on the basis of political considerations rather than on the basis of merit considerations.

Mr. YATES. Will the gentleman yield further?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. YATES. That may be true in other aspects of Congress, but in our bill the test was the validity of the scientific activity that was to be undertaken.

Mr. WALKER. I thank the gentleman, and that is what I want to try to clarify here.

First of all, the energy demonstration research facility at Northwestern University, is that an authorized project?

Mr. YATES. That project is not specifically authorized.

Mr. WALKER. That project is not authorized. Is it a project that has been subjected to the peer review process?

Mr. YATES. It has not yet been submitted to the peer review process.

Mr. WALKER. So we are putting money into the bill that is neither authorized nor peer reviewed in that particular instance, is that correct?

Mr. YATES. The gentleman is correct.

Mr. WALKER. In the case of the steel industry research and development initiative, is that an authorized project?

Mr. YATES. I do not believe that is an authorized project.

Let me say to the gentleman that there are no projects in the entire Department of Energy that are authorized. The appropriate legislative committees have not acted, and it was therefore incumbent upon this committee to obtain a rule from the Rules Committee in order to consider it.

Mr. WALKER. Let me say to the gentleman that is fine, and I do not want to be contentious about it. But I do want to establish exactly what is going on here. In other words, that is an unauthorized project, and each of the others, the ceramic automotive component development, the Stirling engine technology support effort, the single shaft propulsion system, the heat pumps for the Gas Research Institute, in each of those instances those are unauthorized programs?

Mr. YATES. The gentleman is correct.

Mr. WALKER. The next thing I want to establish, the steel industry research and development initiative, has that been peer reviewed?

Mr. YATES. I do not believe it has.

Mr. WALKER. It has not been peer reviewed.

How about the ceramic automotive component development, has that been peer reviewed?

Mr. YATES. It is competitive procurement, may I say to the gentleman. But to the best of my knowledge, there has been no peer review.

Mr. WALKER. There has been no peer review.

The Stirling engine technology support effort, has that been peer reviewed?

Mr. YATES. That has not been peer reviewed.

Mr. WALKER. That has not been peer reviewed.

The single shaft propulsion system, has that been peer reviewed?

Mr. YATES. I would say that has not yet been peer reviewed.

Mr. WALKER. That has not been peer reviewed.

The heat pump for the Gas Research Institute, has that been peer reviewed?

Mr. YATES. It has not been peer reviewed.

Mr. WALKER. I thank the gentleman.

I go through that to make the point that this is my concern here, the concern about this amendment is that we are going through the process of designating where we are going to put very scarce resources into things that have not been appropriately peer reviewed within the science community, and in fact, stand as unauthorized projects so that they have not appropriately gone through the committee process here and been designated by Congress as things we want to designate as priorities. I full well recognize the problems we have with the authorization process around here at the present time. But I am not certain that that gives us the right on appropriation bills to solve those problems by coming forward and simply running over the authorization committees and saying you have not done your job and so, therefore, we are going to do your job for you.

Mr. YATES. Will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. YATES. Let me say to the gentleman that what I have done in almost each of these programs is to discuss what we propose to do with the chairmen of the authorizing committees. For example, the Bureau of Land Management has not been authorized, and yet if we did not ask for a rule, the Bureau of Land Management would not be able to receive any appropriations and would be subject to a point of order.

I am coming to the gentleman's point that he is going to make.

Mr. WALKER. Let me just say to the gentleman I understand the point he is making in that regard, but the reason, one of the main reasons why the authorization process has broken down around here is because the Appropriations Committee gets together with the authorizing chairmen and they make these deals, and therefore, the authorizing chairmen know they do not have to get a bill.

Mr. YATES. If the gentleman will yield further, that the reason that we do this, is because the authorizing committee has not acted. We make no deals with the authorizing committee. We come to them and say this has to be done, are you going to do it. And they say, no, we have no objection to your going forward with it. So then we undertake a course of hearings.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(On request of Mr. YATES and by unanimous consent, Mr. WALKER was allowed to proceed for 5 additional minutes.)

Mr. YATES. Mr. Chairman, we undertake a course of hearings and we try to act responsibly on it. We undergo the usual hearings that both the Appropriations Committee and authorizing generally do in order to take this kind of action.

The gentleman, I believe, is aware of what we did in connection with grazing fees. The Interior and Insular Affairs Committee had not for years undertaken to look at the question of grazing fees. We put it in our bill this year. I was assured by several gentlemen on the Interior and Insular Affairs Committee that their committee was going to take up the subject of grazing fees.

When this bill was before the full committee a motion was offered to strike that paragraph out of the bill and I accepted it.

The gentleman does have a point. I will concede that the gentleman has a point that it would be better if we were able to carry forward the split between the authorizing function and the appropriation function.

Mr. WALKER. Let me say to the gentleman, here is my problem: I serve on the Science, Space, and Technology Committee. We have jurisdiction over all the things I have just listed here.

I agree we have not had an authorization bill. But what you have just told me is that I, as a Member of that committee, and the hours that I spend on that committee, have been totally frozen out of the process because I was not consulted about any of these, the chairman of the committee was consulted. I have to tell you very seldom does the majority side consult with the minority side about what it is that ought to be included, so therefore those of us who do spend the time on that committee are in fact then under this process frozen out of the priority determinations that we would like to see made. And it is further compounded by the fact that we are now politically selecting these projects in ways which do not even meet a scientific merit test of going through peer review, and I find that very, very disturbing. I think it is disturbing from the standpoint of how the process around here is breaking down. I think it is also disturbing because we are literally undermining the science community's effort at the university level with this kind of thing.

What we have seen is an expansion of it and we are getting more and more and more authorized projects through the apporiation process that has neither been authorized by the committee nor has it been properly peer reviewed.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just want to make a point. I cannot speak for the gentleman's subcommittee, but in this instance it is not a case of the majority ignoring the minority. As a matter of fact, as I said in my opening statement yesterday, the committee is totally collegial, minority participates on an equal basis with majority.

Second, I would point out that the gentleman talks about peer review. We have extensive hearings, we have the Department of Energy which has testified on this. The gentleman characterizes them as political choices. I do not think that is quite accurate. I think they are choices that have been supported by the Department of Energy, and at least it should be the acknowledged expert in the field as far as the Federal Government. Scientists testify before the subcommittee. We try to make the judgments as managers, if you will, of what kinds of projects will be productive, recognizing the fact that we are going to face some tremendous energy problems as a nation.

Mr. WALKER. Let me say to the gentleman that I am in no way reflecting on this internal process. I do not know about his internal process. I was reflecting on the fact that the consultation process does not include those of us on the authorizing committees who are members of the minority.

Let me also say to the gentleman that the problem with the way he describes it is that I have now served for 12 years on the Science, Space, and Technology Committee, and I think I understand the issues pretty well. I think I understand some of the individual projects pretty well. I will tell the gentleman that I am still not wholly competent to make scientific judgments, nor do I think that any but the handful of us who are trained scientists in this body are competent to make those kinds of scientific determinations. Yet that is exactly what we are doing with regard to the Energy Department.

I would remind the gentleman that the Energy Department is a part of the administration that is opposed to earmarking these projects this way. I have the administration's position here and I am sure the gentleman is familiar with it. They have specifically said we do not agree that these projects should be earmarked in this fashion.

All of this was as a matter of preface, and I want to get to the whole point here in a minute.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, certainly I recognize the gentleman's expertise and I agree with the gentleman. We would love to have the gentleman on our committee if he would only change committees so that we can have the benefit of his expertise.

Mr. WALKER. I thank the gentleman. There are some matters there that I am not certain that we are going to get done very quickly. I would hate to give up all that seniority after all these years too, I would say, and go to the bottom of the list of the Appropriations Committee.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I just want to say we do have a period of time for Members to testify, and we will make certain in the future that the gentleman is notified.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(By unanimous consent, Mr. Walker was allowed to proceed for 5 additional minutes.)

Mr. WALKER. Mr. Chairman, that was all as a matter of preface.

What I was hoping to do was work out with the chairman a way in which I would feel comfortable in withdrawing this amendment.

Mr. YATES. If the gentleman will yield, I would certainly be glad to bargain with the gentleman.

Mr. WALKER. All right; I would be willing.

Mr. YATES. I would say "negotiate" with the gentleman.

Mr. WALKER. I will be glad to withdraw the amendment, am willing to withdraw it and leave the money in place if the gentleman will agree that we should knock out the designated projects, that we would have language that would knock out the projects that are designated in the bill and take out of the report language the designation of particular projects, thereby assuring that the $25 million that has been earmarked here would in fact be available for a competitive process under peer review, and therefore assure us that this $25 million of scarce scientific resource money is going to be used on those projects that have the absolute highest scientific merit. That is what I am trying to get at. It is not the $25 million that is as much a problem for me as the fact that I do not think we are following an appropriate way of determining how that is being done and what I see is an increasing trend in this direction. So I will be very happy to withdraw this amendment if I could get an arrangement with the chairman that we would eliminate some of these projects that have been specially designated.

Mr. YATES. Will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. YATES. I see some difficulty with that and the difficulty that I see is, for example, with the ceramic automotive component development, that has been in existence, to the best of my knowledge, for at least 10 years. It has been going forward and we are in a competitive race with Japan at the present time for the development of the ceramic materials for the automobile engine, for example, that will place our manufacturers in the forefront of competition for the automobile.

The turbine, as the gentleman knows, will go forward, depending upon the progress that is going to be made in the use of ceramics.

Mr. WALKER. Let me say to the gentleman that I am an automobile enthusiast, and I read practically every automobile magazine that is published every month. I also know that our manufacturers are in the process of doing some of that work themselves, and that there is in fact ongoing efforts within the R&D dollars being expended by American industry to look at that, because it appears to be the kind of technology that will be important for us in the future. It may well be that in a competitive process that that would rise to the top because it is that important.

But I would also think that there might be some other things, given the fact that industry sees some applicability of that research in the fairly near term, that we might have some other things more long term in nature that we might want to use that $6 million for that would have high scientific merit to it.

Mr. YATES. If the gentleman will yield further, let me say that the ceramic experiment or initiative is cost shared between Ford and the Department of Energy and between General Motors and the Department of Energy.

□ 1225

So that you do have the manufacturers participating in this along with the Government and I think that is good.

Mr. WALKER. But my point to the gentleman is that having gone this far those manufacturers I think are now convinced that it does have some applicability and could well be in a position to move on without this money. That is $6 million of money that could be used for very, very important science that will take us out to the leading edge again. Ceramic technology is not the leading edge. It is one of those things where we are beginning to move toward what we need is some leading edge for our technology for our automobile industry.

It seems to me we are in a position right now of the industry picking up on something and us moving on but that cannot be done under this bill.

Mr. YATES. The gentleman is preaching to the converted.

I would like very much for the industry to take it up. Yet I feel that the importance of the race with Japan is such that if we can move it forward with government assistance, as we are doing in this case, I think we will be in a much stronger competitive position.

Mr. WALKER. I understand what the gentleman is saying, except we have absolutely no evidence from the scientific community that that is their fundamentally most important priority. It may well be the committee's most important priority, it may well be Congress' most important priority. What I think we ought to be using this money for is those things which the science community says is the most important priority.

Mr. YATES. If the gentleman will yield further I am not sure that should be done in every case. The science community may come forward and say we think there are other things more important than ceramics development for the automobile.

I happen to believe that we are engaged in a very vital competition with Japan and if the science community were to vote this down, I would still vote for putting the money into a program like this.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

(On request of Mr. Yates and by unanimous consent, Mr. Walker was allowed to proceed for 5 additional minutes.)

Mr. WALKER. I thank the gentleman.

Do I understand then that we cannot arrive at an agreement to leave the money in there for competitive scientific programs but instead are determined to spend the $25 million on those programs that are special interests and are earmarked add-ons, both unauthorized and without peer review?

Mr. YATES. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I would be glad to yield to the gentleman from Illinois [Mr. Yates].

Mr. YATES. I thank the gentleman for yielding.

Let me say I think that we cannot enter into that kind of an agreement at this time because I do not think the details are sufficiently worked out. I would like to work out with the gentleman a program of that type and give the gentleman the assurance that I will undertake it next year and make that the basis for new initiatives, if that is what the gentleman wants. Here you have existing programs that are going forward and have gone forward for some years. There is a test, I will tell the gentleman. You do have the test of the marketplace here because there are competitive bids that go out to the community.

Mr. WALKER. But again, the test is not one where we have understood scientific merit. We have told them what it is we are going to do and then we say to a variety of people, "OK, once we have designated the project you compete to do the project we have designated." That is not scientific peer review and that is a real crucial difference.

Mr. YATES. Except for the fact that we recognize even without the advice of scientists the need for developing ceramics for the turbine and for the automobile engines. I think that is important. I do not have to go to a scientist for that. I am sure both General Motors and Ford are using scientists for that purpose.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Let me yield to the gentleman from Pennsylvania first and then I will yield to the ranking minority member.

Mr. RITTER. I thank the gentleman for yielding.

I think what we have is a fundamental problem here in that we do not have our authorization bills so we await until the appropriations bills. Some of the projects here, as I noticed, have been given deep consideration by authorizing committees and some of these projects are turning into science pork. And I think we can ill-afford, given the race with the Japanese, given the demand for technological advancement, we cannot afford to so bastardize—and I use that term having thought about it—the selection process of Government-funded science projects in a way that denies an appropriate input from the legislative process and from the peer review in the community and from the authorizing committees.

I think we have gone very far in this Congress and in previous Congresses to take out of the normal realm of authorizing science and technology projects and place that selection process in a political pork barrel environment. And I think it is to the detriment of the effectiveness of the investments.

I would like to see, as the gentleman in the well does, I would like to see this money kept for science and technology.

But I would like to see it applied in a way that has a more meritorious support for it. And the more we politicize, the more we pork barrel our science and technological investments, frankly, the less we are going to be competitive with the Japanese and the more mistakes we are going to make.

I think we have a real procedural problem here and we are bypassing Federal agencies, such as the Department of Energy; we are bypassing the National Science Foundation; we are bypassing the built-in selection process that we have adhered to for so many years but in recent years we have ignored.

Mr. YATES. If the gentleman will yield further, does the Committee on Science and Technology always ask for peer panel scientific review of any of the projects it goes forward with?

Mr. WALKER. I will say to the gentleman "No," and I have complained about this very thing there, too.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 5 additional minutes.)

Mr. WALKER. Let me say to the gentleman I am bitterly opposed to the fact that we do not do it either because having sat there for 12 years, with the exception of my colleague from Pennsylvania and a couple of other people on that committee, none of us have scientific training.

My background is in political sciences.

Mr. YATES. Let us lay out a legislative system to do it and I would support the gentleman.

Mr. WALKER. I would be all for that I would say to the gentleman, but it is very difficult to do at a time when universities and businesses and so on have now become used to the fact that if you cannot get it in the Science and Technology Committee, if they are not going to authorize it, you come to the Appropriations Committee and maybe you can get an appropriation that has not been authorized nor has it been peer reviewed. In that kind of climate it is very difficult to make certain that we get the reform. Let me say to the gentleman I think if we would send a signal today that we are willing to leave the money in there for science but we are going to take out the special projects, then we would be sending a very important signal to getting exactly the reform done that the gentleman has stated.

Mr. YATES. If the gentleman will yield further, let me say that if the gentleman will come to our committee I will be glad to put into my bill, a form of scientific determination for the projects that the gentleman has in mind, for the future. I think the committee of the gentleman is a logical one to do it because we are talking about legislation. If the gentleman's committee will not do it, I will agree with the gentleman to have him present to my committee a scheme that the gentleman comes forward with, a plan that the gentleman comes forward with in order to do it.

Mr. WALKER. I am willing to work for that in my own committee, obviously, and I appreciate the cooperation of the gentleman. But it seems to me we still send the wrong signal if we go ahead and spend money here for projects that some of us would label pork barrel.

Mr. YATES. I just gave the gentleman a signal. I said, "Come to me in the future and we will do it." But we cannot do it in a few minutes on the floor.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. RITTER. I thank the gentleman for yielding.

Mr. Chairman, I think ceramics are an important component of our Federal funding for research, development, the evolution of technology. But who is to say that this particular program in ceramics, automotive component development is the way we should be spending $6 million in ceramics? Where has a selection system evolved either in the Science and Technology Committee or in some other committee to consider the full universe of possibilities in ceramics? For example, the hottest item in science and technology today is superconductors. Superconductors, the high temperature superconductors which can change the way we live, are ceramic materials. It is interesting that in this entire panoply of add-ons in appropriations bills for science and technology projects there is no superconductivity project.

I would suspect that this may be an excellent project.

Mr. YATES. If the gentleman will yield, it is in another subcommittee of the Committee on Appropriations, Mr. BEVILL's Subcommittee on Energy and Water.

Mr. RITTER. I am familiar with the energy appropriation as it was passed yesterday and frankly my own personal opinion is there is probably not enough emphasis at this point on the applied superconductor ceramic materials. Had there been an opportunity I was considering an amendment yesterday.

The problem is there are perhaps very worthwhile projects in this panoply, but who made the decision? Did the deliberative process, in a sense of seeking quality and excellence, make that decision or was it made on a kind of ad hoc basis?

Mr. WALKER. Let me say to the gentleman, I have been up here for a long, long time and I am prepared to yield back. But let me say to the gentleman the answer to his question is, in earlier debate, that the committee made the decision and made it after hearings and I am certain that they made it in good faith and with the best judgment they could exercise.

On the other hand, I am not certain given scarce resources that that is the best thing to depend upon.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Let me yield to the gentleman from Pennsylvania [Mr. REGULA], who has been seeking recognition.

Mr. REGULA. I thank the gentleman for yielding.

Just a couple of comments, Mr. Chairman. We would welcome authorization. We have said that many times to the authorizing committees, "Please address this problem," because it comes to us as a court of last resort. I hope that you will take that message to the gentleman's subcommittee and I hope he will testify in the future.

Second, on the ceramic issue, the Department of Energy—and they do have acknowledged expertise in the field—put that as their No. 1 priority in testimony. So we did not make these judgments just casually. Third——

Mr. WALKER. If the gentleman would suspend, I do not doubt that, but the way we are going to achieve the best science is not for politicians to make the decisions.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has again expired.

(On request of Mr. REGULA and by unanimous consent, Mr. WALKER was allowed to proceed for 5 additional minutes.)

Mr. REGULA. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I yield to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. In 1979, in this particular section of the bill we had $1.21 billion, just to give you an idea.

Last year it was $311 million. In other words, we have cut it by 74 percent because we recognize the things that the gentleman is saying. In the process of narrowing this we have tried to be very selective.

I think ultimately policy decisions have to be made somewhere. That is the responsibility of Congress. We vote on tax policy, we vote on welfare policy; not always with scientific knowledge of the impacts of those policy decisions.

Tax policy can impact heavily on R&D and energy research, et cetera. So we try to be responsible.

Mr. WALKER. Let me say to the gentleman that he may be narrowing it, but in the case of the Northwestern University project that the gentleman has in the bill, he is devoting $6 million to that project and it commits us to at least another $10 million in outyears. So that in that case you are expanding the commitment to exactly this kind of program in the future.

And I got to tell the gentleman that disturbs me. You know, that is one where we are starting a brandnew start and the idea is you are going to expand it out into the future. That to me is not the way we ought to be proceeding.

When we discuss these projects here that are ongoing projects, OK, you can make a case for those, we have been funding them and so on. But when you show me here that we have new starts on projects next year that are going to cost us even more in the future, then I have to say to the gentleman I do not think we are backing off, I think we are moving ahead. What that says to everybody who wants money out there is the place to come for your money is to come to the politicians for whatever pork you can build into appropriation bills and I think that is wrong. And my intent is to try best I can to focus on that issue and suggest that we ought not be spending scarce resources there.

Mr. REGULA. If the gentleman will yield further, I have been a strong advocate, on the subcommittee, for matching funds. I do not think we should be funding anything 100 percent. I like 50 percent as a minimum. Our clean coal technology, as the gentleman knows, is 50 percent and, in fact, we got 65 percent from the private sector.

The reason I mention this is to address the Northwestern situation and point out to the gentleman that we anticipate there will be $10 million of State and private money in that project, acknowledging what the gentleman has said, that there will be additional funding in the future. But it is not a case of the Federal Government being the sole source of the funds. And since there is a commitment of approximately—more than one-third of the cost from State and local or private sources, I believe that the speaks to some degree at least to the validity of this project.

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Mr. WALKER. Let me say to the gentleman, though, that the administration estimates that the additional cost to the Federal Government in the outyears of this project will be $10 million more.

Mr. REGULA. I do not doubt that, but I would again point out that $10 million is being matched at the State and local level including private funds, so that gives some evidence that this project has substantial merit.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

At our colleges and universities, we have faculty working very hard to be competitive in situations that demand a great deal of time, writing of proposals; and all of a sudden, a university, in this case the University of Oklahoma, comes along——

Mr. WALKER. The University of Oklahoma is not included here. That is the next amendment. Northwestern is the main one here.

Mr. RITTER. At any rate, a university comes along, gets logged into an appropriation bill never having gone through the same kind of rigorous efforts that have made our university research facilities the finest in the world; and I really think we are at a point of degrading the quality of our university output by not forcing a competitive situation.

With all of these projects, without a competitive situation to bid on the best ideas, you get political science in the truest sense of the word.

Mr. WALKER. Let me just say in conclusion, I wish we could have worked something out here. I was willing to leave the money in and allow it to be done in a competitive process.

It does not complicate the situation at all; but given the fact, and I do appreciate that the gentleman has agreed to work on it in the future, the gentleman from Illinois, the chairman, and I assure the gentleman my cooperation in doing that; but at the present time, we would be wrong as a Congress to allocate $25 million in political science, in political pork barrel in the name of scientific research.

I would hope that the House would see fit to reduce the amount of money by this $25 million, and say that we are not going——

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(On request of Mr. RITTER, and by unanimous consent, Mr. WALKER was allowed to proceed for 5 additional minutes.)

Mr. RITTER. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

Looking at a cross-section of these projects, I wonder what we have a Science and Technology Committee for anymore.

Mrs. LLOYD. Mr. Chairman, I rise in opposition to the amendment. The Conservation Research and Development Program has received more than its fair share of budget reductions in recent years. Once again, the gentleman is seeking further reductions which would restrict key program activities. As regards ceramic components for engines, my Energy R&D Subcommittee has encouraged this advanced materials R&D so the United States will have a chance in the marketplace. This is a competitiveness problem and the high temperature materials lab at Oak Ridge is key to developing these advanced components.

The overall reduction of our energy research and development budgets in recent years has necessitated the need for increased scrutiny of our program direction and policy guidance when setting funding levels.

The SST Committee has also supported the steel initiative with a key role for the national labs to help inject high technology into this smokestack industry. As I understand it, the Bethlehem Steel Co. and United States Steel in the gentleman's own State are greatly interested in this cost-shared program with DOE. In view of this interest, our ERD Subcommittee authorized $9 million or roughly twice the funding which is recommended in this bill for the steel initiative. I urge my colleagues to reject this pennywise, pound foolish amendment that would cut out important Federal/industry R&D.

I believe the bill before us today does provide the proper funding levels and will allow these materials research programs to proceed in a rational manner.

A strong U.S. energy policy must not only focus on our energy supply and technology development efforts but must also strive to ensure that we make every effort to support U.S. industry for the long term.

This amendment is nonsurgical and ignores the vital partnership which is being forged between the national laboratories and U.S. industry. I urge my colleagues to vote against the Walker amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], as modified.

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. WALKER. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently, a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 213]

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Callahan
Campbell
Cardin
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Courter
Coyne
Craig
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roe
Roemer
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

The CHAIRMAN. Four hundred and four Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Pennsylvania [Mr. WALKER] for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 130, noes 281, not voting 22, as follows:

[Roll No. 214]

AYES—130

Andrews
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bates
Bilirakis
Boland
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Courter
Craig
Dannemeyer
Daub
DeLay
Dickinson
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Emerson
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Leach (IA)
Leath (TX)
Lewis (FL)
Lott
Lujan
Lungren
Mack
MacKay
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (WA)
Montgomery
Moorhead
Nielson
Oxley
Packard
Pashayan
Patterson
Penny
Petri
Ravenel
Rhodes
Ritter
Roemer
Roth
Rowland (CT)
Saxton
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Skelton
Slaughter (NY)
Slaughter (VA)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Upton
Vucanovich
Walker
Weldon
Wylie

NOES—281

Ackerman
Akaka
Alexander
Anderson
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer

LaFalce
Lancaster
Lantos
Latta
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Lukens, Donald
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pease
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ray
Regula
Ridge
Rinaldo
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Smith (FL)
Smith (IA)
Smith (NE)
Smith (TX)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (CA)
Thomas (GA)
Torres
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—22

Boner (TN)
Bonior (MI)
Carr
Coughlin
Crane
Daniel
Ford (TN)
Gephardt
Huckaby
Jeffords
Kemp
Livingston
Pelosi
Pepper
Porter
Richardson
Rodino
Rose
Tauzin
Torricelli
Towns
Vander Jagt

☐ 1305

Mr. BEREUTER and Mr. TORRES changed their votes from "aye" to "no."

Mr. EDWARDS of Oklahoma changed his vote from "no" to "aye."

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

POINT OF ORDER

Mr. GIBBONS. Mr. Chairman, I make a point of order against the provision on page 33 beginning on line 4 relating to the Enjebi Community Trust Fund.

The CHAIRMAN (Mr. BOUCHER). The gentleman will state his point of order.

Mr. GIBBONS. Mr. Chairman, I make a point of order against this provision on the ground that it is a tax measure which is in violation of paragraph B, clause 5 of House rule XXI.

Mr. Chairman, this provision states, in part:

"All funds appropriated * * * into the trust fund and all earnings and distributions therefrom, shall not be subject to any form of Federal, State, or local taxation.

This provision is clearly a tax provision and violates House rule XXI(5)(b).

I must point out that I make this point of order without prejudice to the merits of the issue of the tax status of the Enjebi Community Trust Fund. I understand that there is no need to resolve this issue immediately, but that there is significant interest in resolving the issue before the fund's tax filing deadline next year. It is my intention, therefore, to bring this matter to the attention of the chairman of the Committee on Ways and Means.

I urge the Chair to sustain this point of order.

The CHAIRMAN. The Chair would inquire of the gentleman from Florida if his point of order relates to the phrase beginning with the word "provided," on line 4?

Mr. GIBBONS. It does, Mr. Chairman.

The CHAIRMAN. Does any Member seek recognition in opposition to the point of order?

PARLIAMENTARY INQUIRIES

Mr. YATES. Mr. Chairman, as a point of inquiry, we have passed the appropriate section of the bill to which the gentleman's point of order was properly addressed. The question I should like to ask is in the event the point of order is sustained, is it possible to offer an amendment with language that would replace it and not be subject to a point of order?

Further, as a parliamentary inquiry, Mr. Chairman, is the point of order under consideration striking the whole paragraph or only the proviso?

The CHAIRMAN. The Chair would respond to the gentleman from Illinois that amendments to title I would not be in order but that the gentleman from Florida stated his point of order was directed to the proviso only.

Mr. GIBBONS. On line 4 down through the word "taxation" on line 8, yes, Mr. Chairman.

Mr. Chairman, further, as I understand the rules of the House, points of order on matters such as this can be raised at any time?

The CHAIRMAN. The gentleman is correct. Under clause 5(b) of rule XXI, the point of order may be raised at any time during the amendment process in Committee of the Whole.

Mr. YATES. Mr. Chairman, the Committee will concede the point of order, and in view of the fact that it has limited application, the Committee does not desire to offer another amendment.

The CHAIRMAN. The point of order is conceded and sustained.

Are there further amendments to title II?

AMENDMENT OFFERED BY MR. BOSCO

Mr. BOSCO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bosco: Page 42, line 9, strike out the period and insert in lieu thereof the following:

: *Provided*, That, notwithstanding any other provision of law, the Secretary of Agriculture, as soon as practicable, shall—

(1) acquire the following described lands (containing approximately 2,000 acres) from the owner of such real property:

All that portion of Sections 17, 18, 19, and 20 in Township 25 North Range 11 West Mt. Diablo Meridian Trinity County, California, described in follows:

The West ½ of the Southwest ¼; the West ½ of the East ½ of the Southwest ¼ of Section 17.

Lots 9, 10, 11, and 12 and the Southeast ¼ of Section 18.

Lots 5, 6, 7, 8, 17, and 18 and the Northeast ¼ of Section 19.

The West ½; the Northeast ¼; the West ½ of the Northeast ¼ of the Northwest ¼; the Southeast ¼ of the Northeast ¼ of the Northwest ¼; the Southeast ¼ of the Northwest ¼; the Southwest ¼ of the Northeast ¼ and the South ½ of the Northwest ¼ of the Northeast ¼ of Section 20.

All that portion of Sections 13, 14, and 24 in Township 25 North Range 12 West Mt. Diablo Meridian Trinity County, California, described as follows:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 12; the West ½ of the Northeast ¼; the East ½ of the West ½; the Northwest ¼ of the Northwest ¼; and the Southwest ¼ of the Southwest ¼ of Section 13.

Lots 3, 4, 5, and 6; the West ½ of the Northwest ¼ of the Northeast ¼; and the East ½ of the Northeast ¼ of the Northeast ¼; the Southeast ¼ of the Southeast ¼; and the Southeast ¼ of the Northeast ¼; and the Northeast ¼ of the Northwest ¼ of Section 14.

Lots 1, 2, 7, and 8 of Section 24.

Tracts 44, 55, and 76;

(2) in consideration of such acquisition, reduce the aggregate outstanding loan balance, with respect to loans made to such owner by the Farmers Home Administration, by an amount equal to the fair market value (as determined by the Secretary) of such real property; plus the reasonable expenses incurred by such owner in executing such transfer of title, plus an amount equal to the reasonably expected liability of such owner for Federal, State, and local taxes incurred on account of such transfer of title, except that such reduction shall not exceed $1,250,000; and

(3) transfer such lands to the Forest Service for such sums as the Secretary determines to be appropriate, which lands shall be added to, and administered as part of, the Yolla-Bolly Middle Eel Wilderness.

Mr. BOSCO [during the reading]. Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BOSCO. Mr. Chairman, this amendment should not take much of our time—it is supported by Members on both sides of the aisle, is attended by absolutely no controversy, and will actually save the Government money. The amendment simply allows the owner of some 2,000 acres of land within the 1984 California Wilderness Act area to exchange the land for the debt owed to the Farmers Home Administration on the very same land. The land for debt exchange will be at fair market value.

Mr. Chairman, when this Congress passed and the President signed the California Wilderness Act we changed the classification of land use on this private property, and created an obligation on the part of the U.S. Government to buy this land at fair market value. Exchanging the Government's obligation for the private indebtedness on this land makes good sense, and both the U.S. Forest Service and Farmers Home Administration will benefit from the exchange.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. BOSCO. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the Committee is very much aware of the gentleman's amendment. We have studied it carefully and we have no objection to it.

Mr. PANETTA. Mr. Chairman, will the gentleman yield?

Mr. BOSCO. I yield to the gentleman from California.

Mr. PANETTA. Mr. Chairman, I rise in support of the gentleman's amendment.

Mr. Chairman, I would like to urge my colleagues to support the amendment by Chairman YATES to facilitate the transfer of private inholdings in the Yolla Bolly/Middle Eel Wilderness Area to the Forest Service.

The acquisition of this property by the Forest Service would simultaneously solve problems faced by the current owner, the Farmers Home Administration and the Forest Service. The property owner, Mr. Richard Wilson, owes Farmers Home approximately $1.5 million, an amount the agency feels he is not capable of paying off. The Forest Service would like to acquire Mr. Wilson's 2,200-acre inholding in the wilderness area, but funding restrictions and a lack of exchange lands make the acquisition impossible at this time.

The obvious solution for Mr. Wilson would be to apply the value of the land to cancel his debt to the Farmers Home Administration. If Farmers Home could take the land in exchange, and then transfer it to the Forest Service, the owner would be relieved of his debt, Farmers Home would avoid the burden of an inoperable loan of over $1.5 million, and the Forest Service would acquire valuable wilderness property it agrees should belong to the Nation.

While redtape and bureaucratic infighting have conspired against this logical solution to the problem, Mr. BOSCO's amendment would facilitate the necessary exchanges between the owner, Farmers Home, and the Forest Service. I believe that the solution proposed by Chairman YATES is both workable and fair, and I urge my colleagues' support.

Mr. LAGOMARSINO. Mr. Chairman, will the gentleman yield?

Mr. BOSCO. I yield to the gentleman from California.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman for yielding. I think the gentleman's amendment is meritorius, and I support it and urge my colleagues to support it.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. BOSCO. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I think this is a reasonable solution, and as I understand it the Secretary would have the ability to make sure that it was traded at appraised value, is that correct?

Mr. BOSCO. The gentleman's understanding is correct.

Mr. REGULA. I thank the gentleman, and we have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Bosco].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. CHAPMAN

Mr. CHAPMAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CHAPMAN: On page 48, line 24, after the word "expended," and before the word "of", insert the following: for petroleum and gas research and development activities, and".

Mr. CHAPMAN. Mr. Chairman, first, let me congratulate Mr. YATES for bringing this bill to the floor in a timely fashion and for rejecting the administration's ludicrous fossile energy budget recommendation.

The purpose of this amendment is to revitalize research and development in the areas of oil and gas discovery and recovery.

The adoption of this amendment would begin the process of equitable treatment in our fossil energy R&D budget by striking a fairer balance between oil, gas, and coal research.

Additionally, this amendment would begin to set the appropriate priorities for this Nation's energy security.

As a member of the authorizing committee for these appropriations, I am deeply concerned about our energy research priorities.

Earlier this year, I testified before Chairman YATES' subcommittee concerning this critical issue. Unfortunately, the priorities which were explained, are not reflected in this appropriations bill.

Liquid hydrocarbon fuels, which provide 97 percent of the transportation needs of this country and will provide more than 60 percent of the Nation's total energy requirement into the next century, should be the immediate focus of our national energy policy.

Tragically, oil and gas research represents only 10.5 percent of the Appropriation Committee's request for fossil fuels research and less than 1 percent of the nondefense DOE R&D budget.

To make matters worse, funds for oil, gas, and related geoscientific R&D are scattered among numerous programs in the Office of Energy Research and of Conservation and Renewable Energy. This R&D is now conducted in isolation from, and largely in ignorance of, the directly related fossil energy programs.

In all, 17 programs in the 3 DOE offices perform research to improve the discovery and recovery of oil and gas. No office coordinates them.

Our future dependence on oil imports will be worsened by an energy research policy that ignores the future technology needs of oil and gas production or is so fragmented as to dissipate its impact.

U.S. consumption of oil is projected to rise from 15.7 million bbl/day in 1985 to 18.1 million bbl/day in the year 2000. In the early 1990's, imports will exceed the 1977 historic peak of 8.6 million bbl/day and are projected to be 10 million bbl/day or more by 2000.

Several estimates predict we will import more than half of our oil within the next 2 to 4 years.

There is a clear need for Federal action to assure the availability of the technology we will need in the future.

Our domestic resource base is vast. More than 300 billion barrels—two-thirds of all known U.S. oil—will be abandoned in the reservoir unless new technologies are made available through R&D.

DOE is not without advice and guidance on this issue. The National Petroleum Council, DOE's own industry advisers, recently recommended increased Federal support for targeted oil and gas research, as they did also in 1976, 1980, and 1984.

The Energy Research Advisory Board [ERAB], DOE's own scientific advisors, reported in November of 1986 that "* * * the major energy problem facing the Nation is a shortage of domestic liquid hydrocarbon fuels." ERAB went on to make the following major recommendations:

Refocus DOE research policy to give highest priority to R&D to improve the discovery and recovery of oil and gas over at least the next two decades, and

Increase oil and gas research funding by an initial annual increment of $50 million, primarily to support the regional research centers, rising to an increment of $100 million by fiscal year 1990.

Mr. Chairman, the DOE advisers estimated that if the necessary R&D dollars were available, 100 billion barrels of oil from known reservoirs could be produced over the next three or four decades; enough to sustain U.S. production at current levels.

I find the recommendations of the National Petroleum Council and Energy Research Advisory Board to be imperatives for our future energy security.

It is not just JIM CHAPMAN who feels this way however. State geologists from 30 States and professors from such prestigious universities as the Colorado School of Mines, University of California—Berkeley, University of Illinois, New Mexico Institute for Mining and Technology, Pennsylvania State University, Stanford University, the University of Wyoming, and West Virginia University have also endorsed these recommendations.

Through a combination of consolidation, integration, and refocusing, this program can begin to move toward its critically important objectives in fiscal year 1988.

Specifically, what my amendment would do, is to appropriate dollar amounts for petroleum and gas research in accordance with fiscal year 1987 authorization by the Science and Technology Committee for fossil energy.

These steps will put the necessary program in place in fiscal year 1988 and prepare this country for our next, inevitable, energy crisis, and I urge my colleagues to support this amendment.

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Mr. BARTON of Texas. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

I would like to thank my distinguished colleague from Texas [Mr. CHAPMAN] for offering this amendment. I think it is interesting to note that today we get two-thirds of our energy from oil and gas but we leave two-thirds of the oil and gas in the ground. In other words, we only recover one-third of the available resources.

Last year we spent $33 million in enhanced oil and gas research, Federal funds. The budget this year, the authorizing committee this year has requested that we spend $36 million, an increase of $3 million. At the same time that we are spending $33 million for research into oil and gas, we are spending $102 million for enhanced coal research. This budget ups that to $112 million.

Now, we get one-third of our energy today from coal, we get two-thirds of our energy today from oil and gas. Yet we are spending almost four times, between three and four times as much money to research coal. Now I am not opposed to coal research. I do think we should increase research into enhanced oil and gas recovery.

Mr. CHAPMAN's amendment would increase research into oil and gas from $36 to $50 million.

I would point out that the committee last year authorized $50 million. I was on the committee last year and was part of the effort to get that authorized.

So I think that the amendment of the gentleman which is restoring the level of spending for oil and gas research to $50 million, which is what we authorized last year, is very appropriate. I would also like to point out that from last year to this year we have lost between 600,000 and 900,000 barrels of oil per day in production. At $20 a barrel, which is about the average price of oil today, that is $18 million a day or a little over $7 billion a year in increased import costs because we are having to import oil and we cannot produce it in this country.

So I think the gentleman's amendment is very worthwhile. It is an extremely small price to pay. It is a level that was authorized last year. It would put the Congress and the people on notice that we want to protect our domestic resources and try to better utilize our domestic resources and for those reasons I believe we should vote in the affirmative for Mr. CHAPMAN's amendment.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Oklahoma [Mr. McCURDY].

Mr. McCURDY. I thank the gentleman for yielding. Mr. Chairman, I rise in support of the Chapman amendment.

Mr. Chairman, I wholeheartedly identify myself with the remarks of the gentleman from Texas. He has been a leader in the area of energy research in the Committee on Science, Space, and Technology.

I commend Chairman YATES, Mr. REGULA, and others on the committee for continuing to recognize the importance of petroleum and natural gas research. However, we should go one step further to solve our declining oil production problems.

The Chapman amendment would cover the basic funding requirements of DOE labs involved in this research. More important, it would put university research funding at a level where those experts can be major players in understanding how oil moves through underground reservoirs.

In June 1986, GAO identified more than 650 EOR projects in 23 States. The study said that EOR could "make a major contribution to domestic production," and could help us double present producible oil reserves in a short timeframe.

Potential U.S. oil reserves that are beyond the reach of conventional recovery methods are staggering: About 300 billion barrels of oil cannot be touched. Imagine the frustration of the independent oil producer—the small businessman of the industry—who must plug a well that has yielded all it will through today's methods. He will have to walk away from 40 to 50 percent of that well's potential.

Low market prices have driven the major companies to drastically cut R&D efforts. Independent companies only do site-specific work and are really only concerned with selling raw crude oil.

Mr. Chairman, the producing States are working against the clock. In Oklahoma, about 60 percent of our oil wells produce less than 10 barrels a day. When those wells play out and are plugged, what is left will be lost. the oil will retreat deep into rock formations. It will never be economical to reopen those wells.

At some point we must stop squandering this vital American resource and commit ourselves to a sensible petroleum research program. The Chapman amendment would bring our research tools to bear now instead of waiting until our country is hopelessly dependent on other countries for energy.

Mr. BARTON of Texas. Mr. Chairman, I yield back the balance of my time.

Mr. YATES. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

I wish that the committee could accept the gentleman's amendment. Mr. Chairman, this kind of research is very important. The committee has provided funding for this kind of program for many years, in spite of the fact that there was no authorization for it from the authorizing committee. The gentleman must realize that the gentleman from Pennsylvania [Mr. WALKER] has just criticized us for daring to bring programs and appropriations to the floor without waiting for appropriate authorization from the legislative committees.

But we think this is a vital kind of research and for that reason we increased this appropriation over last year. I wish we could increase it to $50 million. But we are up to our ceiling on outlays and we are up to our ceiling on budget authority.

Mr. Chairman, I want the gentleman to know that the committee is very much interested in developing the methods by which we can take out of the ground the residues that remain in the rocks after the oil is taken out. That is essential.

We provided for secondary and tertiary recovery methods. We propose to continue to do that.

I recognize the importance of the amendment of the gentleman and I want to tell the gentleman that we will keep it very much in mind and if we can possibly do it as a result of the conference or if we can possibly do it next year we will move forward to it. It is a very important program. But regrettably, Mr. Chairman, I must oppose it.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the ranking minority member of the subcommittee, the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. I thank the gentleman for yielding.

Mr. Chairman, I would agree with the chairman of the subcommittee, the gentleman from Illinois [Mr. YATES]. There are many worthwhile projects but we are constrained by budget ceilings, constrained by the deficit and we did increase the research into oil and gas by 28 percent over the last year, recognizing that this is a critical element in our energy policy.

But there is a limit to what we can do as evidenced by the prior amendment. We have tried to address this challenge in a responsible way. If we were to go with this amendment it would result in a substantial reduction and other types of research into fossile fuels, particularly in the coal field. Recognizing that 29 percent of the world's coal reserves are in the United States, I do not think we can very well cripple that program to add to this one.

I reluctantly would join with the chairman in saying that while this may be worthwhile, we have to oppose it today because we simply do not have the money to do all the things we would like to.

Mr. YATES. Mr. Chairman, I thank the gentleman for his contribution and I call for a vote.

Mr. HAYES of Louisiana. Mr. Chairman, I move to strike the requisite number of words and I rise in support of the amendment offered by the gentleman from Texas

Mr. Chairman, I am not sure that in naming priorities we have to consider priorities between spending and not spending, perhaps what we are talking about today are relative priorities. If we are able to have legislation that anticipates a coal shortage in a country with enormous coal deposits, represents the importance of that research in developing coal resources for which we have an anticipated 600 or 700 years supply, than surely, if we can spend $241 million in that research, than we can address a more critical, a more immediate, more pressing demand for increased production of oil and gas and through continued research an opportunity to conserve our resources.

We are told that conservation is the key in oil and gas development. Ultimately at the consumer end using less gas per mile, less gas, fewer miles. But what is less conservatory than to allow our university laboratories to sit idly by while 40 percent of our imports of total use represent a dependency upon countries that in time of need we have no idea as a matter of national policy whether we can count on them or not. To divert $50 million into such an essential program at a time when we have a realization that the future impact of our dependence on foreign oil might make us all hostages to other countries, I think would be shortsighted and we would be looking at relative spending merits. And if we do not find $50 million now how much money are we going to have to find in the future? How much of a revenue package are we going to have to have if foreign dependence moves a per price barrel that causes this country to pay dearly for its lack of intensive research?

No; I find Mr. Chapman's amendment, the gentleman from Texas, to be quite modest in its proposal. Quite frankly I would stand here and support with equal fervor the $200 million be moved directly to oil and gas research, considering the proximity of that need and with very little reluctance, considering the merits of the two programs, feel that the diversion of funds in that direction is more than justified.

We have right now an executive making decisions on whether or not to put U.S. flags on ships keeping oil lanes open. If one of our great priorities is in the fossile fuel field, then certainly we must have a priority in allowing universities such as Louisiana State and the University of Southwestern Louisiana in my districts to continue their research for what is an essential commodity.

And finally, I think we have to look at national objectives. If we are going to recognize the need of the Northeast portion of the United States where dependence would be more greatly felt in the cruel winters that we have had in the last 10 years and future decades of tough winters, we are going to have to tell our friends in Massachusetts that, "No; we were not doing research and suddenly we have increased costs; no, we never thought about the fact that you cannot import natural gas except at huge price increases over present levels and no, we were not thinking about you on those afternoons." Well, this is the afternoon to think and tomorrow is the afternoon to react and a decade from now in the afternoon that is too late to address future energy problems.

I thank the gentleman for the time, thank the Chair for the recognition and I would urge adoption of the amendment.

Mr. LUJAN. Mr. Chairman, I rise in support of the amendment.

Currently, oil and gas account for approximately 65 percent of both free world and U.S. energy consumption. Oil alone accounts for over 42 percent of U.S. consumption, while coal contributes only some 23 percent of the energy consumption.

The February 1987 report "Geoscience Research for Energy Security" by the Department of Energy's Energy Research Advisory Board [ERAB] recommended that the DOE refocus its research funding, giving top priority to oil and gas research "because of their overall dominant role in energy usage and because the major energy problem facing the Nation in the intermediate future is a shortage which threatens the Nation's energy security and international competitiveness." I could not agree more.

The funding recommendations contained in this bill, however, fly in the face of these recommendations. It is just more of the same. The bill recommends a total of $277.318 million for coal, oil and gas R&D. However, only $36.363 million, or 13 percent, is provided for oil and gas research, whereas $240.955 million, or 87 percent, is provided for coal R&D. Furthermore, the fiscal year 1988 funding for coal R&D is increased by $37.738 million over the current year level, whereas oil and gas R&D is increased by only $2.391 million.

I do not believe that the large funding imbalance between coal R&D and oil and gas R&D is justified. This amendment specifically addresses this issue, and I recommend its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. CHAPMAN].

The amendment was rejected.

Mrs. BOGGS. Mr. Chairman, I move to strike the last word, and I rise to ask unanimous consent to return to title I for the purpose of offering an amendment.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

AMENDMENT OFFERED BY MRS. BOGGS

Mrs. BOGGS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs BOGGS: On page 9, line 14 strike "$38,074,000" and insert "$39,074,000" and on line 16 after "expended" insert ", including $1,000,000 for the Tensas NWR, Louisiana."

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Mr. YATES. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. Mr. Chairman, I yield to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, I thank the gentlewoman for yielding.

The committee is very much aware of this amendment. I believe it was overlooked at the time the markup occurred, and we have no objection to the amendment.

Mrs. BOGGS. Mr. Chairman, I thank the gentleman.

Mr. REGULA. Mr. Chairman, will the gentlewoman yield?

Mrs. BOGGS. Mr. Chairman, I yield to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Chairman, I thank the gentlewoman for yielding.

We have no objection.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Louisiana [Mrs. BOGGS].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walker: On page 48, line 23 delete "$345,394,000" and insert in lieu thereof "$259,424,000", and on page 49, line 2, strike all after "2909)" through line 6 before the word "and", and on line 20 strike all through page 50, line 14.

Mr. WALKER. Mr. Chairman, we had a fairly lengthy discussion over this topic before. I do not see a need to go through that lengthy discussion again; but if I could, let me ask the gentleman from Illinois [Mr. Yates], the chairman, whether or not we are in a similar situation with regard to this amendment, with regard to the projects that I am moving to delete.

In the case of the projects listed in the bill, the University of Oklahoma and the magnetohydrodynamics programs, and those listed in the report language, are we in a similar situation where we are dealing with unauthorized programs, first of all?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from Illinois [Mr. Yates].

Mr. YATES. Mr. Chairman, I thank the gentleman for yielding.

The answer to the gentleman's question is yes, just as the program that was the subject of the recent amendment was unauthorized; and I regret that very much, just as I regret very much the fact that the committee has had to act, because the legislative committee has not found the time to do it.

Mr. WALKER. I understand, but once again I wanted to make clear to all of the Members, we are in fact dealing with programs that are unauthorized.

In the case of these programs, are we also dealing with programs that have not been appropriately merit reviewed?

Mr. YATES. Mr. Chairman, I assume the gentleman refers to peer paneling?

Mr. WALKER. Peer review.

Mr. YATES. The answer is yes, the gentleman is correct.

Mr. WALKER. So, we are dealing here with a bill that inlcudes some $9 million in earmarked special interest add-ons for industries and universities that have been neither authorized, nor have they been peer reviewed, nor in the term that the head of the National Science Foundation prefers to use, merit reviewed.

We are talking here about, for instance, a research center at the University of Oklahoma, a brandnew program, $9 million, that ultimately is going to cost $45 million.

That means that we are going to have to find $36 million in additional Federal funds later on to complete this particular project.

Mr. McCURDY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from Oklahoma.

Mr. McCURDY. Mr. Chairman, I thank the gentleman for yielding.

I want to correct the record on one point. If the gentleman would see in the Record here that some $36 million has already been expended and funded; and the construction, $36 million of the $45 million is already in place now either State funding or through private donations at the University of Oklahoma.

The $9 million is to completely finish the laboratory construction and equipment installation at that facility, so it is the completion of the project which this funding provides which will, I do not think any Member can question the merit of the research that has already been conducted there, and because of the bottom falling out of the energy market, that the funding fell short, and in order to avoid penalties and otherwise, this funding was sought.

Mr. WALKER. The gentleman does agree, it is an unauthorized project; and it has not been peer reviewed?

Mr. McCURDY. If the gentleman will yield further, the only point there, we on the Committee on Science, Space, and Technology of which we are both members, have yet to pass this particular bill, even though the staff mark has been made; but that will be done very shortly.

It was because of the press of the schedule that the Committee on Appropriations had to move forward, but I think there is reasonable assurance that there will be authorization following.

Mr. WALKER. One of the reasons why we can never get authorization bills finished is because we always have the press of time where people do end runs around the authorization process and come directly to the appropriations process, and then there is not enough need to have an authorization bill passed, if the Committee on Appropriations has taken care of the things that need to be authorized.

That is a bad process, and it is assuring that the members of the authorizing committees around here do not even have to show up, because anything we do has been negated by the time it has any validity to it anyhow. That is a bad way to go.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

I would like to ask the gentleman from Oklahoma [Mr. McCurdy] whether or not on this $9 million appropriation, whether there was a competition with other institutions for this $9 million?

Mr. McCURDY. Mr. Chairman, if the gentleman will yield, I think this is a competitive process.

The legislative process itself is competition.

Mr. RITTER. My question is, Was there a direct competition? Was it an announced competition?

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

Mr. RITTER. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Walker] be allowed to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. Ritter]?

Mr. YATES. Mr. Chairman, reserving the right to object, we went through this 40 minutes earlier.

I would hope that the gentleman will present his argument, and that we do have a vote.

The gentleman was absolutely right before when the gentleman asked me whether that is the same kind of a situation.

It is exactly the same kind of a situation, and we aired it thoroughly; and I would hope that we could dispose of this.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania [Mr. Ritter]?

There was no objection.

Mr. WALKER. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Ritter].

Mr. RITTER. Mr. Chairman, I thank the gentleman for yielding.

There is no competition for this $9 million. A panel may review this, but it is not a panel reviewing competitive ideas; and what we are doing here, and what we have been doing more and more of, is taking science and technology funding out of the realm of competition and putting it into the realm of politics, and that is not going to make the United States more competitive.

Mr. WALKER. I thank the gentleman.

Once again, I am willing to do the same thing here as I was willing to do before.

I am willing to withdraw this amendment and leave the funding in place, the total funding in place, if we would——

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I thank the gentleman for yielding.

I invite the gentleman, if the gentleman's own committee will not deal with this, to come before our committee; and I will give very serious consideration to the gentleman's request.

Mr. WALKER. I am not seeking money for any project. I am seeking a change in the procedure that has brought this House to the day when projects are sought before——

Mr. YATES. What does the gentleman want me to answer then?

Mr. WALKER. What I would like to have happen on this floor is, let us eliminate the special interest earmarking and put all of the money into a pool, and let the money be divided on the basis of good science rather than on the basis of political clout.

I would be perfectly willing to leave every dime in here for science research if we were in fact deciding it on the basis for scientific merit rather than on the basis of political clout. If we could do that, I would love to leave the money in. Otherwise I am going to insist on the amendment to cut out the money because I do not think it is right for us to be proceeding on the idea of political clout being the way in which we make scientific determinations.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, the testimony before our committee with respect to the University of Oklahoma was that this was a $45 million project to which the University of Oklahoma had already contributed $36 million. It is for research in a field of utmost importance, the field of oil and gas. We just got through with an amendment directed to that purpose. The committee, therefore, thought the contribution the government is making and the cost sharing that the university was making were warranted on this occasion.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

I would just note how the process worked so that future Members may understand. The note I have on this is that this was a request of the subcommittee made by the Speaker on behalf of Members of the Oklahoma delegation. Is that correct information?

Mr. YATES. Mr. Chairman, if the gentleman will examine the record, he will find that the gentleman from Oklahoma [Mr. McCurdy] appeared before the subcommittee of the Appropriations Committee and testified on behalf of the project.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, as the gentleman points out, a request was made, but I would have to say that everything that comes before this body is here because some Member has either proposed a bill or made a request.

Mr. WALKER. The request in this instance was made by the Speaker?

Mr. REGULA. I think the Speaker did make a request, along with many others. He is a Member of this body, and he is entitled to make a request, as 434 other Members, as the gentleman knows.

Mr. WALKER. It does suggest a smidgeon on political clout, however.

Mr. REGULA. I do not think so necessarily.

Mr. YATES. Mr. Chairman, will the gentleman yield on that point?

Mr. WALKER. I am glad to yield to the subcommittee chairman.

Mr. YATES. There are requests that the Speaker makes that we agree to, and there are requests he makes that we do not agree to. There was an argument in the Appropriations Committee last week where the Speaker had made a request and where the committee turned him down.

Mr. WALKER. Mr. Chairman, I thank the gentleman for that information. I assume what that means, though, is that the Speaker is probably going to be back again, and then it will be harder to turn down the second time, because the fact is that scheduling or the ability to schedule has some clout around here, and I think most Members recognize that.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I thank the gentleman for yielding.

Again I would point out that of the $45 million in this project $36 million is coming from the local community. So I think that is evidence of the fact that they are committed to a good program.

If the gentleman will continue to yield, it is rather ironic today that we are having these discussions. If there were gasoline lines, people would be asking, how much can we add to all these research programs?

I think now, in 1987, is the time we ought to be addressing energy policy for the 21st century, as a matter of fact, so we do not have gasoline lines, and so that we have in place research. The fact that we have reduced it in our committee 79 percent from what it was in 1982 is, of course, in part because the aura of crisis has been reduced, and it seems to me that we as the subcommittee have tried to address this subject.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

(On request of Mr. Regula, and by unanimous consent, Mr. Walker was allowed to proceed for 5 additional minutes.)

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I continue to yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, now is the time to try to put in place a responsible energy policy. I would point out to the gentleman in response to his frustration with the Committee on Science, Space, and Technology that we have not had an authorization since 1982, and at that time it was part of reconciliation. So in part let me say that I believe the gentleman's case should be taken to the committee. We cannot let energy policy stand still while we wait for some action by the legislative committee.

Let me just make one last comment.

Mr. WALKER. Mr. Chairman, reclaiming my time for a moment, I want to say again to the gentleman that one reason why the authorization process will not work is because you take care of the process and, therefore, all of the need for the authorization process to work is taken away.

Mr. REGULA. Mr. Chairman, if the gentleman will continue to yield, I assume, then, that we should allow a crisis to develop by virtue of the inaction of the committee as a way of addressing their failure to go to the problem.

Mr. WALKER. But we would end up with a better process around here that way.

Mr. REGULA. If I might finish, I have a couple of further comments in opposition to the amendment.

The buzz word around here has been "competitiveness" and also "research and development." We realize that our industries, which means jobs for Americans, have to compete in a world market. To do that we need research and development. What we have done in this bill is to develop research and to try to fund in a very modest way innovative technology in a lot of fields, recognizing that energy is central in terms of the ability of an economic industrial nation to compete in the world marketplace.

In this particular case we are talking about research and development at a university. Some of these things are at universities. I would point out that the value of this to a society is best exemplified in Massachusetts by virtue of the fact that MIT is there, and so we have the Massachusetts miracle. Unemployment has gone from 15 percent to 3 percent, in large part because of research and development at that particular institution.

We want to spread that across the country. We fund research projects in the State of the gentleman in the well. This is a proper role of Government, to provide seed money to address the economic challenges that confront our Nation.

Mr. WALKER. Mr. Chairman, let me say to the gentleman that the unemployment rate in my district is a little less than 3 percent, too, and we have largely done it without coming to the Federal Government. We have been able to do a lot of it on our own, expanding our own industries and building on our economic climate. I would say to the gentleman that there is some validity in moving in that direction as well.

Mr. EDWARDS of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Chairman, I understand the gentleman's concern about the authorization process. The House frequently acts to appropriate when the authorization process has not been totally complete, and I share some of the gentleman's concern about that.

Mr. WALKER. We do so against our own rules, however.

Mr. EDWARDS of Oklahoma. That is right, and I share some of the gentleman's concern.

But the gentleman is making a point about the University of Oklahoma energy center. First of all, if this is here because it is the major project of the Speaker of the House, I am not aware of it. I wrote a letter to the subcommittee chairman, the gentleman from Illinois [Mr. Yates] asking for his consideration on the money for the University of Oklahoma.

The gentleman talks about a State doing this by itself. Let me point out that 50 percent of the construction money comes from private sources and 33 percent of the construction money comes from the State of Oklahoma.

□ 1350

We are talking here about a national problem. In the Middle East today we are all very much aware of the national security implications of continued dependence on foreign energy suppliers. There is a desperate need in this country to invest, for the Federal Government to invest, into the development of our energy resources so that we do not have that kind of dependence, which is very damaging to our national security.

So I would just respectively ask my colleagues to vote against the gentleman's amendment. I vote for almost every amendment the gentleman offers. This time I think that he is ill advised and would urge my colleagues to vote against it.

Mr. WALKER. I would say to the gentleman, Mr. Chairman, that another one of the little crises we face is $150 billion in deficits. The gentleman has decided that maybe we can save $85 million out of pork.

What I was raising here a minute ago was that I come up here asking for a couple amendments in savings, but when we wanted to add in $1 million we did it like that just a second ago. We just added in $1 million because we forgot it in the committee. We forgot to put it in, and boy, we added it in; but when it comes to saving a little bit of money around here and trying to find some money to do something about the deficit, boy, oh boy, do we have difficulty at that point.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RITTER. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. YATES. Mr. Chairman, I object to another 5-minute extension. We have thoroughly reviewed this.

The CHAIRMAN. Objection is heard.

Mr. RITTER. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania may proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 3 additional minutes.

Mr. RITTER. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am happy to yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Chairman, the gentleman from Ohio, with whom I work closely on so many issues in technology and in trying to reindustrialize America, mentioned that competitiveness is the buzzword this year. The gentleman is right. He mentioned that research and development is important, and he is right; but the fundamental flaw here is that it is not the volume of research and development conducted or simply politically applied into the community, it is the ability of that research and development to contribute to those areas of our economy which are in deep competition with our trading partners.

Where we are going wrong here is we have got a selection process which does not take into account which areas are the best areas to spend the money in. It does not take into account competition between ideas and areas. It simply funds the status quo. It funds those capable politician entities which are out there, which may not at all be on the cutting edge, and simply provides new forms of science pork into the system.

This system can hurt us. It can hurt our competitive position because it will make almost always decisions which are incorrect. There is no competition for ideas. There is no competition between institutions. It is quite likely that the decision is simply the wrong decision and will take technological resources, scientific resources, and encumber them because of a political decision and that, Mr. Chairman, will not contribute to U.S. competitiveness.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

Let me just say in conclusion that earmarking construction funds for specific universities and industries without competitive peer review is an improper and inefficient way to improve our Nation's research infrastructure.

Mr. Chairman, I ask for an aye vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walker].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 115, noes 298, not voting 20, as follows:

[Roll No. 215]

AYES—115

Archer
Armey
Badham
Bartlett
Bennett
Bereuter
Bilirakis
Bliley
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Coble
Coleman (MO)
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Emerson
Fawell
Fields
Frenzel
Gallegly
Gallo
Gingrich
Goodling
Gradison
Gregg
Gunderson
Hammerschmidt
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hyde
Ireland
Jacobs
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (FL)
Lott
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (WA)
Montgomery
Moorhead
Nielson
Oxley
Packard
Pashayan
Patterson
Penny
Petri
Porter
Quillen
Ritter
Roth
Rowland (CT)
Saxton
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Skelton
Slaughter (VA)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stangeland
Stenholm
Stump
Swindall
Taylor
Thomas (CA)
Upton
Vander Jagt
Walker
Weber
Wolf
Wylie
Young (FL)

NOES—298

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Ballenger
Barnard
Barton
Bateman
Bates
Beilenson
Bentley
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman

Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Howard
Hoyer
Hubbard
Hughes
Hutto
Inhofe
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pease
Pelosi
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Ridge
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Smith (IA)
Smith (NE)
Smith (TX)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Tauke
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—20

Boner (TN)
Bonior (MI)
Chappell
Daniel
Foley
Gephardt
Horton
Huckaby
Hunter
Kemp
Leath (TX)
Livingston
Pepper
Pursell
Richardson
Roemer
Smith (FL)
Tauzin
Towns
Wortley

□ 1405

Messrs. TAUKE, CALLAHAN, LEWIS of Georgia, SUNDQUIST, and LELAND changed their votes from "ayes" to "no."

Mr. DAVIS of Illinois changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. OBERSTAR

Mr. OBERSTAR. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OBERSTAR: Page 40, line 10, insert ", and of which $247,000 shall be for continued research at the Forest Economics Research unit of the U.S. Forest Service North Central Experiment Station, located in Duluth, Minnesota" before the period.

Mr. OBERSTAR (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

□ 1415

Mr. REGULA. Mr. Chairman, I reserve a point of order on the amendment.

Mr. OBERSTAR. Mr. Chairman, the purpose of this amendment is to designate funds within the existing appropriation to continue the operations of a research center that has been in operation for 25 years under the direction of the U.S. Forest Service at Duluth, MN, which has conducted research on new species of wood, new uses of existing species of forestry types in northern Minnesota, the result of which has been to bring into utilization underutilized wood species which has given rise to a new industry in northern Minnesota.

As a result of this Forest Service research, Lake Superior Paper Industries has opened a $450-million paper mill which is in operation in Duluth to produce coated paper that will compete with imports, that will begin operating this fall. The Forest Service itself says this unit has been a success. Now they want to close it down.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I have talked to the gentleman and read the report of the Forest Service. I can understand why the gentleman is so upset.

I do not know whether the committee or I as the chairman of the committee will be able to help the gentleman, but I want to assure the gentleman that I will do everything that I can to try to be of help to him, and I would hope the gentleman would withdraw his amendment.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I want to join with the chairman of the subcommittee in saying that we will try to provide assistance in this problem and address the concerns of the gentleman in the well.

Mr. OBERSTAR. I thank the gentleman for his assurances.

Mr. SIKORSKI. Mr. Chairman, will the gentleman yield?

Mr. OBERSTAR. I yield to the gentleman from Minnesota.

Mr. SIKORSKI. Mr. Chairman, I would like to express support for the gentleman in the well. I think he is absolutely right and courageous, and the thing to do would be to have this worked out so that justice prevails here.

Mr. OBERSTAR. Mr. Chairman, I think it is absolutely incredible that the Forest Service, in a letter, says: "During its nearly quarter of a century existence, the Duluth Research Unit has produced research results on numerous issues that are central to the efficient development of the forest resources in northern Minnesota." Then it cites the pulp and paper mill as an example, and then said, but we are going to close it down. It is just a waste of resources, and I appreciate the support of the chairman and the gentleman from Ohio.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The CHAIRMAN. The amendment is withdrawn.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 57, line 14, beginning after the word "facilities," delete "including quarters for personnel"; and in line 21, delete "$67,592,000" and insert in lieu thereof "$60,830,000."

Mr. WALKER. Mr. Chairman, this particular amendment cuts out money that was put in by the committee for the purpose of providing additional personnel quarters at hospitals and clinics for the Indian Health Service. The committee anticipates spending $6.7 million to put in absolutely less than 200 new units of housing for Indian Health Service personnel.

According to the Office of Management and Budget, the Indian Health Service now has over 200 personnel quarters that are vacant or that are occupied by unauthorized persons. The question then becomes a matter of priorities. Ought we be spending $6.7 million to provide that which is already available but is either being unoccupied or is being occupied by unauthorized persons?

I would suggest that in a matter of priorities this is the place where we can save approximately $7 million. That is the attempt here, to save $7 million of money that we do not need to spend.

I yield back the balance of my time.

Mr. YATES. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment seeks to strike funds for personnel quarters for the Indian Health Service.

Let us talk about Indian health for a moment and the condition of the Indian people in this country.

I have in my hand a study by the Department of Health and Human Services on Indian health. Listen to this:

> Reservation State Indians lag behind the U.S. population in income, health, and other socioeconomic indicators. In 1979:
>
> Almost a third of Indians in reservation States lived in or near poverty.
>
> More than 40 percent of all Indian families with children were below the poverty level.
>
> Indian poverty is strongly related to death and disease rates for Indians, which are among the highest in the Nation.
>
> The median income of Indian families living on reservations, in villages, and in historic Indian areas was approximately $7,200 lower than for the U.S. population as a whole.
>
> The lack of safe running water and toilets in more than 22,000 homes located on reservations contribute to the persistence of infectious diseases, especially among newborns.
>
> The IHS Service population dies from injuries at 3 times the U.S. rate.

That is the condition of the Indian people in this country. How do you get people to take care of the Indians, how do you get the staff in order to take care of the Indians?

The gentleman talked about 200 vacancies in Indian health quarters throughout the country. Last August, the 200 vacancies the gentleman refers to represented only about 10 percent of 2,000 total quarters available.

Let me tell the gentleman about other places where the Indians health personnel have to be quartered. The committee included six locations for funding. Of the six locations, there are no vacancies at Supai, AZ, which is at the bottom of Havasu Canyon, Fort McDermitt, AZ, Kotzebue, AK, there is none, no vacancies at all. There is one vacancy at Kanakanak, AK, and two at Rosebud, SD, which are being held for positions now being recruited. The IG report listed 11 vacancies at Pine Ridge, SD, but that was an error, and as of mid-May the IHS reported no vancancies at Pine Ridge.

Mr. Chairman, I have the greatest respect for the gentleman from Pennsylvania, but really this is a heartless amendment. This is a situation that does require attention, and I urge the House not to accept this amendment.

Mr. SIKORSKI. Mr. Chairman, I move to strike the last word.

Mr. Chairman, let me just commend the chairman of the subcommittee for his sensitivity in opposing this amendment for its insensitivity.

The draft IG report that has been referred to found 201 quarters vacant, but the report did not address the reasons why the quarters were vacant in the first place. They are not of adequate size by regulation. They are not available when the personnel transfer occurs, the same policy used by the military.

Beyond that, of the six locations included for funding in the committee bill, there are no vacancies at Supai, AZ, Fort McDermitt, AZ, and Kotzebue, AK. There is one at Kanakanak, AK, and two at Rosebud, SD, but they are being held for positions now being recruited.

The only buildings where there are no vacancies and yet there are needs are those to be defunded by the amendment proposed by the gentleman from Pennsylvania.

Beyond that, how quickly we forget. This is a direct attack on the principle of Indian Health Services. The only progress that has been made on infant mortality or morbidity, on longevity, which trails way beyond the average rates nationwide on Indian reservations, the only progress that has come through the Indian Health Services, and now there are these cuts directed at these areas of Indian housing that directly relate to the services.

The testimony we had in the Health and Environment Subcommittee was that you give us a $12 million clinic and it is worthless if there are no doctors or health personnel, and you will not get those doctors or health personnel unless you give them decent living conditions.

This report was fine to the extent that it was relevant, but it is irrelevant to the amendment here today, and it totally ignores the issues of recruitment and retention which are related to decent housing.

I once again want to commend the chairman.

Mr. OBERSTAR. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. I yield to the gentleman from Minnesota.

Mr. OBERSTAR. Mr. Chairman, I thank the gentleman for yielding and want to compliment him on his splendid statement, as well as that of the chairman of the subcommittee who referred to the report in detail and the condition of the Indian health throughout this country and the need for services.

The State of Minnesota has seven Indian reservations. Five of them are located in my congressional district. I have, as I am sure the gentleman in the well has done, traveled to each of those reservations numerous times, visited with people in the reservations. Their No. 1 concern is for health, especially for child health.

On those reservations and others throughout the United States we have the lowest conditions in the country for health and health care. What the legislation does is to move up incrementally by small steps the care that we are providing for the health of the Indian population of this country.

I can think of nothing more insensitive, cruel and heartless than to strike the funding for health care among the neediest population in this country. I hope the House will reject this amendment resoundingly.

Mr. SIKORSKI. I thank the gentleman and commend him for his advocacy for a long time on this issue.

Mr. MILLER of California. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. I yield to the gentleman from California.

Mr. MILLER of California. Mr. Chairman, I associate myself with the remarks of the gentleman and the chairman of the Appropriations Subcommittee, Mr. YATES. I think this amendment just does not have a realistic understanding of housing conditions on Indian reservations or the trouble we are having in recruiting people to the Indian Health Service. Clearly this amendment does more than just cut housing allowances; it really dramatically negatively impacts the Indian health on our reservations and throughout the Nation, and as the gentleman said, especially Indian child health.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I want to say in fairness to the gentleman from Pennsylvania [Mr. WALKER], this is a management issue and the gentleman is trying to address the question of utilizing the facilities available in the most effective way. Obviously, there are some instances where there are empty houses while in other places they are not available.

The Indian Health Service, and this is in reponse in part to a challenge from the committee, has made it very clear that they will make every effort, to get 100 percent occupancy of housing, but in some instances the empty space, however is not where the people are needed. It is also emphasized in the report of the IG that wherever possible, people that are working in an area should be required to use the housing provided as a part of the Indian Health Program rather than to pay housing allowances.

I understand what the gentleman is saying. He is trying to get a cost effective use of the dollars, and I commend him for that. But I think we have addressed the problem with the IHS.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding, because I find it somewhat astounding to have people come down and suggest all kinds of terrible things about insensitivity to Indian health problems and so on.

What we are really dealing with here in a Federal employee. I will tell the gentleman that I do not want to make a big emotional case out of this, but it strikes me as a little bit odd when that we are talking about is for high paid Federal employees in one location on here where we are going to spend $140,000 per unit to build this housing for Federal employees, $140,000 per unit. In my district, $140,000 for a house is a very, very expensive house, and in most districts of the country that is a very expensive house.

It is a little bit insensitive to the taxpayers to be suggesting that we ought to spend $140,000 apiece for housing units for these Federal employees at that one location.

□ 1430

Mr. REGULA. If I can reclaim my time, I understand the gentleman's point, but it very well may be that is in an area where housing is very expensive.

Mr. WALKER. No, I will tell the gentleman it is in South Dakota.

Mr. REGULA. It may be in a remote area.

I understand the concern of the gentleman. We on the committee made it clear to the Indian Health Service that we want them to be as cost-effective as possible in providing the needing housing, and they have responded to the committee that they would do so. So it is not a question here of the health services, per se. It is a question of how we provide housing for the Federal employees. I want to keep the focus on that. We have the concerns that the gentleman does. I think as a result of our efforts with IHS that they are going to make every effort to respond to that concern.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was rejected.

The CHAIRMAN. Are there additional amendments to title II of the bill?

If not, the Clerk will read.

The Clerk read as follows:

Mr. JOHNSON of South Dakota. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, briefly, as a representative of the entire State of South Dakota and representing two Indian reservations which would bear the brunt of this amendment, I feel compelled to make some remarks at this point.

Rosebud Reservation and Pine Ridge Reservation would be losing $4 million of the $7 million under this amendment.

Shannon County, which comprises Pine Ridge Reservation is the most impoverished county in America, bar none. I would like to tell the gentleman from Pennsylvania [Mr. WALKER] a few things about the desperate plight of our citizens in the State of South Dakota who are Indian citizens.

We have an Indian infant mortality rate that would be the shame of a Third World nation. We have a diabetes rate that is over five times the national rate. We have a pneumonia rate that is four times, we have increasing tuberculosis, unemployment at an 85-percent rate and a skyrocketing alcohol and drug problem.

There is no other community within 45 miles of either of these hospitals. There is no staff quarters that are adequate. The only way we are going to break the cycle of poverty and dependency is to provide, among other things, adequate health care. I do not believe there are any other options. The quarters at the Pine Ridge Hospital were built in 1941. They are no longer adequate, they are sharing communal restrooms, communal facilities. They are falling down.

If we are going to attract the kind of employee we need, we need adequate quarters.

Mr. VOLKMER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of South Dakota. I yield to the gentleman from Missouri [Mr. VOLKMER].

Mr. VOLKMER. I thank the gentleman for yielding.

Mr. Chairman, I would like to ask the gentleman, since I am somewhat familiar with the area and the gentleman has made a point as to the building cost for Federal employees in the Rosebuds Reservation, how close to the Rosebud area are there facilities which have lumber yards and concrete block or concrete or other facilities for building materials and so forth?

Mr. JOHNSON of South Dakota. From Rosebud you would have to go another 50 miles to find any community with any building facilities at all and then you are talking about a community of 500 to 600 people.

Mr. VOLKMER. Mitchell is about how far away?

Mr. JOHNSON of South Dakota. It would be several hours' drive.

Mr. VOLKMER. That is what I thought.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of South Dakota. I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding.

I wonder, does the gentleman know what the average cost of a home is in South Dakota?

Mr. JOHNSON of South Dakota. The average cost of a home in South Dakota would be substantially less than the figure that the gentleman was referring to. Now, I am not privy to the accounting process that is being used by the gentleman, but I would assume that it wraps into the entire cost of building this facility.

Mr. WALKER. Yes. What I have here is that we are building 25 units and it is costing over $3.5 million. That is $140,000 per unit. That is pretty expensive housing in my district and I would think in the district of the gentleman and in most districts across the country.

My guess is that the taxpayers are probably going to be a little bit concerned about that kind of expenditure primarily to house Federal employees who on the whole are not the kind of poverty folks that the gentleman refers to, who I have a sensitivity to, but who are fairly well-paid Federal employees.

Mr. JOHNSON of South Dakota. If I may reclaim my time, I would like to relate to the gentleman the fact that I invite him to South Dakota to look at the Pine Ridge and Rosebud Indian Reservations. I do not think any American can go through there without being ashamed of their condition. I remind the gentleman that when you build housing in this area, you have to build the entire infrastructure, including water, sewer, street, and you are having to do the entire thing. It is not simply a housing project in a subdivision that is already established as we have in other parts of the country.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was rejected.

The CHAIRMAN. Are there additional amendments to title II of the bill?

If not, the Clerk will read.

The Clerk read as follows:

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretaries of the Interior and Agriculture for use for any sale hereafter made of unprocessed timber from Federal lands west of the 100th meridian in the contiguous 48 States which will be exported from the United States, or which will be used as a substitute for timber from private lands which is exported by the purchaser: *Provided,* That this limitation shall not apply to specific quantities of grades and species of timber which said Secretaries determine are surplus to domestic lumber and plywood manufacturing needs.

SEC. 303. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: *Provided,* That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 304. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 305. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 306. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 307. Except for lands described by sections 105 and 106 of Public Law 96-560, section 103 of Public Law 96-550, section 5(d)(1) of Public Law 96-312, and except for land in the State of Alaska, and lands in the national forest system released to management for any use the Secretary of Agriculture deems appropriate through the land management planning process by any statement or other Act of Congress designating components of the National Wilderness Preservation System now in effect or hereinafter enacted, and except to carry out the obligations and responsibilities of the Secretary of the Interior under section 17(k)(1) (A) and (B) of the Mineral Leasing Act of 1920 (30 U.S.C. 226), none of the funds provided in this Act shall be obligated for any aspect of the processing or issuance of permits or leases pertaining to exploration for or development of coal, oil, gas, oil shale, phosphate, potassium, sulphur, gilsonite, or geothermal resources on Federal lands within any component of the National Wilderness Preservation System or within any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning in Executive Communication 1504, Ninety-sixth Congress (House Document numbered 96-119); or within any lands designated by Congress as wilderness study areas or within Bureau of Land Management wilderness study areas: *Provided,* That nothing in this section shall prohibit the expenditure of funds for any aspect of the processing or issuance of permits pertaining to exploration for or development of the mineral resources described in this section, within any component of the National Wilderness Preservation System now in effect or hereinafter enacted, any Forest Service RARE II areas recommended for wilderness designation or allocated to further planning, within any lands designated by Congress as wilderness study areas, or Bureau of Land Management wilderness study areas, under valid existing rights, or leases validly issued in accordance with all applicable Federal, State, and local laws or valid mineral rights in existence prior to October 1, 1982: *Provided further,* That funds provided in this Act may be used by the Secretary of Agriculture in any area of National Forest lands or the Secretary of the Interior to issue under their existing authority in any area of National Forest or public lands withdrawn pursuant to this Act such permits as may be necessary to conduct prospecting, seismic surveys, and core sampling conducted by helicopter or other means not requiring construction of roads or improvement of existing roads or ways, for the purpose of gathering information about and inventorying energy, mineral, and other resource values of such area, if such activity is carried out in a manner compatible with the preservation of the wilderness environment: *Provided further,* That seismic activities involving the use of explosives shall not be permitted in designated wilderness areas: *Provided further,* That funds provided in this Act may be used by the Secretary of the Interior to augment recurring surveys of the mineral values of wilderness areas pursuant to section 4(d)(2) of the Wilderness Act and acquire information on other national forest and public land areas withdrawn pursuant to this Act, by conducting in conjunction with the Secretary of Energy, the National Laboratories, or other Federal agencies, as appropriate, such mineral inventories of areas withdrawn pursuant to this Act as he deems appropriate. These inventories shall be conducted in a manner compatible with the preservation of the wilderness environment through the use of methods including core sampling conducted by helicopter; geophysical techniques such as induced polarization, synthetic aperture radar, magnetic and gravity surveys; geochemical techniques including stream sediment reconnaissance and x-ray diffraction analysis; land satellites; or any other methods he deems appropriate. The Secretary of the Interior is hereby authorized to conduct inventories or segments of inventories, such as data analysis activities, by contract with private entities deemed by him to be qualified to engage in such activities whenever he has determined that such contracts would decrease Federal expenditures and would produce comparable or superior results: *Provided further,* That in carrying out any such inventory or surveys, where National Forest System lands are involved, the Secretary of the Interior shall consult with the Secretary of Agriculture concerning any activities affecting surface resources: *Provided further,* That funds provided in this Act may be used by the Secretary of the Interior to issue oil and gas leases for the subsurface of any lands designated by Congress as wilderness study areas, that are immediately adjacent to producing oil and gas fields or areas that are prospectively valuable. Such leases shall allow no surface occupancy and may be entered only by directional drilling from outside the wilderness study area or other nonsurface disturbing methods.

SEC. 308. None of the funds provided in this Act shall be used to evaluate, consider, process, or award oil, gas, or geothermal leases on Federal lands in the Mount Baker-Snoqualmie National Forest, State of Washington, within the hydrographic boundaries of the Cedar River municipal watershed upstream of river mile 21.6, the Green River municipal watershed upstream of river mile 61.0, the North Fork of the Tolt River proposed municipal watershed upstream of river mile 11.7, and the South Fork Tolt River municipal watershed upstream of river mile 8.4.

SEC. 309. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.

SEC. 310. Employment funded by this Act shall not be subject to any personnel ceiling or other personnel restriction for permanent or other than permanent employment except as provided by law.

SEC. 311. Notwithstanding any other provisions of law, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, and the Secretary of the Smithsonian Institution are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.

SEC. 312. None of the funds provided by this Act to the United States Fish and Wildlife Service may be obligated or expended to plan for, conduct, or supervise deer hunting on the Loxahatchee National Wildlife Refuge.

SEC. 313. None of the funds made available to the Department of the Interior or the Forest Service during fiscal year 1988 by this or any other Act may be used to implement the proposed jurisdictional interchange program until enactment of legislation which authorizes the jurisdictional interchange.

Mr. YATES (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read and printed in the RECORD and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. Are there points of order with regard to title III of the bill?

Are there amendments to title III of the bill?

Mr. UPTON. Mr. Chairman, under my earlier unanimous-consent agreement, I think this is the appropriate time to bring up my amendments en bloc.

AMENDMENTS OFFERED BY MR. UPTON

Mr. UPTON. Mr. Chairman, I offer amendments.

The Clerk read as follows:

Amendments offered by Mr. UPTON: Page 2, line 11, strike "$75,000,000" and insert in lieu thereof "$60,000,000".

Page 3, line 10, strike "$4,170,000" and insert in lieu thereof "$2,500,000".

Page 3, line 22, strike "$57,817,000" and insert in lieu thereof "$56,267,000".

Page 8, line 25, strike "$21,054,000" and insert in lieu thereof "$16,724,000".

Page 9, line 14, strike "$38,074,000" and insert in lieu thereof "$22,870,000".

Page 11, line 5, strike "$725,129,000" and insert in lieu thereof "$721,865,000".

Page 12, line 15, strike "$86,056,000" and insert in lieu thereof "$64,056,000".

Page 16, line 15, strike "$447,324,000" and insert in lieu thereof "$436,464,000".

Page 19, line 19, strike "$132,727,000" and insert in lieu thereof "$127,087,000".

Page 24, line 7, strike "$25,000,000" and insert in lieu thereof "$20,000,000".

Page 27, line 16, strike "$73,967,000" and insert in lieu thereof "$67,567,000".

Page 30, line 13, strike "$74,809,000" and insert in lieu thereof "$73,809,000".

Page 40, line 8, strike "$137,670,000" and insert in lieu thereof "$131,470,000".

Page 40, line 15, strike "$67,734,000" and insert in lieu thereof "$66,034,000".

Page 41, line 3, strike "$1,218,406,000" and insert in lieu thereof "$1,193,406,000".

Page 41, line 16, strike "$158,771,000" and insert in lieu thereof "$128,771,000".

Page 42, line 7, strike "$36,327,000" and insert in lieu thereof "$23,327,000".

Page 48, line 23, strike "$345,394,000" and insert in lieu thereof "$300,394,000".

On page 49, line 20, strike all language through page 50, line 14.

Page 50, line 21, strike "$162,247,000" and insert in lieu thereof "$102,000,000".

Mr. UPTON. Mr. Chairman, the House today is considering the second of 13 appropriations bills which will fund the Federal Government for fiscal year 1988. As this body well knows, these bills are being rushed through this body before the ink on the long-delayed budget conference report is dry. We are being forced to vote on these appropriations bills, before there are official 302(b) allocations, and under a conference agreement that we all know is filled with unrealistic revenues and savings.

This bill, the Interior Appropriations bill, provides more than $9.4 billion in discretionary appropriations for the upcoming fiscal year. To give my colleagues a point of comparison, fiscal year 1987 only had $8.3 billion appropriated for programs under this bill. So in this bill, we are looking at a greater than $1 billion increase from last year's level. Members should also keep in mind that this bill is $1.5 billion above the administration request.

In previous years the fire fighting supplemental has been put off until later in the fiscal year. This deletion has artificially reduced the amount of regular appropriations, and contributed to the disturbing trend for more and larger supplementals. But the Interior Subcommittee Chairman YATES and ranking member REGULA, and the entire Appropriations Committee, should be congratulated for taking a positive and constructive step toward truth in budgeting. I hope it is an example that the Appropriations Committee will continue—truth-in-budgeting appropriations, with no hidden gimmicks and no deliberate short funding so that later supplementals will be required.

Several concerns remain in the bill, however, and the amendments I offer en bloc address those concerns. The first concern is the overall $240 million level for firefighting. This level is well above the amount which was necessary in this fiscal year, and significantly above the historical average for firefighting needs. I believe that the House can prudently and wisely reduce firefighting appropriations without harming or delaying essential services, or requiring a supplemental appropriations. My amendments anticipate a 20-percent reduction in firefighting appropriations.

The second concern I still have over this bill is the amount appropriated for special projects. These special projects are hidden in the various construction, acquisition, and research accounts of the Department of the Interior and related agencies. The amendments I am proposing would reduce these amounts by a relatively modest sum. My amendments would reduce the amounts for construction, acquisition, and research by 40 percent of the difference between the administration request and the committee recommendation. The total amount of reductions I have proposed total slightly over $100 million. There is still more than $150 million in committee-added funds for construction, acquisition, and research. The bill also includes the total amount of funds for these accounts requested by the administration.

My amendments do not irreparably harm these vital programs. They do not stop vital construction, acquisition, or research. On the contrary, my amendments effect significant savings, while at the same time ensuring that the most vital programs continue.

Another area of possible overfunding is in the Department of Energy programs. The amendments I am offering would reduce some lower priority energy research programs to fiscal year 1987 levels. Is it too much to ask these projects to hold their own for 1 more year, as Congress attempts to grapple with the huge budget deficit. On a percentage basis, the cuts I am proposing amount to less than 15 percent in this area.

Finally, the amendments I am offering propose some savings in energy conservation. There is now a total of $326 million in the bill appropriated for energy conservation, and the committee anticipates total spending in these programs of $360 million. My amendments reduce spending in energy conservation by $60 million, less than 20 percent.

These cuts could be made in several ways, subject to the discretion of the committee. Many Members are concerned over the possibility of reductions in State and local programs, including the low-income weatherization program. My amendments do not require any cuts in low-income weatherization. The committee could choose to make energy conservation reductions in areas other than State and local programs. As an example, if the committee would choose to go down to the administration request in the other four subcategories under energy conservation, low-income weatherization programs would not be touched. Members which are concerned about low-income weatherization can and should support my amendment.

Mr. Chairman, yesterday the House defeated a 1.7-percent across-the-board amendment to the energy and water appropriations bill. I believe that it was a mistake to defeat that amendment. A major excuse many Members used was that an across-the-board approach was irresponsible, that it did not select specific programs.

Well, Mr. Chairman, my amendments take a different approach. My amendments attempt to carefully select specific programs which can be reduced. Not eliminated, not obliterated, not decimated, but reduced.

Mr. Chairman, I believe the 20 amendments, which I have at the desk are sound, well-considered, and responsible amendments which would cut unnecessary programs and allow the most vital programs to go forward. I am also aware, however, that members of the Interior Subcommittee and the Appropriations Committee are nearly united in opposition to these amendments. I do not agree with their arguments that no further money be cut out of this bill. I believe that the $175 billion deficit facing us today demands that we make tough decisions to cut spending. It is time to set aside parochial interests and special projects, and do what is in the best interest of the Nation as a whole.

At the same time, I realize that it is very difficult, if not impossible, to take on the Appropriations Committee. We found that out yesterday. At that time, Members used the arguments that across-the-board cuts were irresponsible. Today, the arguments will be that my amendments usurp the authority of the Interior Subcommittee.

Mr. Chairman, it seems that opponents of spending cuts will use any excuse that they can find to oppose doing something about our Federal deficits.

Mr. YATES. Mr. Chairman, I move to strike the last word and I rise in opposition to the amendment.

Mr. Chairman, may I ask the gentleman a question? Now, these are hearings of the witnesses which took place before our subcommittee. I estimate they are just about 2 feet in height. Has the gentleman read these hearings?

Mr. UPTON. No, I have not.

Mr. YATES. Has the gentleman read any of the hearings?

Mr. UPTON. I have read some of the hearings.

Mr. YATES. The gentleman has read a portion of the hearings.

Mr. UPTON. I have not read a large share of the hearings that the gentleman has on the table in front of him.

Mr. YATES. Very well.

Is the gentleman aware of the fact that the total bill that we have presented to the House is $1 billion less than the total was in 1981?

Mr. UPTON. Well, Mr. Chairman, the point that I am trying to raise is that we have got to do something about this deficit and I think the gentleman shares my view. I do not accept $175 billion deficit for next year. We have got to start somewhere.

Mr. YATES. I respect the intention of the gentleman and I am not going to press a number of questions that I was going to ask.

I just want to say that with respect to the hearings that I pointed out to the gentleman, I sat in every one of those hearings. I listened to all the witnesses and the testimony that makes up those pages. I have lived with the Interior bill for 10 years as its chairman and 10 years before that as a member of the subcommittee. I have seen the gradual deterioration and erosion of the funding of activities that make up the bill.

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In its wisdom, the House has added units to the National Park Service. In its wisdom, the House has added wilderness areas and forest areas.

In its wisdom, the House has added 21 new wildlife refuges. We have to have people to staff those wildlife refuges.

What I am trying to say is, I know that these agencies are not overloaded with employees. If the gentleman will check the records, the gentleman will find numbers of employees have diminished. I know they are not overloaded with appropriations.

I know also that the backlogs are increasing. Deferred maintenance keeps increasing on the units every year, and I wonder how long we can continue to allow the destruction of the physical properties of the Government without attacking the deferred maintenance backlog.

Usually we add $35 million for the States' land and water conservation funds. All of the Members are getting letters from State land and water conservation agencies saying, "What happened to the Committee on Appropriations?" We have no appropriation this year for the State portion of land and water conservation fund.

I just got a letter from the Governor of my State saying: "What happened to the money? We need some money for our State parks."

I said, "We do not have the money. We struck it out this year."

We have approved this budget. I think it is a responsible bill. I think it is not only a good bill, but I think it is a responsible bill.

Take the first part of the gentleman's amendment. The gentleman wants to cut forest firefighting funds. The reports that we get are that the areas throughout the West are drier than they have been in a number of years, and that the possibility of the devastation from forest fires is even greater.

I know the gentleman will say that we could make that up by putting the money in at a later time in the supplemental.

The gentleman from Texas [Mr. STENHOLM], our good friend, says, no more supplementals; we do not want any supplementals this next year. We do not want to put money in for supplementals either.

The gentleman gave us a compliment, because we put the money for firefighting into this bill where usually we take it out of the bill and leave it for computation at the time that we have a supplemental.

I hope the gentleman's amendment will not pass. I think the gentleman's quarrel is not with our Appropriations Subcommittee. I think the gentleman's quarrel is with the Committee on the Budget. I think you should have moved to recommit the budget the day before yesterday when it was before the House.

Mr. UPTON. Mr. Chairman, will the gentleman yield?

Mr. YATES. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Chairman, I thank the gentleman for yielding.

I think the gentleman has done a responsible job firefighting and everything else; and I wish that we had recommitted that budget bill back to the committee.

I wish that we would have had the votes to do that.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. YATES] has expired.

(By unanimous consent, Mr. YATES was allowed to proceed for 2 additional minutes.)

Mr. UPTON. Mr. Chairman, will the gentleman yield further?

Mr. YATES. Mr. Chairman, I yield to the gentleman from Michigan.

Mr. UPTON. Mr. Chairman, I thank the gentleman for yielding.

That was not the case, and it looks like we are going to have a pretty large deficit this next year, $175 billion.

Mr. YATES. I share the gentleman's frustration. We have a system in the House that says that the Committee on Appropriations is to be governed by whatever the Committee on the Budget does in terms of how high it can go.

The Committee on the Budget has acted. I voted against the budget bill. I did not like what the budget bill had in it. I do not know whether the gentleman voted against it or not.

Mr. UPTON. Mr. Chairman, if the gentleman will yield, I did.

Mr. YATES. We are together on it. I did not think it was a good budget either, but the fact is that the budget bill has been accepted by both the House and by the other body.

The fact is that the 302 allocation in that bill will be filed by the Committee on the Budget by July 1, 1987. The Committee on Appropriations will then divide the allocation among the subcommittees of the committee, and we are told that we will be within the 302(b) allocation as it will be finally distributed.

In our subcommittee, we are told that we are within the outlay distribution that will ultimately be distributed. That is why I say, this is a responsible bill.

I share the frustration of the gentleman at not being able to deal with the deficit in another way. We think that the country's best interests need the amounts that we have set aside in the appropriations bill; and I ask that the gentleman's amendment be voted down.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I understand the frustration of the gentleman from Michigan. We all have it.

We are concerned about the budget deficit, and that is why it is difficult to meet the responsibilities that are historically those of the Federal Government.

I do want to emphasize something at this point, and that is that the activities governed by this bill will produce $8.4 billion in revenue.

This is the sale of forest products, the sale of minerals produced on Federal lands and various other activities.

The net cost of the bill before us today to the taxpayer is $1 billion.

I want to also point out something else; and that is, it has been emphasized before, that we are $1.4 billion under the 1981 bill for the similar functions. While at the same time during that period of time, visitor days to the national parks have increased from 296 million visitor days to 358 million, while visitor days to the BLM facilities have gone up from 8.9 to 12 million.

What I am saying to the Members of the House is, and in effect the policy issues before the Members is, the fact that while visitor days continue to go up, while the demand on the facilities at the parks, at the Forest Service, the recreational demands at the BLM grow ever larger, we have reduced the amount expended.

Illustrative of that is the fact that the Park Service told us that they have $1.5 billion in construction and maintenance that needs to be done.

We were only able, because of budget constraints, to put in $86 million or roughly about 5 percent of the needs. We recognize, as the gentleman from Michigan has pointed out, that we have severe budget constraints.

Land acquisition is down 32 percent. We are going to let parcels go that ought to be acquired, simply because we do not have the money.

The gentleman's amendment would cut $4.3 million out of Fish and Wildlife funding. Do you know where that comes from? Most of it is to provide dam safety.

Why is Fish and Wildlife required to meet those standards? Because we are trying to prevent an accident, because we are trying to upgrade the safety standards on dams in this country managed by Fish and Wildlife. If we cut $4.3 million from this function, we put some human lives at risk.

I would point out that we have added 30 new areas since 1981 to the Fish and Wildlife Service, while at the same time we have restrained the amount of money available to them.

Energy conservation, research and development, the kind of thing that prevents energy crises from developing in the future. The amendment would cut this from $162 million to $102 million, a reduction of 37 percent. As far as this cut is concerned, funding for conservation research and development has been reduced 74 percent since 1979, and the gentleman's amendment would reduce it again for this year.

Lastly, the issue of Forest Service roads. National Forest lands are essential because much of the timber that is used to build homes in America come from this source. We take great pride in this Nation in the fact that we have something over 60 percent in individual home ownership. One of the reasons for that is that we have timber production coming out of the forests that are owned by all the people of the United States. This amendment would cut the amount of money available for Forest Service roads substantially, and the result would be a reduction in timber receipts to the Government of about $800 million over the next several years.

This is a management bill. This meets the challenge of managing one-third of America and its resources wisely for the people of this Nation, for recreation, for timber, for home construction, for energy resources.

Mr. Chairman, I think, in the face of the growing needs of a growing population, we have done a very responsible job in trying to address those challenges.

Mr. CRAIG. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to my colleague, the gentleman from Idaho.

Mr. CRAIG. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, I will have to stand in opposition to this block of amendments offered by my colleague, the gentleman from Michigan [Mr. Upton].

I will be very frank. I vote against appropriations probably a great deal more than I vote for them, and I would vote for a reasonable across-the-board cut on this particular appropriation even though it probably has greater impact upon my district and my State than any other single appropriation that this body will consider during this budget cycle.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Regula] has expired.

(By unanimous consent, Mr. Regula was allowed to proceed for 5 additional minutes.)

Mr. CRAIG. Mr. Chairman, will the gentleman yield further?

Mr. REGULA. I continue to yield to the gentleman from Idaho.

Mr. CRAIG. Mr. Chairman, I thank my colleague for yielding.

Mr. Chairman, I am as concerned about the budget deficit as my colleague, the gentleman from Michigan, and probably am among those who have taken the most aggressive action against it. But I think what needs to be discussed here with this particular block of amendments is the priority that this Government places upon certain activities that we are charged with the conduct of and that are net revenuemakers for our Government. In particular, as it relates to forest funds and my State and other Western public land States that have large Federal forest land reserves, we are talking about a very large amount of return to the Federal Treasury.

We are talking about the ongoing management responsibility that will keep an active, adequate young timber supply for generations to come. Last year we took a large chunk out of the budget of the Forest Service as it relates to certain types of activities. I know that in the subcommittee this year another substantial amount was taken out. We have seen cuts by the millions of dollars in activities that directly affect the forest side of the budget, the productive side of the budget, the net revenue side of the budget.

I would have to say that when we look at that approach, there are an awful lot of other areas in our budgets that we can call pork, if you want to, and that we can call futuristic spending if we want to, but that demonstrate very little return.

Clearly, the effective, responsible management of our natural resources, both in the area of conservation and preservation and in the area of development and utilization, both in renewable and nonrenewable resources, has always been a responsible activity of this Congress. I think the budget we have before us is a bare-bones budget in this category, one that represents the minimum as it relates to the kind of return we must expect and the future we must anticipate in the area of forest products, in the area of mining and a variety of other types of activities we have asked the Department of the Interior to become involved in.

Having said that, it is clear that I will oppose this amendment. As I have said, both of my chairman and my ranking member, I would vote for an across-the-board reduction if you want to level it out, but I do not believe we can effectively target, without causing great damage, using this kind of targeting that goes on in this legislation or in this amendment without raising havoc.

The forests of Idaho are now burning. We have had forest fires for the last month. If we cannot put them out, we will lose thousands and thousands of future homes that someday the son or daughter of my colleague, the gentleman from Michigan, might like to build.

Mr. REGULA. Mr. Chairman, I thank the gentleman from Idaho.

Mr. ROBERT F. SMITH. Mr. Chairman, will the gentleman yield?

Mr. REGULA. I yield to the gentleman from Oregon.

Mr. ROBERT F. SMITH. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I want to take just a moment to concur with his point on the question of this amendment.

I congratulate my colleague, the gentleman from Michigan [Mr. Upton], for attempting to reduce the cost of this bill. Yet this is pennywise and pound foolish. I think the point has been made over and over again that the fact is that when we invest in forests in this Nation, we get $2 back for every $1 we invest. It is crazy not to invest in forests because the Federal Government gets a $2 return for every dollar of investment.

The point has been made by my colleague, the gentleman from Idaho [Mr. Craig], that the West is very dry. We are subject to vast fires in the West. Without fire suppression, we are not going to be able to handle those fires. And may I point out that in the case of fire suppression, because of the intertwined land ownership in the West, if the Federal Government does not take care of its fire suppression, then the private landowners are susceptible to fires on private lands. Therefore, it is a Federal Government responsibility to take their share. The private landowners tax themselves for fire suppression.

So I think the gentleman is perfectly right. We ought to reject this amendment. On all sound business principles, which is one of the bases upon which the gentleman brought this amendment to reduce the Federal target, on sound business principles, it ought to be rejected.

Mr. Chairman, I thank the gentleman for yielding.

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Mr. BROWN of California. Mr. Chairman, will the gentleman yield to me?

Mr. REGULA. Yes; I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I thank the gentleman for yielding and I want to compliment the gentleman on the position he has taken.

The CHAIRMAN. The time of the gentleman from Ohio has again expired.

(At the request of Mr. BROWN of California, and by unanimous consent, Mr. REGULA was allowed to proceed for 2 additional minutes.)

Mr. BROWN of California. Mr. Chairman, will the gentleman yield further?

Mr. REGULA. I yield to the gentleman from California.

Mr. BROWN of California. Mr. Chairman, I am not as familiar with the multitude of programs in this bill as the gentleman is, but I am familiar with and deeply concerned about some of the research programs which the gentleman has mentioned, the Energy Conservation, the Fossil Fuel Research Programs and the Earthquake Research Program. In all these cases, this bill slashes these programs, including the Earthquake Research Program, to which I have devoted great effort in the Science, Space, and Technology Committee. I was prepared to come to the floor and oppose the bill because of these cuts. I am convinced now that the committee has done an act of consummate wisdom, even though it is below the amount in real terms of last year's appropriation.

In light of the attacks being made on these programs, and the need for fiscal responsibility, I think probably we have the best possible bill here, and I compliment the gentleman for defending it.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment.

This is an important amendment. It makes significant reductions in programs which affect the districts of almost every Member of this House. So I hope each Member will carefully examine the impact of the reductions proposed by this young slasher from Michigan. In the great tradition of budget cutters, FRED UPTON is following the rocky road traveled so often by the original young slasher, his predecessor in the Fourth District and his boss at OMB—the one and the only, Dave Stockman. We now have the youngest slasher at work.

With this amendment, Congressman UPTON has taken the high road of budget cutting. He has thrown the meat ax aside and taken up the warrior's club to beat down a few burgeoning programs in this bill. It is an impressive sight. It's like using an MX missile to invade Grenada.

Compared to the percentage cut offered to the energy and water bill yesterday, this amendment is an improvement, a step in the right direction. The Appropriations Committee has always opposed across-the-board amendments. We have asked Members to propose real cuts and stand by those reductions to face the consequences. I congratulate the gentleman from Michigan for his initiative.

But if you look closely at the cuts proposed by this amendment, a clearer image of reality emerges. It is not an attempt to beat back the big spenders on the Appropriations Committee, or an effort to weed out wasteful Government spending, or a noble contribution to reduce the deficit. This amendment—with the warrior club in hand—takes massive whacks at programs which have been dramatically scaled back over the past few years. It beats down those programs already cut to the bone.

The amendment proposes a 21-percent cut in the construction account for the Fish and Wildlife Service.

In large measure, these funds are used to make health and safety repairs on Government-owned dams. At the subcommittee hearing, the administration testified that "if these dams should fail, more than a few lives would be lost and there would be excessive property damage." It's true that some funds were included to continue ongoing construction projects, but there still could be a major impact on the funding of dam safety projects.

This account has not expanded beyond control over the past few years. In fact, we have probably not provided enough for this program. In fiscal year 1979, we provided $97.8 million for this construction account, and today, the committee has recommended only $21 million. That is a 79-percent decrease in appropriations. We have made significant cuts in this program, there is little room to move.

The same is true for the Park Service construction account. This amendment proposes a 26-percent reduction in an account which has been reduced 46 percent in the last 5 years. It is clear that the Park Service has made its contribution to reducing the deficit.

The amendment whacks 36 percent from the land acquisition funds of the Forest Service. These funds are used to preserve sensitive lands, and we've made an effort to fund only the projects most deserving of support. The committee recommendation cuts this account by $16 million compared to the fiscal year 1987 level. That is a 31-percent reduction in 1 year alone.

And the list goes on and on. This amendment cuts the energy conservation research budget by 40 percent. Despite the valuable research conducted by this program, we have slashed this budget to a point beyond recognition. In fiscal year 1981, energy conservation was allotted $862 million, and today, the committee has recommended only $326 million. That is a 62-percent cut in 6 years.

This amendment makes selective cuts all right. It cuts the most vulnerable programs. It cuts the programs which have made significant contributions to reducing the deficit. I will point out, however, that this amendment is also selective in the programs not beaten down by the warriors club.

This amendment does not touch the biggest waste of money in this bill. As I understand it, the Clean Coal Program is not included in this amendment. What makes clean coal such a sacred cow? Why is clean coal more important than dam safety or land acquisition or energy conservation? Whose priorities were used to develop the hit list in this amendment and brush aside boondoggles like the Clean Coal Program? I just cannot understand why the author of the amendment wants to exempt a program designed to subsidize some of the wealthiest corporations in America.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(By unanimous consent, Mr. CONTE was allowed to proceed for 2 additional minutes.)

Mr. CONTE. Mr. Chairman, aside from clean coal, we have bled these programs dry. We have cut these agencies to the bone, and there is no fat left to be found. Over the past few years, the Congress has cut back these programs to respond to the serious deficit situation. In turn, the interior bill has made its contribution to deficit reduction, and it has been significant.

Under the able leadership of our great chairman, the gentleman from Illinois, Mr. SID YATES, and the ranking minority member, the gentleman from Ohio Mr. RALPH REGULA, they have brought out a good bill.

This amendment is misdirected and inconsistent, and I urge my colleagues to vote "no."

Mr. STANGELAND. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Minnesota.

Mr. STANGELAND. Mr. Chairman, I would respectfully request of my dear friend and colleague from Massachusetts that when the gentleman revises and extends that he strike his remarks referring to the young slasher, please.

Mr. CONTE. Those remarks were made to compliment Mr. Upton. I have worked with the gentleman from Michigan [Mr. Upton] for many years, especially when he worked with the original young slasher, former OMB Director David Stockman. Mr. Stockman used my remarks in his book at least five times, so I would suggest that the gentleman from Minnesota read the young slasher's book.

Mr. de la GARZA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by my colleague, Mr. Upton. This amendment would make substantial reductions in the funding of certain Forest Service programs below the levels recommended in the Appropriations Committee's bill—H.R. 2712. The reductions specifically affecting Forest Service activities fall under the jurisdiction of the Committee on Agriculture. I believe that these cuts are unwarranted and would be detrimental to important Forest Service research and management programs. I strongly recommend that the amendment be defeated.

This amendment would eliminate $6.2 million from the committee bill for Forest Service research, hampering agency efforts to make needed investments in forest protection, management, and recreation research. Under this administration, the Forest Service research program has struggled to hold its own. However, since 1980, the agency has been forced to close nine research locations, reduce the number of research work units by 20 percent, and reduce the number of full-time employees by about 30 percent. Mr. Chairman, a sound research program can not be maintained without adequate and sustained funding. The Interior Appropriations Subcommittee has recognized this need and responded appropriately in drafting H.R. 2712. No further reductions in the research program can be accepted.

This amendment would also reduce support for forest fire protection for both non-Federal wildlands in cooperation with the States and for fighting forest fires on national forests. Mr. Chairman, the committee's bill had only provided enough funds to support fire suppression efforts at last year's funding level. We must ensure adequate protection for our Nation's forests from fire.

Mr. Chairman, the amendment proposed by the gentleman would reduce funding for Forest Service road construction by an additional $30 million over the committee bill, which already provides for a cut in road funds of approximately $30 million from the previous year. Such a drastic cut in road construction could significantly affect access to timber and compromise future timber sales and management activities. The full ramifications of such a cut are not clear, both from the standpoint of the agency's ability to meet increasing demands for timber and the effects on the counties who share in timber sales receipts for supporting local roads and schools.

The Appropriations Committee's bill would already reduce Forest Service land acquisition funding by $16 million from the fiscal year 1987 level, limiting acquisitions to high priority projects. Chairman Yates and his subcommittee have kept a close watch over the Forest Service's land acquisition program. I believe that they have acted prudently in this matter and support the recommendations contained in the committee bill. No further reductions in land aquisition funding are needed.

Mr. Chairman, I commend Mr. Yates and Mr. Regula for their efforts in fashioning the Interior Appropriations bill. As the chairman of the authorizing committee for Forest Service programs, we have worked closely in the past. I place great faith in their judgement and believe that this body should do the same by defeating the gentleman's amendment.

The CHAIRMAN. The question is on the amendments, en bloc, offered by the gentleman from Michigan [Mr. Upton].

The amendments were rejected.

The CHAIRMAN. Are there further amendments to title III?

Mr. YATES. Mr. Chairman, I move that the Committee do now rise.

PARLIAMENTARY INQUIRY

Mr. UPTON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. UPTON. Mr. Chairman, I had an amendment at the desk for an across-the-board cut. I thought that came at the end of title III.

The CHAIRMAN. The Chair will advise the gentleman that the Committee is now at the end of title III and the Chair had asked whether or not additional amendments were to be offered.

Mr. YATES. Well, Mr. Chairman, I withhold my motion.

The CHAIRMAN. The gentleman from Illinois withdraws the motion that the Committee rise.

Does the gentleman from Michigan desire to offer an amendment to title III?

Mr. UPTON. Yes, Mr. Chairman.

AMENDMENT OFFERED BY MR. UPTON

Mr. UPTON. Mr. Chairman, I offer an amendment, and I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. Upton: Page 77, after line 10, insert the following new section:

Sec. 314. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act that is not required to be appropriated or otherwise made available by a provision of law is reduced by 3.2 percent.

Mr. UPTON. Mr. Chairman, a number of amendments have been offered today to the Interior appropriations bill. My amendment is a simple amendment, which requires a 3.2-percent reduction in all the separate appropriations amounts in the bill. A percentage reduction at this level will reduce total appropriations in the bill by $300 million, down to $9.14 billion. This amount would still be nearly $900 million above fiscal year 1987 levels, and more than $1.2 billion above the administration request.

My colleagues will ask why a $300 million cut is the right amount to cut from the Interior appropriations bill? The response is that a $300 million reduction would reduce by one-half the level of increase in appropriations from last year to this year, except for the increase in the fill-rate of the strategic petroleum reserve.

Last year the Congress approved $8.3 billion for the Department of the Interior and related agencies appropriations bill, as part of the omnibus continuing resolution. This year the committee is recommending a $9.45 billion bill, an increase of almost $1.2 billion. If one sets aside the decision to provide $600 million in strategic reserve funds, this leaves an increase in discretionary spending of approximately $600 million. The amendment I am offering would cut this increase in half.

Mr. Chairman, I believe my amendment is necessary to compensate for the blatantly artificial and unrealistic assumptions made by the budget conference agreement. This budget agreement assumes $7.2 billion in revenues from early payment of REA loans. My colleagues know that this is not going to happen. In today's interest rate market, is the REA going to go out and borrow private money to repay subsidized, public funds? Of course not. This $7.2 billion "savings" is no savings at all.

Another assumption is that Congress is going to raise nearly $20 billion in taxes this year. The conference agreement assumes that 1988 revenues will be in the range of $932 billion. Is this really going to happen? Are two-thirds of my colleagues in the House, and two-thirds of the Members of the other body, going to put their names on the line to override a Presidential veto of a tax increase? That is what it would take to raise $16 billion in taxes this year. I don't think it's going to happen.

Finally, the conference agreement reconciles only $4 billion of the $30 billion savings required for fiscal year 1988. My colleagues know that the amount of unreconciled savings slips and slips and slips through the budget process. Is this year going to be any different? I don't think so.

Mr. Chairman, I think it is clear that we have nearly $30 billion in "funny money" in the budget resolution. In order to reduce this funny money a bipartisan group of Members have gotten together and agreed that Congress needs to make the tough choices to achieve real deficit reduction. Our goal is to reduce this funny money by around one-half, or $15 billion. This works out to be a need for approximately a $300 million reduction in the Interior appropriations bill.

This is what my amendment does. It simply reduces each and every appropriated amount by 3.2 percent. I recognize the concerns of some of my colleagues that this is a meat-ax approach. Well, we've tried the scalpel. We've tried to make careful, measured cuts in programs. We've tried to work with members of the committee to achieve $300 million in reductions. But our efforts have not been successful. Given the urgency and enormity of our deficit problems, maybe its time for a small and clean "Mr. Tidy" 3.2 percent "meat ax" that I was accused of throwing away on the last amendment.

□ 1515

Mr. KONNYU. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I just listened on television a few minutes ago to a ranking Republican member of a committee making what I understood as a personal attack on another member by calling him names. Before that I listened to another ranking Republican member making a very strong argument against a fellow Republican's effort to reduce the spending in this bill. Yesterday a fellow freshman Republican was attacked by a ranking Republican member for supporting the kind of spending cuts that need to be supported. Yet I do not see those same ranking members sponsoring floor amendments to reduce the spending contained in the Democrat authored appropriation bills.

I am very concerned about that, because why should freshmen Republicans be offering spending cuts when it is the ranking Republican members' job to do that. That is so because ranking Republicans know more about their subject area than probably most any other Republican. Freshmen and other Republicans are making those amendments because, despite conference/leadership decisions, ranking Republicans are not doing their conference assigned jobs in too many cases.

As a result of the feelings I have on this subject, I am wondering if the ranking Members on this side of the aisle know what their conference approved job is with respect to reducing the budget to the $108 billion level of deficit instead of what the Democrats offer us, which is the $135 billion level of deficit.

If they do not know their job, they ought to. I and others freshmen just met with the leader this morning and complained about this very same thing, and I hope as a result of that effort plus this speech, something is going to be done about it.

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. KONNYU. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I would point out to the gentleman that I think that Members who have leadership responsibilities do their cutting in the subcommittee after the hearings. That stack of hearing books over there represents the testimony that we took from Members, from people in the professional fields, from the Departments, in an effort to craft a responsible bill.

The gentleman mentioned cuts. I would point out that today we are talking about a bill that is $1.4 billion less than the identical bill was in 1981, while at the same time we are addressing problems in terms of recreation wherein visitor days are up 20 percent at the national parks and forests, where the need for energy research is growing as the energy crisis is upon us, where we have tried to provide a responsible fill rate for SPRO, where we have dealt with providing the money for the employee pay raise that was voted by this Congress and signed by the President.

I am saying that in the management responsibility, which does not have a label—management is not labeled "Republican" or "Democrat," it is labeled "What is good for this Nation and what is good for the people that we represent," 230 million of them, that we have done a responsible job.

What we try to do in the subcommittees after extensive hearings is to make cuts as are appropriate. We made a number of cuts in the subcommittee. We cut forest roads $56 million from the President's request. We try to address each item that comes along.

Mr. KONNYU. Clearly it is very important that the fees that President Reagan recommended in his budget be considered as part of the effort. Has the gentleman supported all of those recommendations of the President?

Mr. REGULA. On fees, user fees, in the Park Service and so on?

Mr. KONNYU. All of those that the President's budget contained as relates to the gentleman's Appropriations Committee arrangement and the contents of this bill.

Mr. REGULA. In almost every case I am in favor of those user fees but the majority of the two bodies here have not endorsed some of the user-fee proposals that we need. I think that user fees are needed if we are to meet the needs of the public.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. KONNYU. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, in view of the fact that the gentleman referred to me, taking me to task, I have been here 29 years, and he is the first Member who has ever done that, and I resent it.

Mr. KONNYU. I probably made a mistake in the way I phrased myself.

Mr. CONTE. I spoke to the gentleman from Michigan, Mr. FRED UPTON, before I gave my speech. I have nothing but the greatest admiration for that young man, and it is love and affection, and that is why I did that. I worked with him and Dave Stockman all the years that he was down at the White House.

The gentleman has no right to do that. I talked to FRED before I gave my talk, and he was very happy that I did it in a complimentary sense. And then you listen to that Strangeland or whoever he is, he did not catch it, either. If it went beyond the gentleman, I am sorry. I did it in an affectionate manner.

Mr. KONNYU. I thank the gentleman for his explanation.

Mr. WHITTEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, our Committee on Appropriations does not have the easiest job in the world. We have an average of 5,000 witnesses before the 13 subcommittees each year. We have before us the budget requests and reports from the executive branch. We also have before us our various colleagues recommendations, and we have the advise of the Committee on the Budget that they give us from time to time.

The point of it is that we have a long and a good record as your representatives on that committee. I had occasion today to review the facts that in the past 6 years that we have operated under this present administration we have reduced the total amount requested by $14 billion. We did that despite the needs of a growing country with a growing population. We did it when 800 requests have been made by our colleagues, not like the press says, for their own benefit, but to meet the needs of their districts.

As I pointed out yesterday, we have a big country. We work hard, and with all due deference to all our colleagues I do not believe that anybody puts in half as much time as we do, trying to develop the record, and if we have saved any money, it has been through bills that we have handled.

I say if we are going to spend weeks and months having hearings, if we are going to stand up to our colleagues who are presenting worthwhile requests, and try to meet them as best we can, it takes a little away from you if you know that some of your colleagues are going to move that so much of a percentage will be reduced in funds that go to the country.

It is an old story, and I have used it many, many times. We need the balanced budgets to have stability. We need the balanced budget; we need to hold spending down. But we had better take care of essentials which are necessary for this country to develop and grow.

I use the old story, and I use the name, because that is the way that I heard it. Some years ago somebody said that Ethiopia is the only country in the world that has a balanced budget—didn't owe a dollar, and didn't have one either.

We had better look after our own country, because that is all we have behind our money.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, they say that in the war against deficit spending there are few volunteers. But in this Congress, in this year, there are a few volunteers who are attempting to step forward and do something about deficit spending at the Federal level.

I know that we all give speeches on it. I know that we are all very concerned about deficit spending. But there is really only one time when the average Member of the House of Representatives has an opportunity to vote on real money, money that is actually being spent. It is not when we vote on the budget, it is not when we vote on authorization bills, it is when we vote on appropriations measures.

Just to refresh the memory of Members of the House of Representatives, in the current fiscal year we are spending in interest on the national debt over $700 per person in the country—man, woman, and child. I have a lot of concern too about the infrastructure of the Nation and all of the good things that this country can do in order to provide a better future for the people of this land, but because we are spending $700 per person in the country—man, woman, and child—$2,800 for a family of four—we are less able to do that than we were 2 years ago or 5 years ago or 10 years ago.

If we continue to pile up deficits, which require ever higher interest payments in the years ahead, we will be less able, 5 years from now or 10 years from now or 20 years from now, to do the things that we need to do in the Interior Department, in energy, in a whole host of other areas.

That is why, although it is not pleasant to be a volunteer in the war against deficit spending, I have chosen to sign up. And I hope that some Members will sign up too.

This amendment is relatively simple. What it does again is look at where the committee is in its expenditure level, compare that to the 302(b) allocation, look at the difference between the 302(b) allocation and where we were last year in expenditures, and cut that in half.

In this particular case the committee bill is probably above the 302(b) allocation, the amount that was given under the budget. But because of the confusion over what the allocations are, we cannot make that assertion for sure.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, why does the gentleman make that assertion? I have represented to the House that we are within the 302(b) allocation. I have been told that by the staff of the Committee on Appropriations, which received that from the Committee on the Budget. I do not think that it is fair for the gentleman to even intimate that we are above that. If we were above it, I would not bring the bill to the House.

□ 1525

If we were above our allocation for outlays I would not bring the bill to the House. If we were above our budget authority I would not bring the bill to the House.

I do not think it is fair for the gentleman to say that.

Mr. TAUKE. I am giving the gentleman, I am conceding to the gentleman that, given what we know, I will grant that it probably is within the 302(b) allocation, but in my own mind I am not convinced of that. But we will assume for the moment that it is.

Then we recognize that this bill includes $600 million for SPRO that was not in there last year, so we are not going to do anything to touch that. But there still is a difference between last year and this year of approximately $500 to $600 million, and so we are attempting to cut about $300 million from the particular piece of legislation, again following the formula of cutting half the increase.

What that does is maintain in place the Appropriation Committee's priorities. What it does is ensure that all those things which the Appropriations Committee considers important indeed get funded.

But it also calls for a 3.2-percent across-the-board cut in expenditures. It is not a pleasant thing to do, but, ladies and gentleman, we are at the point where we are going to have to make some choices if we are going to be able to get this deficit under control.

I know that many of the Members say we did our part when we approved the budget, and we as members of the bipartisan coalition who are attempting to take on this effort recognize that many Members want to support that budget. But what we are attempting to do is make a budget actually work. That budget called for $36 billion in savings. I do not know whether the tax portion of it will pass or not, but assuming for the moment that it does, we will still need savings from the spending side.

The $7 billion of savings from the spending side on that budget come from asset sales. That is not real savings, it is not repeatable savings. It means that the budget is going to increase $7 billion above where it should be if we are going to have real savings and meet the requirements of that budget that we adopted.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. Tauke] has expired.

(By unanimous consent, Mr. Tauke was allowed to proceed for 1 additional minute.)

Mr. TAUKE. So, Mr. Chairman, we have taken this initiative to try to cut the increase in each appropriation bill above last year in half, and in order to attempt to ensure that we achieve that additional $600 to $700 billion that is necessary for this budget formula to work.

I ask my colleagues, I plead with my colleagues once again to assist us in this effort. If the Appropriations Committee members come to the floor with a bill that meets that target, we are not going to touch it. It is not like the chairman said where we are going to go after every bill, but we want to make clear up front that we are attempting to cut the difference between the 302(b) allocation and last year's level, cut that in half in order to get real savings that will meet the priorities and the tragets within the budget.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. Tauke] has again expired.

(On request of Mr. Regula and by unanimous consent, Mr. Tauke was allowed to proceed for 1 additional minute.)

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Chairman, I want to point out to the gentleman that under the CBO estimates and scorekeeping that fiscal year 1988 is under the 1987 program level a minus $13.287 million. In other words, apples versus apples, fiscal year 1987 versus fiscal year 1988, this bill is $13 million less than it was in 1987.

We have tried to address the very concerns the gentleman has outlined. There are more dollars because of pay raises, because of SPRO, because of park transfers, because of park entrance fees that were assumed in 1987, because of State conservation grants, the naval petroleum reserve, fire costs that were in this bill. However, when we compare program to program, fiscal year 1987 versus fiscal year 1988, we are $13 million under 1987.

We have the same concerns as the gentleman does, and we have tried our best to address them in the subcommittee.

Mr. TAUKE. I thank the gentleman for his comments and I think the gentleman's comments merit consideration.

The CHAIRMAN. The time of the gentleman from Iowa [Mr. TAUKE] has again expired.

(By unanimous consent, Mr. TAUKE was allowed to proceed for 30 additional seconds.)

Mr. TAUKE. Mr. Chairman, I do point out that in dollar terms the bill has increased from $8.3 to $9.45 billion because there are a variety of add-ons, all of which have great merit.

The Appropriations Committee and the gentleman from Ohio [Mr. REGULA], the gentleman from Illinois [Mr. YATES] have done a good job. We are saying that even a good job in these difficult times may not be good enough to deal with the deficit problem, and that is why we are asking for a little bit extra on the savings side.

Mr. GREEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I came over here to participate in this debate not having planned to do so originally. However, because of a brief mention earlier as to the role that the ranking minority members of the Appropriations Subcommittees ought to play in this process, and as one who is a ranking minority member of one of the other Appropriation Subcommittees—and this is my seventh year in that capacity—I did think that I ought to offer my comments on that role because, frankly, I do not think that the role is quite what was suggested. I think that it would not serve the interest of my party or of the House or of the country were we to play that role.

I am not going to suggest that there is never any partisanship in the Appropriations Committee. Of course, there is. And when we get in those roles, all of us play our parts accordingly.

But it is also the fact that the vast majority of the time within the Appropriations Committee we are not working in an adversarial, partisan way. The fact of the matter is that at least on the subcommittee where I serve, the HUD and Independent Agencies Subcommittee, the chairman of that subcommittee, the distinguished gentleman from Massachusetts [Mr. BOLAND], is quite open with me as the ranking Republican member as to the problems that we are facing in putting together a bill. The committee staff is fully available for me for discussions of those problems. I have a very substantial right of input into those discussions and into the resolution.

I have the impression from my fellow ranking minority members of the Appropriations Subcommittees that each of them has that same kind of relationship with his chairman. Again, I do not want to pretend we cannot tell the difference between the chairman and the ranking minority member. Of course, we can. But it is also the case that we have an opportunity to play a very constructive role in putting these bills together, and when there are differences that ultimately cannot be resolved, we have every opportunity to maintain those differences, and we have them out in the subcommittee and indeed in the full committee and on the floor. We have had some very intense debates on a variety of issues on in the full committee and on the floor.

Nonetheless, I suggest that where cooperation is possible, as it generally is, it is in the best interests of all of us that that cooperative effort work and that we try to fashion a bill that both the minority and the majority members of the Appropriations Committee can have confidence in. Whatever else happens in this House, in the end the Appropriations Committee has to produce, because we have to have appropriations for each fiscal year.

I think that general spirit of working together that exists within the Appropriations Committee is, therefore, a desirable one. Again, there will be times when we have our differences, but I certainly do not think it is wise to aggravate those differences or to insist that we try to emphasize the differences rather than the agreements. I think the process has worked, and I think that we are being faithful to the House in the way we try to make it work.

Let me make one other point. I have not noticed large numbers of people coming up to me these last few weeks asking me to delete items from the HUD and Independent Agencies Appropriations bill. In fact, I have had literally dozens of Members on my side coming to me with a VA cemetery here, a nursing home there, an EPA project somewhere else, and that is what I hear from my side. When it was intimated that we might, in order to make ends meet in our subcommittee, zero out the Urban Development Action Grant Program, I did not have lots of people on my side rushing up to me and saying, "Isn't that a marvelous idea." In fact, I think the only one who said that to me was Jim Miller at OMB. But from my Members I heard only, "Oh, my mayors are all up in arms and you have to do something about that."

So I want to say to those who are pushing these across-the-board amendments from the floor, come to us as we are shaping these bills. Tell us what items are in these bills your communities do not need. We shall be happy to consider those suggestions. I would love to hear them. Please, please, next year, when we hold our hearings, I am waiting for you.

Mr. MINETA. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. One of the many programs which would be affected is the U.S. Geological Survey. The Survey's budget would be reduced from $447 million to $436.4 million. Although not directly mentioned in the amendment, this reduction would result in the decimation of the Earthquake Program of the U.S. Geological Survey.

As a member of the Science, Space, and Technology Committee with the authorizing responsibility for the Earthquake Program, I am well aware of the significant contribution of the Geological Survey. The Geological Survey conducts and sponsors research on the nature of earthquakes, earthquake prediction, and induced seismicity. This program is absolutely essential to our understanding of earthquakes, and is a cornerstone of the Federal Earthquake Program.

The House affirmed its support for the Earthquake Program on June 8, when we passed H.R. 1612, the Earthquake Hazards Reductions Act. This bill authorized $36.5 million for U.S. Geological Survey to maintain programs at the fiscal year 1986 post-Gramm-Rudman-Hollings level. Although the Appropriations Committee was unable to provide the full amount we authorized, the amount in this bill, $35.04 million, is almost the same amount as was appropriated for fiscal year 1987. We aren't talking about an increase in the program.

In all probability, this amendment would force the closing of parts of the regional seismic networks that measure earthquake activity, and eliminate geodetic surveys that measure the buildup of tension in some earthquake prone regions. These are critical activities to avoid future disaster.

I urge my colleagues to reject this amendment.

Mr. LOTT. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I would like to begin my effort here in prosecution, if you will, of the amendment that has been offered with some stipulations, as I guess an attorney would try to do.

First, I would like to stipulate that the big problem of the deficit is not in the appropriated areas. The big problem is over in the entitlements. We all know that.

I would like to stipulate that the appropriators have a tough job. I do not envy them at all. It is hard to keep us all happy and try to find ways to keep the spending under control and do the job. I would like to stipulate that up front.

And I would like to stipulate up front that the gentleman from Illinois [Mr. YATES] and the gentleman from Ohio [Mr. REGULA] who have been working at the subcommittee level with their other colleagues have done a pretty good job on this bill. As a matter of fact, they have done a pretty good job over a period of years in keeping the spending from ratcheting even higher. I know it could be much higher, and I know you worked at trying to keep it under control.

And I would like to stipulate that we love you. You are our colleagues and you are nice guys, and we appreciate the heck out of you. So do not take it personal. I do not understand why the appropriators act like we are kicking their shins, that we do not like you, that we are mad at you. We know it is a tough job but you are just dealing with a lot of stuff that some of us love this program and others love that program, and I am just saying, hey, can we not do a little bit? We love you guys, and we are not mad at you, so do not take it personal.

I would like to also stipulate that the deficit this year is going to be at least $170 billion, and the deficit next year is going to be at least $150 billion, or heaven knows how much more.

□ 1540

And I think we all ought to stipulate up front that a 3.2-percent cut "ain't" going to kill this appropriations bill or any of the programs. So let us stipulate all of that up front.

We have a little conundrum here: One you say, "Well, you can't cut individual programs and put it en bloc because that is not fair; this program is good, that program is good." I like a lot of these programs. Some of them affect my State and my district. But you say, "Oh, no, you can't do that." So then you say when we ask, "Well, how about a little across-the-board cut?", "Oh, no, not a mindless across-the-board cut." So what do we do? How do you get a little savings?

Now, I do not want to argue with you over 302(b) allocations whether it is above or below the President's request or below or above last year's committee level or apples and oranges. I just want to ask you this question: Can we not just cut a little more? You know, maybe in the end we will only save $1.59, but $1.59 is better than zero.

Look at what is in this bill. I mean, there are some good things. And we all have our special interests, Bureau of Mines, Indian Affairs programs, but also you have got Forest Service, you have got Indian education, you have got the Smithsonian, you have got the National Gallery of Art, you have got the Woodrow Wilson International Center for Scholars, the National Endowment for the Arts, the National Endowment for the Humanities, the National Capital Arts and Cultural Affairs Institute of Museum Services—3.2 percent is not going to devastate one of those programs. So I do not understand why we are just tearing our hair out over a little small cut like this.

Now, this is serious though because if this bill should go to the President in this form it will be vetoed and then we will be faced with that vote. We all know these bills are not going to the President. They are going to get over to the other body—the Senate, I guess we could say that now—and then we are going to wind up with a great big bundle called a continuing resolution, although we know it is an omnibus spending bill. But the problem is the level of the continuing resolution which will probably be the level that we pass in the House.

So this does count for real.

Now, I just want to ask this question on this particular bill: are there any of us left who are for cutting just a little bit? Are there any Republicans left?

I mean, we all go to the Appropriations Committee and say, "Oh, please, do me my little project over here or over there." We all do it. We are all guilty, we admit it. But are there not any of us left who are for a little cut whether we are Republicans or whether we are boll weevils or have the boll weevils turned into cicadas?

Now, all we are asking is for a little small cut, 3.2 percent. It is an embarrassment to be here and ask for so little.

So please do not take it personally, my colleagues on the committee. We admire you, you are our leaders, we put our best for appropriations, on both sides of the House. But I do say let us please see if we cannot cut just a teeny, tiny little bit, 3.2?

Mr. REGULA. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I will be glad to yield to my friend, my colleague, my leader, the gentleman to whom I write letters saying, "Please give a little more here and there." But I am also asking him: give us a vote for just 3.2 percent.

Mr. REGULA. I thank the gentleman for yielding. I think the gentleman is trying to anticipate what I might say.

First of all, we appreciate your kind words.

Mr. LOTT. I mean them sincerely and the gentleman knows I do.

Mr. REGULA. I wonder if the gentleman would suggest that we just cut here and there on specific programs.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. LOTT] has expired.

(On request of Mr. REGULA and by unanimous consent Mr. LOTT was allowed to proceed for 3 additional minutes.)

Mr. REGULA. If the gentleman would continue to yield.

Mr. LOTT. I yield to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. I thank the gentleman for yielding further.

I wonder if the gentleman would explain to us how we can cut the visitors to the national parks a teeny-weeny bit, by 3.2 percent? Perhaps we can shut the gates at 4 in the afternoon or would the gentleman suggest how we could accomplish it?

Mr. LOTT. If I could just get in a question. Is the gentleman telling me that there is not 3.2 percent maybe in administrative costs we could save in the park service?

Mr. REGULA. I think the gentleman should take that to the President, because the administrative responsibilities are those of the executive branch. But I am saying the gentleman is saying a teeny-weeny bit. How do we cut visitors 3.2 percent at the parks, at the Smithsonian, at the Forest Service recreational facilities? How do we cut the consumption of energy in this country just a teeny-weeny bit?

Mr. LOTT. I do not think you have to cut any of those things 3.2 percent. You tell the Smithsonian, "Hey, you fellows are going to have to do the same job with 3.2 percent less," which is about a sneeze or a gulp below what they have got right now.

Mr. REGULA. But when the gentleman talks about visitor days, at 3.2 percent he is talking about a lot of people that will be denied access to the recreational facilities, he is talking about reducing timber consumption 3.2 percent.

Mr. LOTT. Talking about timber consumption?

Mr. REGULA. Yes. Because the Forest Service is financed by this.

Mr. LOTT. In my district, I wish we could get back to the private sector. I think those timberlands could be used a lot more effectively in the private sector. We could almost save 3.2 percent in the Forest Service area by getting the Federal forest lands back in the private sector.

Mr. REGULA. I might say if the gentleman will continue to yield we are $56 million under the President's request on forest service roads.

Mr. LOTT. Did I not say in the beginning that I do not want to debate 302(b) allocations and I do not want to absolve the President or myself. We are all guilty of complicity. But all we are talking about here is trying to show that we mean it just a little bit, that we will vote to save just a little bit.

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. LOTT. I yield to the gentleman from Iowa [Mr. TAUKE].

Mr. TAUKE. I thank the gentleman for yielding and for his statement. Mr. Chairman, I point out that even with this amendment if we are successful, the expenditures under this bill will go from $8.3 billion to $9.15 billion in the current upcoming fiscal year. Now, there is justification for the increases. The problem is when we justify those increases, we also have to justify to somebody else that we are going to go out and spend, borrow all this money to do these good things. That means we are less able 10 years from now or 15 years from now to do the things we are going to have to do then.

Mr. LOTT. I thank the gentleman for that comment.

Because of the gentleman's, Mr. REGULA, convincing argument, I will not offer the amendment that I had proposed to make it an absolute freeze. I think 3.2 is responsible, the figure we should go with and I would urge your vote approving the amendments.

Mr. REGULA. If the freeze were offered on the basis of program by program, you would find that we are under a freeze. We are $13 million under the equivalent of a freeze at this point.

Mr. LOTT. I think a 3.2-percent cut even if we were under a freeze could probably be absorbed.

Thank you very much.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, I am a member of the Budget Committee and I understand the restrictions under which the Committee on Interior finds itself but notwithstanding that and the fact that I accept some complicity in the problems that they have before them, I rise to oppose this amendment to say the difficulty with the bill before us is that it does not spend enough money.

I understand as a member of the Committee on the Budget why it does not. But I really believe the vast majority of this House and, if they had it under consideration, the vast majority of the American people would believe that this bill does not spend enough money on the preservation of the public's national parks, on the management of the public lands, on fire repression in the public's forests. This bill does not spend enough money on construction of new energy facilities and vital research into our energy future.

This bill I can tell you for certainty, as a Montanan, does not spend enough money on the construction of desperately needed facilities on America's Indian reservations.

About half of the money for construction on Indian reservations is spent for buildings and utilities such as irrigation systems, housing, fish hatcheries. The other half of the money goes for schools for Indian children.

The current application for new schools before the BIA, just today's applications for schools, would be $80 million. This bill does not appropriate that much for all the construction, including schools and everything else, on the reservation.

Currently, for facility repair and improvements, just facility repair and improvements, to bring facilities including housing and schools on America's Indian reservations up to Federal health and safety standards, the backlog is approximately $300 million.

As we debated on this bill yesterday, this bill only appropriates $74 million. Just the backlog for repair is $300 million on Indian reservations alone. The problem is this bill does not spend anywhere near enough money. We understand why. We have a massive deficit. But we are not doing the public's business anymore with this bill. We are really falling behind.

Let me mention one other thing: I said that the bill does not spend enough in my judgment on energy facilities. We have out West, in fact, in the State I am pleased to represent, Montana, a facility called "Magnetohydrodynamics," MHD for short. It is a proven technology that generates electricity from coal, oil, or gas, with a very minimal impact on the environment and by using almost no water.

Many of us believe, I personally think a majority of this House believes that the future well-being of this country, including its safety and perhaps its survivability will depend on readily available, reliable and economic energy power with a minimum impact on the environment.

Now, we think that this research technology, this national model might do that.

By the way, it almost eliminates acid rain. It eliminates acid rain. At the beginning of this decade we spent about $80 million a year on that technology. Last year we spent less than $30 million because we have budget problems. But here may be an answer to America's energy future and we no longer spend in 24 months what we used to spend in about 10. There is a problem with this bill. It does not spend enough money. But for heaven's sake, let us not spend less on the necessary investments on the public lands and the public of this country. Let us reject the amendment.

Mr. REGULA. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman and my colleagues, we have had a spirited debate today and I think this is as it should be, because these are important policy questions. They affect 230 million people. They affect recreation, they affect the availability of energy resources, affect the availability of timber resources for housing, and many other items of national importance.

I believe the Founding Fathers would be proud of this kind of a debate because we are wrestling with important policy issues. We did the same thing in the subcommittee.

I realize it sounds very seductive to say let us take 3.2, but why not 6.4 or 10.9?

You can pick any number but the bottom line is in evaluating the needs we had to meet, we have taken a responsible position.

Most of the speakers, even though supporting cutting amendments, have said that.

Again, I want to point out that while all of the demands for housing, for timber, for visitations to the national resources, for energy, are up; we are down from 1981 considerably. We are even down from last year if you take it program by program.

I do recognize that we have some $600 million for SPRO. But I want to point out to all of you, most people are not aware of this that, in 1976 this Nation entered into an energy sharing agreement with many other countries, this agreement is called the Agreement in International Energy Program. This agreement is in force today and it requires our Nation, along with others, to share oil stocks in the event of crisis. This is a result of the crisis of the early 1970's. It makes a commitment to establish an emergency energy reserve among about 15 different nations. The agreement provides that if there is a crisis such as an OPEC, embargo such as a Persian Gulf shortage, that we have to share with others in one out of three ways: oil stocks, sharing, fuel switching or sharing standby reserves. That is in force today. This is the reason we are putting oil in SPRO in part; it is not just because of having the reserve for the United States but because we have an agreement and if we cannot honor this agreement we will have to take oil shortage out of current supplies.

Therefore, SPRO becomes extremely important to the United States and to its energy independence. This is why we put in a minimum amount, as we evaluated it, for SPRO.

The money for the pay raise, is required by law. There is no choice.

That is the law. I could go on, but I am not going to take the time to do it.

The Clean Coal Program was mentioned at an earlier point in this debate. In response to the gentleman from Massachusetts, the subcommittee made some significant language changes that try to as much as possible to address emission standards. I want clean air, we all want clean air. Additionally, the Clean Coal Program is stretched out because, again, we wanted to spend the money as responsibly as possible. But let me point out to you that for every ton of coal that we burn—and we can burn a lot more once we establish clean coal technology—we save four barrels of oil. That is four barrels additional for home heating in the Northeast, that is four barrels additional for those many millions of cars in California, for the tractors and factors of the Midwest and also to meet our obligations under this agreement.

□ 1555

Again, I would reemphasize that this is the one bill in appropriations that we deal with that produces revenues from investment of Federal dollars, $8.4 billion of which will be generated as a result of this bill.

The net cost is $1 billion. You can take a 3.2-percent cut, sure. However, at the same time, you have cut the revenues that will be available, because we will do less research, build fewer forest roads, provide less in recreational facilities, and so forth. So I say to all of the Members, I think we took those cuts in the subcommittee; and that is why programmatically we are under last year. We have tried to be responsive.

Today we should support this bill in the interest of all of the people of the Nation.

Mr. AuCOIN. Mr. Chairman, will the gentleman yield?

Mr. REGULA. Mr. Chairman, I yield to the gentleman from Washington.

Mr. AuCOIN. Mr. Chairman, I thank the gentleman for yielding.

The gentleman makes an important point. I hope the Members will pay attention to the point the gentleman has made.

The gentleman from Ohio refers to score-keeping adjustments in which certain items are scored against this year's Interior appropriations bill that were not last year.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. REGULA] has expired.

(On request of Mr. AuCOIN, and by unanimous consent, Mr. REGULA was allowed to proceed for 1 additional minute.)

Mr. AuCOIN. Mr. Chairman, will the gentleman yield further?

Mr. REGULA. I yield to the gentleman from Washington.

Mr. AuCOIN. Mr. Chairman, I thank the gentleman for yielding.

My understanding from looking at the chart of the subcommittee is that those adjustments exceed $1 million, and so my question to the gentleman—he made this point—for emphasis and for the edification of the Members, if we leave those score-keeping adjustments aside, things that are scored against this bill, but were not last year, where does this bill stand in relation to the spending levels that were actually spent out in the last fiscal year under this bill?

Mr. REGULA. According to CBO, we are $13 million under the 1987 appropriation level, using their score card.

Mr. AuCOIN. What the subcommittee brings to the full House is not a freeze but actually a cut under last year's spending levels?

Mr. REGULA. That is absolutely right.

Mr. AuCOIN. I do not see how anyone can call this anything less than good budget and good budget cutting.

I am proud to associate myself with the remarks of the gentleman from Ohio.

Mr. PENNY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in the judgment of some, this bill does not spend enough, but it spends more than we have got.

We have this year a deficit in the neighborhood of $160 to $170 billion.

Even if we adopt all of the provisions called for in our budget resolution, the best we can do in this next fiscal year is arrive at a deficit of somewhere in the neighborhood of $135 billion; and there are not many Members in this body that think we will achieve all that is called for in that budget resolution.

Here in Congress we speak a language nobody outside this Capitol understands. The issue is not whether we are within the 302(b) allocations which the Committee on Appropriations sets for itself.

The issue is not whether we are underneath the budget resolution. The issue is that this appropriation bill spends $1.1 billion more than the same bill called for last year.

We in Congress are the only people I know of that somehow describe spending increases as spending cuts. We are the only folks around that somehow take a budget that increases spending and call it a deficit reduction package.

The amendment before the Members today will simply cut the rate of increase in this appropriation bill by one-half. That represents a 3.2-percent cut, a reduction of only $300 million out of an appropriation bill of $9.4 billion.

That is a modest reduction. It is not enough, but it is a start.

I agree that the Committee on Appropriations is not the problem. Collectively, we here in the House are the problem; and collectively, we can make a step toward the solution by adopting this amendment which makes a modest cut, and together with other small reductions in additional bills as they come along, can make a big cut in the deficit.

Mr. YATES. Mr. Chairman, I ask unanimous consent that the time for debate on this amendment, and all amendments thereto, be limited to 20 minutes, with 10 minutes on each side.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Chairman, reserving the right to object, we have a fairly serious matter before the House, I would say to the gentleman.

It is the matter of how much spending we want to do, and it looks to this Member as though there are several Members that would like yet to speak on the amendment.

The 20 minutes of time might be a little short.

Mr. YATES. Mr. Chairman, will be gentleman yeild?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, I thank the gentleman for yielding.

How about 30 minutes, 5 minutes for each speaker?

Mr. WALKER. How are we going to divide that time?

Mr. YATES. Fifteen minutes on each side for the proponents and the opponents.

Mr. WALKER. The point is being made that we are limiting time after the committee——

Mr. YATES. Mr. Chairman, I withdraw my request.

The CHAIRMAN. The gentleman withdraws his unanimous-consent request.

Mr. McMILLAN of North Carolina. Mr. Chairman, I move to strike the requisite number of words, and I rise to speak in support of the amendment.

As has been said by many Members, this is not an issue about the committee. This is an issue about the budget deficit.

Yesterday 143 Members of this body voted in favor of a similar amendment which was to reduce the appropriations increase by half; and I should add that 38 of those Members were Democrats, and 155 were Republicans.

I think that represents a very strong bipartisan support to the objective that we seek.

Basically, the objective that we seek is to either, through individual amendments that may have some merits and reduce the appropriation level, or failing that by cutting back one-half of the increase of appropriations for 1988 over 1987, we can achieve in the aggregate 7 billion dollars' worth of additional savings in outlays in the 1987 budget.

We do this because we do not believe that the budget that was adopted either by the House or the conference report that we adopted last week achieves the $36 billion in real deficit reduction that most of us have committed ourselves to in this House. We claim to have reached $30 billion, $20 billion of it coming through a tax increase and $7 billion of it through asset sales, and the other uncertain.

All we are trying to do is, through this amendment process, to achieve an additional $7 billion in deficit reduction. That is not to criticize the hard work of the Appropriations Committee.

Mr. Chairman, I realize that yesterday someone told me that 250 Members of this House probably had in the energy and water bill a project that was beneficial to their own district, and it is understandable how much pressure that generates upon this body in terms of the way Members vote on fiscal responsibility. There may not be quite 250 today, but there are probably quite a few that have projects that are beneficial to their districts. But, please, just one time let us vote for what is in the national interest, that is, reducing this budget deficit, and not for the projects that are beneficial to our own parochial interests.

Mr. Chairman, I urge my colleagues to support this amendment.

Mr. STENHOLM. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I rise as a member of the bipartisan, unoffical, self-appointed, meat-ax slasher, two-club approach group for the problem before us today. I do not rise as the head cicada.

I want to repeat my admiration for the subcommittee chairman, the gentleman from Illinois [Mr. YATES], and the entire Appropriations Committee. I do not know how many times our group is going to have to repeat it, but our quarrel is not with the Appropriations Committee. The job its members have done is an admirable one under the conditions they have had to operate. My quarrel is not with the Budget Committee, although I would be the first one today after the vote yesterday to say that I regret my vote for the budget day before yesterday. If I had to vote again today, I would not vote for it, because in hindsight, considering the manner in which this debate is proceeding and the results of the voting, I made one heck of a mistake, and I admit that publicly on the record.

My quarrel today is with the 435 Members of this House, and that means that CHARLIE STENHOLM is one four hundred thirty-fifth of the problem.

What we are about once again today is to make one small contribution to the amount of money that we do not have to borrow, because I suspect the 276 colleagues of mine who voted to spend that extra $270 million that we do not have yesterday will not come forward and vote for the taxes to pay for it, because it is much easier for us to vote to borrow that money, for all the good and valid reasons that we have heard Member after Member say that we are not spending enough.

I suspect there will not be 218 of those 276 who will stand in this well and say, "I want to raise taxes on my constituents to pay for that 1.7 percent of the project that I had in my district yesterday."

Today, we are talking about the Interior Subcommittee, and it is the same story. This is 3.2 percent. I have a project in this, thanks to the generosity and the support of the subcommittee chairman, the gentleman from Illinois [Mr. YATES]. That is 167,000 dollars' worth, and with 3 percent, that is $4,000 that I am asking this body to cut.

Our problem again is with the entire process of this House, and we are all a part of that problem, and the bottom line is that we are heading into some real, real deadlocks out there, on which our ability to function as a House is going to be called into question because we are either going to have to borrow the money or raise the taxes to pay for it. And this is one Member who is serving notice that I, in spite of my vote for the budget day before yesterday, will not vote for one dime of taxes unless we can cut spending by this trivial amount of 1.7 percent and 3.2 percent here, equalling $7 billion at the end of 13 of these exercises.

Is that too much to ask? There are those who say that under no circumstances will they compromise on taxes or anything, and we are hearing that, but I ask the Members to see if we can find a spirit of compromise, much like those 55 men did 200 years ago when they wrote the Constitution that has allowed this great country to become what it is, if we can find some middle ground in this case. This group, whatever you want to call us, is saying, let us make the budget effort work, with an honest figure of $36 billion, and to do that we have to cut $7 billion more in spending.

This is not an attack on the Appropriations Committee. It is an attack on the 435 of us who do not always tend to be as honest with ourselves and in our rhetoric as we should be in the spirit of this House.

So, I ask the Members to vote for this amendment today and vote for each of the remaining 11 attempts to get that $7 billion. We lost the battle yesterday, but we did not lose the war. If the President means what he says, that one will come back. If the Senate means what it says, that one will come back. If it does not, Mr. Chairman, we have a real problem facing us in July of this year.

□ 1610

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, earlier today I rose with a couple of amendments to try to cut out specific moneys. I rise in support of this amendment to try to cut it out across the board.

One reason I decided to speak here is because I am little concerned about some of the funny money accounting procedures that we have had discussed here on the floor in the last few minutes. As I understand, what we keep hearing is that these cuts are going to massively undercut programs.

Let us understand what we mean by cuts in the context that we are talking about. If we were to apply a family standard to this bill, what we are really saying is that if you are a $20,000-a-year family and we come to you with a 3.2-percent cut, what you probably assume is that we are going to cut your standard of living by $640.

Now, for the average $20,000-a-year family, that is a fairly significant cut. Now, $640 out of their annual budget would in fact cause them to have to make some adjustments and it would be a serious thing for them to have to meet, but that is not what we are saying here. What we are saying here is that you do not have to take a $640 cut with this 3.2-percent cut. No, instead, what we are going to do is we are going to raise the base on which we make the cut to $21,000 a year so that the 3.2-percent cut is one of $672; but mind you, that is from $21,000, so what this cut really means is that you will be getting next year about a $328 increase over what you got this year.

Well, most families would say, "Hey, I can probably live with that. That is not a cut. That is an increase. It may not be as much as I would like, but it is in fact an increase. It is $318 more to spend next year than I got this year."

That is exactly what we are doing here. We are in fact increasing the amount of money that these programs get. We are increasing it by a fairly significant amount of money and we are doing so in a way that allows us to meet the needs of the Nation. All that is being suggested in this particular amendment is that we are going to cut that increase 3.2 percent.

Now, I would suggest that we can probably afford to do that and I would hope we would vote for the amendment.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I would like to ask one question. What is the question we ask ourselves every week? What is the one thing we say to each other every week as we proceed through a legislative session? The question I usually hear is, "How in God's name can we avoid CR? How are we going to prevent getting all this stuff hooked up to the CR? How are we going to avoid the situation in which only a very few people on the Appropriations Committee know what is in the CR and nobody else knows what is going on? When are the authorizing committees going to be able to do their work without having everybody get in their way so they cannot produce legislation? Why does not the Appropriations Committee stick to the rules? Why do we have to keep making choices over and over and over again until we wind up with everything in the CR?"

That is the theme that I hear around here, that everybody hears around here every day of the week. You know it and I know it.

I would like to suggest that there is one reason why not just members of the press, not just members of the public, but Members of Congress itself keep asking, "Why doesn't the Congress function anymore? Why doesn't it work?"

I will tell you what my judgment is. My judgment is that one of the reasons we are also frustrated and one of the reasons that everybody is so frustrated who watches us is because we keep making the same decisions over and over again.

As George Shultz said when he testified before the Foreign Affairs Committee earlier in the year, "There are never any final winners and any final losers in this town."

We keep chewing the cud over and over and over again.

I would suggest that the purpose of the budget process is to prevent that. What we are supposed to do is: If we believe in the budget resolution that is being passed or if we think it is a reasonable compromise, then we are supposed to vote for it. If we think it is a screwed up compromise, we are supposed to vote against it. But when we make a decision to pass it, then we ought not to say 1 day later, "Oh, by the way, we didn't mean it. We are going to change our minds. Yes, we worked for 5 months to adopt a plan to attack the deficit reduction, but now after we have had that plan in place for only 1 day, we are going to change our minds again and we are going to follow a different approach because there is a bipartisan unofficial group that thinks it has a better idea."

There is always somebody around here who thinks they have a better idea, and it might be a better idea, but sooner or later you have to decide which plan you are going to follow. If you are not going to follow the plan, then you should not adopt it in the first place.

We have already made that decision, and if we want to work as an institution, we have to give the process that we have endorsed just 2 days ago an opportunity to work, and that is what this subcommittee bill does. This subcommittee bill follows the process that was laid out. You might not like the process, but the fact is that it was voted and we have an obligation to stick to it.

People say, "Well, you know, we might not get the revenues that we are supposed to get." I would suggest that if you thought there was so little chance that we could get those revenues, then you should not have voted for the budget resolution in the first place, because the fact is that there is only one way you are going to find out whether we are going to get those revenues and that is if we follow the plan laid out by the orderly processes of the House.

We will find out in due orderly time whether those revenues are produced or not. We will find out on the reconciliation bill, and if we do not get those revenues, then we are going to have to face up to it come sequestration time. That is the way the system has been designed.

We are supposedly operating under Gramm-Rudman as well as the budget process. Gramm-Rudman was imposed on us by some of the same people who are today suggesting that we just ought to support this teeny-weeny little cut.

I do not in principle have an objection to cutting any of these individual bills. You can always find more to cut anywhere, but if we are going to operate as an institution that looks like it knows what it is doing, we should not adopt a plan one day and then 2 days later say, "Sorry, we 'fess up. We didn't mean it. We voted for it with our fingers crossed and our eyes closed."

Now, our eyes were open when we voted for that budget resolution. We knew what it contained.

I do not like the fact, for instance, that the budget resolution makes possible a higher military spending number than I think we ought to have, but that was the compromise that we cut and it is the compromise we ought to stick with, and the day that the Appropriations Committee does not make clear that it is going to meet the overall target, that is the day to object, but this is not the day, because this committee meets its target and it deserves the support of the House.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Let us make one thing very clear at the beginning. My friend and colleague from Wisconsin suggested that somehow Gramm-Rudman got us here today. Let us make it very clear that the budget that we are dealing with does not abide by anything close to Gramm-Rudman. We all know that.

Why are we dealing with this whole issue? We are dealing with it because of the budget that is in front of us.

I would like to back up and ask everybody in this body some very simple questions. If you have got a deficit from $160 to $170 billion, do you want deficit reduction? There is not a one of us who does not go back home and say, "Yes, we are in favor of deficit reduction."

Is there any of us who go back home to our constituents and say, "We believe in real deficit reduction." I guess every one of us goes back home and says, "Yes, we want real deficit reduction."

Well, the budget resolution, the conference committee that came to us 1 day ago, is not as good a product as the original budget the majority party in this House of Representatives passed. That is why the ad hoc group is here, because the budget conference report has $7 billion in funny money savings. So we are saying, if you really believe in real deficit reduction, then you have to join with us in this effort to get that.

The budget resolution that we are now abiding by in this House says that we ought to have $36 billion in savings, $17 billion ought to come in spending cuts and $19 billion ought to come in new revenues.

The problem with that is that $7 billion of that $17 billion in spending cuts is funny money or smoke and mirrors.

So the question we really face here today is not whether you like the gentleman from Illinois or you like the gentleman from Ohio or whether you like the Appropriations Committee. We have tried to make it clear that we love you all.

The real question we have today is do you want to have $7 billion in additional savings so we have a true, honest $17 billion in spending cuts, or do you want to turn that $7 billion over to the revenue side instead of voting for $19 billion in new revenues, vote for $25 or $26 billion in new revenues.

I do not think there is almost anybody in this body who wants to do that.

How do we get there? We get there very simply. We take each of the appropriation bills and we simply cut the increase.

Let me repeat. We simply cut the increase in half. No freeze, no cuts, just reduce the amount of increase by half. In this particular bill, that is 3.2 percent. In this particular bill, that is $300 million.

But do you know what? If you vote for this amendment, you not only get to say, "I am for deficit reduction," you not only get to say, "I am for real deficit reduction," you still get to say, "I am for increasing the interior appropriation bill by $850 million over 1987."

You get to be for everything. Vote for the amendment.

Mr. AuCOIN. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment.

Mr. Chairman, I would stipulate a few things myself in this debate. The first stipulation I would make is that this is not a good amendment. This is a bad amendment. It is a poor amendment. It is ill-conceived and it is not good budgeting. It is a blind across-the-board approach to a problem we all recognize.

The people who support this amendment had an amendment before this one which actually specified where the cuts would apply. They chose not to bring that to a recorded vote.

I have more respect for that approach than I do this one, because this approach is intended to be politically antiseptic, just vote an across-the-board cut. But look at this record sitting up here. We have a record 2 feet deep of hearings that we have held that explain the considerations that this committee put into the final passage of the bill we bring before you today, and to be able to stand back and just say, without knowing what is in that, "We are just going to cut that across the board and every line item by 3 percent" I think is phony.

It is a little like a Samurai swordsman putting on a blindfold and swinging that sword at anything within reach, now knowing for a moment what you are going to hit or what the consequences are going to be.

Tell me, Is that good budgeting? That is not good policy. It is not good budgeting. It is not good legislation. It ought to be defeated.

There are a lot of other problems with this amendment. This bill is within the 302(b) budget allocation. It is entirely consistent with the budget resolution that was passed. We have said that and it is true.

Second, our committee chose to include funds in this bill that would otherwise have to be provided in a supplemental some time later in the year.

You know, under the budget crunch we were in. It was tempting to leave out certain crucial items that we knew would have to be ultimately appropriated; leave it out of this bill, come in with something that we could proudly say was lower than what we present to you today, knowing full well that later we would come in with a supplemental and spend that money that had to be spent; but we chose not to do that.

Fire fighting in the national forests, for example, that is an old game that used to be played. Firefighting funds are in this bill. We did not exclude them. We are not waiting for another supplemental. We put them in this bill and, Mr. Chairman, that is honest budgeting.

□ 1625

What this amendment does is penalize honest budgeting, honest appropriating. Even the bipartisan, self-anointed committee that has assumed jurisdiction over this fight about the problem has circulated a letter commending the committee for the honesty that we have had in the bill that we bring before the Members.

They said that there is no smoke, there are no mirrors. It is an honest document. I think that that is one thing that I can agree with the committee about.

There are a couple of things being scored against this bill that I would say to the gentleman from Texas [Mr. Stenholm] deserve to be repeated. The gentleman from Ohio, the ranking Republican on this committee, made this point earlier. He said that in terms of scorekeeping there is over a billion dollars' worth of items that are being scored against this year's Interior appropriations bill that were also spent last year but are now being scored against this year's bill and were not scored against this bill last year.

To be fair with us, in the work that we did in cutting spending, you have to compare apples with apples. If you compare apples with apples and what we did with what was in the bill last year and have even-Stephen scorekeeping, this bill is actually $13 million less than we appropriated last year.

You can talk all around that all you want, but that is the truth of it. So it is not only a freeze, it is lower than a freeze, and I think that that too, is a good piece of budgeting.

Fourth, I want to just say that this committee spent hours and hours tailoring to the individual accounts in this bill—tailoring those accounts to meet the anticipated needs in 1988, and some of these budget items are larger, higher than they were last year; others are less. It is higher in Indian health; it is lower in the Office of Surface Mining. But the point is in total, apples for apples, it is $13 million less in spending than was the case last year.

Fifth, I want to just say that indiscriminate, across-the-board cuts, particularly in this bill, are going to cost the Treasury more than they are going to save the Treasury. It is going to cost, and I say that because many of these cuts, because they are across the board, are cutting into moneymaking accounts.

Many of the accounts in this bill which the across-the-board cut hits are money-making accounts. They make money for the Treasury. I am talking about mineral leasing, the timber sales program, the Outer Continental Shelf oil and gas leasing program. These are moneymakers. You cut into that, you are cutting into the ability of the Government to earn money to replenish the Treasury.

I think that we ought to fund the strategic petroleum reserve. We did that as well.

So what I am saying is, "Don't be samurai swordsmen." If you feel that it is possible to get 3.2 percent in additional cuts in this bill, give us a list. Offer it as an amendment.

There was one on the floor, but there was no record vote. Why not?

The CHAIRMAN. The time of the gentleman from Oregon [Mr. AuCoin] has expired.

(By unanimous consent, Mr. AuCoin was allowed to proceed for 1 additional minute.)

Mr. AuCOIN. The gentleman from Texas stated that in this bill there is a project that he requested of the committee, and the chairman went along and the subcommittee went along. I think it is a $500,000 item for a cooperative fish and wildlife program in the State of Texas, in the gentleman's district.

If the gentleman really feels that we ought to be cutting the dollar amount equal to 3.2 percent of the total bill, I would say to him, rather than just slashing it across the board and in effect taking a slice right through that 2-foot stack of documents there that describe this bill, it is much better to pick and choose. Maybe, rather than cutting $15,000 out of the gentleman's project, we ought to take the whole $500,000 out of the gentleman's project.

Why not pick and choose? Why this antiseptic route? Well, I think that we know why. That is easier. That is easier. This committee did the hard work, made the tough choices, we are under last year's appropriated level.

I feel that the position of the gentleman from Texas is wrong.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Texas.

The CHAIRMAN. The time of the gentleman from Oregon [Mr. AuCoin] has expired.

(On request of Mr. STENHOLM and by unanimous consent, the gentleman from Oregon [Mr. AuCoin] was allowed to proceed for 30 additional seconds.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. AuCOIN. I yield to the gentleman from Texas.

Mr. STENHOLM. I thank the gentleman for yielding.

Mr. Chairman, I concede all of the valid points that the gentleman made regarding this appropriations subcommittee and its effort. I have conceded it over and over again. The bottom line remains, though, that the gentleman is asking, and does he concede this: The $300 million that we propose to save, we do not have. Agree or disagree?

Mr. AuCOIN. Well, I would say the same thing of the defense budget.

Mr. STENHOLM. We will get to that one later. We are taking them one at a time.

Mr. AuCOIN. How is the gentleman going to vote on the defense budget?

Mr. STENHOLM. Exactly the same way that we voted in the House before. What we are saying is that we have to do it straight across the board or we do not do it at all.

Mr. KOSTMAYER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will speak only a brief minute. I am going to oppose the amendment, because I think that the committee does not spend enough money. Last year the committee provided $35 million to local municipalities to buy parkland. The committee has eliminated all of that money. That is a tragedy. Our great National Park System, which is one of the things that we as Americans ought to be most proud of in this country, magnificent parks, are not going to be able to expand because of this committee.

I think that they have done their very best, but I want to say that on April 1—I want to speak to my friends on this ad hoc Budget Committee—of this year we had an amendment to require senior citizens to pay a fee of $10, a one-time-only fee of $10 to visit the national parks, as opposed to it being free, and it only got 43 votes.

I voted for it. In fairness to the sponsor of the amendment, the gentleman from Michigan [Mr. UPTON] voted for it. My friend, the gentleman from Minnesota [Mr. PENNY], a member of this ad hoc committee, voted against requiring people 62 years or older to pay a one-time-only $10 fee to visit all of the national parks. The gentleman from Iowa [Mr. TAUKE] voted against that. I voted for it. The gentleman from Texas [Mr. ARMEY] I see voted for it. The gentleman from Pennsylvania [Mr. WALKER] voted for it.

We talk about requiring these programs to be paid for. I think that they ought to be paid for. Here was an amendment to require people to pay a $10 one-time fee only for all of their life to visit all of our national parks, and members of this ad hoc so-called Budget Committee voted against it. I do not think that it is fair to come to the well, cut these magnificent programs, not allow our National Parks System to grow, and then when we ought to have the courage to vote for this one-time fee only $10.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am part of the bipartisan coalition to work on deficit reduction, but I am not self-anointed, nor is any other member of our coalition self-anointed. Each and every member of our coalition is elected to this body by a district of approximately the same size as the districts from which every member of the committee is elected. I do not know how many Members ran for office on the promise that they would work toward deficit reduction. It has been a very popular promise on which to run for office lately. I defeated a very popular incumbent on that promise, and my constituents took that promise quite literally. They expect me to be working for deficit reduction.

There are two ways in which we can do that, as we come to this body. We might try to effect some change in taxes, but I have had very few of my constituents tell me that they want increased taxes.

Nevertheless, I recall that last year, 1986, we voted for the Tax Reform Act. I consider that the most difficult vote that I have cast in this body, and I cast that vote under circumstances as a person who is not a member of the committee—and in which case I might have been a member of the committee, I would have been a minority member of the committee, and in this body that does make a difference with respect to your participation on any committee to which you may be assigned. So I was asked then to vote on tax reform under a rule in which no amendments were allowed to me as a Member of this body.

So that left that side of the body off. I had one action that I could take. I am on the Committee on the Budget, but the simple fact of the matter is that the work of the Budget Committee hardly matters, because we have something called a waiver of the Budget Act, which we get in virtually every rule that comes out of the Committee on Rules. So that really does not matter.

□ 1635

So it turns out that if you take your promise to cut the deficit seriously for your constituents, you have only one place to work and that is on the work of the Appropriations Committee. I do want to say to my beleagured colleague, the gentleman from Illinois [Mr. YATES], and my beleagured colleague from Ohio [Mr. REGULA] they did not ask for this fight. They did hard work and they tried. It is not their fault that they are left within the system of this legislative body to really as it were take the heat. And they have done so, I would say today, in good nature.

I might mention this is the third year that I have worked on this appropriation bill. The first year I came down here as a brandnew Member of this body and I was going to make the first of my budget cutting amendments. I was the slasher. My colleagues will recall we had a very entertaining evening and I came down here armed with poetry, poetry that was not to my liking, and I waved it in the air and I was outrageous. Because I was so outrageous and because I raised a stink we cut $22 million that night.

But do we really have to come down here and make a scene about it, do we really have to come down here and embarrass our colleagues, make them wish we had not come down here? We had a difficult night. I learned about the system and I said we will be more sophisticated about it and we will try to be cooperative and work with more people.

Do my colleagues know that since I quit being outrageous what has happened to my success rate? It is going down. So I do not want to be outrageous, but I am not going to quit.

We have gotten together, we have worked and we have planned, and no, we do not pretend to duplicate the hours of work, the expertise, the experience of the members of the committee. But my colleagues will admit it is a privilege to be on the Appropriations Committee. I have seen far more people ask to be put on that than I have ever seen ask to be taken off that committee. My colleagues and I all know why it is so much fun to be on that committee.

The CHAIRMAN. The time of the gentleman from Texas [Mr. ARMEY] has expired.

(By unanimous consent, Mr. ARMEY was allowed to proceed for 30 additional seconds.)

Mr. ARMEY. Members ask to be on that committee because instantaneously when one gets on that committee they have a host of new friends, and we all know why.

So I ask my colleagues to take this work seriously. It has been explained thoroughly. This is not the only committee to which we will address amendments. It will be all of the appropriation bills. We will fulfill our responsibility, we will do it good naturedly, and we will do it with persistence. But we will ask for cuts here, now and later.

Vote "yes" on the amendment.

Mr. YATES. Mr. Chairman, I ask unanimous consent that all debate close in 10 minutes, with the last 5 minutes to be reserved for the committee.

Mr. Chairman, I know this is going to be subject to a point of order if I make a request of that kind. The committee has waited all day long and listened to the proponents of the legislation, most of whom are going to speak again. Those who are on the other side are going to speak, and that is why I thought I should take 5 minutes to close up.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. UPTON. Mr. Chairman, reserving the right to object, would the gentleman amend his request to have 10 minutes remaining, 5 minutes in favor for the proponents who are in favor of the amendment and 5 minutes for Members who are opposed?

Mr. YATES. Mr. Chairman, yes, I will agree to that.

Mr. UPTON. We would be glad to accept that.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. YATES. Mr. Chairman, I have an amendment which I propose to offer which I think will be acceptable to the other side, and I may as well explain it now.

The CHAIRMAN. The gentleman from Illinois [Mr. YATES] withdraws his unanimous-consent request.

Mr. YATES. Mr. Chairman, I ask unanimous consent that it be in order to return to title II in order that I may offer this amendment.

Mr. GUNDERSON. Mr. Chairman, is there not an amendment pending?

Mr. YATES. Mr. Chairman, I am told by the Chair that if this is a substitute for a pending amendment that I do not need unanimous consent to go back to an earlier title. So I have offered this as a substitute.

The CHAIRMAN. The Chair would reserve judgment on that question. The unanimous-consent request of the gentleman from Illinois [Mr. YATES] is withdrawn.

AMENDMENT OFFERED BY MR. YATES AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. UPTON

Mr. YATES. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. YATES as a substitute for the amendment offered by Mr. UPTON: On page 52, line 25, after "expended", insert "of which $50,000,000 shall not be obligated unless future fiscal year 1988 pay cost increases for accounts in this Act are provided within the allocations of the fiscal year 1988 Congressional Budget Resolution".

Mr. GUNDERSON. Mr. Chairman, I reserve a point of order at this point on the amendment.

The CHAIRMAN. The gentleman from Wisconsin reserves a point of order.

Mr. YATES. Mr. Chairman, in keeping with an understanding with the gentleman from Texas [Mr. STENHOLM], the gentleman has complimented us, and your group of 15 I think has complimented the Appropriations Committee upon its honesty and its truth in appropriating. This furthers that purpose. What I am doing is providing that there should be no supplemental appropriation for the additional pay costs that may come along on January 1, 1988. It is for that purpose I have offered this amendment.

Mr. Chairman, what this amendment does is set up a reserve of $50 million, it is a set-aside of $50 million from the strategic petroleum reserve, and it says that this $50 million shall not be expended until it is determined whether or not $50 million shall be needed for additional pay costs that will take place on next January 1. If it is, the money shall go to pay costs rather than go for expenditures under the strategic petroleum reserve.

That is the purpose of the amendment.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. Mr. Chairman, I thank the gentleman for yielding and commend him on offering this amendment. I also know that the minority is contemplating whether or not they are going to press their point of order on this point. I just want to inform the minority that if they do press the point of order I have an amendment that is in order. It is not as good as the gentleman's amendment, but it would go to the very point. But I will offer it if they insist on their point of order. I think they ought to vote on the very issue here.

The chairman of the subcommittee, when the issue was raised as to the compliance of his bill with the budget which he has made every effort to comply with, there was a problem with the 3-percent pay increase that is within the overall budget that is scheduled to take place on January 1, 1988. There was a problem that funds may not have been set aside to take care of that. He agreed to offer the amendment he is offering at this time to make sure that that was true.

Because of the parliamentary situation, it may be that the precise way of offering it is not in order, but the point is that it can be accomplished by another means of across-the-board cutting of that amount. That is not nearly as good as the amendment of the gentleman from Illinois, and I think if the minority or proponents of the Upton amendment are serious, they will allow the vote to take place on the gentleman's amendment.

Mr. YATES. There is nothing tricky about this amendment, may I say to those who are suspicious on the other side. It is really an amendment offered in good faith, and it is an amendment that is offered for the purpose of protecting against the need for a supplemental if a pay increase is ordered, and it has not been ordered yet. It has to be set aside and the President has to approve it and the Congress has to approve it. We do not know what the amount will be. We think it will be in that area.

That is what the purpose of the amendment is, to set aside sufficient money to take care of that pay cost so that we do not have to come back for a supplemental.

Now Members have complimented our committee and complimented us on the fact that we have provided the money for firefighting in our bill. Usually that is in a supplemental because we do not know what it will be. I am trying to do the same thing here in all good good faith, and that is the reason for the amendment.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas.

Mr. STENHOLM. I thank the chairman for yielding. I want to be sure I understand. As I understand it, this is not a substitute, this is an amendment to our pending amendment in which the gentleman would propose to set aside $50 million from the $603,744,000 in the bill, less the 3.2 percent if the bill passes?

Mr. YATES. I believe the gentleman from Texas [Mr. STENHOLM] is correct, and, Mr. Chairman, I ask unanimous consent to change the form of the amendment, and rather than placing my amendment in the form of a substitute that it be presented as an amendment to the pending amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. MORRISON of Connecticut. Reserving the right to object, if I could address the proponent of the amendment, it seems to me that the gentleman does not wish this 3.2-percent across-the-board amendment to be passed, and he thinks in preference to that that the House should adopt an amendment to set aside $50 million to make sure it is there to pay for the 3-percent increase. I think that the gentleman correctly styled this amendment as a substitute, and I would hope that the gentleman would withdraw his unanimous-consent request because I do not think it accomplishes the purposes for which the gentleman made the amendment.

Mr. YATES. Mr. Chairman, I think the gentleman is right. I ask unanimous consent that the amendment be a substitute.

The CHAIRMAN. The Chair would advise the gentleman from Illinois that that can be accomplished by withdrawing his most recent unanimous-consent request.

Mr. YATES. Mr. Chairman, I withdraw my unanimous-consent request.

The CHAIRMAN. The unanimous-consent request is withdrawn.

PARLIAMENTARY INQUIRY

Mr. YATES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. YATES. Mr. Chairman, the amendment I have offered is now proposed as a substitute?

The CHAIRMAN. The amendment has been offered by the gentleman as a substitute for the amendment offered by the gentleman from Michigan [Mr. UPTON].

Mr. YATES. I intend to offer it as a substitute.

Mr. TAUKE. Mr. Chairman, I reserve a point of order.

Mr. GUNDERSON. Mr. Chairman, I have a point of order on the amendment.

The CHAIRMAN. The gentleman from Wisconsin [Mr. GUNDERSON] had reserved a point of order previously.

POINT OF ORDER

Mr. GUNDERSON. Mr. Chairman, I would like to raise that point of order at this time if it might be possible, because if the gentleman offers an amendment as a substitute, he is offering a substitute amendment which significantly narrows the scope of the amendment which is presently at hand.

Mr. YATES. The gentleman is correct.

Mr. GUNDERSON. From that prospective, I raise a point of order against the amendment.

The CHAIRMAN. The gentleman from Wisconsin will state the point of order.

Mr. GUNDERSON. Mr. Chairman, I raise the point of order that the substitute amendment significantly narrows the scope of the amendment now before the House and therefore is out of order.

The CHAIRMAN. The Chair would advise the gentleman that he does not state a proper point of order; so the point of order is not sustained.

The gentleman from Illinois [Mr. YATES] is recognized for 5 minutes.

Mr. YATES. Mr. Chairman, I offer this amendment as a substitute, and I am opposed obviously to the amendment of the gentleman from Michigan [Mr. UPTON]. I am offering my amendment in the form of a substitute in order to accomplish two things. One is to do what everybody will concede is a worthy purpose, and that is to set aside a reserve for payment of a debt that will come along, and to assure that there is no further need for a supplemental appropriation bill.

The substitute speaks for itself, and I do not think I need comment on that anymore. I do want to address myself, however, to the form of the amendment.

□ 1650

Mr. TAUKE. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Iowa.

Mr. TAUKE. I thank the gentleman for yielding.

Mr. Chairman, there has been so much confusion that I am unclear now precisely what the amendment does. Could the gentleman explain one more time what the impact of the gentleman's amendment is.

Mr. YATES. The purpose of my amendment is to provide funding for the pay increase for Federal employees. There is a pay increase for Federal employees that is supposed to become effective January 1, 1988. Ordinarily I would not make a provision for the payment of that pay cost in my bill but wait for a supplemental appropriations bill because we do not know yet what that amount will be. It is estimated that amount will be not more than—it may be more than $50 million, but the best guess now is that it will be about $50 million.

In order to achieve that purpose, in order to avoid the necessity for filing a supplemental appropriations bill, in order to accommodate the wishes of your group that there be no supplemental appropriation bills, I have proposed that a reserve be set up to be taken from the appropriation for the strategic petroleum reserve in the amount of $50 million to be used for the pay increase in the event that one does come into existence. In the event that one does not come into existence, the funds will remain available for expenditure to the strategic petroleum reserve.

Mr. TAUKE. At the current time in the bill there is no provision for pay increase. So what the gentleman is attempting to do is to make a provision for a pay increase by taking money from the strategic petroleum reserve and putting it in a separate fund, if you will.

Mr. YATES. That is correct, the gentleman is correct, which I think is good budgeting and good accounting.

Mr. STENHOLM. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. I thank the gentleman for yielding.

But if I understand the gentleman's amendment, if it should pass then the preceding amendment that was on the floor will then become the amendment as amended in which all we do is shift $50 million from the $603 million as the gentleman intends and there will be no cuts.

Mr. YATES. There will be no cuts under the present amendment. I understand the gentleman's group intends to offer another amendment with a further cut. Is my information correct?

Mr. STENHOLM. That would be correct. If there is still a point of order reserved, it would seem to me——

Mr. YATES. No; the point of order has been overruled.

Mr. STENHOLM. If the gentleman would continue to yield.

Mr. YATES. I continue to yield to the gentleman.

Mr. STENHOLM. It would seem to expedite the procedures a tremendous amount if the gentleman would offer his amendment not as a substitute but as an amendment to stand on its own values, because I certainly agree with the spirit of what the gentleman is attempting to do to avoid supplementals which is one of the goals of our group. This will accomplish that, but it will also just cause us to reoffer the amendment that we have been debating because we still would like an opportunity to cut.

Mr. YATES. May I say that even if I continue to use it as a substitute, the gentleman's group still gains because you just want an up and down vote and if my amendment is sustained then you will have lost your amendment but you will have gained anyway. And I think that we ought to vote on it, Mr. Chairman.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the substitute amendment.

First of all, Mr. Chairman, clearly the substitute is designed not only to achieve the goals that Mr. YATES outlined but also is designed to ensure that we do not have a clear vote on the across-the-board 3.2-percent cut.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Illinois [Mr. YATES].

Mr. YATES. I thank the gentleman for yielding.

That is not necessarily true. If my amendment is voted down then you will have a clear vote on your amendment.

Mr. MORRISON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I will be happy to yield to the gentleman from Connecticut.

Mr. MORRISON of Connecticut. I thank the gentleman for yielding.

This actually goes beyond what the chairman said. The reason that this amendment is required in order to do what is right with respect to the budget is that the 302(b) allocations do not allow for a supplemental $50 million to cover this. If Mr. UPTON's underlying amendment were adopted, it would be plenty of room to deal with the subsequent pay increase.

Mr. TAUKE. I thank the gentleman for his clarification.

The bottom line is that if this substitute passes we do not have a chance to vote on the 3.2 percent. So I am compelled to oppose the substitute or, undoubtedly, we will have to get into a parliamentary game where we amend the substitute. But until we get to that point, I have to oppose the substitute. It is unfortunate that earlier when I raised the issue about whether or not this met with all the budgetary guidelines a great brouhaha was raised that I would endeavor to question whether or not this appropriation was indeed within the budgetary guidelines.

Now we find that the subcommittee itself suggests that maybe there is not enough room within the 302(b) allocation to accommodate the expected expenditure. I commend the members of the committee and the chairman for attempting to get the budget within the 302(b) allocation levels and would support that as a freestanding amendment. But I cannot support it as a substitute for our general effort to hold down the growth rate in spending.

So at the current time under these circumstances I oppose the amendment because it precludes us from offering an amendment which would reduce the increase in overall spending. As a freestanding amendment, it is a giant step in the right direction. But that is not the parliamentary situation now.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. I thank the gentleman for yielding.

Mr. Chairman, as I understand the parliamentary situation, if we accepted the Yates amendment then the gentleman could reoffer his amendment and we could then vote on it. That it seems to me to be the quickest way out of this parliamentary situation.

Mr. TAUKE. It is my understanding the only way we can get a freestanding vote on our amendment is if we offer an amendment to the substitute offered by the gentleman from Illinois. I suspect that that is the method that we will attempt to pursue.

PARLIAMENTARY INQUIRY

Mr. DICKS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DICKS. Mr. Chairman, if the Yates amendment were adopted and then on the subsequent vote it was again adopted, would it be then within the rights of the proponents of the 3.2 cut to offer another amendment that would allow them then to have a vote on the 3.2-percent reduction?

The CHAIRMAN. The Chair advises that it appears that such an amendment would be in order.

Mr. TAUKE. Mr. Chairman, would the Chair please repeat what he just indicated?

The CHAIRMAN. Yes. The Chair advises, in response to the parliamentary inquiry, that another across-the-board reduction amendment would be in order.

Mr. TAUKE. So if we accept the Yates amendment and then vote on the substitute, we can immediately come back with the same amendment that had been offered earlier by the gentleman from Michigan [Mr. UPTON] and that amendment would still be in order?

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. DICKS. I would like to get the parliamentary inquiry ruling first and then I will yield.

The CHAIRMAN. The gentleman from Iowa has asked for a parliamentary ruling and the committee will suspend while the Chair studies the form of the two amendments.

Mr. TAUKE. Mr. Chairman, I withdraw my request for a ruling. I think we have worked something out.

I withdraw my request for a ruling.

The CHAIRMAN. The parliamentary inquiry is withdrawn.

The gentleman from Washington?

Mr. YATES. Mr. Chairman, may I say I am told that if I were to withdraw my amendment at this point that we could go to a vote on the Upton amendment and with that understanding, Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RAHALL. Mr. Chairman, I rise in strong opposition to the amendment being offered by the gentleman from Michigan.

This amendment would do great harm to many essential programs and particularly, those which deal with natural resource research.

For example, the amount recommended by this bill for the Bureau of Mines is already $5.4 million below the current fiscal year funding level. Yet, the gentleman's amendment would reduce it further by approximately 40 percent.

The Bureau of Mines is conducting some very badly needed research to improve the health and safety conditions of our coal mines. Coal mining continues to be the most dangerous occupation in the country and over one-half million miners suffer from the crippling effects of black lung disease. Since 1970, outlays for black lung benefits have exceeded $17 billion.

While the gentleman may think that by cutting these research programs he will reduce the budget deficit, I would submit that he would only be aggravating the situation. Spending a small amount annually to mitigate dust in the mines, for example, will ultimately reduce the amounts spent on black lung benefits. In this regard, the cost-benefit ratio is overwhelming.

Also affected by the gentleman's amendment would be the environmental integrity of the Appalachian Region. Through Bureau of Mines research, we are making progress in developing technologies to mitigate acid mine drainage and mine subsidence. And yet, this amendment would slash funding available for these programs and as such, increase the exposure of hundreds of thousands of people to environmental risk.

The amendment would also reduce the Energy Department's fossil energy research program by some $45 million. This would be an extremely shortsighted thing to do.

This Nation is still very much dependent upon fossil fuels for the generation of electricity and will continue to be so in the foreseeable future.

Yet, the gentleman's amendment would deny consumers the benefits of new generations of cleaner and more efficient combustion systems. This would be a great disservice to generations to come.

Mr. Chairman, I urge my colleagues to vote no on this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. UPTON].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. UPTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 189, noes 225, not voting 19, as follows:

[Roll No. 216]

AYES—189

Andrews
Archer
Armey
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Cooper
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
Derrick
DeWine
DioGuardi
Dornan (CA)
Dreier
Duncan
Dyson
Eckart
Edwards (OK)
Emerson
Erdreich
Fawell
Fields
Fish
Flippo
Frenzel
Frost
Gallegly
Gallo
Gekas
Gibbons
Gingrich
Glickman
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
McCandless

McCollum
McGrath
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Montgomery
Moorhead
Neal
Nichols
Nielson
Olin
Oxley
Packard
Parris
Pashayan
Patterson
Penny
Petri
Porter
Pursell
Ravenel
Ray
Rhodes
Ridge
Rinaldo

Ritter
Roberts
Robinson
Roemer
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)

Smith, Robert (NH)
Snowe
Solomon
Spence
Spratt
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wortley
Wylie
Young (FL)

NOES—225

Ackerman
Akaka
Alexander
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Badham
Beilenson
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Coughlin
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Edwards (CA)
English
Espy
Evans
Fascell

Fazio
Feighan
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Garcia
Gaydos
Gejdenson
Gilman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Huckaby
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey

McCurdy
McDade
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Panetta
Pease
Pelosi
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Regula
Rodino
Roe
Rogers
Rose
Rostenkowski
Roybal
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sikorski
Skeen
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (TX)
Smith, Robert (OR)
St Germain
Staggers
Stallings
Stangeland

Stark
Stokes
Stratton
Studds
Swift
Synar
Thomas (GA)
Torres
Torricelli
Traficant
Traxler

Udall
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten

Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—19

Anderson
Boland
Boner (TN)
Bonior (MI)
Conyers
Courter
Daniel

Flake
Frank
Gephardt
Kemp
Livingston
McEwen
Owens (UT)

Pepper
Richardson
Solarz
Tauzin
Towns

□ 1705

Mr. ENGLISH changed his vote from "aye" to "no."

Mr. SKAGGS and Mr. MADIGAN changed their votes from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

□ 1720

AMENDMENT OFFERED BY MR. UPTON

Mr. UPTON. Mr. Chairman, I offer an amendment and I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. YATES. Mr. Chairman, reserving the right to object, I did not hear the request of the gentleman from Michigan.

The CHAIRMAN. The gentleman from Michigan requested unanimous consent that the amendment be considered as read and printed in the Record.

Mr. YATES. Reserving the right to object, Mr. Chairman, what does the gentleman propose to do with his amendment? Is this the 2-percent cut?

Mr. UPTON. Yes, Mr. Chairman.

Mr. YATES. This is the same amendment as was just defeated, except that it reduces the amount set to be cut to 2 percent?

Mr. UPTON. That is correct.

Mr. YATES. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The text of the amendment is as follows:

Amendment offered by Mr. Upton: Page 77, after line 10, insert the following new section:

Sec. 314. Each amount appropriated by this Act that is not required to be appropriated by a provision of law is reduced by 2 percent.

Mr. UPTON. Mr. Chairman, I do not intend to take more than 1 minute in these 5 minutes I have. I know that the hour is growing long. It is now 5:20, but I would just like to point out three things. Yesterday this body failed to reduce expenditures in the Energy and Water Appropriation by 1.7 percent across the board. Just now we narrowly were defeated on the 3.2-percent amendment.

All this amendment does is reduce it across the board by 2 percent.

I would urge the Members to support this. I would also urge that we do not need to have the lengthy debate that we have had on the last one.

Mr. UPTON. Mr. Chairman, I yield back the balance of my time.

Mr. YATES. Mr. Chairman, I ask for a vote on the gentleman's amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan [Mr. Upton].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. UPTON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered. The vote was taken by electronic device and there were—ayes 202, noes 210, not voting 21, as follows:

[Roll No. 217]

AYES—202

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bentley
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Carper
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Cooper
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
DeLay
Derrick
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Dyson
Eckart
Edwards (OK)
Emerson
English
Erdreich

Fawell
Feighan
Fields
Fish
Flippo
Frenzel
Frost
Gallegly
Gallo
Gekas
Gibbons
Gingrich
Glickman
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lent
Lewis (CA)
Lewis (FL)

Lightfoot
Lipinski
Lott
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McGrath
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Montgomery
Moorhead
Neal
Nielson
Olin
Oxley
Packard
Parris
Pashayan
Patterson
Penny
Petri
Porter
Pursell
Ravenel
Ray
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roemer
Roth
Roukema
Rowland (CT)
Rowland (GA)
Russo
Saiki
Saxton
Schaefer
Schneider
Schroeder

Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skelton
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Weldon
Wortley
Wylie
Young (FL)

NOES—210

Ackerman
Akaka
Alexander
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Beilenson
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (TX)
Collins
Conte
Conyers
Coughlin
Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Edwards (CA)
Espy
Evans
Fascell
Fazio
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Garcia
Gaydos
Gejdenson
Gilman
Gonzalez
Gordon
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Huckaby
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lloyd
Lowery (CA)
Lowry (WA)
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Mollohan
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Panetta
Pease
Pelosi
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Regula
Rodino
Roe
Rogers
Rose
Rostenkowski
Roybal
Sabo
Savage
Sawyer
Scheuer
Schumer
Sikorski
Skeen
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (TX)
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Synar
Thomas (GA)
Torricelli
Traficant
Traxler
Udall
Vento
Visclosky
Walgren
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Yates
Yatron
Young (AK)

NOT VOTING—21

Anderson
Boland
Boner (TN)
Bonior (MI)
Daniel
Flake
Frank
Gephardt
Jenkins
Kemp
Livingston
McEwen
Owens (UT)
Pepper
Richardson
Solarz
Swift
Tauzin
Torres
Towns
Wyden

□ 1735

Mr. LEWIS of California changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the gentleman from Illinois [Mr. YATES], the chairman of the subcommittee, to enter into a colloquy with me if he is willing.

Mr. Chairman, last year Congress passed historic wild and scenic river legislation which designated the Cache La Poudre River as Colorado's first wild and scenic river. As part of that bill, specific authorization was approved which directed the Secretary of Agriculture through the Forest Service to conduct a study of the Cache La Poudre as it flowed through the city of Fort Collins for possible designation as a national recreation area. Part of the cost of this study is to be borne by city and county officials. The Forest Service has hesitated to proceed because the study area is just outside the boundaries of the Roosevelt National Forest and the Service is not clear about the intent of Congress.

I would like to use this opportunity to make clear that Congress plainly wanted this study to be completed by the Forest Service as authorized by Public Law 99-590. Specifically, my hope is that we can point out that within total amounts of available funds provided for State and private forestry in H.R. 2712, with the exception of funds designated for specific special projects, the Forest Service will proceed with this study in fiscal year 1988.

Is this the chairman's understanding of the situation?

Mr. YATES. Mr. chairman, will the gentleman yield?

Mr. BROWN of Colorado. I yield to the gentleman from Illinois.

Mr. YATES. Mr. Chairman, let me say that I am not sure that the Forest Service has the funds. If they have, that is my understanding.

Ms. KAPTUR. Mr. Chairman, I live in the "energy belt" of the United States, the vast Midwest coal reserves. Oil shortages in the early 1970's showed all Americans the critical relationship between the cost of energy and our Nation's economic well being. Americans for the first time began to realize our Nation's future and prosperity depend in part on adequate energy supplies, at reasonable prices.

Most critics expect substantial new increases in the prices of oil and natural gas, as our domestic reserves continue to be depleted. It is clear that producing and maintaining reliable supplies of energy for the future are of vital importance to our Nation.

Mr. Chairman, the only solution to our energy crisis lies in using our enormous coal resources, which amounts to three-quarters of America's proven energy reserve. We have more Btu's in coal in the United States than the Mideast has oil. But ours is in a solid state.

In my district in the State of Ohio, nuclear power even at its maximum usage, will supply only 40 percent of the energy required in the future. Sixty percent of our power needs will be dependent on coal. This means we must find a way to burn our vast coal reserves, and do so in a clean and efficient manner, and take advantage of coal's low and stable costs. Our Nation can move steadily into greater energy self-sufficiency and pricing stability which is essential to America's economic growth and development.

Mr. Chairman, new clean coal burning technologies can pay off in the years ahead for all Americans. Let's support coal for the future.

Mr. KOSTMAYER. Mr. Chairman, I rise today to discuss the Interior Appropriations bill for fiscal year 1988.

Although I am aware of the severe budget constraints facing the Appropriations Committee, I am particularly concerned about the amount of funding requested for the land and water conservation fund, the historic preservation fund, and the critical issues fund of the national trust for Historic Preservation.

Dollar for dollar, these programs have given the American taxpayer a very good return on their investment. This investment in our natural, cultural and historic resources is one well worth continuing.

The critical issues fund was established in 1984 when Congress appropriated $500,000 to the National Trust for Historic Preservation to enable the trust to award grants to public agencies and other preservation organizations to find solutions to critical problems affecting urban areas and rural communities. Since that time, the National Trust has awarded 35 grants for projects in 16 States. For example, in Butte, MT, a CIF grant enabled the completion of a plan featuring the city's mining past in an urban culture park that will help attract tourists and strengthen a lagging economy. A grant to Roanoke, VA, enabled this city to implement a program that included its citizens as an integral part in the planning process of the city's future development. Another grant helped Philadelphia integrate historic preservation into its downtown development plan. In rural Anson County, NC, a CIF grant helped establish a job training program in housing restoration for unemployed workers. As you can see, integrating historic preservation with development has been the mainstay of this program. The modest amount given to this program has obviously gone a long way and I sincerely hope that Congress recognizes the importance and need for a such a program.

The historic preservation fund was established in 1976 to provide a continual source of funding for historic preservation grants. Financed through a portion of Outer Continental Shelf [OCS] revenues, the historic preservation fund is authorized at a level of $150 million a year but has only received, through the appropriations process, on average, $25 million. Currently, the unappropriated balance is over $1 billion. However, through the years the historic preservation fund has enabled local governments to match funds to survey and document buildings of historic or architectural significance. It is the historic preservation fund which provide the information and guidance to local governments through State historic preservation officers to place buildings on the National Register of Historic Places. In Bisbee, AZ, it was the historic preservation fund which enabled a local government preservation commission to teach residents how to take care of turn of the century buildings trimmed in copper in this copper mining town. In San Diego, CA, local residents have used funding for historic preservation to gather information to designate an historic district in a Chinese neigborhood. In King County, WA, the historic preservation fund has assisted in the documentation and preservation of significant properties ranging from an Indian archeological site to an iron truss bridge. Unfortunately, the severe decline in Federal commitment has put our national preservation program in jeopardy. Consequently, many important projects have gone unfunded and we are at risk of losing important properties of national significance. It is again my hope that the House at least appreciates the importance of addressing some of these very critical restoration needs.

The land and water conservation fund is yet another vitally important program dedicated to preserving our country's natural heritage. According to the National Park Service which administers the grants to States program under the LWCF, 33,886 projects have been funded through the program as of January 30, 1987. The Federal Government has made available just over $3 billion to these projects since 1965, an amount which was not only matched but often surpassed by state and local funds. As a result of these grants, some 2,330,068 acres have been acquired in 6,739 projects and facilities developed in over 23,000 projects. Unfortunately, due to development pressures our open spaces are disappearing at an alarming rate. State grants are just one portion of the LWCF and I am very disappointed to learn that the committee has zeroed out funding for this portion of the program. There are many benefits to be gained from an effective land acquisition program and I hope that the Congress will see fit to restore at least some portion of the State grant program.

Mr. Chairman, less than 3 months ago, the House agreed, by a vote of 416 to 5, to extend the land and water conservation fund for 25 years and just Monday, June 22, the House approved by voice vote an extension of the historic preservation fund. This is a very significant action Mr. Chairman, and it conveys an important message. Quite simply, we must find a way to match these actions with fiscal commitment if we are to preserve our natural, historic, and cultural resources.

Mr. Chairman, the critical issues fund, the historic preservation fund, and the land and water conservation fund have proven to be important and vital components of our national preservation program and I hope that we will be able to work together in the future to ensure that these very worthwhile programs receive the attention and consideration they deserve.

Mr. JEFFORDS. Mr. Chairman, I want to take a few minutes to commend the Interior Appropriations Committee and its leaders, Chairman YATES and Vice Chairman REGULA, for their work on this bill. In general, this is an excellent bill.

Earlier this year I submitted testimony expressing my support for a number of important programs under the jurisdiction of this subcommittee. I am pleased that the subcommittee has preserved an effecting funding level for the National Endowments for the Arts and Humanities. The subcommittee has also preserved funding for several important energy conservation research and development programs. These R&D programs have been tremendously successful, saving taxpayers as much as $2,000 for every dollar spent. The subcommittee has also supported funding for State and local forestry programs that help farmers and other private landowners maximize yields and improve productivity on their woodlots. Under difficult budget guidelines, I think the subcommittee has done pretty well.

So on the whole I want to commend the committee for a good bill. However, I want to voice my concerns about the clean coal technology proposal contained in the bill.

The committee has recommended $50 million in fiscal year 1988, $200 million in fiscal year 1989, and $100 million in fiscal year 1990. I've drafted an amendment that would strike the $300 million in out-year funding for clean coal, but after consulting with a number of Members I have decided not to offer it.

I have previously supported the Clean Coal Technology Program, despite the fact that there have been many problems with it. We've spent a lot of money and not gotten much out of the program. Funds have not been targeted to retrofit programs, and EPA has been left out of the decisonmaking process. This year the committee, under the leadership of Mr. CONTE, has taken steps to improve this situation. However, at this point, I don't think we ought to rush ahead with a 400-percent increase in the program.

The type of funding increase approved by the committee would make sense if the Clean Coal Program were coupled with specific timetables for emissions reductions. In fact, last year the Republican 92 Group task force on acid rain proposed coupling clean coal with emissions reductions. Without such linkage, however, we could have a $350 million program that demonstrates all kinds of nice new techniques for burning coal cleanly without any requirement that they be used.

The committee proposal would also make sense if I sensed some change in the attitude of my colleagues who oppose emissions reductions. However, it's the same old story. Last year we had a bipartisan acid rain bill with 172 cosponsors that passed the Subcommittee on Health and Environment. Yet it was never even considered by the full committee.

I find it rather confusing that gung-ho supporters of the Clean Coal Program are strongly opposed to emissions reductions. If you don't want to reduce emissions, why spend $350 million to develop retrofit technology that will achieve these reductions?

Back in 1984, when Congress set aside $750 million for the clean coal technology reserve, Members from the Northeast were assured that this was a step toward emissions reductions. We supported the proposal in an attempt to offer an olive branch to our colleagues from the Midwest. We recognized that an acid rain bill would cause economic disruption in high-sulfur coal States, and many of us supported the Clean Coal Program in order to cushion that impact.

In return for that support, we hoped that Members from the Midwest would consider our circumstances. Unfortunately, Members opposing acid deposition control legislation are as strongly opposed as ever.

I grew up in Vermont, where the environmental ethic is ingrained in all of us. And that's why we're upset about inaction on acid rain. Reducing acid rain is completely beyond our control, yet we have to live with the consequences.

There is another issue at work here, too. Midwesterners have raised the question of economic equity. We are told that an acid rain bill would disproportionately harm the economy of coal producing industrial States. What about the economic vitality of Northeastern States that are greatly dependent on the quality of their environment for agriculture and tourism?

Vermont ranks third in the Nation in the percentage of jobs created by tourism. But that tourism depends to a large extent on natural attributes now threatened by acid rain, including our forests and streams.

I don't want to give the impression that the damage caused by acid precipitation is limited to the Northeast. In fact, its a national problem. Western alpine environments, southern Appalachian forests and southeastern lakes also are affected. It's just that the Northeast is most susceptible and thus the damage is farther along than in other parts of the country. That is why Members from these regions ought to be out front in endorsing an acid rain bill.

Mr. Chairman, I would hope that my colleagues who support the Clean Coal Program but oppose emissions controls would appreciate the good faith effort we're making in not trying to strike this clean coal money. I hope that the same spirit of cooperation will prevail when efforts are made later this year to strengthen the Clean Air Act.

There will be a bill in the House later this year to address the ozone nonattainment problem. This will be a vehicle for Clean Air Act amendments. At that time, please remember that we did not try to kill the Clean Coal Program and work with us to craft a responsible national acid rain bill to address this national problem.

I want to put all Members on notice now. If the House does not have an opportunity to vote up or down on an acid rain bill by the end of this session, I will be on this floor next year leading efforts to rescind the $300 million in fiscal year 1988 and fiscal year 1989 clean coal funding contained in this bill.

Mr. IRELAND. Mr. Chairman, today the House is considering appropriations for the Department of the Interior. I would like to express my appreciation to the chairman of the subcommittee, Mr. YATES and the members of the Interior Appropriation Subcommittee for their consideration of the continuing concern of Members from some coastal States over the Department of the Interior's Five-Year Plan for Oil and Gas Leasing on our Outer

Continental Shelf. The committee's report recognizes that the affected States have serious reservations about the potential environmental impact of the plan on their coastal resources. it urges Secretary Hodel to work with coastal States representatives to try to resolve the many remaining problems associated with the plan.

This program, which becomes effective at the end of this week, presents serious problems for States such as Florida. During the last year we have tried to work out many of these issues. Unfortunately, despite these efforts, the proposed final plan reflects only some of our recommendations while major issues remain unresolved. As the program progresses, lease sale-by-lease sale, I know that representatives of affected States will be giving full consideration to all possible alternatives, such as moratoria, for making modifications to the plan.

In the interim, prior to the plan's effective date, I have once again submitted my recommendations to the Secretary along with resolutions adopted by the Florida Legislature, the Governor, and the cabinet in opposition to the plan. I have included these here for the information of my colleagues.

HOUSE OF REPRESENTATIVES,
Washington, DC, June 23, 1987.

Hon. DONALD P. HODEL,
Secretary, Department of Interior, Washington, DC.

DEAR MR. SECRETARY: As you know, the House Appropriations Committee has reported Fiscal Year 1988 funding for the Department of Interior. The Committee's report on the legislation (H. Rept. 100-171) discusses its concern that the Department of Interior has failed to resolve the conflict associated with oil and gas leasing on the outer continental shelf. The report further states:

"The Committee encourages the Secretary to continue discussions with representatives of coastal states to try to resolve many of the problems associated with his new five-year leasing plan and to report on a quarterly basis on the progress made in resolving the long-term leasing status of these areas."

As I am sure you are aware, your proposal continues to be of serious concern to me. At this time, both the Florida legislature, the governor and the Cabinet have adopted resolutions in opposition to the plan, which I consider another indication that the Department has not balanced the concerns of the state for its own resources with the nation's oil and gas development program.

The Five-Year Program for Oil and Gas Leasing technically goes into effect at the end of this week. I recognize that many of the recommendations affecting Florida were adopted by the Department. Unfortunately, several important areas still remain in the plan.

The first is that portion of the originally mandated congressional buffer from Apalachicola to Panama City. All of the original buffer areas must be deferred from the five-year plan if we are to provide adequate protection for this area. There are other sufficient areas of interest that can be explored without putting Apalachicola Bay at risk. Until those areas are thoroughly investigated there is no need to consider opening new areas.

Second, that portion of the congressional buffer between 25 and 26 degrees north latitude remains of concern. Recognizing that the area is deferred in lease 116, I urge you to continue the exclusion throughout the five-year term to ensure adequate protection of coastal and marine resources in the area.

And, finally, the proposed expansion into the Dry Tortugas, the Florida Keys and Straits of Florida is unacceptable.

I, once again, urge you to reconsider some of the decisions which have been made affecting Florida. I would be happy to discuss these issues with you at any time.

Sincerely,
ANDY IRELAND.

SENATE CONCURRENT RESOLUTION No. 1010

Whereas, the United States Department of the Interior is currently considering whether to lease for oil development federal waters within 3 miles of the Florida Keys' Atlantic Coast and within 10 miles of Florida's Gulf Coast, including the Everglades and the Florida Keys' coastline, and

Whereas, Florida's beaches are a major tourist attraction, as well as a prime factor in the high quality of life Florida offers her people, and

Whereas, the commercial and sports fishing activities of residents and tourists of Florida depend on clean and biologically productive ocean waters, and

Whereas, offshore oil development near Florida's coast will place the state's sensitive marine environment and economy at risk: Now, therefore, be it

Resolved by the Senate of the State of Florida, the House of Representatives Concurring, That the Florida Legislature urges the Secretary of the United States Department of the Interior to remove from the 5-year (1987-1991) Outer Continental Shelf Oil and Gas Leasing Program all waters off the coast of the Florida Keys and the Everglades (east of longitude 80° W. and south of latitude 25° N, and the Straits of Florida Planning Area) and impose a 30-mile, 5-year federal coastal buffer around the State of Florida in order to protect Florida's coastal resoures: Be it further

Resolved, That a copy of this resolution be transmitted to the Secretary of the United States Department of the Interior.

STATE OF FLORIDA—RESOLUTION

Whereas the State of Florida does not object to ecologically sound exploration and development of offshore petroleum resources, provided that such exploration, extraction and transportation activities can be undertaken without endangering Florida's sensitive marine and coastal resources; and

Whereas Florida's economic well-being, natural beauty, and quality of life are all inextricably linked to the State's marine and coastal resources; and

Whereas the United States Department of the Interior has issued the Proposed Final 5-year Outer Continental Shelf Oil and Gas Leasing Program (mid-1987 to mid-1992), which includes three planning areas off the coast of Florida: the South Atlantic, the Straits of Florida, and the Eastern Gulf of Mexico; and

Whereas the United States Department of the Interior in a separate action is also proposing to offer 58.9 million acres in the Eastern Gulf of Mexico for lease in November 1988 under Proposed Sale 116; and

Whereas the Outer Continental Shelf Lands Act mandates that the Department of the Interior balance the need to develop offshore resources with the need to protect sensitive marine environments and coastal economies; and

Whereas the Department of the Interior's Proposed Final 5-year Leasing Program and Proposed Sale 116 do not demonstrate adequate appreciation for the State of Florida's legitimate concerns about protection of its sensitive marine environments and valuable coastal economies: Now, therefore, be it

Resolved, That the Governor and Cabinet of the State of Florida do hereby urge the United States Department of the Interior to remove from the Proposed Final 5-year Leasing Program all areas off the coast of Florida not previously included in a 5-year Leasing Program, particularly those offshore areas surrounding the Florida Keys and the Everglades south of 25 degrees North Latitude or east of 82 degrees West Longitude: Be it further

Resolved, That the Governor and Cabinet of the State of Florida do petition the United States Department of the Interior to refrain from leasing offshore lands between 25 and 26 degrees North Latitude until after the State of Florida has determined from the congressionally mandated environmental studies that oil and gas activities in this area would be compatible with protection of its sensitive marine environment: Be it further

Resolved, That the Governor and Cabinet of the State of Florida do urge the United States Department of the Interior to defer from Proposed Sale 116 those areas deferred from Sale 79 (January 5, 1984) and Sale 94 (December 18, 1985), especially those waters off Apalachicola Bay, the Everglades, and the Florida Keys: Be it further

Resolved, That in the event the federal government elects to proceed with the Proposed Final 5-year Leasing Program and/or Proposed Lease Sale 116 without resolving the concerns raised by the State of Florida, the Governor and Cabinet do hereby request that appropriate State agencies and the Florida Congressional Delegation pursue all administrative and judicial remedies available to protect the interests of its citizens.

Mrs. BOXER. Mr. Chairman, I would like to clarify for the record an issue that came up in committee on the fiscal year 1988 Interior Appropriations bill involving Camp Tawonga and other family camps in the Stanislaus National Forest.

When the Subcommittee on Interior Appropriations considered this bill, an amendment was added to prevent timber harvesting within 5 miles of the family camps located in the Stanislaus National Forest. This amendment was included at my request because of a Forest Service plan to allow logging right up to the border of Camp Tawonga, one of these family camps. The Forest Service failed to consider the clear statements of congressional intent dating back to passage of the California Wilderness bill in 1984 that these camps should be protected from such activities.

Subsequent to the passage of this amendment, a meeting took place between the Forest Service and representatives of Camp Tawonga. At this meeting, an agreement was worked out that is satisfactory to both sides. The Forest Service agreed to modify the existing contract to delete all harvesting within one-half mile of the Camp Tawonga boundary. In addition, the agreement protects the physical and visual characteristics of all mutually designated trails, limits log hauling to outside of the dates of the camp season, and limits the use of herbicides in the area.

The Forest Service has also made a commitment to include long-term direction to protect family camp integrity and associated activities as part of the planning process under the National Forest Management Act. As a result of this agreement, I requested that the amendment be dropped when the bill was considered in the full Appropriations Committee.

Mr. Chairman, the many Members of Congress that are interested in protecting these family camps will be watching closely to ensure that the Forest Service abides by its agreement to protect Camp Tawonga and the other family camps in the Stanislaus National Forest, specifically Camp Mather, Berkeley Tuolumne Camp, and San Jose Camp.

I would like to express my gratitude to Representative LEHMAN for his assistance in working out this problem. There was concern expressed that the amendment would have had the effect of reducing revenues of local governments. Let me just make clear that I had no intention of reducing local government revenues and I respect the fact that they rely on funds from timber harvesting to supplement their budgets. The issue here was simply protection of the family camps and I am pleased that we were able to ultimately solve this problem without the need for legislation.

Mr. SHARP. Mr. Chairman, I commend Chairman YATES and the Appropriations Committee for the actions they have taken on the Department of Energy portion of this bill.

Every year since President Reagan took office, the administration has sought to gut energy conservation programs. There has always been a bipartisan consensus that favors a balance in our energy spending. Fortunately, that consensus has prevailed once again, and the committee has restored the proposed conservation cuts in programs like the low-income weatherization program.

With this money, combined with the oil overcharge money available to these programs, it will still take 15 to 20 years to weatherize just the single-family homes currently eligible. If the Federal program dollars were eliminated, as the administration budget proposed and some in this House have recommended, it would take 30 to 40 years to weatherize these eligible homes. This is hardly a responsible action for a nation anticipating another energy price shock in the next decade.

Even with the restoration of funds for programs like weatherization and schools and hospitals, Congress has not been overly generous in its energy spending. To the contrary, spending on civilian energy programs has decreased by about $2 billion over the past 7 years. Spending on energy conservation has declined by more than 50 percent. The Appropriations Committee has done a good job in maintaining some vital programs, in the face of administration opposition, while still cutting overall spending significantly.

A similar situation exists with the strategic petroleum reserve. Despite strong bipartisan support for this program, and despite the fact that relatively low oil prices make purchases for the Reserve extremely attractive, the administration requested only enough funds to fill the Reserve at 35,000 barrels per day. The administration has since endorsed a fill rate of 100,000 barrels per day, but refuses to request the necessary funds. We all recognize that a higher fill rate would enhance our energy security, but I believe that the committee has done the best it could do by approving a 75,000-barrels-per-day fill rate.

In particular I want to comment on the committee's proposed clean coal technology budget for fiscal years 1988-90. I support the limited 3-year funding for the program, which is all we can justify without identifying a funding source. However, I have serious reservations about the selection criteria outlined in the committee report. In my view, we need selection criteria for clean coal projects which encourage funding of near-term, retrofittable technologies that will achieve significant reductions in current sulfur dioxide (SO_2) emission levels.

In March 1987, the President announced a $2.5 billion initiative to develop innovative pollution control technologies to burn coal more cleanly. To fund this program, the President recommended $2 billion in new budget authority, combined with $350 million in existing authority not appropriated and $150 million in current funding.

The Appropriations Committee has recommended that the $350 million in existing authority be appropriated over 3 years: $50 million in fiscal year 1988, $200 million in 1989, and $100 million in 1990.

I support this proposed funding level for two reasons. First, it would be irresponsible for the Congress to initiate another mutibillion-dollar program with no means of paying for it. Indeed, when the administration proposed offsetting outlays to fund their proposed spending for fiscal year 1988, they included recommending a $3.5 million deletion of EPA's Limestone Injection Multistage Burner [LIMB] Program. In recommending elimination of this program, the administration essentially proposed to eliminate two clean coal projects EPA was already funding. This makes no sense to me.

Second, while the $350 million proposed by the Committee has been previously authorized by Congress, the additional $2 billion recommended by the President has not been. The administration has yet to send up proper authorization language which defines the goals and purposes of its new program in unambiguous terms. In hearings of the Energy and Commerce Committee, the most specific information we received on this proposed program was how much money the administration wanted to spend. The Department of Energy refused to eliminate any technology from the running. With this lack of focus and no authorization, I feel it is premature for Congress to commit this country to a massive clean coal technology program.

The Appropriations Committee's recommended selection criteria are too general and internally inconsistent to provide the guidance necessary for a multiyear, multibillion-dollar program, and I am confident that authorization for future appropriations will be more specific. As chairman of the Energy and Power Subcommittee, I plan to conduct stringent oversight of the Department's program to ensure that the spending approved in this legislation is consistent with the goals enunciated by the President and his special envoy on acid rain. This program must be directed toward retrofit technology demonstrations capable of achieving near-term reductions in emissions. There are four main reasons for this view:

First, according to the Congressional Research Service [CRS], only $23.6 million of the initial $400 million appropriated by Congress for the Clean Coal Technology Program was spent on retrofit technologies. The remaining $376 million went to technologies designed for new construction or repowering purposes, along with one industrial process project. More direction to DOE is necessary to correct this imbalance in funding.

Second, because of current air quality regulations, retrofit technologies do not currently have market forces working in their favor. Consequently, retrofit technologies will not generate much market demand absent new legislation or regulatory action requiring more stringent controls on existing facilities. This inadequacy of market forces to stimulate private development of a potentially socially useful technology is a primary rationale for Federal incentives to assist commercialization. In contrast, new construction or repowering technologies have market forces working for them because they meet current new source performance standards [NSPS]; this is evidenced by the commercialization currently occurring for atmospheric fluidized bed combustion. If we are going to subsidize the development of technology, we should subsidize those technologies for which Federal incentives are needed the most.

Third, retrofit technologies could reduce the economic consequences of any future Acid Rain Control Program. If acid rain legislation were enacted in the near future with deadlines in the mid-1990's, then these technologies would be more capable than repowering technologies of being fully demonstrated and useful in meeting such objectives.

Fourth, focusing the $350 million on retrofit technology demonstrations with private matching funds could achieve near-term reductions in SO_2 reductions—maybe 200,000 to 400,000 tons according to the CRS. This goal is key to our commitment to our Canadian neighbors, and a stated goal of the agreement reached by the President's envoy on acid rain.

Clean coal technology could play an important role in reducing our country's current emissions of SO_2 and NO_x. To achieve this goal, deliberate decisions about the size of the effort and balance in the selection of technologies to be funded are necessary. I assure my colleagues that through oversight and legislation I will continue to tighten the guidelines under which the funds will be spent to guarantee an effective and cost-effective program, but, for now, I urge my colleagues to support the Appropriations Committee's funding level.

Mr. WALGREN. Mr. Chairman, I rise to commend the Appropriations Committee, and particularly my colleagues on the Interior Appropriations Subcommittee, for their foresight in supporting a strong, balanced energy program, particularly in the areas of fossil energy and energy conservation.

COAL R&D, AN ENVIRONMENTAL IMPERATIVE

The bill before us continues the partnership between Government and industry in building a strong research program in fossil energy, particularly coal. I am especially pleased that the bill gives strong support for coal preparation and flue gas cleanup. The Pittsburgh Energy Technology Center is a leader is developing new, cost-effective ways to burn coal with reduced emissions at a time when the Nation is confronting one of its gravest environmental crises. The work being done at Pittsburgh's PETC on advanced coal preparation and duct injection will be able to significantly reduce sulfur emissions with 50- to 70-percent cost savings.

The total solution to the acid rain problem does not lie in developing clean coal technologies, but coal research is an important element. Some of the reduction technologies are just too risky and too expensive for industry to undertake alone. It would be a mistake for Government to back down at this point. As the National Academy of Sciences, the Office of Technology Assessment and the President's Science Adviser have warned, the cost of doing nothing is expensive. They have also warned that we can reach the point of irreversibility.

When we talk about the cost of coal R&D here in Congress, we must remember the cost of doing nothing. The Environmental Protection Agency estimates that a 50-percent reduction in sulfur emissions would bring $4 billion in visibility improvements. It has also been estimated that we are paying between $300 million to $2 billion in repairs to structures and materials from acid rain efffects. We are also losing at least $600 million in timber production because of a 5-percent reduction in growth each year. The point is that while some may view the cost of coal R&D as "expensive" today, it is more expensive in the long run not to do it.

COAL R&D AND ENERGY SECURITY

The amendment to reduce fossil R&D would roll back the great strides we have made since the early seventies in diversifying our energy base. Flexibility has been the watchword of energy policy since we found in the oil shocks of 1974 and 1978 that dependence on foreign oil made our Nation vulnerable. Fossil R&D has given us ways to burn coal more economically and more "cleanly", thereby improving the attractiveness of domestic coal as a primary fuel source for power generation and industry. Faced with higher oil prices, coal has become the fuel of choice for most of the electric power producers. The use of coal has risen 70 percent while our dependence on foreign oil for power production has dropped by two-thirds.

Now we are at a crossroads. Secretary Herrington in his report to the President on Energy Security this spring states: "The future patterns for coal consumption hinge, in part, on still unresolved questions—including the desirability of further reducing emissions related to the formation of acid compounds and ozone, and longer term effects in the build up of carbon dioxide in the atmosphere." This means we need to commit to further R&D efforts that will answer some of these questions or face declines in coal desirability with little choice other than foreign oil for our energy needs.

In the next decade, our need for electric generating capacity will likely increase 2 to 3 percent per year meaning a need for 100 gigawatts of capacity beyond current construction commitments by the year 2000. Coal-fired plants or coal used in a combined cycle cogenerating system could and should make a large contribution to this need.

Coal is clearly our most abundant domestic source of fossil fuel and we must do all that we can to maintain its desirability in the face of increased environmental concerns. Without a vigorous fossil R&D effort, coal will be excluded by default from the energy base of this Nation. I urge my colleagues to reject this amendment.

STEEL MODERNIZATION R&D

The committee has once again given its support to the steel industry R&D program, a program combining industry-Government-university scientists and using the national laboratories to conduct "leapfrog" steel technology. The U.S. steel industry has lost its competitive edge in the world and will not improve without a significant research effort. A strong steel industry is fundamental to our economic health and national defense. The R&D program in this bill is cost-effective for two reasons: First, it can result in energy savings of 35 percent; and second, if we let the industry collapse, we will pay in other ways—bailouts, higher unemployment, larger drains on public programs.

These, Mr. Chairman, are good examples of how a solid industry-government research effort will save money down the road. In essence, we have to spend a little today to save a lot in the future.

Mr. YATES. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore [Mr. COELHO] having assumed the chair, Mr. BOUCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2712) making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

□ 1745

(By unanimous consent, Mr. FOLEY was allowed to speak out of order for 2 minutes.)

LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Speaker, I seek this time to advise Members of the House on the schedule for the remainder of the week and for the beginning of next week.

At the conclusion of this legislation we will move to special orders and there will be no consideration of the District of Columbia appropriation bill today as originally scheduled. That bill will be considered tomorrow, Friday, and there will be votes on the District of Columbia appropriation bill for fiscal year 1988 tomorrow.

The House will, as scheduled, meet on Monday to consider 12 suspensions under suspension of the rules as follows:

H.R. 2616, VA Health Care Act Amendments of 1987;

H.R. 2327, VA Beneficiary Travel Program;

H.R. 1504, Veterans Employment and Education Act amendments;

H.R. 1173, to prohibit construction of dams in national parks and monuments;

H.R. 1994, to amend the boundaries of Stones River National Battlefield in Tennessee;

H.R. 1100, to authorize an affiliated status with the National Park Service for the Wildlife Prairie Park in Illinois;

H.R. 1366, to transfer certain lands in the State of Arizona;

H.R. 2689, Arms Control and Disarmament Agency Act authorization;

House Concurrent Resolution 94, expressing the sense of Congress on the Hamadei case;

House Concurrent Resolution 141, regarding the promotion of democracy and security in Korea;

House Concurrent Resolution 149, regarding the promotion of democracy in Panama; and

H.R. 176, Truth in Savings Act.

We will also on Monday consider the legislative appropriation bill for fiscal year 1988.

I repeat, there will be votes on Monday, but only on the legislative appropriation bill. All votes ordered on the 12 suspensions after debate will be postponed until Tuesday.

Mr. LOTT. Mr. Speaker, will the gentleman yield on that point so we can clarify what the gentleman's intentions are for Monday?

Mr. FOLEY. I yield to the gentleman from Mississippi.

Mr. LOTT. Mr. Speaker, on Monday the House will come in at 12 noon and there will be 12 bills under suspension of the rules?

Mr. FOLEY. Debated only.

Mr. LOTT. But if there are any votes requested on those they would be carried over until Tuesday for votes on suspensions.

Mr. FOLEY. The gentleman is correct.

Mr. LOTT. We will also take up the legislative appropriation bill to complete consideration, or at least have votes on that, but no votes will begin before a specified period of time, is that correct?

Mr. FOLEY. The time would be 3:30 in the afternoon. On Monday the House will not begin voting on the legislative appropriation bill or any amendments thereto until after 3:30.

Mr. LOTT. And those votes will only be on the legislative appropriation bill?

Mr. FOLEY. And they will only be on the legislative appropriation bill.

We will, as the gentleman suggests, come in at 12, debate 12 suspensions, postpone any votes on those until Tuesday and then take up the legislative appropriation bill and complete it on Monday, with votes, but those votes will not commence until 3:30. I hope that is understood.

Mr. LOTT. I wonder if the gentleman would go ahead and tell us about Tuesday and Wednesday.

Mr. FOLEY. On Tuesday the House will consider the HUD/Independent Agencies appropriation bill for fiscal 1988 and on Wednesday the House will consider the Commerce-Justice-State appropriation bill for fiscal year 1988, and possibly, time permitting, the Coast Guard authorization for fiscal year 1988.

Mr. LOTT. On Wednesday or Thursday?

Mr. FOLEY. On Wednesday.

Mr. LOTT. The Coast Guard authorization is on Wednesday, possibly, plus the State-Justice-Commerce appropriation bill which we intend to try to complete action on both of those bills if they are called up on Wednesday? The reason I ask that is because that is the last day before we go out.

Mr. FOLEY. As the gentleman knows, it is the last day before the prolonged Fourth of July recess.

Mr. LOTT. The short Fourth of July recess.

Mr. FOLEY. Which begins on the evening of July 1. We will be debating and taking votes on Wednesday on State-Justice-Commerce, and then time permitting we will consider possibly the Coast Guard authorization bill.

At the end of business on Wednesday we will begin the Fourth of July recess and we will resume business on Tuesday, July 7. There will be votes on Tuesday, the 7th, Wednesday the 8th, and Thursday the 9th of July.

Repeating that once more, there will be votes on Tuesday, July 7, Wednesday, July 8, and Thursday, July 9.

No business is expected on Friday, July 10.

Mr. LOTT. Does the gentleman have any idea that we might terminate business on Wednesday at a certain time, like 5 o'clock or something of that nature? Will we go late on Wednesday or does the gentleman have any idea?

Mr. FOLEY. We could go moderately late; we will not go extremely late, I would advise the gentleman.

Mr. LOTT. Moderately late but not extremely late. I thank the gentleman.

Mr. FOLEY. I would also like to advise the gentleman that we will be considering possibly next week the conference reports on the homeless bill and on the supplemental appropriation bill for fiscal 1987.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, I was just checking because I reread our colloquy yesterday in which the gentleman educated me about the fact that we had printed for 3 weeks in a row what we would be doing on Friday, and we were as of yesterday doing on Friday what the gentleman had printed for 3 weeks in a row. I simply wanted to inquire of my good friend, as I started to yesterday before he began educating me, it would seem with the fine trio that we have now, with the energetic, dynamic trio that we now have leading the gentleman's party that one might get somewhat more precise than moderately late, and one might get notice of schedules somewhat quicker.

But I wonder, since now we are not doing what tomorrow the gentleman had printed in the schedule for 3 weeks, if he could further enlighten us on how scheduling might work more expeditiously?

Mr. FOLEY. Mr. Speaker, I would inform the gentleman from Georgia that our original plan was to consider the DC appropriation bill on Friday and the legislative appropriation bill on Monday, or possibly vice versa, and after some change we have now returned to that original schedule which was announced 3 weeks ago.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from New York.

Mr. RANGEL. Mr. Speaker, could the majority leader tell us what time he expects we would conclude business tomorrow?

Mr. FOLEY. On tomorrow we would expect to adjourn at the usual Friday hour of 3 p.m., if not earlier.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. FRENZEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 295, noes 115, not voting 23, as follows:

[Roll No. 218]

AYES—295

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crockett
Darden
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frenzel
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hutto
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
Kyl
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Parris
Pashayan
Pease
Pelosi
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schulze

Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOES—115

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bates
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Coats
Coble
Courter
Crane
Dannemeyer
Daub
DeLay
DeWine
Dickinson
DioGuardi
Dornan (CA)
Dreier
Dyson
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hughes
Hunter
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Konnyu
Lagomarsino
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McMillan (NC)
Michel
Miller (WA)
Moorhead
Nielson
Oxley
Packard
Patterson
Penny
Petri
Ray
Ridge
Ritter
Roberts
Roemer
Roth
Rowland (CT)
Saxton
Schaefer
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Walker
Weldon

NOT VOTING—23

Anderson
Boland
Boner (TN)
Bonior (MI)
Daniel
Flake
Frank
Gephardt
Grant
Hall (OH)
Kaptur
Kemp
Livingston
McEwen
Owens (UT)
Pepper
Richardson
Schumer
Solarz
Tauzin
Towns
Wilson
Wyden

□ 1800

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 2712, DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATION BILL, 1988

Mr. YATES. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill H.R. 2712, the Clerk shall be authorized to make any necessary technical corrections.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2482

Mr. LAGOMARSINO. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 2482.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

REPORT ON H.R. 2783, HOUSING AND URBAN DEVELOPMENT AND INDEPENDENT AGENCIES APPROPRIATIONS, 1988

Mr. TRAXLER, from the Committee on Appropriations, submitted a privileged report (Rept. No. 100-189) on the bill (H.R. 2783) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the Union Calendar and ordered to be printed.

Mr. GREEN reserved all points of order on the bill.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1049

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1049.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1195

Mr. LENT. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1195.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to rule XLIX, as a result of the adoption of the House and Senate of House Concurrent Resolution 93, as amended, House Joint Resolution 324, increasing the statutory limit on the public debt, has been engrossed and is deemed to have been passed by the House on June 23, 1987.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mrs. Emery, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER

The Chair will accept 1-minute speeches which had been deferred earlier today and then will proceed to special orders heretofore entered.

UNFAIR TREATMENT OF CENTRAL AMERICANS SEEKING SAFE HAVEN IN THE UNITED STATES

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOAKLEY. Mr. Speaker, for years now the gentleman from Florida [Mr. PEPPER], and over 150 colleagues who have joined us in sponsoring H.R. 618, have sought to provide temporary safe haven in the United States for Nicaraguans and Salvadorans who have fled their war-torn countries to seek safety in the United States.

Shortly the administration will respond—after years of foot dragging and delay. But they plan to respond to only half the problem and to solve only half of that.

The administration will announce a firm policy toward Nicaraguans who have fled to the United States—the policy is to ignore them.

They will be allowed to stay, but no one knows how long. They will be allowed to work, but without status.

And, as from the start, their neighbors from El Salvador will continue to be deported to their ravaged homeland.

Mr. Speaker, literally as the new immigration law goes into effect, the administration has begun to share it. The Attorney General has discretion to legalize some Nicaraguans. He can grant refugee status to some. He can grant temporary EVD, as I have repeatedly urged him to. But the law does not allow him to ignore them, and to ignore the law.

In this effort to sidestep difficult political issues, the administration has given those who support my bill and those who oppose it something to unite on. Let's demand fair play for Nicaraguans, Salvadorans, and our immigration laws.

□ 1815

GENERAL ROGERS' GOOD ADVICE

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, Gen. Bernard Rogers, the outgoing NATO commander has recently counseled caution in reaching agreements with the Soviets on eliminating nuclear weapons from Europe.

I have had my differences with General Rogers regarding the need for new chemical weapons and the deterrent value and utility of our existing chemical stockpile in Europe. But never have I had anything but the highest regard for General Rogers' abilities as our NATO commander and his understanding of our security needs in Europe. General Rogers has served our country well at positions of the highest and most sensitive nature. His counsel should always be heavily weighed.

The Soviets, unfortunately, cannot be trusted to abide by arms control agreements, and the most ironclad provisions and procedures are necessary in any agreement with them to ensure absolute verifiability.

I feel confident that any agreements negotiated with the Soviets by this President will meet that standard and reflect the caution that General Rogers counsels in working to ensure peace.

EXTENSION AND AMENDMENT OF THE GOVERNING INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 100-85)

The SPEAKER pro tempore (Mr. STALLINGS) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Merchant Marine and Fisheries and ordered to be printed:

(For message, see proceedings of the Senate of today, Thursday, June 25, 1987.)

OPPOSITION TO RICHARDSON AMENDMENT IN STATE DEPARTMENT AUTHORIZATION BILL

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, I would like to express my opposition to the Richardson amendment to H.R. 1777, the Department of State authorization for fiscal years 1988 and 1989, which was adopted by the House of Representatives. This amendment condemns the Governments of Paraguay and Ethiopia for human rights abuses.

I fully agree that the Government of Ethiopia is guilty of gross violations of human rights against its population. The tragedy of the Ethiopian famine is due in large part to the ruthless policies of the Marxist-Leninist Mengistu regime in Ethiopia. I do not object to that portion of the amendment. My objection is that the Richardson amendment draws a totally erroneous comparison between Paraguay and Ethiopia.

This amendment fails to recognize the long-standing friendship between Paraguay and the United States. I would remind this body that President Rutherford B. Hayes is revered in Paraguay for mediating the settlement of the War of the Triple Alliance in 1876. Paraguayans have named a State in honor of our 19th President.

In 1965 Paraguay sent troops along with the United States as part of the peacekeeping force of the Organization of American States, that was sent to restore order in the Dominican Republic in 1965. Paraguay has also consistently voted in support of the United States in the United Nations. Asuncion, Paraguay, serves as one of the headquarters of the World Anti-Communist League.

This amendment fails to recognize the efforts of the Paraguayan Government to address the concerns of the United States Government regarding human rights in Paraguay. I would like to point out that since the first of the year the Government of Paraguay has taken a major step by lifting the state of siege that has been in effect since 1954.

The Paraguayan Government recently permitted the return of opposition politician Domingo Laino from exile in Argentina. Finally the Government is now disposed to working toward a favorable solution of the case of 350 peasant families occupying land near the town of Tavapy.

Paraguay is a loyal ally of the United States and we have long enjoyed close ties between the people of our two nations. This amendment will be interpreted as a serious breech of this friendship. At a time when the Government of Paraguay is making a serious effort to improve its human rights record, this body has not only condemned them, but has lumped them together with the heinous Marxist Mengistu regime of Ethopia.

I urge my colleagues to carefully consider all of the facts and to delete the condemnations of Paraguay from H.R. 1777 when it goes to conference commiteee.

I will also urge Members on the other side of the Capitol to oppose language which condemns Paraguay, when they consider the State Department authorization bill.

SOVIET PSYCHIATRIC ABUSES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes.

Mr. LUNGREN. Mr. Speaker, on June 24, CBS News broadcast an important documentary profiling the "new" Soviet Union fathered by General Secretary Mikhail Gorbachev. Unfortunately, the continuing use of Soviet psychiatric facilities for purposes of political persecution must call into question any claim of substantive Soviet progress in the human rights arena.

The West has rightly hailed the release of dozens of celebrity dissidents like Dr. Andrei Sakharov and Yuri Orlov. But we must temper any optimism resulting from these reports with consideration of what has become of less famous opponents of the Gorbachev regime. In particular, we must not forget that the Kremlin still imprisons dissidents in mental hospitals and subjects those individuals to psychological terrorism. The Soviets declare with this policy that they identify an essential trait of humanity—the ability to freely and creatively express ideas—with madness.

In the May 19 edition of the Washington Post, Dr. Anatoly Koryagin, a courageous champion of ethics in Soviet psychiatric practice, stated that Mr. Gorbachev has yet to release a single dissident from a psychiatric facility. Eller Mercer of the American Psychiatric Association has heard of a few releases this year. But as cited in the June 18 edition of the Washington Times, she reports that 200 individuals accused of political offense remain in these so-called hospitals. "Glasnost has not yet touched psychiatric abuse," she commented.

According to Ms. Mercer and the Times, "treatment" in these institutions includes:

> "Injecting patients with massive doses of medication that cause harmful side effects, including blindness."
>
> "'Wet-rolling' dissidents in water-soaked canvas and allowing it to dry, a treatment that has caused excruciating pain in victims."
>
> "Placing dissidents in facilities staffed by criminally insane patients who have beaten and abused them."
>
> "Injecting dissidents with neuroleptic drugs that cause excruciating and debilitating pain."

The American Psychiatric Association has expressed particular concern about the case of Yegor Volkov, a veteran of the Soviet Army and Navy currently incarcerated in a psychiatric facility in the Amur region of the Soviet Union. Imprisoned as a result of his trade union activities, Mr. Volkov has spent the past 18 years in a series of mental hospitals. Authorities in those facilities have subjected him to methods of torture extraordinary in their level of inhumanity. Like many dissidents imprisoned in these institutions, Mr. Volkov has received doses of haloperidol. Heloperidol has reportedly caused hallucinations, difficulty in concentration, restlessness, tremors, and convulsions in prisoners. Even worse, Soviet officials have injected Mr. Volkov with turpentime and with sulfazin, a sulfur compound dissolved in peach oil The piercing pain caused by sulfazin injections can lead to paralysis and stiffness of the legs for as long as 2 weeks.

Mr. Speaker, I find it repulsive that the Soviets transform the art of healing into a method of destruction. How can anyone in the Kremlin—or in the American media—seriously proclaim a "new openness" when Moscow perpetuates mechanisms of repression that are medieval in their cruelty?

Apparently recognizing the incongruity between glasnost and the most visceral torture of political prisoners, Moscow has renewed an offer to permit United States psychiatrists to visit the Soviet Union and investigate charges of abuse. As Ms. Mercer of the American Psychiatric Association has noted, American physicians should accept such an invitation only if Soviet officials permit them to bring their own interpreters and to visit the special hospitals which house political dissidents. Americans should also insist that the Soviet Ministry of Health revoke a 1971 directive which authorizes the psychiatric confinement of individuals who pose a "social danger." Finally, Americans must remember the words of Dr. Koryagin cited in the Washington Post:

> Continuous pressure must be exerted on the Soviet government, using any channels and at all levels and in the most varied areas of mutual contact. The more often there is discussion about prisoners of conscience languishing in the Soviet Union, the more one can hope for their rapid release.

Dr. Koryagin observes:

> It is important and necessary to struggle for peace, but only a society with a human face and laws has the right to speak about peace for all mankind. The struggle for peace can be incomplete or, if you wish, not completely honest, if peace is relegated to the abstract realm and if it is not a peace requiring a human structure of society.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Gilman] is recognized for 5 minutes.

Mr. GILMAN. Mr. Speaker, I was unavoidably detained yesterday, June 24, 1987, and as a result I was not able to cast my vote on rollcall 210, on agreeing to the Smith amendment to delete funding for the Appalachian Regional Commission. Had I been present, I would have voted "nay."

LEGISLATION TO CORRECT GAP IN VICTIMS OF CRIME ACT OF 1984

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. Fish] is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, today I am introducing legislation to fill an unintended gap in the Victims of Crime Act of 1984, a law of which I was one of the original supporters.

In that important legislation, the Federal Government committed itself for the first time to help States financially in providing compensation to the victims of violent crime. Although, there were several requirements under that law for a State Victim Compensation Program to qualify for Federal matching funds, we intentionally kept the list short in order not to burden States unnecessarily or to discourage them from providing victim compensation. We were seeking to encourage any effort on behalf of victims.

One of the requirements in the Federal statute was that a State Compensation Program, in order to qualify for Federal matching funds, must reimburse nonresidents on the same basis as it compensates residents for crimes occurring within its borders. However, it was called to my attention through the experience of a New York resident with whom I met, that some victims are essentially left without compensation, even if they are citizens of a State with a victims' program, if their victimization occurred either in a State without a program or with a program that is unfunded. My proposed legislation would require a qualifying State Compensation Program to follow its citizens in those instances.

Legislation is already pending in my State legislature to provide just this protection in homicide cases occuring outside of New York. Whatever the outcome of that initiative, I think the idea is a good one which certainly follows from the original intent behind the victims of crime act and which should be made wide enough to cover other violent offenses.

Mr. Speaker, this measure deserves the support of the Congress and I urge my colleagues to join me in ensuring its prompt consideration.

EFFORTS TO SECURE RELEASE OF AMERICAN PILOT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. Wolpe] is recognized for 5 minutes.

Mr. WOLPE. Mr. Speaker, on Saturday, June 27, I will lead a congressional delegation to Africa to secure the final release of Joseph Longo, a 33-year-old American pilot imprisoned in Luanda, Angola and to escort him back to the United States. Mr. Longo, who had been employed by an American firm to ferry a small private plane from Wichita, KS to South Africa, was detained on April 21 of this year for violation of Angolan airspace.

Due to the lengthy travel time involved, I will be unable to return to Washington until Monday evening. Consequently, I have requested an official leave of absence from the House on Monday, June 29.

FUNDING FOR THE CIVIL RIGHTS COMMISSION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. Sensenbrenner] is recognized for 5 minutes.

Mr. SENSENBRENNER. Mr. Speaker, I would like to insert in the Congressional Record for today, a letter from Clarence M. Pendleton, Jr., Chairman of the Civil Rights Commission to the chairman of the Judiciary Subcommittee on Civil and Constitutional Rights regarding funding for the Commission. In his letter, he asks the chairman where he stands regarding the future of the Commission. I think we all need to ask that question. Mr. Chairman, where do you stand?

The text of the letter is as follows:

U.S. Commission on Civil Rights,
Washington DC, June 23, 1987.

Hon. Don Edwards,
House of Representatives,
Washington, DC.

Dear Congressman Edwards: In not providing funding for the Commission, Chairman Neal Smith's Appropriations Subcommittee did not acquiesce to your request that the Commission's funding be reduced to $4.5 million in FY 88, down from $11.7 million in FY 86 and $7.5 million in FY 87. I am pleased with the Chairman's decision not to endorse your proposal. I suspect that the reason for this was that he believes that the Commission should be either adequately funded, or not funded at all. That was precisely my point in my testimony in the House and Senate on the President's FY 88 budget request for the Commission.

As you must know, a $4.5 million budget for the Commission would make no practical sense. Assuming that Congress would wish to maintain the current level of regional program staff, as well as the number of those currently engaged in monitoring activities, our budget officer has estimated that a $4.5 million budget would leave seven staff members to provide the management and secretarial support for these functions. In any case, a reduction-in-force of approximately 39 employees would certainly be required. One does not have to have indepth knowledge of this Commission to realize that such an arrangement would be completely unworkable, and a waste of the taxpayers' dollars.

In reality, this amount of funding would be just enough to keep the Commission doors open, but not enough to produce any substantive work behind those doors. Perhaps this is your plan—to maintain a dormant Commission throughout the remainder of this Administration.

Don't you think it odd that the President, whom you accuse of being anti-civil rights, requested a budget for the Commission of $9.8 million, with no earmarks or restrictions, while you claim to be pro-civil rights and have requested a further reduction in appropriations? Regrettably, I think that it is you who is anti-civil rights. It is certainly not the President.

The beginning of the next fiscal year is rapidly approaching. As Chairman of the Commission's Oversight Committee, your position on the Commission's future plays an important part in these funding decisions. Since the vote of the Appropriations Subcommittee and all available facts demonstrate that a $4.5 million budget is an unrealistic and unacceptable position, two choices remain. If you are, as you claim, an advocate of a strong and independent Civil Rights Commission, then you should publicly declare your support for full and unrestricted funding. If, however, you favor closing the Commission in its 30th Anniversary year and declaring its work complete, you should justify this action. In other words, Congressman Edwards, where do you stand?

The Commission on Civil Rights cannot be a captive of the left or the right. It cannot, and does not, belong to Ronald Reagan. Nor can it belong to the Congress, although it seems to me that this is more the case. If it is to continue to exist, it must be adequately funded, and it is clear beyond any doubt that the Commission cannot operate with the reduced appropriation you have proposed.

Sincerely,

CLARENCE M. PENDLETON, Jr.,
Chairman.

ARIAS PLAN FOR PEACE IN CENTRAL AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts [Mr. KENNEDY] is recognized for 60 minutes.

Mr. KENNEDY. Mr. Speaker, today could have been an important day for peace in Central America. The heads of state of that region were scheduled to begin meeting today for a summit conference. As the first step of the Arias peace plan. Last week, on the State Department authorization bill, we were given the opportunity to applaud the bold initiative of President Arias of Costa Rica. Mr. Arias offers a peace plan that has many merits, not the least of which is that it had at least nominal support from the Government of Nicaragua. President Arias' plan calls for a cutoff of outside military aid and a cease-fire in regional guerrilla wars, immediate negotiations between political opposition and national leaders, and a fixed schedule of changes to open the political process, including freedom of the press and the right to organize political parties. Although Nicaragua opposed the plan initially, that country reversed its position and had agreed, along with the other nations, to attend the summit.

Last week we were applauding the participants in the Arias plan. But this week we read in the newspaper how that peace initiative is disintegrating. Let's look at the reasons and consider our role in recent developments.

Almost on the eve of the summit in Guatemala, Philip Habib, President Reagan's special envoy to Central America, visited President Duarte of El Salvador. Two days later, El Salvador unexpectedly pulled out of the summit conference. As a result, Nicaragua has now withdrawn, and we see the Arias peace plan unravelling before our eyes.

And while this was going on, what was the role of the U.S. Congress? We passed an amendment congratulating Central American leaders, implicitly including Duarte, for their support of the Arias plan. And in that amendment we also criticized Nicaragua, which had agreed to attend the summit. That left us in the dubious position of complimenting a country that had pulled out of the talks, and chastising a country that was planning to be there.

Let's take a look at the U.S. Government's achievements in Central America. From boasting about breaking up the Contradora initiative, to the discovery of an assassination manual, to the mining of harbors, to illegal payments to the Contras, we have seen the Reagan administration undermining any efforts toward peace in the region. It appears that Duarte was told to ask for postponement of an important summit, giving Daniel Ortega the propaganda advantage he needed in order to pull out of the talks. Furthermore, President Reagan met with Mr. Arias last week to tell him the U.S. Government didn't approve of a plan that requires a Contra cease-fire.

This is the kind of list that I wouldn't want to associate with the greatest, most powerful democracy on Earth. Who could be proud of this list of achievements?

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. KENNEDY. Mr. Speaker, I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

Is the gentleman aware that the Arias plan would allow the Soviet Union to continue sending massive amounts of military aid to the Communist Sandinista government in Nicaragua, while at the same time, it would require that the United States or any supporter of the Contras cut off aid to the freedom fighters?

Mr. KENNEDY. The Arias plan was very clear in its presumptions that the self-determination of any country would continue.

It also called for the ceasefire of any hostilities in that immediate negotiation between its government in power and those who were rebelling against that government.

Mr. BURTON of Indiana. If the gentleman would take a close look at the Arias plan, the gentleman would find that it requires the United States and any outside government to cut off aid to any of the guerrilla movements in Central America, in El Salvador, the Contras in Nicaragua; but it does not require the Soviet Union which sent 23,000 tons of war materials into Nicaragua last year to cease one iota?

Mr. KENNEDY. Did the gentleman not just say in fact the Arias plan called for the cutting off of all outside economic aid to these countries?

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will yield, to guerrilla movements; but it does not mandate the cutting off of aid from the Soviet Union to the Communist Sandinista government which has been exporting revolution in Central America.

Mr. KENNEDY. Unless we are at some point going to come to grips and take an initiative that actually tries to attempt to gain peace in that region, then it seems to me what we are always going to be doing is arguing about whether or not some side or another happens to be getting more arms.

□ 1830

What we are really talking about here, just so that I can finish my point, is whether or not what we want to do is take an opportunity and a chance of losing that opportunity to gain peace.

The gentleman's point, as I understand it, is that the Russians can continue to prop up what the gentleman believes is a nonexistent government in Nicaragua.

The point I am trying to make is that what we would like to see happen in that region is for the heads of state of Central America to come together and work out a plan for peace that in fact involves the guerrilla movements that exist in many of the countries in that region.

I think all we really want to have is those heads of state come together and meet. President Ortega agreed to do that, as well as all the other heads of state in that region, until Mr. Habib went to Central America and all of a sudden President Duarte pulls out. It just seems to me that was a terrible missed opportunity.

Mr. BURTON of Indiana. Mr. Speaker, if the gentleman will yield for one more question, I do not want to impose upon his time, I know he has a prepared text.

Mr. KENNEDY. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. I just want to make sure I understand the position of the gentleman from Massachusetts. The Arias plan, which the gentleman supports, would cut off any U.S. military support for the Contras, while at the same time allowing the Soviet Union to continue to send massive amounts of military support to the Communist Sandinista government. The gentleman supports that proposal?

Mr. KENNEDY. That is what the gentleman implies in his remarks.

Mr. BURTON of Indiana. That is what it does.

Mr. KENNEDY. I am not here to play some word game with the gentleman. What I am trying to suggest is what we have got to be about is to recognize this. The gentleman happens to think the Contra movement is a legitimate movement. I think a movement that cannot even get inside that country in and of itself does not constitute a legitimate movement in and of itself.

Let me make the final point with regard to the gentleman's argument. At some point, this country, the United States of America, is going to have to recognize that in order to gain the opportunity for peace, it is going to take some risk. What I am trying to suggest that it is about time that we took that risk on Ortega's part to participate in the Arias plan. It meant that he had to give up some chance that in fact there was going to be freedom of the press, that they were in fact going to bring about the kinds of political change and a specific date for the calling of elections and for the forming of parties in the nation.

So if we are really interested in seeing a democracy evolve in that region, it seems to me we have to take a chance, and in fact if what we see is aggressive, belligerent acts by the Government of Nicaragua, then at least what we have done is we have set the stage so that it is clear to the American people where Ortega and the Sandinistas stand.

Right now it is unclear to many people across this Nation where they stand, and unless we are willing at some point to give them the slack that they need to demonstrate whether they are committed to democracy or are not, then it does not seem to me we are ever going to get to peace and what we are going to continue to do is make this East-West confrontation in Central America, which I do not think helps this Nation at all.

Mr. BURTON of Indiana. Well, if I could make the question just a little bit clearer, and I do believe the intentions of the Nicaraguans are crystal clear, the Sandinistas. But does the gentleman from Massachusetts support continued military assistance by the Soviet Union to the Communist government of Nicaragua, because that is what the Arias plan does.

Mr. KENNEDY. No, of course, I do not.

Mr. BURTON of Indiana. The Arias plan does that.

Mr. KENNEDY. Of course, I do not support that. What I am trying to suggest is that in order to get to a peace process, we are going to have to take a chance. That is the difference that we have.

I am trying to suggest that in order to get there, we are going to have to take a chance. The chance is going to be that Ortega continues to take his military assistance from the Soviet Union and ignores the peace process.

There is a quick time line that comes up very fast that calls for negotiations with those political parties within Nicaragua and the formation of political parties within Nicaragua.

So it just seems to me that if we are really interested in seeing peace and democracy in that region, we are going to have to take a chance for some period of time that they, in fact, are going to be dependent on the Soviet Union.

Mr. BURTON of Indiana. If we take that chance and the Communist Sandinista government under the leadership of Daniel Ortega does not live up to the agreement, is the gentleman prepared to vote for military assistance to the freedom fighters?

Mr. KENNEDY. I think that at a time when Mr. Ortega demonstrates that he is no longer in any way, shape or form, interested in bringing about peace and democracy in Central America, then I think the United States has to look at other alternatives. I do not think we have given them that opportunity as yet, an that is why I am up here making these remarks today, because I believe we have just missed another opportunity today.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding.

Mr. KENNEDY. To continue my remarks, Mr. Speaker, if President Duarte received some signal from Habib, I think the Congress need to tell President Duarte, who is receiving $2 million per day of American taxpayers money, that he will gain greater support from this body for participation in a plan for peace than he will for postponing it.

In short, all Central American nations should participate in the Arias initiative. It is about time the American people realize that the Reagan administration has continually undermined progress toward peace in Central America. By giving Daniel Ortega this propaganda advantage, we are shooting ourselves in the foot instead of holding his feet to the fire.

THE AFRICAN NATIONAL CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, today the Republican Study Committee held a hearing at which the members of the African National Congress from South Africa appeared and testified. In addition to the young lady who testified, who was a former member of the African National Congress Youth Movement, we had two ministers from South Africa, two black ministers, who have experienced some real problems with the terrorism that has taken place at the hands of the African National Congress in that country. Some of the interesting facts that came out at that hearing were that Bishop Desmond Tutu, who won the Nobel Peace Price a couple years ago, was at a meeting that this young lady attended where he, according to her, advocated the burning of the schools of the blacks and South Africa for the purpose of forcing the blacks to turn more toward the leftist elements, the Soviet Union in particular, for their education.

She said that the blacks were encouraged to go to Soviet schools outside the country and for higher education within the Soviet Union.

She said at one meeting where Bishop Tutu spoke in favor of terrorist acts of this kind and civil disobedience, there were AK-47 machineguns spread out on the table. This meeting took place, according to her, in a church and Bishop Tutu after his inflammatory rhetoric left the meeting and several Anglican ministers passed out these AK-47 machineguns and other weaponry to the young people there assembled.

She also said that black Anglican ministers who are opposing the government of South Africa taught this youth movement of the African National Congress how to make fire bombs, petrol bombs, she called them, and taught them how to perform other terrorist acts.

They also advocated necklacing and other forms of terrorism.

She said this was done inside a church by Anglican ministers.

Now, we are all against apartheid. We all want to see apartheid ended, but it is inconceivable to me that men of God would advocate terrorist activities and teach young people how to make fire bombs with which to kill other human beings.

In addition to that, she indicated that she was active in recruiting young people to join the Youth Wing of the African National Congress. When they were trying to recruit people, young people, to join the African National Congress Youth Wing, they told them that the Soviet Union would ultimately share in the ruling of South Africa and that things would be better for all blacks over there.

She was absolutely convinced in her mind, and is convinced to this day, that the African National Congress is a tool of the Soviet Union and a Communist organization. She made this crystal clear.

She told of how she participated in the terrible cruel process of necklacing other blacks who were believed to be working with or trying to assist the South African Government in coming up with a solution to the problems over there.

She talked about the necklacing in graphic terms. She said that they poured gasoline or kerosene or some flammable material into a tire which was placed around the victim's neck. She said that the victims were then forced to open their mouths and they poured petrol gasoline down their throats. Then they set the whole mess afire and after the fire started going and the person started gasping for air because of the flames, the fire would then go down the esophagus and an implosion would take place and kill the person. It was a horrible way to die, and yet she said she participated in those activities.

She talked about how the youth that were recruited, some through coercive means, telling them that they would be killed in this way if they did not work with the ANC Youth Wing, she told how they would dance around hollering, "Tambo, Tambo, Tambo." While the person died, and after the person died, she said there was a feeling of exhilaration while all of this was taking place.

The thing that really distressed her, though, was when she went home and was alone, she said she suffered from real severe depression because she realized after the excitement of the moment wore off what a terrible tragedy had been performed and her role in it was something that she felt very bad about. She talked about nightmares that took place time and again and as a result, she became a Christian and went to a Christian missionary school over there where she now still works; but she talked on more than one occasion today about how the Communists are in control of the ANC and how the ANC is a terrorist organization that is bound and determined to have a violent revolution and violent overthrow of the government of South Africa, not to try to work out the problems that are apparent over there, not to try to come to grips with a system that would end apartheid, but they are for a violent revolution.

She talked about how the black Anglican ministers at these meetings I alluded to earlier said that they should kill any white person that they saw. She told of how anybody, any black person who opposed what the ANC was doing, should likewise be tortured and killed. This is what they were teaching the youth in South Africa. They were recruiting children out of school to participate in these activities and those who did not want to were coerced into doing it by the threat to their own lives.

Now, I think this is something that should be brought to bear upon our decisions in this body. We should know what the ANC is about.

I was very distressed earlier this year when our Secretary of State met with Oliver Tambo here in Washington, DC, and all but embraced him while he was talking about opening a dialog with the ANC.

The ANC, according to the people who testified before us today, is a terrorist Communist organization and for our State Department to be recognizing in any way an organization of this type or activities of this type I think is reprehensible.

Now, we had two other people testify, as I mentioned before. These people were black ministers from South Africa. One of these black ministers talked about a funeral he attended where he talked about the sin of murder, drunkenness, and other activities. At the conclusion of his sermon during the funeral, he was told that a group of young ANC terrorists were outside and were going to kill him through this process of necklacing when he left the building.

He said, "What did I do wrong?"

They said, "You were preaching contrary to what Bishop Tutu was preaching."

And he said, "All I said was that murder was wrong, drunkenness was wrong and other sins that are readily apparent in the Bible are wrong."

But they said that this was contrary to what Bishop Tutu was preaching. I think I am quoting him accurately, and he said, "You are at risk. You should go out the backdoor of the house and go over the fence and we will have the car driven around behind the fence and we will pick you up there where you will be safe."

The gentleman said that he was not about to do that, that he felt God will protect him, and evidently He did, because the gentleman went out the front door with some of his colleagues and he went through the crowd. The crowd was milling around, had three or four tires and a lot of gasoline and they were chanting. He got to his car. He got in the car and one of his colleagues got in the other side and as they drove off, they wondered what happened to their three other colleagues, and they have never heard from them since.

☐ 1845

Their feeling is that they probably died at the scene through the necklacing process, were tortured and killed.

This is a gentleman there who opposes violence, he opposes apartheid violently, he wants to end apartheid, but he believes that the terrorist Communist tactics employed by the ANC are not the answer.

We went into great detail in discussing what they thought was the best approach to solving the problem of apartheid, and they said that they thought, rather than having economic sanctions such as were imposed by the United States Congress last year, that we should have an infusion of money into the black townships throughout South Africa, a large infusion of capital, so that black entrepreneurship could take place, black businesses could spring up, and that would help the economic plight of the blacks. With that additional economic power they felt from inside the country that they could put pressure upon the government from an economic standpoint which would bring about an end to apartheid. They thought that the exterior pressure brought on by sanctions would not solve the problem.

We had other people terstify like Leon Louw, the author of the book "The Solution," which talked about a democratic compromise which could be worked out with all the parties being involved in South Africa—the government, the Zulu, the various religious organizations, in coming to grips with the problems that are necessary to reach democracy.

I thought that it was one of the best hearings that we have had since I have come to Congress in dealing with the problems of apartheid and coming to grips with the problems that the ANC is causing over there regarding terrorism.

Mr. BILIRAKIS. Mr. Speaker, will the gentleman yield?

Mr. BURTON of Indiana. I am happy to yield to the gentleman from Florida.

Mr. BILIRAKIS. I thank the gentleman for yielding.

Mr. Speaker, I particularly thank the gentleman from Indiana for planning and for chairmaning the hearing by the Republican Study Committee this morning. It started at approximately 9:30 to 10 o'clock, and ended I know at at least 12:30. I think it was even a little later than that.

I would say that I, as is true with all of us, had two other hearings scheduled for exactly that time this morning, and I am not really sure, I guess God works in mysterious ways, but he led me to attend this hearing as against the others. I am just so very happy that I did, because it was probably one of the most powerful hearings I think that I have been a part of during my time here in the Congress. I just extend my congratulations, but particularly my gratitude, to the gentleman from Indiana, Mr. DAN BURTON, for just the great leadership that he has shown in this House these many years. We came in together in January 1983, and I am just so very proud to serve with him.

He has been concerned with this problem, not just on behalf of the Government of South Africa, not just on behalf of the white people of South Africa, not just on behalf of the fact that it involves American interests, but principally I think because of the plight of the black people there, and he had been considerably involved with this problem for many years, and certainly has not been a Johnny-come-lately.

So I am very proud to have been there today, and once I was there, I mean it just enthralled you, and just kept you there, I had other things to do, just as many of us did, but I am glad that I stayed all the way to the end.

The gentleman spoke of Leon Louw, the author of "The Solution," as being one of the participants, one of the witnesses. He quoted somewhat Salaminh Borephe, the young lady who was an ANC youth wing organizer and participant in ANC violence. He referred to Mr. Mabaso, expert on ANC manipulation of tribal rivalries. We also had Mr. Mntungwa, who is a South African minister and survivor of a necklacing, and also the Honorable Alan Keyes, Assistant Secretary of State for International Organizations Affairs, and Senator LARRY PRESSLER, all testify.

Even though there is nothing like the impact of actually being present and seeing the grimaces, if you will, and the facial expressions and actually getting it first hand being there—nothing like that—I just wish that all of America and certainly all of the Members of Congress had been there today, particularly to hear all of these people testifying, but particularly to hear this young lady, Mrs. Borephe, Salaminah, as we call her, testify.

There is not any way by reading her submitted testimony that I could do justice to what she said, but if the gentleman would yield me the time, I think that it is just great to maybe share some of her testimony, principally the reading part, but also some of the oral part, which I made note of, because I think that it is important that we share this with all of America, and hopefully some of America is listening.

There were some members of the press there today. God only knows whether any of this will be reported in the newspapers tomorrow. I guess that we are all waiting to see. I think that is part of the problem. The problem is that many of the gentlemen and ladies of this Congress do not have the opportunity, and in fact turn away from the opportunity, to listen to some of these people. They are the ones who suffer supposedly over there. They are the ones who know what is happening. Certainly the American people do not know enough. All we know is what we read in the newspapers. Sometimes that is accurate, and sometimes it is not.

I would like to read some excerpts from her testimony, if I may:

> In 1975 I joined SASO (South African Students Organisation), the student organisation which was operating at black schools, because they said that they would help get us better education. All their meetings were held through the Student Christian Movement at our school. After I had joined they told us that SASO was a branch of the ANC.
>
> In 1976 we were fighting against Afrikaans at our schools, but we at Jordan High School were not doing Afrikaans. So we influenced other students from other schools. We assaulted our teachers and burned cars. When the police an school inspectors asked us why we were fighting because we did not do maths in Afrikaans we told them that we were fighting for our black brothers and sister.
>
> We used to hold meetings at school for the students. The easy way to get the students was through SCM [Students Christian Movement]. We pretended to be having the service but in fact we were told by our leaders about communism.

I would digress for a moment and share what she told us also—it is not in her prepared testimony—that the leaders there told her and told all of these young people that someday when the white people were gotten rid of and the white people's government is gotten rid of, that the country of South Africa will be renamed, if I remember correctly, Tanzania.

She also said, "We were told that we must go to Moscow universities. We were also told that our President then would be Nelson Mandela. And we were also told that our Prime Minister will be Bishop Tutu."

Continuing on with her written testimony:

> After the services we sang freedom songs. At the meetings we tried to get other students to fight against Afrikaans too. Some of them said that they would rather be educated, and wanted to go to school. Because our leaders told us that we must burn the schools if the students wanted to go to school, we burnt down some of the schools in the area. Our leaders told us that white people had told them to tell us to burn down schools. Our leaders in SASO also told us that the communists would set us free from slavery.
>
> In 1977 SASO was banned, and we looked at another organisation. We were told that SASO was banned because it told the truth.
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> In 1979 I joined COSAS [Congress of the South African Students]. This was seen by the students as a continuation of SASO, and had the same leadership. We were told by our leaders in COSAS that COSAS was the youth wing of the ANC. Because Afrikaans was removed from the schools, but we saw nothing get better, we were told that we must continue the struggle.
>
> In COSAS we were told how to make petrol bombs. We were told by the Church Ministers how good communism was, and they promised us a better education in other countries which are ruled by the communists. That was the thing which made me to join these organisations. The Anglican Ministers taught us in the Catholic churches how to make petrol bombs, and told us that the communists would kill the whites to set the blacks free. We were told that the communists were black people from central Africa, and they taught us that Samora Machel from Mozambique, and Dos Santos from Angola, and Mugabe and Nkomo from Zimbabwe were heroes and would liberate us. Once they took us to a meeting in a large hall in Johannesburg where there were a lot of white people. There they explained what COSAS was, and told us how to make petrol bombs. We were not allowed to discuss things, but were given lectures. We were told that Mandela was our leader, and he was in jail because he fought for blacks.
>
> There was much hatred planted in us towards the white people, but especially towards Afrikaans speaking people. We were told not to listen to the Afrikaans speaking people because they are liars.
>
> IN 1983 a COSAS meeting was called. When we arrived at church there were lots of weapons. The minister told us that the Russians had sent the weapons, and that the children from 16 to 18 must take a gun. The leaders took one first. They were all AK.47's. The guns that were left over were given to the COSAS members. The minister told us that they would teach us how to use the guns because everybody was asking. He told us that the guns were to kill white people, but we never killed white people, only blacks. He then told us that we must always try and get more guns, and that we must kill the policemen to get their guns.
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> In 1984 the residents of Lekoa were told by the community counsellors that the rent was to go up by R5.00. We members of COSAS and UDF were not pleased about the matter. We organised a leaders' meeting. We wanted to have the solution of this matter. Then the other Reverend of Anglican in Sharpville together with Reverend Marchemel and the other from Sebokeng Anglican were there with us as they were our leaders. They told us that all community counsellors must die on the 3rd September 1984, if they did not want to listen to the people. On Friday pamphlets were distributed where people were told that they must not go to work, and all schools should be closed, and all the shops. That was supposed to happen on Monday. But on Saturday the Community Counsellors also distributed their pamphlets saying to the people that they can go to work and to school. On Monday people were confused, some went to work and when they returned they were assaulted, others were even killed. Some of the residents who went to work were burnt with petrol.
>
> On Sunday 2nd September there was a meeting of the residents at the Roman Catholic Church in Zone 12, Evanton and Sharpville. The ministers told the people to kill the community counsellors the following day because they did not want to listen to the residents. On Monday morning at about 5:30 a.m. we were already at the streets stoning cars and buses. We told older people who wanted to go to work to return home. At about 8:00 a.m. we went to the community counsellors' homes. The person we wanted more than others was the Mayor Mr. Mahlatsi. Firstly we went to Mr. C. Hatshiane's home because he was the nearest of them all, at that time we were at Zone 11. At first when we arrived he was not there. Then we went to the Mayor's home and he escaped with a car, we tried to run after him but it was in vain. Then we found his new car in the yard. We started by smashing the windows of the house and of the car. After that we burned the whole house because together with the new car.
>
> After that we went to the shop centre and we burned all the shops, but before burning we took all the things out of the shops and took them home. After burning the shops we send some of the students to go to Mr. Motshiane's home and check if he's not yet back. They came quickly and told us that he was there. Then we went to his home. Before getting to his yard there were other coming from Evanton, Zone 3 and Zone 7. There was such a great number of them that one could not count. We waited for them and when they arrived we went together with them to Mr. Motshiane's house. He locked himself in the house together with one of his friends. The wife and children were not there. So the young boys climbed on top of the house to remove the roof. The other smashed the windows. The

friend tried to escape. He went out of the house and tried to go to the street. The boys caught him and burned him with a petrol bomb. Mr. Motshiane also came out and was hacked by knifes and pangas. He died there in the street. Then we wanted to go to the Lekoa offices and burn them. But when we tried to go out of location we were confronted by police. At that stage we saw that they are going to shoot us.

I can say here that from that morning all we did we did it freely because there were no police inside the location. They were standing outside the location, others were moving with a helicopter above us. We ran away and went back to zone 12 to finish of the shops. The other three died this way. Mr. Dlamin was necklaced, in Sharpville. Mr. Diphoko was shot while running to the helicopter. The other one was also hacked by knifes and pangas. Two weeks after that there were no food in the locations. We had to buy brown bread at R1.50 a loaf and white bread R2.00 a loaf. While we were members of COSAS we were told that the town councillors were sell-outs, and must be killed. They always used the bible to tell us why we must murder the councillors. They would say that Mandela was like Moses, who had come to set us free. Because the police were outside the townships, we were told that they were scared to come into our areas because we were so strong. We were also told to kill the policemen. Some COSAS members had guns to do this. They told us that we must be prepared to die for the struggle.

These organizations use children of the age of 12 to 18. The children at these ages become easily influenced. We were told to burn the schools because they said communists will come and build better schools for the blacks. They said we must get rid of the white men. South Africa will then be called Azania. When I wanted to go to university, the leaders in COSAS were not happy, they said that we should wait and go to university in Moscow.

In October 1984 I got converted. I gave my life to the Lord Jesus. I went to the police to tell them about my case because it was then that I realised how bad I was. I went there expecting not to come back because I did what was against the law. I know that now I should be behind bars. But by the grace of God they did not lock me inside. I think the Lord say my heart that I really repented and cried over my sins. I think the Lord saw my heart and touched their hearts that they did not put me in jail.

Before I got converted I used to have nighmares. I couldn't sleep at night. Every time I will see pictures of those people who were burning and hear them cry in my ears. I was so depressed I did not know what to do. It was after meeting with the Lord Jesus that it disappeared.

□ 1855

There ends her formal testimony.

Before I turn the time back to the gentleman from Indiana [Mr. BURTON] I would like to say what I think must be obvious to all the American people. What courage, what courage it took for this young lady to come to this country and to testify in this manner. She has to go back there, she advised that she is going back there because her family is there and that is her home. What dedication there is there and what belief, what belief in what basically she must feel that an awful lot of us believe in here, but certainly what belief there might be, negative belief, if you will, against the ANC and these young organizations.

I turn the time back to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for that statement.

Before the gentleman sits down I would like to engage the gentleman in a colloquy. As I recall, she said that her family was at risk and is at risk now.

Mr. BILIRAKIS. Yes.

Mr. BURTON of Indiana. And it was a common practice for anybody who even tried to work in any way or even appeared to work in any way with the South African Government that their families might be tortured or killed as well?

Mr. BILIRAKIS. If the gentleman will yield, very certainly that is what she said.

I would further add that the other two witnesses, the other two gentlemen, Mr. Mabaso and Mr. Mntungwa, said the same thing. They were certainly at risk, but they believed so very strongly in what they really called the struggle of the blacks in South Africa, not through sanctions or some of these other methods, but they believed so very strongly in that that they wanted to risk their lives and risk their families' lives.

She did say her family would be very greatly in danger by virtue of what she was doing here.

Mr. BURTON of Indiana. One thing in this prepared statement that was not stated, which the gentleman just read but which was stated very clearly by her today at the meeting, and I want to make sure we have this clear, she did say that there was a meeting I believe in a Catholic church where Bishop Tutu spoke, and he advocated the burning of the schools and advocated other violence, and that on the table while he was talking, on the table there were AK-47 machine guns and other ministers who later, when he left, helped disseminate this military equipment to the young people there assembled.

Mr. BILIRAKIS. The gentleman is correct. Certainly the truth of the matter is that she did say that, and she also said in response to a question from one of us whether Bishop Tutu was their during the distribution of these arms, if I remember correctly she said something about, well, he was there for a little while; he used to come to these meetings and just stay for a little while. He saw all of these arms on the table, but he had left before the actual distribution took place.

Mr. BURTON of Indiana. But I think she did say she was absolutely sure he knew what was going on there.

Mr. BILIRAKIS. Yes; clearly she did.

Mr. BURTON of Indiana. Of course, that was her opinion, but that was her opinion and she said she thought that he knew, and she said he did make inflammatory statements, and that he did tell them to burn their schools. And she did state, and I think this is important to say, she did say there were four or five black Anglican ministers who helped teach them to make fire bombs, petrol bombs, and told them they must kill all whites and any blacks that were seen to be cooperating in any way with the Government.

Mr. BILIRAKIS. Yes, she did say that; certainly.

Mr. BURTON of Indiana. I thank the gentleman for his participation in this special order. I wish everybody in Congress, as the gentleman from Florida stated earlier, could have been at this hearing today. I think it was extremely important that we get all points of view on what is going on in South Africa.

There was another hearing taking place at the same time and I believe it was chaired by Senator KENNEDY. At that hearing they were talking about mistreatment of children who had been incarcerated in South Africa. And I was interviewed last night on one of the local television stations, and I told them that if that was in fact the case, then I would join with any of my colleagues in writing to the Government of South Africa and protesting in the strongest possible language any kind of torture or mistreatment of these people while incarcerated, or any body whose due process rights were violated.

But the fact of the matter is most of the media attention today and most of the news print attention today was focused on this meeting regarding these students who were incarcerated over there for alleged acts of violence, and very little attention was given to the hearing that we had which told about the atrocities perpetrated upon the blacks by blacks in South Africa and the Communist ANC when they necklaced people and tortured them in other ways.

Mr. BILIRAKIS. If the gentleman will yield, certainly the point here is not that we are right and the other people are necessarily wrong, and not that the press should have gone to our meeting because we were right and they were wrong, but basically where is the balanced reporting, if you will, where is the balanced caring, where is the balanced involvement in terms of attending these hearings.

When the gentleman talked about human rights problems and what not, taking place in other hearings, I would say that again my thoughts remind me that specifically one of us asked of the panel, and I believe particularly this young lady, but also the other gentleman, do you know of any white people—the question was about the sanctions, if you will, and the response made I think by all of them, and certainly she made it very emphatically, and so did the others, is:

> I don't know of any white people who have suffered by the sanctions; only the black people; only our brothers and sisters suffer by the sanctions.

Also I think a question was raised about mistreatment by the police, because this is something we read about in the newspapers and what not, and she told us about her younger brother who was incarcerated for about a year. And she told us that she used to go and see her younger brother in prison, and then of course after the year was up the younger brother came back home. And as I recall, she said to us that there were no marks on him, there was no blood on him, no marks on him, and she clearly indicated that he did receive good, balanced, fair treatment from them, if the gentleman will recall.

Mr. BURTON of Indiana. I think that was the gist of her comments. But she did say, she told that when she visited him one time that he had been whipped severely for his crime. I do not know whether that whipping was justified or not, but he did receive some corporal punishment. But how severe that was I do not think anybody knows.

Mr. BILIRAKIS. I did not hear that part of the statement, but in any case I asked a question of the entire panel again at one point in time, what, if anything, should the United States do as far as this problem is concerned. I ask the question on the problem of apartheid, and we acknowledged that it is a horrible, horrible problem, and I asked would the problem of apartheid solve itself. The response we received from the people on the witness panel was that we must stay in South Africa because the Soviets are there, and the Soviets will continue to make more inroads if we pull out. And really the solution that they seemed to all be agreeable to, in effect, and Mr. Keyes, who just did a wonderful, eloquent job in explaining the situation and also supported this, and that is that they feel that the solution—certainly this book that was written by this gentleman, Mr. Leon Louw, which has been endorsed by Winnie Mandella, by the way, and I think it is very important that everybody realize that, but as a complement to that book should be basically the capital, capital coming into South Africa, the opposite of what this Congress seems to be trying to do, sanctions. And they are saying what we need is dollars, particularly American dollars, but dollars from the rest of the world to come into the black areas and that will help tremendously.

They also said that constructive engagement is working I do not know, I am not there. I am not there on an every day basis. I can go over for a week or a month or whatever the case may be and still not really know.

They are there. They say that constructive engagement is working, and they say the flat-out statement that the situation for us, the situation for us, the blacks, has never been as difficult as it is now. And this is after these many months of sanctions.

Mr. BURTON of Indiana. I thank the gentleman for his assistance.

One of the things that came to my attention today was a big advertisement in the paper which talked about some of the atrocities that have been perpetrated upon the people, the blacks of South Africa by other blacks and the ANC and the ANC's alleged control or involvement with the South African Communist Party and the Soviet Union.

Today after I read this article, these people who testified before us, without exception, said the African National Congress is a Communist organization, not a tool of the Communists in South Africa or the Soviet Union, but is a Communist organization supported wholeheartedly by the South African Communist Party and the Soviet Union.

□ 1910

They said that they attended the meetings where white people who identified themselves as being from the Soviet Union and there to help with the revolutionary cause of the African National Congress were in attendance. I want to talk about this newspaper article briefly because I think it bears upon the hearing that we had today.

Lenin said:

> We must hate. Hatred is the basis of communism. Children must be taught to hate their parents, if such are not Communists. If they are, then the children need no longer worry about them. Children should be present at the executions and should rejoice in the death of the enemies of the proletariat.

Lenin wrote that in "Defeat of Own Government in Imperial War," Selected Works, volume 4, page 147.

Now here is what Oliver Tambo said on May 12, 1987, on radio Zambia:

> The youth, for instance, in our country have been carrying out actions of the people's war. They have been clearing our townships of collaborators of the black bullies and black counselors.

That is anybody who does not agree with the African National Congress or who is trying to do anything to help solve the problems of the townships which is perceived to be working with the South African Government. Those people are being killed by being hacked to death, by being burned to death by petrol bombs being thrown at them, or by having the necklacing procedure where they put a tire around their neck, put gasoline in the tire, pour gasoline down their throat and then setting them on fire.

Another speech by Oliver Tambo on January 15, 1987, a speech commemorating the 75th anniversary of the founding of the African National Congress, Tambo said, and I quote:

> For the battles ahead, the mass organizations of the youth must be strengthened. Of national importance is the need for raising the quality of the leadership of the youth to impart to them the quality of the skills necessary for them to carry out their tasks as shock troops of the revolution.

Now this young lady today who was one of the people who was recruiting young people from various schools to join the youth wing of the African National Congress said that they were Communists, this was a Communist organization and that they were taught to perpetrate terrorist attacks on other blacks in the black community over there. And they were taught how to make fire bombs, as I said previously, by four or five black Anglican ministers.

I want to talk a little bit about some of the other acts of terrorism that have taken place at the hands of the youth wing of the African National Congress that were not reported by the people who testified today.

A 15-year-old boy during a court case involving juvenile violence in South Africa, this is what he said:

> I participated in the burning of Phillip Tlapane in May 1986. Mzwakkhe tied his hands and legs with a rope and Winter and me put a sack over his head while JB, Kid and Mafloza placed two tires round his neck. I set the man on fire.

Bear in mind this is a 15-year-old boy recruited by the African National Congress.

The second example is:

> I saw Solly chopping her with a panga (axe) on the arms. Chicken stabbed her several times with his knife. It was then a free-for-all as everybody took part in stoning Ma Thabo with bricks. Solly put a car tyre around Ma Thabo's neck and covered her body with a mattress. He and Chicken put paraffin on the tyre and lit it.

This is a quote by a 16-year-old boy giving evidence at an inquest inquiry into the murder of a woman by a gang of children belonging to the ANC. This was reported in the Johannesburg Star newspaper, January 25, 1987. The lady's real name was Mrs. Mary Skhosana.

Another example:

> We stoned a man until he fell. I poured petrol mixed with fish oil over him and Mamorena lit a match and set him alight while we were watching until he was burnt out completely before we went home.

Bear in mind that is an 11-year-old girl giving evidence in court about her involvement in acts of political violence. These are the things they are teaching these young people when they recruit them to become members of the Communist-dominated ANC in South Africa.

And I think that we in the United States should be aware that the Soviet Union is using these people for their own ends in South Africa, in Nicaragua; but in the entire southern tier of southern Africa in general.

Now let me just say that the United States, if you are an isolationist, my colleagues, if you do not believe that we should be participating in any country in the world with our money or with military support or whatever, if you are an isolationist then you probably will not want to listen to what I have to say. But if you believe that we have a concern about our fellow man throughout the world, then you have got to understand that we have to take some kind of a stand on the terrorism taking place in southern Africa, particularly South Africa.

Let me just say that even if you are an isolationist you must realize that if we are to survive as a nation there are minerals that are vital to the economic health and the military strength of this country that we have to have. Many of these minerals come from the southern tier of Africa. The only other place that we can get five of these minerals that are vital to us is from the Soviet bloc.

Now if the entire southern tier of Africa goes Communist, bear in mind that Angola, Mozambique, and Zimbabwe are Communist at the present time, if South Africa goes Communist we are going to be at the mercy of the Soviet Union and her surrogates if we are going to get the minerals we so desperately need for our military strength and our economic health.

In addition to that, around the southern tip of Africa around the Cape of Good Hope flows 40 percent of the free world's oil supplies. If the Soviet Union or her surrogates take control of South Africa, then those sealanes will be controlled by the Soviet Navy. The Soviet Navy will have control of all the ports in South Africa and you can bet your bottom dollar we will have to kowtow if we want to get those oil supplies around the Cape of Good Hope.

Now I do not think that the free world wants to allow the Soviet Union or her surrogates to have their hands around the throat of the United States or the free world for that matter.

For that reason I think it is extremely important that we pay attention to what is going on in South Africa, that we work very diligently for an end to apartheid, for democratic institutions to evolve out of the situation over there, where blacks and whites together rule the country. But the one thing we must guard against and work diligently to avoid is to see that the ANC controlled by the Communists does not become the spokesman for the blacks in South Africa and take over the south African countries. If they do it is going to be very bad not only for the free world but for the United States as well.

I yield to my colleague from Florida.

Mr. BILIRAKIS. I thank the gentleman for yielding.

Mr. Speaker, I think it is important that the American people and our colleagues know that we were told today that approximately 30,000 copies of the hard-cover book over there, "After Apartheid, South Africa, The Solution," approximately 30,000 copies have been sold in South Africa. That makes it a top seller, No. 1 seller.

Also that gentleman went on to quote a leading black American when he said that if one is not part of the solution one is part of the problem. Then he went on to tell us about the word democracy and what it stands for and he pointed to me because of my Greek background. It is a Greek word, demos and cratos which means people power. He went on to say that we, the United States, in getting answers to many of the questions that we asked, we in the United States need to become part of the solution, not contribute to the problem as we do with sanctions. He used the analogy of a person who has cancer and in curing the cancer or whatnot he said let us cure the patient and not the cancer, let us not club the patient to death in the process of trying to cure the cancer.

I thank the gentleman and I commend him again for bringing this special order on the floor and for his great interest.

Mr. BURTON of Indiana. I thank the gentleman. I would like to just conclude my remarks by saying, Mr. Speaker, that we passed sanctions last year that are going to put about 600,000 blacks out of work in South Africa. That translates into about 3.5 million blacks in the not too distant future going to bed without food in their stomachs because they do not have a welfare program over there to take care of the unemployed or their families.

So the sanctions that we passed are going to hurt the very people we wanted to help. Now many of the leaders who supported sanctions in the first place are having second thoughts.

During the debate over the sanctions bill I had 12 black South African young people, very well educated, very articulate, in my office during the day of the debate on final passage in the Senate. During that debate I asked many leaders of the Senate on the Foreign Relations Committee to talk to these young people and I could not get anybody to give them an audience, particularly the leaders on that committee. I think that is really tragic because we should have taken a longer look at what we were doing because it is going to work a hardship unless we repeal those sanctions.

The black leaders we talked to them, the black leaders we talked to today said that if you really want to help the plight of the blacks in South Africa and end apartheid there should be more investment, not less; there should be more businesses going to southern Africa to be relocated in the black townships instead of having those companies leave South Africa. If we have those companies go over there and create black entrepreneurships, more jobs for the black community, that will help create more economic clout on the part of the blacks and that economic power will translate into political power and that will help bring about an end to apartheid. Chief Buthelisi, Bishop Lekanaya, and Bishop Mokena, who represent about two-thirds of the blacks in South Africa agree on this point.

I believe personally and I think the people who testified, some of them today, felt that sanctions that were passed in this body and in the other body last year, not so much because it was really going to help the situation in South Africa, but more because of American civil rights considerations rather than solving the problems of apartheid in that country.

My feeling is if that was the case that justice weeps when politicians put political considerations above what is right and just.

The people in South Africa, particularly the blacks who have suffered under apartheid and who are now suffering under the terrorism perpetrated upon them by the ANC deserve better, especially from the Congress of the United States.

THE FIGHT FOR FREEDOM IN SOUTH AFRICA

The SPEAKER pro tempore (Mr. STALLINGS). Under a previous order of the House, the gentleman from California [Mr. DYMALLY] is recognized for 30 minutes.

Mr. DYMALLY. Mr. Speaker, I note with some degree of interest the debate today is defense of apartheid in South Africa and the apologists for the racist practices of that very nasty type of regime in South Africa.

The apologists for apartheid remind me very much of the apologists for colonialism after World War II who fought so desperately in the British Colonial Office to maintain the British Empire and, failing to do so, began to descredit India, no less a person than Winston Churchill tried to cast aspersions at the peaceful effort of Mahatma Ghandi. The British Foreign Office discredited the independent movement in South Africa as Communist.

In the Caribbean where I had a little part in the independence movement, efforts were made to discredit that effort.

What we have seen here today is a revival of that desperate effort to preserve a system that is so dehumanizing, so inhuman, so racist, so humiliative that I am impressed with the fact that in this free country that Members of Congress could come on the floor of the Congress and defend this racist attitude.

That to me is a testimony of our greatness and that is why this Congress in a unanimous vote on this floor passed the legislation for divestment.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DYMALLY. I am sorry. The gentleman from Indiana had 1 hour.

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I would point out that I have been granted a mere 30 minutes to respond.

Now, the Senate compromised on this effort, and in the spirit of compromise we bought the whole question of divestment in South Africa. No less a person than Rev. Leon Sullivan, whose genius brought about the Sullivan Principles and which principles served as a guide for the employment practices of American firms doing business in South Africa, said 2 years ago that "I will observe very carefully the conduct of the South African Government, and if at the end of 2 years in my judgment the situation has not improved, then I will call for American companies to pull out."

Reverend Sullivan pondered hard and long. He prayed over his decision, and he came to the conclusion that in the last 2 years the situation has deteriorated in such a manner in South Africa that it was imperative for him to call on the American companies to pull out, and since then, thanks to his leadership, a number of companies have pulled out.

Much has been said about the ANC today. We joined the debate on the State Department authorization bill, and attempts have been made to link the ANC with Communists. There is no question that there are members of the Communist Party in the ANC. No one denies that.

There is no question about the fact that China is Communist, and we are trying to sell arms to China. We are trying to make peace with Russia.

By and large, the ANC is made up of people who have a socialist approach to the solutions of problems in South Africa. We note they take the tradition tribal approach in sharing services and goods and power.

And, yes, there is violence in South Africa. No struggle for independence has been waged without violence—not in Algeria, not in Israel, not in Africa, not in Kenya, and not in the good old United States of America. We have had to wage a Civil War to gain our independence here. The exception was probably India, and this Congress has tried in the State Department authorization bill to be punitive against India because of its pacifist approach to the solution of the problems of peace and the world problems of America.

I am distressed by the fact that efforts are being made to discredit the movement for freedom in South Africa as Communist. The fact of the matter is that there is no other government that is as dehumanizing in the world today as the government of South Africa, and the fact of the matter is that black South Africans are prepared to pay the price. They are prepared to make the sacrifice, much as this country and the democracies of the world made a sacrifice in World War II and gave up their sons and daughters for the price of freedom.

If the minority South African government wishes to compromise, wishes to reconcile the differences, or wishes to negotiate some measure of settlement there, I am certain that the black South Africans would sit down and talk. But with the system as it has operated in South Africa, one can expect there will be violence, there is no question about it. But to spend a great deal of time on the floor of this Congress and discredit an entire movement for freedom for South Africa as Communist is ludicrous. If it were not such a serious matter, I would indulge in a big laugh over the whole matter.

The fact of the matter is that this movement to discredit the ANC, the South African freedom movement, as Communist is waged by the far right. The far right in this country, Mr. Speaker, in the last two decades had its chance to govern. They blew it in Watergate, and they blew it in Nicaragua and in Iran, and they are desperate, absolutely desperate, trying to save what they had and what they lost.

They proved conclusively that they are unable to govern. They had in their power the right to govern in the 1970's, they have had the power to govern now, and they blew it.

Mr. BURTON of Indiana. Mr. Speaker, will the gentleman yield?

Mr. DYMALLY. I cannot resist the temptation, I must yield to my friend, the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Speaker, I will just make one brief comment about that, but I want to ask the gentleman a question. I think the American people still feel that the administration is doing a good job. The polls show that. The President still has a high rating.

But just let me ask the gentleman a question.

Mr. DYMALLY. The President, not the administration. By some magic, some voodoo, the President continues to be popular. It is a mystique, a phenomenon that is inescapable in American history.

Mr. BURTON of Indiana. Not unlike the gentleman's own district. I am sure he is very popular there.

Let me just ask this question. I do not want to be caustic because I have a great admiration for the gentleman, even though we have differences of opinion.

Mr. DYMALLY. That feeling is mutual.

Mr. BURTON of Indiana. Does the gentleman dispute any of the facts or allegations I made regarding necklacing or torturing or hacking to death by the ANC that I talked about relative to specific court trials?

Mr. DYMALLY. No. The gentleman may have indulged in a little congressional exaggeration, but that is par for the course. I indulge in it, too, at times.

Mr. BURTON of Indiana. Does the gentleman deny that the Soviet Union is militarily supplying the ANC with military hardware, and does he deny that the ANC is pretty much dominated in its executive board by the South African Communist Party?

Mr. DYMALLY. There are two parts to the gentleman's question. I do not deny it. I do not want to be ridiculous and deny that the ANC is probably receiving arms from the Soviet Union, but I do dispute the fact that the majority of the members of the ANC are Communists.

But let me point out to the gentleman that Weinberger was in China recently trying to sell arms to the Communists. Who do you think the Chinese are, some liberals from Watts? These are hard-core Communists. These are the people who shot at our boys in Korea, and we are now selling arms to the Communists in China.

Mr. BURTON of Indiana. Well, touché. If I may make one more comment, I will then let the gentleman conclude his remarks.

One thing I would say is that we do have a common goal, the gentleman and I, and that is that we want to see an end to apartheid in South Africa.

Mr. DYMALLY. I appreciate that.

Mr. BURTON of Indiana. The difference is the means to achieve that goal.

Mr. Speaker, I thank the gentleman for yielding.

Mr. DYMALLY. I appreciate the gentleman's declaration that he is opposed to apartheid. That gives me pause for encouragement. But I do say that the attempt to discredit the freedom movement in South Africa is comparable to the attempt to discredit Martin Luther King as a Communist or to discredit the freedom movement in America as Communist. Look at what has happened as a result of the freedom movement. The gentleman and I can debate the issues in this

Congress because of this movement. This is the greatness of our country.

To equate the freedom movement, the struggle for independence, for dignity, for self-worth and a sense of belonging, with communism is laughable.

But let us assume that all of that, for the sake of argument is true. What are we doing in China selling arms to the Communists? If they are such a great threat, why are we spending all this time trying to make peace with Russia?

We are accommodating the fact that the Russians are Communists and we have to live with them. We are accommodating the fact that the Chinese pose the potential for some friendship with the United States in Asia. And, therefore, we want to arm the Communists?

These are the very same Communists who shot at and killed our boys in Korea, many of whom were black, I might add.

I do not understand this kind of logic. How can we be opposed to the freedom movement in South Africa and sell arms to the Communists in China? I want someone to explain that one to me, and if the Members on the other side or the apologists for South Africa can do that, I will cease to argue the point.

I do not see any movement against communism in Eastern Europe. We accommodate them. They have favored nation status, we provide soft loans for them, we buy their goods, they sell their textiles here. Little Caribbean, with less than 1 percent imports of textiles, is prevented from exporting their textiles here.

We have accommodated communism in Europe. We are selling arms to the Communists in China, and yet we are trying to discredit the freedom movement in South Africa?

Let me ask, do we really want to stop the Communists, or do we want to stop the Russians? If we do, let us grant freedom to the people in South Africa. Let me cite some good examples. Martyrs of democracy in Africa, Kenya, Joel Kinetcha, killing every white person in sight.

Once Kenya became independent, there has been no other country in continental Africa that has reconciled its differences with white people as completely as Kenya has. There are some problems of human rights now, but I am sure the democratic system will resolve those.

When you give people freedom and give them the opportunity to be free and to be whole persons and to rid themselves of these pass laws and this degrading system of governance in South Africa, we give them a chance to govern themselves, as we have done in other parts of the world, as in Algeria. The French would not leave Algeria. They fought and fought, and it was only armed conflict that solved the problem there.

In America the British wanted to retain control, and we had to have a revolution to gain independence in this country.

So I am afraid that armed struggle is part of the freedom movement when that effort for freedom is resisted. Give people freedom, and you will have peace. Do not subjugate them to this kind of inhumane treatment, something that is worse than slavery, the punishment of young children kept in jails, corporeal punishment, not just isolation.

So, Mr. Speaker, I appreciate very much having this opportunity. Frankly, I was on my way to attend a dinner for our colleague, Parren Mitchell. He is being honored tonight. But I could not resist this opportunity to come and respond to my friend.

By the way, the gentleman from Indiana [Mr. BURTON] and I do not agree on a single thing, but I respect him for the courage of his convictions, and he and I have a personal relationship. I try not to make my disagreements with any Member personal. As a legislator in California, I developed a close working relationship with the conservatives.

But I believe that this movement to try to make people appear as Communists is dead, it is finis. It is finis, it is over with. Let us talk about the issues. The threat of painting everyone as Communists, as Members have tried to do with some of my colleagues in the Contra-Irangate hearings, that is old hat. The American people are not buying that anymore. They are buying facts, they are buying logic, they are buying honesty and decency. They are buying freedom, and they support the antiapartheid movement in South Africa.

I am proud of that fact. The American people are not supporting this apologist approach that some of my colleagues have indulged in.

Mr. Speaker, I yield back the balance of my time.

SUBMISSION OF AMENDMENT TO RULES OF SELECT COMMITTEE TO INVESTIGATE COVERT ARMS TRANSACTIONS WITH IRAN FOR THE 100TH CONGRESS

(Mr. HAMILTON asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. HAMILTON. Mr. Speaker, pursuant to rule XI, clause 2(a) of the House of Representatives, I present an amendment to the rules of the Select Committee to Investigate Covert Arms Transactions with Iran for the 100th Congress, as follows:

AMENDMENT TO COMMITTEE RULES

The first sentence of Rule 6.9 shall be amended by striking the period after "hearings" and adding "except when the Chairman, after consultation with the Ranking Minority Member, provides otherwise."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONIOR of Michigan (at the request of Mr. FOLEY), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RAVENEL) to revise and extend their remarks and include extraneous material:)

Mr. DANNEMEYER, for 60 minutes, on July 8 and 9.

Mr. GILMAN, for 5 minutes, today.

Mr. SENSENBRENNER, for 5 minutes, today.

Mr. FISH, for 5 minutes, today.

Mr. BURTON of Indiana, for 60 minutes, today.

Mrs. BENTLEY, for 60 minutes, on June 29.

(The following Members (at the request of Mr. GRAY of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. WOLPE, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, on June 26.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. DYMALLY, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. PANETTA, in support of H.R. 2712 after title I in the Committee of the Whole today.

(The following Members (at the request of Mr. RAVENEL) and to include extraneous matter:)

Mr. MCEWEN in two instances.
Mr. ARCHER.
Mr. YOUNG of Alaska.
Mr. MORRISON of Washington.
Mr. CONTE.
Mr. GALLO.
Mr. GRADISON.
Mr. FRENZEL in five instances.
Mr. KONNYU.
Mr. SENSENBRENNER.
Mr. GILMAN.
Mr. COURTER.
Mr. LIVINGSTON.
Mr. FISH.
Mr. DENNY SMITH.
Mr. BILIRAKIS.

Miss SCHNEIDER.
Mr. HOUGHTON.

(The following Members (at the request of Mr. GRAY of Illinois) and to include extraneous matter:)

Mr. RAHALL.
Mr. FORD of Michigan.
Mr. HALL of Ohio.
Mr. BERMAN.
Mr. HAMILTON.
Mr. FLORIO in two instances.
Mr. CARR.
Mr. ASPIN.
Mr. HOYER.
Mr. DWYER of New Jersey.
Mr. PANETTA.
Mr. HUBBARD.
Mr. MARKEY.
Mr. MONTGOMERY.
Mr. KLECZKA.
Mr. SKELTON.
Mr. ROSTENKOWSKI.
Mr. STOKES.
Mr. WHEAT.
Mr. TAUZIN.
Mr. MATSUI in two instances.
Mrs. SCHROEDER.
Mr. SHARP.
Mr. DELLUMS.
Mr. CARDIN.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, a bill and a joint resolution of the House of the following titles:

On June 23, 1987:

H.R. 2243. An act to designate the Federal Building located at 10 Causeway Street, Boston, MA, as the "Thomas P. O'Neill, Jr., Federal Building."

On June 24, 1987:

H.J. Res. 284. Joint resolution designating the week beginning June 21, 1987, as "National Outward Bound Week."

ADJOURNMENT

Mr. DYMALLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 38 minutes p.m.) the House adjourned until tomorrow, Friday, June 26, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1663. A letter from the Assistant Secretary (Shipbuilding and Logistics), Department of the Navy, transmitting notification of the decision to convert to contractor performance the supply operations support at Naval Surface Weapons Centers, Dahlgren, VA, and White Oak, MD, which was found to be the most efficient and cost-effective organization analysis, pursuant to 10 U.S.C. 2304 note, Public Law 99-190, section 8089; to the Committee on Armed Services.

1664. A letter from the Auditor, District of Columbia, transmitting a copy of the report entitled "Annual Audit of the Boxing and Wrestling Commission for Fiscal Year 1986," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

1665. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to amend the Federal Food, Drug, and Cosmetic Act to improve the regulation of medical devices, and for other purposes; to the Committee on Energy and Commerce.

1666. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to require the Secretary of Health and Human Services to impose fees under the Federal Food, Drug, and Cosmetic Act for the review of applications for marketing approval for new human drugs, antibiotics, medical devices, and biological products, and for other purposes; to the Committee on Energy and Commerce.

1667. A letter from the Assistant Secretary of State for Legislative and Intergovernmental Affairs, transmitting notification of travel advisories recently issued for Ethiopia and Korea, which have security implications for Americans traveling or residing in those countries, pursuant to 22 U.S.C. 2656e; to the Committee on Foreign Affairs.

1668. A letter from the Deputy Administrator, Agency for International Development, transmitting a report on the origin, contents, destination and disposition of humanitarian goods and supplies transported by the Department of Defense, pursuant to Public Law 98-525, section 1540(e) (98 Stat. 2638), Public Law 99-145, section 306(a) (99 Stat. 617), Public Law 99-661, section 331(b) (100 Stat. 3857); jointly, to the Committees on Armed Services and Foreign Affairs.

JOINT RESOLUTION OF DEBT LIMIT PASSED UNDER RULE XLIX

Under clause 1 of rule XLIX, the following joint resolution was engrossed and deemed passed:

[Submitted June 23, 1987]

H.J. Res. 324. Joint resolution increasing the statutory limit on the public debt.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on Government Operations. A report on "Surface Mining Law: A Promise Yet To Be Fulfilled" (Rept. 100-183). (Ordered to be printed.

Mr. BROOKS: Committee on Government Operations. A report on "The National Drug Policy Board: A Failure in the War on Drugs" (Rept. 100-184). (Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1173. A bill to provide for certain restrictions on the use of lands within boundaries of national parks and monuments. (Rept. 100-185). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1100. A bill to authorize an affiliated status with the National Park Service for the Wildlife Prairie Park, in the State of Illinois; with amendments. (Rept. 100-186). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1994. A bill to amend the boundaries of Stones River National Battlefield, Tennessee, and for other purposes. (Rept. 100-187). Referred in the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1366. A bill to provide for the transfer of certain lands in the State of Arizona, and for other purposes; with an amendment (Rept. 100-188). Referred to the Committee of the Whole House on the State of the Union.

Mr. BOLAND: Committee on Appropriations. H.R. 2783. A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1988, and for other purposes; (Rept. 100-189). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 2327. A bill to amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities. (Rept. 100-190). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 2616. A bill to amend title 38, United States Code, to improve health-care programs of the Veterans' Administration; with amendments (Rept. 100-191). Referred to the Committee of the Whole House on the State of the Union.

Mr. MONTGOMERY: Committee on Veterans' Affairs. H.R. 1504. A bill to amend the Veterans' Job Training Act; with amendments (Rept. 100-192). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

[Omitted from the Record of June 24, 1987]

By Mr. LELAND (for himself, Mr. DINGELL, and Mr. SHARP):

H.R. 2780. A bill to amend the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

[Submitted June 25, 1987]

By Mr. ARCHER (for himself and Mr. CHANDLER):

H.R. 2781. A bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to permit excess assets in a single employer pension plan to be withdrawn or transferred without plan termination, to strengthen the minimum funding requirements for defined benefit plans, and for other purposes; jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. ROE:

H.R. 2782. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development; space flight, control and data communications; construction of facilities; and research and program management; and for other purposes; to the Committee on Science, Space and Technology.

By Mr. BOLAND:

H.R. 2783. A bill making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1988, and for other purposes.

By Mr. APPLEGATE:

H.R. 2784. A bill to require that each State hold a Presidential primary election on the first Tuesday after the first Monday in May of each Presidential election year; to the Committee on House Administration.

By Mr. COURTER:

H.R. 2785. A bill to amend the Internal Revenue Code of 1986 to treat farming corporations in the same manner as other corporations for purposes of the limitations on the use of the cash method of accounting; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 2786. A bill to amend the Victims of Crime Act of 1984 to require State compensatin for State residents who are victims of crimes occurring outside the State if the crimes would be compensable crimes had they occurred inside that State; to the Committee on the Judiciary.

By Mr. FLORIO (for himself, Mr. Gilman, Mr. Howard, Mr. Mrazek, Mr. Bates, Mr. Torres, Mr. Scheuer, Mr. Saxton, Mr. Foglietta, Mr. LaFalce, Mr. Kostmayer, Mr. Dwyer of New Jersey, Mr. Richardson, Mr. Molinari, Mr. Smith of New Jersey, Mr. Hughes, Mr. Waxman, Mr. Vento, Mr. Sikorski and Mr. Borski):

H.R. 2787. A bill to amend the Clean Air Act to control emissions of certain air pollutants from municipal waste incinerators; to the Committee on Energy and Commerce.

By Mr. HAYES of Illinois (for himself, Mr. Bateman, Mr. Boehlert, Mr. Bustamante, Mr. Davis of Michigan, Mr. Emerson, Mr. Lagomarsino, Mr. Porter, Mr. Saxton and Mr. Spence):

H.R. 2788. A bill to amend Public Law 874, 81st Congress, relating to impact aid payments; to the Committee on Education and Labor.

By Mr. HOLLOWAY:

H.R. 2789. A bill to authorize the Administrator of Veterans' Affairs to establish a national cemetery in the central geographical area of Louisiana; to the Committee on Veterans' Affairs.

By Mr. HOWARD (for himself (by request), Mr. Brooks, Mr. Hammerschmidt, Mr. Sunia, and Mr. Molinari):

H.R. 2790. A bill to improve the efficiency and effectiveness of management of public buildings; jointly, to the Committees on Public Works and Transportation and Government Operations.

By Mr. HUGHES (for himself and Mr. Saxton):

H.R. 2791. A bill to amend title I of the Marine Protection, Research, and Sanctuaries Act of 1972, to provide for the restoration of the New York Bight, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LOWRY of Washington (for himself, Mr. Chandler, Mr. DeFazio, Mr. Miller of California, Mr. Miller of Washington, Mr. Morrison of Washington, and Mr. Sikorski):

H.R. 2792. A bill to clarify Indian treaties, executive orders, and acts of Congress with respect to Indian fishing rights; jointly, to the Committee on Ways and Means and Interior and Insular Affairs.

By Mr. MATSUI:

H.R. 2793. A bill to amend the Internal Revenue Code of 1986 to encourage small businesses to extend retirement and fringe benefits to all employees, and for other purposes, jointly, to the Committees on Ways and Means and Education and Labor.

By Mr. MATSUI (for himself and Mr. Coelho):

H.R. 2794. A bill to amend the Geothermal Steam Act of 1970 with respect to requirements relating to leases, and for other purposes; to the Committees on Interior and Insular Affairs.

By Mr. MATSUI (for himself, Mr. Stark, Mr. Ford of Tennessee, Mrs. Kennelly, and Mr. Leland):

H.R. 2795. A bill to amend title XVI of the Social Security Act to increase the effectiveness and improve the administration of the SSI Program; to the Committee on Ways and Means.

By Mr. MORRISON of Washington, (for himself, Mrs. Boxer, Mr. Bustamante, Mr. Frost, Mr. Lagomarsino, Mr. Levin of Michigan, Mr. Martinez, Ms. Oakar, Mr. Roe, and Mr. Weiss):

H.R. 2796. A bill to recognize the organization known as the American Philatelic Society; to the Committee on the Judiciary.

By Mr. DENNY SMITH (for himself, Mr. Morrison of Washington, Mr. Herger, and Mr. Robert F. Smith):

H.R. 2797. A bill to provide for disaster payments to farmers who suffer loss of crops because such farmers are unable to hire farmworkers for necessary labor-intensive farmwork; to the Committee on Agriculture.

By Mr. SMITH of New Hampshire:

H.R. 2798. A bill to amend the Immigration and Nationality Act to limit effectively to 525,000 the number of aliens who may acquire lawful permanent residence in the United States in any fiscal year as special immigrants, immediate relatives, and preference immigrants; to the Committee on the Judiciary.

By Mr. TAYLOR (by request):

H.R. 2799. A bill to amend title 5, United States Code, to establish a simplified management system for Federal employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WOLPE (for himself, Miss Schneider, Mr. Eckart, Mr. Boehlert, Mr. Ackerman, Mr. Atkins, Mr. AuCoin, Mr. Bates, Mr. Beilenson, Mr. Berman, Mr. Bonior of Michigan, Mrs. Boxer, Mr. Brown of California, Mr. Clinger, Mrs. Collins, Mr. Conyers, Mr. Coughlin, Mr. Crockett, Mr. Daub, Mr. Davis of Michigan, Mr. Dorgan of North Dakota, Mr. Durbin, Mr. Edwards of California, Mr. Fish, Mr. Foglietta, Mr. Gallo, Mr. Gejdenson, Mr. Gephardt, Mr. Gilman, Mr. Gray of Illinois, Mr. Gray of Pennsylvania, Mr. Gunderson, Mr. Henry, Mr. Howard, Mr. Hughes, Mrs. Johnson of Connecticut, Ms. Kaptur, Mr. Kildee, Mr. Kleczka, Mr. LaFalce, Mr. Leach of Iowa, Mr. Leland, Mr. Levin of Michigan, Mr. Lewis of Georgia, Mr. Lujan, Mr. Markey, Mr. McDade, Mr. McGrath, Mrs. Meyers of Kansas, Mr. Miller of California, Mr. Molinari, Mr. Morrison of Connecticut, Mr. Neal, Mr. Nowak, Mr. Oxley, Mr. Panetta, Mr. Richardson, Mr. Ridge, Mr. Rodino, Mr. Sabo, Mr. Scheuer, Mrs. Schroeder, Mr. Schuette, Mr. Sikorski, Mr. Smith of New Hampshire, Ms. Snowe, Mr. Solarz, Mr. Stark, Mr. Synar, Mr. Swift, Mr. Traxler, Mr. Udall, Mr. Williams, Mr. Wortley, and Mr. Wyden):

H.R. 2800. A bill to improve Environmental Protection Agency data collection and dissemination regarding reduction of toxic chemical emissions across all media, to assist States in providing information and technical assistance about waste reduction, and for other purposes; to the Committee on Energy and Commerce.

By Mr. YATRON (for himself and Mr. Ridge):

H.R. 2801. A bill to amend the Federal Unemployment Tax Act to provide additional limitations on the reduction on the credit applicable to employers in certain States which have outstanding loan balances, and for other purposes; to the Committee on Ways and Means.

By Mr. APPLEGATE:

H.J. Res. 325. Joint resolution proposing an amendment to the Constitution of the United States to limit the terms of office of the judges of the Supreme and inferior courts; to the Committee on the Judiciary.

By Mr. CROCKETT (for himself, Mr. Yatron, Mr. Fascell, Mr. Hamilton, Mr. Solarz, Mr. Bonker, Mr. Studds, Mr. Wolpe, Mr. Gejdenson, Mr. Dymally, Mr. Lantos, Mr. Kostmayer, Mr. Torricelli, Mr. Smith of Florida, Mr. Berman, Mr. Levine of California, Mr. Feighan, Mr. Weiss, Mr. Ackerman, Mr. Udall, Mr. Atkins, Mr. Clarke, Mr. Fuster, Mr. Owens of Utah, Mr. Sunia, Mr. Gilman, Mr. Lagomarsino, Mr. Leach of Iowa, Ms. Snowe, Mr. Bereuter, Mr. Dornan of California, Mr. Mack, Mr. DeWine, Mrs. Meyers of Kansas, Mr. Miller of Washington, Mr. Blaz, and Mr. Daub):

H. Con. Res. 149. Concurrent resolution expressing the sense of the Congress regarding the promotion of democracy in the Republic of Panama; to the Committee on Foreign Affairs.

By Mr. DANNEMEYER:

H. Res. 211. Resolution providing for the consideration of the bills (H.R. 2272 and H.R. 2273) to amend the Public Health Service Act to prohibit the Secretary of Health and Human Services from making certain grants to any public entity established by a State that does not by law establish certain reporting and testing requirements with respect to acquired immune deficiency syndrome; to the Committee on Rules.

By Mr. DORNAN of California (for himself and Mr. Solarz):

H. Res. 212. Resolution concerning the release of political prisoners by the Government of Vietnam; to the Committee on Foreign Affairs.

By Mr. TAUZIN (for himself, Mr. Akaka, Mr. Armey, Mr. Atkins, Mr. AuCoin, Mr. Bereuter, Mr. Biaggi, Mrs. Boxer, Mr. Bryant, Mr. Cardin, Mr. Carper, Mrs. Collins, Mr. Conte, Mr. Conyers, Mr. Daub, Mr. DeFazio, Mr. Dorgan of North Dakota, Mr. Dowdy of Mississippi, Mr. Durbin, Mr. Dwyer of New Jersey, Mr. Dymally, Mr. Eckart, Mr. Erdreich, Mr. Fawell, Mr. Fazio, Mr. Florio, Mr. Foglietta, Mr. Frank, Mr. Gallo, Mr. Garcia, Mr. Gekas, Mr. Gilman, Mr. Gordon, Mr. Green, Mr. Hall of Ohio, Mr. Hochbrueckner, Mr. Hyde, Mr. Inhofe, Mr. Jeffords, Ms. Kaptur, Mrs. Kennelly, Mr. Kemp, Mr. Kildee, Mr. Kostmayer, Mr. Lagomarsino, Mr. Leland, Mr. Lent, Mr. Levin of Michigan, Mr. Lowery of California, Mr. McCurdy, Mr. McGrath, Mr. Markey, Mr. Mavroules, Mr. Miller of Washington, Mr. Mrazek, Mr. Oberstar, Mr. Owens of Utah, Mr. Pepper, Mr. Richardson, Mr. Ritter, Mr. Rodino, Mr. Saxton, Mr. Scheuer, Mr. Schuette, Mrs. Schroeder, Ms. Slaughter of New York, Mr. Smith of Florida, Mr. Smith of New Jersey, Mr. Solarz, Mr. Stokes, Mr. Swindall, Mr. Synar, Mr. Tallon, Mr. Tauke, Mr. Udall, Mr. Walker, Mr. Waxman, Mr. Weber, Mr. Weldon, Mr. Wilson, Mr. Wortley, and Mr. Yates):

H. Res. 213. Resolution concerning Leonid Brailovsky; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

146. The SPEAKER presented a memorial of the General Assembly of the State of Colorado, relative to the hazardous and radioactive waste disposal practices at the Rocky Flats Plant; jointly, to the Committee on Energy and Commerce, Interior and Insular Affairs, and Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. SOLARZ:

H.R. 2802. A bill for the relief of Fleuretta Seidman; to the Committee on the Judiciary.

By Mr. STAGGERS:

H.R. 2803. A bill for the relief of Ray M. Reed; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Ms. Pelosi, Mr. Hayes of Illinois, and Mr. Skaggs.

H.R. 176: Mr. Torricelli.

H.R. 241: Miss Schneider and Mr. Manton.

H.R. 378: Mr. Lipinski, Mr. Espy, and Ms. Pelosi.

H.R. 544: Mr. Brennan.

H.R. 692: Mr. Mrazek, Mr. Kolter, Mr. Lagomarsino, and Mr. Garcia.

H.R. 776: Mrs. Boxer and Mr. Foglietta.

H.R. 792: Mr. Lancaster, Mr. Coelho, Mr. Lantos, and Mr. Guarini.

H.R. 810: Mr. Barton of Texas, and Mrs. Roukema.

H.R. 954: Mr. Ireland.

H.R. 964: Mr. Pashayan.

H.R. 1018: Mr. Hayes of Illinois.

H.R. 1158: Mr. Vento, Mr. Thomas A. Luken, and Mr. Torricelli.

H.R. 1199: Mr. Clay, Mr. Williams, Mrs. Boxer, Mr. Cooper, Mr. Brennan, Mr. Oberstar, Mr. Akaka, and Mr. Wheat.

H.R. 1213: Mr. Schumer, Mr. Sundquist, Mr. Holloway, and Mr. Mollohan.

H.R. 1337: Mr. Dyson, Mr. Lagomarsino, and Mr. Sundquist.

H.R. 1342: Mr. Markey.

H.R. 1347: Mr. Armey, Mr. Barnard, Mr. Clinger, Mr. Holloway, Mr. Rogers, Mr. Rangel, Mr. Garcia, Mr. Fish, Mr. Obey, Mr. Stokes, Mr. Murphy, and Mr. Ballenger.

H.R. 1495: Mr. Campbell, Mr. Hefner, Mr. Jones of Tennessee, Mr. Jones of North Carolina, Mr. Lehman of California, Mr. Owens of New York, Mr. Ravenel, and Mr. Spratt.

H.R. 1504: Mr. Edwards of California, Mr. Hammerschmidt, Mr. Applegate, Mr. Stump, Mr. Mica, Mr. McEwen, Mr. Penny, Mr. Bilirakis, Mr. Staggers, Mr. Rowland of Connecticut, Mr. Rowland of Georgia, Mr. Davis of Illinois, Mr. Bryant, Mr. Florio, Mr. Gray of Illinois, Mr. Kanjorski, Mr. Harris, Mr. Johnson of South Dakota, Mr. Hayes of Louisiana, Mr. Howard, Mr. Jenkins, and Mr. Richardson.

H.R. 1506: Mr. Martinez.

H.R. 1566: Mrs. Meyers of Kansas and Mr. Duncan.

H.R. 1572: Mr. Hiler and Mr. Bereuter.

H.R. 1598: Mr. Bereuter, Mr. Beilenson, and Mr. Towns.

H.R. 1606: Mr. Kyl and Mr. Roberts.

H.R. 1607: Mr. Bilbray Mr. de Lugo, Mr. Whittaker, Mr. Stokes, and Mr. Martinez.

H.R. 1726: Mr. Stokes and Mr. Weber.

H.R. 1731: Mr. Marlenee.

H.R. 1742: Mr. Gilman.

H.R. 1766: Mr. Foglietta, Mrs. Bentley, Mr. Morrison of Washington, Mrs. Martin of Illinois, Mr. Bustamante, and Mr. Gilman.

H.R. 1770: Mr. Kennedy.

H.R. 1782: Mr. Bevill.

H.R. 1787: Mr. Wilson, Mr. Gilman, and Mr. Lancaster.

H.R. 1802: Mr. Gray of Illinois, Mr. Carr, Mr. DeFazio, Mrs. Johnson of Connecticut, Mr. Frost, Mr. Roe, Mr. Mineta, Mr. Towns, Mr. Torres, Mr. Smith of Florida, Mrs. Patterson, Mr. Clay, Mr. Berman, Mr. Ackerman, Mr. Scheuer, Mr. Sunia, Mr. Atkins, Mr. Rangel, Mr. Hughes, Mr. Fazio, and Mrs. Boxer.

H.R. 1813: Mr. Berman, Mr. Fuster, Mr. Lipinski, Mr. Frank, Mr. Frost, Mr. Fauntroy, Mr. Kennedy, Mr. Lewis of Georgia, Mr. Ackerman, Mr. Dellums, Mr. Leland, Mr. Owens of New York, Mr. Dymally, Mr. Smith of Florida, Mr. Edwards of California, Mrs. Boxer, Mr. Atkins, Mr. Savage, Mr. Bates, Mr. Torres, Mr. Mrazek, Mr. Lowry of Washington, Mr. Martinez, Mr. de Lugo, Mr. Garcia, Mr. Ortiz, Mr. Solarz, Mr. Feighan, Mr. Gray of Illinois, Mr. Walgren, Mr. Bustamante, Mr. Richardson, Mr. Fazio, and Mr. Stokes.

H.R. 1971: Mr. Dreier of California.

H.R. 1986: Mr. Stokes.

H.R. 2056: Mr. Moakley, Mr. Beilenson, Mr. Applegate, Mr. Lowry of Washington, Mr. Biaggi, Mr. Scheuer, Mr. Robinson, Mrs. Boxer, Mr. Gilman, Mr. Conyers, Mr. Bevill, Mr. Savage, Mr. Atkins, Ms. Kaptur, Mr. Hawkins, Mr. Kolter, Mr. Evans, Mr. Levine of California, Mr. Kostmayer, Mr. Stokes, Mr. Garcia, Mr. Martinez, Mr. Wise, Mr. McEwen, and Mr. McDade.

H.R. 2125: Mr. Jacobs and Mr. Pepper.

H.R. 2138: Mr. Barnard, Mr. Levine of California, and Mr. Gejdenson.

H.R. 2239: Mr. Weldon, Mr. Duncan, Mr. Garcia, and Mr. Stokes.

H.R. 2312: Mr. Hawkins, Mr. Rowland of Georgia, and Mr. Hayes of Illinois.

H.R. 2316: Mr. Hawkins, Mr. Walgren, and Mr. Lewis of Georgia.

H.R. 2324: Mr. Clarke, Mr. Hall of Texas, and Mr. Watkins.

H.R. 2327: Mr. Smith of Texas, Mr. Rinaldo, Mr. Young of Alaska, Mr. Boucher, Mr. Kemp, Mr. Campbell, and Mr. Nielson of Utah.

H.R. 2337: Mr. Rangel, Mr. LaFalce, Mr. DioGuardi, and Mr. Downey of New York.

H.R. 2340: Mr. Coleman of Texas, Mr. Wolpe, Mr. Towns, and Mr. Foglietta.

H.R. 2425: Mr. Kastenmeier and Mr. Weber.

H.R. 2476: Mr. DioGuardi and Mr. Owens of New York.

H.R. 2491: Mrs. Roukema.

H.R. 2567: Mr. Towns.

H.R. 2570: Mr. Kastenmeier, Mrs. Vucanovich, Mr. Smith of Florida, Mr. Owens of New York, Mr. Owens of Utah, Mr. Roe, Mr. McDade, Mr. Hayes of Illinios, Mr. Biaggi, Mr. Schumer, Mr. Towns, and Mr. Bilirakis.

H.R. 2616: Mr. Edwards of California, Mr. Wylie, Mr. Applegate, Mr. Burton of Indiana, Mr. Dowdy of Mississippi, Mr. Dornan of California, Ms. Kaptur, Mr. Davis of Illinois, Mr. Johnson of South Dakota, Mr. Jontz, Mr. Nichols, Mr. Leath of Texas, Mr. Jenkins, Mr. Richardson, Mr. Brown of California, and Mrs. Patterson.

H.R. 2679: Mr. Blaz.

H.R. 2686: Mr. Howard, Mr. Hammerschmidt, Mr. Anderson, Mr. Shuster, Mr. Roe, Mr. Stangeland, Mr. Oberstar, Mr. Clinger, Mr. Nowak, Mrs. Johnson of Connecticut, Mr. Rahall, Mr. Boehlert, Mr. Applegate, Mr. de Lugo, Mr. Bosco, Mr. Kolter, Mr. Valentine, Mr. Towns, Mr. Lipinski, Mr. Rowland of Georgia, Mr. Wise, Mr. Gray of Illinois, Mr. Visclosky, Mr. Traficant, Ms. Slaughter of New York, Mr. Lewis of Georgia, Mr. Cardin, Mr. Grant, Mr. Hayes of Louisiana, Mr. Perkins, Mr. Stokes, Mr. Thomas of Georgia, and Mr. Rogers.

H.R. 2692: Mrs. Boxer, Mr. Smith of Florida, Mr. Roe, Ms. Kaptur, Mr. Porter, and Mr. Levin of Michigan.

H.J. Res. 13: Mr. Boulter.

H.J. Res. 125: Mr. Morrison of Washington, Mr. Owens of Utah, Mr. Brown of California, and Mrs. Morella.

H.J. Res. 134: Mr. Volkmer and Mr. Chappell.

H.J. Res. 138: Mr. Shumway, Mr. Hefner, Mr. Traficant, Mr. McDade, Mr. Sabo, Mr. Yatron, Mr. Denny Smith, Mr. Nelson of Florida, Mr. Schumer, Mr. Volkmer, Mr. Neal, Mr. Hayes of Illinois, Mr. Stokes, Mr. Davis of Illinois, Mr. Grant, Mr. Carper, Mr. Scheuer, Mr. Young of Florida, Mr. Bilbray, Mr. Emerson, Mr. Hatcher, and Mr. Brown of California.

H.J. Res. 145: Mr. Florio, Mr. Wylie, and Mr. Frenzel.

H.J. Res. 180: Mr. Visclosky, Mr. Martinez, Mr. Fawell, Mr. Sweeney, and Ms. Oakar.

H.J. Res. 208: Mr. Clinger, Mrs. Vucanovich, Mr. Traficant, Mr. Weldon, Mr. Torricelli, Mrs. Morella, Mr. Traxler, Mr.

Tauke, Mr. Tallon, Mr. Sweeney, Mr. Tauzin, Mr. Sunia, Mr. Stark, Mr. Volkmer, Mr. Weiss, Mr. Wyden, Mr. Boucher, Mr. Studds, Mr. Spence, Mr. Slaughter of Virginia, Mr. Hubbard, Mr. Bereuter, Mr. Martinez, Mr. Rodino, Mr. Schulze, and Mr. Schaefer.

H.J. Res. 227: Mr. Bartlett, Mr. Coyne, Mr. Erdreich, Mr. Vander Jagt, Ms. Kaptur, Mr. Gejdenson, Mr. Bliley, Mr. Roemer, Mr. Dwyer of New Jersey, Mrs. Boggs, Mr. Tauzin, Mr. Lott, Mr. Walgren, Mr. Sikorski, Mr. Owens of New York, Mr. Matsui, Mr. Schumer, and Mr. Wolpe.

H.J. Res. 255: Mr. Emerson, Mr. LaFalce, Mr. Porter, Mr. Schaefer, Mr. Oberstar, Mr. Clay, Mr. Alexander, and Mr. Hughes.

H.J. Res. 266: Mrs. Lloyd, Mr. Bryant, Mr. Gray of Illinois, Mr. Kildee, Mr. Yatron, Mrs. Johnson of Connecticut, Mr. Stokes, Mrs. Kennelly, Mr. Guarini, Mr. Jacobs, and Mr. Green.

H.J. Res. 291: Mr. Atkins.

H.J. Res. 323: Mr. Oxley, Mr. Herger, Mr. Madigan, Mr. Rhodes, Mr. Jeffords, Mr. Hopkins, Mr. Lewis of Florida, Mr. Molinari, and Mr. Coleman of Missouri.

H. Con. Res. 83: Mr. Smith of New Hampshire, Mrs. Johnson of Connecticut, and Mr. Barton of Texas.

H. Con. Res. 97: Mr. Cheney, Mr. Dyson, Mr. Mrazek, Mr. Foley, and Mr. English.

H. Con. Res. 141: Mr. Lowery of California and Mr. Fascell.

H. Con. Res. 142: Mr. Campbell, Mr. Chapman, Mr. Conte, Mr. Evans, Mr. Hall of Ohio, Mr. Martinez, Mr. Matsui, Mr. Ritter, Mr. Torres, and Mr. Traficant.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1049: Mr. Lewis of Georgia.

H.R. 1195: Mr. Lent.

H.R. 2482: Mr. Lagomarsino.

SENATE—*Thursday, June 25, 1987*

(*Legislative day of Tuesday, June 23, 1987*)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable BOB GRAHAM, a Senator from the State of Florida.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Father God, Your servants, the Senators are under tremendous multiple pressures of constituents, controversy, campaigns, conscience, family, party, and time. Help them to accept the familiar words of one of the greatest rulers of all time, King David of Israel. "The Lord is my shepherd; I shall not want. He maketh me to lie down in green pastures: He leadeth me beside the still waters. He restoreth my soul. He leadeth me in the paths of righteousness for His name's sake."—Psalm 23: 1-3.

Remind them that these are the words of a busy monarch seeking effectiveness in rule, not reprieve from duty. Help them understand that dependence upon the Lord does not produce lazy, indifferent dependency but authentic independence—that looking to God for wisdom does not mean abdication from reason, but sharpest intellectual activity—that seeking God's help does not produce passive irresponsibility, but a sensitive, active, responsible person. Gracious Lord, thank You that in Your province, we do not lose our personhood, our effectiveness, our efficiency, when we come to You; but are rather edified, renewed, and restored to maximum competency and productivity. Gracious God, lead us all to Yourself in these critical days. For Jesus' sake and ours. Amen

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. STENNIS].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, June 25, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable BOB GRAHAM, a Senator from the State of Florida, to perform the duties of the Chair.

JOHN C. STENNIS,
President pro tempore.

Mr. GRAHAM thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin is recognized.

RESERVATION OF LEADERSHIP TIME

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the time of the majority leader and of the minority leader be reserved for their use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to exceed 9:15 a.m. with Senators permitted to speak therein for 1 minute each.

The Senator from Wisconsin.

AGREEMENT TO LIMIT EXPORT OF NUKE WEAPONS DELIVERY SYSTEMS

Mr. PROXMIRE. Sometimes, Mr. President, it seems that the one and only phase of arms control that has made any real progress since the dawn of the nuclear age is the prevention of nuclear proliferation. The latest antiproliferation breakthrough has come in the welcome announcement that seven major industrialized nations led by the United States have agreed to limit the export of major nuclear warhead delivery systems. This is a first and critical step in preventing the spread to countries throughout the world of the capacity to fire nuclear weapons at a distant enemy. Imagine the nightmare world that would develop if 30 or 40 nations could launch attacks from any continent against an enemy no matter how distant. The five acknowledged nuclear powers—the United States, the Soviet Union, France, the United Kingdom, and China all have that power now. Four or five other nations might swiftly develop that power, especially if the seven major industrialized nations that have agreed not to do so, had decided to sell this deadly capability.

Of course, it is true that the Soviet Union, China, Israel, and others are not parties to the agreement. They might provide the deadly delivery systems. But there is no reason why these other nations could not be brought into the agreement. The Soviet Union has recognized the danger to itself of nuclear proliferation. Up until a few years ago China had sported a cavalier, so-what attitude toward nuclear proliferation. In recent years China has changed. It has been much more cooperative in opposing the spread of nuclear weapons. It might now be amenable to joining the agreement. Israel, South Africa, and other potential exporters might be persuaded to agree. We should try and try hard to achieve it.

Some have agreed that this agreement is minor league stuff. They contend that nuclear weapons have already spread. They charge the agreement comes too late, and is too limited. They say it locks the barn door. But it does so only after the cows have already wandered off the farm.

How wrong they are. Thirty years ago, when I came to the Senate, you could not find a Senator who did not believe that scores of nations would have full-fledged nuclear arsenals by 1980. And many of us believed that by 1987 a full-fledged nuclear war would have broken out somewhere on Earth. How wrong we were.

Think of it. The overwhelming majority of nations have signed the nonproliferation treaty. Most have agreed to international inspection to determine that weapons grade uranium and plutonium have not been diverted to the fabrication of nuclear weapons. And get this—most of the world's nations have agreed that the international inspectors can come into their country anytime. I repeat anytime. Most important of all they can come unannounced.

So nations throughout the world have agreed not to build nuclear arsenals. The recent agreement by seven major industrialized nations—all of them free democracies—to forgo the sale to any nation of the intercontinental ballistic missiles, the submarines, the bombers that can deliver nuclear warheads across oceans is exactly the right start, and I mean start, to supplement the nuclear nonproliferation treaty.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Can we realistically expect to build on the treaty by extending the agreement to other countries? Yes, indeed. We can also build by including a ban on the export of additional weapons systems of all sizes including artillery pieces specially designed for nuclear warheads. Why should this be difficult? This nonproliferation arms control is unlike superpower arms control. As we have discovered, superpower arms control can often develop unforeseen disadvantages for one of the two superpowers. It has proceeded by fits and starts. Forty years after the beginning of the nuclear weapons age, it has little to show for its efforts. But the effort to slow the spread of nuclear weapons has been different. It has been a winner. Why? Here is why. Antiproliferation arms control benefits all countries. It specially benefits the major industrialized nations that have the most to lose by the spread of nuclear arsenals to smaller countries that could become serious threats. This recently announced agreement brings significant promise.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The suggestion of the absence of a quorum having been made, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

COASTAL RESOURCES MANAGEMENT

Mr. WILSON. Mr. President, I am pleased to have joined my distinguished colleague from South Carolina in sponsoring S. 1412, a bill to give coastal States a greater voice in the management of our coastal resources.

The bill we introduced yesterday changes the standard by which it will be determined whether proposed Federal activities affect the coastal zone area. By substituting the words "significantly affecting" for "directly affecting" where it appears in the pertinent section of the Coastal Zone Management Act, State and Federal coastal zone administrators will be required to give considerable broader meaning to the CZMA mandate to protect and wisely manage our coastal zone resources.

The most immediate effect of this bill will be to subject OCS oil and gas lease sales to the CZMA review process. In a 1984 Supreme Court decision in U.S. versus California, the Court held that an oil and gas lease sale on the Federal Outer Continental Shelf need not be subject to State review under the "directly affecting" standard.

For California, this decision means that the Secretary of the Interior can lease the entire California OCS without once allowing the California Coastal Commission to share in this management decision under the authority of CZMA.

With enactment of the bill we have introduced, the key language of CZMA would be changed such that the coastal commission's management authority would be triggered by any proposed Federal activity "significantly affecting" the coastal zone. An OCS lease sale is covered by this standard and would thereby give the California Coastal Commission the opportunity to exercise its review authority under CZMA.

This review authority allows the coastal commission to determine whether the proposed lease sale is "consistent" with the commission's coastal zone management plan. For example, Secretary Hodel is proposing to lease vast reaches of the OCS offshore northern California in early 1989. Assuming that Congress allows that lease sale to go forward—a questionable assumption in itself given that we have been successful in stopping this lease sale for the last 5 years—this legislation will allow the coastal commission to review this proposed lease sale to determine whether OCS development off northern California will be consistent with the protection of the north coast.

In conducting this review, the commission would consider the effects of development on air quality, fishery resources, potential oil spills, related onshore development, visual aesthetics, and numerous other considerations. If the commission were to determine that this proposed lease sale, or any other future California OCS lease sale, was "inconsistent" with the coastal zone management plan, the lease sale would be scrapped unless the Secretary of Commerce—not the Secretary of the Interior—decided to overrule the commission's finding on national security grounds.

Without passage of this bill, there will be no opportunity for the coastal commission to share in the decisionmaking process on OCS development. They would not have an opportunity to weigh in until an oil company has spent millions of dollars in preparation of an OCS site and is prepared to install a drilling rig. By then, most of the key decisions will already have been made by the Interior Department without the benefit of the coastal commission views.

We need to pass this bill in order to avoid this result and strengthen the role of the State coastal management agencies in the shared management of our coastal resources. The coastal zone straddles Federal and State waters, and there is no reason why State agencies should be shut out of the decisionmaking process affecting this area. This is as much of a matter of States rights as anything else.

I applaud the leadership shown by the distinguished chairman of the Commerce Committee in introducing this bill, and I hope I can count on my colleagues' support.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I believe, under the order, I was to be recognized?

The ACTING PRESIDENT pro tempore. The majority leader is recognized for not to exceed 5 minutes.

Mr. BYRD. I believe I was also to be recognized for the purpose of calling up the trade bill.

The ACTING PRESIDENT pro tempore. The majority leader is correct.

THE CALENDAR

Mr. BYRD. Mr. President, before I proceed to call up the trade bill, there are some items on the calendar that I would like to inquire of the distinguished acting Republican leader as to whether or not they have been cleared on his side of the aisle.

I ask the acting leader as to whether or not calendar orders numbered 171, 175, 177, and 178 through 193 have been cleared for action on his side.

Mr. WILSON. They have.

Mr. BYRD. Mr. President, I thank the acting leader.

I ask unanimous consent that the Senate proceed en bloc to consider the calendar orders enumerated; that the amendments, where shown, be agreed to; that the preambles, where shown, be agreed to; that statements by Senators SHELBY and BUMPERS be printed at the appropriate places in the RECORD; that the motion to reconsider en bloc be laid on the table; and that the actions on the various measures be shown severally and independently in the CONGRESSIONAL RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

CONVEYANCE OF PUBLIC LANDS, ALABAMA

The Senate proceeded to consider the bill (H.R. 626) to provide for the conveyance of certain public lands in Cherokee, De Kalb, and Etowah Counties, AL, and for other purposes.

Mr. SHELBY. Mr. President, I support H.R. 626, a bill to provide for conveyance of certain public lands in Etowah, De Kalb, and Cherokee Counties in Alabama.

This legislation introduced by my friend and colleague, Congressman TOM BEVILL, has already been passed in the House and will help more than

500 landowners obtain clear title to almost 16,000 acres of their land in northeast Alabama.

Although it was not until a Federal court ruling in March of last year that widespread attention was focused on the situation, many of the landowners have lived on this land all their lives as their families did before them. They have not only assumed that they owned it, but they have been paying full property taxes on the land.

Individual families, however, are not the only ones affected. Some of the city of Gadsden's property, along with a number of Gadsden's schools, businesses and churches are also located on property partially owned by the Federal Government.

In 1856 the U.S. Government conveyed certain property to the State of Alabama for aiding in the construction of three railroads. The land was located within the overlapping 6-mile limits claimed by the Coosa & Chattooga and the Alabama & Chattanooga Railroads.

The act of 1856 provided that if a railroad was not built within a certain number of years, no further sale was to be made and the lands were to revert to the United States.

In 1882, the State of Alabama had conveyed the land not used to build the Coosa & Chattooga Railroad to the Alabama & Chattanooga Railroad, which was actually built. Later, some of that land was apparently purchased by private landowners. Under the Federal Forfeiture Act of 1890, the U.S. Government claimed title to the undivided one-half interest of Coosa & Chattooga Railroad land.

The partial U.S. interest was affirmed last year by the Federal court in United States versus Allied Products Company. As a result of this ruling, a number of constituents were not able to get insurance, loans, and construction contracts.

H.R. 626 authorizes and directs the Secretary of Interior to convey the Federal Government's rights to this land to a trustee who would then convey the interests to the current owners of record. The Federal Government will maintain its interest in the mineral rights and the transfer will be consummated at no cost to the Federal Government.

The merits of this legislation are quite clear, and I urge my colleagues in the Senate to support this legislation.

The bill was ordered to a third reading, read the third time, and passed.

AUTHORIZING FIREARMS FOR CERTAIN EMPLOYEES OF THE STRATEGIC PETROLEUM RESERVE

The bill (S. 836) to amend the Department of Energy Organization Act to authorize protective force personnel who guard the strategic petroleum reserve or its storage and related facilities to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the strategic petroleum reserve, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That a new section 661 is added to the Department of Energy Organization Act after section 660 (42 U.S.C. 7270) to read as follows:

"GUARDS FOR STRATEGIC PETROLEUM RESERVE FACILITIES

"SEC. 661. (a) Under guidelines prescribed by the Secretary and concurred with by the Attorney General, employees of the Department of Energy and employees of Department of Energy contractors while discharging their official duties of protecting the strategic petroleum reserve or its storage or related facilities and protecting persons upon the strategic petroleum reserve or its storage or related facilities may—

"(1) carry firearms, if designated by the Secretary and qualified for the use of firearms under the guidelines, and

"(2) arrest without warrant any person for an offense against the United States—

"(A) in the case of a felony, if the employee has reasonable grounds to believe that the person—

"(i) has committed or is committing a felony; and

"(ii) is in or is fleeing from the immediate area of the felony; and

"(B) in the case of a felony or misdemeanor, if the violation is committed in the presence of the employee.".

SEC. 2 A new section 662 is added to the Department of Energy Organization Act after section 661 added by this Act to read as follows:

"TRESPASS ON STRATEGIC PETROLEUM RESERVE FACILITIES

"SEC. 662. (a) The Secretary may issue regulations relating to the entry upon or carrying, transporting, or otherwise introducing or causing to be introduced any dangerous weapon, explosive, or other dangerous instrument or material likely to produce substantial injury or damage to persons or property into or onto the strategic petroleum reserve, its storage or related facilities, or real property subject to the jurisdiction, administration, or in the custody of the Secretary under part B of title I of the Energy Policy and Conservation Act (42 U.S.C. 6231-6247). The Secretary shall post conspicuously on the property subject to the regulations notification that that property is subject to the regulations.

"(b) Whoever willfully violates a regulation of the Secretary issued under subsection (a) shall be guilty of a misdemeanor and punished upon conviction by a fine of not more than $5,000, imprisonment for not more than one year, or both.".

SEC. 3. The table of contents for the Department of Energy Organization Act is amended by adding after the item relating to section 660 the following new items:

"Sec. 661. Guards for strategic petroleum reserve facilities.

"Sec. 662. Trespass on strategic petroleum reserve facilities.".

SMALL BUSINESS ACT AMENDMENTS

The Senate proceeded to consider the bill (H.R. 2166) to amend the Small Business Act and the Small Business Investment Act of 1958.

Mr. BUMPERS. Mr. President, I rise today, along with my distinguished colleague from Connecticut, the ranking member of the Committee on Small Business, to urge the Senate to pass H.R. 2166, a bill which would make several important improvements to current Small Business Administration programs. Following a vote of 337 to 41 for approval of the bill in the House, the Senate Small Business Committee unanimously approved the bill without amendment.

H.R. 2166 makes three technical amendments to the existing SBA authorization in Public Law 99-272. All three of these amendments are crucial to the continued smooth functioning of SBA programs, and all three were proposed by the administration in its fiscal year 1988 budget. First and most importantly, there is an increase in off-budget program authority for the section 504 Economic Development Program operated through the certified development companies. Under the present authorization, the section 503 Economic Development Program began private financing of the development companies' debentures which had previously been sold to the Federal Financing Bank. S. 408, which became law in Public Law 99-272, created a pilot program for financing of this program in the private capital markets, with an SBA guaranty.

In fiscal years 1986 and 1987, the "503 pilot program"—which actually became section 504—effectively split financing of the Economic Development Program between the Federal Treasury and private investors. For fiscal year 1988, however, the authorization bill was silent, at the insistence of our colleagues from the House. Their reasoning was that there was uncertainty as to whether or not the private debenture financing would be feasible for the program. The private financing program was worked beautifully, and it is now appropriate to complete the transition started under S. 408 by fully "privatizing" the CDC Program.

Two other programmatic changes are included in this bill: First, an increase in total surety bonding guaranty authority from $1.142 to $1.250 billion. There was some unpleasantness last year when this program ran out of authority before the end of fiscal year 1986. The increase is consistent with action taken by the Senate last year as an amendment to the debt limit measure; it is supported by the administration; and it has a very modest budget impact due to both fees charged by SBA for its guaranty and low defaults in the program. Second, H.R. 2166 authorizes $16 million to pay claims on prior defaults in the Pollution Bond Guaranty Program. Since these losses have already occurred, there is no policy choice to be made here. Full faith and credit requires that the claims be paid and the Appropriations Committee will have to appropriate the funds whether we act or not.

Time is of the essence with respect to H.R. 2166. The development companies will exhaust their existing off-budget authority within the next month and it would be both impractical and expensive to send them back to the Treasury for the remainder of fiscal year 1987. So I urge my colleagues to give favorable consideration to this measure and approve its passage.

The bill was ordered to a third reading, read the third time, and passed.

NATIONAL ACADEMIES OF PRACTICE

The bill (S. 104) to recognize the organization known as the National Academies of Practice, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 104

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. The National Academies of Practiuce organized and incorporated under the laws of the District of Columbia, is hereby recognized as such and is granted a charter.

POWERS

SEC. 2. The National Academies of Practice (hereinafter referred to as the "corporation") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State or States in which it is incorporated and subject to the laws of such State or States.

PURPOSES OF CORPORATION

SEC. 3. The purposes of the corporation shall be to honor persons who have made significant contributions to the practice of applied psychology, dentistry, medicine, nursing, optometry, osteopathy, podiatry, social work, veterinary medicine, and other health care professions, and to improve the practices in these professions by disseminating information about new techniques and procedures.

SERVICE OF PROCESS

SEC. 4. With respect to service of process, the corporation shall comply with the laws of the States in which it is incorporated and those States in which it carries on its activities in furtherance of its corporate purposes.

MEMBERSHIP

SEC. 5. Eligibility for membership in the corporation and the rights and privileges of members shall be as provided in the bylaws of the corporation.

BOARD OF DIRECTORS; COMPOSITION; RESPONSIBILITIES

SEC. 6. The board of directors of the corporation and the responsibilities thereof shall be as provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

OFFICERS OF CORPORATION

SEC. 7. The officers of the corporation, and the election of such officers shall be as is provided in the articles of incorporation of the corporation and in conformity with the laws of the State or States in which it is incorporated.

RESTRICTIONS

SEC. 8. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director of the corporation or be distrubuted to any such person during the life of this charter. Nothing in this subsection shall be construed to prevent the payment of reasonable compensation to the officers of the corporation or reimbursement for actual necessary expenses in amounts approved by the board of directors.

(b) The corporation shall not make any loan to any officer, director, or employee of the corporation.

(c) The corporation and any officer and director of the corporation, acting as such officer or director, shall not contribute to, support or otherwise participate in any political activity or in any measure attempt to influence legislation.

(d) The corporation shall have no power to issue any shares of stock nor to declare or pay any dividends.

(e) The corporation shall not claim congressional approval or Federal Government authority for any of its activities.

LIABILITY

SEC. 9. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

BOOKS AND RECORDS; INSPECTION

SEC. 10. The corporation shall keep correct and complete books and records of account and shall keep minutes of any proceeding of the corporation involving any of its members, the board of directors, or any committee having authority under the board of directors. The corporation shall keep at its principal office a record of the names and addresses of all members having the right of vote. All books and records of such corporation may be inspected by any member having the right to vote, or by any agent or attorney of such member, for any proper purpose, at any reasonable time. Nothing in this section shall be construed to contravene any applicable State law.

AUDIT OF FINANCIAL TRANSACTIONS

SEC. 11. The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end thereof the following:

"(64) National Academies of Practice.".

ANNUAL REPORT

SEC. 12. The corporation shall report annually to the Congress concerning the activities of the corporation during the preceding fiscal year. Such annual report shall be submitted at the same time as is the report of the audit for such fiscal year required by section 3 of the Act referred to in section 11 of this Act. The report shall not be printed as a public document.

RESERVATION OF RIGHT TO AMEND OR REPEAL CHARTER

SEC. 13. The right to alter, amend, or repeal this charter is expressly reserved to the Congress.

DEFINITION OF "STATE"

SEC. 14. For purposes of this Act, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

TAX-EXEMPT STATUS

SEC. 15. The corporation shall maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code.

TERMINATION

SEC. 16. If the corporation shall fail to comply with any of the restrictions of provisions of this Act the charter granted hereby shall terminate.

RECOGNITION OF THE BIRTH AND ACHIEVEMENTS OF ALDO LEOPOLD

The joint resolution (S.J. Res. 40) to give special recognition to the birth and achievements of Aldo Leopold, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 40

Whereas January 11, 1987, marks the one-hundredth anniversary of the birth of Aldo Leopold;

Whereas Aldo Leopold is an undisputed pioneer of wildlife management and wilderness ecology;

Whereas Aldo Leopold's land ethics, which "changes the role of *Homo sapiens* from conqueror of the land-community to plain member and citizen" by "simply enlarg[ing] the boundaries of the community to include soils, waters, plants, and animals, or collectively: the land", has inspired and encouraged the protection and wise management of our renewable natural resources;

Whereas the teaching of Aldo Leopold, so eloquently captured in A Sand County Almanac, continued to be read and enjoyed by millions of Americans: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Congress of the United States give special recognition to the achievements of Aldo Leopold and urges Federal land management agencies to model their activities after the conservation ethic he has inspired.

NATIONAL DIABETES MONTH

The joint resolution (S.J. Res. 44) to designate November 1987 as "National Diabetes Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. RES. 44

Whereas diabetes is the third leading cause of death, killing more than all other diseases except cancer and cardiovascular diseases;

Whereas diabetes afflicts 11 million Americans and over five million of these individuals are not aware of their illness;

Whereas nearly $14,000,000,000 annually are spent on health care costs, disability payments and premature mortality costs due to diabetes;

Whereas up to 85 per centum of all cases of non-insulin dependent diabetes may be preventable through greater public understanding, awareness, and education;

Whereas diabetes is particularly prevalent among black, Hispanic, and Native Americans, and women;

Whereas diabetes is the number one cause of new blindness in people between the ages of twenty and seventy-four, and is a leading cause of kidney disease, heart disease, strokes, birth defects, and lower life expectancy, the severity of which all may be reduced through greater patient and public understanding, awareness, and education: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November 1987 is designated as "National Diabetes Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that month with appropriate programs, ceremonies, and activities.

BENIGN ESSENTIAL BLEPHAROSPASM AWARENESS WEEK

The joint resolution (S.J. Res. 48) designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 48

Whereas benign essential blepharospasm is a little known eye-related disease, causing involuntary and usually uncontrollable spastic contraction of muscles around the eyes;

Whereas approximately 25,000 to 30,000 Americans are afflicted with blepharospasm, which is progressive and ultimately causes functional blindness;

Whereas the Benign Essential Blepharospasm Research Foundation, Incorporated, was begun with the purpose of finding the cause and a successful cure for benign essential blepharospasm;

Whereas this important foundation sponsors programs and activities to create an awareness of blepharospasm in the medical community as well as in the general public, organizes support groups throughout the country to encourage communication among persons with the disease, and it seeks to raise money through public and private contributions to be used for research;

Whereas research scientists from around the country are extremely interested in research on this little known malady and are submitting grant applications to the National Institutes of Health to study benign essential blepharospasm; and

Whereas increased public awareness of the disease and its victims will be a tremendous benefit to the victims of this disease and will lead to increased medical research and awareness, as well as available information and advice for those afflicted with benign essential blepharospasm: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 14, 1987, through September 20, 1987, is hereby designated as "Benign Essential Blepharospasm Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL CZECH AMERICAN HERITAGE WEEK

The joint resolution (S.J. Res. 51) to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 51

Whereas since the immigration of the first documented Czech settler, Augustine Herman, to New Amsterdam in 1633, Czechs and Americans of Czech descent have played a vital role as contributors to United States rural and urban life;

Whereas Czech immigrants, seeking religious, economic, and political freedom, have throughout the years contributed significantly to the arts, sports, education, and commerce;

Whereas Czech immigrants, fleeing the communist regime in 1948 and the 1968 Soviet led invasion of Czechoslovakia, represent the latest in the tradition of Czech immigrants seeking political freedom in the United States, and are particularly noteworthy for their impressive contributions in literature and other intellectual and professional pursuits;

Whereas in the 19th century Czech immigrants established hundreds of gymnastic clubs, known as "sokols", throughout the United States, and this dedication and aptitude for sports continues and is well embodied in the accomplishments of the recent Czech immigrants, Martina Navratilova, the number one ranked women's tennis player in the world for the past five consecutive years; and

Whereas the state of Nebraska has the largest percentage of Czech descendants per capita, and the town of Wilber, Nebraska, known as the Czech capital of the United States, celebrates its 26th Annual National Czech Festival on August 1-2, 1987: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on July 27, 1987, and ending on August 2, 1987, is designated as "National Czech American Heritage Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such period with appropriate ceremonies and activities.

NATIONAL JOB SKILLS WEEK

The joint resolution (S.J. Res. 72) to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 72

Whereas one of the most critical problems facing the Nation is to foster the development of a national work force that can meet the challenges of today and tomorrow;

Whereas work in the United States is undergoing rapid and profound change;

Whereas advances in technology will require new skills not now held by the national work force;

Whereas it is predicted that through the remainder of this century, businesses will experience a shortage of entry level skilled workers;

Whereas the skills of many young adults and teenagers are inadequate to perform jobs that are becoming available, thereby contributing to a much greater than normal unemployment rate among young people;

Whereas the ability to maintain a competitive and productive edge necessary for a strong economy and relatively high standard of living are dependent on the national work force;

Whereas the productivity and ability of the Nation to compete in a world economy are dependent on the national work force; and

Whereas a National Job Skills Week can serve to highlight the many changes that are underway in the workplace which have necessitated the learning of new skills, concentrate attention to present and future work force needs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 11, 1987, through October 17, 1987, is designated as "National Job Skills Week" and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States and interested groups to observe such week with appropriate programs and activities.

OBSERVANCE OF THE BICENTENNIAL OF THE NORTHWEST ORDINANCE OF 1787

The joint resolution (S.J. Res. 82) to authorize and request the President to issue a proclamation calling upon the people of the United States to observe the bicentennial of the Northwest Ordinance of 1787, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 82

Whereas on July 13, 1787, the Congress of the United States, as established by the Articles of Confederation, enacted a law entitled "An Ordinance for the government of the territory of the United States northwest of the river Ohio";

Whereas such law, known as the Northwest Ordinance of 1787, provided for the settlement and civil governance of the Northwest Territory from which all or part of the States of Ohio, Indiana, Illinois, Michigan, Wisconsin, and Minnesota were subsequently formed;

Whereas the Northwest Ordinance of 1787 provided that States formed in the Northwest Territory would be admitted into the Union on an equal footing with the original States and admission into the Union on this basis was subsequently applied to States formed in other territories of the United States;

Whereas the Northwest Ordinance of 1787 led to the orderly development of the Northwest Territory;

Whereas the Northwest Ordinance of 1787 recognized the dignity of the individual without regard to race, religion, or national origin and provided for the equality of civil rights for all people by prohibiting slavery and involuntary servitude in the Territory, thereby preceding the Bill of Rights; and

Whereas the Northwest Ordinance of 1787 encouraged public education by providing for free public education within the local community: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That insomuch as the Northwest Ordinance of 1787 is one of the fundamental legal documents of the United States, providing an early example of the commitment of the people of the United States to democratic principles, religious freedom, and individual rights, the President is authorized and requested to issue a proclamation, as soon as practicable after the date of enactment of this joint resolution, calling upon the people of the United States to observe the bicentennial of the Northwest Ordinance of 1787 with appropriate programs, ceremonies, and activities.

NATIONAL COMMUNITY EDUCATION DAY

The joint resolution (S.J. Res. 87) to designate November 17, 1987, as "National Community Education Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 87

Whereas public education is a community enterprise, and everyone in the community has a stake in the mission of educating adults as well as the community's children;

Whereas local citizens have a right and a responsibility to be involved in deciding how the educational resources of the community should be used;

Whereas education reform should, in the words of A Nation at Risk, "focus on the goal of creating a Learning Society";

Whereas the goal of community education is to promote parental involvement, lifelong learning, and educational partnerships;

Whereas each community should promote the use of community resources in schools and colleges, citizen involvement in educational decisionmaking, the use of community resources to provide educational opportunities for learners of all ages and educational backgrounds, and interagency cooperation to assure effective use of limited resources; and

Whereas community education encourages the participation of all generations: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That November 17, 1987, is designated as "National Community Education Day", and the President is requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

COMPUTER LEARNING MONTH

The joint resolution (S.J. Res. 103) to designate October 1987, as "Computer Learning Month," was considered, ordered to be engrossed for a third reading, read the thrd time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 103

Whereas computer-based technologies are playing a great role in the social, educational, and economic development of our country and its citizens;

Whereas expanding the understanding and application of computers are essential to maintaining United States competitiveness in commerce, industry, and international trade;

Whereas educators at all levels are increasingly incorporating computers into their curriculums as a teaching tool;

Whereas students of all ages are beginning to utilize computers in all subjects of study;

Whereas it is incumbent upon present and future generations of Americans from all economic backgrounds to familiarize themselves with the computer-based terchnology that has become such an integral part of society, in order to actively participate in an increasingly complex and technologically dependent world; and

Whereas the United States should take every opportunity to encourage all parents, students, educators, public officials, and businessmen to better understand computers to accomplish integration of computer-based technology into our diverse society: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October, 1987, is designated as "Computer Learning Month" to expand public awareness of the growing importance of computers in each of our lives, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such month with appropriate ceremonies and activities, and to encourage State and local public and educational officials to promote the effective use of technology by all constituencies in their communities so that more Americans are afforded the opportunity to learn to use computers.

GERMAN-AMERICAN DAY

The joint resolution (S.J. Res. 108) to designate October 6, 1987, as "German-American Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 108

Whereas the tricentennial of the arrival of the first German immigrants to the United States was celebrated on October 6, 1983;

Whereas such day was proclaimed by the President to be German-American Day in honor of the contributions made by German immigrants to the life and culture of the United States;

Whereas such contributions should be recognized and celebrated every year; and

Whereas the German-American Friendship Garden, symbolic of friendly relations between West Germany and the United States, will be dedicated in the District of Columbia in the near future: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 6, 1987, is designated as "German-American Day", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

NATIONAL SCHOOL YEARBOOK WEEK

The joint resolution (S.J. Res. 109) to designate the week beginning October 4, 1987, as "National School Yearbook Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 109

Whereas educating the young people of the United States is essential in ensuring that the United States continues to make economic and cultural progress;

Whereas the communication of the educational achievements of students and educational institutions in the United States has a vital impact on the people of the United States;

Whereas school yearbooks provide vivid pictorial and editorial insights into such educational achievements;

Whereas the thousands of young people who produce school yearbooks each year receive significant editorial, photographic, and business experiences;

Whereas a recent study conducted by the American College Testing Program has shown that college freshmen who worked on a yearbook staff in high school have higher ACT composite scores, perform better on standardized college writing tests, and achieve higher grade point averages during their first year of college than freshmen with no high school yearbook experience;

Whereas school yearbooks provide valuable historical documents for educational institutions; and

Whereas school yearbooks have been an important part of the culture of the United States for approximately two centuries; Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning October 4, 1987, is designated "National School Yearbook Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

The joint resolution (S.J. Res. 121) designating August 11, 1987, as "National Neighborhood Crime Watch Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 121

Whereas neighborhood crime is of continuing concern to the American people;

Whereas the fight against neighborhood crime requires people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers;

Whereas citizens across America will soon take part in a "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 9 o'clock postmeridian on August 11, 1987, with their neighbors in front of their homes; Now therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 11, 1987, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

GAUCHER'S DISEASE AWARENESS WEEK

The joint resolution (S.J. Res. 122) to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows;

S.J. Res. 122

Whereas Gaucher's disease is caused by the failure of the body to produce an essential enzyme;

Whereas the absence of such enzyme causes the body to store abnormal quantities of lipids in the liver and spleen and frequently has an adverse effect on tissues in the body, particularly bone tissue;

Whereas among Jewish persons, Gaucher's disease is the most common inherited disorder affecting the metabolism of lipids, which are one of the principle structral components of living cells;

Whereas there is no known cure for Gaucher's disease and no successful treatment of the symptoms of the disease;

Whereas the increased awareness and understanding of Gaucher's disease by the people of the United States can aid in the development of a treatment and cure for the disease;

Whereas the National Gaucher's Disease Foundation provides funds for research in the United States with respect to the disease; and

Whereas research and clinical programs with respect to Gaucher's disease should be increased: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on October 18, 1987, and ending on October 24, 1987, is designated as "Gaucher's Disease Awareness Week," and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such period with appropriate ceremonies and activities.

POLISH AMERICAN HERITAGE MONTH

The joint resolution (S.J. Res. 135) to designate October 1987, as "Polish American Heritage Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows;

S.J. Res. 135

Whereas, since the 1st immigration Polish settlers to Jamestown in the 17th century, Poles and Americans of Polish descent have distinguished themselves by contributing to the development of arts, sciences, government, military service, athletics, and education in the United States;

Whereas Kazimierz Pulaski, Tadeusz Kosciuszko, and other sons of Poland came to our shores to fight in the American Revolutionary War and to give their lives and fortunes for the creation of the United States;

Whereas the Polish Constitution of May 3, 1791, was modeled directly on the Constitution of the United States, is recognized as the 2d written constitution in history, and is revered by Poles and Americans of Polish descent;

Whereas Americans of Polish descent and Americans sympathetic to the struggle of the Polish nation to regain its freedom remain committed to a free and independent Polish nation;

Whereas Poles and Americans of Polish descent take great pride in and honor the greatest son of Poland, His Holiness Pope John Paul II;

Whereas Poles and Americans of Polish descent take great pride in and honor Nobel Peace Prize laureate Lech Walesa, the founder of the Solidarity Labor Federation;

Whereas the Solidarity Labor Federation was founded in August 1980 and is continuing its struggle against oppression by the Government of Poland; and

Whereas the Polish American Congress is observing its 43d anniversary this year and is celebrating October 1987 as Polish American Heritage Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 1987, is designated "Polish American Heritage Month", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

U.S. OLYMPIC FESTIVAL—'87 CELEBRATION AND U.S. OLYMPIC FESTIVAL—'87 DAY

The joint resolution (S.J. Res. 138) to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival—'87 Celebration," and to designate July 17, 1987, as "U.S. Olympic Festival—'87 Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 138

Whereas thousands of American athletes participate annually in the Olympic movement all over the world;

Whereas United States Olympic Festival competitions enable each American athlete to promote amateur athletics, refine athletic skills in Olympic-type competitions, and generate camaraderie among potential Olympic athletes;

Whereas the past eight years have marked monumental strides in the development of the Olympic Festival movement;

Whereas the International Olympic Games are held every four years and are the culmination of athletic skill and prowess after countless hours of work and preparation;

Whereas U.S. Olympic Festival—'87 will take place beginning July 13, 1987, and ending on July 26, 1987, in Raleigh, Durham, Chapel Hill, Cary, and Greensboro, North Carolina, and will host 4,000 athletes, trainers and coaches, 7,000 volunteers, and over 300,000 spectators;

Where U.S. Olympic Festival—'87 is the premier event of the United States Olympic Committee; and

Whereas American athletes will compete in over 34 sports in a display of skill and unity which signifies American unity and exemplifies the spirit of the Olympic movement: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on July 13, 1987, and ending on July 26, 1987, is designated as "U.S. Olympic Festival—'87 Celebration," and July 17, 1987, is designated as "U.S. Olympic Festival—'87 Day," and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such period and day with appropriate programs, ceremonies, and activites.

NATIONAL MEDICAL RESEARCH DAY

The joint resolution (S.J. Res. 142) to designate October 1, 1987, as "National Medical Research Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 142

Whereas America's medical research enterprise has been, and will continue to be, the acknowledged world leader in promoting health and preventing disease and disability;

Whereas America's medical research (defined for purposes of this Joint Resolution as biomedical and behavioral research) continuously contributes to the discovery of new knowledge that will lead to the improved health and well-being of Americans and of all humankind;

Whereas America's medical research enterprise continues to pioneer breakthroughs in the detection and treatment of diseases and promote the widespread and technologies to medical practice;

Whereas medical research has significantly contributed to bringing America's death rate to an all-time low and its life expectancy rates to all-time highs;

Whereas America's medical research enterprise has contributed enormously to the control and virtual worldwide eradication of epidemic diseases such as cholera, smallpox, yellow fever, and bubonic plague, and the prevention in this country of childhood diseases such as diphtheria, polio, tetanus, and pertussis;

Whereas medical research has successfully produced effective vaccines now widely used to combat measles, mumps, rebella, meningitis, pneumonia, influenza, rabies, upper respiratory diseases, and hepatitis B;

Whereas America's financial investment in medical research has consistently been rewarding with positive returns as measured by reduced morbidity, and improved individual productivity and health status;

Whereas the products and by-products of medical research contribute significantly to the health of America's overall economy and its ability to compete successfully in international commerce and trade;

Whereas medical research in this country has fostered a productive and ongoing positive public and private sector partnership among government, academia, industry, and voluntary organizations in the pursuit of research excellence and discovery;

Whereas the Congress of the United States has consistently demonstrated a Federal financial commitment to maintaining America's preeminence in medical research through support of such agencies as the National Institutes of Health, and Alcohol, Drug Abuse and Mental Health Administration, the Centers for Disease Control, and the Veterans' Administration.

Whereas the Congress and President of the United States have formally recognized 100 years of Federal support for medical research through resolution and proclamation commemorating the current Federal fiscal year as the National Institutes of Health Centennial year;

Whereas America's medical research enterprise has produced 85 internationally respected Nobel laureates in physiology, medicine, and chemistry and must continue to foster the interest and training of young scientists, medical practitoners, and other health professionals in research careers, as well as ensure the adequacy of the settings within which they will work;

Whereas America's medical researchers are working at the forefront of biomedical technologies which create exciting new medical research opportunities that hold the best hope for unraveling the mysteries of cancer, AIDS, Alzheimer's disease, arthritis, heart and lung diseases, mental illness, and the many other diseases and disorders which claim or severely impair the lives of millions of Americans; and

Whereas the Congress of the United States acknowledges with pride the many accomplishments of America's medical research enterprise and confidently looks to it for continued progress in relieving human suffering and conquering the diseases and disorders that afflict the people of this country: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the day of October 1, 1987, is designated as "National Medical Research Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

Mr. BYRD. Mr. President, I wish to ask the acting leader if Calendar Orders Numbered 195, 196, 197, and 198 have been cleared on his side of the aisle. I ask if the acting leader is ready to proceed with Calendar Orders Numbered 195 through 198.

Mr. WILSON. Yes, we are ready to proceed.

Mr. BYRD. I thank the acting leader.

I ask unanimous consent that the Senate proceed, en bloc, to consider these various calendar orders and that the amendments where shown, and preambles, where shown, be agreed to; that the motion to reconsider en bloc be laid on the table: and that the items be spread severally in the Record.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL ARTS WEEK

The joint resolution (S.J. Res. 154) to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution and the preamble, are as follow:

S.J. Res. 154

Whereas the performing arts, the visual arts, and literature are central to human expression;

Whereas our identity as a people and as a Nation is expressed through the arts;

Whereas support of the arts has been a partnership of Federal, State, and local government entities, businesses, and individuals;

Whereas designating a National Arts Week provides a focal point to celebrate the diverse cultural heritage of the United States and the vitality of contemporary writers, artists, and performers; and

Whereas designating a National Arts Week brings together the public and private sectors to restate support of the arts: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on November 15, 1987, and ending on November 22, 1987, is designated as "National Arts Week", and the President is authorized and requested to issue a proclamation calling upon the citizens of the United States to observe such period with appropriate programs and activities.

LUPUS AWARENESS MONTH

The joint resolution (S.J. Res. 157) to designate the month of October 1987, as "Lupus Awareness Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 157

Whereas Lupus Erythematosus is a disease of unknown cause that affects over five-hundred thousand people in the United States, 90 percent of whom are women in their childbearing years;

Whereas Lupus Erythematosus, though not a rare disease, is unfamiliar even to some physicians which may result in the disease being misdiagnosed or diagnosed too late;

Whereas Lupus Erythematosus in the most severe form can be fatal;

Whereas The Lupus Foundation of America, Inc., its constituent chapters, and other voluntary health organizations are established throughout the United States to serve and support victims of lupus and their families, encourage funding for research, and increase public awareness; and

Whereas the public and the Federal Government are not sufficiently aware of the incidence of Lupus Erythematosus: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1987, is designated as "Lupus Awareness Month" and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe the month with appropriate programs, ceremonies, and activities.

CLEAN WATER DAY

The joint resolution (S.J. Res. 160) to designate July 25, 1987, as "Clean Water Day," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 160

Whereas fresh, pure water is inextricably linked to our Nation's culture and heritage and is an invaluable resource to be cherished and protected;

Whereas every American should be able to draw upon the abundant resources of our rivers, lakes, streams, and underground water supplies to enjoy clean and safe drinking water;

Whereas our coastal waters produce a rich bounty of fish and seafood without equal, and our inland waters nourish an agricultural system that feeds the world;

Whereas millions of Americans and visitors to our Nation enjoy our rivers, lakes, stream, and oceans for fishing, swimming, boating, and other recreation each year;

Whereas the Nation's trade and commerce were built upon our waterways, and water related jobs bring continued vitality to our economy; and

Whereas it is important to recognize and appreciate the natural beauty and wealth that our waterways have to offer us: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 25, 1987, is designated as "Clean Water Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe that day with appropriate ceremonies and activities.

NATIONAL FAMILY BREAD BAKING MONTH

The joint resolution (S.J. Res. 163) to designate the month of November 1987, as "National Family Bread Baking Month," was considered, ordered to be engrossed for a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, and the preamble, are as follows:

S.J. Res. 163

Whereas baking bread in the home is a long-standing American tradition, and has contributed to the well being and nutrition of the family since the earliest days of colonial settlement;

Whereas family bread baking utilizes American agricultural commodities and the products thereof (notably wheat, rye, corn, dairy products, sugar, and eggs), resulting in a significant contribution to the economies of the State in which these commodities are grown and produced;

Whereas homemade bread provides health benefits and valuable nutrients to the American diet; and

Whereas family bread baking contributes to the strength and unity of the family, and provides an important means for educating future generations about American traditions and values: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of November, 1987, is designated as "National Family Bread Baking Month", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

ORDER TO INDEFINITELY POSTPONE S.J. RES. 145, NATIONAL OUTWARD BOUND WEEK

Mr. BYRD. Mr. President, this request has been cleared on the other side.

I ask unanimous consent that Calendar Order No. 194 be indefinitely postponed.

Mr. WILSON. There is no objection.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank the distinguished Senator from California, Mr. Wilson.

Mr. President, I understand that Mr. Wilson has 5 minutes that he would like to speak. I would like to proceed to call up the bill, in accordance with the order. The distinguished Republican leader stated to me last night that it would be all right to proceed with the bill even if he were not on the floor at the time. So that has been cleared.

I will call up the bill and then the distinguished managers of the bill, Mr. Bentsen and Mr. Packwood, are here and they will proceed with their speeches.

I ask unanimous consent, if it is agreeable with the distinguished manager of the bill and the ranking manager, that the distinguished Senator from California, Mr. Wilson, may speak out of order not to exceed 5 minutes, but that his speech appear at another place in the Record.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

Mr. BYRD. Mr. President, I now call up the omnibus trade bill which is placed on the calendar as of yesterday.

The ACTING PRESIDENT pro tempore. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen the United States trade laws, and for other purposes.

The Senate proceeded to consider the bill.

Mr. BYRD. Mr. President, I have a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will please state the inquiry.

Mr. BYRD. Mr. President, under the order previously entered, am I authorized, after consulting with the distinguished Republican leader, at any time to call this bill back before the Senate in the event it is set aside for other business from time to time?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. BYRD. I thank the Chair.

Mr. President, I was pleased earlier today to call up the Omnibus Trade and Competitiveness Act of 1987.

This legislation represents the hard work of nine different committees over the past 6 months. A large number of Senators have put their stamp on this legislation in one way or another.

Our national well-being today depends on our ability to compete effectively in the world economy. To do that, we must have an effective trade and competitiveness policy. This administration has not devised, adopted, or carried out such a policy. In fact, it has had a record of neglect in trade negotiations, education, training, civilian technology, exchange rates, energy policy, and specific industries in crisis. It is a record that makes us less competitive today than we were 6 years ago.

As painfully demonstrated in my State of West Virginia, the United States—the bulwark of the free world—has been neglecting its industrial base. This great Nation has been sacrificing its economic strength in the pursuit of outmoded trade policies. The United States still hews to policies that may have made sense in the late 1940's, when the United States enjoyed overwhelming strength in the world economy. But, with so many formidable competitors today, we cannot afford to leave our trade policy hostage to trade ideologues, and weak-kneed diplomats.

We have all heard the charge that any trade bill coming out of a Democratic Congress would inevitably be "protectionist." It gets repeated so often that I would like to put it in some historical perspective. During each of the last two Congresses, I appointed task forces to investigate trade and competitiveness issues. One was headed by the Finance Committee's current chairman, Senator Bentsen. Senator Kennedy and Senator Bingaman led two other task forces. These task forces concluded that we need to put some backbone into our trade posture. They also strongly recommended that we put more resources into certain domestic programs that can improve our competitiveness.

This bill follows through on many of the recommendations of those task forces. It is antiprotectionist and it will make us more competitive in the future.

Contrary to the message of some editorial writers, we do not face a choice of extremes: free trade or protectionist isolation. Democrats steered the country away from the excesses of Smoot-Hawley in the 1930's toward pragmatic trade liberalization. We still retain the traditional goals of accessible markets, trade expansion, and global economic growth. Our commitment to improved training, education, science, research, and technology will advance those goals. We cannot achieve open markets or trade expansion in today's world economy with the naive trade position characteristic of this administration. It is time to make more pragmatic use of our leverage.

Last December, I proposed to a meeting of the soon-to-be Democratic chairmen of our committees, that we develop a multifaceted approach to our trade problems. That proposal was enthusiastically endorsed by them and by all Democrats at a subsequent plenary session in January. As this broad trade and competitiveness agenda has moved through the nine committees, it has won the support of most Senators on both sides of the aisle. All nine committees reported out their legislation with strong bipartisan support, and six committees voted unanimously to report their bills.

Never has the need for this legislation been more clear. This year, the Nation is running a trade deficit of roughly $165 billion and is borrowing from the rest of the world at a rate of $150 billion a year. Six years ago, we had a $36 billion trade deficit and the rest of the world was borrowing from us. Four years ago, the rest of the world owed us $141 billion, but today we owe the rest of the world $263 billion. This deterioration in our international balance sheet is intolerable.

The administration bears much of the responsibility for our huge trade deficits, and the rapid decline from the world's largest creditor to the world's large debtor. Its policies have stunted exports, spurred imports, and eroded our capacity to compete in world markets. When action was needed, this administration has often abused its discretion and done nothing. We, in Congress, intend to take constructive measures to correct these huge imbalances.

Mr. President, this bill includes a number of measures designed to boost exports. For example, it would force the administration to use more leverage to open foreign markets. The recent Venice economic summit provides further evidence of the need to use that leverage. Prior to that summit, the Senate adopted a resolution calling on Germany and Japan, as surplus nations, to commit to buy more imports. The administration agreed to seek such commitments. But it used no leverage and came away empty-handed.

Those two nations, and others, have been prospering for years with rapidly increased exports to us while, at the same time, they have failed to open their markets to our exports on an equitable basis. Today's bill provides this and future administrations with some new tools to pry open these closed foreign markets.

The United States has lost billions of dollars in exports of high technology equipment due to protracted internal battles within the administration over export licensing. Today's bill would reform that system and streamline export licensing procedures for our high technology manufacturers.

We have also lost export markets due to the debt crisis in the Third World. This bill sets forth a promising avenue to easing the Third World debt crisis so that American farms, factories, and mines can resume exports there.

The exchange rate affects both exports and imports. The bill before us today will force this and future administrations to forge a responsible exchange rate policy.

In the case of imports, the bill improves the enforcement of our laws against unfair trade practices. It also provides greater assurance of relief to an industry that is found to have suffered serious injury at the hands of flooding foreign imports and is committed to making itself more competitive.

The bill also creates new patent protection for American industries when they invent new processes of production.

In addition, it would assist small businesses to take full advantage of our export assistance and trade remedy laws.

This bill is about more than just trade policies. It will also help American industry to become more competitive. It includes two programs to train workers to become more productive. To help workers adjust and obtain needed training, it provides for notice of plant closings and mass layoffs. It provides stronger incentives for better instruction in mathematics and sciences in our schools. And it puts new emphasis and support behind our technology-related agencies.

With better educated, better trained workers, and more advanced technologies, American producers should be better able to compete more effectively to fend off import conpetition and regain foreign export markets.

The bill also improves our capacity to protect national security interests. For the first time, it sets deadlines for Presidential decisions to limit imports endangering the national security. In a recent case, the machine tool industry had to wait almost 4 years to obtain import relief under the existing national security trade provision. Under this bill, industries critical to our national security would have a decision within 9 months.

Another provision in the bill grants new authority for the President to prevent a foreign takeover of a U.S. company that would hurt our national security interests.

In summary, Mr. President, this omnibus bill presents a wide-ranging and forward-looking program to address our international economic problems. And, I applaud the hard work of all Senators who have tackled this important job. I particularly want to thank the chairmen and ranking minority members of the committees. They not only forged strong bills in their committees; they have also been most cooperative in resolving the jurisdictional issues and inconsistencies in pulling together the nine committees' bills. I hope that we can now move expeditiously to pass this legislation.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia yields the floor.

The Senator from California is recognized.

(The remarks of Mr. WILSON will be printed later in the RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, even before the 100th Congress convened there was a broad, bipartisan consensus on both sides of Capitol Hill that trade should be our No. 1 legislative priority. Beginning today that priority can become a reality as the Senate begins to consider one of the most urgent and important problems facing America.

Mr. President, over the next week or so I suspect we shall spend a great deal of time debating the nuances of trade policy. The trade bill deals with complex issues that offer no easy answers. On some points there is room for honest disagreement about the nature of the problem and the proposed solutions.

But on other issues there really can be no debate. Anyone who questions the need for trade legislation should consider what it means for the United States to be the greatest debtor nation in the history of mankind.

Earlier this week, the Department of Commerce told us the bad news. They reported that the United States now owes $264 billion to the rest of the world. That is an astounding figure, especially when we were the world's largest creditor nation when this administration came into office.

We have seen forecasts that our foreign debt may top $1 trillion by 1990. By that year we could be paying $30 to $50 billion a year in interest on that debt.

Trade is an important element in our foreign debt. There is no denying the fact that our trade deficit has exploded from $36 to $170 billion during the past 6 years.

Mr. BYRD. Mr. President, will the distinguished Senator yield?

Mr. BENTSEN. I will yield to the distinguished majority leader.

Mr. BYRD. Has not that debt more than doubled in just the past year?

Mr. BENTSEN. Well, what you have seen—yes, you have seen it double and you have now seen it exceed the debt of Mexico, Brazil, Argentina, all of them put together.

It would be difficult to overlook the 2 million American jobs—many of them high-paying jobs in the manufacturing sector—that have been lost to trade during the same period.

We cannot finesse our high-tech trade deficit or hide the fact that we are no longer the world's largest exporter. We can't duck questions about America's future ability to compete for world markets. In some areas the facts speak for themselves, and the facts suggest that in the short period of 4 years America ceased being the world's number one creditor and became the greatest debtor nation in the history of mankind.

At a time when we hear increasing talk about a global economy, America is unique in that we lack a coherent, consistent, well-thought-out policy on trade. Mr. President, this bill is intended to help remedy that deficiency.

Throughout our deliberations I have been careful not to overpromise on trade legislation. The bill before the Senate is not some magical cure-all for everything that ails the international trading system.

No trade bill can suddenly restore American competitiveness, adjust imbalances, and open world markets. But this trade bill does point America in the right direction. It starts us down the road to achieve those objectives. We cannot achieve those objectives without this bill.

For too long trade has been the neglected stepchild of American policy, the handmaiden of priorities and objectives considered more important. During the period when America totally dominated the world economy, it was safe, easy, and convenient to treat trade as an afterthought. In the years after World War II we could readily accept inequities in trade. It really didn't matter. Trade concessions became one of our many contributions to world economic recovery.

Those days are long over. Today we are dealing with tough, able competitors who offer no quarter in the marketplace. Our own economy has been internationalized. As trade has become an increasingly important component of economic growth, we have seen a return of merchantilism and a rising tide of protectionism.

There was pressure on the Finance Committee to react to those realities. Some people wanted us to turn inward and throw up barriers. But we resisted those pressures. We accepted a commitment to lead. We recognized that in an imperfect world of limited free trade, it was important for America to remain a leader in the quest for open markets and increased trade.

The objectives of this trade bill are to break down barriers, increase American competitiveness, and make trade policy a No. 1 priority in this country—just as it is for our competitors.

The Senate Finance Committee is responsible for the first nine titles of the trade bill. I'm proud of our product. We've put a positive spin on trade. We've produced legislation that is tough but fair. We have established a new framework for cooperation between Congress and the administration.

As many Senators are aware, there has been strong bipartisan support for a trade bill in this body for more than 2 years. Republicans and Democrats on the Finance Committee worked together on trade during the 99th and 100th Congresses. During the past 2 years our committee has held 60 days of hearings on trade and heard over 650 witnesses.

Back in January 1985, Senator BYRD—who was then the minority leader—formed a study group on trade and asked me to chair it. We issued our report in April 1985, and in October of that year I recommended trade legislation. Senate Democrats were also given an opportunity to make contributions to trade legislation that was considered prior to the 1986 elections.

Immediately after those elections, when it was apparent that Democrats would make trade an urgent legislative priority, I consulted with Senator PACKWOOD, Senator DANFORTH, and Senator MATSUNAGA. I instructed the staff of the committee to conduct bipartisan staff meetings on trade with representatives of all Finance Committee members present.

On February 5, 1987, we introduced trade legislation with 56 cosponsors, including 25 Republicans, and 6 of the 9 Republicans on the Finance Committee. I think that is convincing testimony to the bipartisan nature of our deliberations. We held 19 days of hearings on the bill.

On May 7, 13 weeks after it was introduced, we ordered the trade bill favorably reported to the Senate. The vote in committee was 19 to 1, which suggests to me that our proposals had a 95 percent approval rating after a very open, extensive, and thorough hearing process. One reason we won such broad support for the trade bill is that all its major provisions were drafted by the committee members themselves, or by the representatives of all Senators meeting together, and all were approved by bipartisan majorities.

So, Mr. President, the Finance Committee has not taken any short cuts. We haven't looked for the easy, partisan answers. We've tried to craft legislation that addresses the tough issues and merits the support of Senators, regardless of party.

We've taken that road because our objective is to enact trade legislation. Because we're looking for answers, not issues. We've tried to produce a bill that the President will sign, and we've worked with the administration throughout the process.

Last December I asked the President to work with us on trade legislation. I urged him to send us a trade bill. Unfortunately, we did not get that bill until after the Senate bill was introduced.

But when we considered the trade bill in the Finance Committee, leading administration figures testified. The provisions of the administration bill were before us. When we considered sensitive international aspects of trade policy, we consulted with Secretary Baldrige and Ambassador Yeutter behind closed doors.

We made an honest effort to bring the administration into the process. We wanted them on board. But we also aimed to produce a bill with such widespread support that it would inevitably become law, preferably with the President's support, but over his veto if necessary.

I think we have succeeded. We have achieved bipartisan consensus without sacrificing principle or settling for the least common denominator. We have produced legislation that merits overwhelming approval by the Senate.

It has not been an easy task. Anyone who has dealt with problems like trade and competitiveness understands their complexity, and I want to congratulate the majority leader for calling on all the relevant Senate committees to contribute to this process.

Since the first nine titles of the trade bill involve the work of the Finance Committee, I'd like to take a few moments to explain how they will help address our problems with trade and increase American competitiveness.

Our first premise is that the best way to solve the problem of world trade is to increase the volume of trade. Increasing world trade will require American leadership, and we cannot provide that leadership without trade legislation.

Second, we need a trade bill to pry open world markets that have been closed to us for decades.

Third, we need a trade bill to help promote our own international competitiveness.

Let me elaborate on each of those points. All the talk we hear about a global economy and rapidly expanding world trade is really a little premature. We have the potential, the infrastructure for a global economy, but the reality of the situation is that world trade has increased very little since 1980, when total world exports were about $2 trillion. Today that figure is not much changed. Trade has been stagnant, with world exports this decade growing at less than half the rate of the 1970's and a quarter of the rate of the 1960's. With population growing faster than exports, the practical result is that we are fighting over a shrinking trade pie. There is intense, cut-throat competition for markets, and the emergence of clear winners and losers in trade.

Unfortunately, right now the United States is standing with the losers. If we want to improve our performance and bring down the deficit, we must work to expand trade and increase our exports. An increase of 2½ percent a year won't do the job. Our goal should be to increase world exports by 50 percent by the end of the century.

America must be prepared to win its share of that increased trade. It will not come to us by default. We must also be prepared to take risks and lead the way.

In dollar terms, West Germany has surpassed the United States as the world's No. 1 exporter, and Japan could soon make us No. 3. But I have not seen the slightest bit of evidence to suggest that either of these nations is prepared to accept the mantle and the responsibilities of world leadership on trade. Are the Japanese and the Germans prepared to lead the way in opening up markets? Are they prepared to put their own farms and factories in the front line of world competition, as we have in the past? I doubt it.

The only nation with the will and ability to lead the world toward increased trade is the United States. That is why we are recommending that the Senate authorize a new round of trade negotiations. That is why we are encouraging this President and his successor to assume that leadership responsibility.

We recognize that leading the way to increased world trade does not mean using trade as a form of foreign aid or accepting barriers to our exports. Instead, what we have done in this legislation is to specify the objectives of the United States in future trade negotiations. Then we have required the President to set out his policies before certain favorable congressional procedures—like the fast track—can go into effect. We want our trade agreements to match up with the goals and objectives contained in this bill.

We also bar the President from using this authority unless the trade agreements he negotiates are mutually beneficial and enforceable.

We have refused to extend to the President the traditional authority to proclaim reductions in rates of duty—which has not been done for 7 years. Instead, we authorize him to negotiate trade agreements on both tariffs and nontariff matters which he must bring back to Congress for approval and implementation.

No President can be a strong and effective negotiator unless he has the support of the American people. And no President can be certain of that support unless he works with Congress.

For that reason we have included provisions that will make Congress a partner, and not a puppet, in our trade policy. The intent of these provisions is very clear: It says Congress may withdraw the fast track under special procedures if we are not fully consulted on trade. It says that Congress wants to be in on the takeoffs, as well as the landings in trade policy.

We have provided new negotiating authority. We have provided expedited procedures to implement trade agreements. And we have put the administration on notice that Congress must be an equal partner in the process.

We also concluded that this country must vigorously attack unfair foreign trade practices, particularly as they affect U.S. exports. The principle here is that countries that have full access to our markets must give us full access to theirs.

United States exports have been flat for the past 6 years. In 1981, our exports were valued at $233.7 billion; as of May they were running at an annual rate of $228.9 billion.

There are many reasons for that disappointing export performance—and we must accept some of the blame here at home. But to the extent our exports are stymied by unfair trade practices, tariffs, and nontariff barriers, that is totally unacceptable.

Those trade distortions are a double-edged sword. They deny us exports directly, but they have a much more important impact. Foreign trade barriers also increase prices to potential customers in those foreign countries. For example, the Japanese trade policies force Japanese consumers to pay far too much for food. If they bought rice from the United States at one-tenth the price they pay at home, the Japanese would have more money available to buy other products.

A recent study shows that the United States now sells $5.5 billion in farm products to Japan. Elimination of Japan's trade barriers would increase U.S. exports by $2.5 billion. But what has been overlooked is that reducing the agricultural trade barriers will increase non-agricultural U.S. exports to Japan by $5 billion per year.

So, in addition to considerations like fairness and justice, there is an important multiplier effect to be gained from eliminating trade barriers.

Our third priority was to use the trade bill to make America more competitive. Under current law, "adjustment" procedures rarely if ever go into effect.

Section 201 of the Trade Act is intended to promote adjustment, but in practice it has become solely an import protection law, and Presidents have been quite understandably reluctant to use it for fear of being branded as protectionists.

In many respects, section 201 is a vestige of that earlier day when America could afford to look upon trade as a sideline. But today, when our imports have increased by $200 billion in 6 years and now equal about 10 percent of our gross national product, trade has produced major, unpredictable, wrenching adjustments in our economy. We must be able to respond and adjust to new realities.

Someone who went to work in the semiconductor or the aircraft industry in 1980 looked pretty smart. Lumber producers and wheat farmers looked pretty smart 7 years ago.

Smart as they were, they could not anticipate the bloated dollar, the oil price crash, and the industrial policies of countries like Japan and Brazil. Technically, there may be nothing unfair about those policies, or the events that surrounded them.

But the reality of the situation is that millions of American workers were overwhelmed by the shifting sands of international trade. They didn't roll over and quit. They were ready to switch to other lines, innovate, try new products. What they needed was time, money, and the courage to stay in business long enough to ride out the storm and adjust. Most of those workers and those industries got little help or support when they needed it most.

This bill attempts to introduce some certainty into the adjustment process. It limits the President's discretion to do nothing about adjustment. Instead, it provides an incentive for the executive branch to promote adjustment efforts in these cases rather than simply write off an industry as a victim of trade.

But the affected industry must also do its part; it must be prepared to help itself if it seeks adjustment assistance. The worker who applies for assistance must agree to retrain to receive any benefit. Under current law, he is entitled to a benefit merely because imports contributed importantly to his unemployment.

The firm that applies for import protection under this bill will have a hard time getting relief unless it demonstrates how protection will assist it in returning to a competitive position. Under current law an industry can qualify for protection merely because imports caused serious injury.

Those are very significant differences. They introduce the carrot and the stick to the trade adjustment process. They provide a greater certainty of relief but require a greater effort on the part of potential recipients—efforts that can only enhance America's competitive position in the world. In my opinion, Mr. President, this whole adjustment question is central to the basic policies of the bill.

The trade legislation now before the Senate is over 1,000 pages long. I will not attempt to describe the important technology transfer and industrial targeting provisions drafted by Senator **Chafee**; the currency manipulation provisions drafted by Senator **Moynihan** and others; the reform of customs laws for duty-free enterprises drafted by the chairman of the Trade Subcommittee, Senator **Matsunaga**; the antidumping and countervailing duty provisions drafted by Senator **Heinz**; or the many other provisions each member of the committee and many members of the Senate contributed to this bill. There simply is not time to credit everyone who has crafted this bill.

This is important legislation; it has been the No. 1 priority of the Finance Committee. It responds to one of the most difficult and important problems facing America.

Some aspects of the trade bill are controversial. Despite our efforts at cooperation, the White House has expressed reservations. To those reservations I would reply that this legislation does not usurp Presidential privilege or seize power that does not belong to the Congress. It is certainly not protectionist.

But it does recognize that Congress has a clear constitutional role in the formation of trade policy, and it demonstrates that Congress is prepared to meet its responsibilities. It makes the point that America needs a tough, comprehensive bipartisan trade policy that recognizes reality, strives for fairness, and protects our vital national interests.

Mr. President, when it comes to trade policy, America can no longer afford the luxury of delay. We can't place our trust in invisible hands and rising tides. We can't waste another 2 years doing nothing.

This legislation gives us the tools to do a very difficult job. It establishes a partnership between Congress and the administration on trade policy that should enable us to work together for a stronger, more competitive America, while we lead the effort to build a more fair and open international trading system.

(Mr. SHELBY assumed the Chair.)

Mr. BENTSEN. Mr. President, I yield to my distinguished colleague, the ranking minority member, the Senator from Oregon [Mr. PACKWOOD].

Mr. PACKWOOD. Mr. President, let me begin by congratulating Senator BENTSEN on this, the first major legislation he has brought to the floor as chairman. Chairman BENTSEN took the committee through markup promptly and efficiently on a highly politically charged subject. He skillfully engineered several difficult compromises. He brought the committee closer to consensus than I would have thought possible a few months ago. The 19 to 1 vote for this bill out of committee was in large measure a recognition of and compliment to the chairman's leadership.

Senator BENTSEN's leadership on the trade issue is not new to this bill. Both he and Senator DANFORTH—among several other distinguished experts on the committee—have long been effective advocates in bringing to national attention some of the serious challenges confronting the United States in the international economic arena.

The United States today does indeed face major international trade problems. Some of our bedrock industries have lost their edge in international competition. At the same time, some of our finest new industries, truly competitive businesses, find that they can't sell overseas. We are running a trade deficit with more zeros on it than anyone could have imagined 10 years ago—or than most economists would have considered sustainable for more than a few months.

That huge trade deficit is being financed by massive borrowing from abroad, causing us to stack up debt to foreigners at the rate of a few billion dollars a week. This cannot continue indefinitely. Leaving the next generation with a trillion dollars in external debt is a cruel legacy.

Acknowledging the existence of a problem, however, we must not let ourselves be panicked into protectionism by grim statistics. On the contrary, it is precisely at this moment that we should be working hardest to open world trade, not close it down. The fact is that, one way or another, the United States will ultimately have to pay off its foreign debt with a trade surplus.

We are already headed in that direction. After months of waiting for a weaker dollar to reduce imports and increase exports, we finally see the trade data improving. The figures show that, in real terms, the U.S. trade deficit peaked in the third quarter of 1986. Since then, the real merchandise trade deficit has declined by more than 15 percent. Measured on a volume basis, between the third quarter of 1986 and the first quarter of 1987, exports increased by roughly $15 billion while imports declined by about $9 billion.

The figures show something else interesting. The United States has during this decade experienced explosive growth in imports; but it is the flagging exports statistics that tell a less well-publicized but equally important story. In 1980, imports were 9.4 percent of GNP; in 1986, imports were 9.2 percent of GNP. During the same period, exports fell from 7.9 percent of GNP to 5.2 percent of GNP. Thus, while imports have retained a relatively stable share of GNP, exports have dropped off dramatically.

So the challenge for the United States is not to concoct ever-more ingenious ways of keeping imports out of our markets. Excluding imports would only lower our standard of living and make our domestic industries less competitive in world markets. It would also guarantee that our exports would find rapidly shrinking opportunities overseas. The U.S. trade deficit cannot rationally be solved by limiting imports. Rather, the challenge for the United States is to ensure healthy growth in our export markets.

Can the trade laws achieve that? If we are talking about a fundamental correction in trade imbalances, the honest answer is: No, they cannot. The enormous U.S. trade deficit is driven largely by broader factors: high real interest rates and a strong dollar, Third World debt, increased agricultural self-sufficiency abroad, and so on. None of these elements can be affected significantly by any amendments to any of our trade laws.

But if we are talking about incremental steps to expand markets abroad, to pressure our trading partners to eliminate unfair trade barriers and practices, to promote the protection of intellectual property rights—then I believe the answer is: Yes, amending our trade laws can help. That is why I have supported the enactment of trade legislation this year.

The bill we reported out of the Finance Committee does contain several such positive, market-opening elements. First and foremost, the bill provides the President with a mandate for the recently launched Uruguay round of multilateral trade talks. Under the bill, legislation implementing the fruits of those talks would be considered by Congress on a fast-track basis.

Presidents of both parties have considered this fast-track authority essential for serious negotiations with our trading partners, who otherwise justifiably lack confidence that the President can deliver on any agreements made at the negotiating table. At the same time, Congress has an important constitutional role in trade agreements; so the bill provides a ready mechanism for removal of the fast-track authority should the President fail to consult adequately with the Congress.

If there is one important step we can take in this trade legislation, it is to give a strong push to the Uruguay round talks. In a host of areas—disciplining agricultural subsidies, promoting investment, protecting intellectual property, expanding services trade—these talks hold the best hope for creating the kind of international trading environment in which the United States can prosper again as a great exporting nation.

Some will say that there is no point in entering new agreements if the existing ones are ignored or ineffective. There is merit to that point of view. The issue of how to respond to unfair foreign trade practices—particularly barriers to U.S. exports—is one with which the Finance Committee struggled over the last year or more of hearings and deliberations. We debated repeatedly whether it makes sense to require the President to retaliate against unfair foreign trade practices.

I must say I shared the concerns raised by the administration and most of our witnesses about truly mandatory retaliation. It is possible to construct many hypotheticals in which retaliation—despite the existence of a foreign unfair trade practice—would greatly disserve both the injured U.S. industry and the broader national interest.

But I also found persuasive the arguments made by Chairman **Bentsen** and others that, by tolerating unfair practices in some special cases, we encourage them in all cases. There is a powerful national interest, which extends beyond individual cases, in making clear that the United States will not tolerate trade agreement violations. Indeed, even in individual cases, we would strengthen the President's hand in negotiating with our trading partners if he could say: The law gives me no choice; we must resolve this dispute over your unfair practice or I will be obliged to retaliate.

At the same time, none of us wants the United States to become an outlaw of the international trading system itself. So we agreed in committee on a provision containing a fairly strict requirement of retaliation against foreign unfair trade practices—but only if the practice violates a trade agreement, and only if the trade agreement's dispute settlement procedures have first been given a fair chance to operate.

Let there be no mistake that this is an extremely tough provision, which is not welcomed by the administration. But I believe the provision strikes the proper balance between insisting on enforcement of U.S. rights and responsible U.S. participation in the international trading system.

I was pleased, and I know Chairman **Bentsen** was too, at the broad consensus achieved on this tough new provision for responding to unfair foreign trade practices. We did not, however, arrive at a broad consensus on several other provisions of the bill, relating primarily to fairly traded goods. While voting for the bill, several members of the committee expressed grave misgivings about different provisions whose common feature was essentially this: They elevate the special interest of particular industries above the broader national interest.

The tension between special interests and the broader national interest is nothing new. Each of us faces it every day; it is part of the political process. But the entreaties of special interests for trade legislation, usually protecting themselves from imports, are especially insidious because—unlike normal tax or spending legislation—it often appears that no American will have to foot the bill for the special interest's benefit. It seems as if only foreigners will be disadvantaged by trade protection. But that just isn't true. Consumers—especially poor ones—will pay, through higher prices. U.S. exporters will pay, as our trading partners respond in kind to our market closing. And, in the end, the protected industry itself will probably pay, through a loss of competitiveness.

Some of the industries whose interests are elevated above the broader national interest in the Finance Committee bill include: the sugar refining industry, the fence panel industry, and the oil industry. I know that a number of my colleagues have concerns about these provisions, and I hope and expect that we will have an opportunity to address them during this floor debate.

Of even greater concern to me and several other Members, however, is a provision that is not directed at a particular special interest; rather, it is one that would institutionalize the elevation of special interests above the broader national interest. I am referring to the bill's overhaul of section 201 of the Trade Act of 1974, the statute that authorizes the President to provide import relief to industries seriously injured by fairly traded imports.

Under the Finance bill, once the International Trade Commission finds a domestic industry seriously injured by imports, whatever import relief the ITC believes is likely to "assist positive adjustment" in the industry must be implemented. Outside of two relatively narrow exceptions, the bill would completely eliminate the President's discretion under current law to reject import relief that is not in the national economic interest.

This means that the President would be required to impose broad-scale import protection—regardless of the devastating effect the tariffs or quotas might have on consumers; regardless of a possibly significant increase in inflation or other damage to the economy; regardless of massive retaliation that successful U.S. export industries might suffer. I'm not saying there aren't good cases for temporary import relief. But in deciding whether to place import restrictions on fairly traded imports, prohibiting consideration of the broader public good is begging for disaster.

A year ago this month, I spoke before this body to introduce a radical tax bill. I described the many special interests that had appeared before the Finance Committee to plead for preservation of their particular tax breaks. I emphasized that everybody in this country, in one way or another, belongs to a "special interest," and that these groups are by no means necessarily greedy or evil. But I also emphasized that the parochial desires of these groups could be at war with the broader public good—even with the good of the group itself.

So it is with trade legislation. My hope is that, for the common good, we can set aside the individual special interests, as we did with the tax bill. My concern is, above all, that we not institutionalize in our trade statutes the primacy of special interests over the national interest.

I reemphasize for my colleagues that the national interest is now, more than ever, in opening foreign markets, not in closing them around the world. There is an opportunity to pass good legislation here—to produce a bill the President will sign and will become law.

Mr. President, I voted for the bill coming out of committee with the caveat that if it was the same bill that we were finally sending to the President, I would vote no. I think on balance there are more negatives in it than positives, on balance. And I would rather let what trade laws we have run out than to enact laws that are worse than the current trade laws. I am hoping that the bill partially on this floor, maybe in conference, can be improved.

Rather than dwelling at length on what is in the trade bill itself, I want to talk a bit about the forces that have moved it, some of the forces that caused the passage of the Gephardt amendment in the House, some of the reasons I think we find ourselves in this quandary, and a full realization, I hope by everybody, that if we pass a perfect trade bill, and if the world had perfect trade laws, we would still have an immense balance of trade deficit. We had witness after witness after witness indicate that if all foreign trade barriers, unfair trade' barriers were knocked down, all flat, if they were all Hong Kongs—and I use that as an example because Hong Kong is perhaps the only existence in this world of an utterly free trade country if you can refer to Hong Kong as a country, no barriers coming in, no subsidies going out; we can sell them anything we can sell them from orange juice to Cadillacs—if all of the world was like Hong Kong, our trade deficit might be bettered by about 15 percent to 25 percent. Take 20 percent as an average. So for us to think that we are going to cure the trade deficit by the passage of any legislation, I mean cure it in the sense of getting it back to zero, the answer is no, we are not going to. We have problems far greater than in addition to just equality of trade laws throughout the world.

The genesis of this trade legislation was several years ago, in my judgment, in what we call domestic content laws propelled principally by the United Automobile Workers, in which they wanted to require that the bulk of the automobiles sold in this country be built in this country, or that a stated percentage of the content of the automobiles be built in this country. This was, of course, in response to the tremendous increase in the importation of foreign automobiles during the seventies.

I want to go back a bit, however, and explain why we got into this jam. After World War II, we were the paramount exporting country in the world, understandably. Germany was knocked flat. Japan was knocked flat. France, Italy, Great Britain, the then principal industrial countries, were knocked flat. They had spent themselves into bankruptcy in the war, had been devastated by bombardment. They were in no position to compete with us and our present Eastern competitors. The Thailands, the Chinese, the Taiwans, the Bangladeshes, the Singapores were either countries that did not exist or, if they did, they were primitive subsistence agricultural countries that were not serious competitors to us at all.

That was the situation in 1945, and it continued that way for all practical purposes until probably the midsixties. We faced no serious import competition in the United States—serious—until at the earliest the midsixties and we by and large dominated the export market throughout the world, dominated it well into the seventies. It was our heavy Caterpillar equipment that was bought in Australia and Brazil. It was our Kodak film that was the standard throughout the world. It was our Boeing airplanes that were sold everyplace and by and large to this day they are still successful at that. We were a colossus, striding about the world, dominating exports and little troubled about imports, so it is no wonder that in the early 1960's the attitude of this country, including the attitude of organized labor, was expand the exports, lower the trade barriers, we can compete anyplace, we are the United States. And so we had the Kennedy round of negotiations as we called them, named after the late President, in which we attempted to lower the trade barriers. We lowered some of our own. Other countries around the world lowered theirs, and we thought, Democrats thought, Republicans thought, labor thought, that this was a good step in the right direction.

Bear in mind at that stage, Mr. President, we really had no serious import competition in the United States to products manufactured in the United States. Therefore, a key element among all those who manufactured in the United States for the U.S. market was to keep their costs relatively equal. And as far as competitors were concerned, they did not care what their costs were so long as they were roughly the same as their competitors' costs. Where you saw this to an extraordinary degree was in the steel industry and in the auto industry and in the airline industry and in the trucking industry.

The airline industry and the trucking industry I will take first because they did not then and for all practical purposes do not now suffer from import competition. It is very difficult for foreigners to compete in our trucking industry because the trucks have to come here and run on our highways and hire our drivers and buy gasoline here and sleep in our motels and deliver our products, so it is an indigenous industry. And as far as foreign airlines are concerned, they are only allowed to fly in this country under reciprocal agreements with foreign industries. It is basically an indigenous industry. Those two industries were what were called regulated industries, trucks and air—trucks regulated by the Interstate Commerce Commission, the airlines regulated by the Civil Aeronautics Board—and they were guaranteed a profit.

They would come in with their costs, tell the Commission that regulated them what their costs were, and then the Commission would let them raise their rates, shipping rates in the case of shippers, airline rates in the case of airlines, so that they could recover a guaranteed profit. If their costs went up, why, then, what you had to pay to fly went up because their costs went up, and it went up and up. It did not matter what you paid so long as your competitors paid the same thing.

The labor leader that grasped this most significantly at first was Jimmy Hoffa in the trucking industry when he realized that if he could get a master contract for all over-the-road shippers—by master contract you paid the same whether your trucking company was in Miami or Seattle or San Diego or Bangor, ME—once you had that, so that the companies, if they competed at all had to compete on something other than wages, then in essence you had a sweetheart deal between the employers and the unions. And wages in that industry skyrocketed. The trucking industry went to the Interstate Commerce Commission and the Interstate Commerce Commission raised their wages.

The same thing happened in the airline industry. You had extraordinarily high wages in comparison to other industries with employees of similar educational background, similar age, similar physical characteristics, but they were not regulated.

Now, I use these two as examples because these two were regulated industries which had no foreign competition. Once they were deregulated—we deregulated the trucks and airlines in 1978—you have seen a tremendous increase in competition. You have seen airline passenger prices in terms of real money come down. You have seen competition flourish. There are still domestic industries with no foreign competition but they can no longer get from the Government a guaranteed profit.

Now I want to move to the steel and the auto industry because they in essence were, de facto, similarly protected although not by a Government agency per se. Up until the midsixties, there were no significant auto imports in this country. You had some German Volkswagens imported. They had a very small portion of the market. No Japanese cars of any consequence and no cars of any numbers from other countries.

The same was true of steel. While you had the Bethlehems and the U.S. Steels and the Wheelings, you had no Brazilian steel, no Korean steel, no Japanese steel, no German steel.

Both of those industries were heavily unionized. Both were also exporting industries. So long as Ford or General Motors or Chrysler had the same wages; so long as Ford, Chrysler, and General Motors were equally managed—whether that was well managed or badly managed did not matter so much as they were all equally managed—then they could all make a profit, because they had not competition.

That was also why in the 1960's, when we had the Kennedy trade round, the unions supported the lowering of the barriers. Any American industries that exported in the 1960's were almost uniformly and traditionally old American industries that were unionized. So exports meant more union jobs; and as there was no import competition, it was all to the good.

In the 1970's, when you started to see Japanese automobiles of good quality coming into this country and selling, when you began to see, in the early and mid-1970's, German steel, Japanese steel and, in the 1970's, Brazilian steel coming into this country, of good quality and competing and underselling the steel made in this country, and when you began to see autos coming into this country, then you started to have a reversal of positions; because now, for the first time, companies were facing competition.

They will tell you that they competed tooth and nail before there was any competition. They will tell you that Bethlehem and U.S. Steel went at it hammer and tong, trying to beat each other out of markets, and they did; but they did it on the basis that they all had high costs and it did not matter. In my opinion, they had equally inept management, but it did not matter, because they were competing against other inept managements.

When the competition came in, they began to squirm and they were squeezed and they started to squeal, and the squeals were a variety: unfair competition, low wages, government subsidies, phrased in a variety of ways; but all it meant was that competition was coming to this country in industries that previously had not faced competition.

The turn has come completely. The AFL-CIO had traditionally supported free trade, lowering the barriers in 1962. The conservatives and Republicans generally were a little more timorous about it, not necessarily wanting to go that route. We find a switch of position, and the AFL-CIO leading those who want protection, and the Republican saying, "Let's have full, worldwide, and fair competition, and let the chips fall where they may."

I understand the reversals. I understand the position of the AFL-CIO, because, to the extent that there is competition in our big, old industries—autos, steel, chemistry—those are unionized jobs; and the unions lose members because, unfortunately, they have been less than successful in organizing the new industries or the import industries in this country.

So it is perfectly understandable. I do not blame them. I understand why they are doing what they are doing. I understand business leaders. For all their talk about competition, in many cases they really do not believe it and they really do not want it. Long before this trade bill came before us, everybody in this body who has been here 2, 4, 6, 8, or 10 years—or, in my case, 19 years—is familiar with the business person who comes in and says: "I'm a free enterpriser, and I can compete with anybody, anyplace; but our industry is unique; our industry is not like wheat, boat building, textiles, or forestry. It has problems that do not exist in any other place in this country or any other place in this world, and we need help, protection."

Because they are so close to the forest, they do not see the trees. They see their business and their business being competed with, and they really do not like it.

When you get a situation where you have a old, unionized industry, you have management which does not like the competition and the unions which do not like competition—I am talking about foreign competition—joining together and saying, "Keep out the foreign devil," that is all understandable. The question is, is this Congress going to cotton to that argument? I hope not.

The country that is often cited as the example is Japan: closed markets, Government support of industries, loans to fledgling industries. That has always been Japan. That was Japan before World War II. That was Japan before this century, and we never complained about it in 1945, 1955, 1965. We did not even complain about it in 1970. The country has not changed; their practices have not changed. We complain now because they are very successful competitor with us.

Mr. President, we do have tremendously unfair trade practices in many aspects, and I will get to those. But Japan does one thing well that we do not do. What Japan does well is to decide which industries they are going to remain in and which industries they are going to get out of. They try to look as far ahead to the future as they can and make that decision as consciously as they can by saying: "What are we good at? What can we continue to be good at? What are the things we had better let slide to other countries, because they are going to slide anyway and we will be beaten?"

Example: Aluminum. Aluminum is a very heavy energy-use industry. The electrolytic process for smelting aluminum takes a tremendous amount of energy; and you will find aluminum companies locating in the United States, locating in the world, where they are given very low electric rates.

Japan is a very energy-poor country. They import almost 90 percent of their energy. They have no oil, very little coal, very little natural hydroelectic power. So energy is a very dear quality to them. They decided that they were going to phase down the aluminum industry, and they made a conscious decision to do so. They passed a temporary measure for stabilization of depressed industries in 1978 and phased aluminum from 8,500 to 4,000 employees, and continue downward. They simply realized that they could not compete in this industry. They were generous in their worker relocation and retraining, and that is something we should do. They said: "As a matter of conscious policy, this is not an industry we can justify subsidizing and supporting."

Textiles and apparel—and I use the two words in a very distinct and separate sense. Textiles is the cloth. Apparel is the cloak.

In 1963, Japan was first in the world in textile exports—first. From then to now, Japan has made a conscious effort to stay in the textile industry.

It is most likely what we would call the higher end of the textile industry, very fine fabrics, very relatively expensive designs, and Japan has continued to do quite well and today they are still second in the value of textile exports, not volume, value of textile exports.

But apparel is the interesting flip side of the textile and apparel industry.

In apparel in 1963 Japan was forth in terms of exporters in the world. Today they are 17th and falling.

Japan made a conscious decision to get out of the apparel industry and if you go buy clothes today you will see labels made in Pakistan, Bangladesh, Hong Kong, Taiwan, People's Republic of China, Brazil, India. You very seldom find a garment made in Japan because Japan consciously decided that there was so much handwork in apparel and that their wages were rising sufficiently that they could not complete with Bangladesh, Singapore, Malasia, and India. So they consciously got out of the industry.

Mr. President, those are wise economic decisions. Interestingly today Japan has invested about $30 to $40 million in research in robotics to see if it is possible to automate the apparel industry. It is very difficult to sew a sleeve to a jacket. As yet no country has sufficiently come up with the robotics, the automation to do it, but Japan is doing some experimenting in it to see if it can be done. I would not be surprised if they succeed at robotics they might decide to get back in the apparel industry. Maybe if they succeed at robotics they will not because they figure other countries can do roughly the same, there will still be sufficient handwork if they do not.

All I am saying, Mr. President, they made a conscious decision knowing what they could do well to get out.

There is an interesting statement made by a lobbyist for the textile and apparel industry when we were having hearings on the Israeli free trade agreement. This was almost 2 years ago now.

Almost every industry in the country that does not like imports did not like the Israeli free trade agreement. This is an agreement that says over 10 years, by 1996, we will have a complete free trade area with Israel. Israel is not a big country, Mr. President. If they swamped us with everything they could make they would not swamp this country. Still, there were people who did not want Israeli products, especially in textile and apparels, jewelry, leather, coming to this country on a free trade basis.

One of the witnesses, Mr. Isen, representing in this case the textile and apparel industry, was testifying against the bill. I asked him this question. I said, "Mr. Isen, if you had a complete free trade situation, no barriers here, no barriers there, could you compete in the United States against foreign-made textiles and apparel? Could American manufacturers compete against foreign textiles and apparel, assuming no unfair barriers anyplace, no subsidies, no nothing?"

He thought for a moment and he said, "Textiles, yes; apparel, no."

And if that is the correct answer, then perhaps the United States should weigh as Japan has weighed whether or not there are certain industries that we should continue in and certain industries that we should get out of.

Two months ago I was at a conference at Williamsburg sponsored by the Center for Strategic and International Studies. It was a conference solely devoted on the weekend to world trade. There was a consultant there—I will not mention his name here today—but a consultant who represents one of the principal Japanese industrial combines. He does not represent them in lobbying, per se, but in where to locate plants, what he projects to be trends in America and some worldwide trends. He made a statement then and to make sure that I understood the statement exactly I called him 2 days ago, paraphrased it to make sure I was right and he said, "Yes, this is what I said."

This is what he said. The combine that he represents is a heavy manufacturer of steel and automobiles. We had been at a company seminar projecting the company's future for the next 15 years and specifically in what industries they wish to be in the year 2000.

It is the plan of this company to be out of the steel business by the year 2000, out. I do not mean moving their manufacturing facilities to Brazil. I mean out. They are going into other materials and the one that they are looking toward as most promising but not necessarily the sole one is ceramics.

As far as automobiles are concerned, at least as far as the American market is concerned—they have not decided yet about the European market—it will be their intention to manufacture all the cars for the American market in plants in the United States by the year 2000.

In contrast, Mr. President, what has been often the attitude of the United States? It has not been should we stay in or get out of the apparel industry or should we stay in or get out of the steel industry or the auto industry. It has been protect the industry.

We complain about unfair trade practices around the world and yet we do not bother to mention our steel quotas, textile and apparel quotas, automobiles, machine tools, sugar, meat, dairy products, peanuts, cotton, our agricultural subsidies of feed grains, rice, cotton, sugar, dairy products, and wheat, or "Buy America" restrictions.

We compel Government purchases of clothing and textiles, food, silverware, hand tools, ship holds, military buses, to be made in the United States.

From a standpoint of national security, on some of those, it may make sense—I am one that thinks we should make our ships in the United States or we would not have any shipbuilding industries that we would need in time of war.

But apart from national security, the issue that this country asks is not should we seek to protect the declining apparel industry that is going to decline in any event; should the question not be what of decent retraining, reeducatiaon, relocation can we give to workers in that industry so that they can have a meaningful job in some other industry that has a chance of continuing to exist in this country?

And by generous I mean very generous in terms of retraining and if it is a 55-year-old worker working in an apparel or textile mill in Raleigh, NC, who lived all his or her life and not likely to move to Anaheim and go into the electronics business, then it ought to be, very frankly, a generous early retirement, not a heartless throw them out on the street, but a generous early retirement.

It is nothing unusual to American business. When business wants to merge or shift or close plants now they often offer early outs.

But, Mr. President, we should not time after time be saying how do we keep this industry?

As far as manufacturing is concerned this country has not done badly. You do not want to be confused by the difference between manufacturing employment, manufacturing production, and manufacturing as a percentage of our total products that are made or total gross national product.

In terms of manufacturing employment, employment has not gone down, it has gone up. These are U.S. Bureau of Labor Statistics figures. From 1960 to 1985 manufacturing in this country has gone from 17.1 million to 22 million.

In Germany, that colossus that competes with us that one complains we cannot compete with, their manufacturing the same years has gone from 8.9 to 7.9; Great Britain, 8.5 million to 6.7 million.

In terms of manufacturing jobs, we have done all right. In terms of manufacturing productivity, we have done all right.

Productivity over the years has gone up. So that not only have jobs gone up slightly, productivity has gone up quite a bit.

In terms of total manufacturing base in this country, it has held its own. We are not deindustrializing America. What we have seen is a tremendous rise, Mr. President, in what we call service jobs and I do not mean flipping hamburgers. I mean banks, insurance companies, computers, software, jobs, ironically, that with the exception of the extraordinarily well-paid steel workers and auto workers jobs, extraordinarily well paid because there was no competition and the owners did not care what they paid. The service jobs that we are creating pay better on the average than the industrialized jobs that we are losing.

In the service area we have done sensationally, although I would emphasize again that service jobs in Germany have gone up tremendously while manufacturing jobs have gone down; service jobs in Japan have gone up tremendously. They are going up throughout the world.

And they cannot go up throughout the world if all we are doing as opponents of liberalized trade is, say, to take each other's laundry.

The basis upon which the world works is changing from heavy, backbreaking manufacturing, blue collar, tough jobs to automated, computer-driven, robotic jobs that take a much higher level of education, a much more trained work force. And that is one of the reasons why we ought to be better off than most countries in the world, because, with all the foibles and accusations about our education system, it is not bad, Mr. President, and we can turn out a pretty high-quality labor force that most other countries cannot touch.

Mr. President, I want to move to what I think are now the three main issues that we face in this bill, having first, I hope, laid the groundwork to say that the issue overall that we ought to be considering is not can we protect every job in this country, no matter how much it might cost to protect it, no matter how much it might drive up consumer prices to protect it, no matter the fact that it is an industry that is declining everyplace in the world, including the United States. That should not be the purpose of any trade bill.

The three big issues that we face, Mr. President, are: First, negotiating authority for the President; second, what do we do about unfair foreign markets overseas that, through tariff barriers, nontariff barriers, or other doodads and gimmicks, unfairly keep our products out; and third, what do we do about import competition in the United States. Let me take those issues separately.

On the issue of negotiating authority for the President, he has now what we call fast track authority. Simply defined, that means he can negotiate agreements with other countries. He can bring them to Congress. They go on what is known as a fast track. They cannot be filibustered or stalled by the committee or by the floor of the Senate and they have to be voted on up or down. They cannot be amended. That is fast track authority.

The reason that is so critical is because the President, when he negotiates with other countries, is negotiating with only two kinds of countries: Usually either dictatorships or parliamentary democracies. We are the only country in the world that I can think of that has a genuine, independent legislature; genuine, that is not controlled by the executive.

In dictatorships, the dictator obviously controls a legislature, if there is one, and in parliamentary democracies the executive and legislature are fused into one and the Prime Minister is both the leader of the legislature and the leader of the government. And when the Prime Minister negotiates an agreement, his or her party is jolly well going to ratify the agreement.

The President does not have that situation. He brings an agreement back. He has a genuinely independent Congress.

I am not suggesting changing that. But when he negotiates with these other countries, in a negotiation there is give and take. Even dictatorships and parliamentary democracies in a negotiation involving trade do some things that are politically unpopular in the country for the sake of getting some things that help the country. It is always a tradeoff. As you are bringing down barriers, any hammer that you bring down that protects somebody, somebody that is not going to be protected is not going to like it. They might get mad at the dictatorship or the Prime Minister. But at least the Prime Minister or the dictator is in a position to put the agreement through and it comes with the good and with the bad.

The President cannot guarantee that. The President has to bring it to Congress.

And we have had foreign leader after foreign leader and foreign minister after foreign minister in other countries tell us that unless they have some hope that the President, when he concludes an agreement, can get the agreement ratified, the foreign countries are reluctant even to enter into it because, if they enter into it, they make some segment of their population mad for having entered into it at all, but they know they are going to get a benefit on the other side, but then if the agreement comes to the United States and the Congress dumps on it and it does not pass it, the Prime Minister or the dictator has egg on his or her face.

So the negotiating authority for the President is critical. The President has negotiating authority. It runs out at the end of this year. But the President has very clearly told me that, as much as he would like to have the negotiating authority extended, he will not sign a bad bill for the sake of getting a continuation of negotiating authority.

Now, fortunately, both the House and the Senate are pretty good about negotiating authority; slightly different in their approach. But the administration, I think, could happily live with either the way the House or the Senate has handled this bill.

The second issue is the foreign trade barriers overseas, the ones that make it impossible for our products to get in. In my mind, this has been one of the toughest issues to face, because time after time we will have business leaders come up to us—tough business leaders; these are not crybabies—these are business leaders that say, "I can go toe to toe with the Japanese in the Brazilian market; I can beat the Germans in the Australian market; I can beat the British in the Moroccan market, but I cannot get into Japan."

And Japan is usually the malefactor that they mention most often. I think I understand why. There are other countries that have barriers—Korea for years would not let us sell insurance. They still are not very good about it, but they would not let us sell insurance at all. But at least with Korea and Taiwan and with many other countries we are allowed to enter their markets. We are indeed colossal and they are relatively smaller countries, and we can jawbone them on occasion into relenting to unfair practices.

We have been somewhat successful. I must say, in the last 2 years of this administration, quite successful. Whether that credit goes to the administration suddenly coming alert to the issue or whether it goes to Clayton Yeutter coming on as the special trade representative in the last 2 years, the administration deserves great credit for jawboning countries into reducing their unfair trade barriers.

Japan, less success. And if I have heard one complaint about unfair practices in Korea or Taiwan or Thailand from a tough business entrepreneur, I have heard 10 about Japan. And that is why, if there is any justification for this bill, if we are going to aim any kind of retaliatory bashing language at some country, Japan, perhaps, deserves it more than any other country.

But the issue becomes; What do we do about those unfair barriers overseas that make it hard for our exports to get in? The best advice we were given, when the question was asked: Should we have some kind of mandatory retaliation—"If they won't let our products in, we won't let their products in"—the best advice we had came from former special trade representtive Strauss, who is one of the better lobbyists and I think one of the better representatives of clients and countries around. I asked him the question: "Should we have mandatory retaliation?" He said, "Well mandatory, but not compulsory."

And I spent months trying to figure out how you could draft language that would be mandatory but not compulsory. I think the language that we have in the bill is as close as you are going to come. We try to provide a forum first before we retaliate. We try to say, if it is an agreement, a trade agreement, you have to go to GATT, the General Agreement on Trade and Tariffs. You have to take it through GATT first with a certain time limit and they have to act. We say if we can reach an agreement with some country we have a complaint with, then we do not have to pursue some remedy. If they will give us some compensation, compensation meaning, we cannot give you what you want in the area of these products, but we will give you something else. If they will do that, no retaliation.

But, finally, at the end, we say, if all this fails, we are going to retaliate. The reason, Mr. President, I think you have to have that arrow in your quiver is that if they know you are doing nothing but bluffing all the time and will never retaliate, no one believes you. You have to go to the edge of the cliff every now and then and, perhaps, 1 time in 20, 1 time in 50, 1 time in 10, you have to retaliate.

And it is not retaliation in what we would call the same sector—"They won't let our rice in; we won't let their rice in."

Korea is a good example. Before they would let us sell insurance. It was hardly of any avail to us to go to Korea and say, "If you won't let us sell insurance, we won't let you sell insurance." They would have said, "Such a deal." They do not sell any insurance in this country. They would be happy to accept that kind of retaliation. So, on occasion, we say, "You won't let us sell insurance, we won't let you sell Hyundai's." That kind of retaliation will not have to be used very often, but I think every now and then it might have to be.

That is the issue of the unfair foreign trade, and that is the issue that the Gephardt amendment addresses itself to—very badly, I think. But I think the Senate bill addresses it in as good a way as you can address it.

The last issue is the trade in this country; imports coming in that compete with industries in this country.

This is not an issue of unfair trade. This is an issue, Mr. President, of fairly traded imports coming into this country from Japan, Taiwan, Singapore, Hong Kong, Brazil, that are fairly traded; no arugment about unfair trade, but they are competing with products in this country.

I want to emphasize, Mr. President, that these imports do not suddenly come in a rush just like that, and we never saw them coming and we had no idea they were going to be building these factories to make textiles or shoes or steel or autos; or they do not come in in a great rush and they used to sell for $10 a pair and now they sell for $1 a pair because the government has suddenly dumped $9 a pair into a subsidy. That is already prohibited by the present law. That is called dumping. It is illegal now. It is illegal going under the bills that we have passed. Time and time again we have brought dumping charges against foreign countries successfully. That is not the issue.

The issue is fairly traded goods in this country that have no government subsidies where they are made overseas, or none that we would find unfair. They are, by and large, goods that for a number of years we have seen the possibility of them coming into the country.

My goodness, textiles has known they have had competition for the better part of two generations. We have known about steel competition for at least 20 years; autos for at least 12 to 15 years; rubber footwear and nonrubber footwear, we have known it for years. These did not creep in stealthily through the back door in the dark of night.

The question becomes: What do we do about those imports? Here is the present law: An industry thinks it is adversely affected by imports. Let us take the shoe industry.

Under the present law the shoe industry goes to the International Trade Commission and says to the International Trade Commission: "We think we are being unfairly hit"—that is not the word. They do not say "unfairly"—that our domestic industry is being injured by imports of shoes from Italy and Brazil and Taiwan and it is causing our employment to go down and we want you to put on a tariff or quota or something like that.

The International Trade Commission reviews the evidence. They decide whether there is an injury or not to the domestic industry, and if there is, they recommend relief. It could be in the form of a qouta, tariff; it could be some other relief, but it is usually in the form of quotas or tariffs. It is a recommendation, and the recommendation goes to the President.

The President has the power to put into effect that recommendation or some other recommendation or put into effect no recommendation at all. The President has the power to weigh what is going to happen if I put on a tariff on rubber footwear.

If I put it on, maybe I will save 30,000 or 40,000 jobs in the shoe industry. But, if I do put it on, a pair of shoes that are now $14.95 are going to cost $19.95, and weigh the consumer interest in the prices against jobs.

The unfortunate aspect of having to make that weighing is that the people that lost jobs, if they lose them, know they have lost the job and they are mad. The consumers, whose sneakers have gone from $14.95 to $19.95 may be made but they do not know why, and they do not know whether to blame the President or the shoemakers or the bad management of the shoe factory. They do not know. The price has gone up.

The unfortunate part of all these protection cases: The consumer that is affected is the lower-income consumer, not the higher income consumer.

In high-income clothing, $800 suits, $200 shoes, America can still compete. You can still make $800 suits in the United States and make money, and there is a small market for them. You can still make $200 or $300 shoes in the United States and make money. There is a market.

It is the tee shirts that cost $4.95 and the tennis shoes that your kids go through every 2 or 3 months that cost $9.95, if you are lucky, or $14.95, those are the ones that go up. These are the ones that go up. These are the ones that affect the low-income mother with two kids who is 23 years old making $10,000 a year. For her, when the price of a tee shirt goes up $2, the price of sneakers goes up $5, that is tough on her.

Frankly, Mr. President, for most of us in the Senate, most of those in the upper 10 percent of the income group in the United States, if the costs of our ties go up from $20 to $22 or the costs of our suits go up from $300 to $350, we can probably stand it without lowering our standard of living.

So in come these fairly traded goods. Under the present law, the President was weighing how many jobs saved versus the adverse effect.

He made a classic decision in the copper industry where the copper mining industry came in, asked the International Trade Commission for protection against imported copper.

The President weighed it, and then he weighed the amount of jobs that would be lost in the copper fabricating industries, the industries that use the copper. What he concluded is that there would be more jobs lost in the copper fabricating industry if he put on this quota than there would be jobs saved in the copper mining industry, so he did not do it. But in all cases he had the right to weigh the public interest against the complaint of the petitioning industry before the International Trade Commission.

Mr. President, there is no one that is in a better position, in fact there is no one at all who can make that decision for the whole United States, for the good of the country, but the President. That is where this bill is so woefully lacking. Because we have changed this particular section and here is what we have done.

We have said: One, if an industry thinks it is adversely affected by imports it can go before the International Trade Commission and attempt to prove its case. All they have to prove is that they are injured, not that there is any unfair competition.

Under the bill as the Senate has written it, if they prove that they are injured, then the International Trade Commission must recommend relief: tariffs, quotas. Then here is where the two interesting changes come.

First, only those Commissioners on the International Trade Commission who voted to find injury get to vote on the relief. That is the only time I have ever heard of that in any kind of judicial process. All of those judges who did not think you were injured, out. You do not even get to talk about any relief, so, very understandably the relief you are going to get is going to be doubly aggravating from the standpoint of those who do not want it because the only people who get to vote on it are convinced that you are injured. But that is not the worst part of this bill.

This bill now says that the President can no longer weigh the public interest. That is gone. The International Trade Commission sends its recommendation to the President and the President must impose the relief given by the International Trade Commission or equivalent relief; it can be a quota instead of a tariff or tariff instead of quota, but very clearly the majority in its report is thinking tariffs and quotas. The President has no alternative but to put them into effect with two minor exceptions.

One is national security. He does not have to do it if it is going to injure the national security. I have not heard a person that argues for that, majority or minority. The other very limited exception is that, if the effect on what we call a downstream industry—that is, an industry that uses the product—could be adversely affected. This is literally the copper versus the copper fabrication industry. That is all.

The President can no longer weigh: Will this particular product go up in price if I put on the import protections? Will this particular product go up sufficiently in price that it injures poor—and I will say poor—consumers in this country, because they are the ones that are most injured?

Most imports that come into this country come in to be sold to the poor, the middle income at best. They are the ones who will be injured. They are the ones with women making $11,000, $12,000, $13,000, $14,000 a year, a male head of family making $21,000 a year if he is lucky. They are going to have import protection put on the price of the products thereby going up rather dramatically so that jobs can be saved in a declining industry in which people are probably making more money than those citizens.

That, Mr. President, is not fair. It is an attempt to defend a declining industry that is going to decline, and at a very minimum we should give back to the President the right to weigh whether or not tariffs or quotas are in the public interest.

Mr. President, not in a nutshell, that is the way I see it. We are going to have 100 amendments on countervailing duties, oil security, and a dozen others. The major issues as I see them are, one, the President's negotiating authority; two, what are we going to do about foreign countries that have unfair barriers to our exports; three, what are we going to do about imports to this country that compete with domestic industries.

I hope that we can spend the bulk of our time concentrating on them.

If we, however, attempt to pass a trade bill to protect declining industries in this country, we will not arrest their decline. We will drive up the cost of products for everyone in this country and we will eventually start this country on the road to inferiority. I thank the Chair.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I ask leave to go to my proper desk where I will speak to that matter.

Mr. President, my remarks in the opening debate on this major legislation will not be extensive, but I hope they have some cogency and are of some use to the Senate as we discuss this matter which the Finance Committee now brings to us.

I would like to set as my theme, Mr. President, a quotation of an author, perhaps unusual in a debate on world trade, the French theologian, George Bernanos, who in the late 1930's had observed "The worst, the most corrupting lies are problems poorly stated."

It is the concern of many of us, and I know the distinguished Presiding Officer shares this concern, that in the course of the 1980's we have seen a number of consequences of the domestic mismanagement of the affairs of the Federal Government by the Republican administration. These consequences both at home and abroad, are somehow disassociated from their causes, and are seen as independent events when they are nothing more than normal sequences. If you do one thing, you will lead to this other thing.

What am I saying, Mr. President? I am saying this: What the Nation sees as a crisis with respect to exports and imports, a vast trade deficit, and the transformation of the United States from a creditor to a debtor nation all in this one decade, is not the result of some vast collapse of American industry overnight, not the result of foreign conspiracy, not the result of changing tides of history which are now leaving us behind. It is, essentially, the result of a vast budget deficit which was deliberately created by this administration as a device to shrink the Federal Government's domestic programs. In fact, however, this policy's primary consequence was a vast change in the price of the dollar, a huge reversal of trade patterns, all of which can be readily explained, and none of which, in my view, reflect any fundamental changes in the American economy that cannot be now addressed in the normal course of adjustment in a changing world.

I say again, the worst, the most corrupting lies are problems poorly stated.

Let me pursue this just one bit. The first thing perhaps to say is that we bring this bill to the floor, and it is a formidable document, almost one foot thick, under the prime necessity to give the President the authority to continue international trade negotiations, the Uruguay round, as we refer to them, under the General Agreement on Tariffs and Trade. The Congress, the Senate Finance Committee, specifically gave this negotiating power to the President in 1934, with the Reciprocal Trade Agreement Act, in the aftermath of our disastrous performance under Smoot-Hawley in 1930.

It is possible, Mr. President, to talk about these matters, to think of trade as a particular type of business activity, and interesting to those who are interested in business and not interesting particularly to those who are not.

I am old enough to have been taught a different view. In the aftermath of the Second World War, I had the good fortune to study with Harry Hopkins and some other men who handled the reciprocal trade programs with Cordell Hull. When they talked about trade, they talked about larger items than per capita income, rate of productivity change, and such like.

The Smoot-Hawley tariff of 1930 was one of the events which triggered the Depression of the 1930's. We increased our tariffs to unprecedented levels and achieved our desire to reduce imports by one-third within about a year's time. Simultaneoulsy, however, and always unexpectedly, we decreased our exports by one-third. The first rule of international trade is he who bites gets bitten.

We learned that very quickly in 4 years, events that were proved irreversible had commenced.

We helped trigger not only the stock market crash, but that deepening Depression that settled around the world.

The British, then the major trading nation in the world, moved to imperial preference, abandoning a century of free trade which had made them the principal trading nation in the world.

Recognizing the apparent determination of the British and the United States to close off their vast markets, the Japanese turned to the greater Asian coprosperity sphere, and very quickly you had the invasion of China which was somehow disguised in the term "Manchuria," as if you had invaded Georgia you had not invaded the United States.

In Germany, in the aftermath of the rising unemployment rate and the troubled economy of that age, Adolph Hitler came to power in a free election. And within 5 years the world was at war, a war which led to Auschwitz and Hiroshima.

I was taught, and I continue to believe, that when we discuss matters of trade, we are talking more than marginal variations in consumer standards. We are talking about the fundamentals of the international order. When you make mistakes, you can make hideous and irreversible mistakes as we did in 1930.

We commenced to correct these mistakes in 1934, and this legislation, for all its problematic aspects, is nonetheless in direct succession from Cordell Hull's Reciprocal Trade Agreements Act. We gave President Roosevelt the right to negotiate on tariffs and trade for the Nation—even though the Constitution gives it to the Congress, the Congress can delegate it to the President—on specified terms, giving him the power to continue the great trade rounds that have taken place since the General Agreement on Tariffs and Trade emerged in 1948 after the United States refused to join in the establishment of the International Trade Organization, the ITO. We nonetheless commenced the purpose, and the GATT is now an organization which is in the old International Labor Office on the shores of Lake Geneva.

But whilst, for some years, it seemed to us that the movement—the extent of international trade clearly was associated with American exports and proven American living standards, it is in this decade that suddenly, the United States looks up and says:

Are we losing in trade matters? Do we have to back away from a half-century of commitment to opening trade systems in the world? Are we no longer competitive? Have we lost our edge? Are we being cheated? Are we going down?

The answer to these questions, Mr. President, is no. Perhaps, Mr. President, we are being cheated, yes; here and there, we are. Do we do some cheating of our own? Yes, we do.

Before this debate is over, we are going to hear endlessly, I cannot suppose we are not going to hear, about citrus imports into Japan.

Someone, I hope—I shall do it if nobody else does—someone might say for all our professed concern for the Caribbean basin, for Third World nations, we have used trade barriers in this country, for practical purposes, to put an end to the importation of sugar. I think American consumers pay four times the world price for sugar. And they pay it to a very small group of people who have managed to manipulate our farm legislation in such a way as to put up these barriers.

If it helps bring this home to anyone who might be listening or who might read these remarks, may I observe that Coca-Cola, classic or neoclassic or nouveau, does not have any sugar in it any more. Nor does Pepsi-Cola. They do not use sugar in those things; they cannot afford sugar. They could afford it if they brought it in from Jamaica, but they cannot afford the sugar that is sold here behind quota walls that make the sugar four times the world market price. So they use glucose. Whether that is better, I cannot say, but it is something that is a very specific, and I do not think only example of our own practices in this area.

Mr. President, it does not take one foot of legislation—I think, perhaps, that this has not been properly viewed. I think it ought to be seen for what it is. It does not take a foot of legislation to give the President the power to proceed with the Uruguay round, the next round of trade negotiation, which we hope will go beyond trade in goods and begin some opening of trade in services, which is a natural development and one which is of great interest to us, having the most developed service economy in the world.

As the distinguished Senator from Oregon stated a moment ago, when you say "services," do not suppose you are talking about McDonald's hamburgers; you are talking about extremely important aspects of commerce, from banking and commodity matters to insurance and other aspects of the commercial world without which we would not have modern economies. We want that and we can get that.

In the meantime, this legislation—a foot thick—is concerned with the trade deficit, a deficit that came so suddenly upon us as to startle the Nation and shake institutions and corporations.

American business, from the end of World War II, has been overwhelmingly in favor of an open trading system in the world and in favor of the United States taking a lead in seeking to establish such a system. In 5 or 6 years, that has disappeared. No member of the Finance Committee or member of the Subcommittee on International Trade, as I am, would fail to note that the real thrust for protection in this country is coming from management—not all, by any means, but enough to produce a 1-foot thick law. And it is a profoundly troubling thing, because it proceeds from the assumption that these industries themselves, in their own judgment, have become uncompetitive.

Nothing of the sort happened. It is just that the U.S. Government priced them out of world markets and priced their foreign competitors into the American market. It is so elemental.

An exchange rate is simply the price of one currency in terms of another. The fiscal and monetary policies of this administration in this decade led to a sudden, precipitate, and unprecedented increase in the price of the dollar. In 1981—Mr. President, you can reach back and touch 1981—we had a $14 billion current account surplus—a surplus. We had surpluses practically every year of the last 50 years. Suddenly, it vanished. Suddenly, we had a trade deficit that roared toward levels of $170 billion and that was so sudden, so precipitate, so alarming as to make us act as if something extraordinary had happened.

I say yes, something extraordinary did happen. An administration came to office which deliberately created a fiscal crisis for its Government which, in turn, led to an economic crisis for the Nation.

The value of the dollar rose 70 percent—the dollar appreciated 70 percent, almost doubled its price, in about 5 years. The result was the trade deficit. About 80 percent of this deficit is nothing more or less than a reflection of the changing price of the dollar.

Part of the problem we have had in dealing with this was that the very people who set the crisis in place themselves did not understand the consequences of what they were doing. It is a simple matter, Mr. President, but a profoundly important one that when the price of a currency goes up, it is said by currency traders and economists to have strengthened.

And early in the 1980's men and women responsible for economic and public policy in this country began to hear that the dollar was strong. They mistook a technical term of economics for a descriptive term. This profound miscalculation of policy was matched by a monumental muddle concerning economics. In brief, the early Reaganites mistook the technical term "strong dollar" for a value term as in "strong nation." The first Secretary of the Treasury in this administration continually made this analogy. Just recently one of the President's original Cabinet members wrote: "By promoting a strong dollar and a strong America, Reagan made his mark." There is no protecting an administration against such elemental ignorance—the President chooses the advisers he chooses—but we can protect ourselves perhaps and the people also by requiring regular and with some luck rigorous reports from the Executive.

The distinguished chairman of our Finance Committee went round and round, many a long day, with the first Secretary of the Treasury in this administration trying to persuade him that a strong dollar was not necessarily a good thing. The idea was too complex. It may not be complex to undergraduates, but there comes a time when all of us get a little bit stiff in the mental joints and it just did not come through. And nothing was done, even after it became very clear that this was the problem.

When Mr. Baker became Secretary of the Treasury, he responded to the efforts of Senator BENTSEN. An understanding finally developed in the Government that the dollar was overvalued, and the dollar has been coming down, partially as a consequence of coordinated efforts by the OECD nations. But also as a normal market response to any commodity that is overpriced; there comes a time when people want less of it and wanting less of it, the value declines. But still do not ever underestimate that fact.

I would hope as we carry out this debate we recognize, first of all, that what we depicted as a great crisis in American industry is nothing of the sort. It was not possible that American industry collapsed in the course of 5 years. It is not possible that it experienced a massive breakdown. It is simply that U.S. companies were priced out of world markets by an overvalued dollar.

Mr. President, this point is made very nicely in an article in this morning's New York Times by Peter Kilborn. It is headed, "The Worst May Be Over as Trade Gap Narrows." And we are beginning to see the trade gap narrow. There is a nice statement here by a Mr. Michael D. Hamilton, who is international sales vice president at the Briggs & Stratton Co. of Wauwatosa, WI. He said that his company was recapturing orders for gasoline engines, widely used on lawnmowers, that it had been losing to the Japanese.

"Our problem with the Japanese," Mr. Hamilton is quoted as saying, "was that they were selling premium products at el cheapo prices. Now they've got premium products at premium prices." And on that level playing field, as we like to say, the United States can compete very well. Our specialty steel industry is beginning to export again. American products are moving back into world trade markets that they had been temporarily out of, and so let us, I ask, be clear on that point.

I would like to make a suggestion which is that it seems to me we could have avoided a lot of this problem if we had a regular reporting system whereby the Secretary of the Treasury and the U.S. Trade Representative on a semiannual basis reported to the Committee on Finance about the conditions of trade, currency exchange, barriers, and such like, a sense of what the previous 6 months had done, what the forecast looked to be, what the prospect looked to be. Had we had a regular accounting, a kind of disciplined effort to say what is going on, in the first half of the decade, we would have seen right away what the changing value of the dollar had done, and I think we would have responded better.

I can recall a time when the present Secretary of State, Mr. Shultz, was Secretary of the Treasury, and in the face of a series of foreign exchange difficulties in terms of the valuation of the dollar, he first took us off the gold standard in 1971, as I recall, and then in 1973 moved from fixed exchange rates to the present system. If you consider that the system of floating exchange rates was only about 8 years when it began to go completely wild, you recognize that we had not had a long experience of the arrangement. It only goes back to 1973.

It seems to me that we have learned something institutionally about our Government. In the past where we find the executive branch making regular reports to the legislative branch there is a learning process on both sides.

This process began, I suppose, with the Employment Act of 1946 under which, through the President's Council of Economic Advisers, the President transmits to the Congress each year his economic report. Those early reports were nothing exceptional in the way of mastery of the subject matter, but in time the requirement to report produced reports of ever higher quality, and we would not be without that document today. In 1962 the Manpower Development and Training Act required an equivalent report on manpower, which was extremely helpful to the economists. I think some equivalent report in trade would, first of all, lead to some learning about the subject within the executive branch and in turn some increased understanding here.

I make the point that we are the only nation I know—I am sure there are others, but I do not know of one—that does not have a Department of Trade. The efforts that some of us have made to get one established have not got anywhere. We have a particular problem, being the Nation we are, that trade matters are so readily made subservient to political issues. The State Department has been very jealous, understandably, of its role in these matters.

If that is the case—I think it will probably continue to be—can we not have some regular report? If the chairman is interested in this matter, I will be happy to offer an amendment when the time comes. And, if not, there is a provision for extensive reporting to the Committee on Banking, Housing, and Urban Affairs on exchange rates which might serve the same purpose. But again just a little more clarity about what different movements in the statistics and indices mean, whether the price of the dollar going up can be described as a strengthening or a weakening of the American economy. That needs to be understood.

The Senator from Oregon was talking about manufacturing employment. He was pointing out that manufacturing employment had gone down in the Federal Republic of Germany and the United Kingdom in this decade while it has gone up in the United States. Well, now, what is that a sign of, that our manufacturing sector is becoming stronger or weaker?

A decline in manufacturing employment can be the result of a number of things—a loss of competitiveness or an increase in competitiveness. If a nation increases its productivity, it will produce more goods and services with fewer persons. That is the sign of economic health. Discovering what is actually occurring is a very hard thing to do. I think if you looked at the manufacturing history of the United States between 1919 and 1929, an era of extraordinary increase in manufacturing production, there was no increase at all in manufacturing employment. It was productivity that was moving us along in such a handsome way in those years. And again the question is what do the numbers mean. It seems to me an effort to explain them and interpret them is in order.

Mr. President, in closing, I would like to make three points about the specific aspects of the legislation.

The first is that we have a provision for requiring the President to initiate bilateral exchange rate negotiations with countries that manipulate their currencies with respect to the dollar. Here, you do not have a free-floating exchange rate. You have fixed exchange rates that are the results of the decisions made by central banks.

There are three such countries: The Taiwan dollar, the Korean won, and the Hong Kong dollar. All these currencies are now very carefully undervalued, so as to provide access to American markets. It is clearly a violation of any undertstanding of fair trade.

Fred Bergsten, the distinguished economist, estimates that the Taiwanese currency, for example, is undervalued by as much as 40 to 50 percent; the Korean won, 10 to 20 percent; the Hong Kong dollar, 5 to 10 percent. There is no reason for the United States to accept this arrangement, and we should not.

I draw attention to the provisions concerning section 301 of the trade agreement which are in S. 490. Senator CHAFEE and I proposed these matters, having in mind the requirements that when unfair trade practice cases are brought to the attention of the U.S. Trade Representative and the President, there has to be a speedy resolution; that, in these cases, justice delayed is justice denied. We are asking for a 19-month cutoff date. That is a perfectly manageable figure, and it should be in law, or so we believe, and so we hope the full Senate will believe.

Finally, Mr. President, S. 490 has, for the first time, some genuinely durable and workable provisions for trade adjustment assistance. This is an idea that goes back to the Kennedy round of 1962. I was then an Assistant Secretary of Labor and was at that time involved in the judgment that if the country was going to go abroad, as it were, and negotiate changes in tariff schedules that would inevitably bring in imports, even as they facilitated exports, there would be individual firms which would find themselves losing their market positions. And if the country, in the interests of the Nation as a whole, decided to sacrifice the jobs of some particular sector, some particular branch of an industry, there was some obligation to help with adjustment. We put trade adjustment into the law then.

It was an absolute condition that the American labor movement made when Ambassador Strauss was seeking our approval of negotiating authority for what became the Tokyo round. It was an absolute condition. The American labor movement kept to its word. It supported the legislation that led to the Tokyo round, and then we broke our word. The promise was that there would be trade adjustment assistance for workers who lost out, and it was cut from the budget—a broken promise that has changed the attitude of the labor movement in a way I find fully understandable, if one knows the record.

We would like to ask them to give us one more chance. This bill, a provision which Senator ROTH and I proposed to the committee, provides for a system of trade adjustment assistance, which provides cash benefits for 78 weeks to eligible workers; requires those workers to enroll in certified training programs to get those benefits; and gives them a cash voucher of $4,000 to buy that training on their own—to go out and purchase it as you would do if you were a young person looking for job skills.

We propose to pay for this, as much as is required—the demand is there to be seen, and it will vary from year to year and case to case—we propose to pay for it by an ad valorem charge on imports of up to a maximum of 1 percent. We believe this is something that conforms to the GATT rules. We hope our trading partners will understand that we levy this tariff, a small charge, not to keep goods out but to keep trading systems open.

We are very much a democratic nation, and it is the nature of any democratic society that those who feel an injury most intensely will react with greater concern than those who feel a benefit in a diffuse way. If we are to keep an open trading system, we have to protect the workers who are displaced by it; and to the degree that we do that, we will continue as we have done. Our only purpose in the trade adjustment provisions is to see that trade continues to expand. We hope our trading partners will understand that.

We hope that the AFL-CIO and other interested organizations will see that we are moving to keep the commitment we made. It is in that spirit that I hope we can see this whole enterprise end on a positive note, both with the public here and with governments abroad.

I would like to close, Mr. President, with this assessment by Martin Feldstein, who was the Chairman of the Council of Economic Advisers of this administration, an economist of great repute, writing in this spring's issue of "Foreign Affairs." He says:

> By the 1990s, the world trade imbalance will have come full circle. The domestic policies of the United States that created a massive trade deficit for the United States in the mid-1980s will set the stage for a major U.S. trade surplus in the 1990s.

Let me repeat that. It is Martin Feldstein, the former Chairman of the Council of Economic Advisers in this administration, who identifies the trade deficit at this moment as the result of the domestic policies of the United States. He says that "the domestic policies of the United States that created a massive trade deficit in the mid-1980's are setting the stage for a surplus in the 1990's."

This need not have happened and should not have happened. It did. But we must not misinterpret what happened. It was domestic decisions made in the White House, the Executive Office Building, that led to this deficit. It was not some great collapse of American industry, not some great collapse or failure of American enterprise.

This was a Government-made disaster and what the Government made in many cases—and I hope this proves to be one—Government can unmake.

I think, Mr. President, we have useful and necessary legislation. I hope it will be favorably received here in the Senate.

The PRESIDING OFFICER. The Senator from Missouri [Mr. DANFORTH] is recognized.

Mr. DANFORTH. Mr. President, today the Senate turns to the Omnibus Trade Act of 1987, one of the most important pieces of legislation we are likely to address during the 100th Congress.

This is the most significant trade bill we have seen in more than a decade. It is the product of nearly 2 years of bipartisan discussion and debate on the increasingly important issue of international trade. Senator BENTSEN, chairman of the Senate Finance Committee, and I were joined by over half of our colleagues in introducing the centerpiece of this bill, S. 490, in February—an indication of widespread congressional interest in this vital topic. It won Finance Committee approval on May 7 by a vote of 19 to 1. Many of the provisions are drawn from legislation introduced during the 99th Congress, expecially S. 1860—the Trade Enhancement Act—introduced by 34 of us in November 1985. As it comes before us today, this bill is a carefully crafted package of provisions reported out by several Senate committees, including Finance, Agriculture, Banking, Labor, Commerce, Judiciary, Government Affairs, Foreign Relations, and Small Business.

Although we all represent different constituencies and often face competing trade concerns, we generally agree on the basic premise that maintaining a fair and open global trading system is in everyone's best interest and that this in turn requires a more effective and aggressive American trade policy. The Omnibus Trade Act is a reflection of the fact that the global economy—and our role in it—have undergone profound changes in recent years, changes which necessitate revisions both in the rules that govern international trade and in our own trade policies.

The underlying philosophy of the Omnibus Trade Act is one of reciprocity in trade. Trade reciprocity means that the United States expects the same opportunity to sell in foreign market that we grant to nations seeking sales in our markets. Reciprocity—a fundamental concept in international trade law—means that we expect the right to sell, as well as to buy. It means that trade must be a two-way street that provides jobs and economic opportunity for our people as well. What are the alternatives to reciprocity? One is protectionism—"We can't compete." The other is a trade policy of total passivity—"Walk over us, we don't care." Neither policy is satisfactory. If our choice were between old-fashioned protectionism and free trade dogmatism, we would be in deep trouble. But this is not the choice. We can and should expand the role of reciprocity in our trade policies, pursuing more trade and fair trade.

The General Agreement on Tariffs and Trade [GATT] cannot be cast aside as an anachronistic set of rules which no longer apply to the international trading system. The GATT serves an important purpose as a multilateral forum and must be revised to reflect changed competitive conditions in the world economy. Specifically, its scope must be broadened to cover increasingly important areas such as agriculture, investment, intellectual property rights and trade in services, while existing provisions concerning temporary relief from injurious trade imports, dumping and subsidy practices, and the dispute settlement mechanism must all be strengthened.

Some observers question our commitment to today's international trading system. Much of the doubt stems from the less-than-consistent approach of this and previous administrations to that system. Failure on the part of the administration to formulate a coherent trade policy and to actively and systematically utilize the basic trade tools in its possession has left us clamoring to catch up in a rapidly changing competitive environment. A number of significant improvements to our trade laws are within reach, and we must implement them if we are to retain a preeminent role in the global trading system.

As we begin a new round of multilateral trade negotiations [MTN], there must be no doubt that Congress and our administration's negotiators agree on fundamental U.S. trade policy objectives and are working in tandem to secure agreements that serve our best interests. Only through extensive, meaningful consultations and cooperation between Congress and the executive branch, between Government, business and labor, can we hope to attain truly worthwhile results.

Article I, section 8 of the Constitution grants to the Congress the power to regulate the foreign commerce of the United States. Since 1934, Congress has delegated to the executive branch the authority to administer our trade laws and to periodically engage in trade-liberalizing negotiations. This delegation of congressional authority in trade demands an effective legislative-executive partnership on matters of U.S. trade policy. It requires a degree of mutual trust and, above all, consistent and credible enforcements of U.S. trade law by executive branch administrators.

If section 301 of the Trade Act of 1974 is to have any credibility as a means of combating unfair foreign trade barriers and distortions, we must do more than initiate investigations and issue threatening statements. We must be willing to retaliate, not in an indiscriminate or mechanistic fashion, but on a selective basis against the identifiable practices which clearly violate our international rights. The President's stand against protectionist European farm policies last year and his decision to retaliate against Japan for its failure to honor the semiconductor agreement were significant steps toward a more aggressive trade policy. But one or two actions do not constitute a full-fledged trade policy. We need more of this type of behavior if our trading partners are to realize that we mean business when it comes to combating obvious violations of international agreements.

If section 201 of the Trade Act of 1974 is to have any credibility as a means for domestic industries to secure temporary GATT-consistent relief from injurious imports, then the President must not be able to deny relief to those industries—such as the footwear industry—which prove beyond a doubt that they are seriously injured by imports. Not all import-sensitive industries need or deserve import relief. But if we are to help industries and workers adjust to changed competitive conditions, if we are to manage our import pressures in a more rational fashion than by enacting protectionist quota bills, then section 201 must be revitalized.

The Omnibus Trade Act is largely generic in nature. It shores up basic U.S. trade laws and certain rules of international trade in order to benefit all sectors of the economy—from agriculture to high technology and from heavy industry to services. Only through substantive improvement and enhanced enforcement of these basic laws can we avoid imposing on all sectors of the economy the costs inherent in product-specific quota legislation that favors a select few. The bill offers sensible, realistic responses to the problems of foreign barriers and other unfair trade practices; acknowledges the need for American industry, labor, and agriculture to meet the rapidly changing competitive conditions of the world economy; and seeks to combat growing protectionism at home and abroad. It puts America first, but in so doing, improves the prospect for a more open world trading system to benefit the economies of all trading nations. International trade should be a positive sum game—where all nations benefit through world economic growth. This bill is designed to reinforce the concepts of reciprocity and enforcement that are paramount to building a more open world trading system.

Among other things, the Omnibus Trade Act provides for a new round of Multilateral Trade Negotiations—or series of negotiations—within the context of the GATT. The bill links fast-track implementing authority to enhanced consultation with Congress on U.S. trade policy objectives and priorities. These objectives include: Improvement of market opportunities for U.S. exports, elimination of agricultural export subsidies, enhanced GATT coordination with the IMF and World Bank, and extension of GATT disciplines to sectors and practices not currently embodied in the GATT framework. The bill sets out the very real objective of GATT reform so that American industry, agriculture, and labor will be assured that participation in the global trading system is indeed in our national interest. Above all, by requiring a mid-term report on the progress of the GATT negotiations and by introducing the possibility of a reverse fast track procedure if the administratrion fails to consult regularly with Congress on trade policy, the Omnibus Trade Act ensures that Congress will retain its rightful role in trade policy formulation and implementation.

Second, the bill contains provisions to promote aggressive and systematic enforcement of section 301 of the Trade Act of 1974. Building on the "National Trade Estimates" reciprocity language Senator BENTSEN and I placed in the Trade and Tariff Act of 1984, these measures will ensure that unfair foreign barriers to U.S. exports are subject to time-certain retaliation if they are not eliminated. In this regard, the legislation would provide for regular self-initiation by the administration of those section 301 cases which are most likely to result in the greatest expansion of U.S. exports. In addition, it would require the President—within a specific timeframe—to take whatever actions permitted by section 301 to eliminate or offset those practices which violate our international legal rights. Mandatory action on the part of the President—with certain limited exceptions—is absolutely essential if section 301 is to be a credible statute. The bill would also expand the definition of actionable practices under the statute to include such things as export targeting and Government toleration of systematic anticompetitive behavior by firms which restrict U.S. exports.

For those countries with a consistent pattern of unfair barriers and distortions, such as Japan, the bill would require the elimination of such barriers and provide concrete evidence—in the form of increased United States exports—that the barriers have been eliminated. This adversarial trade provision has been the subject of lively debate, with much speculation as to whether it would be revised on the floor to resemble a Gephardt-type deficit reduction measure. I certainly hope not. The Gephardt approach implies that America can no longer compete and that the only way to reduce our trade deficit is to erect barriers and shut ourselves off from the world. This approach would violate our GATT obligations, thereby inviting retaliation from our trading partners. It uses trade retaliation to deal with portions of our trade deficit that have nothing to do with unfair foreign trade practices. Ultimately, it offers not fair trade, but less trade.

I believe that reciprocity, not protectionism, must be America's response to our trade imbalance. Our objective must be to open markets abroad, not to close our markets. Reciprocity says that countries which shut out competitive American goods and services must pay a price and that the only way to avoid paying that price is to open up their markets. Any modifications to the adversarial trade provisions of the bill must retain this emphasis on reciprocity.

The telecommunications trade provisions of the Omnibus Trade Act also embody this concept of reciprocity. The premise of this section is that the United States, as the world's largest telecommunications market, is well placed to promote more open world trade in telecommunications. Above all, it demands that the United States harness the leverage inherent in our market to counter the unintended trade impact of the AT&T divestiture. Systematic use of access to the deregulated U.S. market as negotiating leverage and strict enforcement of existing trade agreements are to be used as a means of opening the global market and improving access to foreign markets for American telecommunications exports. This provision is derived from the Telecommunications Trade Act that I originally introduced in 1984. It is identical to S. 942—introduced and approved unanimously by the Senate Finance Committee in 1985.

Other provisions of the Omnibus Trade Act revitalize section 201 of the Trade Act of 1974 and create a new system of trade adjustment assistance for workers which emphasizes retraining. Specifically, the bill is designed to reform section 201 into a true adjustment statute. It expands Presidential options for granting import relief to injured industries to include trade adjustment assistance, possible exemption from U.S. antitrust laws, relief from Federal regulatory requirements or multilateral negotiations. At the same time, the bill limits those circumstances in which the President may deny relief to domestic industries which clearly demonstrate that they have been injured and are committed to undertake steps toward positive adjustment. Section 201 is not some strange anomaly of U.S. trade law: Virtually all trading nations have similar provisions to provide temporary relief for import-injured industries, and the problem is addressed by article XIX of the GATT. The changes proposed in the Senate trade bill go a long way toward making section 201 the accessible, adjustment-oriented means for securing temporary relief which it was originally intended to be.

The Omnibus Trade Act also makes significant changes to improve the enforcement of our laws against dumped and subsidized imports. These laws are highly technical and efforts to fine tune them don't usually amount to front page news. But foreign exporters have developed several methods for evading existing provisions, and efforts to combat such practices as circumvention and hit-and-run dumping are a critical element of an effective trade policy.

The Senate trade bill contains significant provisions for a more active and systematic approach to several other trade problems, including: Currency misalignment with key developing and developed country trading partners; imports that threaten our defense industrial base; the need to strengthen U.S. intellectual property right protection at home and abroad; trade data collection; and trade policy formulation.

All of the provisions I have mentioned thus far are contained in the Finance Committee portion of the trade bill. Other Senate committees have also made useful contributions to the overall package. For example, the Agriculture Committee approved an important provision—introduced by Senators BENTSEN, PRYOR, COCHRAN, and myself—that would provide for the implementation of across-the-board marketing loans if there is no substantial progress in the GATT negotiations to eliminate trade-distorting agricultural subsidies by the 1990 crop year. This measure would provide a powerful tool in our efforts to bring early discipline into the unruly world of agricultural programs. In addition, the Labor Committee included in its education provisions a measure which would provide assistance for secondary school programs to improve basic literacy and quantitative skills. This provision is derived from legislation which Senator STAFFORD and I introduced earlier this year. Finally, the Banking Committee has included in its portion of the trade bill important measures to eliminate significant disincentives to U.S. exports by revising our export control laws, and by clarifying the application of the Foreign Corrupt Practices Act so that its legitimate objectives do not unintentionally undercut U.S. sales opportunities abroad.

The Omnibus Trade Act of 1987 is not intended as a panacea for all of our trade problems. Efforts to update and strengthen the GATT framework and to enhance our domestic trade laws must be accompanied by significant efforts to achieve a sustained reduction in our Federal budget deficit and through tax policies which encourage savings and investment rather than consumption. In addition, foreign countries which consistently rely upon export-led growth and maintain an anti-import bias must take measures to boost demand and encourage imports from the United States and other countries. Finally, multilateral efforts are needed to stabilize exchange rates at or near a level which reflects underlying economic fundamentals, and to deal with the growing LDC debt crisis. Combined with initiatives in these important areas, enactment of the Omnibus Trade Act of 1987 would better enable us to meet the challenge of international trade. It is my hope that we will be able to continue working with the administration—as we did during the Finance Committee markup of S. 490—and with our counterparts in the House to produce a bill which is aggressive and responsible and which can be signed into law by the President.

The protectionist demagoguery, free trade dogmatism, and partisan bickering that increasingly dominate the debate over international trade offer no solution to our trade problems or those afflicting the global trading system. The polarized nature of the current debate over imports offers us a choice between economic Darwinism or proliferation of special interest quota legislation. When it comes to fighting unfair foreign trade practices, we are told that the choice is between risking a global trade war through massive retaliation or rapidly losing our competitive edge by failing to respond.

I don't believe that these are our only options. I believe that America is fully capable of competing with its trading partners. There is no valid reason why the United States should not be allowed to sell its state-of-the-art fighter planes, high-quality silicon wafers, supercomputers or top-notch construction services in Japan, or its highly competitive telecommunications equipment in the German and French markets. There is no reason why we should have to put up with the predatory pricing and sales practices of the highly subsidized European Airbus consortium. There is no excuse for our agricultural chemicals to be pirated in Taiwan, or for Canada to enact—under the guise of cultural sovereignty—a protectionist policy governing film distribution rights, or for the Europeans—through the threatened GATT-inconsistent tax on fats and oils—to continue to burden U.S. farmers with payments for the bloated and inefficient common agricultural policy. The Omnibus Trade Act of 1987 is a significant step toward addressing these and other trade problems in a coherent and sensible manner. It revitalizes and expands the middle ground between protectionism and playing the world's patsy. Congress need not be involved in micromanaging this Nation's trade policy if the President develops and consistently implements a consistent, aggressive trade strategy in partnership with us. While the administration has begun to move in the right direction, enactment of a tough, responsible omnibus trade bill would ensure that we stay on the right path.

Mr. President, I would now like to offer the following informal comments.

This morning I was asked what the chances are of enacting a trade bill this year. My response was that we probably had about a 50-50 chance of passing the bill that the President would sign, maybe a little more than 50-50.

I am not sure whether we can do this or not. I know that there are going to be ample opportunities to torpedo a trade bill. I know that there are going to be ample opportunities to load up a trade bill, to put amendments on the bill, which would sink it.

Mr. President, not knowing the odds on passing something that will actually become law, I do know that we should pass something that will become law. I say that for at least two reasons:

The first is that this bill contains within it new round negotiating authority so that the President can participate in a meaningful way in the Uruguay round of multilateral trade negotiations.

Over a period of years at various economic summits, the President of the United States has taken the position that there should be a new round of trade negotiations. Those new talks have now commenced.

But as the ranking member of the Finance Committee, Senator PACKWOOD, pointed out some time ago, to negotiate is one thing; to have something that the Congress of the United States would approve is quite another thing.

Unlike some other governments, what is negotiated by our executive branch in trade talks must be brought to the Congress of the United States for implementing legislation.

In 1979, the last time trade negotiations were completed, the so-called Tokyo round, a lot of people were predicting that the implementing legislation could not be enacted and therefore that the whole round would be a lost cause.

The then-U.S. Trade Representative Robert Strauss did a masterful job of working with both the House of Representatives and the Senate to get us to agree to the trade legislation, but it came to the floor of each House of the Congress on a fast track. All of the work was done in the Finance and Ways and Means Committees alongside of the negotiators so that by the time the negotiations were completed, Congress had had a reasonable opportunity for input and, therefore, there was a possibility for the bill actually to be passed. Had implementing legislation come to the Congress without fast-track authority, we would have dealt with that legislation in the normal course of events which meant the full opportunity for delay and for amendment in committee and on the floor and, therefore, the Congress of the United States could have undone what the negotiators had completed and there would have been no deal at all.

In short, while the executive branch can negotiate with other countries for a trade agreement, those negotiations are of little effect unless there is some process by which Congress has a reasonable opportunity to approve the negotiations, and therefore the granting of a fast track authority is essential if the Uruguay round is going to amount to anything.

Fast track authority is contained in this bill and that is the first reason why we really should pass this legislation.

The second general reason why we should pass this legislation is that there are obvious defects in our existing trade laws and those defects should be corrected.

Under our Constitution, the Congress of the United States has the constitutional responsibility for foreign commerce. Under the Constitution, foreign commerce is not within the province of the executive branch but is within the province of the Congress. It is our responsibility. As a practical matter, we have delegated to the President the day-to-day operation of trade policy, and that is of absolute necessity. Congress is not equipped to conduct the details of day-to-day trade policy. Only the executive branch can do that. So we have delegated that responsibility to the President.

But still the overall responsibility for international trade is in the hands of the Congress and, therefore, we do have a strong role to play and if the current system is not operating effectively, if it has broken down, then Congress should step in and make sure that we have a trading system that does work.

Now, I say that the existing system has obvious problems. I would say that it has obvious problems because it is not really a system. We have so delegated responsibility to the President that the President almost on the basis of whim can determine when to act and when not to act in enforcement of the laws that have been enacted.

One of the ongoing debates that has occurred both in committee and in the press and will occur on the floor of the Senate in the next week or so has to do with the issue of Presidential discretion. It is a tough question, Presidential discretion.

On one hand, we recognize that we do not want to tie the President's hands completely. The President has overall responsibility for foreign policy, for the faithful execution of the law. We do not want to be in a situation where the President has absolutely no room to maneuver.

But, on the other hand, we have so delegated authority to the President of the United States, we have so granted him discretion in the past, that the laws that have been enacted by the Congress have often been dead-letter laws, and that is particularly true with respect to section 301 relating to unfair trade practices and section 201 relating to the escape clause and the ability to provide some help to beleaguered industries.

Under section 301, the President of the United States has been generally reluctant to retaliate against unfair trade practices. The President has said that most suggestions for retaliation are tantamount to protectionism. And so section 301 has been called into question.

What good does it do? Does it provide any real hope that industries that are affected by unfair trade practices can get some relief from those unfair trade practices?

Senator PACKWOOD, when he was making his opening statement, put it very well. As he said, to date basically the policy of the United States in dealing with unfair trade practices has been to engage in jawboning. That is what we have done. We have been jawboning. We have been using rhetorical flourishes as a substitute for action. We have been sending delegations over to Japan, for example, to complain about what Japan does. We issue statements. We make speeches on the Senate floor. We pass sense-of-the-Senate resolutions, and on and on.

We engage in what the press frequently calls "Japan bashing." Why do we do that? Why do we use rhetoric? Why do we lose our tempers? Why do we engage in "Japan bashing"? Because section 301 of the Trade Act has been so little used. Because there is no real certainty, no likelihood that, where there is an unfair trade practice, any real action will take place, any step will be used to stop that practice.

So when action is not possible or when it is highly unlikely, words, temper, take the place of action. That is what we have been doing. Words have taken the place of action.

It is very interesting that, in the history of our trade relations with Japan, we have only retaliated once. And that was the semiconductor case; just once. And we did it with great lamentation. And then about 2 months after the retaliation in the case of semiconductor dumping, we said, at least in part, "Oh, we are sorry. We are going to take back some of the retaliation."

I would suggest that there is no real credibility in section 301 of the Trade Act anymore. And I would suggest that if all we do as a country is complain, if whining and complaining are our substitute for action, then very soon other countries view us as a country that never does anything. Why not engage in unfair trade practices? Why not take advantage of the United States if there is no downside to it? So section 301 has to be fixed.

I think those of us on the Finance Committee who worked on this bill do not want to give the President of the United States a bum's rush. We do not want to take all discretion away from the President of the United States, but we want to increase the likelihood that unfair actions by other countries are met with at least a reasonable possibility, a credible threat, that the United States will do something other than just talk.

So correcting section 301 and the related exercise of the principle of reciprocity is perhaps the most important aspect of the legislation that is before us.

The second issue where there is a clear breakdown in the existing trade law relates to section 201, which provides temporary escape clause relief for industries that are threatened by imports. This is one of the most controversial aspects of the bill that has been reported out of the Finance Committee. I can understand the arguments that are made by those who think that the Finance Committee bill is defective. They take the position that the President must have discretion. They take the position that the President must be able to weigh overall economic impacts.

What we attempted to do in the Finance Committee is to provide a greater certainty—not a total certainty, but a greater certainty—that industries which have some prospect of being able to put themselves back on their feet receive short-term relief. That was the thrust of the Finance Committee's bill.

Right now, section 201 is a sucker's game. A business that files a 201 case is wasting its time and wasting its limited resources, pursuing a remedy that is unlikely to get anywhere. And the test case for the efficacy of section 201, as it presently exists, is the shoe case.

The American shoe industry, suffering from 80 percent import penetration, filed a case before the International Trade Commission. It won the case. Injury was found unanimously. A recommendation of relief was made. And then the case went to the President of the United States and the President of the United States said, "No", no relief was going to be given. And that was all there was to it. The whole case went for naught. The whole case was a waste of time. Section 201 became, in effect, a nullity, blue-penciled out of the statutes of the United States by the President.

Mr. President, when the trade laws that are enacted by Congress, the generic trade laws enacted by Congress, lose credibility, when people do not believe in them anymore, when people do not believe that those trade laws provide a reasonable opportunity for redressing wrongs or providing relief, then they skirt the generic law and they seek ad hoc protection for their specific industries. And this is precisely what we are seeing in the Congress. When the shoe industry cannot effectively use section 201, which section is provided for by the General Agreement on Tariffs and Trade, which section is comparable to what is provided by all other members of the GATT, when it becomes ineffective for American business, then American business goes to the next forum. And the next forum is the Congress.

And so we have been beseiged by supplicants for relief, starting with the textile industry. The best antidote to quota bill type relief is for politicians to say to their constituents: "Seek out the remedy that is already provided by law." But where there is no relief under those remedies provided by law, then relief is sought on a political basis in the Congress. And the question is no longer whether the terms of the statute are met by the affected industry but, rather, how many votes exist, where is the political muscle, where is the clout.

So that, instead of attorneys and economists showing up in the International Trade Commission, we have busloads of constituents wearing buttons and uniforms parading through the corridors of Congress and telling us as a matter of political necessity that we must take care of their specific industries. So in order to avoid that kind of ad hoc treatment of trade questions, the existing generic law cries out for reform and for improvement.

Mr. President, many people have said that the No. 1 trade legislation that we can pass is not a specific trade bill but is, rather, effective action on the Federal budget. I agree with that. I so argued yesterday on the floor, as a matter of fact, in the context of the Senate's debate on the budget resolution.

I agree that the budget deficit is the No. 1 trade problem that we have, and I agree that action on the budget is the No. 1 improvement that we can make in our trade position. I believe that the reduction in the value of the dollar will pay off. We have already seen signs that the lower dollar is helping somewhat in our trade picture.

A lot of people, when they talk about unfair trade practices versus the overall economic problem or budget deficit, talk in terms of that fraction of our trade deficit that is caused by macroeconomic policy and that fraction that is caused by unfair trade practices. They say that maybe 15 percent of the trade deficit is caused by unfair trade practices and 85 percent is caused by macroeconomic questions. I have heard that so many times, but I do not agree with it, because I think that while the budget is the largest single problem, even if we solve the budget deficit, even if we were to establish sound economic policies, still we would have an extraordinarily difficult time of penetrating the markets of other countries.

Japan, of course, is often singled out and Japan has become a problem, not only for the United States but for the rest of the world. Japan is to unfair trade practices what Babe Ruth is to baseball: The all-time champ; the king of unfair trade practices.

Even where the United States has a comparative advantage, even where we have the best in the world, still we cannot compete in Japan.

One way to hold off the forces of protectionism is to make it clear to Americans who are trying to do business abroad that where we have a comparative advantage we will be able to do business abroad, and that is why reciprocity is so important in this bill.

With respect to Japan, it does not matter how good our product is. We build a third of the airports throughout the world. Our engineers are perfectly accomplished in building airports. We are told, in effect, with respect to the Kansai airport in Japan, an $8 billion project: forget it. You cannot do the work. A flimsy excuse is given: Our soil conditions are different from your soil conditions.

We try to sell skis. We cannot sell skis. We are told by the Japanese: "Our snow is different from your snow."

We cannot make baseball bats that are suitable for Japanese baseball. Our silicon wafers cannot get into their market. And on it goes.

The problem is not just with Japan, of course. It is with other countries in the world as well.

Aerospace happens to be very important in my State; both passenger planes and military planes. Passenger planes, we try to sell in competition with the airbus. It is tough going, to say the least. Fighter planes? The Japanese can buy them off the rack from either General Dynamics or McDonnell Douglas. We believe what they will end up doing is insisting on producing their own.

Telecommunications: state of the art. This is not yesterday's industry, it is today's and tomorrow's industry. Our market is open. The markets of other countries are closed.

So, Mr. President, if we are going to have a trading system; if we are not going to engage in protectionism in the United States but, instead, are going to try to compete, it is absolutely essential that we have the kind of system that works so that we can assure Americans that they have the opportunity to benefit from the advantages of international trade. They do not feel that way right now.

Mr. President, this bill is going to be very difficult to pass. It really is a tightrope walk. It is a tightrope on one hand between those who believe that our finest days are behind us as a country, that we have no place to go but down, and that the time has come to protect our own and dig ourselves into a hole and erect barriers and live for ourselves. It is a tightrope walk on the other hand from falling into the pit of what I would call free-trade-to-a-fault; meaning that free means that our market will be open and other countries are free to close theirs.

I think we want to avoid either one of those extremes and I think that the bill that is now before the Senate gives us an opportunity to avoid either of those extremes. It is based not on protectionism; it is based not on the concept that any country is free to do anything that it wants to us; but, rather, on the principle of reciprocity, which simply means that America will play by the rules and we insist that other countries play by the rules as well.

Will we enact a bill that the President will sign? I do not know. But there is some good news. The good news is that this is truly a bipartisan bill; the good news is that in the Senate Finance Committee, the Finance Committee portion of the bill was reported out by a vote of 19 to 1; the good news is that the President of the United States said last week, when he met with several of us in the Cabinet room, that he wanted a bill that he could sign. And I believe he does.

He certainly wants the new round negotiating authority; and the good news is that Senator BENTSEN has done an outstanding job of shepherding this bill through the Finance Committee and presenting it to the Senate, and that the majority leader, Senator BYRD, has shown a real commitment to getting a bill passed which can become law. That is the good news.

The temptation, of course, which is about to come to all of us on the floor of the Senate, is to load the bill up to please our own constituencies; to say yes to the various interest groups that are knocking on our doors; to add more and more to the bill on the theory that somebody will save us later on. Maybe the conference will save us. Something will happen, we can act irresponsibly on the floor of the Senate: Nobody will notice, nobody will mind. But, Mr. President, this is a very fragile undertaking. This is a very important undertaking and a very difficult undertaking, and I would urge all Members of the Senate to resist the temptation to load the bill up and to pass a bill that the President will sign.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Hawaii?

Mr. MATSUNAGA. Mr. President, today we begin consideration of S. 1420, the most comprehensive trade legislation which has come before this body in years.

The Senate Finance Committee worked for months under the able chairmanship of the distinguished Senator from Texas [Mr. BENTSEN] in a bipartisan effort to craft trade legislation which will guide this country into the next decade.

I believe that by and large the committee marked up and reported a bill which deserves the support of Members on both sides of the aisle. In my humble opinion, providing the administration with adequate neogitating authority to conduct the Uruguay round of multilateral trade negotiations is of critical importance. I believe that S. 1420 does this.

Some of the problems that are casting a long shadow over the international trading systems today, such as the distortions in agricultural trade, can only be resolved on a multilateral basis. Other problems, some of which are addressed in this bill, are still most efficaciously handled on a multilateral basis.

The committee's recognition of this theory is reflected in the reported measure.

Mr. President, there is a growing feeling which underlies some of the comments made on Capitol Hill which I believe portends a perilous course. If we are to avoid the pitfalls of emotionled legislation, we must rid ourselves of this feeling as we consider the pending trade bill.

That feeling is that the international trading system has somehow failed us; that foreign unfair trade practices have come to dominate the international trading system; that we in this country are under siege from import competition.

I think most of the Members of the Senate who have seriously considered our international trade position know that while each of these fears may harbor a kernel of truth, they do not actually or accurately describe the international trade problems that this Nation faces today.

Admittedly, Mr. President, there has been a tremendous surge of imports into this country under the policies of the present administration. Most observers know that the reason for the surge of imports and the economic hardships and dislocations it has created for much too many Americans, is not due to the barriers and nefarious practices of our trading partners abroad. In fact, most estimates by trade experts attribute only 10 to 20 percent of the value of our trade deficit on such barriers and business practices. The greater part of our trade deficit is largely due to factors not directly related to trade such as the imbalanced macroeconomic policies created here in Washington, an emphasis on consumption rather than on savings in our economy, or to broader international problems such as the debt crisis in developing countries which has restricted the ability of key countries to import our goods.

Speaking of debtor nations, Mr. President, the present administration has led the United States in a matter of 6 years from a position as the greatest creditor nation in the world to that of the greatest debtor nation. According to recent projections, if the present administration's policies continue, the United States could be in debt to other countries to the tune of $1 trillion by 1990. Yes, as soon as 1990.

Relying on future generations of Americans to pay for the consumption of today is no way to put our economic house back in order.

So as we debate our international trade position, I urge my colleagues in the Senate not to look abroad for the solutions to our trade problems when many of the real answers lie right here at home.

It is my firm belief that it is private business which must take the lead in producing quality products in demand by consumers both here and abroad at a price people can pay.

Certainly, there are practices in other countries that block competitive American products from entering their markets. To address the problem of barriers to market access, the pending bill as reported by the Finance committee provides the President with authority unprecedented in the history of our trade statutes. In addition to requiring a continued aggressive initiation of section 301 investigations, S. 1420 requires the President to enforce American rights in cases where trade agreements have been violated.

I repeat, the measure requires the President to act to enforce American rights in cases where trade agreements have been violated.

Mr. President, during the debate on the pending measure and amendments offered thereto, I believe it is important to bear in mind the fact that trade statistics in recent months presage an improvement in the U.S. trade balance. In volume terms, it has become evident that since last autumn, trade in real physical goods has been changing because of the exchange rate realignment with the German deutsche mark and the Japanese yen. This trend is very likely to continue, resulting in a gradual reduction in U.S. imports and an increase in our exports. However, realignment of the major currencies alone is no substitute for balanced macroeconomic policies in Washington.

In closing, Mr. President, let me say that the Finance Committee has attempted to write a trade bill that will shape our national trade policy into the next decade. The bill's emphasis is on trade expansion, rather than on erecting barriers to trade.

I urge my colleagues of this august body to make this trade bill a forward-looking piece of legislation that will stand the test of time.

Mr. President, I yield the floor.

Mr. ROTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, to put today's trade debate into sharper focus, I believe we must start with a clear assessment of where our economy is and where it is likely to be in the future. You really cannot talk constructively about our trade situation without a close eye on our overall economic performance.

I think there is no question that America has made substantial economic progress in the 1980's. At this very moment, our country is moving into its 56th straight month of economic expansion—the single greatest economic rebirth in any post-war period since World War II. Today interest rates that were once well over 20 percent are now less than 10 percent. The rate of inflation that soared above 18 percent, subverting our national self-confidence and instilling fear for the future, is now below 4 percent. These two facts have brought about a job growth in this country that is the envy of the world.

Over 13 million jobs have been created since the upswing in employment began in 1983—over 800,000 in the first 5 months of this year alone. And make no mistake, despite the current mythology being promoted by some around this country, most of the job growth in the current expansion has been in well-paid occupations. Since 1981, high and middle pay jobs have each accounted for 47 percent of the new job growth; only 6 percent of the jobs were in the low-pay category. Signs of prosperity are all around us.

What about the future? Fortune magazine has reported that "Sweeping changes in the recent past have already set the stage for the next decade or more." According to the editors and economists of Fortune, the growth that we can look forward to will reinvigorate the competitive creativity of U.S. business, continued expansion will be cyclical, while our gross national product literally doubles by the year 2004.

Well, I would say that Fortune is right to be optimistic. However, I would also say that we have still a way to go if we are to meet the goal of doubling our gross national product—and that gets me to trade and its importance to our domestic prosperity.

As everyone knows, at the same time that our economy has achieved remarkable economic successes since 1980, our trade deficit has reached unbelievable and dangerous heights—dangerous for both the United States and the rest of the world.

In the past few months, we have seen an improvement in our trade deficit. I, for one, think we have begun to turn the corner on trade. There are many factors which contributed to this recent improvement in our trade performance. We are beginning to see the results of the decline in the value of the dollar, and I want to commend the aggressive negotiating on the part of our U.S. Trade Representative Clayton Yeutter.

The central question today is not whether the $170 billion trade deficit will be reduced. One way or another, the U.S. trade deficit will be reduced substantially—a $170 billion trade deficit by one country, even a country as big as ours, is both economically and politically unsustainable. The central question today is whether the trade deficit will be reduced in a responsible way which will build on our current overall economic success, bringing even stronger growth and a higher standard of living, or whether it will be reduced in a drastic way, for example by trade protectionism, that will surely doom our economic future.

With a number of important exceptions that I hope we can take care of on the Senate floor or in conference. I believe that the trade legislation now before us will help us to build on our recent economic success through a stronger U.S. trade performance.

Mr. President, our Chairman [Mr. BENTSEN] is to be complimented on his work in guiding this highly politically charged issue through the Finance Committee. The finance legislation, which is the core of the bill now before us, has forged a much closer consensus among Members on the proper outlines for a constructive trade bill.

I have pressed five key legislative issues on trade and I am very gratified that my initiatives in each of these areas have been incorporated in whole or in roughly similar language in the bill now before us.

My proposals would: One, encourage action against unfair trade; two, increase the prospects for successful multilateral negotiations to open foreign markets and assure fair trade competition for the future; three, help workers who lose their jobs to imports rejoin the work force; four, strengthen the law that permits the President to restrict imports if those imports are threatening an industry critical to the national security; and, five, change our laws to encourage action by management and labor to make any industry that receives import relief more competitive.

Let me expand for a minute or two on a couple of these initiatives.

First, I am firmly committed to aggressive action by the United States to stop unfair trade. To me, one of the most egregious examples of unfair trade occurs when foreign countries pirate U.S. technological innovations and then ship the pirated goods into this country, infringing U.S. patents, trademarks and copyrights.

The bill we now have before us includes legislation I was pleased to develop with my good friend and colleague, Senator LAUTENBERG, to make it much easier to stop imports of products which infringe U.S. intellectual property rights. Our innovative ability has been key to America's success as a nation and is the key to our future prosperity as well. This is our real comparative advantage over other countries and we must not allow it to literally be stolen from us.

More broadly, I strongly support the tough provisions in this trade bill that would assure retaliation by the President against any country that violates a trade agreement, if that country does not stop the unfair trade practice that is the subject of the dispute.

Our trade agreements must be backed up by action. If not, such agreements will become meaningless and we will become either trade patsies or trade protectionists. Either of these two outcomes would lower our standard of living and cost jobs. Trade agreements are a good way to further growth through trade expansion. But this approach is only possible if agreements reached with other nations are worth more than the paper they are written on.

Second, in the area of Presidential negotiating authority, the legislation we are considering now is a significant improvement over S. 490 as originally introduced. The original Senate omnibus trade bill required not only the passage of a trade bill this year, but also the separate passage of a resolution endorsing a statement by the President on trade policy before multilateral trade negotiations could get fully underway. These procedures would have greatly delayed, if not foreclosed, the prospects for successful trade negotiations.

Senator BENTSEN and I worked very closely together during the Finance Committee's consideration of these provisions and I was very pleased that the committee substitute includes alternative procedures I proposed on negotiating authority. Under these procedures, Congress will provide so-called fast-track negotiating authority to the President now. But in 1991, if the President wants to continue to negotiate, he or she must demonstrate tangible progress in the negotiations. These procedures will maximize pressure on our trading partners to open their markets and eliminate unfair trade practices in the new negotiations. With these procedures the Congress will use its power to get concessions from our trading partners, rather than engaging in a rhetorical trade war among ourselves.

This is a results-oriented approach. Negotiating authority is linked to action, not promises in trade policy statements. These changes would immediately facilitate the Uruguay round of trade negotiations making it more likely for the United States Government to reap an early harvest of agreements in areas such as agriculture and services.

One final area which I would like to highlight is my efforts on trade adjustment assistance. Trade adjustment assistance is a Government program established to help workers who lose their jobs to trade. Last year, with the strong support of my colleagues in the Senate, I am proud to say that I successfully led the effort to get the Trade Adjustment Assistance Program reauthorized for 6 more years.

This bill now before us includes additional proposals I have made for reform of the Trade Adjustment Assistance Program. These reforms have passed the Congress several times before, but are not yet law. My reforms would place more emphasis on retraining workers to get them back to work and would provide sustained funding for the program by assessing a very small import fee, estimated at one-tenth of a percent, to finance the program. I strongly believe that the many people in this country who benefit from trade should help those hurt by trade.

Having acknowledged the strong points of this trade bill, I must also point out that there are several provisions in this legislation which are of great concern.

Foremost among these are the provisions that would prevent the President from considering the national economic interest in deciding whether to provide import relief to a domestic industry under section 201 of the Trade Act of 1974 and provisions that would clearly increase the pressures for an oil import fee. Both these provisions are bad economic policy. They could cost us more jobs than they could possibly create and they would surely lead us back to the old days of skyrocketing inflation.

Finally, before I close these remarks, I think it is important to be clear and realistic about what this trade legislation can and cannot do.

While this Senate trade bill is a serious, largely constructive effort to make trade fairer and while it will also position U.S. industry and agriculture for a stronger trade performance, it alone is not the answer for those who seek a responsible reduction of our trade deficit.

Reduction of the trade deficit will require, as well, action in three other areas.

First, Congress will need to face up to the budget deficit. In this debate, some will surely assign U.S. trade policy as the culprit for the trade deficit and for what comes along with such an enormous trade deficit, the burden of being an international debtor nation. Let me make one thing clear: We are a debtor nation and we have a trade deficit not because of trade policy, but because of big spending by this Congress.

This country became an international debtor by spending beyond its means, and thus having to finance the excessive spending by borrowing from abroad. Capital inflows escalated the value of the dollar and the high dollar precipitated the explosion of the trade deficit. Congress must address the budget deficit this year, not just trade legislation.

But responsibility to alleviate the current trade situation is not only a matter for the U.S. Congress. It depends on action by our trading partners and by our private sector as well.

Other nations are quick to denounce the rising sentiment for trade protectionism in the United States, but they are slow to accept their great responsibility for the growth of this protectionist fervor.

I have been deeply disappointed over the last year that, as our trade difficulties have escalated, we continue to encounter blatantly unfair trade by Japan in the critically important semiconductor sector and simply outrageous proposals by the European Community for new significant import restrictions on United States agriculture exports.

Trade must be a two-way street. We must remember that the General Agreement on Tariffs and Trade [GATT] is based on the idea of reciprocity—that trade is and should be mutually beneficial. It's not enough for countries to just formally open their markets to U.S. goods. There has to be a willingness to buy U.S. products.

Our trade relations with Japan, as a key example, have reached the boiling point not because of formal barriers to United States access to Japan's market. The problem is that while, on paper, there is a two-way street between the United States and Japan on trade, the reality is that there is not a two-way street. If we are to avert a major confrontation with Japan on trade, while there are many actions we must take for our part, Japan must reverse its buy-national mentality and mount a major effort to turn the psychological and economic structural momentum of four decades around to make manufactured imports legitimate.

Finally, there is only so much government—all governments—can do in this area. For America's future, the private sector—in management, in labor and in academia—must make every effort to make this country a smarter, better trader.

In conclusion, I think it is important that the Senate move ahead with responsible trade legislation.

At stake in the current trade debate is not just this Nation's trade balance in 1987, but the position of the United States in the world economy for years to come, growth in the United States and most other nations, and the cohesion of alliances vital to U.S. security. Bearing all this in mind, I will be working both here, in the Senate, and in conference to assure that the Congress sends a bill to the President, that is protrade and progrowth. Trade has enormous potential to raise our standard of living and create jobs for the future. My hope is that we will pass a trade bill and take the other actions necessary to realize this potential and establish a winning strategy on trade for the United States.

Mr. BAUCUS. Mr. President, today we begin consideration of a landmark piece of legislation.

It is significant not only because of its content, but also because it marks a critical juncture in American history.

We are at a turning point, a watershed. And this bill marks the significance of that moment just as much as it shapes new trade policy.

This bill is legislative proof that, for America, times have changed.

At the end of World War II, Americans bought Westinghouse washers, Singer sewing machines, and Victor Victrolas. Today, Americans buy Toshiba TV's, Sony stereos, and Toyota Tercels.

In those earlier days, America's economic dominance was unparalleled in the history of the world. We produced over 30 percent of the world's GNP. Twenty-five of the world's 30 largest corporations were American. And the slogan of the day was "What American makes, the world takes."

We literally dominated the world—militarily and economically.

Well those days are over and, frankly, America has been slow to respond.

Our corporate leaders spurned a genius like W. Edwards Deming, who left the United States to teach Japan the lesson of quality control, a lesson we should have learned and practiced.

Our Presidents too often elevated foreign policy considerations above trade concerns, undermining our trade status.

And Congress and the President ran up record budget deficits and failed to consider the competitiveness implications of those budget deficits.

More than anything, this bill says America is waking up. And to that, we should all say, "Thank goodness, it's about time."

We have already been too slow to respond.

THE TRADE BILL

Let us be honest about this legislation.

It is not perfect. It is not going to solve all our trade problems. And it does not address all the causes of our trade problems.

This bill is the product of 100 different Senators, with different interests and constituencies. Moreover, we should not expect to solve our trade problems with one bill. Japan did not become an economic power overnight by passing one single omnibus trade bill. It has taken many years to fall into this mess, and it will take us years to get out of it.

This bill does not address all of the causes of our trade problem. But what should we expect? Many of those causes cannot be legislated. Our competitiveness depends primarily on the decisions and actions of management and workers every day in the workplace. They go to quality, to effort, to cooperation. We cannot legislate that and we should not try to legislate it.

Of course, the budget deficit is not part of this trade bill. Just yesterday, the Senate passed a budget conference report that was an attempt to try to bring the deficit under control; but of course our American President and our American Congress have not been working together nearly as well as we should in order to get that deficit reduced.

UNFAIR PRACTICES

Yet, this bill does respond to three problems which we have let slip away for quite some time.

First, we have to strengthen the GATT negotiations. Some Members of this Senate speak disparagingly of GATT, the General Agreement on Tariff and Trade. But the fact is that GATT has helped. In my judgment, GATT is very similar to our Budget Control Act. The Budget Act has not eliminated the deficits. We still have deficits. But without the Budget Act, it is my view that our budget deficits would be much worse than they are now. The act has helped.

The same is true with the General Agreement on Tariff and Trade, GATT. GATT has not solved all our world trading problems but it has helped. Since 1947, when GATT was enacted, worldwide tariffs have come down from 40 percent in 1947 to 5 percent today. GATT has brought down worldwide tariffs from an average of 45 percent in 1947 to 5 percent today.

The trouble is that GATT does not cover very much of the goods and services traded today. Some estimate that GATT covers only 5 percent of the goods and services traded today. Other estimates go as high as 20 percent to possibly 30 percent. But most of the goods and services traded in the world today are not covered by GATT.

We have to strengthen GATT the best we can, and this bill does provide new GATT round authority, so that our country can lead the way to help work with other member countries to strengthen our trade system to reduce barriers to trade. This trade bill before us helps move us in that direction.

There was another problem this bill deals with—namely, unfair trade practices. Let us be clear about this. Let us clear away some of the myths about unfair practices. They are not the major cause of our deficit today. They are not the main cause of our trade deficit. They probably account for 15 percent or 20 percent of the trade deficit. Yet, significant trade barriers do exist. They do block America's exports in many instances, and we should and must address those barriers aggressively.

Korea, for example, has a total ban in imported cars, a total ban on imported beef and, until recently, it was illegal to smoke a foreign cigarette in Korea.

Think of that. Suppose our Government banned the sale of all foreign Toyotas, Mazdas, or Hondas. Suppose it said you could serve time in jail if you lit up a Marlboro. It is unthinkable.

It is unthinkable, because we have a fair more open economy, and because America's open economy is the engine of growth for the world. If we shut our market, we would shut the door on world growth.

But other countries are shutting the door on us, and we should respond. This bill addresses a good part of that problem.

FINANCE COMMITTEE TITLE

The Finance Committee bill is the chief title dealing with unfair trade practices, so let me comment on that for a moment.

It is a good bill. It is good largely because of the efforts of Chairman **Bentsen**, who led the committee through the trade bill markup.

This markup was not easy. When we started, Chairman **Bentsen** could have taken the easy way out. He could have pushed for a protectionist bill to be used as a political statement.

That would have been easy. But it would not have served the best interests of this country.

Instead, Chairman **Bentsen** sought to craft a responsible bill the President could sign. That is a lot tougher. My colleagues on the Finance Committee hold widely different views on trade. Those views are firmly held. It is not easy to reach a consensus.

But the bill was reported out of committee favorably by a 19 to 1 vote. That is an overwhelming show of support on an issue of this magnitude.

It is a testament to Senator **Bentsen**'s tact and leadership that he was able to unite these competing views behind a single bill.

NATURE OF THE FINANCE COMMITTEE BILL

The bill the Finance Committee has reported is not only responsible. It is responsive. It is responsive to the new reality that America faces today.

For years, we have been trying to draft balanced legislation.

We want legislation that gets tough on unfair trade practices, but does not shoot ourselves in the foot by causing retaliation or mirror legislation. We want legislation that respects GATT, but also defends America's trading rights.

We want legislation that gives the President discretion to do his job, but ensures that Congress plays its constitutional role. And we want a bill that expands trade, not contracts it.

This bill does all that.

It gives the President fast track authority to enter a new round of GATT negotiations. In past negotiating rounds, GATT reduced average tariff levels worldwide from 40 percent to 5 percent. Today, GATT negotiations may be our best hope for eliminating barriers on intellectual property, investment, and services.

But it also ensures that Congress will play a role in those negotiations by giving it the power to revoke fast track authority. It ensures that Congress will play the role in trade matters assigned to it in article I of the Constitution.

The bill strengthens section 301—our main weapon against unfair trade practices—by requiring that the President take action against unfair practices within 15 months, with certain extensions. Those 15-month deadlines are necessary to achieve results.

But it also respects GATT, by requiring the President to bring disputes to GATT before acting under section 301.

The bill increases the likelihood industries will get relief under section 201, but it also strengthens the Trade Adjustment Assistance Program, so those industries are less likely to need relief in the future.

The list goes on and on. This legislation repeatedly strikes the hard balances that any sound trade policy should contain.

No legislation is perfect, because each of us would write it differently. But this legislation is pretty good. And I think we should be proud to send it to conference with the House.

COMPETITIVENESS

I said earlier this bill addresses essentially three problems. The new GATT round authority, addressing unfair trade practices, and third competitiveness.

For the first time in our history, we here in Congress are considering legislation specifically directed toward improving American competitiveness.

Again, I think that shows that America is waking up. It is waking up to the need to compete.

That has not always been the case. In the postwar years, we did not need to fight to compete. In fact, we needed to fund the Marshall plan so Europe could buy the goods we produced.

Even recently, we did not even consider competitiveness in our decisionmaking. We passed a tax bill last year, but barely considered its effect on our international position.

We unilaterally also in this Congress opened our telecommunications market, without considering its effect on our international competition.

Today we are waking up to a new reality: Competitiveness counts.

And this bill is a reflection of that. Do not get me wrong. We are just waking up to that new reality. In fact, it is not even clear we are completely out of bed yet. But we are moving. We are waking up and we are taking that necessary first step.

When the history of this bill is written, I think it will be seen as a significant first attempt to tackle our competitiveness problem.

This bill makes some good starts at combating illiteracy, retraining workers and emphasizing technological development, particularly process technologies.

There are many competitiveness issues we do not address in this bill. For example, how to encourage our businesses to think long term, and there are many others. But this bill does address some key problems.

THE BILL BENEFITS MONTANA

Mr. President, this bill is not only good national trade policy. It also benefits my home State of Montana.

Montana is very dependent on trade. Over 70 percent of Montana's wheat is exported. Our beef industry desperately needs increased sales in the East Asian market. Our timber and oil industries are critically affected by imports. They need this trade bill.

This legislation serves their interests. It expands the Export Enhancement Program, which gives our wheat producers a fair chance to compete. It strengthens section 301, which could be used to help Montana's beef exporters and other exporters eliminate foreign trade barriers. And in countless others ways, it improves the prospect for Montana's trade.

That is important. Montana—maybe more than any other State in the Nation—understands the importance of trade. For years, our wheat and livestock producers have been jolted by dramatic shifts in worldwide agricultural production and trade. Our oil and timber industries have been rocked by imports.

It is no exaggeration to say that our country's trading future is Montana's future. That is why I am glad we are making progress on this legislation.

BAUCUS INITIATIVES

Mr. President, I also want to mention that this bill contains a number of provisions I offered, which I feel make a significant contribution to the Senate's attempt to structure an effective trade policy.

CONCLUSION

Mr. President, our trade problems will not be entirely solved by this bill. We all know that.

Instead, it will take a series of steps that will make a difference. This bill is one of those essential, critical steps.

This bill puts the U.S. Congress on record as establishing a new, national trade policy, and—for the first time—a new national competitiveness policy.

This bill recognizes the shifting role of the United States in the world economy. It recognizes that the United States can no longer tolerate the unfair trade practices it accepted in the postwar era.

But it also recognizes that America itself must do much more to face an increasingly competitive world. It recognizes that we must compete.

That is not the final step. But it is an essential step. And I am glad we are taking it.

I look forward to working with Senator BENTSEN to see that the Senate passes this bill.

Mr. President, I list below those provisions that I offered to the trade bill, both in the Finance Committee and other committees.

EXPANSION OF THE EEP PROGRAM

This provision, included in the bill reported from the Committee on Agriculture, would increase the commodities allocated to the EEP Program from $1.5 to $2.5 billion, extend the program until 1990, and direct the Secretary of Agriculture to use the EEP to keep agricultural commodities competitive in all markets where U.S. agricultural commodities compete with subsidized competition.

REDEFINITION OF "INDUSTRY" IN COUNTERVAILING DUTY CASES

This provision clarifies that producers of primary agricultural products and processed products should be treated as one "industry" under certain circumstances for purposes of countervailing duty determinations.

SECTION 301 STATE TRADING PROVISION

This provision clarifies that certain State trading practices, such as those used by the Canadian Wheat Board, are "unreasonable" practices under section 301.

SECTION 301 EEP PROVISION

This provision directs the President to coordinate with USDA to use the EEP appropriately in section 301 cases.

MULTIPLE DUMPING OFFENDERS

This provision requires increased monitoring and—in appropriate cases—fast track antidumping cases against foreign manufacturers that repeatedly dump in the U.S. market.

CURRENCY MANIPULATION

This provision directs the President to conduct negotiations with foreign nations to eliminate practices by which those countries manipulate their currencies.

AUCTION QUOTAS

This provision establishes a pilot program of auction quotas, to be imposed in the next three section 201 cases.

LAMB QUOTA PROVISION

This provision gives lamb producers the same protection afforded other meat producers under the Meat Import Act.

DOMESTIC SUBSIDIES PROVISION

This provision clarifies that foreign subsidies available in theory only, but not in fact, are not "generally available" and therefore can be subject to countervailing duties by the United States.

GATT NEGOTIATING OBJECTIVE

This provision directs the U.S. GATT negotiators to seek a reduction in tariffs where—as in the case of fertilizers—foreign countries impose high tariffs and the United States imposes little or no tariffs.

I look forward to working with Senator BENTSEN and other Members of the Senate to craft an even more refined trade bill.

Mr. President, I yield the floor.

The **PRESIDING OFFICER.** The Senator from Michigan.

Mr. **RIEGLE.** I thank the Chair.

I know the Senator from Maryland wishes to be recognized for a moment. So let me yield to her.

Ms. **MIKULSKI.** I thank the Senator from Michigan for yielding a few minutes of time so that I may join with him and my colleagues in support of the omnibus trade package now before the Senate. I know the Senator represents one of the greatest smokestack States in America and for a number of years has raised many questions about the issue of fair trade practices.

The issues what we raise with smokestacks years ago are now the issues pervasive throughout the American economy.

Mr. President, I am very pleased to join with my colleagues in support of the omnibus trade package now before the Senate.

America badly needs new trade legislation. It's been 12 years since we've had a comprehensive review of our trade laws and a lot has happened in those 12 years. The American economy has changed, and the global economy has changed.

We would have to ensure that America, as we move toward a global factory, ends up doing more than just putting on the hubcaps. That is why we need a policy that addresses those changes and moves us toward a prosperous and competitive 21st century.

As recently as 1981, America was a surplus nation. Now, we're the world's largest debtor nation. In 1986, our world trade deficit reached an all-time high of $169 billion, and our foreign debt skyrocketed to $263 billion. We exported less in 1986, $216 billion, than we did in 1981, when we exported $223 million. On top of that, America has also become the world's largest importer. If anyone had told me 20 years ago that we would be in this position, I would never have believed it. I wouldn't have believed it because I know that Americans, if given a fair chance, can compete, produce, and reform with the best. In fact, I know we can be the best.

But more and more, the rules that we trade by are written by others. Certain countries, like Japan, have racked up enormous trade surpluses with our country while limiting access to their own markets and in some cases, downright blocking it.

These countries subsidize industries that compete directly with our own industries. They dump their products into the U.S. markets, and then they turn around and say no thank you to American goods and services. Foreign companies want to come over to America and bid on lucrative contracts to build American airports. But, at the same time, their governments leave American contractors who would like to do the same abroad stranded on the runway at BWI.

But, that's not the whole picture. America must also do more to help itself. If a French computer exporter can get his export license in 3 days, then it shouldn't take his American counterpart 3 months. It's high time that we had laws that encouraged U.S. exports, that sought to open foreign markets, and moved to end unfair practices that hamper our export efforts and undercut our economy. The future of America's economy may well depend on the passage of a tough, fair, and comprehensive trade bill.

The bill that we have before us addresses many of the problems facing us in the international trade arena. First, and perhaps most importantly, the bill gives the President far-ranging authority to negotiate multilateral trade agreements. This authority is crucial to maintaining America's position as a leader in resolving international trade problems.

Second, the bill addresses the crucial issue of retaliation against unjustifiable trade practices—direct violations of an existing treaty. Under the proposed bill, the President has 19 months in which to negotiate a solution to the problem. At the end of that period, if no agreement has been reached, the President, with some exceptions, is required to retaliate.

This provision is a vital one. It gives the violator plenty of time to correct the unfair trade practice, but at the same time gives the United States the necessary tools to attack the problem if it has to. We cannot reasonably ask our competitors to police themselves if we don't give ourselves the tools to enforce our own laws.

One of the most positive features of the bill is one we badly need in Maryland, and that is an expansion of the Trade Adjustment Assistance Program. Maryland is trying hard to get its workers ready for the 21st century, particularly those who have lost their jobs in the older, Rust Belt industries like steel and coal.

Current law limits eligibility to workers that produce articles directly competitive with an import. This bill expands eligibility to include workers and firms that supply essential goods or services to the company directly impacted by the import. In Maryland, this means that we won't just be able to help the steelworker, but others that supply the steel industry. Now that's a program that I like. It finds a sensible solution for a concrete problem and takes an important step toward making America more competitive in the world market.

There are too many good features in this bill to go through them all. Is it a perfect bill? No. But it is the first major piece of legislation that I have seen in a long time that looks out for American interests, American jobs, and American workers.

I am proud to speak in support of this bill and I look forward to casting my vote for America's economic future.

I thank the Senator again for yielding me time.

Mr. RIEGLE. I thank the Senator from Maryland for her contribution.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Michigan.

Mr. RIEGLE. Mr. President, I rise also to address this trade bill that is now before the Senate. It really is a historic moment.

I have here in front of me the actual text of the bill. I would guess that it is probably 5½ inches of typed material, and I think it shows not only the complexity of the problem but the fact that we have gone to great lengths to fashion a strategy for dealing with it.

I join with what others have said in complimenting the chairman of the full committee, Senator BENTSEN, from Texas, for his outstanding leadership in crafting a bipartisan bill, bringing it to the floor in record time, to deal with a truly urgent problem.

The chairman of the Finance Committee has done an outstanding job of crafting this bill with broad bipartisan support, and I also think the majority leader, Senator BYRD, is to be commended for the leadership that he has shown on this issue to bring it forward so early in the season on a matter of this complexity.

I think this is a good bill. It does not go quite as far as I think it needs to go in some areas. I am presently working on a very important amendment with Senator DANFORTH and others that I think when we complete it will be a very important addition to the bill and we will discuss that at a later time.

But I would like just briefly to go through a factual summary of the background against which this debate takes place.

I have with me on the floor today some charts to help illustrate the scale of this problem because it is very important that it be understood in its full dimension.

The first chart I have here is a chart that shows the trade deficit for our country over roughly the last decade starting in 1968. This line at the top is a balance of trade line and then it is marked off on the side scale in $20 billion segments. What this chart shows is that in the early 1970's we were more or less holding our own in the merchandise trade account, and then along in the midseventies we began to work ourselves into a deficit position. We came down to this level. But then we were able to plateau at that level and that carried us pretty much through 1982 when at that time this chart shows, and this by the way is Government Department of Commerce data, our trade deficit broke against us at an extraordinary rate, taking us down last year to a deficit of $170 billion, the largest deficit that any nation has ever incurred in any given year.

If you think of this statement as an income statement, the balance sheet is even a greater problem. And this is something that was in the news yesterday because the summary statistics on our debtor nation status were just made public. It indicates that we added about $150 billion of new international debt, net debt last year, an extraordinarily damaging statistic for the country. That is shown on this chart, which, in effect, is a balance sheet of where we have been and are in terms of our international financial standing.

This chart also has a zero line across the center which shows that up until 1984 we were in a strong financial position internationally. This area in blue represents the fact that going back in time over 50 years, all the way to 1914, we were a creditor nation. We had a very strong international position. But, about 2½ years ago, we exhausted that credit position. We crossed the line into the debtor nation status.

As the red zone shows, we began to move at a very alarming rate of speed down into the debtor nation category and, in a short space of time, in fact passed every other nation on the debtor nation list. We hear the stories about Brazil and Poland and Mexico. We passed all of them. We are now the number one debtor. In fact, we owe more debt to the rest of the world than those nations combined. And, even worse, we are adding new international debt right now at the rate of a billion dollars every 2½ days. That is an incredible international debt accumulation.

The New York Federal Reserve Board has estimated that by 1990 we are going to owe the rest of the world roughly a trillion dollars. Now a trillion dollars is a lot of money. A trillion dollars is a thousand billion. And it is almost unimaginable that we could be in a situation where our debtor nation status to the rest of the world would have gotten to that point. But that is the track we are on and we are only 2½ years away from that estimate of a trillion dollar international debt.

If one thinks about this change in circumstance over a roughly 4-year period, from this peak of financial strength to having depleted that financial strength and now be in this kind of very adverse position, I think this is really a breathtaking change, especially when you see that it has taken place over such a relatively short space of time.

This is clearly a critical problem for America. I think, along with our Federal budget deficit, the most critical problem, certainly in financial and economic terms.

I would like now to show a related chart. The first chart I showed indicated our trade deficit status through the end of last year. There has been some question as to how we are doing this year, so this chart depicts our performance so far this year.

The reason this is important is that some people have said that if the value of the dollar goes down sharply against the Japanese yen and there is a revaluation of currency values, what will happen is that will suddenly make us able to sell our goods abroad at a lower price, force up the price of foreign goods in this country, and we will see the effect of what is called the J-curve; namely, we would start to see a swing and improvement in our trade deficit.

The data so far indicates that we are not really seeing much, if any, of a J-curve effect. These four red lines here represent our trade deficit month by month through the first 4 months of the year on an annualized basis. What they do show is that, because of the huge drop in the value of the dollar, we have stopped the plunge in terms of the sheer size of our annual trading deficit, but the problem is that it has leveled off at roughly a $170 billion-a-year annual level.

So what has happened is that we are not seeing a J-curve that would come down like this and come back up. We are seeing something that might be thought of more of as an L-curve. We have gone down and now we are coming across but at a devastating trade deficit level that, at the same time, is exhausting our capital position. We are exporting our American money for the foreign goods, going more deeply into debt and, of course, exporting millions of American jobs at the same time.

So the notion that somehow we turned the corner on the trade deficit is just untrue. I realize we are getting a drumbeat of that kind of publicity now by people on the other side of the issue who say the trade issue is not a serious problem. But the facts, as they are coming out in terms of the baseline economic and financial data, tell a different story.

Now, I want to relate that to one other fact. We had a lot of talk here last year, when we were handling the tax bill, on the issue of differential savings rates and how do we take and drive the American economy at a faster rate to get a surge in output, innovation, and productivity, all of which are badly needed.

Related to this problem is the fact that we have a very low savings rate in this country relative to our major trading partners. It is a longstanding problem. It is one thing if it is in a context where everything else is working for you, but if you find yourself in a desperately serious trade deficit situation and a debtor nation problem, if you have a very low savings rate relative to your trading partners, you are in even more difficulty.

What this chart shows in the blue line at the top, it shows the nation of Japan over the last 15 years with its rate of personal savings. And the personal savings rates are marked along the side here. So what this shows is the Japanese are very good savers and they have saved something between 15 and as high as 24 percent of their annual income each year over this period. And, of course, that savings goes into their capital base. That is part of what lets them do the innovation and other things that have helped them move ahead in the international trading circles.

The green line below it shows that the Germans, as well, have a very high savings rate; not as high as the Japanese, but they have ranked in the range from 16 percent to about 13½ percent, where they were last year. But, again, a very high savings rate, throwing off capital into their economic system.

Here in the United States, our line is the line down here at the bottom, much lower than either Japan or Germany. It shows a savings rate that is not only below 10 percent and substantially less than our major trading partners, but the trend of ours has been downward and has been sharply downward in the most recent years. There is some downward slope that one can see in the Japanese line, the Germans somewhat more stable. But if you take a look from where we start in our overall savings rates to where we are at the present time, I think this trend line is very worrisome for us if, at the same time, we are going deeply into international debt.

If we decide as a nation that we are going to run huge Federal budget deficits and huge trade deficits and, in fact, lots of other sectors in which we are building debt into the structure of the country, if you are doing that on the foundation of a low savings rate, you are working yourself into terribly serious trouble and you are putting yourself in a position as a nation where there is a mortgage on the future that we may not be able to pay.

So we have to bear in mind these kinds of statistics when we talk about the need to stop the hemorrhage of capital that is coming because of this terrible trade deficit that we have at the present time.

Now, anybody in this country that has a variable rate home mortgage, or has tried to finance a new car recently, knows that interest rates went up just a few weeks ago. That hurts American families and it hurts our businesses and all of our workers.

One cause of those higher interest rates has been these massive trade deficits, $170 billion last year, the highest in human history for any nation.

As I said, we are now the No. 1 debtor nation in the world. We are adding new international debt at the rate of a billion dollars every 2½ days.

Paul Volcker the other day, the very respected outgoing Chairman of the Federal Reserve Board, in a commencement address he gave, described the American economy as "vulnerable." That is his word. He told that college commencement that we have "mortgaged our future and that we are obviously in danger of losing control over our own economic destiny."

Those are strong words coming from Paul Volcker. Why does he say that? He says it, in part, because these trend lines show us plunging deeper and deeper into debt at a time when we just cannot afford to let that continue; and that in fact we are turning more and more control over to decisionmakers in foreign countries and that is precisely the import of this comment.

Every family is threatened by these trends. They are a danger to our future. They are a cause of the higher interest rates that we see, and we have got to have a tough trade strategy as part of the overall approach to dealing with it. We have to stop the unfairness in the world trading system that is destroying U.S. jobs and companies and draining away our national wealth.

This legislation moves directly at that problem. With an amendment that we will be offering later, I think it really nails down a strategy that will work in reversing these trends.

There are many nations today that directly block the sale of better and cheaper U.S. products in those countries. Japan is one of the worst offenders. It blocks the sale of United States supercomputers, cellular telephones for cars, automobile parts, beef, rice; there is a list of endless length of products that we have in this country today that we could sell in Japan if they would just let us do so on a fair basis.

In Taiwan, a country with which we had a $16 billion trade deficit last year, we have McDonald's hamburger stands now all over in Taiwan. We are not able to use American potatoes to make the french fries in those McDonald's hamburger stands in Taiwan because they have a way of preventing us from doing that.

In Korea there are also huge tariff and trade barriers that block out most American products. The Senator from Montana mentioned some with respect to cars, and yet Korean products are flooding into America, each and every day, as we know.

Well, international trade cannot be a one-way street and trade cheating against the Unites States has to be stopped now while we still have the strength to force a change. I want to say something about that.

The President recently went to the summit meeting in Venice and he asked for cooperation from our allies in a number of areas. They said no on trade fairness. They said no on defense burden sharing in the Persian Gulf. They said no to our ideas on economic coordination. And I think many people wondered why America was given the brushoff at the summit in that way.

One of the reasons is the other nations there have become our creditors. We are borrowing more billions from them each week, much of it to pay for the trade deficit. We now owe the European nations together some $238 billion. We owe the Japanese another $73 billion. So, when we, as the No. 1 debtor nation, go hat in hand to talk to the people to whom we owe all this money, it is not surprising that that puts us in a weak position and that we do not have much leverage and they are able to ignore our requests, because they now control the purse strings.

It is precisely the warning that Paul Volcker gave in that address a few weeks ago.

We just cannot negotiate effectively with our allies from a position of international financial weakness and with a record trade deficit and record Federal trade deficit. They have to be brought under control and that is why this fight for trade legislation is so vital.

That is the backdrop upon which this whole discussion will take place and the votes that we will cast in the days ahead as we sort out this bill. We must act now.

I think the economic future of this country is at stake. The data that I have just illustrated here shows that. We are in an unprecedented situation of vulnerability on an international financial scale, because we have not dealt with this problem properly in the past.

The administration, basically, has had no effective policy on the trade side. That is why these statistics and graphs and charts look the way they do. We have to deal with it.

So, I would say in closing that I hope my colleagues will consider carefully the amendment that we are putting the finishing touches on, working with Senator DANFORTH and others. I hope that we will substantially toughen this bill by going directly at the barriers in other countries that keep out American goods that are cheaper and better, things that we should be able to sell today in order to get those trade deficits down, which would provide employment and income and national wealth here in the United States but we are prevented from doing it. I think when that proposition has a chance to be looked at, I think it will be clear that it will be something that will help the bill, strengthen the bill.

I want to just say again that the Senate, I think, is at a historic moment in terms of dealing with this issue, a vital issue of national security. I am hopeful that this trade bill will pass overwhelmingly and that the President will sign it.

We can write a terrific trade bill here and we can do a lot to help America, but we are going to have to have a Presidential signature on it at the end.

If, for any reason, that is withheld, then we are going to be back here to have to pass this bill in the absence of a Presidential signature. I would hope we would not find that to be the case. We have not had much leadership thus far on this issue outside the Congress on the matter of trade strategy and reversing these trends, but we are going to need a Presidential signature on this bill once we pass it, and I am hopeful that we will have it.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. I think the Senator from Washington was first.

Mr. PACKWOOD. Are we not going back and forth?

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I thank the Chair for——

Mr. HEINZ. Mr. President, a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. The Senator's understanding, on an informal basis, was that there was alternation from one side of the aisle to the other.

The PRESIDING OFFICER. In answer to the Senator's parliamentary inquiry, it is the first Senator that seeks recognition and the Senator from Washington was the first to seek recognition.

Mr. PACKWOOD. I wonder, Mr. President, would the Senator from Washington yield for a moment?

Mr. ADAMS. Certainly I would yield, and if that was the informal understanding I would say to the Senator from Oregon I would of course defer to the Republican side. I did not realize there was such an agreement.

Mr. PACKWOOD. As usual, my friend from Washington is that generous. That has been our informal understanding. If there is only one Senator on the floor, we do not ask for a quorum call to delay; but we have been going back and forth.

The PRESIDING OFFICER. I appreciate the statement from the Senator from Oregon. The Chair has recognized such a procedure. The Senator from Washington had been waiting, the first time, to speak. We will certainly go back and forth and if the Senator from Washington will defer, the Chair would recognize the Senator from Texas.

Mr. ADAMS. I will defer to the Senator from Oregon or to the Senator from Texas, if that has been the agreement. I certainly would do that.

Mr. PACKWOOD. I thank my good friend very much.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas.

Mr. GRAMM. Mr. President, I would like to begin by thanking the Senator from Washington for deferring. I appreciate it because I appreciate having the opportunity to follow the previous speaker.

Mr. President, when I was a student, in the first economics course I ever took, in the chapter on international trade, there was a quote from Disraeli that said: "Not one person in 50,000 understands the currency and yet we meet him every day."

I never truly understood Disraeli's comment until I came to the U.S. Congress. In fact, in my 9 years in Congress, I have never seen an issue surrounded by such complete and utter misinformation and total falsehood as this issue.

We just heard statements about America exporting jobs. I want to read to you some common myths of the trade debate. We have all heard them and I would like to go through each one of them and point out that, in fact, they are myths.

The first myth—and we have all heard so many times that it has numbed our senses and completely distorted the public debate—is that the U.S. trade deficit is producing a loss of American jobs.

In fact, so repetitive has been this statement that they have actually put numbers on it: $1 billion of trade deficit represents 25,000 American jobs lost.

Who has not heard that statement repeated over and over and over again on the floor of the Congress?

The next statement we have all heard is that the trade deficit is fueling unemployment.

The next is that America is losing manufacturing jobs.

Another myth is that we are losing high-paid jobs and gaining low-paid, part-time service jobs.

The next is that America is being deindustrialized by the trade deficit and by foreign competition.

Finally, there is the myth that the trade deficit is destroying the American economy, robbing us of growth.

In fact, it is on the basis of these myths that we are here today considering this bill. So, as we begin this debate, I would like to go through and fire a diamond bullet right between the eyes of each of these myths.

No. 1, while we hear our colleagues saying that we are losing jobs to Japan, Germany, and everywhere else, nowhere do we even once see substantive documentation of those assertions. The reason we do not is that they are total falsehoods.

I have a chart here. My chart is not quite as big as those others we were viewing, but I think the point it makes is very clear. We are all aware that in 1982 the trade deficit of the United States skyrocketed. I am going to talk about that in a moment.

The assertion is that since the trade deficit has gone up, the United States has exported jobs. The plain truth is that since the end of 1982, the year the trade deficit went up, we have created roughly 13 million new jobs in the United States of America. In fact, we have created more jobs since 1982 than Europe and Japan combined have created in a decade.

No evidence whatsoever exists to substantiate in any way the claim that the United States has lost jobs due to international trade. In fact, in aggregate, we have created more jobs than any nation on Earth since the trade deficit rose in 1982.

In fact, you might be interested in seeing this overlay which charts U.S. job creation since 1982 and in looking at this nemesis which supposedly is robbing America of jobs, growth, and opportunities, Japan.

In fact, since 1982, Japan has created jobs at about 40 percent the rate that we have.

The nation that had the fourth largest trade surplus with the United States, the Federal Republic of Germany, has created virtually no jobs since 1978. In fact, if you look at their total level of employment, for all practical purposes it has not changed since 1978. Since 1982 we have created more jobs than Germany, Japan, and the rest of Europe put together. In fact, if you put the entire EEC up there, you can see that that statistic is true. Europe has not really created any jobs for decades.

So the first assertion that we heard in the previous speech and that we have heard over and over and over again is an absolute, utter falsehood. We are not losing jobs due to international trade. In fact, we have created more jobs since the trade deficit skyrocketed than Japan and Europe combined.

The second myth of international trade——

Mr. DASCHLE. Will the Senator yield?

Mr. GRAMM. I will yield.

Mr. DASCHLE. Is that per capita or total?

Mr. GRAMM. That is total.

Mr. DASCHLE. On a per capita basis, how have we compared with other countries?

Mr. GRAMM. Well, you can tell by the size of the economy. In terms of the European Economic Community the size would be roughly the same and since they have created virtually no jobs since 1978, our performance would be far superior to theirs. Unemployment, which is a statistic based on percentage, tells the story even clearer.

In this period when we have supposedly been savaged by foreign competition, where jobs are fleeing America, from the end of 1982 until last month, our unemployment rate fell 35 percent. At the same time, the unemployment rate in Japan has risen by 17 percent and the unemployment rate in the European Economic Community has grown by 20 percent.

The third myth is that we are losing manufacturing jobs. We have all heard it. Some of us have said it, but it is simply untrue. From 1982 until today, as the trade deficit has soared, we have created 406,000 manufacturing jobs. That is more manufacturing jobs than Japan and Germany, the nations with the two largest trade surpluses with the United States, combined. Interestingly enough, both Germany and Japan have lost manufacturing jobs over the last decade.

Who has not heard or read or spoken the assertion that we are losing high-paid jobs and we are gaining low-paid jobs?

That is an assertion that is easy to test. All you have to do is take nominal wages, eliminate the impact of inflation and make a comparison.

From 1971 to 1981, over a decade, real wages in manufacturing in America declined by 7 percent—declined by 7 percent in terms of the real buying power of American wages. From 1982 until today, real wages have risen by 6 percent.

Mr. PACKWOOD. Would my good friend yield?

Mr. GRAMM. I am happy to yield.

Mr. PACKWOOD. He has mentioned the jobs available in the United States. The question was raised by Senator DASCHLE about per capita to actual. This is a memo comparing the total jobs in the United States and Europe. In 1965, United States 60 million; 1975, 93 million; 1983, 111 million. The Senator from Texas has categorized what happened from 1983 on, that it has taken off. Over 30 years, we have gone from 62 million to about 115 or 120 million.

In the Common Market, in 1955, 106 million jobs total, all of the Common Market, in 1955. In 1983, 105 million. No change. They have been stagnant. So when anybody says let us copy Germany or copy France, is that the thing we want to do, end up growing like they do? I thank the Senator.

Mr. GRAMM. And they have not grown because they have government interference in the economy basically protecting big business from competition. That is what this debate largely is about.

We have also heard the assertion that we are creating low-paying jobs, not high-paying jobs.

I thought my colleagues would be interested in some statistics on exactly these points. So that we can consider it in relevant time periods, I have it broken out by Nixon-Ford years, the Carter years, and the Reagan years. The overall picture is slightly distorted because we had a recession and the trade deficit did not go up until 1982.

I want you to see how this flies in the face of these assertions that are being made about the United States losing high-paid jobs and gaining only low-paying jobs.

We define low-paying jobs as jobs paying $7,000 or less in real 1984-constant dollars. In the Nixon-Ford years, 37.5 percent of all the new jobs that were created in America were at wages of less than $7,000 a year.

In the Carter years, 41.7 percent of all the new jobs created were below $7,000 a year—low-paying jobs. In the Reagan years, from 1981 through 1985, the last year we have this breakdown, only 6 percent of the jobs created in America have been in low-paying jobs. In fact, during the Carter years, in proportional terms, there were seven times as many low-paid jobs created in America as during the Reagan years. If you define middle-income jobs as between $7,000 and $28,000 a year, in the Nixon-Ford years, 51 percent of the jobs were middle income. During the Carter years, 68 percent of the jobs fell into that category; and in the Reagan years, 46.2 percent fell into that category. If you define high-paying jobs as $28,000 a year or more, during the Nixon-Ford years, 11.2 percent of the jobs were in that category.

In the Carter years, we lost 9.9 percent of jobs in that category and during the Reagan years, there has been a 46.1-percent increase in jobs in that category. So the myth that we are losing high-paid jobs and gaining low-paid jobs is simply unsubstantiated by the facts. The truth is that in the Reagan recovery, we have created more high-paying jobs, fewer low-paid jobs, and more overall jobs than any recovery in the postwar period.

Now we come to the myth of deindustrialization. Who has not heard the cry that America is being deindustrialized? Economists have kept records on the degree of industrialization of the American economy for a long time. It is clear that those who are talking about the deindustrialization of America have never bothered to go back and look at those figures. In fact, for 40 years, the portion of gross national product in the American economy that is made up of manufacturing has fluctuated between 19.7 percent and 22.6 percent. In fact, over that period, in 66 percent of those years, the percentage of GNP coming out of manufacturing has actually been lower than it is today.

Since the trade deficit rose in 1982, we have grown 43 percent faster than Japan or Germany, both of which have had huge trade surpluses. So I would like to make the point that there is no evidence whatsoever to substantiate the claim that in the period of time where the trade deficit has risen most rapidly, since 1982, there is no evidence whatsoever to substantiate that we are losing jobs in the aggregate, that our unemployment rate is rising relative to our trading partners, that we are losing manufacturing jobs, that we are losing high-paid jobs, that we are having deindustrialization of the American economy. In fact, we are creating more jobs, better jobs, at a faster rate than all of our trading partners.

If the trade deficit is not costing us jobs, where did it come from and why is it not costing us jobs? If people buy textiles from a foreign country and a cotton mill closes in the United States, is that not a loss of jobs? What is missing in this whole debate is any kind of fundamental understanding of how international trade works. I think a clear understanding of the trade, is so relevant to this debate, and I believe this debate is so important to the future of America and the free world, that I want to go through as best I can and talk about what determines exchange rates.

First of all, every day on the world exchange market, there are approximately $200 billion of transactions where people who are buying, selling or investing buy and sell dollars and foreign currencies. The value of the dollar relative to every foreign currency is set on this market through the supply and demand for dollars.

When you boil it down to basics, people buy foreign currency for two reasons: One, to buy goods and services in the foreign country or, No. 2, to invest and service debt in the foreign country.

So the demand for the yen in terms of dollars, every day on the foreign exchange market, is equal to the demand that people have for the yen.

Every day on the exchange market, the demand for dollars in terms of yen is set on a competitive market, the world's most competitive market, as a matter of fact, at the point at which the supply of dollars people are trying to convert into yen exactly equals the number of yen that people are trying to convert into dollars.

The relevance of all that is that people buy any currency for only two purposes—to buy goods and services or to make capital transactions. In fact, I want to have in the RECORD, Mr. President, if I may, the balance-of-payments account for 1985. I shall read it into the RECORD.

In 1985, the United States had a balance-of-payments account that read as follows: It had exports, including services, of $358 billion; it had imports of $461 billion. So it had a balance-of-trade account—and we normally look at it without services in it, so that is why the numbers are different—of $103 billion negative. At the same time, we had capital inflows of $127 billion, capital outflows of $32 billion, unilateral transfers and statistical discrepancies of about $8 billion. We had a total investment account of $103 billion. Trade account and investment account, added together, equals zero. What that says for every dollar that went abroad to buy goods and services, in essence, thinking of it, even though it went through international currency markets and through banking systems, that dollar figuratively made a roundtrip.

For every dollar that went abroad in buying exports net of imports, that dollar came back into the country in the form of a capital account.

Now, the question is, If we have a big trade deficit and we have a big capital surplus of exactly equal amounts, why do we have a big capital surplus? Why since 1982 has there been an explosion of foreign investment in the United States?

Well, the first and most important reason that virtually every Member who has spoken today has touched upon is that since 1982 we have had a huge deficit in the Federal budget. We have had the Government borrowing about 50 cents out of every dollar borrowed on the American capital market, and the result has been that we have had the highest real interest rates in the world.

Those real interest rates have attracted foreign capital into the country as foreign investors have bought bonds issued by the Government and bought bonds issued by private companies.

To invest in the United States, foreigners have had to buy dollars on the currency market. That demand for dollars has driven up the value of the dollar relative to foreign currencies, making imports more attractive and U.S. exports less attractive. That in turn has produced the trade deficit.

The second thing that has happened, which has contributed to exactly the same problem, is that we have had the strongest economic recovery in the world. That has produced two results. No. 1, American investment abroad has dropped by almost 75 percent. Americans today are investing less abroad than they were in 1982 by a substantial amount, the reason being that equity returns in the United States are so attractive relative to elsewhere in the world Americans are investing their money at home.

Second, there has been about a 35-percent increase in foreign investment in the American economy. The combination of high interest rates and high equity returns have produced a situation where the American economy has become virtually a magnet attracting capital from all over the world. The process, however, has produced an artificially high value for the dollar in terms of what it will buy in goods and services and has produced a huge trade deficit.

Now, did we lose from all this? I submit we have not lost. In fact, the facts show very clearly that we have gained nearly 13 million jobs. Well, why do we hear all the hue and cry about the American economy if, in fact, we have gained nearly 13 million jobs? We have literally drained Japan and Europe dry in terms of bringing capital to the United States. We have stunted their economic recovery as their capital has come to the United States to fund our recovery. Why is everybody jumping up and down about that? Why is there a huge outcry?

In trying to deal with that question, I have found two answers exist. First of all, every time somebody loses a job to trade, they know who they are. Their labor organization and their company are clearly concerned about it because they are losing jobs and business, so they get organized and they come to Washington where they pound on our door and they say, "Stop trade. Protect us from foreign competition."

When a textile mill closes, that is a very real human trauma. We all hate it. When it occurs, the people who are put out of work know who they are. They write their Congressman, their labor union writes the Congressman, the owner of the mill writes the Congressman, and as a result we hear a steady drumbeat. But when foreign capital comes into the country, nobody knocks on the Congressman's door.

When foreigners invest in America to modernize our plants and equipment to create new jobs, who writes a letter to a Congressman protesting about it?

So we have two forces at work. Where jobs are lost, there is a constant drumbeat to prevent that from happening. But where huge quantities of jobs are created from trade, no one ever knows that it happens. It creates no political force whatsoever.

I think a second reason for the political reaction is that the new jobs largely are not created in big business. There is an economic miracle occurring in the United States today, and that miracle is that job growth is occurring in small- and medium-sized firms that are innovative, that are competitive, that are competing both in the United States and, increasingly, around the world.

If you look at job growth since 1979, there has been a 53.2 percent increase in employment in firms that hire less than 20 people. There has been a 44-percent increase in firms that hire between 20 and 99 people. There has been a 24-percent increase in firms that hire between 100 and 499, and firms over 500 have seen a decline in employment. Small- and medium-sized firms have seen an explosion in job creation. Big firms have seen a decline in employment. And where is organized labor represented? In the big firms. Who has the lobbyists in Washington? The big firms. So we hear from the losers of the 1950's and 1960's and 1970's and 1980's who are all knocking on our door saying, "Protect us from competition." But we never hear from the gainers of the 1980's, the industries where the future of America will lie in the 1990's and beyond, saying, "Continue trade. We can compete." Clearly, the losers of the past are organized to lobby, but the gainers of the future are only organized to compete and grow.

Now, what should we do about the trade deficit? First of all, we ought to attack it at its source. We ought to deal with the deficit that really matters, and that is the deficit in the Federal budget. Any effective tool that brings down the deficit in the Federal budget is going to plant the seed for dealing with the trade deficit. In fact, the progress we made last year in bringing the Federal budget deficit down by $45 billion brought interest rates down, brought the value of the dollar down, and we are now beginning to see for the first time since 1982 a marginal but sustained change in the balance of trade.

What has happened is as interest rates have come down, American investment in terms of buying bonds has become less attractive.

Foreigners have moved back to invest in their own economies. The value of the dollar has come down, making American goods more competitive. It is an interesting paradox, but not an uncommon one, that here we are responding to the trade deficit when the market is already moving to correct the problem.

I think it is also interesting to note that while there are a lot of reasons to be concerned about the trade deficit, principally because it is an indication that we are not generating private capital, that people are not saving enough money, and that Government is using up half of what they are saving to pay for the deficit in the Federal budget, rather than dealing with those problems, we are here talking about foreigners creating our problems. It is obvious why we need to blame foreigners. Foreigners cannot vote in American elections. So the extent to which we can blame foreigners for our problems, we let ourselves off the hook.

I submit, Mr. President, that to deal with this problem, we need to balance the Federal budget, bring interest rates down, and strengthen the American economy, not through subsidies, but by letting American capital go into the private sector of the economy so that foreign capital can be invested abroad, generating their growth, generating foreign demand for American products.

I would like to say a little about this "debtor nation" bugaboo. We just heard a speech, which has been repeated many times, that we are becoming a debtor nation. Can you imagine the horror of being a debtor nation, owing more money than people owe you? Well, it is interesting that we have lived through this horror before.

In fact, from the time that the first pilgrims stepped on Plymouth Rock until somewhere between the end of World War I and the Great Depression—and there is debate as to when we exactly crossed over that line, depending on how you keep the books—we were a debtor nation. We were a terrible debtor nation from 1620 until about 1920.

What horrors happened to us? We became the richest and most powerful nation on Earth as a debtor nation. Why? Because the capital that was coming from Europe, from England, was invested to build the American railroads, to build American plants and equipment, to generate American profits and American jobs. All that was paid back, and we were still richer.

In fact, being a debtor or a creditor tells you nothing about how wealthy somebody is. A lot of debtor nations today are going broke because they invested the money poorly. Some debtor nations, such as Korea, are becoming wealthy because they invested the money wisely.

Our most prosperous corporations are net debtors. They have invested the money in new equipment, in new techniques, in new products, and they are prospering from it.

A lot of banks today all over the country are net creditors, and wish they were not, because the loans are not being repaid.

In fact, we could be a net creditor again very easily, by simply lending more money to Central and South America. That would hardly make us richer. What is important about being a net creditor or a net debtor is why you are a net creditor or a net debtor.

We are a net debtor today because the Federal Government is borrowing 50 cents of every dollar on the domestic capital market, which has produced the highest real interest rates in the world, which has attracted foreign capital; and without that foreign capital, we would never have had the 1982 economic recovery, and these 13 million new jobs would have never happened. But we paid for it with a big trade deficit.

Now let me say a little about protectionism. Protectionism will not lower the trade deficit. If you want to engage in protectionism to lower the trade deficit, you are saying wasting your time.

If we had a 10-percent across-the-board tariff on all imports, you would think that would lower the trade deficit. Not so. There is no reason to believe that a 10-percent across-the-board tariff, in and of itself, will lower the trade deficit. If we imposed a 10-percent tariff on every product coming into America, the price of those products would all go up. Americans would buy fewer of those products. Does not that lower the trade deficit? Not necessarily, because we are buying fewer of those products, the demand for foreign currencies in terms of dollars is going down, and as a result, the value of the dollar on the world market is going up. As the value of the dollar goes up, imports become more attractive, exports going out of America become less attractive; and the truth is that the only way a 10-percent across-the-board fee would lower the deficit would be if, by making Americans poorer, we bought a smaller percentage of foreign goods relative to domestic goods. Other than that, there is no way you can know before the fact whether or not an across-the-board tariff would even have any impact on the trade deficit. In fact, it would have impact only if it affected the desirability of the American economy for foreign investment.

So, if you think you are going to deal with a trade deficit through protectionism, you do not understand how international markets and international exchange work.

The real problem is that protectionism costs us jobs. If we really want to address the trade problem directly, we should begin by having a free trade area in the Americas. We should build on the success we have had with Israel, completing our free trade negotiations with Canada, opening up negotiation with Mexico to have a reciprocal reduction in quotas and tariffs and licensing fees, and ultimately extending that to the Caribbean Basin nations.

I will offer an amendment on this bill that will authorize the President to proceed on a mutual and reciprocal basis to negotiate an expanding trade area in the Americas, ultimately aimed at eliminating barriers to trade in North America. I hope my colleagues will look at that, because there is a sad but certain fact, and that is, less trade means fewer jobs. There is no way that we can adopt this bill or any other bill and have it restrict trade and at the same time, have more jobs in America. There is no way you can build a wall around America to keep out foreign goods without keeping American goods in.

One of the reasons why I am so concerned about the movement toward protectionism is that we are talking about more than reducing American living standards and we are talking about more than jobs.

I want my colleagues, as we move down and consider all these amendments and get to final passage, and as we ultimately consider whether the President signs the bill and what we do if he does or does not—I want people, in looking at this debate, to go beyond economics for a minute and look at the free world.

We emerged from World War II with our capital stock intact, the richest and most prosperous nation on Earth. We went out to combat communism, like a rich kid in the middle of a slum with big cake. The world looked at the cake and wanted it, and whether we gave them a little piece because they bought it or because they threatened to take it, the truth is that the cake is small relative to the needs of a hungry world. What we too often did not offer was the recipe to bake the cake.

The Russians emerged from World War II with 20 million casualties and a devastated economy. They went out peddling a second-rate idea, and they kicked our fanny all around the world. Despite the fact that, until very recently, we have had absolute military superiority, when we have come into conflict with the Soviets in the post-World War II period, at best we have had a draw, and more often than not we have lost.

The only places that we have had success in combatting the spread of communism and promoting the cause of freedom has been through trade, first in Europe with the Marshall Plan. The Marshall Plan was a bandaid of aid that opened up markets for European goods in America and vice versa and promoted the greatest economic expansion of the post-war period as Europe was rebuilt and as communism was stopped dead in its tracks in Europe. So successful have we been in trading and promoting jobs and opportunities in Europe that the Communists have had to build walls to keep their people in.

In Asia, on the rim of the Pacific, we have had economic miracle after economic miracle. Here we are today talking about Japan, and yet Japan is testament to the genius of the market system and perhaps our greatest success of the post-World War II period. The Japanese economy has not only been rebuilt from atomic ashes, but it rivals our own today. If we follow the path of protectionism, the Japanese economy, perhaps by the end of the century, will exceed our own in ability to produce goods and services, and it all happened because of trade, because of the miracle of trade.

In 1947, it was not clear what was going to happen in Asia, but with trade, Japan has become a world economic power. Similarly, South Korea now produces more goods and services than all but nine nations of the Earth. In 1953 Korea was divided, all the natural resources were in the North, per capita income was $50 a year, and today per capita income in South Korea is over $3,500 a year and South Korea has become the 12th nation in total trade and the seventh largest military power on Earth. If they can get real democracy, there is no limit to what they can do, but it has all come from trade. In fact, while we were giving them aid, they were following import substitution policies that were not working; when we stopped giving them aid, they started an active program to export and they started to grow.

Elsewhere, when Chiang Kai Shek came to Taiwan, he came to a desolate island. He dreamed all his life about going back to China with an army and liberating the people of Communist China. Do you realize that today, despite the fact that Chiang is dead, the idea that was born on Taiwan is looming over Communist China. Today it is the Communists who are trying capitalism and not the other way around? It is an absolute miracle that Taiwan has become the 11th largest exporting nation on Earth. And it all came from trade.

In fact, probably no President in our history has better understood the trade problem and understood the importance of trade more than John Kennedy, and I think perhaps his best statement on the subject was in a message to Congress in 1962 and I think it would be especially helpful if Members of his own party listened to this statement along with Members of the other party. He said:

> The success of our foreign policy depends in large measure upon the success of our foreign trade. Our maintenance of Western political unity depends in equally large measure on the degree of Western economic unity.

(Mr. CONRAD assumed the Chair.)

Mr. GRAMM. What frightens me so much about this new war against trade is not that it is based on complete misinformation and pressure from special interests. What frightens me is not just because they want to lower our living standard and cut our growth rate. I hate that, but that is not what frightens me. What frightens me is that this movement toward protectionism is a knife aimed at the heart of America.

The way to lose the cold war is to engage in a trade war. What we do in impeding the free flow of goods and services in this would is going to be a movement aimed directly at offsetting and eliminating the progress that we have made in the postwar period.

I think that while this is a good bill relative to the House bill, there are provisions in this bill that are very protectionist.

What bothers me about changes to section 201 in this bill is that it has nothing to do with unfair trade. Section 201 says that if a domestic industry is losing the battle of competition, and if the International Trade Commission finds that domestic industries are being injured, even if it is not from unfair competition, U.S. industries can then, by recommendation of the International Trade Commission, have the President mandate relief for them, except for national security or damage to a downstream industry, and that industries can be protected for up to 10 years.

Tell me: Does anyone here really believe that granting an industry that is not competitive, with no unfair trade practices involved, granting them protection from competition for 10 years is going to make them more competitive? It is sort of like a football team that is two and nine and saying "we want to call off the football program for 10 years so we can get competitive in football." You become competitive by competing.

The second problem is that while we all know what special-interest groups want these section 201 changes, the GATT is very clear on this point. If we come in and take a noncompetitive American industry that is not suffering from unfair competition, and remember every time the exchange rate changes, every time a new product is born, every time taste changes we have some industries that are winners and some that are losers, but if every time an industry is a loser we come in and say we are going to protect them for 10 years against competition, our competitors get the right of offset because under GATT they have a right to pick an offset and either get a concession from us in another area, which they are unlikely to get in this environment, or more importantly, to impose counterveiling duties.

Think about this: Let us say we pick an industry in America that is noncompetitive, where we are losing jobs, and we protect them for 10 years. Consumers will, of course, pay more for their product. But it does not end there. The country that is being damaged by that has the right of offset. So they get to impose countervailing duties against our products of equal amount.

Now which industries do you think they are going to pick? If we, say, choose to protect the textile industry for 10 years because they cannot compete, and we are going to do that against Korea and under GATT they get the right of offset, what industries do you think they are going to pick of America's? They are going to pick our most competitive and our most efficient industries. They are going to attack the areas where we are competitive.

So, overall, what do we gain? We protect the old, losing industries at the expense of the new industries of the 1980's and 1990's and we do not create any new jobs. Invariably the jobs we are protecting are lower paid jobs than the jobs we will be losing.

We are responding to the political pressures of the losers from competition but we are doing it at the expense of the winners. The winners are not here clamoring because they do not know where the offsets are going to come and many of the industries are just being created today.

My concluding point in a long speech is this: Ultimately, we have got to choose in America. Do we want to move ahead in fierce competition, pressuring our trading partners to open markets by going out and expanding trade with those who will? Taiwan has offered to enter into a free trade area with the United States. We have not stepped out to say, "You lower your barriers, we will lower ours." In fact, we have never responded to that offer.

We have heard all this self-righteous talk about how free our markets are. We had more unfair trade practice suits filed against us last year than any of our trading partners.

If we are going to succumb to political pressure and invest the future of America in trying to rebuild the losers of the 1950's and 1960's at the expense of the winners of the 1980's and the 1990's, we are investing the future of America in the past.

We need to change the 201 section of this bill. We need to adopt bills and amendments to this bill that will open up markets to nations that will open their markets to us.

If Taiwan is really willing to eliminate all tariffs and licensing fees against the United States, I say let us do the same with them. If we have problems with Japan, rather than slapping the American consumer in the face, we should go to Korea and say, "You compete with Japan. If you will lower your barriers against our goods, we will give you preferential treatment compared to Japan." Guess what will happen? The Japanese will come to the bargaining table and if they are excluded from growing trade, they will open up their markets.

But the danger here is that the political forces that are promoting this bill do not want fair trade. I ask my colleagues to remember when we were doing the textile bill. I counted one day 17 Members of the Senate, Democrats and Republicans, who got up and said, "We just want fair trade. We are not protectionists. We want fair trade." So I offered this little amendment. It said, "Any nation that is less protectionist than the United States will be exempt from the textile bill." They all wanted fair trade, and guess what happened? Only 30 souls voted for that amendment. Only 30 Senators, it turned out, wanted fair trade.

The forces that were promoting the textile bill did not want fair trade. They do not give a twit about fair trade. They want no trade.

The forces behind this bill politically, in both industry and labor, want to stop trade. They want to stop trade because of their own greed and self-interests and they are willing to do it if it lowers the living standard of working Americans, which it does; if dims prospects for more opportunity, which it does; and it is literally a dagger aimed at the heart of the free world, which it is. They are willing to do that to protect themselves from competition.

I say we not allow them to do it. Instead of building walls around America, let us go out and challenge the world to trade on an open market. Let us be the leaders for fair trade, instead of setting up retaliation and protectionism, which can only create a trade war. That, I think, is the challenge.

And what a great paradox it is that, as Communist China is coming out from behind its ideological Great Wall and finding that trade is the answer, here we are in the greatest trading nation on Earth saying, "Trade is the problem. We need to stop it. We need to protect our jobs."

Well, God help America if we cannot compete. If we cannot compete, it is only because we will not compete. And that is why this issue is so important.

I yield the floor.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, when S. 490, which is now S. 1420, was introduced in the Senate, I did not join a majority of my colleagues in cosponsoring it. I did not do so primarily because I was concerned that several trade-restricting provisions would be added during the course of committee deliberations by the Finance Committee and the other committees involved.

I will, after I have finished my prepared remarks, comment a little on what I think are the eight steps that have caused us to have a trade deficit and a financial deficit overall.

As we begin floor debate on this bill, I am cautiously optimistic about the prospects for this bill. For the most part, the Finance Committee has restrained efforts to add the most protectionist proposals to this bill. As we begin debate on the bill, we do not find the destructive and unworkable Gephardt amendment that is included in the House-passed bill. Nor do we find the bill weighted down with specific product relief measures, like those proposed to assist the textile industry.

The provisions pertaining to Presidential discretion in actions under sections 201 and 301 of our trade laws have been improved significantly during the deliberations of the committee on this bill and have improved significantly since the original introduction of the bill. The provisions of the bill both support new trade negotiations under the General Agreement on Tariffs and Trade and do not violate the current provisions of the GATT.

In addition, provisions of the bill added by other committees of the Senate are important to enhance our international competitiveness. The Agriculture Committee title will boost agriculture exports. The Foreign Relations Committee title will help develop export markets abroad and facilitate a resolution to the troublesome international debt crisis. The Labor Committee title will help prepare our workers for international competition—and they need this preparation, Mr. President—and it will also support a positive adjustment program for them as we go through this transition.

The Judiciary Committee title will ensure that U.S. businesses have recourse to the courts when their process patents are being violated by international competitors. A very important thing in this new world, Mr. President, where we may invent things through basic patent work and basic research, but then the development is taken abroad and the true job-producing capacity is gone from the United States and then we buy it back.

We cannot prevent a lot of this and that judiciary title will begin to help us create an international trading order that all can live by.

The Banking Committee title will remove barriers to exporting by streamlining our export control system. I have cosponsored a bill in that area which has been introduced and made a part of this package. We have to have an export control system that enables us to compete with other Western industrialized nations in their sales throughout the world. And it has to be fair and it has to be one in which we are capable of being able to compete with them on a level playing field.

The Commerce Committee title will help that ensure we have a manufacturing technological base second to none in the world.

Washington State has a high stake in the Senate's direction on this new bill. The economy of the State of Washington is more dependent on international trade than that of any other State in the country. Washington State's volume of international trade—both in imports and exports—has grown from $3.2 billion in 1970 to $34 billion in 1985. In 1985, 36 percent of all U.S. merchandise imports came from the Pacific rim and 66 percent of all goods imported through Washington State came from that region of the world. Washington State exports to Japan were 55 percent of all U.S. exports to the region.

We are a transition State, Mr. President. We are an exporting State. We are part of what America needs and what we want to see happen as we move into the 1980's and 1990's of a new international world trading order.

One in five jobs in Washington State is related directly to international trade. The ports of Seattle and Tacoma are among the top 10 ports in the world. Many more Washington State jobs are directly related to our ability to remain internationally competitive in such key manufacturing sectors such as aircraft, aluminum, and high technology goods.

In many ways, Washington State is a microcosm of the world economy. Not only are we dependent on two-way trade, but we are also struggling to adjust to world trade realities and to build for the future employment in our State. Unemployment in Washington State hovers above the national average, because we have industries that have suffered in this new world trade environment. But we also know that we have lived in the new trade environment. We have both agriculture problems, industrial problems, and actual basic manufacturing component problems. But we also engage in international trade.

We have many distressed areas in the State in need of finding new business ventures and ways to compete effectively in the global economy.

The people of Washington State have an economic interest in expanding trade, but they also have a personal and philosophic interest in promoting trade. While some sectors of our State prosper when imports increase, others suffer when exports are curtailed. Our timber producers and wheat growers and workers are hurt when barriers prevent their products from gaining markets abroad.

We want to send a clear message to other nations—a message which forces them to realize that protectionist policies must end, that our long-term mutual interests require equity and expansion in the trading system.

Before coming to the Senate, I worked for 7 years in the private sector as an international trade attorney. During the several trips I made to Pacific rim countries, I saw firsthand the importance of establishing personal and professional relationships with our trading partners. The one thing I learned was that trading is tough and its not always fair.

But—and this is critical—there is a balance that needs to be achieved and preserved. We talk a lot about "competitiveness." Well, we aren't going to get more competitive by rigging the rules so that others can't play. We don't need to rig the rules—we need to make sure that others observe them. Our task is to make sure this bill isn't tilted out of balance by amendments which seek to protect special interests at the expense of the common good.

This is not going to be easy, but I believe it is possible. First, we are going to have to be particularly cautious that we do not adopt unworkable schemes wrapped in unrealistic rhetoric projecting reduction of our trade deficit overnight. This trade deficit was not created overnight and it will not be eliminated overnight. Surplus reduction formulas like those embodied in the Gephardt amendment in the House will bring the international trading system to a halt.

For one thing, it does not deal with the sophistication of triangular trade or multiple trade contacts. It is not possible in the world of international trade as we now conduct it throughout the world to look only at bilateral relationships. We must trade through several countries, often at the same time.

I will say that other nations, who spent hundreds of years doing this, both in Europe and starting with the Hanseatic League and in Japan in the last few decades, they honed this to a fine art. Their trading companies are far beyond anything we have developed. So we have places to go and things to do, as a nation, to compete in this global economy.

Second, we must continue our refusal to attach protectionist product specific legislation like the textile proposal to this bill. Third, we must be careful that we do not damage our efforts to proceed with a new round of negotiations under the GATT by adopting provisions that will undermine that effort. Finally, in dealing with injurious imports where there is no unfair trade practice involved, we must continue to emphasize here that our goal is adjustment and not permanent trade protection.

In the days ahead, I will work to try to achieve these goals. Our goal must be to produce a bill which when combined with the House-passed bill can make a positive contribution toward reducing our trade deficit, eliminating unfair trade practices, and facilitating adjustment to the new competitive global realities.

Action on trade legislation by this Congress is inevitable. This administration's economic policies have created an unprecedented and worrisome trade deficit. Eliminating it will require that some changes be made. Our $170 billion trade deficit is unsustainable. Under President Reagan's watch, we have become the world's largest debtor nation. Soon we will have to run a trade surplus just to service our national debt.

I do not understand the comments of prior speakers whether they refer to the fact that it is good to go into debt and that this is how you manage to become a prosperous nation.

The idea of having to run a trade surplus to pay our national debt and to begin to pay off what we have borrowed from others is mindboggling given the present dynamics of the world economy. Because of the legacy of the Reagan administration, like it or not, Congress and future administrations will be dealing with trade policy in a way we have not done in the past. As we go forward, it is our job to make sure that we set responsible overall trade policy which emphasizes expanding, and not contracting trade opportunities. This must be the litmus test for this bill before us, and for every other action we take in the future.

Now, Mr. President, I feel I must make one short statement, really, as a former House budget chairman and as someone who has been in international trade, about this disaster and what has been occurring and my disagreements with the prior speaker.

Let me just give you a little different scenario of how it can occur. I call it from riches to rags by Reagan, in eight steps. And it goes like this, and it is very simple, and it is very short.

We borrow money to buy arms, which does not build a competitive industrial plant.

Second, we pay wages to our people for making arms and providing services, neither of which build manufacturing competitive capacity.

Third, our people use these wages to buy products from abroad because our home products are dropping in quality and quantity because more and more of our good people are involved in arms work which does not produce competitive products.

Fourth, these nations selling us products from abroad are using the money we send them through our wages and our purchase of their products to improve the quality of their plants, the quality of their people's education, and the quality of their products whereas we have not had the capital to do that. We have spent it elsewhere.

Fifth, American companies see this happening and they follow the market flow. They then start a short-range view of joining, make the profits of the third quarter, go abroad, build the plant and follow the flow back, so they can fire people, close plants and move plants abroad, hire people there so they can help send goods here.

I do not know how long anybody thinks this can continue because I believe in the old Henry Ford prospect which was you share with your workers and you give them a livable wage and they will buy your products. We are buying the products of the world and we are buying them on borrowed time.

Sixth, at some point, the United States has lost the good-paying jobs and we cannot buy more abroad so we are left with the debt, arms, and a lot of poor people.

Seventh, worldwide if we go down as a market, we take a lot of the trading free world with us, or Japan and Germany and the rest of the European Community take it over and plant it.

Eighth, developing nations who are already in debt, poor people, and are buying arms, and then if we cut them off from our market they also go down. This policy of borrow and spend it what has caused this. I mention this was the policy, building arms and that kind of a plant, which was pursued by Germany and Japan prior to World War II. It failed for them and we won with economic-productive capacity. We should not follow their capacity because they learned after World War II not to follow that policy. They follow a policy now of having a competitive economy and not spending these amounts on defense that we are to defend them and, therefore, we go down and they go up competitively.

I did not really intend, Mr. President, to get into that part of the deficit cycle that I see occurring, but I felt because we heard an explanation of supply-side economics, perhaps maybe a different view of it from some of the rest of us should perhaps be given. I yield the floor.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I support the legislation from our Senate Finance Committee, but before all of our colleagues conclude that his is some kind of consensus document that deserves instant and broad support, I want to raise a word of caution. There is a danger that we will lose sight of what has to be the only justification for a trade bill. The justification is not to be able to say to our constituents that we have done something about the trade deficit. It is not to be able to say to our constituents we have attacked the unfair trade practices of others, although we should.

We can say all kinds of things about this legislation but the real question, the part that we have to keep our eye on, is whether this legislation, irrespective of our rhetoric about it, is going to make any meaningful and positive change in the status quo, and whether this legislation is crafted in a way that will produce that change.

I say that because in the some 15 years I have served in the House and Senate, this will be the fourth major trade bill that I have had the opportunity to be associated with, and I hope that both I and my colleagues have learned some lessons from the earlier ones.

Looking at the 1984 trade bill, for example, if you go back and read the statements in the CONGRESSIONAL RECORD that reflect what we said on this floor, the 1984 trade bill was going to do everything and more that this trade bill is going to do, or at least what we say it is going to do.

Let me be blunt. This country is in very bad shape. I would suggest it is in terrible shape where international trade is concerned. The trade deficit has been a steady parade of new and very bad records each year for the last several years, and, worse, the current account, which is not just the merchandise trade deficit but also the aggregate of services and financial flows, has moved into a sustained and growing deficit. That is a debt which will mortgage our children's futures in the years to come.

It was nice to see, although many of us have been talking about it for some months, recognition on the front page of one of our national newspapers earlier this week that as of today the United States is a larger international debtor than Argentina, Mexico, and Brazil combined. And by the end of this year, we will have the dubious distinction of having a larger international debt than all the major debtor nations of the world combined. With a spectacular recovery from our trade deficit next year—were we to cut it in half that would be spectacular indeed—we would still end up being at the end of 1988, with the record, and a dubious one it would be, of owing as much and then some as all the rest of the debtor nations combined, including those that went into default since the beginning of this century.

That is not the kind of record we should be proud of. This swamp of red ink has grown and in spite of the weakening of the dollar, suggesting that the real world that we are all fond of thinking that we understand, know, and love well, operates rather differently from that which is explained in economic textbooks.

In those economic textbooks, there is a J-curve theory, and the J-curve theory says basically that things are going to get worse before they get better. It is going down and then coming up.

Well, we started down this J-curve nearly 2 years ago, and our experience to date, since our trade deficit continues to grow, suggests that it is not a J-curve. It looks more like an L, straight down and then straight across, if we are lucky.

Let me move beyond that aggregate perspective and look at some specific sectors.

I think there is a significant, dramatic decline of manufacturing competitiveness as imports make inroads in areas far beyond what we dreamed of only a few years before.

For many years, not just in the last 2 or 3 years when the world competitiveness became something of a buzz word, we did, on this floor and in many other fora, discuss the import problems of basic industries, so-called, like steel, textiles and apparels, and footwear. Those are not new developments.

But what about machine tools? What about semiconductors, computers, and telecommunications? What about service industries like construction? Those are not our classic low technology or so-called Rust Belt industries where economists cheerfully, and I might add erroneously, talk about comparative advantage slipping away. I say erroneously, Mr. President, because steel and in textiles today, are neither low technology in any meaningful sense of the term nor are American producers noncompetitive. In fact, they are more competitive than most other producers. But as to the so-called industries of the future, such as semiconductors and telecommunications, these are sectors where the next generation of our economy will be based, and yet they are slipping away from us just as surely as the so-called old industries have been eroding.

Examining the developing desert of our manufacturing sector is not an abstract exercise because these changes have eaten into people's lives and they have eroded people's futures by undercutting incomes and damaging self-respect.

In 1985, 3 years after we hit the low point in the 1982 recession, both family and household incomes were still below their 1973 peak, and, indeed, American workers had lower real earnings in 1986 than they had in 1961. That was 25 years ago, Mr. President.

I do not consider that very effective progress, to be less well off today per worker than we were 25 years ago. In Washington, we are far away from assembly lines and maybe it is all too easy to get caught up in debates about exchange rates, budget deficits, and questions of macroeconomic principle, and maybe we too quickly forget that there are real people behind those esoteric arguments—the workers, Mr. President, who made this country what it is. What it is, in case anybody is in doubt, is a great country. Those workers and their families are entitled to decent jobs, decent meals, and good homes, and those children deserve an education. But for most of those workers, our trade policy, or what masquerades as one, has turned the American dream into a nightmare of lost jobs, lost opportunities, and lost lives.

To somebody who has built his piece of the dream brick by brick on the assembly line, it is small comfort to tell him that he could get a new job in the service sector. First, he knows better than we that one-third of those jobs are parttime and that just about all of them, on average, pay nearly 25 percent less than the industrial jobs that are being lost. I have heard statistics to the contrary on the floor today, Mr. President. I cannot explain the data of my other colleagues, but I can vouch for the accuracy of this.

I might add that the worker losing that industrial job knows far better than we that we are slipping backward, not forward. For example, in 1973, it cost him or her 21 percent of his or her monthly paycheck, for a mortgage on a new home. In 1984, that cost was 44 percent. The meaning is that thousands of workers and their families cannot afford to buy a new home.

Those problems have not developed just in the last 6 months; they have been years in the making and Congress and the administration have had years of failure to respond as the situation steadily deteriorated. I suppose the cause of that failure to respond is rooted in our history. The United States, with very significant vision and great rectitude, and quite correctly, undertook in the aftermath of World War II a policy that was very much in our self-interest at the time. We engaged in a policy of rebuilding a shattered Western Europe through the creation of a strong Western alliance. The Marshall plan was both economic and political. In 1945, it made sense, because this Nation alone accounted for 60 percent of the free world's gross national product. It was in our interest to promote trade and investment. We encouraged other countries to use technology, to acquire capital and manage it effectively, and it was smart of us to do so. It was smart because, first, it was the right thing to do; second, the cost to us was small. We were relatively independent of world trade; the gains to be made were great, including for us.

Over the last 40 years, that policy has succeeded without our being fully aware of the implications. Other countries have developed their own very different paths to the mercantilist policies that we have on many occasions mentioned. Those countries have essentially caught up and gone beyond us in competitiveness at the very time our own real growth and standard of living have been slowed down, at a time when we have been treating other nations' use of subsidies and protectionism with benign neglect.

Having turned a blind eye to other nations' approach to trade, which is neither free nor fair, one other thing has happened. Those countries have decided as they have become larger and more successful to neglect, to evade, and to forget their responsibilities, forget to meet theirs as we met ours when the world was different. They have not addressed the new problems that their policies have created. Excess capacity, as a result, has become a global disease. So far, it appears to be fatal primarily to people in the United States and to our industries, but I want to say that that, too, will spread and the Japanese are beginning to catch the disease as well.

The traditional explanations for the overcapacity that we have in the world are suggested by economists as rising productivity and weak global aggregate demand. That is all well and good and there may be some truth to that, but if you just say that and let it go at that, you would be missing a lot of other vital—at least as important—factors such as:

Increasing Government subsidies that keep the inefficient in business; such as developing infant industries through protected markets, which Japan and other Pacific rim countries have been expert in doing; such as the reluctance of high-technology producers to shut down costly production facilities in foreign countries when demand slackens and, instead, to dump; such as the new obsession on the part of foreign producers with maintaining market share at the expense of profits and prices; and such as the globalization of capital and technology movements—all of which bring on new capacity in unexpected locations.

Mr. President, I submit that this is not a temporary detour on the road to free trade. Development means the continuing expansion of new producers. But it does not guarantee the equal growth of consumption, and the result is that the newly industrializing countries have been gaining at the expense of the more market-oriented producers. So far the chief victim has been the United States. I say that because today, we accept 40 percent of all Korea's exports; of Japan's—40 percent; of Taiwan's—50 percent; of Canada's—80 prcent; and of all other LDC's—58 percent. We have been, and we continue to be the engine of growth for the free world.

But the problem is that, while it was the right policy for its time, it is one we quite frankly can't afford anymore, because our engine is fueled by debt: national debt, trade debt, consumer debt, business debt, student debt. We are overleveraged. It is fuel that is either going to run out or is just going to produce less and less horse power to pull an ever-lengthening consumption train.

Those are the problems that I submit are really behind the concern in Congress for trade legislation. The conceptual solution is to create a regime that really does enforce the notion of free trade. We certainly do not have it now, and we desperately need it. Unless we get the market to make economic decisions worldwide, we will inevitably see our Government, making far more than its fair share of economic decisions—that businesses and consumers ought to be making—out of self-defense. Just as we see abroad. That trend is already underway in this country—whether you call it industrial policy or competitiveness or whatever. It all means Government intervention in the marketplace. Then what we have now will seem like a drop in the ocean compared to what will happen.

Mr. President, I do not want to see the United States of America turned into a series of inefficient, competitive cartels like Western Europe.

What that means to me, Mr. President, is that if we are going to prevent this erosion of the market system here and roll it back elsewhere, then we have to move vigorously to attack unfair trade practices wherever we find them. A lot of people say that you can tear down all those trade barriers—in Japan or the Common Market or Brazil—and it will really only make a very modest contribution to addressing the trade deficit.

From an extreme short-term perspective that is true. But just as it took 20 or 30 years for us to get where we are now, if we really want the long-term benefits of comparative advantage and the free market, it is going to take at last 10 or 15 years to see them, even if we could create the perfect conditions tomorrow, or, in the alternative, there will not be a market system at all. And eventually we will find our Government stepping in and intervening with a selective industrial policy at least at the beginning like our Government is doing right now on semiconductors and on machine tools. The only question would be just how soon we would go farther and become exactly like all those other countries we are today pointing our finger at.

That is what is driving trade legislation in Congress, this bill. It is not just frustration over the present trade deficit but it is real concern for the future.

Much of what has happened is not going to be reversed. There are a lot of jobs that we have lost that are never going to be regained and we should not kid anybody about that. Dead industries are not going to be resurrected, and adjustment rightly plays a major part in the bill that is before us. Adjustment is the proper way to deal with the short term, but salvaging the long term will be the core of our work over the next 2 weeks. This will mean doing many of the things that have been proposed under the umbrella of competitiveness from committees other than Finance. Most of these proposals will mean a larger Government role in the economy. But I must tell you that they will be of very little use unless we mount an all-out assault on trade barriers worldwide.

Mr. President, what we have seen so far is many years of benign neglect of the international economy by us. The solution has to be to change, to do things differently than we have been doing. The administration, on the other hand, wants a trade bill that will allow them to do exactly what they have been doing for the last 6 years. That was their strategy on the 1984 trade bill and it worked brilliantly. When the Senate considered the conference report on the Trade and Tariff Act of 1984 I said on the floor that we were going to have some real disappointments, and what I said, and at some lack of modesty I quote myself:

> We have missed a golden opportunity to put these issues on the table, to identify them, as problems of the future if not the present and to signal our determination that we and our trading partners address them.
>
> The problem with the bill is not what is in it but rather what is missing from it. We may have opened the door to more imports entering this country and done little to promote our exports over the resistance of our trading partners, but real free trade is not that one-way street into this country. Free trade is a collective adherence to market principles and a determination to abjure the neomercantilism that plagues the international economic system. And that is a confrontation we have skillfully but tragically postponed in this bill.

Mr. President, I would rather not have had to say it but these comments have proved prophetic. We are much worse off precisely because we have continued to pursue the same inappropriate policies. We have reached the point where more of the same is not good enough. It is time for change, and I am confident the Senate will judge this bill by that standard. In a number of areas it does meet that standard, but unfortunately in some it does not, and I want to take a moment to elaborate on some of the serious shortcomings in the legislation before us.

First, the bill reported by the committee once again misses an opportunity to attack unfair trade practices more aggressively through reform of our antidumping and countervailing duty laws. We should not forget the purpose of these laws. They address unfair trade. That is to say, market-distorting practices nations have committed not to engage in through their signing of the GATT codes.

It needs to be pointed out that these laws are not punitive statutes. The duties imposed are compensatory. They are designed to offset the effect of market distorting practices, no more, no less. Thus, these laws are ultimately market reinforcing because they encourage nations not to subsidize and companies not to dump. Tightening these laws tightens market discipline without punitive action against offenders.

Moreover, each of these statutes requires an injury test. In other words, a finding of dumping or subsidy by itself is not sufficient to permit any action except in the relatively infrequent case of a subsidy complaint against a country that has not signed the Subsidies Code. The International Trade Commission must also determine that a domestic industry has been materially injured or threatened with injury.

The antidumping and countervailing duty laws were last materially rewritten 8 years ago in the Trade Act of 1979. Since then, there have been a growing number of cases, and the system has become routinized as a growing body of lawyers become familiar with it and learn how to use it to their clients' advantage. In other words, people are learning how to evade these laws. The practice of diversionary dumping is one very good example. This is neither an unusual nor unexpected development. What would be unusual would be our failure to respond to it. So we need to plug loopholes and unintended consequences in the law that have been discovered and exploited over the past 8 years.

I am sorry to say that the administration seems to have routinely opposed any advances in these laws on the grounds that in some way such proposals violate GATT rules. I believe that objection is simply wrong and that even a cursory reading of the applicable codes will demonstrate it. Unfortunately, the committee never had the chance to consider or debate this issue at any great length, having been presented with a fait accompli based on a one-sided presentation of the argument.

Let me say a word about diversionary dumping. One particularly important part of this evasion problem is diversionary dumping. It occurs when products that are sold at dumped prices are further processed in another country and are used in that country as components in further downstream products. Let me cite a few areas where diversion is a problem. Let me take one example that should make it rather clear. Some years ago Japanese producers of fibers were determined to be dumping and an 18- to 29-percent dumping margin was assessed.

In order to avoid those dumping duties on spun acrylic yarn, that fiber was shipped to a less-developed Southeast Asian country and processed into yarn. The yarn was then exported to the United States as a product of a less-developed country eligible for duty-free treatment. The result, a product sold at less than fair market value was simply transshipped to another country, where a relatively minor operation was performed upon it, and then the product was reshipped to this country.

At the present time, our trade laws do not reach such a practice, particularly if the practice involves so-called unrelated parties. Much of the diversionary dumping that takes place does involve unrelated parties, exploiting a major loophole in our law.

I ask unanimous consent to have printed at this point in the RECORD a list of examples of those kinds of diversionary dumping, involving screw machine products, forgings, roller bearings, steel, cold finished steel bar, and a number of other products.

There being no objection, the material was ordered to be printed in the RECORD as follows:

Japanese fiber producers have sought to avoid dumping duties on spun acrylic yarn of between 18 and 29 percent by shipping raw fiber to less developed Southeast Asian countries for processing into yarn. The yarn was then exported to the U.S. as a product of the LDC, eligible for duty-free treatment.

Imports of screw machine products, which are made from steel bar, have increased about 50 percent since 1979.

Imports of nine key categories of forgings have increased by almost 75 percent since 1981.

Imports of ball and roller bearings have increased by over 25 percent above the 1978–1983 average; and

Overall, the steel content of U.S. imports increased 135 percent from 1977 to 1984.

Diversion is becoming more serious in other areas. For example:

The European Community more than doubled its shipments of cold finished bar when restraints were placed on that product's raw material, hot rolled bar.

A number of schemes have surfaced recently in which steel from countries under quota agreements is to be diverted for processing in nonagreement countries.

A 1983 dumping duty of 9.79 percent on carbon steel wire rod from Trinidad and Tobago was evaded by shipping the wire rod to the Bahamas for processing into wire.

Korean producers of photo albums are attempting to avoid paying dumping duties of over 60 percent by, among other things, shipping components to other countries for assembly.

Mr. HEINZ. Mr. President, the original diversionary dumping provision in S. 490 before the committee changed it would have allowed the use of constructed value analysis. That is a technique the Commerce Department uses for figuring the market value of allegedly dumped products. The bill would have allowed that to be used in cases where it was alleged that a manufacturer had purchased, at a price less than foreign market value, materials he ships to the United States, and such inputs or major components are used in the manufacture of the product.

In the interests of administrability, that provision would have applied only in cases where the inputs themselves are subject to an outstanding U.S. dumping order or are covered by a suspension agreement or voluntary restraint. In concluding the constructed value of the finished product, the margin of dumping on the input would be factored in, and the Commerce Department would use the best available evidence. Respondents would have an opportunity to present their evidence and cost figures. Additional time would be provided for this kind of investigation, and a number of qualifying conditions would have to be met.

I spell that out to illustrate that this provision was carefully thought out, is very reasonable and quite workable.

In addition, the original provision also authorized monitoring by the International Trade Commission of increases in imports of downstream products likely to be vehicles for diversion. It is my judgment, as well as that of others, that the proposal I have described is fully consistent with current GATT rules.

The dumping code expressly permits the use of constructed value where there is a compensatory arrangement between the exporter and a third party. That is article 2, paragraph 5. A dumped price is clearly such a compensatory arrangement. The constructed value method involves a calculation of the cost of production based on factor inputs, and it allows Commerce to disregard any component cost that does not fairly reflect the true cost of that particular input. Obviously, that would be the situation in a case of diversionary dumping.

Mr. President, the administration objected to this provision in S. 490; and, as I mentioned, it was dropped from the bill. It is unfortunate that the committee did not take the time to examine the administration's arguments that this was somehow contrary to GATT, because those arguments do not stand up to analysis. I will go into this matter in more detail at a later time.

The administration's objection appears to be based on the code's requirement that the price of the imported finished product be compared with a "like" product for sale in the producer's home market. Under the original S. 490 provision, that is exactly the comparison that would be made. The price to the U.S. purchaser of the end product will be compared to the constructed value of a like end product sole in the country of manufacture. This is the classic "apples-to-apples" comparison. All diversionary dumping means is calculating the value of the like end product on the basis of the true value of its inputs, including any dumped components. Not to make that calculation is to give our trading partners a license to evade our laws.

These objections are unfortunate because they illustrate the administration's misunderstanding and poor grasps of trade issues and realities, and because the result has been to leave a major hole in our unfair trade practice laws. And we have learned by painful experience over the past few years how easily and quickly those holes can be exploited.

The committee's decision to replace diversionary dumping primarily with a retooled version of the administration's anticircumvention proposals was also ill-advised. The original administration proposal was virtually useless since it was limited only to related party transactions and had a number of other constraints that effectively excluded most of the diversionary dumping activity now occurring. The version ultimately adopted was broadened marginally from the original, primarily by dropping the related parties restriction, although it is maintained as a "factor" to be considered. Even so, the provision remains only a modest and partial step that will be inadequate in dealing with this growing problem.

Mr. President, let me take a few moments to discuss some other unfair trade practice issues.

With respect to them, I have to say that the bill is more notable for its omissions than its inclusions.

Proposals for a private right of action in dumping cases were not included, and a multiple offenders provision was so heavily compromised that it bears little or no resemblance to the original. While some minor matters on sham transactions, 90-day review authority, subsidies code commitments, and critical circumstances have been included; on the whole, the committee's product fails to address the major problems of current law.

The provision on critical circumstances has some potential to be useful because it makes clear that the Commerce Department can find and declare critical circumstances prior to a preliminary determination of dumping or subsidization. Even though action would not be taken until later, just the announcement of the intention to impose such remedies should have a trade stabilizing effect that would help prevent import surges.

The committee addressed the injury question by adopting language already in the House bill. This was probably a wise procedure, since it should produce a common legislative history and lessen the opportunities for the International Trade Commission to find ambiguities in the law. This language is in part intended to leave no doubt as to Congress' intention with respect to injury determinations and is a reflection of congressional frustration with the efforts of some Commissioners to so reinterpret the law through the use of alternative criteria as to have the effect of making the law not just unworkable but unrecognizable.

In its work on injury, the committee did not deal with the cumulation question, although the House did so. A recent decision by the Court of Appeals for the Federal Circuit, Bingham versus Taylor, makes clear that the Commission must cross-cumulate in dumping and subsidy cases. This should finally stop the refusal of some Commissioners to adhere to the same finding by a lower court. The House language, I would point out, however, is marred by the inclusion of an exception for negligible imports, a term which some would no doubt improperly stretch to extremes. I hope that this unfortunate phrasing can be corrected in conference.

Mr. President, a few comments have been made earlier today about amendments in the bill to the section of our trade law known as section 201. The amendments in the bill are generally modeled after legislation I first introduced in 1983—namely, S. 849, the Industrial Revitalization Act. The premise of that bill was simply that when an industry comes to the Government for import relief, assuming that there is injury, there needs to be a quid pro quo on the part of the industry. The Government that will benefit the consumer, the industry, and our Nation and, in effect, result in a plan or individual company commitments to take steps to adjust to the new competitive conditions.

In other words, we want to be sure that when we do grant import relief consistent with article 19, the so-called adjustment provision of the GATT, the benefits of that protection—and protection it is, of a temporary nature—do not simply flow to the constitutents of the company or the industry that is getting that benefit. We want to end up with a company or industry that is far more competitive at the end than at the outset.

So we look for that kind of quid pro quo to include improvements in productivity for the restoration of competitiveness or, alternatively, a shift of resources into other kinds of activities, possibly different product lines in the same sector, even in an entirely different industry, or, in some cases, simply a reduction or shutdown of production capacity, if that is all that can be achieved.

(Mr. ADAMS assumed the chair.)

Mr. HEINZ. Mr. President, I am pleased to see that the committee has retained some of the basic elements of my approach, although the committee has weakened both the quid and the quo somewhat. The President is no longer as locked into import relief as he ought to be, and the industry—labor and management—is no longer necessarily obligated to work together to develop and agree on an industrywide adjustment plan. Despite this weakening, there may well be a further attempt, an amendment to weaken this quid pro quo further by drastically increasing the President's discretion. Mr. President, I intent to vigorously oppose any such amendment if it is offered, and I will address the bill's section 201 provisions in greater detail at that time.

At this time I would simply point out that this provision is in fulfillment of and consistent with our obligations under GATT article XIX, which acknowledges the right of a country to impose temporary import relief to facilitate adjustment. Taking action under this statute does not violate any international rules or obligations, but it does provide an opportunity to act positively on behalf of import-impacted industries. I happen to believe that it is a very important step forward. As we have discovered on the Finance Committee, in a growing number of cases industries are coming directly to Congress for relief because they don't see much understanding of their problems in either current law or the administration's record. That is a course of action we should seek to avoid whether it involves large industries or small, but we can only avoid it if we have GATT-consistent laws that provide constructive and viable adjustment alternatives. The section 201 provisions of S. 490 are in that category, and I hope Senators will support them.

ADVERSARIAL TRADE

S. 490 deals only in passing with what the committee and others have begun to refer to as adversarial trade. Adversarial trade is, I think, shorthand for the mercantilist practices of other nations that deny their trading partners equal access to their markets while they exploit access to our market to the fullest. Those mercantilist economics have through their practices upset the global balance of trade that would be achieved if the laws of comparative advantage were allowed to prevail. Instead, they artificially create comparative advantage by protecting and subsidizing their infant industries until they are large enough to launch global search and destroy missions against competitors.

The chief offender in this regard is and has been Japan, although other newly industrializing countries on the Pacific rim have learned, and they have learned well from the former's highly successful example.

The committee discussed this problem at some length, finally deciding not to take any action. I have no doubt that this issue will be raised on the floor in some form, and I expect to discuss it at greater length at that time. At this point let me simply say that the appropriate approach, in my judgment, ought to meet the following criteria:

First, it ought to be based on foreign barriers to U.S. access, not only on the size of the bilateral deficit;

Second, it ought to be based on favoring a remedy that is an opening of Japanese or other markets to United States products, a trade expanding remedy; and

Third, it should be action-forcing; that is, it will lead to concrete results rather than more negotiations.

It is my hope we will find agreement on such an approach before we move to third reading of this legislation.

OIL SECURITY ACT

Finally, S. 490 is deeply and seriously marred by the inclusion on the last day of markup with no notice of a special interest item for the oil industry. This provision contains one of the broadest grants of legislative authority to the Executive that the Congress has ever seen. Stripped of its rhetorical gloss, it provides that when a selected level of oil imports is likely to be breached, probably 50 percent, the President must submit an energy plan to the Congress. That plan can contain virtually anything he wants, not just an oil import fee, but mandatory conservation measures, gas rationing, tax law changes, even an entire economic and deregulation program having little or nothing to do directly or indirectly with energy. If Congress fails to act on this program in 90 days, if we do not do anything in that time period, it becomes law without congressional approval.

Mr. President, imagine that the President sends down a tax proposal or a regulatory proposal, and we do nothing and it becomes law. It makes no difference that we did not act.

Leaving aside the question of whether any actions are warranted solely on account of oil imports reaching a specified level, the proposal would literally surrender lawmaking authority to the President and would do it in an area of direct and major consequence to large segments of the American economy. I strongly oppose personally an oil import fee—the most likely outcome of this bill—but I oppose even more strongly still the notion that Congress should cede its constitutional right to act explicitly on these matters. This is a dangerous provision, not just from the standpoint of sound and carefully developed energy policy, but from the standpoint of the balance of power between the legislative and executive branches, and I hope the full Senate will reject it decisively.

CONCLUSION

Mr. President, one of the chief reasons why this bill represents a major step forward is that for the first time it elevates trade policy to a central role in administration decision making.

One of the frustrations for those of us who follow trade policy issues closely is the regularity with which they are thrown out the window in pursuit of other objectives, nearly always labeled "national security" or "foreign policy." It is no secret, for example, that for years the current administration resisted taking any strong action against Japan because the prevailing view in the higher councils of the administration was that we needed the Japanese as a firm ally in the Pacific, wanted them to increase their share of their defense burden, and did not want to do anything that would increase the distance between us.

Ultimately, Japan's refusal to open its markets and its continuing predatory activities in our market became so obvious, egregious, and harmful to our economy that even the most diehard of bureaucrats has had to shift position, as witnessed in the semiconductor case. Of course, the ongoing battle over rolling back that retaliation demonstrates that the bureaucratic war with Japan continues, but for the first time in a long time, the trade policy side has won one.

We will also face this kind of issue on the Senate floor, I expect. There may be an amendment that would provide favored treatment for the People's Republic of China under our unfair trade laws, not for any trade policy or economic policy reason, but because some people want to improve political relations with them for foreign policy reasons. The Chinese are very skillful; they are very bright, and they have quickly figured out that their price for such improvement should be improved economic relations, which to them means selling more here, regardless of whether it is dumped, subsidized, or fraudulently entered in violation of our bilateral textile agreement. The amendment that we might face would throw trade policy to the winds when the Chinese have their eyes firmly fixed on the proper objective—the economic bottom line.

We also may face amendments to provide futher favorable treatment for the CBI countries by providing various exemptions from the reach of our trade laws.

All these amendments, however well-intentioned they may be, contribute to the erosion of the multilateral trading system and the erosion of market principles by saying, quite simply, that for other reasons some nations do not have to play according to the rules.

Mr. President, that is exactly the kind of amendment that this Senator intends to oppose just as vigorously as he knows how. We cannot expect the administration to put trade policy in a primary role if the Congress does not do so as well. If we believe in a market system, if we believe in multilateral trading rules and the GATT, then we have to be prepared to defend those principles regardless of short-term pressures, because the long-term benefit to the global economy, not just ourselves, will be much greater.

The legislation before us that was reported by the Finance Committee, with some important exceptions, and I have outlined those exceptions, does a good job of reinforcing those principles and is designed, as the Senator from Texas [Mr. BENTSEN] has stated on a number of occasions, to ensure the primacy of trade policy in the high councils of our Government. We should support that approach and should not be deceived by amendments that offer short term favorable treatment at the sacrifice of larger principles.

Finally, and I do mean finally, on a more general note, I cannot help but recall that our work on the trade bills of 1979 and 1984 featured dire predictions of protectionism, retaliation, and unadministrability. We will no doubt hear the same charges about this bill. We will hear them no matter what we do. Yet, the system has survived the changes we made in 1979, and the bureaucracy has coped with these earlier changes. Unfortunately, we have long since reached the point where the system that we established in 1979 is failing us, because trade distorting practices rather than decreasing have significantly increased.

But it needs to be pointed out that it is not only we in the Congress that need this bill. The administration, though it makes the same complaints about every trade bill, nonetheless needs this bill. It is critical to its trade policy as well, largely because of the negotiating authority the legislation provides. By providing that authority for the new round of trade negotiations, the bill reaffirms the open trading system and Congress' commitment to it, thus significantly enhancing the administration's credibility at the negotiating table.

The country needs this bill, Mr. President. The administration needs the negotiating authority. What the country does not need is another bill that changes nothing, like the 1984 legislation.

This legislation gives us the opportunity to redress our 1984 failure and in the process create a more open market-oriented trading system. That is good for us and good for everyone else as well. It is what free trade is all about. What the Senate should resist is the arguments of those who believe that free trade is a one-way street that opens our markets to others with no concern about their markets being open to us. As the debate proceeds, I will urge Senators to judge the bill and amendments to it by the standard I described at the beginning of these remarks; namely, does this bill make any real change in the status quo?

Mr. President, I yield the floor.

Mr. **GRASSLEY** addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Iowa.

Mr. **GRASSLEY**. Mr. President, this afternoon we have had an opportunity for a couple of hours to listen to some fairly long speeches. I think that speaks to the importance of the issue. But I also think it has something to say about the price that we in the 100th Congress pay for the fact that trade has been too long neglected by this body.

Now, all that pent up feeling is coming out in very good statements by our colleagues on both sides of the aisle, by people who favor a very strong bill and I think by some who feel no bill at all would be better.

You will remember that when the 100th Congress convened in January, everyone was taking about "competitiveness." That was the "buzzword" at that time. Now, 6 months later, it seems like that buzzword has shifted to what we have all been referring to around here as protectionism. I know all these words mean different things in the way each user brings them out, but it is still important to note some shift in the debate and the use of the vocabulary during the last 6 months.

With our trade deficit topping the $170 billion mark, it is not surprising, Mr. President, that support for free trade, open trade, whatever you want to call it, has wanned considerably. And it has not just happened in the last 6 months.

What is most commonly heard in Washington today is that we cannot compete with low-wage countries and that an unlevel playing field currently exists for the United States. This legislation, of course, is attempting to deal with all those matters.

As our trade deficit mounts, we are approaching a real crossroads in trade. And, to some extent, what we do on this trade bill is going to have an effect on whether the world drifts further down the road of protectionism or we pursue a more open world economy—whether or not the European and Japanese communities will accept greater responsibility commensurate with their growing and economic power and, whether or not we can evolve with our trading partners a sound international monetary system.

At the same time, we must understand the linkage between our trade deficit and our Federal budget deficit. For clearly, our trade deficit will not shrink much unless the imbalance between American spending and production is corrected. I know that there are some that would say there is no linkage. I think, though, that the majority of comments on this floor today have admitted such a linkage.

I think in terms of agriculture. Will a trade bill really help my State continue to export 40 percent of our agriculture products that we have to export for our economic prosperity? I don't think so. I look at the budget deficit and I see two things—lower interest rates and keeping a stabilized low dollar—as being two things that are more helpful to the economy in my State, exporting as it is and capital-intensive as it is, to bring prosperity to agriculture.

A trade bill is going to help some with agriculture as we use this vehicle to send a signal to our trading partners and competitors that we have got to have multilateral negotiations to reduce the trade barriers that exist. Obviously, that is very essential to the agriculture community in the upper Midwest and to my State.

Every dollar that the American Government borrows reduces the size of our savings pool from which U.S. companies can borrow. When our firms cannot borrow, they can't modernize. They cannot adjust to the new competitive forces in the world market and hence, they cannot stay competitive with imports here at home.

That is still pretty basic economics, but it is very much related to the budget problems that this Congress faces. Government borrowing has kept our interest rates high and, combined with the shortage of capital for investment, that has in turn made the United States very attractive for foreign lenders. And heavy borrowing, combined with that trade deficit, made us a debtor nation, the world's largest today. And, of course, that all has happened virtually overnight.

I would like to quote from a report that came out in the 1971 Williams Commission on trade. I would ask my colleagues to consider what was said in 1971 and see if it does not sound very familiar compared with the trade problems of today. I would quote:

> There are unmistakable signs in the United States of a developing crisis of confidence in the (American economic) system. The crisis is reflected in:
>
> (1) Mounting pressure for import restrictions as foreign made textiles, clothing, shoes, steel, electronics and autos penetrate our market;
>
> (2) Growing demands for retaliation against foreign measures, which place American products at a disadvantage in markets abroad;
>
> (3) Growing concern that we have not received full value for tariff concession made over the years because foreign countries have found other ways, besides tariffs, of impeding our access to their markets;
>
> (4) Labor's contention that our corporations, through their operations abroad, are exporting jobs;
>
> (5) A sense of frustration with our persistent balance-of-payments deficit and a feeling that other countries are not doing enough to make the international monetary system work; and
>
> (6) An increasing concern that our foreign economic policy has failed our economic interest, while giving too much weight to foreign policy.
>
> "Over hanging these doubts is the belief that we have lacked priorities and organization; that responsibilities in the executive branch have been unclear and fragmented; that Congress and the private sector have not been brought into the policymaking process; that no effective machinery exist for integrating a coherent foreign economic policy."

This quote is not from the debates that have gone on this very day on the floor of this body or 2 months ago on the floor of the other body, but these arguments were made in 1971 by the Williams Commission report to the Congress, as they saw the problems of international trade and the problems it brought to the American economy in the 1960's.

So, here we are in 1987, 16 years later, with the very same problems, whether they be economic, whether they be from the economic sector, as far as our economy is concerned; or whether they be problems with regard to the way the machinery of Government works; we can look to the Williams Commission and say that, you know, the problems presented then have not been dealt with effectively, or, if they were dealt with then, obviously they have evolved right back to square 1 now.

Of course, I think it is partly because we, in Government, not just past Congresses, but past administrations, both Republican and Democrat, have failed to learn anything from history.

What is needed now, is for this Congress to start solving these problems and not to keep repeating past mistakes. As a part of this body I have at least a vote here and a voice and an opportunity to do something. I hope we do not point the finger down the street alone, but I hope that we learn from those mistakes that were not adequately corrected 16 years ago.

America can only be competitive in the world community if we all work together, from business to labor, agriculture to academia, and even all levels of government—State and local as well as the Federal Government; but, most important, in the multilateral negotiations that are going on in the GATT talks; also in the congressional debate. In the search for a sound economic policy generally, we have to make those efforts that get at the root causes of these trade problems.

The problems loom large, but so, too, does the potential for success.

Americans have the ingenuity, resources, and determination to succeed. It just takes us a little longer to wake up to where the competition is coming from and to recognize that competition. But we are slowly turning, at least in the private sector, to meeting these needs. Can we do it in this public body, to meet the competition, as far as the policy changes we need to make?

All we really need is that commitment to decisively attack the issues and move this country back to a position of leadership in the world economy. Clearly, given the magnitude of a $170 billion trade deficit, reversing this problem will not be easy and will not happen overnight. For this reason, an effective trade policy must start with a reversal of Federal Government overspending and also hold protectionist measures at bay as we debate the trade legislation currently before us today.

As a cosponsor of many of the provisions of S. 490 as first introduced and then finally passed out of the Finance Committee, it will be my intention to support many of the changes it makes in existing law. Others will make attempts to water down these provisions. Still others will attempt to add provisions that do nothing for our trade imbalance or to enhance the bill's overall objectives. My support for the bill in the final analysis will clearly be predicated on how it demonstrates its intolerance to violations of trade laws while at the same time improving access to foreign markets now closed to the United States.

The Finance Committee bill found its birth in a nonpartisan environment. I feel very strongly about that, as I saw a Republican trade bill evolve last September, or through last summer, and then because of opposition from the White House not find its way out of committee. Then I see the Democrats take over this Senate and I see a great deal of cooperation between Republicans and Democrats on the Finance Committee to bring this bill out—and that is good. Not just good from the standpoint that maybe we can get a better bill out, but, as we are trying to send signals around the world that this Congress is committed to no longer being a paper tiger in foreign trade, in international competitiveness. In the past decade and a half, beating our chests and saying: If you do not, country X, stop your dumping or if you do not stop your subsidy, we are going to retaliate, and never retaliating—that has sent a signal that America really did not mean business in promoting free trade. We were going to allow protectionism to continue to expand around the world.

But now, with the bipartisan approach on the part of the Congress, I think we can send a much stronger signal to the rest of the world so that the negotiating environment of GATT, that has been the process since World War II, will help us solve these problems, hopefully, at the negotiating table—and through cooperation and not through confrontation.

Mr. President, I say to all my colleagues that we have a wonderful opportunity here to send a signal for tearing down the walls of protectionism that we have built up around the world, so that we have the expanding world economic pie that Senator **Gramm** talked about, so that we have more for each one of the people on the face of this Earth and the growing world population.

Mr. President, I yield the floor.

Mr. ROCKEFELLER addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, the Senate today begins consideration of S. 1420, the Omnibus Trade Act of 1987. In my view there is not doubt that this will be the single most important piece of legislation that we will consider during this session.

Since 1983, when the national economic recovery brought an end to the deepest recession since the Great Depression, there has been a debate over the basic health of our economy in this country. Those who are optimistic, such as the President, pointed to the long-running economic recovery, millions of jobs created, a lowering of the inflation rate, and the booming stock market.

But there were some of us who looked at other aspects of this problem, and perhaps to the underlying weakness that we saw in our economy. We focused on the speed with which our country seemed to be losing manufacturing jobs, how so many of those manufacturing jobs were being replaced by lower paying service jobs.

We noted that America had gone through a change in status as a creditor nation to the largest debtor nation in the world's history. We saw trade problems once confined to basic industries, such as steel, textiles, shoes, machine tools and other traditional industries, move to the much more high-technology ones. In fact, we felt that we were inviolate, unbeatable, in high-technology industries, but now that appears not to be the case at all.

And above all, we saw a trade deficit escalating from $42 billion in 1981 to a stunning $170 billion last year. The Reagan recovery seemed to be based on buying imported goods, and borrowing the money from abroad to pay for them. Borrowing the money from abroad is not necessarily a sound idea for the long term. It is an inescapable fact that a nation cannot buy $3 billion more from abroad every week than it sells—and hope to remain a prosperous nation over the long term.

In the past 6 months, a broad consensus has emerged about the urgency of our economic problem. Few people deny that the trade deficits that we are running with the rest of the world urgently need to be reduced; that the deficits are a sign of weakness, not strength; and that the magnitude of the imbalance theatens not only our economic health and future prosperity, but the stability of the world economy as well.

There is widespread understanding, here in Washington, in my State of West Virginia and around the country, that our trade deficit is the measure of problems that go far beyond trade. It is not attractive when individuals resort to scapegoating; it is even worse, and infinitely more dangerous, if nations do it. If we could eliminate every trade barrier, and deal with every unfair trade practice, we would still have a large trade deficit—and face an enormous competitiveness challenge.

The legislation before us today attempts to deal with both sets of issues: trade and competitiveness.

We must understand that. The trade law reforms matter a great deal, but they alone will not cure our trade problems. What is needed, and what this legislation offers, is a far-ranging attack on our trade and competitiveness problems. If this legislation is enacted and signed into law, our country will have taken significant steps toward improving the education of our children and training of our workers; invigorating our commitment to being at the cutting edge of science, development, and technology; and providing fair and far-sighted treatment for our displaced workers. If this legislation is enacted and we continue moving to reduce our Federal budget deficits, we will have taken some important steps toward strengthening the Nation's competitive position.

But if trade—by that I mean trade law, policy and negotiation—is not our whole problem, it is a very serious one. There has been a stunning lack of balance in our trade relations with other countries, particularly Japan. I do not subscribe to the view that macroeconomic changes alone will solve our trade problems.

We have negotiated painstakingly, inch by inch, year after year in an effort to open up the Japanese market to our beef, citrus, telecommunciations equipment and pharmaceuticals—sectors where we have a comparative advantage. Occasionally, we seemingly make a breakthrough on market access, only to find that sales do not follow anyway.

At the same time, Japan has unfettered access to the world's most lucrative market for VCRs, cameras, stereos, and a large guaranteed share of our automobile market. No question that the products are superb and that our consumers want them. No question, either, that the barriers in their system are often cultural, rather than legal. But the trading relationship remains essentially one-sided, and such an imbalance simply cannot be sustained by either country.

Obviously, many factors contribute to this situation, and they illustrate the degree to which our country must change its approach to trade. The policies and habits of the 1950's and 1960's to which we have become accustomed no longer suffice.

For instance, we have traditionally subordinated trade and economic concerns to political and strategic ones. When trade had a relatively minor impact on our economy and we were economically dominant, as we were for many decades those priorities were understandable. With a weakened economy, and more than 70 percent of our goods competing in markets here and abroad, we cannot afford the luxury of relegating trade to a low-priority status.

We also feel a strong, historic and understandable obligation to stand for the principles of free trade and open markets, and a system in which government should set the rules for trade, and not take an interest in the outcomes or results. These are important principles, and we can work at the Uruguay Round to convince other nations to adhere to them. But it is fundamentally naive, and very dangerous, to behave as if other countries approach trade and industrial questions as we do. The truth is that for most other governments, trade policy has a top priority in their foreign policy, with many doing everything they can to maximize exports, minimize imports, develop industries, and protect jobs. They measure success by outcome, not just process, and the governments take responsibility for those results.

The days when we were prosperous enough to accept one-sided trade relationships, to stand by and accept the results of other nations' mercantilist practices, are long gone. A national consensus has formed that we must stop subordinating trade and economic considerations, that we must respond more forcefully to the trade barriers and unfair practices of other nations, that we must be prepared to use access to our market a $400 billion market, as leverage to open the markets of other nations.

And there is a consensus, I think, that we should do all this, without in any way denying that many of our trade and competitive problems were "made in America." In short, we should be tough on our trading partners—and just as tough on ourselves.

S. 490, as reported by the Finance Committee under the superb leadership of Chairman Bentsen, provides the framework for the firm, realistic, balanced trade policy that we need and that has been woefully lacking.

The legislation provides the President with the needed negotiating authority to carry the Uruguay Round to an effective conclusion. The future of the multilateral system depends on these negotiations and the ability of the nations involved to reach some understandings on the perennial problems, such as nontariff barriers and agricultural subsidies, and to move on the problems of the 1990's such as rules for foreign investment and trade in services.

The legislation tightens section 301—that has been described today by various speakers—and increases the chances that this strong weapon will be used more frequently to combat unfair practices and open markets that have been closed to our products. In the past, section 301 has been directed more at mollifying Congress than at actually trying to penetrate foreign markets. Although no statutory change will substitute for an administration that is willing to use section 301 with the vigor that circumstances require, I can only hope that the next administration will take a responsible and more aggressive stance.

In an important innovation, the legislation significantly reforms section 201. This will be controversial. It becomes a stronger mechanism for promoting adjustment and competitiveness in industries which receive temporary protection from fairly traded imports. Many in Congress have felt for several years that it was important to give industries battered by import surges the breathing space to adjust and compete, but that it was also crucial to condition that relief on a plan and an industry-wide commitment to make the changes needed. The Senate will undoubtedly have a substantial debate over the amount of presidential discretion that should be included in section 201, but the importance of making 201 more of a mechanism for adjustment and competitiveness seems undeniable.

The committee also made fundamental reforms in the existing Trade Adjustment Assistance Program. Since the Trade Expansion Act of 1962, adjustment assistance for those workers who lost their jobs as a result of imports has been an integral part of a domestic bargain by which this country kept its markets open. We have not kept that bargain. Throughout most of this administration, those who have been displaced because of foreign competition have been neglected. That is part of the reason why support for an open trading system has eroded. In our legislation, the committee revamps the program to reach more workers, emphasizes education and basic skills, and proposes to pay for the expanded program through a small import fee. It strikes me that these reforms are good economics, good politics and good trade policy. Above all, they honor a commitment to our workers which has been violated for too long.

Let me give one example. Approximately 1 million American workers a year are dislocated. If you add the total of State and Federal programs and their efforts to help those dislocated workers—1 million each year need retraining—you will find that the total program reaches about 5 percent of the 1 million workers. That is totally unacceptable. We have a rule, a law, in this country that if a worker becomes unemployed and receives unemployment compensation—and this is not smart—that worker cannot receive or begin training until the unemployment compensation has run its full course of 6 months. In a world where technology is changing constantly, where machinery is changing constantly, where the training required for jobs is changing constantly, and workers are being laid off at a rapid pace, the kind of change we make in this bill so that workers can receive training more quickly is essential.

Mr. President, our people are frustrated and angry about the drastic decline in America's competitive position. They believe—quite justifiably—that other countries play by different rules than we do, and that a great deal of one-way trade is taking place.

And they are right. America cannot continue to carry the world economy by importing everyone else's products. We have to sell as well as buy, and we need Japan and Germany to stimulate their economies to help produce economic growth. It is intensely frustrating when they seem unwilling to assure the role they surely must know they are going to have to play. On the other hand, we can assume that they are similarly frustrated when they see President Reagan asking for a balanced budget constitutional amendment instead of the kind of deficit-reduction package—including needed revenues—that would make a difference now.

Our frustration with our trading partners must always be tempered by the reality that they are indeed partners, not adversaries. We have an unacceptable $60 billion trade deficit with Japan, which must change. But it is also true that Japan lends us the money to finance our budget deficits, and is a leading source of investment capital that produces jobs and economic growth around the country, and that we are now in an era of new interdependence.

This new interdependence within the world trading system will not disappear—it is a permanent fixture. Although we need to make some fundamental changes in our approach to trade, and in our relationships to our trading partners, we need to do so without tearing the fabric of an international system that is already stretched to the breaking point. We will deal with the debt crisis, avoid global recession, and accelerate world economic growth together through cooperation and coordinated efforts or not at all.

S. 1420 is an exceptional effort to strike the difficult balances: to deal with our problems at home, rather than just complain about unfair trade practices; and to change our approach to trade, while leaving the open trading system intact. I support the legislation and look forward to an interesting and very important debate.

Mr. President, I yield the floor.

Mr. THURMOND. Mr. President, it is apparent that the United States is continuing to face serious trade-related problems. Congress must appropriately address these trade problems if American business is to remain competitive in the international marketplace. The trade deficit, about $170 billion in 1986, has caused extensive damage to the very fabric of this Nation's economy. The 1986 trade deficit of $170 billion was an all-time record for any country since trading among nations began. Our manufacturing trade deficit ballooned to $145 billion in 1986. This compares to a surplus as recently as 1981. Such huge deficits clearly indicate that the competitive strength of American industry is declining.

The loss of jobs, American jobs, is the result of our trade-related problems. Recent job loss has been staggering. Between 1979 and 1985, manufacturing industries lost 1.6 million jobs. Approximately 16 out of 20 manufacturing industry groups had fewer jobs in 1979 than in 1986. Employers in 8 out of 20 manufacturing industry groups continue to lay off workers. As long as we continue to open our borders to any foreign nation without appropriate limitations, the situation we now face will continue to get worse. Today's trade-related problems did not just happen. They are the consequence of the willingness of this Government to allow wide/open access to domestic markets, even though foreign nations follow trade policies designed to protect their own self interests. Congress must adopt a tough, effective, well-designed trade bill if America is to remain the strongest Nation in the world.

Regarding the pending legislation, this trade bill has often been described as a "generic" bill, one which provides no special protection to any particular industry. After a review of this major legislation, I have found that this is simply not the case. This bill provides protection for several domestic industries. Virtually every "special interest" provision in this legislation has one primary goal: to protect domestic producers from the extensive harm caused by foreign imports. I agree with this concept. Foreign imports have cost these particular industries thousands, even millions of jobs. It is wrong for Congress or the Administration to stand by and watch many healthy industries shut down to foreign imports. When an American loses his or her job due to foreign produced goods, it is a tragedy. Not only does he or she suffer, but a family, community, and nation suffer as well.

Briefly, I would like to discuss several special interest provisions in this major Senate trade bill. They are as follows:

First, a provision that would limit imports of lamb. This section mandates the imposition of lamb quotas to prevent lamb imports from rising about 29.5 million pounds per year. This provision is designed to protect the lamb industry from the prospect of greatly increased imports.

Second, a provision that protects the domestic oil industry from foreign oil imports. This section requires the President to establish a national oil import ceiling, which represents a level beyond which imports of foreign crude oil and oil products will not be allowed to rise. The effect of this provision is that imports of oil and oil products will not be allowed to penetrate more than 50 percent of the domestic market.

Third, two provisions that protect the domestic steel industry. The first provision amends section 805 of the 1984 Steel Import Stabilization Act. This section requires the U.S. Trade Representative to demand that bilateral agreements regulating steel imports into the United States include restraints on welded steel wire fence panels, wire fabric, and welded steel wire mesh for concrete reinforcement. A second provision would strengthen stell import restrictions included in existing voluntary restraint agreements between the United States and importing countries. This section prohibits transshipment of steel products through countries that are not parties to bilateral restraint agreements in an effort to avoid quota restrictions. Hence, less imported steel will enter the United States.

Fourth, a provision that protects the machine tool industry. This section provides explicit authority for the President to enforce the terms of voluntary restraint agreements regarding machine tools. This authority is designed to protect the U.S. machine tool industry from the harm caused by imports.

Fifth, a provision that assists the telecommunications industry. This provision directs negotiations be undertaken to require foreign countries to open their markets to U.S. telecommunications goods and services.

Sixth, a provision to provide assistance to the domestic automobile parts industry. This section expresses congressional support in favor of current negotiations regarding expansion of opportunities for domestic automotive parts dealers to gain access to Japanese automotive markets.

Seventh, a provision which provides relief to domestic industries that import cane sugar. This provision allows a refund of import duties paid on imported cane sugar, if that sugar is used to produce a domestic product which is subsequently exported from the United States.

Eighth, a provision which extends unemployment benefits under the Trade Adjustment Assistance Program to oil and gas workers who lose their jobs due to foreign imports.

Ninth, a provision that provides assistance to domestic dealers of Government securities, by requiring that foreign countries provide equal access to their markets as foreign dealers have to ours.

Tenth, a provision which would mandate negotiations to establish an agency to buy and sell Third World debt. The purpose of this legislation is to protect banks that make loans to Third World countries by reducing the risk of such loans.

In summary, a brief review of these "protectionist" measures makes it clear that this supposedly "generic" trade bill is industry specific. However, I want to make it clear that many of these provisions are worthwhile and may be needed to protect several domestic industries from the devastation of foreign imports.

One major domestic industry is conspicuously absent from this list. It is the domestic textile and apparel industry. Unquestionably, the domestic textile industry is suffering as a result of foreign imports. Unfortunately, the administration has failed to take any effective action to prevent the tremendous loss of jobs and job opportunities caused by foreign imports. Unless Congress takes prompt action to stop the flood of textile and apparel imports, the devastation will drive the domestic textile and apparel industry to extinction. Over 2 million Americans employed in these industries will suffer the tragedy of losing their jobs.

Over 1,000 textile and apparel plants have closed since 1980. Almost 300,000 textile and apparel jobs have been lost to imports in the last several years.

Approximately one-half of all textile and apparel goods sold in the United States are made abroad.

That is an appalling statement. Approximately one-half of all textile and apparel goods sold in the United States are made abroad.

During the past 5 years, textile and apparel imports have increased at an average of 20 percent a year. Incredibly, this Nation faces a record textile and apparel trade deficit of $21.5 billion. As ominous as these statistics are, the most recent figures released by the U.S. Department of Commerce for the first 3 months of 1987 are just as alarming. The textile and apparel trade deficit for the first quarter of 1987 reached a record level of $5.8 billion, a 16.9-percent increase over the first quarter of 1986. Month after month, year after year, textile imports continue to surge upward. Such disturbing statistics are an affront to textile employees, as well as other Americans. This current trend must not be allowed to continue. Our textile industry and its 2 million employees must be saved from the devastation caused by enormous textile imports flooding into our country.

Originally, I considered offering S. 549, the Textile and Apparel Trade Act of 1987, as an amendment to this bill. After discussing this option with Senator BENTSEN, chairman of the Finance Committee, and at his urging, I have agreed to withhold this amendment. However, Senator BENTSEN has assured Senator HOLLINGS, the primary sponsor of the textile bill, and me, that it will be reported from the Committee on Finance so that the full Senate will have an opportunity to consider it. The textile bill will then be considered as a free standing bill on the Senate floor.

I believe that the Finance Committee and the full Senate must act on the textile bill as expeditiously as possible. With each passing day, more textile and apparel plants are closing due to foreign imports. Senator BENTSEN has committed to me that he will hold hearings on the textile bill. I am confident that he will do so promptly when the Senate finishes its consideration of the pending bill.

The chief concern I have with considering the textile bill as a free-standing measure is that its opponents may argue that the remedies in this so-called generic trade bill should be given an opportunity to work before industry specific measures are enacted. The purpose of this statement is to address that concern and potential argument. I want to make it completely clear that industry specific, protectionist provisions are included in this trade bill. This bill protects the domestic lamb industry, the domestic oil industry, the domestic steel industry, the domestic automobile parts industry, the domestic machine tool industry, the domestic cane sugar industry, and other specific domestic industries like banks and securities dealers.

Therefore, I want all of my distinguished colleagues to have notice of the fact that the Textile and Apparel Trade Act of 1987 will soon be on the Senate floor for consideration. The argument that it does not merit support because it provides assistance to a specific industry, in view of the bill which we are currently considering, lacks substance.

In closing, Mr. President, it is the responsibility of the leaders of this Nation to provide appropriate assistance to those domestic industries facing grave harm due to foreign imports. It is simply not acceptable for those elected by the citizens of this Nation to stand by and watch major domestic industries perish due to foreign imports. Millions of jobs are at stake. Millions of family livelihood are at risk. The human toll must not be forgotten. When the textile bill comes to the Senate floor, I ask my colleagues to remember the industry specific provisions in the pending bill. At the appropriate time, the textile industry will ask for this same consideration. I strongly urge Senators to favorably respond to this endangered industry.

Mr. HOLLINGS. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield to my able colleague from South Carolina.

Mr. HOLLINGS. I appreciate my distinguished colleague yielding.

Mr. President, I think this would be a good time to declare an understanding. We have the chairman of the Finance Committee here.

The senior Senator from South Carolina and I have every intent to put this textile bill on every "must" bill that will pass this body, because we have done it before, and we are ready to do it again. But we thought that in this instance, since it has been vetoed by the President, we could withhold putting it on the trade bill if we could get a bill reported out of the Finance Committee, and then, with the distinguished majority leader, to have the calling up of that bill, and to get an up and down vote on the bill. That was our intent, as I understand it.

Does the distinguished chairman of the Finance Committee wish to respond?

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Texas.

Mr. BENTSEN. Mr. President, I have discussed this matter with both distinguished Senators from South Carolina, and I have discussed it with the distinguished ranking minority member of the Finance Committee, the Senator from Oregon.

There is no question but that the textile bill has a great deal of interest in it by the Members of the Senate, and it has passed this body.

I am most appreciative of the two Senators from South Carolina agreeing not to pursue it on this particular bill. I have assured them that, to the best of my ability, as chairman of that committee, I will use what influence I have to try to get that bill out of the committee and on the floor of the Senate, and I have been so advised by the ranking minority member of that committee, the distinguished Senator from Oregon. Both Senators have our commitment to our best efforts in that regard.

Mr. HOLLINGS. Very good. That is the important thing.

We have had hearings, as we all know; but we have passed the textile bill four times in the time I have been here. That is not to say the bill would be reported favorably or unfavorably. Just so that Senator THURMOND and I can have a bill on the floor.

When the House bill is sent here, if we can have it held at the desk or reported without recommendation, we could treat it alone, and it would not become confused in the distinguished chairman's intent to get his trade bill passed.

It is on that understanding that Senator THURMOND and I have been talking to Senator BENTSEN all along, that textiles is not included. It was not disregarded. It was very definitely considered in the Finance Committee, and this was the agreement made.

Mr. THURMOND. That is correct, and the distinguished chairman of the Finance Committee has reiterated that to me.

I want to remind him and other Senators that this bill protects the domestic lamb industry, the domestic oil industry, the domestic steel industry, the domestic automobile parts industry, the domestic machine tool industry, the domestic cane sugar industry, and other specific domestic industries, such as banks and securities dealers, but it does not protect the textile industry. So we are forced to offer another bill. I am sure the distinguished chairman understands that.

Mr. BENTSEN. Mr. President, will the Senator yield?

Mr. THURMOND. I am pleased to yield.

Mr. BENTSEN. We are in concurrence on the agreement that I will use my best efforts—and the distinguished Senator from Oregon has advised me that he will, too—to see that the bill is reported out. That is without a commitment as to the manner in which it is reported. It may be without recommendation. But the Senators would be entitled to a vote on the floor of the U.S. Senate.

Mr. PACKWOOD. Mr. President, I can confirm what the chairman has said. Both Senators from South Carolina have talked with us. We have given them that commitment. They could offer their amendment any time but they withheld it from this bill. We will send the bill out—maybe for or against or with no recommendation, but we will get it out.

Mr. HOLLINGS. I thank the distinguished Senator.

Mr. THURMOND. I thank the able chairman for the commitment he previosuly made to me, and I thank the ranking minority member for the commitment he has just made.

Mr. BENTSEN. Mr. President, Senator Packwood and I are today filing an amendment to the trade bill, which we intend to offer in the next couple of days, to add a number of miscellaneous tariff provisions. These provisions, which were originally sponsored as bills by a number of Members of the Senate, are not thought to be controversial. As is the normal practice of the Finance Committee, we sought public comments on these provisions as well as the views of the administration and the International Trade Commission. Only those provisions that passed this scrutiny and can legitimately be considered noncontroversial are included in this package amendment.

Also included are technical amendments to four tariff sections of the Finance Committee's bill. All are intended to carry out the intent of the sponsor and the committee. Three provisions are amended to correct the date each provision is to be effective. One is to be made retroactive to July 1, 1985; a second is amended to make it not retroactive; and the third is amended to clarify that it will be effective after the end of 1987, rather than 15 days after the effective date of the bill. The last of these provisions, dealing with the treatment of watches under the generalized system of preferences, has a wording change to reflect fully the compromise language that was worked out among the sponsor, other Members, and other interested parties.

Mr. President, I ask unanimous consent that descriptions of these provisions and a copy of the amendment be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Description of Miscellaneous Tariff Items

To change the present tariff classification of import casein and to reclassify certain dried milk.

To revise the Tariff Schedules of the United States to ensure that imports of tongued, grooved, lapped or otherwise edgeworked plywood, wood-veneer panels and cellular panels would be classified under their own provisions and not as building boards.

To extend the temporary duty suspension for m-toluic acid through 12/31/90.

To extend the existing duty suspension on natural graphite through 12/31/90.

To extend the temporary duty suspension on certain narrow weaving machines through 12/31/91.

To extend the temporary duty suspension on certain lacebraiding machines through 12/31/91.

To extend the existing duty suspension on hovercraft skirts through 12/31/90.

To suspend the duty on triallate until 12/31/90.

To suspend the duty on m-Nitro-p-anisidine through 12/31/90.

To suspend the duty on 4-chloro-o-nitroaniline through 12/31/90.

To suspend the duty on m-Nitro-anisidine through 12/31/90.

To suspend the duty on p-Nitro-ortho-toluidine through 12/31/90.

To suspend the duty on phenylcarbethoxypyrazolone through 12/31/90.

To suspend the duty on p-Nitro-o-anisidine through 12/31/90.

To suspend the duty on carbodiimides through 12/31/90.

To suspend the duty on tryethylene glycol dischloride through 12/31/90.

To suspend the duty on mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride, stabilizers and application adjuvants through 12/31/90.

To suspend the duty on 2-n-Octyl-4-isothiazolin-3-one, and on mixtures of 2-n-octyl-4-isothiazolin-3-one and application adjuvants through 12/31/90.

To suspend the duty on m-Hydroxybenzoic acid through 12/31/90.

To extend the existing duty suspension on 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride and magnesium nitrate through 12/31/90.

To provide duty free treatment for weaving machines for fabrics in excess of 16 feet wide through 12/31/90.

To suspend the duty on barbituric acid through 12/31/90.

To suspend the duty on 3-Methyl-5-pyrazolone through 12/31/90.

To suspend the duty on 3-Methyl-1-(p-tolyl)-2-pyrazolin-5-one (p-Tolyl methyl pyrazolone) through 12/31/90.

To provide for the reliquidation of certain tubular tin products.

The remaining provisions of the amendment are technical corrections to sections 865, 881(a), 883(a) (8) and 927 of S. 490.

At the end of part I of subtitle A of title VII of the bill, add the following:

SEC. . CASEIN.

(a) Human Food and Animal Feed Use.—Subpart D of part 4 of schedule 1 is amended by striking out item 118.45 and inserting in lieu thereof the following:

	Casein, caseinates, and milk protein concentrate.			
"118.50	Casein	Free		Free
118.55	Dried milk (described in items 115.45, 115.50, 115.55, and 118.05) which contains not over 5.5 percent by weight of butterfat and which is mixed with other ingredients, including but not limited to sugar, if such mixtures contain over 16 percent milk solids by weight, are capable of being further processed or mixed with similar or other ingredients and are not prepared for marketing to the retail consumers in the identical form and package in which imported.	1.3¢ per lb.	Free (A,E,I).	5.5¢ per lb.
118.60	Other	0.2¢ per lb.	Free (A,E,I).	5.5¢ per lb.".

(b) Industrial Use.—Subpart B of part 13 of schedule 4 is amended by striking out items 493.12, 493.14, and 493.17 and the superior heading thereto.

SEC. . TARIFF TREATMENT OF CERTAIN TYPES OF PLYWOOD.

Headnote 1 of part 3 of schedule 2 is amended—

(1) in paragraph (b) by inserting immediately before the semicolon at the end thereof the following: "or any edge of which has been tongued, grooved, lapped, or otherwise worked";

(2) in paragraph (c) by inserting immediately before the semicolon at the end thereof the following: "or any edge of which has been tongued, grooved, lapped, or otherwise worked"; and

(3) in paragraph (e) by inserting before "chiefly" the following: "other than plywood, woodveneer panels, or cellular panels,".

At the end of subsection (b) of section 883 of the bill, add the following:

(6) Item 906.57 (relating to m-toluic acid).

(7) Item 909.01 (relating to natural graphite).

(8) Item 912.04 (relating to certain narrow weaving machines).

(9) Item 912.11 (relating to certain lacebrading machines).

(10) Item 905.40 (relating to certain hovercraft skirts).

At the end of part II of subtitle B of title VIII of the bill, add the following:

SEC. . TRIALLATE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.64	S–(2, 3, 3'—tricholrallyl)-diisopropyl-thiocarbamate (provided for in item 425.36, part 2D, schedule 4).	Free	No change	On or before 12/31/90".

SEC. .m-NITRO-p-ANISIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.56	m-Nitro-p-anisidine (provided for in item 410.36, part 1C, schedule 4).	Free	No change	On or before 12/31/90".

SEC.—. 4-CHLORO-O-NITROANILINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.58	4-chloro-o-nitroaniline (p-chloro-o-nitroaniline) (provided for in item 404.88, part 1B schedule 4).	Free	No change	On or before 12/31/90".

SEC. . m-NITRO-O-ANISIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.35	m-Nitro-o-anisidine (provided for in item 405.07, part 1B, schedule 4).	Free	No change	On or before 12/31/90".

SEC. . p-NITRO-ORTHO-TOLUIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.37	p-Nitro-ortho-toluidine (provided for in item 404.88, part 1B, schedule 4).	Free	No change	On or before 12/31/90".

SEC. . PHENYLCARBETHOXYPYRAZOLONE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"906.31	Phenylcarbethoxypyrazolone (provided for in item 406.39, part 1B, schedule 4).	Free	No change	On or before 12/31/90".

SEC. . p-NITRO-O-ANISIDINE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"908.14	p-Nitro-o-anisidine (provided for in item 410.36, part 1C, schedule 4).	Free	No change	On or before 12/31/90".

SEC. . CARBODIIMIDES.

(a) Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.70	Bis(o-tolyl) carbodiimide; 2,2',6,6'-Tetraisopropyldiphenyl carbodiimide; poly [nitrilomethanatetraaryl-nitrilo [2,4,6-tris(1,-methylethyl)-1,3 phenylene]],2,6-bis(1,-methylethyl)phenyl],-omega-[[[[2,6-bis(1-methylethyl) phenyl]amino]methylene]amino]; and benezene, 2,4-Diisocyanato-1,3,5-triisoprophylbenzene (provided for in item 405.53, part 1B, schedule 4).	Free	No charge	On or before 12/31/90".

SEC. . TRIETHYLENE GLYCOL DISCHLORIDE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.73	Triethyleneglycol dichloride (provided for in item 428.47, part 2D, schedule 4).	Free	No change	On or before 12/31/90—.

SEC. . MIXTURES OF 5-CHLORO-2-METHYL-4-ISOTHIAZOLIN-3-ONE, 2-METHYL-4-ISOTHIAZOLIN-3-ONE, MAGNESIUM CHLORIDE, STABILIZERS AND APPLICATION ADJUVANTS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"908.16	Mixtures of 5-chloro-2-methyl-4-isothiazolin-3-one, 2-methyl-4-isothiazolin-3-one, magnesium chloride, stabilizers and application adjuvants (provided for in item 432.28, part 2E, schedule 4).	Free	No charge	On or before 12/31/90".

SEC. . 2-N-OCTYL-4-ISOTHIAZOLIN-3-ONE, AND ON MIXTURES OF 2-N-OCTYL-4-ISOTHIAZOLIN-3-ONE AND APPLICATION ADJUVANTS.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"908.7	2-n-Octyl-4-isothiazolin-3-one, and mixtures of 2-n-octy-4-isothiazolin-3-one and application adjuvants (provided in items 425.52 and 430.20, part 2D, schedule 4).	Free	No change	On or before 12/31/90".

SEC. . m-HYDROXYBENZOIC ACID.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

980.18	m-Hydroxybenzoic acid (provided for in item 404.40, part 1B, schedule 4).	Free	No Change	On or before 12/31/90".

SEC. . 5-CHLORO-2-METHYL-4-ISOTHIAZOLIN-3-ONE, 2-METHYL-4-ISOTHIAZONLIN-3-ONE, MAGNESIUM CHLORIDE AND MAGNESIUM NITRATE.

Item 906.52 of the Appendix is amended—

(1) by striking out "12/31/87" and inserting in lieu thereof "12/31/90", and

(2) by striking out "432.25" and inserting in lieu thereof "432.28".

SEC. . WEAVING MACHINES FOR FABRICS IN EXCESS OF 16 FEET WIDTH.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"912.48	Power-driven weaving machines for weaving fabrics more than sixteen feet in width, and parts thereof (provided for in item 670.14 and 670.74, part 4E, Schedule 6).	Free	No change	On or before 12/31/90".

SEC. . BARBITURIC ACID.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.50	Barbituric acid (provided for in item 437.36, part 3B, schedule 4).	Free	No Change	On or before 12/31/90".

SEC. . 3-METHYL-5-PYRAZOLONE.

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"907.46	3-Methyl-5-pyrazolone (provided for in iterm 425.52, part 2D, schedule 4).	Free	No Change	On or before 12/31/90".

SEC. . 3-METHYL-1-(P-TOLYL)-2-PYRAZOLIN-5-ONE (P-TOLYL METHYL PYRAZOLONE).

Subpart B of part 1 of the Appendix is amended by inserting in numerical sequence the following new item:

"908.15	3/Methyl-1-(p-tolyl)-2-pyrazolin-5-one (p-Tolyl methyl pyrazolone) (provided for in item 406.36, part 1B, schedule 4).	Free	No Change	On or before 12/31/90".

In subsection (b) of section 894 of the bill—

(1) strike out "883(a), or" in paragraph (1)(B)(i) and insert in lieu thereof "865,",

(2) insert "or" at the end of clause (ii) of paragraph (1)(B),

(3) insert the following new clause after clause (ii) of paragraph (1)(B):

"(iii) any paragraph of section 883(a) (other than section 883(a)(8)),",

(4) insert "by section 865 or" after "is made" in paragraph (2)(A)(v), and

(5) strike out clause (i) of paragraph (2)(A) and redesignate the succeeding clauses.

At the end of section 894 of the bill, add the following:

(d) BICYCLE TIRES AND TUBES.—The amendment made by section 881(a) shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after December 31, 1987.

At the end of subtitle B of title VIII of the bill, add the following:

SEC. . RELIQUIDATION OF CERTAIN TUBULAR TIN PRODUCTS.

Notwithstanding any provision of the Tariff Act of 1930 or any other provision of the law to the contrary, the Secretary of the Treasury shall reliquidate, as free of duty under item 911.12 of the Appendix to the Tariff Schedules of the United States, as in effect at the time of entry, the entries numbered 00329493 (dated March 16, 1979), 00329494 (dated March 13, 1979), 00329495 (dated March 28, 1979), and 00330003 (dated March 21, 1979), made at New York, New York, and covering tubular tin products, if a certificate of actual use (remelt certificate) for the articles covered by the four entries is submitted to the United States Customs Service at the port of entry within 120 days from the date of enactment of this Act.

In subparagraph (B) of section 503(c)(1) of the Trade Act of 1974, as amended by section 927 of the bill—

(1) strike out ", or withdrawn from warehouse, for consumption", and

(2) strike out "or in an insular possession of the United States" and insert in lieu thereof "or the United States insular possessions".

The **PRESIDING OFFICER**. The Senator from Pennsylvania.

Mr. **SPECTER**. I thank the Chair.

Mr. President, I concur with my colleagues that there will be no more important legislation coming before the Congress than S. 1420.

The problems of U.S. trade have been eloquently expressed by the preceding speakers today. I think it is plain that the trade bill, no matter how carefully crafted, will not present a total answer to all the trade problems of the United States. But I was pleased to cosponsor this bill and commend the distinguished chairman of the Finance Committee and the ranking member of the Finance Committee for the outstanding job which their committee has done.

At this time, Mr. President, I wish to address certain comments about a very important aspect of trade which relates to unfair foreign imports, and this is an antecedent to an amendment which I intend to present when that is ripe for consideration to this bill. I have made known to the managers of the bill my availability to present an early amendment and that may occur today, but having waited my turn for this opening statement I do wish to make a few remarks about the important subject of unfair foreign imports and what this Senator believes, to be an important response to that issue in terms of a private right of action for injured parties to go into Federal court to seek enforcement of existing laws against dumping, against subsidies and against customs fraud which are now not being enforced by the Federal authorities.

At the outset I emphasize that the amendment which I will submit does not involve any new substantive law but merely seeks a new remedy and a new procedure on a private right of action to give injured parties an opportunity to go to court and get redress of their grievances.

Mr. President, this is a subject that this Senator has been working on for some time and originally produced legislation on March 4, 1982, in the form of S. 2167 in the 97th Congress. In the 98th Congress and 99th Congresses as well I introduced similar legislation which had a series of hearings both in the Judiciary both in the Judiciary and in the Finance Committee.

The bill was favorably reported out on March 20, 1986, unanimously by the Judiciary Committee. It was followed by a sequential hearing before the Subcommittee on International Trade of Finance on July 18 of last year. It appeared that we would reach my bill last year, but we ran out of time, and I have awaited the opportunity of this trade bill to bring this issue before the full Senate.

The amendment which I seek to offer, Mr. President, is currently before the body as S. 1396, which makes certain modifications, minor in nature, to the earlier bill, S. 361 which was introduced on January 21 of this year.

Mr. President, the problem of dumping, subsidies and customs fraud is one of overwhelming importance in this country today. As a Senator representing Pennsylvania there has been enormous distress caused to many industries in my State, industries like steel, textile, apparel, cement, shoes, and many others occasioned by the fact that goods come into this country which violate our trade laws with impunity and on which no redress has been achieved.

The current laws and procedures stated simply, Mr. President, are insufficient. The International Trade Commission is very, very slow. The leather case, for example, took 5 years to get a decision. The citrus case took 9 years to get a decision. Even after decisions are reached by the International Trade Commission and an effort is made to restore some balance on an industry like steel, very frequently those decisions are overturned as was the decision of the International Trade Commission by the President's action in September 1984.

Mr. President, under our system of government, justice is obtained when the interests are pursued in court. Blacks have received justice in the United States through redress in the courts. Other minorities, women, have achieved justice through redress in the courts.

It is important that the substantive laws of the United States be enforced and they are not now being enforced by the procedures which are available.

Mr. President, when you take a look at customs fraud, for example, it is so rampant it covers so many vital industries, that it covers the entire country, textiles, apparel, computer softwear, hand tools, sugar, electronics, automotive products, chemicals, petrochemicals, agricultural products, pharmaceutical products. Illegal dumping injures steel, chemicals, glass, textiles, electronics, agriculture, rubber, cement industries, among others. Foreign subsidies injure American manufacturers of footwear, steel, textiles, apparel, glass, wool, leather, tires, cement, sugar, iron, rail cars, and other products.

When the distinguished chairman of the Finance Committee made his opening statement today, Mr. President, he hit the nail on the head when he made a reference to the fact that American trade has been used for U.S. foreign policy and too often American jobs have been lost and vital U.S. interests have been lost in the furtherance of U.S. foreign policy, and that is fundamentally unfair.

Mr. President, the Federal courts are well suited to handle conflict issues in a relatively brief time, illustrated by the complex case of Marathon versus Mobil Oil which involved a very intricate factual situation, involved the U.S. antitrust laws and was litigated in the Federal court in approximately 6 weeks.

Once litigated those orders stand unless a supersedeas is granted. It would be an effective remedy for an injured party to obtain an injunction and from that date forward stop the goods from coming into this country which violate our laws.

It is an effective remedy to have damages available, and there is absolutely no reason why damages should not be available for a business, a trade union or other injured parties to seek redress and to collect from the tortfeasor the losses which have been incurred.

The bill upon which this amendment is based, S. 1396, benefits from thorough consideration by the Senate. On March 4, 1982, I introduced S. 2167 to provide a private right of action in Federal court to enforce existing laws prohibiting illegal dumping or subsidizing of foreign imports. Hearings were held on this legislation before the Judiciary Committee on May 24 and June 24, 1982. On December 15, 1982, I had the text of this legislation included as a perfecting amendment to Senator METZENBAUM's Buy America amendment on the floor of the Senate; Senator METZENBAUM's amendment was tabled by a 51-to-47 vote.

During the 98th Congress, I reintroduced this legislation as S. 418 on February 3, 1983. The Judiciary Committee held a hearing on this bill on March 21, 1983. I offered the text of S. 418 as an amendment to the omnibus tariff bill on September 19, 1984; the amendment was tabled.

During the 99th Congress, I reintroduced this legislation as S. 236; I expanded the scope of the bill to include customs fraud violations and introduced S. 1655 on September 18, 1985. The Judiciary Committee held a hearing on November 20, 1985, and favorably reported the bill by unanimous voice vote on March 20, 1986. The Finance Subcommittee on International Trade also held a hearing on S. 1655 pursuant to a sequential referral agreement. Significant progress was made toward reaching a unanimous-consent agreement for full Senate consideration of S. 1655 prior to adjournment of the 99th Congress, but the press of other business prevented its coming to the floor for action.

In the 100th Congress, I reintroduced this legislation as S. 361 on January 21, 1987. I also introduced S. 1104 on April 28, 1987, which would amend the Antidumping Act of 1916 to enhance the act's private right of action provision. On June 19, 1987, I reintroduced S. 361 as S. 1396 which revises the subsidy provision to include a private right of action to allow injured American parties to sue in Federal court for injunctive relief against, and monetary damages from foreign manufacturers and exporters who receive subsidies, and any importer related to the manufacturer or exporter. I introduced S. 1396 to provide continuity to prior efforts to obtain a private right of action. I also filed an amendment to S. 480 on June 19 based on the text of S. 1396.

Mr. President, H.R. 3, the Omnibus Trade bill, includes a similar provision related to dumping, to wit a limited private right of action. The House provision specifies that three findings of dumping by the same producer of like products within 10 years would lead to a rebuttable presumption that the producer is dumping, for purposes of civil lawsuits. Representative GUARINI had originally proposed a similar provision which required only a single offense and proof of knowledge for action.

The unlawful dumping of foreign goods, which involves sales in the United States at artificially low prices, has become a serious threat to American industries. Enormous quantities of dumped and subsidized products, and articles which violate the customs laws, enter the United States each year. Existing laws prohibiting such illegal imports are not being adequately enforced, and do not provide remedies sufficient to compensate injured parties or deter future unlawful conduct. As a result, domestic companies are suffering increasing injury, and thousands of American jobs are lost to illegal imports each year.

The amendment I plan to offer would address this problem by permitting injured American businesses to file suit in Federal court and seek injunctions against, and appropriate damages for, these illegal foreign trade practices. On November 20, 1985, the Judiciary Committee held a hearing on this amendment's predecessor, S. 1655. Representatives of various domestic industries, including steel, textiles, and apparel, strongly supported enactment of this legislation. Legal experts testified about the urgent need for a private right of action in Federal court to supplement the current administrative practices.

American industries under this amendment would be granted direct access to Federal court to seek swift injunctive relief against illegal imports. The availability to U.S. companies of injunctive relief would place foreign dumpers on notice that any investment in dumping in the United States would be lost instantaneously.

Under this amendment, an injured domestic business could file suit in the U.S. District Court for the District of Columbia or the Court of International Trade for an injunction against the import and sales of the goods which it could preliminarily demonstrate were being unfairly dumped or subsidized. The court's order could be modified to provide a more permanent remedy based on a more detailed finding.

During the 1985 Judiciary Committee hearing, witnesses testified regarding the provision of S. 1655 creating injunctive relief to halt illegal imports. Industry representatives indicated that, under existing law, a complaint about unfairly dumped or subsidized imports must proceed through a costly and lengthy administrative procedure involving both the Commerce Department and the International Trade Commission; likewise, the Bureau of Customs is increasingly unable to cope with the rising incidence of customs fraud, primarily transshipments through third countries to circumvent a U.S. quota. Although injunctive relief would be a significant alternative to the current administrative process to halt illegal imports, the remedy of primary interest to the witnesses was the retroactive damages provision of S. 1655.

The availability under this amendment of damages to U.S. companies, if dumping and injury are ultimately found to have occurred, will remove the illegally obtained profits of, and increase the cost of dumping for, importers and foreign exporters and producers. Foreign enterprises, like any domestic company, would be held responsible for the economic consequences of their anticompetitive actions.

The current regulatory scheme rarely imposes retroactive duties; it merely restricts future dumping. This amendment would allow domestic companies to recover damages for injuries sustained when injunctive relief cannot be timely provided or is otherwise inadequate.

During the 1985 Judiciary Committee hearings, witnesses testified that the legislation's provision to allow damages for injury from illegal imports would provide a more effective deterrent than current law, would provide retroactive relief to fill the gap under existing law which imposes duties on only future imports, and would provide damage awards directly to the injured American industries. International trade lawyers also testified during the hearing that the provision of damages for injury sustained from illegal dumped or subsidized imports or customs fraud violations would be consistent with the General Agreement on Tariffs and Trade [GATT].

The amendment I plan to offer would in no way interfere with the administration's pursuit of voluntary import restraints. It would offer no new tariffs or quotas or protectionist barriers. It would not displace any existing remedies through the ITC or otherwise. Rather, it would reduce the pressures for resort to such disfavored measures, by allowing vigorous enforcement of laws already on the books. This is a reasonable, targeted, and directed remedy.

Mr. President, there is nothing like the vigor of private plaintiffs when it comes to enforcement of trade laws or other means of self-help which have long been demonstrated to be the most effective way to get enforcement and action by those who are most directly affected and injured. We have many decades of evidence of this with regard to private enforcement or our antitrust laws. The theory that private plaintiffs would find strong incentive to bring such antitrust suits—and in so doing would both recoup deserved compensation for their injuries and advance strong national public policy interests—certainly has proved correct. There is no reason that the same would not be true of private suits to enforce our international trade laws.

Customs violations are rampant in several pernicious forms. Massive country-of-origin fraud occurs, whereby a country which has reached its permissible quota for a given item or product circumvents the quota by transshipping the continued imports through another country which has not yet reached its quota. Most commonly—indeed, in hundreds of thousands of cases—imports are fraudulently mislabeled. Given the sheer volume of imports and the limited resources of the Customs Service, many imported textiles, apparel, and footwear simply are declared to be something which they are not, or are immensely underdisclosed in number—again, in order to evade quotas fixed by the administration.

Domestic textile, apparel, and footwear manufacturers and their employees pay a very heavy toll for these illegal imports. Beyond the individual injury, our national goals and policies are thwarted. In my State alone, thousands of textile jobs have been lost.

Mr. President, we should not be surprised by recent protectionist calls for new tariffs against goods from countries with large trade surpluses with the United States. I sympathize with the frustrations which lead to such efforts, even as I question their appropriateness. The way to avert such counterproductive measures is to enforce the trade laws which are already in place. This amendment will greatly increase the enforcement of those laws, by letting injured American businesses go directly to Federal court—just as they can for violations of the antitrust laws—and seek quick injunctions against continued illegal importation.

The legal process is well attuned to this kind of an effective remedy.

Similarly, the Federal discovery procedures lend an excellent avenue for injured U.S. interests to seek discovery from any importer who wants to utilize our markets. If importers wish to do business in the United States, they ought to be subject to the jurisdiction of our courts for equitable relief. They ought to be subject to telling specifically what has happened in terms of the circuity and violations of the customs laws which are applicable in so many situations.

This is an effective remedy because it does not address the problem after the fact. It stops goods from coming into this country before they can displace American products and American jobs.

We desperately need the vigorous private enforcement this amendment would spur if we are to successfully chart a course between the grave dangers of increased protectionism and the certain peril which would result from unabated illegal foreign imports. Accordingly, I urge my colleagues to join in cosponsoring this amendment.

Mr. SPECTER. Mr. President, I ask unanimous consent that a hearing list with testimony which has been offered by the witnesses who appeared before the Committee on the Judiciary on November 20, 1985, be printed in the RECORD.

There bring no objection, the material was ordered to be printed in the RECORD, as follows:

A HEARING TO CONSIDER S. 1655, THE UNFAIR FOREIGN COMPETITION ACT OF 1985

WITNESS LIST

The Honorable John Heinz, United States Senator, Pennsylvania.

Panel consisting of: Larry K. Martin, Director of Public Relations, American Apparel Manufacturers Association, Washington, D.C.; Evelyn Dubrow, Vice President, Legislative Director and Executive Secretary, International Ladies' Garment Workers' Union, Washington, D.C.; and Carlos Moore, Executive Vice President, American Textiles Manufacturing Institute, Washington, D.C.

Panel consisting of: Barton C. Green, General Counsel and Secretary, American Iron and Steel Institute, Washington, D.C.; Curtis H. Barnette, Senior Vice President, General Counsel and Secretary, Bethlehem Steel Corporation, Bethlehem, PA; and John Mangan, Senior General Attorney for International Trade, United States Steel, Pittsburgh, Pennsylvania.

Panel consisting of: Robert C. Cassidy, Partner, Wilmer, Cutler and Pickering, Washington, D.C.; Richard Cunningham, Partner, Steptoe and Johnston, Washington, D.C.; and Peter D. Ehrenhaft, Partner, Bryan, Cave, McPheeters & McRoberts, Washington, D.C.

STATEMENT BY SENATOR JOHN HEINZ ON S. 1655

Mr. Chairman, I am pleased to have the opportunity to appear here today to express my support for S. 1655, the most recent version of Senator Specter's legislation to provide a private right of action against unfair trading practices. let me begin by apologizing to the Committee for the brevity of my statement. I am in the midst of another hearing on trade policy, before the Finance Committee, and I have to return there shortly.

As I indicated, I support this bill. I believe it is an important and necessary addition to the body of existing laws dealing with unfair trading practices. I commend Senator Specter for his diligence in pursuing this issue, and I am confident that ultimately this legislation will be enacted. In commenting on the bill, I want to make 4 basic points.

First, it would be a useful addition to our arsenal of weapons combatting dumping, subsidies, and customs fraud. The United States market is the most open of the major industrial economies, and as such we have become the target for those producers and foreign governments determined to export, yet unable to obtain sufficient access to other markets. This process has accelerated in recent years as world economic growth has slowed, and producers scramble to find additional foreign markets to continue their growth. In some cases—steel being a prime example—foreign governments subsidize production, and government-owned facilities dump, as instruments of social policy to maintain employment and avoid political crisis. Thus, other nation's unemployment is exported to our shores. The short term benefit of lower prices is heavily outweighed by the long term economic and social costs to our country and the world trading system, which are casued by the economic distortions these policies foster.

There is widespread agreement—in the United States, in the GATT, and in the developed world generally—that these market distorting practices ought to stop. In the Congress, even those who have opposed broad-based import relief for major industries like steel or autos have acknowledged the need to fight dumping and subsidization, and have supported legal efforts to do so.

Despite that consensus, however, it is apparent that current law is not doing the job. It is slow, uncertain, and capable of manipulation by the foreign producer or importer. Most significant is the lack of timely relief. A dumping case involving any controversy will usually take eleven months, although both shorter and longer deadlines are possible. Although there are provisions for preliminary determinations and temporary remedies, they have not proven effective in halting the flood of dumped imports. If anything, a pending dumping case encouraged a foreign producer to ship in as much as he can prior to the conclusion of the case. S. 1655, through its use of the judicial system, offers the possibility of more rapid relief in these cases.

Some have criticized this bill by suggesting that the courts will not, in fact, act any quicker than the administrative process that handles the existing law. That may well turn out to be true. We all know of cases that have taken years to work their way through our judicial system. At the same time, however, we also are aware of rapid and responsive judicial action, and my view is that we ought to leave the door open to that in trade cases. Its impact may be variable. It may not work at all in some cases but even so, the plaintiff would hardly be worse off with this additional option, than he is without it under current law.

Second, the idea of permitting a domestic industry to seek damages for the harm suffered by dumped or subsidized imports is a good one. We should not delude ourselves, as some economists do, that dumping is simply the operation of comparative advantage in a market system. In fact, dumping and subsidization have nothing to do with comparative advantage. They are an attempt to deny it, not take advantage of it. The cost to our economy, including the cost to our consumers, comes over the longer term in the elimination or disabling of U.S. industries; and the market dislocations and ultimately higher consumer prices which result from the absence of effective domestic competition. One of the most interesting pieces of testimony the Finance Committee received on the textile bill, for example, was the information that within a few short months after the last U.S. producer of velveteen went bankrupt, foreign prices soared 33 percent. These costs are in addition to the economic and human costs created by dislocation and unemployment. In view of those costs and their consequences for our economy, there is no reason why our industries should not be allowed to try to recover them.

Third, the very nature of the process created by this legislation as well as the opportunity to seek damages provide a more effective deterrent than current law. If the importer knows he has a significant potential liability for his unfair actions, he may be more cautious. Further, the nature of the process is less susceptible to manipulation for political or foreign policy purposes than is the current administrative process. It is common knowledge and should come as no surprise to this committee that on occasion every Administration seeks to influence the outcome of a case because of the foreign policy consequences of a "wrong" decision. When the entire process is in the Executive Branch, those kinds of conflicts are facilitated. Providing a parallel opportunity within the judicial branch should produce greater independence.

Fourth, I reject the argument that the federal judiciary is somehow less capable than the Department of Commerce or the International Trade Commission in making these determinations. Granted, these can be complex cases that require economic analysis, but they are clearly not beyond the abilities of our judges.

In closing, Mr. Chairman, I would emphasize that this is an important bill. It addresses a serious and growing problem in a creative and effective way that supplements rather than supplants current law. Most of the criticisms concerning this approach have suggested it will not work—it will not provide faster, more effective relief. I disagree with that contention, but even if it turns out to be correct in some cases, it is not an effective argument against the enactment of this legislation. We are creating a parallel track in our law. No rights or opportunities under existing law are being removed. Complainants are being given an additional choice of tactics, and I certainly believe both current law and the judicial system can survive that opportunity. Accordingly, I urge the Committee to act favorably on the bill and bring it to the floor.

STATEMENT BY LARRY K. MARTIN

Thank you, Mr. Chairman. I am Larry Martin. I am Director of Government Relations for the American Apparel Manufacturers Association. AAMA is the central trade association for manufacturers of garments in the United States, representing about two-thirds of domestic capacity. Our members are located in virtually every state.

It is our privilege to be here today and to lend our support to S. 1655, the Unfair Foreign Competition Act of 1985. We commend Senator Specter and his colleagues for offering this legislation.

Our industry is beleaguered by imports. The apparel industry has lost 300,000 jobs to imports over the last decade. Imports now account for 50 percent of our market and they have doubled in the last five years.

There are regimes available to restrain this import growth. We have full access to the current law governing subsidized and dumped imports. Customs law clearly forbids transshipment and other forms of fraud. More importantly, the United States is a signatory to the Multifiber Arrangement which, in theory at least, allows us to restrain imports which disrupt our domestic market.

Yet reliance on all these remedies has failed to provide us relief from the onslaught from offshore. That is why we endorsed the Textile, Apparel Trade Enforcement Act of 1985 which was approved by the Senate last Wednesday. We are greatful to the members of this Committee who sponsored and voted for that measure.

The bill under consideration today would provide us a valuable tool in protecting our industry and its 1.2 million workers from unfair imports. It would allow us to go into court and seek an injunction against imports which are subsidized or dumped or which violate our customs law.

In the case of subsidized or dumped goods, this bill would provide much more immediate relief than current law. As the law is now structured, a complaint about unfair imports is subject to a costly and lengthy administrative procedure involving both the Department of Commerce and the International Trade Commission.

The same injunctive relief would be available in cases involving customs fraud. We have no idea of the magnitude of customs fraud, primarily transhipments, involved in apparel imports. We do know that the Bureau of Customs has uncovered numerous cases where goods were transshipped to circumvent a U.S. quota. We suspect that what Customs has caught represents merely the tip of the iceberg.

We also believe that Customs is increasingly unable to cope with major problems in this area. Imports of apparel have doubled in the last five years, but the ranks of Customs enforcement personnel have dwindled. In September 1981, Customs employed 1,131 import specialists. That number had declined to 990 as of last September and Customs has recommended a further reduction of 244 import specialists in Fiscal Year 1986.

The challenge to customs enforcement was increased last year with the effective expansion of our customs territory to include Israel. The conclusion of the U.S.-Israel free trade agreement, we fear, has increased the possibility of apparel transshipment through that country. Now talks are beginning on a free trade agreement with Canada, the conclusion of which would mean another expansion of our customs territory with a coincidental increase in transshipment possibility.

We believe passage of S. 1655 would have the effect of extending the reach of customs enforcement personnel by allowing companies injured by fraudulent goods to seek their own redress through the court system.

There is one aspect of S. 1655 which troubles us. That is the authority granted the President to nullify a court order under his authority in section 203 of the International Emergency Economic Powers Act. Any court order granted under the Unfair Foreign Competition Act would be an action against imported goods which violate American law. That violation would have been determined by a U.S. court. It should not be excused for reasons irrelevant to the specifics of the case at hand.

Mr. Chairman, I appreciate the opportunity to appear here today. I will be pleased to answer any questions you may have.

STATEMENT OF EVELYN DUBROW

My name is Evelyn Dubrow. I am a Vice President and Legislative Representative of the International Ladies' Garment Workers' Union. Speaking on behalf of our more than 230,000 members engaged in the production of women's and children's apparel, I want to thank the Chairman and the members of this Committee for the opportunity to testify on S. 1655.

The bill introduced by Senator Specter and endorsed by Senators from both parties, including the majority and minority leaders, is of considerable importance to the members of the ILGWU. It addresses a number of crucial problems related to imports, including imports of women's and children's apparel.

Most important to us is the fact that the bill unravels some of the red tape in trade-related problems by providing for direct access to the courts in order to halt dumping and subsidization of imports and Customs fraud and to deter them in the future. Subsidized and dumped imports of women's and children's apparel exacerbate the already massive growth of imports and add to the growing number of workers who have lost their jobs as a result.

In cooperation with representatives of the American textile industry, we participated last year in a number of countervailing duty petitions, filed with the Department of Commerce. We sought relief from subsidization of exports by other countries. The proceedings took a long time before a decision was reached, required arduous preparation and were very expensive. Anticipated clear-cut action was vitiated when our authorities negotiated an injury agreement with the nations charged in the petition.

Customs fraud is another major area which affects jobs for American workers. Fraud is made more possible as a means of circumventing quota agreements by the lack of sufficient numbers of Customs specialists and inspectors. Although a House committee found last year that a dollar of cost to Customs results in assessed duties and fines of more than $20, the Customs Bureau continues to show a reluctance to put additional people on staff.

Transshipments through third countries with open quotas in order to avoid the quota limits of a particular country are not always picked up by Customs because of the shortage of personnel. Although Customs last year promulgated regulations on Rules of Origin, mislabeling and other fraudulent practices continue.

The concern of the sponsors of this bill that a simpler and more direct method of dealing with these problems is needed is to be commended. While the core of the problem presented by the surge of imports in the last five years is dealt with in S. 680, which the Senate passed last Wednesday, S. 1655 represents an important contribution to dealing with the overall problem.

Mr. Chairman, the key factors in the import problem are the abominably low wages paid in third world supplier nations and the greed of American importers and retailers. The attached table, which lists the 20 major low-wage apparel exporting nations, shows that wage levels in these countries range from a high of 25 percent to a low of 2 percent of wages paid apparel workers in our country. And, as you know, apparel workers in the U.S. are among the lowest paid manufacturing workers. This factor is critical, since on average labor represents one-third of the whole cost of an item of domestically produced apparel.

Our studies and direct knowledge gained from visits to apparel supplier countries have proven over and over again that the importer and retailer, not the American consumer, benefits from these low-wage imports. The cost to the importer/retailer is marked up to the retail price level of domestically produced apparel, providing an enormous and exhorbitant proft at the expense both of the American consumer and the American worker who is also a consumer.

One provision in S. 1655, which appears in Section 3 (M) and Section 5 (e), raises concern on our part. It allows the President to nullify any court order related to subsidies, dumping and Customs fraud, pursuant to presidential authority under Section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).

The danger inherent in this provision should be clear to those who have tried to use the International Trade Commission to deal with import-related problems. If the President can vitiate a court determination, there is the danger that even with this legislation we will be back to where we now find ourselves, namely a situation in which the President can nullify—and he has—recommendations made by the ITC. I urge the members of the Committee to examine this provision carefully.

Mr. Chairman, I ask permission to submit additional testimony. Thank you.

APPENDIX A.—HOURLY COMPENSATION* COSTS FOR PRODUCTION WORKERS, APPAREL PRODUCTS AND OTHER TEXTILE MANUFACTURING, 1984, UNITED STATES COMPARED TO 20 LEADING LOW-WAGE APPAREL EXPORTING COUNTRIES**

Country	Hourly compensation (U.S. dollars)	Index (U.S.=100
United States	7.00	100
Taiwan [1]	1.39	20
Hong Kong	1.62	23
South Korea	0.86	12
China [2]	0.21	3
Philippines [3]	1.54	22
Indonesia [2]	0.18	3
Singapore	1.74	25
Thailand [2]	0.46	7
India [2]	0.58	8
Sri Lanka [2]	0.23	3
Mexico [5]	1.00	14
Dominican Repu	1.24	18
Malaysia [2]	0.35	5
Haiti [4]	0.43	6
Pakistan [2]	0.40	6
Bangladesh [6]	0.16	2
Macau [7]	1.07	15
Brazil [1]	0.89	13
Costa Rica [4]	0.86	12
Jamaica [4]	1.02	15

* Hourly compensation includes all payments to workers for time worked and not worked, the cost of payments in kind and employer contributions to legally required insurance programs and contractual and private benefit plans.

** Ranked according to U.S. apparel imports for year ending June 1985. These 20 countries accounted for 88.5 percent of total apparel imports for this period.

Notes:

[1] Estimate based on ratio of 1983 hourly comp. in apparel to U.S. hourly comp. in apparel, applied to 1984 U.S. hourly comp. in apparel.

[2] Estimate based on ratio of 1984 hourly comp. for spinning and weaving workers to comparable U.S. workers, applied to 1984 U.S. apparel hourly comp. For source, see ITC report, pp. 158, 215.

[3] Estimate based on ratio of 1984 hourly comp. for textile workers to comparable U.S. workers, applied to 1984 U.S. apparel hourly comp. For source, see ITC report, p. 284.

[4] Estimate based on ratio of reported hourly comp. for apparel workers to U.S apparel workers, applied to 1984 U.S. apparel hourly comp. For source, see ITC report, p. 425.

[5] Estimate hourly comp. for workers in in-bond factories along U.S. border. For source, see Business America article.

[6] Estimate based on report in The Asian Labor Monitor.

[7] Estimate based on textile and apparel wages relative to Hong Kong and Taiwan. See ITC report, p. 189.

Sources:

U.S. Bureau of Labor Statistics, unpublished data, August 1985.

U.S. International Trade Commission, Emerging Textile-Exporting Countries, 1984, ITC Publication 1716, July 1985.

U.S. International Trade Adminstration, Mexico's In-Bond Industry Its Dynamic Growth, Business America, Nov. 26, 1984, p. 30.

Asian Monitor Resource Center, Bangladesh—Dramatic Growth of Garment Exports, The Asian Labor Monitor, June 1985, p. 17.

STATEMENT BY CARLOS MOORE

My name is Carlos Moore and I am executive vice president of the American Textile Manufacturers Institute. ATMI is the national trade association for manufacturers of textiles and U.S. products in the United States, accounting for more than 85 percent of production of these products. While we are concentrated most heavily in the Southeast and Northeast, we do have members throughout most of the U.S. We're pleased with the opportunity to appear before you to comment on S. 1655, the Unfair Foreign Competition Act of 1985, which we believe will be helpful to our industry.

We believe there is a need to find a more effective remedy for problems caused by imports which are dumped, subsidized, or fraudulently enter our markets. The U.S. textile industry has a long history of being hurt by unfair trade practices and customs fraud. In the past four years, the textile industry has filed 21 petitions charging foreign suppliers and foreign governments with either dumping or illegal subsidy practices. In most of these cases, no effective remedy has resulted. In some of the cases, we were unable to obtain an anti-dumping duty because foreign companies were receiving less-than-market prices for inputs used in their export production. This, as you know, is "downstream dumping" and our current trade laws do not address this practice. In other cases, the Administration acted to frustrate our cases by encouraging and granting injury tests or suspension agreements while our cases were pending.

Because of Administration actions in cases brought by other industries, we have been unable to seek remedies against subsidy practices by non-market economies, such as the Peoples Republic of China. All told, we have spent thousands and thousands of dollars and have achieved very little in the way of remedies.

In addition to this unfair trade practice activity hurting the domestic textile industry, quota fraud was and is widespread. It is difficult to say how much quota fraud is going on, but the fact is that the more the U.S. Customs Service looks for it, the more fraud it finds. And at present, there are relatively few resources at Customs allocated to policing our borders to inspect shipments adequately and to stop this fraud.

These are the reasons why we believe that legislation which offers a course of private action in the courts against such unfair and illegal practices is needed. Such action will provide a quicker, more effective, and less expensive remedy than anything currently on the books. In addition, we believe that such a remedy will also serve as an important deterrent to future unfair practices and fraud since importers will have to consider not only an exclusion order, but damages which might be assessed against them, should they bring in goods in violation of this Act.

We would like to commend Senator Specter and the other sponsors of this legislation for proposing a measure that would police our borders more effectively and help prevent damage from such illegal imports.

However, I would like to point out what we believe to be a loophole in this legislation concerning Presidential discretion to overturn courtroom decision. This can best be done by citing examples. As you know, in the current textile import program by the Executive Branch takes discretionary action to define situations of market disruption and applying restraints. That is, the Administration has complete discretion about whether quotas should be imposed in particular cases with particular countries. This has led to doubling of textile imports in the past four years and a job loss in the domestic textile and apparel industry of over 300,000 jobs. Foreign policy concerns often override the objectives of the program which are to prevent market disruption in the U.S. market. I can cite you numerous examples of this but I will limit myself to one or two. For example, according to the guidelines issued by the White House on December 16, 1983, quotas should have been imposed on imports of women's cotton blouses from Bangladesh over a year ago at an annual import level of 71,000 dozen. Now, Bangladesh is shipping at a level of 900,000 dozen and no action has been taken.

Japan, which is running a $50 billion trade surplus with the U.S. is currently shipping to the U.S. some 16 million yards annually of cotton broadcloth. This accounts for 25 percent of total U.S. cotton broadcloth production, yet the Administration has taken no quota action. Several other instances of delay and inaction are attached.

For these reasons we are urging passage of the Textile and Apparel Trade Enforcement Act of 1985, so that we can overcome discretionary inaction with respect to the textile import program. We would like also to thank you for your strong support you've shown for this legislation.

However, drawing on our unhappy experience with Administration discretion, we urge that the sponsors of S. 1655 consider removing the paragraph which grants discretionary authority. The legislation then will provide a truly effective remedy whenever the tests contained in it are met.

Thank you for the opportunity to appear before you.

STATEMENT OF CURTIS H. BARNETTE, BARTON C. GREEN, JOHN J. MANGAN

Good morning. I am Barton C. Green, General Counsel and Secretary of the American Iron and Steel Institute. I am accompanied today by Curtis H. Barnette, Senior Vice President, General Counsel and Secretary of Bethlehem Steel Corporation, and John J. Mangan, Senior General Attorney—International Trade of United States Steel Corporation. In addition to being the chief legal officer of Bethlehem Steel, Mr. Barnette is a member of the council of the Antitrust Section of the American Bar Association and is an experienced Federal Court litigator. Mr. Mangan is perhaps the most experienced international trade lawyer in the steel industry. In view of the Committee's very full agenda today, and in order to provide more time for your questions, the three of us have consolidated our opening remarks in this statement.

We are appearing this morning on behalf of the American Iron and Steel Institute. AISI is the principal trade association for the domestic steel industry. Its members include large integrated carbon steel producers that produce a wide range of steel mill products; several companies that produce a narrow range of products—such as plate or tubulars; mini-mills—which typically operate electric furnaces and produce a relatively narrow range of low-value, commodity-type products; and companies that produce high-value stainless and specialty products. AISI members account for about 85 percent of domestic raw steel production.

The bill before the committee today, S. 1655, is the most recent embodiment of a legislative proposal that has been consistently supported by the steel industry. Steel industry witnesses testified in 1979 and 1982 in support of predecessor proposals to amend the 1916 Antidumping Act. Most recently in May 1983, Thomas C. Graham, then chief executive officer of Jones & Laughlin Steel Company, testified on behalf of AISI in support of S. 418, the predecessor of S. 1655 in the 98th Congress. Once again, we welcome the opportunity to express the steel industry's strong support for legislation to provide a meaningful private remedy for dumping. We would refer the Committee to the statements of previous steel industry witnesses.

Mr. Chairman, the steel industry can honestly say that it supports this bill the old fashioned way—"we earned it". No industry in the United States has invested more time and effort in the pursuit of unfair trade remedies under the antidumping and countervailing duty laws. No industry is better positioned to testify that aggressive—and costly—pursuit of remedies under those laws provides an inadequate deterrent to other countries that would engage in unfair trading in our markets.

The increasingly sophisticated nature of dumping practices by foreign companies or their agents make the 1916 Act, with the proposed amendments, an important alternative means of obtaining some realistic relief. For example, the existing antidumping and countervailing duty remedies have not proved capable of dealing with situations where there is a sudden influx of dumped imports or where foreign dumpers build their initial base in the U.S. market before antidumping duties can be imposed. Current law has not been successful in combating "dump and run" tactics or where U.S. susidiaries of exporters warehouse dumped merchandise in inventory stocks in the U.S. market. In each of these situations, the present trade laws do not provide an effective deterrent or remedy and S. 1655 would create a useful tool.

One clear reason for the recurring frustration of our efforts is that under the present Antidumping Act dumping is risk-free, since the relief is entirely prospective. If an exporter engages in dumping to a sufficient degree to induce a domestic producer to undertake the significant cost of complex administrative proceedings, the only consequence is the imposition of duties on future imports. S. 1655 would deal with a very major gap in our laws by attaching a meaningful economic risk to a decision to dump in the U.S. market.

I would also like to touch on the compatibility of S. 1655 with the President's Steel Program announced in September of last year as a substitute for relief under the trade laws. Pursuant to that Program, the Administration has negotiated a series of bilateral export restraint arrangements with major steel exporting nations. This Program is intended to provide a temporary period of relief from the injury resulting from the disruptive and unfair trade practices of the major steel exporting nations. It covers steel mill product exports shipped prior to October 1, 1989. Given the record of our trading "partners", there is no reason to doubt that the expiration of the Program will result in a wholesale resumption of aggressive, unfair trade practices by steel exporters that are presently subject to restraint under the Program. Accordingly, the steel industry must use the period of the President's Program not only to enhance its international competitiveness but also to encourage the enactment of more effective remedies to address unfair trade practices. S. 1655 would provide such a remedy: a private action for injunctive relief or damages.

As a final point, we commend the sponsors of S. 1655 for proposing the availability of private suits with respect to injury from customs violations. We are deeply concerned about the potential undermining of the President's Program through customs fraud and evasion. Our concern was recently confirmed in the following findings of an April 1985 Report on Unfair Foreign Trade Practices by the Subcommittee on Oversight and Investigation of the House Committee on Energy and Commerce:

"United States steel companies, workers and communities have been seriously damaged by foreign producers willing to sell steel in the U.S. at prices below those charged in their home markets, and in many cases, even below their own manufacturing cost. U.S. Government agencies in two administrations have been notably ineffective in enforcing trade laws designed to prevent these predatory practices. As the result of Congressional pressure and enhanced Customs enforcement in recent years, some of the criminal activities associated with unfair practices have been prosecuted. Mitsui and Marubeni, large Japanese trading firms, Thysson, the largest German steel producer, and Daewoo, a huge South Korean trading conglomerate, have all pleaded guilty to numerous criminal schemes designed to falsely inflate the price of imported steel reported to Customs, and thereby avoid triggering antidumping investigations."

"The commercial incentives to evade tariffs and quotas still exist and the new steel agreements negotiated last fall and winter stand in danger of being subverted. The record raises serious doubts about the ability of the U.S. Customs Service to effectively enforce the new agreements and discourage the pattern of the fraudulent behavior exhibited over the past seven years. These concerns should not be interpreted as a minimization of the considerable efforts of the Customs Service to investigate and prosecute steel fraud over the past two years. Rather, the concerns reflect the sober realization that Customs lacks the resources necessary to enforce these broad new agreements, and at the same time, carry out all its other important duties."

These findings, and the fact that we are now seeing indications of transshipment through third countries not covered by arrangements under the President's Program, indicate that the enactment of S. 1655 would be a significant and obviously needed addition to the legal remedies available to domestic industries in the war against customs fraud.

S. 1655 poses a straightforward question: Are we really serious about our unfair trade laws? If we are, it makes eminently good sense to permit domestic industries that are being injured by proscribed practices to recover their damages from the source of the injury. It also makes eminently good sense to enact a statute that will force our trading partners to factor meaningful financial risk into their decisions to engage in predatory market conduct at the expense of United States jobs, taxes and national security.

Mr. Chairman, our international trade deficit is a cause for alarm and a reason for urgent corrective action. S. 1655 represents a worthwhile step toward attacking that portion of the trade deficit accounted for by imports benefiting from unfair conduct that violates both U.S. law and international agreements. We enthusiastically endorse this bill and look forward to working with its sponsors to encourage its enactment into law.

We thank you for the opportunity to appear before you. We will be pleased to respond to questions.

TESTIMONY OF ROBERT C. CASSIDY, JR.

Mr. Chairman, members of the committee, thank you for inviting me to testify before you today on S. 1655, the "Unfair Foreign Competition Act of 1985." I intend to address my remarks to Section 5 of the bill which provides for a private cause of action against customs fraud. My experience in both government and private practice leads me to conclude that there is a definite need to supplement existing penalties for customs fraud. Section 5 of S. 1655 would provide such a supplement by allowing private parties who are injured in their businesses by customs fraud to act directly against those who commit the fraud by means of an injunction or damages for the injury they sustain.

The United States, like most other industrial countries, regulates imports for a variety of reasons: To prevent injury to domestic producers caused by competition with imports subsidized by foreign governments; to prevent injury to domestic producers caused by certain international price discrimination or "dumping"; to prevent injury to domestic producers by fairly traded imports that increase too rapidly; to prevent injury to domestic patent holders caused by imports that infringe their patents; and so on.

In every case, these regulatory objectives must be implemented at the border by tariffs or quotas. In every case, the tariffs or quotas are applied to categories of products that are carefully defined to achieve the prescribed policy goals. For example, countervailing duties are applied to a defined category of goods produced by a subsidized manufacturer in a specific country.

If our trade laws are to achieve the purposes for which they were enacted, it is essential that tariffs and quotas be applied to the proper category of goods from appropriate countries and companies.

This seems axiomatic, and it is. The problem is that implementation of border controls is not automatic. It depends upon accurate completion of Customs entry documents by foreign exporters and domestic importers and careful review of these documents by U.S. Customs Service personnel. Even if everyone were honest, the enormous volume of imports into the United States would make correct implementation of border controls a monumental task for the businessmen and government officials involved.

The problem is compounded by the fact that not all exporters and importers are honest. Our regulation of trade through border controls often creates a signficant incentive to make false statements to the Customs Service. For example, if there is 50 percent countervailing duty on widgets from country X, an unscrupulous exporter or importer of those widgets can evade that duty by declaring that his widgets are not widgets but some other product. He can also evade the duty by declaring that his widgets originate in some country other than country X.

The nature and extent of this type of tariff and quota fraud has been thoroughly investigated by various congressional committees.[1] In the textile area, for example, five major methods were found to be used to avoid import quotas which the United States has established under the Multi-Fiber Arrangement: Transshipment to falsify country of origin, false product description, counterfeiting foreign government export visas, counterfeiting products, and smuggling. Specific examples of fraud which were uncovered include (1) declaring t-shirts with an easily detached piece of fabric at the bottom as dresses because the t-shirt quota was full; (2) claiming to add value in the Virgin Islands when goods were merely transshipped to avoid tariffs; (3) hiding suits in shipments of coats and trousers because a suit quota is full; and (4) claiming that the fiber content of garments is 55 percent ramie in order to avoid quotas when the actual ramie content is 32 percent.

The Steel Trigger Price Mechanism was found to have broken down because, among other fraudulent practices, certain steel importers falsely inflated invoice prices on documents filed with the U.S. Customs Service in order to evade the application of the trigger price mechanism or to evade outstanding antidumping orders. Practices which were used to account for the difference between the actual and reported prices included contract cancellation schemes, secret commission payments, false exchange rate agreements and false insurance claims.

Existing law provides criminal and civil penalties for the kinds of fraud I have described.[2] The problem is that the existing civil remedy can only be invoked by the U.S. Customs Service. Even when it is invoked, the existing civil penalty does not compensate domestic companies for the injury they have incurred as a result of fraud.

We are all well aware of the increased workload which the Customs Service has acquired in recent years. Given the increase in import volume, simple processing, much less the detection of fraud, has become extremely difficult given the limited resources of the Customs Service. Recognizing that existing mechanisms for detecting fraud were inadequate, the Customs Service established a Commercial Fraud Investigations Center in February 1983. The experience of the Fraud Center and other recent Customs initiatives against fraud, such as "Operation Tripwire," shows the extent to which customs fraud is occurring.

Despite Customs' efforts under the existing system, which relies solely on U.S. Government enforcement of the antifraud statutes, it is extremely unlikely that Customs fraud can be adequately addressed. If a private party has reason to believe customs fraud is being committed, his only recourse is to bring whatever information he has to the attention of the Customs Service. Whether the Service proceeds on the matter is left solely to the discretion of the Service. There are too many fraudulent transactions and too few Customs agents for the Service to investigate most allegations of fraud. Unless we improve the enforcement mechanism to penalize effectively more of those exporters and importers who engage in fraud, our trade laws are likely to exist on paper only.

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[1] *E.g.,* House Comm. on Government Operations, Federal Enforcement of Textile and Apparel Import Quotas, H.R. Rep. No. 99-305, 99th Cong., 1st Sess. (1985); Subcomm. on Oversight and Investigations of the House Comm. on Energy and Commerce, 99th Cong., 1st Sess. (1985), Unfair Trade Practices: Criminal Components of America's Trade Problem (Comm. Print 99-H).

[2] *E.g.,* Sections 541 and 542 of Title 18, United States Code; Section 592 of the Tariff Act of 1930 (19 U.S.C. § 1592 (1985)).

Section 5 of the "Unfair Foreign Competition Act of 1985" establishes a private enforcement action for parties which are injured by behavior prohibited by the existing civil penalty statute for customs fraud, section 592 of the Tariff Act of 1930. Enactment of section 5 would permit the private sector to supplement the resources of the Customs Service in the effort to stop customs fraud. This is totally appropriate. U.S. industry is directly impacted by customs fraud. U.S. industry has the resources to act against customs fraud through the courts. And U.S. industry often has the market intelligence to know when fraud may be occurring.

Section 5 of S. 1655 would be a valuable supplement to current law. Parties being injured by customs fraud would be able to file civil suit in the district court of the District of Columbia or in the Court of International Trade. Plaintiffs would be able to develop their case and defendants would be able to document their defense through discovery procedures. Where fraud is established, the court could grant equitable relief, including an injunction against further imports, or an award for damages sustained.

A private cause of action against customs fraud will serve as an additional deterrent against fraud violations occurring in the first place. In consequence, those industries which have been granted some form of import relief would be more likely to realize the benefits of that relief.

In conclusion, a private cause of action against customs fraud, such as section 5 of S. 1655, would be a useful addition to the antifraud statutes that are essential if our trade laws are to achieve the purposes for which they were enacted.

STATEMENT OF RICHARD O. CUNNINGHAM

My name is Richard O. Cunningham. I am a member of the Washington law firm of Steptoe & Johnson. In testifying today, I am presenting views which are entirely my own and should not necessarily be taken as representing the views of my firm or of any of our clients.

This is the third occasion in the last five years on which I have testified in support of a judicial remedy in damages for injury caused to American corporations by dumped imports. My support for such legislation remains firm. It is based upon my experience that the current prospective administrative remedy is inadequate to deal with several important—and not at all infrequent—dumping situations.

My testimony today will consist of two parts. First, I want to reemphasize the need for a private remedy in damages for injury caused by dumping. Second, I want to suggest certain changes in S. 1665 which, in my view, are necessary both from the standpoint of international trade policy and from the standpoint of legality under the General Agreement on Tariffs and Trade ("GATT").

I. THE NEED FOR A DAMAGES REMEDY

A major inadequacy of the present administrative remedy for injury caused by dumping is that administrative relief in the form of duties is entirely prospective. In a number of circumstances, some of which are becoming increasingly common, the unavailability of any *retrospective* remedy for injury caused by imports which enter the United States before an antidumping proceeding can be commenced means that there is in fact no remedy at all.

It is important to understand that the problem is not that administrative relief is unduly delayed by overly lengthy proceedings. Duty liability can attach as early as 160 days after the filing of a petition in an administrative case, and in certain circumstances as early as 90 days after filing. It is highly problematical whether any judicial remedy—temporary restraining order or preliminary injunction, for example—could realistically be obtained in a significantly shorter period of time.

The real problem is that, except in rare instances in which a very limited retroactive applicaton of duties may be possible, dumped imports can enter the United Staes with impunity, causing injury to U.S. producers, up to the time when an antidumping proceeding is commenced. This is a very serious deficiency, since the bringing of an antidumping petition is not a simple matter which can be accomplished in a short period of time. Therefore, even where the affected domestic corporation is unusually alert and acts as promptly as possible, substantial injury can be done by the dumped imports before any proceeding can be commenced. Typically, the scenario is as follows:

The foreign producer begins to market its products in the United States, often with rather rapid initial success, owing to the low level of the dumped prices.

A period of several months (rarely less than six months) elapses before competing U.S. manufacturers begin to be aware that significant business is being lost to low-priced foreign competition. It is only at this point that the search for a remedy against unfair pricing begins to be contemplated.

Over the next month or so, the affected U.S. corporation holds discussions with counsel, first with its in-house or local attorneys who are not experienced in international trade law, and then with an international trade law specialist.

The international trade law specialist then identifies possible dumping as a source of the problem, and an investigation is commenced to determine whether foreign home market price levels and/or cost of production are higher than the prices at which the imported merchandise is being sold in the United States. This investigation normally takes at least three months, and can take as long as six months. Contemporaneously, data concerning injury caused by dumping is compiled and evaluated.

Upon completion of the investigation of foreign market conditions, it is necessary to evaluate the data obtained and to draft an antidumping petition. This requires an additional one to two months, after which another month is generally consumed in discussing the draft petition with the Department of Commerce and the International Trade Commission preparatory to filing.

As the foregoing scenario demonstrates, it is rare that an antidumping petition will be filed sooner than a year after the dumped imports first enter the U.S. market. It is this period—the period prior to filing of the petition—which constitutes the real "loophole" in the administrative antidumping law. In at least four circumstances, this prefiling injury can be so significant that the prospective duty remedy is wholly inadequate. In effect, the horse has escaped before the barn door can be shut.

Sudden influx of imports.—One obvious situation in which a prospective remedy is inadequate is the case of a sudden influx of imports into the U.S. market. The unhappy story of the United States moped industry in the late 1970s is a classic example of such a situation.

In the mid-1970s, it looked as if the U.S. moped market was going to enter a genuine "boom" period. The anticipation of this "boom", of course, was based on the effect of the oil embargo by the Arab nations, the subsequent gasoline price increases, and the consequent desire of many Americans to purchase transportation vehicles which were more economical and used less gas than automobiles. Mopeds are among the most economical of all vehicles. Some can get as much as a hundred miles on a single gallon of gas.

The U.S. moped manufacturers seemed to be well-positioned to participate in the expanding moped market. Then came a trade problem which disrupted the U.S. market and forced the U.S. manufacturers to defer development programs and to cut back production. It was a case of clear, sudden and massive dumping—yet there was no remedy whatsoever under any U.S. trade law.

By late 1977 and early 1978, it became apparent that moped manufacturers around the world had over-expanded capacity. Demand for mopeds had risen substantially, but not as rapidly as the various manufacturers had apparently anticipated. The result was a sudden and massive influx of mopeds into the country with the largest potential market and the most open market—that is the United States. Within the space of a few months, about 500,000 mopeds were brought into the United States and inventoried for resale here. This was an enormous influx, in view of the fact that total U.S. moped sales at that time were between 250,000 and 300,000 units per year and imports prior to 1978 had been running below 200,000 units per year. In other words, two years' supply of mopeds surged into wholesalers' warehouses within a few months. These vast numbers of vehicles could only be sold by drastically cutting their prices far below wholesale market prices and far below the prices that U.S. producers could meet on any economic basis. It was nothing short of a market disaster.

In the face of this sudden influx of imports and rapid build up of inventories, my law firm was asked to examine the possibility of filing a petition under the Antidumping Act of 1921. After extensive research, however, we were forced to conclude that no remedy existed under that statute. The substantial quantities of mopeds had already been imported into the U.S. and were sitting in wholesale warehouses and showrooms. Although the domestic industry could undoubtedly have proven dumping, since foreign market prices were very substantially higher than those at which the foreign merchandise was being sold in the United States, the prospective remedy would not affect the imports which had already entered the country, nor could it provide recompense for the damage already done to the U.S. industry.

"Hit and run" dumping.—The present administrative antidumping law is also inadequate to deal with "hit and run" dumping, a phenomenon which occurs frequently in cyclical and seasonal markets. The cyclicality issue arises in a number of capital-intensive industries, and the seasonality question is most relevant to agricultural trade.

Many manufacturing industries are subject to sharp and sometimes sudden cyclical downswings in demand. Where such a sudden downswing occurs in a foreign producer's home market, there is a major incentive—especially for a highly capital-intensive producer who must keep his utilization levels as high as possible—to increase export sales, even at the cost of reducing prices significantly below fully-allocated costs. The most frequent target for such an export campaign is the United States, which offers a large and generally unrestricted market. Where the downswing occurs suddenly, the influx of imports is often equally sudden, with the result that the damage to U.S. producers is done before an antidumping proceeding can be prepared and filed. Then, by the time the antidumping action is commenced, the market cycle has started up again and the imports have withdrawn, so that prospective relief is no longer needed.

A similar phenomenon occurs in agricultural markets. At the height of the growing season, farmers in Mexico, Canada or other major agricultural producing nations may have substantial surpluses of products that cannot be sold in their home markets. Here again, the large and open U.S. market provides an inviting target for dumping this excess production at distress-sale prices. This, however, is even more clearly a case in which the sudden influx of imports—while highly injurious—is of such a brief duration that no prospective remedy can be effective.

Inventory dumping.—From a long-term standpoint, I believe that the most serious deficiency of the present prospective antidumping law lies in its failure to deal with "inventory dumping". More and more foreign manufacturers are setting up subsidiary companies in the United States to import, inventory and sell merchandise manufactured in the parent company's foreign plant. In such a marketing system, dumping does not occur until the merchandise is sold out of inventory in the U.S. market by the foreign manufacturer's U.S. subsidiary or affiliate. In other words, the dumping does not occur until long after the merchandise has been imported into the United States, long after the point where it can be subjected to antidumping duties. This gives to the foreign manufacturer who wants to build a major U.S. market position through dumping a means of accomplishing that goal without any risk whatsoever that the administrative antidumping law will be applied to prevent or correct the disruption caused by his tactics.

Harley-Davidson Motor Co., Inc., the last remaining American motorcycle manufacturer, has been a prominent victim of such "inventory dumping." In the late 1970s, Harley-Davidson sought to deal with this problem by bringing a proceeding under the Antidumping Act of 1921. In the mid and late 1970s, the Japanese motorcycle manufacturers had used these "inventory dumping" tactics to increase their market share in the heavyweight sector of the American motorcycle market. In response to Harley-Davidson's petition, the Department of the Treasury found this price cutting to have constituted dumping with substantial margins on a volume of sales equal to some 15 percent of the U.S. motorcycle market. Despite this favorable determination by Treasury, however, the International Trade Commission found no injury cognizable under the Antidumping Act, and I must say that I can understand how that decision was reached despite the large volume of dumped sales and the high dumping margins. Keep in mind that Harley-Davidson was unable to present its case against the widespread price cutting on Japanese motorcycles until long after the imports had entered the United States. The Japanese made much of this at the ITC hearing. They emphasized that the dumping margins had been found on motorcycles which had already been imported and which would not be subject to imposition of dumping duties even under a 90 day retroactive application of those duties (which, incidentally, Treasury had not ordered). In response to such arguments, the Commission rendered a negative determination.

In 1983, Harley-Davidson turned to another statute—the escape clause—for relief from greatly increased Japanese "inventory dumping". In a period of two years prior to the filing of the Section 201 petition, the four Japanese motorcycle manufacturers had radically increased their shipments to the United States. Indeed, they doubled their import levels at a time when demand in the U.S. market was declining. As a consequence, they built up inventories in the United States to more than 1½ times total U.S. annual market demand. This was something on the order of three times the level of inventories normally carried by a motorcycle manufacturer. Then they began drastically cutting prices, and the price cuts were just as severe as the inventory buildup. Harley-Davidson was able to document instances in which the imported motorcycles were being offered to U.S. dealers at price reductions as great as 70 percent!

As this Committee is undoubtedly aware, Harley-Davidson was successful in its escape clause petition. But it should never have been necessary to bring the case under that statute. This was a clear case of unfair, dumped pricing and U.S. law should have been able to deal with it as an unfair practice case. A judicial remedy in damages, retrospective in nature, would have obviated the need to resort to the extraordinary measure of seeking escape clause relief.

Massive contract dumping.—In a number of industries, the merchandise produced and sold is so large and so high-priced that the market is characterized by a very few immense sales each year. Examples of such industries are nuclear power plants, steam turbine generators, subway cars and jet airliners. Because these industries are highly capital-intensive, with a concomitant incentive to keep plants as fully loaded as possible, there is a tendency for dumping to occur rather frequently. Ironically, however, the present prospective antidumping law provides almost no relief for U.S. manufacturers in such industries, to the point where they have rarely attempted such cases and have been largely unsuccessful when cases have been brought.

The problem is that the injury is not caused by the importation of the merchandise but by the loss of the huge contracts. Once the U.S. purchaser has awarded the contract to the foreign manufacturer, imposition of duties—even very severe duties—on the imported merchandise is of no help to the aggrieved U.S. company. Once the contract is lost, the damage is done to the U.S. manufacturer, and imposition of duties will only hurt the parties to the contract, not obtain the business for the U.S. company. The U.S. subway car industry's frustrations with antidumping proceedings in recent years testifies to the inadequacy of the law to deal with the massive contract type of dumping problem.

In summary—The Need for a Retrospective Damages Remedy.—The examples discussed above demonstrate that an antidumping law whose remedy is entirely prospective is inadequate to deal with the dumping problems encountered by American industries. A retrospective remedy in damages would constitute a major improvement, for two reasons:

First, and most obviously, it would allow injured U.S. industries to obtain compensation for a wrong which has been done to them by a foreign manufacturer's unfair pricing. Indeed, the need for and the logic behind such a damage remedy is so compelling that I cannot see how it is controversial at all. International law and U.S. law have both made it clear that dumping is an unfair practice in international trade. If an unfair practice injures a U.S. company, there is no earthly reason why that company should not be recompensed in damages by the perpetrator of that unfair practice.

Second, and perhaps more important in my mind, the existence of potential liability in damages will have a pronounced effect on the pricing policies of foreign exporters. If damages are available to U.S. manufacturers for harm caused by all the foreign exporter's dumped sales, even those which occur before a proceeding is commenced, the foreign companies will be aware that they no longer have a free "first bite at the apple". They will have to do what U.S. sellers have done in order to comply with the Robinson-Patman Act—that is, they will have to monitor their pricing policies in the United States to avoid discriminatory or below-cost pricing. I can think of no more meaningful and beneficial addition to the U.S. import relief laws than an antidumping damages remedy.

II. SUGGESTED CHANGES IN S. 1655

Somewhere along the line, this legislation has gotten badly off track. What is needed is a retrospective private remedy in damages for American companies injured by the unfair acts (dumping) of foreign companies. Prior versions of this legislation were directed at satisfying that need. The present bill, however, has been drastically changed. It is now a remedy which is principally prospective in nature, in the form of injunctive relief, with damages available only where injunctive relief cannot satisfactorily resolve the problem. Moreover, it extends beyond the unfair acts (i.e., dumping) of the foreign exporters who would be defendants in such litigation to include as well the unfair subsidization of those companies by foreign governments which would not be defendants in the litigation.

In my view, these changes are unwise, and the bill should be returned to its original form and purpose. The changes are unwise, not only because they go far beyond the remedy deficiency which gives rise to this legislative initiative, but also because they undermine the legality of this legislation, making it inconsistent with our country's obligations under the General Agreement on Tariffs and Trade ("GATT"). My concerns on these subjects, along with specific suggestions for revision of S. 1655, are set forth below:

A. The primary judicial remedy should be damages.

I urge in the strongest terms that S. 1655 be revised to make damages the primary remedy, with injunctive relief available only to the extent that damages are insufficient to remedy the harm done to the plaintiff corporation by the foreign defendant's dumping. As discussed above, it is the need for such retrospective relief which justifies this legislation. The situtations discussed above make it clear that the injury which at present has no remedy under U.S. law is that which occurs between the time the dumping commences and the time a proceeding can be instituted. That injury can be remedied only through damages, and the great defect of S. 1655 is that it makes damages unavailable in most cases.

The agreement for creating a further prospective remedy in the form of injunctive relief strikes me as exceedingly weak. The present administrative procedures provide that such relief will become effective in the normal case within five months after the petition is filed, and in addition offer the prospect that duties can be made retroactive to a point 90 days before the filing of the petition, provided that certain showings are made. For a judicial injunctive remedy to be a superior form of prospective relief, it would have to be clear that such injunctive relief would be granted more frequently than are retroactive duties under today's statute, and that injunctive relief would be forthcoming in the majority of cases well before five months after the commencement of the lawsuit. I seriously doubt that either of these arguments can be made successfully on behalf of this legislation.

In evaluating prospects for injunctive relief, it must be remembered that determining whether and to what extent dumping is occurring is a difficult and extremely uncertain analysis. One has only to take note of the wide swings in dumping margins between the preliminary and final determinations by the Department of Commerce in case after case to appreciate the uncertainties inherent in this analysis. Because of the difficulty of the dumping analysis, I seriously doubt that it would often be possible to obtain temporary restraining orders or even preliminary injunctions without first considering extensive discovery as to the foreign procedure's home market prices and costs. Without such discovery, the plaintiff would be unable to carry the burden of demonstrating a substantial likelihood of prevailing on the merits of the litigation, a burden necessary to the granting of injunctive relief. Therefore, most if not all injunctions under this statute would be issued after extensive discovery, which necessarily means that it would take substantially longer than five months to obtain such relief. In short, injunctive relief not only fails to address the need for a retrospective remedy, it is also unlikely to bring about more expeditious prospective relief.

This bill's shifting of the emphasis from damages to injunctive relief also jeopardizes its legality under GATT. Indeed, it makes unavailable both of the major arguments upon which the previous bills' GATT legality has been predicated.

The major argument for GATT legality of a private litigated damages remedy is that the General Agreement and the Antidumping Code deal exclusively with governmental limitation of or regulation of imports which are sold at dumped prices. GATT does not deal at all with the rights of one private company against another for damages caused by that unfair dumping. Here the newly-created proceeding results in precisely the type of remedy covered by the GATT—a governmental (judicial branch) restriction (in the form of injunction) of dump imports. In my view, the present version of this legislation would, if enacted, would be challenged within GATT, and that challenge would probably be successful.

The present version of this legislation also destroys the "grandfathering" agrument which constituted the second line of GATT justification for a remedy in damages. That agrument relied upon the fact that the Antidumping Act of 1916 constituted a judicial damages remedy for private litigants which predated both the General Agreement and the Antidumping Code. By changing the primary remedy from damages to injunctive relief, I fear that this legislation has so significantly changed the trust of the Antidumping Act of 1916 as to be interpreted as a new measure which does not predate the GATT and the Code.

A. The Legislation Should Not Extend to Subsidies

It is not appropriate that this legislation encompasses foreign subsidies in addition to dumping. The concept of the 1916 Act, and of this legislation, is a litigated remedy for one private party for injury caused by the unfair acts of another private party, the latter being the defendant in the litigation. Where subsides are concerned, the perpetrator of the unfair act—subsidization—is the foreign government, which would not be a party defendant. Moreover, extension of this litigation into that area would constitute a clear intrusion into a particularly sensitive portion of government-to-government relations.

There is, in addition, no credible argument whatsoever that a new remedy against subsidization would be consistent with U.S. obligations under GATT. The "grandfathering" argument arising from the 1916 Antidumping Act clearly does not extend to subsidies. Moreover, for the reasons discussed above, it cannot be contended this is simply a private remedy for damages caused by the unfair act of the foreign exporter. The unfair act—subsidization—is done by the foreign government. Therefore, this legislation would be seen as intruding into the very area most clearly covered by GATT—the international trade practices of governments.

In summary, there is a clear and compelling need for a private, judicial, retrospective remedy in damages for injury caused by a foreign exporter's dumping. However, damages—not injunction—should be the primary remedy. Moreover, the issue of subsidies has no legitimate place in this legislation.

THE IMPORTANT TRADE ISSUE FOR 1986

(By Peter D. Ehrenhaft)

The current import relief laws do not make much sense. They are the focus of substantial domestic attention and continued international negotiation. They are the grist for countless articles. Their real impact, however, probably is modest. I say "probably" because we lack hard facts from any source—the U.S. Government, the EC Commission, Japan's MITI, the GATT, the OECD—concerning the impact on "real world trade" of any of the proceedings initiated. We do not know what happens when relief eventually is granted, what happens if it is denied, or how the market adjusts in either case.

We do know: First, the laws appear to be invoked by only a few industries. The steel, textile, footwear, and chemical producers seem to be the major "users" of the antidumping, countervailing duty and similar provisions. One must ask how effective the laws can be if the same firms within the same industries constantly must return to request the same relief. Either recidivism reigns abroad or the remedy is unsuited to the real ailment, or both.

Second, compared to the total GNP of this country, the trade affected by import relief proceedings is very small. Our GNP is now in the trillion dollar range; our imports are valued in the hundred billions. Aside from steel imports, which might account for $3 to $5 billion annually, the decided trade cases generally involve much smaller stakes. Why, then, do these statutes loom so large? They are an arsenal of howtizers for what is often a rock fight.

Third, the most significant reform of the 1979 legislation, the obligation of the administering authority to conduct annual reviews of outstanding antidumping and countervailing duties, has resulted in revealing glimpses of the after-effect of the orders imposing such duties. The published reviews reflect almost no duties being collected. Exporters either have dropped out of the market narrowly defined by the order, or have revised their prices, or renounced their subsidies, to avoid imposition of the duties. In one sense, this reflects the proper working of laws intended to be remedial only. Yet, in another sense, these reviews must mask some important facts, since imports, even of the affected goods, usually continue to grow in both absolute terms and in market share. We must acknowledge that our present laws don't work to preserve U.S. producers' market shares or U.S. workers' jobs.

But the greatest problem with the trade laws is their counterproductive effect. They are rationalized as a way of restoring all participants in the U.S. market to a "level playing field"; it is said the laws are only trying to shield our producers from "unfair" tactics of foreign firms or governments that are taking away U.S. jobs and investments. But can the United States fairly call "unfair" foreign government programs designed to spur development or export performance, or to aid depressed regions or industrial sectors, while counterparts proliferate in our own country? Can the United States fairly ask foreign producers to price their goods to avoid dumping when it applies no similar rule to solely domestic sellers? There is, in fact, no doctrine of "clean hands" recognized in this forum. I suggest all the name calling and charges of unfairness obscure the real issue.

What the trade laws should be addressing, what I hope recent proposals have made a faint start at acknowledging, is the process of facilitating adjustment to change.

Change is the only constant in our personal—and national—lives. It can come from political and social developments, creating sources for products and markets previously unknown. No better example exists than the People's Republic of China, which has surged in a decade from a negligible role in the U.S. economy to the major nonmarket-economy supplier and largest customer for at least some U.S. agricultural exports. It is but one subset of this last phenomenon that changing market conditions for producers and workers can be traced to imports. Our trade laws, however, focus on this wagging tail, and miss the larger dog. Worse, instead of facilitating—perhaps even mildly coercing—adjustments in our economy to the new situation, our laws stress relief to help maintain the status quo.

The trade laws should be a part of comprehensive legislation giving aid to industries and workers adversely affected by all sudden changes in the market, whether those changes are traced to a new invention rendering a product obsolete (for example, hand held calculators in one year completely wiping out the industry producing slide rules) or a new source of imports preventing domestic manufacturers from retaining their historic market shares (for example, new basic steel industries in the dozen countries we call "less developed" or "newly industrialized"). Our laws should be lubricants, rather than sand, in the gears of change.

To accomplish these goals, I would urge:

First, adopt and fully fund a program to train workers in new skills and to move to new jobs. Quit throwing good money after obsolete experience.

Second, expand programs to give investors incentives to provide new opportunities for productive work for themselves and others.

Third, reserve government interventions in import trade for the few important cases. These cannot be identified in advance, but governments "know 'em when they see 'em." In fact they are intervening now, because they fear the actual results of proceedings conducted by the letter of the law.

Fourth, create a private remedy for those aggrieved by "unfair" practices to recovery for themselves recompense from the wrongdoers. The legislation introduced by Senator Specter is a right move in this direction.

Mr. SPECTER. Mr. President, I offer these statements because they are eloquent testimonials from representatives, both business and labor, of a number of key industries which I think should be made available for my colleagues to see on this very important issue.

Mr. President, there has been a concern expressed in some quarters as to whether this amendment would violate the provisions of GATT. This is an issue which has been considered extensively and, as a matter of fact, was the subject of a legal opinion submitted to Senator Ribicoff when he was chairman of the Subcommittee on International Trade, the Committee on Finance, back on March 13, 1980, a very learned opinion submitted by the distinguished Washington, DC lawyer Peter Ehrenhaft. I ask unanimous consent that Mr. Ehrenhaft's opinion, dated March 13, 1980, be printed in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

HUGHES HUBBARD & REED,
Washington, DC, March 11, 1980.

Re Amendments to the Antidumping Act of 1916.

Hon. ABRAHAM A. RIBICOFF,
Chairman, Subcommittee on International Trade, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: I appreciated the opportunity to appear before your Subcommittee on March 11 and share with you and your colleagues some of the impressions gained from my experience in the administration of the Antidumping Act of 1921 while serving as the Deputy Assistant Secretary and Special Counsel for Tariff Affairs at the Treasury through the end of 1979. One issue that was raised at the hearing, however, that I did not have time to address concerned your question about the compatibility of a statute authorizing a private cause of action to recover damages caused by dumping with the newly negotiated Code on Antidumping Measures to which the United States has now adhered. It is a very good question. I cannot provide you with a legal opinion as a reply. But I can indicate my views, based on more than 22 years of study and experience with antidumping laws and my particular recent responsibility both in connection with the negotiation of the Antidumping Code in the MTN and leading the U.S. delegation to the 1977 through 1979 meetings of the GATT Antidumping Committee.

In my judgment, a statute, permitting the recovery of compensatory—particularly "single," as opposed to "treble"—damages for injury caused by tortious business behavior could not be regarded as a breach of the Antidumping Code.

First, the Antidumping Code is an agreement on the "Implementation of Article VI of the GATT." Article VI of the GATT does not prescribe the only method for dealing with the problem of dumping. Section 1 defines the concept of dumping—injurious price discrimination between national markets—and Section 2 states that:

"In order to offset or prevent dumping a contacting party may levy an antidumping duty not greater in amount than the margin of dumping. . . ."

The GATT, itself, thus does not suggest, much less state expressly, that antidumping duties are the exclusive method by which the problem of dumping may be addressed. It simply indicates that if the problem is attacked through the imposition of an "antidumping duty," that duty may, not exceed the margin of dumping.

Second, the Code, itself, is concerned only with the implementation of the cited Article of the GATT. That is clear from Article I of the Code, taken almost verbatim from the 1967 Code. The Code speaks about the "imposition of an antidumping duty . . . to be taken only under the circumstances provided for . . . and pursuant to . . . this Code." (Emphasis added.) Thus, the Code also does not affect other actions that are not in the nature of duties," that may affect goods that are dumped."

Third, both when the 1967 Code was negotiated and throughout the MTN, our trading partners (not to speak of the U.S. negotiators) knew about the existence of the U.S. 1916 Antidumping Act providing criminal penalties and treble damages for acts that are comparable to those at which antidumping "duties" are aimed. Nevertheless, as far as I know, no claim was ever made by any foreign government or any U.S. agency that the existing 1916 law contravenes the Code. It may be argued that the existing law, with its requirement for "intentional injury" defines offensive behavior different in kind from that addressed by the FATT or the Code. However, that argument supports the view that the Code does not exhaust all possible remedies that a government may adopt to combat or remedy practices analogous to the "strict liability" dumping defined by the Code (i.e., "dumping" without any "intent to injure" element).

A statute that provides compensatory damages recoverable through a private action in a court of law for market behavior that has unjustifiably caused injury should not be read to be—and, in my view, is not—inconsistent with the Code. It supplements the Code envisaged remedy. Even retention of treble damages and criminal penalties for intentional injurious behavior should not be regarded as Code inconsistent. However, as a number of witnesses at the hearing indicated, the existing antitrust laws would seem adequate to cope with intentionally harmful pricing and no further civil remedy is needed to deal with it.

A slightly more troublesome issue was raised by some witnesses concerning the possible incompatibility of a statute permitting a cause of action affecting only imported goods with the "national treatment" provisions of Article III of the GATT. However, we presently have domestic laws—primarily the Robinson-Patman Act—that contemplate remedies against sellers who discriminate between markets to the detriment of the seller's competitors. (Representatives of the American Importers Association discussed at the hearing the wholly separate—and admittedly inapplicable—remedy of the Robinson-Patman Act available to competitors of a favored customer.) The creation of a remedy addressed to imported goods causing injury to competition at the seller's level should not breach Article III to the extent that it parallels comparable domestic law. Mere extension of the Robinson-Patman Act to international trade would be one way to achieve that result. But it may not be the best method, in part because it may be desirable for some of the reasons indicated in my oral testimony to vest trial jurisdiction over the international remedy in the Customs Court that will otherwise be interpreting the language of the antidumping laws.

In any event, before any action is taken to create a new cause of action, I would urge the Subcommittee to commission some further, serious factual studies of the existence of "dumping" as a real phenomenon in U.S. trade and the extent to which our existing laws have affected both trade in particular and the economy of the Nation in general. I believe such a study would support my impression that a private remedy of the type being proposed might make good sense for many of the smaller cases that make up the bulk of the work of the "Administering Authority," while the law is not well suited to cope realistically with the big cases. For those problems—steel, textiles, automobiles—alternative, more macro-economic responses are required outside either the private suits contemplated by the bill you are considering or the procedures now authorized by the Trade Agreements Act.

Respectfully submitted,

PETER D. EHRENHAFT.

INTERNATIONAL ANTIDUMPING AGREEMENTS

One final question must be addressed. Would amending the 1916 Antidumping Act as proposed herein violate any of the international obligations of the United States assumed as a signatory to the General Agreement on Tariffs and Trade (GATT) or the International Antidumping Code of 1979 formulated during the Tokyo Round of the Multilateral Trade Negotiations?

Article VI of the GATT and the International Antidumping Code of 1979 do not by their own terms prohibit national legislation, such as the 1916 Antidumping Act, from providing remedial relief against dumping. When the GATT and the antidumping code were negotiated, one may rightfully argue that the United States' trading partners knew of the existence of U.S. legislation that provided for judicial remedial relief in the form of treble damages upon a finding of international price discrimination. Nevertheless, no claim was or has ever been made that any of the provisions of the 1916 Antidumping Act contravened either the GATT or the antidumping code. Even assuming arguendo that remedial relief statutes such as the 1916 Act would be inconsistent with article VI of the GATT, the United States is not necessarily bound by that article due to a provision exempting countries with conflicting preexisting legislation from compliance.

The International Antidumping Code of 1979 sought to establish uniformly among signatories in implementing the GATT antidumping provisions. The Code is thus merely an agreement among signatories for the implementation of article VI of the GATT. Neither the GATT nor the Code mandates or even suggests that imposition of dumping duties is the exclusive form of relief sanctioned against dumping. Section 2 of article VI of the GATT merely provides that if a signatory wishes to attack on antidumping practice, by levying a anti-dumping duty then the duty cannot exceed the margin of dumping. Finally, since the amended 1916 Act would provide relief when there is injury to an industry as defined in the Antidumping Act of 1921, as amended, and the 1921 Act was amended to conform to the 1979 Code, the terms of the amended 1916 Act would comply with the implementing Code.

One other argument which may be raised is the notion that amendments to the 1916 Act may contravene the "national treatment" article of the GATT. Article III provides that "[t]he products of the territory of any contracting party imported into the territory of any other contracting party shall be accorded treatment no less favorable than that accorded to like products of national origin . . ." Neither the 1916 Antidumping Act nor the amendments proposed herein favor domestically produced articles over imported articles, since the former are subject to a comparable price discrimination law, the Robinson-Patman Act. In conclusion, neither the 1916 Antidumping Act nor the amendments proposed here are contrary to the obligations undertaken by the United States as a signatory to the GATT.

CONCLUSION

The 1916 Antidumping Act has not proved to be an effective means of redress for private parties injured by the pricing practices of U.S. importers or foreign manufacturers. Because the Antidumping Act of 1921 provides only prospective relief after a complex administrative determination, the ability of a U.S. industry to obtain treble damages for harm actually inflicted by dumping practices would further the policy of prohibiting international price discrimination much in the same manner as the ability of antitrust plaintiffs to obtain treble damages furthers the policies underlying the Sherman Act. The question that ultimately must be addressed is whether Congress is sufficiently committed to the policy of preventing harm to U.S. industries from the deleterious pricing practices of foreign manufacturers that it will coordinate the antidumping legislation to best achieve its underlying policies.

Mr. SPECTER. I ask unanimous consent that his supplemental opinion presented to this Senator dated August 24, 1982, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

HUGHES HUBBARD & REED,
Washington, DC, August 24, 1982.

Re S. 2167.
Hon. ARLEN SPECTER,
U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: Thank you for your letter inviting me to provide you with an opinion concerning the consistency of S. 2167 with the GATT and the Antidumping Code. I am sorry I have been unable to respond earlier, but I have been out of my office for a number of weeks since I spoke with Mr. Finkel.

My views on this subject remain consistent with those expressed in the enclosed copy of a letter submitted to Senator Ribicoff when the latter chaired the Trade Subcommittee of the Senate Finance Committee during the last Congress. It is, in brief, my opinion that:

1. The GATT and Code do not preempt a private remedy.

A "single damage" statute, such as the one you are now proposing, cannot be "preempted by," nor be regarded as violative of, either the GATT or the Antidumping Code. On the issue of dumping, the GATT refers solely to the actions of governments imposing "antidumping duties." The Code provides procedures and certain substantive rules for the invocation of this governmental action. But neither the GATT nor the Code deals with private remedies, pursued in ordinary law courts, seeking redress for past injuries caused by other private parties through behavior that may also be "dumping" at which duties may be aimed in the future. This judgment is, by the way, echoed in a recent article by Senator Danforth's former Trade Counsel, Kermit Almstedt. See, "International Price Discrimination and the 1916 Antidumping Act—Are Amendments in Order," 13 Law & Pol. Int. Bus. 747, 779 (1981). (I am also enclosing the last four pages of that article in which this issue is discussed.)

2. Article 16 of the Code is irrelevant.

The Administration has recently pointed specifically to Article 16, § 1 of the Antidumping Code as precluding a measure such as S. 2167. That section provides:

> "No specific action against dumping of exports from another party can be taken except in accordance with the provisions of the General Agreement, as interpreted by this Agreement."

However, this section does not bar private damage actions. Its purpose is to prevent other governmental action against dumped imports—such as cease and desist orders—and to assure that investigations and actions are taken with the requisite "transparency" and "due process." See, e.g., S. Rep. 96-249, 96th Cong., 1st Sess. 41 (1979).

The mere enactment of a law creating (or amending) a possible private damage remedy is surely not a "specific action against dumping of exports" within the meaning of Article 16 of the Code. Thus, the passage of a bill such as S. 2167 is not covered by this provision. And the implementation of a measure such as would be authorized by S. 2167 should also not be seen as a "specific action against the dumping of exports"; it is only the invocation of a traditional legal remedy by one "person" for economic harm knowingly done by another. As already noted, the addresses of the cited provision—as all other provisions in the GATT—are governments and not private parties.

3. Damages are not "duties."

The Administration has reiterated suggestions that the GATT and Code permit the imposition of antidumping only after governmental findings of dumping margins and material injury to a domestic industry caused thereby. These observations are accurate—but beside the point. The compensation to be collected a damaged domestic producer from a foreign seller (or its U.S. importer) under the proposed statute would not involve the imposition of an "antidumping duty" as that term has been historically understood or is commonly used today. The term has a precise meaning. It means a certain type of customs duty collected on the importation of merchandise from its importer and then deposited in a government treasury. It does not include the type of damages collectible by private parties that S. 2167 would authorize.

In that connection, I might add that it is undeniable that S. 2167 or a similar law may constitute an additional "non-tariff barrier" (NTB) to imports. And it is also true that it was one of the aims of the Multilateral Trade Negotiations (MTN) out of which the current antidumping Code emerged, to reduce NTB's. But many existing or imaginable NTB's were unaffected by what occurred in the MTN, including most notably the rules concerning "safeguards" (in our parlance "escape clause" actions). The subject of private remedies to counter "unfair trade practices" was simply not discussed and no agreement concerning their use was even tabled for consideration.

4. The 1916 Act is "grandfathered" under the Protocol.

Even if the 1916 Act were in some way inconsistent with the GATT and Code, these international agreements apply only to the extent they are not "inconsistent with existing legislation" under the Protocol of Provisional Application by which the United States adhered to the General Agreement. The 1916 Act antedates both the GATT and Code by many years. The amendments now proposed—particularly to the extent they eliminate the risks of treble damages or criminal penalties—cannot be regarded as new law not embraced by the Protocol. They are a continuation of that statute.

In the Trade Act of 1974 Congress extended the countervailing duty law to products not otherwise subject to ordinary customs duties. In that context, Congress felt that the GATT obligated the United States to apply an "injury test" to such imports before applying CVD's. The Protocol did not shield that new, substantive—and more onerous—obligation on foreign exporters. See S. Rep. 93-1298, 93d Cong. 2d Sess. 185 (1974); S. Rep. 96-249, 96th Cong., 1st Sess. 39 (1979). However, that is not an apt analogy to the present situation. While the amendments proposed in S. 2167 are intended to revive what is universally regarded as a "dead letter" of our law through certain procedural (e.g., allowing use of administrative determinations as prima facie evidence in court proceedings), the substantive aspects of the law should be less onerous to companies in the countries that are our trading partners. Such a relaxation of existing law (from the foreigners' vantage point) should, therefore, still be shielded from claims of GATT inconsistency by the Protocol.

I hope that the foregoing is useful. At the same time, permit me both to thank you for this additional opportunity to present my views and to express my satisfaction that your amended bill has taken account of many of the points I made when I testified on May 24. To that I might just add for your information that a new complaint under the existing 1916 Act has recently been filed in the U.S. District Court in Denver by CF&I Steel Corp. of Pueblo, claiming Mitsui & Co. sold a variety of imported steel products in violation of the Act. *CF&I Steel Corp.* v. *Mitsui & Co. (USA), Inc.* Civ. Action No. 82-Z-1269 (D. Col. 1982). However, expeditious action seems unlikely. See, for example, the ongoing case of *Outboard Marine Corp.* v. *Pezetel*, in which the most recent opinion of the District Court permitting the plaintiff to amend its complaint was recently published. 3ITRD 1917 (D. Del. 1982). The case was also initially brough, *inter alia*, under the 1916 Act but is now being prosecuted solely as a straight antitrust suit claiming predatory pricing. The original complaint was filed in February 1977; the recent amendment was allowed more than five years later, still well before trial and before the defendants have been permitted even to initiate discovery on their antitrust counterclaims. I think the case illustrates why I do not think your bill, although a useful addition to our trade laws, will provide the speedy action your statements at the hearing in May indicated you were seeking.

Sincerely,

PETER D. EHRENHAFT.

Mr. SPECTER. I ask unanimous consent that a supplemental letter dated June 19, 1987, reaffirming those opinions and updating them also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BRYAN, CAVE, MCPHEETERS
& MCROBERTS,
Washington, DC, June 19, 1987.

Hon. ARLEN SPECTER,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR SPECTER: You have asked me to review letters that I sent to Senator Abraham Ribicoff on March 13, 1980, and to you on August 24, 1982, that you inserted in the CONGRESSIONAL RECORD in connection with your proposal to revise the Antidumping Act of 1916. For ease of reference, I am enclosing the relevant pages of the CONGRESSIONAL RECORD for January 22, 1985, at which my prior letters appear.

After having reviewed these letters, as well as commentary published since those letters were prepared, I am pleased to confirm to you that I remain convinced that my analysis in those letters was correct. Neither the GATT nor the Antidumping Code preempt all private remedies. Private remedies, if fashioned on similar remedies available in domestic law, do not violate the "national treatment" provisions of the GATT nor the alleged "exclusively" provisions of the Code. The damages that would be recoverable for the commercial tort of "dumping," are not "duties," and therefore are not covered by the international agreements now in being.

From a policy point of view, I believe a private cause of action is a desirable direction for U.S. trade law. Far too many dumping cases involve disputes between private parties that should be resolved by impartial tribunals, such as courts, without the intervention of their governments. Both our Administration and foreign governments have more important matters to which they should attend than squabbling about dumping margins on often obscure products. Of course, the United States faces a risk that other countries may adopt mirror image legislation. I believe this is not a risk that has previously deterred the Congress in adopting rules it thought were appropriate. It should not deter you now.

Sincerely,

PETER D. EHRENHAFT.

Mr. SPECTER. Mr. President, the amendments which are being suggested here are not protectionistic and I wish to emphasize that at this point. Free trade means fair trade. Free trade means the cost of production plus a reasonable profit and that does not mean a governmental subsidy. A subsidy by Great Britain, for example, was found by the International Trade Commission of $250 a ton. That puts U.S. industry in a position with which it cannot realistically compete. U.S. industry simply stated cannot compete with a foreign government.

Similarly, free trade does not permit dumping, the selling in the United States at a lower price than sold in a foreign market. Here again the amendment will be entirely consistent with the principles of free trade.

Free trade again does not countenance customs fraud but these practices are rampant in our country today and the only effective remedy is to rely upon the injured parties to take action themselves in court.

And our courts have many illustrations of the efficacy of private action, private action enforcing our antitrust laws, private action enforcing our security laws. And there is a realm of appropriate action for private actions to enforce our trade laws.

Mr. President, this is a thumbnail description of the import of these amendments. I have sought the floor today to insert them into the CONGRESSIONAL RECORD so that my colleagues would have these materials available to them when the amendment is called up. I have learned that I may be able to present this amendment early on in the amendment process, perhaps as early as today. I have informed my colleagues of this bill in a variety of ways since it was first introduced in 1982. I intend to press it on the floor at the appropriate time.

I thank the Chair and I yield the floor.

Mr. DIXON. Mr. President. I rise today in support of the amendment offered by my distinguished colleague from Pennsylvania, Senator SPECTER.

I am proud to have been an original cosponsor of an earlier form of this amendment, S. 361, the Unfair Competition Act.

I ask my distinguished colleague from Pennsylvania if I am on this amendment as a cosponsor? If I am not, I ask unanimous consent of the Senate to be joined as a cosponsor.

Mr. SPECTER. I thank the distinguished Senator from Illinois. That shall be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIXON. This bill is a commonsense approach to the problem of illegal dumping in our country. It allows injured American companies to file suit in the U.S. District Court for the District of Columbia or the Court of International Trade for an injunction against, and damages for, the import and sale of goods dumped or subsidized by foreign countries.

The unfair competition amendment will help the Federal Government in settling dumping and subsidies cases. The processing of a complaint by the Commerce Department and the International Trade Commission is time consuming and expensive. In addition, Customs is often unable to cope with the great amount of customs fraud. This amendment, by providing an alternative avenue for injured companies, gives relief to an overworked and sometimes clogged bureaucracy.

However, the heart of this measure is the ability of these affected American companies to seek damages. If a court does rule in favor of the American company and awards damages, the offending importer is taught an effective lesson. It forces an importer to understand unfair trading practices will not pay by hitting him in his pocketbook.

When the Government's existing regulatory agencies made a ruling in favor of a complaint, it often comes too late and its cure often is ineffective. They infrequently impose retroactive duties and usually only restrict future dumping.

The Unfair Competition Act holds offending foreign enterprises, like any domestic company, directly responsible for their actions.

No one has more incentive than the companies being hurt by dumping to prevent this action. If these companies know that they can possibly receive damages, they will be the most effective policemen we can possibly have against unfair trade practices.

This amendment is not protectionist. Importing companies will not be affected if they play fairly. Only those companies that are found in a court of law to have engaged in unfair trading activities will be affected. It is an industry specific bill and does not discriminate unnecessarily against innocent companies.

Finally, this measure does not interfere with the ability of the administration to conduct its trade policy. It offers no new tariffs, quotas, or other types of protectionist barriers. The ITC's current existing remedies would not affected. It, instead, encourages affected industries to enforce the current laws on the books and so discourages unfair trade practices.

I would like to congratulate Senator SPECTER on his persistence in bringing this worthy measure to be attention of the Senate. The Unfair Competition

Act aids the ability of American companies to recover damages incurred by illegal trading companies and sends notice to offending importers that unfair trading practices will not go unpunished in this country. I urge all my colleagues to support this positive addition to the trade legislation before us.

May I say in conclusion, Mr. President, I have had the honor of supporting my colleague from Pennsylvania on this question a number of times, and to date we have not been successful. I wonder why, because this gives the courts a remedy so that by the operation of laws in the greatest system of jurisprudence in the world, the American system of jurisprudence, the courts will decide when subsidization or dumping have taken place and the courts will decide whether monetary damages would flow from that.

I think it is good common sense and I appeal to my colleagues in the Senate to support my friend from Pennsylvania who I believe has a really fine idea that can dramatically strengthen the bill before us and that will appeal immediately to American industry.

Mr. President, I yield the floor.

Mr. BINGAMAN. Mr. President, the Senate today begins consideration of its version of a comprehensive trade and competitiveness bill. This is a major step forward. I am pleased to see that, after years of neglect, the issue of America's decline in economic competitiveness is finally receiving the attention it deserves. It is sad, however, that the United States had to become the world's largest debtor nation—owing over $260 billion by the end of 1986—with a huge trade imbalance before we focused attention on the problem.

Over 2 years ago, the President's Commission on Industrial Competitiveness warned that "our world leadership is at stake, and so is our ability to provide for our people the standard of living and opportunities to which they aspire." Similar statements were heard from corporate executives, labor leaders, and academics across this Nation. After ignoring these warnings for so long, I am pleased to see this Congress is finally taking the issue seriously.

As the Senate begins work on its comprehensive trade and competitiveness package, I would like to puncture some of the myths that have arisen regarding this legislation.

The first myth is that our competitiveness problem is not serious—that we need not act at this time. We have heard over and over again from the administration and from various experts that the trade deficit should decline by between $10 billion and $40 billion this year and next, due mainly to the decline in the value of the dollar. However, we have also heard from the administration and these same experts that bringing the trade deficit below $100 billion annually will be exceedingly difficult. Yet this is exactly what we must do.

Mr. President, I would like to refer to a chart that was prepared just recently by the Committee for Economic Development. It points out the two courses which lie before us, at least the extreme options facing us. It points out the best-case scenario which would have the trade deficit disappearing in the early 1990's. Under that scenario, the total foreign debt of this country would itself be eliminated sometime early in the next century.

But then it also points out the business-as-usual case. And the business-as-usual case would have the trade deficit remaining roughly where it is today, in excess of $100 million per year. And under that set of circumstances, Mr. President, it is clear that the foreign debt of this Nation increases very, very dramatically during this same time period, going through the rest of this century. Obviously, the economic implications of this need to be seriously considered by all of us.

A persistent trade deficit means a growing international debt and a lower standard of living for Americans. The United States is already the world's largest debtor nation, with an international debt greater than the next three largest debtor nations—Brazil, Mexico, and Argentina, combined. And the situation will worsen before it improves. The chart that I have referred to illustrates our problem. Even if we turn our trade deficit around quickly, our international debt will continue to grow into the 1990's. If we fail to correct our trade deficit, our international debt will continue to expand for the indefinite future. To pay off our huge international debt and to avoid the economic problems normally associated with debt-ridden Third World nations, America must turn its trade deficit into a trade surplus. And we can only do so by dealing with the broader issues of our declining economic competitiveness.

The second myth which needs a moment of attention, Mr. President, is the myth that this is simply a trade bill, which ignores the deeper issues of competitiveness. Statements to that effect have been made by our Trade Representative, Ambassador Yeutter. He had gone so far as to say that Congress has ignored competitiveness in this bill and instead "has focused almost exclusively on trade policy, narrowly defined." I think that it is clear, coming from an administration that ignored the Young Commission's report and found the competitive issue only coincidentally after the Democrats took control of the Senate, this comment really has very little merit.

With its sections on trade-promotion activities, assistance to dislocated workers, worker retraining, education, science and technology, and protection of intellectual property, I fail to see how anyone can call this a narrow trade bill. I do not know which bill Ambassador Yeutter was reading. It certainly is not the bill before us today.

To judge whether this is a bill which deals with competitiveness, we must go back to the definition. I use the definition of the Young Commission that:

> Competitiveness is the degree to which a nation can, under conditions of free and fair market conditions, produce goods and services that meet the test of international markets while simultaneously maintaining or expanding the real incomes of its citizens.

This definition includes two key points: First, the ability of a nation to produce goods and services that meet the test of international markets, which means the ability of U.S. firms to compete, and second, free and fair market conditions. The bill now before the Senate addresses both of these points. It attempts to improve the ability of the U.S. firms to produce goods and services. And it attempts to ensure fair and free market conditions.

Mr. President, I am especially pleased that this bill contains much of the competitiveness legislation which I introduced last fall and again earlier this year in this Congress. A great deal of this legislative package was an outgrowth of earlier recommendations by the Senate Democratic Working Group on Economic Competitiveness, which I had the privilege to chair. These proposals would markedly strengthen the competitiveness policymaking and coordination process in the Federal Government. Lack of policymaking lies at the heart of our trade and competitiveness problem. Without an adequate process for making and implementing an overall strategy to improve our ability to compete in the world market, all our efforts may simply result in greater confusion.

The cornerstone of the proposals is the creation of two mechanisms for policymaking—one for policy review and one for policy coordination. First, a Council on Economic Competitiveness will be created as an independent agency to serve as a forum for the discussion of problems of economic competitiveness and as a source of external review and comment on policies of the Federal Government. A competitiveness impact statement on the Federal budget would also be required. Second, the current Cabinet-level Economic Policy Council will be codified in statute so that it can better coordinate policy within the Federal Government. To look at the long range future of American trade, a Commission on United States Trade in the 1990's would be created to undertake a 1-year study and make recommendations on further changes needed in our trade policy.

The proposals would also improve the quality of information on trade and foreign technology. Improving our competitiveness requires improving our trade and technology data. Currently, our information on trade and foreign technology is scattered. It needs to be consolidated to give policymakers and industry the best possible trade and technical information in the quickest possible time. An Office of International Technology Monitoring in the Department of Commerce would be created as a clearinghouse for information on foreign technology collected by the Federal Government. A national trade data bank would be created to consolidate Government information on international economics, trade, and export promotion. An interagency committee would be created to coordinate the collection and dissemination of economic and trade information and to oversee economic and trade information policy.

As part of this package, I will later offer an amendment to require a study by the U.S. Employment Service on computerizing the State job bank systems, and an amendment to require the Secretary of Labor to conduct a 1-year study of the feasibility of portable pensions and health benefits for displaced workers.

I am also pleased that this bill contains the amendment offered by my distinguished colleague from Florida, Senator CHILES, and which I was happy to cosponsor, to create an interagency coordinating committee to fund the Semiconductor Manufacturing Technology Institute [Sematech]. Sematech is a joint government-industry research venture which will concentrate on developing new technology and manufacturing skills needed to enable the United States semiconductor industry to erase the lead which the Japanese currently hold in manufacturing technology.

I believe that Government support for Sematech is important and that this coordinating committee is a good mechanism for ensuring that the overall concerns of the Government are addressed. This provision is entirely consistent with what we have in the fiscal year 1988 defense authorization bill, which includes $100 million for Sematech. I would like to tell my colleagues that this is not an open-ended commitment of funds by the Federal Government. Government support for Sematech will be limited to a 5-year period, with the Institute completely privately funded by 1993.

Mr. President, in New Mexico, we have seen first hand how our lack of competitiveness has hurt our standard of living. Unemployment in April was 8.8 percent, compared to 6.2 percent nationally, and the growth of personal income in New Mexico slowed in 1986. The predictions for 1987 are not much better. Much of the problem lies in the decline in the mining, oil and gas, and semiconductor industries in New Mexico. These industries have been hurt by unfair foreign competition and have applied in vain for help. This bill contains important provisions to strengthen the Government's ability to fight these unfair practices. In addition, this bill contains an important provision to aid the semiconductor industry through the Sematech manufacturing research consortium, which I was pleased to cosponsor with my distinguished colleague, Senator CHILES. I believe that these proposals and the other proposals contained in this bill are needed to correct the serious competitiveness problem which we face.

The third myth concerning this legislation is that the Federal Government has no positive role to play in improving the ability of U.S. firms to produce goods and services for a competitive international market. The argument that the best thing for the Federal Government to do is simply get out of the way. While this may have been a popular notion a few years back, the reality is that U.S. firms face competition against companies whose governments are active partners in the game, not neutral referees. This bill not only removes some barriers facing U.S. firms in international competition, it also contains numerous provisions to improve the ability of U.S. firms to compete. Active participation by the Federal Government in the areas of export promotion, education, worker assistance and retraining, and science and technology development is absolutely critical if America is to regain its competitive edge.

This bill also moves U.S. trade policy in an important direction—away from import relief for the sake of import relief and to import relief for the sake of structural adjustment. By requiring adjustment plans as a condition of import relief, this bill takes a giant step forward in the process of constructing a competitive America.

The fourth myth relates to the attempts in this bill to ensure fair and free market conditions. The argument is that unfair trade barriers constitute only a fraction of the U.S. trade deficit and therefore are not important. Yes, it is true that reducing foreign barriers to trade will not solve our trade problems in itself. But is is equally true that reducing foreign barriers to U.S. trade is important. Given the enormity of our problem, every contribution to the solution helps. Reducing foreign trade barriers, even if it only contributes to part of the solution, is a part of the solution we cannot afford to do without. This bill attacks the problem of foreign barriers to trade on the basis of reciprocity. There is nothing sinister or menacing about reciprocity. Reciprocity is not protectionism, and a bill based on reciprocity is not protectionist, no matter how often and loudly some may claim it is. Reciprocity gives foreign producers control over their own access to the U.S. market; if foreign producers wish to compete openly in our home markets, we must be able to compete openly in their home markets. Free trade must be free on both sides of the trade.

The final myth, Mr. President, is that this bill will signal the end of the competitiveness debate. On the contrary, this bill is just the beginning. I, for one, will continue to devote time and energy to creating solutions to our competitiveness problems, and I hope my colleagues will do the same. The Senate has worked diligently to produce this bill. I commend all of my colleagues for their work and urge quick passage of this crucial piece of legislation. And I urge all colleagues to continue to work on this all-important matter in the future.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. Mr. President, I yield the floor.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, first, let me offer my congratulations, in which I am joined by many others, to the chairman of the Finance Committee and his colleagues for having produced a monumental piece of legislation. During the rest of my remarks he may think that that is the only positive thing that I have said about the legislation, but I do not serve on the Finance Committee. I have seen, however, Mr. President, in the small piece of this trade bill which came before the Foreign Relations Committee, the strong protectionist kind of sentiment that was expressed in the actions that we took in that committee, and I am confident in talking to my colleagues that that same sort of sentiment spreads throughout the remainder of this over 1,000-page bill.

The chairman said at the beginning of his remarks this morning that we cannot afford the luxury of delay in passing a trade bill. He further mentioned, in passing, about the rising tide. Well, the tide, if he is talking about the merchandise trade deficit, is not rising, but ebbing.

As is so often the case, Mr. President, we in Congress finally get to an issue just about the time the issue itself is beginning to resolve itself. We end up not resolving issues, but interfering with their solutions. I think, in many respects, that is precisely what this trade bill will do.

I do not usually refer to daily newspapers as part of arguments here on the floor, but I think that it is important for all Members to refer to page 1 of the New York Times today. They headline, as other newspapers have recently, when they say: "The Worst May be Over as Trade Gap Narrows."

Let me say, I am confident as well that the worst is over, the merchandise trade deficit has bottomed out. The statistics are quite clear, from the third quarter of 1986 going into the first quarter of 1987. The chairman said our exports are $220 billion. I do not believe that that includes all of our service and merchandise trade. But if you do include all of them from the latest Department of Commerce report, exports in current dollars at seasonally adjusted rates are $400 billion. They have gone up steadily, on that measurement, since the second quarter of 1986, up from $363 billion then to $371 billion in the third quarter, $384 billion in the fourth quarter, $399 billion in the first quarter of 1987.

That is a dramatic increase in a relatively short period of time. Imports, also, are slowly receding; not as rapidly, but the combination of the two means that our net export position is improving steadily and, in fact, with increasing rapidity.

I also heard this morning a statement that the world trade is stagnant, and therefore we are dealing with a market that is not growing, and that we ought to, then, be concerned about our share of that world market.

Mr. President, I can think of nothing that would keep the world trade position stagnant, or even drive it into a decline, more than the passage of this bill as it not exists. That would surely help us shrink trade.

We might end up with a slightly higher percentage of a shrunken world economy, but, Mr. President, I do not think that is half as good as even a slightly smaller share of an expanding, prosperous world economy.

We have used Japan as a whipping boy during much of the debate so far. In fact, I noticed with interest, it is my understanding that Japan was first called an adversary in the early drafts of the Senate bill. Only the staff could not find in the dictionary the word "adversarial" as an adjective, so they backed off. But not until the Japanese, in trying to translate "adversary" came closest to it in a translation which means, in essence: military enemy.

How in the world one of our closest and strongest allies can be viewed in those terms in legislation we produce in this Congress, I just do not know.

Well, the committee then backed off and in its section 301 provisions now terms it: a country which has a persistent pattern of trade distortions.

Is Japan either an adversary, Mr. President, or is it a consistent trade distorter? And are its exports continuing to increase? The simple answer is no, in each of those elements.

In yen terms, exports fell almost 16 percent in 1986. Imports increased almost 15 percent in the same year, in volume terms.

There are structural, fundamental changes going on in the Japanese economy. Unfortunately this bill deals with the specter of the past Japan, not the current Japan. We seem to be approaching this whole question of world trade not with the confidence of a great nation but with the fear of a nation that simply does not any longer have confidence in itself.

Mr. President, I do not share that feeling.

We have characterized ourselves as the largest debtor nation in the world, even larger than Brazil and larger than Mexico. Nobody bothers to translate those into percentage terms, what share of our gross national product is our international debt compared with the percentages of those other nations. If we did, we would find that we are not even close to the same situation as those other nations.

Mr. President, there has also been a good deal of talk about the loss of manufacturing jobs and the fact that this Nation is gradually seeing a receding of our economic power, and particularly our manufacturing power.

Peter Drucker, in a recent issue of Foreign Affairs, wrote, I think, a remarkable article, one that I commend to all of my colleagues. Let me read just a couple of paragraphs of what he said because it is simply fundamental economics of a growing and developing nation. He said:

> There is a great deal of talk today about the deindustrialization of America. In fact, manufacturing production has risen steadily in absolute volume and has remained unchanged as a percentage of the total economy. Since the end of the Korean War, this is, for more than 30 years, it is still steady at 23 to 24 percent of America's gross national product. It has similarly remained at its traditional level in all of the other major industrialized countries. It is not even true that America is doing poorly as an exporter. To be sure, America is importing from both Japan and Germany many more manufactured goods than ever before, but it is also exporting more, despite the heavy disadvantages of an expensive dollar, increasing labor cost, and the near collapse of a major industrial market in Latin America.

He goes on to say:

> It is not the American economy that is being deindustrialized; it is the American labor force.

Of course, we all have concerns about our labor force. Let us continue:

> Between 1973 and 1985, manufacturing production measured in constant dollars in the United States rose by almost 40 percent. Yet manufacturing employment during that period went down steadily. There are now 5 million fewer people employed in blue collar work in American manufacturing industry than there were in 1975.

And yet our industrial production has gone up by 40 percent.

> In the last 12 years total employment in the United States grew faster than any time in the peacetime history of our nation. We all know that that growth has not been in manufacturing but in service jobs.

But importantly, the trend is not new. It did not come just in the 1980's. It was not invented during a period of unusual strength of the American dollar. It is not something that we have just suddenly discovered. The decline in manufacturing or blue-collar jobs as a percentage of total employment in this Nation is a long-term trend.

> In 1920, one out of every three Americans in the labor force was a blue collar worker in manufacturing. In the 1950's, the figure was one in four. It is now down to one in six and dropping. While the trend has been running for a long time, it has lately accelerated to the point where in peacetime, at least, no increase in manufacturing production, no matter how large, is likely to reverse the long-time decline in the number of blue collar jobs in manufacturing or in their proportion of the labor force. The trend is the same in all developed countries. Indeed, even more pronounced in Japan than in the United States.

If we need any example other than manufacturing as to those long-term trends, we all are aware of precisely the same thing happening over the last century in terms of jobs in American agriculture. A small percentage of the people who worked in American agriculture in the 1890's still work in American agriculture, but we are the most prolific producers. We have worldwide surpluses, mostly as a result of American ingenuity. I believe the same thing can and will happen in terms of American manufacturing.

Congress is really dealing with an obsolete issue. This bill, and all of its 1,000 pages, is confused about objectives. Do we reduce merchandise trade deficit? Is it to save American jobs? Is it to reduce our net external debtor status or increase competitiveness of U.S. industry?

The policy measures differ widely depending on what the objective is, and this bill simply does not know what those objectives really are.

I believe it represents this Congress at its worst, nine separate committees with their separate and independent activities pasted together in a 1,000-page document that has little cohesion in terms of the fundamental issues we face.

Mr. President, if the intent is to reduce the merchandise trade deficit, this bill will not do it. As I said earlier, currency changes, which have already occurred, changes in macroeconomic policy, which are occurring, are beginning to work and already we are seeing a steady reduction in the merchandise trade deficit, and I am confident that will continue, especially will continue, if we do not pass legislation of this sort.

If the intent is to save American jobs, it will not do that either. The bill will result, in my view, in a contraction of world trade, a contraction of economic activity; would increase import barriers in our country and the retaliation which would inevitably come from other nations.

American workers are already going back to work for American exports of goods and services, and they are being misled, sometimes by their own leadership, in the support for this bill.

If the intent is to reduce our net external debt, as Senator BENTSEN and Senator BYRD have voiced great concern over, this bill will not do that either. Our increase in the deficit in our net investment position is roughly equal to the current account deficit. The primary cause of this is our Federal budget deficit and the resulting huge capital inflows primarily from Japan to finance that deficit.

If the chairman and the majority leader are as concerned as they seem to be about net external debt, then I think it is time to take the trade bill down, bring the budget back up, and do an effective job in reducing our Federal budget deficit as fundamentally the best way to get at our net external debt.

If the intent is to increase competitiveness of U.S industry, we certainly are not going to increase our competitiveness by closing markets, by erecting walls of protection. You do not get better by dragging down the competition. You get better by learning how to compete more effectively yourself.

Let me refer, if I may, Mr. President, to an executive summary of what again I think is a fine study by the Committee for Economic Development. It will soon be issued. It is called the toll of the twin deficits. Of course, they are referring to the budget deficit on the one hand and the trade deficit on the other hand. They point out that there are three appropriate actions, overwhelmingly important to take.

> First, though the Government has taken some action in the past year or 2 to improve the Federal budget deficit situation, CED believes that the time has come for U.S. policymakers to adopt a responsible package of concrete actions to eliminate the structural budget deficit by 1991. This is the single most important action that we can take to promptly reduce our trade deficit.

To that, Mr. President, I will say amen.

Their second item:

> Developed countries with large trade surpluses should reduce trade barriers and prop up their domestic demand to encourage imports from the United States and other countries.

Mr. President, I think Japan recently has announced a dramatic program of stimulating domestic demand in Japan which will respond precisely to that important recommendation of the CED.

The third:

> Surplus nations need to help to restore the liquidity of the lesser-developed countries so they can re-emerge as good markets for imports from the United States and other countries.

Again, Japan and other countries with large trade surpluses are moving aggressively to offer to buy up the debt from some of those lesser-developed countries at discount prices and are acting well to respond to that element of their recommendation.

It seems to me, Mr. President, that this comprehensive program by the leading industrial CEO's of the United States, a threefold program, shows that perhaps others are responding faster than we to the items that at least they believe are important in restoring our position in world trade.

They go on with some very interesting and important charts which have the various factors involved first for the causes for the worsening U.S. trade deficits in the last 5 years and then the important steps contained to improve our competitiveness. The size of the boxes represents the relative importance of each of these elements.

Overwhelmingly, the largest box in the main cause of the worsening U.S. trade deficit is this:

> The imbalances in U.S. macroeconomic policies, particularly the succession of huge budget deficits that in combination with low private savings in the U.S. have precipitated large foreign capital inflows and the higher dollar.

What are the most important steps to take to improve competitiveness, to reduce excessive U.S. trade deficits and bolster U.S. jobs and incomes over the next 5 years? Again, several items, but one of overwhelming importance, larger-sized than all of the rest of them put together. It says:

To achieve significant year-to-year reductions in future U.S. budget deficits and better-balanced macroeconomic policies.

Mr. President, it is not even true that today, American labor is noncompetitive withour trading partners. A fine article appeared just a few days ago in the Washington Times, by Warren Brooks, nationally syndicated economics columnist. A table in there says we are already competitive. Listen to this in terms of unit labor costs.

> If we take the U.S. as 100, in 1980, Japan did have an advantage over the U.S. Their labor costs were only at 89.1 West Germany was already more expensive, at 141, France at 137, Italy at 134, U.K. at 217.

Their labor cost was over double that of the United States. That was before the dollar began to increase in value, before our huge trade deficits.

Where are we now, after all that has happened? This month, June 1987, if we are still at 100, Japan has gone from 89 to 142, West Germany from 141 to 193. Only France and England have declined a little but still have labor costs substantially above the United States.

Mr. President, we are competitive. I will tell you one good measure that we are competitive: When I read not long ago in a Seattle newspaper that Honda automobiles—not Honda automobiles manufactured in Japan, but Honda automobiles manufactured in Ohio by American workmen in a company paying American wages—that company is building Hondas and they are sitting on the docks in the city of Seattle, ready to be shipped to Taiwan. We are now shipping Japanese automobiles made in the United States back to the other side of the Pacific. Who says we cannot be competitive?

Mr. President, I will deal with some of the specific concerns about certain parts of this bill in later remarks, most specifically and vehemently with section 201, which I think is a gross overstepping of the constitutional separation between the President and Congress in our system of government.

Let me speak finally of concerns about American leadership and what we can do and what we ought to do. Mr. BENTSEN, in his opening statement, said "We cannot provide American leadership in the world without this bill." He criticized the administration for not pressing trade issues more forcefully at the Venice summit and by not even having Ambassador Yeutter there. It is my understanding each of the leaders brought two of their Cabinet secretaries, usually the Foreign Affairs Minister—almost certainly—and the trade minister. But more importantly, I think Clayton Yeutter has been out doing the job. He does not need to meet at an economic summit.

When you look at the long list of actions the administration has taken in these 6 years, I think it adds up to a pretty aggressive use of the tools we have. It includes the Plaza agreement which Secretary Baker entered into with the other Ministers, which has resulted in a drastic decline of the American dollar against other important currencies and made us a lot more competitive, 70 percent more competitive against Japan than we were a year ago.

In the initial GATT rounds in Uruguay, we as the United States got every single major item on the agenda that we wanted to put there, sometimes over the loud objections of our trading partners and other countries.

We negotiated a new and a significantly stronger multifiber agreement last year. We have followed that up with significant bilateral agreements to handle the potential problems of textile imports and exports. We have aggressively used section 201 and section 301 recently in some very important and successful cases, most recently one with Canada in terms of lumber.

Mr. President, the tools are at hand. We are using the tools. We need not shackle the President's wrists behind him. We need not cripple the opportunity to continue to use well-seasoned, well-understood tools which are recognized internationally. It seems to me that the entire premise of this bill is somehow the need to be tough as a way of reducing our merchandise trade deficit. I think all we will do is aggravate it, not correct it.

Being tough in the bill means taking unilateral action to try to correct a problem that simply is rapidly phasing out of existence.

Being tough means violating our GATT commitments.

Being tough means ignoring macroeconomic concerns and focusing solely on so-called unfair trade practices.

Mr. President, let me turn finally to the future. If this bill is not sufficient—I hope, by these remarks, I have indicated my strong feeling that it not only is not sufficient, it is, for the most part, simply wrong—what do we do? There are some good parts of the bill. They are few and far between. But it is important to give the President new authority for the GATT rounds and fast-track authority to go along with it. It is important to streamline export controls so that American exporters, especially of high-technology goods, have a better opportunity to market them overseas.

It is important to have a better trade adjustment authority. We should have authorized a multilateral investment guarantee authority, but we did not do a very good job of that in the Foreign Relations Committee, in the requirements we put on it.

Mr. President, the bad and the mischievous far outweigh the good and the legitimate. Out of 1,013 pages, I think 50 pages of clean, good versions of the above elements would do us just fine. As a nation, we would be better off.

But what else should we do? What should we be doing? First, and most importantly, we should be doing a more aggressive job, recognized as aggressive by the outside world, of reducing our budget deficit.

Second, we should promptly authorize new trade-liberalizing GATT rounds and the opportunity for the President to negotiate and present back to Congress, on a fast-track basis, the results of that effort.

Third, we should pursue aggressively, as the administration is, United States-Canada free trade area talks. If we were able to successfully build a North American equivalent of the European Economic Community, we would all be better off.

Fourth, we should take actions that would help increase the savings rate in this country.

Fifth, we simply must take action to improve the education and literacy of our own population, both so that we can be more productive internally and so that we understand our trading partners externally. We need to know their languages and their cultures, their economics, their history, and even their geography, Mr. President, which we simply do not know today as a nation. In doing so, we will compete just that much better.

We need to improve our science and our technology policy to ensure that we give ample support to the kind of basic research and ample help in translating that research toward the marketability of resulting product.

We need to do everything we can to help ensure that labor in this country does not insist on nonproductive work rules that keep them from being competitive with their counterparts overseas.

Finally and perhaps most importantly, we need to ensure that management finally manages, that instead of worrying so much about their perks and privileges and golden parachutes and taking over of other companies or protecting against someone taking themselves over, get down and do the job of manufacturing, manufacturing productively and competitively.

Mr. President, I think we need more CEO's who have grease under their fingernails than dollars in their back pockets. We need more who have come up on the production line and fewer who have come through marketing and finance. Most of all, we need to have an ethic in this Nation that says the parking place in the corporate parking lot nearest the front door goes to the worker who gets to work first rather than the president of the corporation. That perhaps epitomizes more than anything else what I believe we can and must do to make America competitive again in the world economy. We do not need a big, long, complex trade bill to do this. We need to engage in the seven or eight elements I have just mentioned. I believe, Mr. President, we can do that.

The PRESIDING OFFICER (Mr. DODD). The Senator from New Jersey.

Mr. BRADLEY. Mr. President, trade was a focus of concern for the 1st Constitutional Convention and it is again and has been in the one hundredth Congress. Exactly 200 years ago James Madison urged the New York State Legislature to ratify the Constitution. Unless they united under a strong Constitution, Madison feared the States would be unable to resist special interest legislation. He thought trade would be a permanent source of divisive factions and he argued for a federal government that could define a powerful national interest to counter the multiplicity of narrower interests.

Madison feared trade and tax laws that would burden the majority for the benefit of a few. He sought stability in one large republic rather than 13 smaller States. And he urged a government of elected representatives to guard against tyranny and faction. He envisioned the Union as a way to develop a stable national interest, and the Constitution as a way to empower it.

Madison was to become one of the early Presidents to stand for open trade during the next two centuries: when the United States was a developing country under Thomas Jefferson, a newly industrialized country under Grover Cleveland, an emerging world leader under Woodrow Wilson, and the cornerstone of world prosperity under Harry Truman. At various stages of America's history we played the role of today's Philippines, today's Brazil, and today's Japan.

Now in the 1980's have we lost this national consensus for open trade? Has a leadership vacuum in economic policy caused the U.S. job machine to collapse on itself under pressure from growing economies abroad? Has the absence of a U.S. trade policy left every industry to scramble for itself? Can we still define a national interest in trade or must be resort to piecemeal protection?

Senate consideration of a trade bill threatens us with a futile debate on protectionism and free trade. Neither side can win; neither can lose. Protectionism cannot represent the broad interests of the Nation: it cannot create jobs or offer hope against poverty. Free trade, on the other hand, is a blind theory. It cannot guide policy when trade flows reflect the actions of our trading partners' governments more than the choices of their consumers.

The Finance Committee trade bill offers the Senate a chance to escape the futile debate between free trade and protectionism. It does not pretend to guarantee jobs. This country must create the same new opportunities for its children that it created for their parents. We cannot do that if we resist change. Nor does the bill promise that free trade is around the corner. It recognizes that the world economy is full of rogue elephants. We have to strive to make sure they do not crush American workers.

Simply put, we have to embrace change, but change, while invigorating for many of our citizens, produces fear and uncertainty for others. So, to accompany an approach that rewards innovation and asks us to be the best we can be, there has to be a policy of greater caring to support and help those who are adversely affected by foreign competition.

This bill gives us an opportunity to define a new national interest in trade policy. It contains the core of a policy that is tough, coherent, and fair. It is tough on unfair foreign trade practices. It is a coherent rather than piecemeal approach to the Nation's trade problems. And it is fair to American workers who shouldn't have to start from scratch every time imports surge.

The bill lays out a tough new strategy for unfair foreign trade barriers. It has two tracks. It makes U.S. actions against unfair foreign trade barriers more predictable. That strengthens our ability to settle trade disputes and discourage new barriers. Second, it authorizes a new round of multilateral trade talks. Talks that give us a chance to restore discipline to the international trading system and open foreign markets to U.S. exporters. These two tracks reinforce rather than undermine one another. If we pushed too hard on the unilateral track we would derail trade talks. If we pushed too little on the unilateral track we would lose respect in trade talks.

The bill comes close—and I say comes close—to a coherent national policy. For the most part, it avoids sector specific and country specific trade provisions. This is a sharp departure from the administration's incoherent, sector specific approach to trade. The administration during its tenure, has imposed steel quotas, motorcycle tariffs, automobile quotas, an international semiconductor cartel, and an unenforceable multifiber arrangement in 1981 that required drastic revision last summer. We do not fully understand how restrictions in one area affect others. So it is important that our trade policy deal with the economy in general terms rather than try to plan each sector separately. Frankly, we should oppose sector specific amendments.

The bill improves programs to give workers who have been hurt by change and have lost their jobs to imports, a fair chance to build productive and meaningful careers. The bill streamlines trade adjustment assistance, providing retraining vouchers and trade readjustment allowances to workers in import-injured industries as well as their supplying industries, a major new addition. We must make sure men and women who have given their best to their jobs do not have to start from scratch because of economic mismanagement and volatility in the world economy.

As we examine amendments to the bill, we should take care not to destroy the bill's coherent trade policy or to forget the need to think of the broad national interest. To avoid adopting amendments we will later regret, I think we should put all amendments to four tests. No quack solutions that promise but can't deliver. No cures that kill the patient. No hidden special interest bailouts. And no fighting last year's wars.

Why am I worried about quack solutions? Because we have two serious trade problems. One is the growth of barriers to open trade and erosion of discipline in the international trading system. This bill lays out a very tough integrated approach to the problems of trade barriers and trade discipline.

The other trade problem is the huge U.S. trade deficit. This bill does not promise to deliver a lower U.S. trade deficit. Some amendments out there do make that promise. I have not seen one yet that is not false advertising. A trade deficit means the Nation consumes more than it produces. This is true regardless of the balance of trade barriers around the world. Trade deficits do not measure barriers to trade. They measure the national balance of production and consumption. To balance the trade deficit through law means legislating less consumption or more production. The only effective way to legislate less consumption is to cause a recession. And the only way to legislate more production is by forcing wage cuts. Nobody, to my knowledge, has proposed the Wage Slice and Recession Act. Until somebody does, any amendment pretending to reduce the U.S. trade deficit is a quack solution.

That is the first test: Is it a quack solution?

Second, what about those that purport to deliver more than they can, but actually offer a cure that kills the patient? I call them the cure that kills the patient due to their effect of cutting wages and forcing a recession. The theory is that we must reduce the U.S. trade deficit to ensure long-term economic growth. But it is clear that we would have to force a recession to cut the trade deficit through legislation. So the absurd conclusion is that we must force a recession to ensure growth. I simply do not believe reducing an abstract statistic like the trade deficit is worth the real life pain of a recession. Even if, under normal circumstances, we knew how to engineer a little recession, these are not normal circumstances. Would today's stock and bond markets withstand recessionary legislation? How would they react to legislation that raised interest rates a couple of points by trying to mandate balanced trade? This is exactly what we did in 1930, and the results are well known to everyone—the Great Depression.

The third test: Are we resisting special-interest amendments? The whole point of a coherent national trade policy is to avoid hidden special interest bailouts. It is hard enough to tell who wins and loses from special interest changes in tax law. It is even harder to tell who wins and loses from special interest provisions in trade law. This bill is about a national problem, not the problems of individual industries. It should focus on problems threatening the future of a fair international trading system, not the cyclical problems of the oil industry, the auto industry, or the tobacco industry. Ultimately, we must strive for trade laws that everyone can understand, not just an elite class of trade lawyers in three or four cities in this country. If we write bailouts for special interests in the form of general trade law, our laws become harder to understand and more difficult to respect. We should seek clarity and respectability, not general interest disguises for special interest law.

Finally, I would plead, let us avoid fighting last year's wars. The trade deficit is coming down. Measured in dollars, it is coming down too slowly, in part because the drop in the quantity of imports has to exceed the percentage drop in relative exchange rates before you see a drop in the deficit. In dollar terms, but measured in yen, the U.S. trade deficit is coming down dramatically. We must remember that these laws will be on the books when the United States must run sizable trade surpluses to pay off the foreign debt it has built up. We should not burn bridges that we are going to have to cross again, if we are ever going to be able to pay off this trade debt.

One interesting example is the motorcycle industry. Harley Davidson discovered that fighting competition from foreign motorcycle producers was fighting last year's war. Faced with a slumping market and no new buyers coming onstream to sustain the firm over the next 10 years, Harley realized that it needed low-priced, smaller Japanese motorcycles in the United States to stimulate the market. Harley in effect decided that it preferred a smaller share of a thriving market to a larger share of a dying market. Next year's war may be a market collapse rather than foreign competition for say, autos.

For the most part, the committee bill meets these tests. It is no quack solution. The solution it offers to the problem of trade barriers is real. Some say U.S. laws on unfair foreign trade practices have clearly failed. So why bother beefing them up? In truth, we are only just beginning to test them. What they need is predictability, which this bill gives them. The fact that the committee bill does not discriminate between different countries strengthens the message it sends. We will send a much stronger message, for example, to Germany, France, or Japan is we file 10 unfair trade cases against German, French, or Japanese trade barriers under a nondiscriminatory law than if we file 10 cases under a blatantly discriminatory law. The committee bill is not a quack solution. It is a predictable solution that will work.

The committee bill also will not kill the patient. Its unilateral track on unfair foreign trade practices is manageable. It deals with barriers on a product-by-product basis. It does not threaten retaliation that is too big for the economy to handle or too sudden for our capital markets to swallow. It makes our threats credible. Most important, it is as tough as we can get without ruining our chances for real market opening through multilateral trade talks.

The bill comes close to avoiding special interest bailouts altogether. The most serious exception, in my opinion, is a provision that may force oil import restrictions and higher oil prices on the country. If we remove this provision we will have a much cleaner bill.

Finally, the bill fights next year's war, not last year's battle. The problem we will face as U.S. debts come due will be exporting. To export, we will need access to foreign markets. If we close our own markets in sector after sector, to country after country, we will push the world economy toward a closed world. We cannot let our efforts to open foreign markets become an excuse for protectionism that will hurt our children's job opportunities more than it boosts profits for a handful of companies.

I hope this Senate will pass a trade bill that is tough, coherent, and fair to workers. And I hope it will reject amendments that offer quack solutions for the trade deficit, impose cures worse than the disease, disguise special interest bailouts, or try to fight last year's wars. The opportunity is historic: to define a new national interest in trade policy. The dangers lurking behind some amendments are real: recession, disillusionment, loss of world leadership, and lost opportunities for our children.

We have an advantage over our trading partners. We have been where they are. Like Japan, there was a time when American production leaped ahead of our national appetite and flooded world markets. Like Brazil, there was a time when our foreign debts forced Americans to choose between belt-tightening and defaut. Like the Philippines, there was a time when Americans wondered whether our Government would be strong enough to give its citizens hope for a better life. America's strength was always to define its national interest. And that national interest was always greater than the accumulation of all the special interests.

America's history provides lessons for all our trading partners. To Japan: a creditor must give its debtors a chance to pay off their debts by importing more. When the world's greatest creditors, Britain and America, shut off their markets and made Germany's debt burden unbearable, the Nazis prospects took a quantum leap forward. That is a lesson to Japan. A creditor must give its debtors a chance to pay off their debts.

To Brazil: even a debtor must open its markets. America's period of slowest economic growth was its period of greatest tariffs in the 19th century, even after we repudiated our debts.

Finally, the lesson to ourselves: Now is not the time to close America's markets. At every period of our history, open trade has made sense. America has not suddenly grown old. Trade policies with the reclusiveness of a frightened old man do not reflect our national interest. What makes America different is that we can constantly, renew ourselves, through competition and openess. Frankly, that is what I think this trade bill should announce.

The **PRESIDING OFFICER**. The Senator from Minnesota.

Mr. **DURENBERGER**. Mr. President, today we begin another historic debate here in the Senate. Some say we have before us the opportunity to enact the most important trade legislation to be considered by the U.S. Senate since the Smoot-Hawley Act of 1930. The bipartisan legislation crafted by the Senate Finance Committee in most instances represents an accommodation of the diverse views of the members of the committee as to how we can best deal with the problems plaguing the international trading system.

Chairman BENTSEN and Senator PACKWOOD are to be complimented and commended for their leadership in bringing the committee together on this legislation. In particular, that applause is for the chairman who in light of what was going on on the other side of this Congress did a very commendable job in making this a bipartisan effort.

Many members of the committee should take credit for the fact that the bill is here.

We just had the privilege of listening to our colleague, BILL BRADLEY, in his textbook analysis of the values and the principles, policies and the politics involved in the enactment of trade policy.

I thought he took us appropriately into tomorrow, beyond the today in which those of us who are the compromisers, who enact legislation deal too frequently.

Mr. President, this bill grants the executive branch the tools necessary to enter into bilateral and multilateral negotiations aimed at improving the world's trading system. And it sends a message to our trading partners that trade negotiations must lead to a more open and free world trading system which permits American agriculture, mining, manufacturing and service industries fairer access to world markets.

For too long, many of the European and Pacific Rim nations have viewed trade with the United States as a one-way relationship—their industries can sell whatever they want in the United States, but through an elaborate system of tariff and nontariff barriers, they close or partially close their doors to American made products. At the same time, many of our trading partners have granted selected sectors of their economies direct and hidden subsidies which make it impossible for American companies or producers like our farmers to compete at home and abroad.

Mr. President, under the new round negotiating authority granted to our trade representatives in this bill, our negotiating position at the Uruguay GATT round is clear: Trade from now on must be a two-way street. The playing field of international trade must be leveled so that Americans have the same opportunity to compete abroad as we allow other countries to compete in the United States. And that means ending unfair subsidies and opening all markets.

The existence of protectionist barriers to imports is the most pervasive problem facing American exporters or exporters from any country across the world. At the same time, it is corrosive of the entire international trading system, distorting its operation in a multiplicity of ways and adding to the inability of overall trade to grow at more than an insignificant pace.

Under this legislation, one of the principal objectives of the new GATT round is the revision of the GATT with regard to agricultural trade. Such revisions will increase U.S. agricultural exports by eliminating barriers to trade and clarifying GATT rules for agriculture. At the same time, our negotiators must resolve questions under the GATT pertaining to export subsidies, market pricing, and market access.

Mr. President, in recent years we have become a two-tier society and a two-tier economy. Residents of States along the east and west coasts have enjoyed prosperous growth as jobs in financial, legal, and import services have expanded, while the Nation's heartland had endured a prolonged depression in agriculture, mining, and basic manufacturing.

Listening to the debate on the floor today one detects echos of constituents influencing our views of the national interest.

However, it behooves pockets of services prosperity along the coasts of this country to consider the fact that they may not long endure if this Nation's manufacturing and agricultural base is destroyed by unfair subsidies and closed foreign markets. And as a warning for the future, we cannot ignore the recent loss of profitability of many of our high-technology companies, including companies in my State, who have been battered by unfair competition from countries like Japan and Taiwan, while they are barred from selling their products in these countries. These protectionists barriers must be eliminated.

The bill reported by the Finance Committee sets strict deadlines for the President to take action against unfair and unreasonable trade practices and mandates retaliation when our trading partners do not live up to agreements to end unfair trade practices. In my view, the unfair trade practice provisions of this bill are vital to maintain the integrity of the negotiating process in international trade.

We can no longer tolerate the situation in which our trading partners agree to eliminate an unfair trading practice, only to later place other more subtle barriers in place that effectively keep our products out of their markets.

On the other side of that street, our partners must know that access to the American market, this great bazaar that we created as the greatest leverage this country holds over the rest of the world. The message of the section 301 amendment included in this bill is simply: If other countries will not live up to trade agreements negotiated in good faith, we will deny them access to our markets.

Moreover when it comes to unfair trade practices involving agricultural trade, the committee bill strengthens the President's hand to thwart such practices. Under section 307 of the bill, if the U.S. Trade Representative [USTR] believes that a foreign government's unfair trade practice or unfair export subsidy impairs or threatens sales of U.S. agricultural commodities on the world market, USTR is authorized to use surplus commodities under the Export Enhancement Program to offset and nullify the effects of the foreign government subsidy. In a word, if foreign governments think they can take away our export markets by unfairly subsidizing their exports, the United States will not be reluctant to use our surplus commodities to meet and beat that unfair competition.

Mr. President, the Finance Committee bill is an important step toward overhauling the Nation's trade laws in the face of a changed global marketplace. Although there is much to applaud in the bill, there are features of the bill which could have a devastating and counterproductive impact on this Nation's economy. And again I say especially American agriculture. It is for this reason I find it difficult to embrace the four corners of the bill.

This legislation completely overhauls the provisions of section 201 of the Trade Act which currently provides the President's broad discretion to consider the national economic implications of imposing restrictions on imports. I believe it is a mistake to, in any way, handcuff the President when it comes to the difficult issue of deciding whether an industry should be protected from foreign competition.

Whenever we grant import relief to a particular industry under section 201, we are required to compensate the affected trading partner. That means for every industry that gets import relief, another American industry will have to pay usually in the form of increased import competition in our market or the loss of access to important overseas markets.

In other words, we have to open up our market to an equivalent amount of imports, or our trading partners can invoke their right to raise their tariffs on our exports. As a result, in some instances, we have to trade off some of our strongest and most competitive export industries to provide guaranteed import protection to industries that, for whatever reason, have lost their international competitiveness.

Too often, the easiest target for countries to demand compensation or retaliate against is agriculture. If the President knows that a country is going to retaliate against our agriculture exports or will demand agricultural compensation, shouldn't he have the option of denying import relief to an industry because it will further devastate our agricultural economy?

In my view, there is no question but that the President must have the broad discretion to consider how other industries will be affected by the grant of import relief before he makes his decision. Yet the Finance Committee bill would deny him such latitude.

At the same time, we must recognize that import relief granted to a single industry usually results in increased consumer costs and losses of jobs in other industries. By protecting an industry, we are, in effect asking all consumers and workers in other industries to subsidize the petitioning industry. That is a decision that should not be taken lightly and the President must not be denied the opportunity to weigh those factors.

This Finance Committee bill also contains a provision that would mandate the President to take such actions as imposing an oil import fee or granting special tax breaks for the oil and gas industry if U.S. oil dependence is projected to exceed 50 percent. This provision must be deleted from the bill because it could devastate the entire economy, especially the rural and agricultural economy.

So, Mr. President, I come to this potentially historic juncture in U.S. trade policy as a critic, like most people on the floor.

As a former free trader, I find much to concern me in the Finance Committee bill. As a born-again fair trader, I fear the pressure I feel from business and employer interests to protect their particular enterprise at the expense of the general interest.

I hope, Mr. President, that in the coming weeks we may fashion a true, new, red, white, and blue trade policy which has been spoken of on this floor.

None of us can rest comfortably knowing that the United States is the largest world debtor and continues to run extraordinarily large trade deficits. But protectionism will not resolve these problems. As history reminds us, the Smoot-Hawley Act of 1930 played the same role for economic affairs that Munich played for military affairs. Let us not repeat the mistakes of the past and destroy this trade bill by adopting protectionist measures on the floor of the Senate.

Mr. DIXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DIXON. Mr. President, I would like to congratulate the majority leader and my distinguished colleagues on the Finance, Banking, Small Business, Labor, Commerce, Governmental Affairs, Foreign Relations, and Judiciary Committees on successfully completing and bringing this huge undertaking constituting a trade bill to the floor of the Senate. I personally am very proud to have been an original cosponsor of S. 490, the Finance Committee's bill, and to have played a role in shaping the Banking and Small Business Committees' own versions of trade legislation. It is fitting that such a great number of the Senate's institutions were involved in an issue of such great significance to our Nation.

The United States, once the greatest trading Nation in the world, has become the world's greatest debtor Nation. In 1986, we set a record. Our trade deficit ballooned to $170 billion. That is a $25 billion increase from 1985, and this economic albatross continues to grow heavier around the Nation's neck. We are running a trade deficit with everyone: Central America, South America, Canada, Europe, Africa, and Asia. There is not a corner of the world to which we are not in debt. Something is drastically wrong with the way we are conducting ourselves in the international marketplace.

We face grave consequences right now because of this burgeoning deficit. American workers are suffering. The number of people losing jobs because of our trade deficit may exceed 2 million. Many of these disappearing jobs are replaced by so-called service sector employment, but these jobs are often lower paying, and do not make efficient use of displaced manufacturing skills.

Displaced steelworkers are unable to find a job commensurate with their abilities, and so are forced to accept whatever job they can find to pay the rent. We in the Congress need to find a way to prevent this kind of labor force erosion.

In addition, American heavy industry is disappearing. In my own State of Illinois, steel companies like Wisconsin Steel, auto plants, and many other types of heavy industry, have been withering under intense pressure from foreign competition. This country needs these industries. America cannot stand idly by, and lose its manufacturing capability.

It is imperative that we in the Congress address these problems now. No easy solutions exist, and we must let that knowledge temper our judgment. However, that cannot stop us from taking action.

There is no one reason for a problem as pervasive and consistent as our trade deficit.

Our trading partners prevent our goods from competing in their markets.

Our laws often unintentionally inhibit the ability of our businesses to export.

American companies often lack the resources to compete with foreign industry backed by its government.

The Government's hugh deficit siphons money away from the public that would otherwise be used toward increasing domestic capital investment, and causes interest rates to remain at a high level.

Consumer and commercial loyalty to our competitor's products has been strengthened because of the high dollar's long reign.

There is no quick fix to such a complex and endemic problem. It is imperative that we in Congress effectively maximize the ability of the Government to help reduce the trade deficit without falling prey to solutions which may seem immediately promising, but are in reality ultimately destructive to our country's trading ability.

We have begun to chip away at the Federal deficit. During this session, I feel that the Congress has made substantial progress toward cutting down this major cause of our trading problems. We must continue on this course.

In other areas, Congress cannot legislate the trade deficit away. We cannot force interest rates down or reduce the amount of loyalty, or desire, American consumers feel for foreign products. We cannot prevent foreign goods from coming into our country. No one needs to be reminded about the effects of Smoot-Hawley protectionism weakens the ability of American companies to compete, and ultimately forces the cost of more expensive and lesser quality goods on consumers. We can, however, through this legislation before us, help make America competitive once again. We can make international trade equitable. We can stop being the solution to the rest of the world's trade problems.

The Trade Omnibus Act of 1987 addresses many of the problems facing the U.S. trade economy. It strengthens current U.S. trade law by directing the resources of the Government toward improving the climate for American trade at home and abroad. It will help import industries cope and battle the effects of the sometimes overwhelming tide of foreign competition. It will help export industries overcome domestic and international barriers to competing in the world marketplace.

S. 490, the Finance Committee's contribution to the bill, greatly improves the conditions for the U.S. import industry.

It improves current trade law by:

Extending the President's authority to negotiate trade agreements, and allowing for a more cooperative relationship between the Congress and the executive branch. This is done by providing for regular consultations with legislators throughout trade negotiations.

Requiring mandatory relief for industries temporarily jeopardized by rising imports, while ensuring that this relief improves our competitiveness. Companies seeking relief will have to draw up a plan outlining how they will improve their situation. Government can thereby help genuinely beleaguered companies through short term, but possibly debilitating bad times, and still encourage long-term foresight.

Encouraging workers to enroll in retraining programs. This is done by making workers in firms found to be injured by imports automatically eligible for assistance, if the workers agree to take part in these programs.

Streamlining the processes for determining when a foreign country is dumping goods onto the U.S. market below production cost, and ensuring that fair competition is in effect.

As a cosponsor of this piece of legislation, I feel these provisions improve the ability of Government to level the playing field while making workers and companies more efficient and effective competitors.

The Banking Committee's bill, of which I am also a cosponsor, facilitates the ability of American exporters to compete in the increasingly competitive international arena. It encompasses seven titles dealing with export controls, export trading companies, export promotion, exchange rates and international economic policy coordination, international debt, discrimination against U.S. financial institutions overseas, and clarifications of our foreign sales antibribery prohibitions.

It reforms the export controls law to ensure that national security is maintained without needlessly impinging upon the ability of exporters to compete. These provisions are largely based on a bill that Senator HEINZ and I sponsored, S. 547.

Our current licensing and control system is too broad. It picks up too many transactions involving exports of relatively low technology to countries that are coordinating their control efforts with the United States. The result is that we are not able to put sufficient resources into covering exports of truly sensitive items, where there is a real chance of diversion of the items to the Eastern bloc.

The provisions written by Senator HEINZ and me, reduce the licensing burden in areas where it can be reduced without adversely affecting our national security. This bill works for the American exporter by prohibiting changing fees for export licenses.

The Banking Committee portion of the trade bill also helps improve the trading environment by:

Improving the potential and receptiveness of Third World markets by encouraging debt equity swaps, and the creation of an international debt facility to help restructure Third World debts.

Reducing the ability of some of our trade partners to retain a currency advantage through pegging their rates to the dollar and, thereby, keeping their currency artificially low by encouraging the President to negotiate with offending countries in these situations.

The results of our work in the Banking Committee in the trade area will, I believe, positively contribute toward improving our trading position.

The Small Business Committee's portion of the trade bill, which as a committee member I was also involved with, helps to improve our trading status. It strengthens the ability of small businesses to export by:

Improving the small business office on international trade by providing funding to allow for small business to find one contact to walk them through the maze of existing government export programs.

Creating small business export assistance centers funded through grants or cooperative agreements with the Small Business Administration.

The Small Business Committee portion of the bill should make good use of current government initiatives without duplicating existing services.

The parts of the bill crafted by the Labor and Human Resources, Judiciary, Foreign Relations, Commerce, Governmental Affairs, and Agriculture Committees are all relevant measures worthy of consideration.

The Labor and Human resources efforts of improving the educational factor of trade through improved foreign languages and math and sciences instruction, among others, is unquestionably essential to any effort at making this country more competitive.

The Judiciary Committee's provision assists U.S. firms negatively impacted by competing foreign firms producing goods with U.S. patented processes without paying royalties. It allows them to sue for damages in American courts. I supported an earlier version of this bill, and am exceedingly glad to see it included in this legislation.

Mr. President, in general, I am pleased with the nature of this trade legislation before us. I feel that it is a strong, but reasonable bill. The bill stresses positive means of improving our trade balance by helping American businesses become more competitive at home and abroad.

It is crucial that we in this Congress do not let this debate turn into an exercise of finger pointing by blaming the bulk of our trade problems on other countries, and not on ourselves. In many cases, there is a need to directly address the efforts of some countries in stopping our exports from reaching their markets. However, we must realize that only $15 billion, or 9 percent of our current $170 billion deficit, is directly attributable to unfair trading practices. No barriers to trade should be tolerated but we must not lose sight of the fact that the root of the problem exists in our country's current inability to compete, and that the goal of this Congress is not to find scapegoats for our trade deficits, but ways in which our negative balance of payments can be reversed.

This trade legislation can make a major difference. It can help reduce our trade deficits, and improve our export performance. It will reduce unfair trade practices that have handicapped American business, and cost untold numbers of Americans their jobs. We need to do more to truly restore our international competitiveness, but this truly admirable effort on the part of the nine committees, and the majority leader, is a good beginning. It is essential legislation that should be promptly approved and sent to the President.

Mr. President, I thank you for the time. May I make this inquiry before I conclude? Prior to the time that general statements were again being made on the trade bill, I understand that my friend, the distinguished Senator from Pennsylvania, had offered an amendment that I enthusiastically support.

Am I privileged to speak in behalf of that now? Or is that inappropriate now and should it be done at another time?

The PRESIDING OFFICER. I will tell the Senator from Illinois [Mr. DIXON] that there is no requirement at this hour that any debate be germane to the bill, so the Senator from Illinois may speak on whichever subject he wishes.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. REID). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GLENN. Mr. President, after months of listening to the debate and discussion in this Congress and around the Nation about the issue of U.S. competitiveness, I have become convinced that one of the fundamental sources of the problem is simply this: The structural organization and function of some of the Federal Government's key agencies are simply out of step with the dramatic changes which have occurred in the American economy in the last decade.

We now live in a truly global marketplace. That is a fact I think most people have missed. We are no longer a little isolated colonial village, where it made no difference whether a customer dropped in once a year or not; when the buggymaker was on the corner, the cabbage grower was in one place, the cobbler was down the street. We finally arrived, in this country, to where Detroit was our buggymaker and the cobbler was in New England and the cabbage grower was more likely to be in California. We have grown beyond that, to where the cobbler is now in Korea or in Italy and the buggymaker is 25 percent Japanese and we send hundreds of thousands, indeed millions, of tons of food all over this world. So we are simply no longer an isolated community. We live in a truly global marketplace, one in which technology is playing an increasingly important role.

As a result, I firmly believe that the key to regaining international competitiveness requires a two-pronged strategy: First, strengthening our trade policymaking and commercial promotion apparatus, and second, providing incentives for the judicious development and application of advanced technologies and the organizational changes within Government that will help these new technologies work.

The purpose of the Governmental Affairs Committee contribution to the omnibus bill is to promote U.S. competitiveness by establishing a Government framework for the development of coherent technology, trade, and economic policies. To achieve this, our bill creates a Department of Industry and Technology, an Advanced Civilian Technology Agency, or ACTA, and a U.S. Trade Administration. In addition, other initiatives are developed to complement these new organizations and to assist them in meeting their mandates. The general objective is to ensure that there is a strong advocate in the Federal Government to address, from a policymaking perspective, each of the main dimensions of the Nation's competitiveness problem, and to see that the problem is approached in an effective, efficient, and focused manner.

I am well aware that in matters of government reorganization, there is not a single right answer. However, I believe that this legislation, in refining—indeed, transforming—Government's role in the nexus of industrial, technological, and trade concerns, addresses a major element of the country's competitiveness problem.

Six key principles underlie the approach taken by our portion of the bill. They are:

First, to provide a clear mandate for the development of critical trade, technology, and commercial promotion policies;

Second, to integrate commercial promotion activities—both domestic and international—with technology development and application policies and practices;

Third, to reorganize the Federal Government along actual functional lines in the above areas;

Fourth, to strengthen the decisionmaking capabilities of the Federal Government;

Fifth, to improve the collection, analysis, and dissemination of data and information related to trade, technology, and economic policies; and

Sixth, to enable the development of consensus on solutions to the Nation's competitiveness problem.

Mr. President, let me say here at the outset, before I go on to describe the two titles of our legislation, that some of the language contained in the omnibus bill is different from that contained in S. 1233, my bill and the bill the Governmental Affairs Committee reported out. In order to accommodate the requests of the Banking Committee, a change was made to reflect legislation that was enacted in the last Congress. This change was made in the interests of efficiency and to allow us to proceed rapidly to the omnibus bill. I wish to say to my distinguished colleague and ranking minority member of the committee, Senator BILL ROTH, who has worked on trade legislation for so long, and who was so instrumental in getting S. 1233 put together, that I appreciate his cooperation in this matter.

TITLE 37—TRADE AND TECHNOLOGY POLICY THE DEPARTMENT OF INDUSTRY AND TECHNOLOGY

My staff has consulted extensively with Government organization experts, former senior Commerce Department officials, and others, and the clearest fact which has emerged about the Department of Commerce's mission today is that it is somewhat clouded. The individuals who run the Department of Commerce, including the Secretary, have done a tremendous job in fulfilling the many and varied goals and responsibilities given to them. But even they, and I have the highest respect for their abilities, have had, from our observations, difficulties in creating an efficient and smooth running organization in a time of drastically increased international competition. With the changes we suggest, we believe the Department can have a greatly increased effectiveness.

Among its many problems is an artificial bifurcation between domestic and international analytical and commercial promotion functions. As I said earlier, we cannot afford to draw this distinction, and it is increasingly to our disadvantage to shut our eyes to the reality of the world today and to insist that we can actually separate domestic and international economic concerns. The new Department of Industry and Technology will have an Under Secretary for Industry, who will integrate economic affairs, both at home and abroad. Except for the two offices being transferred to the Office of the USTR, all other offices in the current Department of Commerce that have responsibilities for economic activities will report to the Under Secretary for Industry.

This reorganization will also help to provide the Department's data collection and analysis system with some much-needed organization. Data collection and analysis have been cited by a number of witnesses in our hearings as one of the most critical problem areas within the Department. The committee's legislation will bring about a much more rational structure for data and statistical analysis in both the economic and technology areas, and our efforts in fact embellish current initiatives within the Department of Commerce.

I have thought for many years that America needs to be more aware of the crucial role technology plays in affecting our position in the world economy. Without it we would not enjoy the industrial and military strength that we do today; if we do not continue to explore the outer reaches of our universe of knowledge, we will no longer have any claim to a position of leadership in the world.

Our Government does not have a formally stated policy for civilian technology development and application. For all intents and purposes, we are the only major industrial country without. Such a policy or a group too make scientific research and technology policy discissions. I know this has come about because we have been so far ahead of the pack that everyone else needed a technology policy to simply try and keep up with us. But unfortunately we no longer live in a world where our preeminence is a matter of assertion. If we do not take careful steps now, we will find ourselves at the back of the pack, not at the front. We need very much to change our current ad hoc policy of dealing with technological problems as they arise and move toward a more thoughtful, lasting policy. All we need do is look at the Japanese organization now coming together to take advantage of the superconductor technology.

In the structure of the current Department of Commerce, technology concerns are scattered all over, and there is no effective champion for the development of technology and its application. The Under Secretary for Technology in the New Department of Industry and Technology we propose will indeed serve this purpose. All of the technology-related offices from the former Department of Commerce will be under the control of the new Under Secretary for Technology, except for the National Oceanic and Atmospheric Administration. Moreover, the Under Secretary for Technology has deliberately been placed on equal footing with the Under Secretary for Industry to emphasize that the new Department's mission is to develop policies which foster the integration of business and technology concerns.

THE ADVANCED CIVILIAN TECHNOLOGY AGENCY

Perhaps the most important aspect of the Governmental Affairs titles and, frankly, the aspect I am very excited about, is the creation of the Advanced Civilian Technology Agency, which will be housed in the new Department of Industry and Technology and the responsibility of the Under Secretary for Technology. ACTA can be thought of as the civilian counterpart to DARPA, the Defense Advanced Research Projects Agency, and will provide funding on a cost-sharing basis for specific projects in high-risk, long-terms, high-impact areas of technological development and application that are not otherwise being addressed by the priviate sector. ACTA programs will encompass the entire range of technological development and application, from idea exploration to prototype development, leading to commercialization by industry. Given my—and others'—concern about our Federal budget deficit I insisted that there be a provision in the statute for ACTA that would allow the Government to recover its cost-share from some of the profits earned on ACTA-sponsored projects.

Earlier this year, the Governmental Affairs Committee held 7 days of hearings on the subject of Government's role in economic competitiveness. One of the many topic of discussion was the critical link between technology and business. Two very distinguished panels of scientists and scholars concluded that the Federal Government needs to devote more resources to systematically promoting the development and application of basic technology, and the proposal that surfaced most often during a number of the hearings formed the idea behind the establishment of the Department of Industry and Technology and especially ACTA.

I would like to emphasize a few points about the new agency. First, ACTA is not by any stretch of the imagination industrial policy, any more than the National Science Foundation is for instance. What ACTA will do is provide a critical research link between the light bulb that goes off in someone's head—that bright light of inspiration, that new idea for research—and the development of a product which can go on the market. ACTA will provide the funding and support for this work, but the private sector will decide what gets done, and then will do it. Second, the ACTA concept dovetails with a recent report by the Commerce Department that identified seven major groups of emerging technologies which hold great promise for our economy and for which the Department has recommended the elimination of disincentives to their development. ACTA will not be making marketplace decisions—it will not substitute Government bureaucratic decisions for those best made by the private sector. What it will do is allow American technological innovation to reach the marketplace as quickly and effectively as possible.

TRADE REORGANIZATION

Reorganization within the Department of Commerce is one step toward creating a more effective government structure to deal with our competitiveness troubles. A second step is to bolster the Federal Government's trade policymaking functions, which are now spread between Commerce and the Office of the USTR. The need for this change has never been more clear. Gone are the days of our unquestioned preeminence in international commerce. We are instead a nation living on borrowed money and time.

It is obvious that the global economy and America's role as an international competitor have changed dramatically. Today we are far more dependent on trade in a world that contains many more trading powers. About one-fifth of our GNP arises directly from international trade, and some 5 million American jobs depend on exports—more than in any other nation.

In fact, about one out of every six industrial jobs in the United States depends on export of the product manufactured. In normal years, about one-third of our agricultural produce gets shipped overseas. Those figures have changed somewhat in recent years, so we do not enjoy that same kind of advantage now. But those are in normal times. It shows how dependent we are on foreign trade.

Moreover, our economic rivals—both the traditional ones, such as Japan and Europe, and new ones like the newly industrialized developing countries [NICs]—have embarked on a deliberate strategy of international economic competition. It is high time that we, too, forge a conscious competitive trade strategy. Modifying our Government trade policymaking structure is a necessary and important component of that process.

The hearing record in the Governmental Affairs Committee from this—and I want to emphasize—previous Congresses, clearly shows that we have a serious problem with our trade policymaking apparatus. The committee is very indebted to its ranking member and former chairman, Senator ROTH, for having the foresight to examine the organizational aspects of trade policymaking when competitiveness was not the fashionable issue that it is today. He has been dealing with this and making proposals in this regard for many years, for about the last 8 to 10 years as a matter of fact.

Under our current structure, the Office of the USTR is responsible for negotiating trade agreements and formulating trade policy. In contrast, the Department of Commerce is responsible for investigations and the analysis of data in support of trade negotiations; enforcement of various U.S. trade laws; and promoting U.S. trade interests.

The Governmental Affairs Committee portion of the omnibus bill would move two offices from the Department of Commerce into the Office of the USTRA, allowing each organization to concentrate on doing what it does best. The transfer of the current Office of the Deputy Assistant Secretary for Import Administration from Commerce to the Office of the USTR, by consolidating within one agency trade enforcement with trade negotiation, would strengthen the position of the USTR in the eyes of our trading rivals. The transfer of the Office of International Economic Policy, by giving the USTR the expertise he needs in the economies and trade policies of foreign competitors, will have the same effect. Commerce, on the other hand, in its reconstituted form as the Department of Industry and Technology, will exploit its comparative advantage of trade promotion.

Tension currently exists within Commerce's four trade offices; despite the appearances of a close-knit group, the trade offices actually serve two masters—the Secretary of Commerce and the USTR. This legislation will simply resolve that conflict by clearly delineating the responsibilities of the trade offices. The Department of Industry and Technology will focus on what it does best—promoting—while the U.S. Trade Administration will handle what it should—trade enforcement, intelligence, and negotiation.

Trade enforcement functions, however, while housed within the USTA, will be in an independent office to preserve the sanctity of the apolitical implementation of our trade laws. Further, the USTA will be brought outside of the Executive Office of the President, so that the size of the Executive Office will not be expanded, and that enforcement activities will not be carried out there.

The USTR, however, will retain his current cabinet-level status and rank as Ambassador, and will also retain his seat in the Executive Office of the President as the head of the White House Office of Trade Policy Coordination. Indeed, because the legislation places the USTR as Chair, in the President's absence, of the Economic Policy Council, which the legislation codifies into law by statute, his stature will actually be increased.

A number of people have advocated moving the Office of the USTR into the Department of Commerce. This strikes me as an unwise step. Although it would appear that we had solved the problem, we would have actually created many more by housing an agency, which serves the needs of many if not all departments, in one department. We would be creating a very inefficient structure indeed, if we allowed the interests of the USTR to be captured by a single department. This legislation retains the honest-broker status of the USTR without interfering with his duty to coordinate the trade interests of every other department, and that is what he should do.

TITLE 38—INTERAGENCY COMMITTEES AND COMMISSIONS

The Governmental Affairs Committee portion of the bill also has a number of councils, committees, and commissions incorporated in it, and I think they address a number of critical problems we currently face.

For example, the Council on Economic Competitiveness would be an independent body which would review and advise the Government on problems facing the United States as a competitor in the global marketplace. The Council is intended to serve as an external forum for the discussion of problems of economic competitiveness; a mechanism for the creation of solutions to those problems through the interaction of business, labor, government, academia and public interest groups; and as a source of badly needed independent review of the policies of the Federal Government, including the Federal budget.

This legislation also calls for several studies to be undertaken. For example, it establishes a commission on U.S. Trade in the 1990s, which would help forge a coherent trade policy to take us into the next century; a study on U.S. barriers to U.S. exports, which would identify annually existing U.S. barriers to U.S. exports and calculate the increased value of the removal of the barriers, taking national security concerns into account; a study on resource needs, which would assess the resource needs in emerging technologies; a study on manufacturing, which would examine the dependence of various vital service and high-technology firms on the manufacturing base; and finally, a study on the competitive impact of foreign financial and regulatory systems, which would examine annually the impact of foreign financial and regulatory systems on the ability of U.S. businesses to compete in domestic and foreign markets.

CONCLUSION

Mr. President, we have all heard of, read about, and seen many reasons to do something about the decline in American competitiveness. The problems range from our trade imbalance to our Federal deficit to the fact that many key breakthroughs in manufacturing technology are occurring abroad. The Governmental Affairs Committee contribution to the Senate omnibus trade bill will form the foundation for a renewed partnership between Government and American business which will lead to greater prosperity for the entire country.

The costs associated with the committee's legislation are small—the transformation of the Department of Commerce and the Office of the USTR have been designed to be personnel—and revenue-neutral, and funding for ACTA is at a very modest level. On the other hand, the benefits associated with these changes are large. Not only will we reap the benefits of creating a bona fide technology policy, but the new Department of Industry and Technology and the new U.S. Trade Administration, will play well-defined and active roles in advancing America's future economic success. The costs associated with not pursuing this program, however, are great. In several years, if current trends continue, we may well be a net importer of high technology goods. We may no longer be a prominent producer of computers and telecommunications equipment, and we could be struggling to retain a competitive position in what is the newest technology—superconductivity. We simply cannot afford to let that happen.

A recent cover on Business Week asked "Can America Compete?" The answer is yes. I think America has always had what it takes to compete, and to compete well. But I also think that we have tied our hands behind our back by not taking a realistic look at the world we now live in. The global economy is a remarkably different place from just a decade ago. It is a place that requires a number of changes to be made for us to continue playing a role in its growth. The Governmental Affairs Committee's legislation will untie our hands, and we will come out fighting to win.

Mr. DASCHLE. Mr. President, I rise in support of S. 490, the Omnibus Trade Act of 1987. This legislation represents the culmination of literally hundreds of hours of work on the part of the Committee on Finance. It represents the best possible consensus legislation between two legitimate points of view on trade law: those who believe in free trade and those who believe our trade laws should be stricter, to force our Government to retaliate in unfair trading situations.

Because of the manner in which he shepharded this complex legislation through committee, our chairman, Senator LLOYD BENTSEN, has earned my utmost respect. He managed the committee's consideration of this legislation both with fairness and resolve. Like many of us in this Chamber, Chairman BENTSEN feels the time is long overdue for substantive, reasonable changes in our trade law.

There are those in this country who look at our existing trade law and say, "that is how it should be." The President should have total discretion to determine when, how, and perhaps most importantly, if trade sanctions will be invoked. Those who believe in so-called free trade maintain that few restrictions should be placed on Presidential authority.

Except during the past 20 months, that clearly was the position of the Reagan administration. It has been said that trade was the administration's policy outcast. It was a policy area which rarely received attention and frequently seemed incoherent. Rarely was trade mentioned and seldom did we see Presidential authority used to address the trade imbalance and barrier situations facing American exports.

Suddenly, some 20 months ago, it was as if the Reagan administration became born again on trade. the tough trade rhetoric began to flow. We heard the President and top administration policymakers begin to take our trade situation seriously. Like a tidal wave, unfair trade practice complaints came from the White House. All of these actions carried the same message: "We can get tough when we want to." Some of the cynics looked at this new found trade religion and decided it had more to do with eminent congressional passage of tough trade legislation than the realization that the United States was taking a beating in the international trading arena.

Through the past 6 years of the Reagan administration, we have seen both sides of this trade debate demonstrated. In the initial years, the administration took the hands off approach to trade and our trade laws. In the last year and a half, by nearly all accounts, this administration has more aggressively pursued our trading interests and has exercised much of the Presidential discretionary authority we will hear discussed during this debate.

Despite the administration realizing its new-found trade religion, it should be in the interest of the Senate to examine our trade and financial position has deteriorated over the past 6 years. The U.S. trade deficit increased nearly 8 times, from $20 billion in 1980 to $160 billion in 1986. During this time period, exports have remained relatively constant.

Imports, however, have increased by nearly 40 percent in value. This occured during a timeframe when world growth was at extremely low levels.

Since 1985, the United States has received the dubious distinction of being a debtor nation for the first time in history. In 1986, U.S. foreign debt hit a record $264 billion. This means that U.S. assets abroad were $264 billion less than foreign investment in U.S. assets, such as corporate stocks and bonds and U.S. bonds. United States foreign debt is twice the size of the largest international Third World debtor, Brazil.

With these disasterous statistics in mind we must consider this trade legislation. Administration policymakers tell us that this tough trade legislation, as currently written, stands a 50-50 chance of being vetoed. We have just received 31 pages of administration objections. This is the same administration that has taken the position that "the trade deficit should not cause undue alarm." I have the utmost respect for Ambassador Yeutter, the President's Special Trade Representative and the author of this statement. However, regardless of whatever silver lining I look for in our record trade deficits of the past 6 years, I come up empty handed. I could not disagree more with my good friend, Ambassador Yeutter. There is no silver lining whatsoever in the trade deficit.

I am alarmed when I hear administration policymakers make such statements. I am alarmed at the tidal wave of depressing statistics. I am alarmed when I read list upon list of foreign trade barriers which seem to go unchecked. I am alarmed that absent this legislation we are without the assurance we need that the next President will view trade seriously and consistently and not in the lackadaisical manner we have seen during the past 5 years.

That is why we are here today. The legislation before the Senate seeks to reach a middle ground between protectionist trade law and totally discretionary and potentially useless trade sanctions. It will establish trade law which ensures that the next adminsitration takes trade as seriously on inauguration day as it does on its third, fourth, or fifth year.

This proposal makes substantive changes in section 301, the trade law section used to fight unfair trade barriers and practices. Even though elimination of these trade barriers does not represent a total solution to the trade deficit, they are a serious problem for American trade. Let me share with my colleagues just a few of the barriers our agricultural products encounter in the international arena:

The European Community inspects 400 United States meat packing plants and prohibits any of these plants from shipping meat and pork products to Europe. The claim: They do not meet the European inspection requirements. The result: One South Dakota packing plant was cited for having a hand operated drinking fountain and another chastised for not having a "fully paved parking lot." Both lose valuable export markets when they are prohibited from exporting to the EEC.

American rice farmers are effectively barred from shipping United States rice to Japan. In 1985, Japan allowed only 20,000 tons of rice to be imported. This represents less than two-tenths of 1 percent of its domestic consumption. These Japanese restrictions are estimated to cost United States rice farmers as much as $1.7 billion per year.

Massive duties levied on agricultural commodities entering Japan have resulted in a price differential which has forced our products out of that market. A New York prime steak costing $5.29 per pound in Washington costs $30 per pound in Tokyo after all governmental duties are assessed.

This bill requires the President to use all available trade powers against these unfair foreign trade practices. Except in cases where a greater national interest overrides, it mandates the President take action to break down unfair foreign trade barriers.

The administration must identify unfair trade barriers and initiate actions which seek to eliminate all unfair trade barriers. In some cases, the President is required to initiate trade remedies rather than waiting for a request from the effected industry. Strict time limits are placed on Presidential action.

This legislation also makes substantive changes in the treatment of excessive but fairly-traded imports. In cases where fairly traded imports are flooding the U.S. market, causing harm to a domestic industry, the President is required to provide import relief in certain circumstances. The action required in this change is intended to position the industry to compete with imports on an even basis after the import relief is terminated.

This legislation attempts to insure that future administrations consult with Congress during trade negotiations. It places restrictions on the administration's access to fast track congressional approval of its negotiated trade agreements in order to insure consultation and communication with the Congress.

There are other worthy provisions in this legislation. The natural resource subsidy definition and the definition of agricultural production for purposes of determining countervailing duties are two areas which are important to South Dakota.

During consideration of this trade legislation labels will be tossed in this Chamber with frequency. "Protectionist" "Free Trade" "Tough trade." It is crucial that we do not permit American producers and consumers to continue to lose while we continue to debate this trade issue. Tough trade does not have to be protectionist trade. This omnibus bill proves that fact. It is tough but it is responsible. This bill will make substantive and effective changes in our trade law. Those who call this bill protectionist will have done it a disservice.

I want legislation which will ensure that action can and will be taken in the most serious of trade barriers. At the same time, like many in this body, I believe the President needs and deserves a certain amount of discretionary flexibility with which to address the unique circumstances of each trading situation. Like this legislation, proposals which ensure action, but permit a certain degree of Presidential flexibility, will receive my support.

Mr. SIMON. Mr. President, I am an original cosponsor of S. 490, the Omnibus Trade Act of 1987. Even before the floor debate on this bill began, many of the battlelines were already drawn.

One of the most profound issues centers around the President's authority to grant relief to industries found by the International Trade Commission [ITC] to have been injured by imports. Opponents of the language of S. 490 as reported out by the Finance Committee assert that the bill's provisions would inordinately tie the President's hands.

These opponents paint a picture of an ITC running roughshod over the interests of the country. In a letter, one constituent group said that the proposed changes in section 201 would, "merely pad the profits of industries unwilling to face the healthy competition of the marketplace." Moreover, these opponents assert that this measure is aimed at one particular President—the current occupant of the White House—and that therefore this bill is a shortsighted measure.

I would like to clear up both of these misunderstandings. First, to the point made against the ITC. My office was recently contacted by a representative of the Cast Metals Federation [CMF]. Late in 1985, this association filed for import relief under the provisions of section 201.

Under this section, the ITC is directed to conduct an investigation "to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article."

Listen to the evidence this industry was able to present to the ITC:

> In 1980, there were 4,279 U.S. foundries; today, there are approximately 3,000. Overall industry employment has dropped from 420,000 persons in 1982 to about 240,000 persons today.

In the previous bill language, substantial cause is defined as:

> A cause which is important and not less than any other cause. According to the CMF, "prices on imported castings ranged from 15 to 28 percent lower than our own . . . import penetration for certain casting ranged from 10 to 37 percent and were expected to continue.

The astounding figures notwithstanding, this industry was denied import relief—not by the President, but by the ITC.

I am not arguing for or against the Cast Metals Federation's case before the ITC. I simply want my colleagues to know that proving a case before the ITC is not a simple matter. I am bringing these facts to light only to demonstrate to my colleagues that bringing a case before the ITC is no cakewalk. If we allow another barrier to remain between these industries and the relief they desperately need, what signal is the U.S. Government sending to them?

I wish to quote another paragraph from their letter:

> Your [President Reagan's] own Commission on Industrial Competitiveness in its report entitled "Global Competition: The New Reality" declared: "For those industries threatened by severe import penetration, U.S. trade law has often granted import relief only after their injuries have become irreparable."

The Cast Metal Foundation spent $300,000 on this case, and lost. Hindered by financial limitations, it probably will not be able to mount such a case again.

I ask unanimous consent that the text of the Cast Metals Foundation letter to President Reagan be printed in full in the RECORD at the end of my speech.

On to the second point: That the section 201 language is crafted specifically to effect the current President.

I would like to submit these facts for the RECORD:

Under the Carter administration

Investigations initiated by ITC	25
Affirmative (at least partial) decision by ITC	13
Presidential denial of relief	7

Under the Reagan administration

Investigations initiated by ITC	16
Affirmative (at least partial) decision by ITC	6
Presidential denial of relief	3

Clearly, the numbers may be different, but the percentages are roughly identical. While the ITC called for relief in about half of the investigations it initiated, the President reversed that decision about half the time.

In other words, only one-fourth of the financially strapped industries assailed by imports which initially petitioned the ITC for assistance were ever granted import relief.

To go even farther back (until January 1975), the percentages are still almost identical.

Why do the opponents of section 201 in S. 490 assume that this measure is geared toward one President, when the statistics clearly indicate that he has been no different from his predecessor?

Over the next several weeks, I am sure that the truth, intentionally or not, will be bent in the heat of discussion. I certainly hope, however, that we can at least begin this debate by establishing these important facts well in advance.

The letter of the Cast Metals Federation to President Reagan follows:

CAST METALS FEDERATION,
Washington, DC, May 23, 1986.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: You will shortly receive from the International Trade Commission a final report on a Section 201 import relief case identified as "Certain Metal Castings," Investigation No. TA-201-58. This report will carry the opinions of ITC Commissioners on why increased imports are not threatening the domestic foundry industry with serious injury.

This 201 case was filed by the Cast Metals Federation which represents those iron, steel, and nonferrous foundries responsible for 90 percent of the castings tonnage produced in the U.S. It was the first time the domestic foundry industry—as an industry—approached the ITC with an import complaint. At a cost of $300,000 it will probably be the last time.

We disagree with the negative determinations made by the ITC Commissioners. We believe we made a compelling argument for application of 201 import relief.

We strongly urge you to remand this case to the Commission for further investigation on imports threatening this vital basic industry which is so necessary to the welfare and defense of the United States.

Despite three years of economic expansion in the United States, the domestic foundry industry is withering because of increasing foreign competition made possible by poorly paid workers in government owned or highly subsidized foundries. These forces make possible competitive advantages which allow surging imports to injure the U.S. foundry industry.

The foundry products or castings covered in the investigation included cast iron construction castings, pressure pipe fittings for water mains, compressor housings, brake drums and rotors; cast steel valve parts, certain axle parts, levers, drive sprockets, beam hanger brackets, and sockets and suspension brackets; and cast bronze ship propellers.

These are a fraction of the 7,000 castings produced by U.S. foundries. However, the International Trade Commission had neither the staff nor resources to conduct as broad an investigation as we would have preferred.

In 1984 the International Trade Commission—at the request of then U.S. Trade Representative William Brock—conducted a competitive assessment of the U.S. foundry industry in domestic and world markets (a Section 332 study). Results of that study—two years ago—alarmed the industry. Among its findings: Prices on imported castings ranged from 15 to 28 percent lower than on our own . . . import penetration for certain castings ranged from 10 to 37 percent and were expected to continue . . . many U.S. foundry customers increasingly sourced casting components internationally . . . imports of finished assemblies will have greater potential impact than imports of castings themselves . . . and domestic foundry equipment, shipments, net sales, and profitability are declining while imports are rising.

On these disturbing indications we based our 201 case.

Conditions are even worse today for U.S. foundries. That is why a no-injury determination by the ITC now is so surprising and, we believe, patently unfair and contrary to the evidence.

The 1986 "U.S. Industrial Outlook" published by the Department of Commerce reported that "most of the decline in 1985 (castings) shipments probably is attributable to increased competition from imports."

Today those foundries still in business report positively, not probably, that declining shipments continue because of the volume of imports.

One criterion which ITC must consider in making a determination under Section 201 is whether imported articles are being imported in increased quantities. The table below comes from ITC's "Factual Highlights" of this case. These numbers clearly satisfy the increased quantity criterion.

QUANTITY OF IMPORTS

[Short tons]

	1981	1982	1983	1984	1985
Construction castings	20,682	24,867	41,837	66,899	77,763
Pipe fittings	(1)	4,148	4,136	6,355	10,594
Compressor housings	1,876	978	720	1,761	2,168
Brake drums and rotors	26,866	31,285	49,876	61,208	91,137
Axle parts	(1)	854	921	1,767	1,649
Drive sprockets	819	738	896	1,060	882
Beam hanger brackets	(1)	1,036	1,151	2,060	1,659
Parts of valves	8,556	12,067	4,302	7,782	8,908
Bronze ship propellers	158	155	107	109	362

[1] Business confidential; import data on levers and sockets and suspension brackets are business confidential.

Another assessment of injury which should be further studied is a "significant idling of productive facilities." The number of foundries in the U.S. is shrinking at a rapidly accelerating rate under the barrage of increasing imports. In 1980, there were 4,279 U.S. foundries; today there are approximately 3,000 foundries. Overall industry employment has dropped from 420,000 persons in 1982 to about 240,000 persons today.

While we were not priviledged to see any profit and loss data sent to ITC for this 201 case, we are told by companies named in the petition that their economic performance is deteriorating rapidly. Suppressing prices in an attempt to preserve markets has cost them a reasonable level of profitability. Maintaining a reasonable level of profit in today's global system causes loss of that particular market. It is a no-win situation.

We believe that unmistakable trend lines are present which point to extinction of the U.S. foundry industry; to its disappearance from the industrial landscape.

Your own Commission on Industrial Competitiveness in its report entitled, "Global Competition: The New Reality" declared: "For those industries threatened by severe import penetration, U.S. trade law has often granted relief only after their injuries have become irreparable."

A prompt review and reconsideration of the International Trade Commission's negative recommendation on this case will disclose what we have described as a decision made in error. We repeat our request to you for a remand of this 201 case to the ITC for further analysis.

Sincerely,

WALTER M. KIPLINGER, Jr.,
Vice President—Government Affairs.

Mr. WALLOP. Mr. President, I was the lone dissenter on the Senate Finance Committee's favorable recommendation concerning S. 490. I dissented because I believed S. 490 contained protectionist provisions that pose grave dangers to our economic health and national security. Now this so-called omnibus trade bill we are about to debate contains even more dangerous and objectionable provisions. I fear that the Senate is about to proceed down an avoidable path to protectionism ignoring the clear lessons of Smoot-Hawley.

It concerns me that the Senate is being asked to cast aside well-established and generally accepted economic principles supported by conservative and liberal economists alike blatantly disregarding principles of international law. It troubles me that the omnibus trade bill will expose U.S. exporters to probable retaliation and U.S. consumers to the certainty of higher prices. And yes, U.S. workers to loss of jobs. This bill absurdly assumes that trade is solely an action of governments. Trade is not an action of government, it is an action of consumers and business practice affected by governments. Whatever else it is, in free societies at least, it is no salami to be precisely weighed and sliced for delivery at the convenience of governments.

The bill does not improve American competitiveness. It does not support our efforts to create a broader world trading system in the Uruguay round and beyond. It does not conform with our current international obligations. In my view it does just the opposite; it will strangle world trading opportunities. It is shortsighted, seeking to create competitiveness by eliminating competition, and by actually hurting and not helping U.S. exporters. The omnibus trade bill in its present form is generally bad for America and in the overwhelming number of its provisions I fear will be bad for the majority of Americans.

There is much to be done on the Senate floor to improve this bill in the coming days if it is to be made fair for the American people and its provisions consistent with international law. There will be very few winners and a lot of losers if we do not purge its more dangerous provisions, especially for those of us who represent U.S. farmers and industrial interests that are heavily dependent on the world markets.

Before we start the floor debate I believe that all of us should keep three points in mind: First, protectionism is very, very expensive; second, now is not the time to enact protectionist legislation; and third, "unfair" trading practices are not the primary causes of our trade deficit.

First, it is a myth that protectionism saves jobs. Protectionist actions increase the cost of producing goods and services in the United States, reducing competitiveness of American products. If the United States had imposed a 15-percent import quota on imported steel, as the steel industry asked, 26,000 steelworker jobs could have been saved, but at a cost of 93,000 jobs in steel-using industries. Where would that have helped America?

The last time the Congress tried to legislate our trade problems away Smoot-Hawley was the result and it threw the Nation into the Great Depression.

Second, U.S. exports are beginning to grow again. The dollar is much more competitive than it was a year ago vis-a-vis the currencies of our major trading partners. United States wage rates are now highly competitive with those of Japan and our other major trading partners.

I would like to call your attention to an article by Warren T. Brooks, a nationally syndicated economics columnist, that appeared in the Washington Post recently. He cited the results of a study conducted by Britain's prestigious National Institute of Economic and Social Research concerning comparative labor costs for the major European countries along with the United States and Japan. It showed how dramatically our situation has been affected by the changing value of the dollar and other currencies. The report concludes that the projected 1987 relative unit labor cost in the United States is less than that of Japan, Italy, West Germany, France, and the United Kingdom. For example, according to the study, as of June 1987, unit labor costs in Japan and West Germany were 42 percent and 93 percent higher respectively than unit labor costs in the United States.

This is not the time to pass the omnibus trade bill with many of its

GATT inconsistent provisions and encourage our trading partners to take action against U.S. exports. I fear that if this bill is enacted in its present form it will surely reverse this trend and subject U.S. exports to retaliation. We don't want to choke off the very growth this trade legislation is supposed to stimulate. This bill amounts to Congress locking the barn door just as the horse is trying to get back in. If Congress wants to embark on a protectionist policy, it should do so when U.S. exports are falling and imports are rapidly rising.

Last, let's look at the issue of "unfair" practices that has received so much attention during the debate on this bill. While eliminating "unfair" trade practices is an important part of any trade strategy; it is pure fantasy to think that the removal of unfair trade barriers would result in more than a minimal change in our $170 billion trade deficit. According to some estimates, the elimination of all "unfair" trading practices would only reduce the trade deficit by $10 to $20 billion under the best of circumstances. The trade deficit is essentially the result of a combination of macroeconomic factors—among them the budget deficit—the exchange rate; and the competitiveness of our domestic industry.

In my opinion, the omnibus trade bill is dangerous and ultimately could cost millions of Americans their jobs. It will provoke our trading partners into retaliating against U.S. exports or exacting mirror legislation; it is inconsistent with our international obligation; it undermines our Uruguay round initiatives aimed at bringing improved discipline to the international trading system, including extending that discipline to new areas such as services and intellectual property, as well as the urgent problems of trade in agriculture products; and it does not facilitate the competitiveness of U.S. industries.

Mr. President, I would like to take a few more minutes to highlight what I consider to be very dangerous provisions and why I object to them.

The bill's section 201 amendments significantly limit the President's ability to deny relief to U.S. industries seriously injured by fairly traded imports, and forces the President to provide relief in a specific injury case when it would be contrary to the national economic interest.

The bill's investment provisions authorize the Secretary of Commerce to block foreigners from investing in the United States in order to protect the national security or "essential commerce." While we must be alert to foreign investment that threatens national security, the Senate provision goes too far. Our open foreign investment policy has facilitated the inflow of foreign capital into the United States and that foreign investment has provided jobs and capital and prosperity.

An import surcharge is proposed to fund the Trade Adjustment Assistance Program [TAA], America's newest entitlement program. The TAA Program is duplicative and expensive and should be repealed. Furthermore, the import fee to fund the program violates GATT rules.

The plant closings provision in the bill places catastrophic burdens on business and frustrates management's ability to close a plant that is in financial difficulties. At a time when we seek to stay competitive and expand jobs it prohibits American business from either.

This bill strips the President of his tariff negotiating authority, authority that has been granted to successive administrations since 1934. The absence of tariff proclamation authority complicates and reduces our leverage in negotiations. Likewise, the revocation of "fast track" procedures by concurrent resolution at any time undermines our position at the negotiating table by making it more difficult for our negotiators to conclude agreements.

Section 301 amendments mandate retaliation not only against trade agreement violations—"unjustifiable" practices—but against "unreasonable" and "discriminatory" practices as well. Who will define those as other than protectionist terms? In addition it calls for widespread automatic initiation of cases. This is an extremely confrontational and self-righteous way of resolving extremely difficult macroeconomic and trade policy problems with our trading partners, but worse it happens even when an industry might not wish the action and be injured by it.

Worker rights are now included in the actionable category for 301 cases. What is most offensive to me about this is that through the worker rights provisions in this legislation we are imposing our worker standards on the rest of the world. The standards for action include: denying the right of association, denying the right to organize and bargain collectively, permitting any form of forced or compulsory labor, failing to provide a minimum age for the employment of children, and taking into account a country's level of economic development, fails to provide standards for minimum wages, hours of work, and occupational safety and health. Will any Senator claim that all Communist country trade will forthwith cease? Of course not. The standard is therefore arbitrary and applicable only to Western allies who trade too well.

These may be great goals, but the world is more likely to move in these directions if we expand trade, not contract it. In my opinion this is a tool for selective retaliation and moral equivocation.

These are my principle concerns with the omnibus trade bill and why I cannot support this bill in its present form. I trust that we will be able to make progress in the above-mentioned areas during the floor debate in order to produce legislation that will promote America's competitiveness.

CLARIFICATION OF THE AMENDED STEEL IMPORT STABILIZATION ACT

Mr. JOHNSTON. Mr. President, section 323(b) of S. 490, the Omnibus Trade Act of 1987, proposes an amendment to section 805 of the Trade and Tariff Act of 1984, the "Steel Import Stabilization Act." The amendment gives the President discretionary authority to direct the Secretary of Treasury to treat U.S. imports of steel products from countries not party to bilateral trade arrangements with the United States as if they were imports from the country in which the steel comprising such products was melted and poured.

The term "country" is not defined in the amendment, nor in the Trade Act of 1984, nor in the Trade Act of 1974 which the Steel Import Stabilization Act itself amends. Without a clarification or an explicit definition of "country" for purposes of section 323(b) of S. 490, the level of certainty that steel products from the U.S. Virgin Islands are not subject to this provision is insufficient to facilitate imminent and urgently needed business investment in the territory.

A significant steel production project in the U.S. Virgin Islands has been made possible by a U.S. Customs Service substantial transformation ruling and by support from the Government of the U.S. Virgin Islands. Specifically, Caribbean Tubular Co., Inc. [CTC], a Louisiana corporation, proposes to manufacture oil well casing, tubing, and line pipe in St. Croix, U.S. Virgin Islands and to ship finished products to Louisiana for further processing.

The Virgin Islands facility will purchase hot-rolled steel coil, known as skelp, from unrelated suppliers on the world market. The facility then will undertake major manufacturing in transforming the skelp into API approved casing, tube, and line pipe for use in oil and gas drilling. This product will be shipped from the Virgin Islands to related facilities in Louisiana, consistent with headnote 3(a) of the Tariff Schedules of the United States, for further finishing and resale.

Mr. President, surely this cannot be the kind of project the amendment intends to prevent. This project is not designed to allow a restraint country to circumvent its agreement, nor will circumvention occur. Steel used for the pipe products in this project will not come from any particular source. It will be purchased on the world market and, thus, will come on a random basis from various sources, some within restraint arrangements and some not. Furthermore, this project is not simply a transshipment scheme. The project is substantial, entailing roughly a $45 million investment.

It will create 150 to 200 jobs in Louisiana and add $15 to $20 million annually to the Louisiana economy. It will add 50 to 100 jobs in the U.S. Virgin Islands and bring approximately $15 million to its economy. Moreover, company executives have offered to unionize both facilities and, given the high incidence of unemployment in Louisiana and the Virgin Islands, the local union leaders have endorsed the project. Finally, on or before June 1, 1987, the U.S. Customs Service determined that the manufacturing that will occur in the U.S. Virgin Islands constitutes substantial transformation, thus making the pipe products legally products of a U.S. insular territory.

Mr. President, the economic benefits of this project are so substantial and of such vital importance to both the U.S. Virgin Islands and Louisiana that this amendment should not be read to preclude this project from going forward.

Mr. BENTSEN. Mr. President, I agree with my colleague from Louisiana. The steel manufacturing project he described in the U.S. Virgin Islands, which obtained a U.S. Customs Service substantial transformation ruling on or before June 1, 1987, and which will not circumvent import quotas, would not be covered under the terms of section 323(b).

Mr. JOHNSTON. Mr. President, I thank my colleague from Texas for his comments. He has presented a very reasonable and necessary clarification of this provision.

Mr. MURKOWSKI. Mr. President, as the Senate begins consideration of the omnibus trade bill, I would like to commend Senators BENTSEN and DANFORTH for their leadership in forging a bipartisan approach to this important issue. I hope the debate will continue in this spirit both on the floor and in conference, resulting in a responsible trade package which the President can sign.

On the whole, this bill has many positive features that will enhance American competitiveness and fine tune existing law while avoiding the risk of a trade war. It strengthens our ability to resolve trade disputes and to fight unfair trade practices. It will allow us to more effectively provide trade adjustment assistance and retraining for workers in industries injured by import competition. And, it establishes important safeguards for ensuring our energy security.

One of the most important features of this bill is negotiating authority for trade agreements. As we prepare for the Uruguay round, the United States must demonstrate a commitment to strengthening GATT as a pillar of world trade. In cooperation with our trading partners, we will seek to make GATT a more responsive forum for the resolution of trade disputes.

I am particularly interested in provisions which seek to strengthen and promote more open trade in services around the world. U.S. services trade is substantial—approximately $90 billion in two-way trade—and an area in which the United States has traditionally run a surplus. However, that trend is shifting. For the first time since 1979, our worldwide surplus in services trade is in decline. We have seen a historical shift in services trade with Japan. In the period between 1985 and 1986, we went from a surplus in services of $1.1 billion to a deficit of $1.8 billion, a rather staggering turnaround.

I strongly support the inclusion of services in the new GATT round. While overall trade in services is much smaller than trade in manufactured goods, the United States has an important interest in enhancing the international environment for trade in services. GATT was created to deal with trade in merchandise, and has played an important role in reducing tariff rates to facilitate free trade in manufactured goods. However, in the area of services and direct investment, there are many nontariff barriers inhibiting expanded trade. There is general support among member nations that GATT would provide a firm foundation for addressing these issues.

Consistent with my concern over barriers in services, I plan to offer two amendments to this bill. These amendments are intended to remove barriers which frustrate the ability of U.S. service industries to compete in the international marketplace—specifically in the areas of design, construction and engineering services, and in the carriage of automobiles to the United States.

This bill alone will not solve our trade problems. While it is an important starting point, we must continue to focus on the macroeconomic causes of our trade crisis: our massive Federal budget deficit, growth rate differentials among the industrialized democracies, and the Third World debt crisis. We must continue to cooperate with our trading partners to address these fundamental issues which pose a severe threat to the stability of the international trading system. In debating this legislation, I urge my colleagues to oppose initiatives which may undermine our efforts in these important areas.

AMENDMENT NO. 320

(Purpose: To require the United States Trade Representative to initiate an investigation of unfair trade barriers maintained by Japan against United States construction services)

Mr. MURKOWSKI. Mr. President, at this time I send an amendment to the desk, which I understand has been cleared by both sides, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] for himself and Mr. DECONCINI, Mr. HEINZ, Mr. MCCAIN, Mr. SHELBY, Mr. WILSON, Mr. DANFORTH, Mr. SPECTER, Mr. RUDMAN, and Mr. D'AMATO, proposes an amendment numbered 320.

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle A of title III of the bill, add the following:

SEC. . INVESTIGATION OF BARRIERS IN JAPAN TO CERTAIN UNITED STATES SERVICES.

The United States Trade Representative shall immediately initiate an investigation under section 302 of the Trade Act of 1974 regarding those acts, policies, and practices of the Government of Japan, and of entities owned, financed, or otherwise controlled by the Government of Japan, that are barriers in Japan to the offering or performance by United States persons of architectural engineering, construction, and consulting services in Japan.

Mr. MURKOWSKI. Mr. President, I am very pleased to be joined by my colleagues, Senator DECONCINI, Senator HEINZ, Senator MCCAIN, Senator SHELBY, Senator WILSON, Senator DANFORTH, Senator SPECTER, Senator RUDMAN, and Senator D'AMATO, in proposing an amendment directing the U.S. Trade Representative to begin a section 302 investigation against barriers to U.S. participation in the Japanese market for design, engineering, architecture, and construction services.

It has been over 1½ years since the United States began negotiations with Japan for opportunities to participate in the construction of the $8 billion Kansai International Airport and future major public works projects in Japan estimated to exceed $61 billion over the coming decade.

In evaluating the progress we have made thus far, the short answer is that we are nowhere. In fact, recent events indicate that we will not see an acceptable resolution of this issue unless Congress takes firm action now.

While the Kansai International Airport Co., has awarded over $1 billion in contracts to Japanese firms, United States firms have only been successful in winning small contracts for critical equipment which is only manufactured in the United States and a small consulting contract worth approximately $200,000.

The lack of progress is not because U.S. firms are not competitive. Between 1980 and 1986, U.S. firms won over $250 billion in construction contracts worldwide. It is readily acknowledged that United States firms have much more experience than their Japanese counterparts in building airports on the scale of Kansai and that their services and equipment at 140 yen to the dollar are more competitive than local costs.

Nor is lack of progress due to apathy. As USTR Clayton Yeutter indicated in a letter to me:

> U.S. firms have shown tremendous interest in the project . . . some have been trying for at least five years to bid on the project, but consistently have been denied opportunities and have been discouraged from applying . . . such experiences plus the anti-foreign statements of Kiac officials may have persuaded many American firms that registering was not worth the effort.

Mr. President, I want to emphasize we are not Japan bashing.

Japanese officials in the Ministry of Transportation, Ministry of Construction and the airport company insist that the lack of measurable progress is due to foreign firms' inability to understand the Japanese bidding system. However, the situation is quite the opposite. United States firms realize that the bidding system is intrinsically discriminatory and unless modifications in it are made they have little chance of succeeding in a bid, no matter what the Government of Japan promises.

To quote an article which appeared in the July 11, 1987 edition of the FAR Eastern Economic Review:

> Japanese construction companies do not compete with each other for work—they collude and conspire, in closed-off rooms . . . in English, this is called "bid-rigging"; in Japanese, dango. . . . This is the system which Japan's construction majors in general, and the managers of the airport company in particular claim foreign governments and construction companies "do not understand," in fact, they understood it so well it was scrapped decades ago in favor of a system of tendering which recognised competitive advantage and guaranteed cost control.

In contrast to United States firms inability to penetrate the Japanese market, Japanese firms have been extremely successful in the United States. Latest figures from Engineering News Record indicate that Japanese construction firms did 2.2 billion dollars' worth of business in the United States last year—including federally funded public works projects. This is a 30 percent increase over 1985.

There is nothing wrong with this. In fact an Osaka-based firm, KonOike, recently was the second lowest bidder on a major military construction project in my State, Alaska. However, if we are to prevent the U.S. construction industry from finding itself in the same situation as our machine tool, automobile, and semiconductor industries, we must insure that they are able to make up losses in domestic market share by seeking opportunities in foreign markets.

Mr. President, we are simply asking for reciprocity, the same access to foreign markets as those markets enjoy or those countries enjoy in the markets that are open in the United States.

In April of this year, Under Secretary of Commerce Bruce Smart presented a proposal to the president of the Kansai International Airport Co. outlining proposed changes in the bidding system to make it more open and transparent. In the letter accompanying the proposed changes Under Secretary Smart wrote:

> We need to show our industry and Congress that Kiac is making serious efforts to purchase U.S. products and services. Our industry, along with the U.S. Congress, will judge the openness of Kansai on the amount of sales and on implemented changes to the designated bid and tender system. I believe that real progress on this issue will center on implementation of these proposals.

In a June 16 letter to Under Secretary Smart, President Takeuchi rejected all of the proposed changes, asserted that the current bidding system is open and insisted the requested changes were unnecessary.

I would like to read for my colleagues Mr. Takeuchi's response:

> DEAR MR. SMART: I am writing this letter in response to your letter of April 21, 1987 which you handed me at our meeting in Tokyo on April 24.
>
> I have expressed our policy on foreign participation in the Kansai International Airport project in the past. I also explained my statement of April 24, 1986, "Participation of foreign companies in the Kansai International Airport project," which was in line with what has been expressed on various occasions, in our meeting on April 24. I, therefore, hope you fully understand our policy. However, I would like to reiterate our point of view in response to the "proposed changes to the Japanese bid and tender system" in your letter, in the attached.
>
> It would be appreciated if you could pass our policy on to the people concerned in your department.
>
> Sincerely,
>
> YOSHIO TAKEUCHI,
> *President.*

Mr. President, I do not know if you understood what the Japanese policy as expressed in that letter was, but I have read it time and time again and I certainly do not.

The airport company's response is extremely disappointing and prompted the following reply from Under Secretary Smart:

> Our intention was to indicate how the current system could be made more transparent and less discriminatory, in keeping with the Prime Minister's commitment. The choice of specific measures is clearly yours, but your unwillingness to consider adopting any of our proposals is not helpful.

It is clear that we are at an impasse, and if we are going to see progress, we must use the leverage that we have, and that leverage is the open market of the United States. The amendment we are proposing is intended to do just that. It calls for the administration to begin a formal investigation under section 302 of the Trade Act into barriers to United States participation in the Japanese market for design engineering, construction, and architecture services.

Section 302 calls for USTR to review allegations of an unfair trade practice and recommend to the President what action, if any, should be taken to exercise his authority under section 301.

If a 302 investigation results in a decision to pursue a 301 case, current law establishes a 1-year timetable for consultations with Japan for removal of the barriers. At the end of 1 year, USTR would review success of the negotiations and make a recommendation to the President whether retaliation is in order.

This amendment does not limit the President's discretion. It is intended to establish a timetable for negotiations, putting pressure on Japan to take meaningful action to open up the project.

The airport company is now soliciting bids for phase-2 of the project. Companies similar to KIAC are being formed by the Japanese Government to oversee other major projects. Timing is critical. Without the threat of possible retaliation, Japan will continue to stall and our only chance of participating in Kansai will be in the ribbon cutting ceremony.

We have worked closely with the administration over the past 18 months in our negotiations with Japan. And I am convinced, Mr. President, that Prime Minister Nakasone and Japanese Embassy in Washington have attempted in every regard to be responsive to our concerns. But, Mr. President, we just have had no favorable encouragement from the Kansai International Airport Co., the Japanese construction industry, of the Ministries responsible for implementing the Prime Minister's commitment. We can only conclude that American participation is not welcome in this project.

Kansai, I believe, Mr. President, is a test case for opening up future multibillion dollar projects to foreign competition. I might add that a significant part of Prime Minister Nakasone's package to stimulate Japan's economy consists of public works projects. I have already identified that that figure is in excess of $60 billion. If these projects are to have an impact in reducing our trade deficit with Japan United States firms must be given a fair chance to participate in those projects. This provision was included in H.R. 3 and is strongly supported by the Associated General Contractors and the National Constructors Association. These organizations represents a significant portion of the U.S. construction industry. I urge my colleagues to support this amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD the article from the Far Eastern Economic Review and letter from the president of the Kansai International Airport Co., Mr. Yoshio Takeuchi.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE TIGHTEST OF CLOSED SHOPS STILL PROSPERS . . .

(By Bruce Roscoe)

Japan's gangster-infested construction industry some 10% of the nation's workforce, takes an annual investment of around 20% of GNP—and is the closed shop which probably will be the last to accept foreign competition on home turf, despite the billions of dollars-worth of overseas projects awarded each year to Japanese construction companies.

Japanese construction companies do not compete with each other for work—they collude and conspire, in closed off rooms in restaurants where a prime contractor parcels out pieces of a project to general contractors in return for cash and gifts before the ground-breaking ceremonies commence.

General contractors then reserve rooms at lesser restaurants. Their guests are subcontractors, who must produce enough cash to be certain of winning a piece of the smaller pie. In English, this is called "bid-rigging", in Japanese, *dango*. The difference is that in Japan, nobody apologises for it.

This is the system which Japan's construction majors in general, and the managers of the airport company for the new Osaka international airport in particular, claim foreign governments and construction companies "do not understand." In fact, they understood it so well, it was scrapped decades ago in favour of a system of tendering which recognised competitive advantage and guaranteed cost control.

Overseas, big Japanese construction companies have been able to short-circuit tendering in many cases and re-introduce their own dango-dinner procedure, by financing an entire project, or by buying the job.

At home, the system ensures that most of the nation's 520,000 contractors will usually have some work. Were bidding introduced tomorrow, the industry would be in the throes of a colossal shakeout, creating a wave of mergers and acquisitions, and forcing many tiny operators into bankruptcy.

Police estimate that as many as 1,000 construction firms are under the control, or at least indirect influence, of gangster syndicates; and official police figures show that nearly 50% of all corruption cases—mainly bribery—implicating national and local government officials are tied to the construction industry.

No international trade forums or procedures deal with construction—unlike trade in manufactured or other products, which can be addressed by Gatt. So foreign construction companies wanting to participate in Japanese projects must rely on their governments to negotiate bilateral deals.

The U.S. is attemptiong to persuade the new Osaka airport company to accept U.S. contractors' bids for some of the ¥1 trillion (U.S. $6 billion) project, but has no success of note. But before foreign companies can participate, they must be licensed in Japan, and, after a wait of some years after application, only two (both U.S.) contractors have received licenses. Once licensed, foreign contractors in any event could not operate without the cooperation of local subcontractors, and it would be reasonable to expect that internal industry pressure would thwart such cooperation.

The Osaka airport project is important not just for its size. Major American contractors have much more experience than their Japanese counterparts in building airports on the scale of that proposed for Osaka. Moreover, their services and equipment of U.S. $1: ¥140 are bound to be more competitive than local costs.

If the Osaka project as a test case fails in opening up multi-billion-dollar projects to outside competition, foreign companies stand to miss out on even bigger projects. Ten times the value of this airport is a string of 11 projects proposed for Tokyo Bay redevelopment. Some of these may not get off the ground, but the dire shortage of Tokyo office space will probably assure that most do.

Land is coming available from sales by the former Japan National Railways and landfill projects in the bay. Officially under way from 1 April, the projects are sanctioned by the construction minister and mayor of Tokyo, and won political approval for their prospect of giving a big boost to domestic demand.

The demand for office space alone may make most of the projects self-financing, as commercial tenants will book in advance and pay several months—if not years—rent to secure space. This money can finance most and in some cases all of the construction costs, just as a new department store finances itself by demanding up-front money from the many private stores which will do business under the retail umbrella of a major department store's name.

The 121 projects, as documented by a Jardine Fleming (Securities) report, are:

Tokyo Station: A 40-story building over 60,000 m², which would become Japan's biggest, is planned to replace the present station, and a number of buildings on the west side of the station are to be redeveloped.

Shidome Freight Yard: 200,000 m² of land near Ginza, to be used for office and other property development.

Kinshicho station area: Also a freight yard, the 44,000 m² site is now being coverted into shopping and office blocks.

Ebisu Station area: Office tower-blocks are to be built on a 106,000-m² area, to be vacated by Sapporo Beer.

No. 13 Polder Teleport: Office and cultural buildings and a satellite earth station are to go up on a 983,000-m² plot of reclaimed land.

River City 21: Five 40-story residential tower blocks planned along with various office complexes.

Shibaura Wharf: Three wharves are to be scrapped, and more land reclaimed to provide space for office buildings.

Harumi Island: The island may be extended by 200 m, and some warehouse owners and industrial operators may relocate their facilities to provide space for office buildings.

Toyosu Island: A planned island of 1.9 million m², probably for office space, and the biggest of the redevelopment projects.

Haneda Airport: The airport is being moved to a newly reclaimed site, vacating a 20 million-m² site for a park, and office and possibly housing complexes.

KANSAI INTERNATIONAL
AIRPORT COMPANY LTD.,
Osaka, Japan, June 5, 1987.
MR. BRUCE SMART,
The Under Secretary for International Trade, U.S. Department of Commerce, Washington, DC.

DEAR MR. SMART: I am writing this letter in response to your letter of April 21, 1987 which you handed me at our meeting in Tokyo on April 24.

I have expressed our policy on foreign participation in the Kansai International Airport project in the past. I also explained by statement of April 24, 1987, "Participation of Foreign Companies in the Kansai International Airport Project", which was in line with what has been expressed on various occasions, in our meeting on April 24. I, therefore, hope you fully understand our policy. However, I would like to reiterate our point of view, in response to the "proposed changes to the Japanese bid and tender system" in your letter, in the attached.

It would be appreciated if you could pass our policy on to the people concerned in your department.

Yours sincerely,

YOSHIO TAKEUCHI,
President.

Mr. DECONCINI. Mr. President, first of all, I applaud Chairman BENTSEN and Senator DANFORTH for their hard work on this bill. They have the diligent efforts of the distinguished majority leader assisting them. I would also like to commend my colleague, Senator MURKOWSKI, for initiating this amendment. This would direct the U.S. Trade Representative to begin a section 302 investigation against barriers to United States participation in Japanese construction, engineering, and architecture markets. I am proud to join him in introducing this legislation because it is crucial toward curtailing a $165 billion U.S. trade deficit and loss of American jobs. This amendment directly addresses blatantly unfair trade barriers prohibiting United States industry from even competing with the Japanese.

My colleagues, as they have articulately stated today and over the past year, have various reasons for supporting a trade bill. One reason might be to give the President more authority to negotiate trade agreements. Another reason might be to increase the U.S. ability to export more effectively. Others might want to support the GATT. One of my basic contentions is that flagrant business practices and significant barriers prohibit the United States from even entering the trade game. This amendment addresses unfair trade.

This amendment would call for the administration to begin formal investigation under section 302 of the Trade Act. This section calls for the U.S. Trade Representative to review allegations of an unfair trade practice and recommend what action the President should pursue to exercise his proper authority under section 301.

If the 302 investigation results in a decision to pursue 301, current law would allow 1 year for consultations with Japan to remove these barriers. If at the end of these negotiations the Japanese still do not allow competition, the United States Trade Representative would recommend what appropriate action the President should initiate. This simply applies leverage on the Japanese to remove unfair practices by way of a strict timetable. It does not limit Presidential discretion.

Mr. President, let me give you an example of the Japanese abuse of American trading rights and why this amendment is needed.

The Japanese are currently building a state-of-the-art airport facility on a manmade island. This is called Kansai International Airport and is projected to cost almost $7 billion. By mid-1986, U.S. trade policymakers projected that U.S. companies were able to in connection with the Kansai project. U.S. construction companies say they have been trying to participate in the Kansai project for 5 years. Five years and $1.4 million in contracts out of $7 billion—this seems blatantly unfair. It would seem fair to ask, "How do the Japanese do in the United States market?"

Kumagai Gumi Co., for example, jumped past the top three Japanese construction companies on the strength of overseas contracts. Of their total business, 43 percent was from projects in the United States, Australia, and Great Britain. Included in this was $574 million in U.S. work; of this amount, $336 million was for the construction and renovation of luxury hotels in Hawaii, and $193 million for the construction of three high-rise buildings in Manhattan. This one company acquires over $574 million in development contracts and all United States companies are restricted to $1.4 million out of $7 billion in Japan. Meanwhile, the Japanese are also participating in public works projects in Los Angeles, building skyscrapers in Seattle, and erecting apartments in New York.

Mr. President, the truly outrageous part of this discrimination against U.S. construction firms is that it has only just begun. The Kansai Airport project is just one of perhaps a dozen huge Japanese public works projects scheduled for completion by the turn of the century. Let me list a few more: Expansion of four other airports—$10 billion; a bridge and tunnel project across Tokyo Bay—$7 billion; an expansion of Yokohama projects—$11 billion; and railway, port, and bridge projects—$25 billion. This totals $61 billion, including the Kansai Airport project. There are construction companies in Arizona as well as 49 other States that would be happy to compete for these projects.

An impartial and open-minded board of judges hearing these trade figures would probably conclude that Japan has enjoyed general access to United States markets long enough without granting equal access for American goods and service. If Japan would remove trade barriers, United States products and services such as rice, beets, oranges, and construction services would compete in the Japanese markets.

Markets which are open to American goods can help reduce the trade imbalance in America's foreign trade deficit. This will not be accomplished with a trade war or by opening up only the Japanese market. The Japanese are not the only violators. The Koreans and Taiwanese are also beginning to compete in the United States for construction projects, yet close their markets. This will remain as a flash point in bilateral relations with the Japanese and other trading partners. Moreover, added efficiency, competitiveness, and hard work are essential for Americans to compete. The United States is finding itself in a quickly changing world economy with a host of strong partners.

The United States will do well in competition with anybody, but it must be open and fair competition. So far, the Japanese are not willing to let this take place. This amendment helps Americans get a fair shake at Japanese markets.

Mr. MURKOWSKI. Mr. President, I believe that this has been cleared with Senator BENTSEN and the minority manager.

Mr. BENTSEN. Will the Senator yield?

Mr. MURKOWSKI. I am pleased to yield.

Mr. BENTSEN. Mr. President, I congratulate the distinguished Senator from Alaska for the work he has done on this. I support his amendment, and the ranking member on the committee, the distinguished Senator from Oregon, Senator PACKWOOD, supports it.

In effect, American firms have been shut out of participation on that contract and what little has been given has been given in a very minimal way and in a grudging manner. Unfortunately, that scenario is much too typical of what we have seen by the Japanese in Japan as far as American engineering firms operating there. Although Japanese firms operate freely in this country, the American firms do not have that kind of freedom to operate there.

This amendment only requires that the United States Trade Representative conduct an investigation of Japanese barriers to United States participation in Japanese construction projects. It compels no retaliation unless action is justified by the results of the investigation.

Mr. President, I think the Senate should support the amendment. It has been cleared by both the majority and the minority ranking member.

Mr. DANFORTH. Mr. President, this has been cleared with the minority. It is a step forward on a very important subject. Senator MURKOWSKI, for a long time, has taken the lead in the Senate in addressing this most obvious case of an unfair practice by Japan. I compliment the Senator from Alaska for his leadership and reiterate that this is acceptable to the minority.

Mr. MURKOWSKI. Mr. President, I thank Senator BENTSEN and Senator DANFORTH for those remarks.

Before I ask for the adoption of the amendment, again, I want to reiterate the cooperation that we have had from the Japanese Embassy here in Washington and the assurances that we have had from Prime Minister Nakasone and members of his Cabinet. But, unfortunately, we have just not received any consideration on this project. We feel that this is a responsible procedure to initiate our intentions with regard to simply the matter of fair play in our markets, as evidenced by the 2 billion dollars' worth of construction being done in the United States today by Japanese contractors, which is a point of fact, and we have virtually zero to show for our participation in construction in Japan. In fact, it has been limited to two storefronts of Mrs. Field's Cookies. So that gives you some idea of the ability to penetrate Japanese construction markets.

Mr. President, I move the adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 320) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ADAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 321

(Purpose: To Expand The Coverage Of The Countervailing Duty Law With Respect To International Consortia)

Mr. ADAMS. Mr. President, I send an amendment to the desk on behalf of myself and Mr. DANFORTH and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS], for himself and Mr. DANFORTH proposes an amendment numbered 321.

Mr. ADAMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 234, after line 11, add the following new section:

"SEC. 338. EXPANDED COVERAGE OF INTERNATIONAL CONSORTIA UNDER THE COUNTERVAILING DUTY LAW.

"Paragraph (a) of section 701 of the Tariff Act of 1930 (19 U.S.C. 1671) is amended by adding at the end thereof the following new clause: 'For purposes of this subtitle, if the members (or other participating entities) of an international consortium that is engaged in the production of a class or kind of merchandise subject to a countervailing duty investigation receive subsidies from their respective home countries to assist, permit, or otherwise enable their participation in that consortium through production or manufacturing operations in their respective home countries, then the administering authority shall cumulate all such subsidies, as well as subsidies provided directly to the international consortium, in determining any countervailing duty upon such merchandise.' "

Mr. ADAMS. Mr. President, this amendment is intended to clarify existing law with regard to the application of countervailing duty law to cases involving international consortium. Current law does not expressly address the question of whether the Department of Commerce, as the administering authority of the countervailing duty law, may investigate the provisions of subsidies by more than one foreign government on behalf of an international consortium whose end product is the subject of a countervailing duty petition.

The amendment gives the Department of Commerce the explicit authority to investigate subsidies provided at each stage of the production process by all participating countries in an international consortium, and to cumulate the amounts of subsidies from all such countries in determining the countervailing duty appliable to the end product under investigation.

This amendment is designed to make sure that we do not let slip through the cracks an unfair trade practice which is becoming increasingly significant in international trade. In Washington State, we know first hand how significant it can be when an international consortium, like Airbus, is permitted to continue to benefit from subsidies from several foreign governments. To our State, perpetuation of such an unfair trade practice means lost markets and lost jobs. To counteract the growth of cases in which foreign governments seek to cooperatively provide subsidized assistance to international production and marketing ventures both within and beyond traditional customs union frameworks, the countervailing duty remedy should be explicitly available to U.S. industries confronted by such multicountry subsidization.

It is my understanding that the administration does not object to the substance of this amendment.

Mr. President, this amendment is offered on behalf of myself and Senator DANFORTH. We have discussed it at length with the staff and I have discussed it with Senator BENTSEN and it has been cleared on both sides of the aisle. As I said, the administration is not in opposition to it. The administration has indicated that it is all right with them.

The amendment is simply to clarify the law as it presently exists in the Department of Commerce in dealing with international consortia.

Mr. President, this amendment simply states that the Department of Commerce, in considering international consortia for countervailing duty purposes under the existing law, is entitled to combine the various nations. This is a new and sophisticated tactic that has been used, particularly in the airline industry, by a number of countries to add their duties and yet not have them counted.

I want to thank Senator DANFORTH for his assistance and help with this. As I say, it has been cleared on both sides.

Mr. President, I ask the chairman, Senator BENTSEN, if we might proceed with this now. I am prepared to vote at any time.

(Mr. DIXON assumed the chair.)

Mr. BENTSEN. Mr. President, I support this amendment. I congratulate the distinguished Senator from Washington and the distinguished Senator from Missouri for their coauthorship and their work on this amendment.

But I think it would be a timely point to make this concern stated: that when you are dealing with antidumping and countervailing duty laws, you are dealing with a very complex set of laws, not unlike our tax laws. And when you do that, I think it is important that we give full consideration to be sure that we are not violating some GATT law.

So in the Finance Committee markup, the committee worked hard to confine its amendments to those laws to provisions that had a consensus support and that we were certain did not do violence to the law as a whole or to the GATT. Special attention was given to amendments that would improve and strengthen the law by giving the Government the tools to prevent circumvention of dumping and countervailing duty relief.

The committee worked very closely with the administration in that effort. I think the full Senate ought to take the same kind of approach when we are amending these laws. So, in preparing for floor action on S. 490, we have encouraged sponsors of potential amendments to work out any differences they can with other Members, or with the administration. When those differences have been resolved and we are sure that the amendment is consistent with the GATT and enjoys broad support on both sides of the aisle, then and only then the Senate ought to give its approval.

I am pleased to say that Senator ADAMS' amendment and Senator DANFORTH'S amendment meets that kind of a test. It has been discussed with the administration and others who might be interested. I know of no opposition to it. It is a useful clarification of the law and I strongly support its adoption.

Mr. ADAMS. I thank the chairman very much for his comments.

Mr. DANFORTH. The Senator's amendment is acceptable on this side. There is no opposition to it.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 321) was agreed to.

Mr. ADAMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS FOR 15 MINUTES

Mr. BYRD. Mr. President, the distinguished Senator from Pennsylvania [Mr. SPECTER] is preparing an amendment and will probably be ready to call it up, I understand, within 15 minutes. Rather than proceeding further in a quorum call, I ask unanimous consent that the Senate stand in recess for 15 minutes.

There being no objection, the Senate, at 7:16 p.m., recessed until 7:31 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. DIXON).

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I am pleased to speak in support of the Finance Committee portions of the trade bill. I do not agree with all its provisions, but I must say this bill has much in it that is very good. It contains a number of important improvements in the trade laws, especially those pertaining to our response to unfair trading practices of our trading partners.

In drafting this legislation in the Finance Committee, we made a sincere effort to respect the rules of the General Agreement on Tariffs and Trade. In other words, GATT. We will hear the term GATT bandied about here. General Agreement on Tariffs and Trade. That is an international trading agreement, and we support an international trading system. In our zeal to get tough with some folks we feel have not been playing by the rules, we certainly cannot ignore the rule ourselves. Thus in crafting this trade bill, we had to walk this narrow line between getting tough with those trading partners we feel have been offensive and yet at the same time sticking to the GATT. Senator BENTSEN, chairman of the Finance Committee, deserves a lot of credit for developing the compromises that are embodied in the legislation.

Now, what are the good features of this bill? First, the bill extends the authority of the President to negotiate trade agreements until January 3, 1994—6 years. This is the so-called fast-track procedure. What it means is that the current fast-track procedure for approving trade agreements, which is absolutely necessary to give our representatives at the trade negotiations any credibility, has been preserved and extended for 6 more years. There are procedures for revoking this so-called fast track.

What is fast track? Fast track means that when a multinational agreement has been reached in trade, and it comes to the floor, it moves on a fast track with certain limitations on the days of debate and no amendments. You can vote the bill up or you can vote it down, but it cannot be a Christmas tree to which you tack on protection for shoes or outboard motors or steel or jewelry or anything else. The only way we can ever get a trade agreement, a multinational trade agreement through this Senate, through this Congress is on the fast-track procedure. And our negotiating partners at an international conference know that. They are not going to deal with us unless we have the fast-track procedure embodied in the legislation. When they go to those negotiations they will make concessions, but they are not going to make a concession unless they know that when it comes to the Congress of the United States it is up or down—not somebody saying, "Well, they gave on shoes. Now we will make them give some more on shoes; we will put in a tougher provision."

None of that is permitted under the fast-track provision. One of the key points of this legislation is that it extends the fast-track procedure for 6 years.

There are procedures for revoking it if the President does not consult with the Congress. The primary gripe of Senators in the Finance Committee, and I think all Senators, is that the administration will not come and talk with us; not just this administration, any administration. They have got to meet with us on a regular schedule, and if they do not, we have the power to revoke the fast track. I hope that will not occur.

Now, the list of trade negotiating objectives has been expanded in this legislation. Amongst those that are included is a provision I have been advocating and that is to eliminate foreign barriers which deny equal access by U.S. persons to foreign-developed technology.

That is a long sentence. What does it mean? The objective of this is designed to ensure that U.S. corporations, U.S. individuals, have the same degree of access to basic research and development and technology in other nations as individuals in those nations have to U.S. technology. Other nations—notably Japan—have derived much of their competitive strength through the commercial application of technology which has been derived from our country. Technology transfer, like trade, should be reciprocal and mutually beneficial. If they can come over and work in our labs, we have got to be able to work in their national labs.

Now, there is another provision which reinforces this notion of reciprocity, the portion of the bill dealing with telecommunications. In the last Congress, I introduced legislation which said if Japan—it is pointed at Japan—continues to refuse to let our telecommunications companies sell their products in Japan, then we should not let them sell over here.

This approach has been expanded in the bill before us so it includes any country, not just Japan. Any country which unfairly limits the access of our telecommunications companies to sell over there is going to be denied access in the United States. This is the way it works. The President has 3 years to negotiate bilateral or multilateral agreements to open trade in telecommunications. He gets together with West Germany, Japan, Korea, Taiwan, whoever it might be. He can negotiate with them.

If they want to sell in the United States, the agreement has to be we have got to be able to sell there. Who can argue with that? It is straightforward and it is fair.

This bill also strengthens the section of our laws dealing with unfair trade, so-called section 301. We will hear that term a lot. Probably the terms we will hear most in this debate will be section 301 and section 201. Those are sections of the trade bill. Section 301 deals with unfair trading practices by other countries.

This bill expands the list of actionable unfair trading practices under section 301 and makes the response of our President mandatory in some instances. We tried to follow the judicious advice of former USTR Robert Strauss, who said Presidential action should be a "mandatory but not compulsory."

Now, if you can work your way around that one, you are skillful—mandatory but not compulsory. We will have mandatory action under 301, in cases of violations of trade agreements but only after we have at least attempted to use the internationl trading system procedures as set forth in GATT, the General Agreement on Tariffs and Trade.

I was especially pleased to see "targeting" added to the list of unfair trade practices. It is important to do this, because foreign industrial targeting practices can have an extremely injurious impact on American manufacturers.

What is targeting? It is where a foreign government seeks to develop a particular industry's export capabilities by providing a competitive advantage for that industry in the homeland until it gets strength enough to go out and compete.

Example: Japan wants to get into the machine tool industry. What do they do? They protect their domestic machine tool market. Others cannot come in and sell. They give it subsidies that build it up, and pretty soon that industry is ready to go out and compete in the world. They have the whole domestic market, they are strong, and out they go. This actually happened in the machine tool business by targeting. They came into the United States and picked off our machine tool companies. It is now labeled an unfair trading practice.

This bill contains a special section on protection of intellectual property rights, which I introduced as a separate bill in the last Congress. What are they? Books, phonograph records, or tapes. They are formulas for prescription drugs or anything in the realm of ideas, which in our Nation we protect. We protect them through copyrights, patents, or trademarks. The protection of intellectual property is vital to the competitiveness of our Nation. Foreign barriers on investment or licensing and the like seriously impede the ability of our firms to operate overseas which rely on intellectual property protection.

Under this bill, the Secretary of Commerce is required to designate a foreign commercial officer in the foreign country. We will have one in our various embassies. He is to monitor and report on the status of intellectual property protection in that country.

For example, some of the greatest abuses have come from Taiwan. Taiwan will take a copyrighted book from our Nation and reprint it. They cannot sell it here because we have protection. They will sell it in Ceylon, Indonesia, or China. They do that with musical tapes, for example.

We will have a system of monitoring as to whether they have implemented some intellectual property protection and inform our companies over here, to find out whether they are going to be protected, if they go into that part of the world.

The purpose of this bill is jobs. I and others who support enlarging the world trading system believe very strongly that from increased international trade come more jobs—more jobs for Americans and more jobs elsewhere. If there are more jobs elsewhere, that means they have the capacity and the finances to buy our goods, if we are competitive.

I believe that we must support an open and free trading system, but we also have to support our workers at home. This bill makes certain that if a worker in this country loses his or her job because of imports, we will help them, help retrain them. We will train them for the job that exist in this Nation. Because of this retraining provision, I believe it will have an amelioration of the pain and suffering that come when imports take away a person's job.

Also, a side effect will be to lessen the pressure to keep dying, noncompetitive industries alive in our country by throwing up protective barriers around them.

In summary, there are some very good provisions in this bill which will enhance our competitiveness and improve the fairness and effectiveness of the international trading system.

Now, a word of caution: This bill—indeed, any responsible trade bill—cannot solve the trade deficit. If anybody thinks it is three cheers, pass this bill, and everything is going to be hunky-dory, not on your life.

In the beginning of this year, in preparation for this bill, we held hearings. We had 92 witnesses in 16 days. The most interesting message that came from the witnesses was that our current trade deficit is the result of a multitude of factors and that passing a trade bill is not going to make the trade deficit disappear. The most significant factor causing the trade deficit is the Federal budget deficit. That is items 1 through 12, and everything comes after it in importance.

There are other things. We talked about the value of the dollar. Now, fortunately, it is coming down.

The Third World debt crisis is important.

Each of these other factors affect it far more than any remedies we were able to put into this bill. As an indication, we have not passed a trade bill. I think we had our first hearing on this bill sometime in February. We have been talking about it, but the trade deficit, as many speakers have pointed out, is coming down. Is it coming down because there are wonderful things in this bill? No; it is coming down because the value of the dollar has come down, and it has made us more competitive. Plus, we have increased the productivity of this Nation in a host of ways.

Our trade deficit is beginning to improve. The trade is going to help. It is going to make a difference, not a total difference, but it will help.

What can we do to address the unfair trading practices of our trading partners, practices which keep our domestic industries from being able to compete abroad? What should we do to identify those barriers? We will do that in this bill. We do that by the changes in section 301 which I talked about earlier.

If we eliminate all those unfair trading practices, it might reduce the trade deficit by—let us take the high figure—$20 billion. Our trade deficit last year was over $160 billion. So there is still a long way to go.

I believe we have to continue to allow the President of the United States some flexibility in negotiating solutions to our trade problems. We have important trading relations with a number of nations, and we do not always approve of their political and social policies. Commerce between nations is one way of assuring that even if we have our differences, we can peacefully coexist. We cannot mandate that they be exactly like us. This bill attempts it in some areas, and I think it is unfortunate.

There is a lot of talk about raising the status of trade policy and discussions to the highest level of the administration. There are some features—not in the Finance Committee section, but other portions of the bill—which will try to change the administrative setup on that. I believe that the USTR needs to have an equal voice with other Cabinet officers, but we have to remember that the President is the key man, and I hope you will always take trade into consideration—not just for this President, but for whoever succeeds him. Trade has taken a new status with this administration, and I hope that is continued.

I am supporting this bill, and I do not want to dwell at length on the problems we face with it, some of the bad features, but I will mention a couple.

First, I am opposed to the section giving the President the power to impose oil import fees in the name of national security. I intend to join others in moving to strike this provision at the appropriate time.

Second, I think we must reinstate the ability of the President to take national economic interests into consideration when he is deciding to grant import relief. That is a long sentence, but part of this bill deals with what to do when imports come into this country and hurt a domestic industry. These are occasions when the exporter to our Nation, the foreign country, does not have any unfair trade practice. Nobody is suggesting that. But the goods are coming in; and the way this bill is written in another section, 201, which you will hear a lot about, it say that is the International Trading Commission, which is made up of Americans, five of them—it is not an international group—if they decide that some relief should be granted to the shoe industry or the machine tool industry or the steel industry, the President has to abide by the recommendations of that group.

They decide the shoe industry has been hurt, and therefore the President has to impose a 50-percent tariff.

Under this bill as written the President has no choice. He has to impose it. His only escape hatch is in the name of national security. In the name of national security he cannot say you should not have a tariff on shoes.

So, that Mr. President, in my judgment is a bad provision.

Previously, the President could make up his own mind. The recommendation came to him and the President could say, "Well, I have this recommendation. I will accept half of it or I will have a quarter or it, or I will not accept any of it."

I believe strongly that on those occasions the President in the name of national economic interests should be able to make a decision that, "Look, if you put a 50-percent tariff on shoes, it is destructive to the ordinary consumer in this country and that tariff should not go on; therefore, I am not going to put it on in the name of national economic interest."

So I hope we can change that. We will make an attempt to do so.

Mr. President, I look forward to further debate on this bill and to the eventual passage of a responsible and constructive trade bill.

I thank the Chair.

EXECUTIVE CALENDAR

Mr. BYRD. Mr. President, I have nominations that are cleared. I ask the distinguished acting Republican leader if the following calendar order numbers are cleared on his side of the aisle on the Executive Calendar. Calendar Order Nos. 227, 229, and 231.

Mr. PACKWOOD. That is correct.

Mr. SPECTER. Mr. President, will the distinguished majority leader yield?

Mr. BYRD. Yes, Mr. President; I yield for a question.

Mr. SPECTER. Mr. President, I had discussed the matter with Senator LEAHY as to the inclusion of Calendar

No. 219, Robert F. Kelly, of Pennsylvania, and was informed that it had been cleared on the Democratic side of the aisle for confirmation this evening.

Mr. BYRD. Does the Senator want the Senate to act on that nomination today?

Mr. SPECTER. I would be very appreciative if the Senate would do so.

Mr. BYRD. Mr. President, I include that number.

EXECUTIVE SESSION

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the following nominations on the Executive Calendar: Calendar No. 219, Calendar No. 227, Calendar No. 231.

There being no objection, the Senate proceeded to the consideration of executive business.

Mr. BYRD. Mr. President, I ask unanimous consent that those nominations be considered en bloc, adopted en bloc, the motion to reconsider en bloc be laid on the table and that the President be notified of the confirmation of the nominees and that any statements which Senators wish to be included be so included and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

Robert F. Kelly, of Pennsylvania, to be United States District Judge for the Eastern District of Pennsylvania.

NATIONAL CREDIT UNION ADMINISTRATION

Roger William Jepsen, of Iowa, to be a Member of the National Credit Union Administration Board for the term of six years expiring August 2, 1993. (Reappointment)

FEDERAL HOME LOAN BANK BOARD

M. Danny Wall, of Virginia, to be a Member of the Federal Home Loan Bank Board for the term of four years expiring June 30, 1991.

IN THE MARINE CORPS

The following named officer for appointment as Commandant of the Marine Corps under Title 10, United States Code, Section 5043:

To be commandant of the Marine Corps

Lt. Gen. Alfred M. Gray, Jr., 146-16-0054, United States Marine Corps.

IN SUPPORT OF THE NOMINATION OF M. DANNY WALL TO BE CHAIRMAN OF THE FEDERAL HOME LOAN BANK BOARD

Mr. MATSUNAGA. Mr. President, I rise today in strong support of the nomination of M. Danny Wall to be the Chairman of the Federal Home Loan Bank Board.

Mr. President, Danny Wall is well known to members of the U.S. Senate due to his service as the Republican staff director of the Senate Committee on Banking, Housing, and Urban Affairs. Mr. Wall's service to the U.S. Senate has been marked by a high degree of professionalism and bipartisanship. His technical expertise in the financial services field has been an invaluable resource for all Members of the U.S. Congress.

As a Senator from the State of Hawaii, it has been my good fortune to work with Danny Wall in resolving a number of banking and financial services issues which were of particular concern to Hawaii. Specifically, Danny Wall was instrumental in resolving a problem with the application of the Federal Reserve Board requirements to nonmember banks in Hawaii as well as the application of the nonbank bank rules to Hawaii industrial loan companies.

Mr. President, the Federal Home Loan Bank Board is vested with critical financial responsibilities which demand strong leadership. In addition to supervising and regulating savings institutions in the United States, the Federal Home Loan Bank Board operates the Federal Savings and Loan Insurance Corporation [FSLIC] and directs the Federal Home Loan Bank System. In order to meet these responsibilities, the Chairman of the FHLBB must possess a deep knowledge of the legislative process, strong management skills, and perhaps most critically an understanding of the problems of the thrift industry in this country. I am confident that Danny Wall possesses these important characteristics. I believe that Danny Wall, if confirmed by the U.S. Senate, will discharge these responsibilities with the same degree of professionalism that has distinguished his service to the U.S. Senate.

Mr. President, President Reagan is to be commended for submitting this excellent nomination to the U.S. Senate for its consideration. I urge my colleagues to confirm this nomination of M. Danny Wall to be Chairman of the Federal Home Loan Bank Board.

Mr. GARN. Mr. President, today the Senate is considering the nomination of Mr. M. Danny Wall to be Chairman of the Federal Home Loan Bank Board.

As I said in the confirmation hearing a little over a week ago, that fact prompts mixed emotions for me. I am delighted that Dan Wall has been selected to assume this important and responsible position. His selection is just what the Bank Board needs at this time in its history; the knowledge, experience, and ability he brings to that assignment will very quickly restore confidence in the Board and enable it to better fulfill its important functions and provide the needed assistance to a very dynamic, evolving and critical element of the Nation's financial services systems.

My colleagues on the Banking, Housing, and Urban Affairs Committee, where Dan has served, in one capacity or another since joining me in Washington some 13 years ago, have all recognized his abilities and unanimously joined in their positive recommendation of his confirmation. There are former members of that committee and of this body who wish they could vote one more time in order to add their own voice to those praising this nomination. Rarely, Mr. President, is there such uniformly positive praise for the qualities of an individual nominated for such a crucial and visible position.

Mr. President, I am indeed very proud to have had a man of Dan's caliber be associated with me and to have been my "Right Hand" for Banking Committee issues during my entire service in this body, and especially during the 6 years I served as chairman of the Banking Committee.

My association with Dan Wall, and his capable and lovely wife, Alvina, and their two children, Daniel and Leigh, predates even our service together in the Senate. When I was mayor of Salt Lake City, Dan was the director of the Salt Lake Redevelopment Agency. It was there that I came to know of his extraordinary abilities, and it was on the basis of that experience, and that relationship, that I knew, the moment I was elected to the Senate in 1974, that Dan Wall was one of those I wanted to eagerly pursue as a senior member of my Senate staff.

Over the years, I have grown personally close to Dan and his family, beyond the very satisfying professional relationship. We have become good and fast friends, and have shared many experiences together, in good times and in bad. So I am pleased, from a very personal point of view, to see Dan have this opportunity to pursue yet another phase of his already distinguished career of public service, and to be given the recognition of his previous accomplishments as reflected by this nomination.

As I indicated, however, my emotions are somewhat mixed. They are mixed because I have come to rely so heavily on Dan Wall's judgment, advice, and help over the years. He has been there to do the groundwork and carry out the vital preliminary discussions and negotiations on the complex issues facing the committee. After so many years of close association, Dan knew what my preferences would be; he knew what my goals would be; he knew what I would be comfortable with accepting in terms of the kinds of compromises necessary to secure passage of legislation—and what I would not be comfortable with. I could rely on him to represent my views accurately and completely, when called upon to do so on my behalf. Having that sort of extension of yourself is one of the things that makes life a great deal easier in the relentless pace of the legislative world. So it is, from what is admittedly a rather selfish point of view, that I am reluctant to see Dan leave. I am proud of him, and happy for him; I am happy for the Bank Board and for the institutions it serves; but I'm a little sad for me.

Fortunately, I have other fine, capable staff members serving the Republicans at the Banking Committee. And I have been blessed with the return of Dr. Lamar Smith, who has previously served on that committee staff for a total of 7 years. Lamar has returned to assume the position of Republican Staff Director, as Dan's successor. So my personal comfort zone has been rescued to a large extent.

But there is no escaping the fact that I will miss the day-to-day contact with Dan, and the benefit of his constant input and advice, and his herculean efforts on behalf of the objectives we established together.

Mr. President, I join a great many of my colleagues in wishing Dan and his family all the best as they embark together on this new adventure. I look forward to continuing my personal relationship with them, and to working with Dan in his new capacity as Chairman of the Federal Home Loan Bank Board.

Mr. BYRD. Mr. President, I yield the floor.

ONMIBUS TRADE AND COMPETITIVENESS ACT OF 1987

The Senate continued with the consideration of the bill.

The **PRESIDING OFFICER.** The Senator from Pennsylvania.

AMENDMENT NO. 315

(Purpose: To amend the Unfair Competition Act of 1916 and Clayton Act to provide for private enforcement of the Unfair Competition statute in the event of unfair foreign competition, and to amend title 28 of the United States Code to provide for private enforcement of the Customs fraud statute.)

Mr. SPECTER. Mr. President, I call up amendment 315, which is filed at the desk, and ask for its consideration on behalf of myself, Senator HEINZ, Senator LEVIN, Senator DIXON, Senator HOLLINGS, Senator ROCKEFELLER, Senator MURKOWSKI, and Senator COHEN.

The **PRESIDING OFFICER.** If the Senator will suspend momentarily, please, I would inform the Senator that the amendment is being retrieved from the backroom. We will have it here momentarily.

Mr. SPECTER. I can expedite the procedure, Mr. President. I have another copy.

The **PRESIDING OFFICER** (Mr. FOWLER). The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania (Mr. SPECTER) for himself, Mr. HEINZ, Mr. LEVIN, Mr. DIXON, Mr. HOLLINGS, Mr. ROCKEFELLER, Mr. MURKOWSI, and Mr. COHEN, proposes an amendment numbered 315.

Mr. SPECTER. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle A of title III of the bill, add the following:

SEC. ____. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) CLAYTON ACT.—Section 1 of the Clayton Act (15 U.S.C. 12) is amended by inserting "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);" after "nineteen hundred and thirteen;".

(b) ACTION FOR DUMPING VIOLATIONS.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) such article is imported or sold within the United States at a United States price which is less than the foreign market value or constructed value of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673, et seq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section—

"(1) Each of the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(2) If—

"(A) a subsidy is provided to the manufacturer, producer, or exporter of any article, and

"(B) such subsidy is not included in the foreign market value or constructed value of such article (but for this paragraph),

the foreign market value of such article or the constructed value of such article shall be increased by the amount of such subsidy.".

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(c) ACTION FOR SUBSIDIES VIOLATIONS.—Title VIII of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 807. (a) No person shall import or sell within the United States any article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of such article, and

"(2) such importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States, or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) Any interested party whose business or property is injured by reason of an importation or sale in violation of this section, may bring a civil action in the district court of the District of Columbia or in the Court of International Trade against—

"(1) any manufacturer or exporter of such article, or

"(2) any importer of such article into the United States who is related to the manufacturer or exporter of such article.

"(c) In any action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by such defendant of the articles in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of the action, including reasonable attorney's fees.

"(d)(1) The standard of proof in any action filed under this section is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a) in an action brought under subsection (b), or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in such action shall be upon the defendant.

"(e)(1) Whenever, in any action brought under subsection (b), it shall appear to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any district of the United States.

"(2) Any foreign manufacturer, producer, or exporter who sells products, or for whom products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of such manufacturer, producer, or exporter upon whom may be served all lawful process in any action brought under subsection (b) against such manufacturer, producer, or exporter.

"(f)(1) An action may be brought under subsection (b) only if such action is commenced within 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while any administrative proceedings under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671, et seq.) relating to the product that is the subject of the action brought under subsection (b), or any appeal of a final determination in such proceeding, is pending and for one year thereafter.

"(g) If a defendant in any action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by such defendant of articles which are the same as, or similar to, those articles which are alleged in such action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with such order or decree, or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h)(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) The court in any action brought under subsection (b) may—

"(A) examine, in camera, any confidential or privileged material,

"(B) accept depositions, documents, affidavits, or other evidence under seal, and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) Any action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) For purposes of this section, each of the terms 'subsidy' and 'material injury' have the respective meaning given such term by title VII of the Tariff Act of 1930.

"(k) The court shall permit the United States to intervene in any action brought under subsection (b), as a matter of right. The United States shall have all the rights of a party to such action.

"(l) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(d) ACTION FOR CUSTOMS FRAUD.—

(1) Chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 1586. Private enforcement action for customs fraud

"(a) Any interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592) may bring a civil action in the district court of the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, such interested party shall—

"(1) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the articles or products in question, or

"(2) if such injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained, and

"(3) recover the costs of suit, including reasonable attorney's fees.

"(c) For purposes of this section—

"(1) The term 'interested party' means—

"(A) A manufacturer, producer, or wholesaler in the United States of a like or competing product, or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale a like product or a competing product in the United States.

"(2) The term 'like product' means a product which is like, or in the absence of like, most similar in characteristics and uses with products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(3) The term 'competing product' means a product which competes with or is a substitute for products being imported into the United States in violation of section 592(a) of the Tariff Act of 1930.

"(d) The court shall permit the United States to intervene in any action brought under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) Any order by a court under this section is subject to nullification by the President pursuant to the President's authority under section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(2) The table of contents for chapter 95 of title 28, United States Code, is amended by adding at the end thereof the following:

"1586. Private enforcement action for customs fraud.".

(e) ACCORDANCE WITH GATT.—It is the sense of the Congress that the provisions of this section are consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

Mr. SPECTER. Mr. President, this amendment essentially provides for a private right of action to enforce existing substantive rules of law governing trade for this Nation.

This amendment adds no new substantive provision. It gives a private right of action to enforce the law against customs fraud, against dumping, and against subsidy, all of which are currently prohibited under U.S. law.

There are, Mr. President, major procedural deficiencies in existing law at which this amendment is directed. This amendment is not protectionism, and I shall elaborate in detail on that consideration.

Solid precedents exist for such a private right of action, and this amendment as undertaken has had thorough consideration in this body, having antecedents in the 97th, 98th, and 99th Congresses, extensive hearings in the Judiciary Committee, and a hearing in the Finance Committee.

Mr. President, a good place to start with the consideration of this amendment was a statement made by the distinguished chairman of the Finance Committee in his opening remarks on this bill this morning when he said that trade is a handmaiden for other foreign policy considerations.

At the present time there are tens of thousands, if not hundreds of thousands, of jobs lost as a result of unfair foreign trade practices, dumping, subsidy, and customs violations because those laws are not enforced.

The essential consideration has been that the administration, the executive branch, has made a decision not to enforce those laws because it serves colateral foreign policy considerations. When there is subsidy taking jobs from the steel industry, the decision is made by the administration to permit that to happen because it benefits certain of our allies with considerations of foreign policy, mutual defense in NATO, Pacific Rim defense, and there is a consistent pattern demonstrating this to be true.

Mr. President, when rights of business and rights of labor are forfeited for foreign policy considerations it is realistically viewed as the taking of property without payment and it really amounts to confiscation. Where you have a steel company which is supposed to be able to exist without having dumping or subsidies, and you have the steel company lose money, and you have the steel company forced into insolvency under chapter 11 because the Government of the United States made a conscious decision that there are superior foreign policy considerations with Great Britain where the ITC found that Britain subsidized steel at $250 a ton, or where steel is subsidized in Brazil by the International Monetary Fund, that is realistically the taking of property without compensation.

Under our laws, Mr. President, the Government has the right to take property through eminent domain. But the Constitution mandates that no property be taken except with due process of law, and compensation is required.

There are taxes imposed, Mr. President, where property is taken by the Federal Government after an analysis of what is fair and what is just in terms of having corporations and individuals contribute to the Federal Treasury in order to carry out legitimate governmental responsibilities. But that is not the case where trade is concerned, and that is not the case where jobs are concerned, where there is a taking by the Federal Government for collateral foreign policy considerations. And that, Mr. President, I submit is fundamentally unfair and that is precisely what my amendment is designed to deal with.

When you take a look, Mr. President, at the scope of injury to this country, it is overwhelming and I submit that it is appalling. If you take a look at customs fraud, for example, it is rampant in the following industries: Textiles, apparel, computer software, hand tools, sugar, electronics, automotive products, chemicals, petrochemicals, agricultural products, pharmaceutical products.

When you take a look at illegal dumping, you find it is present in the following industries: Steel, chemicals, glass, textiles, electronics, agriculture, rubber, and cement.

When you take a look at foreign subsidies, you find that they are present, injuring American industries, in footwear, steel, textiles, apparel, glass, wool, leather, tires, cement, sugar, iron, and railway cars.

This is a list which accounts for a vast amount of American industry and has resulted in a tremendous loss of jobs.

Mr. President, I am not saying that if you eliminate subsidies and dumping and customs fraud, you are going to solve the trade problem. But I do represent that it is a significant problem in this country today. And I can say that it has caused enormous hardship and enormous pain and suffering in my State, Pennsylvania, and really across the Nation.

But when I go into the Mon Valley or the Beaver Valley around Pittsburgh and see the problems of the unemployed steelworkers, which have been occasioned significantly because of these unfair foreign practices in steel, I say it is unfair and ought to be remedied.

When I go into the northeastern part of my State, in the Wilkes-Barre/Scranton area, and see the large-scale unemployment in the textile and apparel industry caused significantly by these unfair foreign trade practices, I say it is unfair and ought to be remedied.

When I go into the Lehigh Valley and find these practices in the cement industry, again, I say it is unfair and ought to be remedied; or in central Pennsylvania, as I have seen, in the footwear industries, where jobs have been lost because of these unfair trade practices. They ought to be remedied.

This is not a problem indigenous or unique for Pennsylvania. It is a problem which exists throughout the length and breadth of this land and it is time the problem was acted upon. And I say "acted upon" instead of "solved" because there is no absolute solution. But a significant step forward would be taken if the private right of action, which this bill proposes, were to become the law of the land.

Mr. President, as contrasted with the scope of the problem and unfair taking of property for foreign policy considerations, it is important to note that this amendment is not protectionistic; it is not protectionism in any sense of the word. Free trade means the cost of production and a reasonable profit. That is the basic definition of free trade. Free trade does not permit a subsidy. A subsidy occurs and constitutes a violation of the very basic principle of free trade.

If we are to have a free society, a free trade society, and permit whoever can produce it at the lowest cost to the marketplace, that is the essence of the free trade doctrine. But if Great Britain, for example, is to subsidize its steel industry by $250 a ton, then there is not free trade between the British steel industry and the American steel industry. And that is basically unfair.

Where you have dumping, where you have the sale of goods in the United States at a lower cost than they are sold in their home markets, that is not free trade. That is artificial, that is manipulative, and that is not free trade.

Where you have customs frauds, which violate the laws of the United States, where misrepresentations are made, that, again, is not free trade.

So that if the law enforcement on a private right of action is directed, as is my bill, against dumping and subsidies and customs violations, it cannot be said realistically that this is against free trade or that it is protectionistic. It asserts that the existing laws are going to be enforced. And these laws on the books at the present time are entirely consistent with the principles of free trade.

Mr. President, my amendment has been structured to avoid the problem of having a local court perhaps yield to local interests, as might be the case under some circumstances if you are faced with high unemployment and an issue arises as to whether subsidies exists or customs fraud violations exists; this bill provides that these matters will be litigated in the Court of International Trade, New York, or in the U.S. District Court for the District of Columbia.

This is in line with the precedence of the Voting Rights Act, where voting rights violations, alleged voting rights violations, are litigated in the Federal court in Washington, DC. So there can be no claim that a court in a State where the popular sentiment may be against voting rights would be swayed by local opinion.

And, similarly, if there is any instinct to favor a local industry, that would be counterbalanced by the provisions that this amendment provides to have these cases litigated in the District of Columbia or in the Court of International Trade.

Mr. President, this amendment is entirely consistent with the provisions of GATT. Under legal opinions rendered in a hearing when Senator Ribicoff chaired the Subcommittee on Foreign Trade and Finance, and opinions which have been updated, they show that there is no violation of GATT and that this amendment is entirely consistent with the provisions of GATT.

Mr. President, this amendment has been crafted in a way to be sure that there is not protectionism or that there is not a violation of the provisions of GATT.

There are, Mr. President, major procedural deficiencies in existing law which this amendment is designed to correct. One of those deficiencies was highlighted in a Supreme Court decision this past April, when the Supreme Court of the United States refused to review a dumping case and left the provisions of the Anti-Dumping Act of 1916 in virtual shreds.

The Supreme Court, without comment, let stand an appeals court decision that dismissed a battle where there were allegations that the Japanese had violated the 1916 law aimed at protecting domestic sources. The comments were very stark about the decision.

As noted by Alan W. Wolfe, counsel for the Semiconductor Industry Association, he said that the 1916 law only appears to give companies a chance to apply illegal dumping except, as he said, "You can't get there from here because the standard of proof for showing intentional dumping was impossible to meet."

Mr. President, this amendment would change the standard which requires specific intent to injure or destroy a U.S. industry.

The requirement of a specific intent is a standard from the criminal law. That is the high burden of proof which is used to protect defendant's right if there is to be a criminal sanction which follows from a given level of proof. It is unrealistically high for a civil case.

The standards in a civil case are preponderance of the evidence, and the standard is reason to believe that the conduct is illegal. The amendment, which I offer, would bring the standard of proof in antidumping cases into comity with a reasonable approach.

Mr. President, the procedures which exist at the present time under the International Trade Commission are totally inadequate because there are enormous delays and because, after the ITC has rendered decisions in a certain category of cases, they are subject to being overruled by the President.

There is a long list of cases, but I shall take time to cite only a few.

The leather case took 5 years for a decision under section 301. The citrus case took 9 years to get a decision from the President. The case involving machine tools was filed in March 1983 and it was 3 years later, in May 1986, the decision was finally forthcoming.

Those delays, Mr. President, are intolerable. The old provisions, under the trigger price mechanism, led to volumes, wheelbarrows of evidence being filed with the International Trade Commission, getting nowhere, and the current problems still exist. Even after the International Trade Commission renders a decision, there is the opportunity for being overruled by the President, as was the case in the nonrubber footwear incidents; as was the case on the steel issue, where the International Trade Commission had recommended to the President that there ought to be action taken under our trade laws. In September 1984, to the consteration of the steel industry, and I can tell you, the consternation of the steelworkers in my State and the steelworkers across the country, and the steel companies, many of which have since gone into chapter 11 and others are on the verge of going into chapter 11, the President overruled the International Trade Commission, and I submit to you, for matters involving foreign policy.

On that occasion my colleague from Pennsylvania, Senator **Heinz**, and I personally saw virtually every executive officer who touched that issue.

We saw the Secretary of Defense, we saw the Secretary of Labor, we saw the International Trade Representative and we saw the Secretary of State.

The meeting with the Secretary of State is worth a moment or two. I see my colleague from Pennsylvania, Senator **Heinz**, has joined me on the floor and can provide appropriate corroboration. We met Secretary of State Shultz in Dallas in August 1984, at the time of the Republican Convention. We presented our case.

We had a courteous hearing but, obviously, notwithstanding the eloquence of my colleague, and my efforts as well—however they may have been received—it was, really, totally ineffectual because the Secretary of State was obviously concerned about foreign policy considerations. He had matters on his mind which involved his branch and it was apparent that this issue was not going to be resolved, taking into account the legitimate interests of the American steel industry.

We felt that when we walked out of the Secretary of State's suite in the Dallas hotel, and we were not incorrect. A month later the President overruled the ITC, and the steel industry was left to flounder with so many companies being in chapter 11. The President instead put into effect a system of voluntary restraint agreements, seeking to limit imports to 18.5 percent.

Mr. President, I submit that result may well be counter to free trade principles, because the steel which was being restrained may have been brought into this country without subsidies, or without dumping. But two things happened. One, it was not directed against foreign trade, which violated our trade laws and constituted unfair trade practices, and it was not effective because there were other countries who were not covered by the voluntary restraint agreements: Argentina, Canada, Sweden, Taiwan and other nations were not covered by the voluntary restraint arrangements and the efforts leaked like a sieve. So that the existing remedies are grossly inadequate to cover the serious problem which exists from these unfair foreign imports.

Mr. President, there are solid precedents which exist for private rights of action in similar circumstances. You do have the provision of the Antidumping Act of 1916, which, theoretically, provides for treble damages. It has not been successful because of the unreasonable burden of proof which is imposed—the specific intent standard that I referred to before. It is on the books. It is a recognition of public policy by the Congress of the United States, signed by the President. Where you have dumping, it is appropriate to have a private right of action.

Mr. President, you have the precedents of the antitrust laws, where private citizens are encouraged to enforce the antitrust laws by private actions. They are encouraged to do so by having treble damages at the end of the rainbow.

This amendment, Mr. President, does not provide for treble damages because I sense there is enough difficulty with single damages, in getting this amendment through. So, the treble damage aspect is not present so that it is not as rigid as the Antidumping Act of 1916 or the antitrust laws that stimulate private action.

The securities acts provide for private remedies, private action seeking to eliminate fraud and deceptive practices. These measures, Mr. President, exist because of the conclusion that the Government of the United States is not able to enforce all of these substantive laws. These private rights exist, Mr. President, because of the recognition that there is nothing like a little free enterprise when it comes to pursuing remedies in court by the private, injured party.

There is much more incentive for a company which has been injured by a trade practice to go into court and redress its own grievances than to send the matter to the Federal Government, where it goes through the maze of bureaucratic redtape.

It is a very simple proposition, Mr. President. If you or I had been injured by someone's action, would our choice be to file a document with the bureaucracy in Washington, DC, and wait for someone to act on it? Or would we prefer to have the remedy where we could go into court ourselves, through counsel, and assert our rights?

Mr. President, blacks in this country did not get civil rights justice until the courts enforced their rights.

Women in this country did not get justice until they were able to carry their rights through a judicial proceeding.

Unfortunately, when these issues of trade and jobs and industry are left to the political considerations—albeit the lofty considerations of foreign policy—the substantive rights are not enforced. But, if we had the choice of pursuing our remedy ourselves, or filing it with a clerk who would review it, or filing it with a Government attorney who would have to consider the law with many other matters and have it reviewed in due course through the volumes of redtape, there is no question about the desirability of asserting a private right of action ourselves.

Mr. President, I submit to you that that is fundamental fairness. Where the laws have been violated, as they have been repeatedly—dumping and subsidies and custom fraud—that the injured parties ought to be able to go to court and redress their own grievances because that is the only way to get it done effectively.

The record is replete with failures of the Federal Government to act on subsidies, dumping, and custom fraud, because there are too few attorneys, because there is lack of real interest, or because foreign policy considerations make it more desirable, as viewed by governmental officials in the highest places, not to enforce those rights.

Mr. President, it is realistic and practical to trust these remedies to the Federal court. The Mobil versus Marathon case is illustrative of the Federal courts ability to deal with complex factual legal situations in a relatively brief period of time. That was an antitrust case and complicated. It took 6 weeks to litigate that issue through to conclusion.

Mr. President, I have had experience in civil litigation and know what it takes to get a temporary restraining order. It requires pulling together the basic evidence, sometimes TRO's [temporary restraining orders] being obtained, and affidavits alone to stop any illegal practice. A hearing can be obtained in an emergency where there is substantial injury, where there is irreparable injury, within a matter of a few days. Counsel can prepare these cases and they can be prepared for discovery proceedings.

If foreign companies want to trade in our country, they have the obligation under other legal proceedings to make facts available under discovery proceedings. Permanent injunctions can be obtained on an expeditious basis. Once an injunction is obtained, it is, in effect, binding, unless there is a supersedeas, and those are hard to get. When you compare, Mr. President, the legal procedures which are available to vindicate these significant rights with what happens in the International Trade Commission with those delays, there is a clear preference for having the availability of this private remedy.

But please note, Mr. President, that I am not suggesting that any of the other remedies be eliminated. The private right of action which this amendment proposes is cumulative. It is in addition to the other remedies which are available.

Mr. President, this legislative proposal has had thorough consideration in the hearings in the Judiciary Committee and later the Finance Committee. It has never been presented in this manner for action by the U.S. Senate, but it has been considered in a number of bills which I have introduced because of my belief the private right of action could provide a realistic remedy on these important problems. A similar bill was introduced in the 97th Congress, S. 2167, on March 4, 1982. Hearings were then held in the Judiciary Committee.

In the 98th Congress, S. 418 was introduced in the first legislative day, February 3, 1983, and again hearings were held in the Judiciary Committee.

In the 99th Congress, S. 236 was introduced, later refined in S. 1655, and hearings were held in the Judiciary Committee, and the bill was reported favorably unanimously by the Judiciary Committee on March 20, 1986. At that time, there was a sequential referral to the Finance Subcommittee on International Trade, chaired by the distinguished Senator from Missouri.

There was a prospect in 1986 that the bill would have been called for floor action and we sought diligently in September and October to get a time agreement. Compromises had been discussed with Senator DANFORTH and others to bring the bill to the Senate floor at that time. At that time, it had the cosponsorship of the distinguished Senator from West Virginia, Senator BYRD, and the distinguished Senator from Kansas, Senator DOLE, who were in leadership positions at that time.

There has been a long list of witnesses who testified in favor of this legislation, witnesses from the American Apparel Manufacturers Association, from the American Iron Steel Institute, from Bethlehem Steel, from a steel company in my State; from the United States Steel Corp., another prominent steel company in my State; testimony from the United Steelworkers, testimony from the International Ladies Garment Workers Union, testimony from the American Textile Manufacturers Institute, among many others.

The bill has had thorough consideration, Mr. President, and I submit that when you take a close look at the scope and intensity and severity of the problem and the precedents for the private right of action, the way this amendment would function in a nonprotectionist sense; it would simply bring basic justice by allowing the injured parties to go into court to get injunctive relief to stop the flow of illegal imports or to get damages for the amounts of money that they have been injured. It is entirely appropriate and just. I thank the Chair and I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Will the Senator from Pennsylvania yield for a question?

Mr. SPECTER. Yes.

Mr. PACKWOOD. You mentioned two cases that ran for an extensive length of time, the leather case and the citrus case. Do I have the case right?

Mr. SPECTER. Yes.

Mr. PACKWOOD. What is the relevance of those to this dumping and countervailing amendment?

Mr. SPECTER. The relevance is that the procedures under the International Trade Commission take a very protracted period of time. During the course of those proceedings, the goods continued to come into the United States injuring business and injuring labor.

Mr. PACKWOOD. Can the Senator from Pennsylvania think of any dumping case that has taken over 13 months, any dumping case?

Mr. SPECTER. The dumping cases I do not have a chronology for at the moment. But the amount of time they take is irrelevant because the result is a prospective duty. It does not apply to any injury which occurred theretofore.

Mr. PACKWOOD. I grant you that. But dumping is prospective, whereas your action would be retroactive in terms of damages. The argument about speed is not a valid argument because in dumping cases they are over very quickly from the time of filing. Thirteen months is the longest one I can find, and it is normally shorter than that. So the argument that the leather case took 5 years or the citrus case 9 years is not at all relevant to the alleged speed needed in the dumping cases, is it?

Mr. SPECTER. I disagree. It is relevant on the issue of subsidies. My amendment goes to both subsidies and dumping. The time is not really germane on dumping because when you get a remedy under the existing dumping procedures it does not amount to anything so far as the injured party is concerned. You can dump with impugnity knowing that nothing will happen until you are caught and then the remedy is prospective only. If you have a dumping case for 13 months and you are talking about time, that is much too long.

Mr. PACKWOOD. So we are talking about the same thing, what do you define as dumping?

Mr. SPECTER. The sale in the United States at a lower price than the sale, for example, in Japan, where there is a Japanese firm which exports to the United States.

Mr. PACKWOOD. Let me give you an example and you tell me if this is dumping. Hewlett-Packard makes computers. Let us say they cost $100 apiece. They sell for $100 apiece. They cost Hewlett-Packard $80 to make them. They have 1,000 of them and they sell them overseas and in the United States. They make 1,000 but they are only able to sell 800 of them in the United States and overseas. It cost them $80 apiece to make them. They decide to get rid of the other 200 by selling them for $60 apiece and they sell in the United States and overseas. Is that dumping overseas?

Mr. SPECTER. I would say that that is, if they sell them overseas at a price which is lower than that at which they sell them in the United States. I would say that it is dumping.

Mr. PACKWOOD. It is the same price.

Mr. SPECTER. No, they sold some for $100 and some for $60.

Mr. PACKWOOD. They sold all they could get rid of at $100 and now they have 200 left over. They say, "We want to get rid of these 200; we are going to knock the price down to $60, whether it is in the United States or overseas."

Mr. SPECTER. It could be in the construction but if, in a different timeframe, they sold them at the same price in the United States as they sold them overseas, it is not dumping. My sense is that the seller ought not to have the advantage of the difference in timeframes if they are reasonably close. If they are a decade apart, OK. But if they are reasonably close, I do not believe that there ought to be an opportunity for the seller to manipulate. I would ask for the burden of proof to show that the seller has made a total effort to sell them all at $100. I think the seller has the burden under that circumstance and I would not complicate the matter for the person who seeks to oppose the dumping.

Mr. PACKWOOD. Mr. President, I have a number of objections to the amendment of the Senator from Pennsylvania. First, the cases he cited—leather, machine tools—were not dumping cases. They were unrelated to his dumping statute. Dumping is a very fast procedure. Thirteen months is the longest I can find.

Second, the footwear was not a dumping case. Instead, it was the footwear industry asking for relief from the International Trade Commission. The ITC recommended relief, the President turned it down. But it was not a dumping case. In dumping cases, if you prove your case, the relief is automatic; the President cannot turn it down. I regard those cases cited as irrelevant.

Third, make no mistake, next to section 201, this is the biggest issue in which the business community in the United States is almost united in its opposition to the amendment of the Senator from Pennsylvania. There may be a few in the textile industry and some in the steel industry supporting this amendment, but the bulk of industry, from the National Association of Manufacturers, the Chamber of Commerce—what we call the mainstream of the big American businesses in exports and imports—are opposed to this amendment. So my colleagues should not think they are doing business any favor by voting for this amendment. Business does not want it.

Fourth, and it is a fact seldom mentioned, U.S business does more dumping than any other nation. I do not want to call them malefactors because that sounds like it has a certain evil quality to it. U.S. business has more dumping cases filed against it than businesses in any other country, and there are more cases successfully concluded against them than in any other country. This is mainly because dumping can involve what would be normal business practices. In other countries, they do not regard them as normal business practices and they bring cases against us and are successful. Let us take widgets, for instance.

You are a businessman in the United States; you are manufacturing widgets in Bethlehem, PA. You manufacture 1,000 widgets and it costs you $40 apiece to make them. You sell them for $50. But you sell 800 widgets and you cannot get rid of the other 200, so you cut your price—you are selling both in the United States and overseas—to $35 or $30, whatever price it takes to get rid of them.

You sell them for $30 or $35 in the United States and in France or Germany, you are guilty of dumping.

What that really means is if you are involved in international trade, if you do what is a common day-after-Christmas practice, cut the market price and sell them, you are guilty of dumping. In many cases, actions are brought against companies which did not honestly think they were dumping; they thought they were following the normal practice.

So the reason that American business is so opposed to this amendment is that they regard themselves as the ones that are going to be most injured by this amendment for engaging in what they regard and what we would regard as perfectly legitimate business practices. So for anyone who wants to help our balance of trade, anyone who wants to increase our exports, who wants to give us a slightly better shot in terms of narrowing the trade deficit, this amendment is going to go in the opposite direction. It will help most businesses. It is going to go in the wrong direction, very frankly, because Americans are hustling business competitors and engaging in behavior in the domestic market which they then try to use overseas. They are selling in markets that do not like that kind of competition, they bring cases against us, and they succeed.

Last, just to make sure we understand the argument about GATT legality and illegality, the Senator from Pennsylvania referred to some hearings when Senator Ribicoff was here that found that the remedy he proposes is GATT-legal. That is not true. What Senator Ribicoff's committee found was that a procedure that allowed the right of action that now exists so long as you can prove intent to injure was grandfathered when we agreed to the General Agreement on Tariffs and Trade. The reason it was grandfathered is that it was seldom used and to use it you had to prove intent to injure. All our competitors said "Fine, the United States has the statute on the books, it is never used, we want to sign this agreement, let us give it to them." That is what was found to be GATT-legal, not the cause of action that the Senator from Pennsylvania proposes bringing, which wipes out the intent test and which is retroactive in its damage award.

Mr. President, I want you to picture again the situation of American business leaders, many of whom have had dumping actions filed against them successfully. At the moment, the penalty is no more dumping; stop. If the Senator from Pennsylvania is successful in his amendment, the remedy is retroactive damages. Practices that businesses have engaged in, that they thought were perfectly legal, that in this country are legal, suddenly are found to involve dumping, and just as suddenly they are subject to damages. That is why our export community is so opposed to this amendment. I emphasize again they rank it right up there with section 201 in terms of the importance of the proposals that they are opposed to.

For all of those reasons, Mr. President, I hope that the amendment of the Senator from Pennsylvania will be defeated.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I have listened to both my colleagues, the Senator from Pennsylvania [Mr. SPECTER] and my colleague and friend as well, the Senator from Oregon [Mr. PACKWOOD]. I normally find the Senator from Oregon, who is our ranking member on the committee, to be extremely persuasive. In this case, I have to say to him that I not only disagree strongly with his arguments, I believe some of his arguments are deeply flawed. Because they bear so directly on the amendment to permit a private right of action by my colleague, I must take a moment to set the record straight.

First, I would make a general comment about the notion of whether dumping, if it is a bad practice—and the GATT and the dumping code make it rather clear that it is a practice to be discouraged because it is market distorting—if we take strong action against dumping that is injurious, other countries will take minor action against any injurious dumping we may be doing. It seems to me that if our test and the goal of our trade laws is to have the market be the judge of whether or not things have an advantage in either price or quality and not some additional factors—and I shall explain what those factors are in a minute—we want a regime worldwide that is tough on dumping whether it is by us or anybody else.

The reason for that is that any kind of systematic, sustained dumping, which by the way is exactly what the amendment of the Senator from Pennsylvania is aimed at, can only be sustained if the dumping is coming from a protected market. Why? Because if the dumping is being practiced in both country A and country B—country A being the country of origin—there will never be a discriminatory price. The price in the country of origin will be the same as the country where it is being sold.

In fact, that was what disturbed me about the example of the widget. The widget, a common everyday item in Oregon, no doubt, in the example of the Senator from Oregon, was, I guess, normally priced at, say, $50 and the Senator from Oregon said, "Well, imagine what happens when the widget price is cut to $30 because there are too many of them, there was overproduction, we are having the end-of-the-year white sale to clean off the shelves."

First, that is temporary and it would be hard to find injury in cases of a short-term sale. But more importantly, that kind of so-called dumping is not, under the terms of the amendment of the Senator from Pennsylvania, dumping. Why? Because that would not satisfy the test that is in and remains in the 1916 act the Senator from Pennsylvania seeks to amend of "substantial price discrimination." There is no substantial price discrimination when a product is being sold at the same price both in the country of production and the country to which it is being exported.

I think the record needs to be clear. It is possible to have other kinds of dumping, but the amendment of the Senator from Pennsylvania focuses on price discrimination, so the concerns of the Senator from Oregon would not be particularly well taken.

Mr. President, I want to say just two or three other things about the amendment of the Senator from Pennsylvania. First, I think it would be a very useful addition to our arsenal of tools in combating dumping and subsidies and customs fraud. It may be that some people have filed and won complaints against us, but this market in this country is the most open of all the major industrial economies and as such we have become, for those producers and foreign governments determined to export, the dumping ground of the world, and I challenge anybody to produce statistics to the contrary.

I dare say that the volume of products dumped into the United States is many times over the volume of products dumped into all the other developed countries of the world combined, probably for one simple reason: they just do not let those products in. And one of the reasons they are dumped here is the trade barriers erected by so many other countries.

The U.S. market is the most open of the major industrial economies, and as such we have become the target for those producers and foreign governments determined to export, yet unable to obtain sufficient access to other markets. This process has accelerated in recent years as world economic growth has slowed, and producers scramble to find additional foreign markets to continue their growth. In some cases—steel being a prime example—foreign governments subsidize production, and government-owned facilities dump, as instruments of social policy to maintain employment and avoid political crisis. Thus, other nations' unemployment is exported to our shores. The short-term benefit of lower prices is heavily outweighed by the long-term economic and social costs to our country and the world trading system, which are caused by the economic distortions these policies foster.

There is widespread agreement—in the United States, in the GATT, and in the developed world generally—that these market distorting practices ought to stop. In the Congress, even those who have opposed broad based import relief for major industries like steel or autos have acknowledged the need to fight dumping and subsidization, and have supported legal efforts to do so.

Despite that consensus, however, it is apparent that current law is not doing the job. It is slow, uncertain, and capable of manipulation by the foreign producer or importer. Most significant is the lack of timely relief. A dumping case involving any controversy will usually take 11 months, although both shorter and longer deadlines are possible. Although there are provisions for preliminary determinations and temporary remedies, they have not proven effective in halting the flood of dumped imports. If anything, a pending dumping case encourages a foreign producer to ship in as much as he can prior to the conclusion of the case. Senator SPECTER's amendment through its use of the judicial system, offers the possibility of more rapid relief in these cases.

Some have criticized this approach by suggesting that the courts will not, in fact, act any quicker than the administrative process that handles the existing law. That may well turn out to be true. We all know of cases that have taken years to work their way through our judicial system. At the same time, however, we also are aware of rapid and responsive judicial action, and my view is that we ought to leave the door open to that in trade cases. Its impact may be variable. It may not work at all in some cases but even so, the plaintiff would hardly be worse off with this additional option, than he is without it under current law.

Another attractive feature of this amendment is, frankly, the idea of permitting a domestic industry to seek damages for harm suffered. As the Senator from Pennsylvania has made clear, when dumping duties are levied, they are given to the U.S. Treasury, and the company or industry in this country that may have been badly hurt over a period of what could have been several years is left with only a prospective remedy. They have nothing to show for their victory except perhaps a ruined business. Certainly the steel industry was victimized by many years of dumping.

In fact, we made the mistake in the late seventies of legalizing dumping of steel by creating the so-called trigger price mechanism which said that as long as you sold at a price above that of the most efficient free market producer, which at that time was Japan, even if you were selling below your cost of production or if you were selling below the price you charged in your home market, as many European Community countries were, that that would be quite legal and proper. Believe me, the European Coal and Steel Community did exactly that.

We should not delude ourselves, as some economists do, that dumping is simply the operation of comparative advantage in a market system. In fact, dumping and subsidization have nothing to do with comparative advantage. They are an attempt to deny it, not take advantage of it. The cost to our economy, including the cost to our consumers, comes over the longer term in the elimination or disabling of U.S. industries; and the market dislocations and ultimately higher consumer prices which result from the absence of effective domestic competition. One of the most interesting pieces of testimony the Finance Committee received on the textile bill, for example, was the information that within a few short months after the last U.S. producer of velveteen went bankrupt, foreign prices soared 33 percent. These costs are in addition to the economic and human costs created by dislocation and unemployment. In view of these costs and their consequences for our economy, there is no reason why our industries should not be allowed to try to recover them.

The very nature of the process that the legislation by Senator SPECTER creates as well as the opportunity to seek damages I think provides what we ought to be seeking in all our trade laws, namely, a deterrent against other nations practicing unfair trading practices.

If the importer knows he has a significant potential liability for his unfair actions, he may be more cautious. Further, the nature of the process is less susceptible to manipulation for political or foreign policy purposes than is the current administrative process. It is common knowledge and should come as no surprise to this committee that on occasion every administration seeks to influence the outcome of a case because of the foreign policy consequences of a wrong decision. When the entire process is in the executive branch, those kinds of conflicts are facilitated. Providing a parallel opportunity within the judicial branch should produce greater independence.

Finally, Mr. President, I would note that there are those who say that this kind of statute cannot be administered, cannot be effectively and quickly pursued through the Federal judiciary.

Well, if the Federal judiciary is somehow less capable than the Department of Commerce or the International Trade Commission in making these determinations, I would like to know about it. I would not argue that these cannot be complex cases but I do not believe that they are any more complex than the kinds of decisions judges must make in bankruptcy or complicated tax proceedings.

In closing, Mr. President, I would emphasize that this is an important amendment. It addresses a serious and growing problem in a creative and effective way that supplements rather than supplants current law. Most of the criticisms concerning this approach have suggested it will not work—it will not provide faster, more effective relief. I disagree with that contention, but even if it turns out to be correct in some cases, it is not an effective argument against the enactment of this legislation. We are creating a parallel track in our law. No rights or opportunities under existing law are being removed. Complainants are being given an additional choice of tactics, and I certainly believe both current law and the judicial system can survive that opportunity. Accordingly, I urge the amendment's adoption.

The PRESIDING OFFICER. The Senator from Texas, the chairman of the committee.

Mr. BENTSEN. Mr. President, I understand the concern of the distinguished Senator from Pennsylvania in trying to make our trade laws more effective. That is what we have been working on in our committee at least for the last couple of years in this particular piece of legislation.

What concerns me is I think they are working rather well. When we are talking about dumping and countervailing duties, of the number of cases filed approximately 50 percent have resulted in some kind of an affirmative barrier being placed there.

One of the other points we have to look at is you have a great deal of expertise in the Department of Commerce and in the ITC, and here you set up a parallel system in the courts and you do not have that kind of background and expertise within the courts.

Another thing that you have to concern yourself with, too, in the comment of Senator HEINZ from Pennsylvania, is the possible delay that you might have in the courts. I think that you do have that delay. The example I have on that is that on the dumping cases I am told that they normally take 9 months to 1 year, that the countervailing duty cases now are taking from 7 to 9 months. But typically the Court of International Trade has been taking at least 2 years to make a decision. So I think you would find that they handle it in a much more expeditious way if we continue under the same process. Actually, American business is turning more and more to this process because it has been working.

I think, too, of the point that was made earlier by my distinguished colleague, the ranking member, that American business is opposed to this kind of an amendment and thinks the process is presently working and it could result in some mirror legislation that would be very punitive for us.

If you are talking about retroactive damages—and I rather like that but GATT prohibits it and says it must be prospective—I am convinced, considering the dumping and countervailing duty laws that went into effect in 1916 and 1922, the grandfrather clause would not protect you and I think you would be in violation of GATT.

For those reasons I oppose the amendment.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri [Mr. DANFORTH].

Mr. DANFORTH. Mr. President, Senator SPECTER has pointed out in his comments that this is not a new issue before the Senate; this is an old issue.

I compliment the Senator from Pennsylvania for his perseverence because he has been quite determined at bringing this to the Senate. This is the fourth time that it has come to the floor that I can count. It will be the fourth time that it has been voted on in rollcall votes. I believe all three times there were rollcall votes. I know at least two of them were rollcall votes—most recently on September 19, 1984, when the Specter amendment was tabled by a vote of 61 to 36.

I do not know what, if anything, has changed in the time that this has been before the Senate and has been voted upon repeatedly by Senators to warrant a change of mind at this point. I do not know what arguments or what changes in the statute would warrant a Senator changing the position that was taken as recently as less than 3 years ago. I think that the same arguments that were made on the floor in the past apply equally to the present version of the amendment that has been offered by the Senator from Pennsylvania.

First, while Senator SPECTER quotes some sources which claim that this is GATT legal, it is clearly GATT illegal. This is a position which has been taken repeatedly over the years by various people in the administration who have examined this provision. This has been regularly opposed by the administration in the past.

The administration points out, after analyzing the Specter amendment, various illegalities under GATT, but most particularly the remedy that is offered. GATT is very specific in the kinds of remedies that are available in countervailing duty and antidumping cases. The remedies are not to shut out the product of the country trying to export it into the United States but, rather, to impose duties to make up for the unfairness—the subsidy or the dumping margin—that is contained in the product itself. That is the remedy that is available under GATT.

By contrast, this provision in the Specter amendment goes beyond prospective duties, and it would impose two new kinds of remedies. One is injunctive relief—generally, equitable relief, and particularly injunctive relief. Second, it would impose damages; not duties for future price differentials, but, rather, damages for past acts. Both of those are not permitted under the General Agreement on Tariffs and Trade, and both of them would be bad policy, especially injunctive relief.

The basic problem with the Specter amendment is that it moves the venue of trade cases into the courts. It creates a separate cause of action, a separate way of pursuing remedies, which is in the courts. I think that is a fundamental difficulty with the Specter provision.

Courts are really not well suited to trade cases. Courts are at once too quick, too summary, in disposing of issues, and too slow—too quick where equitable relief is involved.

I can remember one time literally waking up a judge in the middle of the night and getting a temporary restraining order. I do not think that we should have the possibility in our law of an injured party or an allegedly injured party waking a judge up in the middle of the night to get a temporary restraining order against international commerce. I do not believe that the judiciary should be armed with that kind of power to interfere with the flow of international commerce. If restraining orders are available against international trade, that very fact would have a chilling effect on international trade.

Second, while temporary restraining orders can be literally obtained in the middle of the night, the more normal process of going to court, filing a lawsuit for damages, filing a lawsuit for a permanent injunction, is not something that is disposed of quickly at all. I think that anyone in the Senate who has practiced law realizes that complicated litigation is not something that is resolved in 12 months or in 18 months. It is something that literally can go on year after year after year, and clearly these would be complicated cases.

One of the reasons I went into politics instead of staying in the practice of law was that I could never figure out how long it took judges to decide cases.

I do not think it is reasonable to believe that the courts of the United States are going to be new-found bastions of efficiency, that the courts are going to be forums which are rapidly going to dispose of complicated litigation.

More likely, there would be a temporary restraining order which would be very summary or, in the alternative, there would be long, protracted litigation, which would go on and on and on. During that litigation—this amendment specifically provides for this—discovery would be available. In other words, the injured party would be able to use all the Federal rules of civil procedure to get into the books and records, the business records, of competitors.

If we engage in this kind of legislating, if we put in place this kind of new system for enforcement of trade remedies, it is reasonable to assume that our trading partners would do exactly the same; that other countries would also set up court systems and set up discovery systems and file dumping cases, even spurious dumping cases, and countervailing duty cases, even spurious countervailing duty cases, and use the court system as a way of getting into the books and records of American businesses.

I suggest to the Senate that if we set up that kind of system, where there can be protracted litigation, complete with discovery, we have created a situation in which there will be real mischief relating to American competitors. My guess is that that is one of the reasons why American business is so strongly against the Specter amendment.

This, as I say, is not a new idea. It has been considered by the Senate repeatedly. It has been rejected by the Senate repeatedly, and I urge the Senate to reject it again.

Mr. BAUCUS. Mr. President, the amendment offered by the Senator from Pennsylvania addresses a very real problem.

For example, very often Japanese semiconductor companies—Hitachi, for example—have dumped EPROM's or DRAM's in this country. Under current antidumping law, the only remedy is for an American company to go to the ITC, go to Commerce, and show injury, show dumping. Then, the Department of Commerce, in conjunction with ITC, imposes a dumping duty on the dumped product that comes into the United States.

The trouble is that it is only prospective; the duty applies only to future imports. The trouble, therefore, is that Hitachi, for example, will come with another product, a similar product, and dump again. The fact is that the Japanese companies have been found to have dumped many times in America. In the past 10 years, seven Japanese companies have been subject to four or more dumping violations. Hitachi and NEC have both been subject to at least four separate additional dumping violations in 10 years.

We can all remember the Hitachi memo not too long ago, about a year ago, that said undercut whatever the competition comes up with, undercut them again, undercut them again, undercut them again, a clear classic case of dumping.

So the problem is what do we do about it? It is clear there is a severe problem here. It is also a problem not only for the semiconductor industry, but also for steel and other industries where foreign competition dumps.

The difficult problem is the solution. The problem is easily identifiable, but the solution is a bit difficult. Under current law, the solution is an antidumping duty against the offender.

The Senator from Pennsylvania goes, I think, too far, in trying to remedy the problem. He would use a 1916 private right of action statute that presently exists on the books and was grandfathered under GATT after 1947. But he would permit a private right of action under that statute against a foreign company that had dumped only once.

The problem is that that is going to cause a lot of litigation not only against Japanese companies or other companies of other countries, but against American companies. Americans are already too litigious. Let us face it, we have too many lawyers in this country compared with the number of scientists, engineers, mathematicians, those who produce products. We have too many lawyers who are arguing too many cases, trying to stop somebody from building a better product.

I think that the more we in America create a private right of action which, as the Senator from Missouri pointed out, will be used against first offenders and against American companies, the more we are going to be exporting our litigiousness around the world, the more other companies are going to start suing American companies. If we think the American courts are clogged and crowded now, think how crowded and clogged they are going to be when a company need only go into a Federal district court and file an action willy nilly against a first-time dumper.

We in the Finance Committee tried to address this. This is a difficult problem. We tried to address this by tightening up the antidumping duty provisions that exist in current law. How did we do it? Very simply, we provided that if a country dumps in America twice, then the Department of Commerce monitors that company's actions very closely so that the Department of Commerce is ready to jump on Hitachi, NEC or Matsushita, whatever the offending company is, much more quickly than is the case under current law.

In addition to that there is already a multioffender private right of action provision in the House bill. The provision in the House bill moves us toward the amendment offered by the Senator from Pennsylvania, but it is not nearly as draconian in its effect, in my judgment, as is the amendment offered by the Senator from Pennsylvania.

So the sum and substance of all this is it is a tough problem. I think we in the committee have largely addressed it.

I think the amendment of the Senator from Pennsylvania goes too far, way too far. I think it would cause a problem that is much worse than the attendant solution. Because we go to conference with a House provision that already has a multioffender provision, the conferees will be able to work out in conference a provision that gets at the heart of the problem as best as we possibly can.

So I encourage my fellow colleagues to look at this amendment very closely and thoughtfully, and I think when you do so you will realize it probably is not a good idea to adopt the amendment offered by the Senator from Pennsylvania at this time.

I earlier offered a multiple offender private right of action provision. It did not go nearly as far as the Specter provision because I thought we had to find a more moderate approach. I think when we combine the present committee provisions with the House provisions the conference will come as close as we can to solving this.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. BREAUX). The Senator yields time.

The Senator from Rhode Island is recognized.

Mr. CHAFEE. Mr. President, I find this a troublesome amendment for two reasons.

One has been touched on in considerable degree previously, and that is the interminable delays that occur when someone gets into our Federal courts, particularly when a company by the power of an injunction. Once it gets into the Federal court we have to realize these cases are extremely complicated and so in addition to the normal delay one finds with a rather simple case before our Federal courts, you add the complexity that comes with these trade cases. You throw in in addition to all that the right of appeal. These cases can go on and on and on. So that is the first objection I have.

The second objection is to a group that I think is forgotten in all this and those are the U.S. manufacturers who are dependent upon foreign components for the complete manufacture of their goods, these foreign components often being essential ingredients to the total. Those U.S. manufacturers can be the innocent bystanders who can be hurt by legislation such as this.

The U.S. competitor for the components comes in, alleges dumping of some type, seeks an injunction, and the U.S. manufacturer is crippled and the U.S. manufacturer then is placed in the unenviable position of being unable to deal on a permenent basis with foreign suppliers because of this chill that comes about because of the possibility of this type of legislation being enforced or he relies upon other manufacturers for the components who are not the ones he prefers who undoubtedly come in at a higher price.

When we realize that as to many, many of our goods made in this Nation, although the total might be basically an American good, essential parts of it come from abroad, so we are dealing with a complex society in which this type of relief I think would perform an injurious effect upon that society and those U.S. manufacturers.

I thank the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr BRADLEY. Mr. President, I rise in opposition to this amendment.

Let me say to the Senator from Pennsylvania that I understand his concerns that apply to many workers in his State, but I think this is much too broad and I think we have the facts that he probably has not thought through.

The point has been made this should not be in the courts. The courts are already overcrowded. We do not want to fill them full of a lot of fair trade cases, a lot of dumping cases that adds burden to already overworked judges.

Second, this could boomerang on us because we have more dumping cases pending against U.S. producers than against any other countries. If other countries put this in we could find our own commerce hurt and impaired by actions taken in courts of other countries.

Third, I would say that the private rights would be unfair because exchange rate shifts can send import prices below fair market value one day and above fair market value the next. The next thing you do is determine fair market value if you are looking at Japanese imports and you quote it quickly with a depreciated dollar and suddenly you have a whole raft of dumping cases flooding the courts of the country, not because of unfair trade or dumping, per se, as a strategy, but because of a very volatile exchange rate. The result of that could be a chill on trade generally.

So, Mr. President, I hope we would not adopt this. It should not be in the courts. It would hurt U.S. producers more than it would help them in the long run because of the mirror effect in other countries' courts and the exchange rate aspect of this could produce far more cases than we had expected.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, first, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second for the yeas and nays? There is a sufficient second.

The yeas and nays were ordered.

Mr. SPECTER. Mr. President, the assertion has been made that this bill has not been thought through. I would submit to my colleagues, to those listening, that there has been a considerable amount of thought given to this legislation as it has been introduced and refined, and re-refined, and re-re-refined since the first introduction some 5½ years ago. There has been substantial thought and consideration by many, many witnesses who have come to the hearings to testify. And its ramifications have been analyzed with care.

I would say, Mr. President, that, on the contrary, the arguments which have been made against the amendment this evening have not in any way reached the critical issues or any way undercut the force and persuasiveness of the amendment.

In terms of the basic thrust that there is essentially here a taking by the Government of the United States without compensation because of the collateral foreign policy considerations, not one of the speakers in opposition have disagreed with that basic contention. And I would submit that there has not been disagreement with that proposition because it is so obvious on the face of the record.

It was the distinguished chairman of the Finance Committee who asserted this morning that trade is the handmaiden of other foreign policy. And the record is replete about the loss of tens of thousands of jobs and hundreds of thousands of jobs because foreign policy considerations make that preferable so far as the executive branch is concerned. And no one has denied that these are unfair practices, that they are not consistent with free trade because subsidies cannot possibly be consistent with free trade, dumping cannot possibly be consistent with free trade, nor can customs fraud be consistent with free trade.

So that the underpinning of this amendment remains intact without any effort made by those who have spoken in opposition to deal with these important principles.

On the issue about the solid precedent, again, for private rights of action, there has been no disageement with the effectiveness of private action against antitrust laws, in support of the antitrust laws, the private action in stopping violations of the antitrust laws. No one disagrees with that.

There has been no disagreement with the proposition that private rights of action have been very important in enforcing the securities laws, much more effective than any criminal prosecution can be against those who manipulate the stock market, or the private rights of action against 10(b)5 violations or deception violations. There has not been any disagreement with those very important considerations.

But an assertion is made, "Well, we had a vote on this matter before and it was 61 to 36 and it has been before the Senate four times." And on the occasions when factual assertions have been made, they have been incorrect. The issue has been before the Senate twice before. On one occasion, there was a 61-to-36 vote. And what has changed? Quite a number of Senators who voted in opposition later became cosponsors of subsequent legislation. That was the change. Some are cosponsors of this amendment this evening.

On the other occasion, it was in conjunction with another amendment. It was an amendment in the second degree and the vote was 51 to 47. And that is a pretty close contest. It takes a switch of three votes and the result would have been the other way. So something very substantial has changed.

What else has changed? There was a major opinion by the Supreme Court of the United States in April of this year which rendered the Antidumping Act of 1916 nugatory, powerless, because it upheld the specific intent issue. So a great deal has changed, as changes have been made in major steel companies in this country which have gone into chapter 11 and hundreds of thousands of workers who have lost their jobs as these unfair trade practices continue. So the record really is very strong.

The assertion has been made that American business is against this bill. Well, I had not really thought that American business had paid all that much attention to the bill, but I am flattered that American business has.

But I am sometimes amazed at the level of assertions which remain on the floor of the U.S. Senate without any support at all. Who is to say that if someone on this floor makes the grandiose assertion that American business opposes this amendment that it is so? Where is the authority? Where is the proof? What Senator speaks for American business?

But let us get down to some of the facts. There is a Trade Reform Action Coalition which has taken a position in support of S. 1104, which this Senator introduced earlier this year. And some of the provisions of the current amendment are encompassed from S. 1104.

Now, I do not represent—and let me make it explicit—that the Trade Reform Action Coalition has endorsed the amendment which this Senator has submitted this evening. I have not submitted that to the Trade Reform Action Coalition.

And there are concerns among a number of people who have supported this legislation in the past about what an adverse vote will mean. And there are many points of tactics and strategy. But a significant part of this bill relating to the dumping laws was embodied in S. 1104 and, at least as to that part, the Trade Reform Action Coalition has supported this bill.

And I think it is worth a moment or two, or three or four, or however many it takes, to specify who constitutes the Trade Reform Action Coalition, in response to the sweeping assertion that American business is against this bill. Well, it consists of the Alliance of Metal Working Industries, the American Apparel Manufacturers Association, the American Brush Manufacturers Association, the American Chain Association, the American Cutlery Manufacturers Association, the American Die Casting Institute, the American Federation of Fishermen, the American Fiber, Textile, Apparel Coalition, the American Furniture Manufacturers Association, the American Gear Manufacturers Association, the American Institute of Steel Construction, Inc., the American Iron and Steel Institute, the American Metal Stamping Association (Washer Division), the American Mushroom Institute, the American Pipe Fittings Association, the American Textile Machinery Association, the American Textile Manufacturers Institute, the American Wire Producers Association, the American Yarn Spinners Association, the Anti-Friction Bearing Manufacturers Association, the Automotive Service Industry Association, the Association of Die Shops International, the Association of Synthetic Yarn Manufacturers, the Bicycle Manufacturers Association of America, Inc., the Brass and Bronze Ingot Institute, the Carpet and Rug Institute, the Cast Iron Soil Pipe Institute, the Cast Metals Federation, the Clothing Manufacturers Association of America, the Committee on Pipe and Tube Imports, the Copper and Brass Fabricators Council, Inc., the Cutting Tool Manufacturers Association, the Expanded Metal Manufacturers Association, the Footwear Industries of America, Inc., the Forging Industry Association, the Group of 33, the Hand Tools Institute, the Industrial Fasteners Institute, the Industrial Perforators Association Inc., the Industrial Union Department, AFL-CIO, the International Ladies' Garment Workers' Union, the International Leather Goods, Plastics and Novelty Workers Union, the Investment Casting Institute, the Iron Castings Society, the Knitted Textile Association, the Lead-Zinc Producers Committee, the Luggage and Leather Goods Manufacturers of America, Inc., the Man-Made Fiber Producers Association, Inc., the Metal Cutting Tool Institute, the Metal Treating Institute, the Metalworking Fair Trade Coalition, the National Association of Chain Manufacturers, the National Association of Hosiery Manufacturers, the National Association of Pattern Manufacturers, the National Association of Uniform Manufacturers, the National Cotton Council of America, the National Foundry Association, the National Knitwear Manufacturers Association, the National Knitwear and Sportswear Association, the National Screw Machine Products Association.

Mr. President, at this juncture I will ask unanimous consent that the remainder of the list be printed in the RECORD.

There being no objection, the remainder of the list was ordered to be printed in the RECORD, as follows:

National Tooling and Machining Association.

National Wool Growers Association.

Neckwear Association of America.

Non-Ferrous Founders' Society.

Northern Textile Association.

Outdoor Power Equipment Institute.

Plumbing Manufacturers Institute.

Scale Manufacturers Association, Inc.

Steel Founders' Society.

Steel Plate Fabricators Association, Inc.

Steel Service Center Institute.

Synthetic Organic Chemical Manufacturers Association.

Textile Distributors Association, Inc.

Tool and Die Institute.

United Food and Commercial Workers International Union.

U.S. Battery Trade Council.

U.S. Fastener Manufacturing Group.

Valve Manufacturers Association.

Welded Steel Tube Institute.

Work Glove Manufacturers Association.

Mr. SPECTER. This association is very concerned about what is happening with the dumping laws. Senators have taken the floor and said the dumping laws are working fine, they are working fast, they are working effectively; that American business is satisfied with what is going on.

Well, there is a long list of American businesses which is thoroughly dissatisfied with the dumping laws and when the assertion is made that American industry will be exposed to retaliation for dumping, there are a great many in the American business community who are willing to take their chances.

Some American businesses are dumping and other American industries are being injured by dumping and dumping is wrong. Let us stop dumping.

Certainly, this is a long list of businesses which is very concerned about the dumping issue.

Again, Mr. President, I want to restate so that I am not overrepresenting what the Trade Reform Action Coalition said here: they are not supporting my amendment in full because they have not had it presented to them. But they did support the bill that I introduced, S. 1104, which is part of what has been included in the amendment which is now pending.

Then we have had the assertion, Mr. President, that this amendment would violate GATT.

Again, this Senator is amazed by the blanket assertions which are made on this floor without any authority, without any support. The assertion was made that the administration opposed the amendment. The assertion was made that there are many objections, and it goes beyond the prospective remedies. "Various illegalities" was the assertion. Well, what are the illegalities?

In referring to some proceedings which had occurred before Senator Ribicoff's subcommittee in 1980, I was not representing that Senator Ribicoff said anything about this kind of legislation. I was representing that a very reputable trade lawyer, Peter D. Ehrenhaft had submitted an opinion back in 1980 and that the opinion was updated in hearings on a predecessor bill on August 24, 1982; and that the opinion was reaffirmed on the current amendment by a letter dated June 18, 1987, just a few days ago; again by Mr. Ehrenhaft.

It has been well known what this amendment and the preceding amendments provide. No one has taken the floor and has submitted the legal opinion that there is a violation of GATT.

I submit, Mr. President, that has not been done because it could not be done. Where you have the provisions of the Antidumping Act of 1916 in conformity with GATT, and you have the provisions of this bill, there will be no basis to say that it violates GATT.

This bill provides for only single damages. The issue of injunctive relief was taken up—Mr. President, I ask that the Senate be called to order.

The PRESIDING OFFICER. The Senate will please be in order. The Senator is engaged in material that we need to hear.

Mr. SPECTER. In hearings before the Committee on the Judiciary, November 30, 1985, this issue was specifically addressed as it relates to equitable relief. The opinions were extended by Mr. Ehrenhaft and Mr. Cunningham that equitable relief was well within the purview of GATT. Single damages certainly are.

I ask unanimous consent that the relevant portions of this hearing be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE UNFAIR FOREIGN COMPETITION ACT OF 1985

(Hearing Committee on the Judiciary, United States Senate)

Senator SPECTER. The whole issue of computing damages is difficult to start with, and if you give damages to the steel corporation, what have you done for the workers who have lost their compensation or lost their jobs, or what do you do for the indirect effect for the city of Clarion, which goes bankrupt and has to fire its fire and police department?

Mr. CUNNINGHAM. I agree with that concern, and I think that can be handled in drafting, but I do not think that a statute which gives an equal priority to the restriction of imports is free of vulnerability to the GATT argument. I think you can structure ancillary injunctive remedy language in the statued, to have the court focus on precisely the issues you are concerned about there and accomplish the same thing you want to do without making yourself vulnerable.

Senator SPECTER. Mr. Ehrenhaft, I think when you testified in the past, we had equitable relief, as well.

Mr. EHRENHAFT. Which I think, however, was subject to the traditional tests of an injunction, which would include first, what Mr. Cunningham just pointed out, the requirement that the party seeking such an injunction prove the likelihood of success on the merits, include, second, the showing of the inadequacy of the remedy at law, and, third, the other tests of injunctions, which are that granting the relief is in the public interest and that the remedy sought is not disproportionate to the harm to the other side if the injunction is granted——

Senator SPECTER. Well, if you have those traditional requirements for injunctive relief, then you think there is no GATT problem; it would not be illegal under GATT?

Mr. EHRENHAFT. I do not think so, because then, I think it is fully consistent with our usual domestic legal system for enabling parties to recover damages. In those situations, the equitable relief is in aid of the damage remedy—that is really what the purpose of the injunction is. It exists because we cannot get to the legal remedy quickly enough; the injunction is an ancillary, equitable and interim kind of remedy. If that is pursued in its traditional format, I believe that then your bill can be squared with GATT.

Mr. SPECTER. Mr. President, the assertions have been made that the courts are overcrowded and should not be further burdened; that there are too many lawyers in the United States. Well, I do not know that there are too many lawyers in the United States. It might be said that there are too many lawyers in the U.S. Senate. It may be that the courts are overcrowed, but the courts are filled with many matters of very minor litigation; matter of automobile accidents, matters of industrial accidents, matters which are very important to the litigants but are hardly significant in terms of the kind of issues which are presented when an industry like steel is destroyed or when an industry like textiles and apparel is destroyed, or when there is so much damage resulting in unemployment for hundreds of thousands of workers in this country. That is what the Federal courts ought to be deciding. That is the kind of an issue which they ought to be focusing on.

The argument has been made that the courts are either too fast or too slow. Well, that is hardly rational. They are either too fast or too slow. You have to wake up a judge in the middle of the night. It is not too easy to find a judge. Once you find him, it is not too easy to wake him up in the middle of the night. And once you found him and awakened him in the middle of the night, it is not too easy to get favorable action out of him.

If you want to present a case to a judge, the best advice I can give you is do not wake him up in the middle of the night. Go the next morning. But the American judicial system has worked better than the International Trade Commission, and the American judicial system has worked better than the executive branch, which administers our trade laws.

When important rights have to be decided, the American judicial system has worked better than many aspects of the American political system. When blacks sought justice in this country for 150 years, they were denied it. They went to the courts and they got it.

When women sought justice in this country for 175 years they were denied it significantly and they went to the courts and they got it.

With the substantive provisions of American law which prohibits subsidies and dumping and customs fraud, let us enforce that law. The place to enforce that law is in the courts.

Mr. President, I submit that on the basis of the arguments which have been presented on the floor of the Senate this evening, the case is clear in support of this amendment.

There is pressing need for law enforcement on dumping, subsidy, and custom fraud, which we have declared to be illegal. There are solid precedents for private rights of action. The courts will guarantee fairness to all concerned.

There are substantial portions of American business and labor in favor of this bill. It complies with GATT. It ought to be adopted.

I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mr. WILSON. Thank you, Mr. President. I have listened to what I think is a very good debate with keen interest and a feeling of some discomfort arising from the fact that it seems to me that while the Senator from Pennsylvania [Mr. SPECTER] may not have given us the perfect remedy, he has, at least, focused on the need for a remedy that does not exist.

It seems to me that he has quite correctly identified inequities, shortcomings in the current procedure. The existing dumping remedy does not really afford to the aggrieved party any remedy that will make him whole.

Let me remind my colleagues, perhaps there is no need to do so because it occurred so recently, that this body voted 93 to nothing on a resolution expressing the sense of the Senate that the President should take retaliation against the Japanese for violating the semiconductor agreement into which they entered as recently as last September. That agreement, you will recall, had been occasioned by the fact that they had engaged in years of unfair trading practices, including dumping in this country; dumping in third countries in addition to denying us market access to the Japanese market.

Mr. President, what the Senator from Pennsylvania has said is that the person who is injured by dumping should be the one who is entitled to relief. Yet, under our dumping law where the remedy is given, what we do is required of the dumper, simply that he post a bond and he can go right on dumping. Who gets the benefit of that bond? It is not the aggrieved party, not the injured party; it is, in fact, the public Treasury.

Now, it seems to me there is great unfairness in that. What is more, there is great danger in it. In the case of the semiconductor industry it resulted in a decrease from merchant and manufacturers of semiconductor components to the present three—three, that were, in fact, threatened with being right out of business to the point where because of the importance of that technology to our national security a panel of the Defense Science Board serving the Pentagon had suggested a rather extreme measure to assure the continued availability to the United States military of semiconductor technology so we would not become entirely dependent upon Japanese suppliers.

Mr. President, it may be that giving a private right of action in the Federal District Court here in the District of Columbia would create a two-track process, although we have other situations within which that does not seem terribly perilous to our judicial system. People can go to the Supreme Court, either by filing in the Claims Court or in Tax Court.

I do not think that is the major consideration. What it does seem to me would have been a more desirable thing, and I do not know whether the committee engaged in this inquiry, would be to examine a means whereby the aggrieved party could receive a remedy and indeed a retroactive remedy, and where the aggrieved party could claim the need for something akin to injunctive relief on the obvious theory that prevention is much better than sustaining the injury and being recompensed for it in damages, and certainly better than the existing situation where there are no damages and where there is no real remedy to the party who suffers the injury.

I understand well that there is a great deal of economic resistance on the part of many to the concept of dumping at all. There are many who think let the manufacturer sell at whatever price he can.

But where you have the situation where a foreign government, in particular, is engaged in subsidizing the competition of its private sector so that they can engage in a kind of loss leader tactic that is consciously aimed at gaining market share, you do not have a fair competition between the U.S. private sector and that subsidized complicity between the foreign government and its nominal private sector.

It is true we experienced that unfair fight all too many times.

So it may very well be that we do not have the perfect remedy. I would ask my distinguished friend, the very distinguished chairman of the Finance Committee, the Senator from Texas, whether or not any thought had been given on the committee to revising the current law to give perhaps to the International Trade Commission additional powers of a kind that would lead to much greater fairness than currently is the case where there is, in fact, no remedy provided to the aggrieved party, the victim of dumping who suffered the actual injury.

Mr. BENTSEN. We worked very hard to make the laws more effective in this particular legislation and on the subjects of countervailing duties we have stiffened the Act and, I think, made it more effective. Obviously, we are willing to further consider any appropriate improvements that might be offered.

Mr. WILSON. I thank the distinguished chairman.

It seems to me, Mr. President, that that kind of inquiry would be worth some time and effort on the part of the committee and on the part of the Senate because I think that the Senator from Pennsylvania is entirely correct in identifying what is a clear inequity. It is the kind of inequity that can prejudice our national security. It almost did. Indeed, in the opinion of some, it continues to do so. But it should not require that extreme a threat. Simple fairness should require that those who are injured by unfair trading practices have a direct, certain, and quick remedy.

To those who say that adopting the procedure that is being urged upon us by the Senator from Pennsylvania would result in our violation of GATT, the General Agreement on Tariffs and Trade, I have to say that I think they are probably correct. I do not know. I heard the Senator from Pennsylvania question the propriety of that judgment.

But let us assume for the sake of argument that those who say this is a GATT violation are, in fact, correct. I do not think that should dispose of the question. GATT is not itself a work of perfection, and, in fact, all too often on this floor in our concern that we not hamper the exchange of goods and the commercial intercourse between ourselves and our trading partners, one of the first things, quite understandably, is that we cannot take some remedy which is otherwise preserved because it is GATT-violative.

Mr. President, I think we should be very much concerned with amendment of GATT. It has proved insufficient to its splended purpose of encouraging international commerce. There has not been an adequate dispute resolution process, and that has resulted in enormous unfairness to American farmers as well as American manufacturers.

Mr. President, I do not know what the outcome of this particular debate will be. I do not know what the vote on the proposition of the Senator from Pennsylvania will be. But I can say that I believe he has done a service by focusing very sharply on a need to give remedy to those who suffer the actual injury of dumping. If it is not to be in the way he has proposed by right of action to the courts, then it should be, I think, by a right of action given administratively by the International Trade Commission or some other responsible administrative body charged with that task. I thank the Chair and yield the floor.

Mr. PACKWOOD. Mr. President, I will take just a moment because I know the hour is late.

It has been indicated that there is no legal opinion that the amendment of the Senator from Pennsylvania is GATT-illegal. I do have an analysis from the Department of Commerce that it is blatantly GATT-illegal. I ask that the opinion be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

PRIVATE RIGHT OF ACTION AMENDMENT ANALYSIS

This amendment would allow U.S. domestic parties to bring suits in U.S. district courts requesting injunctions against imports or the collection of economic damages from foreign producers, exporters or U.S. importers, when such imports have been found to be subsidized or dumped in the United States.

The private right of action amendment is blatantly GATT-illegal. The GATT permits only one remedy for such unfair trade practices—the imposition of a duty to offset the margin of dumping or subsidization. The Antidumping Act of 1916 is exempted from this because it is covered by the GATT's "Grandfather Clause." The private right of action proposal would violate this exemption by weakening the 1916 Act's proof and predatory intent requirements.

Enactment of this amendment would therefore invite foreign retaliation and mirror legislation. All trade—both exports and imports, whether fairly or unfairly traded—would be significantly chilled as a result of this provision. The inevitable increase in litigation would encompass both U.S. importers and purchasers of foreign goods, who could be held liable for substantial economic damages in cases where they may not have even been aware they were purchasing dumped or subsidized goods.

This amendment would also complicate and confuse the process of determining dumping and subsidization. Involving numerous courts in the interpretation of technical aspects of the law would lead to inconsistent and conflicting rulings. Rather than expedite relief from unfair trade, antidumping and countervailing duty proceedings might well become longer and costlier.

The amendment's attempt to "solve" an unfair trade problem could lead instead to a much more serious problem of restraint of trade. By significantly easing the burden of proof in private right cases, companies could easily use this law as a means of eliminating their competition through the prohibition of imports or the threat or assessment of damages.

The antidumping and countervailing duty laws already provide fast and effective relief from unfair trade, as evidenced by the degree to which U.S. industries have used them. This amendment is therefore unnecessary, and would create problems which are far more ominous than the one it purports to remedy.

Mr. PACKWOOD. Second, Mr. President, I want to place the list of business organizations that are opposed to this amendment into the RECORD. The reason I place it into the RECORD is that the list read by the Senator from Pennsylvania is mainly, not totally, textiles, metals, and shoes. They have been opposed to the trade policy of the United States. They did not like the International Trade Commission shoe decision. They do not like the steel voluntary restraints we have. I understand the list. But the list I will insert into the RECORD in opposition to this amendment includes, among others, the U.S. Chamber of Commerce, the Emergency Committee for American Trade, the American Business Council, the National Foreign Trade Council, the U.S. Council for International Business, the Business Roundtable, the Computer Business Equipment Manufacturers Association, the National Association of Manufacturers, the Computer and Communications Industry Association, the National Electric Manufacturers Association, the Scientific Apparatus Manufacturers Association.

I ask that those named be listed along with the other names I have on this list and have a check alongside their names.

Mr. SPECTER. Will the Senator yield for a question?

Mr. PACKWOOD. I ask unanimous consent to have this printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

FREE TRADE COALITION MEMBERSHIP

ASSOCIATIONS

U.S. Chamber of Commerce.
Emergency Committee for American Trade (ECAT).
American Business Conference (ABC).
National Foreign Trade Council (NFTC).
U.S. Council for International Business (USCIB).
Business Roundtable.
Computer Business Equipment Manufacturers Association (CBEMA).
National Association of Manufacturers (NAM).
Computer and Communications Industry Association (CCIA).
Consumers for World Trade.
National Association of Stevedores.
Citizens for a Sound Economy.
American Paper Institute.
American Association of Exporters and Importers.
National Electrical Manufacturers Association.
Scientific Apparatus Manufacturers Association.

FIRMS

May Department Stores.
Boeing.
Weyerhauser.
American Express.
IBM.
Tektronix.
Proctor & Gamble.
International Paper.
Westvaco.
Georgia Pacific.
Borg-Warner.
Union Camp.
Caterpillar.

Mr. SPECTER. On the list that the Senator from Oregon referred to, what were they responding to? May I see the document? Perhaps if I see the document, it will answer the question.

Mr. PACKWOOD. I hand the document to the Senator.

Mr. SPECTER. What the Senator from Oregon has produced is a list of what purports to be the Free Trade Coalition membership.

Mr. PACKWOOD. I beg your pardon. That is the list of the entire membership. I am inserting into the RECORD only those with checks because I am not going to speak for organizations where I am not completely sure what their position is.

Mr. SPECTER. As I understand it, there is nothing in writing from these people.

Mr. PACKWOOD. They have given this in response to oral questioning as your amendment was coming up today, getting hold of those who could speak for the organizations. Where we could not get hold of anybody who could speak for them, we did not list them.

Mr. SPECTER. Do you know whether or not these organizations have reviewed the amendment?

Mr. PACKWOOD. These organizations are perfectly familiar with your amendment. The Senator from Pennsylvania has been very good about this. He did not surprise anybody by bringing it up. They have been in opposition to this amendment for a long time. We simply rechecked them and brought it up tonight.

Mr. SPECTER. Well, Mr. President, that is an interesting statement but not quite responsive to my question. Does the Senator know which of these organizations reviewed the amendment?

Mr. PACKWOOD. I cannot state to the Senator that the Chamber of Commerce or the National Association of Manufacturers reviewed the amendment. I know they are in opposition to it. Now the Senator is asking me to look into the inner workings of their business and ask, did they review it?

Mr. SPECTER. I am no asking that of the Senator. He is making an assertion that these organizations are opposed to the amendment. I am asking, did they review the amendment? I am not asking the Senator to look into their inner workings.

Mr. PACKWOOD. All I can tell the Senator from Pennsylvania is that they are opposed to the amendment. How they reached that conclusion, whether they reviewed it, I cannot tell him.

Mr. SPECTER. My question goes to what review they made of the amendment. I do not question whether one of the Senator's staff has talked to somebody in these organizations, but I do raise the question as to what they had before them.

I raise a further question, not that it is going to be determinative of what the authority was of the individual talked to. If you have an association coming to a judgment, they have a board of directors, they have executives; this issue has been around for a long time. If people cared about something and wanted to voice an objection, they could say they are opposed to the bill. I do not see that they have done that.

The document here is entitled "Private Right of Action Amendment Analysis;" scanning it quickly, I do not see any reference to my bill number here. Is there one?

Mr. PACKWOOD. The reference there is to whether or not the provisions in the Senator's bill are GATT-legal or illegal. I asked the Department of Commerce and in their judgment it is GATT-illegal.

I do not want to leave the wrong impression. I do not know whether it was the Senator or someone else who said that there is no evidence or statement that his amendment is GATT-illegal.

Mr. SPECTER. I am the one who said it was based on the arguments which have been made.

This piece of paper speaks for itself. In my opinion, it does not speak very loudly. It is hardly above a whisper. It does not say anything about my amendment or the legality or illegality of it under GATT.

Mr. BUMPERS. Mr. President, when we have an administration which is unwilling to enforce the current trade remedy laws, there is a great temptation to shift the responsibility to enforce these laws to someone else.

This is the temptation which is reflected in this amendment and I understand the frustration which leads to this amendment.

This administration doesn't think we have a trade problem just as it doesn't think we have a deficit and debt problem, or an environmental problem or a poverty problem.

But what we need to do is force this administration to begin to exercise its current responsibilities. If we shift responsibility elsewhere, who can we hold accountable? Can we call a judge before the Congress and ask him or her why the trade remedy laws are not being enforced?

Can we vote against a judge who won't enforce the trade remedy laws? In 1988, we can vote for new trade policies for the Federal Government.

What we need is a change of attitude, not a change in government organization.

What we need is more understanding of the trade issue, not more lawyers filing lawsuits.

PRIVATE RIGHTS OF ACTION IN DUMPING CASES

Mr. DURENBEGER. Mr. President I rise in opposition to the amendment offered by my distinguished colleague from Pennsylvania that would allow private rights of action in dumping cases. Although U.S. law provides a private right of action under the Antidumping Act of 1916, I believe any alteration of the standards in that Act to increase the likelihood of obtaining a private dumping remedy would put the United States in violation of its GATT commitments.

The GATT provides that the only remedy for dumping is imposition of a duty to offset the margin of dumping. There is no provision for private damages.

Mr. President, I believe that if this amendment is adopted, we will be creating a new Lawyer's Relief Act. Court cases will be drawn out for years and American business will waste even more resources on lawyers. Moreover, a mirror legislation will surely be adopted by our trading partners. Between 1980 and 1984, there were more administrative actions in foreign countries brought against American products for alleged dumping, than against any other country. In 1985, we were surpassed by the Japanese in being charged with dumping.

Every mismanaged, inefficient company both in the United States and abroad could be expected to file million and billion dollar damage suits alleging that unfair foreign dumping has cost them market share. In the past, many American companies have been subject to antidumping orders.

If we adopt this amendment, I believe we will be inviting a host of countries to harass American business and American farmers in damage suits.

Mr. PACKWOOD. Mr. President, I have a letter to Senator Dole, signed by 14 Cabinet Secretaries or acting Cabinet Secretaries laying forth the administration's views on various parts of the bill. I ask unanimous consent that the letter and their accompanying views be printed in the Record.

Mr. BENTSEN. Mr. President, let me ask those Senators who might have further amendments they would like to offer tonight, if they advise the managers of the bill, I am sure the ranking member will listen with reasonable good cheer and the chairman of the committee with somewhat less enthusiasm, but we will listen. That would be helpful in trying to decide to provide information to the majority leader as to the schedule for the rest of the evening.

Mr. PACKWOOD. I wonder if the chairman might ask at least of those on the floor if anybody is planning to offer an amendment tonight.

There being no objection, the material was ordered to be printed in the Record, as follows:

The U.S. Trade Representative,
Executive Office of the President,
Washington, DC, June 22, 1987.

Hon. Robert J. Dole,
Republican Leader,
U.S. Senate,
Washington, DC

Dear Mr. Leader: On February 19, 1987, President Reagan proposed comprehensive legislation (S. 539) to improve America's competitiveness. Since then, we have worked diligently with nine Senate committees to achieve this goal. We are pleased that some of the President's proposals have provided a basis for Senate action. We are deeply concerned, however, that many Senate proposals pose grave dangers to our economic health and national security.

The authors of the pending trade and related legislation have said that they do not want a protectionist bill, but the consequences of this legislation are clear. Like the tariffs of an earlier era, it would provoke foreign retaliation, increase prices to U.S. businesses and consumers, cost more jobs than it would save, and threaten the continued existence of a growth-oriented trading system. This is a high price to pay for exhibiting frustration with our trade deficit—a price that would make us *less* competitive, not more. Our Nation's business leaders, economists, and newspapers are asking: Do we really want the history books to identify the 1987 trade bill as the cause of a recession—or worse?

The overall problem is that each committee involved with the bill has proposed independently significant provisions to address perceived problems. Together, these provisions will have a severe cumulative impact on U.S. trade and the economy. We urge you to consider their effects: (1) sweeping procedural changes that would repress trade and investment; (2) violations of our international obligations that would trigger a downward spiral of retaliation; (3) constraints (some, we believe, unconstitutional) on the discretion of this and future Presidents to formulate international economic policy and conduct negotiations; (4) potential disruptions to financial and labor markets; (5) special benefits to powerful industries; and (6) significant additions to the budget deficit. More detailed objections to and comments on the pending legislation are attached.

We continue to pledge our best efforts to work with you to produce legislation that will promote America's competitiveness. However, we will not be able to recommend that the President sign the pending legislation unless extensive improvements are made on the Senate floor and in conference.

We all want to see the trade deficit come down. Exchange rate adjustments, aggressive actions to open foreign markets, and fiscal discipline are starting to produce the right results. In volume terms, our net export deficit on goods and services has declined at an annual rate of about $15 billion during the last two quarters. The trade deficit is starting to shrink in dollar terms as well, and should continue to do so. Especially encouraging is the fact that exports of goods and services have grown in volume terms at an annual rate of 14 percent since the second quarter of 1986.

Legislation can be useful if it strengthens our competitiveness. The President's proposals would do so by increasing investment in human and intellectual capital; promoting science and technology; protecting intellectual property; making legal and regulatory reforms; and improving the international economic environment. Conversely, legislation can create new problems that could reverse the economic growth we have enjoyed for four and one-half years. Now that American industry is starting to reap the gains of more competive exchange rates, it would be self-destructive to trigger unnecessary trade conflicts.

Sincerely.

(Signaturer of 14 Cabinet Secretaries.)

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION

Provision	Reason for objection
I. Finance Committee (S. 490)	
A. Trade Agreements Authority	
1. Absence of tariff proclamation authority, traditionally granted to successive administrations since 1934. Instead, Congressional approval of tariff cuts under fast track process is required.	Significantly reduces our leverage in trade negotiations and unnecessarily complicates implementation of trade agreements.
2. Revocation of "fast track" procedures by concurrent resolution at any time ("reverse fast track") on grounds of inadequate consultations.	This veto-proof procedure could impair our leverage in trade negotiations.
B. Amendments to Section 301 of the Trade Act of 1974 (unfair trade practices of foreign governments)	
1. Mandatory retaliation within 19 months in all cases. Waivers are provided for: adverse GATT rulings; national security; and negotiated settlements approved by industry or providing compensation. In cases not involving "unjustifiable" practices (defined as violations of U.S. international rights, most-favored nation treatment, right of establishment, or protection of intellectual property rights), provides an additional exception if President certifies that removal of the unfair practice is impossible and retaliation would not be in the national economic interest.	In many cases, mandatory retaliation on a strict schedule would reduce a foreign government's political flexibility to accommodate our concerns, frustrate our ability to negotiate settlements, and thus provoke counter-retaliation and close rather than open markets. Waivers do not cure our objection—their exercise could destroy opportunities for negotiated settlements. Allowing industry veto of negotiated settlements in the same sector unacceptably places trade policy in private hands.
2. Mandatory self-initiation (i.e., initiation on the government's own motion, not on the basis of an industry petition) of an unspecified number of cases each year.	Self-initiation requirement could make it harder to resolve both the cases self-initiated (because self-initiation is confrontational) and all other trade problems (because, by implication, they are less important). A self-initiated Sec. 301 investigation is a blunt instrument. Forcing the President to effectively accuse foreign governments of unfair trade practices as a matter of routine would, in many cases, make trade disputes counterproductively confrontational. Industries are free to file Sec. 301 petitions at any time.
3. Transfer of Presidential authority to USTR to determine whether foreign government's practices are unfair.	The determination as to unfairness of a foreign government's practices is the heart of a 301 case, and triggers mandatory retaliation under S. 490. It must often be made in an environment of ambiguous U.S. and international standards of "fairness." Like all fundamental trade policy powers, it should be reserved to the President, with input from all his economic advisors. Transfer of decisionmaking powers to USTR is inconsistent with USTR's role as coordinator of advice to the President.
4. Mandatory quantification of the impact of foreign trade barriers identified in the annual trade estimates report.	It is generally impossible to meaningfully measure trade that would occur in the absence of a trade barrier.
5. Designation as an unreasonable practice of pattern of denial of worker rights.	This provision would either seriously disrupt trade with communist countries, or require routine use of the national economic interest exemption. In the latter event, imposition of penalties against non-communist countries would raise serious equity questions. Could be counterproductive to efforts to improve worker rights.
6. Designation as an unreasonable practice of export targeting (defined as government measures having the effect of making exports of a firm or industry more competitive, including home market protection).	By this standard, many U.S. industries would be subject to mirror actions because USG could be perceived as favoring certain industries through federally funded research (e.g., computers) or procurement policy (e.g., SDI impact on lasers, aerospace technology). Would raise significant problems with developing countries, including many of the poorest ones.
7. In export targeting cases, requirement to study and propose alternative measures to improve a targeted industry's competitiveness if President invokes "national economic interest" waiver.	Back-door, ad hoc industrial policy and unwarranted governmental interference in business decisions.
8. Designation as a discriminatory (and therfore unfair) practice of state trading.	Could expand definition of state trading and encourage petitions involving trade with non-market and numerous other developed and developing countries. Could disrupt ongoing GATT negotiations on state trading and spark retaliation against U.S. agricultural exports. Any violation of GATT Article XVII (on state trading) is already actionable under Sec. 301.
9. Limitation of GATT exception to action by contracting parties.	This exception should also be available if a GATT panel report is adverse to the U.S.
10. Pasta retaliation. (Increased variable duties on pasta imports if no agreement is reached with the EC by July 1.)	Could undermine our negotiations with the EC and provoke unnecessary counterretaliation.
11. Designation of "adversarial trade" countries, including Japan.	Formally stigmatizing a country as an "adversarial trader" needlessly politicizes trade negotiations and will make it harder, not easier, to negotiate market-opening agreements. Mandatory negotiation requirement inappropriately constrains executive discretion.
12. Limitations on modification and termination of action.	President should continue to have authority to modify and terminate action under Sec. 301 whenever modification or termination is in the national economic interest. Such authority should not be artificially constrained.
13. Designation as an unreasonable practice any requirement for technical information as a condition for importation.	USG (e.g. FDA, EPA) often requires extensive technical information as a condition for importing products. Therefore, not necessarily unreasonable practice by U.S. competitors.
14. Evidentiary rule that existence of an unfair trade concession may be inferred from existing circumstances.	Invites domestic pressure to act based on insufficient evidence.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
C. Amendments to Section 201 of the Trade Act of 1974 (relief from fairly traded imports that injure domestic industries)	
1. Elimination of Presidential authority to deny or reduce on "national economic interest" grounds import relief recommended by the International Trade Commission.	**Forces President to restrict imports even when contrary to national economic interest. Implies interests of a single industry outweigh those of Nation. Requiring President to take specified action upon the finding of an independent commission would substantially undercut the President's authority to supervise and direct Executive Branch agencies and thereby to "execute the laws." Likely to result in retaliation against U.S. exports, compensation requirements, and harm to other U.S. industries, including users of the products subject to import restraints.**
2. Increase in maximum relief period from 8 to 10 years.	**Undercuts theory that Sec. 201 relief is temporary, and drives up costs to consumers and U.S. exporters and consuming industries.**
3. Anti-circumvention provision, authorizing President to expand relief.	**Invites pressure to provide relief for products on which the ITC has not made an affirmative injury determination, which would violate GATT.**
4. Exclusion form remedy vote of ITC commissioners who find no injury.	**Denies President useful advice of all ITC commissioners.**
5. Fast-track relief for perishables not subject to ITC injury finding.	**GATT-illegal and unworkable. Administration and House proposals are preferable.**
6. Provisional import relief not subject to ITC injury finding.	**GATT-illegal. House proposal preferable.**
7. Mandatory adjustment plans/commitments from petitioners.	**Such plans/commitments should be voluntary.**
8. Trial auctioning of import quotas. Mandates auctioning in next three Sec. 201 cases involving quotas, with exceptions.	**USG already has ample discretionary authority.**
D. Trade Adjustment Assistance	
1. Continues, expands, and extends TAA workers and firms.	**TAA should be repealed, not expanded. The Administration has proposed (and the Senate is considering) a $980 million replacement worker readjustment program (WRAP) which is almost triple current worker adjustment resources. (See item IV.B below.) TAA deters and delays adjustment by emphasizing longer periods of income support rather than early adjustment. WRAP will provide more timely and effective relief; triple the amount of funds currently available for worker adjustment programs; and serve at least six times as many workers. By expanding TAA rather than repealing it, perpetuates current program duplication. Adjustment assistance to firms should also be repealed because of its questionable effectiveness and track record of defaults on taxpayer-supported loans and loan guarantees.**
2. Mandates imposition of fee on imports, not to exceed 1% of value. Mandates negotiations to secure GATT approval of such a fee, but requires implementation by 1990 in any event.	**Negotiations are unlikely to succeed; therefore, the fee will be GATT-inconsistent and expose U.S. exports to retaliation or mirror legislation. Creates new tax and new trade barrier. Eliminates incentive for budgetary discipline.**
3. Extension of TAA benefits to secondary suppliers and oil and gas workers.	**Significantly increases cost of TAA by extending entitlement to benefits to workers well beyond the primary impact of imports. Reduces America's competitiveness by deterring and delaying adjustment by even more workers than present program.**
4. Defining all TAA benefits as entitlements, removing TAA from the appropriations process, creating TAA trust fund, and authorizing borrowing authority.	**Removes an important Congressional check on a program whose costs can escalate rapidly and dramatically (e.g., $1.6 billion in 1980 vs. $0.4 billion in 1979). Gives TAA a tap on the Treasury without further Congressional review of costs.**
5. New entitlement to TAA training each time a worker is laid off; restarting (or tolling) the 104-week TAA limitation with each layoff.	**Establishes a new, uncontrollable program that will increase spending without any assurance of greater effectiveness. Extends period of unemployment.**
6. Requirement that workers enroll in training after collecting their unemployment insurance (UI) in order to collect TAA cash benefits, except in specified cases.	**Workers should be encouraged to undertake training early on, to speed adjustment. Administration WRAP proposal would require workers to enroll in training by their tenth week of UI to be eligible for cash benefits while in WRAP training after UI benefits run out. S. 490 would prolong unemployment by delaying requirement that worker undertake training until after 26 weeks of UI benefits.**
7. Automatic entitlement of all workers and firms in an industry to TAA once ITC finds injury to the industry under Section 201.	**Presumes that all unemployment in the industry is caused by imports; would entitle all such workers and firms to TAA benefits whether their job loss was related to trade or not. Gives independent commission power to grant access to an entitlement program.**
8. Prohibits Secretary of Labor from limiting TAA training to 104 weeks.	**Extends workers' period of unemployment.**
E. Amendments to antidumping and countervailing (AD/CVD) duty law	
1. Non-market economy dumping. Imposes offsetting duties on non-market economy imports priced below weighted average price of largest volume eligible market economy country.	**Administration-proposed standard of lowest of eligible country average prices is preferable because it takes into account the fact that products from NME countries usually command a lower price than products from market economy countries due to quality and supply problems. Therefore, it is a more reasonable standard and would preserve fair competiton in NME products.**

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
2. Anti-circumvention provisions. (a) One aspect of provision goes beyond circumvention to allow AD/CVD order on parts to cover finished products as long as the finished products remain within the scope of the "class or kind" of the merchandise covered by the order on parts. (b) Apparently covers instances where parts are imported by unrelated parties or from more than one country.	(a) Subject overly broad interpretation. May not be GATT-consistent because finished product and parts are unlikely to be considered as "like products" as required by the GATT. Could increase prices to U.S. consumers of fairly-traded goods. (b) Unrelated parties should not be penalized for actions they cannot know. Should be limited to situations where substantially all of the imports are from the same source.
3. Monitoring of limited downstream dumping. Requires Commerce to monitor imports of downstream products in order to identify diversionary practices resulting from significant antidumping and countervailing duties on component parts.	Expensive and burdensome. Would not provide sufficient information for initiation of new investigations.
4. Monitoring, self-initiation, and acceleration of investigations involving multiple offenders. Requires the ITC to create a product monitoring category for repeat dumpers and Commerce to monitor imports. Under certain conditions, Commerce would have to initiate an AD investigation, unless a substantial proportion of domestic producers of the product asked that an investigation not be initiated.	Diverts scarce resources from cases with clear industry injury. Could invite "mirror" legislation by foreign governments.
5. Domestic subsidies. Clarifies that in determining the existence of a domestic subsidy, Commerce must consider the actual, as opposed to merely the nominal benefit of the program.	As worded, may be unadministrable and inconsistent with international consensus on definition of subsidies.
F. Telecommunications. Mandates retaliation (subject to fast-track legislative approval), against any country that does not provide "substantially equivalent competitive opportunities" for U.S. telecommunications products and services within 18 months. Mandates USTR-determined retaliation within six months against any trade agreement violations, with a violation presumed if actual trade is not as "reasonable anticipated."	Mandatory retaliation on a strict schedule and subject to a sectoral reciprocity standard is likely to impair negotiations and result in counter-retaliation. Mandatory retaliation by USTR on trade agreement matters inappropriately transfers this power from the President to a subordinate.
G. National Oil Import Ceiling. If oil imports are projected to exceed 50 percent of domestic consumption in next three years, President is required to submit a plan, to be considered by Congress on fast track, to prevent foreign oil dependence from exceeding 50 percent. Plan takes effect automatically in 90 days unless rejected by joint resolution.	There is no analytic basis for limiting U.S. petroleum imports at the 50 percent level. Arbitrarily setting this level and requiring the President to propose action to meet it could result in actions with greater costs than benefits. For example, DOE estimates that a $10 per barrel oil import fee could result in a real net loss to the economy of $150 to $200 billion over eight years. Would set precedent for arbitrary market share ceilings for other products. Use of projections as basis for automatic triggering is inappropriate. There are serious legal questions as to the adequacy of standards for, and the scope of powers delegated. (Sponsor reportedly contemplates amendment to attempt to resolve legal issues.)
H. Miscellaneous Trade Law Amendments	
1. Intellectual property. Mandates self-initiation of expedited Sec. 301 cases on intellectual property. Mandates retaliation, with national economic interest exception. Mandates designation of Foreign Commercial Service officers to follow intellectual property issues. Mandates monitoring and reports by USTR and National Science Foundation.	A form of sectoral reciprocity that inappropriately constrains Executive discretion. Self-initiation objectionalbe for reasons described above. Special (expedited) deadlines for intellectual property cases not justified. Mandatory designation of FCS officers limits ambassadors' flexibility to assign responsibility within embassies and ignores countries without FCS officers. Monitoring and reporting requirements may be duplicative and wasteful.
2. National security (Sec. 232) cases. Establishes 90-day deadline for Presidential decisions and shortens deadline for Commerce reports from 1 year to six months.	Strict deadlines inappropriately constrain President's flexibility; could complicate negotiations and impair quality of analysis.
3. Trade impact statements would be required for any major federal action that could affect international trade.	New paperwork requirement creates an unnecessary administrative and regulatory burden and could delay major Federal actions through resulting litigation.
4. National Trade Council. Interagency group and membership established in statute. USTR to chair in President's absence.	Organization of interagency policy councils should be left to the discretion of each President.
5. National Trade Data Bank. Establishes ITC-chaired interagency committee and requires collection and publication of extensive economic and trade data on all countries.	Data collection requirements are to broad and costly. Export data bank proposed by Administration is more cost-effective and achievable in near term. Would compete directly with several private sector services.
6. Extension of sugar duty drawback (refund) period to 14 years.	Would result in $200-250 million revenue loss; in many cases would be inconsistent with our international obligations; could provoke retaliation against U.S. exports; and would create a substantial administrative burden for Customs.
7. Lamb import quotas. Requires a system parallel to that for beef under the Meat Import Act.	Would be GATT-illegal and costly to consumers. Likely to lead to retaliation or compensation requirement.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
8. Currency negotiations. Requires President to initiate negotiations with countries that peg their currencies to the dollar to achieve exchange rate change.	Contains an arbitrary and inappropriate standard for initiating negotiations that would affect a wide range of countries that link their currencies to the dollar for legitimate reasons and in compliance with IMF rules. Focuses narrowly on exchange rates as sole means of adjusting imbalances, thus ignoring the wide range of other considerations (e.g., monetary, fiscal, tax, savings/investment policies) that have an important bearing on a country's economic performance and external position. Mandatory negotiations intrude upon the President's exercise of foreign affairs powers committed to him under Article II of the Constitution.
9. Steel "voluntary export restraint" agreements. (a) Requires inclusion of farm fence panels and other products; absent foreign compliance, forbids granting of flexibilities provided for in the agreements. (b) President may consider steel melted and poured in a country subject to a steel arrangement, which is further manufactured in a non-arrangement country, as subject to the quotas of the arrangement country.	(a) Would force USG to violate agreements already negotiated under the President's steel program, and hurt U.S. industries that benefit from flexibility provided by swing/shift provisions in those agreements. Likely to result in collapse of bilateral agreements. (b) Could require USG to renegotiate bilateral agreements depending on how it was implented. Current AD/CVD laws can deal with this this problem.
10. Nairobi Protocol/Florence Agreement. Administration-supported provision improving implementation of the Florence Agreement with respect to scientific instruments.	No provision. Absence of this provision will aggravate non-reciprocal treatment of scientific instruments under the Florence Agreement.
II. Banking Committee (S.)	
A. Requires exchange rate negotiations with countries that manipulate their currencies to gain an unfair trade advantage.	Mandatory negotiations are unnecessary and could prove counterproductive to our efforts to obtain exchange rates that reflect economic fundamentals. Moreover, mandatory negotiations intrude upon the President's exercise of foreign affairs powers committed to him by Article II of the Constitution.
B. Requires Treasury to initiate discussions to propose establishment of an international debt facility, with financial backing by industrial countries (particularly surplus countries) and possibly IMF gold stocks.	Would fundamentally weaken debt strategy. Could have costly tax revenue and expenditure impacts (as much as $2 billion annually); undermine negotiations with debtors; impair their ability to get new loans; and create unrealistic expectations that their loans will be forgiven, thus undermining their incentive to undertake needed economic/monetary reforms. Negotiating with foreign governments is a function that the Constitution commits to the executive's discretion, and Congress cannot direct the President in the exercise of that discretion.
C. Export Controls	
1. Exports to Members of Coordinating Committee on Multilateral Export Controls (COCOM). No licensing required for any export to COCOM countries or non-COCOM countries that agree to abide by COCOM policies (5(k) countries) of "PRC green line" items (i.e., items exportable to China with notification to COCOM).	Raising the level of decontrol to the "PRC green line" is an unacceptably high level of decontrol. Without the audit trail licensing provides, we invite diversions through the weakest links in the COCOM/5(K) chain. USG is in process of identifying items for decontrol, to be specified in advisory notes to the Commodity Control List(CCL).
2. Reexports. No reexport authorization is required to COCOM/5(k) countries, or for any shipment of a foreign product that contains 20% or less U.S. content.	Allowing reexports without authorization to COCOM/5(k) countries, like the PRC green line provision, would break the control trail and expose technology to diversion from a weak link in the West. Does not provide flexibility needed, at 20% of value, to control sophisticated items like supercomputers.
3. Foreign availability. Unilateral national security controls shall be removed each year unless foreign availability does not exist or active negotiations are underway to eliminate the availability.	Oppose this approach to list reduction. Agree that the list should be reduced; however, decontrol should be based on a careful review of the controlled items.
4. West-West foreign availability. Once foreign availability of an item is determined to exist, no license can be required for exports of the item to a country, other than a controlled country, on which the source country does not place export controls. Provides Presidential override, subject to mandatory negotiations to eliminate the availability. If such negotiations fail within six months (12-month extension possible), license can no longer be required.	Ignores the very real problem of diversions to controlled countries. Licensing requirements are currently the only mechanism and lever available to provide an audit trail to such diversions. Administration's fast track licensing proposal is safer and more effective.
5. Parts/components. Export controls cannot be maintained on an item solely on the basis that it contains controlled parts/components if the parts/components are essential to the functioning of the item and comprise less than 20% of value. Licenses cannot be required for export of one-for-one replacement parts for items subject to foreign policy controls unless separate controls imposed.	Percentage value is too high for components controlled for national security purposes for certain destinations. Requirement that separate foreign policy controls be imposed on one-for-one replacement parts ignores reality that such parts replacements are usually part of the original contract.
6. General license for reliable end users. Establishes a general license for reliable end-users in COCOM/5(k) countries with all commodities eligible for the license without regard to product parameters.	The general license that has been established by regulations is adequate.
7. Commerce lead in COCOM list review. Provides that Commerce, in consultation with other agencies, shall be responsible for, inter alia, formulating the U.S. proposal for COCOM list review.	Present interagency process is necessary to ensure adequate review of foreign policy and national security considerations. State's lead role in this process enhances State's ability to successfully negotiate agreements in COCOM and with other cooperating countries.
8. License fees prohibited.	Fees are included in President's budget and are consistent with Administration goal of collecting for services.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
9. Under Secretary for Export Administration. Office authorized at $45.2 million.	Unnecessary duplication and adds additional layer of government control. Significantly undermines management of Export Administration program.
10. Trade shows. Requires license be issued for any item going to a trade show in China, if product remains in control of exporter and is removed at conclusion of trade show.	Unfair and misleading to would-be exporter and to Chinese, since there is no guarantee or reasonable expectation that the good is actually exportable. Such details can and should be handled through implementing regulations.
11. Judicial review. Subject civil penalties and temporary denial orders (TDO's) to judicial review.	Courts already guard against denial of due process, and have found no such denial in this program. Would hamper use of TDO's as a key diversion prevention measure which is usually directed at foreign operators. Export controls involve delicate national security and foreign policy decisions. The conduct of foreign affairs is the province of the Executive Branch, and members of the Judiciary lack the expertise to decide sensitive international relations questions.
D. Export Trading Companies (ETC's)	
1. Fees from third country trade. Counts as export related if remitted to U.S., does not exceed 20 percent of all export revenue, and is derived from arranging but not providing, export trade services.	Should go further and count all such fees as export related without conditions. Bank ETC's need third country networks and profit opportunities.
2. Leverage ratio. Increased to 15:1.	Should go to 25:1 in order to match foreign competition.
3. Export Management. Requires Commerce to encourage and assist export management companies (EMC's); requires report to Congress.	Commerce presently encourages and assists EMC's. Reporting requirement unnecessary and costly.
4. Export of bank's services. (No Senate provision.)	Should add provision specifically to allow a bank ETC to export its own services. Bank ETC's should not be limited to providing only trade facilitation services.
E. Embassy management	
1. Instructs Secretary of Commerce to designate eight Foreign Commercial Service officers as Ministers-Counselor.	Would undercut statutory authority of Chiefs of Missions and Secretary of State to manage overseas posts.
2. Confers upon Secretary of Commerce a share of the Secretary of State's authority to review staffing at U.S. diplomatic posts abroad.	Could undercut the Secretary of State's authority under Sec. 103 of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.
3. Directs both Secretaries, whenever they determine the number of commercial personnel to be insufficient, to increase that number by adjustment of resources and personnel and other appropriate measures.	Could be interpreted to establish priority for commercial work over all other functions of embassies, and could undermine the Secretary of State's authority in allocating embassy resources.
F. Primary Dealers. Requires Federal Reserve to deny primary dealer status to firms from countries that do not provide equivalent access to U.S. companies in acquiring that country's government debt instruments.	Reciprocity in U.S. financial markets will impede foreign investment and is contrary to U.S. national investment policy. In addition, the retaliatory, non-discretionary nature of the provision could be counter-productive against U.S. firms operating in foreign financial markets that are more liberal in particular areas than the U.S., i.e., not subject to Glass Steagall or interstate banking-type restrictions.
III. Agriculture Committee (S. 512)	
A. Export Enhancement Program (EEP). Extends program through 1990 and raises authorized ceiling from $1.5 billion to $2.5 billion. Program is revised such that it would limit USDA's discretion in targeting subsidies for wheat and feedgrains and it weakens the additionality requirement.	USDA's ability to target the EEP has been a critical factor in its success. Displacing unsubsidized commercial sales the EEP would waste resources of the program, and of the Commodity Credit Corporation (CCC). Would conflict with Presidential policy and Venice Summit agreement to increase discipline over agricultural subsidies.
B. Establishes triggered marketing loan program for the 1990 crop of wheat, feed grains, and soybeans if Congress has not approved a multilateral trade agreement for agriculture. President may waive implementation by certifying that trade negotiations are in sensitive stage. Waiver shall not apply if joint resolution of disapproval is enacted.	USDA's already has authority to implement marketing loans for these commodities. Would create billions of dollars of budget and consumer costs. Could violate GATT "standstill and rollback" commitments. Would make no distinction among commodities or markets in which competing countries do not subsidize.
C. Requires USDA to assist victims of unfair foreign trade practices, both in filing before other agencies and the courts, and recommending trade actions to federal agencies.	Costly and Precedent-setting. Pits one Executive Branch agency against another in quasi-judicial proceedings. Participation by USDA in court proceedings against other Federal agencies contradicts the Constitution's concept of the unitary executive and thereby presents standing unjusticiability problems under Article III of the Constitution.
D. Losses on USDA promoted tobacco exports shall not count against the "no net cost" requirements of the tobacco program.	Could have significant impact on realized losses of CCC. Tobacco program would no longer be "no net cost."
E. Targeted Export Assistance (TEA) may be used to compensate organizations for expenses incurred defending countervailing duty actions in other countries, and increases 1988 funding to $215 million.	Exceeds intent, and interferes with effective use of TEA program as a market development tool countering unfair foreign trade practices. Use of TEA as presented in this provision could likely increase foreign countervailing duties on U.S. exports.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
F. Agricultural Export Development Activities. Reenacts and makes permanent current statutory prohibition on use of development assistance funds for agricultural export activities in developing countries that would compete with and have a significant impact on U.S. agricultural exports.	Imposes further administrative burdens on U.S. food assistance programs. Given current surpluses in world food supplies, would reduce food aid recipients countries' interest in U.S. programs. Foreign aid program guidelines already aim to avoid injury to U.S. agriculture.
G. Agricultural aid and trade missions. Mandates short-term government/private sector missions to promote U.S. agricultural aid and trade programs. Minimum of 15 countries to be visited in first year.	Unnecessarily duplicates current AID and USDA efforts to assist potential importers of U.S. farm exports. Further expands number of activities funded through CCC rather than through more appropriate direct appropriations.
H. Reciprocal meat inspection requirement on imported meat when unsubstantiated meat inspection requirements are imposed on U.S. exports.	Unnecessary because imported meat products must already meet the standards imposed on domestic products.
I. Multiyear agreements under the Food for Progress (FFP) program and Section 416 shall be approved if the agreements meet requirements.	Removes administrative discretion. Multiyear commitments for Sec. 416 are ill-advised because of the considerable uncertainty as to future availability of CCC stocks. Multiyear authority already exists for FFP and mandating approvals could obligate the U.S. to purchase more commodities when this is unnecessary or inappropriate.
J. Requires price support for 1990 sunflower crop if a marketing loan is initiated for soybeans.	P.L. 100-45 already provides this authority for sunflowers. This is a mandated expansion of costly agricultural support programs.
K. Administrator shall to extent practicable emphasize market development of meat products to achieve world market share equivalent to U.S. share of world meat production.	Could imply earmarking of funds irrespective of their potential for accomplishing stated goal. Provides special treatment for one commodity to detriment of others. Besides being costly, could be viewed as GATT violation. No analytic justification for market share goal.
L. Increases trade show funding by $5.7 million.	Objectionable on fiscal discipline grounds; no offset for lower-priority programs.
M. Requires reporting on all agricultural imports and their level of penetration in the U.S. market.	Would require radical restructuring of USDA statistical operations. Likely to cost several million dollars.
N. Establishes Cooperative National Forest Products Marketing Program.	Forest Service already has adequate authority to undertake such a program.
O. Makes commodities with 75% U.S. origin content eligible for Export Credit Guarantee coverage of the U.S. portion	CCC already has this authority.
P. Wood products. Instructs USDA to actively use commercial and concessional export credit programs (P.L. 480, GSM-102, and GSM-103) for the export of wood and processed wood products.	U.S. action to erode international discipline over trade distorting financing practice could encourage other OECD countries to retaliate in other export sectors and markets. No evidence that other wood/wood product exporters are offering extended repayment terms such as those under GSM-103. Product-specific mandate to use export credit programs is inappropriate and could open concessional food assistance program to any product suffering reduced export sales.
Q. PVO/coop participation in food export programs. For P.L. 480 Title II and Sec. 416 programs, increases from 5 to 10 percent the minimum percentage of monetization by private voluntary organizations and cooperatives. Requires final action within 45 days on PVO or coop proposals. Requires 30 days public notice before issuing final implementation guidelines.	Monetization earmarks and proposal review deadlines restrict administrative discretion. Public notice requirement an unwarranted exception to the foreign affairs exemption under Administrative Procedures Act rulemaking procedures. Imposes further administrative burdens on U.S. food assistance programs.
R. Expansion and reorganization of USDA international programs. Increase in budget authorizations totals $17 million in 1988 and authorizes increased staffing levels for Foreign Agricultural Service.	Objectionable on fiscal responsibility grounds; staffing levels are currently adequate to meet program needs.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
IV. Labor and Human Resources Committee (S. 538 and S. 406)	
A. Plant closings. Mandates advance notice and information disclosure for any business with 50 or more employees closing an operation.	Could severely limit employer ability to negotiate alternatives to closing with banks, creditors, and suppliers, thereby leading to closings that might have been avoided.
B. Worker Readjustment Program (WRAP). Authorizes $980 million for an amended training and job search assistance program under the Job Training Poartnership Act. Also mandates several demonstration programs.	Provisions similar to Administration proposal (S. 539), but Administration would prefer a stronger role for the private sector, a greater proportion allocated to substate level, fewer funds for demonstrations and more flexibility in framing them, and services to dislocated homemakers under Title II-A of JTPA rather than WRAP. The Administration bill included repeal of TAA (see item I.D.1 above.)
C. Education grants. Authorizes almost $1 billion in 1988 ($3.6 billion for 1988-1993) to continue or expand a variety of current programs, including treacher training, postsecondary, and vocational programs, and to establish new elementary and secondary programs for dropouts, gifted and talented students, basic skills instruction, foreign language instruction, educational technology, and adult literacy.	Creates costly new programs, many of whose objectives can be served already through existing programs and resources. Any new elementary and secondary initiatives should be considered in the context of the reauthorization of elementary and secondary programs, now in progress.
V. Foreign Relations Committee (S.)	
A. Multilateral Investment Guaranty Agency. Authorizes U.S. participation, but conditions it on renegotiation of MIGA rules and procedures, such that no MIGA investments or guarantees would: (1) result in a reduction in U.S. employees; (2) result in exports to U.S. that compete with domestically-produced goods; (3) be subject to performance requirements; or (4) involve countries that do not implement internationally recognized worker rights.	Would effectively preclude U.S. membership in MIGA.
B. International Debt Facility. Requires Treasury Secretary to initiate negotiations to propose establishment of a debt management facility to purchase and restructure private bank loans to developing nations.	Would fundamentally weaken debt strategy. Could have costly tax revenue and expenditure impacts (as much as $2 billion annually); undermine negotiations with debtors; impair their ability to get new loans; and create unrealistic expectations that their loans will be forgiven, thus undermining their incentive to undertake needed economic/monetary reforms. Negotiating with foreign countries is a function that the Constitution commits to the executive's discretion, and Congress cannot direct the executive in the execution of that discretion.
C. Multilateral Development Bank Procurement. Requires Treasury to establish a separate office to monitor MDB procurement.	Unnecessary, given activity already being performed at Commerce and other agencies.
D. Tied Aid Credits. Eliminates requirement for unanimous consent of National Advisory Council (NAC) on tied aid credits; provides for decisionmaking by majority vote of NAC.	Undermines procedures designed to avoid creating an expensive entitlement program. Existing consensus procedure has successfully identified the best cases, thereby maximizing our impact in international negotiations.
E. Capital flight. Sense of the Congress supporting additional reporting requirements.	Contrary to current U.S. policy and practice regarding confidentiality of financial information to provide detailed information on individual financial transactions to foreign governments. Accurate measurements would be extremely difficult.
F. Trade and Development Program (TDP)	
1. Transfers programmatic authority over tied aid credits from AID to TDP; makes Economic Support Fund (ESF) available at discretion of TDP Director with "concurrence" of Secretary of State, who is to "cooperate" with AID Administrator.	AID has the experience and the staff to handle tied aid credits; TDP does not. Decisions on allocations of ESF, a principal source of funding for the U.S. foreign assistance program, require careful balancing of economic, security, and political considerations. Inappropriate to fragment decisionmaking process.
2. Authorizes an additional $25 million (total $45 million) for 1988 for the specific purpose of education and training programs with emphasis on China and Taiwan.	No specific offsets identified for increased TDP authorization. Development assistance funds, already constrained by budget cuts, should not be used for this purpose.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
VI. Governmental Affairs Committee (S. 1233)	
A. Trade/Commerce Reorganization; New R&D Grant Program	
1. Creates an independent Executive Branch agency, the U.S. Trade Administration (USTA), to be headed by the USTR. The USTR would also head an Office of Trade Policy Coordination (OTPC) within the Executive Office of the President, and the USTR's role as principal trade advisor to the President would be codified. The USTA would consist of the existing Offices of the Assistant Secretaries of Commerce for International Economic Policy (GATT/regional specialists) and for Trade Administration (import/export controls); and a portion of the existing USTR. The role of OTPC would consist solely of the coordination responsibilities conferred under Sec. 242 of the 1962 Trade Expansion Act; USTA would take over all other current USTR functions, including negotiations.	Removal of negotiating responsibility from Executive Office could suggest less Presidential interest/involvement in trade negotiations. Placement of negotiating and enforcement responsibilities in same agency could politicize AD/CVD cases and create bureaucratic incentives for greater reliance on voluntary restraint agreements. Fragmentation of International Trade Administration would impair existing level of coordination among ITA units, and have adverse impact on administration of key trade programs and negotiations in GATT and with Canada. Would separate trade functions from statistical and economic support which reside elsewhere in Commerce. Timing questionable in light of current heavy demands on trade agencies and hurried review of this proposal.
2. Renames and reorganizes remainder of Commerce into a Department of Industry and Technology (DIT). Remaining international trade functions would include the U.S. and Foreign Commercial Services and the Office of the Assistant Secretary for Trade Development (export promotion/industry specialists). Additional future transfers to USTA would be studied.	(See above.) Remainder of reorganization is unnecessary and would erode effectiveness of existing ITA functions by separating closely related units. Object to separating Census from other economic analysis units; diminishes statistical support for the Department and the USG.
3. Creates within DIT a new R&D grant-making agency, the Advanced Civilian Technology Agency, authorized at $80 million in 1988, $160 million in 1989, and $240 million in 1990.	Industrial policy scheme where Government, not the marketplace, determines winners and losers in new technological areas. Excessive funding.
4. Establishes within DIT a new Small Business Trade Remedy Assistance Office to assist petitioners and subsidize legal expenses. Authorized at $3.3 million.	Requires one Executive agency to be an advocate in proceedings in another, raising constitutional issue similar to item III.C above. Subsidy of legal fees inappropriate; sets precedent.
B. Statutory establishment of Economic Policy Council. Provides that when trade issues are considered, USTR shall chair in President's absence.	Presidents should be free to structure Cabinet policymaking forums as they see fit.
C. Council on Economic Competitiveness. Creates independent agency authorized at $15 million. To be "source of external review and comment on policies of the Federal Government." Subcouncils required for certain industries. Also establishes a Commission on U.S. Trade in the 1990's, and mandates four competitiveness studies.	New entity would duplicate policy review functions that can be (and are) performed by existing agencies. Appointment procedure (six of nine members appointed by Legislative Branch) appears unconstitutional. New Commission and studies would duplicate ongoing activities.
D. Sematech. For 1988-1992, authorizes $125 million each year as USG commitment to proposed private-public research consortium. Allocation of funding by agency to be decided; interagency group established to coordinate Federal participation.	The concept of the semiconductor industry cooperating to meet competitive challenges is sound. However, the Administration opposes any federal subsidy for such an organization because the matter is presently under review. A number of policy issues must be resolved before the appropriate extent and form of government participation, if any, can be determined.
E. Financial Acquisitions Review Board. Establishes interagency board to review proposed foreign acquisitions of U.S. financial institutions (banks, thrifts, securities dealers, etc.) and requires 30-day period during which board must consider reciprocal treatment in foreign countries. No final action permitting an acquisition may be taken unless the board has no objection.	Cumbersome and contrary to open investment policy. Applies a reciprocity standard other than national treatment. Could be counter-productive against U.S. firms operating in foreign financial markets that are more liberal in particular areas than the U.S., i.e., not subject to Glass Steagall or interstate banking-type restrictions.
F. State Job Bank Systems. Requires Secretary of Labor to develop and implement new computerized listings of jobs and job seekers in each State according to certain specifications. Authorized at $50 million. Also requires study on portable pensions and health benefits for displaced workers.	Unnecessary. Every State already has a computerized (or microfiched) job bank. Counter to thrust of 1982 changes to Employment Service authorizing legislation which provides formula grants to States so that they may decide how to allocate resources among job bank, staff, etc. Pension portability study already ordered by President, and is being carried out by Labor as part of Workforce 2000 effort.
G. National Trade Data Bank. Creates interagency committee, chaired by Commerce, and mandates collection of a broad range of data.	Commerce is already improving trade statistics for negotiations and is nearing implementation of Commercial Information Management system that will assist U.S. export marketing efforts. Administration has proposed Export Promotion Data System that can be accomplished within existing resources and will not compete with private sector. Inconsistent with Administration policy of paperwork reduction.
H. Symmetrical Access to Technological Research. Requires interagency committee to define symmetry and to recommend negotiating goals to USTR; establishes within DIT an Office of International Technology Monitoring.	Symmetrical access has already been addressed in recent Executive Order 12591. Would duplicate current activities of OSTP, NSF, Commerce, and private sector.

ADMINISTRATION OBJECTIONS TO AND COMMENTS ON SENATE TRADE AND RELATED LEGISLATION—Continued

Provision	Reason for objection
VII. Small Business Committee (S. 1344)	
A. Small business export promotion programs. Adds an unrequested $5 million in 1988 and $10 million in 1989 and 1990 for Small Business Export Assistance Centers. Increases loan guarantee limits from $500,000 to $750,000.	Additional funding for these activities has not been offset with reductions in lower priority programs. Increases in loan guarantee limits are not justified by the bill and will not necessarily assist small business exporters.
VIII. Judiciary Committee (S. 1200)	
A. Process patents. Use or sale in the U.S., or importation into the U.S., of products made by patented processes would constitute infringement, regardless of where these products were made. However, proposal allows "innocent" infringers a limited period to dispose of inventory.	"Innocent" infringers should not be permitted to continue selling inventory in the U.S. This effectively gives them a compulsory license and diminishes the value of the patent.
IX. Commerce Committee (S. 907) **(May not fully reflect outcome of June 16 markup.)**	
A. Screening of foreign investments. (Exon amendment.) Gives Secretary of Commerce power to screen and the President to block foreign investments. Presidential action subject to joint resolution of Congress.	Duplicates investigatory actions of Committee on Foreign Investment in the U.S. Criteria for determinations are inconsistent with sound investment and economic policies and could scare away needed foreign capital. Could undermine our investment initiatives in the GATT and elsewhere, and cause violations of treaty obligations.
B. Reorganization/expansion of Commerce science programs. Establishes Commerce Under Secretary for Technology and authorizes substantially greater funding for Commerce science programs than requested by President. Authorizes $15 million in 1988 for new R&D grant program (Advanced Technology Program).	Under Secretary unnecessary. Broad mandate of R&D grant program could duplicate other federal programs.
C. Aviation. Reduces time for DOT action on carrier complaints from 180 to 90 days.	Proposed deadline too short due to often differing views of U.S. carriers and need to consult with foreign governments. Could provoke unnecessary retaliation instead of solving problems.

This listing was prepared before most statutory and report language was available. Provision descriptions are based on agencies' understandings of markup results. This listing does not reflect any changes that may be made between committee and floor action, e.g., to reconcile conflicting provisions offered by different committees.

Mr. BENTSEN. Are there Senators in the Chamber who have amendments that they would like to offer yet tonight?

Mr. President, I move to lay the amendment on the table and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion to lay the amendment of the Senator from Pennsylvania on the table.

The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

The PRESIDING OFFICER (Mr. CONRAD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 69, nays 27, as follows:

[Rollcall Vote No. 158 Leg.]

YEAS—69

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Chafee
Chiles
Cochran
Conrad
Cranston
Danforth
Daschle
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Graham
Gramm
Grassley
Harkin
Hatfield
Hecht
Helms
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Matsunaga
McCain
McConnell
Mitchell
Nickles
Nunn
Packwood
Pell
Proxmire
Pryor
Quayle
Reid
Roth
Rudman
Sasser
Simpson
Stafford
Stennis
Stevens
Trible
Wallop
Warner
Weicker
Wirth

NAYS—27

Byrd
Cohen
D'Amato
DeConcini
Dixon
Garn
Hatch
Heflin
Heinz
Hollings
Levin
McClure
Melcher
Metzenbaum
Mikulski
Moynihan
Murkowski
Pressler
Riegle
Rockefeller
Sanford
Sarbanes
Shelby
Specter
Symms
Thurmond
Wilson

NOT VOTING—4

Biden
Gore
Lugar
Simon

So the motion to lay on the table was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

The majority leader is recognized.

Mr. BYRD. Mr. President, if I can have the attention of all Senators, I would like to see a show of hands by any Senators who have amendments that they would be willing to lay down tonight and debate the first thing tomorrow.

Is there any Senator who would be willing to lay down an amendment tonight?

There are several amendments listed on both sides of the aisle. Senators are shown as having amendments. I wonder if we have any Senators here who would be willing to agree to a time limit on their amendments.

Mr. JOHNSTON. Mr. President, I have an amendment which I think we can dispose of in about one minute, as soon as it is cleared, but I think we will clear it for tomorrow.

Mr. DECONCINI. Mr. President, I have a couple of amendments. One is on copper, and I would be happy to enter into a time agreement.

Mr. BYRD. Will the Senator repeat that?

Mr. DECONCINI. I have an amendment that deals with copper, on which we are negotiating. I would be happy to enter into an agreement on that.

I also have an amendment dealing with Angola, which I intend to offer, and I would be happy to enter into a time agreement on that.

I may have an amendment on Korea, and I would like a freestanding vote on that. I would be happy to enter into a 1-hour agreement, equally divided, on either of those amendments.

Mr. BYRD. Mr. President, would the Senate indicate what kind of a time limitation he would be willing to enter into with respect to the amendment on copper?

Mr. DECONCINI. I am glad to have 1 hour on the amendment equally divided.

Mr. BYRD. Is there any reaction?

Mr. BENTSEN. Mr. President, on this side the Senator from Texas is agreeable.

Mr. BYRD. That would be agreeable.

The PRESIDING OFFICER. Could we have order in the Chamber so we can hear the Senator?

Mr. PACKWOOD. I could not hear what he said.

Mr. President, every time the word "copper" comes up to connection with trade I get shivers. I would like to see the amendment. I do not know if I would object to a time agreement or not.

Mr. DECONCINI. It would be easy for me. I can enter into an agreement or not. If the chairman and the ranking member want to do it, I am here to accommodate the majority leader.

Mr. KENNEDY. Mr. President, in the meantime while working it out, we have a modification on the bank closing provisions. We are glad to offer a substitute. It is well known. We would be glad to enter into a time agreement of a half hour evenly divided on a side.

Mr. BYRD. Mr. President, any other Senators?

Mr. Chiles?

Mr. CHILES. I have an amendment having to do with trade with Cuba.

Mr. BYRD. May we have order in the Senate?

Mr. CHILES. Having to do with trade with Cuba. I would be willing to enter into a time agreement, an hour on a side.

Mr. PACKWOOD. Is that the 6-month ship amendment?

Mr. CHILES. No.

Mr. PACKWOOD. I personally have no time limitation on that.

Mr. BENTSEN. I have no objection to the time on either.

Mr. BYRD. The Senator has no objection.

Mr. CHAFEE. If I might address a question to the majority leader, are we sticking to the Finance Committee portion of the bill this time or moving on rather to a catch-all?

Mr. BYRD. At the moment I am trying to see if any Senators have any amendments to any part of the bill on which they would be willing to agree to a time limit at this point.

Mr. CHAFEE. Would the majority leader, for instance, entertain the suggestion of the senior Senator from Massachusetts that we move on to the provision he has spoken about?

Mr. BYRD. I am not seeking that now. I am simply trying to find out what amendments will be available on which we might reach time agreements regardless of the titles to which they would be offered.

Mr. CHAFEE. Would they come up tomorrow morning, for example?

Mr. BYRD. They might or might not.

Mr. CHAFEE. For that section of the bill to be considered.

Mr. BYRD. A Senator can call his amendment up right now if he wants to to any title.

We have no understanding that we will go by title. That may come later. As of now a Senator has a right to call up an amendment to any part of the bill.

Mr. CHAFEE. I thought we were proceeding by title.

Mr. DOLE. No, by agreement.

Mr. BENTSEN. No.

Mr. BYRD. Mr. President, if the two managers are willing and if there is no objection I would like to ask unanimous consent that on the amendment by Mr. Chiles there be a 1 hour time limitation to be equally divided and controlled according to the usual——

Mr. CHILES. No; 1 hour to the side.

Mr. BYRD. Two hour time limitation to be equally controlled in accordance with the usual form.

Mr. WEICKER. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. DECONCINI. I also have an amendment I mentioned on Angola. I would be glad to enter into an agreement on that for an hour to be equally divided.

Mr. STEVENS. If the Senator will yield, I am compelled to object to that.

Mr. WEICKER. I object also.

The PRESIDING OFFICER. Objection is hard.

Mr. BYRD. Are there any other Senators who would be interested in trying to get a time agreement on their amendment?

Is there any Senator who would be willing to lay down his amendment tonight?

There were at least 25 opening statements today which I think indicated a great interest in the bill and it should because nine committees have titles in the bill, and I feel that we have reached a point where Senators are ready to call up their amendments.

If a Senator would be willing to lay down his amendment so we could have something to start on in the morning, it would help to get things moving.

Mr. DOMENICI. Will the distinguished majority leader yield a moment?

Mr. BYRD. I yield.

Mr. DOMENICI. I want the majority leader to know that I probably will have five or six amendments. I am studying them now. I want to tell him the difficulty I am having. There are parts of this bill we cannot get copies of in our offices to study to look at.

You introduced 1,100 pages. We barely are getting them reproduced and some amendments are not even in our offices or in our hands. So I do not think it is an unwillingness. We hardly had time to look at it.

Mr. BYRD. I understand. I have not charged any Senator with an unwillingness to call up amendments. I am simply trying to see if any Senators are willing to call up their amendment.

Mr. President, there are several amendments listed. I will ask the staffs tomorrow to contact Senators whose amendments are listed to see if Senators would be willing to enter into time agreements thereon so that we can begin to move as soon as possible to debate and adopt or reject amendments.

I do understand the difficulties that have been mentioned by the distinguished Senator from New Mexico.

TIME LIMITATION AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on a resolution by Mr. CHILES, Mr. PELL, and Mr. DOLE, and I have discussed this with Mr. DOLE. I ask unanimous consent that there be a time limitation of 20 minutes to be equally divided in accordance with the usual form. It is a resolution of support regarding the U.S. delegation to participation at the U.N. International Conference on Drug Abuse and Illicit Trafficking.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I shall lay down this resolution tonight as an amendment to the pending bill so there will be a rollcall vote in the morning.

ORDER FOR RECESS UNTIL 8:30 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 8:30 tomorrow morning.

ORDER OF PROCEDURE

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have talked with the two managers of the bill and they want to begin on the bill at about 9 o'clock or 9:30 tomorrow. So this will, I think, help us to get Senators here and we will have the vote on the resolution, and I hope that a Senator will then be ready to lay down his amendment and we can proceed with further action on the bill.

The **PRESIDING OFFICER.** May we have order in the Chamber, please?

Mr. BYRD. Mr. President, instead of offering this as an amendment to the bill, I ask unanimous consent that—I really do not need unanimous consent—but I shall just state to Senators that I will call this up in the morning.

I ask unanimous consent that I may be recognized at the hour of 9 o'clock to call up the resolution by Mr. CHILES, Mr. PELL, and Mr. DOLE.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order at this time to ask for the yeas and nays on the resolution by Mr. CHILES.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The **PRESIDING OFFICER.** Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, following the vote on the resolution the Senate will resume consideration of the trade bill. I hope that by that time we can have an amendment that can be laid down. I can offer an amendment if no one else is willing to. I will be glad to offer one.

I would urge Senators to think with respect to the time limitations on their amendments so that we can make as much progress as possible.

Mr. JOHNSTON. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. JOHNSTON. I am prepared to offer an amendment at this time. I think it has been cleared on both sides.

Mr. BYRD. Is the Senator going to want the yeas and nays on it?

Mr. JOHNSTON. No.

Mr. BYRD. Mr. President, I will state to all Senators there will be no more rollcall votes tonight. If Senators have any amendments they want to adopt by voice I would hope that the two managers would remain, Mr. PACKWOOD and Mr. BENTSEN, for just a few minutes in order to accommodate them.

I yield the floor.

Mr. CHAFEE. I wonder if the distinguished majority leader will answer a question.

Mr. BYRD. Yes.

Mr. CHAFEE. The majority leader is calling up a resolution, the Chiles resolution, at 9 o'clock and what is it, 20 minutes on each side?

Mr. BYRD. Twenty minutes, equally divided.

Mr. CHAFEE. So could we have some kind of assurance there would not be a vote before 9:15 anyway?

Mr. BYRD. The Senator can be sure the vote will occur no earlier than 9:15.

Mr. CHAFEE. I thank the Senator very much.

Mr. BYRD. Mr. President, I ask unanimous consent that the vote occur on the Chiles resolution at the hour of 9:20 a.m.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The Senate continued with the consideration of the bill.

AMENDMENT NO. 322

(Purpose: To facilitate the use of United States Vessels to transport imported vehicles)

Mr. JOHNSTON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Louisiana (Mr. JOHNSTON), for himself and Mr. MURKOWSKI, proposes an amendment numbered 322.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate place in the bill, insert the following:

SEC. —. USE OF UNITED STATES VESSELS TO TRANSPORT IMPORTED AUTOMOBILES.

(a) CONGRESSIONAL FINDINGS.—The Congress finds that—

(1) millions of automobiles manufactured in foreign countries are imported into the United States each year, and those imports contribute substantially to the United States deficit in merchandise trade;

(2) unfair, restrictive, or discriminatory practices of exporting countries, and commercial interests of those countries engaged in the marine transportation of foreign automobiles to the United States, have practically precluded United States-flag vessels owned and operated by citizens of the United States and manned by United States seamen from participating in such transportation, with further adverse effects on the balance of trade in goods and services of the United States;

(3) United States-flag automobile-carrying vessels are competitive with foreign flag vessels, and it has recently been demonstrated, in a few instances at least, that, when the foreign unfair, restrictive, or discriminatory practices are removed or suspended, agreements can readily be negotiated with foreign automobile manufacturers and exporters for the ocean transportation in United States-flag vessels of the automobiles they import into the United States.

(b) PRESIDENTIAL ACTION.—The President shall take appropriate and feasible steps within his power, including the full exercise of all rights of the United States under international treaties, to negotiate trade agreements with each foreign country from which 50,000 or more automobiles are imported into the United States each year that will eliminate unfair, restrictive, or discriminatory practices in the marine transportation of such import.

(c) REPORT.—Within 180 days after the date of the enactment of this act and semiannually thereafter the President shall report to the Congress on the progress of the negotiations carried out under subsection (b).

The **PRESIDING OFFICER.** We have to be able to hear the Senator. Please take conversations off the floor.

Mr. JOHNSTON. This amendment is offered on behalf of myself and the Senator from Alaska [Mr. MURKOWSKI]. It would require the President to use his best efforts to negotiate trade agreements that would allow U.S. companies to transport foreign-made automobiles to the United States.

Mr. MURKOWSKI. Mr. President, I would ask that the Senate be in order so that we can hear the senior Senator from Louisiana.

The **PRESIDING OFFICER.** The Senate will be in order. Please, now, we have to be able to hear the Senator so that we can conduct business here on the floor.

Mr. JOHNSTON. Mr. President, the amendment would require the President to use his best efforts to negotiate trade agreements that would allow U.S. companies to transport foreign-made automobiles to the United States. The amendment does not establish any kind of quota; nor does it authorize any kind of retaliatory action if the President fails to act on this measure; however, he is required to report his progress to Congress on a semiannual basis.

Mr. President, last year, approximately 2.3 million cars were imported into the United States from Japan. At present, 44 percent of these cars are transported in Japanese-flag vessels. Forty-seven percent are transported in Liberian, Panamanian, and Singaporean registered vessels, many of which are owned or controlled by Japanese companies.

Currently, there is not a single United States-flag vessel operating in the Japan-United States automobile import industry. However, as a result of much hard work, three United States companies have successfully negotiated with Japan to transport Japanese-made vehicles to the United States in four United States flag ships. Two of these vessels are being built by Central Gulf Lines which operates in New Orleans and Houston. Central Gulf Lines is ready to build six or seven more vessels if it can be assured of market access in this area. The other two vessels are being built by companies in New York and New Jersey. While all of these ships are being or will be built overseas, they will use U.S. seamen and the operating revenue will inure to the United States.

These companies have demonstrated that it is possible for United States companies to enter a market that has been dominated by the Japanese and they deserve to have the full backing and support of the United States Government as they continue to penetrate this market. I believe that adoption of this amendment will assist these and other United States companies and will send an important signal to Japan and other countries that import large quantities of vehicles to the United States that our Government is willing to expand market opportunties for United States firms in countries that benefit from United States consumer purchases.

Mr. President, I believe the amendment has been cleared on both sides.

Mr. MURKOWSKI. Mr. President, I am very pleased to join with my colleague, the senior Senator from Louisiana, in the effort to remove the barriers that are presently in existence against the transportation of automobiles by U.S. carriers from countries that export more than 50,000 cars annually. I think it important to note that we currently have four U.S.-flag carriers now carrying automobiles from countries of their origin and manufactured in the United States.

The PRESIDING OFFICER. The Senator will suspend for 1 minute.

Let us obtain order so that we can hear the Senator. Please, out of courtesy, let us be able to hear the Senator.

Mr. MURKOWSKI. Thank you, Mr. President.

This is primarily directed at Japan, Sweden, Korea, and other countries that export into the United States large volumes of automobiles. It would provide the U.S. maritime jobs. It would provide the opportunity for U.S.-flag carriers to be chartered and enter into this traffic. It is only appropriate that we share in the carriage, inasmuch as we are purchasing those automobiles here in the United States.

I urge the acceptance of the amendment of my friend from Louisiana.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator will suspend. Please, we need to be able to hear the Senator.

Mr. BENTSEN. Mr. President, the manager of the bill for the majority has examined the amendment and thinks it is a good amendment and has no objection to it and urges its adoption.

Mr. PACKWOOD. Mr. President, we have also examined the amendment and find it has merit and would encourage the Senate to adopt it.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 322) is agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT—CONFERENCE REPORT ON H.R. 558, URGENT RELIEF OF THE HOMELESS ACT

Mr. BYRD. Mr. President, this has been cleared with the distinguished Republican leader.

I ask unanimous consent that when the Senate turns to the consideration of the conference report on H.R. 558, The Urgent Relief of the Homeless Act, it be considered under the following time limitation: Thirty minutes, equally divided between the two leaders or their designees; 30 minutes equally divided on any debatable motion, appeal, or point of order as submitted by the Chair; and, provided further, that no motion to recommit the conference report be in order, either with or without instructions; and that the time be divided and controlled in accordance with the usual form; and that the agreement be in accordance with the usual form.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the agreement follows:

Ordered, That when the Senate proceeds to the consideration of the conference report on H.R. 558, Urgent Relief for the Homeless Act, debate thereon be limited to 30 minutes, to be equally divided and controlled by the Majority and Minority Leaders, or their designees, and that an additional 10 minutes be under the control of the Senator from New Mexico (Mr. Domenici).

Ordered further, That time for debate on any debatable motion, appeal, or point of order which is submitted or on which the Chair entertains debate shall be limited to 30 minutes, to be equally divided and controlled in the usual form.

Ordered further, That no motion to recommit, with or without instructions, be in order.

Ordered further, That this agreement be in the usual form.

Mr. BYRD. Mr. President, I ask unanimous consent that, with respect to H.R. 558, concerning which an agreement has just been entered and ordered by the Senate, and Mr. DOMENICI have 10 minutes under his control.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMENICI. I thank the distinguished majority leader.

Mr. BYRD. I thank the Senator.

ORDER PLACING S. 1430 ON THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent to place on the calendar S. 1430, a bill dealing with Farmers Home Administration prepayments, introduced earlier today by Mr. CRANSTON and others.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD H.R. 145 AT THE DESK

Mr. BYRD. Mr. President, I ask unanimous consent that, when the Senate receives H.R. 145, the Computer Security Act of 1987, from the House of Representatives, it be held at the desk pending further disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO PLACE SENATE CONCURRENT RESOLUTION 38 ON THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the Rules Committee be discharged from further consideration of Senate Concurrent Resolution 38, to recognize the monument to fallen firefighters being constructed in Colorado Springs, as the National Fallen Firefighter Memorial of the National Association of Firefighters, and that it be placed upon the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER MODIFYING REFERRAL OF H.R. 1451

Mr. BYRD. Mr. President, I ask unanimous consent that the order granted on June 3 with respect to the referral of H.R. 1451, the Older Americans Act reauthorization, be modified to state the Indian Affairs Committee has jurisdiction over section 48 of the bill and not section 41, as was in the original request.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Supplementary Extradition Treaty with the Federal Republic of Germany (Treaty Document No. 100-6), which was transmitted to the Senate today by the President of the United States.

I further ask that the treaty be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The President's message follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Supplementary Treaty to the Treaty Between the United States of America and the Federal Republic of Germany Concerning Extradition signed at Washington on October 21, 1986. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Supplementary Treaty.

The Supplementary Treaty adds to and amends the Treaty Between the United States and the Federal Republic of Germany Concerning Extradition, signed at Bonn on June 20, 1978. It represents an important step in improving law enforcement cooperation and combatting terrorism by excluding from the scope of the political offense exception serious offenses typically committed by terrorists, e.g., murder, manslaughter, kidnapping, use of a destructive device capable of endangering life or causing grievous bodily harm, and attempt of conspiracy to commit the foregoing offenses.

The Supplementary Treaty also will help to improve implementation of the current Extradition Treaty in several other respects.

I recommend that the Senate give early and favorable consideration to the Supplementary Treaty and give its advice and consent to ratification.

RONALD REAGAN.

THE WHITE HOUSE, *June 25, 1987.*

BICENTENNIAL MINUTE

JUNE 25, 1930: SENATE TELEPHONE CONTROVERSY ENDS

Mr. DOLE. Mr. President, 57 years ago today, on June 25, 1930, the Senate resolved a month-long controversy over the installation of dial-operated telephones. Earlier, the Chesapeake & Potomac Telephone Co. had installed 450 dial phones on the Senate side of the Capitol and in the Senate Office Building. Many Members immediately took a dislike to these instruments, which had been frustrating users since their invention several decades earlier, President Herbert Hoover had banned them from the White House after he took office in 1929.

Senatorial opponents of dial phones, often veiling their arguments in humor, charged that they were mechanically unreliable, that they "required Senators to perform the duties of telephone operators in order to enjoy the benefits of telephone service;" that they contributed to the national unemployment rate by throwing telephone operators out of work, and that they required a good deal of light to see how to operate.

On May 22, Virginia's Senator Carter Glass called up his resolution to "have these abominable dial telephones taken out of use on the Senate side." Arizona's Henry Fountain Ashurst thanked Glass for his "moderate" language. The CONGRESSIONAL RECORD, he observed, "would not be mailable if it contained in print what Senators think of the dial-telephone system." Senator Clarence Dill of Washington State suggested that Glass expand his measure to outlaw dial phones from the District of Columbia as well.

The Senate quickly adopted the Glass resolution, which provided for restoration of operator assisted phones within 30 days. Over the next several weeks, representatives of the telephone company vigorously lobbied Senators and staff to reverse this decision. Finally, on May 25, the Senate accepted a compromise measure that permitted Members to choose the type of instrument that best suited them.

"GUIDE TO RECORDS OF THE UNITED STATES SENATE AT THE NATIONAL ARCHIVES, 1789-1989: BICENTENNIAL EDITION"

Mr. BYRD. Mr. President, I send to the desk a Senate concurrent resolution on behalf of myself and Mr. DOLE and I ask for its immediate consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 64) to authorize the printing of a Guide to Records of the United States Senate at the National Archives, 1789-1989: Bicentennial Edition.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its immediate consideration.

The Senate proceeded to consider the concurrent resolution.

Mr. BYRD. Mr. President, one of the major publications planned for the Senate bicentennial is the "Guide to Records of the United States Senate at the National Archives, 1789-1989: Bicentennial Edition."

This will be the first inventory ever published for the 20,000 cubic feet of official Senate records at the Archives. It is being prepared by the staff of that agency's Legislative Archives Division. As these records belong to the Senate, it is appropriate for the guide to be published as a Senate document. There will be a companion guide to House records, published as a House document.

Mr. President, in 1982 the Senate Bicentennial Study Group, of which I was a member, recommended preparation of a guide to the Senate's official records at the National Archives. The study group was greatly surprised to learn that no such guide existed. Dating from 1789 and amounting to 20,000 cubic feet, these materials are fundamental sources for studying the history of the Senate and of our Nation. A comprehensive guide would promote the use of these records and stimulate wider understanding of the legislative process.

Since 1982, staff of the National Archives and the Senate Historical Office have worked to ensure that a guide would be available for publication on the occasion of the Senate's 1989 bicentennial. A companion volume is being prepared for the records of the House of Representatives.

This work would serve as a suitable adjunct to the history volumes that have already been ordered to be printed by both Houses. The printed resolution is being offered by myself and Mr. DOLE and has been cleared on both sides.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 64) was agreed to, as follows:

S. CON. RES. 64

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document "Guide to Records of the United States Senate at the National Archives, 1789-1989: Bicentennial Edition" to be published under the supervision of the Secretary of the Senate with the editorial assistance of the Senate Historical Office.

SEC. 2. Such document shall include illustrations, and shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

SEC. 3. In addition to the usual number of copies, there shall be printed with suitable binding 2,000 additional copies, for use by the Secretary of the Senate.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. DOLE. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

NO EXCUSE FOR BONN'S DECISION ON HAMADEI

WEST GERMAN DECISION CLEAR

Mr. DOLE. Mr. President, the West German Government decision to deny our request for extradition of Mohammed Hamadei, the accused murderer and hijacker of TWA 847, is inexcusable.

Hamadei has been indicted for the murder of an American citizen. A passenger on an American plane. The evidence against him is strong—and is based mostly on accounts of American eyewitnesses.

Moreover, we have an extradition treaty with the West Germans. And this longstanding extradition request was made in strict compliance with that treaty.

And yet we are turned down.

Why?

BONN'S REASONS WILL NOT WASH

Well, Bonn says it will prosecute Hamadei for murder and hijacking.

Maybe.

But—under the best of circumstances—it will take German authorities at least a year to compile the kind of evidence already prepared for court action here. A whole new set of legal delaying hurdles will be thrown up. Witnesses memories will fade.

Worst of all, as John Chancellor commented last night on NBC, the question is no longer whether hostage-taking will work in this situation—it already has worked. The West Germans have already caved in to the terrorists demands that Hamadei not be extradited. And—all the assurances in the world notwithstanding—is there anybody here who feels really certain that somewhere down the road—next month, next year—that we are not going to see a trade of Hamadei for the hostages?

MAKES TALK OF COOPERATION A SHAM

Mr. President, there is no denying that we in this country have made some serious mistakes in dealing with terrorists. We tried to trade arms for hostages, with disastrous consequences.

But that is no excuse for Bonn now making the same tragic mistake.

All of us—in this country, in Europe, around the world—are fond of saying terrorism is an "international" problem, that requires a cooperative, international solution.

But if we cannot get extradition of an accused terrorist—accused of murdering an American—against whom there is massive evidence; if we cannot get extradition from one of our closest allies, with whom we have a bilateral extradition treaty worked out for just this kind of situation; and if the admitted reason we cannot get it, is because some other hostages have been taken, and are being used as trade bait—then all of this talk about a cooperative approach to terrorism is just talk. And any hopes we have of ever really putting the lid on terrorism is in vain.

BONN FLUNKS THE TEST

The Hamadei affair is a test case: West Germany flunked. Although, in the final analysis, we cannot force West Germany to do anything, I think we have flunked, too. We should have pushed harder; sooner. And we should still be pushing today.

That makes me angry. It makes me sad. And, I might say, doubly sad recalling the conversation I had last week with the family of Robert Stethem—the American Navy diver killed during the TWA hijacking. They were not up here on Capitol Hill seeking revenge. They were here seeking justice. The decision of the West German Government has raised an enormous question mark over whether true justice will ever be done.

Mr. President, the Stethem family does not understand, or accept, this West German action. I do not either. They are not going to give up their fight; I am not going to give up trying to help them get the justice they deserve.

Mr. President, later in the day, Senator D'AMATO and I will be introducing a resolution dealing with this affair. It will lay out the stakes, and will lay it on the line with the West German Government. I hope all Senators will join us in passing the resolution promptly—while there is still a chance to see justice done.

NOMINATIONS TO FEDERAL COURTS

Mr. LEAHY. Mr. President, four nominations to various Federal courts have been approved by the Judiciary Committee and are now on the Executive Calendar. These judicial nominees were examined at a hearing of the Judiciary Committee on June 3, 1987, at which I presided. Based on the investigation conducted by committee staff, and on the record made at the hearing, these four nominees appear qualified for the positions to which they have been nominated. For the benefit of Senators who will soon vote on whether to confirm these nominations, I offer the following brief summaries of the nominees' qualifications, and of the testimony elicited at the hearing and in followup questions.

First, Robert Holmes Bell has been nominated to the U.S. District Court for the Western District of Michigan. The nominee has served for the past 14 years as a State trial court judge. Since 1979, he has been a judge of the State circuit court, a trial court of general jurisdiction. His particular court, because of its proximity to the State capital, has jurisdiction over a variety of claims brought against the State of Michigan. Judge Bell also has experience as a prosecuting attorney and as a private practitioner. He is 46 years old, a graduate of Wheaton College and of Wayne State University Law School. Judge Bell is generally well regarded by his colleagues and by attorneys who have appeared before him. He was rated qualified by the ABA Standing Committee on the Federal Judiciary.

At the hearing on June 3, Judge Bell responded satisfactorily to questions concerning the transition from State to Federal court; his membership in the Rotary Club and the Christian Legal Society; his law teaching activities; constitutional interpretation; and the doctrine of stare decisis. In followup questions, Judge Bell addressed a controversy which arose concerning his activities as a member of a local bar committee established to evaluate candidates in a judicial election. Some of Judge Bell's colleagues on this committee felt that he violated the ground rules established by the committee concerning the confidentiality of the group's deliberations. Judge Bell disputes the scope of the ground rule involved, and insists that his conduct did not breach the committee's confidentiality. Significantly, even those committee members most troubled by the nominee's conduct seem to view it as an isolated instance; in general, they hold the nominee in high regard and consider him an outstanding judge. While the Judiciary Committee investigation has not been able to resolve all the factual issues involved in this controversy, it did not conclude that the nominee's conduct ought to disqualify him from appointment to the Federal bench.

Second, Philip M. Pro has been nominated to succeed ex-Judge Harry Claiborne on the U.S. District Court for the District of Nevada. The nominee has served since 1980 as a U.S. magistrate for the same court to which he has been nominated. Previously, he had served as an assistant U.S. attorney in Nevada, as a State deputy attorney general, and as a deputy public defender, and had conducted a private law practice in Reno, NV. Mr. Pro is 40 years old, and graduated from San Francisco State University and Golden Gate University School of Law. He is well regarded by professional colleagues and associates, and was rated well qualified by the ABA.

At the hearing on June 3, the nominee responded satisfactorily to questions on the backlog problems afflicting the district of Nevada; his experience in handling complex cases while a magistrate; and his participation in pro bono activities. He also responded satisfactorily to followup questions submitted by Senator THURMOND on judicial activism and the tension between personal jurisprudence and precedent.

Inevitably, Mr. Pro's nomination has attracted unusual attention because he is the first nominee in half a century to be appointed to a vacancy created by the impeachment and conviction of a sitting judge. In the words of one of the articles of impeachment approved by the Senate, Judge Claiborne "betrayed the trust of the people of the United States and reduced confidence in the integrity and impartiality of the judiciary, thereby bringing disrepute on the Federal courts and the administration of justice * * *."

It would be unfair to place on the shoulders of Judge Claiborne's successor the full responsibility for repairing the damage caused by Judge Claiborne's misconduct. But to an unusual degree it is essential that this particular judicial vacancy be filled by a candidate who will bring credit, rather than embarrassment, to the Federal judiciary. The record reflects that this nominee fits the bill. Mr. Pro's responses to my questions on this topic at the hearing reflect a sensitivity to the circumstances surrounding this nomination. As he testified,

> I have always thought * * * that we have an obligation beyond just doing our jobs and doing it well and doing it fairly, but [also] to project the image of fairness and honesty and integrity to the public that we serve.

I believe that he will strive to restore the public confidence in the courts that his predecessor undermined.

Three, Robert F. Kelly has been nominated to the U.S. District Court for the Eastern District of Pennsylvania. The nominee has served since 1976 as a judge of the Court of Common Pleas in Media, PA. Prior to 1976 he was in private practice, and concurrently with this practice served consecutively as a law clerk to a judge of the court on which he now serves, and as prothonotary, an elected office now called the Office of Judicial Support. Judge Kelly, who is 52 years old, graduated from Villanova University and Temple University Law School. Lawyers who have appeared before Judge Kelly generally recommended him for the Federal court. A majority of the ABA committee rated him well qualified, while a minority considered him qualified.

At the hearing on June 3, Judge Kelly was examined concerning his experience in court administration; the need for judges to decide issues involving new technology; and the transition from the State to Federal judiciary. He was also questioned about the chronology of the process of his selection as a nominee to the Federal court. The position to which he has been nominated has been vacant since October 1985. The interviews for filing the vacancy got underway early in 1986, and his name was sent to the Justice Department by the Senators from Pennsylvania on June 5, 1986. It was not until May 1, 1987—11 months later—that Judge Kelly was finally nominated. The hearing on the nomination was held less than 5 weeks later. Judge Kelly also responded satisfactorily to followup questions on constitutional interpretation propounded by Senator THURMOND.

Four, James T. Turner has been nominated to the U.S. Claims Courts. The nominee has served since 1979 as a U.S. magistrate in Norfolk, VA, where he previously conducted a private practice. Mr. Turner is 49 years old, and graduated from Wake Forest College and the University of Virginia Law School. The ABA does not rate nominees to the U.S. Claims Court.

At the Judiciary Committee hearing on June 3, Mr. Turner was examined concerning his lack of experience before the court to which he has been nominated, the role of judges in facilitating settlements, the need for impartiality in cases brought against the United States, and his membership in the Harbor Club of Norfolk. He also responded satisfactorily to written questions propounded by Senator THURMOND on his preparation for the Claims Court, and on judicial temperament.

U.S. MILITARY PRESENCE IN THE PERSIAN GULF

Mr. LEAHY. Mr. President, how the United States got into trading arms for hostages in Iran has been in the headlines a lot lately. We have seen how Government officials lied to Congress about a bungled, illegal, and dangerous policy that has damaged the President's credibility with our allies, and with the American people.

When the sale of arms to Iran was first reported, the President tried to minimize its impact. He said it was only a small amount of weapons that wouldn't make a difference in the outcome of the Iran-Iraq war. We now know that was not true. Iraq has suffered serious defeats on land, and military experts say the two missiles Iran got from the United States played a part in those defeats.

We also know that the sale of arms to Iran has had serious consequences for the United States and our closest allies. We are seeing that today in the Persian Gulf.

On May 29 Assistant Secretary of State Richard Murphy made what may have been the first truthful statement by an administration official about the global fallout of the Iran arms scandal. When asked by Senator MOYNIHAN what made the Kuwaitis seek the unlikely protection of the Soviet Union for its ships in the gulf, he said it was "not coincidental" that the Kuwaitis contacted the Soviets in the same month it was revealed that the United States had been secretly selling arms to Iran.

In other words, Kuwait, an ally of both the United States and Iraq, asked the Soviet Union to step up its presence in the gulf because we had been selling arms to the enemy.

We are now paying the high price of the President's disastrous Middle Eastern policy. Our missiles have helped Iran, a nation whose leaders preach hatred for the United States. The Soviet Union, at the invitation of our Arab friends, is escorting Kuwaiti tankers in the Persian Gulf where two-thirds of the world's proven oil reserves are located.

It is because of this that the Persian is now on the verge of making a major commitment in American credibility and power, and American lives, in the most dangerous region in the world.

The President's plan to register 11 Kuwaiti oil tankers under the United States flag for protection, comes in the wake of the tragic Iraqi attack on the U.S.S. *Stark*, in which 37 American sailors lost their lives.

All the circumstances surrounding the *Stark* attack are not yet known. Whether the ship was in international waters, or in a war zone as Iraq contends, what it was doing there, and why it failed to take any defensive action, remain unanswered.

We need answers to these questions before we increase our Navy presence in the Persian Gulf, or for that matter, anywhere else. There may be satisfactory answers. At the very least, this incident raises serious questions about the survivability of our Navy ships in a truly hostile attack.

It is beyond dispute that the United States has vital interests in the Persian Gulf region. We also have an important stake in the outcome of the Iran-Iraq war. Since World War II, our warships have sailed in and out of the gulf whenever we chose to do so. No Member of Congress that I know of suggests that the U.S. Navy pull up anchor and leave those waters.

Were we to do so, the nations in the region who we call our friends—Bahrain, Kuwait, Saudi Arabia, Oman, Qatar, the United Arab Emirates—would rightfully question our commitment to their security. They could be expected to make major adjustments in their relations with other nations in the region, especially the Soviet Union. That would have grave implications for the West.

It is estimated that in 1995, the West will receive between 30 to 40 percent of its oil from the Gulf States. They supply Western Europe and Japan with the majority of their oil. The fact that only a small part of that oil is currently used by the United States does not diminish our stake in that region. If the Gulf were closed, or if the Soviet Union were ever to achieve predominance over southwest Asia, the economic and political security of our allies would be seriously threatened. When our allies' security is threatened, so is our own.

But while we should not, because of the *Stark* attack, reduce our presence in the Gulf, we should be equally reluctant to expand our presence there.

The President justified his plan to fly the United States flag on Kuwaiti ships as an affirmation of our interest in free navigation in the Gulf. We now know the administration did not begin to take seriously the Kuwaiti overtures until after the Soviet Union agreed to protect their tankers. It is abundantly clear that the real reason we are stepping up our presence in the Persian Gulf is to prevent the encroachment of two hostile powers, the Soviet Union and Iran.

Since the Soviet invasion of Afghanistan, United States policy has been directed toward denying the Soviets access to the Persian Gulf. That policy, and the fact that the Soviet Union is an oil exporter, have kept its influence in the Gulf to a minimum. But the Soviets have important strategic interests in that region. Once there, they would attempt to counter the historic Western-Persian Gulf commercial relationship.

Our policy must continue to be directed at preventing Soviet domination of the Persian Gulf, but the President has failed to explain how the Soviets could possibly control those waters merely by escorting three Kuwaiti tankers.

An Iranian victory over Iraq would be a disaster for American interests. There is no other nation in the region capable of withstanding Iran's huge army. An Iranian victory would provide an incalculable psychological boost to its extreme form of Islamic fundamentalism, which depicts the United States as the "Great Satan."

Time is on Iran's side. Iran's staying power and propensity for human sacrifice far exceed Iraq's. An Iranian victory is a real possibility.

The administration, plagued by blunders in the Middle East that have made the United States appear helpless, wants to help Iraq by protecting the lifeline of its oil supplier and port access point, Kuwait. For reasons that he has not explained to Congress or the American people, the President is preparing for the first time to take sides in a major war that shows no sign of ending in the most dangerous region of the world.

After blaming Iran for the *Stark* attack, the President warned that country that United States ships will take whatever steps are necessary to defend themselves. That may satisfy the hardliners at home, but what about the United States sailors who are the targets for Iranian suicide bombers seeking martyrdom? What do we do if United States ships are attacked by Iranian jets? Do we bomb Iran, the same country the President was selling missiles to last year?

I doubt anyone would not expect the President to retaliate. The American people would overwhelmingly support it. And what after that?

The Persian Gulf is a shooting gallery. Although no tanker has been sunk since 1984, more than 200 ships have been hit by missiles and cannon fire. Neither side is blameless. After suffering defeats on land, Iraq began the shipping war in the gulf. It undoubtedly predicted that the West would come to its defense to protect the oil.

The flow of oil through the Straits of Hormuz has continued unabated. However, Iran's recent purchase of Chinese Skilkworm missiles for the first time gives it the capability to sink oil tankers and warships, and seriously threaten the flow of oil to the West.

Kuwait's lease of three Soviet oil tankers with Soviet Navy escort presents the West with a major challenge. The Iranian response to the Kuwaiti-Soviet agreement came as no surprise. It attacked a Soviet freighter and a Soviet tanker hit a mine. The United States can expect a similar response from Iran when we begin escorting oil tankers. Are we prepared to match Iran in an increasing spiral of violence that will inevitably bring further American casualties?

This plan is too reminiscent of the bombing of the Marine barracks in Beirut that killed 241 American servicemen in 1983. That mission was flawed from the beginning. Instead of being a neutral force as the President insisted, they became reinforcements for the Gemayel government inviting attack from opponents of that regime.

Once again, we are putting our troops in harm's way with no consensus among the President and the Congress on why they are there and what we will do when they are fired on.

Neither do we have the backing of our allies. Two months after the President agreed to the Kuwaiti request, Defense Secretary Weinberger said airbases ashore and other support services by friendly Gulf States will be essential if the ships are attacked.

None of those states have agreed to give the United States access to airbases.

At the Venice summit, our closest allies who are most dependent on gulf oil refused to take part. Apparently all the President asked for was a noncommital declaration for freedom of the seas.

Before the President risks more American lives in a thinly veiled attempt to salvage his credibility with our Arab friends, Congress should subject his plan to close scrutiny. There are too many unanswered questions, and the possibility of the United States being drawn into a prolonged war too serious, for the Congress not to be involved.

It has been reported by the State Department that of the 214 ships attacked in the Persian Gulf since 1984, 125 were hit by Iraq and 89 by Iran. Only 10 of those ships were Kuwaiti, and less than 4 percent of gulf oil is carried by Kuwaiti ships. How will flying U.S. flags from those ships significantly diminish the threat to the free flow of oil?

Are other Arab States likely to request similar U.S. protection for their ships? If so, what will we tell them?

Does Kuwait's arrangement with the Soviet Union seriously threaten Western interests? If so, is the President's plan to send three additional warships to the gulf, where we already have nine ships and an aircraft carrier with its escort of cruisers and destroyers within striking distance, the best response? What other options do we have?

What are the implications of United States alignment with Iraq, the country that initiated the war? Would this jeopardize our long-term goal of improving relations with Iran after Khomeini?

What will be the likely Iran response to the increase in United States Navy presence in the gulf? What options do we have if Iran, or any other nation, attacks United States ships including Kuwaiti ships flying the United States flag?

If we were to retaliate against Iran, what form would our retaliation take, and how would Iran react? Would a United States attack inflame anti-American sentiment in Iran and strengthen the Khomeini regime? Would a United States attack against Iran set off acts of terrorism against Americans overseas?

These are among the questions that need answers before the President's plan is carried out, not after. Perhaps the President already knows the answers. If history has taught us anything, it is that before we send U.S. Armed Forces to a hostile region, there should be full disclosure to the Congress and the American people of the reasons and the risks. The President did not do that when he sent the marines to Lebanon, and he has not done that in this case.

Several weeks ago, Assistant Secretary of State Murphy told Congress that the use of U.S. Navy ships to escort U.S.-flag tankers "does not constitute introduction of our armed forces into a situation where 'imminent involvement in hostilities is clearly indicated.'" Accordingly, he concluded, the War Powers Act does not apply.

Forty-four ships have been attacked in the gulf this year. After Kuwait announced its lease of Soviet tankers, Iran attacked a Soviet freighter. Iran is mining the waters around Kuwaiti oil terminals, and the United States has no minesweepers in the gulf. Yet somehow the administration has convinced itself that imminent involvement in hostilities is not indicated.

I am not convinced, and the hundreds of Vermonters and other Americans who have contacted me about this policy are not convinced either.

The purpose of the War Powers Act was to require the collective judgment of both the executive and legislative branches before, or soon after, American forces are introduced where hostilities are imminent. Why would the President not want to invoke the War Powers Act in effort to work with Congress on this policy? I can only conclude that it is because we might discover that it is ill-conceived.

If there ever was a time that a multinational peacekeeping force should be used, this would appear to be it. The Kuwaitis have already asked the United States, Soviet Union, and the Chinese for help. The war in the gulf will only be deterred when the oil producing states and the oil consuming states together defend their common interests. Nevertheless, I am willing to be convinced that the President's plan is the right one. The sparse facts presented to the Congress thus far have not convinced me.

I strongly support the legislation offered by Senators HATFIELD and BUMPERS to invoke the War Powers Act. The Congress has a responsibility to look carefully at this policy. If, after a full debate I am convinced the President is right, I will support him. At the very least, I would expect him to present a concrete proposal to our European allies and Japan for a multinational force. I would also expect a commitment from our allies in the gulf for air support or access to bases for our aircraft.

Until then, I urge the President not to take this step which will only increase the chance that more Americans will lose their lives in pursuit of an ill-defined policy overseas.

MURRAY KEMPTON ON PRESIDENT JOHN F. KENNEDY AT 70

Mr. KENNEDY. Mr. President, had he lived, President Kennedy would have celebrated his 70th birthday last May 29. Many articles and commentaries across the country noted the anniversary, but one which caught my eye was the eloquent and extremely moving column by Murray Kempton in Newsday. I would like to share it with my colleagues, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Newsday, May 24, 1987]

IF JOHN F. KENNEDY HAD TURNED 70

(By Murray Kempton)

WASHINGTON.—John F. Kennedy would have been 70 years old come Friday; and, as the heart aches with the memory of what he was, the head presses upon its wanderings in search of what he might have been.

But then, even when he had passed 40, Jack Kennedy seemed not yet complete; and the teasings of the puzzle of what he would be when he was finally formed were in no way the slightest of the charms of his company.

Even those of us a few months younger somehow felt ourselves his elders, with all our promises already kept or broken and a good many of his still in reserve for future use.

We went on wondering about his future self as we would never have thought to wonder about any other U.S. senator once he had entered the second term that announces his hardening into a permanent mold.

He had barely set sail toward the 1960 Democratic presidential nominations when someone—I think it was Kenneth Crawford of Newsweek—asked him:

"Have you ever thought, Jack, that, if you win, you will no longer be president when you are only 51? What will you do after that?"

After a protraction of ponder, Kennedy replied,

"How about the life of an international bum? The yacht off Monte Carlo, lunch with Aly Khan, the winter season at St. Moritz? I've always thought I'd like that life."

He could hardly have meant that at all; and yet what was it that we can remotely guess he meant to be?

There are fewer and fewer scenes in Washington that evoke the days when John Kennedy was young and the city still had vestiges of its pre-imperial past; but one of them is the caucus room of the old Senate Office Building.

Sen. Daniel Inouye presides there now like some Eastern god wearing into eternity amid the three tiers of legislators the Congress thinks requisite for the compounding of the confusions of the Iran-contra trade.

All the tumblings of crowds upon crowds cannot quite elbow out the ghosts of John F. and Robert Kennedy sitting in their seats at the hearings of the Senate committee that investigated labor corruption in the '50s.

Robert Kennedy was the committee's general counsel and passionately engaged in reforming the Teamsters union, an endeavor that would been the steady work of four normal life spans let alone the cruelly shortened ones the gods granted both those brothers.

He spent the day having at goons, thugs and sturdy beggars; and regularly, near the end of the afternoon, Sen. Kennedy would appear, take his place on the dais, and observe the revels with spectatorial detachment.

But he always sat next to his brother, and, as the day went on, the rays of the descending sun would pick up the bones of the two Kennedy faces and make them glow with the only sort of masculine good looks that is not slightly offensive to other men.

One evening in the summer of 1957, Robert Kennedy, whose obsession with the Teamsters inclined his preferences to the company of those he thought shared it, took me out to his house in McLean. His family was at Cape Cod; he and I were sifting the ashes of the incinerated virtue of some Detroit Teamster local or other, when his brother, the senator, suddenly appeared on the lawn in khakis, sweater and open collar looking just about 26 years old.

His house was empty too, he explained; he had thought to run over for no purpose except to ask "Bobby, have you got any questions to ask these bums tomorrow?"

There passed across his brother's face a wince of profound disgust; and, after awhile, we drove off to Georgetown and stopped for beer at a bar and there Robert Kennedy could no longer contain his disapproval and began taxing the senator with the languor of his attention to the great issues.

He went on and on through a litany of things left undone until at last Jack Kennedy said, "Bobby, you know this is not the life I want. You know how I hate this town."

Such was my first and would be my last moment of intimacy with him and I remain at a loss to know what it meant.

He was never the man of the Senate his brother Edward has so splendidly made himself, but he had never been a man of the House either. Clare Boothe Luce, who had been there herself, once told a story of a visit to his office in his first term as a congressman.

"Claire," he had said to her. "This is not where the action is. I've got to go to the Senate."

A few years later she had dropped by his office in the Senate, and, sure enough and soon enough, he had said once again, "Claire, the action isn't here. It's in the White House.

She had ended the story there, which was a mercy, because it had seemed to point straight toward the White House and the awful revelation of its "Clare, there is no action here."

But it would not, I suspect, have been like that at all, although I have no way of knowing since I never really saw him after the 1960 campaign where he rode his wild horse through the countryside with a gaiety as reckless as Blazees Boland in the streets of Dublin. It was magnificent, of course, but it was only a game and not yet real life; but hints of the intrusion into his person of a kind of iron had begun to intimate their presence.

On the last night of that campaign, he was in Faneuil Hall in Boston, weary and almost dessicated from the crown of his head to the soles of his feet; and, Boston Irish to the core though he was, he had taken on a Yankee look. He was standing where Samuel Adams had once stood and he had become the image of the ancestors of the republic and the last survivor of their line.

I was never to see him again in any tactile sense of seeing, so I am an even poorer witness to what he became or would have become than I am to what he was. All I am sure of is that the bones would still be intact; and all I dare to further hazard is that he would at last have grown fully up, not just because he had been, for the first time since he sailed his PT boat, brought where his decisions had authentic consequences, but because he now had children.

An infinity of the aspects of his nature are lodged in the mind; but the ones that can never fade are those caught in the flickering home movies of John F. Kennedy with his daughter and his son. Whether he belongs to the ages, these pictures set him in the small company of those who belong eternally to the children and that is the greater glory.

It has been said that, if he had lived out his term, our comforts would be larger and our woes less grievous. Still, however unending the wound of his loss to our spirits, there is small assurance that the substance of our lives would be much different if we had escaped it. As Adam Smith said, there is a great deal of ruin in a country; and the best of men are seldom any more able, by themselves, to arrest than the worst are to advance it.

The Shakespearean verses engraved most fixedly in John Kennedy's head were said to have been these:

"Glendower: I can call spirits from the vasty deep.

"Hotspur: Why, so can I, so can any man. But will they come when you do call for them?"

His presidency, we can only conclude, would have been the mixed bag of gains and losses for the public good that even the best ones generally are. When it was over, most of his country's uncertainties would still be there; and he would have those 19 years to live before he was 70. We can only be certain that he would have been too wise for satisfaction with a trashy existence and not patient enough to be the university president or the magazine editor or the chairman of a commission or an endowment or any other of the dreary functions that have been suggested as fitting and proper for his dignity.

He was a man too tolerant to be capable of the hatred of anything except tedium. But he hated tedium with a vengeance; and if we despair of imagining what he would have been doing with himself lately, it is because we wouldn't need to; we could count on his restlessness to push him to some place better than any we could have thought up for him.

On the morning after the 1960 election, while they waited to be certain that they would be the first of families, the Kennedys played a game of touch football on the grass at Hyannis Port. Robert Kennedy threw a pass and, in the recklessness of his leap, the next president of the United States fell over a Secret Service agent.

"That's my brother," the next attorney general of the United States observed. "All guts, no brains."

And what do we suppose Robert Kennedy would be doing if he were still here too? Loving and chiding, of course; loving and chiding.

LEAVE OF ABSENCE

Mr. STEVENS. Mr. President, I am scheduled to participate in the dedication ceremonies of Project 90 at the Providence Hospital in Anchorage tomorrow afternoon, and to participate in the Taft Seminar for teachers at the University of Alaska on Saturday, and the all-Alaska logging championships where I will present the Stevens Trophy to the outstanding participant in those championship logging events on Sunday.

For that reason I ask unanimous consent that I be excused from attendance at the Senate on Friday, June 26, and Saturday, June 27.

The PRESIDING OFFICER. Without objection, it is so ordered.

WALTER W. HELLER: EDUCATOR AND ADVISER

Mr. SARBANES. Mr. President, with the untimely death of Walter W. Heller last week, the Nation lost an extraordinarily able and far-sighted economic policy adviser who over many decades made a major contribution to the vigor and prosperity of our society. His tenure as Chairman of President Kennedy's Council of Economic Advisers was marked by great distinction and effectiveness. He will be remembered as a dedicated public servant and as an astute adviser to presidents, and by those fortunate enough to have known and worked with him as a wise, deeply admired and respected friend.

Walter Heller was a brilliant educator, and he used that great gift both as a teacher and as an adviser to presidents. He was a member of the Economics Department at the University of Minnesota for 40 years, beginning in 1946; and he continued to teach even after assuming emeritus status last year. He once said that the Nation's best young minds were drawn to the study of economics in the wake of the Depression, and he personally drew many of the Nation's most accomplished young economists to the Council of Economic Advisers when he was the Council's Chairman; two of them were later awarded the Nobel Prize for Economics.

Walter Heller "made economic policy moves look as easy and graceful as a Joe DiMaggio catch," it has been observed. Indeed, he possessed an unusual ability to translate complex economic analysis into clear and understandable policy recommendations, and to inspire others to act upon those recommendations. He was a brilliant exponent and practitioner of what he called public economics, and his many contributions to public policy were recalled in the numerous articles that mourned his death and celebrated his life. Mr. President, I ask unanimous consent that several of these articles be included in the RECORD:

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 18, 1987]

THE GREAT EDUCATOR

(Hobart Rowen)

When Walter Heller arrived in Washington in 1961 to be Chairman of John F. Kennedy's Council of Economic Advisers, he had a reputation in the business community as a fuzzy-headed liberal.

By the time he left Washington in 1964, having served a year as Lyndon Johnson's chief economic adviser after Kennedy's assassination, Heller had become the best known economist in the country—and highly respected on all sides. With a rare gift for making complex economic issues understandable, Heller educated not only Kennedy and Johnson but a whole generation of Americans on those issues that Harry Truman once said "touch the pocketbook nerve."

Kennedy's choice of Heller proved to be a ten-strike: a tall, soft-spoken, gentle man with great wit and an ability to pick out just the right phrase, Heller was liberal, but not radical, with a keen sense of the art of the feasible.

He assembled what many consider still to be the best-ever three-person Economic Council, when he persuaded (with Kennedy's help) James Tobin of Yale and the late Kermit Gordon of Williams College to become members.

Heller, who died this week at the age of 71, continued until the very end to be a force in his profession and within the business community that once mistrusted him, making many public appearance, counseling Democratic politicians, and still teaching his economics course at the University of Minnesota.

It may have been Paul Samuelson, author of a famous economics textbook, who introduced postwar students to Keynesian economics, but Heller turned out to be the salesman who took the Keynesian vision of an active government role to manipulate the business cycle, and translated it into effective public policy.

In 1962, he surmounted the conventional wisdom of the times (including opposition within the Kennedy administration) by persuading JFK to go for a tax cut to stimulate economic growth. This was in the face of an existing budget deficit—an exercise in supply-side economics that worked, as Reaganites like to point out.

And it was Heller who followed through after Kennedy's death to convince LBJ not only that the tax cut was essential (it passed in 1964) but that LBJ himself could go down in history by waging a "war against poverty."

Heller got the Economic Council job on the recommendation of fellow Minnesotans Hubert Humphrey and Orville Freeman after Samuelson turned it down. Heller, with a keen eye for talent, tapped a group of activist liberals in an effort to make good Kennedy's campaign promise to "get the country moving again."

In addition to Tobin and Gordon, other bright colleagues whom Heller introduced to Washington and who later became stars of the "New Economics" were Arthur M. Okun and Richard Cooper of Yale, Otto Eckstein of Harvard, Gardner Ackley of Michigan and Robert Solow of MIT.

Heller arrived in Washington determined to alter the Fed's tight-money policy, which he was convinced was keeping the economy is a strait-jacket. But as he said to a friend: "We have to approach this the way a porcupine approaches making love—and that's carefully."

Kennedy carefully pursued Heller-assigned homework on the subtle relationships between fiscal policy, monetary policy and debt management.

By the end of 1962, his Keynesian education complete, Kennedy asked Congress to reduce taxes on personal and corporate income even though the government was running a deficit, and an upturn was in sight without a tax stimulus.

"[Thus] the president explicitly connected an even larger deficit with acceleration of economic growth, and a faster march toward his Administration's 4 percent unemployment 'interim' target," economist Robert Lekachman later wrote.

Heller was sensitive to criticism, and kept up a rapid-fire correspondence with editors and reporters "to set the record straight." A memory I cherish is being summoned by him late one night to his CEA office, where he angrily displayed a set of proofs of a 1964 book of mine which, overall, was highly laudatory (I thought) of his advisory roles for both presidents.

But I had said that Tobin generated most of the ideas, while Heller was the "skillful general who hammered out a program" and then sold it to Kennedy and the rest of the administration. Walter didn't like that one little bit. But soon we were both laughing over the wound to his pride, and he ended by paying his own tribute to Tobin, noting that "Jim's adherence to principle was undeviating, even when it wasn't expedient."

Heller never won the Nobel Prize for economics. Nevertheless, he may have done more to explain the meaning of economics to politicians and the public than any other economist in modern times. Perhaps more to the point, Heller made the institution of economic adviser for presidents not only respectable, but one of great importance.

[Washington Post Editorial June 18, 1987]

WALTER W. HELLER

When Walter W. Heller became President Kennedy's chief economic adviser in 1961, the new Keynesian ideas were percolating widely through Washington. It was a moment when a man of vigorous intellect could turn them into a powerful instrument for expanding and managing the country's prosperity. Mr. Heller seized his opportunity, and the next four years were a time of extraordinarily successful economic policy—the most successful, for Americans, of this century. Those are the years that, 20 years later, the Reagan economists claimed as the model for their own supply-side strategy.

The essence of Keynesian theory is its ability to lift an economy's growth rate and push it toward full employment. After three recessions in eight years under the Eisenhower administration, there was plenty of slack in the economy and it took off, in the early 1960s, in a surge of growth unprecedented in peacetime. The danger, of course, was inflation. Mr. Heller fought it with the wage guidelines that he developed under the second president he served, Lyndon Johnson. That led to bruising battles with the steel and automobile industries, but the president, with Mr. Heller urging him on, won far more than he lost. In the years that Mr. Heller was chairman of the Council of Economic Advisers, from 1961 to late 1964, the consumer price index never rose as high as 2 percent a year. The trouble started after he left, as the first effects of the Vietnam War began to reach prices.

While Mr. Heller was a vigorous partisan, he was also an honest one who accepted both sides of the Keynesian bargain. He favored tax cuts when the economy was under capacity, and there was a big cut in early 1964. But he also supported tax increases when signs of strain appeared. Even after leaving office he continued to write memos to the president, pressing for tax increases to finance the war. For reasons that had little to do with economics, President Johnson delayed until too late, initiating the great wave of inflation that ran for the next two decades.

Mr. Heller was a man of great warmth and great sympathy for liberal Democrat's overriding concern with employment and the condition of working people. That earned him an unusual degree of trust among his party's politicians and even among labor leaders, who resisted and denounced his wage guidelines. Through his long subsequent career at the University of Minnesota he retained a sharp interest in policy and politics, returning here frequently to advise and to testify, until his death, at the age of 71, on Monday.

[From the New York Times, June 19, 1987]

HELLER LEGACY: CLARITY FOR ALL

(By Leonard Silk)

Walter W. Heller, who died this week at the age of 71, raised the role of the President's Council of Economic Advisers to the highest level it has attained since that body was established by the Employment Act of 1946.

One reason for Mr. Heller's brilliant performance as chief economic adviser to Presidents Kennedy and Johnson was his use of the English language. He could make economic ideas not just intelligible but arresting and persuasive to Presidents, Congressmen, business and labor leaders, journalists and everyone else—and without debasing or distorting the ideas he was pushing.

He loved metaphor. "The fine mist of incipient inflation may be turning into light rain," he warned early in 1966, about a year after he left Washington to return to teaching at the University of Minnesota. But President Johnson, determined to pursue the war in Vietnam without going to Congress for a tax increase, was slow to heed the warnings of Mr. Heller and his other economic advisers, and the inflationary rain came down.

Whether in failure or success, however, Mr. Heller demonstrated that economic rhetoric is the crucial link between economic analysis and policy making. As Donald T. McCloskey has stressed in his book, "The Rhetoric of Economics," the mathematical formulations of economists are of little use unless they can be translated into arguments that policy makers and the public can understand and be willing to act upon.

The art of persuasion is a matter not of words alone but of heart and courage and charm. Mr. Heller had these qualities in abundance and used them lavishly inside the White House in dealing with the President and his political aides, most of whom were trained as lawyers. He fired memos at them and followed up with face-to-face lectures. He worked incredible hours and got his exercise in Washington by ignoring the elevators and running up and down the stairs at the old State Department building—the Executive Office of the President.

But Mr. Heller also carried his campaigns to the people. He was always ready to spend time talking to reporters, being interviewed on television programs and speaking at public meetings. President Kennedy encouraged him to do that—to get out in front of the Administration to see whether a new and controversial idea would fly or be shot down.

As good as Mr. Heller was in communicating economic ideas, his great distinction was that he brought to policy making the best professional economic thinking he could mobilize.

Although he enjoyed being chairman of the C.E.A. and was by no means without vanity, he was secure and modest enough to bring to the council the stars of the economics profession, such as James Tobin (later a Nobel laureate), Kermit Gordon, Gardner Ackley, Robert Solow and Arthur M. Okun, and he continuously consulted outsiders, such as Paul A. Samuelson, the first American Nobelist in economics.

The economic policies of the Kennedy and Johnson years were essentially built on the theory of John Maynard Keynes that total demand for goods and services could be manipulated to prevent unemployment on one side and to stop inflation on the other.

Did the outbreak of inflation in the latter half of the 1960's represent a failure of those Keynesian policies—or was it due to the unwillingness of President Johnson to heed his economists' advice?

The answer is both. At first, the economists of the Kennedy-Johnson era were inclined to blame the political leadership for failing to take their advice in time to head off inflation by reversing fiscal policy to restrain aggregate demand, with the economy approaching full employment.

As time wore on, however, it became clearer that there had been an exaggerated belief among the economists that they had solved the problem of maintaining economic stability.

In his review article "The Economics Profession and the Making of Public Policy" in the March 1987 issue of The Journal of Economic Literature, Robert H. Nelson of the Interior Department reminds the profession that in 1966 Mr. Solow of the Massachusetts Institute of Technology had stated that most economists believed "short-run macroeconomic theory is well in hand. The basic outlines of the dominant theory have not changed in years."

A decade later Joseph A. Pechman of the Brookings Institution, a colleague of Mr. Heller's from graduate-school days at the University of Wisconsin, said, "The high rate of price increases during the recent periods of sluggish demand is a mystery that economists have not solved. "And the late Mr. Okun, who became chairman of the C.E.A. under President Johnson, urged greater humility upon the eonomists with respect to their ability to analyze, forecast and prescribe.

But saying one does not know it all is not to say one knows nothing. The high self-confidence of economists, which Mr. Heller embodied, and their adroit policy shifts, did help give the United States the longest, most vigorous and most stable spell of economic growth in history. If it all came to a bad end, whether because of the hubris of economists or the blunders of politicians, the fruits of an intelligent relationship between the two—as it was during the Kennedy-Heller years, professsional and knowingly on both sides—should not be forgotten.

[From the New York Times, June 17, 1987]

WALTER HELLER, 71, ECONOMIC ADVISOR IN 60'S, DEAD

(By Peter T. Kilborn)

WASHINGTON, June 16.—Walter W. Heller, the chief economic adviser of Presidents Kennedy and Johnson, died Monday of a heart attack at his second home, near Seattle, his office in Minneapolis reported today. He was 71 years old.

"In many respects, he is a major contributor if not the father of modern economic policy-making," said Alan Greenspan, who was President Ford's chief economist and is now chairman-designate of the Federal Reserve Board. "He defined a lot of the terms and the issues. One might disagree with some of his solutions but not with the questions he raised."

Senator Paul A. Sarbanes, Democrat of Maryland, who is chairman of the Joint Economic Committee of Congress, said that Mr. Heller, "over many decades, made a major contribution to the vigor and prosperity of our society."

FASCINATING PUBLIC DISCIPLINE

Senator Edward M. Kennedy, Democrat of Massachusetts said, "When you were in a room with Walter Heller, economics was never the 'dismal science' but a fascinating public discipline alive with possiblities for hope and progress."

Mr. Heller was best known for his single-minded and ultimately successful drive in the early 1960's to enact sweeping cuts in personal and business income taxes, and after he left office, for development of the theory of revenue sharing under which States and localities are deemed more efficient spenders of Federal tax revenues than Washington.

Mr. Heller, trim and tall, at nearly 6 feet 4 inches, retired as a professor of economics at the University of Minnesota last year but remained active. He was planning to teach his introductory economics course in the fall and was still writing and making consulting visits to Washington, as he did last week. He had had a physical examination in recent weeks, his office at the university reported, and was found to be in sound health.

President Kennedy appointed Mr. Heller, then an economics professor at Minnesota, to be chairman of his Council of Economic Advisers in December 1960, as the new President was preparing to take office. Mr. Heller remained in that position until late in 1964, as President Johnson's chairman. He was a close adviser to both, unlike most of his predecessors, and he called himself an "educator of Presidents."

Along with the late Arthur M. Okun and the late Otto Eckstein, and James Tobin of Yale, Mr. Heller was a member of a constellation of liberal economists, associated with Democrats and trained in the days of the New Deal, who dominated economic policymaking throughout the 1960's.

They are often given much of the credit for defining the policies behind the economy's prolonged stretch of largely inflation-free growth then, a period of prosperity that the country has not matched since. The economy, Mr. Heller said, ought to grow beyond the size it reached before a recession began and the unemployment rate should fall by more than it rises in a recession. To help the economy achieve such a performance, he urged tax cuts even if that meant some deficit spending.

INSUFFICIENT HEED TO INFLATION

But the tax-cutting and deficit-spending theories—derived largely from those of John Maynard Keynes, the British economic philosopher—paid insufficient heed to inflation, and for a while, Mr. Heller publicly discounted incipient signs of the problem. The virulent inflation that gathered speed in the 1970's turned many economists away from Keynesianism and contributed to the rise of the small-government, free-market, supply-side view of economics that President Reagan popularized. Mr. Heller criticized the Reagan economics because of the record budget deficits associated with them.

But he was candid, too, in faulting his own policies once he became aware of the inflation associated with them. As early as 1964, fearing that inflation would rise with the surge in Federal spending to pay for the war in Vietnam, Mr. Heller reversed position on taxes. He appealed to President Johnson for a tax increase, but the President rebuffed him.

"He was advising that we had to raise taxes to finance the Vietnam buildup," said George Perry, economist at the Brookings Institution and a close associate of Mr. Heller's since the time Mr. Heller gave him his first job, as a junior economist on the staff of the Council of Economic Advisers. "Johnson wouldn't take the advice, and we ended up overheating the economy. That led to the stubborn inflation of the 1970's and it put the economics of the 1960's into disrepute."

'MARVELOUS BRAIN-PICKER'

Mr. Perry described Mr. Heller as a "marvelous brain-picker" who built a lively staff of bright economists, all of whom contributed to the theorectical underpinnings of President Kennedy's New Frontier and the Johnson Great Society. "What came out," Mr. Perry said of the council sessions then, "was better than what went in."

Mr. Greenspan said: "If ideas Walter held were contradicted by evolving evidence, he was quick to change. If Walter said something was black, it was black. If it turned to white, he'd spot it first."

Mr. Heller's personal economics, more than policy differences with President Johnson, prompted his resignation. At the time he had three children in college and a debt of $16,000.

He was born in Buffalo, the son of immigrants from Germany. He earned his bachelor's degree at Oberlin College in Ohio, where he was Phi Beta Kappa, and his master's and doctorates in economics from the University of Wisconsin. He spent most of his career as a professor of economics at Minnesota, eventually becoming chairman of the department of economics.

But he also followed a parallel career in government and consulting, working for four formative years in the Treasury Department as a tax analyst. He wrote frequently for the opinion pages of newspapers, served on the boards of corporations and advised foreign governments. Of economists not in the Government, Mr. Heller probably was seen in Washington more than any other. He was here last week for a meeting at the Congressional Budget Office.

Mr. Heller's wife, the former Emily K. Johnson, died of cancer in July 1985 after many years battling lupus, a degenerative disease. He leaves a daughter, Kaaren Heller Davis, who lives near Seattle and was visiting him when he became ill, and two sons, Walter P., who is a professor of economics at the University of California at San Diego, and Eric J., a professor of chemistry and physics at the University of Washington in Seattle.

THE DEATH OF ONE OF LAKELANDS' PIONEERS

Mr. CHILES. Mr. President, I want to inform the Senate of the death of a friend. Dr. John S. Jackson was a friend to a great number of people throughout the Lakeland community, the Polk County area and the State of Florida. So, I'm not unique to have him as a friend but the man was unique in his accomplishments.

Dr. Jackson was in public service before he was elected to public office. He had a profound impact on everyone he touched.

The official obituary will tell a reader how old Dr. Jackson was, the organization he belonged to, the place of his birth, the date of his death, how long he practiced medicine and the names of his survivors. However, the life of this great person goes far beyond the obituary. Those persons whose lives he touched will tell you that Dr. John Jackson leaves a historical legacy. The first time he ran for public office, he won. He was overwhelmingly elected in a citywide election while running against a very formidable opponent. Dr. Jackson served as mayor of Lakeland while continuing his large, active practice. He was often referred to as simply "Doc." True there will be other medical doctors in Lakeland, but when someone said "I'm going over to Doc's" or "In the meeting Doc said," everybody knew who the reference concerned.

Dr. Jackson believed in participatory democracy. As the mayor of Lakeland, he insisted that appointees to the various city boards must come from every district in the city. Many citizens who had never been involved in city government previously were involved in making advisory decisions which affected their daily lives.

Dr. Jacksons' contributions to the Lakeland community would have been great if one measured only his tenure as a city commissioner but his influence went beyond that sphere. He was an active church official, a volunteer team doctor to the Rochelle Senior High School athletic team of the 1960's, a devoted husband, an understanding and loving father, and a firm mentor to many young people in Northwest Lakeland.

On Tuesday, June 30, 1987, many of his friends and family members will get together and say good-bye to the body of John Jackson but his spirit will live on in every one of us who knew him.

MOZAMBICAN-AMERICAN PROVIDES FIRST-HAND ACCOUNT OF THE SITUATION IN MOZAMBIQUE

Mr. HELMS. Mr. President, there was impressive and frightening testimony yesterday by Jose A. Francisco before the African Subcommittee of the Committee on Foreign Relations. Mr. Francisco is a Mozambican-American who provided the committee with first-hand information on the situation in Mozambique.

A former FRELIMO guerrilla, Mr. Francisco turned away from FRELIMO as it began to be dominated by the Communists who presently rule in Mozambique today.

Mr. Francisco knows personally Alfonso Dklakama, the President of RENAMO, and told the committee of his confidence in Dklakama's commitment to democratic principles. Similarly, Mr. Francisco knows and grew up with some of the leaders of FRELIMO.

Mr. President, perhaps most startling was Mr. Francisco's eyewitness account of how Alberto Chipande—now Minister of Defense—executed his own father in the presence of 1,000 FRELIMO cadres, including Mr. Francisco. Joaquim Chissano, who was then chief of security and is now head of the Mozambique Government, personally approved the execution as a teaching method, according to Mr. Francisco.

Mr. Francisco's brother has been held a prisoner for over 10 years, although Chissano will not identify where he is or confirm his safety or physical condition. Several Senators have joined me in asking the State Department to renew its apparently forgotten inquiry into the safety of Mr. Francisco's brother.

Mr. Francisco related the popular support that RENAMO enjoys throughout Mozambique, most notably from former FRELIMO supporters who have seen the devastating impact of FRELIMO's self-professed Marxist-Leninist economic policies and its cruel repression on Mozambicans throughout the country.

Mr. President, inasmuch as this side of the story is so rarely heard, I want my colleagues to have access to this testimony, and I ask unanimous consent that his testimony be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

TESTIMONY OF JOSE A. FRANCISCO

Mr. Chairman and Members of the Subcommittee, as a Mozambican-American this is a rare opportunity to speak to the Free World about what is happening to the people of Mozambique, people who are captives in their own land. 14 million Mozambicans live under one of the most hard-line, Marxist-Leninist regimes in Africa. They cannot speak for themselves about the same things I am going to tell you—without risking certain death. Even now, I have family in Mozambique who may suffer consequences, but silence, the alternative, means that many thousands more will die unless the truth is told. On behalf of my Mozambican countrymen, I thank you for the freedom I have received on these shores.

I was a former member of FRELIMO. I fought against Portuguese colonialism for the Independence of Mozambique. Originally FRELIMO was a nationalist movement but communist infiltration from abroad culminated with the murder of moderate, American-educated founder of FRELIMO, Dr. Eduardo Mondlane. During this period I witnessed unbelievable atrocities committed by the very leaders whom Dr. Chester Crocker presently calls "moderate".

The FRELIMO defense chief to Samora Machel (now Minister of Defense), Alberto Chipande, personally executed his own father in the presence of 1000 FRELIMO cadres as an example for establishing "the new order". This public murder was committed by stabbing his father in the stomach and ripping upwards until his viscera spilled to the ground.

Joaquim Chissano, who was then chief of security, personally approved the execution as a teaching method, as he did all atrocities I witnessed. Later as Foreign Minister, Chissano was the de facto head of the State secret police, SNASP, which implemented the system of concentration camps and political torture once FRELIMO came to power. His deputy, Jorge daCosta, defected from Mozambique in 1983 and revealled the files of FRELIMO's state sponsored terror network, which included extensive input from the KGB, East-German intelligence and the Cubans.

Mariano Matsinhe, now Security Minister, became a member of the International Socialist Party while a student in Portugal. When he returned to Mozambique, he gave instructions to soldiers in my unit to carry out a gang torture-execution session of another moderate FRELIMO leader, Silveiro Nungo. I saw my officers take diabolic glee in flogging Nungo repeatedly for 12 hours. He was left overnight tied to a tree. The next day he was beaten again until unconscious. The third day after he regained consciousness, the most gruesome part followed. Nungo was dismembered, joint by joint, starting with his fingers going up to the shoulders. Using crude machetes to do the hacking, Nungo died by mid-day.

I also witnessed mass executions. Young FRELIMO cadres returning from indoctrination in Russia and other East-bloc countries were secretly identified by their instructors as being either "converted communists" or "unconverted". The unconverted were met at the airport in Dar es Salaam with orders for "special missions". They were transported into the operational area of Cabo Delgado only to find themselves in a detention center. Here they were executed by bayonet, first being sexually dismembered. This was a regular occurence; the largest single massacre I witnessed involved 120 individuals.

Eventually, FRELIMO leadership was consolidated by the Marxist faction, most of whom had received training in Algeria. They became known as the "Algerian Gang", which includes the top FRELIMO leadership today, including Chissano and dos Santos.

It was this gang of "Algerians" who were handed power following the hasty Portuguese departure after the socialist coup in Lisbon in 1974. The new Portuguese socialist-communist coalition did not grant elections to Mozambique despite the existence of several healthy nationalist parties. My own brother disappeared during the transitional period amidst mysterious circumstances and has never been accounted for despite many attempts to locate him.

The purge that followed FRELIMO's installation in 1975 saw the establishment of Samora Machel's infamous concentration camps, nationalization of property, and gross abuse of all human rights. Hunger and unemployment followed almost immediately. Soviet and other East-bloc neo-colonials proceeded to rape Mozambique's natural resources, including human resources. Children were sent overseas for indoctrination and Mozambique slave labor was exported, 10,000 to East Germany for instance. This process continues today. This was the last straw for many FRELIMO members who considered that their "independence" had been betrayed. FRELIMO had merely exchanged Portuguese colonialism for an even worse form of Soviet colonialism.

One of Machel's own officers, Andre Matsangaisse, raised a protest and was immediately shipped out to Sacuze concentration camp along with his sympathizing colleagues. Before Matsangaisse and his men were brought up for execution, they orchestrated a breakout, overpowering their guards, stealing the weapons and taking to the bush. They regrouped at Gorongosa from where they initiated attacks against other concentration camps, capturing the weapons and liberating the detainees. The armed resistance was born and Resistencia Nacional Mocambicana, RENAMO, soon became a military threat to the new Machel regime. Matsangaisse was killed in battle two years later but his deputy, Afonso Dhlakama, took command of the popular rebellion.

In 1977, the Rhodesian government offered some logistical support to RENAMO as a counterbalance to the support and sanctuary given to the ZANLA guerrillas of Robert Mugabe by Samora Machel. When Rhodesia became Zimbabwe, South Africa offered limited assistance to RENAMO in retaliation for Machel's support to the ANC. Medical supplies and communication equipment along with some captured SWAPO weapons were provided until the Nkomati Accord in March 1984, brokered by Chester Crocker, which resulted in breaking RENAMO's outside line of communication and supply.

The cut off resulted in some short term hardships for RENAMO, but in the long term it forced RENAMO to become more self reliant. Within one year, RENAMO tripled the number of contacts with the enemy, and doubled the land under its' control. Arms and ammunition were captured mainly from the well equipped but poorly motivated 15,000 Zimbabwean soldiers inside Mozambique. FRELIMO being ill equipped and demoralized were incapable of holding territory against RENAMO. In fact, FRELIMO had become riddled with RENAMO sympathizers and informers, a fact that holds true today. This naturally causes considerable tension and distrust between FRELIMO forces and their foreign "allies". With the support of the local people RENAMO is today capable of operating, and frequently does, in the outskirts of the capital, Maputo.

Nevertheless, the Algerian gang, the Soviet Union, and now the American State Department continue to refer to RENAMO as a "handful of bandits". They say RENAMO has no political legitimacy. Yet FRELIMO is now in the position of relying totally on foreign intervention to prevent its' collapse from within. Are 30,000 East-bloc and regional mercenaries necessary for the work of containing a handful of bandits? RENAMO has articulated the two criterion for political legitimacy, accepted by all western democracies—1. elections and 2. the removal of all foreign mercenaries. FRELIMO is unable to meet these two simple criterion without total defeat.

The FRELIMO regime understands what Chester Crocker fails or refuses to recognize. RENAMO has the support of the majority of Mozambicans. RENAMO controls the majority of the country. RENAMO has restored basic human freedoms in their liberated areas. RENAMO has established civil administration and has a well defined political and economic program. And RENAMO demonstrates a nationalist vision for an independent Mozambique. All journalists to visit RENAMO have documented these basic points.

A document, known as "We the Former Feedom Fighters", was drafted by some nationalist elements of FRELIMO, and circulated to the FRELIMO hierarchy late last year. It advocates the explusion of the Algerian gang and negotiations with RENAMO. It has caused great consternation within FRELIMO's shaky ranks.

Just recently the Catholic Bishops of Mozambique called upon FRELIMO to enter into negotiations with RENAMO. Clearly they believe that foreign intervention cannot solve the Mozambican dispute. The Church insists it is a matter which can be discussed only amongst Mozambicans themselves. Chissano's recent invitation to the Pope to visit Mozambique was rejected on the basis that only an invitation from the Bishops' themselves would be accepted.

Unfortunately for Mozambique, Chester Crocker has not taken into account the extent of Mozambicans contempt for foreign meddling in their affairs. His knowledge of Mozambique seems more influenced by his brief visits to the only functional hotel in Maputo and his client relationship with the Algerian gang. Crocker has *never* contacted RENAMO. Yet Crocker advocates increased foreign involvement in Mozambique which can only be meant to increase foreign profits at the cost of Mozambican blood. What is behind Crocker's behavior I do not exactly know. But his Zimbabwean wife and family political connections do not give me optimism about his ability to conduct policy from an impartial position.

Despite Crockers' constant attempts to isolate and undermine RENAMO, President Dhlakama has appealed to President Reagan to dispatch a personal envoy to make an urgent assessment of the situation inside Mozambique. That envoy would have liberty to travel the liberated zones and to provide crucial information that has not been gathered by State Department sources.

President Dhlakama's offer also applies to international relief organizations who unfortunately use only FRELIMO statistics and operate only in FRELIMO sanctioned areas. RENAMO's offer to cooperate and assist with relief operations has so far gone unheeded. Whether for political policy or humanitarian relief, it appears to me that decision makers must first have access to first-hand accurate information.

As long as the outside world is not prepared to look at the harsh facts in Mozambique, innocent Mozambicans will continue to be the victims of a ruthless regime that will stop at nothing to keep power. Regularly, the FRELIMO regime commits atrocities against tribespeople in order to eliminate opposition and at the same time manufacture propaganda against RENAMO's fledgling political image in the outside world. FRELIMO's accusations go unchallenged by organizations who do not want to jeopardize their aid contracts with FRELIMO.

Until humanitarian organizations are willing to defy the regime and responsibly investigate both sides of the story, these bully tactics will continue to the detriment of innocent Mozambicans.

God blessed America for a reason. America was born to help people who are persecuted either for religious, racial, or political reasons. America, as the backbone of western civilization and leader of the free world is looked up to by persecuted people everywhere. As a Mozambican, I feel more acutely the hope and yearning of my people for the reality of freedom which I enjoy today as an American. The freedom loving people of Mozambique are risking their lives in the struggle for freedom. It is not too much to ask that we give their cry a fair hearing. For America to ally herself with the enemies of freedom would be a grievous error and a negation of her devine charter. This is precisely the decision which confronts American policy in Mozambique today.

Thank you, Mr. Chairman.

JOHN CULVER ON PRINCIPLED LEADERSHIP

Mr. KENNEDY. Mr. President, last week the Washington Post carried a thoughtful article by our former colleague, Senator John Culver of Iowa, on political leadership and the necessity for a principled approach to complex and controversial issues of public policy.

In particular, Senator Culver emphasized the importance of training future leaders in public life in values and ideals, not just in the mechanics and latest techniques of campaigning and polling.

John Culver lived by those values himself throughout his distinguished career as a Congressman and a Senator, and as this article demonstrates, he continues to have his priorities straight and to care about the future of our country.

I believe that Senator Culver's article will be of interest to all of us concerned about our approach to contemporary issues, and I ask unanimous consent that it may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 14, 1987]

LEADERS CAN'T BE FOLLOWERS: THERE'S MORE TO POLITICS THAN POLLING AND PRESS RELEASES

(By John C. Culver)

Several months ago, I was given a ride in Washington by a young man who had served for several years as an aide to a senator. He told me he planned someday to return to Iowa to run for Congress. I said that he already seemed to have acquired useful experience—so why didn't he go home and get established? He said he felt it was essential to stay in Washington at least three more years to learn more about the news media, fund raising, and polling.

I then asked him why he wanted to go into politics. What was it about conditions in Iowa or the country that he would like to see changed for the better? The young man said that he understood what I was getting at. "But, Senator," he said, "that just isn't the way you get elected any more!"

This experience started me thinking about the extent to which politics, as well as academic instruction, is today so heavily focused on pollsters, consultants, image makers, campaign financing and the role of the media. All of these subjects are of interest and in their way very important to the process, but do the means justify the ends they purport to serve?

The traditional theory of education in classical Athens recognized that certain technical skills were essential for leadership. Without training in logic and rhetoric, for example, one could never climb the ladder of achievement in the city-state. But those were not enough. A commitment to pursue truth, a sense of public service, sound judgment about ends and means, and moral qualities were essential to reach the level of balanced wisdom which was the goal of education.

This classical tradition was challenged by thinkers whom we know as the Sophists. The Sophists maintained that technical skills were an end in and of themselves, that one's talent for arguing a point was more important than the judgment used in deciding which position to defend. They were clever rather than wise. They pursued success instead of excellence. They honored intelligence above character.

I am greatly concerned that much of what passes for political education in our schools of government today appears to be disturbingly analogous to the approach of Sophists. Obsessed with the mechanics of campaigns and elections, focused on attaining more efficient government without adequate consideration and discussion of moral and social values, we overlook the most critical requirements of governance. We are training technicians, when we should be preparing leaders and stressing the fundamental priority of values.

The duty of the elected representative in my judgment is not only to represent and reflect popular opinion, but to lead and educate in the public interest. Such an approach represents far greater respect for the electorate, as well as faith in democracy, than to think it one's responsibility merely to mirror, assuming it can even be known, the popular will of the moment.

All of this, of course, does not mean independence for independence's sake or that self-righteousness constitutes a useful contribution to the body politic. No officeholder has a monopoly on truth, justice or morality; there must be tolerance and genuine respect for other's values an ideals, and the sincerity of their expression. Abraham Lincoln reminded us that, "there are few things wholly evil or wholly good. Almost everything, especially of government policy, is an inseparable compound of the two, so that our best judgment of the preponderence between them is continually demanded."

I recall that my moment of truth occurred early in my congressional career when a bill was proposed to make it a Federal crime, with heavy penalties—including a prison term—to burn an American flag. This was in response to the anti-Vietnam war demonstrations. I was deeply offended by the flag burning, as I saw the scenes portrayed on the evening television news. I had just returned from a funeral in Iowa, where a farm boy who was killed in Vietnam was buried with a flag on his casket. As a former Marine officer, I had served with men who were themselves in combat at the time of this debate. The mood against such protests in my congressional district was intensely hostile, and I was not aware of any opposition to the bill. If a poll had been taken, I have little doubt that an overwhelming majority of my voters would have favored longer prison terms.

After studying the legislation, I realized I had to choose which fork in the road I would travel, because my conscience and my constituency were clearly in conflict. I was convinced that, although most distasteful to me, the burning of the American flag was protected speech under the Constitution. I voted a lonely "no," and only 12 congressmen out of 435 shared my position on the final roll call.

In many ways, it was the most important vote I ever cast because it made the so-called "tough" political votes that were to occur during my 16 years in Congress relatively easy from that point on. It taught me a valuable lesson: Such a practice is not only good for the soul, but will most likely ultimately be accepted and respected by the electorate as well as one's colleagues.

Compromise is, of course, essential to the functioning of our political process. However, that compromise should take place regarding issues, not ideals, and the compromise is with competing interests, not with one's integrity. Moreover, compromises themselves may involve courageous acts by office holders when their own constituents hold a rigid position on an issue. In addition, idealists who hold to a principled stance can often help ensure that the ultimate accommodation of values and interests has been resolved in a more satisfying manner than would otherwise be the case.

I believe it is also proper to insist that people honored by the public trust serve in the public interest and be held to a higher standard of conduct than those operating in the marketplace. We should, however, properly reward those who meet that test and not just criticize the ones who fall short. If we constantly disparage our politicians, then elected politics will not be viewed as a worthwhile endeavor by our young people, and the performance of our elected officials will live down to our expectations. We do get the government we demand and deserve.

There is a mixture of strength and weakness, of self-seeking and high moral purpose, in every politician and in every constituency. Each speaks to each. If a politician caters only to the baser nature of the electorate, their ignorance and prejudice, that is what he will cultivate, and he cannot be later heard to complain if they turn that around against him. Similarly, if the voters and the media habitually treat their elected representatives with cynical contempt, in the end that will determine the quality of the service they will receive.

The reverse, I am happy to conclude, is also the case. I am convinced that politicians who speak to the best in their constituencies will draw it out. A public that asks for and rewards high service will attract and keep it. This is a simple equation that I offer, but a vital one.

All of us as individuals must answer to ourselves on the issue of conscience and principle in the choices we make in our own lives. We all on occasion may have to take a course which makes our friends unhappy with us and subjects us to painful criticism and misunderstanding. Political life differs only to the extent that it provides a forum for some of us in which to make those choices more publicly. However, the totality of these personal decisions made by each citizen will determine the character of our society and the condition of our political system.

In my final campaign in 1980, I took strength from Rosa Parks; the spark that led to the Birmingham bus boycott 30 years ago. She had to walk some distance to and from work each day. She was asked how she found the strength and she replied, "My feet are tired, but my soul is at rest."

TRIBUTE TO CLIFFORD A. MARTIN

Mr. ROCKEFELLER. Mr. President, on May 17 of this year, a very special dedication ceremony took place in Parkersburg, WV—the dedication of the Clifford A. Martin Special Education Center. The Martin School is designed to meet the academic, vocational, and physical therapy needs of students with severe and multiple handicaps. Its doors opened in November of last year and it serves approximately 155 students, ages 2 through 23, in a unique educational program.

Clifford A. Martin is the retired black educator whose true dedication to learning, along with his commitment to the rights of the disabled, have earned him a great honor—the new Special Education Center in Wood County bears his name.

Mr. Martin, a native West Virginian and now a most distinguished 80 years of age, spent 41 years in education before retiring in 1971. Before the construction of this new center, special education classes were held in the old Sumner High School. Sumner was built just after the beginning of the Civil War and is said to be the first black school below the Mason-Dixon line. It was from Sumner that Mr. Martin graduated in 1925, and he then went on to earn his bachelor's and master's degrees from West Virginia State College and Ohio University, respectively. He returned to Parkersburg to teach and coach at Sumner High, and later served as the school's principal. When the school's gymnasium was converted to a special education center in the mid-1950's, he, himself, turned to special education. He has remained a true advocate for the disabled and at the dedication ceremony referred to the new school as a "long overdue concern for a neglected segment of our population."

Clifford Martin's involvement in educational and community organizations and activities are far too numerous to mention. He is an outstanding man, who has never wavered in his beliefs and ideals. After covering the dedication ceremony in May, the Parkersburg News summed it up so appropriately when stating "* * * Clifford A. Martin received back the love and appreciation he's given out to Wood County's education community for more than 40 years."

Mr. President, I wish to add my congratulations, as well, to Mr. Martin for this much deserved honor. And in addition, I would like to thank him for all those years of giving to the young people of Wood County. He has inspired and motivated many, and West Virginia is honored to count him as one of its own. Clifford Martin gave of himself for many years as a dedicated educator and a champion for those with special needs. He is, indeed, a truly remarkable man.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate a message from the President of the United States submitting a treaty.

GOVERNING INTERNATIONAL FISHERIES AGREEMENT BETWEEN THE UNITED STATES AND THE REPUBLIC OF KOREA MESSAGE FROM THE PRESIDENT—PM 50

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to 16 U.S.C. 1823(b), was referred jointly to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations:

To the Congress of the United States:

In accordance with the Magnuson Fishery Conservation and Management Act of 1976 (Public Law 94-265; 16 U.S.C. 1801 *et seq.*), I transmit herewith an Agreement effected by exchange of notes May 13, 1987, extending for the period of 2 years from July 1, 1987, until July 1, 1989, and amending to conform with current United States law, the Governing International Fishery Agreement between the Government of the United States of America and the Government of the Republic of Korea, signed at Washington on July 26, 1982. The exchange of notes together with the present Agreement constitute a Governing International Fishery Agreement within the requirements of section 201(c) of the Act.

Several U.S. fishing industry interests have urged prompt consideration of this Agreement. Because of the importance of our fishing relationship with Korea, I urge that the Congress give favorable consideration to this Agreement at an early date.

Since 60 calendar days of continuous session, as required by the legislation, may not be available before the current Agreement is scheduled to expire, I recommend that the Congress consider passage of a joint resolution to bring into force the Agreement of May 13, 1987.

RONALD REAGAN.

THE WHITE HOUSE, *June 25, 1987.*

MEASURES PLACED ON THE CALENDAR

The Committee on Rules and Administration was discharged from the further consideration of the following concurrent resolution, which was placed on the calendar:

S. Con. Res. 38. A concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO.

MEASURES HELD AT THE DESK

The following bill, previously received from the House of Representatives was ordered held at the desk by unanimous consent pending further disposition:

H.R. 145. An act to provide for a computer standards program within the National Bureau of Standards, to provide for Governmentwide computer security, and to provide for the training in security matters of persons who are involved in the management, operation, and use of Federal computer systems, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-1479. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, the opinion of the GAO on the financial statements of the Commodity Credit Corp. for 1986 and 1985, and reports on the CCC's system of internal accounting controls and compliance with laws and regulations; to the Committee on Agriculture, Nutrition, and Forestry.

EC-1480. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Financial Audit—Panama Canal Commissions Financial Statements for 1984 and 1985"; to the Committee on Armed Services.

EC-1481. A communication from the General Counsel of the Department of Defense transmitting a draft of proposed legislation to authorize Federal support of State defense forces; to the Committee on Armed Services.

EC-1482. A communication from the Deputy Assistant Secretary of Defense transmitting, pursuant to law, a report on the 1986 actuarial status of the military retirement system; to the Committee on Armed Services.

EC-1483. A communication from the Director of Congressional Relations, Consumer Product Safety Commission, transmitting, pursuant to law, a draft of proposed legislation entitled "Consumer Product Safety Amendments of 1987"; to the Committee on Commerce, Science, and Transportation.

EC-1484. A communication from the Secretary of Transportation transmitting a draft of proposed legislation to amend the National Driver Register Act of 1982; to the Committee on Commerce, Science, and Transportation.

EC-1485. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 11 refunds of excess royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1486. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 25 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1487. A communication from the Deputy Associate Director, Minerals Management Service, transmitting, pursuant to law, a report on 24 refunds of excess oil and gas royalty payments to certain corporations; to the Committee on Energy and Natural Resources.

EC-1488. A communication from the Administrator of the General Services Administration transmitting, pursuant to law, a lease prospectus for the Census Bureau; to the Committee on Environment and Public Works.

EC-1489. A communication from the Chairman of the National Drug Policy Board transmitting, pursuant to law, a secret report on the comprehensive program designed to interdict aircraft, vessels, and vehicles carrying illegal drugs into the U.S.; to the Committee on Finance.

EC-1490. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, copies of international agreements, other than treaties, entered into by the U.S. within the 60 days previous to June 18, 1987; to the Committee on Foreign Relations.

EC-1491. A communication from the Comptroller General of the U.S. transmitting, pursuant to law, a list of reports issued by the GAO in May 1987; to the Committee on Governmental Affairs.

EC-1492. A communication from the Chairman of the Merit Systems Protection Board transmitting, pursuant to law, the Board's eighth Annual Report; to the Committee on Governmental Affairs.

EC-1493. A communication from the Benefits Administrator, Farm Credit Services, transmitting, pursuant to law, a report on the financial condition of the retirement plan for employees of the Seventh Farm Credit District; to the Committee on Governmental Affairs.

EC-1494. A communication from the Special Counsel, Merit Systems Protection Board, transmitting, pursuant to law, findings and conclusions of an investigation into allegations of violations of law and regulations by a contractor of the Army Education Center, Ft. Meade, Md.; to the Committee on Governmental Affairs.

EC-1495. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Annual Audit of the Boxing and Wrestling Commission for Fiscal Year 1986"; to the Committee on Governmental Affairs.

EC-1496. A communication from the Executive Secretary of the Federal Deposit Insurance Corporation transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-1497. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "FY 1987 Revised Revenue Analysis"; to the Committee on Governmental Affairs.

EC-1498. A communication from the D.C. Auditor transmitting, pursuant to law, a report entitled "Review of D.C. General Hospital's Reporting of Revenues for FY 1986 and Funding for Radiology Equipment"; to the Committee on Governmental Affairs.

EC-1499. A communication from the Assistant Secretary of State transmitting, pursuant to law, two travel advisories issued for Panama and Zambia; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-214. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Agriculture, Nutrition, and Forestry.

"HOUSE CONCURRENT RESOLUTION NO. 183

"Whereas the agricultural industry is vital to the national interest and well-being of these United States; and

"Whereas American farmers currently receive in income approximately one-half of what it costs them to produce the bounty enjoyed by consumers in the United States and abroad; and

"Whereas at least 17,000 Texas farms were lost over the last two years, and an estimated 180 American farmers continue to be driven off their land each day, creating an ongoing crisis in American farming and related industries; and

"Whereas the Farm Credit Borrower Relief System, Reform and Local Control Act of 1987 promises much-needed relief to farmers and ranchers by directly aiding agricultural borrowers through reduction in interest rates, stock investment guarantees, specification of borrowers' rights, programs for mandatory consideration for restructuring of loans, forebearance on foreclosures, and leaseback or buyback of property; and

"Whereas the Act would benefit farmers and ranchers indirectly through reform of the Farm Credit System institutions in that it would create a Farm Credit Reserve Fund, resolve pending litigation, halt the tendency to centralize the credit system, and mandate the use of regulatory accounting principles; and

"Whereas the Act would preserve local control of a cooperative system for the future by encouraging the participation of farmer- and rancher-borrowers in the management, control, and ownership of a permanent system of credit for agriculture that would be responsive to the credit needs of all types of agricultural producers having a basis for credit; now, therefore, be it

"*Resolved,* That the 70th Legislature of the State of Texas hereby urge the Congress of the United States to come to the relief of American farmers by enacting the Farm Credit Borrower Relief System, Reform and Local Control Act of 1987; and, be it further

"*Resolved,* That the Texas Secretary of State forward official copies of this resolution to the president of the United States, to the speaker of the House of Representatives and the president of the Senate of the United States Congress, and to all members of the Texas delegation to the congress, with the request that this resolution be officially entered in the Congressional Record as a memorial to the Congress of the United States of America."

POM-215. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Commerce, Science, and Transportation:

"S. 1550

"Whereas, the Congress of the United States has found that an unacceptable number of consumer products which present unreasonable risks of injury are distributed in commerce; complexities of consumer products and the diverse nature and abilities of consumers using them frequently result in an inability of users to anticipate risks and to safeguard themselves adequately; and the public should be protected against unreasonable risks of injury associated with consumer products; and

"Whereas, the smoking of tobacco products annually kills over three hundred and fifty thousand persons in the United States; harms the health of millions of others, both smokers and nonsmokers; and causes at least seventy-four thousand fires which kill at least two thousand three hundred persons in the United States and inflict burn injuries on at least five thousand eight hundred others; and

"Whereas, the tobacco industry consistently refuses to reveal to the public a list of the ingredients put into cigarettes; and

"Whereas, it is the role of Government in the United States to protect the welfare of all its citizens in both a physical and economic sense; therefore be it

"Resolved, That the Massachusetts General Court respectfully urges the Congress of the United States to remove the exemption for tobacco and tobacco products from the consumer product safety act; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the clerk of the senate to the president of the United States, the presiding officer of each branch of the congress, and to the members thereof from this commonwealth."

POM-216. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Commerce, Science, and Transportation:

"S. 1552

"Whereas diseases caused by cigarette smoking annually kills over three hundred and fifty thousand Americans and harms the health of millions of others, both smokers and nonsmokers; and

"Whereas cigarette smoking causes at least seventy-four thousand fires which kill at least two thousand three hundred Americans and inflict burn injuries on at least five thousand eight hundred others; and

"Whereas many consumer products which do not harm human health carry on their packages a list of the ingredients; and

"Whereas tobacco companies have consistently refused to reveal to the public a list of the ingredients contained in cigarettes; and

"Whereas it is the role of Government in the United States to protect the welfare of all the citizens in both a physical and economic sense; therefore be it

"Resolved, That the Massachusetts General Court respectfully urges the Congress of the United States to enact legislation requiring tobacco companies to reveal to the public a list of all of the ingredients contained in cigarettes whether natural or artificial; and be it further

"Resolved, That copies of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, the presiding officer of each branch of Congress and to the members from this commonwealth."

POM-217. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Commerce, Science, and Transportation:

"ASSEMBLY JOINT RESOLUTION NO. 3

"Whereas the safety of shipments of hazardous materials over the highways of this nation is crucial to all persons who live and work along those routes; and

"Whereas effective means of ensuring public safety should include properly training any person who drives a motor vehicle carrying hazardous materials and developing methods and techniques for tracking shipments of hazardous materials; and

"Whereas the Federal Government has exclusive jurisdiction over all hazardous materials which are moved in interstate commerce; now, therefore, be it

"Resolved, by the Assembly and Senate of the State of Nevada, jointly, That the Legislature of the State of Nevada hereby urges the Congress of the United States to establish strict requirements for training the drivers of motor vehicles which carry hazardous materials and for tracking shipments of hazardous materials; and be it further

"Resolved, That copies of this resolution be transmitted by the Chief Clerk of the Assembly to the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives and the members of the Nevada Congressional Delegation; and be it further

"Resolved, That this resolution becomes effective upon passage and approval."

POM-218. A concurrent resolution adopted by the Legislature of the State of Texas; to the Committee on Commerce, Science, and Transportation:

"HOUSE CONCURRENT RESOLUTION NO. 93

"Whereas the foreign and domestic shipping at Texas ports and all other ports of the United States is an important aspect of the economic health and vitality of our nation and its respective states; and

"Whereas regulation of vessels and marine affairs, which is not achieved by consensus and cooperation among the agencies of state governments and the federal government, results in confusion and conflict for vessel operators and can negatively impact states' efforts to increase the use of their ports for foreign trade; and

"Whereas air emission standards imposed by various federal, state, and local entities are complicated and confusing, and they affect domestic and foreign vessels differently; and

"Whereas the Clean Air Act is an example of a law that is unclear as to whether state and local jurisdictions are preempted from imposing vessel air emission standards; and

"Whereas the majority of vessel activities on the Texas Gulf Coast are attributable to foreign flag vessels whose air emissions cannot be successfully regulated by state or local government; and

"Whereas the United States has traditionally dealt with foreign governments regarding agreements concerning maritime issues such as the safety of life at sea; and

"Whereas national uniformity is desirable in vessel air emission standards to prevent discrimination against domestic vessels and their operators; and

"Whereas many uncertainties remain regarding the quantities of air contaminants emitted into the air from vessels and the effectiveness and safety of equipment and procedures to reduce these air contaminant emissions; and

"Whereas the National Academy of Sciences, acting through the Marine Board of the National Research Council and at the request of the United States Coast Guard, has established a Committee on Control and Recovery of Hydrocarbon Vapors from Ships and Barges whose purpose is to review the technical, safety, and economic impacts of establishing national standards for control/recovery of marine vessel emissions; and

"Whereas the development or implementation of vapor control/recovery standards for marine vessels must await the completion of the National Academy of Sciences study and the issuance of regulations by the United States Coast Guard; and

"Whereas two to six percent of volatile organic compound emissions in Texas port areas are attributable to ship and barge loading; and

"Whereas some of the contaminants are known carcinogens that are controlled in many other phases of manufacture, use, and distribution; and

"Whereas many major Texas ports are located in nonattainment areas so that excess emissions may affect lung health for area residents; now, therefore, be it

"Resolved, That the 70th Legislature of the State of Texas hereby urge the Congress of the United States to clearly define the United States Coast Guard jurisdiction over control of air emissions from marine vessels in the conduct of their normal activities and to require the United States Coast Guard, following completion of the study by the National Academy of Sciences Committee on Control and Recovery of Hydrocarbon Vapors from Ships and Barges, to promptly determine, after consultation with the United States Environmental Protection Agency, what regulation of air emissions from ships and barges is necessary and appropriate recognizing the importance of uniformity and the effect on foreign trade; and, be it further.

"Resolved, That the congress and its committees and subcommittees involve the State of Texas and the maritime community in these studies and determinations; and, be it further

"Resolved, That the Texas Secretary of State forward official copies of this resolution to the President of the United States, the Speaker of the House of Representatives and President of the Senate of the United States Congress, the Secretary of the Department of Transportation, the Administrator of the Environmental Protection Agency, and to each member of the Texas delegation to the congress, with the request that it be entered in the Congressional Record as a memorial to the Congress of the United States of America."

POM-219. A concurrent resolution adopted by the Legislature of the State of Louisiana; to the Committee on Commerce, Science, and Transportation:

"SENATE CONCURRENT RESOLUTION NO. 3.

"Whereas, it is proposed that the Turtle Excluder Device, commonly known as TED, is to be used by shrimp fishermen in outside waters in the Gulf of Mexico beginning July 15, 1987; and

"Whereas, the purpose of the TED is to protect against drowning certain species of endangered turtles; and

"Whereas, there are very minimal numbers of these turtles in the gulf waters of Louisiana; and

"Whereas, most of these turtles are located in the gulf waters off of the coast of Texas and Mexico; and

"Whereas, the studies of the cause of endangerment to these species are not accurate; and

"Whereas, the true cause of endangerment to the species is the completely unmanaged harvest of the eggs of these species on the beach of Mexico; and

"Whereas, the use of the TED by shrimp fishermen creates a safety hazard to the fishermen; and

"Whereas, the use of the TED by shrimp fishermen is economically devastating to the industry: Therefore, be it

"Resolved, That the Legislature of Louisiana memorializes the Congress of the United States to suspend the law mandating the use of TEDS by shrimp fishermen in

outside waters of Louisiana until further, more accurate studies of the endangerment of the turtles can be made: Be it further

"*Resolved*, That a copy of this Resolution shall be transmitted to the Secretary of the United States Senate and the Clerk of the United States House of Representatives and to each member of the Louisiana congressional delegation."

POM-220. A concurrent resolution adopted by the Legislature of the Commonwealth of Massachusetts; to the Committee on Environment and Public Works:

"S. 1554

"Whereas, the Congress of the United States has found that human beings and the environment are being exposed each year to a large number of chemical substances and mixtures; and among the many chemical substances and mixtures which are constantly being developed and produced, there are some whose manufacture, processing, distribution in commerce, use or disposal may present an unreasonable risk of injury to health or the environment; and

"Whereas, the burning of tobacco products produces thousands of chemical substances, many of which are toxic including: ammonia, arsenic, nicotine, tar, formaldehyde, benzopyrene, carbon monoxide, nitrogen dioxide and cadmium; and

"Whereas, the tobacco industry refuses to reveal to the public a list of the ingredients put into cigarettes; and

"Whereas, it is the role of Government in the United States to protect the welfare of all its citizens in both a physical and economic sense; therefore be it

Resolved, That the Massachusetts General Court respectfully urges the Congress of the United States to remove the exemption for tobacco and tobacco products from the Toxic Substances Control Act; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the clerk of the Senate to the President of the United States, the presiding officer of each branch of the Congress, and to the Members thereof from this Commonwealth."

POM-221. A resolution adopted by the Society of Independent Professional Earth Scientists favoring enactment of the "Energy Security Act of 1987"; to the Committee on Finance.

POM-222. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Foreign Relations.

"SENATE JOINT RESOLUTION NO. 51

"Whereas, one of the most critical challenges facing the United States and the Soviet Union is the establishment of a lasting peace and the prevention of acts of hostility; and

"Whereas, the ties of culture and friendship between our two countries need to be strengthened and expanded; and

"Whereas, a program to exchange high school students each year with the Soviet Union would become an instrument of the foreign policies of our two countries and a positive cultural force for peace; now, therefore, be it

"*Resolved by the Senate and Assembly, jointly*, That the President and Congress of the United States are urged to support and approve legislation or take other actions necessary to establish a program for the exchange of students between the United States and the Soviet Union; and be it further

"*Resolved*, That copies of this resolution be transmitted by the Secretary of the Senate to the President of the United States, the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, and each member of the Nevada Congressional Delegation."

POM-223. A resolution adopted by the House of Representatives of the State of Hawaii; to the Select Committee on Indian Affairs:

"HOUSE RESOLUTION NO. 38

"Whereas, Hawaii residents enjoy the longest life expectancy in the world and are considered to be among the healthiest people in the nation; and

"Whereas, however, one glaring exception to this enviable achievement in our quality of life is the plight of the Native Hawaiians who are suffering from a disproportionate share of major illnesses and diseases; and

"Whereas, according to the American Cancer Society, Native Hawaiian men and women have the highest incidence of cancer among all races in the nation; and

"Whereas, a 1985 report, *The Native Hawaiian Health Needs Study*, conducted by The Native Hawaiian Health Research Consortium confirmed many cancer-related statistics and also found that Native Hawaiian women have disproportionately high rates of infant death and that Native Hawaiians are the highest consumers of sweet beverages, dessert items, snack food, and so forth; and

"Whereas, the same report also found that Native Hawaiians have higher proportions of social problems, alcohol and narcotics use, suicide, and stress than statewide population estimates; and

"Whereas, research also found that Native Hawaiians are more prone to the major chronic diseases of diabetes, heart disease, hypertension, and stroke than others; and

"Whereas, the official State of Hawaii 1986 Hawaiian Population Survey/Needs Assessment conducted by the Office of Hawaiian Affairs revealed that Hawaiians themselves indicated health needs rated second only to housing in their list of priorities; need for health services had a higher priority than education, transportation, employment and all other social services; and

"Whereas, although the State Department of Health is well aware of these special health problems, the primary duty of the Department focuses on the "general charge, oversight, and care of the health and lives of the people of this State," and consequently, the Department has not been able to adequately address the health concerns of Native Hawaiians as a special target group; and

"Whereas, as a result, the provision of necessary health services for Native Hawaiians must come from federal legislation such as a measure introduced by Hawaii Senator Daniel Inouye in 1986, which proposed to appropriate some $71.8 million for this purpose; and

"Whereas, this measure, which passed the Senate but failed to gain approval in the House, would have funded the development of eight community health centers in the State to provide outreach services; research and health planning; and the construction of $5 million Pacific Basin Disease Research Institute at the University of Hawaii; and

"Whereas, because legislation of this magnitude could greatly expand the health services available to Native Hawaiians, it is incumbent upon this State to make every effort to support passage of similar legislation through Congress; now, therefore,

"Be it resolved by the House of Representatives of the Fourteenth Legislature of the State of Hawaii, Regular Session of 1987, that this body strongly urges the United States Congress to expedite and enact legislation which would provide comprehensive health care services to Native Hawaiians; and

"Be it further resolved that certified copies of this Resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, the members of Hawaii's Congressional delegation, the Governor of the State of Hawaii, and the State Director of Health."

POM-224. A resolution adopted by the New Jersey State Federation of Women's Clubs urging the designation of English as the official language of the United States; to the Committee on the Judiciary.

POM-225. A petition from the Archivist of the State of Maryland transmitting copies of two State acts pursuant to the request of the Washington Metro Area Transit Authority; to the Committee on the Judiciary.

POM-226. A resolution adopted by the Student Senate of the University of Florida at Gainesville concerning student financial aid cuts; to the Committee on Labor and Human Resources.

POM-227. A joint resolution adopted by the Legislature of the State of Alaska; ordered to lie on the table.

H.J. RES. 34

"Whereas a limited amount of crude oil from state-owned submerged land in Cook Inlet will be exported to Pacific Rim nations beginning in 1987; and

"Whereas the federal government has determined that these exports are in the best interest of the state, the United States, and their Pacific Rim trading partners, and has adopted the regulations necessary to permit the exports to take place; and

"Whereas the construction financing of a new refinery that has been proposed for the state is likely to be based in the partial sale that is permitted by current federal law of the refinery's output of refined oil products to Pacific Rim nations; and

"Whereas other states are currently exporting approximately 617,000 barrels a day of refined oil products; and

"Whereas the export of refined oil products benefits the economy and balance of trade of the United States; and

"Whereas, without a hearing, the United States House Subcommittee on International Economic Policy and Trade added to H.R. 3, the House Omnibus Trade Bill, sec. 331, which would prohibit the export of all domestically produced crude oil, as well as the export of all refined oil products from a refinery that exports more than 33 percent of its production; and

"Whereas sec. 331 would effectively cancel existing state crude oil export contracts to China and Korea, and prevent the construction of the new state refinery project that was developed under existing law; and

"Whereas the proposed export limitation of sec. 331 is aimed specifically at the proposed refinery project in the state; and

"Whereas the proposed federal ban on the export of crude oil and refined oil products would prevent the state from receiving significant economic benefits during a time of statewide recession; and

"Whereas existing federal law provides for a vigorous review of proposed oil exports to assure that the exports are in the national interest: Be it

"*Resoved,* That the Alaska State Legislature strongly urges the United States Congress to delete sec. 331 from H.R. 3, the House Omnibus Trade Bill, before the bill is passed."

POM-228. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Commerce, Science, and Transportation:

"ASSEMBLY JOINT RESOLUTION No. 23

"Whereas, the importance of the Nevada Test Site to the national security of the United States has increased enormously since the first nuclear device was detonated on January 27, 1951, at Frenchman Flat; and

"Whereas, the direct and indirect employment through the United States Department of Energy in the three southern Nevada counties of Clark, Lincoln and Nye exceeds 20,000 persons with a projected dollar contribution to their economies of approximately $1,000,000,000; and

"Whereas, the Nevada Test Site creates jobs for an additional 11,000 workers through support industries, with a payroll of $361,000,000; and

"Whereas, the presence of this facility, whose employees hold nearly 1,500 university degrees in professional, technical and scientific specialties, and which employs 15 percent of all engineers working in the State of Nevada, significantly enhances the scientific and technological base of southern Nevada; and

"Whereas, the weapons testing demands a broad spectrum of technologies, many of which have been pushed to the "state of the art" and "spun off" to American industry; and

"Whereas, these highly technological systems include:

"1. Ultra high speed photography that records phenomena that occurs in less than a billionth of a second;

"2. Thermographic sensors that can be used to measure precise temperatures in innumerable industrial applications;

"3. Techniques for drilling big holes that permit the sinking of 12-foot diameter vertical mine shifts now being utilized throughout the world;

"4. The Fourier transform spectrometer which has the highest resolution of any instrument of its type and has become a valuable national resource;

"5. High-speed digitizers currently being used in the communications and video industries;

"6. Mercuric iodide crystal detector research that has resulted in the development of commercially usuable products;

"7. The invention of devices and techniques of fiber optics that has led to significant advances in this field;

"8. The Nuclear Emergency Search Team that provides the nation with the ability to seek out and measure radioactive sources anywhere in the world; and

"9. Numerous other scientific developments, all of which have contributed significantly to the betterment of mankind; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly,* That the Nevada Legislature urges the Federal Government to recognize not only the primary mission of the Nevada Test Site to test nuclear weapons for our national security, but to further acknowledge its function as an outdoor laboratory for the advancement of nuclear physics, scientific research, and the development of new and useful technology that benefits the whole country; and be it further

"*Resolved,* That the Nevada Legislature encourages the Federal Government and Congress to maintain its level of financial support for the Nevada Test Site so that this facility may continue its vital roles in both national defense and technological development; and be it further

"*Resolved,* That copies of this resolution be transmitted forthwith by the Secretary of the Senate to the President of the United States, the Vice President of the United States as presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation and the Secretary of Energy; and be it further

"*Resolved,* That this resolution becomes effective upon passage and approval."

POM-229. A joint resolution adopted by the Legislature of the State of Nevada; to the Committee on Commerce, Science, and Transportation.

"ASSEMBLY JOINT RESOLUTION No. 16

"Whereas, section 119 of the Nuclear Waste Policy Act of 1982 provides for judicial review of decisions made by the Department of Energy; and

"Whereas, the Department of Energy denied Nevada's request for money to conduct independent confirmatory technical studies of the suitability of the Yucca Mountain site for a nuclear repository; and

"Whereas, these studies were considered to be of critical importance in carrying out the state's congressionally imposed oversight responsibilities; and

"Whereas, through judicial review the 9th United States Circuit Court of Appeals agreed with the state's interpretation of its oversight role and struck down the guidelines of the Department of Energy for grants which had prevented the state from receiving federal grants; and

"Whereas, the Department of Energy again has denied Nevada access to federal money for technical studies; now, therefore, be it

"*Resolved by the Assembly and Senate of the State of Nevada, jointly,* That the Nevada Legislature considers the right to judicial review to be crucial to Nevada's oversight role relating to the high-level nuclear waste program and urges Congress to support the congressional policy underlying the availability of money for judicial review consistent with section 119 of the Nuclear Waste Policy Act and the policy of the Act itself; and be it further

"*Resolved,* That the Chief Clerk of the Assembly prepare and transmit copies of this resolution to the Vice President of the United States as President of the Senate, the Speaker of the House of Representatives and to each member of the Nevada Congressional Delegation; and be it further

"*Resolved,* That this resolution becomes effective upon passage and approval."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 431. A bill to amend the Clayton Act regarding partnerships (Rept. No. 100-88).

By Mr. BYRD (for Mr. BIDEN), from the Committee on the Judiciary, with an amendment:

S. 1068. A bill to amend the Clayton Act regarding interlocking directorates and officers (Rept. No. 100-89).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WILSON (for himself, Mr. BUMPERS, and Mr. HOLLINGS):

S. 1421. A bill to provide for a clarification of the receipt-sharing of amounts received for the National Forest System, geothermal leasing, mineral lands leasing, and oil and gas royalties; to the Committee on Energy and Natural Resources.

By Mr. MATSUNAGA:

S. 1422. A bill for the relief of Ikechukwu J. Ogujiofor, Joy I. Ogujiofor, and Godfrey I. Ogujiofor; to the Committee on the Judiciary.

By Mr. JOHNSTON (by request):

S. 1423. A bill to authorize construction of a monitored retrievable storage facility, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. STAFFORD (for himself and Mr. DURENBERGER):

S. 1425. A bill to authorize construction of a public building for the Environmental Protection Agency; to the Committee on Environment and Public Works.

By Mr. PRYOR:

S. 1426. A bill to amend the Internal Revenue Code of 1986 to encourage small businesses to extend retirement and fringe benefits to all employees, and for other purposes; to the Committee on Finance.

By Mr. BOSCHWITZ:

S. 1427. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to cancel the registration of certain cyclodienes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HECHT:

S. 1428. A bill entitled the "Subseabed Nuclear Waste Disposal Research Act of 1987"; to the Committee on Energy and Natural Resources.

By Mr. LAUTENBERG (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. DURENBERGER, Mr. BAUCUS, Mr. MITCHELL, and Mr. DODD):

S. 1429. A bill to improve the Environmental Protection Agency data collection and dissemination regarding reduction of toxic chemical emissions across all media, to assist States in providing information and technical assistance about waste reduction, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CRANSTON (for himself, Mr. D'AMATO, Mr. EVANS, Mr. ADAMS, Mr. STAFFORD, and Mr. LEAHY):

S. 1430. A bill to impose a moratorium on prepayments under section 515 of the Housing Act of 1949; placed on the calendar by unanimous consent.

By Mr. DASCHLE (for himself and Mr. PRESSLER):

S. 1431. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping

Division, Pick-Sloan Missouri Basin Program, South Dakota; to the Committee on Energy and Natural Resources.

By Mr. EVANS (for himself and Mr. Adams):

S. 1432. A bill to provide that a certain amount of funds shall be available to the Secretary of Energy each fiscal year for the cleanup of hazardous or radioactive waste from atomic energy defense activities and to require the Secretary of Energy to develop within 1 year a comprehensive plan for the cleanup of such waste; to the Committee on Armed Services.

By Mr. DOLE (for himself, Mr. Cochran, Mr. Bingaman, Mr. Bond, Mr. Boschwitz, Mr. Evans, Mr. Gore, Mr. Grassley, Mr. Hatch, Mr. Helms, Mrs. Kassebaum, Mr. Kasten, Mr. McClure, Mr. McConnell, Mr. Melcher, Mr. Nickles, Mr. Pryor, Mr. Symms, Mr. Simon, Mr. Simpson, Mr. Thurmond, Mr. Wallop, Mr. Wilson, Mr. Bentsen, and Mr. Pressler):

S.J. Res. 167. A joint resolution making urgent supplemental appropriations for the Department of Agriculture for the fiscal year ending September 30, 1987; to the Committee on Appropriations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CHILES (for himself, Mr. Pell, and Mr. Dole):

S. Res. 238. A resolution of support regarding the U.S. delegation's participation at the United Nation's International Conference on Drug Abuse and Illicit Trafficking; ordered held at the desk.

By Mr. SANFORD (for himself, Mr. Dodd, Mrs. Kassebaum, Mr. Matsunaga, Mr. Evans, Mr. Mitchell, Mr. Kerry, and Ms. Mikulski):

S. Con. Res. 63. A concurrent resolution expressing the sense of the Congress regarding the formulation and implementation of a regional economic development and recovery program for Central America; to the Committee on Foreign Relations.

By Mr. BYRD (for himself and Mr. Dole):

S. Con. Res. 64. A concurrent resolution to authorize the printing of "Guide to Records of the United States Senate at the National Archives, 1789-1989, Bicentennial Edition"; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WILSON (for himself and Mr. Bumpers):

S. 1421. A bill to provide for a clarification of the receipt-sharing of amounts received from the National Forest System, geothermal leasing, mineral lands leasing, and oil and gas royalties; to the Committee on Energy and Natural Resources.

FEDERAL LANDS RECEIPTS CLARIFICATION ACT

Mr. WILSON. Mr. President, I am joined today by my distinguished colleague, the senior Senator from Arkansas, in introducing a bill to clarify the intent of Congress regarding the formula by which Federal natural resources receipts payments are made to States and counties. This bill is identical to a measure that has been introduced by Congressman Norman Shumway and 44 cosponsors in the other body. The need for this legislation has arisen due to the repeated attempts by the Office of Management and Budget to alter the method by which these payments are calculated.

Current law requires the Federal Government to return a percentage of the mineral, oil, gas, and timber receipts generated from Federal lands to State and county governments of origin. This formula has traditionally been calculated on a percentage of gross receipts.

Reimbursements of this kind date back to the early 1900's when legislation was enacted to provide States and local governments compensation for the tax immunity of the large tracts of Federal land in the Western States. In most cases, Congress provided that the money was to be spent, "as the State shall prescribe" for road and school purposes in the counties where the Federal lands are located.

The current formula for timber receipt disbursements was established by the enactment of the National Forest Management Act of 1976. This act modified the previous formula to include several additional Forest Service revenues previously not accounted for in calculating the 25-percent share of gross receipts to be returned to the county of origin.

Mr. President, Congress has consistently supported the existing gross receipts formula. However, OMB has repeatedly proposed to alter the established method of calculating these shared receipts by requiring the Federal Govenment to deduct its costs of managing Federal lands before remitting the State and local share. If the OMB's proposal is enacted, funding for some important local programs would be cut by 50 percent or more.

This would be disastrous for counties that depend on these funds to provide basic services. And because of the tax-exempt status of these Federal lands, it would be virtually impossible for local counties to raise this lost revenue locally.

Current statutes do not specify whether gross or net receipts are to be used in the shared-receipts formulas. The time has come for legislation to lay this issue to rest. The bill that we are introducing today amends the various shared receipts laws to clarify that Congress intends that gross receipts—not net—will be used to calculate State and local shares.

Lest there be any doubt, let me assure my colleagues that these payments are a crucial source of income for many rural counties. In 1986, the total share of these payments made to State and local governments exceeded $800 million. In many instances, these funds constitute a fundamental portion of a county's road and school budget. For example, over the past 5 years, the county of Modoc, CA, has counted on natural resource receipt payments to provide 50-percent of its annual county road department budget. The funds received by the Modoc County Office of Education provide for the salaries of 26 teachers, comprising approximately 20 percent of the entire instruction staff for the county.

Mr. President, these payments are not a subsidy. They are just compensation for the State and local tax immunity the Federal Government enjoys for its land holdings. Additionally, Congress has recognized that counties should receive appropriate remuneration for the depletion of natural resources within their boundaries. I am convinced that once my colleagues have had an opportunity to consider how the OMB proposal would devastate school and road budgets in many of their rural constituencies, they will support this effort to clarify existing law and ensure that local governments continue to receive their fair share.

I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1421

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Lands Receipts Clarification Act".

SEC. 2. RECEIPTS FROM NATIONAL FOREST SYSTEM.

(a) Act of May 23, 1908.—The 6th paragraph under the hearing "FOREST SERVICE" of the Act of May 23, 1908 (35 Stat. 260; 16 U.S.C. 500) is amended by striking out "moneys received" each place it appears and inserting in lieu thereof "gross moneys received".

(b) Act of March 1, 1911.—Section 13 of the Act of March 1, 1911 (36 Stat. 963; 16 U.S.C. 500) is amended by striking out "moneys received" each place it appears and inserting in lieu thereof "gross moneys received".

SEC. 3. RECEIPTS WITH RESPECT TO GEOTHERMAL LEASING, MINERAL LANDS LEASING, AND OIL AND GAS ROYALTIES.

(a) Public Lands.—Section 35 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920 (30 U.S.C. 191; commonly referred to as the "Mineral Lands Leasing Act"), is amended by adding at the end thereof the following:

"For the purposes of this section, the term 'money received' means the gross money received from the activities referred to in the first sentence of this section.".

(b) Acquired Lands.—Section 6 of the Mineral Leasing Act for Acquired Lands (30 U.S.C. 355) is amended by striking out "All receipts" and inserting in lieu thereof "All gross receipts".

SEC. 4. EFFECTIVE DATE.

This Act shall take effect on October 1, 1987.

By Mr. JOHNSTON (by request):

S. 1423. A bill to authorize construction of a monitored retrievable storage facility, and for other purposes; to the Committee on Energy and Natural Resources.

MONITORED RETRIEVABLE STORAGE FACILITY LEGISLATION

● Mr. JOHNSTON. Mr. President, today I am introducing legislation at the request of the Department of Energy to authorize construction and operation of a monitored retrievable storage [MRS] facility in Oak Ridge, TN.

The Department of Energy was required by section 141 of the Nuclear Waste Policy Act of 1982 (Public Law 97-425) to study the need for and feasibility of monitored retrievable storage and submit to Congress a proposal for the construction of one or more MRS facilities. That proposal was submitted to Congress on March 31, 1987. The proposal identified a preferred site for an MRS facility in Oak Ridge, TN, and two alternative sites also in Tennessee. The Department also submitted a program plan for carrying out construction and operation of an MRS at the preferred site.

The legislation that I am introducing today would require the Secretary to implement the MRS proposal and program plan submitted to Congress to construct and operate an MRS facility at the preferred site on the Clinch River in the Roane County portion of Oak Ridge, TN.

I ask unanimous consent that the Department of Energy's transmittal letter and the text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1423

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Energy (the "Secretary") is authorized consistent with section 141 of the Nuclear Waste Policy Act of 1982 to construct and operate, as part of an integrated waste management system, a monitored retrievable storage facility at a site on the Clinch River in the Roane County portion of Oak Ridge, Tennessee. For purposes of this Act, "monitored retrievable storage facility" means the facility described in the Department of Energy document entitled "Monitored Retrievable Storage Submission to Congress, Volume 1, The Proposal, March 1987".

SEC. 2. In carrying out this Act, the Secretary shall implement the monitored retrievable storage proposal and program plan submitted to Congress in March 1987, including but not limited to provisions relating to financial assistance and measures designed to be responsive to the concerns and recommendations of the State of Tennessee and affected local governments.

THE SECRETARY OF ENERGY,
Washington, DC, June 17, 1987.

Hon. GEORGE BUSH,
President of the Senate,
Washington, DC.

DEAR MR. PRESIDENT: I am pleased to forward to you a legislative proposal that will contribute greatly to achieving the goal of the Nuclear Waste Policy Act of 1982 to establish a comprehensive, integrated system for the mangement of the Nation's spent nuclear fuel and high-level radioactive waste.

NEED FOR THIS LEGISLATION

When the Congress was considering the Nuclear Waste Policy Act of 1982, it saw the potential value of a facility for the monitored retrievable storage (MRS) of spent fuel prior to emplacement in a permanent repository. Accordingly, section 141 of that Act required the Secretary of Energy to conduct a detailed study of the need for and feasibility of, and submit to Congress a proposal for, the construction of one or more MRS facilities, recognizing that Congress would have to take further action to authorize an MRS facility.

The proposal required by section 141 was submitted to Congress on March 31, 1987. In it, the Department proposes to construct and operate an MRS facility for spent fuel at a site on the Clinch River in the Roane County portion of Oak Ridge, Tennessee.

WHAT THE BILL WOULD DO

The enclosed bill would authorize the Department to carry out its recommendations made in the report. More specifically, the bill would authorize the construction and operation of an MRS facility at a site on the Clinch River in the Roane County portion of Oak Ridge, Tennessee.

In addition, the bill would require the Secretary to implement the proposal and program plan submitted to Congress on March 31, 1987, in order to provide a program to govern the construction and operation of the MRS. Provisions contained in this submittal include:

A limit on the amount to be stored at the MRS facility of 15,000 metric tons of heavy metal, or its equivalent;

A prohibition on storing waste at the MRS facility until the Nuclear Regulatory Commission has issued a construction authorization for the first permanent repository;

A program for State and local government participation; and

Financial assistance for preoperational and operational phases.

THE VALUE OF AN MRS FACILITY

An MRS facility would receive and prepare spent fuel for emplacement in the permanent, geologic repository. The principal waste-preparation functions would be the reconfiguration and sealing of spent fuel into uniform canisters. These canisters would facilitate handling, shipping, and further processing at the repository.

These spent fuel canisters would be stored temporarily at the MRS facility pending shipment to the repository. This storage would be conducted in a manner to allow continual radiation monitoring and easy retrieval for shipment to the repository.

An MRS facility, as an integral part of the waste-management system, would improve significantly the performance of the total system. The most significant advantages of an integral MRS facility are that it would—

Improve the Department's ability to develop the complete waste-management system by permitting it to proceed immediately with detailed planning for and implementation of portions of the system, such as waste acceptance, transport from the reactors, and major waste packaging operations, prior to development of the repository;

Permit acceptance and removal of waste from the utilities by 1998, thus reducing the need for new temporary storage at reactor sites and permitting the Federal waste-management system to begin operation as soon as possible;

Improve the reliability and flexibility of the waste-management system operations by adding significant Federal storage capacity and separating spent fuel acceptance operations from repository emplacement;

Simplify the waste-handling facilities and operations of the repository and control the rate of waste transfer to the repository;

Reduce the number of total shipments to the repository and minimize the distances of less-efficient spent fuel shipments; and

Provide institutional benefits through the experience gained from interactions with the State of Tennessee and affected local governments and the early opportunity to demonstrate that facilities developed under the Act are safe.

These advantages are discussed more comprehensively in the MRS proposal submitted to Congress. All of these advantages suggest that the operation of an MRS will provide: the public with the confidence that the waste-management system can be operated successfully; the utilities with a firmer basis for planning the transfer of spent fuel to the Department; the States and affected Indian Tribes with additional opportunities to provide input into the process, for example on route-specific transportation planning; and the Department with an opportunity for progress in a portion of the system that will have a positive effect on contribution to the success of the total, integrated waste-management system.

COST AND BUDGET DATA

The expenditures for the MRS project from the time of Congressional approval to the start of operations are estimated at $907 million in constant 1986 dollars, of which about $710 million would be used for construction. The annual operating expenses for the facility, which would employ about 600 workers, would be about $73 million, not including financial-assistance and tax-equivalency payments. The cost of decommissioning the facility at the end of operations would be approximately $83 million. All costs would be borne by the waste generators and hence paid from the Nuclear Waste Fund. The DOE has made provision for the MRS project in the President's budget proposal for fiscal year 1988, should the Congress approve the system.

The cost of the total system with an MRS facility is estimated to be about 5 percent higher than that of the system without an MRS facility. To provide some perspective, this cost is within the range of uncertainty associated with cost estimates for a total system without an MRS facility and is considered small in comparison with the expected benefits. The costs of constructing and operating an MRS facility would be partially offset by savings in the cost of constructing and operating the repository surface facilities, which would be simplifed; by the savings realized by the rate-payers in not needing to pay for additional at-reactor storage; and by the savings resulting from the institutional benefits to the overall waste-management system. The increase of about 5 percent is considered an upper limit because the estimates for MRS implementation are based on well-developed designs at specific sites, whereas the costs of the remainder of the total system are subject to more uncertainty.

The Office of Management and Budget advises that the enactment of this legislation would be in accord with the program of the President.

Yours truly,

John S. Herrington.●

By Mr. BYRD for Mr. Simon (for himself, Mr. Symms, Mr. Dixon, Mr. D'Amato, Ms. Mikulski, and Mr. McClure):

S. 1424. A bill to amend title 8, United States Code, to provide for adjustment of status of certain Polish nationals who arrived in the United States before July 21, 1984 and who have continuously resided in the United States since that date; to the Committee on the Judiciary.

STATUS OF POLISH REFUGEES

● Mr. SIMON. Mr. President, today I am introducing a bill to bring justice and freedom to thousands of Polish people in the United States. This bill, the companion to a measure introduced earlier this month by Representative William Lipinski of Chicago, will permit the adjustment of the immigration status of some 7,000 Poles in the United States and enable them to obtain permanent residency.

On December 13, 1981, Gen. Wojciech Jaruzelski declared martial law in Poland. Since then, thousands of Poles have fled to Europe and the United States in an attempt to escape military rule. Ten days later, President Reagan instructed the Immigration and Naturalization Service to tell its offices that Poles who reach the United States and "who are unwilling to return to Poland" will not be forced to leave. While this may have been the President's intention, it has not been carried out in practice.

There are now 6,951 Poles in the United States in what is known as Extended Voluntary Departure. It allows those with EVD status to remain in the country with an agreement that they will depart voluntarily rather than be deported immediately.

The Poles in this status have been receiving extensions of EVD from the Attorney General for the past 5½ years in 6 months increments, leaving those in that status in a precarious and unpredictable situation. The uncertainty of having to rely on 6 months extensions was made very clear this past week when the State Department recommended against the extension and in so doing caused great concern to Poles everywhere, those with EVD status as well as their families, indeed to many American citizens of Polish ancestry over whether their brethren would be able to stay in the United States as productive and hard working members of our society.

While the President's initial and speedy action in 1981 represented a compassionate and fair approach to this problem, it has not been translated into practice. Not only have those who have been granted EVD status been left hanging for 6 months at a time, but approximately 1,500 of those who have applied for political asylum or other status have been rejected and either deported or "required to depart." This, I trust, is not what the President had in mind when he issued his statement in 1981.

This bill is straightforward. It simply says that those Poles currently here with EVD status should be allowed to remain in the United States and be allowed to adjust to permanent resident status. This amendment would relieve the uncertainty and fear that the Polish community faces and maintain family unity in the process.

America gained when we took the same action by passing the Cuban Adjustment Act of 1966. That law allowed those fleeing Castro's Cuba to adjust to permanent resident status because of the injustices they may have faced if forced to return. That Act was intended to adjust the status of 165,000. This bill will affect only about 7,000.

There is still real concern that there are potentially great risks involved in returning to Poland. This legislation will provide significant relief to these hardworking and freedom seeking people.●

● Mr. DIXON. Mr. President, I am pleased to join my good friend and distinguished colleague from Illinois in introducing the Polish Permanent Resident Adjustment Act. This legislation addresses the plight of 7,000 to 10,000 political refugees, who had to flee Poland 6 years ago when marital law was imposed.

Since martial law, the United States has granted these people extended voluntary departure [EVD] status on a 6-month basis. Such status is necessary to prevent their deportation to Poland.

Recently, the State Department recommended the end of Polish EVD status, which would allow Polish nationals without valid visas to be expelled from the United States. I am pleased to note that the administration, after hearing my objections and those of my colleagues, has decided to reject the State Department recommendation and extend Polish EVD status until the end of the year.

However, this is not a permanent solution. Twice a year, for the last 6 years, these Polish refugees have faced the possibility of being deported to Poland. To put these people in jeopardy by ending their EVD status is cruel and inhuman. If these Poles were forced back into the hands of the Jaruzelski regime, they would be subjected to discrimination, denied jobs and housing, and possibly jailed. Furthermore, removing EVD status would be tantamount to issuing an unqualified certificate of good conduct in the area of human rights of the Polish Communist authorities.

Most of these Polish refugees have been living in the United States for a longer period of time than required to obtain citizenship. They have work permits and are legally employed. Many have had children here who are American citizens.

Clearly, it is time we welcome these political refugees, and remove the threat of deportation. The legislation we are introducing today will provide the Justice Department with the ability to grant these Poles permanent resident status and eventually allow them to apply for U.S. citizenship. I have been working with the White House and the Immigration and Naturalization Service to assure there will be a smooth administrative process for these people once this legislation is passed.

Mr. President, I urge my colleagues to support the Polish Permanent Resident Adjustment Act. In this year, as we celebrate the bicentennial of our Constitution, we must not forget our sacred tradition of offering protection to people persecuted in their native country.●

● Mr. SYMMS. Mr. President, today I am cosponsoring a bill that would grant permanent resident status to Polish refugees who entered the United States before July 24, 1984. The bill, titled "The Polish Permanent Resident Adjustment Act of 1987," protects 7,000 Poles who currently call the United States "home."

Currently Polish refugees are allowed to stay in this country under a special immigrant status called Extended Voluntary Departure. This status is only granted for increments of 6 months. If the Immigration and Naturalization Service fails too renew extended voluntary departure status, these 7,000 Polish refugees will be deported.

Attorney General Edwin Meese III has extended until December 31, 1987, the voluntary departure status for these Polish refugees, many of whom were members of the outlawed labor movement—Solidarity. The Attorney General is to be commended for this action; however, it necessarily only resolves the question for 6 months.

This bill has the power to remove permanently the fear and uncertainty from these brave people's lives. If these Polish refugees were sent back to Poland when the extended voluntary departure status runs out at the end of this year, they would almost certainly be refused housing and employment, and might even be jailed. Their crime would be asking asylum in the United States, which is considered a treasonable offense in Poland.

Mr. President, I believe that Richard Reeder, the director of the Polish Welfare Association of Chicago, said it best, when he said: "What we're hoping for is that the American Government will take a stance for humanitarian reasons to allow these individuals to become permanent residents of the United States."

Congressman WILLIAM LIPINKSI has introduced a companion measure on the House side, and I hope my colleagues in the Senate will cosponsor this important piece of legislation.

Mr. President, I ask unanimous consent that an editorial concerning this issue be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, June 23, 1987]

DON'T DEPORT POLISH REFUGEES

The Justice Department has decided to put off until at least Dec. 31 a change in immigration policy that could have shipped as many as 10,000 Polish citizens back into the care and comforts of Gen. Wojciech Jaruzelski's communist regime.

The State Department had been discussing such a measure, apparently entranced with the notion of improving relations with the Jaruzelski regime. Mr. Reagan ought to order it forthwith to drop the whole shameful idea and let the refugees from Polish repression stay as long as they want.

Those thousands of Poles have been coming to this country since the 1981 martial law crackdown in Poland and have been living here on temporary residence permits granted under a waiver of the immigration laws and routinely extended every six months.

The carrot of improved relations with the Jaruzelski regime can in no way justify applying the stick of deportation to these Polish exiles from communist crackdown. As U.S. Rep. William Lipinksi, a Chicago Democrat, observed in a letter to Mr. Reagan, the Polish citizens who might be deported would, upon return to their homeland, "almost certainly be refused housing, employment or even be jailed. Seeking asylum is a highly treasonable offense in Poland. They face nothing but harassment and fear upon return to their native land."

Among the consequences for Americans would be a great sense of shame.●

● **Ms. MIKULSKI.** Mr. President, I rise as an original cosponsor of the bill introduced by the Senator from Illinois. This bill would grant permanent resident status to Poles who fled their country when martial law crushed the hopes of Solidarity in 1981.

Our Government was kind enough to grant extended voluntary departure status to many of these people. The Department of Justice has renewed the pledge every 6 months. With EVD status, some of the Polish refugees have been able to get work permits and Social Security numbers. We are all grateful for that.

Granting EVD status, however, is only a temporary solution. According to the Polish American Congress, many of these Poles living in the United States are afraid to apply for asylum. Why? Because if they fail to qualify, they could be deported. And if deported, they would face harassment and possibly imprisonment in Poland. Under Polish law, it is an act of treason, punishable by imprisonment or death, for Polish nationals to seek asylum in foreign countries. Even if not prosecuted, those who return will be refused housing and employment.

More than 1,500 of these Poles have been deported or forced to leave the United States in the past few years. Those who have eluded deportation live in fear that they will meet the same fate.

Besides living in fear, these Poles are treated unfairly. Having their status renewed every 6 months does not permit these refugees to lead a stable life. They are in a constant state of limbo, unable to get long-term jobs, unable to make long-term plans or commitments.

The Immigration and Naturalization Service estimates that there are 7,000 Polish nationals living under extended voluntary departure status. Almost all of these have been in the United States more than 5 years. Many now have children that were born in the United States.

Since coming to this country, these Poles have been productive members of the American community despite the difficulties they face. According to the Polish American Congress, none are on welfare. Poles are a proud people, lawabiding, and willing to undertake any job to further their existence. They are committed to bettering the economic and social status of themselves or their children. There is no future for them in Poland. Their only future is here.

President Reagan supports this legislation. So does Attorney General Meese.

It is time we gave these refugees a permanent home. I urge my colleagues to support this legislation.●

● **Mr. D'AMATO.** Mr. President, I am proud to be a cosponsor of legislation introduced by my good friend, the distinguished Senator from Illinois, providing for the adjustment of status of Polish nationals who arrived in the United States before the end of the period of martial law in Poland.

In December of 1981, martial law was imposed in Poland as the Solidarity labor movement was outlawed under present Communist government. From that time until July of 1984, an estimated 7,000 to 10,000 poles entered the United States under special immigration status from the Department of State. Unfortunately, this legal status was due to be revoked June 30, until a decision by Attorney General Edwin Meese III extended deportation procedures until December 31 of this year.

This action has had the effect of resolving this question for the short term, but the time will soon come again when the fate of these people need be addressed. What is of critical importance is discussing the potential deportation of these Poles is the fate that awaits them on their return to Poland. Because many were involved in the Solidarity movement, it is not unreasonable to think they will be treated harshly if forced to return to Poland. Legislation has been introduced in the House of Representatives allowing these Poles the opportunity to acquire permanent status. This bill, of which I am a cosponsor and strong supporter, has been introduced into the Senate.

The bill authorizes the Attorney General to grant permanent resident status to all poles who entered the United States on or before July 21, 1984; have established a record of entry with the Immigration and Naturalization Service; and have lived in the United States continuously since that time. As a guiding principle the definitions contained in the Immigration and Nationality Act will apply in the administration of this procedure.

This measure provides the Polish nationals with the opportunity to maintain the freedom which they have worked so hard to acquire. By guaranteeing these people permanent resident status they can develop their own sense of identity and community in America and further their pursuits and interests. As no good can possibly come from the mass deportation of these people, I urge my colleagues to give this bill their full support.●

By Mr. STAFFORD (for himself and Mr. DURENBERGER):

S. 1425. A bill to authorize reconstruction of public building for the Environmental Protection Agency; to the Committee on Environment and Public Works.

CONSTRUCTION OF BUILDING FOR THE ENVIRONMENTAL PROTECTION AGENCY

● **Mr. STAFFORD.** Mr. President, I am introducing today, with Senator DURENBERGER legislation to authorize construction of a new Federal building to consolidate the Washington offices of the Environmental Protection Agency in Government-owned quarters. The bill would authorize construction of a building of up to 1,400,000 occupiable square feet in the District of Columbia.

The Environmental Protection Agency at present is located in three places, but the majority of its personnel is housed in leased space at 401 M Street, SW. The lease on this space expires in 1992, and it is important to begin planning now if the Government is to have any alternatives to simply renewing the lease on this building.

For years, the Committee on Environment and Public Works has advocated a policy of Federal construction and ownership rather than greater and greater reliance on leasing to meet the Government's housing needs. Study after study has shown that in the long run, Federal ownership is cheaper.

Beginning in 1980, the Senate passed public buildings reform legislation. Among other things, this legislation would establish policies on Government ownership of space. Where there is a demonstrated, long-term need—such as a headquarters for a permanent department or agency—the committee has stated that it believes ownership is in the best interest of the Government.

That legislation set a goal to house no more than 25 percent of the Federal workforce in Government-owned space. Now—8 years later—roughly 50 percent of employees are in leased space, indicating no improvement in the ratio of Government-owned to leased space in this administration. Traditionally, 80 percent of the Government's space needs have been met through Federal ownership.

The budget figures are even more descouraging. In 1980, GSA's leasing budget was $555 million. The projected budget for fiscal 1988 is $1.2 billion, and according to GSA projections, it will accelerate at an even faster rate in future years.

Mr. President, utilizing GSA's current estimates of construction costs in Washington, it has been estimated that a building the size proposed in this legislation would cost around $164 million, plus design cost and site acquisition costs—if the site selected is not Government owned. This is not a small expense, but compare it to the cost of leasing. Given a leasing rate of $30 per square foot, a 30-year lease of the building would cost $1.3 billion.

The stark difference between these two figures makes the point, I believe, that the Committee on Environment and Public Works has tried to make for years: it is "penny wise and pound foolish" to continue to rely upon leasing for permanent agencies with stable, identifiable, longrun requirements.

This dependence on leasing stems from various factors. Too often, GSA has been forced into leasing space because the agency has failed to foresee future space needs and to plan ahead for them. Consequently, as each new space demand has surfaced, the only space available to meet the damand has been in leased buildings.

But there is also a bias in favor of leasing that is built into the budget, to the detriment of future generations of taxpayers who will bear the higher cost of housing Federal office employees.

For example, if the Government decides to sign a 30-year lease on a building for the EPA, nothing need be budgeted until the facility is constructed and ready for occurpancy—several years from now. The contractual commitment of $1.3 billion is thus made without any money budgeted or appropriated. Then, one-thirtieth, or about $42 million must be budgeted every year for 30 years.

In contrast, should the Government decide to construct a Federal building, $164 million of construction cost must be budgeted in 1 year. Thus, from the standpoint of the short term budgetary picture, it is more expedient to lease, leaving it to future administrations to pay a greater costs over the long run.

Mr. President, as I have stated, the bill I am introducing today would authorize an appropriation from the Federal Building Fund for the design and construction of a building for the Environmental Protection Agency. The Agency, created in 1970, has grown rapidly to become an integral part of our Government. In the interest of economy, as well as for other reasons, it is a longstanding policy of the authorizing committee that the headquarters of permanent agencies of Government should be housed in Government-owned space.

Mr. President, I ask that the rest of the bill be printed in the RECORD at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1425

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby authorized to be appropriated to the General Services Administration from the fund established pursuant to section 210(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 490(g)), funds necessary for the design and construction of a federally owned building to house the Environmental Protection Agency, which shall not exceed 1,400,000 occupiable square feet on a site to be determined within the boundaries of the District of Columbia.

By Mr. PRYOR:

S. 1426. A bill to amend the Internal Revenue Code of 1986 to encourage small businesses to extend retirement and fringe benefits to all employees, and for other purposes; to the Committee on Finance.

SMALL BUSINESS RETIREMENT AND BENEFIT EXTENSION ACT

● Mr. PRYOR. Mr. President, over the last decade, small businesses have been responsible for creating the largest share of the new jobs in our economy. For example, in 1985 the number of jobs in the national economy increased by only 2.7 percent. However, that same year the number of new jobs in small business-dominated industries rose by 5.1 percent. Large business-dominated industries, on the other hand, experienced a paltry 0.7 percent increase. This amazing record has been consistent during recessionary times, as well as periods of expansion. The future is clear: By the beginning of the 21st century, more and more Americans will be receiving their paychecks from small businesses.

Along side of these impressive statistics, however, I have found some disturbing trends. Namely, even though small businesses are providing jobs for a growing segment of the labor force, they are less likely to provide pension benefits to their employees—considerably less. For instance, approximately 19 percent of workers in firms with under 25 employees work for employers that offer pension coverage, as compared to 86 percent in firms with over 500 workers. If small employers continue to be unable or unwilling to provide pension coverage, the number of employees left uncovered will grow. We believe Congress should take action.

The potential effects of properly crafted legislation are astounding. If firms with fewer than 100 employees offered pension coverage as often as firms with 100 to 500 employees, nearly 7 million more workers would be covered by a pension plan.

Since the beginning of this year, I have asked a number of groups representing small business to survey their members to discover why small employers are not providing coverage to their employees. The two most reoccurring answers I received were that the administrative complexity and the administrative cost of maintaining pension plans was too burdensome. These businesses cited the ever changing laws, redundant rules that discriminate for no apparent reason against small businesses, and overabundant paper work as examples. Aditionally, they point out that because administrative costs are relatively fixes, small businesses end up paying higher administrative costs per employee. In some instances, these administrative costs can run as much as twice as high in small firms as compared to larger firms.

In consultation with many members of the public, we have drafted the Small Business Retirement and Extension Act. Our goals were twofold: First, of course, to encourage pension coverage of small business employees; and second, to give small employers incentive to provide larger benefits to employees already covered by pension plans.

The legislation will address these goals by providing an administrative cost credit based on contributions to the average worker for small businesses maintaining qualified pension plan and by stripping back overreaching and redundant regulation. In addition, the legislation will request the Secretary of the Treasury to simplify the present forms filed by small businesses.

We have also included various provisions in the legislation to help facilitate pension coverage for the employes of nonprofit organizations. The Tax Reform Act made various changes to this area in haste which we believe warrant further discussion.

We have also extended the effective dates of a number of provisions in the Tax Reform Act that we believe require closer scrutiny. In the Senate, we anticipate one, maybe two, hearings will be held to receive testimony from the public on the merits of these provisions.

Finally, the legislation will make it possible for small businesses, which lack either the physical or financial resources to maintain an on-premises cafeteria for their employees, to nonetheless subsidize a small portion of the cost of the employee's meal. Present law allows large business the ability to subsidize a portion of employee meals. Our bill will allow all businesses equal access to this important benefit.

Let me close by saying that the ultimate purpose of this legislation is to ensure the retirement security of all American workers. The standard of living for retirees has steadily improved over the last few years, and a great part of this improvement is due to the private pension system. In order to maintain this trend, however, Congress must be made aware of changes in the workplace and be ready to take the needed action to preserve employee retirement security in the future. The Small Business Retirement and Benefit Extension Act will go a long way toward protecting the future of our Nation's employees.●

By Mr. BOSCHWITZ:

S. 1427. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to cancel the registration of certain cyclodienes; to the Committee on Agriculture, Nutrition, and Forestry.

REGISTRATION OF CERTAIN CYCLODIENES

● Mr. BOSCHWITZ. Mr. President, today I am introducing a measure that will protect many Americans from harmful chemicals polluting their homes. These chemicals are called cyclodienes and they are used as pesticides for termite control (termiticides).

Specifically, my bill would require the Environmental Protection Agency to cancel the registration of four cyclodienes—chlordane, heptachlor, dieldrin, and aldrin. These chemicals are proven to be hazardous to human health, yet they are used in millions of homes annually to exterminate termites. Their widespread use is particularly alarming due to compelling scientific evidence that each of these termiticides presents a substantial carcinogenic risk. Furthermore, acute and chronic exposures to cyclodienes have produced headaches, blurred vision, dizziness, involuntary muscle movements, tremors and seizures. There is no known antidote for ailments caused by exposure to these termite-control chemicals.

According to EPA's registration standards, cyclodienes account for over 90 percent of all termite treatments performed—which means millions of Americans are exposed to them annually. A recent study by the sole manufacturer of chlordane and heptachlor, showed that even when homes are treated according to label directions by professionals, residues of these termiticides contaminate homes at dangerously high levels. So, due to the nature of the chemicals, conscientious pest control applicators with the best intentions cannot help but pollute the homes they treat.

The EPA has already recognized the dangers of these cyclodienes by banning their use as agricultural pesticides. My bill would require that the EPA take further action and mandate a ban on these cyclodienes as termiticides.

Three States—Minnesota, New York, and Massachusetts—have already banned the use of cyclodienes. It is my understanding that there are movements in other States that propose to ban the use of these chemicals. In short—cyclodienes have been proven unsafe and it's time to do something about their use. My bill is simply a commonsense measure.

I would like to add that I am personally acquainted with a family that is suffering from the effects of cyclodienes. Their house was sprayed for termites with cyclodienes and, after two years of suffering illness caused by the chemicals, this family was forced to move out of their home. Besides the health care costs and lost work time that these people suffered, they were also unable to sell their home. This is not an isolated incident and I am aware that many more Americans either are, or will soon be, suffering from the effects of cyclodienes if action is not taken.

Mr. President, in closing, I hope that each of my colleagues will join me as a cosponsor of this measure to ban the use of harmful termiticides known as cyclodienes.●

By Mr. LAUTENBERG (for himself, Mr. STAFFORD, Mr. CHAFEE, Mr. DURENBERGER, Mr. BAUCUS, Mr. MITCHELL, and Mr. DODD):

S. 1429. A bill to improve the Environmental Protection Agency data collection and dissemination regarding reduction of toxic chemical emissions across all media, to assist States in providing information and technical assistance about waste reduction, and for other purposes; to the Committee on Environment and Public Works.

HAZARDOUS WASTE REDUCTION ACT

● Mr. LAUTENBERG. Mr. President, today I am joined by Senators STAFFORD, CHAFEE, DURENBERGER, BAUCUS, MITCHELL, and DODD, in introducing the Hazardous Waste Reduction Act.

I thank my colleagues from the Environment and Public Works Committee and Senator DODD for joining in this legislation. And I express my appreciation to Congressman WOLPE and Congresswoman SCHNEIDER, who are introducing this measure in the House of Representatives today. Congressman WOLPE and Congresswoman SCHNEIDER have shown a vigorous commitment to this effort, and I commend them.

This bill responds to a crisis. We are producing more hazardous waste than we can handle, and more than we need to.

We can do much more in this country to address this. We can find ways in the factory to cut down or eliminate the creation of hazardous waste.

New Jersey produces over 9.1 million tons of waste annually. The Nation annually produces about 250 million tons of sold hazardous wastes alone.

Yet this country lacks a full commitment to waste reduction. Less than $400,000 of the President's 1988 EPA budget proposal is for true waste reduction activities.

The United States may be ignoring waste reduction, but other countries do not. In Europe, governments have taken the lead. They're investing. And they will reap the rewards: less waste.

Some States and some companies are moving forward. But as the 1988 proposed EPA budget shows, we need to do more.

We need to provide information and incentives, so companies use waste reduction technologies. We need to give technical help in the factories. Information in itself is a strong incentive.

Companies that invest in waste reduction are investing in more efficient, more cost-effective manufacturing processes. For example, installing condensers in or near operations producing toxic vapors can achieve two results. It can reduce toxic air emissions. And it can turn the vapors back into reusable liquids.

Waste reduction can protect the environment and cut manufacturing costs. It can also cut another significant cost. That of managing, treating, or disposing of wastes.

In fact, a recent study found that in about 75 percent of the cases, waste reduction measures paid for themselves in less than 2 years. This indicates that a reason many businesses may not be doing more to reduce wastes is lack of information, and technical know-how. This bill will change that. It will move us forward toward waste reduction in many ways.

First, the bill responds to one of our highest priority waste reduction needs: technical assistance. The bill requires matching grants to States for State waste reduction programs. To be eligible these programs must be aimed at providing technical assistance to businesses seeking to implement waste reduction techniques. The grants will also foster research and development for waste reduction techniques.

Second, the bill requires EPA to establish a reduction and recycling clearinghouse. This clearinghouse is for the collection of information from States receiving grants under this bill. Its purpose is to foster technology transfer. States will have access to the clearinghouse data base. Clearinghouse information must also be made available to the public.

Third, the bill requires establishing in EPA a new office of waste reduction. The office is charged with carrying out the programs of the bill. It is a multimedia office, as opposed to specializing in a single environmental area.

Fourth, it requires the documentation and reporting to EPA on indicators of waste reduction. Each facility required to file an emissions inventory under the Community Right to Know Program I sponsored in Superfund, must include in such filings a waste reduction and recycling report. The report is subject to the same trade secret protections provided in the right-to-know provisions.

The reporting requirements laid out in this bill are an attempt to get at the factors useful for understanding our waste reduction opportunities and activities. As we proceed through hearings on this bill, I look forward to soliciting additional views on what should be reported. The key is to tie any reporting requirements to our waste reduction goals, without creating any unnecessary burdens. That is what we must strive for in our final legislation.

Fifth, the bill requires EPA to collect and analyze the reported information. A data base must be set up for the information from this bill, and other related laws. The data base must include information on current industry disposal, treatment, recycling, and reduction practices.

Sixth, the bill requires EPA to report to Congress on the information collected through this bill. The first report is due 3 years after enactment. The reports then must be done annually.

Seventh, the bill provides for authorizations to fund the measure. As with other parts of the bill, I expect that hearings will yield additional thoughts on the appropriate funding levels.

These provisions will promote waste reduction throughout the country. They will help business understand the value of waste reduction techniques, and how to implement them. They will foster the development of new waste reduction technology.

Mr. President, I look forward to working with my colleagues on the Environment and Public Works Committee and Congressman Wolpe and Congresswoman Schneider to push this initiative forward. Today's introduction is a solid start on the road to waste reduction. I look forward to participating in hearings on the bill, and to the opportunity to solicit views from industry, the environmental community, the Federal Government, the States, technical experts, and others on ways to perfect this measure.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the Record at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1429

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

This Act may be cited as the "Hazardous Waste Reduction Act.".

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Sec. 1. Short title and table of contents.
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SEC. 2. FINDINGS AND PURPOSES.

(a) Findings.—The Congress finds that:

(1) There are significant opportunities for industry to make economically efficient investments in hazardous waste reduction at the source, through changes in production, operation, and raw materials use. These changes may offer significant savings through reduced raw material and waste management costs. They are also likely to improve worker health and safety.

(2) These opportunities for hazardous waste reduction are not realized because, (A) existing regulations, and the industrial resources they require for compliance, focus on treatment and disposal, rather than reducing hazardous waste at its source; (B) existing regulations do not emphasize multimedia management of waste; and (C) small businesses may need capital and businesses of all sizes may need technical assistance for hazardous waste reduction.

(3) It is difficult to assess the potential for hazardous waste reduction using the Environmental Protection Agency's current data base because the existing regulatory emphasis is on the treatment and disposal of isolated waste streams. The agency has limited information about waste reduction practices, due to defects in the data it has collected. Waste minimization reporting requirements are limited to waste regulated under the Solid Waste Disposal Act, and will offer no systematic information about multimedia waste reduction practices.

(4) In general, the Environmental Protection Agency has not collected or stored its information about the management or release of toxic chemicals into the environment in a manner that is suitable for useful analysis.

(5) The Environmental Protection Agency can help promote waste reduction by disseminating information about waste reduction techniques to a range of industries, both large and small.

(6) Many businesses may also require onsite technical assistance, which can best be provided through matching grants to innovative State programs.

(7) The generation of hazardous waste should be reduced or eliminated at its source as expeditiously as possible wherever feasible, and waste that is generated should be recycled in an environmentally safe manner whenever feasible.

(8) Where it is not feasible to reduce or recycle hazardous waste, the waste should be treated in an environmentally safe manner to minimize the present and future threat to health and the environment, and land disposal should be used only as a last resort and should be conducted in an environmentally safe manner to minimize the present and future threat to health and the environment.

(b) Purposes.—The purposes of this Act are as follows:

(1) To make adjustments in current Environmental Protection Agency information reporting requirements to allow more accurate measurement of toxic chemical waste reduction opportunities across all media.

(2) To assess the incentives and disincentives to hazardous waste reduction provided by current Federal regulations.

(3) To require Environmental Protection Agency to establish an office to coordinate and consolidate current data collection programs relating to toxic chemical releases across all media.

(4) To establish and maintain a clearinghouse for the dissemination of information about hazardous waste reduction opportunities.

(5) To administer a small program of Federal matching grants to help States provide information and technical assistance about waste reduction.

SEC. 3. MULTI-MEDIA WASTE REDUCTION PLANS.

(a) Reporting Requirements.—Each owner or operator of a facility required to file an annual toxic chemical release form under section 313 if the Superfund Amendments and Reauthorization Act of 1986 for any toxic chemical shall include in each such annual filing a toxic chemical waste reduction and recycling report for the preceding calendar year. The report shall cover each toxic chemical on the list described in section 313(c) of that Act.

(b) Item Included in Report.—The toxic chemical waste reduction and recycling report required under subsection (a) shall set forth each of the following on a facility-by-facility basis:

(1) The total volume of each toxic chemical that, during the calendar year for which the report is filed, was (A) released from the facility, (B) removed from the facility for treatment storage, or disposal under subtitle C of the Solid Waste Disposal Act, (C) subjected to waste treatment at the facility, (D)

recycled or reused at the facility, or (E) transferred to another facility for recycling or reuse. For each activity required to be reported under this paragraph, the total volume of each toxic chemical shall be stated separately in the report.

(2) The toxic chemical waste reduction practices for each toxic chemical waste used by such person during the calendar year involved at each facility for which a report is filed.

(3) The level of waste reduction for each toxic chemical waste actually achieved at each facility during the calendar year in question in comparison with the previous year. For the first year of reporting, comparison with the previous year is required only to the extent such information is available.

(4) The level of waste reduction for each toxic chemical waste expected to be achieved at each facility during the coming calendar year and the coming three calendar years in comparison to the current calendar year.

(5) The level of recycling and reuse (at the facility or elsewhere) for each toxic chemical waste expected to be achieved at each facility during the coming calendar year and the coming three calendar years in comparison to the current calendar year.

(6) The level of recycling and reuse (at the facility or elsewhere) for each toxic chemical waste actually achieved at each facility during the calendar year in question in comparison with the previous year. For the first year of reporting, comparison with the previous year is required only to the extent such information is available.

The waste reduction report shall be combined with the report required under section 313 of the Superfund Amendments and Reauthorization Act of 1986. The Administrator shall take such steps as may be necessary to eliminate duplicate reporting and redundancy under such section 313, this section, and section 3002(a)(6) of the Solid Waste Disposal Act and the report shall satisfy the requirements of this subsection as well as the requirements of those provisions. Any person filing a waste reduction report under this section for any year may include with the report additional information regarding waste reduction in earlier years.

(c) Specific Requirements Regarding Waste Reduction Practices.—The toxic chemical waste reduction practices referred to in paragraph (2) of subsection (b) shall be reported in accordance with the following categories unless the Administrator finds other categories to be more appropriate:

(1) Equipment, technology, process, or procedure modifications.

(2) Reformation or redesign of products.

(3) Substitution of raw materials.

(4) Improvement in management, training, inventory control, materials handling, or other general operational phases of industrial facilities.

The Administrator may require more detailed reporting of waste reduction practices where appropriate, including information generally describing the specific waste reduction techniques employed, information on the length of time a waste reduction practice has been or will be employed, the estimated amounts of toxic chemical waste that are reduced through the use of any waste reduction practice and the relative costs and benefits of any such practice.

(d) Production Index.—Together with each report filed under this section, the person filing the report shall provide for each toxic chemical waste an index of the product or products the manufacture of which generated such waste. The index shall be designed to compare the output of such products in the reporting year with their output in an earlier baseline year to be determined by the agency. Where feasible the index should be developed on a product specific basis.

(e) Evaluation Techniques.—Together with each report filed under this section, the person filing the report shall indicate which, if any, of a list of techniques were used to identify waste reduction opportunities. Techniques listed should include but are not limited to employee recommendations, external and internal audits, participative team management, and mass balance audits. Each type of reduction listed under subsection (c) should be associated with the technique of multiples of techniques used to identify the waste reduction technique.

(f) Trade Secrets.—The provisions of section 322 of the Superfund Amendments and Reauthorization Act of 1986 relating to trade secret protection shall apply to the reporting requirements of this section in the same manner as to the reports required under section 313 of that Act.

(f) Other Investigations.—Nothing in this section shall apply to any person not required to submit a toxic chemical release form under section 313 of the Superfund Amendments and Reauthorization Act of 1986, except that the Administrator may conduct investigations, including sampling, of persons generating toxic chemical waste to determine the general magnitude of waste generated.

SEC. 4. INFORMATION COLLECTION AND ANALYSIS AT EPA.

(a) Central Receiving Facility.—The Administrator shall establish a central receiving facility at the Environmental Protection Agency to be used for the storage and retrieval of information obtained from programs administered by the Agency relating to waste management.

(b) Collection of Information.—The Administrator shall develop an inventory of Federal reporting and information gathering systems relating to the generation, management, environmental presence and effects of hazardous wastes. The Administrator is authorized to investigate methods of coordinating and streamlining data collection requirements under existing environmental statutes. The Administrator shall consider developing common nomenclature, consistent reporting formats, and compatible data storage and retrieval systems to facilitate linkage between systems. The Administrator shall convene a panel of experts compromised of representatives from industry, the States, technical experts, and public interest groups to provide advice and assistance to the Environmental Protection Agency regarding the means by which the collection of such data may be simplified and how the quality of the information may be improved.

(c) Environmental Protection Practices.—The information made available through this Act, section 313 of the Superfund Amendments and Reauthorization Act of 1986, the Solid Waste Disposal Act, and other environmental statutes where appropriate, shall be compiled into a data base. The data base shall include information assessing current industry practices of each of the following:

(1) Waste disposal practices.

(2) Waste treatment practices.

(3) Waste recycling practices.

(4) Waste reduction practices.

The data base shall be organized for retrieval on an industry-by-industry basis according to Standard Industrial Classifications (SIC Code) and on a waste stream basis.

SEC. 5. WASTE REDUCTION AND RECYCLING CLEARINGHOUSE.

The Administrator shall establish a Waste Reduction and Recycling Clearinghouse Program. The program shall include a computer data base which contains information on management, technical, and operational approaches to waste reduction and recycling. The Administrator shall use the Clearinghouse to collect and compile information reported by States receiving grants under section 6. The Clearinghouse shall serve as a center for waste reduction technology transfer. The Administrator shall use the Clearinghouse to mount active outreach and education programs to further the development and adoption of waste reduction technologies. The computer data base in the Clearinghouse shall include data on the operation and success of State waste reduction and recycling programs. The data base shall permit entry and retrieval of information by States. Under the Clearinghouse Program the Administrator shall also publish and otherwise make available to the public information on waste reduction and recycling.

SEC. 6. GRANTS TO STATES FOR STATE TECHNICAL ASSISTANCE PROGRAMS.

To demonstrate the importance of multimedia waste reduction the Administrator shall make matching grants to States to invest in innovative waste reduction programs. As a condition for making grants, the Administrator shall establish a method for measuring the frequency with which technical assistance through the State is implemented, and the results achieved. The Administrator shall select the State programs eligible for funding. In making his selection the Administrator shall consider whether the proposed State program would include each of the following:

(1) Making specific technical assistance available to businesses seeking information about waste reduction and recycling opportunities. Such assistance may be provided through technical information centers established within a State agency, at universities or other nonprofit centers in cooperation with major trade associations.

(2) Targeting assistance to businesses for whom lack of information and capital are serious impediments to waste reduction.

(3) Providing funding for experts to provide onsite technical advice, including mass balance audits, to industries seeking assistance.

(4) Providing training in waste reduction techniques, such as through local engineering schools.

(5) Making grants to any organizations for research and development and pilot tests and demonstration projects if such an investment was designed to obtain new waste reduction technology, or new applications of existing technology. Any such grants funded from sums made available to the State under this section shall be made only for technologies which are cost-effective, and where the results of the research, development, and tests are broadly applicable to industry segments or generic types of process wastes of materials.

(6) Requiring that any waste reduction techniques designed or implemented with Federal assistance be documented and evaluated for effectiveness and whether such results be reported to the Administrator.

SEC. 7. REPORT TO CONGRESS.

The Administrator shall prepare and submit an annual report to Congress regarding the waste reduction information gathered pursuant to this Act. The first report would be due 3 years after the enactment of this Act. The report shall include each of the following:

(1) A profile of current levels of waste reduction on an industry-by-industry basis as the information becomes available under section 8(b)(1).

(2) Identification of regulations that may inhibit waste reduction and of opportunities within existing regulatory programs to promote and assist waste reduction.

(3) Identification of priority industries and pollutants that require assistance in multi-media waste reduction.

(4) Identification of opportunities and development of priorities for research and development in waste reduction methods and techniques.

(5) Recommendations as to incentives needed to encourage investment and research and development in waste reduction.

Before submission to Congress, a draft report shall be available for a reasonable period for public comment. The report shall respond to public comments submitted during the comment period.

SEC. 8. OFFICE OF WASTE REDUCTION.

(a) ESTABLISHMENT.—There is established in the Environmental Protection Agency an independent Office of Waste Reduction which shall be multimedia in focus and be headed by a Director, who is directly responsible to the Administrator.

(b) FUNCTIONS.—The Administrator shall delegate to the Director the authority to carry out the provisions of this Act. The Director shall carry out the following functions:

(1) Collection of waste reduction plans and information from other Environmental Protection Agency offices in a coordinated industry-by-industry sequence, as determined by SIC codes. The Director shall begin his analysis with those SIC codes identified with the highest volumes of toxic chemical waste. The Director shall complete the analysis for not less than 3 SIC codes within 3 years after the enactment of this Act.

(2) Administration of the clearinghouse referred to in section 5.

(3) Administration of the program of waste reduction grants to States under section 6.

(4) Reporting to Congress and the Administration under section 7.

(5) Reviewing proposed regulations of the Environmental Protection Agency to determine their effect on waste reduction and advising the Administrator of such effect prior to final promulgation.

(6) Establishing a senior level liaison group with industry to provide guidance to the Office of Waste Reduction, to provide outreach to the industrial community, and to provide a liaison group for the educational community to promote the introduction of waste reduction principles into engineering and management curricula.

(6) Working directly with the Office of Federal Activities to promote waste reduction practices in other Federal agencies and programs.

(7) Carrying out all other functions of the Administrator under this Act.

(c) ADDITIONAL RESPONSIBILITIES.—Additional responsibilities of the Director shall include improving the ability of the Environmental Protection Agency to evaluate multi-media waste management practices and the potential for waste reduction by each of the following means:

(1) Refining the methodology for data collection, with the assistance of an advisory panel.

(2) Maintaining a storage and retrieval capacity for information collected under existing programs.

(3) Developing a model waste reduction impact statement for use in assessing the impact of environmental regulations by individual program offices.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Administrator $8,000,000 for each fiscal year after enactment of this Act for functions carried out by the Director of the Office of Waste Reduction (other than State grants) and $10,000,000 for each fiscal year after enactment of this Act for the State grant program.

SEC. 10. DEFINTIONS.

For purposes of this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "agency" means the Environmental Protection Agency.

(3) The term "Director" means the Director of the Office of Waste Reduction.

(4) The term "toxic chemical" means any toxic chemical on the list described in section 313(c) of the Superfund Amendments and Reauthorization Act of 1986.

(5) The term "release" has the same meaning as provided by section 329(8) of the Superfund Amendments and Reauthorization Act of 1986.

(6)(A) The term "waste reduction" means any practice (such as equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, improvement management, training, or inventory control) which reduces the volume of substances released from the facility or entering the waste stream and reduces the hazards to public health and the environment associated with those substances. For purposes of this section, a substance shall be considered as entering the waste stream when it becomes subject to subtitle C of the Solid Waste Disposal Act or when it is removed for recycling at another location.

"(B) The term "waste reduction" does not include any practice which alters the physical, chemical, or biological characteristics or the volume of a substance through a process or activity separate from the production of a product or the providing of a service.

(7) The term "multimedia" means air, water, and land environmental media into which waste is emitted, released, discharged, or displaced.●

● **Mr. DODD.** I am pleased to join Senator LAUTENBERG and others in introducing the Hazardous Waste Reduction Act of 1987.

Our Nation is heading toward a hazardous waste crisis in which we will not have adequate capacity to treat or dispose in an environmentally safe manner all of the hazardous waste we are generating. The legislation we are introducing today represents a major Federal initiative aimed at stimulating waste reduction activities at the thousands of plants generating hazardous wastes across the country.

Hazardous wastes are posing a tremendous threat to our environment, the public health, and the economy. The Office of Technology Assessment has estimated that we produce annually over 250 million tons of hazardous waste—one ton for every man, woman, and child in the Nation. We spend approximately $70 billion each year managing that waste; two-thirds of that price tag is paid by industry. For the environment, the public health, and U.S. industrial competitiveness, a new approach to the hazardous waste crisis is imperative.

Recent reports by the Environment Protection Agency, the Office of Technology Assessment and others, as well as the experience of several farsighted industry managers, have shown that waste reduction—the actual elimination or reduction of wastes created during the manufacturing process—is the best way to keep toxics out of every facet of the environment. Waste reduction also saves companies money in raw materials, waste management, and liability costs. The same studies indicate that U.S. industries have a tremendous, untapped potential for reducing wastes.

Currently, the potential for waste reduction is not being realized because existing regulations focus on treatment and disposal of wastes, and Government and the business community lack information about commercially viable waste reduction opportunities.

In order to realize the vast potential for waste reduction, we must develop a program of technology transfer and technical assistance which will spread the word to business that waste reduction can be fast, simple, and cost-effective. Several States already have developed innovative assistance programs which have successfully guided businesses through equipment modifications, raw material substitutions and other plant modifications that lead to waste reduction and improved plant efficiency.

Our waste reduction legislation would address the environmental and economic ravages of toxic wastes in our society by directing industry toward promising new approaches for reducing waste at the source. The bill requires EPA to:

Define waste reduction practices as those which prevent the generation, emission, or discharge of hazardous wastes at their sources;

Coordinate and improve the collection of information about waste reduction practices under the Resource Conservation and Recovery Act [RCRA] and section 313 of the Superfund Amendments and Reauthorization Act [SARA];

Establish, maintain and analyze a national data base of information about waste reduction practices and opportunities for specific industries;

Establish a national clearinghouse on waste reduction and recycling techniques which will serve as a center for waste reduction technology transfer;

Make matching grants to States for technical assistance to businesses seeking information about waste reduction opportunities;

Establish an Office of Waste Reduction to carry out the functions listed above, and to review for the administrator the impact of any proposed environmental regulations on waste reduction; and

Report to Congress on progress toward achieving industrial waste reduction, on regulations that may inhibit waste reduction, and on priority pollutants and industries that could benefit from comprehensive waste reduction strategies.

The bill authorizes the appropriation of $10 million per year for State grants and $8 million per year for all other functions carried out by the Director of the Office of Waste Reduction.

The independent Office of Technology Assessment estimates that a Federal waste-reduction program would pay for itself in less than a year, based simply on the increased tax base it would create.

Reducing hazardous waste at the source is the best way to solve the Nation's hazardous waste disposal problems. The Hazardous Waste Reduction Act of 1987 recognizes the importance of waste reduction at the source and focuses on the need for a nonregulatory program which provides information, technical assistance, and funding for State programs. It is an initiative which should help this Nation improve protection of the environment and public health while supporting economic development.

By Mr. CRANSTON (for himself, Mr. D'AMATO, Mr. LEAHY, Mr. EVANS, Mr. ADAMS, and Mr. STAFFORD):

S. 1430. A bill to impose a moratorium on prepayments under section 515 of the Housing Act of 1949; by unanimous consent, read the first and second times and placed on the calendar.

SECTION 515 PREPAYMENTS

Mr. CRANSTON. Mr. President, I am pleased to introduce today, along with Mr. D'AMATO, Mr. EVANS, Mr. ADAMS, Mr. STAFFORD, and Mr. LEAHY, legislation extending the moratorium on section 515 prepayments through January 1, 1988.

The current moratorium, enacted by the Congress last October, is due to expire on June 30, 1987. If the moratorium were not extended, some 166,000 units of low-income housing could be lost through prepayment and massive tenant displacement might occur.

Although the Supplemental Appropriations Act would extend the moratorium through the end of the fiscal year, it is almost certain that the supplemental will not pass the Congress before June 30. The Senate and the House, therefore, urgently need to pass this legislation so that the President can receive and sign it by the June 30 deadline.

The Section 515 Program was established to stimulate low-income housing development in rural areas by lowering the cost of mortgages. Under current law, owners holding mortgages entered into before December 21, 1979, are allowed to prepay at any time. Prepayment of the underlying mortgage releases the owner from all regulatory restraints on the property's use.

As Senator from California, I know firsthand about the real displacement that occurs when mortgages on federally assisted projects are prepaid. From 1984 to 1986, the prepayment of 35 loans under the Section 515 Program affected some 1,150 units in my State.

A study by the California Department of Housing and Community Development found that when loan prepayment occurred, tenants usually were hit by substantial rent increases. Some tenants tried to pay the increased rents and had to exhaust their savings or receive help from relatives until vacancies opened in scarce low-income housing. Other tenants doubled-up or moved in with relatives. The Department estimated that as many as 90 percent of the original low-income tenants ultimately were displaced when the Farmers Home mortgages were prepaid.

Given the California experience, it is imperative that we act quickly—preferably by unanimous consent tomorrow—to extend the moratorium through the new year. The chairman of the House Subcommittee on Housing and Urban Affairs, Representative HENRY GONZALEZ, has introduced the identical bill and hopes to receive unanimous consent by Monday, June 28. Such an extension will give the Congress the necessary breathing room to fashion a long-range solution to this pressing problem.

I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 515 of the Housing Act of 1949 is amended by adding at the end thereof the following:

"(q) Notwithstanding any other provision of law, including section 502(c)(2), prior to January 1, 1988, the Secretary may not accept or process any application for prepayment, accept prepayment, or request refinancing, of any loan made or insured under this section, unless (1) such loan was made or insured at least 20 years prior to the date of prepayment, or (2) for a loan made or insured pursuant to a contract entered into before December 21, 1979, the Secretary determines that a supply of adequate, comparable housing is available in the community, or that prepayment or refinancing of such loan will not result in a substantial increase in rents to tenants in residence upon date of prepayment or refinancing or displacement of such tenants.".

By Mr. DASCHLE (for himself and Mr. PRESSLER):

S. 1431. A bill to authorize the Secretary of the Interior to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota Pumping Division, Pick-Sloan Missouri Basin Program, South Dakota; to the Committee on Energy and Natural Resources.

LAKES ANDES-WAGNER UNIT AND MARTY II UNIT OF THE PICK-SLOAN MISSOURI BASIN PROGRAM

● Mr. DASCHLE. Mr. President, today I am introducing a bill to authorize the Secretary of the Interior to construct the Lake Andes-Wagner/Marty II irrigation project as a unit of the Pick-Sloan Missouri River Basin Program. Since hearings were held on this model project last year, I am hopeful that authorization can be considered by Congress quickly and signed by the President during the 100th Congress.

For my colleagues who are familiar with the Lake Andes-Wagner legislation introduced last year, a significant change will become immediately apparent to you—the addition of the Yankton Sioux Tribe's Marty phase II irrigation project as a component of the bill. For the past year or more, officials of the Yankton Sioux Tribe have been working closely with Lake Andes-Wagner sponsors to formulate a bill that will be an economic boost to all of Charles Mix County, including tribal members. I am extremely pleased to present the fruit of that cooperative effort today.

The joint effort that we now refer to as the Lake Andes-Wagner/Marty II project is to be authorized as partial compensation to the State of South Dakota for the over 500,000 acres of Missouri River bottomlands that were permanently flooded as a result of the construction of the six mainstem dams in our State. Charles Mix County, which will host both projects, alone sacrificed more than 58,000 acres of prime agricultural lands as a direct result of the construction of the dams.

The Pick-Sloan Missouri River Basin Program, authorized by Congress in 1944, was designed to provide both storage for the flood control and navigation benefits to downstream Missouri Basin States and, mainstream water to irrigate substantial acres of land in the upper basin States. The promised upstream irrigation development remains nonexistent decades after downstream States have experienced the substantial flood control, energy, and navigational benefits of the Pick-Sloan Program.

A recently released study found that in each of the 30-odd years since the mainstem dams were constructed, the inundation of the land in the immediate project area—adjacent to Lake Francis case—has cost the area economy millions of dollars. In 1985, the most recent year included in the study, the project area lost $15 million in business activity, 230 jobs, $81 million in personal income, and $92 million in retail trade for a total cumulative negative impact of $256 million. From these figures, it is easy to see why the people of South Dakota have not forgotten about securing our end of the Pick-Sloan contract, despite more than four decades of Federal inaction.

Keeping in mind that the 1944 legislation promised approximately 500,000 acreas of irrigation development for the people of South Dakota, I wish to remind my colleagues that the legislation we propose today would deliver less than one-tenth of that promised development. In that context, our proposal must be considered a modest one.

There is no question that irrigation development would revitalize this economically depressed rural area. Dryland farmers in Charles Mix County are forever at the mercy of random South Dakota precipitation patterns. Members of the Yankton Sioux Tribe, who make up about 20 percent of the project area, are employed at the abysmal rate of 2 of every 10 citizens. For these people, irrigation is not a "get rich quick" scheme. The authorization of the project will mean the difference between continuing in an economic degeneration spiral or creating a reasonable chance at economic survival on the land.

The would-be water users of this project are willing to pay a reasonable amount to share in the cost of the project. In addition, a cost sharing proposal is currently being formulated by the State of South Dakota. That proposal will be presented in the next few weeks by Governor Mickelson.

Many sincere individuals in this body have expressed concern with a perceived "double subsidy" paid to irrigators on Federal projects. The imagined double subsidy arises from the fact that water users of reclamation projects pay only those irrigation costs which are within their repayment ability, with the balance being repaid from other project revenues, such as project power revenues. The other subsidy referred to is the payment made to the farmer under the farm program. I am certain this subject will be addressed in some detail during debate on this bill, but I would like to make a few points at the outset of that discussion.

First, a large proportion of the surplus crops produced in the project area do not reach the marketplace; and thus, do not add to existing Federal crop surpluses. A typical Charles Mix County farm is an integrated livestock and feed grain operation with the farmers growing feed grains—grain sorghum, oats, corn, and barley—as feed for their livestock. The increased production that would result from irrigation, therefore, would in large part be consumed on-farm and stay off the market and out of Government storage bins.

A second significant factor overlooked in this discussion of "double subsidies" is that for a farmer to qualify for farm support payments, a substantial percentage of the land previously devoted to supported crops must be retired from production. The feed grain program in effect specifically states that if land is converted from dryland farming to irrigated farming, with a consequent increase in per acre yield, payment of the 1986 and 1987 crop years must be based only on the established dryland yield determined by a formula which involves the previous 5-year dryland production and acreage. For the 1988 and subsequent crop years, the Secretary of Agriculture is authorized to include preceding years' production in the determination of the 5-year average.

So that there can be no inclusion of increases in crop yield due to irrigation, our legislation requires that the feed grain program acreages and production be based upon the dryland production and acreage. Specifically, the base acreage to which the reduction in acreage planted would be applied would be the average based on the Food Security Act of 1985 formula applied to the 5-crop years immediately preceding the year in which the development period is initiated. Similarly, the average per acre yield upon which payments are calculated would be the average per acre yield determined on the basis of the same period. Furthermore, these same years would continue in effect during any future extensions of feed grain programs Congress may enact to succeed the present program, which expires with the 1990 crop year.

With our approach, South Dakotans would not be deprived of the Pick-Sloan irrigation benefits long promised to them and essential for their very economic survival, nor would they receive additional Federal subsidies because of increased production per acre by reason of converting from dryland to irrigated farming.

Finally, I would like to emphasize that I would not be interested in this project if it were not for the opportunity it creates to diversify the crops produced in South Dakota so that we can get away from the production of crops in surplus. The Lake Andes-Wagner unit feasibility report confirms the fact that many specialty crops can be grown in the area—if irrigation becomes available. The State has visited with specialty food processing companies who are very interested in locating in the Wagner area—if irrigation becomes available. That phrase, "if irrigation becomes available," perpetually hangs like a carrot on a stick for members of the Yukon Sioux Tribe and non-Indian people in the project area.

The fact is, if irrigation is not brought into this area, we may never see anything but more surplus crops produced, because those crops currently in oversupply are all that can be grown in this area without a predictable water supply.

From an environmental aspect, this project must be considered a national model for responsible water development. Environmental concerns of yesteryear have been more than adequately addressed, with thousands of acres set aside to compensate for loss of wildlife habitat. Some 1,320 acres of wetlands, 175 acres of woodlands, and 2,180 acres of grasslands will be enhanced as a result of this project—all at the expense of project beneficiaries. In addition, a plan is being developed for construction of a 50-acre fish impoundment to stock area bodies of water with northern pike, walleye, white crappie, small mouth bass, and blue gill. The Lake Andes-Wagner/Marty II project sponsors have not dodged environmental concerns raised in the planning stages. They have addressed those concerns and have devised a plan that preserves the delicate environmental balance of the project area. At the conclusion of my remarks, I ask that a list of environmental commitments made by local officials be inserted into the RECORD.

Most water officials acknowledge that this project is the most feasible new reclamation being proposed today. From an environmental and economic point of view, there simply is not a project being proposed today which can surpass this small, manageable, riverside irrigation project. From an equity standpoint, the people of Charles Mix County, many of whom watched helplessly as their family farm was engulfed forever by the Fort Randall Dam reservoir, also have compelling arguments to make.

If there is to be future irrigation development in America—and I think most Senators would agree that there should be—the Lake Andes-Wagner/Marty II projects constitute the type of undertaking that ought to serve as our guide on how the Federal Government can deliver responsible irrigation development to family-sized farms without draining the Treasury or compromising our environment.

At this time I ask that the text of S. 1431 and additional materials be inserted in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1431

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORIZATION.

(a) In partial recognition of the inundation of lands in South Dakota, including lands in the Yankton Sioux Indian reservation, by mainstem Missouri River reservoirs constructed and operated by the United States under the comprehensive plans approved and authorized by section 9 of the Flood Control Act of December 22, 1944 (58 Stat. 887, 891) (hereafter in this Act referred to as the "Pick-Sloan Missouri Basin Program") the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") is authorized to construct, operate, and maintain the Lake Andes-Wagner Unit and the Marty II Unit, South Dakota, as Units of the South Dakota Pumping Division, Pick-Sloan Missouri Basin Program.

(b) The Lake Andes-Wagner Unit shall be constructed, operated, and maintained to serve approximately 45,000 acres substantially as provided in the Lake Andes-Wagner Unit Planning Report and Final Environmental Impact Statement filed September 17, 1985.

(c)(1) The Marty II Unit shall include a river pump, irrigation distribution system, booster pumps, irrigation sprinkler systems, farm and project drains, electrical distribution facilities, and the pressurization to serve approximately 3,000 acres of Indian-owned land in the Yankton Sioux Indian Reservation.

(2) Construction of the Marty II Unit shall not begin until—

(A) certification of the irrigability of the lands by the Secretary; and

(B) the completion of an environmental impact statement and mitigation plan for any adverse effects which may be caused by the Marty II Unit.

SEC. 2. CONDITIONS AND RESTRICTIONS.

(a) The Lake Andes-Wagner Unit and the Marty II Unit shall be integrated physically and financially with other Federal works constructed under the Pick-Sloan Missouri Basin Program.

(b) The Lake Andes-Wanger Unit shall include on-farm pumps, irrigation sprinkler systems, and other on-farm facilities necessary for the irrigation of approximately 1,700 acres of Indian-owned lands. The use of electric power and energy required to operate the facilities for the irrigation of such Indian-owned lands and to provide pressurization for such Indian-owned lands shall be considered to be a project use.

(c) The construction costs for the Lake Andes-Wagner Unit and the Marty II Unit allocated to irrigation (both those assigned for return by the water users and those assigned for return from power revenues of the Pick-Sloan Missouri Basin Program) shall be repayed for each unit no later than 40 years following the development period, except that repayment of such costs allocated to irrigation of Indian-owned lands shall be governed by the Act of July 1, 1932 (47 Stat. 564 Chapter 369; 25 U.S.C. 386a).

(d) Indian-owned lands, or interests therein, required for the Lake Andes-Wagner or Marty II Units may, as an alternative to their acquisition under authority available to the Secretary under existing law, be acquired by exchange for lands or interests therein of equal or greater value which are owned by the United States and administered by the Secretary.

(e) For purposes of the participation of lands in the Lake Andes-Wagner and Marty II Units in programs covered by title V of the Agricultural Act of 1949 (7 U.S.C. 1461 et seq.), and in any successor programs established for crop years subsequent to 1990, the 5-crop years on the basis of which the crop acreage base is determined under section 504 of such Act (7 U.S.C. 1464), and on the basis of which the program payment yield is determined under section 506 of such Act (7 U.S.C. 1466), shall be the 5-crop years preceding the crop year in which the development period for each Unit is initiated.

SEC. 3. FEDERAL RECLAMATION LAWS GOVERN.

This Act is a supplement to the Federal reclamation laws (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplemental thereto). The Federal reclamation laws shall govern the construction, operation, and maintenance of the works authorized by this Act, except as otherwise provided in this Act.

SEC. 4. AUTHORIZATION.

(a) There are authorized to be appropriated—

(1) $150,000,000 (October 1984 price levels) for construction of the Lake Andes-Wagner Unit (other than the facilities described in section 2(b)); and

(2) $1,200,000 (October 1984 price levels) for construction of the facilities described in section 2(b), which amounts include costs of the Lake Andes-Wagner Irrigation district in administering design and construction of the irrigation distribution and drainage systems.

(b) There are authorized to be appropriated $15,000,000 (October 1984 price levels) for construction by the Bureau of Reclamation in consultation with the Bureau of Indian Affairs of the Marty II Unit.

(c) The amounts authorized to be appropriated by subsections (a) and (b) shall be plus or minus such amounts, if any, as may be required by engineering cost indexes applicable to such construction.

(d) There are authorized to be appropriated such sums as may be necessary for the operation and maintenance of each Unit.

LIST OF ENVIRONMENTAL COMMITMENTS

1. Pumping Plant: a. ¼-mesh fish screens will be installed on each pumping bay; b. intake velocity at .5 foot per second; and c. top lip of intakes will be maintained at a depth of 20 feet during spawning and rearing periods.

2. To mitigate for wetland losses, up to 4,500 acre-feet of water (Lake Francis Case quality) will be provided to Owens Bay and Red Lake via turnouts and 365 acres of existing wetlands will be purchased and provided a controlled water supply. When practical, operational wastes will be used. In addition, a wetland easement will be acquired for 4 acres.

3. Approximately 2,185 acres will be purchased and seeded to native grasses. Canal and lateral rights-of-way would be seeded to native grasses. All seeded areas will be protected from grazing and other disturbances until the grasses have been established (generally 3 years). Habitat values on acquired tracts will be estimated using habitat evaluation procedures, and purchases will continue until lost habitat values are replaced.

4. Approximately 175 acres of land will be purchased in concert with grassland acres for the planting of woody vegetation.

5. To the extent possible, lands purchased for mitigation of grasslands and woodlands would be adjacent to existing Federal and State wildlife areas or existing wetlands to provide wildlife complexes. If lands in these areas cannot be purchased from willing sellers, other parcels will be sought, with a minimum size of 40 acres. These units would be managed by the U.S. Fish and Wildlife Service or South Dakota Department of Game, Fish and Parks.

6. The mitigation plan will be implemented concurrently with the construction of the rest of the project.

7. Uneconomical land remnants retained in Federal ownership will be managed to offset grassland habitat losses.

8. New project powerlines will be buried except for the 0.5-mile 115-kV line to the main pumping plant. Installation of powerlines will be in accordance with Suggested Practices for Raptor Protection in Powerlines, the State of the Art in 1981, Raptor Research Report No. 4, Raptor Research Foundation, Inc., 1981.

9. Water quality sampling and analysis of Choteau Creek and Lake Andes will continue for TDA, nutrient levels, dissolved oxygen, trace elements, and pesticides and herbicides. After construction, the cost of this program will be part of the project OM&R. A ring dike will be constructed to dilute project return flows into Choteau Creek to meet State water quality standards of 2,50 mg/1 TDS. Water will also be added to Lake Andes to meet the State water quality standard.

10. Ring dike construction may require habitat mitigation. Upon final site selection a habitat evaluation team will be assembled and recommend appropriate mitigation measures. After the appropriate review the recommendations will be incorporated into the construction plan.

11. Known sites will be avoided where possible. If any cultural resource sites cannot be avoided, determinations of their significance/eligibility for the National Register of Historic Places will be made. If any sites are determined to be significant, appropriate mitigation measures will be developed in consultation with the State Historic Preservation Officer and Advisory Council on Historic Preservation.

12. The South Dakota Department of Game, Fish and Parks will be consulted regarding appropriate measures to be taken during the spawning season during construction of the main pumping plant.

13. The project may require modification of 15 miles of existing drainageways. When these sites are identified, South Dakota Department of Game, Fish and Parks and U.S. Fish and Wildlife Service will be contacted and appropriate mitigation measures will be established.

14. Proposed 50-acre fish rearing pond is included as a project feature.

15. Topsoil will be stripped to a predetermined depth, stockpiled, protected from erosion and compaction, and replaced in all disturbed areas.

16. The following permits will be obtained:

1. Section 10 permit required by the River and Harbor Act,

2. Sections 402 and 404 permits required by the Clean Water Act,

3. Soil and water compatability permit from the State of South Dakota,

4. Water right from the State of South Dakota.

17. It is recognized that certain agricultural chemicals can pose hazards to wildlife and water supplies. As part of the Irrigation Management System, chemical types used on the project will be updated every 5 years and usage of less hazardous chemicals will be encouraged.●

● Mr. PRESSLER. Mr. President, today I am joining my colleague Senator DASCHLE in introducing legislation to authorize the development of the Lake Andes-Wagner and Marty II Irrigation projects. Similar legislation was introduced during the last session of Congress and hearings were held.

Water development in South Dakota has a long history. In the 1940's, South Dakota agreed to sacrifice over 500,000 acres of farmland for the construction of four Missouri River mainstem dams. These dams have provided hydroelectric power, flood control, and navigation for downstream States. In return for the sacrifices South Dakota made for the construction of the dams, the Federal Government made a commitment to South Dakota. That commitment was to provide water development in the State.

Since coming to Congress over 10 years ago, I have continually fought for the development of South Dakota water projects. South Dakota has had some success in this effort during that time with the development of the WEB project and the rehabilitation of the Belle Fourche Irrigation project, but the Federal commitment to South Dakota has not been fulfilled. The authorization of the Lake Andes-Wagner Irrigation project is an effort to obtain a partial fulfillment of the Federal commitment to South Dakota.

As you are well aware, the entire rural economy is very depressed. In an effort to make a profit many farmers are exploring the possibility of raising alternative crops. In most instances adequate moisture is critical to producing and developing a market for such crops. South Dakota has the potential to raise many alternative crops, but irrigation is needed to guarantee adequate moisture. The development of alternative crops would benefit both farmers and neighboring rural communities.

The Lake Andes-Wagner Unit would irrigate about 45,000 acres, including about 1,700 acres of Indian-owned land located on the Yankton Sioux Reservation. This is substantially less acreage than the 97,000 acres available in the Lake Andes-Wagner Irrigation District. All of the lands that are included in the Lake Andes-Wagner Unit are being dry-land farmed. No new acreage will be brought into production. The Marty II Unit is made up entirely of Indian-owned land, about 3,000 acres, located entirely on the Yankton Sioux Reservation and would be operated by the Yankton Sioux Tribe.

The local supporters of the project have made a major commitment to the development of the project:

The Lake Andes-Wagner Irrigation District has expended $1,093,043 for planning and design. These funds were obtained by the bond issue which the District is still paying off with interest.

The project sponsors have also incurred $600,000 in loan obligations to the State of South Dakota to finance additional planning, surveying, and design.

The Southern Missouri Water Development District assisted the project sponsors with technical and financial assistance totaling an additional $35,000.

If the Lake Andes-Wagner Unit is authorized, the Lake Andes-Wagner Irrigation District is committed to design and to construct the distribution system at a savings to the Federal Government of an estimated $6,450,000. That saving is reflected in the Federal construction cost stated in the Lake Andes-Wagner feasibility report.

The Governor of South Dakota has also committed the State to cost sharing the profit. The State will be presenting a cost-sharing proposal in the near future.

Mr. President, I urge my colleagues to join in support of this legislation and meeting the Federal commitment to South Dakota for water development.●

By Mr. EVANS (for himself and Mr. ADAMS):

S. 1432. A bill to provide that a certain amount of funds shall be available to the Secretary of Energy each fiscal year for the cleanup of hazardous or radioactive waste from atomic energy defense activities and to require the Secretary of Energy to develop within 1 year a comprehensive plan for the cleanup of such waste; to the Committee on Armed Services.

DEFENSE WASTE CLEANUP FUND

● Mr. EVANS. Mr. President, I rise today to introduce legislation which directly addresses one of the most serious environmental problems our Nation faces today—the cleanup of more than 40 years of radioactive and toxic wastes generated by the Federal Government in the course of our nuclear defense material production programs.

Mr. President, this is not a new problem, but is an issue which has been of deep concern to me for nearly 15 years. It was in the early 1970's when I was serving as Governor of the State of Washington that it was first discovered that several of the huge underground storage tanks containing highly radioactive liquid wastes at the Hanford Nuclear Reservation in my State were leaking into the surrounding soil. Since that time, I have continued to urge the Department of Energy to move aggressively to respond to the environmental problems at Hanford and other Federal nuclear facilities across the country.

While I have been disappointed at the pace with which the Department of Energy (DOE) responded to this issue, some progress has been made. The environmental impact of these production facilities has improved significantly over the years and the volume of waste products has been reduced. Yet, we are still faced with the enormous backlog of waste which has been produced since the 1940's. The Hanford Reservation alone currently stores nearly two-thirds of the Nation's nuclear defense waste, and has many sites scattered throughout the Reservation which have been contaminated by radioactive and toxic materials.

The legislation I am introducing today would establish a funding mechanism for responding to this severe environmental concern. The bill provides that a fixed percentage, one-half of one percent, of the funds appropriated for the Department of Defense and for certain DOE defense production programs would be set aside for radioactive and hazardous waste cleanup and management at DOE facilities. Additionally, the Department of Energy, in conjunction with the Environmental Protection Agency, would be required to develop a comprehensive plan to cleanup defense waste, which shall be submitted to Congress within 1 year after enactment.

Mr. President, the concept behind this legislation of a "pay-as-you-go" program for cleaning up defense waste originated with the Northwest Citizens Forum on Defense Waste, a public advisory group on the defense waste issue. After consulting with members of the Citizens Forum, my friend and colleague in the House, Congressman SID MORRISON, developed and introduced legislation identical to what I am introducing today.

While there are still some issues which I feel need additional consideration, I believe that we have delayed comprehensive and substantive action on this issue for far too long. This legislation represents an excellent start, and I look forward to working with all of my colleagues, particularly the members of the Senate Armed Services Committee, on this critical problem. If the Federal Government is going to force corporations and private individuals which contaminate the environment to bear the costs of cleaning up their waste, the Federal Government cannot avoid its responsibility to take responsibility for cleaning up the wastes which it has created. It is high time that we got started.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1432

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMOUNT AVAILABLE FOR CLEANUP OF WASTE FROM ATOMIC ENERGY DEFENSE ACTIVITIES.

(a) Amount Available for Cleanup.—Each fiscal year an amount determined in accordance with subsection (b) shall be available to the Secretary of Energy for obligation or expenditure for the cleanup of hazardous or radioactive waste from atomic energy defense activities. Such amount shall remain available until expended and shall be in addition to any other amount which may be appropriated for the cleanup of hazardous or radioactive waste from atomic energy defense activities.

(b) Calculation of Amount.—The amount referred to in subsection (a) for a fiscal year shall be determined by multiplying .005 by the total amount appropriated for such fiscal year for—

(1) the Department of Defense;

(2) military construction; and

(3) atomic energy defense activities of the Department of Energy.

(c) Transfer of DOD Funds to DOE.—For purposes of making the amount available to the Secretary of Energy under subsection (a), the Secretary of Defense shall transfer each fiscal year to the Secretary of Energy the portion of the amount calculated under subsection (b) attributable to the Department of Defense and military construction.

(d) Uniform Reduction to Achieve Amount.—(1) Except as provided in paragraph (2), the Secretary of Defense shall provide the funds for the transfer required under subsection (c) by making a uniform reduction in outlays for all programs, projects, and activities under accounts under the Department of Defense and military construction.

(2) In carrying out the uniform reduction under paragraph (1), the Secretary of Defense may not reduce outlays for the chemical demilitarization program, for environmental restoration, defense, or for defense waste and transportation management.

(e) Prohibition on Use For Repository Costs.—The amount made available under subsection (a) may not be used for costs paid pursuant to section 8(b)(2) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10107(b)(2)) for costs resulting from permanent disposal of high-level radioactive waste from atomic energy defense activities.

(f) Fiscal Years to Which Requirement Applies.—Subsection (a) shall apply to fiscal years 1988, 1989, 1990, 1991, and 1992.

SEC. 2. DEPARTMENT OF ENERGY CLEANUP PLAN FOR ATOMIC WASTE.

(a) Comprehensive Plan.—The Secretary of Energy, acting through the Office of Environment, Safety, and Health of the Department of Energy and in conjunction with the Administrator of the Environmental Protection Agency, shall develop a comprehensive plan, including a timetable and estimated costs, for the cleanup of hazardous or radioactive waste from atomic energy defense activities. Such plan shall be in addition to any other statutorily required cleanup plan, but any other such cleanup plan may be incorporated into or used as part of the plan required under this subsection.

(b) Report.—Not later than 12 months after the date of the enactment of this Act, the comprehensive plan required under subsection (a) shall be submitted to the Committees on Armed Services and on Energy and Commerce of the House of Representatives and to the Committees on Armed Services and on Energy and Natural Resources of the Senate.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term "atomic energy defense activity" has the meaning given such term by section 2(3) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.).

(2) The term "hazardous waste" has the meaning given such term by section 1004(5) of the Solid Waste Disposal Act (42 U.S.C. 6903(5)).

(3) The term "radioactive waste" means byproduct material. For purposes of this paragraph, the term "byproduct material" has the meaning given such term by section 11e. of the Atomic Energy Act of 1954 (42 U.S.C. 2014).●

● Mr. ADAMS. Mr. President, I am pleased to join the distinguished senior Senator from Washington in introducing legislation to address the pressing issue of cleaning up hazardous and radioactive wastes resulting from more than four decades of nuclear weapons production by the Federal Government. This legislation, originally conceived by our colleague in the House of Representatives, Mr. Sid Morrison, would create a mechanism to fund the cleanup of hundreds, if not thousands, of contaminated sites at Department of Energy facilities throughout the Nation.

Mr. President, in recent years, Congress has reauthorized the Superfund and the Resource Conservation and Recovery Acts to assure that the improper handling and disposal of hazardous wastes will not leave a perpetual hazard to future generations. There is no reason why the Federal Government should not live up to the same principle of restoration resulting from its own activities. This Federal obligation will cost money, a lot of money, and there is no magic way to fund this program except to apportion the costs to those agencies most directly responsible for the generation of the wastes. The legislation we are introducing today would require a specific percentage of the budgets of the Department of Energy, the Department of Defense and the military construction budget be earmarked for this purpose.

My principal goal in supporting the introduction of this legislation is to open the dialog on how we assure that the Federal Government meets its obligations to the States and regions of our country it has contaminated as a result of the nuclear weapons program. Clearly, there are a number of issues that must be resolved in such an expensive and far-reaching program, but resolution of these issues and a national commitment to address this problem is long past due.

I look forward to working with my Washington State colleagues, and Members of both Houses who represent States with Department of Energy facilities, to fashion a comprehensive cleanup program for those facilities. I believe the concepts embodied in this legislation are an excellent starting point for this endeavor and I commend my colleagues for their leadership.●

By Mr. DOLE (for himself, Mr. Cochran, Mr. Bingaman, Mr. Bond, Mr. Boschwitz, Mr. Evans, Mr. Gore, Mr. Grassley, Mr. Hatch, Mr. Helms, Mrs. Kassebaum, Mr. Kasten, Mr. McClure, Mr. McConnell, Mr. Melcher, Mr. Nickles, Mr. Pryor, Mr. Symms, Mr. Simon, Mr. Simpson, Mr. Thurmond, Mr. Wallop, Mr. Wilson, Mr. Bentsen, and Mr. Pressler):

S.J. Res. 167. Joint resolution making urgent supplemental appropriations for the Department of Agriculture for the fiscal year ending September 30, 1987; to the Committee on Appropriations.

URGENT SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE

Mr. DOLE. Mr. President, today I am joined by several of my colleagues in introducing a joint resolution making funds available to the Commodity Credit Corporation.

The Commodity Credit Corporation has been out of money since May 1. The CCC has been unable to make storage payments, loan disbursements and other cash payments. Many of us who represent farm States have gotten an ear full from some of our constituents who find it difficult to understand why the U.S. Congress cannot pass a simple spending measure living up to its obligations on behalf of farmers and others in the agriculture community.

It seems like every year we go through a ritual which ends up holding CCC funds hostage to entirely unrelated matters. And each time it ends up disrupting the normal business operations of American agriculture. The grain farmer suffers, dairy farmers suffer, the local elevator suffers and small businesses and communities throughout rural America feel the impact.

CONCLUSION

Mr. President, I suggest that CCC funds are long past due and America's farmers have been waiting and wondering what the Government is doing—or in this case not doing. I urge my colleagues to support this important resolution and urge its quick adoption.

ADDITIONAL COSPONSORS

S. 143

At the request of Mr. Inouye, the name of the Senator from Vermont [Mr. Leahy] was added as a cosponsor of S. 143, a bill to establish a temporary program under which parenteral diacetylmorphine will be made available through qualified pharmacies for the relief of intractable pain due to cancer.

S. 406

At the request of Mr. Pell, the names of the Senator from Massachusetts [Mr. Kennedy], the Senator from Vermont [Mr. Stafford], the Senator from Washington [Mr. Adams], the Senator from Iowa [Mr. Harkin], the Senator from Utah [Mr. Hatch], the Senator from Connecticut [Mr. Weicker], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of S. 406, a bill to provide additional Federal education programs designed to strengthen competitiveness of American industry, and for other purposes.

S. 541

At the request of Mr. Pryor, the names of the Senator from Delaware [Mr. Biden] and the Senator from Washington [Mr. Evans] were added as cosponsors of S. 541, a bill to amend title 39, United States Code, to extend to certain officers and employees of the United States Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive services.

S. 708

At the request of Mr. Proxmire, the name of the Senator from Delaware [Mr. Roth] was added as a cosponsor of S. 708, a bill to require annual appropriations of funds to support timber management and resource conservation on the Tongass National Forest.

S. 808

At the request of Mr. McClure, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 808, a bill to clarify the application of the Clayton Act with respect to rates, charges, or premiums filed by a title insurance company with State insurance departments or agencies.

S. 860

At the request of Mr. Boren, the name of the Senator from New Jersey [Mr. Bradley] was added as a cosponsor of S. 860, a bill to designate "The Stars and Stripes Forever" as the national march of the United States of America.

S. 1005

At the request of Mr. Stafford, the name of the Senator from Oregon [Mr. Hatfield] was added as a cosponsor of S. 1005, a bill to reauthorize and improve chapter 2 of the Education Consolidation and Improvement Act of 1981, and for other purposes.

S. 1020

At the request of Mr. Moynihan, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of S. 1020, a bill to create the office of Librarian of Congress Emeritus.

S. 1333

At the request of Mr. McConnell, the names of the Senator from Arizona [Mr. McCain], the Senator from Kansas [Mrs. Kassebaum], and the Senator from North Dakota [Mr. Conrad] were added as cosponsors of S. 1333, a bill to allow the 65 miles per hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways.

S. 1366

At the request of Mr. Kennedy, the names of the Senator from Arizona [Mr. DeConcini], the Senator from Michigan [Mr. Riegle], the Senator from Iowa [Mr. Harkin], the Senator from Colorado [Mr. Wirth], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of S. 1366, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 1382

At the request of Mr. Metzenbaum, the name of the Senator from Colorado [Mr. Wirth] was added as a cosponsor of S. 1382, a bill to amend the National Energy Conservation Policy Act to improve the Federal Energy Management Program, and for other purposes.

S. 1393

At the request of Mr. Heinz, the names of the Senator from Nevada [Mr. Reid] and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of S. 1393, a bill to amend title 39, United States Code, to designate as nonmailable matter any private solicitation which is offered in terms expressing or implying that the offeror of the solicitation is, or is affiliated with, certain Federal agencies, unless such solicitation contains conspicuous notice that the Government is not making such solicitation, and for other purposes.

S. 1395

At the request of Mr. Hecht, the name of the Senator from Maryland [Ms. Mikulski] was added as a cosponsor of S. 1395, a bill entitled "The Nuclear Waste Transportation Act of 1987."

S. 1402

At the request of Mr. Kennedy, the name of the Senator from Connecticut [Mr. Dodd] was added as a cosponsor of S. 1402, a bill to amend title VIII of the Public Health Service Act to establish programs to reduce the shortage of professional nurses.

S. 1414

At the request of Mr. McConnell, the name of the Senator from Missouri [Mr. Bond] was added as a cosponsor of S. 1414, a bill to improve the operation of agricultural price support programs, and for other purposes.

SENATE JOINT RESOLUTION 87

At the request of Mr. Riegle, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Joint Resolution 87, a joint resolution to designate November 17, 1987, as "National Community Education Day."

SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the names of the Senator from Arkansas [Mr. Pryor], the Senator from Illinois [Mr. Dixon], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of Senate Joint Resolution 106, a joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

SENATE JOINT RESOLUTION 122

At the request of Mr. Metzenbaum, the names of the Senator from South Carolina [Mr. Thurmond], the Senator from Nebraska [Mr. Karnes], the Senator from North Dakota [Mr. Burdick], the Senator from Virginia [Mr. Warner], the Senator from Idaho [Mr. Symms], the Senator from New Jersey [Mr. Bradley], the Senator from Nebraska [Mr. Exon], and the Senator from Indiana [Mr. Quayle] were added as cosponsors of Senate Joint Resolution 122, a joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week."

SENATE JOINT RESOLUTION 157

At the request of Mr. Gore, the names of the Senator from New Mexico [Mr. Domenici], the Senator from Georgia [Mr. Fowler], the Senator from New Hampshire [Mr. Humphrey], the Senator from Indiana [Mr. Lugar], and the Senator from Wyoming [Mr. Simpson] were added as cosponsors of Senate Joint Resolution 157, a joint resolution to designate the month of October 1987, as "Lupus Awareness Month."

SENATE JOINT RESOLUTION 159

At the request of Mr. Heinz, the names of the Senator from California [Mr. Wilson] and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Joint Resolution 159, a joint resolution to designate July 1, 1987, as "National Centenarians Day" in honor of all Americans 100 years old and older.

SENATE JOINT RESOLUTION 160

At the request of Mr. Lautenberg, the name of the Senator from Massachusetts [Mr. Kerry] was added as a cosponsor of Senate Joint Resolution 160, a joint resolution to designate July 25, 1987, as "Clean Water Day."

SENATE CONCURRENT RESOLUTION 62

At the request of Mr. D'Amato, the name of the Senator from Tennessee [Mr. Sasser] was added as a cosponsor of Senate Concurrent Resolution 62, a concurrent resolution expressing the insistence of the Congress on the extradition of Mohammed Hamadei to the United States for trial in connection with the murder of Navy diver Robert Stethem and the opposition of Congress to any trade of Mohammed Hamadei for West German nationals being held hostage.

AMENDMENT NO. 315

At the request of Mr. Specter, the names of the Senator from Pennsylvania [Mr. Heinz], the Senator from Illinois [Mr. Dixon], the Senator from West Virginia [Mr. Rockefeller], the Senator from Maine [Mr. Cohen], the Senator from Alaska [Mr. Murkowski], the Senator from South Carolina [Mr. Hollings], and the Senator from Michigan [Mr. Levin] were added as cosponsors of amendment No. 315 proposed to S. 1420, a bill to authorize negotiations of reciprocal trade agreements, to strengthen U.S. trade laws, and for other purposes.

SENATE CONCURRENT RESOLUTION 64—AUTHORIZING THE PRINTING OF "GUIDE TO RECORDS OF THE UNITED STATES SENATE AT THE NATIONAL ARCHIVES, 1789-1989: BICENTENNIAL EDITION"

Mr. BYRD (for himself and Mr. Dole) submitted the following concurrent resolution; which was considered and agreed to:

S. Con. Res. 64

Resolved by the Senate (the House of Representatives concurring), That there shall be printed as a Senate document "Guide to Records of the United States Senate at the National Archives, 1789-1989: Bicentennial Edition" to be published under the supervision of the Secretary of the Senate with the editorial assistance of the Senate Historical Office.

Sec. 2. Such document shall include illustrations, and shall be in such style, form, manner, and binding as directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

Sec. 3. In addition to the usual number of copies, there shall be printed with suitable binding 2,000 additional copies, for use by the Secretary of the Senate.

SENATE RESOLUTION 238—RELATING TO U.S. PARTICIPATION AT THE UNITED NATIONS INTERNATIONAL CONFERENCE ON DRUG ABUSE AND ILLICIT TRAFFICKING

Mr. CHILES (for himself, Mr. Pell, and Mr. Dole) submitted the following resolution; which was ordered held at the desk by unanimous consent:

S. Res. 238

Whereas, the United States delegation is participating in the United Nations' International Conference on Drug Abuse and Illicit Trafficking in Vienna, Austria;

Whereas, according to the National Narcotics Intelligence Consumers Committee the eradication of illegal drug crops appears to be erratic and ineffective in regions throughout the world;

Whereas, addressing illegal drugs at their source is the most effective and cost efficient method of eliminating narcotics;

Whereas, the willingness of countries worldwide to eradicate illegal drug crops is crucial to the elimination of illegal drugs in all societies;

Whereas, nearly all of the supply of illegal drugs in the United States is imported from foreign lands and such international criminal activity necessitates international law enforcement and legal assistance;

Whereas, the narcotics supply in the U.S. has increased significantly over the last five years, especially with regards to cocaine which was estimated to be near 20 metric tons in 1986;

Whereas, the members of the U.S. Senate want to send a message to all nations that they are committed to the international narcotics control provisions set forth in the Anti-Drug Abuse Act of 1986: Now, therefore be it

Resolved, that the Senate of the United States strongly urges the U.S. delegation to the International Conference on Drug Abuse and Illicit Trafficking to secure firm commitments from the governments of drug-producing and drug-transit countries—

To support initiatives which rate the reduction of drug trafficking and drug abuse as priorities in their governments domestic as well as international policy;

To reduce illicit drug crop production and drug transshipment;

To design and be party to more effective methods of sharing intelligence and information for cooperative international drug law enforcement;

To negotiate extradition treaties and mutual legal assistance treaties for mutual enhancement of efficient drug enforcement;

And, to support the initiative to develop a new Convention to combat illicit narcotic traffic.

The Secretary of the Senate shall transmit this resolution to Attorney General Meese and the U.S. delegation attending the conference in Vienna as an expression of the U.S. Senate's support and best wishes for a most successful conference.

AMENDMENTS SUBMITTED

OMNIBUS TRADE ACT

MURKOWSKI (AND OTHERS) AMENDMENT NO. 320

Mr. MURKOWSKI (for himself, Mr. DeConcini, Mr. Heinz, Mr. McCain, Mr. Shelby, Mr. Wilson, Mr. Rudman, Mr. Danforth, and Mr. D'Amato) proposed an amendment to the bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen United States trade laws, and for other purposes; as follows:

At the end of subtitle A of title III of the bill, add the following:

SEC. . INVESTIGATION OF BARRIERS IN JAPAN TO CERTAIN UNITED STATES SERVICES.

The United States Trade Representative shall immediately initiate an investigation under section 302 of the Trade Act of 1974 regarding those acts, policies, and practices of the Government of Japan, and of entities owned, financed, or otherwise controlled by the Government of Japan, that are barriers in Japan to the offering or performance by United States persons of architectural, engineering, construction, and consulting services in Japan.

ADAMS (AND DANFORTH) AMENDMENT NO. 321

Mr. ADAMS (for himself and Mr. Danforth) proposed an amendment to the bill S. 1420, supra; as follows:

On page 234, after line 11, add the following new section:

"SEC. 338. EXPANDED COVERAGE OF INTERNATIONAL CONSORTIA UNDER THE COUNTERVAILING DUTY LAW.

"Paragraph (a) of section 701 of the Tariff Act of 1930 (19 U.S.C. 1671) is amended by adding at the end thereof the following new clause: 'For purposes of this subtitle, if the members (or other participating entities) of an international consortium that is engaged in the production of a class or kind of merchandise subject to a countervailing duty investigation receive subsidies from their respective home countries to assist, permit, or otherwise enable their participation in that consortium through production or manufacturing operations in their respective home countries, then the administering authority shall cumulate all such subsidies, as well as subsidies provided directly to the international consortium, in determining any countervailing duty upon such merchandise.' "

JOHNSTON (AND MURKOWSKI) AMENDMENT NO. 322

Mr. JOHNSTON (for himself and Mr. Murkowski) proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . USE OF UNITED STATES VESSELS TO TRANSPORT IMPORTED AUTOMOBILES.

(a) Congressional Findings.—The Congress finds that—

(1) millions of automobiles manufactured in foreign countries are imported into the United States each year, and those imports contribute substantially to the United States deficit in merchandise trade;

(2) unfair, restrictive, or discriminatory practices of exporting countries, and commercial interests of those countries, and commercial interests of those countries engaged in the marine transportation of foreign automobiles to the United States, have practically precluded United States-flag vessels owned and operated by citizens of the United States and manned by United States seamen from participating in such transportation, with further adverse effects on the balance of trade in goods and services of the United States;

(3) United States-flag automobile-carrying vessels are competitive with foreign flag vessels, and it has recently been demonstrated, in a few instances at least, that, when the foreign unfair, restrictive, or discriminatory practices are removed or suspended agreements, can readily be negotiated with foreign automobile manufacturers and exporters for the ocean transportation in United States-flag vessels of the automobiles they import into the United States.

(b) Presidential Action.—The President shall take appropriate and feasible steps within his power, including the full exercise of all rights of the United States under international treaties, to negotiate trade agreements with each foreign country from which 50,000 or more automobiles are imported into the United States each year will eliminate unfair, restrictive, or discriminatory practices in the marine transportation of such import.

(c) Report.—Within 180 days after the date of the enactment of this Act and semiannually thereafter the President shall report to the Congress on the progress of the negotiations carried out under subsection (b).

SENATE CONCURRENT RESOLUTION 63—RELATING TO THE FORMULATION AND IMPLEMENTATION OF A REGIONAL ECONOMIC DEVELOPMENT AND RECOVERY PROGRAM FOR SOUTH AMERICA

Mr. SANFORD (for himself, Mr. Dodd, Mrs. Kassebaum, Mr. Matsunaga, Mr. Evans, Mr. Mitchell, Mr. Kerry, and Ms. Mikulski) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. Con Res. 63

Whereas the perpetuation of individual poverty, the lack of trade and economic opportunities, the shortage of capital for investment, the absence of adequate transportation and communication facilities, and inadequate educational opportunities and health care facilities have long plagued the countries of Central America and have long mitigated against the prosperous and peaceful development of this crucial region of the Western Hemisphere;

Whereas significant progress continues to be made toward reliance on democratic institutions and initiatives for the orderly reconciliation of differences, both of which can lead to political stability and provide the foundation for economic growth;

Whereas economic prosperity and free and open societies lead to peaceful relationships with neighboring countries;

Whereas a condition of economic success is inevitably the removal of political hindrances such as armed conflict, repression, and the denial of basic political, social and economic rights;

Whereas all conditions indicate this is a propitious time for a renewed effort to formulate and implement plans for economic growth and development in Central America;

Whereas chances for the success of such a plan will be greatly enhanced if the formulation is accomplished through the initiative, and at the direction, of the involved Central American countries themselves; and

Whereas it would be in the enlightened self-interest of the United States to encourage and assist in the formulation and implementation of a regional economic development and recovery program for Central America: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that the President should—

(1) encourage and assist, as requested, the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua in their planning and formulation of a comprehensive long-range plan for their economic recovery and development, including the needed infrastructure, educational system, and monetary institutions to provide for the growth of opportunities for all people of Central America; and

(2) assist in the implementation of said plan, and encourage other countries in other parts of the world to join in extending such assistance to those Central American countries that have made—

(A) substantial progress toward peaceful relations and peacekeeping mechanisms as generally set forth in proposals currently being discussed by the presidents of the Central American countries of Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua and, for purposes of this clause, progress in peaceful relations may be measured by efforts to achieve—

(i) national reconciliation, including a general amnesty for all political and related offenses in countries where there are armed conflicts, and dialogue with all nonmilitary internal opposition groups,

(ii) a cease fire,

(iii) a free, fair, and open electoral process, with provision for the regular and periodic scheduling of elections,

(iv) the suspension of all military assistance from extraregional governments to irregular or insurgent forces,

(v) a prohibition upon the use of the territory of a Central American country to allow, directly or indirectly, individuals, organizations, or groups to attempt to destabilize the governments of other Central American countries,

(vi) arms control and reduction,

(vii) the establishment of a verification mechanism which provides for unimpeded on-site inspection,

(viii) continued dialogue among the governments of the five Central American countries for the purpose of evaluating implementation of the peace process; and

(ix) the undertaking of economic and cultural agreements to facilitate and accelerate developments; and

(B) substantial progress toward an open political system in the spirit of the present negotiations of the several Central American countries, and such progress in political systems may be measured by verifiable efforts to achieve—

(i) respect for democratic principles and political pluralism,

(ii) constitutional guarantees of, and actual protection for, individual civil liberties,

(iii) adherence to constitutional practices and procedures, including total civilian control over the military,

(iv) guaranteed freedom of speech, freedom of the press, freedom of religion, and freedom of assembly,

(v) safeguards of property rights and provision for economic self-determination,

(vi) a free, fair, and open electoral process, with provision for the regular and periodic scheduling of elections, and

(vii) a fair and impartial court system for the administration of justice and law enforcement.

Mr. SANFORD. Mr. President, through the years, our Nation has been involved in some costly ventures—and adventures—in Central America. In the last decade, we have spent billions of dollars in the region. Some of it improved poor people's lives; some of it lined rich people's pockets. Some of it taught people to read and helped peasants support their families. Some of it built roads to nowhere or encouraged the production of goods that nobody would buy.

One thing we have learned through decades of assistance to Central America is that aid doesn't guarantee development. One thing we have learned is that a plan imposed on a region is not as likely to succeed as a plan proposed from the area.

We cannot afford to ignore these lessons. In these days of tight budgets, we cannot afford a hit-or-miss approach to development. We should take our knowledge of development administration, our knowledge of the world trade picture, and our knowledge of Central America and apply it to our efforts to bring prosperity to the region. And more important, we should look to the Central Americans themselves to define their economic strengths and weaknesses, their goals and needs.

This is the focus of a concurrent resolution I am submitting today, along with Senators Dodd, Kassebaum, Matsunaga, Evans, Mitchell, Kerry, and Mikulski. It expresses the sense of the Congress that equitable economic growth is necessary for stability in Central America, and that we should encourage and assist the Central Americans in coming up with a workable long-range regional economic development plan.

The administration talks about its "two-track" policy toward Central America. The first track is, of course, military pressure through the Contras. The second track is economic development to encourage and strengthen democracy. This resolution seeks to fortify the second track through three mechanisms.

First, it calls on the President to work closely with the Central Americans in planning aid for the region. It makes the Central Americans the senior partners in planning and implementing the growth of their region.

Second, it calls on the President to try to get other countries involved in Central American development. Europe, Japan, and other Latin American countries also have a stake in the peace and prosperity of Central America. Why not call on them to help Central America as we helped Europe and Japan after World War II?

And third, it calls on the President to make this concerted development assistance available only to those countries that have made real progress toward peace and democracy. This progress would be measured against standards set by the Central Americans themselves—standards along the lines of those outlined in the Costa Rican peace initiative now in progress. This initiative, launched by Costa Rican President Oscar Arias, remains our best hope for a negotiated settlement to the region's conflicts. The Senate endorsed it by a 97-1 vote in

March. It needs the sensitive diplomatic touch of the United States to succeed.

This is a propitious time for a renewed effort to formulate and implement plans for economic growth and development in Central America. The most thorough economic planning in the history of the region is underway. It will be conducted by a distinguished International Commission on Central American Development and Recovery, which is now being formed.

Let's renew our efforts in the region, but let's do it wisely, in close consultation with the Central Americans and other nations throughout the world. Let's make our efforts count. This resolution says that we want to do our part, to offer our best efforts, in establishing a prosperous, free and thriving hemisphere.

If we move with wisdom, we can all look forward to the day, not far from now, when the nations of Central America, at peace and in freedom, will break out from the poverty and repression that have hobbled their growth. We can look forward to the day, not far from now, when the United States can take the lead in an international effort to help Central America enjoy the prosperity that comes with peace and democracy. And we can look forward to the day, not far from now, when we look upon all our neighbors to the south not as dependents or adversaries or problems, but as strong and confident friends, allies, and trading partners.

When that day comes, we will surely have gained as much as they.

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I wish to announce that the Committee on Agriculture, Nutrition, and Forestry will hold a hearing on Tuesday, June 30, 1987, at 9:30 a.m. in SR332 to receive testimony on the nominations of Ewen Wilson, to be an Assistant Secretary of Agriculture and a member of the Board of Directors of the Commodity Credit Corporation, and Milton J. Hertz, to be a member of the Board of Directors of the Commodity Credit Corporation.

For further information, please contact Jim Phippard of the committee staff at 224-5207.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON SUPERFUND AND ENVIRONMENTAL OVERSIGHT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Superfund and Environmental Oversight, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 25, to conduct a hearing on Superfund cleanup standards implementation issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Thursday, June 25, 1987, to continue hearings on corporate takeover legislation pending before the committee in the 100th Congress.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGRICULTURAL PRODUCTION AND STABILIZATION OF PRICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Production and Stabilization of Prices of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate Thursday, June 25, 1987, to hold a hearing on the status of the farm program.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST MONOPOLIES, AND BUSINESS RIGHTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Monopolies, and Business Rights of the Committee on the Judiciary, be authorized to meet during the session of the Senate on June 25, 1987, to hold a hearing on TV violence antitrust exemption, S. 844.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Energy be authorized to meet during the session of the Senate on Thursday, June 25, 1987, to consider the following agenda items: S. 275, to amend the Wild and Scenic Rivers Act; S. 451, to require the Secretary of the Interior to conduct a study to determine appropriate minimum altitude for aircraft flying over National Park System units; and S. 1047, to modify section 301 of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union With the United States; and S. 56 to establish the El Malpais National Monument, the Masau Trail, and the Grants National Conservation Area in the State of New Mexico.

The PRESIDING OFFICER. Withour objection, it is so ordered.

SUBCOMMITTEE ON GOVERNMENT EFFICIENCY, FEDERALISM, AND THE DISTRICT OF COLUMBIA

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Government Efficiency, Federalism, and the District of Columbia of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, June 25, 1987, to hold hearings on legislation relating to general revenue sharing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, be authorized to meet to hold a hearing on postemployment lobbying restrictions.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TERRORISM

● Mr. SIMON. Mr. President, on May 14 Senator GRASSLEY introduced a bill to curb PLO activity in the United States, S. 1203. I am a cosponsor of that bill and would like to take a few moments to discuss its importance.

Terrorism is a scourge. It strikes at the very basis of society. It attempts to force political and social change through violence. Because terrorism depends on the shock effect of its actions, it strikes at the unsuspecting, the innocent, the defenseless. Terrorist acts, like the indiscriminate attack on women and children in the Rome and Vienna airports and the brutal, cold-blooded murder of Leon Klinghoffer cannot be tolerated.

Unfortunately, we have seen a tremendous increase in terrorism over the past decade. Experts say the problem will get worse because terrorists have found that violence and the threat of violence pay off in dealing with many governments. No one is safe from this threat.

More than half of all terrorist incidents in the world today are Middle East related, and most of those are directed against Europe, the United States and Israel. It is clear that many of these threats have been perpetrated by the PLO, a self-avowed terrorist organization. Its convenant specifically states that "armed struggle is the only way to liberate Palestine," a position that was reaffirmed as recently as this past April at a meeting of the Palestine National Council. Despite hopes among some that the organization would moderate its positions and activities over time, the leopard has not changed its spots. It was and continues to be one of the primary sponsors of terrorism in the Middle East. I don't need to remind you of the numerous Americans among its victims. They range from ambassadors to tourists, young to old, and healthy to those with handicaps.

There is no reason why a terrorist organization should be allowed to operate within the United States and under the protection of our laws. And yet it does operate, both here in Washington and in New York. It's time that we closed these offices. Senator GRASSLEY's bill would provide a clear legal basis and a congressional mandate for doing that.

Some have questioned whether the bill violates free speech. I do not believe it does. The bill specifically excludes informational material from this prohibition. And, there is nothing in S. 1203 which will prohibit Americans from publicly advocating for the PLO. It does prohibit any organization from operating at the behest or direction of the PLO or to receive or spend money from the PLO or its agents.

Taking this stand against terrorism is not in competition with my long-standing work to revise and repeal those sections of the McCarren-Walter Act which restrict the free speech and exchange of ideas of Americans and foreigners alike.

In the 99th Congress, I joined my former colleague Senator Charles Mathias of Maryland in introducing the International Communication and Travel Act, a bill which would have amended the ideological exclusions in McCarren-Walter and removed restrictions on the import and export of information. I sponsored an amendment prohibiting ideological exclusions on this year's State Department Authorization Act and will be reintroducing a McCarren-Walter reform bill again later this summer. Like those reforms, Senator GRASSLEY's bill, S. 1203, protects the free flow of information. Again, I would like to point out that purely informational materials are not covered by this legislation. In so doing, it respects the interests of both the audience and the speaker.

But terrorism is something else. The protection of U.S. law does not extend to the support of terrorists or terrorism. This bill addresses terrorism; McCarren-Walter reform does not. Clearly, the free flow of information and ideas and the restriction of terrorism are not conflicting goals. Both my McCarren-Walter reform and S. 1203 are cognizant of each of these national priorities. Taken together, these reforms will protect Americans' right to free speech and go some way toward offering Americans greater protection against terrorism.●

ADVANCE NOTIFICATION—PROPOSED ARMS SALE

● Mr. PELL. Mr. President, as the result of a 1976 agreement, the executive branch provides Congress with advance notification of proposed arms sales under the Arms Export Control Act in excess of $50 million or, in the case of major defense equipment as defined in the act, those in excess of $14 million. Upon such notification, the Congress has not less than 20 calendar days for informal review and consultation with the administration on the proposed sale. If the executive branch wishes to proceed with the sales proposal following the informal review period, section 36(b)(1) requires that the executive branch submit a formal notification to Congress of the proposed arms sale. Upon such notification, the Congress has 30 calendar days to review the sale. The provision stipulates that, in the Senate, the notification of proposed sales shall be sent to the chairman of the Foreign Relations Committee.

In keeping with the committee's intention to see that such information is available to the full Senate, I ask to have printed in the RECORD a notification which has been received. Portions of the notification which are classified have been deleted for publication, but are available to Senators at the Foreign Relations Committee.

The notification follows:

DEFENSE SECURITY ASSISTANCE AGENCY,
Washington, DC, June 23, 1987.

Mr. GERYLD B. CHRISTIANSON,
Staff Director, Committee on Foreign Relations, U.S. Senate, Washington, DC.

DEAR MR. CHRISTIANSON: By letter dated 18 February 1976, the Director, Defense Security Assistance Agency, indicated that you would be advised of possible transmittals to Congress of information as required by Section 36(b)(1) of the Arms Export Control Act. At the instruction of the Department of State, I wish to provide the following advance notification.

The Department of State is considering an offer to a Southeast Asian country tentatively estimated to cost $50 million or more.

Sincerely,

PHILIP C. GAST,
Director.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, the treatment of Jews in the Soviet Union remains a pressing concern for Western citizens. Although the Soviet Government has initiated certain reforms that suggest a transformation is taking place in Soviet society, most U.S. officials remain unconvinced. I, for one, will not recognize "glasnost" as reality until the Soviet Union ends its blatant disregard of human rights.

There have been slight improvements in the situation facing Soviet Jews. Emigration figures have picked up somewhat. A handful of prisoners of conscience have been released. Andrei Sakharov was permitted to return to the Soviet Union from exile. Each of these changes is important, and I strongly encourage the Soviet Government to expand its efforts. However, many Jews in the Soviet Union are still suffering.

If the Soviets are sincere about implementing reforms, they will end the persecution of Naum Meiman. For over 10 years, the Soviet Government has denied Naum any happiness. As he approaches his final years, he is still striving toward one goal—to live life in the West.

I implore the Soviet Government to grant Naum Meiman permission to emigrate to the West immediately.●

SENATOR KASTEN'S TAX HIKE OPPOSITION

● Mr. QUAYLE. Mr. President, I invite my colleagues to read an insightful, cogent article authored by Senator KASTEN which illustrates the futility of increasing taxes as a means to rescue the deficit. I ask that this article appear in the RECORD.

The article follows:

TAX HIKES WON'T CURE THE DEFICIT PROBLEM

(By Robert W. Kasten, Jr.)

Liberals, conservatives, Democrats, and Republicans all agree that the Federal budget deficit must be reduced. This nation's continued economic well-being depends on it. Disagreement arises, however, over the proper cure to the deficit problem.

Congressional Democrats are convinced that large tax increases must be part of the solution. Their budget blueprint calls for $27.3 billion in higher revenues in 1988 and a whopping $137.4 billion over four years.

I believe their cure is worse than the disease. Major tax increases will lead to larger budget deficits and a weaker U.S. economy. The Democrats' approach fails to recognize the effects of higher taxes on both political and economic incentives.

First, the political incentives in the current budget process are skewed towards higher spending. Boosting funding for constituent spending programs is politically popular—raising taxes is not. To mitigate the political pain associated with supporting tax hikes, legislators invariably seek to appease their constituents by increasing Federal spending for constituent programs.

The experience of the past 20 fiscal years proves this phenomenon. The government's tax collections have skyrocketed from $150 billion in 1967 to over $834 billion in 1987. But so has spending ($158 billion to $1.008 trillion) and deficits ($8 billion to $174 billion). A recent study by Congress's Joint Economic Committee found that a one dollar increase in taxes leads to a 58 cent increase in the deficit, meaning a $1.58 increase in spending!

Clearly, higher tax collections only worsen the deficit problem. To control the congressional spending bias—and thus, budget deficits—we need to reform the budget process by passing a balanced budget amendment to the Constitution and granting the President a line-item veto. These reforms would increase political incentives for fiscal responsibility.

Second, higher taxes have a negative effect on economic incentives and economic activity. There is little argument in the economics profession that if you tax something, you get less of it. Let's look at the economic impact of some of the more popular tax increases being considered:

RAISING INCOME TAX RATES

Last year, Congress promised the American people lower tax rates in exchange for ending several tax deductions, preferences, and credits. Tax reform allows workers and investors to keep more of their earnings. It also makes the tax code much fairer.

Yet, several leading Democrats have proposed forgoing the top tax rate cut which is scheduled to drop from this year's 38.5 percent to 28 percent next year. This is not only unfair, but economically damaging because higher tax rates will punish incentives to work, save, and invest.

EXCISE TAX INCREASES

At first glance, raising taxes on gasoline, cigarettes, and beer and alcohol consumption to cut the deficit might appear "sensible." Gas prices have declined in recent years. Consequently, tax hike proponents argue that people can afford to pay a few cents more at the pump. They argue that higher taxes on alcohol and cigarettes will reduce consumption of these products—and improve health and safety.

But excise taxes will hurt the thousands of businesses that produce, distribute, and sell these goods. Many hard-working Americans will be thrown out of work. Furthermore, excise taxes are regressive. Increasing them would take back the tax relief given to poor- and moderate-income families in tax reform.

OIL IMPORT FEE

The hot issue in Congress these days is improving U.S. "competitiveness." However, an oil import fee would do the exact opposite: it would artificially raise domestic oil prices for U.S. industries, thus placing them at a competitive disadvantage with foreign competitors who would buy oil at the lower world price.

Furthermore, an oil import fee would have several negative effects on the overall economy. A recent study by the Congressional Research Service found that a $5 per barrel fee would cut GNP (gross national product) growth by 3.4 percent, throw one million people out of work and raise inflation by 0.5 percent by 1990.

The bottom line is that tax increases are a short-sighted and counterproductive solution to the deficit problem. They lead to less jobs, less work, lower incomes, less savings, less investment, and lower economic growth. Tax increases don't attack the underlying cause of the budget deficit: the high level of Federal spending. In fact, they encourage more spending.

Federal spending is currently 23.7 percent of GNP. That's almost four percentage points higher than the average of what we spent each year since the end of World War II. Meanwhile, revenues have remained relatively constant at about 19.0 percent of GNP. Deficits are caused by overspending, not undertaxation.

The odds of stopping the stampede to raise taxes on the American people are against us. While President Reagan has successfully opposed tax hike efforts in the past, the Democrats are mounting an all-out effort to force him into a tax increase by holding the nation's defense budget "hostage" to deep cuts. The Democrats are giving the President two choices: imperil American's national security with large defense cuts or economic security with large tax hikes.

I believe the American people deserve better. There is another alternative: reject tax hikes, restrain spending in all areas of the budget, and reform the budget process. If Congress and the President take these steps, we can look forward to a gradual disappearance of the Federal deficit. More important, the economy will continue to blossom and create opportunity for everyone.

If we don't take these steps, the 54-month-long economic recovery will come to a screeching halt—interest rates, unemployment, and inflation will surely rise—and the Democrats will have a lot to answer for in 1988.●

FINAL REPORT OF THE PRIVATE SECTOR ADVISORY PANEL ON INFRASTRUCTURE FINANCING

● Mr. DOMENICI. Mr. President, I wish to bring to the attention of the Senate the completion of an important report on America's public capital investment, our infrastructure.

This is the final report of the Private Sector Advisory Panel on Infrastructure Financing, which was submitted to me recently.

I am pleased to report to my colleagues that Chairman CHILES has agreed to have the full report printed as a committee print of the Senate Budget Committee.

This study was undertaken by an outside group, at my request. The panel was under the leadership of Joseph M. Giglio, and included among its members a number of distinguished Americans, including our colleague from Florida [Mr. GRAHAM] during a period when he served as Governor of that State.

It is appropriate that this report should be issued by the Budget Committee, as the issue of infrastructure financing carries with it major implications for America's economy. One of the observations contained in the report:

> The continued productive capacity of the American economy depends on the availability of adequate basic public facilities. Rebuilding, revitalizing, and expanding America's public infrastructure is imperative to our future.

Our infrastructure—our roads, our water systems, our airports, our bridges—is really America's hidden challenge. It is with us every day. Yet, somehow, we fail to see it. As a society, we shunt aside our public works needs. They are problems that seem so easy to put off until tomorrow.

But they are not. As a nation, we must begin to change that attitude. For this reason, the information and conclusions in the panel report will be a great value to my colleagues on the Budget Committee and in Congress as a whole.

This report will come under criticism, I am certain. Some will argue that we cannot afford the additional investments suggested in recommendation No. 1. The issue the Congress and the American people must confront is whether we dare to avoid that investment.

Some will argue that we must not reopen the issue of tax treatment of municipal bonds for infrastructure, as suggested in recommendation No. 2. There is little doubt in this Senator's mind that we must confront that reevaluation.

Some will argue that we cannot trust the private sector to share the burden, as suggested in recommendation No. 3. Can we afford not to share that burden, and the opportunities?

The same may be said of the other three important recommendations.

This report deserves careful review by the Congress and the public. I cannot say which of the important recommendations the Congress should endorse, or what is the likelihood of their enactment into law.

But these proposals and this analysis deserves wide attention. For that purpose, Mr. President, I ask that a copy of the executive summary of the panel's report be printed in the RECORD.

EXECUTIVE SUMMARY

America has shortchanged its future.

We need better highways. We need to expand our sewage plants. We need improved garbage disposal, safer bridges, more efficient air traffic systems, cleaner drinking water.

The Panel is convinced that America has fallen behind in building the sinew of infrastructure necessary for the future. Following considerable anaylsis of methods to finance future infrastructure, the Private Sector Advisory Panel on Infrastructure Financing recommends a number of important initiatives, including:

Creation of a new Infrastructure Trust Fund, financed with $25 billion in special federal contributions over five years, and dedicated to capitalizing state infrastructure banks and revolving loan funds;

Creation of a new, tax-exempt infrastructure bond to help local governments meet local needs; and

Support for public/private partnerships in constructing and managing infrastructure facilities.

BACKGROUND

To a disturbing extent, America's public facilities are defined by words such as "neglected," "decaying," "inadequate."

Each of us—all 240 million—at some point in our daily routines becomes aggravated with the problem of a clogged highway, a leaking water system, a stream polluted by untreated sewage, an aging subway car. Our roads and freeways are in disrepair. More frightening, we hear too frequently of collapsed bridges.

The physical underpinnings of America's economy have eroded.

Public spending on roads, bridges, and other types of physical infrastructure has declined steadily since the late 1960's. As a percentage of our gross national product, combined annual, federal, state, and local infrastructure investment fell from 3.5 percent of GNP in 1967 to about 2.7 percent of GNP in the mid 1980s. That percentage continues to drop.

Our failure to repair, replace, and expand essential public works is as glaring in the Sunbelt cities of the Southwest as in the older industrial cities of the Northeast.

The accumulated backlog carries a cost of overwhelming proportions. The shortage that will occur between now and the year 2000 has been estimated at $240 billion by the Congressional Budget Office. The Joint Economic Committee of the Congress put the shortfall over that period at $445 billion. Other estimates range much higher. Whatever number is accurate, it is astronomical. The situation appears certain to become more serious if action is not taken.

Why? The reasons are diverse. To a great extent, we see the consequence of choices made at every level of government in the allocation of resources. Instead of spending tax dollars on public works at the rate utilized for many years, America shifted its goals. While such a choice was never presented directly to America's taxpayers, it has been a decision at all levels of government, a decision that robs the future to pay for today.

Since the earliest civilizations, economic growth moved forward with public works. For America, the canals of the Northeast were followed by railroad lines stretched across the continent. We raised dams so the desert might bloom. We stitched together a system of interstate highways to speed travel. Public investment in public facilities added to our productivity, to economic growth, to a better life for all Americans.

As we enter the third century of the Republic, this Panel is convinced that a new national commitment to public works—to our infrastructure—is absolutely essential.

Senator Pete V. Domenici established the Private Sector Advisory Panel on Infrastructure Financing to advise the Senate Budget Committee on the role of the federal government in financing future infrastructure facilities.

The Panel was asked to examine the potential for state and local investments in infrastructure, review new market instruments and debt financing mechanisms, determine the usefulness of new state and local financing institutions such as infrastructure banks and revolving funds, recommend long-term, predictable sources of funding, and investigate the potential for private sector investment in public works.

Simply put, the challenge was to examine options for infrastructure financing, then recommend effective ways to select and fulfill the best option.

The Panel reviewed activities in several states and held a series of hearings to gain insights and information. The states which participated in case studies included Florida, Indiana, New Jersey, Texas, and Washington. Public hearings were held in Washington, D.C., Albuquerque, Trenton, Indianapolis and Seattle.

The Panel did not attempt to measure the level of need for increased infrastructure funding which has been well-documented in studies by the Joint Economic Committee and the Congressional Budget Office. Instead, the Panel focused on the evolution in governmental responsibility for infrastructure financing, the impact of that shift on state and local financing, and the potential for new and innovative financing mechanisms to meet capital needs.

Should America rely more on the federal government, or on the state and local governments, or on private enterprise? Should we embark on a new wave of federal spending? Should we look for new, creative alternatives in public spending?

Based on its review, the Panel has reached the following conclusions.

CONCLUSIONS

The continued productive capacity of the American economy depends on the availability of adequate basic public facilities. Rebuilding, revitalizing, and expanding America's public infrastructure is imperative to our future.

America's need for more and better public facilities is a national issue that must be addressed nationally. Public works are not only essential for interstate and international commerce, they are essential for the health, safety, and general welfare of the American people.

A significant federal role in building and rebuilding our nation's infrastructure is altogether appropriate. Since both the states and the local governments lack the capacity to address this need equitably and comprehensively, a revived federal involvement is essential.

The federal contribution to infrastructure financing has declined. With the sole exception of outlays earmarked from motor fuel tax receipts in the Highway Trust Fund, federal infrastructure spending has diminished, with state and local interests bearing an increasing share of the burden.

The financial responsibility for meeting America's infrastructure needs has fallen most heavily onto state and local governments. In six categories of public works investment—highways, water supply, wastewater treatment, aviation, mass transit, and water resources—annual federal spending recently was $25.5 billion, compared to nonfederal annual spending of $63.6 billion.

As the federal government shifted priorities away from infrastructure financing, new federal laws have mandated state and local compliance with new requirements for water pollution control, clean drinking water, and the clean-up of hazardous wastes. While essential for the public welfare, these new laws provided little in additional funding to assist in meeting the considerable cost of state and local compliance.

States and localities have faced not only the federal shift in priorities but have not contend with the "taxpayer revolt" which in many localities capped property taxes which are a primary source of revenue for local governments. To contend with the resulting revenue shortfall, local governments have increasingly turned to the bond market to borrow funds necessary to finance infrastructure facilities.

Within the past decade, the annual volume of tax-exempt debt issued for public works rose from just over $6 billion in 1977 to four times that level. State and local governments turned to new forms of loans, debt packages, credit enhancements, and other forms of financing. User fees and other exactions also have become increasingly popular, and many localities are exploring the potential for public/private partnerships.

Yet these initiatives have been insufficient. Demands for public facilities have continued to exceed the ability of state and local governments to respond. State and local govenments lack the resources and the flexibility to shoulder the expanding burden of financing America's infrastructure need. Compared to the dimensions of need for new and improved public facilites, state and local resource are insufficient.

Infrastructure banks, revolving loans funds, and others innovative funding systems are being used effectively in a number of states. They offer the potential to become a major sustaining source of financial assistance for local infrastructure investments, when sufficiently capitalized.

Over the years, the federal government has, through the tax code, encouraged investments in public works indirectly through the availability of tax-exempt municipal bonds, favorable depreciation allowances, and investment tax credits. Historically, this indirect federal contribution has provided a substantial and valid subsidy of state and local infrastructure financing.

In recent years, however, increasingly severe restrictions on the use of tax-exempt bonds have made this form of infrastructure financing increasingly difficult. The tax-exempt bond provisions in the 1986 Tax Reform Act are even more restrictive. These provisions will reduce the volume of state and local debt financing, and make even traditional governmental bonds more difficult and more costly to issue.

The new tax code thus complicates and further confounds efforts by State and local government to fill the breach in infrastructure financing.

Increasing use of user fees to finance project costs, as well as supporting adequate operations, maintenance, and repair budgets, is sound policy, and should be incorporated into project planning.

Some of the newer mechanisms for raising special revenues, such as development exactions and impact fees, are effective in areas of rapid growth. These, however, hold limited appeal for areas of slower growth or declining economic base.

Federal regulations and compliance standards may reduce local flexibility and constrain or frustrate the application of cost effective and innovative solutions to local infrastructure needs.

The trend toward private investments in public works facilities and services should be encouraged through federal tax provisions and federal program implementation.

Based on these conclusions, the Panel offers the following recommendations, in order of priority:

RECOMMENDATION 1

Congress should create an Infrastructure Trust Fund to capitalize infrastructure state banks and revolving loan funds.

Legislation should be enacted to create a trust fund to distribute among the states $5 billion annually for each of five years. This money should be raised from a dedicated, broad-based, new source of taxation, then placed in the Infrastructure Trust Fund for distribution by formula that, among other things, stresses population and land area.

This Federal Trust Fund contribution would go to recipient states once they establish a revolving fund or infrastructure bank to finance needed infrastructure facilities within the state. The contribution from the Trust Fund would provide 80 percent of the capital for each bank or fund, with the state required to contribute the remaining 20 percent.

These revolving funds would provide loans or credit enhancement to build and maintain highways, streets, roads, mass transit, wastewater collection and treatment, solid waste disposal, water supply facilities, and other pressing infrastructure needs.

The States would not be required to repay these Trust Fund grants. But to assure the revolving nature of the state funds or banks, local governments would be required to repay at least the principal amount of all loans.

In the Panel's view, a Trust Fund is preferable to other possible forms of federal assistance such as increased categorical grants. Properly structured, the state banks or funds would replenish themselves, serving as continuing sources of investment capital.

No additional federal capital would be required following the fifth year of the program to make the revolving system work.

Clearly, the total sum available for construction will be contingent upon both the initial capital, the level of state matching funds, and the terms and conditions of loans, guarantees, and other forms of assistance. The Panel estimates that within 15 years, the initial federal capitalization, together with the 20 percent state match, could produce close to $75 million in infrastructure investment, assuming the loans were repaid at 7¼ percent interest. Alternatively, if the same amount of capital—$25 billion in federal grants plus $6.25 billion in state matching funds—were loaned over 10 years, with no interest charged, the program would generate $40.3 billion in new infrastructure work. It must be underscored that America's infrastructure needs far exceed the scope of a program with these assumptions, but this infusion of new capital will create a funding device available in perpetuity.

Each state revolving fund or infrastructure bank should be available for new construction, as well as for rehabilitation and major maintenance and repair of existing facilities.

The additional funds made available under this recommendation must be just that, additional funds. These funds must not be used to supplant existing federal and/or non-federal investments in infrastructure. This is a program to reduce the huge backlog, not simply provide a different source of funding for work that would be accomplished anyway.

To be eligible for funds from a state bank, a local government should be required to document its needs and established capital plans and budgets.

Under this recommendation, the federal government would serve as a catalyst in responding to our national need for infrastructure financing without adding permanently to the size of the federal bureaucracy.

RECOMMENDATION 2

Congress should create a new category of tax-exempt bond, an infrastructure bond.

With or without an Infrastructure Trust Fund to pump new cash into infrastructure, tax-exempt financing must continue to be available if state and local governments are ever to begin to meet their infrastructure needs.

State and local governments rarely have the funds on hand to finance expensive infrastructure projects. Therefore, they increasingly have had to borrow to pay for needed public improvements. Total outstanding state and local debt in recent years has increased significantly, now totaling more than one-half trillion dollars. A major portion of this increase has been in so-called "private activity" debt.

In the 1986 Tax Reform Act, Congress restricted the scope and availability of tax-exempt financing for private purposes. In seeking to give all taxpayers a fair shake, Congress went too far, in the view of the Panel. The restrictions imposed by Congress will affect not only bonds used for private purposes, but also, many bond issues which fall into the private activity category but are used for traditional governmental purposes.

Under the 1986 Tax Reform Act, vital bond issues for sewage collection and treatment, solid waste disposal, and water supply facilities, among other legitimate public purposes, will often fall under the classification—and limits—of "private activity" bonds. Such bonds are subject to state-by-state volume caps, based on population.

If the volume of bonds issued goes above the annual cap the Act imposes on each state, such bonds will no longer be tax-exempt issues. In which case, financing these necessary facilities will be costlier to the issuer and to the users.

To offset this unintended result, the Panel recommends the creation of this new category of governmental bonds, "infrastructure bonds," which would be excluded from the definition of "private activity" bonds under the federal tax code.

Issues of infrastructure bonds should be allowed to retain reasonable investment earnings on such debt issues. The alternative is simply to pile greater costs onto local governments, and higher fees on the local users.

RECOMMENDATION 3

Public/private partnerships must be encouraged in infrastructure financing.

Private investment in public facilities offers a sound opportunity to increase substantially the capital available for infrastructure investments.

The potential for public/private partnerships in solid waste disposal, wastewater treatment, water supply, transportation, and other areas has been demonstrated in recent years. But federal action is needed to encourage this potential.

Federal executive departments and agencies should follow the example of the Environmental Protection Agency and the Department of Transportation by actively promoting and facilitating public/private partnerships in which the private sector develops, operates, and in some cases owns, needed facilities in cooperation with local government.

These opportunities are most evident in projects such as water supply or sewage treatment. The low and slow rate of return on such facilities requires an early and rapid tax write-off to maintain a flow of cash sufficient to attract private investment. A faster rate of depreciation under the federal tax law would encourage private investment and participation in the development of such projects.

Sewage treatment and water supply facilities should be placed in the same category with solid waste facilities in the Accelerated Cost Recovery System. Depreciation should be allowed over seven years generally, and over ten years with tax-exempt bond financing.

A federal clearinghouse should be established to coordinate and distribute information on initiatives at every level to encourage public/private cooperation in confronting our infrastructure problems.

RECOMMENDATION 4

Federal technical support should be emphasized for all areas of infrastructure development.

Whatever new financing initiatives are undertaken by the federal government, whether in response to these Panel recommendations or other proposals, state an local governments will continue to carry the principal responsibility of building most public works.

Adequately funded, state and local governments can fulfill this responsibility. They can achieve it with greatest efficiency if provided additional technical support from the federal government. This support will be particularly valuable at the local level.

In the administration of various categorical grant programs, federal agencies have accumulated vast technical experience and expertise. As some of these grant programs wane, this wisdom may be lost. This must not occur. New emphasis should be given to make this federal experience and expertise available to state and local governments.

In this way, non-federal officials should be able to make better decisions on design, development, operation, maintenance, and other aspects of building and rebuilding needed public facilities.

RECOMMENDATION 5

Existing Federal Trust Funds for infrastructure must be preserved as an essential federal component for constructing infrastructure.

The existing highway, airport, and waterway trust funds help assure a more stable and reliable level of funding for certain infrastructure purposes. As devices for revenue collection and allocation, dedicated trust funds are very effective. They promote better planning, management, and budgeting at the state and local level.

The utility of trust funds to assist state and local capital investment planning is best served when disbursements are dependable and timely, and Congress should act promptly on reauthorizations and annual appropriations.

RECOMMENDATION 6

Federal agencies should review standards and regulations related to infrastructure programs.

A review of federal regulations is needed to assure that the standards and regulations permit and encourage cost-effective solutions, plus innovations in design, technology, and response, and in no way frustrate or discourage non-federal initiatives.

In particular, a thorough review is needed of federal compliance standards to assure that life-cycle cost analysis is encouraged, that new investment is not encouraged at the expense of efficient operations of existing facilities, and that innovative techniques with the promise of superior performance have every opportunity to demonstrate their value.

The panel offers these six recommendations not as a solution to all of our infrastructure problems, but as a step—a major step—toward overcoming those problems.

GROUND WATER SAFETY ACT—S. 1419

● Mr. BAUCUS. Mr. President, today I am pleased to join with Senator LEAHY, Senator DURENBERGER, and many other colleagues in introducing the Ground Water Safety Act.

Like the bloodstream of the human body, the ground water system forms the crucial infrastructure of our Nation's water supply.

There is growing national concern about the vitality of this fragile and precious natural resource. Careless use of pesticides has led to increasing contamination of America's ground water supplies. Significant degradation of ground water in Long Island and Wisconsin foreshadows a serious national problem. When contamination of the ground water has been found, few options exist to reverse the damage.

In my home State of Montana, as in many rural areas, farmers depend upon clean ground water for their household use. The abundance of

clean ground water supplies is the backbone of most Montana farm communities. Farmers toiling in the remote countryside simply can't hook their faucets to the local public water supply. They must depend on individual wells.

Treating an individual well for pesticide contamination is physically possible, but not a viable option. The cost on a nationwide scale would be prohibitive. Yet, where pesticide contamination has already occurred, the only alternative to cleaning the well is abandoning the land.

The proper response to this problem is vigilant protection of existing ground water supplies: conversion to safe pesticides and proper labeling to instruct farmers on how to use pesticides safely.

America's farmers depend upon pesticides to provide a bountiful harvest. We need to ensure that farmers have chemicals that are both effective and safe.

The legislation being introduced today will set us on that proper course. Tougher standards will be established governing the availability of pesticides that can seep through the soil and into ground water supplies. New standards to protect ground water supplies from being contaminated to degrees that threaten health will be implemented.

These new standards are fair, workable, and responsible. Too often, in trying to provide for the public good, government fails to make the important distinction between what laws are necessary to accomplish its goals, and what is possible. This legislation understands the complexity of the problem while answering the call for an immediate solution.

The Ground Water Safety Act sets a responsible course to both protect the ground water and ensure that this Nation's farmers have safe viable ways to control plant pests.

Our rural ground water is an important resource for all Americans, both city and country dwellers. It touches the heart of our land and the lifeline of our people. We are grateful for our farmers; we are dependent on our ground water.●

RURAL RENTAL HOUSING PREPAYMENTS

● Mr. D'AMATO. Mr. President, I rise today to join Senator CRANSTON in introducing legislation to protect low-income individuals in the rural areas of this Nation.

In December 1986, Congress placed a 9-month moratorium on the prepayment of section 515 farmer's home mortgages. This moratorium was intended to avoid a disruption of housing for low-income tenants in these projects. In addition, it was hoped that the moratorium would provide an opportunity for Congress to assess, in a long-term manner, the problem of farmer's home prepayments.

The 9-month period for the moratorium is coming to an end. Without a continued moratorium, low-income individuals living in section 515 housing will be seriously jeopardized.

In anticipation of the end of the 9-month moratorium, Senator CRANSTON and I saw to it that a provision continuing the moratorium was included in the Senate supplemental appropriations bill. Unfortunately, this legislation is moving slowly in conference negotiations with the House. The moratorium will end unless some action is taken to further extend a moratorium on prepayments.

This legislation continues the moratorium on the prepayment of section 515 farmer's home mortgages until January 1, 1988. This additional 6-month extension will provide an opportunity for the Congress to develop a broad, comprehensive solution to this problem.●

PERMANENT RESIDENT STATUS TO POLISH REFUGEES

● Mr. D'AMATO. Mr. President, I am proud to be a cosponsor of the measure introduced by the distinguished junior Senator from Illinois, providing for adjustment of the status of Polish nationals who arrived in the United States before the end of the period of martial law in Poland.

In December 1981, the Communist Government of Poland declared martial law and outlawed the Solidarity labor movement. From that time until July 1984, an estimated 7,000 to 10,000 Polish refugees entered the United States under a special immigration status known as Extended Voluntary Departure, or EVD.

Unfortunately, the State Department recommended that the EVD status of these refugees end on June 30, 1987, allegedly as part of the policy of normalizing relations with Poland's Communist rulers. However, a decision by Attorney General Edwin Meese III renewed their EVD status until December 31 of this year.

The Attorney General's action has had the effect of resolving this question for the short term, but the time will soon come again when the fate of these people will be in question. This is so because once their EVD status ends, these refugees from Communist oppression will be subjected to involuntary departure—that is, forced deportation. And when an alien is deported, he or she is usually returned to their country of origin.

Now is the time to take decisive action on this issue, so that these people and their relatives are not left hanging in cruel suspense, unable to plan for their futures or just live their lives. Leaving them in extended limbo is wrong.

Many of these have married U.S. citizens or have children who were born here and are therefore U.S. citizens. Many of them are involved in businesses, in schools or colleges, and are active members of their churches and communities. If the Government deports them by force, we uproot them, brutally severing these relationships, shattering future plans, and separating families.

What will happen to these refugees if they are deported to Poland, a nation still in the iron grip of the military dictator who suppressed Solidarity and from whose reach they fled? Because many were involved in the Solidarity movement, it is not unreasonable to think they will be treated harshly. Can the United States face the world and still claim leadership in human rights and in our opposition to Communist tyranny if these people are shipped back to Communist Poland? The answer is no.

H.R. 2692 has been introduced in the House of Representatives allowing these Poles the opportunity to acquire permanent resident status. Now, this measure has been introduced into the Senate as a companion bill.

The bill authorizes the Attorney General to grant permanent resident status to all Poles who entered the United States on or before July 21, 1984; have established a record of entry with the immigration and naturalization service; and have lived in the United States continuously since that time. As a guiding principle the definitions contained in the Immigation and Nationality Act will apply in the administration of this procedure.

This measure provides these refugees the opportunity to live in freedom. By guaranteeing these people permanent resident status, this bill provides them the opportunity to plan ahead and live their lives without the sword of deportation hanging over their heads.

No good can possibly come from the mass deportation of these people. Such an action would recall the period of time at the end of World War II when tens of thousands of refugees were forcibly deported to the East where they met their deaths at the hands of Stalin's executioners. Those episodes are a dark stain on the honor of the Western democracies.

Instead, let us live up to our modern standards of humane conduct, those standards embodied in the Helsinki final act and other international agreements. Let us live up to the promise of the Statue of Liberty, whose centennial this country celebrated so well last year.

These Poles truly are "yearning to breathe free." If this bill passes, they will have that chance. I urge my colleagues to give this bill their full support.●

KANSAI AIRPORT PROCUREMENT

● Mr. D'AMATO. Mr. President, I rise today to join my distinguished colleague from Alaska in an amendment requiring the United States Trade Representative to initiate an unfair trade practice investigation against Japan regarding Kansai Airport procurement.

Japanese firms continue to take advantage of the freedom offered by our market while excluding United States companies from participating in their market. The Japanese have recently entered the world's largest and most lucrative construction market—the United States. In 1981, the total Japanese share of our construction market was less than $50 million. In 1985, it swelled to $2 billion; estimates for 1986 increase this figure to almost $3 billion.

Yet, during the past 20 years not one United States construction firm has won a contract in Japan. Not one.

What is the reason for this lack of market penetration? I assure my colleagues that it is not a lack of effort, nor a lack of skill. United States construction, architectural and engineering firms are economically and technologically equal, or superior, to their Japanese counterparts. However, United States companies have been victimized by the predatory and unfair trade practices for which the Japanese, unfortunately, are becoming well known. Leading officials of the Japanese construction industry even have had the arrogance and audacity to voice publicly the statement: "Foreigners Need Not Apply."

A recent United States Commerce Department report concluded that if Japan opened its engineering and construction market to international competition, significant new business should result for United States firms. During the next 10 years the Japanese will embark on a number of Japanese major public works projects, including the Kansai International Airport, totaling more than $62 billion. This construction project, worth approximately $8 billion, is already in the initial stages and has generated much interest among United States companies; 40 United States companies have approached the Japanese for the opportunity to participate. However, despite extensive negotiations between the United States and Japanese Governments, only three contracts have been awarded to United States firms totaling a mere $1.4 million.

The proposed amendment seeks nothing more than to secure fairness for United States companies—the same fair treatment accorded to Japanese companies in the United States market. It sends a signal to Japan that free competition must mean fair competition.

Mr. President, the Kansai Airport project is an opportunity for the Japanese to improve trade relations with the United States. I urge them to do so. I strongly recommend to my colleagues that we act favorably and pass this amendment.●

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that the Chiles-Pell-Dole resolution be held at the desk overnight pending my calling it up tomorrow under the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask the distinguished Republican leader if he has any further business to transact.

Mr. DOLE. No.

ORDERS FOR FRIDAY

RECESS UNTIL 8:45 A.M.

Mr. BYRD. Mr. President, the Senate was scheduled to come in at 8:30 tomorrow morning. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until the hour of 8:45 tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

REDUCTION OF LEADERSHIP TIME

Mr. BYRD. Mr. President, the Senate will come in at 8:45 tomorrow morning. Following the recognition of the two leaders under the standing order—and I ask unanimous consent that the time of the two leaders be reduced to 5 minutes each. If there is any problem with the distinguished Republican leader's time, he may have my time.

The PRESIDING OFFICER. Without objection, it is so ordered.

PERIOD FOR MORNING BUSINESS

Mr. BYRD. Mr. President, following the recognition of the two leaders, then, I ask unanimous consent that on tomorrow, there be a period for morning business not to extend beyond the hour of 9 o'clock and that Senators may be permitted to speak therein up to 1 minute each.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. BYRD. Mr. President, for the program tomorrow, the Senate will come in at 8:45 a.m. After the two leaders have been recognized under the standing order, the time for each being reduced to 5 minutes on tomorrow, there will be a period for morning business not to extend beyond the hour of 9 o'clock.

Mr. DOLE. Would the majority leader yield?

Mr. BYRD. Yes; I yield.

Mr. DOLE. May I ask unanimous consent that my 5 minutes be yielded to the distinguished Senator from Wisconsin [Mr. Proxmire]?

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished Republican leader.

May I say that is very generous of the Republican leader. If someone on the leader's side would want 5 minutes, I shall give my 5 minutes to that Senator.

Mr. President, at 9 o'clock, under the order previously entered, I shall call up the resolution by Mr. Chiles, Mr. Pell, and Mr. Dole. There is a time limitation thereon of not to exceed 20 minutes to be equally divided. The yeas and nays have been ordered on the resolution and the vote has been ordered on the resolution for the hour of 9:20 a.m.

After the resolution is disposed of, the Senate will resume consideration of the pending business, that being the trade bill. It is open for amendments. There will be amendments offered and there will be an amendment ready to be offered immediately upon the disposition of the Chiles resolution.

Mr. Shelby has an amendment which he is willing to call up. I have one or more amendments. I am prepared to call up those amendments at any time. There will be rollcall votes throughout the day.

SATURDAY SESSION

Mr. BYRD. Mr. President, the Senate is scheduled to come in at 9 a.m. on Saturday morning. Am I correct, may I ask the Chair?

The PRESIDING OFFICER. The leader is correct.

Mr. BYRD. There will be rollcall votes on Saturday.

May I say to all Senators for the record that this is a big bill. It is an extremely important bill. The managers will be here tomorrow at their posts of duty. They will be here on Saturday at their posts of duty. The managers are serious about this bill.

There had been a good many Senators on my side who had planned to be absent on Saturday but they have canceled their plans. There will be Senators here and they will be expecting to vote on Saturday. There will be amendments on Saturday.

I have, as I say, several amendments. I hope that other Senators will call up their amendments and we might make progress on this bill.

A FULL SCHEDULE AHEAD

Mr. BYRD. After Saturday, we only have Tuesday and Wednesday next week until we go for the Independence Day break. I do not labor under any illusions now that we are going to complete action on the bill by the close of business on Wednesday night of next week, but I do feel that the opportunity is there for the Senate to make good progress on the bill. I believe that many amendments may be disposed of.

It is a bill that has excited the interest of many Senators. At least 25 Senators delivered opening statements today. I think that is a good indication of the seriousness with which Senators are approaching this important legislation. It does include titles for nine committees. That, in itself, would indicate the kind of interest there is in this bill because nine committees had a part in the formation of this omnibus bill.

After the break, of course, we are into July. We are into July. We have not had long sessions for this first half year. We have had very, very few evening sessions going beyond 7 o'clock. We have had no Saturday session. We have only had nine Monday sessions all year up to this point. But, as I indicated early in the year, there will come a time when there will be a glut and the distinguished Republican leader has said that like wise on this floor: there will be a time when we are going to reach a glut. Now we are reaching that glut.

This is a massive bill. It will be one of the most important bills that the Senate will deal with in this whole Congress, to say nothing of this session.

Then we have reconciliation, we have consideration of the debt limit, we have all the appropriations bills, we have the Department of Defense authorization bill.

I think I said enough to indicate the kind of workload the Senate has. Once July is gone, we are into September because of the August break. I say this for the record so that Senators will understand why it is important that we be in this Saturday. Before we go out for the July 4 break, I hope that we could dispose of the homeless relief conference report. I would like to dispose of the supplemental appropriations conference report. There are various resolutions that need to be disposed of before we go out. There are discussions with respect to a Panama resolution, with respect to a Persian Gulf resolution. I hear things being said about a resolution dealing with Korea.

Now, if Senators wonder why we are in Saturday, I want to say very clearly for the record we are not in just to have a Saturday session. We are in because of the circumstances that I have tried in some detail to lay out this evening.

So we do not have a lot of time. When we get back from the July break, we will have about, I suppose, 4 weeks or some such before the August break is supposed to begin. As I have already indicated, whether or not that August break is as previously scheduled depends on the progress made between now and that date. So that we may have to erode some of the August break.

These are the reasons why I consider it imperative that we be in Saturday. I know that there are some Senators who may feel, "Well, we will have probably just one or two votes on Saturday." And, of course, I think we are going to have more than one or two votes. But with a bill of this magnitude, of this importance, with a multiplicity of amendments, and with managers who are giving of their Saturday to be here to get work done on this bill, it should be obvious the hope is that we can make real progress Saturday, not just have one or two votes on minor matters just so we can say we came in, we had votes, and went out.

Having a Saturday session is an unusual thing, as we can see. We have not had one in 6 months in the 6 months of this year. So it is an unusual thing. The reason we are having it is that we have work to do, and I hope we can get something accomplished.

I thank the Presiding Officer and all Senators and employees of the Senate for their indulgence. I thought it was important that I make this statement for the record, so that Senators will understand the problems that bring us in Saturday. I know that when Senators understand these problems, they are always willing to act accordingly in dealing with such problems.

RECESS UNTIL 8:45 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 8:45 tomorrow morning.

The motion was agreed to, and at 10:45 p.m., the Senate recessed until tomorrow, Friday, June 26, 1987, at 8:45 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 25, 1987:

FEDERAL HOME LOAN BANK BOARD

M. Danny Wall, of Virginia, to be a member of the Federal Home Loan Bank Board for the term of 4 years expiring June 30, 1991.

NATIONAL CREDIT UNION ADMINISTRATION

Roger William Jepsen, of Iowa, to be a member of the National Credit Union Administration Board for the term of 6 years expiring August 2, 1993.

The above nominations were approved subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Robert F. Kelly, of Pennsylvania, to be U.S. district judge for the eastern district of Pennsylvania.

IN THE MARINE CORPS

The following named officer for appointment as Commandant of the Marine Corps under title 10, United States Code, section 5043:

Lt. Gen. Alfred M. Gray, Jr., [redacted], U.S. Marine Corps.

EXTENSIONS OF REMARKS

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987 on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Ira B. Tager, Chief, Information Resources Management Service at the VA Medical Center in San Francisco, CA, that demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

VETERANS ADMINISTRATION,
San Francisco, CA, March 23, 1987.

G.V. (SONNY) MONTGOMERY,
U.S. House of Representatives, Chairman, Committee on Veterans' Affairs, Cannon House Office Building, Washington, DC.

DEAR MR. MONTGOMERY: In my role as Chief of Information Resources Management at the VA Medical Center, San Francisco (Fort Miley), it has come to my attention that there is Congressional interest in a major change in the computer systems that will be used to manage the VA medical centers. Let me assure you that any radical departure from the current DHCP program will spell disaster for the local VA stations (and I suspect for the VA Central Office).

Like all complex computer-based data management systems, the DHCP system has its problem; but fundamentally, it is a sound system with enormous potential that can only be realized through the experience that will be gained as a consequence of its continued implementation and evolution. The amount of effort that has gone into the training of personnel, the creation of data structures, the planning of projects and the establishment of a long-term record of the VA's patient-care and administrative experience is enormous. During these activities, much has been learned about how best to exploit the potential of DHCP for the benefit of medical administration and patient care activities. Any sudden shift to a new system or delays in planned equipment purchases for FY 88 will create havoc that will result in serious dislocations in the operations of local VA stations. For example, in the area of fiscal management, it has taken our station hundreds of hours of personnel time to train the staffs of a number of Services in the use of IFCAP, the software that enables the Station to order supplies, track these orders and encumber the funds required for their purchase. A significant database has been developed which has considerable importance for the responsible fiscal management of the Station. A sudden elimination of the support (including FY 88 purchase of equipment) for this activity would have consequences that I'm sure are obvious to you. As an example, in the area of patient care management we have developed software and programs that permit the more accurate monitoring of the complications of surgical procedures to assure that all possible steps are taken to minimize the risks of surgery to our patients. This program is being expanded to include the more accurate summarization of medical records for use in patient care evaluations. The locally developed software would not have been feasible in the absence of an exhaustive body of software developed as part of the DHCP. A considerable effort already has been expended on the programming tasks and the training of personnel, all of which would be lost with the sudden shift to a new system. Moreover, full implementation of the program will not be possible if FY 88 purchases are delayed. I could provide you with numerous other examples with similar consequences should you desire them.

It also should be pointed out that a number of very important DHCP pilot projects are in a critical stage of their development. The IFCAP software that was referred to above is an example. A great deal has been learned about the potential of this system over a period that spans several years. The system is just about ready for overall distribution within the VA patient-care network. What is to become of all of the effort and money that has been expended to develop a fiscal management system that is designed to save money and improve operating efficiency?

Before dismissing this letter as a self-serving attempt on the part of a VA employee to preserve this status quo. I would like you to be aware of the fact that, at the local level, I have voiced consistently my reservations about many elements of the DHCP software and implementation. However, at no time did I consider the solution to be one of dismemberment, but rather one of modification and evolution. I accepted my current position 18 months ago, because I realized the considerable potential of this system for medical administration and patient-care related research. I remain convinced that my initial assessment was accurate.

In closing, let me assure you that I believe that it would be fiscally and managerially irresponsible to undertake the delays and/or changes that appear to be contemplated. The responsibilities of Congress and the needs of Veterans would be served far better by a continued critical review of the DHCP and the provision of the resources required for its proper and healthy evolution.

Sincerely yours,

IRA B. TAGER, M.D., M.P.H.,
Chief, Information Resources Management Service, Associate Professor of Medicine & Epidemiology, University of California, San Francisco.

THE MINING LAW OF 1872: ALL THAT GLITTERS IS NOT GOLD

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. RAHALL. Mr. Speaker, yesterday, the Subcommittee on Mining and Natural Resources conducted an oversight hearing on the mining law of 1872.

This law allows individuals and companies to stake mining claims on public lands for a variety of minerals such as gold, silver, and copper. A valid mining claim represents an exclusive right to the land and the minerals are produced without any obligation to the Federal Government, which is to say that no revenues are collected for the extraction of these minerals by private entities from public lands.

In addition, there are no diligent development provisions under the law with the exception of a requirement that the claim holder conduct at least $100 worth of work on the claim each year. As such, nothing prevents a claim holder from simply doing nothing with the claim. Another feature of the 1872 law allows the claim holder to obtain full title to the land upon application to the Bureau of Land Management and proof of the validity of the claim. The title, known as a patent, costs the applicant either $2.50 per acre or $5 per acre depending on the type of claim.

Obviously, in this day and age allowing an individual or company to extract gold and silver from public lands free of charge and selling off these lands for a mere $2.50 to $5 an acre seems outrageous. I would expect this is something that is not widely known among the American people.

The mining law of 1872 invokes strong emotions from those who engage in activities under its auspices. They view this statute which has remained fundamentally unchanged since President Grant signed it into law, as a basic right to use their entrepreneurship and explore the public domain for minerals, produce those minerals and even gain title to the land without Federal Government interference. This is the principle of self-initiation and free access that is so cherished as being the hardrock miner's right.

There are certain benefits to such a system. Due to the geological character of these minerals it would be difficult to find them if prospectors did not have access to large areas of public lands for exploration purposes. In effect, discovering an area rich in gold is vastly different from locating a coal seam or an oil reserve.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

On the other hand, once the minerals are found, there are certain public interest questions which must be asked with respect to a law which allows claims to be staked on public lands without any diligent development critieria, provides for the production of valuable public mineral resources without any return to the Federal Treasury, and enables the land to be transferred to the private sector for an amount, on a per acre basis, less than what it costs for a six-pack of beer.

Efforts to reform the Mining Law of 1872 date back to 7 years after it was enacted. The last time serious consideration was given to updating provisions of this law was 10 years ago. Since 1977, however, there has been a dark and uneasy silence cloaking any discussion of the mining law primarily due to the rather emotional battles that were fought between the environmental community, seeking outright repeal and replacement with a Federal leasing system, and the mining industry which, while recognizing that improvement could be made, found that there was little chance to find common ground with the reformists.

During yesterday's subcommittee hearing representatives of the environmental community made what I believe to be a historic announcement. The National Wildlife Federation stated its support of amendments to the Mining Law of 1872 which would not impose a leasing regime, but rather, leave intact a system based on self-initiation. These amendments would repeal the patenting provisions of the law that provide for the disposal of public lands fur $2.50 to $5.00 per acre and which are not necessary to legitimate mineral developers, incorporate diligence provisions which would ensure that mining claim holders are working toward the development of the mineral, require a rental for the surface use of the claimed area, and seek some assurances that the area once mined would be reclaimed. This proposal was also forwarded by the National Audubon Society.

From the standpoint of the mining community, there are a number of provisions of the Mining Law of 1872 which continue to pose problems to efficient mineral development. Many of these problem areas where discussed during the hearing. However, due to their fear of a leasing system, the mining industry by and large has not been prone to suggesting amendments to rectify these items.

I believe that the time is now ripe for serious discussions to take place between the environmental community and industry on this matter. The National Wildlife Federation is making a good faith effort to come forward with some pragmatic proposals which with the input of the mining industry will provided for a vastly improve mining law that will enhance legitimate mineral developments on public lands while conforming these activities to the public interest.

CONGRESSIONAL EXAMINATION OF PERSIAN GULF ISSUES

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. FASCELL. Mr. Speaker, for nearly 40 years, United States national security interests in the Persian Gulf have been maintained by a combination of diplomatic, economic, and security activities and a U.S. military presence in the strategically important region. Most importantly, this foreign policy has been supported by both Democratic and Republican Presidents and the Congress.

Over the last year, however, the exposé of the Iran fiasco, the proposal to reflag Kuwaiti tankers, and the tragic U.S.S. *Stark* incident have demonstrated that the administration has pursued contradictory policies that have undermined efforts to end the 7-year-old Iran-Iraq war and has not presented a coherent statement of United States objectives in the region. In brief, the administration's activities in the Persian Gulf have raised serious questions about United States policy objectives in the Persian Gulf and about the means being used to achieve those objectives. In recent weeks, Persian Gulf policy has rightly been a matter of keen interest to many of our colleagues.

The Committee on Foreign Affairs has been focussing on Persian Gulf policy issues for a long time. The Subcommittee on Europe and the Middle East and the Subcommittee on Arms Control, International Security, and Science have held numerous hearings over the years on U.S. diplomatic, economic, and security programs in the Persian Gulf.

Since earlier this year when the proposal to reflag some of Kuwait's tanker fleet surfaced, the subcommittees have been more active. The Subcommittee on Europe and the Middle East held two briefings on the Kuwaiti proposal for Members of the Committee. In addition, several staff briefings were held with the Department of State, the Joint Chiefs of Staff, the Central Intelligence Agency, and the Department of Defense.

Over the past 4 weeks alone, the committee has had five hearings on the Persian Gulf. We have heard testimony from the Department of State on two occasions, the Department of Defense, the Joint Chiefs of Staff and, just yesterday, fron several of our colleagues in the House of Representatives who have introduced legislation on this subject. Further hearings will be held. The proposal to reflag the Kuwaiti tankers remains a matter of keen interest to Members. And the Committee on Foreign Affairs wants to be advised on an ongoing basis before the implementation of any new directions, obligations or responsibilities in this vital region.

The development of a viable policy in the Persian Gulf will depend on many factors including the accurate articulation of U.S. objectives in the region, the development of policies able to protect and promote U.S. interests, and our ability to fashion a bipartisan policy through close and sustained consultations between the executive branch and the Congress. Such consultations must include detailed answers to the many understandable questions which have arisen in the last 4 months over the reflagging issue. The Committee on Foreign Affairs has had many such queries awaiting a reply for several weeks.

I know that my colleagues share my concern that it is crucial for us to restore and sustain a national security and foreign policy that has bipartisan support in Congress on this and other key issues. The Committee on Foreign Affairs will continue its process of scrutiny of United States policy goals and policy implementation in this important area of the world.

Our objective remains having the administration pursue policies, supported by the Congress and the American people, which will result in effective and coordinated international action to bring a peaceful and negotiated settlement to the conflict in the Persian Gulf region.

A WELCOME ADDITION TO THE FIELD

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. EDWARDS of California. Mr. Speaker, editorial comment from every part of the country has greeted the announcement by our distinguished colleague, PAT SCHROEDER, that she may well be a serious candidate for President.

"A welcome addition to the field" is the observation of the Christian Science Monitor's editorial of June 19. It is printed below for the edification of my colleagues and other readers of the RECORD.

[From the Christian Science Monitor, June 19, 1987]

SCHROEDER TESTS THE WATERS

The latest instance of the "Why not me?" approach to running for president seems to be Representative Patricia Schroeder.

And, indeed, why not?

After surveying the wide field of contenders, the Colorado Democrat has been in New Hampshire lately, sounding out the possibilities of making a run for the White House herself. She has said she plans to reach a decision by summer's end.

The questions are whether that would be too late to start a successful campaign (a mere year before the election!) and, more important, whether the funds would be there to support a Schroeder campaign. "No dough, no go," she is wisely saying.

Despite the large number of contenders already there, the Schroeder candidacy would be a welcome addition to the field.

She would be, of course, the first woman from a major party to announce here candidacy since 1972, when Shirley Chisholm declared for president.

Presumably a Schroeder candidacy would encourage other women into other races.

Schroeder might lose, but so what? Men run for office and lose all the time.

She has a number of things going for her. She was first elected to the House in 1972, which gives here a seniority edge on some of the announced Democratic contenders.

She has solid experience in "hard" issues, such as defense, as a result of her long tenure on the House Armed Services Committee, as well as "soft" issues, such as family policy.

She has an agenda. And in the debate over such legislation as the parental-leave bill, she has cogently articulated the issues of the economic restructuring of the American family. Specifically, she has articulated these as family issues, and not just women's issues—and that has been good tactics and good strategy.

She is known as "squeaky clean," and that should prove useful at a time when personal morality has become such an issue. Somewhat ironically, she had been co-chairwoman of both of Gary Hart's presidential campaigns. It was the abrupt fall from grace of her Colorado colleague, whom she had been quite close to on issues, that sparked her interest in running herself.

There are some difficults, to be sure—"personal" quirks of the type that are, alas, almost inevitably going to be held against her more than they would be against a man.

She has one of the quickest tongues in politics; will that be held against her, or will she be appreciated for her straight talk? There's one good way to find out.

TRIBUTE TO GORDON HOWARD DRAKE

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SKELTON. Mr. Speaker, on July 4, 1987, the city of Warsaw, MO, will pay tribute to one of its own. Gordon Howard Drake, who recently completed a 20-year term as mayor of that community, will be the subject of a recognition ceremony.

It is fitting that the recognition be held on the Fourth of July. Mayor Drake's life reflects the qualities we celebrate as Americans.

Following graduation from a small country high school in Warsaw, Gordon Drake went to the University of Missouri where he earned his bachelor's degree and was named Phi Beta Kappa. He also earned a master's degree in agricultural economics.

With those degrees and honors he served during World War II in the U.S. Army as an enlisted soldier.

After the war, he returned to his home of Warsaw and purchased a store which he has run continuously. He served 8 years on the Warsaw board of alderman and was elected mayor in 1966. He held that position for 20 years.

Mayor Drake has participated in the Lions Club and the Benton County Historical Society and is a member of the Methodist church.

Mr. Speaker, it is a pleasure to use this statement to join with the residents of Warsaw in their tribute to Gordon Howard Drake. His record of personal development and public service is one which deserves recognition in hope that others will be inspired to emulate his achievements.

GINETTA SAGAN HONORED FOR DISTINGUISHED PUBLIC SERVICE TO THE DISADVANTAGED

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. LANTOS. Mr. Speaker, I would like to call to the attention of this House the distinguished public service and contribution to human rights of my dear friend Ginetta Sagan.

Today at the Supreme Court Building, Mr. Speaker, a number of distinguished Americans received the Jefferson Awards from the American Institute for Public Service. These awards are given annually to honor the highest ideals and achievements in the field of public service in the United States.

Historically, public service in the United States has been held in low esteem. These awards have been established by the American Institute to dramatize excellence in public service, and they are intended to recognize individuals in a fashion that is similar to the Nobel or Pulizer prizes.

Ginetta Sagan is a most worthy recipient of the award for "The Greatest Public Service Benefiting the Disadvantaged." She has an outstanding commitment and devotion to human rights. At 19, she was a messenger for the anti-Fascist Italian underground. In 1945 she was captured by the Fascist secret police and was subjected to electic shocks, near drownings and burnings, rape and beatings. During her recovery, she was given a letter from a young doctor whose torture she had been forced to witness. Knowing he was about to die, he wrote: "Do everything you can to survive. There will be other human beings in the same condition as we are. Let your voice be heard!"

She has let her voice be heard. She is the founder of the Western Regional Section of Amnesty International USA; she has worked tirelessly on behalf of those subject to torture from Iran to Chile, from the Philippines to Cuba. She has also established the Aurora Foundation to document and combat the continued abuse of human rights throughout the world.

Using her own funds, she launched a far-reaching investigation into reports of human rights violations in postwar Vietnam. Her report is a shocking account of mass persecution and political murder. It identifies more than 100 camps throughout Vietnam in which political prisoners have been tortured and held for long periods of time. The international reaction to Ms. Sagan's report was a major factor in the decision of the Vietnamese Government's decision to release several thousand prisoners.

Mr. Speaker, the remarks that were made by Ms. Sagan today are significant, and I commend them to my colleagues.

STATEMENT OF GINETTA SAGAN AT THE PRESENTATION CEREMONY OF THE 1987 JEFFERSON AWARDS, JUNE 24, 1987

I am honored in this bicentennial year of the Constitution to accept an award bearing the name of Thomas Jefferson. I know that he would have enthusiastically endorsed the principles of the Universal Declaration of Human Rights, a natural extension of the declaration of independence and the Bill Rights to all persons everywhere in the world. These two documents have inspired my work with Amnesty International and the Aurora Foundation on behalf of people deprived of their fundamental freedoms, as well as my conviction that individuals can make a difference in securing the rule of law and justice for all—as Jefferson did.

I take enormous pride in accepting this award in the Supreme Court, a powerful symbol of the fundamental guarantee of the right to equal treatment of all persons.

I came to this country as an adult with a desire to freely express my views and to work on behalf of those who are oppressed as I had been. I am sure that this award will inspire others to take advantage of the abundant opportunities for service on behalf of today's victims of oppression. As in the past, it is not the evidence of injustice that is lacking; it is the courage to believe in and act upon this evidence to help these victims that are missing. We can truly help. Silence in the face of injustice is complicity with the oppressor.

I gratefully accept this award not only for myself but also on behalf of my co-workers for human rights and all prisoners of conscience everywhere who at this moment cannot speak for themselves.

THE GREAT LAKES WATER RELIEF AND ECONOMIC PROTECTION ACT OF 1987

HON. F. JAMES SENSENBRENNER, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SENSENBRENNER. Mr. Speaker, my good friend from Illinois JOHN PORTER and I have introduced H.R. 2758, the Great Lakes Water Relief and Ecomomic Protection Act of 1987. This legislation is a combination of Representative PORTER's bill, H.R. 2284 and my bill, H.R. 247, both which have broad based support in Congress. As in both of the earlier bills, this new legislation provides for an increase of water through the Chicago diversion.

The bill authorizes the Army Corps of Engineers to draw more water from Lake Michigan through the Chicago diversion whenever high levels endanger the shoreline. The release would begin when the lake exceeds a monthly average level of 579.2 feet and be limited to a maximum rate of 10,000 cubic feet per second.

The bill also contains language prohibiting diverted water from being used for public or private development, eliminating concern of a water grab by any State outside the Great Lakes basin.

This unified bill gives Illinois assured protection against downstate flooding. The bill alleviates concerns Illinois residents and officials may have on the safety of their downriver communities. I commend JOHN PORTER for his willingness to work with Wisconsin on this legislation.

Mr. Speaker, following my statement I have enclosed a copy of the bill for inclusion in this statement:

H.R. 2758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Great Lakes Water Relief and Economic Protection Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that—

(1) Great Lakes water levels have set new records and are projected to remain dangerously high for at least several years;

(2) coastal flooding and shoreline erosion along the Great Lakes have become serious problems, and have caused extensive damage to lakeshore property;

(3) in an initial report to the governments of Canada and the United States in response to the August 1, 1986, reference concerning high levels in the Great Lakes, the International Joint Commission—

(A) noted that there are several control measures which could be implemented using existing facilities to lower levels on some of the Great Lakes, or which if all implemented together could lower levels on all of the Great Lakes; and

(B) recommended that, although an analysis of the impacts will not be completed until August 1987, these control measures should be given immediate consideration; and

(4) control measures which can be immediately undertaken to provide some relief from high Great Lakes water levels include—

(A) increasing the rate of diversion of water from Lake Michigan at Chicago, Illinois; and

(B) increasing the rate of flow of water from Lake Erie to Lake Ontario by maximizing the rate of flow of water through the Black Rock Lock facility.

SEC. 3. GREAT LAKES WATER LEVEL CONTROL.

(a) IMPLEMENTATION OF EXISTING CONTROL MEASURES.—

(1) IN GENERAL.—The Secretary of the Army shall as soon as practicable after the date of the enactment of this Act—

(A) increase the rate of diversion of water from Lake Michigan at Chicago, Illinois, whenever the level of Lake Michigan exceeds an elevation of 579.5 feet on a monthly average;

(B) maximize the rate of flow of water through the Black Rock Lock; and

(C) implement such other measures as are formally agreed to by the Government of Canada and the United States as a result of negotiations referred to in section 4;

as necessary to protect shoreline interests along the Great Lakes from injury resulting from high lake levels in the Great Lakes.

(2) ADJUSTMENT OF RATES OF DIVERSION AT CHICAGO.—

(A) IN GENERAL.—Any adjustment in a rate of diversion of water from Lake Michigan at Chicago, Illinois, pursuant to paragraph (1) shall—

(i) be accomplished incrementally;

(ii) take into consideration the effects of the adjustment on the Illinois Waterway;

(iii) be implemented by the State of Illinois and the Metropolitan Sanitary District of Greater Chicago under the direct control and supervision of the Secretary of the Army;

(iv) not be included in the State of Illinois' accounting of diversion of water from Lake Michigan under any decree of the Supreme Court;

(v) not result in a rate of diversion from Lake Michigan at Chicago, Illinois, in excess of 10,000 cubic feet per second; and

(vi) be carefully controlled and stopped or reduced, as directed by the Secretary of the Army—

(I) whenever bankful conditions at established flood warning stations on the Illinois Water or Mississippi River are predicted; and

(II) as necessary to maintain safe navigation conditions.

(B) EXCEPTIONS.—The Secretary of the Army shall reduce the rate of diversion of water at Chicago, Illinois, below any rate required by paragraph (1) as the Secretary determines is appropriate during any period in which—

(i) river stages are near bankful conditions at the established flood warning stations on the Illinois Waterway or the Mississippi River; or

(ii) maintaining a rate of diversion of water from Lake Michigan in accordance with paragraph (1) would adversely affect water level necessary for navigational requirements of the Saint Lawrence Seaway in its entirety throughout the Saint Lawrence River and the Great Lakes-Saint Lawrence Seaway.

(3) REIMBURSEMENT OF STATES.—Subject to the availability of appropriations, the Secretary of the Army shall reimburse a State for any costs incurred by such State in implementing this subsection.

(b) MONITORING PROGRAM.—

(1) IN GENERAL.—The Secretary of the Army, in cooperation with other Federal and State agencies, shall establish a monitoring program to assess the impact on receiving and discharging waterways of control measures undertaken under subsection (a).

(2) REQUIREMENTS FOR PROGRAM.—Monitoring under a program established under paragraph (1) shall include—

(A) an assessment of the impact of each control measure on—

(i) water quality;

(ii) flood damage;

(iii) commercial navigation;

(iv) sediment transport;

(v) fish and wildlife; and

(vi) agriculture; and

(B) the ability of any control structure to safely store or discharge additional water.

(3) ADDITIONAL GAGING STATIONS.—The Secretary shall install additional gaging stations as necessary to carry out a monitoring program under paragraph (1).

SEC. 4. NEGOTIATIONS WITH CANADA.

It is the sense of the Congress that the President should as soon as practicable after the date of the enactment of this Act seek negotiations with the Government of Canada regarding—

(1) increasing the rates of flow of the Niagara River and the Welland Canal to their maximum levels;

(2) closing the Ogoki and Long Lac diversions into Lake Superior until such time as water levels of the Great Lakes may be maintained at approximately their long-term average, as measured during the period beginning January 1, 1900, and ending December 31, 1977; and

(3) establishing a comprehensive permanent management program for the maintenance of the water levels of the Great Lakes at approximately their long-term average as measured during the period beginning January 1, 1900, and ending December 31, 1977.

SEC. 5. USE OF DIVERTED WATERS.

(a) IN GENERAL.—Water diverted under this Act shall not be used for any permanent economic, resource, public, or private development except as expressly authorized under section 1109 of the Water Resources Development Act of 1986 (Public Law 99-662).

(b) INCIDENTAL USE BY GREAT LAKE STATE.—This section and section 1109 of the Water Resources Development Act of 1986 (Public Law 99-662) shall not be considered to limit incidental use of water diverted under this Act by any Great Lake State (as that term is defined in subsection (c) of section 1109).

DEBT: A CASE STUDY

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. BEREUTER. Mr. Speaker, on June 15, 1987 the Washington Post published a thoughtful editorial commending the Turkish Government for its handling of that nation's debt situation. I also would like to commend to my colleagues' attention Turkey's success in introducing domestic economic reforms that have laid the foundation for future growth and prosperity. Turkey has demonstrated that deficit reduction and careful adherence to free market policies can correct severe economic imbalances, a lesson our own Nation might heed in this hour of increasing protectionist sentiments.

DEBT: A CASE STUDY

Turkey went into its own foreign debt crisis five years earlier than the Latin American countries did. Now, a decade later, it is emerging as an example of success. A good many people in Congress think that Latin America is being forced by its enormous debts into a downward spiral from which the only escape is to cancel the debts on a grand scale. But the Turkish case argues persuasively that, with good internal management, even a country that has borrowed far too much can restore itself to strong growth and normal access to credit.

In 1977 Turkey ran out of money to service its debts. Its first response was simply to devalue its currency to improve its competitiveness. But devaluation alone accomplished little—a point that uneasy Americans are beginning to suspect may also apply to the United States. After several years of floundering and a military coup, Turkey set itself on a course of rigorous economic reform. As in many of the Latin countries, the tradition there had been inward looking, nationalistic, highly protectionist and suspicious of the rich countries. For seven years a turnaround has been under way. The International Monetary Fund recently published an illuminating description of it by George Kopits, one of its economists.

First, the Turks cut their budget deficit nearly in half, and the inflation rate dropped sharply. Then, with demand under control, they peeled the restrictions off imports and exports, letting the market set the exchange rate. Exports soared, and by last year the foreign deficit, even after all the payments for debt service, had dropped to one-fourth the 1980 level.

Some economists have argued that Turkey is a special case because its NATO allies, in view of its strategic location, were willing to keep lending heavily as it embarked on this transition. It's true that the IMF, the World Bank and several governments put up a lot of money to ease the process. But that's also an answer to those senators who oppose further lending to the Latin countries, arguing that it merely piles up unpayable debts more hopelessly than ever. It hasn't worked out that way in Turkey.

While Turkey now owes more than it did in 1977, its economy is stable and growing rapidly. The commercial banks will lend to it without coercion, as they will not to most of the Latins. Turkey's government is becoming less undemocratic and heavy-handed. It's still a country under strain. But it has demonstrated that many things are possible that Americans had often thought—and sometimes still think—were not.

TAKEOVER ATTEMPT AT SUPERMARKETS GENERAL—ANOTHER WOUNDED COMPANY?

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. FLORIO. Mr. Speaker, I've been in the forefront of those in the Congress who have sought to bring to public attention some of the serious adverse effects resulting from the recent wave of hostile takeover attempts. These adverse effects include loss of jobs, high debt load, dismemberment of once-successful companies, and loss of competitiveness of American industry.

Oftentimes, it doesn't even matter whether a takeover attempt fails or succeeds—the company—and its employees—is wounded either way. The target company is either taken over, often for the short-term profit of speculators, or it engages in defensive maneuvers that end up literally destroying the company in order to save it.

I've seen this happen with the recent unsuccessful takeover attempt at Owens-Corning. And now, we may be seeing another example at Supermarkets General, the owner of the Pathmark chain, which recently beat back a takeover attempt by the Haft family and the Dart Group. To beat back the takeover, the company has increased its debt from $60 million to $2.3 billion. Supermarket experts expect that Supermarkets General will need to sell or close some stores in order to service this debt. According to sources, stores in Woodbury and Camden, NJ, are high on the list of potential candidates for sale or closing.

What follows is an article from the June 14 Philadelphia Inquirer that describes the current situation at Pathmark.

[From the Philadelphia Inquirer, June 14, 1987]

BUY-OUT POINTS TO A BIG SALE AT PATHMARK

(By Barbara Demick)

Not long ago, Supermarkets General Corp. sat securely at the top of the heap among supermarket operators. The Woodbridge, N.J., company that runs Pathmark had all the requisite vital signs: robust sales and earnings a dominant position in most of its markets and an enviously harmonious relationship with its 53,000 unionized employees.

Of course, that was before it became a takeover target.

Now, Supermarkets General is in the throes of a massive leveraged buy-out designed to keep it free of the clutches of Dart Group Corp., an acquisitive retailing concern headed by Washington millionaire Herbert Haft. When the buy-out, engineered in partnership with Merrill Lynch, is completed early next month, the debt on Supermarkets General's balance sheet will swell from just $60 million to $2.3 billion.

Officials at Supermarkets General and Merrill Lynch insist they don't plan any widespread selling of stores to pay for the deal. But retail analysts believe otherwise, saying that stores in Philadelphia and New England, as well as the chain of Rickel home centers are likely candidates.

In the Philadelphia area, rivals such as SuperFresh, Acme, Thriftway and Genuardi's already are eyeing area Pathmark stores as potential purchases.

"It's going to be like a fat guy who can't get out of his chair," said Edward Comeau, an analyst with Wood Gundy Corp. in New York. "They are going to be so highly leveraged that it will impede their ability to grow and compete."

If this all sounds familiar, it should.

Supermarkets General wouldn't be the first supermarket operator to go through radical surgery to ward off a takeover attempt.

Lucky Stores, a California chain, last year attracted the eye of investor Asher B. Edelman. The company restructured itself to avoid a takeover. Since then, it has sold stores, closed stores and extracted concessions from employees, all to support the cost of that restructuring.

The most dramatic example is Safeway Stores Inc., the Oakland, Calif., company that once was the world's largest supermarket chain, with more than 110,000 workers. Like Supermarkets General, Safeway was the target of Dart's Herbert Haft.

Enter Kohlberg, Kravis, Roberts & Co. The investment-banking firm, the "white knight" of the deal, engineered a $4.1 billion leverage buyout. Since that deal was completed last November, the Safeway chain has lost a few links. The company has sold or closed divisions in Dallas, Salt Lake City, Richmond, Va., and California.

Meanwhile, Dart sold its stake in Safeway for a profit of nearly $140 million.

Thomas McNutt, president of United Food and Commercial Workers Local 400 in Landover, Md., estimates that 20,000 union jobs have been lost nationwide at Safeway.

"No one would care if someone wanted to take over Safeway because they thought they could run the company better. The problem is when you buy it just so you can turn over the real estate assets and make a buck and say the hell with the community, the hell with the people". McNutt complained.

He continued: "To see Haft destroy Safeway, and then to see them doing the same thing to Supermarkets General—all for nothing, for nothing but profits—well, something has to be done about these kinds of takeovers."

The fear among union leaders and Supermarkets General management was that Haft wasn't interested in running or managing Supermarkets General, but would break up the company and sell off divisions to maximize profits.

But will the leveraged buy-out be better?

Dart is expected to make out handsomely. Having accumulated 1.9 million shares of Supermarkets General stock, the unwanted suitor should reap a profit of at least $35 million by selling its shares at the $46.75 tender price.

The lawyers and investment bankers should do fine, too. According to documents filed with the Securities and Exchange Commission, the leverage buy-out will generate $78 million in fees.

Still, Supermarkets General and Merrill Lynch officials reject the notion that their deal is anything like the Safeway situation. They point out that Supermarkets General, going into the leveraged buy-out, is much stronger than Safeway was and insist that they will be able to keep the operation intact.

"It is not contemplated at this time that any of the company's principal assets will be sold—maybe little stuff, but nothing major," Raymond J. Minella, a managing director of Merrill Lynch, said when the leveraged buy-out was announced on April 22.

James Dougherty, a Supermarkets General executive who is to become president when the deal is completed, said last week that the company would keep all of its major divisions, including the Pathmark. Angelo's and Purity Supreme super-markets and Rickel home centers.

"No major portions of our business will be sold. There may be individual stores we might identify as under-performing, but that would have been the case anyhow."

Despite the company's best intentions, retail analysts and industry officials seem convinced that Supermarkets General will need to sell some stores.

According to the report filed with the SEC. the interest expense for the fiscal year that ends Jan. 31, 1988, is expected to be $208 million, compared with operating earnings of $171 million. On its balance sheet, the company will have $1.83 billion in long-term debt and $479 million in current debt, compared with just over $206 million in equity.

"Something has to give," said Wood Gundy analyst Comeau. "If they want to maintain the company with all its existing divisions, to continue with the high level of debt, I would be very skeptical. They would be nuts."

Susan Schmierer, an analyst with Prudential-Bache Securities in New York, agreed. "Definitely Rickels is for sale. . . . I assume that all of the grocery stores with the exception of Pathmark, and maybe some of the Pathmarks in Philadephia, are for sale."

Schmierer expects Pathmark to concentrate on New Jersey and Long Island, where it is a market leader. She and several Philadelphia retailers feel that Pathmark has had difficulty competing with its more aggressive Philadelphia rivals, Acme and SuperFresh.

According to one knowledgeable source, the Pathmarks in Philadelphia report sales of $400,000 to $450,000 per store per week, compared with store sales of $500,000 to $600,000 elsewhere in the chain.

The source and other industry insiders say that stores in Northeast Philadelphia, Woodbury and Camden are high on the list of Pathmark stores that could be sold or closed.

In the 15-country Delaware Valley area. Pathmark ranks third among supermarket chains with 29 stores reporting annual sales of about $675 million, according to Food Trade News, a local trade newspaper.

"One likely scenario is that Supermarkets General might well sell everything but its New York and New Jersey stores and become a very aggressive regional chain with a giant market share," said Robert Ingram, editor of the newspaper.

Food Trade News reports in its current issue that Supermarkets General has already sent out informational packages to potential buyers for at least one Pathmark store in the Philadelphia area.

The company also has started talking to the other chains about selling a store scheduled to open July 31 in Pottstown according to two industry officials with first-hand knowledge.

"We, and everybody else around here, are looking at their stores," said one supermarket executive, who asked not to be identified. "Supermarkets General is being very smart about this. They are really asking people what are you interested in, then telling you what's available.

A TWO-STRIKE SWING AT AFFIRMATIVE ACTION

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. EDWARDS of California. Mr. Speaker, in an era when much of corporate America has come to understand the value of affirmative action, an important sector of American life has yet to see the light—major league baseball. As recent articles have pointed out, baseball's record in hiring for managerial positions is atrocious and its excuses are reminiscent of an era best forgotten.

In a recent article in my hometown newspaper, William B. Gould IV, a distinguished professor at my alma mater, Stanford Law School, points out the problems that still exist and how far we have to go before they will be solved. I commend it to my colleagues' attention.

[From the San Jose (CA) Mercury News, June 15, 1987]

A TWO-STRIKE SWING AT AFFIRMATIVE ACTION

(By William B. Gould IV)

Jesse Jackson's threatened baseball protest and ex-Dodger Al Campanis' disparaging remarks have pointed out how different major league baseball is from U.S. business and industry.

Last week, baseball Commissioner Peter Ueberroth promised that major league teams would institute affirmative action plans. But more than press releases, fair procedures and job publicity—and even the advice of Berkeley's eminently qualified Harry Edwards—are needed to update this antediluvian sport.

Despite near-universal condemnation of Campanis' remarks that blacks lack the "necessities" to manage major league baseball teams, baseball's lack of equal opportunity is similar to the situation in other industries. Baseball must put its house in order promptly it if wishes to avoid the snares of governmental regulation.

As in much of American industry, elusive subjective criteria form the basis for evaluating managerial and front-office promise and performance. But the qualifications are even more vague than those of most companies where educational requirements pose the first hurdle to job access—circumstances which frequently induce the courts to mandate race or sex-conscious affirmative action remedies where racial minorities or women have been excluded.

The players are almost always the source of recruitment for managers and coaches' positions. The recruitment base for front-office jobs, however, is both in and outside of baseball. And those jobs are invariably filled through word of mouth, not through postings.

When subjective procedures result in no minority hires—and there is not one single black manager at the triple-A or double-A levels as well as in the majors—the courts have frequently found violations of fair employment practice law, of which the Civil Rights Act of 1964 is the most comprehensive. (Tommy Reynolds of the Modesto A's, the Oakland farm chain's single-A team, is baseball's only black minor league manager). But baseball is particularly vulnerable to outside scrutiny because it suffers by comparison to other industries in at least three respects.

First, even counting chefs as part of the front-office contingent (as do the California Angels, whose only black "management" official is a chef) the percentage of blacks is infinitesimal—even more disgraceful than much of the outside world which Campanis so roundly and properly criticized.

According to the Equal Employment Opportunity Commission, in medium and large U.S. businesses, 4.6 percent of officials and managers are black. The same statistics are found among professionals.

But in baseball, where only Hank Aaron holds a senior position in the front offices, 1.9 percent in the management *and* professional categories are black. Similarly unfavorable statistics hold for Hispanics and Asians.

Second, it is rare to find a "smoking gun" such as Campanis' statement in most employment discrimination controversies. Campanis is not alone in the baseball world. Many other officials articulate the same sentiments.

Third, most of corporate America practices affirmative action in one way or another. The fear of civil rights suits and government coercion in the '60s and '70s pushed industry toward race- and sex-conscious recruitment of qualified minorities women. That is why most companies lined up on the side of civil rights groups in the Supreme Court affirmative action litigation the past two years.

But baseball is different. The Philadelphia Phillies speak of "concerted" efforts to hire blacks—but none of their 37 managerial slots are filled by blacks. The Boston Red Sox's publications conspicuously announce an affirmative action plan—but that is the result of a settlement of a discrimination lawsuit.

Not one single club has devised a voluntary affirmative action plan of the kind the U.S. Supreme Court approved March 25.

That is why last week's developments are so important. Baseball could well be following the rest of corporate America next month—at long last.

The affirmative action plans should not include quotas at the major league field managerial level—although quotas or goals as a measure of progress might be appropriate in the minor leagues and in the front office where EEOC statistics testify to the ample supply of qualified minorities.

The plans need not be formulated at the commissioner level—for Ueberroth lacks effective policing and enforcement resources and he himself has employed no black officials in his office.

What remains to be seen is whether baseball's affirmative action plans will be specific and tough enough.

Indeed, there should be few problems finding qualified people even before the plans are formulated. Besides there being obviously qualified black candidates—Ozzie Virgil of Seattle, Don Baylor of Boston and Bob Watson of Oakland are just a few—baseball is losing out on a world of good talent.

About one-quarter of the players are black. The first club to hire a black manager could embarrass the rest with its success—just as the Dodgers did with Jackie Robinson in 1947.

It would be especially fitting if the Dodgers took the first step down the affirmative action road by hiring a black general manager. There exists a vacancy for that position.

TRIBUTE TO THE FIRST PRESBYTERIAN CHURCH OF PASSAIC, NJ, ON ITS 120TH ANNIVERSARY

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. ROE. Mr. Speaker, I rise today in tribute to a house of worship in my Eighth Congressional District of New Jersey that has been a shining beacon of faith to the residents of the Passaic, NJ, area for more than a century. I speak of the First Presbyterian Church of Passaic, which last month marked its 120th anniversary with a rededication service that was truly a "Victory Celebration." This celebration recognized the success of the congregation's proud parishoners in reaching their goal of raising $300,000 to restore their magnificent church to its original beauty. This restoration, which was completed during the past 2½ years, stands as a sacred monument to the faith and dedication of the parishoners of the First Presbyterian Church.

Mr. Speaker, the past of this important house of worship is a long and rich one. According to the church's official history:

In the year 1866 a small group of 22 Presbyterians decided they needed a house of worship. After many meetings, a decision was reached to rent space and obtain a pastor for Sunday services.

A building was found, known as the Howe Academy, which was located on Prospect Street, to start church life. It was a rental, and then March 6, 1987, with their first pastor, the Rev. Dr. Philo French Leavens, the First Presbyterian Church was officially founded. Services continued here until 1869 when larger quarters were necessary. Their next building, also a rental, was located on the corner of River Street and State Street where worship services continued until 1871.

The town of Passaic was gradually becoming industrialized, bringing in more and more people seeking a livelihood. The small group of Presbyterians grew in number quite rapidly to a point where larger quarters were needed to comfortably house the increasing membership. In their search during the year 1871 another building was found, then under construction and which resembled a House of Worship. After a series of discussions with the contractor, an agreement was reached to rent the building when finished. The location is on the corner of Park Place and Exchange Place. The building is still there being used for religious purposes.

During a 15-year period the Presbyterian membership continued to grow to a point when larger quarters again became necessary. At a meeting of the congregation it was decided to discontinue the renting program and raise funds to build their own House of Worship, which became a beautiful brownstone edifice located on the very same spot (where) our present church building now stands. The new Brownstone Sanctuary was officially dedicated to the Glory of God on December 30, 1886. The Rev. Philo French Leavens continued his ministry here which ended with his death in 1904.

Two years later in 1906, the Rev. Dr. James Dallas Steele was installed as Pastor to continue the ministry until 1921 when he resigned his pastorate. Again interim pastors were called to continue regular church services during a two-year period when the Rev. Dr. George Harold Talbott became the third pastor. Dr. Talbott was installed in May 18, 1923.

The membership continued to grow and more space was needed to carry out a growing ministry. Unfortunately, the Brownstone church building did not lend itself to expansion architecturally for it would spoil the entire exterior in appearance. Therefore, the Brownstone building was razed in 1929 to be replaced by the Cathedral-like Gothic structure which is currently the House of Worship for the First Presbyterian Church of Passaic.

For 41 years as pastor, Dr. Talbott was held in high esteem by his congregation and in public life as well. He retired in 1970 for health reasons, but was always ready to bring a bit of joy and the spirit of love into everyone's life. To continue the ministry, Rev. Ralph A. Boult was installed as pastor on April 12, 1970 to carry on the ministry in this great church.

The church building was completely restored to its original beauty during the past two-and-a-half years, 1985-1987. The Rededication Services were held in the Sanctuary on this sacred day, May 3, 1987. In the current year, 1987, the church also celebrates 120 years of devoted service in Passaic and surrounding areas since 1867.

Mr. Speaker, there were many people who were instrumental in helping realize this dream of a restored First Presbyterian Church of Passaic. Not the least of those who were involved in leading the effort to reach the restoration goal of $300,000 was Elder Albert W. Steffner, a 50-year-plus member of the church who served as chairman of the restoration and revival campaign. Mr. Steffner, Rev. Ralph A. Boult, board of trustees President Lois Schneider and all those who gave of themselves to make the dream of a restored First Presbyterian Church come true deserve the deepest gratitude of not only those for whom this house of worship is a spiritual beacon, but of all Americans who recognize the right to worship as one chooses is one of the most vital rights we enjoy in this great country.

CHARITABLE DEDUCTION FOR DISASTER ASSISTANCE

HON. JIM LIGHTFOOT

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. LIGHTFOOT. Mr. Speaker, it is only in times of hardships that we truly recognize the generosity and kindness of our neighbors.

As we saw last year during the drought in the Southern United States, hundreds of individuals came through for those suffering disaster loss. Huge quantities of hay and livestock feed were contributed to those who faced feed shortages.

Just recently, my own congressional district, Iowa's Fifth District, was confronted with heavy rains and flooding which affected thousands of people.

I would like to make it easier for individuals to help out each other in times like this by introducing legislation today to allow a tax deduction for contributions of agricultural property for victims of natural disaster.

This type of contribution is, in every sense, a charitable one and should be treated the same as other charitable contributions.

I welcome the support of my colleagues for this worthy measure.

A BILL TO REQUIRE INCREASED STORAGE OF CRUDE OIL IN THE STRATEGIC PETROLEUM RESERVE

HON. MICKEY LELAND

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. LELAND. Mr. Speaker, recent developments in the Persian Gulf have again reminded us all of the critical importance of oil to our Nation and economy, and have also reminded us of our continuing vulnerability to an oil disruption originating in the volatile Mid-East and Persian Gulf regions.

This vulnerability exists now, and may well grow ever larger in the coming years. We all know that.

We also know that we must prepare now to limit that vulnerability and protect our Nation.

A significant part of that preparation has got to be increased attention to the Strategic Petroleum Reserve [SPR]. Our SPR is the major way to quickly and effectively replace the huge volumes of oil that could suddenly be lost in a large disruption, and thereby prevent panic bidding and steep price rises on the world and national markets.

The bill I am proud to introduce today will significantly increase the fill rate of the SPR, and by making SPR larger, will make energy consumers and our Nation safer from a disruption.

While this measure will reduce the cost to the Federal Government of filling SPR, it will impose some minimal costs to all oil consumers. My cosponsors and I recognize that.

But we also recognize that our consumers—and our servicemen and taxpayers—will have to bear much greater costs if we do not improve our energy policy and prepare now to limit our growing vulnerability.

Let me briefly summarize what the bill requires:

1. Importers of crude and refined oil into the United States would each have to store about 2 percent of their net imports in the SPR. The 1975 Energy Policy and Conservation Act has discretionary authority for such a program, which this proposal would make mandatory.

2. Importers of refined products would contribute not refined products, but the equivalent in crude oil (SPR only holds crude).

3. The 2 percent contribution by all importers would provide a total of 100,000 barrels per day for SPR. The Department of Energy would from time to time adjust that percentage so that, over time, SPR is neither underfilled or overfilled.

4. Importers would continue to own their 2 percent contribution. But SPR oil could still be sold only in a crisis, and only by the President.

5. Importers would receive the sales revenues from their 2 percent contribution in a crisis, making this program in effect a mandatory oil storage requirement for importers.

6. Contribution of actual physical imports is not required. Exchanges, "paper" swaps, credits, and payments would be used by DOE to minimize unnecessary shipping costs and ensure injection of the proper grade and mix of crude oil into SPR.

7. The 520 million barrels now in SPR would remain owned by U.S. Government.

8. But the extra 36 million barrels of "private oil" added each year under this program would also benefit the public in a crisis: the key to SPR's effectiveness is its size, and ability to rapidly pump large volumes to consumers on short notice.

9. To maximize the present value of the privately-owned volumes of oil, encourage an early drawdown in a crisis, and spur private trading in these "SPR futures," DOE would consider the privately owned oil to be the first drawn out of SPR in any crisis.

I hope my colleagues will also consider the specific benefits of this proposal:

Consumers plainly benefit from a larger SPR. The difference between a 100,000 barrel/day fill rate under this proposal, and the 35,000 barrel rate recently proposed by Administration, is 24 million barrels each year.

That's about 150 million extra barrels in SPR by 1993.

Rising future U.S. oil imports mean we need a bigger SPR just to maintain the same protection we now have.

Oil is relatively cheap now, and the public or private cost of filling SPR is lower than if prices were high.

Treasury savings of more than $700 million result from using this program, instead of having the United States buy 100,000 barrels per day. That's a significant cut in the deficit.

This is not an import fee, but is instead a storage requirement. I fully recognize the great need for stability in the oil market—this stability could result from an oil import fee. There currently is legislation in this Congress which would impose import fees. I will continue to work with the sponsors of such legislation to that end. Today, however, the legislation introduced today is yet another positive step toward restoring strength to our oil economy.

However at most, importers would under this bill raise their prices by 40 cents per barrel on the 5 million barrels imported each day into the United States. However, the stored oil still has some value to the private owner/importer, so prices may rise by less than 40 cents.

Less than 1 cent per gallon is the consumer price impact, even if all domestic oil producers raise their prices by 40 cents per barrel to match the price rise in imported oil.

All energy consumers gain from a bigger SPR, because an oil price shock boosts the prices of all fuels, including oil, natural gas, gas-fired electricity, et cetera.

I hope my colleagues from the Northeast will consider that the price burden of this proposal is evenly distributed among all regions: First, oil is a fungible commodity, and any price rise in imported oil is spread by the market evenly to all volumes of all oil, both imported and domestic, and also to fuels like natural gas that compete with oil.

Second, it is true that the Northeast uses more imported oil than other regions; but the Midwest uses much more natural gas than the Northeast, and the West and the South use much more gasoline than the Northeastern drivers do. Thus, just as all our constituents will, I believe, be sharing in the benefits of this bill, they also will all share in its minimal extra costs.

VIEWS FROM BACK HOME

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. WALGREN. Mr. Speaker, recently I asked Pittsburgh area residents of the district I am privileged to represent to give me their views on a number of important subjects by responding to my annual questionnaire.

I am pleased to report that thousands—in fact, over 10,000 residents—took the time to answer. Many also wrote personal letters outlining their views in greater detail than is ever possible in multiple choice questionnaires.

I am grateful to each of the citizens who responded, and I would like to report the results of that survey to my colleagues in the House of Representatives.

(1) FAMILY ECONOMICS

Pennsylvania has been one of the areas hardest hit by the economic recession and the devastating trade deficit of the mid-1980's. Even in my generally well-off suburban district of Pittsburgh, hard times remain and many feel the national recovery has passed them by.

Only 25 percent of respondents say that their family's economic situation is better now than when the Reagan administration began in 1981. Some 32 percent say they are worse now with 43 percent describing their situation as about the same.

The record trade deficits associated with the Reagan administration has cost thousands of American manufacturing jobs that are concentrated in areas like Pittsburgh. The loss of these jobs is felt both directly in lost employment and now, tragically, in the threat to pensions of retirees as bedrock companies like LTV and Wheeling-Pittsburgh Steel go bankrupt.

Not suprisingly, with the recent bankruptcy of major corporations in Pittsburgh, some 63 percent are concerned that their pensions may not be there when they retire. Clearly Congress must act quickly to protect the pensions of all Americans from this devastating consequence of the trade deficit.

(2) THE BUDGET DEFICIT

When it comes to national issues, over 70 percent of those responding finger the current budget deficit as one of the two most important problems facing the country in 1987.

Area residents recognize that the national debt has doubled under the borrow and spend policies of the Reagan administration. Now, under the Gramm-Rudman Deficit Reduction Act—which I supported—the President and Congress are obligated to reduce the deficit to $108 billion in 1988.

While the President and Congress have different views on how to achieve that deficit reduction, only 10 percent of the people in my district endorse the Reagan approach to deficit reduction. This is a drop in support for the President's budget. In 1985, 22 percent of our residents favored the Reagan budget.

A large majority—68 percent—support a freeze in military spending, cuts in domestic programs where possible, and an increase in taxes on upper income levels.

Another 22 percent would maintain current domestic programs by cutting the military, and 10 percent support the Reagan budget proposal to increase military spending, cut domestic spending, and raise taxes through higher user fees.

The lack of support for the President's budget is reflected in the House which rejected the administration proposal by wide margins. In fact, the Reagan budget was rejected by a 6-to-1 margin with only 27 Republican Congressmen supporting it.

At the same time, the House-supported budget which increased military spending by $6.4 billion does not freeze Pentagon spending as most in the 18th District would like.

(3) TAXES AND BALANCING THE BUDGET

Despite the rhetoric, both President Reagan and Democratic leaders have proposed ways to raise new revenues to help balance the budget. But the nature of those tax increases differ. Pittsburgh area residents were asked which source of new revenues they would support.

None of the Reagan tax proposals receive majority support

The most popular Reagan tax increase is his proposal to raise National Park fees which is supported by 38 percent and opposed by 62 percent of the respondents.

Other revenue enhancements of the President receive the following vote:

The sale of Government assets is supported by 32 percent and opposed by 68 percent;

Raising student loan fees is supported by 18 percent and opposed by 82 percent;

Increasing FHA and VA mortgage fees is supported by 17 percent and opposed by 83 percent;

Taxing black lung disability benefits is supported by 9 percent and opposed by 91 percent; and

Increasing Medicare pemiums is supported by 7 percent and opposed by 93 percent.

Three of the alternative tax proposals did receive majority support, while two did not.

Some 66 percent of the respondents support a delay in the tax cuts under last year's tax reform bill for those who earn above $150,000. This proposal would raise $5 billion.

Some 59 percent support an increase in taxes on cigarettes, beer, and wine which would raise $7 billion, and a narrow majority of 51 percent support a 1 percent transfer tax on the sale of stocks which would raise $17 billion.

Two other proposals to increase taxes receive less support: a delay tax cuts for those who earn above $50,000 is supported by 46 percent and opposed by 54 percent. And the proposal to impose an import fee on foreign oil is supported by only 37 percent and opposed by 63 percent.

When asked directly, "should the tax reform measure of last year be changed to delay some rate cuts for the wealthiest Americans in order to help reduce the budget deficit," an overwhelming 78 percent said "yes."

(4) THE TRADE DEFICIT

The trade deficit is singled out by 48 percent of questionnaire respondents as the second most important problem facing the country. This is certainly reflected by many of us in Congress who recognize that it is intolerable that the world's largest creditor nation has become its largest debtor in a few short years.

While 53 percent of those responding say that the sharp rise in imports has had an adverse affect on their family, only 24 percent describe themselves as protectionist.

At the same time, only 12 percent call themselves free traders opposed to efforts in Congress to restrict any foreign company from U.S. markets.

The vast majority—64 percent—say they are a little of both and believe that Congress should restrict goods from only those foreign countries which do not allow us to compete in their markets.

Asked specifically what Congress should do now that the United States has become the world's largest debtor nation, 40 percent favor temporary quotas to protect American jobs and 40 percent heavy taxes on foreign goods from countries which sell more to us than they buy. Only 20 percent would no nothing.

The recent trade reform bill approved by the House reflects the majority view in the 18th Congressional District. It strengthens laws against unfair foreign trade practices and requires retaliatory action when foreign countries violate trade agreements or have an excessive trade surplus and a pattern of unfair trade practices. The adoption of the amendment offered by U.S. Representative RICHARD GEPHARDT has significantly improved the bill.

HEALTH ISSUES

On health issues, 56 percent favor expansion of the President's proposed catastrophic health program which is limited to just the elderly under Medicare. Residents believe that catastrophic health insurance should cover all ages. While the President is unwilling to consider this improvement in the program, I hope the Congress will take note that medical catastrophes are not limited to the elderly—they can hit young and old at any time and can bankrupt growing families as well as senior citizens.

Similarly, since private insurance and Medicare do not cover nursing home care, 56 percent also say that Congress should create an insurance program to provide coverage for nursing home care along the lines of Medicare. Right now, one out of five Americans will eventually spend time in a nursing home. Most families must use up all their savings or sell their homes, car, and other assets in order to pay for this care. We are one of the few countries left that force people to impoverish themselves to qualify for nursing home care.

THE IRAN/CONTRA AFFAIR

Although 58 percent of the 18th District supported the President's reelection in 1984, nearly two-thirds of all residents—64 percent—today believe that the Iran-Contra Affair has affected the President's ability to lead the Nation.

And an identical number—64 percent—oppose continued U.S. military assistance to the Contras in Nicaragua.

I share this view. Although I have supported the President when I believe he was right, the sale of arms to Iran in exchange for hostages was wrong. It was doubly wrong when it was done behind the backs of the American people and the Congress. I have also consistently opposed military aid to the Contras and will continue to do so.

(7) DRUG TESTING

On drug testing, residents were asked if they believe private companies and government should be allowed to test employees for drug use. Only 14 percent believe that such testing is an invasion of personal privacy, with 45 percent supporting drug testing for all positions. Another 41 percent would permit drug testing but only for sensitive positions.

(8) CONCLUSION

Congressional surveys like this one are not scientific. Not every citizen responds. Still, along with the regular town meetings I hold and the letters I receive, these questionnaires help me to be a better representative.

Although three out of four people in the Pittsburgh area do not feel their own economic situation has improved during the Reagan years, there is clear recognition that the Reagan administration is right to focus attention on the budget deficit. Yet, 9 out of 10 residents do not believe the President has struck the right balance in his approach to deficit reduction.

While nobody wants higher taxes, the revenue enhancements proposed by the President are uniformly rejected as are some of the alternative proposals. But, most residents in the 18th District recognize that we cannot continue to "borrow and spend." That is why three out of four are willing to delay some tax rate cuts for the wealthy in order to reduce the deficit.

The trade deficit strikes close to home in Pittsburgh, which explains why eight out of ten residents favor quotas or tariffs on goods from countries which have a trade deficit with the United States. Since the President has been unwilling to protect American jobs from unfair foreign competition, the public clearly expects Congress to act.

Mr. Speaker, I appreciate the guidance that my constituents give me by responding to my annual questionnaire, and I will do my best to see to it that the House of Representatives takes our views into consideration.

HONORING THE RETIREMENT OF MS. JEANNE FINDLATER

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. HERTEL. Mr. Speaker, I rise today to honor the retirement of one of Detroit's greatest friends and civic leaders, Ms. Jeanne Findlater, from WXYZ-TV in Detroit.

She began with the station in 1971 as a producer and held a number of positions in the production department before her promotion to vice-president and general manager in 1979. It is a testament to her abilities and dedication that she remained in her position through the change in ownership from ABC, Inc., to Scripps-Howard.

During her tenure at WXYZ-TV, the station has won numerous civic and industry honors, and has been a leader in local program productions. Some of its most successful programs include, "Hot Fudge," an award winning syndicated series for children, "Kelly & Company," and "Learn to Read," a soon-to-be nationally syndicated program designed to help illiterate adults.

Although the first 2 years of Ms. Findlater's professional life were not spent in the communications industry, she certainly exibited her caring and concern for others as she taught school to mentally retarded children in the inner city of Detroit.

After teaching school, Jeanne Findlater became a producer for the "Lou Gordon Show" at WKBD-TV, and a news program producer for WTVS, the public television station in Detroit. She then worked as a reporter and associate editor for Detroit magazine, the Sunday publication of the Detroit Free Press. It was from there that she went to WXYZ-TV.

In addition to the hard work and dedication she has provided to WXYZ, Jeanne Findlater has served as an officer or member of a number of boards of directors of industry, civic, and charitable organizations. These include the United Foundation, the Michigan Association of Broadcasters, the National Academy of Television Arts and Sciences, the Adcraft Club, the chamber of commerce, and the Detroit Convention and Visitors Bureau. She has also served on various governmental commissions including the Governors Commission on Jobs and Economic Expansion and the Citizens Commission to Improve Michigan Court.

Her talents have not gone unrecognized as she has received a number of honors for her community service, including one from her alma mater, Wayne State University. In addition, Ms. Findlater has been honored by the NAACP, National Action for Children's TV, SCLC, the Detroit City Council, WIC, the State of Michigan, Mercy College, AWRT, and the American Lung Association.

I would like to continue this tradition and ask my colleagues to join me in honoring, and thanking, Jeanne Findlater for her years of unselfish giving to our community. Good luck, Jeanne, and the best to you on the occasion of your retirement.

HIGH PRESSURE

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. BONKER. Mr. Speaker, this morning I chaired a hearing by the Aging Committee's Subcommittee on Housing and Consumer Interests entitled, "High Pressure, Low Benefits: Unfair Practices in Marketing Medigap and Other Insurance to the Elderly." During that hearing we outlined problems with the marketing of insurance to the elderly including: deceptive advertising; cold lead mailing houses; high pressure sales techniques by agents; and insurance companies that have exorbitant profits through low loss ratios and create incentives for unethical practices by agents.

The whole practice of peddling insurance to our older citizens represents a shameful record of preying on the fears of a vulnerable segment of our population: fear about the extraordinary cost of health care: fear about the inadequacies of medicare; and fear about leaving a great burden on a spouse or children.

Sales techniques used by the Medigap insurance industry have been referred to as "Mediscare." I think these reprehensible practices present a double whammy of medifear and medisnare. First, the company or agent plays on the older person's fears and then snares them in a trap of unnecessary, duplicative, or otherwise inappropriate policies. The result is often tragic.

As a step toward addressing these problems, I am introducing legislation today to require the Federal Trade Commission (FTC) to conduct a study of unfair and deceptive practices in the marketing of insurance to older people. It is incredible that the FTC, which is charged with protecting consumers against deceptive trade and sales practices, has its hands tied by law when it comes to investigating the insurance industry.

While I agree that insurance should generally be regulated by State insurance commissions, Medigap insurance requires Federal involvement because it purports to fill the gaps of the Federal Medicare Program. In 1980, Congress passed the Baucus amendments to set standards for Medigap insurance, but the evidence presented in our hearing this morning indicates that abuses continue unabated.

My legislation would authorize a comprehensive study of the marketing of insurance, especially supplemental health insurance to older consumers. This study would focus on: (1) the use of unfair and deceptive marketing practices; (2) loss ratios, the relationship between premiums paid in and benefits paid put;

(3) the impact of catastrophic care legislation will have on the Medigap market; (4) the effectiveness of State enforcement efforts; (5) the effectiveness of Federal enforcement efforts; and (6) the appropriateness of extending existing protections to other types of insurance such as long-term care and dread disease insurance.

This legislation is a very modest step in the direction of protecting older consumers against exploitation by unscrupulous agents and companies. My subcommittee will be active in the coming months investigating this issue and determining what further legislative initiatives are necessary to protect older consumers.

Mr. Speaker, the exploitation and abuse of older Americans by unscrupulous insurance salesmen will continue until we fill the gaps in Medicare through more comprehensive coverage. Until that time, Congress must move ahead to provide effective enforcement against those who would prey on the fears of older people. This study will provide the information ineeded to provide the protection our older citizens deserve.

A copy of the bill follows:

H.R. 2764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Federal Trade Commission shall conduct a comprehensive study of (1) the use of potentially unfair, deceptive, or misleading practices in the marketing and sale of insurance to the elderly, including the marketing and sale of health insurance policies which are marketed as supplements to coverage under title XVIII of the Social Security Act, (2) the relationship of the premiums for such health insurance policies to claims paid, (3) the effect on such health insurance policies that may result from legislation enacted in the 100th Congress relating to catastrophic care or title XVIII of the Social Security Act, (4) the effectiveness of the States in preventing and penalizing unfair, deceptive. or misleading practices in the marketing and sale of insurance to the elderly, (5) the effectiveness of enforcement of Federal laws relating to advertising, marketing, and sales of insurance to the elderly, and (6) the appropriateness of extending the provisions of section 1882 of the Social Security Act to forms of health insurance not subject to such standards, including long-term care policies and policies concerning specific diseases or medical conditions.

(b) The Commission shall report to the Select Committees on Aging of the House of Representatives and the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Commerce, Science, and Transportation of the Senate the results of the study conducted under subsection (a) within one year of the date of the enactment of this Act. The Commission shall make such report available to the public and appropriate State officials.

THE WEST RIVER RURAL WATER DEVELOPMENT ACT

HON. TIM JOHNSON

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. JOHNSON of South Dakota. Mr. Speaker, today I am introducing the West River Rural Water Development Act which would authorize the Lyman-Jones, the West River, and the Oglala Sioux Tribe Rural Water Development projects. These projects will cover significant areas of the western portion of South Dakota which do not have a safe and clean supply of drinking water.

Currently, the citizens of Haakon, Stanley, Lyman, Jones, Jackson, Bennett, and Shannon Counties, in South Dakota, are largely dependent on ground water for their personal drinking and other water needs. Unfortunately, this water is not fit for human consumption, according to all available data, yet it is the only source available. There are studies showing that this ground water contains numerous dissolved minerals. At some locations safe drinking water act standards for radium or fluoride are exceeded. More commonly, the water is high in sodium, sulfate, hardness, or iron, causing digestive problems in humans and livestock and making difficult or impossible common household tasks. The existing water supplies are also costly due to the deep wells required.

Mr. Speaker, I believe it is inexcusable for U.S. citizens in 1987 to be drinking water that is not fit of many industrial uses. This bill does nothing more than provide a means to being this part of South Dakota into the 20th century.

The Oglala Sioux Tribe on the Pine Ridge Reservation has joined the sponsors of the West River and Lyman-Jones Rural Water projects in this effort to bring clean and safe drinking water to the western portion of South Dakota. Shannon County, where the Pine Ridge Reservation is located, is the poorest county in the Nation. I have spent a great deal of time on the reservation and throughout the counties this project would benefit, and, I can tell you from firsthand experience, that it is imperative that we bring this much needed water supply to the citizens who live and work there. Construction of these rural water projects will bring economic possibilities to an area that sorely needs new opportunities.

I am extremely proud to bring this measure before the U.S. House of Representatives for its attention. I look forward to working closely with the Committee on Interior and Insular Affairs, and its members on this measure and I hope we can address this serious, and very dangerous, water supply situation in western South Dakota.

TRIBUTE TO MAYOR FRANK E. RODGERS

HON. PETER W. RODINO, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. RODINO. Mr. Speaker, it is a great personal privilege to rise in tribute to my good friend, the Honorable Frank E. Rodgers, mayor of Harrison, NJ and the longest serving mayor in U.S. history. Rodgers was first elected mayor in 1947, and since then he has served the public with distinction and compassion. Even after many years in office—as State senator, Hudson County clerk and freeholder, commissioner of the State highway authority, and secretary of the State racing commission—he never became complacent, never lost touch with the people who had elected him. No need or concern is ever too insignificant to command the mayor's attention.

Mr. Speaker, with your permission I would like to submit for publication in the RECORD the following Newark Star Ledger article on Mayor Rodgers.

RODGERS BECOMES SENIOR U.S. MAYOR

(By Jerry Thomas)

Harrison Mayor Frank E. Rodgers, whose political savvy attracted many supporters, nurtured numerous state leaders and challenged the old Hudson County Democratic machine, yesterday stepped into history by becoming the nation's longest-tenured mayor.

Rodgers, 77, who became mayor of the west Hudson County community on Jan. 1, 1947, broke the record set by Erastus Corning of Albany, N.Y., who died in office in 1983.

He has served as chief executive officer of the working-class community of 12,000 for 40 years, four months and 29 days consecutively, one day longer than Corning, Harrison officials said.

They said it is likely that Rodgers also holds the longevity record for consecutive years of municipal service for elected officails. He was a councilman for 10 years before he became mayor, giving him an unbroken string of more than 50 years in office.

Another record Rodgers may hold, officials said, is the number of different offices held by one person, but there are no national statistics available. He has been a state senator, Hudson County clerk and freeholder, commissioner of the state Highway Authority, secretary of the state Racing Commission and clerk of the Hudson County Board of Freeholders.

"It's something I wasn't looking for," said the silver-haired Rodgers, speaking of the mayoralty record. "It just grew on me; all of a sudden it arrived."

Yesterday, on Frank E. Rodgers Day, now a holiday in Harrison, more than 2,000 residents poured onto Harrison Avenue, which was renamed Frank E. Rodgers Boulevard, and headed for Roosevelt Park to honor the "state institution," as many call him.

"I'm happy to know I am able to serve the people that long without interruption," he said, casting an eye toward the crowd gathered at the "old-fashioned" party, where the old and young gathered for hamburgers, hotdogs, ice cream and soda. "This has given me a sense of pride."

Jerry Cacavella, who has lived in Harrison since 1941, said he has never experienced anything like yesterday's festivities.

"It reminds you of a family picnic," he said. "Everybody's attitude is really a little extra friendly."

But Cacavella said the community spirit was typical of the warmth Rodgers has displayed since he entered office.

"The guy is like family," he said. "He will look after you. If you trip, he will pick you up."

Cacavella said what impressed him the most about Rodgers is his desire to keep promises.

"If he promised us something, he was sure to deliver, one way or another," he said.

Rodgers, a widower who has no children, left a similar impression on people outside Harrison. He ran for mayor despite threats from then-Jersey City Major Frank ("I am the law") Hague, who ran the powerful Hudson County Democratic machine. Rodgers is credited with bringing down that machine when he supported John V. Kenny, who ran against the Hague organization in the 1949 Jersey City mayoral race and won.

"I have known Rodgers for 55 years, while he was a clerk for Hudson County and a state senator, and any time there was a problem, he did his job," said Margaret Halloway of Kearny.

"He doesn't care if you are an 18-year-old or a triple grandmother; if something had to be done, he would make sure it happened. He knew he was put there by the people and he was put there to help."

John Aquino, a Harrison resident for 63 years, said he voted for the mayor 41 years ago and even back then he felt Rodgers had something that could ensure him a long life in politics.

"Everybody is equal in this town, no prejudices or nothing," said Aquino, who recalled the era when trolleys ran through the center of town and most town residents worked for the Otis Elevator Co. or RCA Corp.

"He was always good to the people," Aquino continued. "As long as he could keep good health, I thought he would go forever."

Gov. Thomas Kean, one of many politicians who attended yesterday's celebration, which began at 10 a.m. with a Mass, said the state is proud of its "seashore, mountains and Frank Rodgers."

"He's a natural resource in New Jersey," Kean said. "He's not getting any older; he's just getting better."

Saying, "I owe Frank a particular debt," the Governor presented Rodgers with a set of license plates and a plaque reading "No. 1 Mayor."

"This will be known wherever you drive," Kean said.

Sen. Thomas F. Cowan (D-Hudson) credited Rodgers with being a strong influence on his political career.

"I first met him as a politican, and we established a much deeper friendship," Cowan said.

Jersey City Mayor Anthony Cucci said yesterday's massive public turnout showed him that "a man of great character, honesty and dedication is respected and appreciated by the people.

"Otherwise, you never could survive in this game of politics," Cucci said.

Rep. Frank Guarini (D-14th Dist.) said Rodgers survived through the Depression, wars and bad times, because he was a man of the people.

"The fact is he always related to people a genuine love," the congressman said.

That dedication also made Rodgers a favorite among colleagues, Guarini noted. "Normally, people tire of their leaders, but Roders had a personality that wore well with his community. He was warm, sensitive and possessed a good sense of humor. He was a complete man of many facets."

Rodgers, born of Irish immigrant parents, said one thing he learned from being in politics is to keep your word.

"That has been one of my attributes," he said. "When you make a promise, you should keep your word."

TRIBUTE TO THE CENTRALVILLE UNITED METHODIST CHURCH

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. ATKINS. Mr. Speaker, today, I take great pleasure in saluting a very special institution on its 100th anniversary—the Centralville United Methodist Church of Lowell, MA. For the past century, this church has been an invaluable source of spiritual enlightenment and community service to all of the citizens of Lowell.

The long history of the United Methodist Church began modestly at the corner of Hildreth and Bridge Streets in the Centralville section of Lowell. Here, in a house owned by George Marston, the first service of the church took place on June 19, 1887 with 100 parishioners.

Soon after, the chapel was purchased from Mr. Marston and it officially became the Centralville United Methodist Church. Later, in 1900, the church became a member of the New England Conference of Churches, to which it still belongs.

Over the past century, the church has opened its doors to the greater Lowell community. Groups ranging from the Boy Scouts to the Girl Scouts to families of alcholics have always been welcome to hold their meetings on the church grounds.

Yet, the work of the church is not confined within its four walls. Parishioners have also gone outside of the church to serve the community. The youth of the area have been particularly served well by the commitment and benevolent nature of its members.

So, Mr. Speaker, I come before you today to salute the Centralville United Methodist Church on its centennial. Over the past 100 years, the contributions of this church may not have made newspaper headlines, but they have deeply touched and affected the greater Lowell community.

PERSONAL EXPLANATION

HON. MIKE SYNAR

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. SYNAR. Mr. Speaker, on Thursday, June 18, I missed three votes because I was away on official business. Had I been present, I would have voted "no" on the Dornan amendment (Roll No. 198), "no" on the Walker amendment (Roll No. 199), and "no" McCollum amendment (Roll No. 200).

PERSONAL EXPLANATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I was unable to vote yesterday, June 23, 1987, because of recurring back problems. My physician has prescribed bedrest to relieve resulting pain and discomfort. Had I been present for the following rollcall votes, I would have voted:

"Aye" on rollcall vote 201.
"Aye" on rollcall vote 202.
"Aye" on rollcall vote 203.
"Aye" on rollcall vote 204.
"No" on rollcall vote 205.
"Aye" on rollcall vote 206.
"Aye" on rollcall vote 207.
"No" on rollcall vote 208.
"Aye" on rollcall vote 209.

PERSONAL EXPLANATION

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. DAVIS of Michigan. Mr. Speaker, during debate on the fiscal year 1988 Defense Department authorization bill the House considered more than 100 amendments. On one of those amendments—the so-called comprehensive test ban amendment offered by Representative PAT SCHROEDER—I voted the wrong way. Please let the record show that I have always supported the test ban and fully intended to support it this time. My "no" vote should have been a "yes" vote.

IN HONOR OF THE 100TH ANNIVERSARY OF THE MURDOCK HIGH SCHOOL

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. CONTE. Mr. Speaker, This is indeed a gala day for Winchendon; it marks an era in the educational interests of the town long to be remembered. Monuments may decay and crumble to the dust, but we are confident that from this institution here founded, there will for generations to come go forth those influences which will make the world better, and keep green the memory of the one whose liberality has caused the erection of this magnificent structure. . .

Mr. Speaker, it was with these prophetic words on June 21, 1887 that Mr. Charles J. Rice opened the ceremonies dedicating the Murdock High School. Named after its benefactor, Ephriam Murdock, the school was built for the sum of $120,000. Considered one of the finest school houses in Massachusetts, it consisted of two school rooms, a chemical laboratory, a room devoted to philosophical apparatus, a music room, an art room, and a workshop for practice and experiment.

The school, originated in Winchendon, was established to give a whole new sense of pride to the townspeople. It was believed that by educating the young people, this town was upgrading itself for the future and instilling in itself the virtues of dignity and respect.

The school has gone through many changes since its early days. It has been converted a number of times to serve students of all ages from elementary school to high school. But these changes are insignificant to what I want to say about Murdock, for throughout all these changes the school has maintained its high standards of education and values for all of its students to emulate.

Currently, the Murdock High School is being used as a middle school, serving the 8th grade of Winchendon, a class of approximately 110 students.

Since its inception 100 years ago, Mr. Speaker, Murdock High School has fulfilled Mr. Rice's words. It has kept the memory of its founder alive in its fine tradition of education, preparing thousands of students to be the future leaders of their community.

As Murdock High School goes into its second century of existence, I am sure it will continue to honor the ideas of Mr. Rice's address. Ephriam Murdock would have been proud.

COMMENDATION TO COLLEAGUES ON BANKING COMMITTEE

HON. JIM JONTZ

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. JONTZ. Mr. Speaker, I commend my colleagues on the Banking Committee for agreeing to go to conference with the Senate to work out the differences between the two bodies to the Federal Savings and Loan Insurance Corporation [FSLIC]. It is important that this legislation be enacted to ensure the solvency of FSLIC, so that depositers will be protected in case of a failure by a member institution. Headlines about troubled financial institutions concern us all. No one wants to see a financial institution fail, but if one does fail we want to make sure that depositors' funds are safe. The best way to guarantee that safety is to make sure that the FSLIC is adequately funded by enacting H.R. 27 as soon as possible.

I also strongly support and urge the conference committee to adopt the Senate-backed language to extend a moratorium until March 1988 to prevent increased activities for banks and bank holding companies in real estate, securities, and insurance. Without such a moratorium the Federal Reserve Board will allow banks and bank holding companies to begin activities in these high risk areas.

First, I think we need time to study this issue. It is not a decision that we should rush into without reviewing all the facts. Second, I do not feel that Federal regulators should be able to make such major changes in our Nation's banking laws. I feel that this reponsibility should remain with Congress. That's why I support an extension of the moratorium to give us the time to adequately review the issue.

Mr. Speaker, I urge my colleagues on the conference committee to move quickly on this important issue.

RURAL HOSPITALS IN JEOPARDY

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. TALLON. Mr. Speaker, for the many Americans who live in metropolitan areas health care is an assumable fact of life—readily accessible and convenient. But for rural Americans, basic access to quality health care is in jeopardy.

Small and rural communities have a big stake in their local hospitals. Often the hospital is the largest employer in the community, as well as the only acute care facility for miles.

But today's rural hospitals are fighting for their very survival. Occupancy levels have decreased dramatically as admissions and lengths of stay have declined. And while most hospitals are experiencing this trend to some degree, the impact is greater on small hospitals.

Of the 2,700 rural hospitals in the United States today, a significant number are experiencing financial distress. As many as 600 have been projected to close by 1990. Rural hospitals represent 47 percent of the total U.S. hospitals in 1984, and they collectively serve about 42 percent of the U.S. population. In fact, about 345 of the Nation's rural hospitals are their communities' sole source of health care. It is clear that closing these hospitals could significantly impede access to health care, particularly for the old and the poor.

A number of factors have contributed to the problems of rural hospitals. One major factor has been the declining hospital occupancy rate over the past decade. Since most rural hospitals are small, a low or fluctuating occupancy rate makes it difficult to cover fixed costs, accumulate operating capital, or obtain financing for needed capital improvements.

Unfortunately, when a hospital deteriorates financially, it also deteriorates physically, loses staff, and finds it more dificult to recruit or replace physicians. This not only exacerbates the hospital's problem, but threatens the quality and availability of care in the entire community. In 1984, nearly 30 percent of rural hospitals (versus 14 percent of urban hospitals) reported an operating deficit for patient care of greater than 6 percent.

Another problem faced by rural hospitals is the depressed rural economy. An increasing proportion of the rural hospital's patients are old, poor, and lack health insurance. Moreover, since about 50 percent of all rural hospitals are tax-supported, a depressed economy limits a community's ability to maintain its hospital.

The advent of the Medicare Prospective Payment System [PPS] has further worsened the operating and economic conditions confronting these hospitals, especially smaller facilities. Rural hospitals are far more dependent upon Medicare payments than urban hospitals and have less flexibility to respond to shortfalls in these payments, since they have fewer private paying patients.

Finally, many rural hospitals are facing new competitive challenges from urban hospitals and HMO's that are developing networks of facilities, such as physician clinics or ambulatory care centers. These providers often select targeted population groups such as the younger and well-insured, thereby increasing the pressure on the rural hospital to provide services for those who are more difficult to care for and less able to afford their care.

In sum, the rachet-down philosophy of Federal reimbursement and capital access controls are compromising the delivery of health care in rural areas. If we want to guarantee that basic care is continued, we in Congress must act.

I have joined a number of my colleagues on the House Rural Health Care Coalition in cosponsoring a legislative package which would provide desperately needed relief to rural areas fighting to retain their health care providers. The first of these bills, House Concurrent Resolution 108 recommends that Medicare reconciliation legislation take into account the plight of rural hospitals.

H.R. 2113, the Rural Health Care Preservation Act makes changes within existing Federal agencies to maintain and strengthen the rural health care system. Specifically, the bill would provide for the appointment of a Deputy Under Secretary for Rural Health Care and a Rural Health Care Advisory Commission, as well as demonstration and research initiatives under the National Institute of Mental Health and the Public Health Service. It also requires that all regulations issued by the Department of Health and Human Services which affect rural health care be accompanied by an impact analysis.

H.R. 2114, the rural hospital amendments, would make necessary changes with regard to payment: directly linking payment to the volume of patients for sole community providers, improving the area wage index and outlier payments, and increasing reimbursement for rural hospitals located near urban areas.

H.R. 2115, the rural nursing care access amendments, provides for increased support for long-term care by expanding the number of rural hospitals allowed to participate in the Swing Bed Program.

Finally, H.R. 2116, the PRO due process and equity amendments, makes a number of revisions in the method of peer review in rural areas. One such proposal is that 50 percent of all reviews for small, rural hospitals be conducted on site.

Mr. Speaker, the rural health care community needs the changes proposed in this package. With the rationing of health care dollars, small rural hospitals have been hit first and worst. High Medicare populations, high indigent care populations—to whom can they cost-shift? Local property taxpayers say no to subsidizing charity at public district hospitals; legislators say no to State tax for charity. Who will say yes? These are vital questions. Behind the answers lie the future health of rural America.

RESOLUTION OF U.S. POLICY IN THE PERSIAN GULF

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. COURTER. Mr. Speaker, on June 23, I introduced House Concurrent Resolution 145, which deals with U.S. policy in the Persian Gulf region. I daresay that this resolution is quite different from other legislative initiatives on the Persian Gulf in several important respects. Most importantly, the resolution is clear and unambiguous in its language. It seeks, in an honest way, to register congressional support for the Chief Executive's Persian Gulf policy.

There is no specific mention in the resolution of reflagged Kuwaiti tankers or Iranian Silkworm missiles. I do not address the detailed rules or engagement for U.S. naval vessels in the gulf. While these are very important issues, they are only parts of the larger policy considerations in the Persian Gulf. In his June 15 report to the Congress, Secretary of Defense Weinberger established the proper context for evaluating U.S. policy in the Persian Gulf:

> Important U.S. objectives in the Gulf, endorsed for over four decades by eight U.S. Presidents, both Democratic and Republican, include: denying Soviet access/influence in the region which would threaten Free World access to regional oil resources; stability and security of the Gulf states which is critical to ensure Free World access to oil; and access to Gul oil resources, the disruption of which would seriously affect the Free World oil market.

Underlying these objectives are the basic United States interests in the Gulf region: limitation of Soviet influence; maintenance of the security and stability of the Gulf States; and maintenance of the free flow of oil and nonbelligerent freedom of navigation. No Member of Congress or Senator has disputed the enduring legitimacy of these basic interests.

Disagreements arise over questions of strategy and tactics in the Persian Gulf. Congress has demanded and received reams of information about orders of battle, rules of equipment, consultations with allies, and the like. But in return there has been no clear policy endorsement or rejection by the Congress. In fact, a congressional consensus which differs from the Commander in Chief's stated policy is virtually unimaginable. There is only confusion and uncertainty, accompanied by calls for delaying full implementation of our national policy.

For its part, the administration has been reluctant to seek a clear congressional mandate for its policy. This is symptomatic of a malaise that descended upon the White House even before the Iran-Contra revelations. There appears to be no real appreciation of the President's constitutional latitude as the Commander in Chief of all Armed Forces. As Alexander Hamilton wrote in the Federalist Papers:

> The circumstances that endanger the safety of nations are infinite, and for this reason no consitutional shackles can be wisely imposed on the power to which the care of it is committed.

For their part, U.S. military commanders are anxiously seeking clear, consistent Persian Gulf policy guidance from their civilian masters. As Secretary of the Navy James Webb told a Naval War College audience recently, "The Nation must understand why our sailors and marines are out there on the edges of the world." Without policy guidance and public support, U.S. forces are left to operate in a netherworld of detached strategies and tactics.

Inevitably, such situations evoke bitter memories of Vietnam, The *Mayaquez* rescue mission, Desert One, and the Beirut Marine barracks bombing. Let us remember that these situations are never deliberately sought by the United States; they are forced upon us by others. Military forces are mere instruments of the civilian policymakers, including the Congress. If the civilians in the executive branch and the Congress insist on maintaining their tight control over the operations of the Armed Forces, they must assume responsibility for the policy which drives strategy and tactics. This is one of the key assumptions of my resolution.

The "Resolved" clauses of my resolution are simple and to the point. First, the resolution states that the Congress supports the President in his determination to ensure the free flow of commercial traffic through the international waters of the Persian Gulf. Second, the resolution affirms the President's obligation to defend U.S. naval forces against all armed attacks in the Persian Gulf. Finally, the resolution endorses the United States policy for seeking a peaceful end to the Iran-Iraq war.

These clauses are firmly grounded in the basic U.S. interests in the Gulf, which constitute the only legitimate foundation for our policy in that region. Questions relating to Kuwaiti reflagging, rules of engagement, allied support and other similar issues, while undeniably important, are clearly secondary and should be recognized as such.

The most open secret in Washington is that, given the opportunity, we in the Congress prefer to vote "maybe" on controversial issues. The Persian Gulf issue is no different in this regard. But whether we like it or not, thousands of young American servicemen are either on station in the Persian Gulf region or are steaming in that direction. This fact can no longer be avoided. The question is whether Congress can muster the courage to support those whose courage is keeping the lifelines of freedom open.

THE PESTICIDE PRICE COMPETITION ACT

HON. CHARLES HATCHER

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. HATCHER. Mr. Speaker, I have introduced H.R. 2569, the Pesticide Price Competition Act, which will establish generic pesticide registration, stimulate increased competition in the pesticide industry, and lower the price of pesticides for farmers, ranchers, users, and consumers across this country. This legislation is identical to S. 746, a companion bill introduced in the Senate by Senators NANCY KASSEBAUM and AL GORE.

The purpose of this legislation is twofold: to lower the farmer's cost of production by reducing the cost of pesticides, and to reduce the cost of nonagricultural products that consumers buy. This measure could save farmers from $400 million to $500 million per year for at least the next 5 years on agricultural pesticides alone. Consumers could save additional millions on nonagricultural products.

As we look across our land, we discover an agricultural and rural economy suffering from problems—increasing costs of production, growing debts, obtaining adequate credit, declining prices for crops—and we need to move forward to address these concerns. One way to help the farmer meet the increasing costs of production is to amend the pesticide legislation, the Federal Insecticide, Fungicide and Rodenticide Act [FIFRA]. This would help the farmer immeasurably, without any cost to the Government.

According to recent figures in the Economic Indicators of the Farm Sector, Cost of Production, 1985, prepared by the U.S. Department of Agriculture [USDA], pesticides average between 10 and 35 percent of farmers' cash variable expenses—seed, fertilizer, chemicals, hired labor, and so forth. Farmers across this country apply agricultural pesticides to their crops, and these costs clearly comprise a significant percentage of their annual expenses.

In the southeastern United States, farmers face a tremendous challenge. Cotton farmers across the Nation spend an average of $45 per acre for chemicals, while these farmers in the Southeast use $96 of pesticides per acre. Peanut farmers average $80 per acre for chemicals, but Southeastern peanut farmers average close to $95 per acre, and Virginia and North Carolina farmers average $89 per acre. Like the Hawaiian sugarcane growers and Texan sugar beet producers, Southeastern farmers pay a disproportionate share of their cost of production on agricultural chemicals.

However, we can lower the price of pesticides, thereby reducing the farmer's cost of production, if we encourage the development of generic pesticides. In fact, it may be possible to reduce the price of pesticides by 10 to 20 percent or more. One way to reduce these prices is to eliminate the data compensation provision of FIFRA. When generic pesticide producers enter the market following the expiration of a patent, they generally capture only 10 to 20 percent of the existing market. Yet, the overall impact on prices can be significant. For example, prices of three commonly used pesticide products—phostoxin, treflan and sutan—dropped an average of 18.1 percent after generic products entered the marketplace, resulting in significant savings to farmers and other pesticide users.

The data compensation issue is critical at this time. During the next 5 years, 21 patents for pesticides widely used by American farmers will expire. These pesticides constitute 45 percent of all chemicals used by farmers today. If these products were available to our farmers from generic pesticide manufacturers, the potential savings could be $400 million to $500 million per year.

Agricultural chemicals, including pesticides, have made enormous contributions to the productivity of agriculture and the quality of farm produce. Basic manufacturers of pesticides spend hundreds of millions of dollars on research and development [R&D] of new products. I commend them for this innovative effort. Farmers need the effective pesticides that R&D generates; they depend on the development of new products to increase crop yield and protect against serious infestations. However, farmers also are in desperate need of competitively priced pesticides, especially during this time of economic adversity, to keep their production costs to a minimum.

H.R. 2569 is not intended to deprive basic manufacturers from recouping R&D costs for successful or unsuccessful products, or from receiving an ample return on their investment. Under current law, there is a 17-year exclusive marketing right on registered pesticides to protect the rights of the original manufacturers. In addition, manufacturers are eligible for research and development tax deductions and credits.

I agree that innovators in the pesticide industry should expect to recover the cost of research and development, assuming all other conditions are equal. But I do not think that the body of law regulating how pesticides are registered and marketed should be tilted so heavily toward the basic producer and away from the generic producer. The current law and the 1987 proposed amendments go to great lengths to protect the investment interests of the original manufacturer, but we have done nothing to advance the interests of the farmers, ranchers, and consumers who would benefit from greater generic competition and lower prices.

H.R. 2569 calls for the removal of the data compensation provision of FIFRA. Under the existing FIFRA law, developers of agricultural pesticides or chemicals may market that product for 17 years without competition. However, these barriers to market entry do not end with the expiration of a pesticide patent. After the patent expires, any company wishing to produce a generic version of that product has two options. The producer may choose to spend from 5 to 7 years duplicating the original research, or the producer may pay the original manufacturer for the research involved in the creation of the product. Both options are cost prohibitive and unreasonable.

In addition, if a generic manufacturer opts to do his own testing for 5 to 7 years, the basic manufacturer is granted a de facto extension of the patent for these same 5 to 7 years, and the consumer faces continued high prices. If the 17-year patent life is extended by 5 years of patent term restoration, as provided by H.R. 1345, and an additional 5 to 7 de facto testing years are also added, the basic manufacturer would have a monopoly on the product for 27 to 29 years. On the other hand, if the generic manufacturer opts to pay data compensation under FIFRA for the privilege of citing data generated by the basic manufacturer, the generic manufacturer faces a serious dilemma. FIFRA does not contain a specific standard for determining the amount of compensation. Therefore, generic manufacturers will not know in advance the amount of compensation involved. They are, in effect, asked to buy a pig in a poke. The amount of data compensation is determined by a system of binding arbitration set up by the 1978 amendments to FIFRA, and can be an extremely costly process. For example, in the 1983 Stauffer Chemical Company versus PPG Industries case, the arbitration award amounted to 50 percent of the cost of the data plus a 10-year royalty. In all, the value of the award exceeded $15 million, which was five times the actual cost of producing the data. Most generic manufacturers are small businesses that cannot operate in such an ambiguous and uncertain economic atmosphere.

This situation discourages generic manufacturers from market entry, and acts as a barrier to competition. Most importantly, whichever of the two approaches is pursued, farmer access to generic pesticides is delayed. It also means that, because of the cost involved, the price of the generic product will not be as low as it otherwise could be.

We need only examine the generic drug industry to see how pesticide users would benefit from a similar generic pesticide industry. When a human drug's patent expires, a generic manufacturer can enter the market simply by demonstrating to the FDA that it is capable of producing the same chemical compound. Generic drug manufacturers are not forced to pay for data filed with the FDA or to duplicate costly research. As we are all aware, consumers have clearly benefited from inexpensive, and often lifesaving, drugs.

H.R. 2569 is patterned after the generic drug legislation that passed the Congress in the fall of 1984, and provides for the use of an abbreviated application for the registration of generic pesticides. When we granted patent term extension for drug products in 1984, we removed some of the barriers that made it difficult for generic drugs to enter the marketplace. We are proposing the same treatment for pesticides with expired patents.

It appears that the present administration approves of this approach. In a letter dated March 10, 1986, Health and Human Services Secretary Otis Bowen wrote Senator STROM THURMOND in strong support of restoring lost patent time due to Federal premarket requirements for veterinary drugs, pesticides and agricultural chemicals. The complete text of Secretary Bowen's letter appears in the CONGRESSIONAL RECORD on March 13, 1987, page S3179..

The basic manufacturers of pesticides are continuing to push for patent term restoration. I would strongly argue, however, that if we are to provide patent term restoration for pesticides, then we must change the present system for registered generic pesticides on the market. We must make it possible for the generic producer to enter the market once a pesticide's patent expires, whether that be 17 or 22 years, and without paying an excessive penalty for the right to enter the market. To grant patent term restoration while at the same time retaining the present system for the registration of generic pesticides would be a great injustice to the American farmer.

Last year the House passed H.R. 2482 and the Senate passed S. 2792. Both of these bills contained a provision for patent term restoration of up to 5 years. In each case, however, there was no provision to expedite the manufacturing of generic pesticides. I offer H.R. 2569 as a compromise to resolve the dispute over the business issues of FIFRA. In each of the last three Congresses, efforts to amend FIFRA have been frustrated by an inability to resolve disagreements over business issues within the pesticide industry.

Now is the time to offer a compromise that would create generic pesticide registration and increase competition while lowering prices for farmers and consumers. If combined with H.R. 1345 and H.R. 2463, introduced by Congressmen GEORGE BROWN, KIKA DE LA GARZA, EDWARD MADIGAN, PAT ROBERTS, and others, it would be possible to aid the basic pesticide manufacturers, generic producers and consumers. In a spirit of compromise, I offer this legislation as a means of resolving one of the most complex and controversial aspects of FIFRA legislation. If Congress fails to act on this matter, we will be doing a great economic injustice to the American farmer.

By adopting this legislation as part of a larger FIFRA amendment package, the Congress would inject a healthy dose of competition into the pesticide industry. And the farmers and consumers would benefit enormously without any cost to the Government.

TRIBUTE TO WALTER L. OLIVER

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. WOLPE. Mr. Speaker, I want to pay tribute to a very special friend and constituent, Mr. Walter L. Oliver, formerly the secretary-treasurer of the Michigan State AFL-CIO. On Friday, June 26, working people from throughout the State will join with Mr. Oliver's friends and colleagues to wish him a found farewell as he moves on to new challenges and new opportunities.

Walter began his long career in the labor movement in 1953 when he joined UAW Local 369 in Warren, MI. Later, as an employee of the Detroit Public School System, he became an active member—and eventually the president—of AFSCME Local 120. By 1962, he was hard at work as a full-time service representative, the position from which he launched a distinguished career as an AFSCME leader in a host of positions that have included labor council president, area director, special representative to the president, and national director of field services.

In 1981, Walt Oliver's many contributions to Michigan labor—his deep personal commitment to improving the lives of working men and women—were recognized by his colleagues when he was elected secretary-treasurer of the Michigan State AFL-CIO.

It would be a mistake, however, to imply that Mr. Oliver's contributions have been limited to his services to members of AFSCME and the AFL-CIO. By gubernatorial appointment, Mr. Oliver has served as a member of the State board of canvassers, and he remains an active member of the boards of directors of the United Way of Michigan, and the Michigan League for Human Services. He also serves on the Michigan State University Labor Advisory Committee. For Walt Oliver, people have always come first.

Mr. Speaker, I am proud to count Walter Oliver among my friends and associates, and I want to wish him, his wife Mary and their two daughters may years of success and happiness.

RHETORIC VERSUS THE RECORD OF INTERIOR SECRETARY HODEL

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. MILLER of California. Mr. Speaker, for the first several years of the Reagan Presidency, the record of the Department of the Interior under the stewardship of then-Secretary James Watt was the subject of bitter criticism. To many, it appeared as though the Secretary was unaware of, or unconcerned with, his responsibilities to be the chief protector and manager of the Nation's natural resources. Too often, decisions were made which benefitted those who sought to develop or exploit our resources with little regard for the laws or for the preservation of the environment.

We had all hoped those policies would change, and change dramatically, when Mr. Watt was finally forced from office. But as several new critiques of his successor, Donald Hodel, indicate, the rhetoric has changed, but not the record.

Just a few weeks ago, Secretary Hodel offered a true Wattism by suggesting a preposterous response to concerns about elevated cancer rates due to depletion of the Earth's ozone layer. Instead of pursuring international agreements to reduce the release of ozone-depleting chloroflurocarbons, Secretary Hodel suggested that the public wear hats and sunscreen.

Now, no one seriously believes that Mr. Hodel's proposal is a sound response to ozone depletion. Nor is it likely to be adopted.

But there are many more, and more serious policies which are being implemented without a great deal of public scrutiny. Unlike the Hodel ozone plan, these policies which grant rights to public resources, public subsidies, and public lands are running ahead on all engines.

Although the President has failed to persuade the Congress to engage in massive asset sales that auction off our public resources as a means of financing his spending decisions, those asset sales are taking place without approval and without public awareness by virtue of the Interior Department's leasing policies.

Although the President rails against waste and fraud in Government, his Interior Department presides over water sales and oil and gas royalty collections which are cheating the American taxpayer out of billions of dollars every year.

An article in the July 6, 1987 New Republic describes the sorry record of Secretary Hodel and the Department of the Interior in safeguarding public resources and in failing to enforce the law diligently. Another article by Dori Meinert of the Copely News Service, as printed in the Napa (CA) Register makes similar telling points about the record of this administration and this Secretary.

It is essential that these policies be changed, and that will require greater diligence by the Congress and the public. The natural resources of this Nation belong to all the people of our Nation, not to energy companies, not to irrigators, not to those who seek to deplete those resources for private profit. As the chairman of the Subcommittee on Water and Power Resources, I certainly intend to play an active role in assuring that those changes are put in place in the Interior Department:

WORSE THAN WATT

Secretary of the Interior Donald P. Hodel, once the most unobtrusive of Cabinet officers, shed his obscurity forever last month. He committed an envirommntal howler that reminded the country of his crackpot predecessor, James Watt. Calling for the Reagan administration to reconsider its proposal of international controls on fluorocarbons that threaten the earth's ozone layer, Hodel argued that the government could simply mount a public awareness campaign advocating "personal protection," such as increased use of hats, sunglasssses, and sunscreen lotions. President Reagan's own Environmental Protection Agency ridiculed the suggestion, and it set off a wave of editorial and cartoon attacks against Hodel, heretofore the recipient of scanty but mostly laudatory press attention.

Hodel does not make that kind of mistake very often. He took the job in 1985 preaching conciliation and pledging to work with environmental groups. He does not share Watt's abrasive political style, and gets along relatively well with reporters and with members of Congres. He is a valued Republican fund-raiser, in demand on the lecture circuit, and even touted (at least by his staff) as a possible vice presidential nominee or chairman of the Republican Party.

By all accounts Hodel is an incomparably smoother politician than Watt. Yet he served as undersecretary at Interior from 1981 to 1983, and Watt's policies have been Hodel's all along. Hodel just pursues them more with more tact. Usually.

Largely unnoticed by anyone other than environmental groups and interested localities, Hodel has implemented a sweeping program of opening public lands for private use and directing government money away from protection of the environment and toward the benefit of large energy and agribusiness concerns. Hodel's agenda includes the following:

Ozone. Although nobody regards "personal protection" as a serious option, Hodel's complaints have enforced the reconsideration of the one bright spot in Reagan's environmental record; the State Department's and the EPA's determination that the United States lead the way toward the virtual elimination of chlorofluorocarbon (CFC) emissions in 10 to 15 years. With international ozone negotiations already under way, the CFC industry went looking for an advocate. They found Hodel more than willing. He managed to get his own people included in the negotiating team, and has created a controversy in the administration over a previously settled policy.

Offshore drilling. Hodel had reached an agreement with the California congressional delegation that would have restricted offshore drilling to a small part of the California coast. When the oil industry protested, Hodel reneged on the deal.

Alaska wilderness. Raising the specter of gas lines, Hodel has recommended that 1.5 million acres of the Arctic National Wildlife Refuge be opened for oil exploration and drilling. Environmental protest that the refuge is home to several key endangered species. Drilling here might be worth it if the area is really "another Prudhoe Bay," as Assistant Secretary William P. Horn says. However, the Interior Department's own study of the refuge's oil prospects estimates the chance of finding *any* affordably exploitable oil deposits at only one in five.

Strip Mine Reclamation. During the first years of the Reagan administration, when Hodel was acting, as he says, as "chief operating officer" of Interior, the budget of the Office of Surface Mining, the agency charged with enforcing regulations on strip mines, was cut by more than a third. Nearly half of OSM's employees retired, resigned, or were fired. Today $150 million in fines remain uncollected. In Kentucky, one of the nation's largest coal-producing states, where the violations are rampant, environmentalists charge that there is virtually no regulation at all.

Water Subsidies. Hodel and the department are backing away from new rules that would reduce the huge government subsidies for irrigation water in the West. Thanks to this welfare handout for rich farmers, water worth more than $100 per acre/foot sells for less than ten dollars per acre/foot. Insane both on grounds of equity and on grounds of efficient use of natural resources, these subsidies also aggravate the surplus of farm products by encouraging planting on lands that would be too expensive to farm without cheap water.

National Parks. According to a 1986 General Accounting Office report, the Bureau of Land Management has allowed mining on federal lands designated for parks and wilderness areas, and does not enforce federal laws that require miners of federal land to restore it to its previous condition. Hodel has also permitted drilling and strip mining on land directly adjacent to parks, often with adverse effects on the parks themselves. And he has politicized the Park Service, firing or hamstringing conservationists there, and supporting increased commercial use of the parks and tourist gimcrackery such as airplane flights through the Grand Canyon.

Acid Rain. In February, a time when U.S.-Canadian relations were strained over environmental and trade issues, Hodel held a press conference at which he characterized the Canadian desire for tighter U.S. controls on acid rain as a plot to make the United States more dependent on Canadian energy. He called Canadian pressure on the acid rain issue "their efforts to make it more costly and difficult to generate electricity in the United States."

Oil Leases. With oil companies "strapped for cash," Hodel wants to rearrange the oil leasing system so that companies would pay little money up front, in effect discounting the leases. This is only part of an aggressive oil and oil shale leasing program, in which thousands of drilling tracts will be transferred to oil companies, with little effort to see that oil actually be produced on them. Such "area-wide" leasing lowers the amount companies pay far below the actual value of the land; according to the GAO, the new leasing practices saved oil companies about $7 billion for the first ten sales alone. This is, in effect, a wholesale "privatization" program, geared toward getting environmentally sensitive public lands into private hands.

As Watt's deputy, Hodel oversaw the "streamlining" of the federal coal leasing program. In 1982 the Interior Department held the largest sale of public coal ever, in which they sold coal leases in the Powder River area of Wyoming to energy companies at a small fraction of their market value. The incident prompted Congress to shut down the coal leasing program in 1983, and to appoint a commission to investigate it. This was the commission that Watt labeled "a black, a woman, two Jews, and a cripple," a remark that ultimately forced him to resign.

In the late '60s and early '70s, Hodel served as deputy administrator and then administrator of the Bonneville Power Administration, a federal agency that distributes hydroelectric power from the New Deal dams of the Northwest. At BPA he became the chief architect and promoter of the plan for the Washington Public Power Supply System (WPPSS, or Whoops) to build five nuclear power plants, which turned into one of the most spectacular financial fiascos in history. Hodel coerced municipal utilities into signing up for WPPSS (and borrowing money for the plan) by threatening to end BPA's commitment to meet the power demands of their customers. Hodel's BPA publicized wildly overwrought estimates of the region's power needs. Without Whoops, he declared in 1974, "Homes will be cold and dark or factories will close." In fact, the region was running a power surplus by 1983, with only one WPPSS plant on-line.

Hodel now acknowledges that he may have made some mistakes with BPA and Whoops. Yet a similar pattern of incestuous relationships with industry has developed in his management of national resource policies. Last fall a House Appropriations subcommittee reported that the Interior Department is failing to collect as much as a billion dollars a year in royalties from oil and gas companies that produce on federal lands. Even worse are the administration policies that lease mineral-rich lands to energy firms at cut rates, or allow them to lease lands without producing on them.

Hodel still favors the outlandish prophesies of energy doom that served the Northwest so ill when he was at BPA. Attempting to justify the administration proposals for protectionist measures and tax breaks to help shore up American oil companies, as well as his own plans to drill for prohibitively expensive oil in the Alaska wilderness, Hodel predicted that "people will be sitting in gas lines within two to five years." Though Hodel warns of renewed dependence on OPEC, during his time at or near the helm of U.S. energy policy, he has made virtually no effort to conserve or find alternative sources of energy.

The Reagan administration is full of officials who undermine the programs they are appointed to enforce, and of officials who establish closer-than-comfortable relationships with industries they are supposed to police. But the failure of the administration's environmental policy is not just a matter of bad appointees: it is a failure of philosophy. Hodel's idiotic "personal protection" plan was an unwitting comment on Reaganite extremism. Depletion of the ozone layer is one problem that cannot be addressed usefully through private initiative. It is a social problem requiring a societal—that is, a government—solution. If polls are any indication, the environment is one issue on which people who disagree about almost everything else favor an active government approach. Most people understand. Only the Reagan administration doesn't get it.

[From the NAPA (CA) Register, Apr. 29, 1987]

Is Hodel a Watt in Sheep's Clothing?

(By Dori Meinert)

WASHINGTON.—Interior Secretary Donal Hodel was dubbed "James Watt in sheep's clothing" earlier this year by Rep. Mel Levine.

The Santa Monica Democrat was critizing Hodel's plan to increase oil and gas exploration off the California Coast. But Levine isn't alone in comparing Hodel to the controversial Watt, Ronald Reagan's first Secretary of Interior.

Although Hodel has purposely kept a low profile and managed to escape Watt's negative reputation, critics charge Hodel is carrying out many of Watt's policies, which they consider anti-environmental. Even Hodel's critics commend him for calming tensions created by Watt, his predecessor and former boss. Hodel's pleasant manner and accessibility were a welcome respite from Watt's confrontational style.

Yet, "it's hard to tell the difference in actual policies," said Brock Evans, vice president for national issues for the National Audubon Society. "I don't give him any real high marks."

Levine, Evans and other Hodel critics claim the interior secretary regularly takes industry's side.

"His record is absolutely dismal," said Jay Hair, executive vice president of the National Wildlife Federation. "If he's ever had to err, he's erred on the side of private interests and not the public interest."

But Hodel said his job is a difficult juggling act in which he will never fully satisfy any special interest group.

When he was appointed secretary of interior two years ago, the president charged him "to protect the nation's parks and wildlife resources" and "to improve America's ability to meet its energy and mineral requirements from domestic resources.

"There's a lot of potential conflict between those two," Hodel said.

According to Hodel, Carter administration Secretary of Interior Cecil Andrus was perceived to be 100 percent preservationist and Watt was seen as 100 percent for development. Hodel said that because he falls in neither of those categories, he is criticized for flip-flopping.

"You can't do this job and be 100 percent anything because you have to be weighing and balancing," Hodel said.

His supporters, most of whom favor development, agree.

"We have access, but he certainly is balanced" in his consideration of environment and industry arguments, said Rodney Weiher, vice president of the National Coal Association.

Hodel sided with the coal industry in its unsuccessful fight last year to extend a deadline for owners of coal leases purchased prior to 1976 to relinquish their leases if they hadn't started mining.

No coal lease sales have been held since 1982 when Watt sold leases in the Powder River area of Wyoming at prices much less than fair market value.

Hodel also has made little progress in reaching a consensus on offshore oil and gas exploration.

After long negotiations, Hodel in 1985 reached a "preliminary agreement" with California Congress members to limit leasing of the Outer Continental Shelf to 150 contracts. But Hodel backed out of the agreement after the oil industry told him the 150 tracts had little potential for oil or gas. As a result, he lost the confidence of many environmentalists and members of Congress.

When Hodel recently released his five-year plan for California, he was roundly criticized.

"He is a man who I personally like . . . yet when push comes to shove, he is effectively and almost exclusively an agent of industry," Levine said.

But oil industry officials such as Charles DiBona, president of the American Petroleum Industry, complained that Hodel placed too much of the offshore area off-limits to the industry.

In another leasing battle, Hodel was applauded by the oil industry recently when he recommended Congress open up 1.5 million acres of the 19 million-acre Arctic National Wildlife Refuge in Alaska to oil and gas exploration. Environmentalists are protesting because Alaska's coastal plain is a calving area for the largest herd of Porcupine Caribou in the United States.

The Interior Department under Hodel also has been criticized for increasing national park user fees, while maintaining substantial federal subsidies for irrigation water and grazing. Rep. George Miller, D-Martinez, has criticized Hodel for agreeing to an out-of-court settlement with the Central Valley's Westlands Water District that involved millions of dollars in irrigation subsidies. Also, the Interior Department recently reversed itself and now is allowing owners of large farms to rearrange their landholdings to avoid a law that would cause them to lose in water subsidies.

Hodel angered Rep. Sidney Yates, D-Ill., chairman of the Interior Appropriations subcommittee, when he ignored Yates' request to postpone a reorganization of the National Park Service until the subcommittee could hold hearings on the issue.

But Hodel argued that the Constitution, in providing for a separation of powers within the government, bars the legislative branch from interfering with administrative decisions.

Environmentalists charged Hodel is politicizing the park service and shifting its emphasis from park preservation to park use, which Hodel denied. Howard Chapman, the National Park Service's Western regional director, resigned mid-April for that reason.

The National Wildlife Federation has challenged in court the Interior Department's removal of land use restrictions on 180 million acres of public land without following planning, public participation and congressional notification provisions of the

1976 Federal Land and Management Act and other federal statutes.

"The Reagan administration decided all these land use restrictions out there restricted private enterprise and private acquisition of federal lands and that they ought to get rid of them," said federation counsel Kate Zimmerman.

But Hodel complained that he never gets credit for decisions he makes in environmentalists' favor.

One of his first decisions as secretary of interior was to approve the long-delayed purchase of the Buenos Aires ranch in Arizona as a wildlife refuge for the endangered masked bobwhile. Last fall, the department purchased the Hudson ranch in California to provide a feeding and breeding ground for the nearly extinct California condor.

Hodel also said he stood firm during a recent meeting with Oceanside Chamber of Commerce officials, who were seeking to speed up a road project that could harm an endangered species, a gray songbird called the least bell's vireo.

"To them, I'm sure it seems I'm not listening adequately to their plea," Hodel said.

"I don't recall that any members of the preservationist community said 'well done,'" Hodel said.

Despite his differences with environmentalists, Hodel is not widely known outside Washington. But in recent months, he has become more visible by speaking out on a broad range of subjects.

He took a more strident stance than Energy Secretary John Herington when he warned that Americans would be sitting in gas lines again in two to five years. Critics say he acts like he wants to be secretary of energy again, a position he held from 1983 to 1984 after serving as an aide to Watt. Hodel also aroused hostility in Canada when he suggested that country is demanding strong acid rain controls to improve its own energy exports to the United States.

In March he spoke to the National Conservative Political Action Committee and in April he addressed the New York Conservative Party. Although Hodel campaigned actively for Republicans in the 1984 and 1986 elections, this time he is touting no candidate. He is asking his audiences "how do I keep the flame alive—the flame Ronald Reagan lit for this country—when he will not be our standard bearer in 1988."

His appearances have fueled speculation of his own political aspirations. But Hodel said: "I'm not running for anything."

His interest in political office "is so academic at this point it's not on the screen. I think there's a job for people who are believers in the cause to go out and rally support for the cause."

Hodel has worked for the Republican Party since 1964, beginning in his home state of Oregon where he served as the state's Republican Central Committee chairman. The former energy consultant was chairman of the "Reagan for President Committee" in the Portland area in 1968 and was on the 1980 Oregon Steering Committee for Reagan's campaign.

"He certainly speaks like a man who would like an expanded role," said NCPAC President L. Brent Bozell III. "If he doesn't have plans for running for office, I hope all this talk prompts him."

MEDICARE NURSING HOME REFORM NEEDED

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. STARK. Mr. Speaker, today I am pleased to introduce with Mr. GRADISON, Mr. WAXMAN, Mr. ROYBAL, Mr. COYNE, Mr. LEVIN, Mr. MOODY, Mr. ANTHONY, Mr. PEPPER, and Mr. PICKLE, the Medicare Skilled Nursing Home Quality Care Amendments of 1987. This legislation is a companion to H.R. 2270, the Medicaid Nursing Home Quality Care Amendments of 1987. Like H.R. 2270, it is designed to improve the quality of care and quality of life for our Nation's elderly and disabled in skilled nursing facilities.

This bill builds on the medicare nursing home reform legislation, H.R. 5712, that we introduced in the 99th Congress. This year's legislation not only includes many of the recommendations of the Institute of Medicine's study on "Improving the quality of Care in Nursing Homes," but also represents the consensus views of the Coalition on Nursing Home Reform.

With the aging of the population, an increase in chronic illnesses and the move to shorter lengths of stays in hospitals, more and more Americans will spend some time in a skilled nursing facility. It is projected that the elderly nursing home population will increase by more than 50 percent from 1978 to 2003. Presently, medicare and medicaid account for over half of the payments for nursing home care on behalf of about 1.5 million residents. To protect these elderly and disabled Americans, a Federal-State regulatory system was developed. Unfortunately, according to studies in California and other States this system is not working.

When the Reagan administration attempted to add insult to injury by deregulating this already inadequate regulatory system, the Institute of Medicine, at the urging of Congress, was commissioned to study the nursing home industry. After 2 years of study, in March 1986, the Institute of Medicine released its report entitled "Improving the Quality of Care in Nursing Homes." This prestigious Institute concluded that the present regulatory system is "apparently unable either to force substandard facilities to improve their performance or to eliminate them."

A nursing home regulatory system should ensure that any resident of a skilled nursing facility receive appropriate medical, mental health, and social service care, while enjoying all civil and legal rights. The Institute of Medicine found that, "this happens in many nursing homes in all parts of the country. But in many other government-certified nursing homes, individuals who are admitted receive very inadequate—sometimes shockingly deficient—care that is likely to hasten the deterioration of their physical, mental and emotional health. They also are likely to have their rights ignored or violated, and may even be subject to physical abuse."

In a soon to be released report, the General Accounting Office [GAO] found that an incredible 41 percent of skilled nursing facilities, in five States surveyed, failed to meet at least one key survey requirement in repeat inspections by States surveyors.

Mr. Speaker, clearly, the regulatory system isn't working. We need to define what is quality of care in skilled nursing facilities, how this care is to be surveyed and certified, and to provide for effective enforcement provisions to make sure that residents receive only the finest of care.

The legislation we are introducing today does just that:

First, it promotes quality of care by requiring all skilled nursing facilities, that participate in medicare, to develop an individualized plan of care based upon an assessment of the functional capacity of the resident.

Second, to ensure that the plan of care is properly implemented appropriately trained staff is required. Skilled nursing facilities would be required to have 24-hour nursing care with a registered nurse 7 days a week for at least the day shift, with certain exceptions permitted. Knowing that about 70 to 80 percent of the care in nursing facilities is delivered by nurse aides, the bill requires that nurse aides employed by the facility would have to be appropriately trained and tested before they would be allowed to provide care. Skilled nursing facilities would also have to meet the social needs of the residents, with certain exceptions permitted.

Third, to make sure the reforms are properly carried out State survey teams would be required to survey and certify compliance or require the facilities to remedy the deficiencies.

Last, enforcement procedures are clearly spelled out so that the State or Federal Government could terminate the medicare participation agreement with a skilled nursing facility or apply intermediate sanctions including: First, stopping payment for new patients, second, assessing monetary penalties, or third, placing the facility in receivership.

Mr. Speaker, we must not turn our backs on our Nation's elderly and disabled nursing home residents. I look forward to working with my colleagues on making sure that medicare and medicaid nursing home residents receive the kind of care they deserve and are entitled to receive.

CONSTITUTIONAL AMENDMENT TO BALANCE THE BUDGET

HON. VIC FAZIO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. FAZIO. Mr. Speaker, our colleague from Utah, Mr. OWENS, in a speech to the Salt Lake City Rotary Club on June 16, 1987, challenged the Congress and challenged the Democratic Party to reconsider a constitutional amendment to balance the budget. I am most impressed with Congressman OWEN's comments and would like to submit his speech for the RECORD in order that others may benefit from his insights. Whether you support such a constitutional amendment or not, I think that careful consideration of WAYNE OWEN's thoughtful comments will lead Democrats, to think long and hard about the devastating impact of the growing deficit spending which has hurt our country's economy so markedly thoughout this century but particularly in the 1980's.

REMARKS BY REPRESENTATIVE WAYNE OWENS, SALT LAKE ROTARY CLUB, JUNE 16, 1987

Thank you for the opportunity to address you today. I appreciate very much the invitation to speak to you, and in fact, volunteered for the task, because I think I have something to say and wanted to say it before the Salt Lake City Rotary Club.

This year, we are celebrating the bicentennial of the Constitution. It is a time to reflect on how far we have progressed toward an ideal society, and how far we still need to go. Viewpoints are varied and wide-ranging. We have heard the incisive comments of Laura Renz of Cedar Falls, Iowa, 8 years old, who in winning a nationwide essay contest, compared the Constitution to a pair of blue jeans.

"Suppose," she wrote, "suppose you bought some jeans which you hoped would last a year. Years went by and you grew much bigger. Wouldn't you be amazed if, after 200 years, the jeans still fit and were in good shape? It's just as amazing that after 200 years, the Constitution is in good shape and still fits, even though the country has grown much bigger."

From another viewpoint, Justice Thurgood Marshall publicly criticized the Constitution for initially institutionalizing slavery and denying women the right to vote, but he said that we need "to seek * * * a sensitive understanding of the Constitution's inherent defects and its promising evolution through 200 years of history."

From my own perspective, I believe that the Constitution's 55 authors were not only inspired statesmen but also intelligent, practicing politicians of that day, who were able to craft a representative democracy unique in all the world. They provided an unchanging commitment to principles of freedom, while still maintaining the flexibility to permit the system to adapt to meet changing political and economic realities.

From time to time, however, our country has collectively come to a conclusion that a vital problem could be solved only by an amendment to the Constitution. I believe we are at that point again. The current Government structure for budgeting has failed to adequately deal with the crippling deficits of recent years. It is that concern over deficits that I would like to address today.

Until about 1930, it was rare that the United States would run a budget deficit, except during times of war, and then, they were small deficits. Since then, though, we have had budget deficits in 49 out of the last 57 years, and, to our economic chagrin, in 26 out of the last 27 years.

In 1981, we were promised by Arthur Laffer and, more importantly, by President Ronald Reagan, that a tax cut of 25 percent would generate higher tax revenues and higher savings, leading, in a very few short years, to a balanced budget. Further, we were assured that the tax cut's stimulative effect would be such that we could, at the same time, permit very large increases in defense spending. And Congress, to its discredit, bought it. It turned out to be the greatest fiscal blunder in our Nation's history, eclipsing even Lyndon Johnson's Vietnam "guns and butter" policy of the mid-sixties.

Instead of a balanced budget, the deficit mounted each year, doubling and redoubling, climbing from $57.9 billion in fiscal year 1981 to a record $220.9 billion in fiscal year 1986. Total debt has gone from $1 trillion to $2.15 trillion, more than doubling in just 6 short years, and three-quarters of that additional debt is traceable to that 1981 tax cut. I want to emphasize that I am not sounding any partisan note—there is plenty of blame to go around. This administration has proposed an unbalanced budget every year—and Congress has gone along.

It is so important, so fundamental to our country's fiscal good health that our expenditures be matched by our revenues, and yet, Federal spending is so totally out of control, and unregulated by economic realities, that I have reluctantly concluded that the time has come to raise the balanced budget goal to the level of a constitutional requirement. So last week, I joined as an original cosponsor of a constitutional amendment to require a balanced budget.

This bill is also cosponsored by my two Republican colleagues in the House and is almost identical to the bill supported by our two Utah Senators last session in the last Congress, so that, in this vital fiscal matter, the Utah delegation is agreed.

My belief in this amendment is so strong that I plan to be more than just a supportive bystander; I will be an active supporter. In addition, I think the Democratic Party should make this amendment a goal of its fiscal policy, and I intend to actively pursue that objective.

Some may be surprised by this announcement, since this is the first time I have actively supported a balanced budget constitutional amendment. But I have always supported balancing the budget. Anyone who followed my brief congressional career, which went down in flames 12 years ago will remember that I bemoaned regularly what I then called the "immorality" of the $9 and $12 billion deficits of those 2 years. Those were the "good old days" of deficit spending.

These continuing deficits are taking their toll on our economy and on our children. The Congressional Budget Office, in its "Economic and Budget Outlook 1987" pointed out that: "our fiscal policy since 1981 has allowed people living today to enjoy higher consumption at the expense of those who will be living tomorrow."

Thomas Jefferson, in discussing public debts, noted that while we all acknowledge that our children are born free, "we alienate their labor," he said, "by obliging them to pay for all the enterprises, just or unjust, profitable or ruinous, into which our vices, our passions, or our personal interests may lead us. We shall all consider ourselves unauthorized to saddle posterity with our debts, and morally abound to pay them ourselves."

It is not only immoral to burden our children with our fiscal irresponsibility, but it is economically unsound. Interest payments of $140 billion to service the debt this year stifle private investment. This $140 billion waste does not pay for any of today's services nor any of today's investment needs. It pays for the fiscal and political irresponsibility of the past and symobolizes the continuing irresponsibility of the present.

Without such payments, we would have $140 billion less taxes to pay; we would have $140 billion more for private investment that could make the U.S. economy stronger—private investment to provide growth and development in Utah and nationwide. Private investment to stimulate exports; private investment in research and development to increase U.S. trade competitiveness.

"Private investment;" these are the key words I want to emphasize to you today. Andrew Jackson pointed out our problem more than 150 years ago:

"Once the budget is balanced and the debts paid off, our population . . . will find additional means for the display of individual enterprise."

In order to fulfill the demand for private investment, we have brought in foreign capital. We welcome that investment and need it very badly right now. But if we continue to look abroad to meet our private investment needs, serious questions will be raised about long-term U.S. dependence on foriegn investment and the concern about increasing foreign influence on U.S. policies, as foreign governments and foreign citizens have increasing control over our public debt and our private corporate ownership.

The earliest effect of growing foreign investment in the United States has been the impact to our balance of trade. The increase in foreign investment in the United States drove up the value of the dollar, thereby decreasing the costs of imports and increasing the prices of our exports. Merely reducing the value of the dollar which we have done over the last 28 months is not enough—we must balance the budget!

These three problems—the moral impact on our children, the economic impact on private investment, and the deleterious impact on trade—these are the compelling reasons for my firm belief that the Government should not be allowed to engage in deficit spending except in times of war or severe economic recession. And I must say that I am increasingly dubious, as the world market replaces the national market, that deficit spending can favorably impact on the recession.

In my campaign last year, I stated that I was totally committed to making Gramm-Rudman work, and, if I became convinced that it would not do the job, that I would support a constitutional amendment to balance the budget. After 5 months in Congress, I have seen the budget process up close, and, to put it mildly, I am not impressed. For those of you old enough to remember the comic strip "Pogo", predecessor to "Doonesbury" and "Bloom County," comes this quote from the past: "I have seen the enemy, and it is us!"

In fiscal year 1986 and fiscal year 1987, Congress failed to meet the Gramm-Rudman target by $49 billion respectively. Congress' and the administration's record has not been good at all, but the fault is equally shared, a fact that the President has never to my memory, ever acknowledged. But you should be aware that President Ronald Reagan, in his first six budgets, requested a total of $4.35 trillion in spending, and Congress, changing some of his priorities, gave him that exact amount to spend. Congress and the President ought both to admit that it's both our faults and get on with solving it.

I voted, 2 months ago, on a Democratic budget resolution that not only comes about $35 billion short of the Gramm-Rudman target for fiscal year 1988, but also required a decision to increase unspecified taxes by $18 billion, and I voted "no". Still, there will be deficit reductions of about $25 to $35 billion more than last year. Though Gramm-Rudman has not worked, it has helped.

But that mediocre result is not good enough. It is time to remove the rose-colored glasses—the ones which make the celebrated blue smoke and mirrors in Federal budgeting appear to reflect reality.

It was my recent fight against the C-17 which finally made me realize that we need a constitutional amendment to force Congress and the administration to make the tough budget cuts. The C-17 will bring, as everybody knows, 200-300 jobs to Salt Lake County. It also provided jobs in more than 100 other congressional districts in at least 27 different States. A dozen of my friends said: "Please don't ask me to vote against the C-17. It is being built in my district."

The C-17 decision was tough because, not only was it popular in a lot of congressional districts, in an ideal spending world, it is also justifiable. But in the real spending world, it is an unnecessary and unjustifiable $40 billion expenditure. But Congress pushes ahead with this new, untested and unproven airplane—no new technology here, just a different plain old cargo airplane larger than the C-141 and smaller than the C-5—even though buying more C-5s would allow them to reach the ton mile haulage goal of the Air Force 5 years earlier, and cost tens of billions less money. It is redundant, but I can't pass the chance to say again: we will never balance the budget until we politicians agree to cut an occasional program which spends money in our own States.

We politicians, as a species, find it very difficult, sometimes impossible, to make the tough choices required to balance budgets. Television and radio and newspapers and the constant public scrutiny which they assure, make the process much more difficult. The folks back home want to know what we've done for them lately, and must be given something newsworthy to chew on.

Congressmen, Senators, and the President are all politicians. Either we please our constituents, or we will lose the opportunity to help set public policy. And that is a very powerful argument which seems to justify buying, at times, the most rancid and smelly barrels of pork. We look at the needs of our states, and we vote for appropriations—it is that simple. Then, we turn around and condemn overspending, usually in other Congressmen's States.

Milton Friedman, with whom I don't always agree, but was right, though very harsh and uncharitable, when he said: "Deficits are bad . . . they are bad because they encourage political irresponsibility. They enable our representatives in Washington to buy votes at our expense without having to vote explicitly for taxes to finance the largess."

It is now appropriate that, in this bicentennial year's celebration of the American Constitution, that Congress recognize that the American people want spending controlled, to protect their children's opportunities and their own economic stability. And because that desire is so strong, and has for so long been ignored, and the need so fundamental, it is my belief that the principle of balanced budgets should be enshrined in our most basic, founding document, the U.S. Constitution.

SMALL BUSINESS HOTLINE

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. GARCIA. Mr. Speaker, recently the New York State Banking Department issued a notice of a proposed regulation to require banks to disclose their small business lending activities. The regulation would require that at year end State regulated financial institutions report what financial services are available to small businesses throughout the State. The banking department will establish a small business hotline and "act as a channel of communication between small business entities who seek financing and banks which offer appropriate financial services for small businesses."

The State of New York, as the major financial center in the United States, is often the forefront of new and innovative banking regulation, and this is one of those times. Quite often small businesses that are in need of financing find it impossible to spend the time, energy and money necessary to find a financial institution that can work with them and meet their specific needs. This regulation is an idea whose time has come. Not only will it prove helpful to the many thousands of small businesses in the State without the resources to conduct extensive research into the services available to them from banks, but it will open up a vast new and largely untapped market for the banks. It should also lead to some healthy competition and improved service.

Small businesses are the anchors that keep many neighborhoods alive and thriving. They also provide much needed jobs and services in urban communities. In the past we have seen communities devastated by the mass migration of its residents and small businesses. Those that stayed put teeth into the motto "don't move, improve." We recognize that when a small business can no longer service a community everyone loses, and a little bit of that community dies with the business. I applaud the New York State Banking Department, and its forward looking superintendent Jill Considine, for this proposal.

CONGRATULATING HAWAII'S EDUCATORS

HON. PATRICIA F. SAIKI

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mrs. SAIKI. Mr. Speaker, today I extend my congratulations to the 16 faculty members from the University of Hawaii system honored this spring for excellence in teaching and research. The winners were selected on the basis of student evaluations and comments submitted at the end of the term. These educators are providing for Hawaii's future as they reinforce the University of Hawaii's position as a major education center in the Pacific. In the following I include brief descriptions of the honorees as noted in "Malamalama," the University of Hawaii Foundation's newsletter.

Wasim A. Siddiqui, professor of tropical medicine and medical microbiology in the John A. Burns School of Medicine at Manoa, will receive the senior research award for lifetime accomplishment of national and international stature. He has done extensive research in the development of a malaria vaccine.

Stephen Canham, associate professor of English at the university's Manoa campus is credited by his students for teaching "with great humor and fun, although always within context of the subject matter."

Beverly Ann Keever, assistant professor of journalism at the Manoa campus, recently revamped the public affairs reporting course, producing written and videotape material in the process.

David Stannard, professor of American studies at Manoa, came to Hawaii after being published, promoted, and rated one of the best teachers at Yale University.

Bruce E. Tabashnik, assistant professor of entomology at Manoa, has investigated insect ecology. His specific research includes how insects develop resistance to insecticides.

Beng Poh Yoshikawa, Honolulu Community College learning assistance coordinator, has been praised for her resourcefulness in assisting with a program helpful to immigrants and developmental students.

Tim McCabe, Kapiolani Community College instructor in emergency medical services, has been described by students as a "dynamic lecturer and a stimulating, lively, enthusiastic, creative and caring teacher."

Patrick Kim, Kauai Community College instructor in music, has been lauded for his patience, encouragement and concern for his students.

Stuart Fukushige, Leeward Community College instructor in accounting, was praised for making accounting "seem easy to understand and fun to learn."

Richard Mayer, Maui Community College instructor in geography and economics, "challenged his students while remaining sensitive to their needs."

Snowden Hodges, Windward Community College instructor in art, was admired for his spirit and his ability to discover and share beauty.

James Yoshida, sales and marketing instructor, was the award recipient at Honolulu Community College.

The university also selected four teachers to receive Presidential citations for teaching excellence.

Jerry Bentley, associate professor of history, inaugurated world history as a graduate field of study. He bases his teaching philosophy on the idea that "students possess a powerful urge to learn about the world and understand how it works."

Walter Morishige, associate professor of physiology, was the recipient of the medical school's highest award for teaching first year students during 1984-85. He currently is receiving praise for having written an endocrinology textbook.

Jon Van Dyke, professor of law, has been accessible to his students despite his extensive writings, some of which have been quoted in U.S. Supreme Court decisions.

Dan Wedemeyer, associate professor of communications, helped contribute to the growth of the communications department from 150 majors in 1981 to 600 this spring. Students credit him for being consistently on top of his field.

To these talented individuals I extend a warm aloha and my best wishes, for an equally successful 1987-88 school year. They are providing a service for the people of Hawaii for which we are all indebted.

PERSONAL EXPLANATION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. PACKARD. Mr. Speaker, due to the wedding of my youngest daughter, I was unable to vote during the session on Tuesday, June 23, 1987. Had I been present I would have voted in the following manner:

Rollcall vote No. 201, "no."
Rollcall vote No. 202, "no."
Rollcall vote No. 203, "no."
Rollcall vote No. 204, "no."
Rollcall vote No. 205, "no."
Rollcall vote No. 206, "no."
Rollcall vote No. 207, "no."
Rollcall vote No. 208, "no."
Rollcall vote No. 209, "no."

PENNSYLVANIANS LED THE WAY IN RECORD-SETTING WORLD FLIGHT

HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. COUGHLIN. Mr. Speaker, in this age of satellites and space shuttles it is encouraging to find people who still take to the skies to break world records and push exploration to new limits.

Such is the case with two pilots who have just completed the first around-the-world flight—over both the North and South Poles—in a single-engine propeller airplane.

One of the pilots, Richard Norton, lives in the Chestnut Hill section of Philadelphia in my 13th Congressional District. The other pilot, Calin Rosetti, is from West Germany. The owner of the specifically-equipped aircraft is Paul Carmichael of Lansdale. PA., which is also within the 13th District.

These courageous and adventurous men clearly embody the legendary can-do spirit of America.

Yesterday, they returned to America in their plane, the Arctic Tern, in a landing of Doylestown Airport outside Philadelphia.

The Paris-to-Paris flight began on January 21, 1987, and the pilots hoped to complete the 38,000-mile trip by the end of the following month. From France, they flew south over the Atlantic Ocean, making stops in Africa and South America before circling the South Pole. The aircraft then headed north across the Pacific Ocean to Tahiti, Hawaii, and Alaska.

On February 13, the Arctic Tern developed engine trouble on an emergency stop on a desolate island in Canada's Northwest Territories, forcing the pilots home until spring.

Norton and Rosetti resumed their record-setting flight earlier this month, flying from Canada across the North Pole toward a landing in Norway. From Oslo, they flew into Le-Bourget Airport in Paris on June 15, landing at the same airfield where Charles A. Lindberg ended his triumphant solo flight across the North Atlantic 60 years ago.

Carmichael's Piper Malibu features a deicing mechanism for the wings and had been pressurized up to 25,000 feet to allow the pilots to avoid bad weather. For the round-the-world flight, extra fuel tanks were added to double the plane's normal fuel capacity, allowing the aircraft to stay airborne for up to 20 hours.

Norton serves on the staff of the Institutes for the Achievement of Human Potential in Wyndmoor, PA, which helps brain-injured children. These children named the plane Tern after the small white birds who migrate between the Antarctic and the Arctic.

This flight broke 10 world flight records. All three men deserve credit for stretching the limits of possibility and for proving that the spirit of adventure is still alive.

TRIBUTE TO MAYOR HERB HAYS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. HUBBARD. Mr. Speaker, the popular, 58-year-old mayor of Hopkinsville, KY, Herbert G. Hays, finally lost a determined, lengthy battle against cancer last Thursday afternoon, June 19.

This Member of Congress is saddened because I have lost a good friend.

Can Democrats and Republicans work together? Well, we have just heard some heated exchanges between Republicans and Democrats here in the House Chamber. But my friend Herb Hays, the No. 1 Republican in western Kentucky, and I enjoyed working together for progress in our area of this great country.

Herb Hays was First Congressional District chairman for President Reagan's 1980 and 1984 Kentucky organization. He served two terms as chairman of the Republican Party for the First Congressional District of Kentucky.

Herb Hays was the first Republican ever elected mayor of Hopkinsville. He was sworn in January 1 last year. So he served as mayor 1 year, 5 months, and 18 days, much of the time with terminal cancer. Herb Hays definitely gave the job of being mayor of Hopkinsville, KY, everything he had.

Many major accomplishments occurred during the Hays administration. His dream, his goal was to promote Hopkinsville.

I want to say now the same words I said Saturday at Mayor Hays' funeral to his lovely wife, Marilyn, and three children: "Thank God for people of vision and courage such as the beloved Mayor Herb Hays."

My wife, Carol, and I extend to his wife, Marilyn, his son, Jack Hays, his daughters, Peg Crutcher and Lee Ann Naghtin, his brother, Harrell Hays, and his four grandchildren our sympathy and prayers at this difficult time.

EUROPEAN PARLIAMENT ADOPTS ARMENIAN GENOCIDE RESOLUTION

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. LEHMAN of California. Mr. Speaker, on Thursday, June 18, 1987 the European Parliament took action on an issue that is of international importance. Elected representatives from the 12 nations of the European Economic Community [EEC] approved a resolution which preconditions Turkey's acceptance into the EEC on its recognition of the Armenian genocide of 1915–17.

I commend the Parliament's propitious action and hope that this Congress and administration will take similar action on behalf of the 1½ million Armenians who were callously murdered in the Ottoman Empire in 1915–17. The House can adopt such a resolution that designates April 24, 1988, as a national day of remembrance of the Armenian genocide by approving House Joint Resolution 132 when it comes to the House floor. I urge my colleagues to read the test of the Parliament's resolution, and lend their support to House Joint Resolution 132 which reaffirms our commitment to recognition of the international crime of genocide.

The following is the full text of the Parliament's resolution and House Joint Resolution 132:

RESOLUTION

The European Parliament:

Having regard to the motion for a resolution tabled by Mr. Saby and others on behalf of the Socialist Group on a political solution to the Armenian question (Doc. 2-737/84),

Having regard to the motion for a resolution tabled by Mr. Kolokotronis on the Armenian question and the declaration of 24 April as Armenian Genocide Day (Doc. B 2-360/85),

Having regard to the report of the Political Affairs Committee (Doc. A 2-33/87),

A. Having regard to:

The motion for a resolution by Mr. Jaquet and others on the situation of the Armenian people (Doc. 1-782/81),

The motion for a resolution by Mrs. Duport and Mr. Glinne on behalf of the Socialist Group on a political solution to the Armenian question (Doc. 1-735/83), and

The written question by Mrs. Duport on the Armenian question,[1]

The resolution of the Ministers with responsibility for Cultural Affairs, meeting within the Council of 13 November 1986 on the protection of Europe's architectural heritage,[2] including that outside the territory of the Community,

B. Convinced that recognition of the identity of the Armenian people in Turkey as an ethnic, cultural, linguistic and religious minority follows on from recognition of its own history,

C. Whereas the Armenian side regards these events as planned genocide within the meaning of the 1984 UN Charter,

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[1] OJ No. C 216, 16.8. 1984.

[2] OJ No. 320 of 13.12. 1986.

D. Whereas the Turkish State rejects the charge of genocide as unfounded,

E. Whereas, to date, the Turkish Government, by refusing to recognize the genocide of 1915, continues to deprive the Armenian people of the right to their own history,

F. Whereas the historically proven Armenian genocide has so far neither been the object of political condemnation nor received due compensation,

G. Whereas the recognition of the Armenian genocide by Turkey must therefore be viewed as a profoundly humane act of moral rehabilitation towards the Armenians, which can only bring honour to the Turkish Government;

H. Profoundly regretting and condemning the mindless terrorism by groups of Armenians who were responsible between 1973 and 1986 for several attacks causing death or injury to innocent victims and deplored by an overwhelming majority of the Armenian people,

I. Whereas the obdurate stance of every Turkish Government towards the Armenian question has in no way helped to reduce the tension,

1. Believes that the Armenian question and the question of minorities in Turkey must be resituated within the framework of relations between Turkey and the Community; points out that democracy cannot be solidly implanted in a country unless the latter recognizes and enriches its history with its ethnic and cultural diversity;

2. Believes that the tragic events in 1915-1917 involving the Armenians living in the territory of the Ottoman Empire constitute genocide within the meaning of the convention on the prevention and the punishment of the crime of genocide adopted by the UN General Assembly on 9 December 1948; Recognizes, however, that the present Turkey cannot be held responsible for the tragedy experienced by the Armenians of the Ottoman Empire and stresses that neither political nor legal or material claims against present-day Turkey can be derived from the recognition of this historical event as an act of genocide;

3. Calls on the Council to obtain from the present Turkish Government an acknowledgement of the genocide perpetrated against the Armenians in 1915-1917 and promote the establishment of a political dialogue between Turkey and the representatives of the Armenians;

4. Believes that the refusal by the present Turkish Government to acknowledge the genocide against the Armenian people committed by the Young Turk government, its reluctance to apply the principles of international law to its differences of opinion with Greece, the maintenance of Turkish occupation forces in Cyprus and the denial of the existence of the Kurdish question, together with the lack of true parliamentary democracy and the failure to respect individual and collective freedoms, in particular freedom of religion, in that country are insurmountable obstacles to consideration of the possibility of Turkey's accession to the Community;

5. Conscious of those past misfortunes, supports its desire for the development of a specific identify, the securing of its minority rights and the unrestricted exercise of its people's human and civil rights as defined in the European Convention on Human Rights and its five protocols;

6. Calls for fair treatment of the Armenian minority in Turkey as regards their identity, language, religion, culture and school system, and makes an emphatic plea for improvements in the care of monuments and for the maintenance and conservation of the Armenian religious architectural heritage in Turkey and invites the Community to examine how it could make an appropriate contribution;

7. Calls on Turkey in this connection to abide faithfully by the provisions for the protection of the non-Muslim minorities as stipulated in Articles 37 to 45 of the 1923 Treaty of Lausanne which, moreover, was signed by most Member States of the Community;

8. Considers that the protection of monument and the maintenance and consideration of the Armenian religious architectural heritage in Turkey must be regarded as part of a wider policy designed to preserve the cultural heritage of all civilizations which have developed over the centuries on present-day Turkish territory and, in particular, that of the Christian minorities that formed part of the Ottoman Empire;

9. Calls therefore on the Community to extend the Association Agreement with Turkey to the cultural field so that the remains of Christian or other civilizations such as the ancient classical, Hittite, Ottoman, etc., in that country are preserved and made generally accessible;

10. Expresses its concern at the difficulties currently being experienced by the Armenian community in Iran with respect to the Armenian language and their own education in accordance with the rules of their own religion;

11. Condemns the violations of individual freedoms committed in the Soviet Union against the Armenian population;

12. Condemns strongly any violence and any form of terrorism carried out by isolated grouping unrepresentative of the Armenian people, and calls for reconciliation between Armenians and Turks;

13. Calls on the Community Member States to dedicate a day to the memory of the genocide and crimes against humanity perpetrated in the 20th century, specifically against the Armenians and Jews;

14. Commits itself to making a substantial contribution to initiatives to encourage negotiations between the Armenian and Turkish peoples;

15. Instructs its President to forward this resolution to the Commission, the European Council, the Foreign Ministers meeting in political cooperation, the EEC/Turkey Association Council and the Turkish, Iranian and Soviet Governments and the UN Secretary General.

H.J. Res. 132

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 24, 1987, is designated as "National Day of Remembrance of the Armenian Genocide of 1915-1923", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe this date as a day of rememberance for the 1.5 million people of Armenian ancestry who were victims of the genocide perpetrated by the governments of the Ottoman Empire from 1915 to 1923, prior to the establishment of the Republic of Turkey, and in their memory this date is commemorated by all Armenians and their friends throughout the world.

COMMERCIALS AGAINST DRUGS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. FRANK. Mr. Speaker, on Saturday, June 13, I had the privilege of participating in a very impressive event. WNAC TV-64, the cable TV station for Rehoboth, MA, in my district, sponsored an antidrug campaign in which sixth graders from the broad geographic area in which Rehoboth is located were invited to submit 30-second TV commercials against drugs. The campaign was entitled "Open Your Eyes and Close the Door on Drugs." I had the chance that morning to meet 5 of the 10 finalists, all of whom were from Bristol County, MA, in which much of my district is situated, and to talk with them and their parents and other relatives. These young people did an impressive job, of which they and their families should be very proud. I was honored that Rod McGehee, the promotions director of WNAC TV-64 gave me the honor of presenting them with their plaques. I asked at the time if he would let me share with my colleagues the fact that WNAC TV-64 ran this innovative campaign, because I think it is one that other parts of the country may well wish to emulate. And I asked also if the students would be willing to let me insert the texts of their commercials into the Record because I think it is important that young people hear from other young people the kind of common sense against drugs that these five talented young people put into their commercials.

Mr. Speaker, I ask that the texts of the five commercials, and the authors and their schools and hometowns be inserted here.

TV-64, WNAC,
Rehoboth, MA.

1987 FINALIST, KRISTEN O'DONNELL, WNAC TV-64 ANTI-DRUG CAMPAIGN, "OPEN YOUR EYES AND CLOSE THE DOOR ON DRUGS"

"Hi, My name is Kristen O'Donnell. I'm a sixth grade student from Stall Brook School in Bellingham, MA. I don't know anyone who does drugs but I do know what they do to you. Drugs are killers. They ruin you and your life. I know for a fact life isn't fair sometimes but that's no reason to turn to drugs. You don't have to be into anything just because your friends are doing it. Take control. With your control and support we can overpower the use of Drugs. "Open Your Eyes and Close the Door on Drugs."

Kristen O'Donnell,
Stall Brook School,
Bellingham, MA.

TV-64, WNAC,
Rehoboth, MA.

1987 FINALIST, BRIAN MARCHIONNI, WNAC TV-64 ANTI-DRUG CAMPAIGN, "OPEN YOUR EYES AND CLOSE THE DOOR ON DRUGS"

"Hi, I'm Brian Marchionni and I'm a sixth grader, just like you. We're going to make a lot of mistakes as we grow up, but one mistake we shouldn't make is taking drugs.

I know the pressure is hard, but the choice is simple, just say no. You know you're smarter than that. "Open Your Eyes and Close the Door on Drugs."

Brian Marchionni,
Williams Elementary,
Bridgewater, MA.

TV-64, WNAC,
REHOBOTH, MA.

1987 FINALIST, ROBERT ACCETTULLO, WNAC TV-64 ANTI-DRUG CAMPAIGN, "OPEN YOUR EYES AND CLOSE THE DOOR ON DRUGS"

"I think that anybody who would want to take drugs is a real loser. Taking drugs is like committing suicide, only you die a slow painful death. Most people who take drugs take them to impress their "friends". Well, either your so called friends are crazy, or they're definitely not friends. Once you're on drugs, you'll do anything to get more of them steal, kill, anything. When you're on drugs it's really tough to stop taking drugs. Remember.......

"Don't let your future go up in smoke say no to joints, crack and coke"

ROBERT ACCETTULLO,
Morton Middle School,
Fall River, MA.

TV-64, WNAC,
REHOBOTH, MA.

1987 FINALIST, ADAM HULBIG, WNAC TV-64 ANTI-DRUG CAMPAIGN, "OPEN YOUR EYES AND CLOSE THE DOOR ON DRUGS"

Drugs! When you hear this word, what do you think? Some kids might think of cocaine, heroin, and crack, but all I think of is death and life-long problems. Drugs are for losers! They are harmful to your body, family, and life. So take this advice, "Open Your Eyes and Close the Door on Drugs."

ADAM HULBIG,
Centennial School,
Norfolk, MA.

TV-64, WNAC,
REHOBOTH, MA.

1987 FINALIST, JAMES ADAMS, WNAC TV-64 ANTI-DRUG CAMPAIGN, "OPEN YOUR EYES AND CLOSE THE DOOR ON DRUGS"

Remember to say no if a friend or stranger offers you alcohol or drugs. You don't have to give an explanation to anyone for choosing not to drink or take drugs. If kids pressure you, you can always just walk away. Feel good about yourself, you are someone special. "Open Your Eyes and Close the Door on Drugs."

JAMES ADAMS,
Old Hammondtown School,
Mattapoisett, MA.

TRIBUTE TO COL. ROBERT F. RAGGIO

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mrs. BYRON. Mr. Speaker, I would like to take this opportunity to say,a special thank you to Col. Robert F. Raggio, U.S. Air Force, for his complete professionalism displayed while acting as division chief of the Weapons Systems Liaison Division, Air Force Office of Legislature Liaison.

Bob Raggio's excellent grasp of complex issues as well as the competent manner in which he expresses himself have elevated my level of knowledge of Air Force programs and given me a new understanding of the dedication the Air Force brings to its ultimate mission, that of defending this great Nation. In every request that I have made of him, he would constantly strive to assist and provide me with the best possible answers to my questions. He exemplifies the highest qualities and is, in every respect, a true professional.

Colonel Raggio has been a distinguished graduate of the ROTC program at Montana State University, the U.S. Naval Test Pilot School, and the Industrial College of the Armed Forces. His distinguished and varied career includes over 150 combat rescue missions in South Vietnam, Laos, and Thailand, obtaining a Master of Science Degree in Industrial Engineering at Purdue University while in the Air Force Institute of Technology program, flying global airlift missions in the C-141 Starlifter, accomplishing test pilot duties in both fixed and rotary winged aircraft, and several years as manager of F-15 foreign military sales to Saudi Arabia, Israel, and Japan.

His last 3 years has been spent in the Air Force Office of Legislative Liaison, where he has been the chief of the weapons systems division since 1985. I am pleased to note that Bob is leaving that post to become the executive officer to the commander, Air Force Systems Command, and I am doubly pleased to note further that this assignment will bring him to work daily in the great State of Maryland.

I am pleased and privileged to have worked with this outstanding officer, and I wish him every success as he leaves the Pentagon for his next great challenge.

KIM YOUNG-SAM'S ACCEPTANCE SPEECH

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. PORTER. Mr. Speaker, according to reports, President Chun Doo Hwan has agreed to meet opposition leader Kim Young-Sam in an attempt to ease the antigovernment rioting that has engulfed South Korea during the past few weeks. As cochairman of the Congressional Human Rights Caucus, I strongly support this open dialog between two very influential leaders.

At this time, I would like to insert the following speech given by Kim Young-Sam outlining the views of the Reunification Democratic Party. This party was formed after a breakup of the New Korea Democratic Party in March and is currently Korea's main opposition group.

Mr. Speaker, I urge my colleagues to read these remarks to gain a better understanding of the conflict occurring in South Korea.

ACCEPTANCE SPEECH BY KIM YOUNG-SAM GIVEN UPON ELECTION AS PRESIDENT AT THE FOUNDING MEETING OF THE REUNIFICATION DEMOCRATIC PARTY, MAY 1, 1987

Dear friends and fellow members of our new party! All of you, my fellow democratic citizens who have spoken out, waited so eagerly, and given your support for a strong opposition party! I am proud to be able to join with all of you in our party this day in proclaiming the founding of the Reunification Democratic Party, the party which will take the lead in fulfilling the hopes of all our people, who have been waiting since the assassination of President Park in October of 1979 for "spring in Seoul" and "a democratized homeland."

I hereby declare to all that this party will honestly uphold the will of the people for democratization as that was clearly revealed in the elections of February 12, 1985, and will be a clear-cut, strong opposition party which can now mobilize our democratic forces for a new departure. We have broken through the scheming, violent machinations of the present regime and have succeeded in establishing the Reunification Democratic Party today. Clearly today has become for our nation the moment of establishing a new beginning in the struggle for democratization. We have thwarted completely and resolutely the regime's scheming political plans, and have accomplished the founding of the "Reunification Democratic Party" as one momentous result in our struggle for democratization. We can now point to this accomplishment with confidence as evidence of how we have fought for democracy.

The people of this nation now have a political party which uniquely represents the true will of the people, which can resolve the longstanding indignation of the people, which is a party of the people, and truly a party for the people. I share the deep feelings of this moment with you in the new party and all of your fellow citizens, and accept the responsibilities of the Party Presidency with the resolution to go forward so that the people may enjoy the glory and the rewards, while I solemnly bear the necessary hardship and suffering of the office.

Yet I would ask you to remember that our colleague, the democratic leader Kim Dae Jung, who should be here in this place to share in our ovations, is still confined in his home and unable to join us. In this place today instead of merely congratulating ourselves on the founding of our new party, we should anticipate our further suffering and hardship and resolve to continue our struggle in firmness of conviction.

My colleagues and fellow members of this party! When we consider this new party in the light of the long view of history, we can say that our party has been brought into being for the purpose of putting an end once and for all to the kind of military takeovers and dictatorship which have dismantled our democracy and threatened our democratic constitution, struggling instead for democratic rule, social justice, reconciliation among our citizens, and the reunification of the Korean people. As a political party establishing true democratic rule by the people and reflecting and affirming the authentic tradition of our people, this party can become the matrix for the realization of a great democratic society by aiming toward a healthy political life and the formation of a clean government.

At this time, however, our people are languishing under a brutal dictatorial rule without precedent in our history. The vast majority of our people find their right to life threatened by a regime which conspires using endless corruption to serve certain special interests rather than seeking the welfare of the whole nation. We live under a police state where some 120,000 police are massively deployed to restrict and suppress the basic rights and freedoms of the people, yet these police stood idly by and allowed gangster violence to be used in broad daylight against our attempts to found local chapters of our party. We stand in confrontation with a dictatorial military regime which, without any sense of shame, conscience, or the slightest fear of the will of the people, abruptly betrayed and contradicted the consensus of the people which favored democratic revision of the constitution. Our Reunification Democratic Party is being launched at a difficult time when clear signs of an imminent end are all around us. That is why our party stands for the enactment of a revision of the constitution providing for the direct election of the president, the system which we believe will guarantee the realization of true democratization.

My colleagues and fellow members of this party! As we seek to carry on a clearly defined and effective struggle for democratization, I intend to establish as the present priority of this party's struggle program the bringing about of dialogue among the real political leaders of the nation. We know that the agencies of the present regime have been trying to avoid dealing with the real democratic forces of the nation as these were revealed authentically by the people in the general elections of February, 1985. They have manipulated the flow of information to bring about collusion and illicit alliances within the opposition for the sake of their plots to perpetuate their own political power. The regime has thus tried to assure its perpetual rule by using the persons it can placate or ensnare to stage fraudulent dialogue. It has been in order to deal resolutely with such treacherous scheming that we have decided to establish our new party. We have decided also to take leave of those persons who have lost control of themselves due to the influence of evil machinations, and to choose the way of a clearly defined and strong opposition party. What the present government has to date been calling "dialogue" is no dialogue at all, and has been nothing but a fraud.

As soon as we determined to found the Reunification Democratic party for the sake of substantial dialogue, the regime quickly moved to renounce and refuse dialogue with us. That is clear evidence that they fear a true dialogue which is not some form of fraud or manipulation. At this time those of us who have founded a clear-cut and substantive opposition party based upon the broad support and encouragement of the people of the whole nation intend to speak out confidently. That means precisely that we advocate dialogue which is substantial, not false, dialogue which is straightforward, not fraudulent. That means we will refuse dialogue which intends to use us in the service of any scheme to prolong dictatorial military rule. We will, however fear no dialogue whatever which aims toward justice and democratization. We will more than welcome any kind of dialogue which serves the basic rights and freedom of the people of the nation, and respects human dignity and the right of life.

My colleague and fellow members of this party. At the very moment we took the decisions to found this party, the present regime made the April 13th pronouncement that further discussion of constitutional revision would be postponed. What, indeed, was this measure? Following a year of all manner of attempts to discredit the direct presidential election system as destructive of the nation, while claiming that only the parliamentary cabinet system could resolve the political situation, this announcement revealed the immense self-contradictions of the regime and was really nothing more than the perpetration of a coup d'etat against the consensus of the people, intended as a return to the present anti-democratic presidential system. This announcement was, as Cardinal Kim has said, "not a decision made in great suffering," but shows rather, "politics has now distanced itself far from democratization, and we are seeing the beginning of a time of despotism, in which we do not know when we may see the end of the use of tear gas in our land, and we do not see the day when the tears will stop flowing not only from our eyes but from the depths of our hearts.

What is meant by safeguarding the national constitution? What they really mean is staying with that constitution this regime has made to suit its own desires, beginning with the prolongation of the tragedy that began in Kwangju in 1980 and was extended through the declaration of martial law, with the term of the presidency extended from yesterday's five years to today's six years and then to tomorrow's seven years, the constitution which merely duplicates the Yushin system so as to guarantee the election of certain persons to the presidency, the constitution hurriedly thrown together to insure the prolongation of a dictatorial system. There is no simple choice given here between safeguarding or revising the constitution, for this is merely an undemocratic machination designed to provide for the continuation of a dictorial military system. There is, furthermore, no "peaceful transfer of power," either, since it provides for those in the military dictatorship merely to shift the power among themselves by prior agreement and thus prolong the regime. In a situation where the members of the military dictatorship are simply prolonging their own rule, what possible meaning can titular government responsibility carry? In the face of such plots and manipulations, the outward form is not the problem. The real issue is the dissolution of the military dictatorial structure and a complete change to a truly democratic government.

In our society today the Emergency Measures employed by the Park regime in the 1970's have abruptly reappeared like ghosts out of the past. The power of the government is being overtly used to frighten and threaten the people following the pronouncement that discussion of constitutional revision aimed at democratization will be suppressed. Despite the public outrage caused among all our people by the tragic torture death of Pak Jong-Chol at the hands of the police, there has been no self-examination by the authorities and an even greater extension of abuses of human rights and repression. More than two thousand political prisoners are confined in prisons, hundreds of persons wanted for political reasons live in fear of arrest, colleges and universities are surrounded by the police, while the judiciary and the press have been reduced to the status of lackeys before government power. The National Assembly is also controlled by the police and run by their plan, so that the status of those Assemblymen who function as a genuine opposition is reduced to being nothing more than a further sign of government repression. Now in the mid-1980's we find ourselves once again in a long, long tunnel of darkness like the one through which we struggled in search of freedom during the Yushin days. As if that were not enough, in these dark, desperate surroundings of unbridled dictatorship all manner of corruption and moral decay are flourishing like poisonous mushrooms.

The Pomyang [Pan Ocean Shipping Company] scandal, which has recently caused such anger and discouragement among our people, is certainly not an isolated case of major corruption. It is only the tip of an iceberg of corruption and decay permeating this society, mocking our people, our history and all justice. We can certainly discern why no reasons have been offered for the failure to disclose the true situation of a company which, with debts of over a trillion won was still granted special favors by the authorities. The dictatorial power is throwing around at will the money of the people and the resources of the national economy. How can we placate the anger and sorrow of our workers, who, no matter how diligently they work, cannot earn more than a few thousand *won* a day? How can our people possibly trust a government like this? We and our party are the ones who must hold high a torch to bring light into the shadows of this age of darkness.

My colleagues and fellow members of this party! We have seen with our own eyes all too clearly exactly how the Yushin regime, which had lost all sense of authentic tradition, came to its end. During the last days the Yushin leadership had been saying, "There is no way to survive except through Yushin," but as soon as the end came, this claim was heard no more. We have learned through our own vivid, living experience how history and the people expose the fraudulence of such rootless political regimes and bring them to rejection and collapse. In the same way, the recent April 13th pronouncement terminating constitutional debate is also evidence of the rootlessness in tradition of the present regime. This measure will only invite the rejection and resistance of the people, and will serve only to help prepare a tragic end for this regime as well. I say these things with the full assurance that they are right.

My colleagues and fellow members of this party! Citizens of this land whom I respect so much! I would like to make clear in concert with you today that we will neither recognize nor accept the so-called April 13th measure. I stand in this place today filled with indignation at the anti-democratic, anti-national and anti-historical conduct of the present regime. Yet I do not intend to speak about the future with either discouragement or pessimism; much less do I wish to speak of national catastrophe, or about hatred or retribution.

My colleagues and I wish to speak today of our hopes for the future, and *we affirm that we have not given up our anticipation of reconciliation in love. This is because I believe it to be our calling to put a stop to our* nation's and our people's misfortunes, and to find a way of love and reconciliation which will include even those in power, to the end that we may build a future with true hope. *All must be united through this reconciliation: both those who have injured and those who have suffered, both those in power and our citizens,* both the haves and the have-nots; and the presuppositions of this reconciliation must be justice and conscience.

The attitude of the present government, however, only blocks the way to all these forms of reconciliation, while accelerating the growth of conflict, hatred and mistrust. Accordingly, in order to prevent further travel down a road which can only lead to a tragic end the grave, I sincerely urge the *existing regime to give up at once its designs upon the prolongation of dictatorship and to resolve to follow the way of true democratization.*

First, I strongly demand that President Chun Doo Hwan withdraw at once his measure of April 13th declaring the postponement of debate on constitutional revision, and that at the same time he open the way for the kind of substantial dialogue which can resolve the present political crisis. This measure is now the main problem inviting misfortune not only for the regime but also for the whole nation. I remain convinced that there is still room for the kind of candid, substantial dialogue aimed at democratization which could resolve the existing political crisis in our nation.

If, however, the regime continues to enforce its unilateral political program using the April 13th measure as its basis, then we must make clear our conviction that we will have no choice but to mount a broad struggle of resistance against the present government. President Chun has said that he wants to be remembered as the first president in our history to have brought about a peaceful transfer of power, but if he continues in the present course he will instead be recorded shamefully in political history as the only president to have betrayed the hopes of the Korean people first through the May 17th coup d'etat and then through the so-called April 13th measure. To the extent that the present regime, which has no right to exist and came to power through committing errors recorded in our national history, and which has, in the name of governing brought destruction and suppression to every area and function in our society, now stands on its last legs, bringing upon itself the rejection of history and the people, the struggle of our party and the people of our nation resisting this regime will be both warranted and necessary.

We also make clear our intention to refuse to participate in a presidential election conducted by a few electors gathered in a gymnasium. Furthermore, we intend to undertake *a nationwide non-violent* campaign of refusal to participate in the election. Already at the Myongdong Cathedral, in Kwangju, at the Christian Building and at the universities priests, ministers and professors, those who can speak for the conscience and the intellect of this nation, have thrown their lives into a struggle begun to demand the complete cancellation of the April 13th measure.

It is assumed that for the people to be able to participate in politics and exercise their right to choose their government, there should be an election system which fairly and equally reflects the will of the people. But the present system for presidential elections in our nation, instead of protecting the right of choice of our people, destroys that right. Hence the people are denied the ability to express their right to choose their government, and instead are reduced to going through meaningless motions. We believe that under the present kind of constitution presidential elections cannot be recognized as elections at all. It is for the same reasons we do not recognize elections in North Korea as true elections either.

We hereby declare that we will refuse to accept any political program using worthless methods and excuses intended to rationalize this kind of election procedure. I wish to proclaim in this place that our citizens' refusal to participate in this kind of deceitful political program would be altogether appropriate and within their rights.

Second, we strongly demand the complete restoration of full rights to all those persons who have lost their civil rights unjustly and are now suffering hardship because of their call for the end of dictatorship and the realization of democracy. The nearly 2,000 prisoners of conscience, young students, workers, intellectuals, religious leaders and politicians should be released at once, while our colleague and Co-chairman Kim Dae Jung and other democratic leaders should have their full civil rights restored at once. We also demand the immediate lifting of the illegal house arrest of Kim Dae Jung. All investigative orders issued against persons for political reasons should be rescinded at once.

Third, we strongly demand an immediate end to a "politics of torture and violence." The homicide by torture of Pak Jong-Chol and the brutal sexual torture of the woman college student, Ms. Kwon, which has become such a serious issue both reveal how basic humanity is being destroyed in our society. The vicious nature of this politics of violence which uses the unlimited force of the police, government power, and even employs gangs of thugs is destroying the very foundations of our society. We must realize that the basic miscalculation which thinks any sort of torture or violence can be used with impunity to persecute the people only leads the nation toward destruction and the perpetrators to their self-destruction.

Fourth, we demand the immediate cessation of a "politics of information manipulation" which deceives the people and destroys the principle of democratic politics. What the present regime is doing is not politics at all, but rather the carrying out of warfare and battle strategy against the people and the opposition parties. Although the people can perhaps be deceived for a limited time, they cannot be fooled forever; and although the people can perhaps be suppressed for a while, they cannot be held down forever.

Fifth, we demand an end to the repression and threatening of journalists and press organizations and the guarantee of freedom of the press. In general freedom of the press is that most basic, indispensable freedom for free nations and free people which makes all other freedoms possible. The present regime continues to destroy press freedom through shameless manipulations, in this way seeking to deceive the public. Because of this we have fallen into a moral crisis as the mood of distrust penetrates society, destroying our value system. The very roots of society itself are threatened if such a trend is allowed to continue.

I believe that if the government were to respond positively to these demands, the way would be open to us for dialogue, and we would all be set free from the fear of political retaliation. I am willing to follow boldly any course, be it dialogue or struggle, if it is for democratization and if it means taking the side of the people. I shall never give up my hope and belief in the possibility of overcoming the crisis which now faces our nation and our people.

My colleagues and fellow members of this party! All of you citizens who stand for democracy! We have cried out in behalf of democratization before this regime until our throats are hoarse. The sound of our voices in behalf of democratization echoes the frustration of our people and fills to overflowing with its sound the hills and valleys of the nation. If the '88 Olympics are to become a festival for our people, for our citizens, and for the people of the world, then democratization and reconciliation among our people must first take place. If the Olympics are to be a self-advertisement for the government, and if the people are to be forced by the use of government force to participate, then our Olympics will be no more than a reenactment of the Berlin Olympics of 1936 under the Nazis.

It is evident that we all yearn for democratization. But we do not want a "democratization" handed down to the people by a dictatorial regime in a patronizing spirit of superiority. Of course we want amnesty and restoration of rights for political prisoners and prisoners of conscience. But we do not want political prisoners used like hostages or prisoners of war in the service of a political strategy. Democratization must be the precondition of all else, and must be a fresh beginning that comes about through the people's reconciliation and rejoicing. There are no conditions for democratization, and the cessation of torture and restoration of human dignity are not objects for bargaining in this process. If truth and reality could be reported in the press for only one day in this land, military dictatorship would be unable to survive that day. Even a government which could not survive under freedom of the press would be a far better government than one which maintains itself by means of suppressing press freedom. I earnestly hope and pray that the present government authorities and the Democratic Justice Party will return to a modicum of humanity and political good sense and agree to the establishment of democracy and of a traditionally authentic and humane government.

My colleagues and fellow members of this party! We must never give up seeking the establishment of true democracy through dialogue and democratic constitutional revision. But when the way for us to pursue democratization becomes closed, we must seek out the people's will and follow it. It has been our deepest wish to hear and respond to the solution proposed by the people, which seeks an election system that offers true choice. If the regulations of the regime are so restrictive as to be illegitimate, then we cannot allow our struggle to take place within the confines of the area the government defines. It may become necessary to initiate a nationwide struggle working in close harmony with the will of the people. The most valuable lesson for a regime which despises the people and sees them only as objects of domination would be for it to learn how fearful and terrible the people can be. But whatever form of struggle may be chosen, the struggle we conduct will be a peaceful, nonviolent struggle. We must follow in the tradition of our nation's people, receiving the blows when struck, lying down when trodden, enduring like the grass to rise again.

My colleagues and fellow members of this party! I promise all of you that, together with Co-chairman Kim Dae Jung, I will work together with you until the day of democratization, and then beyond. I rejoice with you today that, even in the midst of all manner of persecution, we have planted in our soil the flag of our Reunification Democratic Party, a deeply moving sign of our determination and your efforts. Now in the broad sweep of world history and our national history we seek to devote ourselves to finding and fulfilling our role and calling within the onward sweep of democratization.

We will unite in solidarity as brothers and sisters, gaining in strength even in the face of the dictatorial regime's evil designs and violent oppression, and rise to become this people's, this nation's vanguard. We will take the lead in enduring the suffering required, and will ourselves be used as instruments for reconciliation and for the uniting and reunification of our nation. We resolve here today that we will become such instruments and act as light and salt among our people. And even while we are clear-cut and strong, we will also never lose the heart of forgiveness and reconciliation, knowing that we must always be humble and steadfast, and must fight as those who remain resolute and uncorrupted. This founding meeting today is a sacred place where we affirm this attitude and stance together with the democratic citizens of this land. I hope that we will each be honorable, that we will together be noble, and that our party will redound to the nation's glory. The God of righteousness will not abandon us, but will protect us. In the end we will gain the victory. Thank you.

CONFIDENTIALITY FOR RECORDS OF AIDS PATIENTS

HON. JOSEPH P. KENNEDY II

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. KENNEDY. Mr. Speaker, today I am introducing two bills to ensure confidentiality of AIDS test results in VA hospitals and in federally funded medical centers. More than 20,000 Americans have died of AIDS, and another 36,000 cases of AIDS have been reported to the Center for Disease Control. An additional 1.5 million Americans are thought to be infected with the virus. If the disease continues to spread at its current rate, 270,000 cases of AIDS may be diagnosed by 1991.

Along with public education and research, testing has been proposed as a means to combat this disease and to curb its spread. There is a wide range of opinion on what kind of testing, if any, should be implemented. I would like to make clear that I favor routine, voluntary testing, and voluntary testing only. It seems clear to me that a mandatory testing policy is risky because of the danger that it would drive people who need to be tested "underground." But whatever kind of testing is decided upon, it is absolutely essential that the results of AIDS tests remain strictly confidential. If people fear that test results will be disclosed without their consent, they will not take an AIDS test even if they are members of high-risk groups or show symptoms of the disease.

These bills prohibit disclosure to anyone of test results and participation in treatment programs unless explicit consent is given by the patient. The legislation affects both VA hospitals and federally funded medical facilities. I urge all my colleagues to support confidentiality for the records of AIDS patients.

BUDGET PROCESS NEEDS A FIGHTING CHANCE

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. DREIER of California. Mr. Speaker, It is no secret that the wheels have fallen off our budget process. As the House begins consideration of the 13 regular appropriations bills, we should remember how the process turned out last year: With one massive $563 billion continuing resolution.

Mr. Speaker, I submit that the CR has become the most abused of all budgeting mechanisms, the loophole through which we chuck the whole process. It is no wonder the deficit is where it is when Congress funds the entire Government on a single vote.

Before we tinker with the budget rules any further, let's close the CR loophole. Today, along with my colleagues TIM PENNY, DON PEASE, and JOHN PORTER, I am introducing legislation to return the CR to its historical role as a temporary, emergency measure. Our bill would limit CR's to 90 days and limit funding levels to the lower of House or Senate-passed funding, to encourage enactment of permanent legislation.

Mr. Speaker, monster CR's derail the budget process, help increase the deficit, and limit individual Members' participation. Our bipartisan bill will help give the budget process a fighting chance, and I ask my colleagues' support.

THOUGHTS ON U.S. POLICY IN THE PERSIAN GULF

HON. JOSEPH E. BRENNAN

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 24, 1987

Mr. BRENNAN. Mr. Speaker, I would like to share with my colleagues a timely and thought-provoking sermon giving by the Reverend Peter T. Richardson minister of First Parish Unitarian Church, in Kennebunk, ME. Reverend Richardson, a constituent of mine, offered his thoughts on United States policy in the Persian Gulf. Contained in the sermon are many important issues which reflect the seriousness of United States involvement in the Persian Gulf region. Knowing of the strong interest in this matter, I urge my colleagues to read Reverend Richardson's sermon of May 31, 1987.

SHOULD WE "DEFEND" THE PERSIAN GULF?

(By Rev. Peter T. Richardson)

About seven years ago I took a picture of five frigates tied up at the Bath Iron Works, all looking very military with their grey paint and large stenciled numbers on their bows.

Last week a frigate of the same class was bombed by a French missile launched from an Iraqi plane in the Persian Gulf. Thirty-seven American sailors were killed. President Reagan, who is perhaps our most skilled President in the ceremonies of death, called the 37 sailors, "heroes". I'm not quite sure why. They were all sound asleep when the missile struck, a tragic but not an "heroic" end.

Of course when a situation draws blood it is difficult for the Congress to put their collective foot down and say no to proposed military solutions to political issues. Many Members of Congress are afraid of their own shadows and certainly don't want to be accused of allowing 37 "heroes" to die in vain.

Our President told the families of the dead "heroes", "These men made themselves immortal by dying for something immortal." Later in a brief talk this past Friday he made clear his goals in the Persian Gulf, of what these "immortal somethings" may be:

1. The free movement of petroleum,
2. To prevent Iraq from losing its war with Iran,
3. To block any expansion of Soviet interest in the Persian Gulf.

He stressed that the Persian Gulf is a vital interest for our country and for the entire western world. Never again would we suffer what he called the "international humiliation", referring to the gas lines of 1973. He wanted to help out "friendly Arab States" and insure freedom of navigation against Iranian dictates or possible Soviet control. Several days before he had called the country, Iran, "a barbarian nation," and of course Khomeini had replied that the United States is "the most barbaric in the world."

We should look at these three reasons more closely first, the free movement of petroleum. The oil lines in this country were created as a result of our support of Israel during the 1973 Arab-Israeli war. They had nothing to do with free navigation and nothing to do with Iran which is not an Arab nation. Currently we receive about 6% of our oil supply from the Persian Gulf which makes it a rather low priority for us. Europe receives about 25% of its oil from the Persian Gulf and Japan, over 50% of its oil, so we should pay attention to the almost total lack of interest currently coming from both Europe and Japan. Apparently they are not worried about the free movement of Petroleum.

Secondly, our President does not want Iraq to lose its war with Iran. Iraq started the war in 1980 by invading Iran. It was a rather dumb thing to do. Iraq has 15 million people in its population compared to Iran's 45 million. Iraq had French and Soviet weapons and Iran has American and Soviet weapons. Iraq in attacking a Shi'ite country lost the support of Syria also which shut off its oil pipeline to the Mediterranean sea, meaning that the free movement of petroleum has been impeded for some time. By invading Iran the Shi'ite minority within Iraq immediately became deadly enemies within. Iran, of course, has taken a rigid moral stand as you would expect a fundamentalist government to do. They have demanded as a condition of peace that the military dictatorship of Iraq resign and that Iraq pay reparations for the damage they have done in Iran. Meanwhile the Arab monarchies along the western banks of the Persian Gulf, Kuwait, Bahrain, Oman, the United Arab Emirates, and Saudi Arabia,. who among them have 60% of the world's proven oil reserves, are more afraid of Iran than Iraq and have therefore sent Iraq money to buy weapons and keep its side of the war going. In 1984 Iraq began bombing shipping going to and from Iran and shortly thereafter Iran began doing the same to them. It was of course an Iraqi plane which shot missiles at the U.S.S. *Stark*. Perhaps it would be too bad if Iran won over Iraq, I concur, but is is interesting to wonder what Iran would do with a victory. Occupy Baghdad? Annex the entire country? Convert the Sunni majority to the Shi'ite religion? Iraq could keep Iran occupied for years, perhaps generations.

Meanwhile, Reagan's third reason for stepping up our presence in the Persian Gulf is to block any expansion of Soviet interest in the Persian Gulf. When the Emir of Kuwait heard that the Israelis had inveigled us into selling arms to Iran he became highly fearful that we were unreliable and that he had better hedge his bets. Israel of course has a vested interest in keeping the Arabs occupied with Iran. Our president seems to have a high regard for the diplomatic style of the Israelis which places military solutions above all other alternatives, and followed their lead in this trade weapons for hostages, helping Israel in the process, and then send the cash to the so-called "Freedom Fighters" who are terrorizing the peasants of Nicaragua. The Emir of Kuwait decided he needed the Soviets to help him get his ships safely in and out of the Persian Gulf. This action immediately got the attention of Reagan, which is probably why the Emir did it. The Soviets in charge of insuring the free movement of petroleum to the west was more of a paradox than the Reagan administration could allow. We had a counter offer. We too would help. Recommission Kuwaiti ships with American flags and we will guarantee safe passage with our Navy.

So far no one over here had noticed these developments until the U.S.S. *Stark* was hit. It is a perfect media story. Flames and smoke from an American ship. Press Conferences with the ship's captain. Tough talk by Weinberger. Embarrassed Navy people who had no clear policies for defense of ships. Thirty-seven coffins transported home draped with American flags. Grieving families. Presidential speeches. It was such a perfect media story that we forgot that the Iran-Contra hearings are still grinding on with their disturbing revelations for our Constitutional crisis.

What should we do about the Persian Gulf?

During the past week or two, since the *Stark* was hit, I have not heard one person mention the United Nations. No one in the administration, not Reagan, Weinberger or Shultz, no one in Congress, no one in the Three Television Networks, so far as I know, has said anything about the 159 nation organization, the United Nation. (One candidate, I understand, this morning, Gov. Dukakis, is the first to mention bringing the issue to the U.N.) Is there nothing in all the talk over the free navigation of international waters, or the war between Iraq and Iran that might be of concern to the United Nations?

A second issue it seems to me is whether or not the Soviet Union and the United States have any common interests in the Persian Gulf. It apparently hasn't occurred to either the Administration or Congress that perhaps we have something we could cooperate with the Russians on, share the expense, share the onus of being in the crossfire, and even having a potential shared role for setting up a cease fire between Iran and Iraq.

A third issue seems to revolve around the use of having our huge expanded 500 ship Navy. It's a wondrous powerful machine if you can avoid using it. Apparently our aircraft carrier task forces are great out on the open ocean but you would not want to sail them into the Persian Gulf itself. The Navy could station two carriers just outside the Strait of Hormuz but would need landing rights in one of the Arab States. So far the Emir of Kuwait, the Amir of Bahrain, the Sultan of Oman, The King of Saudi Arabia and the six Sheiks of the United Arab Emirates have not seen fit to make this offer. Meanwhile the Navy has let it be known that to keep two carriers on site we will really be tying six carrier task forces, so that crews can be relieved periodically. Each task force is an investment of 15 billion dollars and costs over 600 million a year to operate. If we want to show the flag, in whatever degree of risk and strength, it will carry a price tag.

Some have suggested that we are daring the Iranians to "make our day" so that we can take vengeance upon them for what they did to our Embassy personnel seven years ago. While I doubt this, there is a anti-Iran prejudice that is strongly influenced by the television images of the Islamic Revolution, the tens of thousands of Shi'ite Moslems marching in Tehran, burning American flags, condemning us as an evil empire. This is why I read the passage from Muhammed Asad's book, "The Road to Mecca."

(If we want to start a war, the likelihood of which is greatly increased if we sail more targets into the Persian Gulf, even a casual glance at a map would show our "geo-strategians" that it would be about as far from the United States as a war could be. A logistic nightmare, it would be expensive. It would be even more expensive if we do not use South Africa as a staging and supply base, for moral reasons. A war, of course, would be a handy way of suspending the President's embarrassment with the Contras, alias "Freedom Fighters," but to tempt fate in the Middle East is grotesquely unwise.)

President Reagan called the Iranians "barbarians." Barbarian means uncivilized crude, unrefined, a new vigorous but not yet cultured people. There are some things I do not like about Iran, they have capital punishment, they persecute the Baha'is, their social attitudes seem medieval, but I would not characterize them as barbarians. Are we barbarians because we indiscriminately dropped herbicides and napalm in Vietnam or support the Contras in Nicaragua who torture and terrorize the common people out in the lonely fields and roads of the countryside? The Iranians have 7,000 years of continous culture, the exquisite architecture of the mosques of Isfahan, the miniature paintings, the carpets which adorn living rooms around the world, the poetry of the Persian mystics, the dances of the Sufis, the invention of monotheism in the time of Zoroaster. It seems to me it is neither accurate nor intelligent to label the Iranians as barbarians.

What we in fact see in the Persian Gulf is nationalism, that reality we did not understand in Vietnam, which we are not noticing in Nicaragua, and which is a very powerful force in the Persian Gulf region. The Soviets do not understand it in Afghanistan, the Israelis do not acknowledge it in the Palestinians, the Iranians, Iraquis and Turks, all three, do not allow it among the Kurds, but it is a powerful almost irresistible force. If we put a fleet into the Persian Gulf with hair triggers on their thousands of guns, we are likely to create vigorous enemies among the Iranians, the Iraquis, and the Arabs of the Arabian Peninsula.

Harrison Salisbury, in the last issue of "The World." laments the power of Nationalism but also shows one source of its inspiration. Apparently when Ho Chi Minh was ready to write a Declaration of Independence for Vietnam from French Colonial rule, he asked to borrow a copy of Jefferson's Declaration of Independence from an American military attache. The soldier didn't have one but recalled some of the ideas. It might be a good idea to have copies of our great inspiring documents in handy places.

Some of us identify ourselves as internationalists, citizens of the world. From this perspective the freedom to navigate, indeed the freedom to travel anywhere on the globe, is an essential goal. It is a birthright of being born on this planet. But we must distinguish means and ends. The value of access everywhere does not excuse belligerence, disparaging attitudes of disrespect for peoples who are different from ourselves, and generally a blindness to the grievanes and aspirations of peoples.

It seems to me there is an absence in our government of any plan, any overall global strategy or even a checklist of basic values for a better world. There is a great deal of opportunism and intrigue linked to narrow economic interests and prerogatives. But these are not leadership and vision worthy of even our own ideals as a people. There is a great deal of reacting to other people's games and to blind prejudice and narrow idealogy, symptomatic of a lack of a motivating philosophy of foreign policy. It is as if we were on automatic pilot without a destination.

Before we get ourselves into a big mess in the Persian Gulf, I think it behooves us to do some careful thinking. Is this a world issue or an issue we should pursue alone? Is this a power issue, where we prove ourselves to be very powerful, and therefore to be feared and obeyed, or are there other values we seek to sponsor to make the world a better place in which to live? Who will pay for the course of action we decide upon, the world community, the people who might benefit from our actions or the people of the United States? There are issues of poverty, the quality of education, economic dislocation, crime, community planning, the ecology here and around the globe, that need attention. Military spending can actually make us a weaker nation if we drain resources from sustaining life and apply those resources towards threatening death.

A great work of poetry, and not at all barbarian, was "The Rubaiyat" of Omar Khayyam. One of the quatrains warns us that once we commit ourselves to a course of action, what we do becomes a permanent record. We cannot regret it later and expunge the record. It behooves us to think first before we act:

The moving finger writes; and, having writ,
Moves on: nor all your Piety nor Wit
Shall lure it back to cancel half a line,
Nor all your tears wash out a Word of it.

RESULTS OF THE ANNUAL QUESTIONNAIRE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. CONTE. Mr. Speaker, I recently received the results of the annual questionnaire that is mailed to the people of the First District of Massachusetts, and thought my colleages might want to review the information returned to my office.

Nearly 10,000 people responded to the questionnaire, providing the results that are listed below. As you can see, the majority of the people in the First District believe the way to reduce the national deficit is through decreased military spending and not reduced Government and social services. An overwhelming majority of those responding to the questionnaire, 86.9 percent, also said they support a mutual, simultaneous and verifiable moratorium on the testing of nuclear warheads.

Regarding other matters, 89.8 percent of the respondents said they support catastrophic health insurance to provide coverage of extensive medical costs, and 88.2 percent said they supported coverage that included provisions for long-term expenses such as home health and nursing care.

The results of such annual questionnaires, I believe, provide us in Congress with an invaluable opportunity to review the opinions and concerns of the people of the United States. Considering the tight budget constraints we are now operating under, such a review has become that much more important. It is with great pleasure that I share the results of my questionnaire with my colleagues.

1987 constituent questionnaire results

1. If all federal programs and services were continued at the same rate in the next fiscal year, the nation's deficit would amount to $169 billion. The deficit reduction target set by Gramm-Rudman targets for fiscal 1988 is $108 billion. What strategy should the federal government take?

	Percent
(a) Reduce government and social services	18.6
(b) Reduce military spending	60.2
(c) Reduce both military and social spending equally	17.3
(d) Enhance revenues	31.4
(e) Postpone for one year the scheduled reduction for the highest income tax bracket	41.2
(f) Impose a tax on imported oil	23.1
(g) Abandon the Gramm-Rudman targets	11.4

2. Congress is likely to act this year on some type of welfare reform. Which, if any, do you favor?

(a) A mandatory "workfare" program where recipients who are able to work must work to remain eligible	55.9
(b) A program modeled after the Massachusetts plan where recipients are given training and job counseling, and voluntarily pursue employment	44.1

3. Which, if any, of the following do you believe should be pursued in an effort to control the AIDS epidemic?

(a) Voluntary testing with strict confidentiality	40.0
(b) Voluntary testing but maintaining a public record of AIDS carriers	8.4
(c) Mandatory testing in strict confidentiality	22.0
(d) Mandatory testing and maintaining a public record of AIDS carriers	19.0
(e) Improving public education	74.5
(f) Prohibiting children with the AIDS virus from attending public school	7.5

4. A recent New England Journal of Medicine report concludes that passive or incidental smoke can be carcinogenic. Would you support a law that:

Required designated smoking areas in public and private areas.	
Yes	85.7
No	14.3
Banned smoking from public places.	
Yes	67.8
No	32.2
Banned smoking from all domestic airline flights.	
Yes	78.4
No	21.6

5. In 1983, President Reagan introduced the Strategic Defense Initiative (SDI) or Star Wars as a critical component of his vision for our nation's future defense. Do you support?

The President's $5.9 billion request for development of SDI in fiscal year 1988.	
Yes	28.9
No	71.1
Administration plans to accelerate deployment of a partial missile defense system.	
Yes	31.1
No	68.9
Efforts to reduce the FY 1988 SDI budget to a level below the $3.1 billion approved by the House last year.	
Yes	74.9
No	25.1

6. With arms control negotiations under way, do you support a Congressionally mandated mutual, simultaneous and verifiable moratorium on the testing of nuclear warheads?

Yes	86.9
No	13.1

7. The 100th Congress is expected to consider legislation to enact a catastrophic health insurance plan in the U.S.

Given that there is limited coverage now, would you support a major new program providing coverage for extensive medical costs incurred by catastrophic illness or injury?	
Yes	89.8
No	10.2
If yes, would you support provisions for long-term expenses such as home health and nursing home care?	
Yes	88.2
No	11.8

8. In terms of federal spending and increased federal regulation of business, how important do you consider measures to protect the environment from man-made threats such as acid rain, hazardous waste and/or ground water contamination?

(a) Extremely important	55.3
(b) Very important	29.7
(c) Somewhat important	12.0
(d) Not important	3.0

9. How do you view plans for a federal drug testing program?

(a) No program: constitutional rights should be protected	21.9
(b) Modified program: constitutional rights should be considered but a limited program for public safety workers and those with classified national security clearances should be tested	49.9
(c) Comprehensive program: mandatory for federal employees	28.2

10. Last year, Congress imposed strong economic sanctions on South Africa in order to pressure an end to apartheid. The next action would be complete disinvestment from South Africa.

Do you support complete disinvestment?	
Yes	56
No	44

11. Concern for U.S. citizens held hostage in Lebanon was cited as a primary factor in the arms sales to Iran. Many U.S. citizens choose to remain in dangerous areas despite risks and contrary to federal advice. What action should the U.S. take on behalf of citizens held hostage by terrorists?

(a) None	29.7
(b) Mininal	62.6
(c) Concessional	1.7
(d) Strong	5.9

12. The U.S. trade deficit reached a record $169 billion in 1986. The 100th Congress is likely to act on omnibus trade legislation this year. I have always advocated free trade, as long as it is fair trade.

(a) Should the U.S. protect domestic industries by restricting fairly traded imports from cheaper foreign markets?	13.4
(b) Should U.S. attempts to improve trade competitiveness include retaliation against countries which restrict access to their markets for American exports?	33.7
(c) Should the U.S. tie trade benefits to foreign manufacturers' adherence to internationally recognized fair labor standards?	30.4
All of the above	5.9
Restrict and retaliate	2.0
Restrict and tie trade benefits	1.3
Retaliate and tie trade benefits	13.2

A TRIBUTE TO BOHDAN FUTEY

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. McEWEN. Mr. Speaker, on Friday June 26, 1987, the Honorable Bohdan Futey of Cleveland will be sworn in as a U.S. Court of Claims judge. Judge Futey will become our Nation's very first Federal judge of Ukranian descent.

Born in the Ukraine in 1939, Judge Futey is a prime example of the American success story. He graduated from Case Western Reserve University and then went on to Cleveland Marshall Law School, where he received his juris doctorate in 1968. Bohdan Futey has served as an executive assistant to the mayor of Cleveland, the Honorable Ralph J. Perk, and for the past 4 years as chairman of the Foreign Claims Settlement Commission.

This past January, President Reagan recognized Judge Futey's talents and ability by appointing him to the U.S. Court of Claims. It is an honor to join his many friends and associates in paying tribute to Judge Futey and wishing him well in what I trust will continue to be a most distinguished career.

Mr. Speaker, it is especially appropriate in this year of renewal in our great constitutional system which our forebearers gave us—that we reflect on the inspired wisdom we call our Constitution, and remember that our founders gave careful thought to the role of the Federal court.

Our Nation's creators were guided by a belief in the dignity of the individual. We "guarantee" the blessings of liberty to all. To all Americans we bequeath the right to equal justice under law and the means to safeguard this right through our legal system. Each generation of Americans, through citizenship, inherits the legal protections secured, protected and expanded by the vigilance and sacrifice of faithful jurists.

The elevation of the bench of bright, committed, principled, and patriotic servants of the bar such as Judge Bohdan Futey preserves our Nation and those "blessings of liberty."

ELDERLY FAIR GAME FOR HEALTH INSURANCE ABUSE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. FLORIO. Mr. Speaker, last week an article apeared in the Washington Post dealing with Medicare Supplemental Insurance. "MediGap" insurance, as it is more commonly known, is purchased by 21 million elderly Americans each year. Senior citizens purchase this insurance to protect themselves for illnesses and expenses not covered currently by Medicare.

As my colleagues will learn from this article, there are many problems with these policies. The elderly are the fastest growing age group in this country. The elderly are most concerned with health insurance and the nuances of Medicare. It is precisely this concern of the elderly which has been targeted by some unscrupulous insurance companies.

I urge my colleagues to read this article and to become more aware of the situations in their own districts. The elderly nationwide are plagued by this problem. Abuse in the sale of health insurance to senior citizens is a problem we cannot ignore.

The article follows:

CAUGHT IN THE MEDIGAP

(By Don Oldenburg)

On the same day last winter when President Reagan called for protections for the elderly against catastrophic health-care costs, an insurance salesman rapped on the door of a 68-year-old Fort Washington widow.

The salesman had no appointment. He knew her address from a direct-mail coupon she had sent a few weeks earlier to the American Integrity Insurance Co. in Philadelphia requesting information. And the coupon had informed the agent she was yet another of the growing number of older Americans tormented by the prospect of medical costs not covered by Medicare.

For the next 45 minutes, he polished a sales pitch on her about elderly folks who lose their life's savings and home equity when sickness strikes. She knew the horror stories already. Her older sister in Minnesota had exhausted her assets on nursing-home care for her husband, and friends all seemed to know someone facing similar crises.

Confused by the coverage, she asked the saleman to leave some materials so she could think it over. He refused. "He said I had to sign up and pay then and there," the woman recalls. "Otherwise, I'd have to wait a year to buy the same policy. He didn't say why. That was just the deal."

For almost a decade, Congress, state insurance commissions and senior citizens advocacy groups have tried to keep an eye on insurance companies and agents trying to cash in on older Americans' fear of the financial ruin caused by medical expenses that slip through the everwidening cracks in Medicare coverage.

In 1978, the House Select Committee on Aging investigated the problem. It reported that the nation's senior citizens were paying $1 billion a year for "medigap" insurance that falsely claimed to covered 62 percent of the costs not covered by Medicare, the federal health insurance program for people over 65. A typical case uncovered then by investigators: An Illinois widow bought 39 accident and health insurance policies to protect her savings—paying $31,578 in premiums in three years and receiving $5,781 in benefits.

Have Medigap abuses been checked since then? Depends on whom you talk to. Insurance industry representatives like to mention a U.S. General Accounting Office study last October. It concluded that the 1980 federal law providing states with guidelines on controlling exploitive practices by health insurance sellers had increased protection for older Americans.

But last summer, while trying to push a catastrophic health insurance bill through Congress, Rep. James Florio (D-N.J.) said that "mostly out of fear," about 70 percent of all senior citizens own Medigap policies. "In hopes of plugging medicare gaps," said Florio, "some seniors own five to 10 policies." And testimony before the House Select Committee on Aging at that time told a familiar story: An 80-year-old Minnesota woman had been pressured into buying 14 separate insurance policies with overlapping coverage. Said longtime champion of older Americans Rep. Claude Pepper (D-Fla.): "Abuses in the sale of insurance to the elderly have increased."

Mercedes Bern calls the medigap abuses "Medi-scare." The manager of Medicare information for United Seniors Health Cooperatives (USHC), a nonprofit consumer group in Washington, says that while many of the outright medigap swindles of a decade ago have been stopped, the biggest problem today is excess—aggressive advertising and high-pressured salesmen scaring the older American into buying too much insurance, often at too high a price.

"Where people often get caught is not knowing when to quit buying insurance," says Bern. Congressional estimates indicate that of the $13 billion spent each year on health care costs, more than a quarter of it is wasted on duplicate coverage. "Once you have a comprehensive medigap," cautions Bern, "once you fill those holes in Medicare and cover those risks, you don't go out and buy more of the same coverage."

Duplicate coverage is the "most dastardly of the medigap scams," says Joel Leon, assistant professor of social work specializing in gerontology at Washington University in St. Louis. "They only cover the same things that Medicare covers. So people are really only buying insurance that they already have. But the reason those are so dastardly is because they seem to be the most reasonable. They are not excessively expensive and they seem to make sense. So people pay premiums on protection for which they are already covered and the company won't pay on anyway."

Leon, who is researching legal issues and consumer fraud related to the elderly for a book, warns even today medigap abuses take on a variety of disguises. "The traditional medigap scams are still around," he says. "But people are now more tuned into long-term health care needs because of awareness of Alzheimer's disease and other chronic degenerative illnesses. That opens up a whole new opportunity to sell people insurance that really doesn't provide long-term coverage and capitalizes on their fear of being left unprotected."

A typical example: An insurance policy that provides additional coverage for more than 150 days in a hospital during the same benefit period. "Only one-tenth of one percent of Medicare beneficiaries would ever benefit from such coverage," says Bern. "The average hospital stay for a beneficiary is less than seven days. I'm not saying people aren't sick that long. But chances are their condition is not going to qualify for the acute care that is covered. But that is the first thing you see on TV: 'If you are in the hospital for more than 150 days . . .' "

Similarly, the so-called "income indemnity" clauses of insurance policies take advantage of the same statistical odds. The sales pitch often advertised in junk mailings, on television and in magazines, is that serious illness of any family member, but especially the breadwinner, can quickly deplete a nest egg. So for, say, a dollar a day, policy holders insure that for every day spent in the hospital, they will receive $50 cash paid directly to them. But because the average hospital stay is less than seven days, a year's premium usually costs more than its indemnity.

Policies that promise to cover nursing home costs but, in fact, only cover skilled nursing services and not custodial care, is another abuse, according to a Maryland Insurance Division official who investigates consumer complaints. "The reality of it is that the vast majority of the people in nursing homes are getting custodial care."

Fear of nursing home costs also motivates many senior citizens to buy that coverage who, at least statistically, don't need it. "A lot of people who are in their sixties are scared into buying insurance because they are lumped in with people who are 85," says Bern. "But you find only 2 percent of people between 65 and 75 in nursing homes. People in their sixties are pretty darn healthy, but they're being frightened into buying policies." But because Medicare picks up less than 2 percent of the country's nursing home bill, the fear is difficult to dispel. Preexisting condition clauses spell potential disaster for the elderly consumer, too. According to a UPI report last week, Rep. Pepper refused a $600,000 offer to appear in a TV ad promoting medigap insurance. When staffers on Pepper's House Subcommittee on Health and Long Term Care carefully examined the policy offered by the company that made the offer, they found a clause that excluded claims from any policyholder who had visited a doctor within 12 months of buying the policy.

But, probably the most common "trap," according to the Maryland Insurance Division official, is the hard sell. "A salesman comes in and they listen to his pitch and they buy it without any thought whether they actually need it," he says. "A lot of people will contact us and they'll say, 'I know I shouldn't have bought it. I only said yes to get rid of the guy.' They write a check for $900 or something just to get rid of the guy . . ."

And because fear creates a market of vulnerability, overpricing is also common. What the American Intergrity Insurance agent didn't tell the Maryland woman while pressuring her to buy a policy was that the coverage he offered, though a comparatively good product, was more than twice the price of some other top-of-the-line medigap policies.

"American Intergrity is not a bad policy." says Bern, who ran its coverage and cost through a computerized United Seniors "Medigap Check-up" comparing it to a highly regarded policy available through the American Association of Retired Persons. To sort out the coverages offered by the more than 120 medigap companies selling in this area, United Seniors recently made the check-up service available to its members and to the public for a small fee. "But our comparison shows American Integrity is an expensive policy."

Charles Ludwig, vice president and general counsel of American Intergrity Insurance Co., says its medigap premiums are expensive because "our loss ratios are a little higher than most other companies. We've been giving out considerable values. We pay on claims."

Ludwig also suggests the Maryland widow may have misinterpreted the agent's buy-now-or-never ultimatum: "Sometimes in these kinds of meetings, each is stating a perception which is true to them but not necessarily what occurred." While the company, he says, provides its agents with a standard of courtesy, "We do not specify to agents how they are to solicit." But Ludwig confirms that, contrary to what the Maryland woman says the agent told her, the medigap policy is always available.

Two summers ago, The Maryland Insurance Division received a "rash of complaints" about agents selling the American Integrity medigap policies. The state's insurance watchdog department conducted a random "market conduct survey" of 34 people who had purchased policies from that company. The findings suggested both high-pressure salesmanship and lingering confusion among consumers:

During a three-month period, American Integrity Insurance Co. issued 1,118 medigap policies in Maryland. Of those, 82 percent were sold to people between ages 60 and 79.

Of the respondents, 20 percent admitted they hadn't bothered to read a description of their insurance coverage and 5 percent said they had looked it over "superficially."

When asked what kind of plan they bought from American Integrity, 26 percent said a Medicare supplement, 29 percent answered hospital coverage, almost 15 percent didn't know what plan they bought, 3 percent said a nursing home plan and 20 percent didn't answer. More than half admitted they either didn't know or weren't clear on the policy's benefits, or didn't answer the question.

Asked what the agent told them the policy would cover, 35 percent said nursing home bills, 1 percent said nursing home supplement, 14 percent said hospitalization, 35 percent didn't remember and another 14 percent didn't answer.

Twenty-nine percent said their reason for buying the policy was to supplement Medicare, 14 percent said they "feared old age and didn't want to be a burden on their families," 11 percent wanted nursing home coverage, another 11 percent said they wanted "more coverage," 5 percent needed to replace canceled insurance, 5 percent were afraid of extended illness and wanted as much insurance as possible, and another 5 percent thought the insurance agent was from the federal government.

Why the continuing fear and confusion over medigap policies? Experts generally agree it results from a convergence of several social trends that are intensified by the increasing population of elderly in America.

"Health costs to older people are three to four times what they are to other people, so there is a real concern, a fear or a panic at meeting those costs," says Leon. Because government has shifted more health costs to individuals through co-payments and deductibles, Medicare now pays less than half of the total health bill for people 65 years old or over.

Mark Meiners, a senior research manager for the National Center for Health Services Research, in Rockville, believes the heart of the problem isn't abuses by medigap insurers. "In spite of our best efforts, we are faced with the situation that Medicare is both difficult to understand and becoming a moving target in terms of what it covers," he says. "And then we have these medigap policies designed to fill in what Medicare doesn't cover. There are a lot of insurers offering a large variety of options, which makes it even more confusing.

"The biggest problem is that insurance, in general, for all of us is a tough thing to understand."

IN THE PENSION AREA THERE SHOULD BE UNIFORM RULES

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. MATSUI. Mr. Speaker, today, Senator PRYOR and I are introducing legislation that among other things, will amend the Internal Revenue Code of 1986 to encourage small business to extend retirement and fringe benefits to all employees and modify certain provisions in section 403(b) of the Internal Revenue Code.

TEFRA imposed a complicated set of provisions, known as the top-heavy rules, on qualified retirement plans. In effect these rules apply to most small and many mid-size plans and require additional protections for rank-in-file workers and limitations on benefits for business owners and highly paid employees. The intent of these rules is to ensure a fair distribution of retirement benefits in plans that predominately favor "key employees". Yet, while the rules improve the benefits of lower-paid workers in some cases, they increase the cost and complexity of maintaining retirement plans and unfairly discriminates against small plans.

The top-heavy rules are triggered when more than 60 percent of the plans' benefits or contribution go to "key employees", generally the shareholder/employees and officers in a small business. Unlike large businesses, given the greater tendency of small employers to have a relatively high ratio of shareholders/employees to lower paid employees, the top-heavy rules are more likely to apply to small plans. The amount of benefits or contributions going to these "key employees" must be calculated under complex and time consuming rules.

To encourage small businesses to start and maintain plans, this bill provides that small businesses maintaining tax qualified pension plans—including simplified employee plans—will be allowed a credit equal to 14 percent of contributions to nonhighly compensated employees. The credit will be capped at $3,000 for defined contribution plans and $4,500 for defined benefit plans. Employers opting for the credit will have to use a vesting schedule as generous as 25 percent in the first year, 50 percent in the second, 75 percent in the third, and 100 percent vested in the fourth year. We believe that under this provision employers will have the incentive to make contributions to employees and to invest in long-term retirement plans.

This bill would modify several section 403(b) provisions. Section 403(b) annuities would be made available to all tax exempt orgainizations other than State or local governments. Specifically, nonprofit associations will have access to section 403(b) tax deferred annuities, which otherwise would be restricted to them after TRA. The bill would also delay the effective date for the new section 403(b) nondiscrimination rules until 1990. This would allow universities and nonprofit associations ample time to evaluate the rules and determine how to administer them. It would modify the new section 403(b) contributions cap to allow for indexing to adjust for inflation. The new section 403(b) withdrawal restrictions that allow withdrawals only under hardship cases would be repealed. The effective date for the new definition of compensation would be delayed to 1990 in order for employers to make the transition. The new excise tax on excess distributions would be repealed. Under TRA, any profits in a pension plan over a certain amount will be tax. This in essence penalizes people for doing well in carrying out their fiduciary responsibilities.

In addition to the items noted above, this bill also provides that the administrator of a small business may provide participants with a copy of the annual report or notify them that one is available upon request rather than automatically providing each employee with a copy. Government forms, particularly the form 5300 and 5500 series, would be simplified to allow a person with no expertise in the pension benefits area to understand and complete them. Finally, this bill would permit a small employer to establish an off-premises lunch system for its employees comparable to the cafeteria programs available to large businesses.

Sound policy dictates that in the pension area there should be one set of uniform rules. This bill is consistent with that policy and attempts to correct the disparity in treatment between small and large businesses.

We urge our colleagues to support this legislation and respectfully request that the committee grant the immediate consideration of this matter in order that this inequity may be resolved in the near future.

RULE ON H.R. 2470—MEDICARE CATASTROPHIC PROTECTION ACT OF 1987

HON. DAN ROSTENKOWSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. ROSTENKOWSKI. Mr. Speaker, I wish to serve notice to my colleagues that, pursuant to the rules of the Democratic caucus, I have been instructed by the Committee on Ways and Means to seek less than an open rule for the consideration by the House of Representatives of H.R. 2470, the Medicare Catastrophic Protection Act of 1987.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 25)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. SHARP. Mr. Speaker, throughout the Convention the delegates wrestled with the question of how much influence the British system of government should have on the development of their own.

Clearly, there was a hesitation to develop a government that mirrored the one that they had just fought a war against. But for many delegates, the British system was the closest example for the type of government they were trying to establish.

On June 25, 1787, several delegates suggested that the U.S. Senate be designed after the British House of Lords, where membership was hereditary.

South Carolina's Charles Pinckney spoke strongly against this proposal arguing that as a new nation America should be a land of greater equality and opportunity. During a long speech in the Chamber, he pointed out that "our government must be made suitable to the people."

RECIPROCAL DEFENSE PURCHASES BY THE UNITED STATES AND ISRAEL

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HAMILTON. Mr. Speaker, on June 4, 1987, I worte to the Secretary of Defense concerning a United States-Israeli memorandum of agreement [MOA] which treats the subject of reciprocal bidding procedures on defense articles by the United States and Israel.

As my letter indicates, Israel has increasingly become a beneficiary of Department of Defense contracts in recent years. Other than contracts funded under the FMS Program, U.S. defense contractors have not been able to win comparable contracts under this agreement. Testimony before the Europe and Middle East Subcommittee by Deputy Assistant Secretary of Defense Robert Pelletreau raised further questions about whether this MOA was reciprocal, prompting my letter on June 4. I received a reply from the Department of Defense on June 19.

The correspondence follows:

OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, DC, June 19, 1987.

Hon. LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: This is in reply to your letter to Secretary Weinberger regarding your concerns about the increasing value of Department of Defense (DOD) contracts awarded to Israeli firms.

As your letter correctly points out, Israeli firms have been very successful in winning DoD contracts. We atribute the Israel successes to aggressive marketing techniques and the openness of the US contracting process. The Competition in Contracting Act of 1984, not only encourages competition, it requires it. Furthermore, our system has codified protest procedures for those who may feel unjustly treated. Conversely, the requirements of our allies are not as well advertised, therefore US contractors are not quite as successful in bidding for allied procurements. This has concerned me personally for some time.

In order to ameliorate this condition, and to reinforce the reciprocity advocated by the Memoranda of Understanding (MOUs), my office has undertaken an initiative to obtain information about the MOU countries contracting activities and make this information available to US firms. We are exploring a concept with the Department of Commerce to engage the Commercial Councellors and the Offices of Defense Cooperation at US Embassies overseas, to obtain timely information on foreign defense procurements and publicize it in the US through an existing vehicle such as the Commerce Business Daily. I have attached a copy of my letter to officials of the Department of Commerce and the Office of the US Trade Representative, asking for their support in this effort.

The US-Israeli Memorandum of Agreement (MOA) had always been intended to be reciprocal. The text of the MOA has numerous references to reciprocity and we stress this concept during the annual meetings we hold with representatives of the Israeli Ministry of Defense. In fact, we have revised some of the existing MOA language to emphasize US intent about reciprocal procurements and will present it to the Israelis at the upcoming negotiation.

Good intentions notwithstanding, US contractors have not competed successfully in Israel's nationally funded defense market to the extent we had hoped. This may be due partially to the small size of the Israeli defense market as compared to that of the US. On occasion, US contractors have expressed their frustrations about the lack of information available on Israeli procurements. Although it is not our intention to market for private industry, we think the effort we have undertaken with the Department of Commerce will enhance the competitiveness of US firms not only in Israel but in all the MOU countires.

I hope this addresses your concerns adequately. If I can be of further assistance, please do not hesitate to let me know.

Sincerely,

ELEANOR R. SPECTOR,
Deputy Assistant Secretary of Defense for Procurement.

Attachment.

THE OFFICE OF THE ASSISTANT
SECRETARY OF DEFENSE,
Washington, DC, May 1, 1987.

Mr. W. DOUGLAS NEWKIRK,
Assistant U.S. Trade Representative for GATT Affairs, Executive Office of the President, Washington, DC.

DEAR MR. NEWKIRK: The Department of Defense (DOD) has reciprocal defense procurement Memoranda of Understanding (MOUs), with many of our allies. These MOUs waive our respective buy national laws and enable each other's contractors to compete on defense procurements, on an equal basis.

As you know, the U.S. procurement system is codified to a great extent. Laws such as the Competition in Contracting Act require that we advertise our procurements in order to optimize competition. In addition, our system guarantees contractors, foreign and domestic alike, a formal avenue to protest our decisions if they feel they have been unfairly treated. Conversely the procurements of our allies are not as well advertised and in most cases there are no formal protest procedures. Limited information on foreign procurements is available through the Commerce Business Daily (CBD), or the Trade Opportunities Program (TOPS), for procurements covered by the Government Procurement Code, under the GATT. However for the most part, foreign defense requirements are not as well publicized.

In the spirit of reciprocity advocated by the MOUs my office has undertaken an initiative to explore all available vehicles to make foreign defense procurement information more availble to U.S. contractors. We are interested in determining how the TOPS program and its successor or perhaps an expanded version of the CBD may prove useful in this regard. In addition, we wish to propose that the allies develop procedures similar to our own, to provide a formal protest avenue.

I believe your office has an interest in this issue and you may wish to collaborate with us in this effort. Our combined talents and resources have the potential for opening up business opportunities for many of our contractors.

I am looking forward to your reply. A similar letter was sent to Dr. Paul Freedenberg, Assistant Secretary for Trade Administration, Mr. Louis F. Laun, Assistant Secretary for International Economic Policy, and Mr. Alexander Good, Director General, U.S. and Foreign Commercial Service, U.S. Department of Commerce. My point of contact is Lt. Col. Hancock, #697-9351, in the Office of International Acquisition.

Sincerely,

ELEANOR R. SPECTOR,
Deputy Assistant Secretary of Defense for Procurement.

COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC, June 4, 1987.

Hon. CASPAR W. WEINBERGER,
Secretary, Department of Defense, the Pentagon, Washington, DC.

DEAR MR. SECRETARY: I write to you to inquire about the U.S.-Israeli Memorandum of Agreement (MOA) of 1984 which is an extension of a smiliar agreement between the United States and Israel signed in 1979.

The Committee is informed that under reciprocal bidding procedures under this MOA that Israel has increasingly become a beneficiary of contracts from the Department of Defense. According to data we have, the value of these contracts has increased substantially year to year:

DOD Purchases from Israeli Contractors: 1983, $9.4 million; 1984, $51.3 million; 1985, $109.5 million; 1986, $204 million.

The Committee was informed at the time of these agreements that the intent of this MOA was to set out principles governing increased mutual cooperation. In testimony before the Europe and Middle East Subcommittee on February 25, 1987, Deputy Assistant Secretary of Defense Robert Pelletreau said that "the purpose of the Memorandum of Agreement was to set down procedures under which Israeli firms could bid on U.S. Defense Department contracts." When I asked "So it was never intended that U.S. firms would bid on Israeli military contracts?" Mr. Pelletreau replied "That is my understanding."

Is it accurate, as Mr. Pelletreau testified, that this MOA was never intended to enhance the ability of U.S. firms to bid on Israeli military contracts?

If so, why was this agreement presented to the Congress as an agreement that gave U.S. and Israeli firms comparable access to each other's market for defense purchases?

Is there a problem here and if there is, what are we doing to resolve it?

How does the United States intend to deal with this matter in the next year given the history?

What are the benefits of mutual cooperation to the United States if U.S. firms have not had comparable ability to win Israeli military contracts other than those funded by the U.S. under the FMS program?

I appreciate your consideration of this matter and hope you agree that it is important for the United States and Israel that this issue be resolved fairly and that reciprocity, as mutually agreed upon, be achieved.

With best regards,
Sincerely yours,

LEE H. HAMILTON,
Chairman, Subcommittee on Europe and the Middle East.

CLEAN COAL TECHNOLOGY FUNDING

HON. BOB McEWEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. McEWEN. Mr. Speaker, allow me to take this opportunity to offer my support of funding to the Department of Energy's Clean Coal Program. When adequately funded, as recommended by the Appropriations Committee, this program promises to yield important near-term environmental and energy policy benefits.

The DOE Clean Coal Program is not just another lengthy research program as many opponents have claimed. The $350 million appropriation recommended by the committee will be used to conduct clean coal technology demonstration projects at or near commercial scale that are capable of retrofitting or repowering existing facilities. The program is designed to enhance the Nation's ability to reduce SO_2 (sulphur dioxide) and NO_x (nitrogen oxide) emissions in the most timely and cost-effective manner feasible.

As a Member of the Ohio delegation, I strongly support the adequate funding for the DOE Clean Coal Program as approved by the committee. This appropriation will ensure the availability of technology to enable the continued use of our most abundant fossil fuel—coal—while reducing sulfur dioxide and nitrogen oxide emissions.

Again, Mr. Speaker, I urge my colleagues to join with me in supporting this program of vital importance to Ohio and this Nation.

BLIND POLICY IN THE PERSIAN GULF

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. FLORIO. Mr. Speaker, the deaths of 37 American sailors on the U.S.S. *Stark* brought to the fore a conflict that has been festering in the Persian Gulf for 7 years. For years, Iran and Iraq have turned the Persian Gulf into a battlefield whose toll has been high in terms of lives. The Iraqi attack on the U.S.S. *Stark* exemplified not only the danger to international shipping but also the dangerous implications for security in the region as this war continues.

What has been most discouraging about this conflict is the degree of U.S. response to the situation. I would like to commend to the attention of my colleagues a recent New York Times article by Arthur Schlesinger, Jr., which highlights the uncertainty of our policy in the region and points out the shortsightedness of again engaging our national resources in a conflict without any support or assistance from our allies.

Despite our Government's willingness to reflag Kuwaiti vessels and offer additional protection for foreign vessels passing through the Persian Gulf, no other nation has agreed to take similar steps. Our allies are more dependent on oil from the Persian Gulf and, in some cases, equally capable of defending their own shipping. And yet, no other nation is agreeing to provide concrete support for our efforts.

Mr. Schlesinger appropriately relates U.S. policy of "military adventurism" in the Persian Gulf with a similar policy we pursued in Vietnam and are pursuing in Nicaragua. I would like to underscore for my colleagues that military solutions such as the ones this administration is pursuing in other conflicts, will not resolve the underlying tensions in these regions. It is therefore vital that our efforts be concentrated on finding negotiated diplomatic solutions which have the support of not only our allies, but also the countries which surround the areas of conflict.

Mr. Schlesinger's article follows:

[From the New York Times, June 17, 1987]

ONCE MORE, BLINDLY INTO THE BREACH

(By Arthur Schlesinger Jr.)

President Reagan's pledge to "protect the free world's oil flow" by expanding our naval presence in the Persian Gulf suggests a powerful itch to plunge us into military action. It is also the latest manifestation of fallacious thinking to which all superpowers succumb—the notion that we know the interests of other countries better than they know their own interests.

For so far as anyone can tell, none of our major friends and allies favors the policy the Administration is straining to pursue. Western Europe and Japan depend far more than the United States does on the oil passing through the Strait of Hormuz. But they have steadfastly refused to back Mr. Reagan's macho adventurism—even though we allege it to be for their special benefit.

It is not even clear that the Arab governments are enthusiastic about raising the military stakes in the area. Yet on we go, sublimely confident that we understand the issues better than the nations most directly involved, most directly threatened and most familiar with the territory.

This has happened before and it always leads to disaster. The most tragic example was Vietnam, where American intervention was intended to rescue East Asia from a Communist takeover. Given this selfless mission, President Lyndon B. Johnson could never understand why the other members of the Southeast Asia Treaty Organization would not send more fighting men to Vietnam in order to help the Americans save their countries. In 1967, he sent Clark M. Clifford on a mission to persuade the SEATO governments to increase their military contributions.

As Mr. Clifford traveled from one capital to another, he soon recognized that the SEATO governments did not see the Vietnam War as Washington did. They did not agree with the American assessment of the threat or of the domino consequences of a North Vietnam victory, and they were damned if they were going to send more of their boys to Vietnam to be killed.

If the nations that knew the territory best did not see transcendent stakes in the outcome of a civil war in Vietnam, Mr. Clifford concluded, why in the world was America so heavily involved? Did we really know what we were doing? He decided that we didn't, and the next year, when he became Secretary of Defense, he did his best to end American involvement.

Central America is another example of the superpower fallacy. Our policy of military intervention is designed to save the other countries from the wicked Sandinistas. But most Latin American governments think that our policy of militarizing the problem increases desperation and chaos and is far more likely to promote than to check the spread of Marxist revolution.

If a Marxist Nicaragua is such a threat, it is a considerably more dire threat to Latin America than to the United States. Latin American countries are far more vulnerable politically and militarily than we are, they are closer to the scene and vastly more knowledgeable about it and their leaders are just as determined as the United States is on their behalf to resist their own overthrow. Once again the people on the spot don't see the threat as apocalyptically as we do, and once again we plunge on, idiotically confident of our own infallibility.

Lebanon was another example, and the massacre of the marines should have shown us forever the dangers of meddling in the Middle East, a part of the world with which we have had a far smaller relationship than we have had with South America and of which we have far less knowledge—a part of the world, moreover, so bedeviled by ancient historic and religious hatreds that it defies not just Western management but Western comprehension.

We didn't have the slightest idea of the mess we were getting into in Lebanon, and now, raising the standard of invincible ignorance, we seem poised to plunge blithely ahead into a larger mess in the Persian Gulf.

The Reagan Administration's recent antics show how little we know what we are doing. The Iraqis attacked an American frigate and killed 37 sailors. Worse, Iraq in 1984 initiated the policy of attacking ships in the Gulf, thereby provoking Iranian reprisals, and over the last two years Iraq has attacked half again as many ships as Iran.

Yet the Reagan Administration, instead of getting mad at the perpetrator, rewards Iraq for its assault on the Stark by concentrating all its venom and threats of retaliation on Iran—the very country to which only a short time back our President was selling arms on the grounds of its supreme geopolitical importance.

We can only speculate that our new policy is intended to punish the Iranians for getting Lieut. Col. Oliver L. North (and Mr. Reagan) into all that trouble. The prospect that the Persian Gulf might become a Soviet lake recurs as a talking point, but obviously an enlarged Soviet presence would only make the Soviet Union more than ever a target for Arab fear and Iranian rage.

"Almost all of America's friends in the Middle East, Europe and South Asia," Jeane J. Kirkpatrick, not heretofore renowned as a dove, has wisely written, "are worried that a major commitment of U.S. forces would be dangerous to American power as well as American lives. . . . Our allies and friends are much more dependent than we are on Gulf oil, but do not feel an enhanced military presence is necessary or desirable to protect their vital interests."

So here we go again. What on earth do we think we are doing? What warrant does experience give us for supposing that we know the interests of other countries better than they know their own interests?

Let us rid ourselves of the superpower fallacy before the superpower fallacy rids us of more American lives, American influence and American credibility.

GEOTHERMAL STEAM ACT AMENDMENTS OF 1987

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. MATSUI. Mr. Speaker, today Representative COELHO and I are introducing a bill to promote the emerging geothermal energy industry in this country. The bill amends the Geothermal Steam Act of 1970 to allow companies that hold geothermal leases to retain those leases where temporary market conditions preclude powerplant construction.

Specifically, the bill would allow the Secretary of the Interior to issue up to three consecutive 5-year extensions if the lessee performs according to diligence requirements specified by the Secretary. It also follows through on a landmark provision incorporated into the fiscal year 1987 continuing resolution that solved the longstanding problem of how to protect thermal features in our national parks without imposing buffer zones around the parks.

Geothermal energy development is characterized by large front-end development costs, risky powerplant technology, and diligence requirements on Federal leases that are more stringent than the equivalent requirements for oil and gas leases. The current temporary glut in the world energy market and the temporary surplus in U.S. electrical power generating capacity, together threaten to undo much of the progress made by the geothermal energy industry over the last 15 years.

Mr. Speaker, it would be very unwise for us to allow this to happen. Geothermal energy is renewable, it is clean, it reduces our need for foreign energy imports, and it protects our electric ratepayers from rate-shock because by its very nature it tends to be added to the rate base in relatively small increments of about 150 megawatts or less.

The national energy security study which was recently released by the administration points out that geothermal energy now contributes about 2,000 megawatts of electricity in the United States, but that this could double by 1995. We have a real opportunity through this legislation to assist this renewable energy industry in meeting that goal.

Mr. Speaker, our bill will encourage the Nation's geothermal energy industry to hang on through the difficult times that are facing the entire renewable energy industry. If you support renewable energy initiatives and see a need to encourage the domestic energy industry and to reduce the vulnerability of America's energy supply to foreign interference, then you will want to join us in supporting this legislation.

SETTING THE RECORD STRAIGHT

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. CLAY. Mr. Speaker, during the debate on H.R. 281, reference was made to a Time magazine article quoting Howard Samuel, a labor official with the AFL-CIO. The Time quote was the basis of broad and unsubstantiated assertions about the relationship between the labor movement and the Congress of the United States. It is truly difficult to understand how Members of Congress would draw such broad conclusions on the basis of Time magazine's quote of a single labor official, even if they knew for sure that the quote was accurate. As it turns out Mr. Samuel claims that the quote did not accurately convey his clear statements to the magazine. He says that he was merely making the obvious point that the Democrats now control the committees and the overall agenda. I submit for the RECORD a telegram that Mr. Samuel has sent to the editors of Time magazine.

DEPARTMENT, AFL-CIO,
Washington, DC, June 17, 1987.

[Telegram]

To the EDITORS,
Time magazine, Time, Inc., Time & Life Building, Rockefeller Center, New York, NY.

Your June 22 story on the labor movement's legislation priorities contains a quote attributed to me which is, at best, taken out of context. As printed, the quote conveys the strongly misleading message that the labor movement somehow "controls" Congressional committees and the agenda for floor votes. The correct statement is that Democratic majorities now control the committees and the agenda on the floor—something that your readers already surely know, and your writers should know if they don't.

I appreciate a chance to set the record straight.

HOWARD D. SAMUEL,
President.
Industrial Union Dept., AFL-CIO.

H.R. 281

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mrs. ROUKEMA. Mr. Speaker, after rollcall vote No. 189, instead of the amendment printed in the RECORD, the amendment I offered should have read as follows:

AMENDMENT TO H.R. 281, AS REPORTED OFFERED BY MRS. ROUKEMA OF NEW JERSEY

Page 3, strike line 24 and all that follows through page 4, line 16 (section 2(c) of the bill) and insert the following new subsections:

(c) Section 8(f) of such Act (29 U.S.C. 158(f)) is amended by inserting before the period at the end of such section the following new proviso: ": *Provided further,* That any agreement lawfully made pursuant to this subsection may not be repudiated unless the Board certifies the results of an election conducted pursuant to section 9(c) in which the employees in an appropriate bargaining unit select a bargaining representative other than the labor organization with which such agreement was made or choose not to be represented by a labor organization. Upon expiration of such agreement, the employer and the labor organization shall not be under an obligation to bargain collectively unless the majority status of the labor organization has been established pursuant to an election conducted under section 9(c) or in some other manner determined to be appropriate by the Board in which the confidentiality of employee preferences is ensured.".

(d) Within one year after the date of the enactment of this Act, the National Labor Relations Board shall prescribe procedures for determining majority status in a timely manner and confidential manner and conducting elections under section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) among employees hired pursuant to an agreement made under section 8(f) of such Act (29 U.S.C. 158(f)), as amended.

STATEHOOD FOR THE DISTRICT OF COLUMBIA?

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HUBBARD. Mr. Speaker, the following editorial was written by Don Pepper, editorial page editor of the Paducah Sun in Paducah, KY. Mr. Pepper eloquently expresses the arguments on the controversial issue of statehood for the District of Columbia. His article, which originally appeared in the June 22, 1987, edition of the Paducah Sun follows:

SOME PEOPLE HARD TO CONVINCE

What does it take to convince the proponents of statehood for the District of Columbia? Only two years ago the amendment died that would have given the district representation in Congress "as though it were a state."

The amendment was ratified by only 16 states in the seven-year ratification period. It needed 34. Doesn't that failure tell the D.C. statehood people anything?

Apparently not, for now they are back with another idea. They want to make the district a new state, the "State of New Columbia." A bill has been introduced in Congress, approved by the House District of Columbia Committee and referred to the Rules Committee.

So the statehood people are trying to achieve by act of Congress what they couldn't achieve by a constitutional amendment in seven years. The idea is to make the City of Washington, D.C., a state, except for an enclave containing the White House, the Capitol, the Mall and many of the federal buildings. Outside of that area, the city would be a state like any other with its own representative and two senators.

We say "like any other," but it really wouldn't be like any other state. It's a one-industry town, and its overriding interest is in enlarging the power and revenues of the federal government. A third of the people in the district work for the federal government; another one-third do so indirectly.

So we'd have a city with a population about the same as that of Memphis, with an area about one-fourth that of McCracken County, electing a congressman and two senators.

But that is only one of the objections to statehood for the city. The Justice Department has issued a report on the subject, listing many constitutional and practical difficulties. Let's just note some of them:

1. The proposal was rejected by the states when the 1978 voting rights amendment failed to win ratification.

2. It appears to be inconsistent with three provisions of the Constitution.

First, the district was given to the federal government by the State of Maryland for the specific purpose of providing a site for the federal government (Article I, Section 8, Clause 17). If that purpose is to be altered, shouldn't the territory be returned to Maryland?

Second, Article IV, Section 3 of the Constitution forbids cutting up states to form new states.

Finally, Amendment 23 gives the district three electoral votes in presidential elections. The Justice Department believes that means that only a new amendment, not a simple act of Congress, could create a new state.

3. In order to serve its function, a state must be independent of the federal government. The District of Columbia is not. It's a subdivision of the federal government, which in 1987 has budgeted $522 million for it.

4. Some of the strongest proponents of statehood have in the past been strong opponents. Sen. Edward Kennedy, for example, testified for the voting rights amendment in 1978 and criticized the "statehood fallacy."

"The District is neither a city nor a state. In fact statehood may well be an impossible alternative, given the practical and constitutional questions involved in changing the historical status of the Nation's Capital."

The leading proponent of statehood is the District's congressional delegate, Walter Fauntroy. But in a pamphlet supporting the voting rights amendment in 1978, he wrote that granting statehood to the District "would defeat the purpose of having a federal city over which Congress would have exclusive control. . . . This would be in direct defiance of the prescriptions of the Founding Fathers."

Atty. Gen. Robert Kennedy pointed in 1963 to some practical difficulties in giving the District back to Maryland:

"All the foreign embassies would be located in Maryland, dependent on it for police protection, and subject to its zoning and other requirements. . . . The total inconsistency is evident between such a situation and the intention of the Framers."

There are many more objections to the idea pointed out in the Justice Department's report.

In the light of all this it's inconceivable that the Congress will take this idea seriously.

THE PENSION & HEALTH BENEFITS PROTECTION ACT OF 1987

HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. ARCHER. Mr. Speaker, Congressman ROD CHANDLER and I are today introducing the "Pension & Health Benefits Protection Act of 1987." This legislation provides a comprehensive solution to some of our Nation's most difficult current retirement income problems. The goals of this bill are: (1) to provide a favorable environment for a range of options for employer-sponsored pension plans; (2) to stop the termination of pensions plans for the sole purpose of retrieving surplus assets; (3) to protect pension plan participants by enhancing the security of their benefits; (4) to maintain defined benefit plans as an available option for American business and labor; (5) to increase minimum funding for currently underfunded pension plans; (6) to protect the ability of the Pension Benefit Guaranty Corporation to pay benefits guaranteed by Federal law; and (7) to allow the tax-free transfer of surplus pension assets to other retirement or health benefit plans.

The need for such legislation was made very clear to me last year during the hearings on retirement income policy conducted by the Social Security and Oversight Subcommittees of the House Ways and Means Committee. The urgency of addressing these issues was reinforced by the submission earlier this year of the administration's pension proposals as well as the testimony received by the Oversight Subcommittee on these proposals.

The magnitude of the problem is both overwhelming and compelling. The PBGC estimates its current deficit is about $4 billion and that, during the current year, it expects to pay out considerably more in benefits than it will receive in income.

I concluded that, while the administration's suggestions provided a good starting point for the consideration of the vexing issues dealing with asset reversions from overfunded plans, plan underfunding and the dumping of liabilities onto the PBGC, a different approach to some of these issues would be preferable in terms of reaching our joint goals in the simplest and least disruptive manner. I believe that the legislation which I am proposing is a distinct improvement over the administration plan because it does greatly simplify the method by which plan sponsors can access residual assets from ongoing plans. In addition, it provides greater certainty that such plans will be continued into the future.

The major provisions of this bill include:

WITHDRAWAL FROM OVERFUNDED PENSION PLANS

The bill allows an employer to withdraw surplus assets from an overfunded pension plan to the extent such assets would revert to the employer upon a plan termination and exceed 120 percent of the value of accrued benefits under the plan. Surplus plan assets allocable to employee contributions or to which employees are entitled by contract may not be withdrawn. Amounts withdrawn by an employer will be subject to income taxes but will not be subject to the 10 percent excise tax that applies to reversions on plan termination. Special rules apply if more than one withdrawal is made within a 5-year period or a plan terminates, merges, or has a spin-off within 5 years of a withdrawal.

TRANSFER TO OTHER PLANS

If upon a withdrawal, the amount withdrawn is transferred to another qualified retirement plan or a nondiscriminatory health benefits plan, no income taxes will apply to the amount to be transferred.

MINIMUM FUNDING CHANGES

If a plan has assets less than the present value of its accrued benefits, a special minimum contribution may be required to the extent the special minimum is greater than the normal minimum funding rules. The special minimum contribution will equal the greater of:

The benefit payments and expenses for the plan year; or

The sum of the value of benefits accrued during the year, plus interest on all unfunded benefits at the beginning of the plan year, plus 5-year amortization of any unfunded liabilities created by plan amendments after December 31, 1987.

ACCRUAL OF BENEFIT RULES

The accrual of benefit rules are modified to permit a benefit increase created by a plan amendment to be accrued over the participants' years of future participation in the plan.

CESSATION OF ACCRUALS DURING UNSECURED FUNDING WAIVERS

If an employer is granted an unsecured funding waiver, all benefit accruals must cease until the funding waiver is no longer in effect.

FLOOR-OFFSET ARRANGEMENTS

Where the benefits of a defined benefit plan ("floor plan") are offset by the benefits provided by an individual account plan ("offset plan"), the two plans cannot invest more than 10 percent of their combined assets in employer securities. Floor-offset arrangements which exceed the 10 percent limit on the effective date will be provided 10 years to reduce below the 10 percent limit.

PBGC PREMIUMS

The PBGC premium for plan's having more than 100 participants will equal $8.50 for each plan participant plus six-tenths of one percent of the plan's funding target insufficiency. A plan's "funding target insufficiency" is defined as the amount by which plan assets are less than 120 percent of the present value of the plan's vested benefits. In any event, the premiums will not exceed $100 per participant. The PBGC premium for plans covering less than 100 participants will be $8.50 per participant. Both the $8.50 base premium and the $100 ceiling amount will be indexed for increases in the cost of living in the same manner as PBGC guaranteed benefits are indexed.

LIABILITY FOR PREMIUMS

The bill makes the employer liable for premium payments rather than the plan administrator.

This legislation addresses the issue of the transfer of surplus pension fund assets to health plans by dealing with both current retiree health plans as well as the post-retirement health benefits for prospective retirees. By reducing the amount of the level over which assets can be withdrawn for transfer, we reduce the risk that we will force an all or nothing decision as to the termination of defined benefit plans. Additionally, by making the withdrawal or transfer amount available to be transferred to a health plan account for current or future retirees, we will help to encourage and ensure the balanced funding of health liabilities which responsible employers will want to provide.

The complexity of the administration's proposed rules on minimum funding could further result in the retardation of the establishment of new plans and the minimizing of new benefit increases. This bill seeks to simplify the solution to the problem and to create a cure which will not kill the patient. There is a real problem with funding waivers; namely, that benefit accruals and benefit increases can continue to exist alongside a funding waiver which, by definition, trumpets a plan sponsor's financial difficulties. This bill imposes a freeze on such accruals and increases until the waiver is amortized. This should address the issue of complexity as well as eliminate the other problems associated with waivers.

In contrast to the administration proposal, the "Pension and Health Benefits Protection Act of 1987" combines the variable rate premium with the issues of overfunding and underfunding. An overfunded plan should not pay the same premium rate as an underfunded plan since the underfunded plan is the one which poses the major liability risk to the PBGC.

Correcting the problem associated with asset reversions, proper plan funding and support of the PBGC requires a delicate balancing act in demonstrating to current and prospective plan sponsors that a climate will be maintained which is not unfriendly to defined pension plans. This bill lays out the ground rules within which current and future plan sponsors can, with great certainty, understand the rules affecting the plan relative to funding and payment of PBGC premiums. The motivation to capture excess assets as an alternative to borrowing when money is tight cannot be legislated away; nor can the motivation to raid such excess assets as favorable shark bait for a takeover be eliminated by any legislative proposals. However, the ability of a plan sponsor to withdraw residual assets from an ongoing plan will provide enough of an alternative to termination that it will be accessed by existing companies. Additionally, while the existence of a plan with excess assets has been a prime attraction to outsiders in unfriendly takeovers, many companies have now adopted provisions to reallocate such excess assets to plan participants in the event of an unfriendly takeover. This has to a great extent provided a resolution to this problem.

The problem of asset recovery from overfunded plans, in many respects, has been a problem of the past, and will only be a problem of the future if the regulatory climate surrounding defined benefit plans continues to be unfriendly. Plan sponsors, more than ever, need certainty when dealing with defined benefit plans, and the rhetoric of those who would say that all plan assets belong to the participants serves simply to retard future defined benefit plan growth in America. Such an attitude will not only lead to a lack of benefit enhancements in current plans, but will also result in no further defined benefit plan formation and the eventual termination of all defined benefit plan arrangements. This legislation seeks to support participant benefit security by helping to make the climate for defined benefit plans more fertile for their growth and development.

THE WORLD IS YOURS—IMPROVE IT

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. DYMALLY. Mr. Speaker, recently Dr. Clarence E. Hodges, Deputy Assistant Secretary, Department of State, was the commencement speaker at Alabama State University in Montgomery, AL.

Dr. Leon Howard, president of Alabama State University, praised Dr. Hodges for an outstanding speech, and stated this push for excellence and support for education in the black community can do much to overcome the effects of discrimination, poverty, and other social ills that plague America.

Dr. Hodges has given several similar speeches recently at black colleges, churches, and around the country.

I submit his address for review.

THE WORLD IS YOURS—IMPROVE IT

President Howard, members of the Board of Trustees, graduating seniors, parents and friends, it is a great honor for me to share in this historic occasion with you today.

There are three kinds of people in the world today—those who think, those who think they think, and those who would rather die than think. I'm glad to be here with thinkers. With 239 previous commencement exercises, ASU is known for producing thinkers and the leadership deserves our praise and support.

Graduates, you will encounter experts who will advise you to lower your aspirations but I charge you to ignore the prophets of mediocrity. The world is yours—improve it! Reach for the stars and go for the gold.

At the age of three, after a severe burn to my left leg, the doctors said I would never walk again. But by the age of six, not only was I walking, I was the fastest runner in the first grade. There is an expert over all experts who responds to faith and confidence. Some years ago I saw an eight year old get hit by a station wagon. He was placed in a body cast with multiple injuries and was to remain in the cast for three months. I later learned that he had been given only three months to live due to illness before the accident. I visited him often, took toys and hope and after three months he was playing at my home with my children and today he is 25 years old. Defy the experts. Never give up. The world is yours—improve it. In 1981, I stated my intentions to seek a position from the President of the United States. I was told 75,000 people had already applied for those few jobs and I should not waste my time. I don't know what happened to most of the 75,000 but I have had three appointments and who knows what the future yet holds. Some of you are graduating today in spite of predictions by others that you would not make it.

In this graduating class I see future career diplomats and even ambassadors, serving around the world, representing the President of the United States and negotiating major international accords. It's not easy. The average person entering the Foreign Service has a Masters Degree and is 30 years old. But you can discipline and prepare yourselves with study and hard work and achieve that or any other goals. We need you to help solve problems of the world. The world is yours—improve it.

The world population today is approximately 5 billion. In three years, 1990, it will be 5.8 billion and in the year 2000, the world population is projected to be 6.2 billion. With today's smaller number of 5 billion, food shortages in less developed countries lead to 15,000 deaths per day due to starvation and malnutrition. Heart disease, cancer, and accidents don't get a chance at these 5.5 million persons per year.

If you will glance back in history to the time of Christ, nearly 2,000 years ago, the world population was only 200 million; much smaller than the United States population is today. The population of other countries is growing so much faster than that of the United States that whereas we were 5 percent of the world population in 1980, we will be only 4 percent in the year 2000. Many countries will double their population in the next 25 years. These population statistics have a great bearing on the adequacy of resources such as food, water, energy, health supplies, employment, education, plant life, the air we breathe and political stability of nations and the world. How long will the third world nations be content to see 15 percent of the world population enjoy and waste 85 percent of the world's wealth and natural resources. In many places, human rights are suppressed to suppress the demand for food.

The two great superpowers are fundamentally divided over the issue of human rights. Human rights is at the core of American foreign policy. Freedom is the issue that separates us from the Soviet bloc. The lack of freedom creates an adverse impact on the production of food, political stability, general productivity, and hence the quality of life in total. This has been proven in East Germany, Hungary, Poland, Afghanistan, Ethiopia, and even more so in the Soviet farming community.

The world's technological advances have been far greater than our sociological and human relations advances. The computer can now do in one billionth of a second what it once took a second to do. That compares to you being able to do in one second what it once took 31 years to do. Had the automotive industry kept pace, in some aspects, with the computer industry, we could now make a Rolls Royce for $3.00 and I could drive it from coast to coast in less time than it now takes to fly from Montgomery to Atlanta. if our human relations efforts had been that successful, there would be no war in the Persian Gulf area, no hostages in the Middle East, no apartheid, or all the other confrontations and unnecessary human suffering. Now the world is yours—improve it!

Let's join together and turn the tide against drug abuse, illicit sex, the breakup of family, irresponsible parent-hood, meaningless violence, inferior education, and racial discrimination in housing, education, employment, and politics. The determination of Booker T. Washington, the courage of Winnie Mandella, the vision of Martin Luther King, Jr. and the love of Coretta Scott King should daily reassure us that we can, we can. Oh yes, we can overcome!

We've heard much about the efforts of Mr. Gorbachev to turn the economy around in the Soviet Union. I've been there and I've seen what the absence of competition produces—mediocrity. I've seen more hope in the eyes of freedom fighters in poor Nicaragua and Soweto than in the faces of those who have no hope of change behind the iron curtain. If Gorbachev can turn that big bear around against much opposition and if young Blacks can smile at the military might of South Africa and envision the day when the rough places shall be made smooth, the crooked shall be straightened and the oppressed shall be free then we can make a difference.

In this class we can have ambassadors, teachers, ministers, corporate executives, doctors, lawyers, a governor, a U.S. Senator, a Vice President, yes, a President of the United States of America. The world is yours—go for it!

Education is a key. We must stress the value of education from the pulpit to the pool hall. We must find resources to give scholarships that will inspire and build self-esteem. Every church in the United States can give scholarships of at least $100. Every high school graduate of every church could be rewarded for their services, talents, and interests with a scholarship. Every social club, every block unit, every home demonstration or homemaking club, every community business, from beauty shops to liquor stores, every union, every bowling league or softball team, and even student associations can give scholarships to encourage and inspire youth on the fringes to get back in the game of life and go for the gold. The money will be important but more important than the amount will be the self-esteem generated in that young mind which is tempted to give up because nobody seems to care. Teachers who inspire confidence and self-esteem must be recognized and rewarded. Those who destroy self-esteem must be replaced. The building of self-esteem is more important than dispensing information. Further, we must keep and strengthen all our Black colleges.

Jobs are essential for youth and adults. If the youth are helped to master the realities and difficulties of the world of work at an early age, they will be better prepared to secure and keep jobs as adults. Those who can must give jobs to aspiring youth if only part-time or even if they don't pay well. And for all those who finish high school, junior college or above, there must be tireless efforts to let them know of every possible job opportunity. They must be coached and prepared for interviews. We must show those in school that it pays to stay in school. They must see consistent success stories of education and hard work paying off. We must not be satisfied until every graduate here today has a good job with good pay or opportunities for further study.

One final bit of advice for the graduates: (1) Trust people. (2) Never forget your family. No matter how imperfect your parents may be, remember without them, you would not be here today. (3) Never get too big for God. He loves you.

A little fellow was hospitalized in a very poor region of the world. In his home, the family drank from one container. There were markings on the side so each would know how far down he could drink and leave enough for others. He was brought a glass of milk by the nurse. He was confused because there were no markings on the side. He asked how far down he should drink. From the glass of success and achievement, you owe it to ASU and to yourselves to drink it all. Be all that you can be. The world is yours—improve it.

INTRODUCTION OF A REVISION TO PUBLIC LAW 84-814—IMPACT AID

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HAYES of Illinois. Mr. Speaker, as you know, the House has given overwhelming approval to H.R. 5, the School Improvement Act of 1987. That legislation reauthorized almost every Federal Elementary and Secondary Education Program in the country.

As you may recall Mr. Speaker, during the debate on H.R. 5, several Members, including me, entered into a colloquy on the need to revise Public Law 84-814, Impact Aid. Since that law only serves 2,600 school districts, it has a somewhat smaller constituency than programs which serve all 16,000 public school districts in the Nation. Unfortunately, H.R. 5 only provided for a straight reauthorization of that law. Nevertheless, there is an unquestionable need for updating of this program. Today I am introducing legislation to provide that needed revision.

Public Law 84-814 is a time tested law first passed by the Congress in 1950 in recognition of the Federal Government's obligation to reimburse public school districts for their inability to generate revenue due to the nontaxable presence of Federal property. Since public schools—directly or indirectly—generate their revenue for the basic operation and maintenance of their school system from various forms of taxes, it becomes a burden on those school districts when their membership is increased by children in families who are, for one reason or another, exempt from paying such taxes. Generally, revenue is produced from property taxes on their home, property taxes on their place of employment, income taxes, sales taxes, or various licenses and fees. These taxes are the very lifeblood of the school finance system, making up that portion of the per pupil expenditure which is not provided by basic State aid assistance.

The Impact Aid law reimburses school districts for the presence of over 2,000,000 federally connected youngsters. These children represent military, civilian, Indian, low-rent housing/poverty, and handicapped children who are concentrated in disproportionate amounts in school districts which serve federally owned properties. The ability to generate revenue to support these children is impacted and sometimes eliminated by the laws which prevent the taxing of any federally owned property and exempts hundreds of thousands of military personnel from having to pay income tax in the State in which their children are educated or having to pay licenses and fees for their vehicles.

For the last year and a half the superintendents and school boards which receive this revenue have been working to provide a reauthorization proposal which would solve several of the problems experienced due to the change in school finance procedures and public school environments over the last 30 years. In an effort to correct these problems on a temporary basis the law has accumulated so many amendments and subparts that it has become a complicated patchwork quilt of legislation.

The legislation I am introducing today is the product of their work and will do several things:

First, greatly simplify the complicated language of categories and formulas;

Second, reduce the categories of children eligible for Impact Aid from 16 down to 2 while still protecting all currently funded children;

Third, provide certain guarantees for school districts which have unique characteristics which result in extremely high per pupil cost or total inability to generate revenue due to nontaxable land; and

Fourth, provide payment schedules and formulas for the equitable distribution of the annual appropriation, thereby eliminating an annual fight in the appropriations process.

My legislation takes into account the likely fact that full entitlement funding may never occur during the 6-year reauthorization period authorized in H.R. 5. Hence, a system of payments has been established whereby funds for particular categories of federally connected students are paid at a set proportion of entitlement until appropriated funding runs out.

Since no category of Impact Aid student receives a substantial funding amount in the first payment step, the revision builds in an incentive for school districts interested in each category of Impact Aid to support the appropriation effort for the program, in order to reach the second payment step with its substantially greater funding levels. To assure the super "A" school districts, which have historically been favored in the appropriation process, that this formula is equitable to all, particularly the Indian districts, a hold harmless at a prior per pupil payment amount has been provided. The formula attempts to equitably distribute funds considering current levels, and fairly allocate any potential additional funding in the future.

In addition to simplifying the 16 current categories of federally connected children into basically just two, my legislation moves to a more contemporary method of student accounting—average daily membership. Impact Aid will be similar to most Federal education programs, distributing funds on the basis on the enrolled number of a target population. This change also will relieve a number of States from collecting average daily attendance data solely for Impact Aid purposes when their State aid and other programs are allocated on a membership basis.

My bill also makes a few adjustments in current law for unusual situations such as highly impacted districts with minimal tax bases, and districts whose boundaries are coterminous with a military base, therefore without a tax base.

The final significant revision is to the so-called equalization provision of Impact Aid, where States are allowed to offset, or supplant State aid with Federal Impact Aid funds. This is allowable under current law if the States meet certain equalized per pupil spending equities. The concept of an offset or supplanting with Federal funds is an unusual one to be built into a Federal authorization. This legislation does not attempt to tackle the problem of whether the continuation of such an offset continues to be in the Federal interest. However, it does identify certain specific Federal interests within the Impact Aid program which are so substantial as to warrant exclusion from the offset or equalization provision. These specifically recognized Federal interests are the handicapped, those children on Indian land, highly impacted and geographically related high cost districts—all of which receive additional Impact Aid funds. In addition, those districts which fall below the State average per pupil or comparable district per pupil expenditures are also excluded from State offsets.

I would like to say a few words on behalf of one category of youngsters in the category called "Low Rent Housing." These are the youngsters who are concentrated in school districts which predominantly serve the poorer sections of our cities. These are very high-cost youngsters in many cases coming from single parent families which are already on public assistance and are in desperate need of an education to break the poverty and welfare cycle. These youngsters come to the public schools with remedial needs in the areas of math and science as well as in discipline, attendance, and even health education.

These children live in federally owned apartment buildings which, due to the high demand for rental units of inner city houses, would be an extremely valuable resource to the school district if it were able to produce real estate taxes. Due to its tax exempt nature and due to federal ownership, this high-priced-low-rent-housing youngster is placed into the school district from a family who is unable to generate sufficient tax revenue to even provide for its own needs and who lives in an apartment in a building which also generates no revenue.

I submit to you that education is one of the ways to help these youngsters out of their poverty situation and into a more comfortable, productive lifestyle.

All in all, this revision to Public Law 81–874 will result in a greatly simplified program with clear-cut eligibility requirements and payment distributions. I urge my colleagues who represent federally impacted school districts to join with me and the nine original cosponsors of my bill in sponsoring this important legislative initiative . Thank you.

A copy of my legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENTS TO PUBLIC LAW 874, 81ST CONGRESS.

(a) Title I of the Act of September 30, 1950 (P.L. 874, 81st Congress) is amended by striking "ASSISTANCE" in the heading of such title and inserting in lieu thereof "REIMBURSEMENT".

(b) Section 1 of such Act is amended by striking "assistance" and inserting in lieu thereof "reimbursement".

(c) Such Act is amended by striking "attentance" each place it appears and inserting in lieu thereof "membership".

(d) Section 3(d)(1)(A) of such Act is amended by striking "which the number of children determined for such fiscal year under" and striking "amounts to at least 20 per centum of the total number of children who were to average daily attendance at the schools of such agency during such fiscal year and for whom such agency provided free public education".

(e) Section 3(d)(1)(A) of such Act is amended by striking "clauses (B)(iii), (B)(iv), (B)(v)" and inserting in lieu thereof "subparagraph (B)".

(f) Section 3(d)(1)(B) of such Act is amended by striking all that follows "the sum of" and inserting in lieu thereof "the product obtained my multiplying 16.6 per centum of the local contribution rate by the number of children determined with respect to such agency for such fiscal year under subsection (b).".

(g) Section 3(d)(2)(B)(i) of such Act is amended—

(1) by striking "computed under" and inserting in lieu thereof "of payment resulting from";

(2) by inserting "including capital outlay funds which are accounted for separately in State payments to local educational agencies, but not including any cash balance at the end of a year allowed under State law, or, where no State law governing cash balance exists, not including 30 percent of the local educational agency's operating cost," after "the funds available";

(3) by inserting "the State average or to" after "education equivalent to";

(4) by inserting "three or more of" after "to that maintained in"; and

(5) by inserting ", whichever is higher" after "district of such agency".

(h) Section 3(d)(2)(B)(iv) of such Act is amended by inserting after the first sentence the following new sentences: "Such increase shall be sufficient to allow the school district to have an operating cost (calculated using the most recent data available at the time of calculation, made current through application of appropriate economic adjustment factors) no greater than the State average or the average of comparable school districts in the State. For purposes of clause (ii), the Commissioner shall determine that a reasonable tax effort has been made if the agency receives at least 80 percent of the taxes levied which would have been received if the applicant district had an operational tax rate equal to the average of comparable districts. Payments made to an agency under this subsection shall be reduced by the percentage of the difference that the actual tax levied of such agency are of the taxes which would have been levied if the applicant district had an operational tax rate equal to the average of comparable districts or State average."

(i) Section 3(d)(2) of such Act is amended by striking subparagraph (E).

(j) Section 3(h) of such Act is amended by adding at the end the following sentence: "For the fiscal year beginning October 1, 1987, and for each year thereafter, the local contribution rate for such coterminous agencies shall be not less than 70 per centum of the average per pupil expenditure in all States during the second preceding year prior to the current fiscal year."

(k) Section 3 of such Act is amended by adding at the end the following new subsection:

"(i) Any local educational agency which is eligible under section 3(d)(2)(B) shall receive 100 per centum of the amount to which such agency is entitled under subsections (a) and (b)."

(l) Section 5(b) of such Act is amended by inserting ", rounded to the nearest whole dollar," before "to each local educational agency".

(m) Section 5(c)(1) of such Act is amended by striking all that follows "fiscal year" the first place such words appear and inserting a period.

(n) Section 5(c) of such Act is amended by striking paragraph (2) and all that follows to the end of such subsection and inserting in lieu thereof the following:

"(2)(A) From that part of such sums which remain after the allocation required by paragraph (1) and any allocation required by sections 5(e) and 3(h) for any fiscal year, the Secretary shall allocate such additional amounts appropriated for section 3(a) among the following categories of local educational agencies—

"(i) such agencies in which the number of children determined under section 3(a) amounts to 20 per centum or more of average daily membership;

"(ii) such agencies in which the number of children determined under section 3(a) amounts to 15 per centum or more, but less than 20 per centum of average daily membership; and

"(iii) such agencies in which the number of children determined under section 3(a) amounts to less than 15 per centum of average daily membership.

"(B) The Secretary shall allocate the additional amounts described in subparagraph (A) according to the following schedule:

"(i) A first allocation shall be made as follows—

"(I) 80 per centum of entitlement to agencies described in paragraph (2)(A)(i);

"(II) 60 per centum of entitlement to agencies described in paragraph (2)(A)(ii);

"(III) 40 per centum of entitlement to agencies described in paragraph (2)(A)(iii).

"(ii) Any sums remaining after the allocation pursuant to clause (i) shall be allocated as follows—

"(I) 20 per centum of entitlement to agencies described in paragraph (2)(A)(i);

"(II) 15 per centum of entitlement to agencies described in paragraph (2)(A)(ii); and

"(III) 10 per centum of entitlement to agencies described in paragraph (2)(A)(iii).

"(iii) Any sums remaining after the allocation pursuant to clause (ii) shall be allocated as follows:

"(I) 25 per centum of entitlement to agencies described in paragraph (2)(A)(ii); and

"(II) 50 per centum of entitlement to agencies described in paragraph (2)(A)(iii).

"(3)(A) From that part of such sums which remain after the allocation required by paragraph (1) for any fiscal year, the Secretary shall allocate such additional amounts appropriated for section 3(b) among the following categories of local educational agencies—

"(i) such agencies in which the number of children determined under section 3(b) amounts to 20 per centum or more of average daily membership; and

"(ii) such agencies in which the number of children determined under section 3(b) amounts to less than 20 per centum of average daily membership.

"(B) The Secretary shall allocate the additional amounts described in subparagraph (A) according to the following schedule:

"(i) A first allocation shall be made as follows:

"(I) 40 per centum of entitlement to agencies described in paragraph (3)(A)(ii).

"(II) 15 per centum of entitlement to agencies described in paragraph (3)(A)(ii).

"(ii) Any sums remaining after the allocation pursuant to clause (i) shall be allocated as follows—

"(I) 30 per centum of entitlement to agencies described in paragraph (3)(A)(i).

"(II) 10 per centum of entitlement to agencies described in paragraph (3)(A)(ii).

"(iii) Any sums remaining after the allocation pursuant to clause (ii) shall be allocated as follows:

"(I) 30 per centum of entitlement to agencies described in paragraph (3)(A)(i).

"(II) 75 per centum of entitlement to agencies described in paragraph (3)(A)(ii).

"(4)(A) When the additional amounts described in paragraphs (2)(A) and (3)(A) are insufficient to provide the required percent of entitlement under clauses (2)(B)(ii), (2)(B)(iii), (3)(B)(ii), or (3)(B)(iii), respectively, the Secretary shall allocate such additional amounts by the following per centum and ratably reduced from the amount entitled under the respective subclause—

"(i) 72 per centum under subclause (2)(B)(ii)(I), 3 per centum under subclause (2)(B)(ii)(II), and 25 per centum under subclause (2)(B)(ii)(III);

"(ii) 75 per centum under subclause (2)(B)(iii)(I), and 25 per centum under subclause (2)(B)(iii)(II);

"(iii) 75 per centum under subclause (3)(B)(ii)(I), and 25 per centum under subclause (3)(B)(ii)(II); and

"(iv) 75 per centum under subclause (3)(B)(iii)(I), and 25 per centum under subclause (3)(B)(iii)(II).

"(B) In any instance when the additional amounts allocated under subparagraph (A) are sufficient to meet the required per centum of entitlement under any subclause in paragraph (2)(B) or (3)(B), the Secretary shall reallocate such amount according to the subsequent subclause.".

(o) Section 5(d)(2)(A)(ii) of such Act is amended by striking the period at the end and inserting the following: ", and only if the formula utilized by the State ensure that the local agency will have sufficient funds available to that agency to expend at or above the State average per pupil expenditure or the average per pupil expenditure for comparable districts, whichever is greater. Funds received under sections 2, 3(d)(2)(B), 3(d)(2)(C), 3(d)(2)(D), and 3d)(3)(B)(ii) shall not be taken into consideration by the state for the purposes of this subparagraph."

(p) Section 5(e) of such Act is amended by striking the first sentence in paragraph (1) and inserting in lieu thereof the following: "For any fiscal year following fiscal year 1987, the Secretary shall allocate to any local educational agency which received a payment under section 3(a) in fiscal year 1987, an amount which is not less than the product of 100 per centum of the per pupil amount paid to such agency in fiscal year 1987 or in fiscal year 1986, whichever is higher, and the number of children in current average daily membership under such subsection."

(q) Section 6 of such Act is amended by adding a new subsection (i) as follows:

"(i) Notwithstanding any other provision of law, a local educational agency receiving funds under section 3 may also receive funds under section 6."

(r) Section 5(e) of such Act is amended:

(1) by striking paragraph (2); and

(2) by striking "(1)".

(s) Section 2 of such Act is amended by adding at the end the following:

"(d) For any fiscal year, the amount which a local educational agency is entitled to receive under this section may not be less than such agency received for fiscal year 1983 under this section, except where Federal activity in a school district local educational agency has declined since 1983.

SEC. 2. EFFECTIVE DATE.

This amendments made by this Act shall take effect October 1, 1987.

CHIEF MOE'ONO TUA'OI KENISELI

HON. FOFO I.F. SUNIA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. SUNIA. Mr. Speaker, I rise today to place in the CONGRESSIONAL RECORD the story of a very unique American whom I have the pleasure and privilege of representing in the U.S. Congress. He is Chief Moe'ono Tua'oi Keniseli of the village of Fagalii in American Samoa.

Chief Moe'ono has been selected to receive the coveted award of Senior Citizen of the Year in ceremonies in the territory on July 3, 1987.

Why is Chief Moe'ono so special?

Because 5 years after his birth on January 17, 1917, in a very small and remote village on the island of Tutuila, Fagalii, he contracted a disease which left him permanently crippled. For 65 years, he has relied on pieces of wood fashioned as crutches for his mobility.

But in his 70 years, he has managed to complete his schooling. He finished Poyer Junior High School in 1949, at the age of 32. He began raising a family, but manged to continue his education, receiving a diploma of equivalancy from the Department of Education in 1962, at age 45. Eleven years later, he completed courses at the only institute of higher learning in the territory, the American Samoa Community College, and he was awarded the associate of arts degree.

This remarkable American Samoan began teaching in local schools since 1954 and taught until 1975. For the next 2 years, he was an instructor in special education for the handicapped; and for 6 years following that he helped with the Aging Program. He is now retired, but he is still very active in his church work and a very vocal observer of local government. He is a student of local politics as his frequent and eloquent letters to the editor indicate.

Chief Moe'ono married twice. His first wife passed away in 1981. He is presently married to Annapepe Afemiliona. He has fathered a son, Jerry, and a daughter, Sailau. He also raised five adopted children.

Chief Moe'ono was awarded the title "Tuaoi" in 1952. In 1960, he was given the title "Faualia". The respected "Moe'ono" title of Fagalii, the village where he was born, was awarded him in 1980.

I have had the pleasure of visiting with Chief Moe'ono several times during my public service career. To spend a few minutes with this person is to be blessed. He is deeply religious, very learned in the "faa Samoa"—the Samoan way—and a practitioner of the culture and traditions of the Samoan people. Except for his legs, which have been useless since age 5, Chief Moe'ono is probably healthier and stronger than most 70 year olds alive today.

Mr. Speaker, please join me in commending and complimenting this great citizen of our country.

A SALUTE TO ELENA ANDERSON: ART COMPETITION WINNER

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. STOKES. Mr. Speaker, as you know, today will mark the official opening of "An Artistic Discovery," the annual high school art competition sponsored by Members of Congress and the Congressional Arts Caucus. I would like to take this opportuntiy to salute Ms. Elena Anderson of Cleveland, OH, the winner of the "Artistic Discovery" competition held in my congressional district.

Elena's artwork, an oil pastel entitled "Languiss" will join the collection of paintings, drawings and prints which will adorn the corridors leading to the U.S. Capitol Building—an area dedicated to the artistic skills of today's young artists—through May 1988. This year's art exhibition is the largest ever and is expected to draw thousands of visitors to Washington.

I am also proud to report that Elena is one of four artists participating in the opening ceremonies selected to appear with NBC weatherman, Willard Scott, on a special segment of the "Today Show" on Friday.

Elena is the daughter of Kenneth and Margaret Anderson. She is an 11th grade student at Shaker Heights High School where she is a member of the Shaker Heights Band and the American Field Service. Her hobbies include tennis and playing the French horn. Elena plans a career in the fine arts.

Mr. Speaker, I am pleased to welcome Elena and other young artists participating in "An Artistic Discovery" to our Nation's Capitol. Nothing is more important to the soul of America than its artistic heritage. I hope that my colleagues and visitors to Washington from across the Nation will take the opportunity to view this impressive display of artistic excellence.

THE PROS—AND THE CONS—OF PRESSING TO STOP THE WAR

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. ASPIN. Mr. Speaker, it is the declared goal of the administration to try to end the Iran-Iraq war with no victor and no vanquished, that is, to restore the status quo ante. Few have questioned this premise; it is a rational goal to end any war, afterall. But the mere conclusion of the war will not necessarily conclude all our problems in the Persian Gulf. In fact, it may start a new and more serious set.

I would suggest, Mr. Speaker, that the appropriate question is not simply the tactical one posed by this administration—namely, "How can we end the war without victor or vanguished"—but more importantly the strategic one—how can we end the war so as to minimize the postwar problems rather than maximize them.

This is the fourth in a series of speeches I have been presenting to the House on the Persian Gulf. In an earlier speech, I made reference to a chess analogy. The administration tends to think more in football terms: take it one play at a time; apply what you learn on each play to the successive plays. But the football analogy is not the appropriate one in international affairs. Chess is. You must think several plays ahead. I am concerned that the administration isn't doing that. It seems to feel that ending the war is justification in itself.

But the war's end will not automatically end the conflicts that fomented the war. In fact, the war could be ended in such a way that the conflicts would only be exacerbated. World War I was not the "war to end all wars;" it was really the prelude to an even bigger war.

It is interesting, Mr. Speaker, that Tehran itself uses the analogy of allied policy in World War II. Because of our perception that World War I had ended in a way that created the conditions for World War II, we adopted the unconditional surrender policy. This Axis had to be crushed with such finality that a repeat would not be likely. Tehran has said repeatedly that to end the war on a negotiated basis, restoring the status quo ante, would not bring peace but merely an interlude in which Iraqi President Saddam Hussein and his Baath party regime would build up for a second effort. For that reason, Tehran says, it must adhere to a policy of making peace only after Saddam Hussein and the Baath party are expunged.

There's something to what Tehran says—though it is not the whole truth. Tehran premises its portrayal of Baghdad as aggressive on the indisputable fact that Baghdad started the fighting war by sending its troops across Iran's borders on September 22, 1982. But Tehran began the war of subversion long before that. Tehran was making a mighty effort to organize Shiites and religious fundamentalists to topple Saddam many months before Iran launched the fighting war. So, if the war were to end soon with a negotiated settlement reestablishing the status quo ente, I would have every reason to believe that Tehran is right. There would only be an interlude. Tehran would not ease up its pressures on Iraq—or on the small states along the south shore of the Persian Gulf.

Baghdad under Saddam Hussein might not want to resume the fighting with Tehran. I suspect the war has gone on long enough and that Iraq has taken a sufficient beating that it would not soon want to start picking on somebody three times its size in population. But if the Baath regime still rules after a peace settlement, might it not pick on somebody much smaller in order to reestablish its macho credentials with its public and the Arab world at large? Might it not pick on Kuwait, for example. Iraq has long had designs on that country, with its huge oil resources and population one-tenth that of Iraq. Baghdad also owes Kuwait a small fortune in war loans; one way to wipe out the debt would be to wipe out the creditor.

I would not presume to forecast precisely what Baghdad or Tehran would do were the war to end today with the status quo ante restored. Suffice it to say that there is a very good chance it wouldn't be pretty and it wouldn't be in our interests.

What does that mean? Is it a prescription for trying to keep the war boiling? Many Israeli officials have publicly advocated just that. They view the war as a catfight between two enemies, and the longer it lasts—draining them both—the better. In fact, many Arabs believe that really is our policy. First, they see how closely our Middle East policy is aligned with Israel's; then listen to Israeli politicians talk about the joys of seeing Iran and Iraq bleed each other. Second, they see us publicly declare a policy of trying to end the war by pressing countries to halt arms sales to Tehran in order to force it to the negotiating table; then they see that we are secretly selling arms to Tehran. Even while we understand that these Arab suspicions are wrong, one cannot argue that they are paranoid.

In practical terms, a policy of reestablishing the status quo ante is reasonable—in practical terms, I said. Neither side had shown sufficient strength to prevail on the battlefield. Although the nature of their societies makes it impossible to judge how strong war weariness is in either Iran or Iraq, it is certainly a reasonable conclusion that war weariness is growing in both countries, and will likely continue to grow unless one or the other can show some dramatic battlefield victory, which is possible if Iran captured Basra or Iraq shut down the Kharg Island oil export terminal. While it goes against conventional wisdom, I would point out that the latter is a far more likely military accomplishment than the former.

So, in practical terms, an end to the war and reestablishment of the status quo ante is not an unreasonable goal. That is, it is attainable. And I suspect that is why the administration has focused on it.

But if the war were to end that way in the near future, would the Islamic Republic of Iran cease to have any interest in exporting its revolution? The revolutionary regime has to be seen exporting its revolution to make sense to the masses who support the revolution because it is a grand cause that makes them swell with pride. If the grand cause ceases to exist, the mass following may start to have severe doubts about the government. So the exportation of the revolution must go on. And if the war ends with Saddam in power in Baghdad and Iraq still a secular state, the pressure to produce will grow.

Afghanistan might supply that need. There could actually be considerable benefit for us if an end to the Iran-Iraq war forcused Persian energies to the East rather than the West. But that isn't the most likely outcome. A heavy push in Afghanistan would present Tehran with the serious threat of a direct confrontation with Moscow. While Tehran doesn't mind a noisy confrontation with us, it knows we are far away. The nearest American division is in Germany. But the Soviet Union has two dozen divisions within one fuel tank's distance of Iran.

The likelihood of Tehran embroiling itself too deeply in Afghanistan is, therefore, limited. More likely is that Tehran will focus on the Persian Gulf Arab States. Iran long claimed Bahrain as its own province. The Shah buried that claim in 1972, but the revolution resurrected it. Until it got bogged down in the war, Iran was actively organizing Bahraini Shiites behind the Islamic fundamentalist banner. Iran could be expected to turn its attentions across the gulf if a peace meant it failed to bring Islamic fundamentalism to Baghdad.

Other points of focus are possible. Ayatollah Khomeini has inspired many religious conservatives all across the Islamic world from Indonesia to Morocco. If Malaysia, say, were suddenly to find itself in the throes of a domestic crisis with Islamic fundamentalists threatening to take power, Tehran could easily skip the gulf. It will focus wherever there is a target of opportunity. But it will focus somewhere.

In a postwar world, Baghdad's Baathist regime—wounded pride and all—could well look for some outlet to reestablish its macho self-image. That almost assuredly would mean a resumption of its extreme anti-Israeli rhetoric, which would nudge others into a war with Israel. The Iraqi Baathists would love to see the Syrian Baathists beaten up—and they would prefer that the Israelis do the beating. But, as I mentioned before, Baghdad could focus on the small states of the gulf.

In sum, the most likely result of a peace settlement today that reestablishes the status quo ante is that the two bruised powers—Iran and Iraq—will shift the focus of their animosities from each other to the six smaller Gulf Arab States. Yet, we are supposedly trying to end this war because of fears that it will spill over onto the Gulf Arab States.

Mr. Speaker, I agree that there is a danger the hatreds of this war will spill over. But I am saying there is a danger that the hatreds of the ensuing peace will spill over.

This is not meant to be an exercise in frustration and pessimism. And the bottom line is not that we should try to institutionalize this war.

I am simply saying two things. First, the moment is not yet ripe for a real peace. And, second, restoration of the status quo ante will only bring a phoney peace.

First, the moment is not yet ripe for a real peace. It is not a very pleasant thing to say, but I fear Iran has to suffer more. It hasn't paid enough of a price yet. I realize the newspaper statistics make this look like a frightfully bloody war. But the fighting is normally only at the skirmish level interspersed with one major offensive a year and a few small ones. And we really do not have a handle on the death toll. The numbers you read are gross guesses. And even those figures are not so substantial when compared with the death rates of World War I or World War II or Vietnam or the Spanish Civil War. Furthermore, the war is largely confined to battlefields. Unlike the wars I just mentioned, the publics of both countries are largely insulated from the fighting. The occasional solitary plane or missile hitting a city is hardly on a par with the American "carpet" bombing of Germany and Japan in World War II. While the mothers and wives of the dead certainly know the pain of the war, society hasn't felt that much pain yet.

Second, restoration of the status quo ante will only bring a phoney peace. The administration is focused on a peace that leaves both regimes intact—and all animosities intact. For a real peace, somebody has to go. Ideally, both regimes would disappear and be replaced by new regimes that would focus their energies on domestic developments. It is, however, more than challenging for us to work that out.

What are the options beside trying to end the war and reestablish the status quo ante?

One is an Iranian victory. This would have terrible consequences. It would mean that both Iran and Iraq were ruled by Islamic fundamentalists and both would be breathing down the backs of the Gulf States, not to mention Syria and Jordan. Let me append a caution here: the spread of Islamic fundamentalism is not dependent on Tehran's initiatives; the philosophy has an appeal independent of Iran.

A second obvious alternative is an Iraqi Baath victory. Iraq can't win or the gound. Its only hope is to strangle Tehran economically by shutting down its oil exports.

But there are other possible outcomes. For example, war weariness could lead to an overthrow of Saddam Hussein, with a new regime agreeing to make peace with Tehran. Tehran could not claim to have established an Islamic republic in Baghdad, but it could tout its success in ridding the world of Saddam.

The possibilities are legion. My point is not to speculate endlessly on those possibilities, but rather to focus our attention on the fact that we need to keep our eyes open for any possibilities that develop. And that means the United States would acquiesce in the war's continuance while we await a moment of opportunity to press for a peace that does not reestablish the status quo ante.

In sum, Mr. Speaker, to end the war simply with no loser or no winner means that you end the war with two wounded snakes more dangerous to innocent bystanders than to themselves. And the innocent bystanders are the very Gulf Arab States we say we are most concerned about.

Mr. Speaker, what I have outlined is not a prescription for the solution of a problem. It is a prescription for managing a problem for which an appealing solution is not on the horizon. In the meantime, I would hope the administration would push two other policy tacks.

First, Operation Staunch, the misnamed effort to stanch the flow of military equipment to Iran, must continue, as the administration has said it will. It will hold down the level of fighting, and thus hold the level of bloodletting to a minimum. And, of course, it will make it harder and harder for Tehran to win—and, hopefully, clearer and clearer to Tehran that it cannot win.

Second, we should help the states of the Gulf Cooperation Council [GCC]—Kuwait, Bahrain, Qatar, Saudi Arabia, the United Arab Emirates and Oman—organize an air and maritime defense system to discourage Iran from tackling them.

ST. LOUIS CHURCH SILVER ANNIVERSARY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. CLAY. Mr. Speaker, I am happy to share the news about Christ Pilgrim Rest Missionary Baptist Church's Silver Anniversary and Homecoming celebration.

Christ Pilgrim Rest Missionary Baptist Church of St. Louis has grown from 30 members to over 1,300 in 25 years. Sunday, July 5, will mark another milestone for the members of Pilgrim Rest Missionary Baptist Church when they move into their new quarters located at 1341 North Kingshighway. The congregation will be led by their pastor, the Reverend Earl R. Williams, in a 250-car motorcade starting at 10:30 a.m. from their old location, Glasgow and Gamble.

The church was organized on May 12, 1918 and one of their early places of worship was 815 North Beaumont. The first congregation was composed of 30 members.

In 1936, the church called the Reverend E.R. Williams to the pastorate and the membership has continuously grown to its present enrollment of over 1,300.

In 1943, Pilgrim Rest Missionary Baptist Church moved to 2900 Gamble and later added an educational building to accommodate their many young people. Now after 19 years they are taking another giant step to keep their membership and many friends comfortable. The new properties at 1341 to 1359 were purchased for worship and educational purposes. The new church and educational buildings are completely air-conditioned and equipped with modern heating facilities. Two of the buildings will be used for residential quarters.

I congratulate the members of the Christ Pilgrim Rest Missionary Baptist Church on this very special occasion and I hope their new facilities will provide many years of happy service.

INTRODUCING LEGISLATION TO GRANT A FEDERAL CHARTER FOR THE AMERICAN PHILATELIC SOCIETY

HON. SID MORRISON

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. MORRISON of Washington. Mr. Speaker, today I am introducing, along with nine of my distinguished colleagues, legislation that would grant a Federal charter to the American Philatelic Society.

The American Philatelic Society is a nonprofit corporation headquartered in State College, PA. It is the largest organization of stamp collectors in the United States, with a current membership of over 55,000 members. Most importantly, the society is celebrating its 100th anniversary as a national organization. This has been the result of the long hours spent by many devoted members dedicated to making the American Philatelic Society the prestigious organization we know today.

I strongly believe that recognizing the American Philatelic Society by granting it a Federal charter would be most appropriate in this year that we are reflecting on America's great history founded in our Constitution. Stamps have played a role all along by opening a window on America's natural landscape, her great historical figures, and on the accomplishments of her citizens in science, commerce, social service, and the arts. These efforts by our Nation's stamp collectors have helped the United States relive its rapidly changing and eventful history.

I am pleased to sponsor this legislation which will help us give the appropriate recognition to the many stamp collectors in our communities for their accomplishments. I urge my colleagues to join us in support of this measure by adding their names as cosponsors.

U.S.S. "JUNEAU": ITS MEMORY AND INFLUENCE CONTINUES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. YOUNG of Alaska. Mr. Speaker, there are a number of Alaskans, and citizens throughout the United States, who want to significantly change the United States national security policy and greatly reduce our military strength. In a recent newspaper photo, a protestor was shown holding a sign which summarized his beliefs, "You Cannot Simultaneously Prevent and Prepare for War."

I strongly disagree with this statement. I believe the protestor does not understand the intentions and functions involved with U.S. national security. Moreover, if the United States did not have a strong defense dedicated to preserving the principles of democracy, such free expressions of opposing points of view could not be made without jeopardizing one's life.

The United States primary national security objective is to protect our Nation, our allies, and interests by deterring aggression and coercion. The U.S. defense strategy does not call for the mobilization of troops, development of weapons, and authorization of funds for the purpose of starting a war. Our national security policy is dedicated to the prevention of war and the attainment of peace and freedom. However, should deterrence fail, our military forces would be called upon to defeat armed aggression and end hostilities in defense of U.S. interests at the lowest possible level of conflict.

There are three major foreign policy principles which must be addressed when proposing to alter the U.S. national security strategy. First, the ability to negotiate arms reductions with our adversaries; second, realistically assess world events; and third, maintain our Nation's strength.

While recognizing fundamental differences with our adversaries, it is imperative that we strive for productive discussions. Only through dialog can we produce substantial and verifiable arms control agreements. Crucial to this progress is our world perception and national power.

The pursuit of peace and freedom is one of the most precious, and costly, goals of human aspiration. Unfortunately, many Americans generally assume that these liberties are the normal conditions of life. We tend to believe that war is an aberration, an exception to the peaceful pattern of human life most of us experience. Americans would like to believe that the violent actions of individuals, groups, and states are effectively constrained by international law and world opinion. Unfortunately, recent history does not support these basic assumptions. Therefore, we must realistically view and deal with the world as it is, not as we would like it to be. Since 1945, the State Department estimates over 150 military conflicts have erupted throughout the world killing at least 10 million people.

As a result, the United States has remained a sanctuary for peace and freedom because of our commitment to political, military, economic, moral, and cultural strength. Ultimately, America's military strength and willingness to defend our precious freedom has deterred and defeated aggressors. This military strength and heroic spirit is particularly exemplified by the triumphs and tragedy of the U.S.S. *Juneau* during World War II.

Thus, I rise today to express my gratitude to 5 of the original 10 survivors of the U.S.S. *Juneau* disaster, and to pay tribute to the 715 officers and men who perished when the cruiser sank while engaged in the naval battle of Guadalcanal.

As the first U.S. Navy vessel named after the capital of Alaska—and dedicated to the pioneers who founded the mining town of Juneau—the U.S.S. *Juneau* was the second Atlanta-class antiaircraft cruiser commissioned in 1942. In the cruiser's first major Pacific battle of the Santa Cruz Islands, it was credited with downing 18 enemy aircraft and rescuing several American pilots.

On November 10, 1942, the U.S.S. *Juneau* along with her sister ships downed 26 of 27 enemy bombers attempting to sink troop and supply transports heading for the critical battle for Guadalcanal Island. For the next 2 days, the cruiser defeated a superior Japanese force of two battleships, a cruiser, and 14 destroyers; she was credited with destroying 1 enemy destroyer and damaging many others. As a result of the U.S.S. *Juneau* bold and strong attack, the Japanese were prevented from landing reinforcements on Guadalcanal and helped significantly toward the ultimate American victory.

Although badly battered, the U.S.S. *Juneau* engaged in a night battle which formed the first portion of the naval battle of Guadalcanal. During the battle she sustained severe damage from a torpedo which struck the forward fireroom. As the cruiser attempted to retreat from action on Friday the 13th, the U.S.S. *Juneau* was again struck by an enemy torpedo. The torpedo hit the ship's magazines creating two explosions. The cruiser broke apart and sank within 20 seconds. Capt. Lyman K. Swenson and 550 crew members perished with the ship. The 150 survivors of the explosions, most of whom were injured, clung to nets and life rafts in shark-infested waters. Seven days later, a Navy PBY patrol plane flown by Lt. Larry Williamson spotted the 10 remaining survivors; the other 140 men had sucumbed to the horror of sharks, thirst, heat, and fatigue. The five Sullivan brothers were among those who were killed. Despite dangerously rough seas, Lieutenant Williamson rescued the wounded men after witnessing survivor Wyatt Butterfield swim through shark-infested water to retrieve water and medical supplies dropped by the plane.

On July 5, 1987, I along with the Juneau Festival Association and the city and Borough of Juneau, will pay tribute to the captain and crew of the U.S.S. *Juneau* at a memorial dedication ceremony. In addition, special recognition will be bestowed to 5 of the original 10 survivors—Wyatt Butterfield, Arthur Friend, Frank Holmgren, Lester Zook, and Allen C. Heyn; rescue pilot Larry Williamson; and Capt. Lyman K. Swenson's son, Robert A. Swenson.

The triumphs, tragedy, and heroism of the U.S.S. *Juneau* incident exemplifies the unwavering spirit and strong military stand against Japanese aggression that led to victory during World War II. It also has been the guiding force that has evolved our national security policy to its present success. Those who propose radical changes in our national security policy fail to understand the evolution and development of our Nation's defense strategy; thus, pose a real threat to the united States.

I hope and pray that tragedies such as those which befell the U.S.S. *Juneau* and the U.S.S. *Stark* will never again sadden America's soul. However, at any time, we as Americans could be once again called upon to defend our liberties. Therefore, we must maintain our military strength and defensive capability in order to meet any threat.

OUR POLICY ON THE DOLLAR

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. GRADISON. Mr. Speaker, in all of the discussion of the movement of the exchange rate, it is easy to lose track of the real implications of our policy on the dollar. That is why I was pleased to come across an article in the June 23, 1987, edition of the Wall Street Journal by Herb Stein of the American Enterprise Institute. Dr. Stein analyzes, in a detached and rational manner, exactly what is at stake when we try to manage our exchange rate.

> I keep being puzzled by the metaphors used in economic discourse. My present puzzlement is over the phrase "defending the dollar." I have difficulty with the idea of defending inanimate objects. I understand defending Americans. I even understand defending snail darters or sequoias, although I suppose what is really meant is defending the interest of those human beings who have a great affection for snail darters or sequoias.
>
> But the dollar? Who are we defending when we "defend the dollar"?
>
> When we talk about defending the dollar we are talking about keeping it from going down—relative to the yen, the D-mark, etc. We didn't talk about defending the dollar when the dollar was going up. Paradoxically, most of the "defense" of the dollar these days is by the Japanese, Germans and other governments. Their central banks are buying dollars to keep the dollar from declining. They think that they are defending the interests of some of their citizens. They probably think—rightly or wrongly—they are defending the interests of their citizens as producers who would be hurt in competition with Americans if the dollar declined further.
>
> AMERICANS IN PARIS
>
> But what about us? Do we want to defend the dollar in order to protect foreign manufacturers and farmers against U.S. competition? That would be a pretty story to tell Congress. Perhaps we are defending the dollar in order to defend those American tourists who used to get a cheap (or relatively cheap) meal in Paris when the franc was 10 cents. Is the object of the exercise to defend the interests of Americans as consumers against the interests of Americans as producers? Who was authorized to choose

one American sector over another in this way?

When people feel the need to give an explicit reason for defending the dollar, which is seldom, they usually refer to the importance of preventing inflation. If the dollar declines, which means that the yen, the mark, etc., rise, the cost of imports rises, and the cost of imports is part of the U.S. price level. Therefore, it is argued, we must keep the dollar from falling in order to keep the U.S. price level from rising.

But this argument fails to distinguish between the national interest in the price level—the average of all prices—and the national interest in the prices of one sector, even a sector as large as total imports. If the dollar is tending to decline, to need defending, it is because U.S. prices, at the existing exchange rate, are "too high" relative to foreign prices. "Too high" means that they cause an excess of U.S. imports larger than the rest of the world is willing to finance by investing in the U.S.

If there is a bumper crop of apples the price of apples tends to decline, relative to other prices. the decline is needed in order to get the apples sold. No reasonable person thinks we need to defend the price of apples. Similarly, if our excess of imports generates more dollars than the rest of the world wants to hold, U.S. prices tend to decline relative to foreign prices, measured in dollars. That decline is needed to reduce our net imports to the amount the rest of the world is willing to finance.

There are three ways in which a decline of U.S. prices relative to foreign prices, measured in dollars, can occur:

(a) U.S. domestic prices can decline, a result that does the U.S. as a whole no good and is unlikely to happen without a recession.

(b) Foreign domestic prices can rise, or rise more steeply than they have been rising. This is a prescription for inflation abroad, which foreign governments are unwilling to accept and which we cannot in good conscience recommend.

(c) The dollar can decline relative to other currencies. That is the least painful way to bring about the needed change in relative prices.

There are three ways in which to keep the dollar from falling if it is tending to fall—that is, to defend the dollar:

(a) The U.S. could have a recession while the rest of the world has an accelerated expansion. That seems to be what the "international coordination of economic policy" means. But no one is willing to breathe the recession part and the amount of real noninflationary expansion the rest of the world can support is not large enough to make a significant dent in America's net imports.

(b) The U.S. could increase its budget deficit, raising interest rates here and attracting more foreign investment. This was at least part of the process by which the dollar was raised before 1985. But no one is willing to breathe this prescription either. On the contrary, the universal prescription for improving the world economy is that the U.S. should reduce its budget deficit. This may do many good things, but it will not strengthen the dollar.

(c) The U.S. authorities—the Treasury and the Federal Reserve—and the similar authorities of other countries could "intervene" to defend the dollar. That is, they would all sell other currencies—yen, D-marks, etc.—and buy dollars. (If it were to have any effect on exchange rates, the intervention would have to be non-sterilized—that is, not offset by other monetary transactions.) This would increase the stock of other currencies in the world and reduce the stock of dollars. The demand for output in the rest of the world would be increased and the demand for output in the U.S. would be reduced. This brings us back to "solutions" already discussed—deflation/recession in the U.S. and inflation/expansion in the rest of the world. These are either undesirable or inadequate.

The idea of defending the dollar is commonly discussed without reference to the means by which that is to be accomplished. But the government has few instruments and there are other claims upon them aside from defending the dollar. Basically, it has two instruments—monetary policy and fiscal policy.

If monetary policy is used to maintain the desirable path of the price level or of nominal gross national product and fiscal policy is used to maintain the desirable level of national saving by determining the size of the budget deficit, neither instrument is available for defending the dollar. Then the question is whether defending the dollar is worth sacrificing these other objectives for. In order to defend the dollar do we want to have a tighter monetary policy than is consistent with noninflationary domestic growth or a bigger budget deficit than we think is fair to our children and grandchildren? Probably few people would answer "yes."

One reason that the phrase "defend the dollar" goes down so easily is that it has a patriotic ring like "defend the flag" or, perhaps, more appropriately, "defend the Alamo." But the dollar does not stand for America, and a high price of the dollar, in exchange markets, is not a sign of America's strength. If the dollar is high or rising because investment opportunities are so good here that a lot of capital flows into America, that is a sign of America's strength. But if the dollar is kept up by having a recession in America or by increasing the budget deficit, or by appealing for the support of foreign central banks—that does not signify strength.

President Nixon faced the problem of the symbolism of the dollar in August 1971 when he was considering ending the convertibility of the dollar into gold at a fixed price. He knew that the dollar would go down and he feared that would be taken as a sign of America's weakness. He agonized over this until he realized that the move was really a sign of American independence. We would no longer be forced to accommodate our economic policy to the vagaries of the exchange markets. He explained his actions in that way, to general approval, at least in the U.S.

The people who manage our economic policy certainly understand everything I have said here. The question is why they nonetheless talk so much about defending the dollar. Several reasons occur to me:

1. Once the government starts trying to manage the dollar and expressing opinions about what its level should be, it is hard to stop. Silence then becomes a statement of opinion and intention. After about 14 years of "benign neglect" of the exchange rate, the U.S. began in the fall of 1985 to manage and talk the dollar down. Thereafter the government could never escape the question of whether it wanted the dollar to decline further. Failure to answer would not be a "neutral" response. It would be a positive signal for a further decline.

2. The officials may not really mean anything by declaring an intention to defend the dollar. Their common position is that they want to control inflation and defend the dollar. They are not saying that they intend to follow a different and more restrictive policy than would be needed to control inflation.

3. Economic policy makers, especially in the Treasury and the Federal Reserve, tend to have the philosophy of the financial community, where "confidence" is everything. Financial institutions live on the belief that they can safely take on any liabilities and never be called to meet them as long as their creditors have confidence that they can meet them. Government money managers are similarly lured by the notion that if they sufficiently restate their determination to defend the dollar they will never be called to do it, because "the markets" will accept their assurance of the dollar's value.

NO EVIDENCE

4. Policy makers may believe that the exchange markets may not respond accurately to real economic conditions—to the "fundamentals"—but tend to "overshoot," going too far in either direction once a movement starts. The policy makers believe that they can keep exchange rates in line with fundamentals and avoid unnecessary and disruptive overshooting. But there is no evidence that the policy makers are better judges of the fundamentals than the exchange markets are. The policy makers may be worse judges, because they have a bias against changes in the rates.

In fact, the dollar may need no defense. The forces of the market may turn out to sustain the value of the dollar at its present level. But no one can be sure of that. A commitment to defend the dollar is a commitment to pay some price to achieve that end. Countries have paid dearly for the "defense" of their currencies in the past—the British in the 1920s, for example, and the Americans in the 1930s. We should look a little more before we lock ourselves into that commitment again.

EXPLANATION OF MISSED VOTES

HON. ROBERT E. WISE, JR.

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. WISE. Mr. Speaker, on Thursday, June 18, 1987, I was in my district for a meeting with several of my constituents. Had I been here, I would have voted—

"Nay" on rollcall 198.

"Nay" on rollcall 199.

"Nay" on rollcall 200.

LEONID BRAILOVSKY

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. TAUZIN. Mr. Speaker, I am pleased to introduce a House resolution calling upon the Soviet Union to allow refusenik Leonid Brailovsky to emigrate to the United States in order to attend the University of Pennsylvania. I am deeply concerned by the current emigration policy under glasnost and I feel that this resolution can have an important impact on the situation. In the past, congressional action has led to the release and emigration of famous refuseniks like Anatoly Sharansky, Yuri Orlov and Anatoly Korigan.

Leonid and his family first applied for permission to emigrate in 1972. They received their first official notification of refusal in January 1973. Leonid's youngest sister, Dalia, born in 1974, has lived her entire life as a refusenik.

The official reason from the OVIR [Office of Visa and Immigration Review] for their repeated refusals is that Leonid's mother, Irina, acquired state secrets as a lecturer at Moscow University. This allegation has been contradicted by the rector of the university, Prof. Anatoly Lugunov.

As is the case with all the people who have applied for exit visas from the Soviet Union, the Brailovskys instantly lost their jobs and Leonid was denied admittance to study math in the Soviet university system. Leonid is a potential mathematics genius. The University of Pennsylvania has recognized his talent by admitting him as a matriculant as soon as the Soviets allow him to emigrate.

Since August 1981, Leonid has studied at the Institute of Food Technology—one of the few institutes that admits Jewish students. As a result, Leonid is unable to pursue his chosen field of mathematics, except in private study.

Mr. Speaker, Leonid and his family are not in a unique situation. Nearly 400,000 Jews and many thousands of Christians, Armenians, and native Germans also want to leave the Soviet Union. When one of these individuals applies to emigrate from the Soviet Union, he is repeatedly harassed by the Soviet Government and denied his freedom to live, work, and love in peace. This type of conduct by the Soviet Union violates the commitments they made under the final act of the Conference on Security and Cooperation in Europe and the charter of the United Nations.

Granting the Brailovskys' request to emigrate would add to the growing momentum of improvement in relations between the United States and the Soviet Union. It is important for young people, like Leonid, to have an opportunity to be educated and to have a chance to choose where he and his family want to live.

HOUSE OF REPRESENTATIVES—*Friday, June 26, 1987*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

As we examine the fabric of our society, we are conscious, O God, of all those people who volunteer their time and talents to assist others with their problems, who respond when help is needed, who freely give counsel to the afflicted, who comfort the ill or forgotten, who feed the hungry or house the homeless. Gracious God, we remember our debt to all those women and men who move beyond what is expected to do gracious acts of charity and good will. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to announce that 1-minute speeches today will be postponed until the conclusion of the appropriations bill, at which time we will take up 1-minute speeches.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1988

Mr. DIXON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2713) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from Pennsylvania [Mr. Coughlin] and myself.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from California [Mr. Dixon].

The motion was agreed to.

□ 1006

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2713, with Mr. Cooper in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from California [Mr. Dixon] will be recognized for 30 minutes and the gentleman from Pennsylvania [Mr. Coughlin] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. Dixon].

Mr. DIXON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today we bring to the floor the District of Columbia appropriation bill for fiscal year 1988. In summary, Mr. Chairman, this bill provides $3.1 billion for the operation of the Nation's Capital and reflects a net increase of $9.8 million above last year's level. This $3.1 billion consists of Federal funds of $555.1 million and local revenues of $2.2 billion from property and sales taxes as well as fees, fines, and forfeitures and $277.2 million in long-term borrowings for the city's construction program.

Before I get into the specifics of the bill, I want to take a moment to thank the members of our subcommittee for their cooperation and assistance.

The gentleman from Kentucky [Mr. Natcher], who has been a member of the subcommittee for over 32 years and served as chairman for 17 of those years; the gentleman from Ohio [Mr. Stokes]; the gentleman from Minnesota [Mr. Sabo]; the gentleman from Oregon [Mr. AuCoin]; the gentleman from Maryland [Mr. Hoyer]; the gentleman from New York [Mr. Green]; and the gentleman from Ohio [Mr. Regula].

Mr. Chairman, the gentleman from Pennsylvania [Mr. Coughlin] has served as the ranking Republican on our subcommittee for a number of years and I want him to know that I appreciate it. He attends all of the hearings and is always available. I value his leadership and counsel in addressing the problems and issues we face in dealing with the District's budget.

We are all sensitive to home rule for the citizens of the District and at the same time we are cognizant of our constitutional obligation as it relates to the Federal presence in our Nation's Capital.

FEDERAL FUNDS

In Federal funds, we recommend a total of $555 million consisting of a Federal payment to the general fund of $425 million, a Federal payment of $48 million for water and sewer services provided to Federal facilities, a Federal contribution of $52 million to the police officers, firefighters, teachers, and judges retirement funds, and a transitional payment of $30 million for St. Elizabeths Hospital.

Let me touch on each of these for a moment. The Federal payment of $425 million to the District's general fund is $19.5 million below last year's appropriation and the same as the amount appropriated years ago in fiscal year 1985.

Mr. Chairman, it would seem that some effort should be made by the President to request a modest increase in the Federal payment to reflect the effects of inflation; however, that was not done.

We recommend $48 million as payment to the District for water and sewer services provided by the District to the Federal Government. Mr. Chairman, the President's budget did not include a request for this payment but instead proposed that the District treat the Federal Establishment like private customers for water and sewer services received from the District. In addition, the President did not include in his budget the District government's request for supplemental funding reflecting adjustments in prior years' water and sewer appropriations based on actual readings of the meters. The committee asked the General Accounting Office for an opinion on this issue and in a letter dated April 1, 1987, the Comptroller General concluded that: First, the President's proposal is contrary to existing law; second, the District government has no statutory authority to bill or accept payments directly from individual agencies for water and sewer services they receive; and third, the President's budget should contain adjustments to reflect actual usage during the 2 previous years.

Accordingly, Mr. Chairman, the committee has included $48 million in the bill for water and sewer services furnished to the Federal Government. This $48 million consists of $40.1 mil-

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

lion estimated for fiscal year 1988 and $7.9 million for fiscal year 1987 to supplement the $28.8 million appropriated in the regular fiscal year 1987 bill. Mr. Chairman, I believe the President's Office of Management and Budget should not force the city to jump through hoops—the water and sewer payment is a legitimate payment that is due and owing the District and is in accordance with existing law. Whether the amount is appropriated in one lump sum in this bill or is paid by individual agencies through several appropriation bills, the amount withdrawn from the Federal Treasury is the same; the only difference will be the added bureaucratic burden and paperwork which would result from OMB's proposal. We would ask OMB to rethink their proposal.

The Federal payment of $30 million for St. Elizabeths Hospital is authorized under Public Law 98-621 as a transitional payment in connection with the transfer of the hospital from the Federal Government to the District by 1991. The District government is scheduled to assume full administrative responsibility of St. Elizabeths on October 1, 1987, with the Federal Government continuing to provide financial support at a reduced level through fiscal year 1991.

Mr. Chairman, in the aggregate these Federal funds are $5.3 million below last year's level and $48 million above the budget request due to the Federal water and sewer payment I discussed a moment ago.

COMPARISON WITH BUDGET RESOLUTION

As far as the budget resolution is concerned, as of today final action has not been completed on the first budget resolution for fiscal year 1988; however, the amounts recommended in this bill are within the amounts assumed in the House-passed budget resolution.

DISTRICT FUNDS

We recommend $3.1 billion for the operation of the D.C. government during fiscal year 1988. This $3.1 billion consists of $2.8 billion in operating expenses and $277.2 million for the city's construction program to be financed through the issuance of long-term bonds.

Let me take a moment to explain to the Members how the District's budget is financed. The $2.8 billion operating budget is financed from two sources:

First, Federal funds of $555 million which I discussed earlier; and

Second, local revenues such as income taxes, property taxes, fines, and fees of $2.2 billion collected by the city.

In other words, Mr. Chairman, over 80 percent of the city's operating budget is financed with its own revenues while the balance of less than 20 percent comes from the Federal payment and other Federal funds which we owe the District for such things as water and sewer services that the city provides to the Federal Government.

The construction program of $277 million will be financed in its entirety through long-term bonds which the District has been able to issue since fiscal 1985 at interest rates lower than those it was paying when it had to borrow from the Federal Treasury.

EMERGENCY AMBULANCE SERVICE

Mr. Chairman, none of us can help but notice the articles in the local press concerning the city's emergency ambulance service. This affects not only District residents who deserve responsive and competent treatment, but also the millions of visitors who come to the Nation's Capital as well as the thousands of people who work in the city. Many of the problems such as proper training of personnel and adequate supplies and equipment have been longstanding and must be addressed. A task force established by the Mayor expressed deep concerns last year and noted that 42 percent of 50 ambulance workers surveyed and none of the city's 1,700 firefighters had current cardio pulmonary resuscitation [CPR] certification. In our committee report we call on the District to take all reasonable steps to correct the problems facing the emergency medical service particularly in the area of training. We have also asked the District to submit a report by next February 15 on actions they have taken to correct the problems. The current situation has been allowed to go on for far too long.

EMERGENCY 911 SYSTEM

One area where I think the city is doing a good job is in the operation of its emergency 911 telephone system, although you wouldn't know that from the news headlines. After two recent articles appeared in the press alleging problems with the 911 system our committee held a hearing to determine what the facts were and found that at least in these two instances, the 911 system was not at fault. In one instance the caller hung up instead of waiting to be transferred to the fire department and in the second incident which occurred at night, the caller gave an address a block or so from where the object of the call was located. In fact the object of the call was concealed in such a way that it would have been difficult to find had it been daylight and the correct address had been given. So what I am saying is the news accounts would lead you to believe there was a problem with the 911 system, but in reality, the problem was caused by either a misunderstanding or some confusion on the part of the first caller and in the second case a wrong address supplied by the caller.

District officials have taken action to establish certain formula words so that callers will be encouraged to stay on the line. They also plan to followup with callers when nothing is found at the address they give when making the call.

Let me say that in these two cases, the facts did not support the news headlines.

GOVERNMENTAL DIRECTION AND SUPPORT

The bill includes $114 million for the 23 departments and offices funded through the governmental direction and support appropriation. The committee's recommendation is $5.9 million above last year's level and includes an increase of $459,000 and six additional administrative positions for the D.C. Council, the city's legislative body. The bill also includes an increase of $123,000 and three new positions for the new office of education within the office of intergovernmental relations. This new office will be responsible for improving the Mayor's ability to coordinate and monitor post-secondary education and training and educational services such as corrections, special education, and adult education throughout the District government.

One area where the District seems to be doing an exemplary job is in the management of the police, fire, teachers, and judges retirement funds which posted a 25.8-percent return during fiscal year 1986 and increased from $748 million to $1.2 billion. The bill includes the full budget request of $5,417,000 and 10 positions for the board's operations in fiscal year 1988 with $763,000 coming from the District's general fund and $4,654,000 from the board's retirement income.

ECONOMIC DEVELOPMENT AND REGULATION

The committee recommends a total of $140 million or an increase of $11 million above the fiscal 1987 appropriation for the economic development and regulation activities of the District government. An increase of $664,000 and 10 positions are included for a new office of banking and financial institutions to govern the District's financial community and facilitate the city's economic development goals. In the area of housing and community development, the committee recommends increases of $873,000 to provide 150 units of housing for elderly dependent and disabled persons through direct loans or in tandem with bond financing or private lenders. Of this amount, $150,000 is earmarked specifically for housing for victims of AIDS. The committee also recommends an increase of $1 million to expand the resident maintenance program to hire public housing residents to perform various maintenance activities at public housing properties. In addition $1.4 million is included in the bill for the city's homesteading program which allows eligible residents to purchase tax delinquent properties in need of rehabilitation or deemed a public nuisance. These funds will provide training services to homesteaders as well as construction analysis and inspection services on properties being considered for homesteading. The committee also recommends $434,000 for a separate office of international business to attract foreign businesses and governments as well as international institutions and Fortune 500 companies with overseas operations to the District.

PUBLIC SAFETY AND JUSTICE

The bill includes $654 million for the activities included under the public safety and justice activities. This allowance is $54 million above last year's appropriation and includes $179 million for the metropolitan police department as well as language carried in the bill for several years which requires the District to maintain an average strength of 3,880 uniformed officers for fiscal 1988. The police chief testified that the department could lose 2,300 or 60 percent of its 3,880 uniformed members during the next 4 years and is gearing up its recruitment efforts so that the high standards of the department will be maintained with experienced and trained officers. Included in the allowance of $179 million are increases of $2.5 million and 204 positions. These 204 positions will be used to increase the number of police officers in direct law enforcement activities. For the fire department, the committee recommends $74 million, including increases of $150,000 for ambulance surgical supplies and $371,000 for emergency medical training. The bill includes $960,000 and 32 positions for the District's support of the National Guard. This allowance is $97,000 and seven positions above the fiscal 1987 level of $25,000 and one position above the District government's request. Mr. Chairman, the committee commends the Guard for its snow removal assistance during the January snowfall which was reportedly the third heaviest in the last 100 years. In order to comply with conditions placed by the Under Secretary of the Army on the use of the Guard in snow emergencies, the committee has included language in the bill authorizing the Mayor to reimburse the National Guard for expenses incurred in connection with emergency services performed by the Guard at the request of the Mayor. The language also provides that the availability of these funds is to be considered as payment in advance for the emergency services involved.

Mr. Chairman, most everyone agrees that the budget for the department of corrections plays a major role in the District's total budget. The department's budget has increased from $59 million in fiscal 1978 to $180 million in fiscal 1988, an increase of 205 percent over that 10-year period. In the 9 months beginning last August, the police department has arrested some 16,000 people of which about 10,000 were drug related involving some $9 million in potential drug sales, the confiscation of over 300 vehicles and almost 200 various kinds of guns, including a few machineguns. The Congress has provided a total of $50 million in Federal funds in previous fiscal years for a new 800-bed prison to be located in the District. The facility is on schedule to be completed in September 1989. According to testimony received by the committee, the District has the highest incarceration rate in the free world and perhaps in the world on a per capita basis with costs averaging $20,000 to $25,000 per person per year.

PUBLIC EDUCATION SYSTEM

A total of $570 million is recommended for the District's public education system. This is $28 million more than the fiscal year 1987 appropriation and includes $413 million and 10,517 positions or an increase of $26 million and 972 positions for the board of education and the public school system. Included in the committee's recommendation are increases of $2 million for text books as well as $2.2 million for full-day prekindergarten classes, and $9.3 million to reduce the pupil-teacher ratio from 25-1 to 20-1 for senior high classes in English and math and for all classes at the primary level. The number of students in the District's public school system is expected to increase this year and will total 87,160 students. Mr. Chairman, this is an obvious sign that the superintendent and the board continue to have the confidence of parents in the District, as well they should. The two work hand in hand to improve the career potential of children in the city and are to be commended for their efforts.

Mr. Chairman, we encourage the board and superintendent to explore methods and options to address the serious problems of alcohol and drug abuse in the public school systems in the metropolitan area, and to consult with their counterparts in surrounding jurisdictions as well as across the Nation. The committee is pleased to see that the school system has launched a major effort against teenage pregnancies and the superintendent testified that at least two high schools have started clubs entitled "Teenagers Against Pregnancy."

For the University of the District of Columbia, the bill provides $72 million which is $2.8 million above last year's level and includes $1.7 million to reestablish accreditation in the engineering program.

The committee has approved the request for $2.1 million and 65 positions for the new public school of law established by D.C. Law 6-177 through acquisition of the present Antioch School of Law. In approving this request, Mr. Chairman, we are not endorsing the idea or the concept of a publicly funded school of law in the District. The committee believes there is not sufficient justification for such an institution especially since there are several law schools presently in the city and the fact that 91 percent of Antioch's students are nonresidents of the city. In addition, the annual authorization ceiling of $3 million in appropriations for the new school's operating and capital budgets is far short of the approximately $10 million required to operate an accredited law school. And while Antioch is presently accredited, the committee notes that the American Bar Association's Committee on Accreditation has always been on record as opposed to Antioch's accreditation with the problem being inadequate resources. However, with all of these negatives, the fact that a local law was passed by the District of Columbia Council and allowed to go into effect, the committee reluctantly approved the District's funding request for the new District of Columbia School of Law and looks forward to the report due October 1, 1987, on the anticipated operating and capital expenses of the institution and the city's justification for this institution during next year's hearings.

The bill includes $3.5 million for the District's Commission on the Arts and Humanities. This allowance is $1.2 million above last year's appropriation and includes $55,000 to establish a folk arts program and increases of $422,000 to expand its grant programs and $220,000 to support the children's museum as well as cultural and artistic groups in underserved areas of Wards 7 and 8.

HUMAN SUPPORT SERVICES

Mr. Chairman, the largest appropriation for the District government is human support services which totals $696 million and includes increases totaling $49 million. This appropriation category provides social, economic, health support and other services for those in need. The largest of the 11 items under this appropriation is the department of human services with a budget of $579 million which is $42 million more than fiscal 1987. We recommended $17.6 million or an increase of $2.2 million for child day care services and $3.7 million to provide inhouse services to AIDS victims and to expand services for AIDS training and education. For foster care programs we recommend an increase of $3 million for a total of $24 million in fiscal 1988 for the 2,204 wards currently in the foster care program. Children in this program range in age from birth to 21 years of age with 50 percent having special educational, emotional, and psychological needs. We recommend $26.9 million for the city's alcohol and drug abuse programs including increases of $1 million to staff a 350-slot multimodality clinic and operate two contract multimodality clinics, each serving 700 clients. For the Medicaid and medical charities program, the bill includes $146 million and includes increases of $1.4 million to operate a new 140-bed intermediate care facility for the mentally retarded and $735,000 to annualize the cost of nursing home beds opened for part of fiscal year 1987 for the mentally retarded.

The bill includes $12.6 million for the office on aging and includes increases of $2.2 million for the establishment of five nutrition sites that are in easy access to the elderly and door-to-door transportation for limited income and disabled elderly who are unable to use available transportation.

PUBLIC WORKS

For the public works appropriation title, we recommend $211 million or $6.6 million more than was available in fiscal 1987. A total of $101.6 million is recommended for the department of public works and includes increases of $423,000 to maintain the new traffic signal system that is being installed, $600,000 for the supercan replacement program and $718,000 to maintain the center city street cleaning frequencies to once a week. Also included in the increase is $4 million for pay-as-you-go capital projects to replace and maintain the department's existing vehicle fleet. The committee also recommends the full budget request of $101.5 million for the District's share of operating expenses and debt service for Metrorail and Metrobus operations in fiscal 1988. This allowance is $3 million above last year's appropriation.

WASHINGTON CONVENTION CENTER FUND

The bill includes $6.7 million as the fiscal 1988 general fund contribution to the Washington Convention Center. Convention center officials testified that the center is expected to draw an estimated 261,000 out-of-town delegates and exhibitors who will spend $196.4 million in the District's hotels, restaurants, transportation, and retail establishments. This spending will generate $20.4 million in general fund revenues for the District. In addition, tax revenues associated with increases in the assessed land value of property within a three square block radius of the center will result in an additional $36.4 million to the District. Mr. Chairman, the convention center seems to be living up to everything that was said about it when it was on the drawing board.

REPAYMENT OF GENERAL FUND DEFICIT

Once again the committee recommends that $20 million be set aside in fiscal year 1988 to reduce the District's accumulated general fund deficit which totaled $224.9 million as of September 30, 1986. This deficit has been reduced by $162.6 million from its peak of $387.5 million in 1980 through a steady and methodical program. The deficit will have been reduced by more than one-half by the end of fiscal year 1988, and this was done without the need for long-term borrowings or any other kinds of encumbrances. As I mentioned in my statement last year and the year before that, the committee plans to recommend a standard reduction of $20 million each year to be used exclusively to reduce the deficit. District officials are to be commended on their efforts and success in reducing the deficit each year since fiscal 1980.

OPTICAL AND DENTAL BENEFITS

Mr. Chairman, the committee recommends the full request of $1.5 million for vision and dental care benefits for nonunion D.C. government employees and their dependents in fiscal 1988. This is a new program first funded in the fiscal year 1987 supplemental and provides for the direct payment to providers of these services.

CAPITAL OUTLAY

The committee recommends a total of $277.2 million for 84 projects for the District's construction program in fiscal year 1988. These projects will be financed with long-term borrowings on the commercial bond market. Included in the committee's allowance is $210 million for "public building construction," including $51.3 million for various projects for the department of housing and community development such as major renovations to public housing projects and infrastructure work in connection with the development of Camp Simms and $24 million for the department of administrative services to purchase and repair the North and South Potomac buildings presently occupied by District agencies. Twenty-seven million dollars are included for 11 projects in the public school system such as roof, window and boiler replacements, erosion control and room conversions. For the department of human services, the bill includes $19 million for several projects including general renovations at St. Elizabeths Hospital, and $12.9 million for the University of the District of Columbia for several projects including the design and project management of the new Mount Vernon Square campus which will house two colleges. A total of $27.1 million is recommended for seven projects under the department of public works including $13.7 million for improvements at the Robert F. Kennedy Memorial Stadium. A total of $47.3 million is recommended for 15 highway and bridge projects and $11.4 million is recommended for the District's share of Metrorail construction.

ENTERPRISE FUNDS

The committee recommends $174.7 million for the four activities funded with enterprise funds. A total of $152.8 million is included for the utility administration of the department of public works. This allowance is $6.2 million above last year's adjusted base and includes increases of $1.1 million for debt service and $1.2 million to improve the monitoring of partial payment plans in the water billing and collection division. We recommend the budget request of $5.5 million for the lottery and charitable games control board which regulates charitable games and conducts legalized lotteries in the District. This allowance is the same as the amount appropriated for fiscal year 1987. The board expects to transfer $45.1 million to the District's general fund during fiscal year 1988. The committee did not approve the request to lift the restrictions prohibiting the sales of lottery tickets in the Federal enclave or in Georgetown and prohibiting lottery advertisements of metro buses and shelters.

The committee recommends $250,000 for the office of cable television, the same level as was appropriated last year. There are currently in excess of 3,000 District homes with cable hookups and plans are for the city to be completely wired for cable hookups by December of 1990.

GENERAL PROVISIONS

Mr. Chairman, there are a number of general provisions on pages 18 through 27 of the bill. However, there is only one major change and that deals with contracting. Language under section 130 of the bill prohibits the renewal or extension of a sole source contract unless the contract is opened to the competitive bidding process. What we are trying to do here is prevent the monopolizing of sole source contracts by a single vendor.

PROBLEMS IN THE DISTRICT

Mr. Chairman, the District has had home rule for a little over 12 years. Certainly there are problems and these problems are not unique to the District. There have been problems going back to the founding of our Nation in 1776 when John Adams complained that a certain gunpowder supplier had been granted an "exhorbitant" contract by the Continental Congress; to the famous Teapot Dome scandal of the 1920's; to the arraignment last month of a former Milwaukee Alderman on bribery charges.

This is not to say we condone these actions in any way whatsoever, because we don't. We are simply saying these things do occur regardless of what laws we pass to try to keep them from happening. Human nature being what it is people sometimes stray. Regardless, our form of government has survived and I'm sure this crisis will not be the last and those who are guilty will be charged accordingly and those who are not will be exonerated.

So I would just ask Members to refrain from judging the District government on the basis of what you read in the newspapers and hear on the radio or see on television.

The District government is functioning. There are a lot of dedicated and conscientious employees who see to it that the government is performing and serving the public as it should.

CONCLUSION

In closing, Mr. Chairman, let me say that our committee made five minor changes in amounts from what was requested by the District:

First, we added $54,000 to the police, fire, teachers, and judges retirement funds for interest that was lost because the city mistakenly withheld funds under its interpretation of Gramm-Rudman and was subsequently required to pay the retirement board but did not include interest in its payment.

Second, we added $37,000 and four positions to the budget office for workload requirements.

Third, we added $25,000 and one position to the National Guard so it can better meet Federal and District mobilization requirements.

Fourth, we added $86,000 to the office of chief medical examiner with report language that salary levels be adjusted to attract qualified personnel. This adjustment was made within the budget for the department of human services which includes the office of chief medical examiner.

Fifth, we reduced the department of human services $3.3 million request for new positions for 12 months in fiscal 1988 by $202,000.

In addition, we added $48 million for the Federal payment for water and sewer services furnished to Federal facilities.

Mr. Chairman, the committee has worked hard to bring this bill to you.

The budget is balanced with revenues equal to budget authority.

The bill is within the amounts assumed in the House-passed budget resolution.

Eighty percent of this bill is funded with local revenues.

I recommend that the bill be approved.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. DIXON] has consumed 4 minutes.

Mr. COUGHLIN. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, I rise in strong support of the fiscal year 1988 District of Columbia appropriations bill. Article I, section 8 of the U.S. Constitution gives Congress the power to "exercise exclusive legislation in all cases whatsoever, over such District * * * as may * * * become the Seat of the Government of the United States * * *."

Although Congress delegated broad home rule powers to the District of Columbia in 1973, Congress retains the power over the purse, and it is that power which we exercise today.

This appropriation bill does two things. First, it provides a Federal payment from the United States to the District of Columbia. Second, it sets the entire District of Columbia budget, made up of Federal payment, property tax, income tax, sales tax, estate and gift tax, fees, fines, and other income.

Mr. Chairman, it is always a pleasure to work with the chairman, the gentleman from California, JULIAN DIXON, on this bill. As I told the House last year, as one might imagine, this is not the most glamorous assignment in the Congress, and none of us gets anything out of this for our own home congressional districts. However, under Chairman DIXON's leadership, the subcommittee had adopted a policy of letting the District make its own choices unless what is proposed is first, unconstitutional; second, violates the Home Rule Act; or three, raises a Federal question.

The committee, guided by Chairman DIXON's sense of fairness and hard work, has brought forth what we believe to be a rational approach to the District's problems.

This committee has a legitimate concern for the city as the Nation's Capital, and my colleagues will see in the committee report on pages 3 through 6 the concerns that we have expressed about this.

For example, we have a legitimate concern as a committee about the emergency medical services, because those indeed serve not just the residents of the District of Columbia but the thousands of visitors that come here each year, and the committee has a legitimate concern about issues that affect the city as the Nation's Capital.

The subcommittee also has a legitimate concern that the government of the District of Columbia be operated on a fiscally sound basis. That is because it is using Federal taxpayer's money as well as funds that are taxed to the District of Columbia.

My colleagues will see that we have insisted that each year the city use $20 million to retire its debt. Since 1980, the city's accumulated deficit of $387.5 million has been reduced by over one-third. The cash portion is eliminated completely and the noncash portion is expected to be $224,881,000 as of September 30, 1986. That effort to keep the city fiscally sound is a legitimate function of the subcommittee.

Finally, Mr. Chairman, the subcommittee has a very legitimate function in trying to ensure that Federal funds which are provided to the District are not wasted or not disposed of in a corrupt fashion.

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You will see that the subcommittee has taken all of the various claims that have been made of corruption in the District of Columbia. We have tried to look into each and every one of those and we have tried to take steps to prevent that kind of occurrence in the future.

The chairman has described the bill very well so I am not going to repeat the statement that he has made.

I do want to commend both the chairman and the staff members who so ably worked on this bill. Migo Miconi, Mary Porter, Kenny Kraft from Appropriations, and Wilhelmina Marshall and Woody Woodrich from the District of Columbia government.

My compliments to the subcommittee for a job well done.

Mr. Chairman, I urge that the Congress, the House adopt this very fine bill.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. COUGHLIN] has consumed 4 minutes of his time.

Mr. DIXON. Mr. Chairman, I have no requests for time, and I reserve the balance of my time.

Mr. COUGHLIN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia, the distinguished ranking member of the Committee on the District of Columbia.

Mr. PARRIS. Mr. Chairman, I take this time this morning to discuss several aspects of this bill.

What we are about this morning is perhaps not the most glamorous of our tasks, it does not rival nuclear war, abandonment, famine, pestilence in the world, but it is important.

As I indicated earlier, Mr. Chairman, I take this time really for two reasons; to explain to my colleagues who are listening to this debate what this process would do under article 1, section 8, clause 17 of the U.S. Constitution in terms of our appropriations process, and, then, to engage in a colloquy with the chairman of the subcommittee, my friend from California [Mr. DIXON] with regard to the question of statehood for the District of Columbia.

Mr. Chairman, this bill provides a little over half a billion dollars, that is billion dollars, for fiscal year 1988; $425 million of that money represents the Federal payment to compensate the District for the loss of revenue and what are euphemistically referred to as costs. Federal funds available to the District also include, however, $52.1 million as a contribution to the police and firefighters, teachers, judges retirement fund; $48 million for water and sewer services provided to Federal facilities.

The debate, of course, is whether or not they should be billed to the individual agencies like other consumers of those services. A $30 million payment to assist in financing St. Elizabeth's Hospital as provided under

Public Law 98-621, adopted by this Congress several years ago.

In addition to this direct appropriation, the District of Columbia will receive in this fiscal year $592.7 million through direct Federal grants and Federal reimbursements for Medicaid and Medicare costs that total $17.8 millions. You add all of this up, Mr. Chairman, and we are talking well over $1.1 billion that will go directly to the District of Columbia this year.

So this is important and we will have a number of amendments, two or three at least that I think are of some significance that should be taken seriously by our colleagues, should be examined as we do, consistent with our constitutional responsibilities.

Let me if I might, Mr. Chairman, now engage the chairman of the subcommittee who I see is now engaged in discussing this matter with the ranking minority member, Mr. Coughlin, and I wonder if the gentleman from California, who I commend very frankly for many of the provisions of this legislation, I wonder if the gentleman would engage with me in a slight discussion concerning the provisions that appear on page 5 of the bill before us where it says:

> No revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and the Statehood Compact Commission.

And on page 22 of this legislation where it says:

> No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy, including boycott designed to support or defeat legislation pending before Congress or any state legislature.

I would inquire of the chairman of the subcommittee whether or not this language is directed at the utilization of moneys in this bill for direct lobbying of the Congress and/or of the State legislatures in regard to the statehood question.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. PARRIS. Mr. Chairman, I would be delighted to yield to the gentleman from California [Mr. Dixon].

Mr. DIXON. I thank the gentleman for yielding.

Yes, Mr. Chairman, that language has been in the bill for at least the past 9 or 10 years and that is the clear intent of the language.

Mr. PARRIS. I thank the gentleman for his answer and I have just one other question.

I am informed that there is $150,000 in the Government direction and support function of the District of Columbia budget addressed to the question of admission of statehood. It consists of $75,000 each for the Statehood Commission and the Statehood Compact Commission, that those are the District of Columbia funds that can be utilized for the support of those two agencies and only for that purpose.

Mr. DIXON. The gentleman is absolutely correct.

Mr. PARRIS. I thank the gentleman for his answers and I yield back the balance of my time.

Mr. CONTE. Mr. Chairman, I rise in support of H.R. 2713, the District of Columbia appropriations bill for fiscal year 1988.

At the outset, I want to commend the chairman of the subcommitee, Julian Dixon and the ranking minority member, Larry Coughlin, for their hard work and dedication. Without the usual benefits associated with appropriation bills, Congressman Dixon and Coughlin have taken the responsibility for our Federal seat of Government very seriously.

With the home rule principle as a guide, the subcommittee has effectively addressed the special needs of the District of Columbia.

District residents are fortunate to have these gentlemen in leadership positions on this subcommittee.

Mr. Chairman, this bill includes Federal funds totaling $555 million, including $425 million for the Federal payment to the District, $48 million in unrequested funds for reimbursement for water and sewer services, $52 million for the police, fire, judges, and teachers retirement funds, and $30 million in transitional funds for St. Elizabeth's hospital.

I would point out to the committee that the Federal payment portion of this appropriation is $19.5 million less than the amount provided in fiscal year 1987.

Similarly, the transitional payment for St. Elizabeth's Hospital is $5 million less than the amount provided last fiscal year.

Despite this modest recommendation, the administration is opposed to the bill, and in a letter to me, OMB Director Jim Miller predicted that "the President's senior advisers would recommend that he veto it [the bill]."

The administration's only funding objection surrounds the $48 million in sewer and water fees. Subsequent to the President's budget submission, the GAO determined that the District of Columbia does not have the authority to collect these fees.

Further legislation is required to implement the President's budget plan. Mr. Chairman, at this point in the Record, I will include a copy of the letter sent to me by Mr. James Miller and supporting material.

I urge my colleagues to support the committee's recommendation.

Executive Office of the President, Office of Management and Budget,
Washington, DC, June 17, 1987.

Hon. Silvio Conte,
Committee on Appropriations, House of Representatives, Washington, DC.

Dear Sil: As the House Appropriations Committee prepares to mark up the District of Columbia Appropriations Bill for 1987, I want to share with you the Administration's position on the bill as approved by the Subcommittee.

The Administration objects strongly to two provisions in the current bill. If the bill were presented to the President in its present form, the President's senior advisers would recommend that he veto it.

First, as I indicated previously in conversations with you, in considering the acceptability of Congressional action on appropriations bills, the Administration will use as its benchmark the budgetary resources (budget authority in this case) requested by the President for discretionary programs. The House provision of $48 million for water and sewer services to Federal facilities in the District of Columbia causes the bill to exceed this benchmark and makes the bill unacceptable in its present form.

In the interest of greater operating efficiency, the President's budget proposes an initiative that requires Federal establishments to pay the D.C. Government directly for the water and sewer services provided. The Administration believes that such a system will result in increased accountability and efficiency by Federal agencies in their use of water and sewer services. Considering that Federal agencies' operating budgets include funds for utility payments, the $48 million payment to the District is duplicative and increases the deficit unnecessarily. Moreover, the Administration still maintains that additional legislation for this purpose is unnecessary. (See Attachment.)

Secondly, the Administration recommends that the Committee ensure that none of the funds appropriated for the District of Columbia should be used for abortion unless the life of the mother would be endangered if the fetus were carried to term. We recommend an amendment that goes beyond Section 116 in the Subcommittee's mark-up and restricts the use of both the District's Federal and local funds for abortion.

The Committee is urged to remove the two objectionable provisions noted above so that the President's senior advisers could recommend that he sign it.

Sincerely yours,

James C. Miller III,
Director.

[Attachment 1]

Executive Office of the President, Office of Management and Budget
Washington, DC, March 18, 1987.

Hon. Robert H. Hunter,
Assistant General Counsel, General Accounting Office, Washington, DC.

Dear Mr. Hunter: I am responding to your March 10, 1987, letter to Director Miller in which you asked various questions concerning the proposal in the President's Fiscal Year 1988 budget concerning a change in the form of payment to the District of Columbia for water and sewer services provided Federal agencies.

As set forth in greater detail in a letter I have recently written the Acting Corporation Counsel (a copy of which is attached), the budget proposal is fully consistent with existing law. The FY 88 budget requests for the various Federal agencies that operate facilities in the District include amounts equal to the estimated charges for water and sewer services provided them by the District. If Congress were to appropriate funds in the manner requested by the President, the United States would have fully and properly discharged its obligations to the District for these services.

Second, the question of billing seems beside the point. Nothing in law prohibits the District from informing Federal agencies of the amount of services used. But this inter-government arrangement is not an ordinary commercial relationship; Congress will appropriate money to the agencies for these purposes, and OMB (and I assume relevant Committees of Congress) will monitor agency payments to make certain that they meet their obligations.

Third, funds were not specifically provided in the 1988 budget for the adjustment between the payments made and the billings for actual services because the precise amount of water and sewer services that were provided to particular accounts during the 1985-87 period has not yet been audited and verified by both the District government and the affected Federal establishments. Such an audit and verification of individual meter accounts for water and sewer services are necessary prior to final payment. It should be noted, however, that the amounts that the District of Columbia government requested for estimated Federal use of water and sewer services for the 1985-87 period were provided to the District in the respective Federal payment appropriations for the 1985-87 period.

Sincerely,

JOHN H. CARLEY,
General Counsel.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, March 18, 1987.

Hon. JAMES R. MURPHY,
Acting Corporation Counsel, Government of the District of Columbia, Washington, DC.

DEAR MR. MURPHY: I am writing in response to your letter of March 6, 1987, concerning the form of payment to the District of Columbia for water and sewer services provided Federal agencies. Your letter raises three questions, which I propose to treat in the order presented.

1. During preparation of the President's budget for fiscal year 1988, there were numerous conversations between OMB staff and officials in the District government, including your office, concerning a change in the payment practice for water and sewer services. Until now, I had understood that the question concerning the billing change was one of policy, rather than law. Since you have asked for my opinion as to the legal basis for OMB's determination, I am happy to provide it.

Until recently the District of Columbia lacked the technical capacity to determine how much water or sewage many Federal buildings or facilities used. Therefore, an estimate was made of the total amount of water and sewage provided to all Federal facilities, and Congress appropriated the money for these services in the form of one lump-sum payment out of convenience.

Recently, however, the District has installed meters to determine the precise amount of service provided, which permits accurate billing to each facility. As a matter of sound fiscal policy, there is no justification to continue billing on a gross basis when it is now possible to charge each facility for actual consumption of the service. To continue that practice would remove any incentive for individual facilities to manage or conserve their use of water and sewage services. When charged the actual cost for the services it has incurred and when required to pay from its own appropriation, however, each agency or facility will doubtless consider the cost of its usage and examine its justification.

At the time the FY 88 budget was prepared, these efficiencies were discussed with the District. OMB also agreed to monitor closely agency payment practices, so that, consistent with the governing statute, each agency paid the estimated value of the services to be furnished promptly and did not require the District to carry its costs. In this connection, on February 24, 1987, the Director of OMB issued Bulletin No. 87-9 to the Heads of Affected Executive Departments and Establishments, informing them of the change in billing practices and instructing them that all payments under the new system must be made to the District at the beginning of each quarter.

Since there is plainly no further justification to continue gross billing rather than direct billing and direct payment by each agency, the legal question is whether there is any legal impediment to the President seeking, and Congress appropriating, funds in a manner that permits each agency to pay its own estimated cost of service.

43 D.C. Code 1552(b) provides, in part: "There shall be appropriated annually to the District, subject to subsequent adjustment within 2 fiscal years, out of any money in the Treasury not otherwise appropriated, a sum corresponding to the estimated value of water and water services to be furnished to the United States. . . ." 43 D.C. Code 1612(b) uses similar language for the provision of sanitary sewer services.

The President's budget is in conformance with these provisions. The language of the statutes does not define the mechanics of how the money will be appropriated. The language does not anticipate direct billing, but neither does it prevent the government from adjusting to changed circumstances to take advantage of more accurate information about water and sewage usage. The provisions establish a functional goal, that money will be appropriated to the District annually in an amount equal to estimated usage of these services. Nothing in these provisions requires appropriation of a "lump sum." The FY 88 budget accomplishes the result intended by the statute by appropriating a "sum," amounts provided for different agencies, which when added together equal the estimated total Federal usage of such services.

Second, regardless of the language of Sections 1552(b) and 1612(b), Congress is free to appropriate money to the District for these services in any manner it deems appropriate. Thus, appropriation of the various amounts requested by OMB, in a total amount equal to the value of estimated services, will be a valid and proper discharge of the Federal government's responsibility to the District for water and sewage use.

At bottom, the District's complaint is not legal, but administrative, in that it may have to incur minor increases in administrative costs to facilitate the Federal government's change to more economically efficient practices. As noted above, OMB has committed to monitor agency actions carefully to make certain that they do not inappropriately impose short-term cash flow burdens on the District.

2. Our December 29, 1986, apportionment action regarding the Red Cross was based on specific statutory authority. 36 U.S.C. 13 provides for Federal ownership of the land on which the Red Cross building was erected, and further specifically provides that the American National Red Cross shall be "charged with the responsibility, the care, keeping, and maintenance of said building *without expense to the United States*" (italic added). Thus, resolution of the question as to which entity is responsible for payment of the costs of water and sewage services provided that building does not require consideration of the question whether the American National Red Cross is to be deemed an "independent establishment" of the United States Government for this or any other purpose. Congress has enacted a separate statute which absolves the United States of responsibility for the expenses of operating this building. Therefore, the logical course of action is for the District to bill the American National Red Cross directly.

3. Our conclusion with respect to the United States Postal Service is based on a similar, specific statute, governing responsibility for payment of expenses connected with operating the Postal Service. 39 U.S.C. 3621 provides that postal rates and fees "shall provide sufficient revenues so that the total estimated income and appropriations to the Postal Service will equal as nearly as practicable total estimated costs of the Postal Service." That section further defines "total estimated costs" as including "operating expenses", which surely encompasses water and sewer services used in the District, as it does in other geographic locations. Thus, since the United States Government itself is not to be responsible for the expenses of the Postal Service, the logical course of action again appears to be direct billing of the Postal Service.

I trust that this explanation responds to your concerns. As noted previously, OMB will closely monitor the payment practices of the Federal agencies to make certain, especially during the transition period to the new billing system, the District government is paid promptly and is not required to carry the costs incurred in providing services to the Federal facilities in the District.

Sincerely,

JOHN H. CARLEY,
General Counsel.

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, February 24, 1987.

Bulletin No. 87-9

To the heads of affected executive departments and establishments.

Subject: Water and sewer payments to the Government of the District of Columbia.

1. Purpose. This Bulletin requests the cooperation of Federal establishments with a change in payment practice for water and sewer services in the District of Columbia.

2. Authority. P.L. 364 (68 Stat. 101, et sec.), as amended requires payment to the government of the District of Columbia for water and sewer services furnished to establishments of the Federal Government.

3. Background. Previously the District Government did not have the technical capacity to make individual billings for many Federal establishments; therefore, a lump sum appropriation was included in the Federal payment to the City for these services. Heretofore, the Federal payments to the District for the water and sewer services provided through 1987 have been made on an estimated consumption basis. However, the District now has maintained two years (from 1985-87) of actual water and sewer consumption for the recently installed and/or calibrated individual water meters in the Federal facilities in the Washington area.

4. Policy.

(A) Coverage. This bulletin affects all Federal establishments that own property in the Washington, D.C. area and that have received water and sewer services previously covered under the Federal payment to the District. They include most Federal agencies (e.g., Defense, General Services Administration, Smithsonian, etc.), and the Legislative and Judiciary branches. All affected agencies will make payments to the District Government for buildings under their control unless such charges are already included as part of rental payments to a lessor. In those instances where the General Services Administration (GSA) has delegated Real Property Operations' responsibility to an occupant agency, the delegatee agency shall be responsible for making these payments. GSA will make additional resources available to these agencies in accordance with the applicable provisions of current delegation agreements.

(B) Payments. Beginning October 1, 1987, Federal establishments will be required to make payments directly to the District Government for water and sewer services provided. Although the District's Bureau of Water Measurement and Billing will provide water and sewer rates and consumption estimates on a budget and out-year basis, the payments must be made to the District at the beginning of each quarter. This process will be monitored closely to make certain that the establishments adhere to these requirements.

Adjustments reflecting the variances between actual and estimated consumption will be made in subsequent quarterly billings. However, the initial 1988 billing will contain a one-time adjustment for the actual consumption versus that previously billed and paid directly to the District by the U.S. Treasury, on the Federal establishments' behalf, for fiscal years 1985-1987. Based on the government-wide totals for this period, it is anticipated that any over- or under-payment should be less than 10 percent of the 1988 payment. The District's initial billing will show the amounts used and paid, on a metered account basis, for each location for the period to be reconciled.

(C) Meter Verification. It shall be incumbent upon each agency to communicate with the District's Bureau of Water Measurement and Billing in order to certify the presence, accuracy, and validity of each meter serving each location that is under the agency's control. Agencies must ensure through on-site inspection by qualified personnel that the services metered are in exclusive support of the operation of Federal establishments within each facility and no others. Should it be determined that a metering device is non-existent, or inaccurate, or that the monitored services include other than those of Federal establishments, the responsible agency, in coordination with the District of Columbia's Bureau of Water Measurement and Billing, shall make certain that any deficiency is corrected.

5. Information Contact. For information and amounts to be paid, contact Ms. Rose Byrd of the District of Columbia's Bureau of Water Measurement and Billing (telephone: 202-727-5246).

JAMES C. MILLER III,
Director.

Mr. KOSTMAYER. Mr. Chairman, I rise today in opposition to the amendment that has been offered which would prohibit the spending of locally raised revenues in the District of Columbia to pay for therapeutic abortions.

This amendment, Mr. Chairman, infringes on the basic rights of women in this country. It is an assault on all women's rights, and it is an attempt to return to an earlier time when the laws of our country discriminated against women. I can't help but think, Mr. Chairman, that if there were 412 women and 22 men in this body, rather than the reverse, we would not even be here debating this amendment.

This amendment not only infringes on the rights of low-income women in the District of Columbia, but it also usurps the power of the local D.C. government, and violates the Supreme Court decision on public funding.

Although it is portrayed as a simple extension of the Hyde amendment, which limits the use of Federal funds for abortions paid for by Medicaid, this amendment does not cover Federal funds, it tells a local government how to spend its money.

The constitutional right to privacy guarantees women in the District of Columbia the right to choose abortion. This is inclusive of all women regardless of their economic status. Poor women, thus, have the same legal right in this regard as those of other income levels. As a result of the restrictions of this amendment, however, they will be unable to exercise that right.

Also central to this issue is home rule for the District of Columbia. Restricting the use of D.C. funds for abortion violates the intent of home rule, which was to give the people of the District the powers of local self-government and to relieve Congress of the burden of legislating upon essentially local district matters. The residents of the District of Columbia should have the same right to determine their local government as all other American citizens have.

At this time 14 States and the District of Columbia, which account for roughly half the U.S. population, already use local tax revenues to pay for Medicaid abortions. These States and the District are in full compliance with the Hyde amendment and each of those States made their decisions and developed their Medicaid Program in accordance with local preferences and circumstances. The D.C. government should be allowed the same if it chooses.

Finally, the Supreme Court decision upholding the Hyde amendment, Harris versus McRae, did not give Congress the power to restrict the use of State or D.C. funds for abortion. The Court clearly stated that whether State funds should be used for abortions for Medicaid recipients is a State, not a Federal decision. Since it is identical to a State for all purposes under Medicaid, the District of Columbia, should be allowed to continue to fund abortion services for poor women.

All States and the District of Columbia protect their right of a pregnant woman to carry her child to term and provide medical care for those who choose to do so. By the same token, the D.C. government has decided to ensure that a woman has the right to voluntarily choose whether or not to bear a child. Let us not be the ones to eliminate this option of abortion for women in poverty.

I oppose this amendment to prohibit the use of all funds including locally raised revenues to the District of Columbia for the use of abortion. I encourage my colleagues to do the same.

Mr. COUGHLIN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.R. 2713

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1988, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1988, $425,000,000, as authorized by the District of Columbia Self-Government and Governmental Reorganization Act, Public Law 93-198, as amended (D.C. Code, sec. 47-3406): *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 3,880, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

FEDERAL PAYMENT FOR WATER AND SEWER SERVICES

For payment to the District of Columbia for the fiscal year ending September 30, 1988, in lieu of reimbursement for charges for water and water services and sanitary sewer services furnished to facilities of the United States Government, $48,048,000, as authorized by the Act of May 18, 1954, as amended (D.C. Code, secs. 43-1552 and 43-1612).

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), $52,070,000.

TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Health Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $30,000,000.

CRIMINAL JUSTICE INITIATIVE

The $50,000,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, and September 30, 1988, for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $114,328,000: *Provided*, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That notwithstanding any other provision of law, there is hereby appropriated $5,417,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $763,000 shall be derived from the general fund and not to exceed $4,654,000 shall be derived from the earnings of the applicable retirement funds: *Provided further*, That the District of Columbia Retirement Board shall provide to the Congress and the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor for transmittal to the Council of the District of Columbia an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further*, That of the $150,000 appropriated for fiscal year 1988 for Admission to Statehood, $75,000 shall be for the Statehood Commission and $75,000 shall be for the Statehood Compact Commission: *Provided further*, That the District of Columbia shall identify the sources of funding for Admission to Statehood from its own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Statehood Commission and Statehood Compact Commission.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $140,467,000: *Provided*, That the District of Columbia Housing Finance Agency established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further*, That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Agency and shall be repaid to the District of Columbia only from available operating revenues of the Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further*, That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further*, That up to $270,000 within the 15 percent set-aside for special programs within the Tenant Assistance Program shall be targeted for the single room occupancy initiative.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of not to exceed 135 passenger-carrying vehicles for replacement only (including 130 for police-type use and five for fire-type use) without regard to the general purchase price limitation for the current fiscal year, $654,392,000: *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles, and the Fire Department is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1988, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1988, shall be available for obligations incurred under that Act in each fiscal year since inception in fiscal year 1985: *Provided further*, That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further*, That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the Lorton prison: *Provided further*, That none of the funds appropriated by this Act may be used to implement any plan that includes the closing of Engine Company 3, located at 439 New Jersey Avenue, Northwest: *Provided further*, That none of the funds provided by this Act may be used to implement District of Columbia Board of Parole notice of emergency and proposed rulemaking as filed with the District of Columbia Register July 25, 1986: *Provided further*, That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services which are performed in emergencies by the Guard in a militia status and which are requested by the Mayor, in amounts which shall be jointly determined and certified as due and payable for such services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further*, That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and their availability shall be considered as constituting payment in advance for the emergency services involved.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $569,544,000, to be allocated as follows: $412,517,000 for the public schools of the District of Columbia; $62,318,000 for the District of Columbia Teachers' Retirement Fund; $71,667,000 for the University of the District of Columbia; $17,047,000 for the Public Library; $3,544,000 for the Commission on the Arts and Humanities; $2,100,000 for the District of Columbia School of Law; and $351,000 for the Educational Institution Licensure Commission: *Provided*, That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further*, That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further*, That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1988, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area.

HUMAN SUPPORT SERVICES

Human support services, $695,565,000: *Provided*, That $14,700,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation.

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $211,362,000, of which not to exceed $4,141,000 shall be available for the School Transit Subsidy: *Provided*, That this appropriation shall not be available, prior to October 1, 1988, for collecting ashes or miscellaneous refuse from hotels and places of business or from apartment houses with four or more apartments, or from any building or connected group of buildings operating as a rooming or boarding house as defined in the housing regulations of the District of Columbia.

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, $6,758,000: *Provided*, That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual convention center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with an Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); the Departments of Labor, and Health, Education and Welfare Appropriation Act of 1955, approved July 2, 1954 (68 Stat. 443; Public Law 83-472); section 1 of an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of an Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); and section 723 of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $220,905,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of reducing the $224,881,000 general fund accumulated deficit as of September 30, 1986, $20,000,000, of which not less than $19,118,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both): *Provided*, That if the Federal payment to the District of Columbia for fiscal year 1988 is reduced pursuant to an order issued by the President under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, approved December 12, 1985), the percentage (if any) by which the $20,000,000 set aside for repayment of the general fund accumulated deficit under this appropriation title is reduced as a consequence shall not exceed the percentage by which the Federal payment is reduced pursuant to such order.

SHORT-TERM BORROWINGS

For the purpose of funding interest related to borrowing funds for short-term cash needs, $3,750,000.

OPTICAL AND DENTAL BENEFITS

For optical and dental costs for nonunion employees, $1,489,000.

ENERGY ADJUSTMENT

The Mayor shall reduce authorized energy appropriations and expenditures within object class 30a (energy) in the amount of $1,200,000, within one or several of the various appropriation headings in this Act.

CAPITAL OUTLAY

For construction projects, $269,862,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 to 43-1519); the District of Columbia Public Works Act of 1954, as approved May 18, 1954 (68 Stat. 101; Public Law 83-364); an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided*, That $15,353,000 shall be available for project management and $13,134,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor, and that the funds for use of each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That $4,000,000 of the $269,862,000, shall be financed from general fund operating revenues for pay-as-you-go capital projects for the Department of Public Works: *Provided further*, That $26,919,000 of the $269,862,000, shall be available to the Board of Education of the District of Columbia for the construction of new roofs for various school buildings, for boiler, window, door, and air conditioning replacements in various school buildings, for room conversions, erosion control, and general improvement projects at various school buildings, for an Administration Building site study and for the Sharpe Health School Modernization Project with $21,109,000 of these funds available for construction, $2,387,000 available for architectural design, $1,423,000 available for project management, and $2,000,000 for equipment: *Provided further*, That $10,000,000 appropriated in the fiscal year ending September 30, 1986, and $10,000,000 appropriated in the fiscal year ending September 30, 1987, shall be available to the Board of Education of the District of Columbia for asbestos abatement and removal, with $17,000,000 available for construction, $1,500,000 available for architectural design, and $1,500,000 for project management: *Provided further*, That notwithstanding the last sentence of section 405(b) of the District of Columbia Public Postsecondary Education Reorganization Act, approved October 26, 1974 (88 Stat. 1423; Public Law 93-471; D.C. Code, sec. 31-1535(b)), the Board of Education of the District of Columbia may procure contracts for the construction of new roofs for various school buildings, for boiler, window, door, and air conditioning replacements in various school buildings, for room conversions, erosion control and general improvement projects at various school buildings, for asbestos abatement, for an Administration Building site study, and for the Sharpe Health School Modernization Project: *Provided further*, That $12,819,000 of the $269,862,000 shall be available to the University of the District of Columbia for the construction of an underground parking extension at the Van Ness campus, for architectural barrier removal, for heating, ventilation, and air conditioning and partition modification, for a security system evaluation, and for the design and project management of the Mount Vernon Square campus: *Provided further*, That $500,000 of the $269,862,000 shall be available to the District of Columbia School of Law for general repair, rehabilitation, and improvement projects: *Provided further*, That all such funds shall be available only for the specific projects and purposes intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1989, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1989: *Provided further*, That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $169,013,000, of which $31,720,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $7,358,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.): *Provided*, That the requirements and restrictions which are applicable to general fund capital improvement projects and which are set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund established by the District of Columbia Appropriation Act for fiscal year 1982, approved December 4, 1981, as amended (95 Stat. 1174, 1175; Public Law 97-91), for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $5,458,000, to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia shall identify the sources of funding for this appropriation title from its own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $250,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personal compensation may be used to pay the cost of overtime or temporary positions.

SEC. 110. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1988, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 37,350, the number of positions authorized by this Act.

SEC. 111. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during nonschool hours.

SEC. 112. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1989, shall be transmitted to the Congress no later than April 15, 1988.

SEC. 113. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on Governmental Efficiency, Federalism and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 114. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 115. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 116. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 117. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

SEC. 118. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided*, That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 119. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 120. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 121. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 122. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443) which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 123. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided*, That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 125. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) for any position for any period during the last quarter of calendar year 1987 shall be deemed to be the rate of pay payable for that position for September 30, 1987.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

SEC. 126. Notwithstanding any other provision of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87

Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided*, That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

Sec. 127. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency and the District's best interest.

Sec. 128. No later than 30 days after the end of the first quarter of fiscal year 1988, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1988 revenue estimate as of the end of the first quarter of fiscal year 1988: *Provided*, That these estimates shall be used in the fiscal year 1989 annual budget request: *Provided further*, That the officially revised estimates at midyear shall be used for the midyear report.

Sec. 129. Section 466(b) of the District of Columbia Self-Government and Governmental Reorganization Act, approved December 24, 1973 (87 Stat. 806; Public Law 93-198; D.C. Code, sec. 47-326), is amended by striking out "sold before October 1, 1987" and inserting in lieu thereof "sold before October 1, 1988".

Sec. 130. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85).

This Act may be cited as the "District of Columbia Appropriations Act, 1988".

Mr. DIXON (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. PARRIS. Mr. Chairman, reserving the right to object, I would simply say to the gentleman, I have no intention of objecting so long as we have an understanding that there will be a reasonable amount of time for the consideration of all amendments. I take it the gentleman has not intention of limiting the debate, general debate on the matter.

Mr. DIXON. No. Mr. Chairman, if the gentleman will yield, that is not my intention at all.

Mr. PARRIS. Mr. Chairman, I thank the gentleman.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there points of order to be raised against the bill?

There being none, are there any amendments to the bill?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Walker: On page 27, after line 17 insert the following new section:

Sec. 131. It is the Sense of the Congress that the ongoing pattern of corruption by individuals in the District of Columbia Government is deplorable.

Mr. WALKER. Mr. Chairman, a number of us have been concerned as we spend time in the city watching the television, reading in the newspapers about a continuing pattern of corruption that has emanated, by individuals within the D.C. government. This amendment is simply to express the sense of the Congress that we ought not ignore that reality.

As we talk about spending half a billion dollars of taxpayers' money to help fund the activities of the D.C. government, what this particular amendment would say is that we would deplore the fact that that pattern of corruption is very much a part of what is happening there. It is a fairly simple amendment. I do not think it should be controversial.

The Chairman was good enough to work out some language with me that I hope is acceptable to him.

It simply would have us go on record saying that this is a fundamental problem that should be corrected and that the sense of the Congress is that that corruption is in fact a deplorable activily.

Mr. COUGHLIN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Pennsylvania [Mr. Coughlin].

Mr. COUGHLIN. I thank the gentleman for yielding.

Mr. Chairman, lest there be some confusion in the amendment that this subcommittee has not been concerned about corruption in the District of Columbia, let me assure the gentleman that every single reported instance and every single instance that we were able to detect of alleged corruption in the District, the committee did query, did investigate, did look into.

We have legislation in here, for example, to require contracting to be on a bid basis.

So the subcommittee has been very aware of this. I commend the gentleman's amendment. I certainly support the amendment. But I would not want the record to disclose or to suggest that this subcommittee has not been concerned and not been diligent in pursuing every single instance of alleged corruption that has occurred.

Mr. WALKER. Let me say to the gentleman that there is absolutely nothing in this amendment that is intended in any way to reflect upon the good work of the subcommittee. I know what the gentleman says is true. It just seemed to me that as the bill was before us we had not had an opportunity as a House to speak on it. This gave us the opportunity as a body to speak on the issue and that is the whole intent of the amendment. It is no reflection whatsoever on the gentleman's subcommittee or the work of the District of Columbia Commitee in the House which I know is also concerned about this issue.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I would be happy to yield to the delegate from the District of Columbia.

Mr. FAUNTROY. I thank the gentleman for yielding.

As the gentleman knows, I represent more taxpaying Americans than any single voting Member of this House. As the gentleman knows, the citizens whom I represent pay more per capita in Federal taxes than the residents of 49 States of this Union. The citizens whom I represent gave more of their sons and daughters killed per capita in the Vietnam war than the residents of 47 States of the Union.

And were I able to vote on the amendment of the gentleman, on behalf of those American citizens whom I represent, I would vote "no."

I would vote "no," sir, because I think that the amendment of the gentleman does not go far enough, because the fact is there are two governments in the District of Columbia, the local government and the National Government.

Were I privileged to vote—and I am not even though I represent more taxpaying Americans than the gentleman in the well or any single Member of this House, I cannot vote—but were I able to vote I think I would vote for it if the gentleman would be willing to accept an amendment which would state that "it is the sense of the Congress that the ongoing pattern of corruption in the Reagan administration and in the D.C. government is deplorable." However, inasmuch as I cannot vote, I will not have that privilege. I am sure that the gentleman would not accept an amendment to his resolution that would add that deplorable pattern that is apparent to the American people.

None of us supports corruption. All of us deplore the failure of elected officials to accept their public trust.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

(By unanimous consent, Mr. Walker was allowed to proceed for 3 additional minutes.)

Mr. FAUNTROY. Mr. Chairman, will the gentleman continue to yield?

Mr. WALKER. I would be happy to continue to yield to the gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. FAUNTROY. I thank the gentleman for continuing to yield.

So, Mr. Chairman, I would hope that the gentleman would not be guilty of talking east and walking west, of saying with respect to one government in this jurisdiction that "Your pattern is deplorable," and ignoring a pattern of which the American people are daily reminded that suggests that we do need to improve the quality of governance at the local, at the State level—as the gentleman knows from instances of corruption in his own State—and at the national level. And I thank the gentleman for yielding.

Mr. WALKER. I thank the gentleman for his statement. I am disappointed to hear that the gentleman would vote against an amendment deploring the corruption in the D.C. government. The gentleman does make the point that it goes—that he would go further. But I would remind the gentleman that first of all the issue before us is, in fact, the District of Columbia. The germane issue before this House is the D.C. government. That is the reason why the amendment speaks to the D.C. government.

□ 1030

I would also remind the gentleman that the pattern of corruption that the gentleman refers to in the Reagan administration is being thoroughly investigated. We are spending millions of dollars to hold a committee hearing around here which is going on at some length into that particular matter; and I think this Congress has made it very clear that we intend to look very seriously at corrupt officials who have misused their power at the Federal level and so on.

There is no doubt about that in our investigations. I would also say that the Justice Department under the Reagan administration has also vigorously pursued members of its own administration, and has gone over those people; and we have a number of them convicted during this administration.

I am disappointed, I must tell the gentleman, when I hear people within the D.C. government suggest that they do not like vigorous prosecution of corruption in the D.C. government by that same Justice Department.

I would say to the gentleman that there may be a need to narrowly focus here, both in terms of germaneness of the bill and also in terms of the real issue that is before the House with regard to corruption across the country, including some in the Reagan administration.

I might be willing to take the gentleman's amendment if he would go further; and that is also to include the corruption within this House of Representatives that we are reading about, that we also are not investigating, that we are basically whitewashing. If in fact what the gentleman wanted to do was open this thing up to make it a whole series of questions on corruption, maybe we ought to move beyond just the Reagan administration and look at things we found.

This gentleman wants to go that far. I do not think the gentleman from the District of Columbia wants to go that far. That is the reality of what we do.

I would ask a yes vote on the amendment.

Mr. FAUNTROY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I wish to correct two impressions of the gentleman from Pennsylvania that the gentleman apparently got from my statement.

The first is that I do not by any means feel that we should not deplore corruption anywhere, whether it be in the Congress of the United States, in the Reagan administration, or in the District government.

I want the gentleman to know, I would support his statement if the gentleman would include the other government in the District of Columbia, the National Government.

Second, the gentleman suggests that the Congress is investigating corruption in the Reagan administration. I know that. The American people know that, and some of the Members know that those things done in darkness will come to light.

I am not objecting to investigations of corruption in the District government. What we object to is the abuse of the grand jury process and procedures by which we failed to have trial by juries; and because of illegal leaks, we have trial by the press, trial by radio, trial by television, trial by innuendo.

I would simply hope that we will continue investigations under the law in a lawful manner such as being done by the House and the other body on the alleged corruption in the Reagan administration.

I just want to disabuse the gentleman of the notion that I am opposed to a sense of the Congress deploring corruption. My idea is simply to expand that to include the other government in the District of Columbia.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am glad the gentleman clarified the point. The gentleman then would be willing to include as he expands this, he would be willing to include the House of Representatives?

Mr. FAUNTROY. Precisely.

Mr. WALKER. And so on, and would be willing to include language in the resolution that would expand this to cover the Reagan administration, plus the corruption in the House of Representatives?

Mr. FAUNTROY. Yes, as a matter of fact.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. Mr. Chairman, I yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, every Member here and every elected official at the State, local, or national level deplores corruption wherever it occurs, whether it occurs at 1600 Pennsylvania Avenue or in this Chamber, at the city hall downtown, or at the city hall in Pennsylvania.

If the gentleman wants to expand it by naming groups of people, why do we not go on record as a sense of Congress in deploring corruption in government wherever it occurs in the United States, and it will cover everyone.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. Mr. Chairman, I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding.

I want to say that I certainly agree with the gentleman from California [Mr. DIXON], the chairman, and the only reason the amendment was structured this way, we have the D.C. government before the House.

When we get to the legislative appropriations bill, we may well want to deplore the patterns of unethical conduct there, and with regard to other agencies, deplore it in other bills.

It would be worthwhile to do, because the American people are looking to officials to take a stand against corruption.

Mr. DURBIN. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. Mr. Chairman, I yield to the gentleman from Illinois.

Mr. DURBIN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it might be in the best interests of the House, and save our time, if we make a list of areas where we do not deplore corruption.

If there is any State that we want to absolve from being accused, prosecuted, it would be a much shorter list.

I hope the gentleman would consider that amendment, and then we do not go through whether his home State of Pennsylvania, my State of Illinois, the District of Columbia or the Reagan administration are included.

Maybe the gentleman should list the exceptions.

Mr. EDWARDS of California. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. Mr. Chairman, I yield to the gentleman from California.

Mr. EDWARDS of California. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we are going to have a long list of corrupters. We must include the U.S. attorney's office and whoever is doing the leaking about alleged misbehavior.

That is a violation of every judicial, legal ethic in the world. I am shocked that I see new leaks every morning in the newspaper of the "secret" grand jury proceedings by the U.S. attorney appointed by this administration.

Mr. FAUNTROY. Mr. Chairman, I was happy to yield to the gentleman from California [Mr. EDWARDS], the chairman of the Subcommittee on Civil and Constitutional Rights, and I know the gentleman speaks with authority on that question.

Mr. COUGHLIN. Mr. Chairman, if the gentleman will yield, I believe the chairman of the committee and I are willing to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PARRIS

Mr. PARRIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PARRIS: Page 27, after line 17, insert the following new section:

SEC. 130. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to implement, administer, or enforce any District of Columbia residency requirement under the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2-139; D.C. Code, sec. 1-608.1(e)) with respect to any member of the uniformed services of the District of Columbia Metropolitan Police and Fire Departments or other public safety employees.

Mr. DIXON. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from California [Mr. DIXON] reserves a point of order on the amendment and the gentleman from Virginia [Mr. PARRIS] is recognized for 5 minutes in support of his amendment.

MODIFICATION OF AMENDMENT OFFERED BY MR. PARRIS

Mr. PARRIS. Mr. Chairman, I ask unanimous consent that, since the adoption of the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], there is now a section 130, that this amendment be titled as section 131.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The text of the amendment, as modified, is as follows:

Amendment offered by Mr. PARRIS, as modified: Page 27, after line 17, insert the following new section:

SEC. 131. None of the funds appropriated or otherwise made available by this Act may be obligated or expended to implement, administer, or enforce any District of Columbia residency requirement under the District of Columbia Government Comprehensive Merit Personnel Act of 1978 (D.C. Law 2-139; D.C. Code, sec. 1-608.1(e)) with respect to any member of the uniformed services of the District of Columbia Metropolitan Police and Fire Departments or other public safety employee.

Mr. PARRIS. Mr. Chairman, this amendment, as has been indicated, would add a new section to the bill requiring that none of the funds appropriated in this bill—and there are prohibitions against funding throughout this legislation—shall be used to enforce the imposition of a residency requirement on District police, firefighters, or ambulance and medical unit personnel.

Mr. Chairman, we had what was a serious but somewhat humorous example of the need for this amendment yesterday. We have heard throughout the last weeks of the problems of emergency services, the ambulance problem, the 911 problem in the District of Columbia, and let me give a perfect example of the problem.

Yesterday a firefighter in the M Street fire station had a heart attack, and the fire station called the ambulance service and said, "We've got a guy in distress. Send an ambulance."

The ambulance was dispatched, and it got there in some reasonable period of time. There were lights and fire engines there; the lights were on in the fire station on M Street. The ambulance comes right by the fire station, turns left, goes around the block, comes back, pulls up in front of the fire station, and they asked, "Does anybody know where 2225 M Street is?

The guy at the fire station said, "Yes, it's right here. This is M Street fire station, and right there is the guy with the heart attack."

Mr. Chairman, that direct result of the residency requirement in my opinion is a perfect example of why this amendment ought to be adopted. In 1980 a residency requirement was imposed on all employees of the District of Columbia who were not already on the payroll.

What is a residency requirement? It is not complicated. In order to be employed by the D.C. Government, you must live in or move into the District of Columbia within 6 months or you are fired and you are incapable of being employed by this government.

That is wrong. In addition, since this unfair legislation was adopted, the city government has been forced to exempt countless groups of employees because they simply cannot find anybody in the District of Columbia to take the positions that are open. After 6 years the D.C. residency law looks like a piece of swiss cheese.

That is not even the worst problem. There are 300 different categories of exemptions of people who are already exempted from the residency requirement: nurses, some engineers, some medical examiners, some accountants, and others. If they cannot find anybody to take the job, they just exempt them from the residency requirement, but they continue to persist in requiring policemen, firefighters, and emergency service personnel to meet the residency requirement.

According to a survey conducted by the Fraternal Order of Police in this city, 875 D.C. police officers are covered under the residency requirement; only 13 percent of those said that they could afford to buy a house in the District of Columbia where the average price of a home is $165,000. That is 13 percent of the 875 police officers we are talking about. Only 15 percent responded that they would stay on the D.C. police force if the residency rule continues to be in effect; 94 percent responded that they would stay on the force if residency were no longer a requirement.

I would cite a study conducted by the city which for obvious reasons they have not released. The study shows that the Metropolitan Police Department has lost a majority of the people they have hired since 1981. Specifically, only 36.5 percent of the officers hired in this city in the last 5 years are still with the department. The attrition rate of police officers is 64 percent.

It costs $50,000 to train and equip one police officer.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. PARRIS] has expired.

(By unanimous consent, Mr. PARRIS was allowed to proceed for 5 additional minutes.)

Mr. PARRIS. Mr. Chairman, this city has spent $57.6 million over the last 4 years training police officers that are no longer employed by it. That is just money down the drain. It is an enormous investment. We are being asked to replenish that amount of money in an indirect way in this legislation. This is over half a billion dollars when in fact this amendment could correct that problem literally overnight.

□ 1045

In addition, the report that I alluded to cites that of the 2,351 officers who are eligible to retire by 1992, just 5 years from now, 90 percent are expected to retire within 1 year of eligibility. Imagine the cost of that.

The city acknowledges that they will have to hire 600 people every year over the next decade simply to counteract the hemorrhage in residency-related attrition—600 people a year. It costs $50,000, as I indicated, to train and equip each police officer. They acknowledge that they have to interview 12 applicants for every person accepted into the police academy. That means 600 people a year, 12 applicants to get 1 qualified applicant, that means 7,200 applications per year for the police department alone.

That does not make any sense. It is all because if you want to apply, you must live in this city. It simply discriminates against anybody who lives in the suburbs and is not willing to relocate within 6 months.

While I have used the police department as an example here, the same problems are being experienced in the fire department and the ambulance service.

Let me share with you what the Mayor's Advisory Committee on Emergency Medical Services reported last July: "The pool of qualified experienced personnel has dwindled significantly." The task force recommended that D.C. ambulance workers also be exempted from the residency requirement. This is the Mayor's Task Force on Emergency Medical Services. The same situation applies across the board.

There are two ways to address this problem. First, you can attract and retain quality individuals in all of these services. That of course would be our goal. The way to do that is to eliminate the residency requirement, the logical solution.

The second option is to reduce the standards for hiring, and unfortunately, this city has opted for the latter option. They simply keep lowering the requirements and the training standards and all the rest until they get enough bodies to say, "We got enough of those, enough of these, enough of whatever we have to have," or once again they exempt the whole category.

The hiring policy for police has been changed to allow the hiring of candidates who admit to using marijuana less than 15 times. If you have not used it more than 15 times, you are all right—by your own admission, I might add. Would you believe that? "Have you smoked marijuana yesterday, Mr. Police Candidate?"

"Oh, no, sir."

"Well, then you're qualified. We'll hire you. You're fine."

Even if they used marijuana by their own admission more than 15 times, they are not automatically disqualified.

In addition, the educational requirements have been eroded. Candidates can fail as many as five academy examinations and still pass. This Member of Congress does not believe that there is an extraordinary intelligence quotient required to pass a police examination. They are good, honest, hard-working people, but they do not have to be geniuses. Even if you fail five times, you can still keep taking the test in this city.

The residency rule works contrary to the principles of rational government, economics, sound public safety. We have seen some of the results of the residency requirement in recent months, as I have indicated, in the ambulance service. There is gross mismanagement in my view of that system. The city simply cannot continue to retain qualified personnel in either the management, dispatch, and operational facets of the 911 emergency service.

A number of these people came to me in 1980, when this residency requirement was imposed, and said, "We're going to leave this city. We can't live with that." And the good ones have.

They come to me now every day in my capacity as the ranking member of the Committee on the District of Columbia, every day they come and say, "We are not staying here. We cannot stay here. This residency requirement makes it impossible to live the quality of life that we can afford, but we simply cannot find here. So I am leaving. I am going to Prince Georges County, to Fairfax County, wherever."

The CHAIRMAN. The time of the gentleman from Virginia [Mr. PARRIS] has expired.

(By unanimous consent, Mr. PARRIS was allowed to proceed for 2 additional minutes.)

Mr. PARRIS. There are those who would say, "Well, you're arguing against your own enlightened self-interest, because Fairfax County"—which I am privileged to represent, among others—"would like to have qualified people."

But we have them. The problem with them is that they are disqualified from being considered for employment by this city because of the residency requirement, and they simply will not relocate.

This is not a home-rule question. It is a question of logic, of common sense, public safety, for those of us who work in, who live in, and who visit the Nation's Capital.

I would urge my colleagues to exercise their legitimate oversight responsibility and support this amendment.

Mr. FAUNTROY. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chariman, were this amendment germane, and were it not violative of the rules of the House, I would refrain from opposing it, but inasmuch as the gentleman has had the tenacity to propose it, let me preface the point of order by stating first that apparently the illustration that the gentleman gave about an ambulance driver who did not know where the fire station was itself suggests that residents of the city would probably be in a better position to service the city than nonresidents.

Second, as the gentleman knows, this Congress now 12 years ago, after due consideration, decided to delegate to a duly elected government, a government elected by the people of the District of Columbia, the control of certain local matters. Pursuant to that delegated authority, the elected mayor and city council of this jurisdiction proposed and passed a measure that would in fact impose a residency requirement.

The gentleman opposed the home-rule measure 12 years ago. He opposed the residency requirement when the duly elected representatives of the people of the city, after hearing from the people, concluded that it should be imposed, and when the Congress, over his objection, allowed the 30-day period to elapse and this became a part of the D.C. Code, the gentleman consulted, as he said, with a number of people who were concerned about it.

As the gentleman knows, there was in 1980 a grandfather provision which allowed those who lived outside of the District of Columbia at the time of the passage of the law to remain in their residences and not be in violation of the law passed by the duly elected representatives of the people of the District, and accepted without objection by the Congress of the United States.

I would hope that the gentleman would recognize that not only is his amendment violative of the principle of self-determination to which the Congress has already agreed for the District residents, but also that it is in relatively narrow self-interest to seek to impose upon the District residents the will of residents who live outside the District of Columbia in a jurisdiction close by.

☐ 1055

I ask that the Chair carefully consider the point of order to be made on this nongermane amendment.

I yield back the balance of my time.

Mr. ARMEY. Mr. Chariman, I rise in support of the amendment.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Virginia.

Mr. PARRIS. I thank the gentleman for yielding and appreciate his consideration.

I take this time, Mr. Chairman, simply to point out that in section 110 of this bill it says: "Appropriations in this act shall not be available for certain purposes," section 111 says, "No funds appropriated in this act shall be available," et cetera, section 113 says, "None of the funds appropriated shall be available," section 115 says, "None of the funds contained shall be made available to pay salaries," et cetera, section 120 says, "The Mayor shall not expend certain funds," et cetera. This is what this bill is all about, and that is what my amendment does. It simply says no funds shall be appropriated for the enforcement of a residency requirement.

I would say to my friend from the District of Columbia that the gentleman who was driving the ambulance yesterday is a resident of the District of Columbia. He was required to be by law. The M Street fire station has been there for 20 years and he did not even know it. But he is the guy who is supposed to pick up you and me and the people in this gallery when they get run over by a truck or have a heart attack in this city. That is our problem.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from the District of Columbia.

Mr. FAUNTROY. Mr. Chairman, is the gentleman suggesting that a person who does not live in the city would have a better opportunity of knowing where things are?

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from Virginia.

Mr. PARRIS. Mr. Chairman, I would respond to my friend from the District of Columbia by simply saying what happened to the old-fashioned way of advertising availability of employment to everybody who might be interested, having some kind of reasonable standards, have the qualified people rated and take the best one you can find whether he happens to live on that side or this side of the river? That is the American system that I know and cherish, and that is the one that I think ought to be used in this city.

Mr. FAUNTROY. Would the gentleman now answer my question?

Mr. PARRIS. I think I just did.

Mr. FAUNTROY. No, the gentleman did not. I asked a simple question.

I asked the gentleman to yield further because I asked the gentleman a simple question: Does he think that someone who does not live in the community would have a better chance of knowing where things are than a person who does live in the community?

Mr. PARRIS. If the gentleman will yield further, I would respond to my friend's question by simply saying if one takes the most qualified person who is available, I think they can be taught some things about the geography and the principles and the administration of public safety. Just because they happen to live in Alexandria instead of southwest Washington does not make them untrainable.

Mr. FAUNTROY. I thank the gentleman for the non-answer to my question.

Mr. ARMEY. Mr. Chairman, I would like to mention that I do not have a residence in the city, I do not live here, and I find my way where I need to go without too much difficulty.

I yield back the balance of my time.

Mr. DIXON. Mr. Chairman, I continue to reserve my point of order, and I move to strike the last word and rise in opposition to the amendment.

Mr. Chairman, for those who are watching this live and those who will see this on C-SPAN tonight, I think we ought to let them know that we are in the U.S. Congress, because if you tune in and listen to the 10 minutes of my friend from Virginia, you will notice that he is talking strictly about local issues. And he is talking strictly about local issues because he has a local interest, and that interest is to see more people from his adjoining State be employed here in the District. That is his right and I understand his motive.

On the other hand, the District of Columbia, which has some limited home rule, has a right to decide where their employees should live. It is as simple as that.

When you play back your video you will hear a lot of talk about what happened downtown yesterday, which I do not know anything about, but the gentleman from Virginia [Mr. PARRIS], follows very accurately. But he uses some particular incident to justify the District government employing people who live in his State.

This District has a lot of things going on in its favor and some things that are not. I personally do not feel they should use a residency requirement, but rather I think they should go to a system that gives a bonus or preference points to those who live in the city. But that is my personal feeling, and I have no right, nor do Members of Congress have a right to come here to Congress and clearly violate any scintilla of the spirit of home rule just so more of their people will be employed if the ban is lifted.

This is about employment for people in the District of the gentleman from Virginia. It is not about anything else. So for those watching, welcome to the city hall of Washington, DC.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I am pleased to yield to the gentleman from Virginia.

Mr. PARRIS. Mr. Chairman, I thank the gentleman for his courtesy.

Let me just very briefly respond to several suggestions that were made by the gentleman's comments.

First, I do not anticipate, nor do I believe that there will ever result any kind of a flood of applications of police, firefighters, District of Columbia emergency people from my district.

Mr. DIXON. If I may respond to that, since it is my time. I did not say the gentleman anticipated a flood. If there is only one application, it is wrong if the District does not want it to occur.

What is the gentleman's next point?

Mr. PARRIS. If the gentleman will yield further, the point was made that the District of Columbia has the right to determine who it employs, but I submit, with all due respect, that this Congress has a responsibility to determine what happens to its $500 million and to try to impact on that in a beneficial way if at all possible.

Mr. DIXON. Reclaiming my time, on that issue the gentleman is absolutely correct. That is the reason we are here today debating this amendment.

I am saying that in keeping with the authority we have delegated to the District government, this amendment is wrong. That is the reason we are debating it.

As long as there is a budget that moves through here, Members on both sides of the aisle will use any justification to get any item into any measure that is going through here. It is clear that the gentleman is within his rights, and I am appealing to him and to this House that it violates home rule to say the District government cannot have a residency requirement, even if we think that residency requirement is wrong. That is to be debated at city hall. I am not challenging the gentleman's right to do this.

Mr. PARRIS. I thank the gentleman for his statement, and if he will yield further I would suggest to him I am not opposing the principle of home rule. I am suggesting that the interests of public safety in this area transcend that consideration of home rule.

Mr. DIXON. Let me respond to that. The gentleman, by offering his amendment, is certainly violating the spirit of home rule. To me, where employees live is a proper subject for the jurisdiction, in this case the District of Columbia.

The gentleman is suggesting that things have gotten so bad here in the District of Columbia as it relates to police and fire protection and the ambulance service that we should lift the requirement so the District can hire people who live in other jurisdictions. I suggest that no matter how long the gentleman has talked here on these two or three issues, the evidence does not warrant that kind of action, and certainly the spirit of what he is doing clearly violates home rule. To mitigate that violation, he is saying that the crisis here warrants his action.

The CHAIRMAN. The time of the gentleman from California [Mr. DIXON] has expired.

(By unanimous consent, Mr. DIXON was allowed to proceed for 2 additional minutes.)

Mr. DIXON. The gentleman is clearly violating home rule, and if he will listen to what he has said, he admits he is doing it, but he believes there is justification for it. I am saying there is no justification for it.

Mr. PARRIS. Will the gentleman yield further?

Mr. DIXON. I am pleased to yield to the gentleman from Virginia.

Mr. PARRIS. Mr. Chairman, I do not see it that way, but I have asked the gentleman to yield for one additional comment. There is a better way, I agree with the gentleman 100 percent. It is called the job preference system. It works like the point system in the veterans' employment programs and things of that kind.

I have no objection to the District of Columbia saying if you live in the District you have a preferential point arrangement of some reasonable application that would give you a beneficial approach to employment.

Mr. DIXON. Reclaiming my time, what I am suggesting is that this is not city hall. We sound like city councilmen talking about what system we prefer.

What I am suggesting is it is none of our business.

Mr. PARRIS. I would suggest to the gentleman that I do not think that is correct, and thank the gentleman for yielding.

Mr. DIXON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. Does the gentleman from California [Mr. DIXON] still reserve his point of order?

Mr. DIXON. Mr. Chairman, I withdraw my point of order.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia [Mr. PARRIS], as modified.

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. PARRIS. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 219]

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Bonker
Borski
Bosco
Boucher
Brennan
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Clay
Coats
Coble
Coelho
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gallegly
Gallo
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Herger
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Mack
MacKay
Madigan
Manton
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
McCandless
McCloskey
McCollum
McCurdy
McDade
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Torres
Torricelli
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Watkins
Waxman
Weber
Weiss
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wortley
Wylie
Yates
Yatron
Young (AK)
Young (FL)

☐ 1125

The CHAIRMAN. Three hundred sixty-four Members have answered to their names, a quorum is present, and the Committee will resume its business.

RECORDED VOTE

The CHAIRMAN. The pending business is the demand of the gentleman from Virginia [Mr. PARRIS] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 172, noes 200, not voting 61, as follows:

[Roll No. 220]

AYES—172

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bereuter
Biaggi
Bilbray
Bilirakis
Bliley
Bosco
Boucher
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Cardin
Chandler
Chapman
Chappell
Coats
Coble
Combest
Conte
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
DeWine
Dickinson
Dingell
DioGuardi
Dornan (CA)
Dreier
Duncan
Dyson
Edwards (OK)
Emerson
Fawell
Fish
Gallegly
Gallo
Gaydos
Gekas
Gingrich
Goodling
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefley
Herger
Hiler
Hopkins
Houghton
Hoyer
Huckaby
Hunter
Hutto
Inhofe
Ireland
Kanjorski
Kasich
Kolbe
Kolter
Konnyu
Kyl
Lagomarsino
Latta
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Luken, Thomas
Mack
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McCurdy
McGrath
McMillan (NC)
McMillen (MD)
Mica
Miller (OH)
Molinari
Mollohan
Montgomery
Moorhead
Morella
Morrison (WA)
Mrazek
Murphy
Nelson
Nichols
Nielson
Packard
Parris
Pashayan
Penny
Petri
Pickett
Porter
Quillen
Ravenel
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Russo
Saiki
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sisisky
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)

Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stallings
Stangeland
Stenholm
Stump
Swindall
Taylor
Torricelli
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Williams
Wolf
Wortley
Wylie
Young (FL)

NOES—200

Ackerman
Akaka
Alexander
Annunzio
Anthony
Applegate
Aspin
Atkins
Bateman
Bates
Beilenson
Bennett
Berman
Bevill
Boehlert
Boggs
Bonker
Borski
Brennan
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Carper
Carr
Clay
Coelho
Coleman (TX)
Collins
Cooper
Coughlin
Coyne
Crockett
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Eckart
Edwards (CA)
English
Erdreich
Evans
Fascell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Hochbrueckner
Horton
Howard
Hubbard
Hughes
Hyde
Jacobs
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kostmayer
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowry (WA)
MacKay
Manton
Markey
Martin (IL)
Martinez
Matsui
Mazzoli
McCloskey
McDade
McHugh
Meyers
Mfume
Miller (CA)
Miller (WA)
Mineta
Moakley
Moody
Morrison (CT)
Murtha
Myers
Nagle
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Panetta
Patterson
Pease
Pelosi
Perkins
Pickle
Price (IL)
Price (NC)
Rahall
Rangel
Ray
Regula
Richardson
Robinson
Rodino
Roe
Rostenkowski
Rowland (GA)
Roybal
Sabo
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Spratt
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Tauke
Torres
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Watkins
Waxman
Weiss
Wheat
Whittaker
Whitten
Wilson
Wise
Yates
Yatron

NOT VOTING—61

Anderson
AuCoin
Bentley
Boland
Boner (TN)
Bonior (MI)
Boulter
Boxer
Brooks
Cheney
Clarke
Clinger
Coleman (MO)
Conyers
Daniel
DeLay
Early
Espy
Fields
Flake
Frenzel
Garcia
Gephardt
Grant
Gregg
Harris
Henry
Hertel
Holloway
Jeffords
Jenkins
Kemp
LaFalce
Lent
Livingston
Lloyd
Lukens, Donald
Lungren
Mavroules
McEwen
Michel
Owens (UT)
Oxley
Pepper
Pursell
Roemer
Rose
Skelton
Solarz
St Germain
Sundquist
Sweeney
Tauzin
Thomas (CA)
Thomas (GA)
Towns
Walgren
Weldon
Wolpe
Wyden
Young (AK)

The Clerk announced the following pairs:

On this vote:

Mr. Sundquist for, with Mr. Solarz against.

Mr. Thomas of California for, with Mr. Towns against.

So the amendment, as modified, was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORNAN of California: On page 23, line 1, strike "federal".

On page 23, line 4, strike the semicolon and all that follows through line 10 and insert a period.

POINT OF ORDER

Mr. DIXON. Mr. Chairman, I make a point of order against the amendment.

The CHAIRMAN. The gentleman will state his point of order.

Mr. DIXON. Mr. Chairman, this amendment is clearly legislation on an appropriation bill since it imposes additional duties on District officials and as such is in violation of clause 2 of rule XXI of the House.

Implicit in the language of the amendment is the duty on the part of District officials to ascertain from a physician that the life of the mother would be endangered if the fetus is carried to term. This imposes an additional burden on District officials to make new determinations and judgments not required of them by law at the present time.

Therefore, Mr. Chairman, I make a point of order that this amendment is clearly in violation of clause 2 of rule XXI of the House.

The CHAIRMAN. The Chair will inquire, does the gentleman from California [Mr. DORNAN] wish to be heard on the point of order?

Mr. DORNAN of California. Mr. Chairman, I do not object to the gentleman's point of order on this amendment.

The CHAIRMAN (Mr. COOPER). The gentleman from California [Mr. DORNAN] has conceded the point of order.

The Chair sustains the point of order.

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORNIA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DORNAN of California: On page 23, line 1, strike "Federal".

On page 23, line 2, strike "except" and all that follows through line 10 and insert a period.

PARLIAMENTARY INQUIRY

Mr. DIXON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DIXON. Mr. Chairman, would the language read, with the gentleman's amendment, that none of the funds provided in this act shall be used to perform abortions.

The CHAIRMAN. That is the understanding of the Chair.

□ 1140

Mr. DIXON. Mr. Chairman, I ask unanimous consent that debate on this issue be limited to 20 minutes, to be divided equally between the gentleman from California and myself.

Mr. DORNAN of California. Mr. Chairman, we accept that on this side.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DORNAN of California. Well, Mr. Chairman, I wanted to make an announcement and get the attention of the House.

My colleagues, if I could beg your indulgence to respect the request of the Chair for order, it is a getaway Friday and we can leave here very quickly and if I make an announcement maybe this will get your attention.

One of these great incidents in history that has tremendous moral force and repercussions has come to pass this morning. One of our nine Supreme Court Justices has announced his retirement. Justice Lewis Powell, one of the Associate Justices of Virginia, will be 80 years old September 19 and he is going to retire. This gives President Reagan an unprecedented opportunity. Many Presidents have come and gone. None will have had the opportunity to submit to the Supreme Court as many people as President Reagan has.

So that will remove from his House this critical and I believe heroic fight to defend human life from the moment of conception to the grave.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. DORNAN of California. I yield to my distinguished colleague, the gentleman from Illinois.

Mr. HYDE. Mr. Chairman, I thank my friend for yielding.

I just want to make a point that I think is very important, indeed crucial on this amendment.

The gentleman from California—the chairman of the committee—has forced through a point of order the removal from the gentleman's amendment of language which says, "except if the life of the mother would be endangered if the fetus were carried to term." Thus forcing the gentleman, correctly and pursuant to the rules which forbid legislating on an appropriation bill, to offer an amendment that says, "No funds may be expended to pay for abortions."

But those of you in this Chamber and in this body who insist that the life of the mother exception is only humane and ought to be a part of this amendment need the assurance that since 1976 that "life of the mother exception" has been a part of this amendment and it will again be a part of this amendment because the conference committee will have the parliamentary right and permission under the rules to attach that to this amendment.

So while the amendment of the gentleman from California [Mr. DORNAN] will leave this House simply forbidding the use of Federal funds for abortions, the "life of the mother exception" will be reinstated in conference. I tell that to my friends who might otherwise not vote for the gentleman's very worthy amendment.

I thank the gentleman.

Mr. DORNAN of California. Mr. Chairman, I thank the gentleman and I concur in everything he said.

Mr. Chairman, this is my ninth year here. I have always left it for other colleagues to call the House to order. I never like to do that when I am in the well or at the leadership desk speaking for myself. I do not want to break that rule.

Mr. EMERSON. Mr. Chairman, a point of order. The House is not in order.

The CHAIRMAN. The gentleman is correct. The Committee is not in order. Members will cease conversation or retire to the cloakroom. The Committee will be in order. The business of the House can be completed more quickly if Members will cease conversation or retire to the cloakroom. The Committee will be in order.

Mr. DORNAN of California. Mr. Chairman, may I say to the ladies and gentlemen who are not here in their first term, I beg your indulgence because we have 50 Members, fine excellent men and women who have joined this deliberative body, 24 Republicans, 26 Democrats, they have not had the benefit of our intellectual exercise on human life with all viewpoints.

Mr. EMERSON. Mr. Chairman, the House is not in order.

The CHAIRMAN. The Committee will be in order. The Committee is not in order. Members will cease conversation or retire to the cloakroom. The Committee will be in order. Will Members please cease conversation or retire to the cloakroom. The Committee will be in order. The gentleman may continue.

Mr. DORNAN of California. Mr. Chairman, I thank the Chair and I thank my colleague from the great State of Missouri.

Mr. Chairman, I have agreed to a time limitation here for 20 minutes on both sides. Much of the time on our side has gone by already.

Let me focus the debate——

Mr. EMERSON. Mr. Chairman, the House is not in order. There are numerous conversations occurring here and the gentleman deserves to be heard.

The CHAIRMAN. The gentleman is correct. The committee is not in order. Members will cease conversation or retire to the Cloakroom. The committee will be in order. The business of the House can be completed much more speedily if Members will cease conversation.

The gentleman may continue.

Mr. DORNAN of California. Mr. Chairman, may I say to my colleagues, because of the electronic advances in this Chamber, if the House is not in order and a lady or a gentleman has to raise their voice to capture the attention of their colleagues, that works fine here, outside type oratory in this Chamber, but over the circuits that bring this debate from Hawaii to Puerto Rico to Alaska and even in hotels in Europe and Japan, it makes it look as though the Member is pushing, ranting, and is talking loudly when he does not need to. This electronic system makes it a living room conversation to those watching this Chamber who are not in our galleries, but are watching in the galleries of America electronically; so I appreciate the call of the Chair to order.

Now, this is the 24th anniversary of one of the four greatest speeches I have ever heard in my life outside of religious or spiritual or transcendent appeals. One of them was by MacArthur in this Chamber. The other was on the plains of West Point 25 years ago last month, and the other two were by the youngest elected President in our history, President Kennedy's incredible inaugural address, and then his speech 24 years ago today at the Rudolph Wilde Platz in Berlin, his "Ich bin ein Berliner" speech.

Even our great communicator President now has not with his skills and his excellent writers been able to capture the force of the rhythms of President Kennedy's speeches, both in writing and in delivery. Because of the 24th anniversary today and to reach some of the Members on the other side, I am going to read one of the most exciting lines of oratory I have heard in my life, and then paraphrase it on this issue. President Kennedy said, after his initial gripping opening, quoting the Roman term "civis Romanus sum," and then electrifying that crowd before he was through five or six sentences with his line, "Ich bin ein Berliner," President Kennedy said this 24 years ago today:

> There are many people in the world who really don't understand, or say they don't, what the great issue is between the free world and the Communist world. I say let them come to Berlin.

Now, those were stirring words, and I paraphrase them on this anniversary this way:

"There are many people in this world who really don't understand, or say they don't, what is the great issue between human life and pro-abortion. I say, let them witness a birth, as I did with one of my daughters last year. I say let them witness a Caesarean delivery, as I did with my oldest daughter within the last two years. I say let them see the film 'Silent Scream' and let them witness what modern scientific technology has brought us, the sonograms that show the living child in the womb sucking its thumb and in the horror case of some incredible microphotography in the womb, the child fighting off the killing forces of the doctor tearing it limb from limb and finally crushing, number one—what is number one? A euphemistic term for the skull, to crush the skull, so it can be withdrawn from the womb of the expectant mother. I say that not only is theology on our side of pro-life, modern medical science with each passing month brings more and more evidence that this is a human being in the fullest sense of the word in the womb."

Read the three medical case studies that I have done of women who have been tragically killed in an automobile accident in the state of pregnancy and the child was kept alive in the womb by attaching the dead mother to a heart machine and a lung machine, for all intents and purposes turning what is left of her human mortal remains into one large placenta, augmented by medical science and equipment, so that that child could live.

In a San Francisco hospital they kept a separate child life force alive, he is now 3 years of age, for 63 days after the mother was killed in a roadside accident and the emergency teams got her to a hospital, so that her child could live. That child had a different gender. We do not know if it is going to be a prodigy who plays the piano or seems to have that innate ability for math or music or other skills that are born into a child in that genetic code. We do not know if that young boy is going to conquer cancer or find a cure for AIDS or become a President or a Supreme Court Justice. We do know that he has a different color hair and eyes than his mother. He will be taller or shorter, smarter or not quite as smart. He is certainly a different gender and, yes, he is a different blood type. That genetic package is a different human being.

Now with the appointment of a new Supreme Court Justice, this heroic fight, depending upon your point of view, will be taken away from this Chamber and the Senate and returned to the Court Chamber that junked by its own admission 10 or 15 years ahead of the will of the states. Of course, that assumes an evolutionary progress toward contempt for human life in the womb. Eventually we would have caught up with the Roe versus Wade decision is what the people say; but the concede that the Justices without any medical or scientific evidence, read Karl Woodward's book, the brotherhood. They did not know what they were doing when they chopped a 9-month pregnancy into 3-month segments and came up with these trimester terms. That is because nine is easily chopped up into three parts.

Whales are in gestation, and we protect whales in this House a lot, 10 months. So what would they have done, cut it into two semesters of 5 months each?

Mr. Chairman, I thank my colleagues for their attention. I thank the chairman for not making us defeat the motion to rise.

I think we are all relieved that we may see this battle shifted to the Supreme Court.

I hope we can vote orally in this House and not have to eat up more Friday time with a recorded vote.

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, the gentleman from California [Mr. DORNAN] spoke a lot about President Kennedy, but he neglected to say that President Kennedy was pro-choice and would have voted against this amendment.

Mr. Chairman, also the gentleman from California [Mr. DORNAN] failed to mention the horrendous flaw in this amendment, along with some others, is that it is restricting the District of Columbia from spending its own money, money that it collected from the citizens of the District of Columbia, which is 80 percent of its budget, and he is not talking about Federal funds.

Mr. Chairman, I rise in opposition to the amendment. At a time when statehood for the District of Columbia is moving through the House of Representatives, this amendment is a serious setback and a slap in the face of the District.

We're not talking here about using Federal funds—Federal taxpayers dollars—we're talking about how the District spends its own money. The Supreme Court has said that State and local governments are free to pay for abortions with their own funds.

Moreover, the Medicaid Program itself which defines the District as a State for the purposes of the statute, while setting out a uniform standard to govern the country, nevertheless permits States to augment the Federal services and pay for health services not funded with Federal money, including abortions. If we restrict the District's right to do so, it will be the only jurisdiction in the country precluded from making the choices clearly contemplated by the statute.

By granting home rule to the District in 1973, Congress finally recognized that residents of the District should enjoy the same rights enjoyed by all other Americans, the right to elect their own representatives and to control their own local governments. This amendment would fly in the face of that concept of self determination. Imagine if we were attempting to tell the State of California, the State both I and the gentlemen who is offering the amendment represent, how to spend its own money. Or any other State for that matter. The fact that the District occupies a unique place in our Federal scheme makes it no less inappropriate for us to be telling it how to spend its money. Indeed, in some ways, it makes it worse. California is at least fully represented in this body. The District has only one nonvoting representative in the House and no representation at all in the Senate. This amendment smacks of colonialism. I urge its defeat.

□ 1155

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GREEN].

(Mr. GREEN asked and was given permission to revise and extend his remarks.)

Mr. GREEN. Mr. Chairman, there are two issues here, one dealt with extensively by the gentleman from California [Mr. DORNAN]. There are those who have his point of view; there are those who have the point of view that a woman has the right as a human being to control her own reproductive destiny. I would urge my colleagues to consider the woman's right on this issue also.

Going beyond the well-worn debates about abortion which we have had so many times, the key issue here today is the question of home rule for the District of Columbia. When we voted for the home rule form of government for the District of Columbia in 1973, one of the basic purposes was to relieve this Congress of the burden of legislating upon local District matters. As has been pointed out, this is a matter which everywhere else in the country the local jurisdiction is entitled to decide for itself. That is precisely the kind of thing that this House intended to confer upon the District of Columbia in 1973 when we granted it home rule.

The only issue here is whether the District of Columbia can spend the money that it raises from its own taxpayers as its own local government chooses. That is the issue. We decided a few minutes ago on the Parris amendment that we believed that home rule was an important principle for the Congress and for the District of Columbia. I ask the Members to stick to their guns here. This is the basic issue: Can the District spend its own local tax money as its own local elected officials determine?

I suggest that the answer is that they ought to be able to, like every other jurisdiction in this country on this issue, and that therefore we should vote "no" on this amendment.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. I thank the gentleman for yielding time to me.

Mr. Chairman, I urge that Members vote "no" on the Dornan amendment. Let me tell you why.

We have heard the arguments about home rule. We have heard the arguments about how we are dictating to local officials, which we do in no other case. We have heard the constitutional arguments, and so forth.

One of the arguments that always comes up here is about how important life is. Let me say as a mother that that is right. Yes, I have been in a hospital when babies have been born—my very own. And yes, it is a very exciting time. But one of the things that people so often forget to mention is the other life involved, the mother's life. They tend to personify the fetus immediately and ignore that the mother could be in a very dangerous, life-threatening situation, that having a baby is not like having a 9-month cruise for some women.

It seems very conceivable to me that local officials might feel that poor women in a life-threatening situation are entitled to constitutional health care according to the Constitution of the United States and the Supreme Court of the United States.

What we are doing here if we vote for Dornan is denying that, and that would be absolutely wrong.

PARLIAMENTARY INQUIRY

Mr. DORNAN of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DORNAN of Calfornia. Mr. Chairman, the gentlewoman might want to stay in the well, because I know that she is not through.

Mr. Chairman, if a Member controlling time realizes that some Members feel that they are being shut out, and were to appeal to the Chair to extend it 8 minutes on each side, could that be done by unanimous request?

The CHAIRMAN. Such a request would be in order.

Mr. DORNAN of California. Mr. Chairman, some Members have approached me on both sides of the issue.

Mr. DIXON of California. Mr. Chairman, the gentleman from California [Mr. DORNAN] will note that I have not used any time yet. Going in we understood and it was agreed that we would have 10 minutes. The gentleman used 10 minutes in the well; I am just using my equal share of time with other Members of the House.

Mr. DORNAN of California. I understand. I thank the gentleman for considering my request.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I rise in strong opposition to the amendment prohibiting the District of Columbia from using its own locally raised funds to pay for abortions.

This amendment is both wrong in substance and wrong in procedure. It is a further attack on the fundamental right of women to control their own bodies. But, unlike the other such attacks undertaken in the House of Representatives, it is an underhanded attack that exploits the continued power of the House over the District of Columbia's purse to achieve highly objectionable goals.

Abortion is legal and the great majority of Americans want it kept that way. Already, antiabortion riders attached to a variety of Federal health care programs and benefit packages have all but eliminated the choice of a safe abortion to nearly 10 million women.

The current amendment goes even further, however. Not content to restrict the use of Federal funds for abortions this amendment would restrict the use of all public funds for this purpose. This means that the District, which has properly committed a portion of the funds that it raises independently of the Federal Government to poor women who are seeking abortion, would no longer be able to do so.

The District of Columbia is not alone is providing abortion funding for poor women. Fourteen States, including my home State of New York—which account for roughly half the U.S. population—also use local tax revenues to pay for Medicaid abortions. All jurisdictions are in full compliance with the existing Federal restrictions. And each has made its decision and developed its Medicaid program in accordance with local preferences and circumstances.

The District of Columbia should not now be treated differently.

Not only does this amendment fly in the face of public opinion; not only does it deny a fundamental right to a class of American citizens who are in most cases incapable of fighting back for financial or other reasons; but, it would prohibit a jurisdiction of this Nation from employing its own funds for the purposes for which it sees fit. It represents an unwarranted and indefensible Federal intrusion both into the local affairs of our Capital City and into the private lives of American citizens.

The District of Columbia deserves to be reimbursed for the responsibilities it assumes for the revenue losses and costs associated with its role as the Nation's Capital. This is the intention of the bill being considered today. But the restrictions being considered at this time go beyond this purpose and must be rejected. I urge my colleagues to reject this pernicious amendment.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise today in opposition to the Dornan amendment. I do so as a Republican and as a woman and as a mother, a mother of three.

I do so as one who has never chosen abortion for myself, but I am saying today that if we vote for the Dornan amendment, we are saying to the victims of rape and incest that they have no choice in this matter; they must continue to be victimized.

We are also saying that there is a two-class system here in this society: Those who have the money to make that choice can make the moral choice for themselves, and those who have the money can make the medical choice for themselves, but those who do not have the wherewithal, the financial wherewithal, must continue to be made the victims of this society.

I urge in the name of God a "no" vote on the Dornan amendment.

Mr. DIXON. Mr. Chairman, I yield such time as he may consume to the gentleman from West Virginia [Mr. MOLLOHAN].

Mr. MOLLOHAN. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in support of the Dornan amendment.

The basic issue before us is not new. It has been debated many times on the floor of the House. If you are pro-life, you will vote for this amendment. You will do so because, if the amendment is adopted and enacted into law, we will have successfully reversed one of the most permissive policies of providing tax funded abortions in this Nation.

Rather than debate the morality of abortion—or of forcing taxpayers to finance abortions—I would like to address my comments today to those in this Chamber who feel that this particular amendment should be rejected because it would meddle in the affairs of the District of Columbia.

To those who argue that it is not the place of Congress to tell the citizens of the District how to administer public policy, I ask——

If we should not be meddling in the affairs of the District, why does this bill require that the District government allow open inspection of their personnel records?

If we should not be meddling in the affairs of the District, why does this bill require the Mayor to obtain city council approval for any loans secured for capital projects?

If we should not be meddling in the affairs of the District, why does this bill tell the Districts fire and police departments how they can and cannot hire officers?

This bill is filled with conditions, demands, and suggestions on how the District government should operate. Don't misunderstand me: For the most part, I think they are fine provisions. However, the long list of directions to the District from the Congress included in this bill undermines the argument that we should reject the Dornan amendment because it would be meddling in the affairs of the District.

So what we will be doing here today—if we add this amendment—is taking a step to ensure that the District does not use funds obtained from taxpayers to continue their abortion on demand policy. A policy which is considered one of the most permissive in this country.

Seventy-nine percent of those responding to the last survey in my district were opposed to any type of government funding of abortion.

I submit that this is a step that meets with the strong approval of a large majority of the citizens of my district.

And I submit that this is a step that is in line with the views of a majority of American taxpayers.

The fact is a large number of Americans are opposed to the killing of preborn infants, which can occur during the final months of pregnancy.

The fact is these American taxpayers become outraged when they are forced to pay for this type of public policy.

Therefore, by adopting this amendment, we are reflecting the views of a majority of the taxpayers in America: Abortions should not be performed with money appropriated by the Federal Government.

I urge my colleagues to vote for the amendment.

Thank you, Mr. Chairman.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. I thank the gentleman for yielding time to me.

Mr. Chairman, this particular amendment presents a special challenge and difficulty for me. I am a Democrat who opposes abortion. I have voted for this amendment in the past. But I have to say—and I am sorry that I do not see my colleague from California, the sponsor of the amendment, on the floor at this moment—but I regret the fact that we are dealing in this amendment with blinders. We are acting as if the District of Columbia is the only unit of government in America which spends its own local funds to assist in abortion. In fact, the home State of the gentleman offering this amendment spends its own State funds on abortion, as do some 13 other States.

I do not hear from the side of the aisle proposing this amendment suggestions that we cut off foreign aid from countries that allow and encourage abortion, I did not hear questions of cutting back in years gone by on revenue sharing from States that used their own State funds for abortion, nor do I hear any suggestions that the Federal eligibility for funds in the State of California be cut back because they use their State funds for abortion.

In fact, we treat the District of Columbia as if it were a vassal state. We treat the D.C. residents as if they do not have equal rights. I will support this amendment, but I think that I will also propose an amendment for the State of California.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut [Mr. MORRISON].

Mr. MORRISON of Connecticut. I thank the gentleman for yielding time to me.

Mr. Chairman, I rise in opposition to the amendment. This vote is not about the legality of abortion. The Supreme Court has decided that question. And this amendment is not about the use of the funds over which this body has just jurisdiction, the use of Federal funds. That is already in this bill, and it bars the use of these funds for abortion.

This vote is about the rights of the people of the District of Columbia to decide for themselves whether or not to fund constitutionally protected activities by their own citizens. That is not an abortion vote, and abortion is not the basis on which Members ought to vote. They ought to vote decently and properly that people have a right to decide within their own local governments the use of their own locally raised funds.

There is not a Member in this House who would stand still to have the jurisdiction and authority of his own local government infringed in this way, and it would be a disgrace if such Members would be voting to deny the people of the District of Columbia their right just because of the artificial Federal control which currently exists.

☐ 1205

Mr. DIXON. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The gentleman from California [Mr. DIXON] has 1 minute remaining.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I rise in opposition to the amendment and do so in my capacity as the chairman of the District of Columbia authorizing committee. In opposing this amendment, Mr. Chairman, I would make four points that I think have already been made.

No. 1, such an amendment violates the spirit and the intent of the District of Columbia Home Rule Act. There is no question with respect to that. Citizens in the District of Columbia should have the same rights as any other citizens in the entire United States.

Mr. Chairman, such an amendment would ignore the fact that no other State would allow the Federal Government to intrude upon the local government's ability to expend is funds in the manner that it chooses.

Third, this amendment would ignore the fact that the local government of the District of Columbia has made its own judgment with respect to this issue.

Finally, Mr. Chairman, to allow this amendment to pass would be one additional slight to the residents of the District of Columbia, one further insult. They presently have taxation without representation. Let us not rub their faces in it by adopting this amendment.

Mr. FLIPPO. Mr. Chairman, I oppose abortions and have voted that way since coming to Congress. However, I believe exceptions must be made for saving the life of the mother and for incest and rape.

The Dornan amendment does not allow for these necessary exceptions and therefore I regret that I must vote against the Dornan amendment. I repeat, I am opposed to abortion and will continue to vote that way, but this amendment is not supportable because it does not protect the life of the mother.

Mrs. BOXER. Mr. Chairman, I rise in opposition to this amendment which would prohibit the District of Columbia from spending its own tax money for abortions.

First, I believe the amendment offered by the gentleman from California discriminates specifically against the District of Columbia. The provision of services to pregnant women—including abortion services—is clearly a matter of local public health policy intended to be left to the District of Columbia under home rule. The gentleman from California opposes big government and Government intervention, but his amendment is an example of Big Brother tactics at their worst. Why doesn't the gentleman propose such an amendment for city councils in his own district? The fact is that the Federal Government cannot legislate what local communities do with their own local funds and so it should be.

This brings me to my next point: The District of Columbia has chosen to use local funds to pay for abortions for poor women. In 1980, the Supreme Court ruled that, although the Hyde amendment's restriction on Federal funding of abortions was constitutional, State and local governments were still free to pay for abortions for poor women with their own funds. Congress should not be circumventing this Supreme Court decision by forbidding the District of Columbia from funding abortions with local revenues.

Finally, I believe that abortion is a question of choice. We were not sent here to be God—to dictate our own moral and religious choices to others. In its landmark rulings in 1973, the Supreme Court ruled that the Government cannot interfere with a pregnant woman's personal decision whether to have a child or to obtain an abortion. Although poor women have the same legal right to free choice as middle and upper class women, in reality poor women are unable to pay for abortions and have turned to Medicaid for help. By voting for the gentleman's amendment we are setting up a clear double standard in this country. This amendment strikes at the most vulnerable in the population, and reduces the basic right of free choice to another privilege that can be purchased only by those who can afford it. Do we want to offer choice only to the highest bidder? This is what this amendment does.

Let us not act like big brother over funds that we don't even give to the District of Columbia.

Let us not do something to the District of Columbia that we cannot do to any other city or county in the country.

Mr. AuCOIN. Mr. Chairman, I rise in strong opposition to the amendment, which we've seen before on the House floor. I rise in opposition because it is unfair. It is bad policy. It is mean spirited and harmful to women. It may be unconstitutional.

I don't want anyone on the floor to misunderstand what the intent of this amendment is. This amendment does not seek to restrict Federal funds for performing abortions. We already do that. Federal funds have been restricted for the last several years.

This amendment goes much further than restricting Federal funds. It takes the strong arm of the Federal Government and sticks it into the coffers of the D.C. government's own revenues to dictate how local funds can and can't be used.

It's hard to imagine a similar attempt to single out another individual State for such harsh treatment. Why? Because they have rights the D.C. government does not. Because they don't have to depend on an individual appropriations bill to operate each year. Only the District of Columbia has to wait for an appropriations bill to operate.

Fourteen States and the District of Columbia have chosen to use locally raised revenues to fund medically necessary abortions.

I want to let every one know which States these are so my colleagues can think long and hard about the hypocricy of this amendment. And I urge you not to vote for doing to the citizens of the District of Columbia what you wouldn't do to the citizens of your own State. California, Connecticut, New York, Massachusetts, Alaska, Hawaii, Maryland, Michigan, North Carolina, Oregon, Washington, West Virginia, New Jersey, and Vermont—14 States. One hundred-sixty seven of you, my colleagues, represent these States that have the right to use local revenues the way they please in providing health services to the citizens of your States.

Yet if this amendment passes, we'll be forcing restrictions on a local government that we don't force on any other State in the Nation. It's patently unfair, and it should be defeated.

I would find this entire debate absurd if it weren't so serious.

But the fact of the matter is that the subject we're discussing on the floor now is serious. Serious indeed. Serious to the D.C. schoolgirl who's been raped and finds herself pregnant with few options for a better life. Serious to young girls in the District of Columbia who are victims of the horrible crime of incest and find themselves facing a similar situation. Serious to the hundreds of women who will have a constitutional right denied to them if this amendment passes.

What's doubly mean about this amendment is the narrow way it is directed at a select segment of this country's population—who under the protection of the Constitution should be afforded the same rights as all others. Who are the people targetted by this amendment? First, they're all women. Second, they're all impoverished. Third, they happen to live in the District of Columbia.

If this amendment passes, these women will be denied what is legally theirs—the freedom to choose.

The Supreme Court, in United States versus Thompson (1971) said that,

> The mere fact that District residents lack congressional representation does not justify their use as human guinea pigs—particularly when human rights are involved.

The Supreme Court is right. Impoverished women living in the District of Columbia should not be guinea pigs for congressional experimentation with their constitutionally guaranteed rights.

In 1973, when Congress gave the District of Columbia home rule, we gave it a right to enact legislation concerning public health. We gave it the right to make decisions on how to spend local revenues. We took ourselves out of the picture on most local matters.

We should keep it that way. We meddle enough in the affairs of people who don't even yet have congressional representation without passing this amendment today.

Two years ago, when Congress passed a similar amendment, the Washington Post carried an editorial that goes to the heart of this debate. Titled, "Abortion Nonsense," it read as follows:

> Talk about taxation without representation. It's bad enough that residents of the District have no vote in Congress when decisions about their federal taxes are made. But now the House has actually voted to prevent the District from using its own local revenues for a purpose that is legal in every other jurisdiction in the country. The 221-199 vote came during House consideration of the District's annual appropriations bill.
>
> The issue was the District government's policy of using local revenues—not federal funds but local income, sales, property and other taxes—to pay for abortions for indigent women. This same policy is in effect in 14 states, several of them under court order. Its purpose is to ensure that women who are poor are not denied access to an important medical service that can be freely purchased by upper- and middle-income women—a purpose clearly within the legitimate purview of state and local governments . . .
>
> People obviously disagree sharply about the desirability and morality of abortion under various circumstances. But in a democratic society, citizens of a locality, acting through their duly elected representatives, certainly ought to be able to choose to use their own taxes to make a constitutionally protected service available to the poor as well as the wealthy. Most members of the House understand that, and when the House meets in conference with the Senate—whose version of the bill does not include the anti-abortion amendment—presumably calmer heads will prevail. But as long as many members run in terror whenever the word "abortion" is mentioned, you can expect more nonsense to keep emerging from the House.

Fortunately, the Post was right, and calmer heads did prevail. This egregious amendment never became law. And I hope that today in the House, cooler heads will prevail again. I urge defeat of this amendment.

Mr. MILLER of Washington. Mr. Chairman, I rise to urge this body to vote against this amendment. The Dornan amendment to the District of Columbia appropriations bill would prevent the District from using locally raised funds to provide abortions to women who reside in the District of Columbia without exception even in cases of rape or life endangerment.

This amendment would deny the District of Columbia that which every other citizen in America is guaranteed: The right to determine their local government and its policies.

Congress must uphold the principle of self determination for the residents of the District of Columbia. The Supreme Court recently defined those areas of government that are reserved for State and local decisionmaking: Police and fire protection, sanitation, parks and recreation, and public health. By voting for this amendment, we are again denying the people of the District of Columbia their constitutional right to self-determination.

The District is not in violation of the Hyde amendment which prohibits Federal funds from being used to perform abortions. In fact, there is a clause in H.R. 2713 that prohibits Federal funds from being used for such purposes. That is not the issue here. The issue is self determination and equal treatment. I urge you to vote against this amendment.

Mr. DORGAN of North Dakota. Mr. Chairman, I oppose abortions and have voted that way since coming to Congress. However, I believe exceptions must be made for saving the life of the mother and for incest and rape.

The Dornan amendment does not allow for these necessary exceptions and therefore I regret that I must vote against the Dornan amendment. I repeat, I am opposed to abortion and will continue to vote that way, but this amendment is not supportable because it does not protect the life of the mother.

The CHAIRMAN. All time has expired.

PREFERENTIAL MOTION OFFERED BY MR. SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. Chairman I offer a preferential motion.

The Clerk read as follows:

Mr. SMITH of New Jersey, moves that the Committee now rise and report the bill to the House with the recommendation that the enacting clause be stricken out.

Mr. DIXON. Mr. Chairman, I oppose striking out the enacting clause.

The CHAIRMAN. The gentleman from California [Mr. DIXON] will be recognized for 5 minutes at the appropriate time in opposition to the preferential motion.

The Chair recognizes the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, I rise in strong support of the Dornan amendment and commend my colleague from California for his concern and compassion for children and their mothers in offering this today.

A similar amendment was offered last year and the year before, both were adopted but regrettably the amendment didn't make its way into law. With the strong backing of the President this year I hope we will be more fortunate this time around.

The issue before this body today, Mr. Chairman, is simply whether or not abortion on demand will be payed for with public funds.

Members should know and should be fully aware that the current language contained in H.R. 2713 may look good to some on the surface but has been totally ineffective and inadequate and has not stopped public funding for a single abortion. Not even one!

The so-called antiabortion language in the bill is so defective that it has permitted taxpayer subsidized abortion on demand in the District of Columbia. Even D.C. government officials admit this point. In an article in the Philadelphia Inquirer, August 1, 1985, Elizabeth Reveal, the District of Columbia's budget director at the time "confirmed that the District's government has a policy of funding abortion on demand and does not attempt to determine the circumstances of the pregnancy."

The Dornan amendment reforms that policy Mr. Chairman and brings the D.C. appropriations bill in conformance with Federal policy.

I would point out to members of the committee that in 1985 according to a D.C. government report, 10,357 abortions on demand were payed for in the District of Columbia with public funds—10,357 children lost their lives in that year alone and Congress permitted the taxpayer to foot the bill.

Mr. Chairman, let no one here today seek to diminish or gloss over the gruesome reality of abortion. Rather let us allow ourselves to be sensitive to the excessive and wanton loss of life of children in the District.

Mr. Chairman, abortion methods and their impact on children are unnerving to contemplate and include bodily dismemberment, which is the case in D&C and suction abortions injection of poisonous chemicals, the crushing of the baby's skull and body, as is the case in D&E abortions and poisoning by saltwater as in saline method of abortion. In a saline abortion a caustic salt solution is injected into a baby's amniotic sac, the child inhales the saltwater and dies a slow, painful death from the toxic substance. It takes 1½ to 2 hours for the baby to die in a saline abortion. And then the woman goes through labor and gives birth to the chemically burned baby who in most cases is dead.

According to a January 1986 report by D.C.'s Department of Human Services, 286 children were aborted by saline poison shots in 1984 alone. And the poison shots designed to kill the child continue to be administered to this day and at public expense.

Frankly I think it is outrageous that we not only fail to stop this child abuse but it is also a sad reflection on this Government that we actively encourage it. By permitting non-Federal revenues over which we have jurisdiction to pay for this destruction of human life. We can't offer the excuse that it's not within our jurisdiction because it is. We can't argue that it is not our problem, because it is. Because the Congress can stop this lethal funding, and the first step on that road can be made today.

Finally, I would submit that the argument that this is a home rule issue simply doesn't cut. Other portions of this bill restrict or condition local funding suggesting to this Member that home rule isn't absolute. And most importantly home rule certainly doesn't apply and has no suasian when it's advanced to promote, to defend or to cloak a grave social injustice.

Mr. Chairman, just as home rule wasn't persuasive in defending the social injustice of slavery or segregation it is not a persuasive cover today in the defense of taking the lives of children by abortion.

Mr. Dornan's amendment is reasonable and ought to be law.

I urge support of the Dornan amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from California [Mr. Dixon] is recognized for 5 minutes.

Mr. DIXON. Mr. Chairman, I yield to the Delegate from the District of Columbia [Mr. Fauntroy].

Mr. FAUNTROY. Mr. Chairman, I rise in opposition to the amendment and do so for two reasons.

One is that my colleagues who have opposed the amendment have far more eloquently stated a defense of the District residents to determine how they spend locally raised funds, so I do not need to do that.

Second, I do so because I know there are Members on both sides of the aisle who are tired of the time we are wasting serving as a city council for the District of Columbia in this matter, and I want to expedite the vote.

Mr. Chairman, this amendment would have us say to the people of Washington, DC, unlike we say to any other group of Americans, that you cannot use your own money in ways that you deem necessary and appropriate.

This House has already legislated to restrict the use of Federal funds by the District of Columbia for abortions. The so-called Hyde amendment denies the use of Federal funds to poor women in the District of Columbia who choose to exercise a right extended to them by the law of the land through pronouncements by the U.S. Supreme Court.

This new thrust would add insult to injury by deepening the second-class status to which poor women in the District of Columbia have already been relegated.

Each of us may have personal view on this subject, however, we should not seek to substitute our personal views on this purely local issue for well-considered views of the local government.

In 1973, we passed the District of Columbia Home Rule Act, delegating legislative power over local matters in the District of Columbia to a government of the people, by the people, and for the people. Pursuant to the powers given to that government, its elected officials have determined, for public health reasons, to afford poor women the same level of medical care as any other women.

Good and sincere men and women of conscience may wholly disagree on the substance of this amendment. They may feel deeply and strongly that it is wrong to use Government funds for abortion. I certainly respect the views of those Members who believe and espouse those views. But the real test of democracy is to accept that it has its failures as well as its strengths. Lincoln expressed his idea of democracy when he said, "as I would not be a slave, so I would not be a master."

I urge you to stand for democracy and oppose this amendment.

Mr. DIXON. Mr. Chairman, I yield to the gentleman from California [Mr. Dellums].

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

If I might have the gentleman's attention who just offered the preferential motion, I listened very carefully to my colleague's presentation and would simply make the following response:

We have a number of forums within which the question of abortion can be debated within the confines of the rules of this body and within the confines of the body of law of this Nation. But it would seem to me that this is not the forum. It would seem to me that this is not a question of a vote on abortion or pro or con on abortion.

The question is our commitment to a form of a government. We live within the confines of a fragile form of government. We have said to the residents of the District of Columbia you shall have the right to elect locally, to have locally elected representatives. They have made judgments. I would say to my colleague that he made a mistake in his presentation when he suggested that there was a limitation in this bill on funds locally raised in the District of Columbia. As I understand it, that indeed is not true.

Whatever limitations exist in this bill are limitations upon the utilization of Federal funds, not locally raised taxes.

If I might proceed, we are simply saying here that we cannot continue as long as it speaks to our political interests to tamper upon the fragile rights of residents of the District of Columbia. I feel embarrassed and ashamed for this Nation that the Representative from the District of Columbia cannot vote on the floor of this Congress for his constituents. But 435 of us can do great harm. The day that the gentleman from the District of Columbia can vote here and Members of the Senate can vote on behalf of the residents of the District of Columbia there will be some equity in this process. It does not exist at this time.

If the gentleman wants to debate the issue of abortion, let us do that on the 20,000 times we are going to do it over the year, but this is not the place to do it. This is home rule. Let us not violate their rights, prerogatives, and privileges.

Mr. DIXON. Mr. Chairman, I yield to the gentleman from Ohio [Mr. Traficant].

Mr. TRAFICANT. Mr. Chairman, the easy and expedient statement to make today is, "I am against abortion and everybody cheers." But we all know politically it sounds good but it is not all that easy.

It is the age-old battle. Society has the right to protect itself from harm; the individual has the right for personal choice within societal constraints.

I say today that Congress has no power to deny a woman the right especially if she has been raped or her life is in danger to make her own decision. Her decision should be sacred. Congress should leave God's work alone.

Mr. DIXON. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. Coughlin], the ranking member of my subcommittee.

Mr. COUGHLIN. Mr. Chairman, this amendment is just wrong, wrong, wrong, and the arguments have all been made.

What this amendment would do is deny the District of Columbia the right to use its own funds for any abortion, even if the life of the mother is at stake, even if there is a case of rape or incest, any abortion whatsoever, to use its own funds. We do not restrict any other governmental entity in this country from using its own funds for that purpose. That has never passed this Congress, has never passed in the States, and to do that to the District of Columbia is wrong, wrong, wrong.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from New Jersey [Mr. SMITH].

The preferential motion was rejected.

PARLIAMENTARY INQUIRY

Mr. SMITH of New Jersey. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. SMITH of New Jersey. Mr. Chairman, would it be appropriate if I were to offer a unanimous-consent request to include the life of the mother exception? At this point would that be an appropriate unanimous-consent request?

The CHAIRMAN. The amendment is amendable and the Chair would have to rule on it at the appropriate time.

Mr. SMITH of New Jersey. Mr. Chairman, I ask unanimous consent that at the end of the amendment, after the word "abortions," the language, "except where the life of the mother would be endangered if the fetus were carried to term," be included.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

Mr. DIXON. Mr. Chairman, I reserve the right to object.

Mr. EDWARDS of California. I object, Mr. Chairman.

Mr. DIXON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The question is on the amendment offered by the gentleman from California [Mr. DORNAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DORNAN of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 191, noes 181, not voting 61, as follows:

[Roll No. 221]

AYES—191

Annunzio
Applegate
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bentley
Bereuter
Bevill
Bilbray
Bilirakis
Bliley
Boggs
Borski
Broomfield
Bruce
Buechner
Bunning
Burton
Byron
Callahan
Chapman
Chappell
Coats
Coble
Combest
Conte
Courter
Craig
Crane
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeWine
DioGuardi
Dornan (CA)
Dowdy
Dreier
Duncan
Durbin
Dyson
Edwards (OK)
Emerson
English
Fish
Gallegly
Gaydos
Gingrich
Goodling
Grandy
Gray (IL)
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hansen
Hastert
Hayes (LA)
Hefley
Herger
Hiler
Hochbrueckner
Hopkins
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Johnson (SD)
Jones (TN)
Kanjorski
Kasich
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lujan
Luken, Thomas
Mack
Madigan
Manton
Marlenee
Martin (NY)
Mazzoli
McCloskey
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Miller (OH)
Moakley
Molinari
Mollohan
Montgomery
Moorhead
Murtha
Myers
Natcher
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Ortiz
Packard
Parris
Pashayan
Penny
Perkins
Petri
Porter
Price (IL)
Rahall
Ravenel
Ray
Regula
Rhodes
Rinaldo
Ritter
Roberts
Robinson
Roe
Rogers
Rostenkowski
Roth
Rowland (CT)
Russo
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sikorski
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Staggers
Stallings
Stangeland
Stenholm
Stratton
Stump
Swindall
Tallon
Tauke
Taylor
Traxler
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Whitten
Wolf
Wortley
Wylie
Yatron
Young (AK)
Young (FL)

NOES—181

Akaka
Alexander
Andrews
Anthony
Aspin
Atkins
Bateman
Bates
Beilenson
Bennett
Berman
Biaggi
Boehlert
Bonker
Bosco
Boucher
Brennan
Brown (CA)
Brown (CO)
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chandler
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coughlin
Coyne
Crockett
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Dorgan (ND)
Downey
Dwyer
Dymally
Eckart
Edwards (CA)
Erdreich
Evans
Fascell
Fawell
Fazio
Feighan
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frenzel
Frost
Gallo
Garcia
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Gray (PA)
Green
Guarini
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Horton
Houghton
Howard
Hoyer
Hubbard
Hughes
Jacobs
Jeffords
Johnson (CT)
Jones (NC)
Jontz
Kastenmeier
Kennedy
Kennelly
Kostmayer
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lowry (WA)
MacKay
Markey
Martin (IL)
Martinez
Matsui
McCandless
McCurdy
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Nagle
Neal
Obey
Olin
Owens (NY)
Panetta
Patterson
Pease
Pelosi
Pickett
Pickle
Price (NC)
Rangel
Richardson
Ridge
Rodino
Roukema
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sisisky
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Snowe
Spratt
Stark
Studds
Swift
Synar
Torres
Torricelli
Traficant
Udall
Upton
Valentine
Vento
Visclosky
Watkins
Waxman
Weiss
Wheat
Whittaker
Williams
Wilson
Wise
Yates

NOT VOTING—61

Ackerman
Anderson
AuCoin
Boland
Boner (TN)
Bonior (MI)
Boulter
Boxer
Brooks
Cheney
Clarke
Clinger
Coleman (MO)
Daniel
DeLay
Donnelly
Early
Espy
Fields
Flake
Gephardt
Grant
Gregg
Harris
Henry
Hertel
Holloway
Jenkins
Kaptur
Kemp
LaFalce
Lent
Livingston
Lloyd
Lukens, Donald
Lungren
Mavroules
Michel
Moody
Murphy
Owens (UT)
Oxley
Pepper
Pursell
Quillen
Roemer
Rose
Skelton
Solarz
St Germain
Stokes
Sundquist
Sweeney
Tauzin
Thomas (CA)
Thomas (GA)
Towns
Walgren
Weldon
Wolpe
Wyden

The Clerk announced the following pair:

On this vote:

Mr. Flake for, with Mr. AuCoin against.

Mr. HEFNER and Mr. McMILLEN of Maryland changed their votes from "aye" to "no."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. UPTON. Mr. Chairman, today I voted against the Dornan amendment to the District of Columbia appropriations bill. Mr. DORNAN's amendment would have prohibited the use of all Federal and local funds to finance abortion under any circumstances in the District of Columbia.

My position on abortion is well-known, and note that the Hyde antiabortion provisions are already included in this bill. I am against Federal financing of abortions in all but three important instances: when the life of the mother is endangered, and in cases of rape and incest.

Abortion simply should not be an option in the vast majority of pregnancies. The Federal Government should not be in the business of financing abortions. But, there can be no moral doubt that it must be an available option to save the life of the mother if she is endangered by carrying a pregnancy to term.

Life of the mother, rape, and incest cases account for a very small percentage of the abortions performed in the United States each year. If this is so, why does the Congress have such a difficult time allowing for these exceptions in an otherwise good piece of legislation?

AMENDMENTS OFFERED BY MR. PARRIS

Mr. PARRIS. Mr. Chairman, I offer two amendments, and I ask unanimous consent that they be considered en bloc.

The Clerk will report the amendments.

Amendments offered by Mr. Parris: Page 9, line 8, strike "$569,544,000," and insert "$567,444,000,".

Page 9, lines 14 and 15, strike "$2,100,000 for the District of Columbia School of Law;".

Page 13, line 15, strike "$269,862,000," and insert "$269,362,000,".

Page 16, beginning on line 11 strike "*Provided further,* That $500,000 of the $269,862,000 shall be available to the District of Columbia School of Law for general repair, rehabilitation, and improvement projects:".

Mr. DIXON (during the reading). Mr. Chairman, I ask unanimous consent that the amendments be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia [Mr. Parris] that the amendments be considered en bloc?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. Parris].

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. PARRIS. Mr. Chairman, I yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, it would be my intention on this amendment to ask unanimous consent that there be 30 minutes of debate, the time to be equally divided between myself and the gentleman from Virginia [Mr. Parris].

After that, I would ask that the gentleman from Texas [Mr. Armey] be recognized for a colloquy; and it would then be my intention to make a motion to rise.

The CHAIRMAN. Is there objection to the request of the gentleman from California [Mr. Dixon] relating to the time restriction?

There was no objection.

The CHAIRMAN. The gentleman from Virginia [Mr. Parris] is recognized for 15 minutes.

Mr. PARRIS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, as we must do in these processes, what we are doing is striking $2.6 million approved by the committee which the committee itself says was "reluctantly" approved.

That is the money that would be provided to establish the Antioch School of Law.

The committee words in the report were that "it was extremely difficult to recommend approval * * *."

The committee itself reports that there is inadequate justification for another public law school; and I certainly agree with those observations.

This does not affect higher education in the District of Columbia. The University of the District of Columbia receives another $71 million in this bill.

This amendment only affects the proposed law school. Mr. Chairman, this is not a difficult judgment to make. Ninety-one percent of the students of this law school are nonresidents of this city. The ABA has always opposed Antioch's accreditation, because it simply has inadequate resources. Current accreditation cannot be expected to be transferred with ownership of the school.

The questions are very simple here, Mr. Chairman. Is it wise to appropriate in excess of $2½ million for a publicly funded law school in a city where there are already seven law schools and 91 percent of the students in this one do not even live here?

We have got some of the great universities of the Nation in this Washington metropolitan area: Georgetown, George Washington, George Mason, Catholic, Howard, American, all of them with law schools.

There is no lack of opportunity for law school education. Do we in fact have to have another one publicly funded? I suggest not.

It is logical for the taxpayers to fund the repairs and acquisition of this law school when there is an accreditation and funding ceiling capped at $3 million, when it is recognized that it takes at least 10 to accomplish formation of this school?

Is it logical for the Congress to appropriate $2.5 million when there is no chance of winning accreditation by the American Bar Association? I suggest, Mr. Chairman, that it would be more responsible for us to act in a way that is required by the supplemental appropriation bill and get the report we have requested. We have requested a report by October 1, 1987, which the Members voted for. It is in the supplemental appropriation bill. It is a requirement that the District of Columbia must give us an estimate of anticipated operating capital expenses of the institution for the next 5 years by October 1 of this year.

We do not even have the report, and here we are giving them $2.5 million to acquire the facility. It would be premature and fiscally irresponsible for us to do anything but to require that we get the report before we make any further commitment to this facility.

We have fenced the money into the supplemental appropriations, and unless there is a defencing, which is about to happen, if the House recedes to the Senate position where there is no fencing of the money previously provided, we will have committed ourselves to this facility.

I submit that sending a message to the conferees in the appropriation bill not to release these funds is the way to go, that we have to stop it right now until we find out what the ultimate cost of this is and where it is going to take us over the next 5 years. We have to ask ourselves, where are we going from here?

Let me make sure that my colleagues understand that this is not a home rule issue. The question is how we have more than one-half of a billion dollars of U.S. Treasury funds collected in Pennsylvania, California, Virginia, and all other States. This is an economic issue, not a philosophical one. There is no great symbolic gesture of the legitimacy of the need for this city, in order to be a proper city, to have another publicly funded law school. That argument is ridiculous. Should we in fact have eight law schools instead of just seven? Is that what we need to use one-half of a billion dollars for, or at least a part of it? I submit we should not, Mr. Chairman.

I would hope that those Members of this Congress who are constrained to be concerned about our fiscal deficits ought to take a real good hard look at what is, although, after all, not with the kind of terms that we deal with a huge sum of money, that being $2.6 million, just the nose of the camel under this tent. I submit to the Members, Mr. Chairman, that we will have a solely federally funded congressional law school in this city which we will pay for forevermore if we do not adopt this amendment.

The amounts of money we are committing ourselves to are not even known by the people who promote the school, and I submit that this is not a question of whether or not the District of Columbia Council should have the authority to create its own school. That is not the issue, I say to my colleagues. The question is, do we want the Montana cattle ranchers to spend this money, beginning with $2.5 million, to have a publicly funded additional law school in this town? It is just that simple.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman from Virginia [Mr. Parris] has used 6 minutes of his time.

The gentleman from California [Mr. Dixon] is now recognized for 15 minutes.

Mr. DIXON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, as or President would say, "There you go again."

The gentleman from Virginia [Mr. Parris] would have us believe that the Federal Government is funding this law school. That is just absolutely not true. There is $425 million in this bill that is the Federal payment. It is provided to the District in lieu of paying a property tax, for the District government to do with what they want in their discretion. Other than that, there is $2.2 billion of their own locally generated revenues in this bill.

If we take the position that the $2.1 million is coming out of the Federal payment, a payment in lieu of property taxes, I suggest to all of the Members here that they have a right to do whatever they want to do with that money. If we take the position that the $2.1 million is coming out of the $2.2 billion, it is their own money. In either scenario, it is not Federal money. They have a right to do with their money what they want to do.

Let me give the Members a little history of this. This is a very controversial issue. It is a controversial issue within the District government itself. The city council seems to be in favor of this new institution, and I would guess that the mayor is reluctantly for it because he allowed the bill to become law absent his signature.

The gentleman from Virginia [Mr. PARRIS] is now the ranking member on the Committee on the District of Columbia, the authorizing committee, although he was not the ranking member at the time the authorizing bill became law. But there is a process here in this Congress for us to interfere and interject ourselves into legislation approved by the District government. That is, once the legislation is approved at the District building, there is a 30-day layover period in the Congress before it becomes law. Did the gentleman from Virginia [Mr. PARRIS] do anything during that 30-day layover period? Did he introduce a resolution disapproving that legislation? No, he did not do that. He is now coming here on the District's annual appropriations bill and trying to cut the budget.

It is clear that this is not Federal money. This is a controversial issue within the District's own processes, and they should be allowed to work their will on this issue.

It is clear, too, that our committee put strong language in the report saying that we did not see the justification for this new law school, but, on the other hand, it is not our money and it is not our business. It is the law. The gentleman had an opportunity through the process to object to that law, and did not, and now he is coming here trying to cut the money out of this bill.

Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Virginia [Mr. PARRIS]. While I highly respect the gentleman, and I am fully aware of the fiscal constraints this body faces, I do not believe that the gentleman's proposed cut to the Antioch institution is warranted, and if adopted, this amendment would have a serious, adverse effect on legal representation of the indigent of the District of Columbia. Most importantly, however, is the fact that this is a home rule issue; a matter which should not even be before us today.

As many of my colleagues know, the D.C. Council overwhelmingly approved acquisition of Antioch Law School. Mayor Barry had the opportunity of vetoing this acquisition, but chose not to. A wide range of Disttrict civic, labor, and professional organizations approve of the Antioch acquisition, and this acquisition process clearly falls under the purview of home rule. The Congress has granted the District of Columbia home rule, and a vote in support of this amendment would repudiate the home rule principal, the D.C. Council, and a majority of the residents of the District. I urge my colleagues to support home rule and the wishes of the D.C. citizenry.

Furthermore, Mr. Chairman, there are compelling reasons to encourage support of the Antioch Law School. Antioch has been an important asset to the Washington community over the last 13 years. Antioch produces lawyers vitally concerned in helping people. Moreover, Antioch is a dynamic academic institution which, as an integral part of its education process, involves its students in helping those who would not otherwise be able to afford or obtain legal representation. Antioch students have been providing legal services for roughly 2,000 cases a year, providing legal representation for the indigent in civil and criminal cases, and before administrative agencies.

Antioch is one of the few law schools which truly encourages minority and female enrollment; 30 to 35 percent of its student body belongs to a minority group, and 51 percent are women. To a great degree, its students are not from middle-class backgrounds, and are the first of their families to attend college. Antioch was established to assist the poor and underprivileged, continues in that tradition, and which should be given the opportunity to continue in that tradition.

As I noted earlier, even if you do not agree with the Antioch acquisition, this should not be an issue that we in Congress should decide in any case. This is clearly a decision to be made by the District; the District has made its choice. Accordingly, I urge my colleagues to oppose the Parris amendment and to reaffirm the principal of home rule. Please vote "no" on this amendment.

□ 1250

Mr. PARRIS. Mr. Chairman, I yield 2 minutes to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Mr. Chairman, would the gentleman from Virginia [Mr. PARRIS] be willing to answer a question?

Mr. PARRIS. I would be glad to.

Mr. MARLENEE. Is it the understanding that this is at the present time a private school of law?

Mr. PARRIS. Mr. Chairman, if the gentleman will yield, that is correct.

Mr. MARLENEE. And that what this money would be used for is for the District of Columbia to proceed to buy this private law school?

Mr. PARRIS. I would say to the gentleman, if he will yield further in his time, there would be provided $2.1 million here for 65 positions, faculty positions, and another $500,000 for a physical plant for capital improvements to this school.

Mr. MARLENEE. I think the question we have here is do we really need to buy a law school for the District of Columbia and do we really need more law schools when there are already that many law schools in this area?

I think another question we need to have answered is what is the highest priority in education? Is that the purchase of a law school? Has any money been set aside in this particular legislation or that the gentleman knows of for the facilitation of vocational education, for technical schools outside of law schools?

Mr. PARRIS. Is that a question?

Mr. MARLENEE. That is a question.

Mr. PARRIS. I would say to the gentleman, there is a full gamut of educational activities in the District of Columbia which would include those things, but this over and above all that. It does not impact on vocational education, not on higher education. We are talking in this amendment only of the addition of an additional law school.

Mr. MARLENEE. Well, it would seem to me that if we are going to spend money for education, if we are going to spend that kind of money, we should be trying to help the people on the street, the man on the street, the people who are out of work who do not have a job in retraining and vocational training. Those kinds of programs are worthy of support.

Mr. DIXON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman from Virginia [Mr. PARRIS] has answered the questions absolutely wrong, absolutely wrong.

The Antioch School of Law should really not be mentioned on this floor. the only thing that may potentially be acquired from the Antioch School of Law are some teaching personnel. The gentleman's answers to the questions were absolutely wrong.

The new institution is going to be called the District of Columbia School of Law. It will be in an entirely different building. The library books have been donated by Antioch to the District of Columbia.

The new District of Columbia School of Law is an entirely new institution that will be housed in an entirely different facility.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. DIXON. I am not yielding to the gentleman. I was polite and waited until he completed his statement.

What the gentleman from Virginia [Mr. PARRIS] has said is entirely wrong.

Mr. PARRIS. Mr. Chairman, I yield 1 minute to the gentleman from Montana [Mr. MARLENEE].

Mr. MARLENEE. Well, Mr. Chairman, now I am thoroughly confused. We hear that we should support the Antioch School of Law because it is established, as was mentioned by our colleague from New York, that it was established, because it has done all these great things, because it supports the minority.

On the other hand, we heard from the other side of the aisle that it is not for that purpose.

Mr. PARRIS. Mr. Chairman, if the gentleman will yield, perhaps I can dispel some of the confusion here. I yield myself 2 minutes to do so.

Mr. Chairman, I am reading from the June 18, 1987, Committee on Appropriations report submitted by the gentleman from California [Mr. DIXON] and in this report which applies to this bill, on page 46, which I would invite my colleagues to read, it says:

> The committee has approved the request of $2,100,000 and 65 positions for the new public school of law established under D.C. Law 6-177, effective February 24, 1987, through the acquisition of the present Antioch School of Law.

It goes on to say further down on the page:

> The committee notes that the American Bar Association's Committee on Accreditation has always—

Always, from the committee report—

> been on record as opposed to Antioch's accreditation.

Further down the page:

> It was extremely difficult to recommend approval of this request.

It is not extremely difficult. It is impossible, and I submit to my colleagues that in spite of the high regard I have for the gentleman from California and the gentleman from Pennsylvania and others, in this one their judgment is wrong, not my answers.

I would submit to the gentleman from California that his report justifies it.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I am glad to yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, as I indicated before to the gentleman, notice that this is report language. And we placed it in the report because the committee felt this was an issue of home rule, and more importantly, any Member of this House had an opportunity to object to the legislation establishing this institution when that legislation was transmitted to the Congress for the required 30-day layover, through the process we have set up to nullify ordinances of the District government. The gentleman is a member of the Committee on the District of Columbia which has that jurisdiction. The gentleman did not do so.

Mr. PARRIS. Mr. Chairman, let me reclaim my time just to give my friend, the gentleman from California, a little bit of intelligence on that.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. PARRIS. Mr. Chairman, I yield myself 1 minute for that purpose.

The CHAIRMAN. The gentleman from Virginia is recognized.

Mr. PARRIS. I would say to my friend, the gentleman from California, the gentleman has never suffered under the discrimination of the minority in this body. The gentleman is not restricted in his consideration of these kinds of measures, when in fact the majority will not hold hearings on a resolution of disapproval, when in fact the only disapproval of the D.C. actions that we have ever adopted essentially was on an amendment of the criminal code.

Now, that is nobody's fault, and I see the chairman of the committee rising to his feet. I want to publicly suggest right now that that is not the result of any actions of the gentleman from California [Mr. DELLUMS], the chairman of the committee. It is called reality, I would say to my other friend, the gentleman from California, and what we must do is utilize this floor and the rules of this House to accomplish our purposes in whatever way we see fit.

I do not apologize to any Member for that reason.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

I would simply ask my colleagues, first of all, had the gentleman introduced a resolution of disapproval, this gentleman serves as chair of the District of Columbia Committee, where my distinguished colleague serves as the ranking minority member, and this Member has never ever once violated the integrity of the process and has always provided legitimate opportunity for every single Member to advance their ideas.

One would construe from the gentleman's comment that that was indeed not the case. The gentleman certainly has not heard of a resolution of disapproval. I am prepared to move on any item that the minority has ever raised, because in case the gentleman cannot recognize it from this distance, this gentleman is also in the minority and very sensitive to the position of the minority in any institution in which I find myself.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I am happy to yield to the gentleman from Virginia.

Mr. PARRIS. Once again, Mr. Chairman, I will publicly acknowledge that the leadership on the Committee of the District of Columbia by the gentleman from California [Mr. DELLUMS] is exemplary. There has never ever been an occasion in which the views of the minority were not permitted.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. DIXON. Mr. Chairman, I yield 1 additional minute to the gentleman from California.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding.

Let me just in this one final moment make some clarification to my colleagues.

This bill embraces the expenditure of funds on the part of the District of Columbia in two parts, the funds that they raise locally in their own taxation and the Federal payment.

Let me say to my colleagues that the Federal payment is not a gift to the District of Columbia. The Federal payment is based upon two factors. It is revenue in response to services rendered on the part of the District of Columbia to the Federal Government.

Second, it is a payment in lieu of taxes. It is a payment that allows the ambience of the District of Columbia to continue to go forward. We have not Manhattanized the District of Columbia, because millions of American people have come to embrace the District of Columbia in the fashion that it is, so we do not build buildings higher. We do not allow certain factors to obtain in the District of Columbia, because we choose to maintain this delicate and fragile ambience. That is the basis of the Federal payment and the District of Columbia has the right to spend those funds in any fashion that it chooses.

Mr. DIXON. Mr. Chairman, I yield 2 minutes to the gentleman from the District of Columbia [Mr. FAUNTROY].

Mr. FAUNTROY. Mr. Chairman, I simply rise in opposition to the amendment for three compelling reasons.

The first is that contrary to the assertion of the author, this is a home rule question. As Members know, an overwhelming majority of the duly elected members of the city council have approved the acquisition of the Antioch School of Law. Ten thousand people, residents of the District of Columbia, petitioned the council to do so and the Government to move ahead with this publicly funded law school.

The second compelling reason is that this is not just one law school added to seven in the District of Columbia. The fact is this is a unique law school. This is a law school that addresses the needs of the lost, the last, and the least.

□ 1305

It is a law school which has dealt with the cases of 19,000 poor people over the course of its last 13 years who would have no opportunity for legal representation with respect to their case. And there is nothing wrong with a law school of that nature training and providing people throughout this country for that kind of law ministry, if you please. Just as we fund the Gallaudet school for purposes of meeting a need nationally that is certainly felt locally, certainly we ought to do this.

The final reason is that, quite frankly, we have trampled the rights of the District of Columbia residents in the previous vote. I hope that Members will not continue to do that in this case.

Mr. HOYER. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Chairman, I rise to align myself with the remarks of the gentleman from the District of Columbia, and rise in strong opposition to this amendment.

The issue is very clear: Whether the District of Columbia can make a decision as to whether or not it wants to purchase this law school. That is its decision, not ours, and we ought to allow this to stand, and we ought to defeat this amendment.

The CHAIRMAN. The gentleman from California [Mr. DIXON] has the right to close debate, should he choose. He has 1 minute remaining.

The gentleman from Virginia [Mr. PARRIS] has 3 minutes remaining.

Mr. PARRIS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the issue here is not the representation of 19,000 poor people in this city. There is an enormous public defender program and there are legal services programs in this city; that is where they ought to be. We fund those as well, and I support that.

The issue here is that 91 percent of the people that attend this law school do not even live here. There are already seven accredited existing marvelous law schools that serve this area. How do you justify another one paid for out of a half a billion dollars' worth of funds that were collected in every State of this Nation, not in this city? There is $1½ million, roughly, in the supplemental appropriation which right now is subject to a conference with the Senate. If that $1½million is spent the first time, here goes another $2½ million this time, we have 65 more faculty authorized, we have $2.1 million of operating expenses. We have a 5-year program and a report coming that we have not even seen. yet we are spending the money right now.

The CHAIRMAN. The time of the gentleman from Virginia [Mr. PARRIS] has expired.

Mr. PARRIS. Mr. Chairman, I yield myself my final minute.

The CHAIRMAN. The gentleman from Virginia has 2 remaining minutes.

Mr. PARRIS. Mr. Chairman, in a gracious attempt to meet the Friday schedule, I reluctantly relinquish my other minute.

Mr. Chairman, I would simply say to my colleagues one last time that these are Federal funds. These are funds that are collected, a half a billion dollars of them, and I do not see how you say, "Well, these are their funds and these are our funds, and these are the ones that we provide, and these are the ones that they raise." It is all the same budget. We provide a half a billion dollars.

Members can go back to California and Georgia and Montana and Idaho and explain that if they like. I have to go back to Virginia, and I do not see any reason why I ought to go back to Alexandria and say, "OK, ladies and gentlemen, we are going to use our money to provide their law school in the District," when they can go to George Mason, George Washington, Georgetown, American, you name it. We have seven of them already today, all accredited and available to anybody who desires to attend.

Mr. DIXON. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. CROCKETT], to close the debate.

Mr. CROCKETT. Mr. Chairman, it seems to me what this argument amounts to is whether or not the District of Columbia should have the right to do precisely what every Member of this Congress insists that its own State government has the right to do—to maintain a State university and to decide whether or not that State university should have a law department or a law school.

We have it in Michigan. They have it in Indiana. And I am sure that they have it over in Virginia. Why should not the people here in the District of Columbia have the right to do the same thing?

If so, then they can either create this law school from the beginning, or they can buy an existing law school. They have opted to buy an existing law school, and that is their prerogative.

The argument that there will be too many law schools simply does not make sense. In my hometown of Detroit we have five law schools. In addition, we have two others, at the State university in Ann Arbor and another one in Lansing—seven law schools, and here we are carping about the right of the District of Columbia to create one law department at its own university.

I oppose the amendment, and I ask my colleagues to support that opposition.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Virginia [Mr. PARRIS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. PARRIS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 152, noes 204, not voting 77, as follows:

[Roll No. 222]

AYES—152

Andrews
Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Coats
Coble
Combest
Conte
Coughlin
Craig
Crane
Dannemeyer
Daub
Davis (IL)
Davis (MI)
Derrick
Dickinson
DioGuardi
Dornan (CA)
Dreier
Duncan
Emerson
English
Fawell
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Grandy
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Hiler
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hutto
Inhofe
Ireland
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Lott
Lukens, Donald
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McGrath
McMillan (NC)
Meyers
Miller (OH)
Molinari
Montgomery
Moorhead
Morrison (WA)
Myers
Nelson
Nichols
Nielson
Packard
Parris
Pashayan
Penny
Petri
Ravenel
Ray
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rogers
Roth
Roukema
Rowland (CT)
Saxton
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Stenholm
Stump
Swindall
Tauke
Taylor
Torricelli
Upton
Vander Jagt
Vucanovich
Walker
Watkins
Weber
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—204

Akaka
Alexander
Annunzio
Anthony
Applegate
Aspin
Atkins
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Boggs
Bonker
Borski
Bosco
Boucher
Brennan
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Courter

Coyne
Crockett
Darden
de la Garza
DeFazio
Dellums
DeWine
Dicks
Dingell
Dixon
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Erdreich
Evans
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Foley
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Hochbrueckner
Howard
Hoyer
Hughes
Hyde
Jacobs
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCurdy
McEwen
McHugh
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Morella
Morrison (CT)
Mrazek
Murtha
Natcher
Neal
Nowak
Oakar
Oberstar
Obey
Olin
Owens (NY)
Patterson
Pease
Pelosi
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Rahall
Rangel
Richardson
Rodino
Roe
Rostenkowski
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Slaughter (NY)
Smith (IA)
Spratt
Staggers
Stallings
Stark
Stratton
Swift
Synar
Tallon
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Yates
Yatron

NOT VOTING—77

Ackerman
Anderson
AuCoin
Boland
Boner (TN)
Bonior (MI)
Boulter
Boxer
Brooks
Chappell
Cheney
Clarke
Clinger
Coleman (MO)
Daniel
DeLay
Donnelly
Early
Edwards (OK)
Espy
Fields
Flake
Gejdenson
Gephardt
Grant
Gregg
Hall (TX)
Harris
Hayes (LA)
Henry
Herger
Hertel
Holloway
Hunter
Jeffords
Jenkins
Jones (NC)
Kemp
Kennelly
LaFalce
Leland
Lent
Livingston
Lloyd
Lungren
Mavroules
Michel
Moody
Murphy
Nagle
Ortiz
Owens (UT)
Oxley
Panetta
Pepper
Pursell
Quillen
Roemer
Rose
Russo
Skelton
Smith (FL)
Smith, Robert (OR)
Snowe
Solarz
St Germain
Stokes
Studds
Sundquist
Sweeney
Tauzin
Thomas (CA)
Thomas (GA)
Walgren
Weldon
Wolpe
Wyden

□ 1315

The Clerk announced the following pairs:

On this vote:

Mr. Boulter for, with Mr. Chappell against.

Mr. Sundquist for, with Mr. Leland against.

Mr. Thomas of California for, with Mr. Solarz against.

Mr. GORDON and Mr. PORTER changed their votes from "aye" to "no."

Mr. WORTLEY changed his vote from "no" to "aye."

So the amendments were rejected.

The result of the vote was announced as above recorded.

□ 1330

The CHAIRMAN. Are there other amendments to the bill?

Mrs. BENTLEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, because of a current rule structure I cannot offer my amendment at this time but I would like to explain what it is.

Mr. Chairman, my amendment is aimed at insuring freedom of trade among the District of Columbia and the contiguous States. While I am reluctant to even appear to interfere in the domestic affairs of the District, a piece of legislation which sets up barriers which are of questionable constitutionality, places impediments between sister jurisdiction and invites retaliation from those adjoining States should not be allowed to stand.

This amendment merely makes it impossible to use the Government's money to usurp functions assigned to the Congress by the Constitution. The Congress regulates commerce between the States, not each individual jurisdiction.

I would ask the gentleman from California [Mr. Dixon] and the gentleman from Pennsylvania [Mr. Coughlin] if they would agree to take a look at this problem and see if it would be reasonable to reach a settlement on it later on.

Mr. DIXON. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the chairman of the subcommittee, the gentleman from California [Mr. Dixon].

Mr. DIXON. I thank the gentlewoman for yielding.

Mr. Chairman, this amendment came to my attention only yesterday. I appreciate the gentlewoman's not offering it today. There would appear on the surface to be some inequity in the law and she would like to correct that situation. I will work with her and with Mr. Hoyer, a member of our subcommittee, and with the city government in trying to correct the inequity.

Mr. COUGHLIN. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the ranking minority member, the gentleman from Pennsylvania [Mr. Coughlin].

Mr. COUGHLIN. I thank the gentlewoman for yielding.

Mr. Chairman, I agree. We do appreciate the gentlewoman withholding the amendment. We will work with her and see if we can resolve the issue.

Mr. HOYER. Mr. Chairman, will the gentlewoman yield?

Mrs. BENTLEY. I yield to the gentleman from Maryland [Mr. Hoyer].

Mr. HOYER. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in support of the thrust of the gentlewoman's amendment and her request. I want to assure the gentlewoman from Maryland that I intend to work very closely with the chairman of the District of Columbia Subcommittee, on which I serve, to try to solve the problem that the gentlewoman brings up at this point in time.

Mrs. BENTLEY. Mr. Chairman, I appreciate the support of my colleague from Maryland and I submit a copy of my amendment:

AN AMENDMENT TO H.R. 2713 BY MRS. BENTLEY OF MARYLAND

Page 27, after line 17, insert the following section:

Sec. 132. None of the Federal funds appropriated or otherwise made available by this Act may be obligated or expended to implement, administer, or enforce any rule, regulation, or other provision of law which would require any liquor wholesaler in the District of Columbia to store beverages upon premises within the District of Columbia.

Mr. ARMEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had intended to offer an amendment to this bill on behalf of a group of us Members who have joined together as a group of volunteers or, as we have sometimes been referred to, a group of self-anointed buget cutters. But in fact, Mr. Chairman, the group of us agreed that we would look for places in these appropriations bills where we would be asked to appropriate funds in excess of what had been spent in the 1987 budget. And in those instances we would try to achieve amendments that would reduce the increase by one-half.

In this case of this particular appropriations bill I think we all would like to commend the committee for the fact that in this instance we are appropriating revenues that are at a level less than 1987 and, therefore, we see no pressing need for budgetary reasons to achieve that balance.

I might mention that I had a few items in the bill on a line-item basis that I might have preferred to cut. But in deference to our overall plan, and in deference to the regard that we hold for the committee, we chose not to do that.

Nevertheless, in this case there is one item that still bothers me, the manner in which we as a Federal Government compensate the District for our use of water and sewage, not in the ordinary course of business as the District does business with non-Federal users or as the Federal Government does business with local governments throughout the country.

Rather than paying on a billing basis we have a prepayment here which in this case amounts to $48 million, $7 million of which is to pay for the overages of 1987 with respect to what had been appropriated.

The administration would like us to not appropriate these funds. In this case, we do have a little difficulty in the authorizing language. Rather than to try to use the appropriations bill as an effort to leverage the authorizing committee I believe it would be more appropriate for us to extend our efforts to not only the budget committee and the appropriations committee but in this case and perhaps in others to pull the authorizing committee into the process.

At this time I have asked the chairman of the committee and the ranking member, and in addition the chairman and ranking members of the appropriate authorizing committees, to join with me in a colloquy to see if we could find an agreement by which, rather than offer an amendment at this time to strike that amount of money, that we go to the authorizing legislation and try to effect a change in the legislation that would enable the Federal Government to do business with the local government on a billing basis rather than on a prepayment basis, and bring that business practice into uniformity with what we have in the course of business throughout the relationship between the Federal Government and all other local government units.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from California [Mr. Dixon], chairman of the subcommittee.

Mr. DIXON. I thank the gentleman for yielding.

Mr. Chairman, I appreciate the gentleman from Texas not offering an amendment at this point. As he indicates, legislation is required in order for the District of Columbia Government to bill agencies directly. And I am sure the authorizing committee will give full consideration to whatever legislative proposals are submitted. The gentleman from California, Mr. Dellums, who is chairman of the Committee on the District of Columbia, is present.

I pledge to work with him on this proposal.

However, I have reservations as to its practicality and the reasons for changing the present system, but I will work with the gentleman, Mr. Armey, and with Mr. Dellums, and with Mr. Coughlin, the ranking member of our subcommittee, on this issue.

But let me take a moment to clarify two points:

First, this is not a lump sum prepayment to the District Government because these funds stay in the Federal Treasury until they are transferred to the District on a quarterly basis.

Second, it is much more efficient to collect from one source in one lump sum rather than set up a bureaucracy to deal with each of the several agencies.

In other words it costs money to process the water and sewer bills.

The present system works and works well.

Regardless of whether the amount is appropriated in one lump sum in this bill or is paid by individual agencies through several appropriation bills, the amount withdrawn from the Federal Treasury is going to be the same; the only difference will be the added bureaucratic burden and paperwork which should result from OMB's proposal.

I don't believe anyone is going to flush the toilet less or use significantly less water because their agency is being billed directly, they probably won't even know.

I realize that Federal agencies located in other cities are billed directly.

But let's face it, the Nation's Capital is unlike any other city. There are more Federal agencies located in Washington, DC, than there are in any other city in the country.

So as you can see, I do have serious reservations about any proposal that would tamper with the present system which I think is effective and efficient. But as I said earlier, I will work with the gentleman to see that the proposal receives proper consideration.

Mr. DELLUMS. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I yield to the gentleman from California [Mr. Dellums].

Mr. DELLUMS. I thank the gentleman for yielding.

Mr. Chairman, I join my colleague in his expression of cooperation with the gentleman. I have some reservations with respect to the bureaucracy that this may evolve into but I am certainly prepared, if the gentleman will submit an organic piece of leislation to the District of Columbia Committee, that I, along with Mr. Parris and other members of that committee, will hold hearings and deal with the Members' legislation.

Mr. ARMEY. I thank the gentleman for his comments.

The CHAIRMAN. Are there other amendments to the bill?

Mr. CARPER. Mr. Chairman, I move to strike the last word.

I will only use 1 minute of the time allotted to me. I simply want to add to what the gentleman from Texas [Mr. Armey] has said. During the course of this week a number of Democrats and Republicans have joined together to offer amendments to reduce by half the increase in each appropriation bill that has come to the floor. We will continue to do so in the week ahead. I think it is very important to underline that we are not doing that today and the reason why is because there is absolutely no increase in this appropriation bill. I just wanted to take a moment to salute the chairman and each of the members of the subcommittee for the good work that they have done.

Mr. DIXON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. Coelho] having assumed the chair, Mr. Cooper, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2713) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal years ending September 30, 1988, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER pro tempore. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PARRIS. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 225, noes 113, not voting 95, as follows:

[Roll No. 223]

AYES—225

Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Biaggi
Bliley
Boehlert
Boggs
Borski
Boucher
Brennan
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Coelho
Coleman (TX)
Collins
Conte

Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Dorgan (ND)
Downey
Dwyer
Dymally
Dyson
Eckart
Edwards (CA)
Erdreich
Evans
Fascell
Fazio
Feighan
Fish
Flippo
Florio
Foglietta
Ford (MI)
Ford (TN)
Frank
Frost
Garcia
Gaydos
Gekas
Gilman
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hawkins
Hayes (IL)
Hefner
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Hughes
Hutto
Hyde
Jacobs
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mazzoli
McCloskey
McDade
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Morella
Morrison (CT)
Mrazek
Murtha
Myers
Natcher
Neal
Nelson
Nichols
Oakar
Oberstar
Obey
Olin
Owens (NY)
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Rahall
Rangel
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Saiki
Savage
Sawyer
Scheuer
Schneider
Schumer
Sharp
Sikorski
Skaggs
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NJ)
Spratt
Staggers
Stangeland
Stark
Stratton
Swift
Synar
Tallon
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Waxman
Wheat
Whittaker
Whitten
Wilson
Wise
Wolf
Wortley
Yates
Yatron
Young (AK)
Young (FL)

NOES—113

Archer
Armey
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bereuter
Bilbray
Bilirakis
Bonker
Bosco
Broomfield
Bunning
Callahan
Chandler
Coats
Coble
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeWine
Dickinson
DioGuardi
Duncan
Emerson
English
Fawell
Frenzel
Gallegly
Gallo
Gradison
Grandy
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Hiler
Hopkins
Houghton
Huckaby
Inhofe
Ireland
Kasich
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McCurdy
McEwen
McGrath
Miller (OH)
Moorhead
Nielson
Packard
Parris
Petri
Ravenel
Ray
Rhodes
Ritter
Roberts
Roth
Rowland (CT)
Saxton
Schaefer
Schroeder
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stallings
Stenholm
Stump
Swindall
Tauke
Taylor
Upton
Volkmer
Vucanovich
Walker
Watkins
Weber
Weiss
Williams
Wylie

NOT VOTING—95

Ackerman
Anderson
AuCoin
Boland
Boner (TN)
Bonior (MI)
Boulter
Boxer
Brooks
Brown (CO)
Burton
Byron
Chappell
Cheney
Clarke
Clay
Clinger
Coleman (MO)
Daniel
DeLay
Donnelly
Dornan (CA)
Dowdy
Dreier
Durbin
Early
Edwards (OK)
Espy
Fields
Flake
Foley
Gejdenson
Gephardt
Gibbons
Gingrich
Goodling
Grant
Gregg
Hall (TX)
Harris
Hayes (LA)
Henry
Herger
Hertel
Holloway
Hunter
Jeffords
Jenkins
Jones (NC)
Kemp
Kennelly
Kolbe
LaFalce
Lehman (FL)
Leland
Lent
Livingston
Lloyd
Lungren
Mavroules
Michel
Moody
Morrison (WA)
Murphy
Nagle
Nowak
Ortiz
Owens (UT)
Oxley
Panetta
Pepper
Pursell
Quillen
Roemer
Rogers
Rose
Russo
Sisisky
Skelton
Smith (FL)
Smith, Robert (OR)
Snowe
Solarz
St Germain
Stokes
Studds
Sundquist
Sweeney
Tauzin
Thomas (CA)
Thomas (GA)
Walgren
Weldon
Wolpe
Wyden

□ 1345

The Clerk announced the following pairs:

On this vote:

Mr. Chappell for, with Mr. Robert F. Smith against.

Mr. Leland for, with Mr. Roemer against.

Mr. Durbin for, with Mrs. Lloyd against.

Mr. Flake for, with Mr. Lungren against.

Mr. Solarz for, with Mr. Sundquist against.

Mr. Ortiz for, with Mr. Quillen against.

Mr. HASTERT and Mr. GRANDY changed their votes from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1400

GENERAL LEAVE

Mr. DIXON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on H.R. 2713, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION TO HAVE UNTIL MIDNIGHT, JUNE 28, 1987, TO FILE CONFERENCE REPORT ON H.R. 1827, SUPPLEMENTAL APPROPRIATIONS, 1987

Mr. DIXON. Mr. Speaker, I ask unanimous consent that the managers may have until midnight, June 28, 1987, to file a conference report on the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes.

The SPEAKER pro tempore. Is there objection to the requst of the gentleman from California?

There was no objection.

PROVIDING FOR ATTENDANCE OF CERTAIN CONGRESSIONAL PERSONNEL AT CELEBRATION OF BICENTENNIAL OF THE CONSTITUTION IN PHILADELPHIA, PA

Mrs. BOGGS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (H. Con. Res. 131) providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, PA, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the concurrent resolution.

The Clerk read the Senate amendment, as follows:

Page 2, line 5, after "delegates." insert "Not less than 20 percent of the official delegates designated pursuant to subsection (a) shall be Senators.".

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

A motion to reconsider was laid on the table.

ADJOURNMENT TO MONDAY, JUNE 29, 1987

Mrs. BOGGS. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mrs. BOGGS. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Louisiana?

There was no objection.

NAMELESS, FACELESS GENERALS

(Mrs. SCHROEDER asked and was given permission to address the House for one minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, the outgoing Marine Corps Commandant tells us that the problem with the Marine Corps is working mothers and "nameless, faceless day care centers."

Apparently, Ollie North had a working mother and spent his preschool years in a day care center?

I guess that means that the generals who were on duty when the 241 marines died in Lebanon had working mothers?

And the officers who managed embassy security are also the products of day care centers?

The Commandant told the Washington Post that "he could not judge (Ollie) North's performance," because "since 1981, 'he hasn't belonged to me.' "

Is he implying he belongs to his mother, not the Marine Corps?

The Commandant's remarks are unfortunate, and discredit not only American mothers, but the thousands of men and women who have served the Marine Corps honorably.

LA PRENSA, LAST FREE PRESS VOICE OF NICARAGUAN PEOPLE, CLOSED

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, 1 year ago yesterday, this House voted to authorize $100 million in aid to the Nicaraguan resistance to support their efforts to bring democracy and protection of human rights to their country.

One year ago today, the Sandinista regime—showing its commitment to its promises to the OAS for protection of human rights—closed La Prensa, the last free press voice of the Nicaraguan people.

Violeta Chamorro, publisher of La Prensa, said in a speech in Washington barely a month before La Prensa was closed that—

> There is complete censorship and I don't wish it on any of you here today. Everyday I praise and congratulate all of those who collaborate with our paper, who write and rewrite our paper two, three or four times a day. But we have the obligation, as Nicaraguans, and especially those of us who are still in Nicaragua, to publish even with the censorship and the vicissitudes under which we live. This newspaper must exist in Nicaragua.

Sadly, it no longer does.

NO REFLAGGING OF KUWAITI SHIPS

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, the Constitution provides that we should not go to war without the action of the U.S. Congress. This country is faced today with the possibility that we might go to war without that action being considered seriously by Congress, and that is because of the reflagging of the Kuwaiti ships. If those ships are fired upon, it is very likely that eventually we will get into a war.

It is not necessary to reflag those ships. The U.S. Government can do everything it needs to or wants to do, everything they can do with flagging the ships, or without flagging the ships. We can keep the sealanes open just as well constitutionally, just as well legally, under international law.

Flagging the ships, however, will leave in the hands of somebody else the decision whether our country will go to war or not. I think it is a very serious mistake. Next week I hope to be able to add an amendment to a bill, the Coast Guard bill or some other bill, to see to it that we do not allow the reflagging of those ships.

UNCLE SAM'S FOREIGN PHILANTHROPY

(Mr. KASICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. Speaker, recently the Readiness Subcommittee of the House Armed Services Committee on which I serve dealt with a request by the Army to reprogram funds so that it could pay the costs associated with the termination of a contract. The Army needed the money to cover severance pay for Japanese employees of American banks at United States military bases in Japan. These employees' jobs were cut when the banks' contract to provide financial services to U.S. servicemen in Japan expired.

To say that these severance payments were generous is the understatement of the decade. According to the testimony, the military was obligated to pay over $28 million to about 140 Japanese ex-employees, or an average of $200,000 per person. Even the people at "Ripley's Believe It or Not" would find that difficult to comprehend. Even worse, the money had already been paid, and the Army came to us 6 months after the fact.

The situation is something neither I nor the American taxpayer can tolerate. It raises a number of questions, each more disturbing than the last. How is it possible that the military could enter into a contract that would allow such outlandish severance payments to foreign nationals? Why was the Government, and not the banks in question, responsible for the payments? Why was the Army only now coming to us with a reprogramming request covering its share of the funds? Most important, are there any more such agreements that the American taxpayer might be liable for in the future?

Mr. Speaker, there are hundreds of U.S. military facilities in dozens of foreign countries. Do any of these bases have similar sweetheart deals with foreign contract employees? If there are, one can only conclude that the U.S. taxpayer is responsible for paying hidden foreign aid in addition to direct payments for the use of foreign bases. Can we really justify paying $200,000 to the citizens of rich countries like Japan?

We must investigate these military overseas contracts to see if there are any more such boondoggles, and in the meantime, of course, offer corrective legislation. With all our serious budgetary problems and trade imbalances, the United States cannot afford to reward foreign nationals with more money than most Americans have ever seen for the "privilege" of defending them.

THE SUPPLEMENTAL APPROPRIATIONS BILL

(Mr. JONTZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONTZ. Mr. Speaker, I would like to call to the attention of my colleagues a very serious problem that farmers and agribusinesses in this country are facing. Due to delays on the Senate side in approving the supplemental appropriations bill, the Commodity Credit Corporation [CCC] has been out of money since May 1. Because of this many farmers and agribusinesses have not received payments that the CCC owes them.

Due to the increased participation in the farm program this year the local ASCS offices had a difficult time keeping up with the demand, and mistakes were made in the computation of payments owed to farmers. As a result of these mistakes the local ASCS had to refigure many farmers payments and that resulted in a delay of payments to producers. Some of these were not completed until after May 1, and, therefore, many producers have not been paid.

Likewise many grain elevators, commercial warehouses, and farmers have not been paid for storing surplus crops. Most of these farmers and agribusinesses were banking on these payments to operate their businesses, and the delay is causing serious cash-flow problems, and forcing many of them to borrow money to meet their obligations.

Mr. Speaker, I would like to encourage my colleagues on the House conference committee and the full House to move quickly to resolve the impasse on this issue. The problems that the agriculture community in Indiana and the Nation face are already of crisis proportions. This unnecessary delay of payments just makes the crisis worse.

H.R. 27, FSLIC RECAPITALIZATION

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. INHOFE. Mr. Speaker, as the House and Senate conferees prepare to meet to consider the FSLIC recapitalization legislation and other banking issues, I want to take this opportunity to urge the House conferees to stick with the House position in conference. I am deeply concerned that certain provisions of S. 790, the bill passed by the Senate, will delay final passage of this measure.

My constituents are concerned about the financial services industry, but they are more concerned about the safety and soundness of their local savings and loan institutions. They want Congress to get its priorities straight and tend to the emergency matters first. The other provisions, attached by the Senate, are legitimate and important, but they need to be considered at another time on another day.

The people of this country must have confidence in their savings and loans. They will not maintain their faith much longer if we don't act quickly to shore up the FSLIC system. The Senate has taken some decisive action on legislation affecting the financial services industry, but we must not let that detract us from taking the timely action that we must to save FSLIC.

I urge the conferees to insist upon the House position and continue to strive for a "clean" FSLIC bill.

DISTURBING MEETING OF POPE WITH KURT WALDHEIM

(Mr. BONKER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONKER. Mr. Speaker, I rise to express my dismay and extreme disappointment over Pope John Paul's official meeting with Austrian President Kurt Waldheim.

I have come to admire Pope John Paul. His commitment to the poor and his vision of peace is, in my judgment, perfectly consistent with the Christian faith. He has become more than the head of the world's largest church and a well-known religious leader. He is a widely recognized person as a symbol of truth and justice everywhere. As such, Pope John Paul has become the conscience of our time.

That is why his invitation to Kurt Waldheim is so disturbing. To extend an official meeting at the Vatican and warmly greet a man who has been widely believed to have been associated with Nazi Germany, while the United States and other nations have shunned him, raises troubling questions indeed.

I know that the Papal has certain corporate responsibilities as head of Vatican City, but I am sorry that the Pope did not use greater sensitivity and display the moral courage we all know that he possesses as a religious leader by not receiving the Austrian President.

A MAJOR VICTORY FOR THE GREAT WHALES

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, good news.

The great whales won a major victory yesterday in England. As I have previously pointed out, several nations, principally Japan, have continued whaling despite the passage of a moratorium on commercial whaling. They are using a loophole to continue their slaughter calling it "research whaling." Yesterday a resolution sponsored by the United States placing severe restrictions on research whaling was passed by a vote of 19 to 6.

The U.S. Commissioner, Under Secretary of Commerce, Dr. Anthony Calio, deserves credit and merits high praise for his unflagging efforts to gain passage of this resolution. Although it might be presumptuous of me, I would like to say "thank you" on behalf of the majority of the American public who desire an end to whaling and on behalf of all of the whales who are unable to express their gratitude. It was a job well done.

□ 1415

THE 24TH ANNIVERSARY OF JOHN F. KENNEDY'S SPEECH IN BERLIN

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORNAN of California. Mr. Speaker, during the earlier period of debate on D.C. appropriations, I made reference to today being the 24th anniversary of one of the four greatest nonreligious or theological speeches that I had ever heard in my life. I said that two of them were by the same man, General MacArthur—one of them in this Chamber, in April 1951, when I was 18 years of age in college, and the other by General MacArthur on the plains of West Point 25 years ago last month, when he said goodbye to the Corps of Cadets. That is the greatest speech that I have ever heard.

The other two speeches were also by one man, the youngest President ever elected to this country's highest office. The only other younger President got there through the tragedy of an assassination, the great Teddy Roosevelt.

John F. Kennedy, when he was still only 46 years of age, today, two dozen years ago, stood within a stone's throw of the ugly Berlin Wall in Rudolph Wilde Platz, Berlin, and made this following incredible statement: "There are many people in the world who really don't understand, or say they don't, what is the great issue between the free world and the Communist world. Let them come to Berlin. There are some who say that communism is the wave of the future. Let them come to Berlin."

And I add, having just visited two Communist capitals, "Let them go to Hanoi. Let them go to Managua." And you will see that President Kennedy's words are correct, that communism is an evil system. But there are those who say that it permits us to make progress. There is no progress anywhere in the world under the heel or yoke of communism.

Mr. Speaker, I offer the whole magnificent speech of President Kennedy in Berlin in 1963 for inclusion in this point in the RECORD.

The speech follows:

> I am proud to come to this city as the guest of your distinguished Mayor who has symbolized throughout the world the fighting spirit of West Berlin. And I am proud to visit the Federal Republic with your distinguished Chancellor who for so many years has committed Germany to democracy and freedom and progress, and to come here in the company of my fellow American, General Clay, who has been in this city during its great moments of crisis and will come again if ever needed.
>
> Two thousand years ago the proudest boast was *"civis Romanus sum."* Today, in the world of freedom, the proudest boast is *"Ich bin ein Berliner."*
>
> I appreciate my interpreter translating my German!
>
> There are many people in the world who really don't understand, or say they don't, what is the great issue between the free world and the Communist world. Let them come to Berlin. There are some who say that communism is the wave of the future. Let them come to Berlin. And there are

some who say in Europe and elsewhere we can work with the Communists. Let them come to Berlin. And there are even a few who say that it is true that communism is an evil system, but it permits us to make economic progress. *Lass' sie nach Berlin kommen.* Let them come to Berlin.

Freedom has many difficulties and democracy is not perfect but we have never had to put a wall up to keep our people in, to prevent them from leaving us. I want to say, on behalf of my countrymen, who live many miles away on the other side of the Atlantic, who are far distant from you, that they take the greatest pride that they have been able to share with you, even from a distance, the story of the last 18 years. I know of no town, no city, that has been besieged for 18 years that still lives with the vitality and the force, and the hope and the determination of the city of West Berlin. While the wall is the most obvious and vivid demonstration of the failures of the Communist system for all the world to see, we take no satisfaction in it, for it is, as your Mayor has said, an offense not only against history but an offense against humanity, separating families, dividing husbands and wives and brothers and sisters, and dividing a people who wish to be joined together.

What is true of this city is true of Germany—real, lasting peace in Europe can never be assured as long as one German out of four is denied the elementary right of free men, and that is to make a free choice. In 18 years of peace and good faith, this generation of Germans has earned the right to be free, including the right to unite their families and their nation in lasting peace, with good will to all people. You live in a defended island of freedom, but your life is part of the main. So let me ask you as I close to lift your eyes beyond the dangers of today, to the hopes of tommorrow, beyond the freedom merely of this city of Berlin, or your country of Germany, to the advantage of freedom everywhere, beyond the wall to the day of peace with justice, beyond yourselves and ourselves to all mankind.

Freedom is indivisible, and when one man is enslaved, all are not free. When all are free, then we can look forward to that day when this city will be joined as one and this country and this great Continent of Europe in a peaceful and hopeful globe. When that day finally comes, as it will, the people of West Berlin can take sober satisfaction in the fact that they were in the front lines for almost two decades.

All free men, wherever they may live, are citizens of Berlin, and, therefore, as a free man, I take pride in the words *"Ich bin ein Berliner."*

NOTE: The President spoke at 12:50 p.m. from a platform erected on the steps of the Schoneberger Rathaus, West Berlin's city hall, where he signed the Golden Book and remained for lunch. In his opening remarks he referred to Mayor Willy Brandt, Chancellor Adenauer, and Gen. Lucius D. Clay.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

THE PERSIAN GULF

The SPEAKER pro tempore [Mr. TORRES]. Under a previous order of the House, the gentleman from West Virginia [Mr. WISE] is recognized for 60 minutes.

Mr. WISE. Mr. Speaker, today I want to take this time to talk about the situation in the Persian Gulf. I think that it is incumbent upon Members of both parties who have reservations about the policy that we are about to embark upon to take note that sometime next week during the July Fourth recess the administration most likely will have followed its commitment through and reflagged 11 Kuwaiti vessels, 11 Kuwaiti oil tankers. They will then in effect be U.S. tankers, and they will be entitled to and will receive, according to the administration, all the protection that would come to them by benefit of that status.

That is a very significant development in the Persian Gulf, Mr. Speaker, so I have chosen this time, and I would urge my colleagues who feel strongly that this is a policy that is questionable at best to take time during the next few days to make sure that everyone understands the full implications, because make no mistake, there is much legislation that has been proposed, a number of resolutions—some would delay reflagging; some would simply be a statement of Congress expressing concern; some would say no reflagging—but the fact of the matter is that no legislation is going to pass and be enacted in time to stop this policy.

So it becomes incumbent upon us I believe to make sure that the President understands our reservations, and to make sure that those others who participate in that decision—and particularly the gulf states themselves—understand our reservations.

This is not to attack the President, because indeed politics does stop at the water's edge, but rather it is to say, "Mr. President, please reconsider. Please rethink this thing through."

First of all, let us take a given. The given is that we all agree that we do not want the Soviet Union to gain increased access or influence in the gulf. That is a statement of principle; it is the basic premise underlying my remarks today. I think that everyone in this Chamber feels the same way.

The argument is made, though, that the Soviet Union by leasing to the Kuwaitis 3 tankers is indeed gaining that influence, and that we must reflag 11 tankers to counter that and to show that the United States is indeed a serious player in the gulf and maintains its position of predominance.

Let us talk about this from several different viewpoints. First of all, of course, I have with me a map of the Persian Gulf. Here where I am pointing we have the gulf itself, and here is the now very well known Strait of Hormuz. That is where all oil must eventually pass coming from the Persian Gulf out into the Gulf of Oman and then into the sea.

Kuwait is here, Iraq is here. Iran is this land mass here. Then you have the gulf states, predominantly Saudi Arabia, here. And once again the Strait of Hormuz.

So that we understand how much distance we are talking about, it is roughly 600 miles from the center point of the Strait of Hormuz to the northernmost tip, and it is roughly 200 to 300 miles across the Persian Gulf. However, at the Strait of Hormuz you are dealing with a 60-mile width here, a 50-mile width, and a 30- to 40-mile width right here.

There are two sealanes going through the Strait of Hormuz. It is not, as some have said, possible to simply sink a ship and block the Strait of Hormuz. That is impossible. However, it is significantly commanded, of course, by Iran at this narrow point through which all ships must pass.

But for points of discussion, Kuwait, Iraq, and Iran, and of course Saudi Arabia and the Strait of Hormuz.

Now, first of all, what are the implications of reflagging Kuwaiti tankers? From a foreign policy standpoint—I will get to the military in a moment—there are grave implications. The United States at least nominally has maintained a policy of neutrality in the Iran-Iraq war, a war that has lasted 7 years and cost by conservative estimates over one-half million lives, and heaven knows when it is going to end. It has also resulted in attacks on approximately 300 tankers.

In this reflagging venture, Kuwait is an ally of Iraq. It has shipped weapons to Iraq, it has supplied money to Iraq; it is definitely perceived as an ally of Iraq, and certainly so by Iran. Any protection of Kuwaiti tankers to the exclusion of other tankers then becomes an alignment with Iraq.

Do we want to line up with Iraq? Well, what is our purpose once again. Our purpose is twofold—severalfold, actually. First, we say to guarantee free access and the right of open shipping in the gulf. The second is to counter Soviet influence.

Do we meet those responsibilities, those purposes, by this policy? Well, clearly if we tilt to Iraq we are not maintaining neutrality. But there is an even greater implication of tilting to Iraq, because then we may very well set out and do exactly what we say we do not want to do, which is to build Soviet influence in the gulf region.

Iran and the Soviet Union have long been traditional enemies, with hundreds of years of enmity between the parties. The Soviet Union feels the radical Islam movement in the southern part of its country. Yet anything that will bring the United States closer to Iraq, indeed cause Iran to attack a Kuwaiti tanker now carrying an American flag, and then causing the United States to respond and attack Iran, does what? It drives Iran exactly where we do not want it to be.

☐ 1425

We are no great friends of Iran, we all understand that. But at that same time, neither is the Soviet Union, and yet what we would do is we would drive Iran into the very arms of those who have been trying to get to them for the past few hundred years.

Second, from a foreign policy standpoint, what kind of support are we getting from our allies on this? The President went to Venice, and besides a lukewarm response on the necessity to provide access to the seas, we received no sign of support, no willingness to participate in joint ventures, no real enthusiasm for the reflagging venture. So there has been no great support by our allies.

For the Soviet Union, what does this gain them? It is really very much a low risk, high gain venture. What do they risk? They risk three tankers, and presently those tankers are assisting Kuwait. But they also recognize that those are not the tankers that are likely to be hit. The tankers that are likely to be hit are the ones carrying American flags, the ones carrying American flags and escorted by American naval personnel. I know I will stand in this well and I know anyone else would and say that when American naval personnel are attacked we shall respond. We must insist that our personnel are protected, and we will respond, but whom do we respond against? Iran. So once again what we have done is expanded the war and indeed brought ourselves into it, and probably cause Iran then to seek assistance from the Soviet Union.

My colleagues may say the Soviet Union has three tankers with Kuwait, and I am willing to bet that they will cancel those leases real quickly because that is a very, very low cost risk for them.

So from a foreign policy standpoint we set out, and we seem to be going exactly in the direction we do not want to go.

But let us talk about the military aspect for a while because I think that is important to look at also. One does not have to have a very long memory to remember Lebanon in 1983 and the marines that were asked to perform an impossible mission in Beirut and what the implications were there. Yes, we said we could protect them. We had the *New Jersey,* as I recall, offshore and shelling, and we had much of the naval fleet sitting offshore. But that could not protect 241 marines who were sitting in a barracks and sleeping in a barracks and were killed when that barracks was destroyed. It could not protect the other marines, the almost 300 in total, the other marines who were killed while pursuing their duties.

So we have to ask ourselves, are we going to be able to protect those we send?

Let us look at the reality for a minute. First of all, we will have, according to the President, an expanding force here, and we will have nine ships in the Persian Gulf in addition to the command center.

But one of the most significant problems I feel, and incidentally we will also apparently have a large battleship, the *Missouri,* but one of the large problems I see is that the air cover is going to be limited. The air cover will come most likely from the U.S.S. *Constellation,* but that will be here, it will not pass through the Straits of Hormuz, it will not be in the Persian Gulf, it will not be at the center of activity. It will be in the Gulf of Oman where it is safer, and so those planes, in order to protect up here, have to fly long distances and indeed may have to be refueled midflight.

Saudi Arabia has said that they will survey this part of the area with their AWACS planes. They are our AWACS planes really, but we sold them to the Saudis, and the Saudis have recently agreed to patrol the southern sector in their AWACS planes, intelligence planes.

However, once again, the bulk of our air cover is not going to be here, it is not going to be here, it is not going to be here. So what kind of a response time will they have? How will they be able to protect those convoys coming from Kuwait?

One might say then if this is something that benefits Kuwait and it benefits the Gulf States, it benefits those producing oil, then surely they are going to permit our planes to land, are they not? They are going to permit us to put our planes in Kuwait since we are protecting their tankers, here in Saudi Arabia, since we are protecting the stability of the gulf.

I hate to say this, but the answer is "No," they are not. Kuwait has said we will not be able to base our planes within their boundaries. Saudi Arabia has said the same thing. So those that we are there to protect will not permit us to base our planes in their country. We are protecting one country's oil tankers who will not permit us to land, so rather than having our jets here where they can quickly respond, or here, they will be out here.

So if those who would be protected really are not interested, should we be?

How much oil are we talking about? A third premise laid out in the 36-page report the President sent to the Congress says we must guarantee the free flow of oil that is so vital to Europe and to the United States. First of all, of course, the United States derives, at most, 7 percent of all the oil it uses from this Persian Gulf region. Japan derives 59 percent from this region. Europe, in its entirety, somewhere between 20 or 30 percent from this region, so we derive the least amount from the Persian Gulf region.

Kuwait supplies 12 percent of all of the oil coming from the Persian Gulf. The United States is reflagging 11 tankers. However, Kuwait ships 70 percent of all of its oil by foreign-flag tankers. What that means is that the United States is going to be embarking upon this policy to protect 4 percent, that is right, 4 percent of all of the oil coming from the Persian Gulf. It will not be protecting Saudi Arabia's tankers, it will not be protecting Iran's tankers or protecting any of the other Gulf States, but only Kuwait's tankers, and that amounts to 4 percent of all of the oil coming from the gulf.

Who has been the offender here? I do not make any arguments in behalf of Iran, but it is a little bit interesting that the country that we are choosing to reflag their tankers, and in turn begin a tilt toward one of the two major combatants, that combatant is Iraq. Iraq began the war in 1979. Iraq was the first country to begin attacking tankers, and of course it was Iraq that fired the missile that killed 37 Americans on the U.S.S. *Stark.*

Iraq, until this recent year, was attacking almost two tankers for every one the Iranians attacked. That number, incidentally, in 1986 has just about evened up, regrettably, so we have both sides attacking the same number of tankers.

Once again, if we are to protect the free flow of oil, how much oil are we protecting? Four percent, and at what risk are we doing that, not only to ourselves but to others?

It is true that European nations do have forces within the Persian Gulf. The British have some naval presence, the French have some naval presence; however, they, incidentally, are more dependent upon oil from the Persian Gulf than the United States is. However, they have not chosen to adopt the course that we have. I wonder why, because their analysis shows they do not need to.

Ever since the attack on the *Stark* there has not been a major disruption in the flow of oil other than what has already been happening. About 1 percent of the oil coming out of the Persian Gulf, if that, has been subject to attack; 1 percent. Yet once again we are embarking on a policy that may only escalate that purpose.

I have a question that I am not going to be able to answer. I am not going to be able to tell the person in my district, my constituents, I am not going to be able to give him or her a good answer when they ask me why is their son used on a ship in the Persian

Gulf, and yet the countries that that son is placed there to protect will not permit the air cover to land on their soil that is used to protect them. I am not going to be able to give that mother or father a good answer. Can you? I would like to know the answer. If it is so vital, then why will not Kuwait, why will not Saudi Arabia, why will not the other nations permit our planes to land there so we could truly guarantee the air cover that is so necessary?

I went through the agony, as did every Member of Congress here following the incident with the *Stark* where we waited to see whether one of the dead or one of the seriously wounded was one of our constituents from our district. We had from our district, the Third District, two aboard the *Stark*. Mercifully, neither was killed or injured seriously.

But are there going to be other *Starks*? If we are asking people to sail in harm's way, are we going to be able to protect them?

I guess what amazes me the most, once again, after you look at the foreign policy aspect, after you look at the military aspect of this, is once again going back to are we going to accomplish or are we going to see happen exactly what we said we did not want to see happen, and that is for the Soviet Union to gain an active presence in the gulf beyond what it has.

What has been the Soviet response to this? I think it is significant to note. The Soviet Union presently, at last count, has three ships, three warships, in the gulf region. A Soviet tanker, incidentally, was hit by a mine, most likely released by the revolutionary guards in Iran. This happened a couple of months ago. That tanker was hit. What was the Soviet response? To do nothing.

So the Soviets have not attempted to build their fleet any larger, nor did they respond when their tanker was hit. Once again, that was by Iran. Whether Iran did it consciously, that is a good question. Nobody knows. Some think that it was not the Iranian Government or military, but it was the fanatical revolutionary guard. In Iran they do not have control over all aspects of the society, over all of the military evidence, so what we could have here is the same thing happening. What an excellent chance if you are a fanatic in Iran and it is not your government policy to attack United States ships escorting Kuwaiti reflagged tankers, then why not have the revolutionary guard do it. So we could be launched into a vicious, violent spiral from which no one emerges, not by any conscious act of a government, but by the act of a fanatic.

So this just simply seems to be a no-win policy.

I do not have any disagreements with what the administration is trying to accomplish. The administration says it wants to counter any Soviet influence. But once again, let us look at the facts: a limited Soviet presence here, three Soviet tankers leased to the Kuwait Government, and the Soviet naval presence, of course, is greatly limited.

To get to the Persian Gulf from a Soviet naval base is quite a long steam, since there is nothing immediately adjacent. So they are not able to get forces to that region right away except in one way. There is only one way to get Soviet military power projected very quickly into the Persian Gulf, and that is through Iran. Do we want to give them that avenue, that outlet to the Persian Gulf?

But then you may say, Bob, that is fine, you have outlined all of the reasons not to do this, but what have you got? I think that is a fair question and one the administration can well ask those of us who are gravely concerned.

I think there are several things that can be done. First of all, the best of all worlds would be for the Kuwaiti Government to say, thank you very much, but given the problems this may cause, given the fact that there has not been significant increase in oil disruption since the attack on the *Stark*, since it is still 1 percent of the oil passing through the straits that is subject to attack, we will ask you not to reflag and we would appreciate protection if we are placed in a dangerous situation, but we will not reflag our tankers. I think we cannot reasonably expect the Kuwaiti Government to give us that way out.

Perhaps then what we need to be doing is saying that we will reevaluate the policy, we will increase our presence, our naval presence, in the gulf to counter any possible increase in Soviet influence, and we will immediately begin discussions with our allies, European, Japanese, and Saudi and gulf coast Arab allies as to how to guarantee free access. We would say let us have a cooling off period, just as we have taken and tried to take I hope an honest position of urging peace between Iran and Iraq so that we will adopt a comprehensive viewpoint in the entire gulf region, and we will say there will be a cooling off period. We will not reflag for a period, and meanwhile we will initiate discussions within the United Nations, convene the Security Council with all of the Gulf States about how we can provide a mutual protection force that will safeguard everyone's oil that comes through there.

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And that in so doing take the pressure off of strictly the United States but still maintain an active presence.

There are many proposals for reflagging delays, for new peace initiatives, for oil security meetings perhaps. All of these can be carried out. But for those of us as Members of Congress who know that somewhere during the Fourth of July recess, I figure it is going to be somewhere between the Ripley, WV, July Fourth parade and the Point Pleasant picnic this next week that I am going to hear that the first of the vessels has been reflagged and that the American naval escort is assisting its passage down the gulf and through the straits. And I am going to know that we have embarked on a course that unfortunately may have no return. So those of us who want to do something about it, what is the best strategy? I am not sure you ought to talk strategy in public, but let me take a crack at it.

First of all, I think it is to be nonpartisan. The reality of the situation is that, Mr. Speaker, on the Democratic side of the aisle, on the Republican side of the aisle, Members are raising concerns about this policy. They are not always raising them outwardly, not always publicly but you can be in either cloakroom in any meeting and you hear people wondering what in the world are we doing.

So I think first of all it should be a bipartisan effort, or perhaps nonpartisan is a better word, to rethink this policy.

The second is that we work in a spirit of cooperation, not confrontation, with the President. The President has some hard calls to make in the Persian Gulf, no one denies that. We do have an obvious objective which is to restrict Soviet influence in the Persian Gulf. No one denies that.

So I think it is best that it be done in a nonconfrontational atmosphere. I have no interest in painting the President into a corner and making a political issue of it.

We saw after Lebanon that you really cannot get involved in partisan politics when the health and safety and the very lives of our citizens are at stake.

So there is nothing to be gained by either party—Democrats do not gain, Republicans do not gain. So it would have to be nonpartisan, nonconfrontational.

So I think I would hope there would be a high level leadership delegation, of both parties—not one and not the other—going and visiting with the President at the White House, visiting with the Secretary of State, visiting with the Secretary of Defense. And saying, "Mr. President, can we wait? Can we take other alternative forms of action? Can we agree on a course of action that does not commit ourselves of this reflagging?"

Reflagging, incidentally, can occur at any time. There is no magic on reflagging. The administration, in fact, put off the reflagging of the vessels for several weeks. It initially wanted to do it shortly after the *Stark* was hit and then it agreed to wait several weeks.

My concern is that while we talk about legislation, time is slipping away. I do think that there is one important element that must be conducted during the next few weeks and that is voices must be heard, congressional voices, the public's voices. It is my hope that here in the well many of us will take the time to talk about the Persian Gulf to register our misgivings, while all the time working on legislation. But we know legislation moves slowly. But at the same time putting ourselves and strongly registering our disagreement with this policy, not in a negative harping way—I am not interested in that—but in a way that says, "Mr. President, we respectfully disagree. We want to work together to craft something that gives you the opportunity you need to conduct foreign policy and at the same time does not put you in any bind."

You know we have learned something from Vietnam and from Lebanon and from several other areas of the world. We have learned there are several ways—that there are several things that are important before you can make significant military commitments.

One of the things that is so vital before making military commitments is to make sure that you have a united country behind you. We cannot afford nor can we tolerate any longer the divisiveness that has existed in previous commitments. We cannot ask sailors or Air Force personnel or marines to once again endanger themselves when the country is divided behind it.

So a country with a divided policy is really not a country that should be venturing into something like this, this questionable at all.

The questions must be answered. I think the President recognizes this. I would hope that he would respond.

I think we need to begin discussion with our allies. If the oil is so important then do you not think that they also want to be playing a role in safeguarding it?

I am delighted that we have an obligation to safeguard the 7 percent of the oil coming out of here going to the United States. But do I also have the same obligation to safeguard the 59 percent that is going to Japan and to ask our soldiers and our sailors to bear the responsibility and yet at the same time have no contribution from that country whose oil we are protecting? What about Western Europe? Do we not also have a right to ask them to assist us in the convoy duty?

If that Kuwaiti oil is also going to fire utility plants, it is going to permit cars to drive 75 miles along the autobahn in Germany. So it seems to me this is a time to convene our allies and say, "If you don't like reflagging then what do you like? How are you able to work with us? What will you do to effect this?"

Finally, going back to the subject which I think has to be discussed at length, is what about our Arab allies? Yes, the Saudis are flying AWACS and, yes, they are keeping us advised and working with our forces already in the Persian Gulf. But why are we not able to land our planes in their country? You know the reason that is given, the diplomatic reason is because they fear that would show a tilt to Iraq. And they fear the radical Moslem movement from Iran, the Shiite movement, that threatens to undercut many of the regimes in that region.

So permitting United States planes to land and to be based in their area would threaten their relationship with Iran and with the Shiite movement. Of course, the concern is also then, does that also then alter the relationship with Israel or lack of relationship with Israel?

I understand their fears about becoming embroiled with Iran. At the same time I understand my very real fears about what happened to that personnel while we were protecting their oil, if we are not able to land our planes into Kuwait, Saudi Arabia, and the other Gulf Coast States.

Look at the difference, look at the difference between launching a plane from the air to protect a tanker here and the difference between flying from here and trying to protect that tanker there. A significant difference in response time. You launch a plane from here (indicating) and protect a tanker, all you are likely to find is a smouldering hulk. Launch it from here and you may be able to save that ship and the other personnel involved. I would urge my colleagues to let your voices be heard, let us take special orders during the next week, to point out to ourselves, to the American people and to the administration the significance of this policy.

Let us be heard in this matter. Let us be heard in 1 minute speeches at the beginning of every session. Let the delegations be formed to visit the White House on a constant basis to let them know our grave concerns.

Let the American people also respond by calling their Members, writing, et cetera. What about a little delay? We agree with the policy but we want to make sure the policy is well thought out. As I say, you only have to look at history to see some disturbing parallels, parallels in situations where once the country is divided, not united, that the policy is an appropriate one, No. 2 where you cannot guarantee the military protection to those who are carrying out your policy, cannot guarantee adequately the military policy. There should not have been 1,800 marines stuck on the ground for months in Beirut in what turned out to be a shooting gallery. By the same token, should we have American ships escorting reflagged tankers that are guaranteed targets and subject only to a guarantee almost entirely bringing attacks from a radical nation which then we are going to be faced with? How do we respond? Then how embroiled are we in that war? You and I both know if one of our ships is hit, Americans will not be found wanting in their response and that those who attack do so at their own risk but in so doing we involve ourselves deeper in an area of the world where, while we have great stakes, we also are a long way away from home, from our supply lines, from that which is necessary to conduct policy adequately.

I come back to the original question. We do not want the Soviet Union to gain increased access in the Persian Gulf. And if we do not want the Soviet Union to gain increased access in the Persian Gulf perhaps we should not play into their hands. As I say, the Soviet Union has a very low commitment rate right now but they could make possibly very, very real gains.

I urge you to look at this map one more time. It is 600 miles from here, all oil must pass through here; commanded, incidentally, by the Naval forces of Iran at this point; 30 some miles across here. A Silkworm missile or an Exocet missile travels about 10 miles a minute. Launched from here it will take just a brief span of time before it hits a ship 30 some miles across here, 50 miles across here or 60 miles here.

And a U.S. aircraft carrier somewhere out here.

We are sailing into very dangerous waters. There is a definite need for American commitment in the Persian Gulf. There is need for beefed up forces in the Persian Gulf. There is a very strong need to counter the Soviet Union in the Persian Gulf.

Mr. President, in closing, what I would say is this is not the way to do it and I would urge delay. I would urge the convening of security forces to discuss and to plan a much more comprehensive response and I would urge finally getting the total consent of the Congress and of the American people, a unanimous opinion rather than a divided one before we ask our American sailors to sail in harm's way.

GENERAL LEAVE

Mr. CRANE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

CATASTROPHIC HEALTH CARE

The SPEAKER pro tempore (Mr. TORRES). Under a previous order of the House, the gentleman from Illinois [Mr. CRANE] is recognized for 60 minutes.

Mr. CRANE. Mr. Speaker, during the 1986 State of the Union Message, President Reagan opened up a great debate on the question of catastrophic health care under the Medicare Program. He stated "after seeing how devastating illness can destroy the financial security of a family I am directing Secretary of Health and Human Services, Dr. Otis Bowen, to report to me by yearend with recommendations on how the private sector and Government can work together and address the problems of affordable insurance for those whose life savings would otherwise be threatened with catastrophic illness."

Mr. Speaker, the President sounded the call for some kind of action and that in turn resulted in Dr. Bowen, Secretary of Health and Human Services submitting an original plan that would in effect put an increased premium cost on the Medicare Program to the tune of a modest $4.90-some odd initially to guarantee that the gaps in Medicare for catastrophic illness within the span of a year would be provided for.

After the initial submission of Dr. Bowen's plan which was modest and yet targeted without threatening the survival of the Medicare trust fund, a real need or problem, the whole debate shifted gears and unfortunately by the time the Committee on Ways and Means got to working on it, by the time the Committee on Energy and Commerce got to working on it, the number of additional benefits and services were such that what we are confronted with now in the bill designated H.R. 2470 is something undreamed of by Secretary Bowen, undreamed of by President Reagan and undreamed of by senior citizens who are dependent for a degree of their medical security on the Medicare Program.

Now we had information as recently as 2 years ago that suggested the Medicare trust fund would be bankrupt somewhere between 1987 and 1989. And the Committee on Ways and Means went on a retreat down to Florida and we spent a weekend with actuaries and economists to study how we might guarantee the survivability of Medicare. They informed us at that retreat that the program was not going to go bankrupt between 1987 and 1989; rather they suggested it would not go bankrupt perhaps until 1992 to 1996.

Then most recently Secretary Bowen, with new actuarial information, has concluded that, no, it is not going to go bankrupt in the decade of the nineties but that we can be reasonably confident that it most assuredly will be bankrupt somewhere between the year 2000 and 2002.

Now this suggests that we have already some long-term problems in terms of guaranteeing the solvency of this program that we are not addressing and, ironically, we choose this time to put an increased stress on the survivability of the entire Medicare trust fund with this catastrophic program. Because that catastrophic program that the Committee on Ways and Means has already reported out, that program is calculated according to actuarial estimates to put an increased $10 billion burden deficit on the Medicare trust fund by the year 2000 and that that will increase by the year 2000 by $30 billion. That being the case, Mr. Speaker, there are a number of Members of this body who have been involved and concerned about this problem for several years and who have, rather than relying on a coercive and unjust and unfair alternative to the problems that allegedly are going to be addressed by H.R. 2470, have created alternatives that rely on the private sector on the one hand but second go vastly beyond what is contemplated on this bill.

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H.R. 2470, for example, does not address the problem of long-term nursing care. They did add prescription drug coverage to it in the Committee on Energy and Commerce, and I will get to that momentarily in terms of what unforeseen burdens may be comprehended by the actions taken by that committee or the equivalent actions taken by the Committee on Ways and Means.

But before I do that, I would like to yield to a colleague who has been in the vanguard of promoting private-sector alternatives and who has an alternative that not only addresses the problem of catastrophic coverage contained in the legislation under consideration but goes to the problem of long-term nursing care coverage and prescription drug coverage. So I yield at this time to our distinguished colleague, the gentleman from Virginia [Mr. SLAUGHTER].

Mr. SLAUGHTER of Virginia. Mr. Speaker, I thank my colleague for yielding.

The gentleman's remarks about the precarious state of Medicare are really, as the gentleman says, what has precipitated the legislation we have introduced. The gentleman and I, along with the gentleman from California [Mr. DREIER] and also the gentleman from California [Mr. DANNEMEYER] and 36 other cosponsors, have introduced this legislation.

If we are going to do something over the long haul for the elderly people who cannot afford expensive hospitalization or nursing home care, the first thing we have got to do is make Medicare a sound financial system, financially solvent, so that it can pay the benefits provided by law. How we do this is the problem. We have got to find out how to raise more money for Medicare to be able to pay for those benefits. We can do it by taxes, by increasing the Medicare payroll taxes, by cutting the Medicare benefits, or by a combination of those things.

But we do not want to do it that way, and so what we ought to do is appeal to the incentive that the American people have to look after themselves if they are able to do so, but not to make it a penalty if they do so but to make it economically attractive for them.

If we can get a number of people who choose a private savings option or set aside a specific savings account with favorable tax treatment and they do not draw on Medicare but will be drawing on their own health insurance policies or savings for their health care during retirement, then we will have a Medicare system that will be receiving the same revenues it now receives, but it will be paying out less in claims. So Medicare will be financially sounder and it will avoid going broke, as the trustees say will be the case unless something is done.

In connection with this bill by which we have appealed to private savings accounts and also the possibility of those people being able to buy health insurance policies, it is interesting that there are over 70 companies now selling long-term care policies, and this is compared with only sixteen 3 years ago.

What we ought to be doing this year in the legislation we pass is to encourage the private insurance industry to offer long-term care insurance with the same benefits that Medicare offers and with health insurance benefits of all kinds. But if the long-term care problem is to be solved, it is extremely doubtful that the Federal Government will ever solve it because we simply will not have the revenues from the kind of taxes we would need to take care of the long-term care problem without also appealing to the private sector.

Today over 70 percent of elderly Americans have supplemental Medical coverage, the so-called medigap policies, and over one-third of these policies are group policies. Now, the present legislation, the Stark-Gradison bill, will eliminate this market. It will preempt it, and it will force 20 million

Americans to give up their private-sector policies which cover more in the terms of health care costs by having lower deductibles than any proposed Government programs so far.

Besides that, the question that the gentleman also touched upon is the question of how we raise the money to finance the so-called Stark-Gradison bill, and there are some premiums so-called in that legislation that I believe amount to what we could fairly call a surcharge on the income tax which will have a great impact on millions of our elderly persons.

Mr. Speaker, I would ask the gentleman from California [Mr. CRANE] if he would elaborate on that point among the other points he is going to make this afternoon.

Mr. CRANE. Mr. Speaker, I thank the gentleman from Virginia [Mr. SLAUGHTER] for his contribution.

One of the things that distressed me in the so-called Tax Reform Act of 1986 was that we curtailed the eligibility of one of the most sensible things that this Congress has done in recent years with regard to tax law; namely, restricting the availability of IRA's. The proposal of my colleague, the gentleman from Virginia, is a little different. It does have the same benefits in terms of encouraging investment and savings that the IRA's had, but instead of a tax deduction, there is a 60-percent tax credit, which means that this kind of alternative is affordable to virtually anyone from the time he starts entry into the work force, and the annuity value of the gentleman's proposal also is quite significant in addressing these concerns.

We talked about tax simplification last year. Wait until anyone sees the complex alterations of the Tax Code that are dictated and said to be in conformity with these proposed changes in H.R. 2470. This is scheduled to hit those senior citizens only, aged 65 and above, and none will be exempted from it if he is within the bracket of being a legitimate taxpayer. Whether he opts for part B under Medicare or not, he is still going to pay it. There are 58 different scheduled tax brackets for senior citizens under the proposal in H.R. 2470. I thought we were going to simplify it and go to three brackets.

So there are staggering taxes to be imposed on senior citizens. Starting as early as 1988, the maximum bracket would be $580 additional tax. The people in the retirement category will kick into this tax with as little as $6,000 a year, and in addition to that highest bracket which starts for an individual, a widowed individual making $14,000 a year in 1988 dollars by the year 2000 is going to be paying, under this program, an estimated $4,000 a year.

Mr. Speaker, I intend to yield to another one of our colleagues who has been very actively engaged in trying to come up with private-sector alternatives again and to seek to strengthen and reinforce what the private sector is doing instead of creating a new entitlement program here that puts this incredible burden on senior citizens alone. The senior citizens are the ones who are going to pay this, and it is going to cost them more than better care in the private sector if this legislation were to pass. So I will at this time, Mr. Speaker, yield to the distinguished gentleman from California [Mr. DANNEMEYER].

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman from Illinois [Mr. CRANE] for yielding, and I thank him for having taken this special order to talk about this issue.

I think it is appropriate when we begin to discuss this to really put it into perspective because all of the medical care that we are talking about described as "catastrophic" is going to be extended to the elderly population of America with or without this bill. That is clear. Our society has said as a policy that we will make medical care available to any person independent of one's ability to pay on the perceived need of the provider. That is our policy. I am not sure that we as a people can afford that policy, but that is our policy.

So when we talk about the people who are eligible for Medicare in America today, over 65 to 70 percent of them, as the gentleman from Virginia [Mr. SLAUGHTER] pointed out, are now covered by MediGap insurance. Medicare covers a certain portion, and for the portion that Medicare does cover, there is something called MediGap insurance, and 70 percent of our senior citizens have purchased that insurance. Premiums vary anywhere from $40 to $50 a month, or whatever, to cover that gap.

For those who, for one reason or another, have not purchased that MediGap insurance, we are still going to provide them with their care, all the care they need, with or without this bill. This whole issue comes down to not whether we are going to have catastrophic insurance but how the extension of catastrophic health insurance in America is paid for. That is what this whole fight is about. So we are concerned in this instance as a policy matter with this question: How do we provide this insurance for the 30 percent of our senior citizens today who do not buy MediGap insurance?

Now, those senior citizens today, if they have a need for health care beyond what Medicare will pay, are cared for today under Medicaid nationally or Medical in my State of California. But in order to establish eligibility for Medical or Medicaid, they must pass a means test. That means that if they are faced with some of these catastrophic expenses, they have to live down their resources until their assets do not exceed a certain level in order to establish eligibility for Medicaid or Medical, and at that point the policymakers in this institution say it is not fair in America that anybody must suffer the indignity of living down resources so as to establish eligibility for providing insurance or the cost of medical care; so we have a better plan. That is what this whole fight is all about.

So to those who want to provide this additional coverage, we ask, how are you going to pay for it? That is the whole fight we are talking about. The plan that is before us will say there are two ways: that everybody in America with Medicare eligibility is going to pay an additional premium. Now, here is the debate. CBO says that monthly premium is $29.40 a month additional. HCFA says that additional monthly premium will be $59.60 per person as an additional premium to pay for this cost of MediGap insurance for the 30 percent of the population base that does not provide it privately.

That is not all. The additional monthly premium is to be entered also by what you could label this bill to be "the tax increase act of 1987," because about 54 percent of those Medicare recipients today will pay no tax, but 46 percent of them will, and that 46 percent begins to bite those in the $20,000 to $30,000 income bracket. They will pay about $160 per person as a surtax. Then if they are in the $75,000 to $200,000 bracket, they will pay about a $481 annual surtax.

So the combination of the additional monthly premium and the surtax on the income tax is the means whereby this bill will provide the funds to finance paying for the 30 percent of our senior citizens who do not have MediGap insurance, so that that group will not have to suffer the indignity of living down their resources in order to establish eligibility for Medical or Medicaid.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I would address this to my distinguished friend and colleague, the gentleman from California [Mr. DANNEMEYER], who is most experienced in these matters.

Is the gentleman saying that at a premium calculated by the Health Care Financing Administration, which the gentleman referred to as HCFA, at about $60 a month per person, most elderly persons who are coming to age 65 in pairs, that at 120 times 12 months, we are talking about a premium alone of about $1,440? And for families in old age, you can buy private coverage that not only has medigap and supplemental insurance but has good long-term nursing care benefits as well, but the Government is going to charge middle class Americans in their old age more than the private sector would charge them for the same coverage?

Mr. DANNEMEYER. Mr. Speaker, if the gentleman from Illinois will yield further, let me say that the gentleman from Nebraska has figured out what it costs to have the money flow through Washington, DC, for the payment of these benefits. It is called seigniorage.

In other words, whenever somebody comes to you from the Federal Government and says, "I am from the Government and I am here to help you," watch out because they are plucking your pocket. That is what this scheme is about. Anytime you pursue the egalitarian ethic which is fundamental to this whole legislation, that is what is going to happen.

Mr. Speaker, I thank my colleague for pointing that out.

Mr. DAUB. Mr. Speaker, will the gentleman yield further?

Mr. CRANE. I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I thought that the party of the people in leadership here said last year that they were going to cut everybody's taxes and lower the rates and particularly, for change, pay attention to the worker, to the producer, to those folks in middle-income America. Yet the gentleman says they would add this, plus the surtax. And is there not another tax in this bill? Is there not another tax on top of this one that will require a table in the 1040 and a new line on the 1040?

□ 1510

Mr. DANNEMEYER. That is right. The gentleman has just begun to describe this munificent piece of legislation that has many things to behold to the people of America.

The other feature, I serve on the Committee on Energy and Commerce; and the gentleman from Illinois serves on the Committee on Ways and Means.

The Committee on Ways and Means has jurisdiction over the catastrophic side of it, and our committee has jurisdiction over the Energy and Commerce portion of the bill.

Mr. CRANE. Mr. Speaker, reclaiming my time, we are trying to take that away from the Committee on Energy and Commerce right now in the Committee on Ways and Means, too.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Mr. Speaker, I yield to the gentleman from California.

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman for yielding.

This process is amazing. When there is a train going through, those who want to expand the liberal welfare state, they have a lot of cars over in the barn; and they want to add these new cars on to the train.

They have done it very well, because the committee on which I serve added some new cars on to this train labeled catastrophic health insurance that significantly expands the liberal welfare state in America.

Just the add-ons, and I will describe them: drug benefits, spousal impoverishment, Medicaid buy-in, influenza vaccine, mental health, respite care, and so on.

Those add-ons, it is estimated HCFA, in 1988 will cost $11.7 million in general fund spending.

That is aside from the catastrophic health insurance. We will then elevate the whole level of Federal spending by some $11.7 billion; and one of the fascinating parts of this relating to the addition of a drug benefit is that in this bill it will establish a $400 annual deductible for eligibility for drug coverage.

HCFA and HHS estimate the annual drug expense is $343 per person. CBO estimates that at $200. In other words, the average drug expenditure is less than what the minimum for eligibility, or the deductible will be by that provision for drug benefits under that portion of the bill.

Mr. CRANE. Mr. Speaker, reclaiming my time, these estimates, when we were going over that portion of the bill before the Committee on Ways and Means, which are subject, I think, to a challenge is being vastly understated and neither staff nor the Congressional Budget Office could respond to a question I posed on the projected impact on this prescription coverage of eligible-AIDS victims—and they are eligible under disability—eligible-AIDS victims, and how great that universe of AIDS victims may become within just 5 years time, because they are projecting a doubling, an AZT, of course, would extend that coverage.

On average, they say it extends the life span of AIDS victims a couple of years, that the cost of AZT, a prescription drug, is of a magnitude of $10,000 to $12,000 a year per patient.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Mr. Speaker, I yield to the gentleman from California.

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman for again yielding.

The elderly of America are going to be surprised when they find out, here again, CBO says the annual premium, or the monthly premium really, will be $7.70 in 1991 for this drug benefit provision.

HHS estimates that monthly premium to be $28. Take your pick.

The elderly are then going to be paying for drug expenditures for this AIDS population in America who establish eligibility under Medicare through the bore of being disabled; and I do not think the American elderly people know; that is, the Medicare population, I do not think it is fair that a program ostensibly designed to cover those over 65 through their premiums for drugs should be paying for the expense of drug care for those in the AIDS population of America, which most of them are under 40.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Mr. Speaker, I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I thank the gentleman for yielding.

The last part of your statement is germane. To establish that one is disabled under current law, it takes 24 months.

At that point a program designed, that is, part A, which pays for hospital, and part B, which is devoted principally to physicians and other related services, we know it as Medicare, will have to pick up the drug expense, all expenditures over $1,000 a month for a program never intended to care for people under age 65 unless they were blind or disabled, now disabled meaning that in this case, by taking the old law and simply without specificity adding a drug benefit, and on the premise, I might say, that is being sold to the Members, that the elderly will pay for all these new benefits themselves.

This is a pay-as-you-go for older Americans. They will pick up the drug bills, but principally the one we ought to be most concerned about is the AIDS-related drug expense for a lot of people who really, I do not think, older Americans ever intended to see their premiums pay for in terms of their drug bill.

Mr. DANNEMEYER. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Mr. Speaker, I yield to the gentleman from California.

Mr. DANNEMEYER. Mr. Speaker, I thank the gentleman for yielding.

One final point, I agree with what the gentleman from Nebraska has said.

The elderly of America should not be carrying the expense of drugs for those afflicted with AIDS in our society. We will pay those, because we are a humanitarian people, to reduce suffering where we can; but I believe that kind of expenditures belongs out of the general fund of the taxpayers, not off of the hides of the retired people of America.

Mr. CRANE. Mr. Speaker, let me add something that comes to mind in this same debate.

The most affluent portion of our national population is the seniors, if you take them collectively. Inasmuch as you referred earlier to the oligartharian effort to redistribute income, maybe that was the motivation that was hidden into the legislation.

We are going after a wealthy, relatively speaking, portion of our national population; but I agree with the gentleman wholeheartedly about the inequity, the fundamental unfairness of asking senior citizens past 65 to absorb the overwhelming portion of the cost of this program, and simultaneously to deny them when they have already made other provisions, the overwhelming majority, to deny them the ability to continue to provide for private sector alternatives that are very frequently superior to anything contained in this bill, and include coverage for nursing home care; and that is what is going to be denied them.

I commend the gentleman for bringing this point home, because once the over 65 population understands what is in this bill and how they are the ones that are going to get stiffed and really, over the long-term, be denied the same quality of care that they can get today, and finally some of those who are not yet into the 65 bracket but are facing it soon, and I put myself in that category, can anticipate the projected bankruptcy of the whole Medicare Program because of these excess strains, those are the ones that are in for a heartbreaking and bitter realization of what the Congress is talking about.

The gentleman from Nebraska on the Committee on Ways and Means joined with me and several of the other Members attempting to bring these points home in the minority views when the legislation was coming through our committee. I would hope that the gentleman might elaborate a little bit on some of the injustices, and especially in terms of the tax provisions that the gentleman referred to and the complexity of what that code is going to be for seniors that are stuck with this tax.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Mr. Speaker, I yield to the gentleman from Nebraska.

Mr. DAUB. Mr. Speaker, I thank the gentleman for yielding.

First, I want to commend the gentleman from Illinois [Mr. CRANE], my good friend and more senior member of the Committee on Ways and Means than I.

Your leadership is appreciated. The issue has been well framed. The issue is important to all Americans, and it has been a lively discussion so far.

I do hope our colleagues are tuned in, and I am sure as the time goes by, our colleagues will be more interested in the subject.

I would like to talk for just a few minutes about the so-called Stark-Gradison, the Stark-Waxman provisions that will be coming before the body shortly. I would like to spend a few minutes on a long-term care health issue; namely, nursing home care costs which is what the President had more in mind when he said, we need a catastrophic kind of piece of legislation to help older Americans avoid that last terrible choice between death and bankruptcy.

I do not think the President had anything in mind like what we are going to try to send down to the White House.

I would like to spend just a minute, if the time remains, on what I think might be a responsible alternative, that hopefully either the Committee on Rules would allow, or that we might have a chance to debate more fully on the floor of the House.

Eighty percent of older Americans' out-of-pocket expenses that exceed $2,000 are not for doctor, hospital or for drugs, but in fact come from nursing home costs. That is where I think the word catastrophic appropriately fits, because it is at that point when we may not be so sick at age 85 that we have spent a good amount of our life savings, and commenced to think about being forced to have to sell our home and liquidate other assets in order to pay just the care costs of alternative living expense, particularly nursing home expense.

So, it is in that vein that either we are missing the point, because the current debate is focused over catastrophic, I think a misnomer, in that we are expanding parts A and B, in a sense either we are socializing part A and part B, we are substituting a lot of private dollars for public dollars.

As one of the members on the committee has so well stated, and I think this is a big mistake, because the next step is to socialize the cost of nursing home care, and at that point deprive every American of choice, of the incentive and of a real add-on leverage that occurs when the private dollar buys the medigap, the supplemental or long-term care as distinguished from the transfer payment, the tax dollar being layered back out to buy those same goods and services, so we are making a very large mistake on the road that we are on.

I would say to the gentleman that the current bill would provide that only 5 to 8 percent of Medicare's currently eligible 30½ million elderly will benefit from this current Stark-Waxman part A, part B expansion, that indeed the facts will show that eight out of ten senior citizens are protected from these excessive acute hospital-related, by and large, health care costs, and that nine out of ten older Americans have no protection for what I call long term or catastrophic care expense, principally nursing home expense.

If you look at the bill before the Members, as the gentleman from California indicated in this special order of the gentleman from Illinois, the financing mechanism is highly undesirable. Taxing the actuarial value of combined Medicare benefits is tantamount to a direct tax increase on the elderly.

Seniors in the 15-percent bracket next year will pay an additional $265 in taxes, and those 20 percent of the elderly that will be in the 28 percent, the other bracket, will owe an additional $495.

If the gentleman will recall, I said elderly are more and more coming in pairs to age 65, and we are living longer which means that the tax increase on a joint 1040 by the year 1989 for older Americans, if this bill is signed into law, will be about $500, or it could be as much as $1,000 in the first year.

Then it is indexed, and by the time you project those costs on into 1995 and the year 2000, and then add the second tax which is the means tested income-related set of brackets, and this surtax premium that is also contained in the bill which is mandatory, and part B, onto which we attach the first premium, you might argue is voluntary, although 95 to 97 percent of America's elderly voluntarily pay the part B premium now, and fewer will pay it as that premium goes up.

We are only adding a couple of dollars to that for those who choose to pay voluntarily, but even if you do not take part B, every senior citizen will mandatorily have to pay the surtax, that premium tax, even if they are wealthy enough that they choose not to take part B, because they feel that the country has been good to them, and they can afford their own doctor and expanded coverage offered by this bill.

□ 1525

So it seems to me we are really taking the incentive out of the system for most of us who would like to be independent of the Government in our old age and essentially saying to everybody that beyond $1,741 the Government will take care of all your health payments, we have essentially socialized at great expense, I might say, highly rigid costs, highly artificial, passed on through the system, will create massive inflation in the system and essentially I think compound or further exacerbate the environment in which it is tough enough now to get good medical care, to get quality medical services, particularly for senior citizens.

So the tax part of it is very onerous and I think very incorrect public policy.

In addition, as the gentleman from California [Mr. DANNEMEYER] said to us, this very costly prescription, drug prescription, threatens the solvency and the efficacy of the whole Medicare system.

The gentleman from Illinois asked the witnesses, and the answer from the actuaries, if the gentleman recalls, the actuaries for the Social Security fund, was that this expansion of part B, which will include the additional premium for drugs, is the place where the current trust fund's insolvency will be accelerated, because part B is 25 percent paid for by the beneficiaries and 75 percent of the part B costs come out of the General Treasury, a fact not often understood by most Americans; so we are going to impact on the solvency of the 25-, 50-, and 75-year actuarial estimates, so that we can count on those benefits that we currently are enjoying being there in our older age and we are going to reduce the ability of that fund to cover the growing numbers of elderly that will live long enough to collect far more years than we expected when the fund was set up.

So I think what we are doing is a mistake. I think the bill that will come to the floor will address the wrong problem. Rather than financing a $10 billion program for the benefit of less than 10 percent of our Medicare population, our money would be better spent on assisting nearly 500,000 elderly individuals who annually will deplete all their assets or spend down to qualify for adequate health care services.

I think that the potential for an alternative that caps the out-of-pocket expense, much like the administration's bill did at $2,000 that has a fixed and level premium for all to pay, that may include some home health care and some private sector opportunities.

The gentleman knows, I think, that my emphasis throughout the debate has been on private sector options, some quid quo pro, some balance, some symmetry in this bill. If the government is going to ask everybody to help a few, then maybe we could extend the private sector opportunity to some who may be able to help themselves.

I have proposed that we take the current IRA account, which at age 59½ makes you withdraw from it, have a taxable effect and defer that tax further by allowing one to roll over their IRA's if they take that money and use it to buy a premium for a long term or a life care policy.

I think that would really help a lot more older Americans to be less fearful, particularly as they live to 85 and 90, of those nursing home care costs.

I would only hope that it has a cash surrender value so that if at age 65 you end up being hit by a car and not using that long term health care policy that you purchased out of your IRA rollover, that there would be an estate builder, a cash value that would go on to those in the survivor's family.

The second thing I would like to see us add to this legislation if we are going to do what we are doing would be a rollover, that is, to provide for no incidence of tax if you took money from the inside buildup in a whole life insurance policy and could roll that into the purchase of a premium for additional long-term health care coverage. Those would be two private sector opportunities to give more options to people who would like to care for themselves and ultimately then be a less burden. There would be fewer people dependent on the transfer payment, or part A and part B.

The third thing I would like to see, and I have introduced legislation to this effect, would be an income-related or means-tested part C that would deal with the taxicab driver in New Jersey or the farmer in Nebraska who has worked hard all his life, been a good American, patriotic, dedicated, bought a home, got it paid for, raised their families, got them on their way in life, saved maybe $100,000, maybe $200,000. That is a lot of money these days, but they live until 85 or 90 and they spend that. They have not done anything wrong. They have met every objective that the gentleman and I agree that hard working ethical Americans ought to be committed to doing in this great country of ours, this free enterprise system of ours, but they have run out of money. Have we got to force them on to Medicaid to get quality health care? That is not right. The gentleman and I agree.

So I have offered that legislation and a kicker that says that if you work hard until you are 50 and you save some money, the interest income off that savings could be devoted to the purchase of a premium for a long-term-life-care nursing home care, home health care, intermittent kind of health care piece of insurance and there would be no tax. There would be an exclusion of that income. We would get a lot of benefits from that, as I think the gentleman understands.

We encourage saving up to age 50. At age 50, with the new dependent exemption worth $2,000, when that kid leaves home, you are going to miss that dependent exemption, but that interest income could be without a tax, devoted to the purchase of a long-term life insurance policy, then a health insurance policy, tax free, and the buildup on it tax free. It would build our savings base so this country could finance its growth more out of savings and equity, instead of being so dependent upon debt for the financing of our growth, encourage you and I to save some money, and then be less dependent in our old age on the Government for our health care.

So it seems to me it has all the potential for the private sector options. They ought to be in this bill; but you will note that all we are doing is canceling private initiative and substituting Government Treasury dollars and central bureaucratic planning as to whether or not we ought to have this kind of benefit or that kind of benefit and how broadly available will be the health care to older Americans.

So I would hope that the gentleman would continue. I certainly pledge to him that I will continue to work to modify this legislation, to get an opportunity for this same kind of debate on the floor of the House, because there are older Americans who need a little bit more help than they are getting now. Times have changed. I am sensitive to that. We have a good deal of compassion in our country for the elderly, but when 70 percent of older Americans have provided for their own health care needs and now find out they were chumps for having done it, when private industry took the opportunity to make available to so many in their workplace their pension income and ultimately some health care and now we find out that we are not going to do that anymore, something is going to be missing from the incentives that folks need during their working years to enjoy their older life and their more mature years, their golden years.

I am very disappointed in my administration, I must say to the gentleman. I think this is a mistake of the most gigantic proportions.

I would hope that this bill looks so different from what our President truly intended us to be doing here that he would have the courage to veto the legislation if it reaches his desk in its present form.

I want to thank the gentleman very much for this special order and for the courage that it takes to enter into this debate on a very sensitive, but important issue, to the future of our country.

Mr. CRANE. Well, Mr. Speaker, I want to salute my colleague from Nebraska. What the gentleman has just set forth are the kinds of private sector alternatives that were so cavalierly dismissed from the very beginning of consideration of dealing allegedly with the problem; but they are not dealing with the problem in the legislation that is contemplated before us.

I think, frankly, they should go back to the drawing boards. They should consider the proposals by my colleague from Nebraska and my colleague from Virginia.

There are answers to the problem, but H.R. 2470, the catastrophic health care plan, is a catastrophic piece of legislation.

The gentleman knows that full well. We have an opportunity, rarely, it seems to me, in this body to do something positive and constructive, but here we have one of those opportunities and it should not be a missed one, and most importantly, it provides the opportunity to guarantee, not that I am that concerned in my own personal case, but to guarantee to people in my age bracket, and I will be 57 this fall, that we who bought off in my age bracket on Government promises are not in another 13 years going to find that the whole system is bankrupt.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CRANE. I yield to the gentleman from Nebraska.

Mr. DAUB. The problem with the good intentions of our colleagues who want to tax and spend this program into some new benefit that everybody is supposed to appreciate is that the private sector companies that have worked now for 30 years since Kerr Mills to develop the retirement income stream and pension stream and develop a savings base, are going to find the business of their MediGap and supplemental taken away.

Now, some may gleefully say, "Isn't that terrific? We have really stuck it to the insurance industry."

They will collapse the underwriting pool that is available, because this kind of health care, along with liability insurance and homeowners' and car insurance and slip-trip-and-fall, boards of directors' insurance, and errors and omissions, malpractice insurance of all kinds for engineers, lawyers, and doctors, all comes into the property and casualty baseline.

Well, there is not 110 percent to go around. When you impact on that underwriting pool with the managers of that capital starting to believe that we should not have done this, because the Government has taken all that business away. They promised they were going to leave eyeglasses and drugs to MediGap and supplemental, then they come along and add this drug amendment which takes that away, why should we have any interest in developing a marketing tool, spending millions of dollars to advertise long term insurance for nursing home care, homebound care, intermittent care, because in about 5 years from now after we get that underwriting pool built with enough people in it so that when the claims come in they can be promptly paid, the Government will turn right around and socialize that.

So it ought not to give the membership of some of the more prominent senior citizens groups in this country, if they really knew what was being foisted upon them, it ought not to give very many senior citizens too much comfort to know that their own advocacy groups, many of them, are back here in Washington, this 10-mile square, bounded by reality, pushing this plan that is going to turn around and really lay damage to the food for the goose that lays the golden egg.

It is really a tragedy more of the catastrophic proportions that the gentleman described than I can tell you.

I just wish that there was some more responsibility in those advocacy groups for truly explaining now, ahead of the final vote, to the senior citizens they represent what the tax consequences and the lack of private insurance consequences are going to be as this country ages its population and it needs to have a more viable private sector opportunity for as many people as we can so they are not on the dole.

Mr. CRANE. Well, Mr. Speaker, I commend the gentleman for participating.

The function of this special order was, of course, to try to bring some of these salient points home to that constituency that has spokesmen representing it, presumably to help seniors, and yet they are working at cross purposes, as the gentleman has already noted, with the long-term best interests of seniors.

Mr. DAUB. I might say to the gentleman that when they get their income tax forms and their tax bills in 1989 and 1990, then they will understand what a bill of goods they have been sold.

Mr. CRANE. Well, they will, indeed. For example, those people who with the vaunted tax reform and the lowering of brackets are in a 28-percent bracket next year, they are going to find that they are in a 35-percent bracket if this legislation passes.

The perversity of it is here we have got two separate sets really of tax codes. The discriminatory code does not kick in until you are 65. Then you really get stiffed. We have in the past had discriminatory codes based on ability to pay, but this discriminatory code is going to be predicated on whether you live, fortunately, to be 65.

Mr. DAUB. Mr. Speaker, will the gentleman yield?

Mr. CRANE. Certainly, I yield to the gentleman from Nebraska.

Mr. DAUB. That is certainly a good point. I always thought that if you worked hard, you saved and you got ready, and at that point when you went on rather fixed income, but you still are now faced with increasing property taxes locally, the cost of heat, light, gas, water, and telephone, and then the increasing cost to repair the roof just to keep the house, the all-American dream, then inflation comes along and further erodes the value of the earned dollar or the saved dollar.

□ 1540

Now we are adding a million old people a year to the ranks of 65. We are going to go from about 30½ million to something like 54 million older Americans by the year 2020 over age 65, alive and well, by and large, for another 10 or 20 years after age 65, and we are not thinking about the real impact on fixed income that this indexed set of premiums, voluntary and mandatory, to finance this package by the year 2000 could cost the average family that is 65—between $3,000 and $4,000 a year just to finance the health care benefit that we are talking about today for a lot fewer dollars.

It is just a matter of arithmetic. I think that I recall the gentleman in committee recalling the history of the disability section in Social Security, and how everybody agreed that it was only going to cost us a billion dollars over 5 years, and a few years later it is costing us $12 billion a year. Not that we do not want to help people who are in a disabling circumstance, but that is a general revenue function. That is the obligation of the country, of all of us as taxpayers, young and old, not this way, I say to the gentleman.

Again, he is most incisive and most enlightening, and I want to thank him again for the privilege of participating in this special order.

Mr. CRANE. I thank the gentleman for his contribution, and again, as I said, in conclusion, I would hope and pray that the facts—and the facts are available from not only this discussion but some extraneous material that I will include in the RECORD based upon this discussion today. They will be available in the CONGRESSIONAL RECORD for citizens around the country. Most of the public libraries in most sizable communities guarantee that they have made available to their local people the CONGRESSIONAL RECORD. There is more than we can possibly cover in the course of 1 hour.

The speed with which legislation has been moving thus far this year suggests to me that we might have this bill on the floor sooner than we anticipated. It could go through here without adequate debate and adequate consideration, and especially on the part of senior citizens who are the ones who are really going to pay an arm and a leg for this kind of coverage when they could get superior coverage through the private sector at less cost.

Keep in mind, as Prof. Walter Williams pointed out, the economist over here at Georgetown back in the late seventies, the U.S. taxpayer was providing for a welfare family of four at that time $8,000 a year roughly, and yet it was costing the taxpayer $36,000 to provide that care. Professor Williams pointed out that if we made direct cash payments to that welfare family and doubled those cash payments, that would have gone to $16,000 a year, which would have been significantly above median income at that time, and we would have saved ourselves $20,000 simultaneously in the process.

He raised the question as to where the rest of the money goes. It is the professionals who are deeply committed to taking care of some definable constituency, and normally with rather well-paying jobs.

The fact of the matter is, as the gentleman noted so clearly, with this kind of legislation, it is a giant step in the direction of socializing the health care coverage of this country.

If anyone really wants to really put that into perspective, I would urge him to go back and analyze hearings that the Committee on Ways and Means had back in the mid-seventies on the health care systems of Great Britain and Sweden, both totally socialized. The conclusion, based upon not only the testimony of British and Swedish physicians before the committee, but members of the committee who had visited and seen firsthand that system, was that there was a significant reduction in the quality of care, there was a significant reduction in the availability of care, and there was rationing because of political decisionmaking imposing on what really was a perhaps well-intentioned program, but one which turned out to be drastically misguided.

The British health-care system by the testimony of the British physicians is well calculated not only to send young physicians out of their country to practice elsewhere—and the United States of course was at that time the greatest magnet—but simultaneously puts inordinate burdens on their budget and provides vastly inferior care.

So I hope and pray that this has been a productive exercise and that our fellow citizens who still have some time to make their opinions heard with the Members who are not necessarily that conversant yet with the contents of this bill, make sure that they study it and they do communicate. I think that then we can depend upon our colleagues to search for preferable alternatives and increasingly anticipate that they might place that reliance on the private sector, which does have answers that I guarantee that government does not.

Mr. Speaker, during his 1986 State of the Union Address, President Reagan opened the great debate on catastrophic care under the Medicare Program. He stated:

> After seeing how devastating illness can destroy the financial security of a family, I am directing Secretary of Health and Human Services, Dr. Otis Bowen, to report to me by year-end with recommendations on how the private sector and Government can work together to address the problems of affordable insurance for those whose life savings would otherwise be threatened when catastrophic illness strikes.

What followed, after several months of heated debate, was a recommendation by the Secretary of HHS to expand Medicare part B to include coverage for acute catastrophic expenses above an out-of-pocket cap of $2,000. This expanded part B program would be paid for by a modest $4.92 increase in the monthly part B premium.

While the President adopted the Bowen plan as his own, when this proposal reached the Ways and Means and Energy and Commerce Committees, the insatiable appetites of many of the free-spending members of these committees created a feeding frenzy in which benefit upon benefit has been added to the President's plan with little regard for how this plan will affect the already weakened Medicare trust funds. Now that the dust has settled on the writing of this proposal, it is time to look at how far the Democrat-controlled Congress has perverted the President's original idea of catastrophic health care for the elderly, what tremendous tax increases this new legislation, H.R. 2470, the so-called Medicare Catastrophic Protection Act of 1987, will levy upon the Nation's elderly to pay for the irresponsible expansion of benefits of the Medicare Program, and the real threat which this budget-busting proposal will be to the financially weak Medicare trust funds.

I hope that this special order will open the eyes of my colleagues to the realization that H.R. 2470 is no panacea to the problem of catastrophic care, but mostly duplicates coverage which most elderly either already have with their supplemental, or Medi-gap, insurance policies or can easily purchase. I also hope that this special order will clarify for the elderly that at least 12 million of them will begin to pay ever-growing tax increases, possibly to the tune of $4,000, to pay for this expansion of the benefits under Medicare.

H.R. 2470, the Medicare Catastrophic Protection Act of 1987, makes so many additions, modifications, and expansions to the President's original plan that it looks as though the Medicare Program has gone into the overprice pork business. As I stated earlier, the President's plan was simply to cover out-of-pocket acute care, or in-hospital, costs above a $2,000 out-of-pocket cap for those individuals who chose to purchase Medicare part B coverage. To finance this proposal, the plan called for a modest $4.92 addition to the monthly Medicare part B premium.

But H.R. 2470 goes far beyond this proposal at the cost of huge tax increases on many of the elderly, while, at the same time, doing nothing for the most important catastrophic cost of long-term care, such as a prolonged stay in a nursing home. The $2,000 cap in out-of-pocket expenses was lowered to approximately $1,700. The optional coverage for inpatient hospital stays was made into a new government entitlement program. The President called for 100 days of coverage of skilled nursing facility care per year for those who bought into the new plan; H.R. 2470 increased this to 150 days and then made it a new entitlement to all Medicare beneficiaries. The hospice care, the mental health, and the home health care entitlements under Medicare were added onto this bill and expanded. The Energy and Commerce Committee added an influenza vaccine benefit, an additional in-home care benefit, an additional mental health benefit, a Medicaid buy-in provision, a spousal impoverishment provision, and, of course, a $9-billion drug benefit. In all, the fiscal year 1989 cost of H.R. 2470, as reported out of the Ways and Means Committee and amended by the Energy and Commerce Committee bill is estimated by HCFA to cost approximately $17.2 billion. This compares to the $2.7-billion cost in fiscal year 1989 of the President's plan. This huge expansion of the President's program will be a tremendous burden on the Medicare trust funds which, as late as last March, were estimated by the trustees of the Medicare trust funds to go bankrupt by the year 2002, not to mention the financial burden in the form of huge tax increases on many of the elderly to pay for Congress' generosity.

As if there could be more to add, the elderly and my colleagues might want to note that the bill does not cover the most important catastrophic costs, that of long-term care, such as a prolonged stay in a nursing home. Thus, how can this bill be called the Medicare Catastrophic Protection Act of 1987 when it remains silent on the most catastrophic of all health expenses of the elderly?

The approximate $1,700 out-of-pocket expense cap is also misleading. Not counted toward this $1,700 limit is physician fees beyond what Medicare approves. Thus, if the Medicare beneficiary is charged beyond what Medicare says he or she should be charged for a procedure, then it is up to the beneficiary to make up the difference—even after the beneficiary has incurred $1,700 in costs!

As I just stated, the bill does not cover long-term care and physician fees beyond what Medicare approves. The bill also does not cover hearing aids and prescription eyeglasses.

To pay for all the part added onto the framework of the President's proposal H.R. 2470 will levy a significant tax increase on a number of the elderly, under the guise of what the authors call a dual premium. Remember, the President's plan was funded by a modest addition of $4.92 a month to the Medicare part B. If Medicare part B coverage was not chosen, then no additional tax was levied.

While the authors of H.R. 2470 claim that it will be funded by a dual premium, I ask my colleagues whether a health insurance premium which is mandatorily levied on an individual and which can not be applied to the medical expense deduction is in actuality a tax? Premiums are optional; an individual can choose whether or not to accept the coverage offered by a private insurance plan and pay that premium.

However, H.R. 2470 is a tax increase on the elderly because it is financed by a mandatory surtax which is levied on adjusted gross income above a certain level, regardless of whether or not the elderly choose to take the new Medicare part B coverage! For single or widowed elderly, the tax kicks in when their adjusted gross income goes above $6,000. Even further proof that this is a tax, and not a dual premium, is that it will be calculated when the elderly individual files a tax return. My colleagues might also note that H.R. 2470 does not allow an individual to count this so-called premium toward the medical expense deduction of an individual's income taxes. Current Federal tax law allows the premiums a taxpayer pays for Medicare supplemental insurance plans to be included in calculating the deduction for medical expenses. However, this so-called dual premium is not deductible as part of the medical expense deduction. This, of course, will come as some surprise to the elderly who have been deducting the cost of their Medigap insurance but must now switch to this new government entitlement program.

This surtax is not levied only on the elderly who are wealthy, but hits at least 40 percent of the elderly, according to HHS. The maximum surtax of $580 in 1988 is paid by all single and widowed Medicare recipients with adjusted gross income above $14,166. For married elderly couples, this maximum tax increase begins at $28,332. These people certainly are not wealthy and can certainly not afford the tax increase in store for them should H.R. 2470 pass. For those single and widowed Medicare recipients with AGI of $14,166 and above, this $580, under the bill, could become a $935-tax increase by 1992. According to the Treasury Department, by the year 2005, the tax increase on these modest income elderly individuals could be as high as $4,000, and this is in 1988 constant dollars, assuming that this plan remains self-funded, as envisioned by the authors.

For those elderly individuals watching this special order, let me give them a few examples of what tax increases this bill has in store for them:

For a widow with AGI of $6,000, the tax increase will be modest, only $10. But this tax increase will increase by $10 for every $143 of income.

An elderly couple with $10,000 in AGI will be paying a $280-tax increase in 1988.

An elderly couple with $25,000 in AGI would be paying a $920-tax increase in 1988.

An elderly widow with $7,500 in AGI will pay a $110-tax increase. For all my colleagues who signed "The Pledge" not to increase tax rates, they should note that the Institute for Research on the Economics of Taxation [IRET] estimates that H.R. 2470 will push the 15-percent tax bracket up into a new 22-percent tax bracket. Those who had thought that tax reform would bring them down to the 28-percent tax bracket will be surprised to find that they would now be under a 35-percent tax bracket. H.R. 2470 breaks the promise of lower tax rates and treats the elderly like second class citizens who must pay higher tax rates than those under age 65. How can my colleagues justify such an unreasonable and tremendous tax burden on the elderly for a plan which goes so far away from the President's plan, which would only have levied an additional $4.92 a month on those who chose an expanded Medicare part B program?

What my colleagues and the elderly might find even more disturbing than the tax increase is that the huge expansions of the costs under H.R. 2470 ensure that it will be a budget-busting bill which will threaten the very financial security of the Medicare trust funds, thus threatening the future availability of benefits which are currently offered.

The Medicare trustees in their 1987 report predict that, under intermediate economic assumptions, the trust funds would be exhausted by the year 2002. Thus, the trust funds could bankrupt in less than 15 years if Congress does not take some positive action to reduce the costs of this plan. However, H.R. 2470 does not reduce costs, but adds costs to the plan. In fact, the Treasury Department predicts that H.R. 2470, even without the provisions added by Energy and Commerce, will double in size from representing 5 percent of the costs of the Medicare Program in the year 1988 to representing about 10 percent of the program in the year 2005. More important, HCFA actuaries estimate that shortly after 1992, the revenues generated by the Ways and Means version (this is before calculating the cost of the benefits added by the Energy and Commerce Committee) will be insufficient to meet the promised benefits. Secretary Bowen estimates that a $10 billion deficit will occur in this plan as early as the year 2000.

Left unanswered in the estimates of the tremendous costs of this plan is what the elderly will be paying for the potentially explosive costs of prescription drugs for AIDS patients who qualify for Medicare under the Social Security disability insurance [SSDI] laws.

Hidden in the new prescription drug benefit is a provision which would allow AIDS patients to receive this new drug benefit should they qualify for Medicare under SSDI. Medicare benefits become available to SSDI recipients after 2 years of receiving SSDI benefits. Given the life-extending nature of new, but costly, drugs which treat AIDS patients, it is possible for a significant number of AIDS patients to qualify for Medicare and thus, qualify for this new drug benefit. Although the debate of whether or not AIDS patients should qualify for Medicare should occur later, one must not ignore that the Medicare prescription drug benefit is paid for entirely by Medicare recipients. Seventy-five percent of the Ways and Means version of the prescription drug benefit is paid for by an increase in the part B premium and 25 percent is paid for by the surtax on the elderly. However, the Congressional Budget Office admits that it is incapable of calculating what the increase in the dual premium will be due to the explosive costs of AIDS. Potentially, the elderly could be paying huge tax increases to pay for Medicare prescription drug benefits to AIDS patients should H.R. 2470 pass.

H.R. 2470, the Medicare Catastrophic Protection Act of 1987 should be called the Catastrophic Act on the Medicare Program of 1987. It will be a catastrophe for the 12 million Medicare recipients denied the promise of lower tax rates of last year's tax reform bill and who are now forced to pay ever increasing surtaxes to pay for benefits which they could mostly get from a private insurance plan. It will be a catastrophe for those elderly who are misled into believing that they will now be covered for a prolonged stay in a nursing home, only to find that they must still become impoverished if they wish the Federal Government to assist them in paying for these costs. Most certainly, this bill spells catastrophe for the Medicare trust funds, which will be even less able to pay for the explosive costs of this program as it approaches the bankruptcy date of the year 2002.

I strongly urge my colleagues to reject H.R. 2470 and seek a more reasonable alternative to the problem of catastrophic health care.

CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 9, 1987.

Hon. TED WEISS,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN: As you requested in your letter of April 14, 1987, the Congressional Budget Office (CBO) is providing information on the potential effects of H.R. 276, a bill that would waive for five years the current two-year waiting period for Medicare benefits for Social Security Disability Insurance (DI) recipients with Acquired Immune Deficiency Syndrome (AIDS). Information is provided on the usage of DI by AIDS patients, and on the likely Medicare costs per recipient for the proposed waiver. We also have attached a cost estimate for the legislation.

Table 1 presents data on the number of persons with AIDS awarded benefits during the 1984-1986 period, the estimated total number of surviving DI beneficiaries with AIDS, the number of new AIDS diagnoses, and the number of surviving AIDS patients at the end of each year. DI beneficiaries who first received benefits before 1984 are excluded from Table 1 because the reported data are considered unreliable. Moreover, these data exclude those persons awarded benefits for other medical conditions—including AIDS-related-complex (ARC)—who subsequently developed AIDS.

TABLE 1.—DISABILITY INSURANCE RECIPIENCY AMONG AIDS PATIENTS, 1984–86

	1984	1985	1986 [1]
New DI beneficiaries with AIDS	1,347	2,808	4,340
AIDS cases in DI population, year-end [2]	983	2,440	4,212
New AIDS diagnoses [3]	5,582	9,696	13,209
AIDS cases in U.S. population, year-end [4]	4,913	8,510	15,310
Percent surviving AIDS cases receiving DI [5]	20	29	28

[1] Indicates number of DI cases—includes small number of 1987 beneficiaries.

[2] Estimate of post-1983 beneficiaries surviving at year end. Data understates total number because of exclusion of pre-1984 beneficiaries due to possible errors in reporting.

[3] Diagnoses reported to CDC as of May 18, 1987.

[4] CDC estimates.

[5] Percentage understates actual proportion receiving benefits particularly in 1984 because pre-1984 beneficiaries entitlements due to possible errors in reporting. This bias should decrease over time.

You also requested information on the estimated Medicare costs for those AIDS patients who would benefit from the proposed waiver of the two-year waiting period for Medicare benefits. Based on information provided by the Centers for Disease Control (CDC), the survival rates for AIDS patients may be approximated by assuming that roughly one-half of affected individuals will die in a given year. That is, for individuals diagnosed on January 1 of a given year, there is a 50 percent probability that they would survive to the beginning of the following year, a 25 percent chance they would survive two full years after initial diagnosis, and so on. Based on this approximation, we estimate that elimination of the Medicare waiting period would result in an average affected beneficiary receiving an additional 13 months of Medicare benefits. Assuming average annual Medicare costs of about $40,000 for an AIDS patient, the additional Medicare costs per AIDS patient under H.R. 276 would amount to about $43,000. (Further details on the assumptions used to produce this estimate are provided in the attached cost estimate.)

If you have any further questions in this matter, please call me or have your staff contact Paul Cullinan (226-2820).

With best wishes,

Sincerely,

EDWARD M. GRAMLICH,
Acting Director.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: H.R. 276.
2. Bill Title: None.

3. Bill status: Introduced on January 6, 1987 and referred jointly to the Committees on Ways and Means and Energy and Commerce.

4. Bill purpose: To amend Title II of the Social Security Act to waive, for 5 years, the 24-month waiting period for Medicare eligibility on the basis of a disability in the case of individuals with Acquired Immune Deficiency Syndrome (AIDS), and for other purposes.

5. Estimated cost to the Federal Government:

[By fiscal years, in billions of dollars]

	1988	1989	1990	1991	1992
Medicare:					
Budget Authority	0.05	0.10	0.15	0.15	0.20
Outlays	0.35	0.50	0.70	1.00	1.35
Medicaid:					
Budget Authority	−0.05	−0.10	−0.10	−0.15	−0.20
Outlays	−0.05	−0.10	−0.10	−0.15	−0.20
Total:					
Budget Authority	(1)	(1)	(1)	(1)	(1)
Outlays	0.30	0.40	0.60	0.85	1.15

[1] Indicates less than $25 million.

Note.—Components may not sum to total due to rounding.

The costs of this bill fall within function 570 and function 550.

Basis of estimate

Under current law, virtually all recipients of Disability Insurance (DI) benefits must be entitled to those benefits for consecutive months before becoming eligible for Medicare benefits. Moreover, the individual is not eligible for DI benefits for the first 5 months following the onset of the disabling condition. Therefore, at a minimum, disabled persons qualifying for DI benefits must wait at least 29 months from the onset of their disability before having access to Medicare benefits. H.R. 276 would waive for 5 years the 24-month waiting period for Medicare coverage for DI beneficiaries who are diagnosed as disabled with AIDS.

The CBO estimates the potential federal costs of this bill to be about $300 million in 1988 and about $3.3 billion over the 1988-1992 period. This is a net figure that includes projected reductions in Medicaid costs. Medicaid costs would fall under this bill because Medicare would become the primary payer for some Medicaid beneficiaries.

Because of uncertainties about the potential number of beneficiaries who would be newly eligible for benefits, the level of medical costs and the extent to which Medicare would pay for them, the extent of access to Medicaid and private insurance that would be available, and numerous other factors, the range of potential costs varies widely from the estimates provided here. The assumptions used in determining the cost of the legislation and the quality of the data are discussed below.

Estimating the costs of eliminating the 24-month Medicare waiting period for AIDS patients with DI requires forecasting the number of AIDS cases, the proportion who would qualify for DI benefits, the life expectancies of these recipients, and their expected medical costs. In addition, assumptions must be made concerning how these medical costs would be financed under current law, and whether Medicare coverage would in some cases reduce governmental payments made by other public programs.

Number of Beneficiaries Affected and Their Life Expectancies. The potential number of affected DI beneficiaries is estimated using data from the Centers for Disease Control (CDC) and the Social Security Administration (SSA). Individuals may qualify for DI benefits if they can demonstrate that they are unable to continue being employed at wages above a minimal level (currently $300 per month) due to a serious medical condition that will last at least 12 months or result in death. Moreover, they must have had a substantial and recent attachment to the labor force that would insure them for the disability protection accorded under the Social Security Act. Table 1 presents the most recent CDC projections of new diagnoses of AIDS cases through 1991—the CBO extended this projection to 1992 for the purposes of this estimate.

TABLE 1.—PROJECTIONS OF NEW AIDS DIAGNOSES AND DI RECIPIENTS

	1987	1988	1989	1990	1991	1992
New AIDS diagnoses:						
Lower bound	21,000	27,000	33,000	40,000	46,000	[1] NA
CDC projection	23,000	33,000	45,000	58,000	74,000	[2] 94,000
Upper bound	25,000	36,000	51,000	69,000	92,000	[1] NA
DI recipients:						
New DI cases [3]	7,050	10,200	14,300	18,950	24,300	30,850
DI cases, end of year [3]	7,000	10,550	15,150	20,650	27,050	34,750
Number of beneficiary-years in Medicare waiting period [4]	NA	7,800	11,300	15,550	20,550	26,400

[1] Indicates either not available or not applicable.

[2] CBO extrapolation of CDC estimates.

[3] Calendar year estimate.

[4] Fiscal year estimate of the number of beneficiaries adjusted to equal the equivalent number of cases receiving 12 full months of benefits.

These data indicate that the number of new cases diagnosed annually are projected to rise by more than 300 percent over the 1987-1992 period. In addition to their base estimates, the CDC has produced lower and higher estimates of the number of diagnoses under the current definition of AIDS[1] used by the CDC and the SSA. If the lower estimate had been used, additional federal outlays would have been about one-third lower in 1992; the upper bound estimate would have raised costs by about one-quarter in 1992.

The CDC estimates that, for those with AIDS, the median number of years of remaining life expectancy is slightly over one year, and projects that 75 percent of individuals with AIDS will die within 2 years of their diagnosis and 88 percent will die within 3 years. Data from the SSA show similar patterns, with 17 percent of those with AIDS becoming entitled to DI benefits in 1984 surviving to the end of 1986, 29 percent of new beneficiaries in 1985 were still alive at the end of 1986, and 73 percent of 1986 DI cases were living at the end of 1986. (Note that the 1986 cases would have only been entitled for 6 months on average, the 1985 cases about 18 months, and the 1984 cases about 30 months.) For the purposes of this estimate the number of new DI awards for persons with AIDS is assumed to increase at the same rate as the CDC diagnoses, except with a one-half year lag to reflect the DI waiting period. We have not assumed any increase in the number of AIDS patients applying for DI benefits in response to the earlier availability of Medicare benefits as provided for in H.R. 276.

These estimates of disabled persons with AIDS awarded DI benefits were then increased by 10 percent to reflect the fact that many persons awarded DI benefits with AIDS-related-complex (ARC) subsequently develop AIDS. During the period September 1986 through May 1987, the SSA allowed disability benefits to 761 persons with ARC under the DI or the Supplementary Security Income (SSI) program. The comparable total allowance figure for AIDS cases alone was 3989. Assuming two-thirds of these would qualify for DI (the same proportion as for all AIDS persons awarded benefits for DI, SSI, or both), the combined total of ARC and AIDS DI cases would be about 13 percent higher than for AIDS alone. The addition of the DI recipients with ARC was assumed to increase the number of beneficiaries with AIDS in the Medicare waiting period by 10 percent, reflecting the lag between the awarding of benefits to these persons and the actual diagnosis of AIDS.

Projecting the life expectancies of AIDS patients also is fraught with uncertainties. Because AIDS is a relatively recent phenomenon and accurate reporting of the incidence and life course of the disease has been a problem in assessing data on AIDS, it is unclear whether the estimates of annual survival rates for persons with AIDS will prove to be accurate. As more and better data become available, a better assessment of the estimates may be made. Perhaps more important, however, is whether drugs such as azidothymidine (AZT) will come into the market and substantially extend the lives of persons with AIDS. Preliminary experimental results with AZT would appear to indicate a lengthening of life expectancies. The estimates presented here do not reflect the potential life-prolonging effect of AZT, for example, an outcome that could either raise both the current law DI and Medicare costs and the potential costs of H.R. 276, or lower them if AZT were to ameliorate the acute spells of illness so as to enable more AIDS patients to continue their employment.

Estimated Medicare Costs. Medicare costs were estimated based on assumptions about the average number of admissions, the average Hospital Insurance (HI) payment per admission, the average Supplementary Medical Insurance (SMI) reimbursement for Medicare patients admitted by a hospital, an adjustment to reflect the higher incidence of AIDS in higher cost jurisdictions, and the average cost per admission for persons with AIDS relative to the average admission. Adjustments for Medicare patients who receive benefits for less than a full year are reflected in the number of affected beneficiaries.

For this estimate, the CBO used the 3.2 admissions per beneficiary year estimated in a study by Anne Scitovsky and Dorothy Rice in the January-February 1987 issue of the Public Health Reports. Research into the costs of AIDS has produced estimates of annual hospital admissions that range from 1.6 to 4.2 admissions per patient year. The same research provides some evidence that the pattern of costs for treatment of AIDS tends to be relatively high in the period immediately following the initial diagnosis and in the last few months of life, with the period in the middle of the disease course being somewhat less expensive. Although the 5-month waiting period for DI benefits could cause the pattern of Medicare expenses under H.R. 276 to differ from the costs over the entire course of the disease, it is uncertain whether this would increase or decrease the average number of admissions per beneficiary relative to the estimate for all AIDS patients.

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[1] The CDC has announced that the formal definition of AIDS will be expanded in September 1987 to include dementia and the wasting syndrome sometimes associated with severe human immunodeficiency virus (HIV) infections. This change will increase the official count of AIDS cases, but its effect on the number of DI beneficiaries is uncertain. Under current practices, the SSA includes AIDS as a medical condition that qualifies an individual for DI if the person has sufficiently low wages and has an earnings history that insures one for benefits. Individuals with dementia and the wasting syndrome may qualify as well if the condition is sufficiently severe as to indicate an inability to work. The SSA has indicated that it has no plans to modify its current medical listings to correspond to the new CDC definition of AIDS.

Further uncertainties are introduced because the pattern of treatment for AIDS patients is evolving, and has been becoming less oriented toward hospital-based care. The costs of H.R. 276 were estimated based on the assumption that the current treatment practices are maintained throughout the projection period. In addition, the average cost per case also differs by the diagnosis with Pneumocystis carinii pneumonia and Kaposi's sarcoma representing the vast majority of AIDS cases. The estimates presented here assume that the distribution of AIDS cases by diagnosis will remain constant in the future.

Although little is known about the current practice used by hospitals for classifying AIDS cases within the Prospective Payment System (PPS), the average PPS payment for AIDS admissions is assumed to be twice the average payment. A review of the Diagnosis Related Groups (DRGs) for those conditions under which AIDS patients are likely to be admitted indicated that virtually all were above average. An examination of the administrative data undertaken by the Office of the Actuary of the Health Care Financing Administration in 1985 found that the average DRG weight for AIDS patients was 40 percent above the average. The CBO increased this differential to reflect the assumptions that many of these beneficiaries would end up in urban teaching hospitals and hospitals treating a disproportionate share of indigent cases, and receive the higher payments accorded these hospitals under the PPS system. In addition, the relatively high incidence of AIDS cases in geographic regions with higher than average hospital costs—California and New York accounted for about one-half of all reported AIDS cases in 1986—was also assumed to increase the cost per admission.

Using the assumptions described above, estimated, HI costs in 1988 are $29,200 per patient year. Assuming that SMI reimbursements are the same proportion of HI costs for persons with AIDS as they are for other Medicare beneficiaries with hospital admissions (about 36 percent), a full year of SMI benefits would amount to about $10,500 in fiscal 1988. Total Medicare costs per patient year were rounded to $40,000 in 1988. These estimates of Medicare costs patient year are within the range of estimated annual medical costs found in a survey of AIDS studies conducted by the Office of Technology Assessment (OTA). Estimates per patient year ranged from about $30,000 to about $60,000. The CBO's estimates of Medicare reimbursements are in the bottom half of this range, but this in part reflects the fact that Medicare does not cover all medical costs. In particular, Medicare does not cover physician charges above the customary, prevailing, and reasonable rates and out-patient prescription drugs.

If all of these newly eligible under H.R. 276 used Medicare as the primary payer for medical services, the total increase in Medicare costs would be about $350 million in 1988 and $4.1 billion over the next 5 years. The actual costs to Medicare, however, would be reduced to the extent that individuals take advantage of the extension of employer-provided group health insurance enacted as part of the Consolidated Omnibus Budget Reconciliations Act of 1985 (COBRA). COBRA requires that persons losing their jobs may voluntarily enroll in the group health insurance of their provious employer at rates not more than 2 percent above the insurance plan's full premium costs, for up to 18 months of coverage after the loss of employment. Although there are no data on the extent to which individuals are taking advantage of these provisions, the high medical costs of AIDS patients would encourage many to participate in the voluntary enrollment. Ever if H.R. 276 were enacted, some persons with AIDS might choose to continue such coverage even after becoming eligible for Medicare benefits if the private coverage paid for prescription drugs (particularly AZT) and other expenses not fully reimbursed by Medicare. Given the high cost of a private insurance plan with such conprehensive coverage, expenses not reimbursed by Medicare would have to be quite substantial to expect that many AIDS patients would continue private coverage after becoming eligible for Medicare. Total estimated Medicare costs in years after 1988 have reduced to reflect an assumption that 5 percent of DI recipients—a smaller percentage in 1988—would continue private employer group health insurance after becoming eligible for Medicare under H.R. 276.

Total federal outlays would increase by less than the total increase in Medicare payments, because in a significant proportion of cases Medicare would begin to pay for services that would be reimbursed by Medicaid under current law. Roughly 20 percent of DI recipients with AIDS also receive Supplemental Security Income (SSI), which generally indicates that the recipient is also eligible for Medicare benefits. The 20-percent figure was increased to 30 percent to reflect the fact that some DI recipients not eligible for SSI would be eligible for Medicaid through its "medically needy" provisions. (There are currently no data to verify the degree of coverage under these provisions among AIDS patients receiving DI.) Assuming that the federal share of Medicaid payments is 55 percent, 16.5 percent of the additional Medicare costs resulting from H.R. 276 would be offset through reduced expenditures in Medicaid.

6. Estimate cost to State and local government: State and local goverment cost could be reduced if the Medicare waiting period were to be eliminated. Based on the estimate of Medicaid costs presented above, state Medicaid costs would be reduced by about $50 million in 1988 and by about $550 million over the 1988-1992 period. In addition, there could be some savings to state and local governments because some hospital care that is currently being provided through public hospitals as charity care would become covered under Medicare with the passage of H.R. 276. On the other hand, some states and localities might use these savings to provide more services to the AIDS population than are currently being supplied.

7. Estimate, comparision: None.

8. Previous CBO estimate: None.

9. Estimate prepared by: Paul Cullinan (226-2820)

10. Estimate approved by:

JAMES L. BLUM,
Assistant Director,
for Budget Analysis.

DEPARTMENT OF THE TREASURY,
Washington, June 23, 1987.

Hon. DAN ROSTENKOWSKI,
Chairman, Committee on Ways and Means,
U.S. House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: Extending acute care catastrophic health coverage to the elderly through Medicare is a goal shared by the Administration and most members of Congress. The Administration proposed to meet this goal in a way that involved only a limited increase in premiums, little or no additional administrative burdens on the elderly and disabled, and only modest administrative costs to the Government.

Unfortunately, as congressional proposals have been developed in the Ways and Means Committee, the Energy and Commerce Committee, and the Senate Finance Committee, a number of problems have developed because of the financing mechanisms utilized. The Ways and Means bill would require all Medicare eligible persons to pay a supplemental premium based on adjusted gross income. Such a premium would function similarly to a surtax. The Senate Finance bill would attempt to avoid the surtax label by granting Medicare-eligible persons the option of electing catastrophic care and Part B coverage, and then allowing the supplemental premium to be deductible as a medical expense. Since the Senate supplemental premium is based on Federal income tax liability and is capped so that coverage would usually be elected, it too would operate like a surtax.

In both bills, tax rates must continually rise over time to pay for costs that would increase much faster than the income of taxpayers. As illustrated in the enclosures, the complexity of tax filing would be increased significantly for the majority of elderly and disabled taxpayers, while administrative costs would also be imposed on the Government and, hence, on the general taxpayer. In addition, by connecting Medicare funding to the reporting system used for income taxes, undesirable linkages between the two systems would be created. These consequences should be avoided in any bill sent to the President for signature.

The following paragraphs elaborate on concerns of the Department of the Treasury:

1. Adoption of a surtax would represent an important revision in the Internal Revenue Code, and, in particular, a tax rate increase before tax reform is even fully in effect.

2. Unlike a normal premium, individuals would know the amount of surtax they owe only when they file tax returns, not at the time that coverage is received. Any decision to choose or maintain coverage, as in the Senate bill, would have to be made without even knowing the full cost. Allowing the surtax to be treated as an expense eligible for the medical care deduction also would add mainly to complexity, although most taxpayers still would fall below the 7.5 percent floor for deductibility.

3. The surtax rates in both the Ways and Means bill and the Senate Finance bill are scheduled to increase steadily over time. After adjusting for inflation, for instance, the surtax in H.R. 2470 would raise four times as much revenue in 2005 as in 1989. These increases are required simply because the costs of both bills are scheduled to increase much faster than national income and because catastrophic limits are indexed in such a way that the Government increasingly would cover ordinary, as well as cata-

strophic, health expenses. The tax rates, therefore, are also designed to increase rapidly (albeit, as discussed below, not fast enough to avoid long-term deficits).

4. A surtax would raise the effective marginal tax rates for the elderly and disabled from the rates under present law. For instance, the Ways and Means Committee surtax mechanism would raise the effective marginal tax rate from 15 percent (under the normal income tax) to 22 percent for tax filers enrolled in Medicare who have adjusted gross incomes between $6,000 and $14,000. Between 1988 and 1992, the 22 percent tax rate would increase to 25 percent. The surtax rate would be smaller on average in the Senate Finance bill, but it would also increase over time.

5. These tax rate increases would still be inadequate to cover program costs in later years. Preliminary estimates done in coordination with the Health Care Financing Administration on H.R. 2470, for instance, indicate that, even without a costly prescription drug benefit, by 2005 program costs would be in excess of program revenues by over $20 billion annually. Treasury does not favor increasing future tax rates to offset this deficit.

6. The surtax mechanism would raise the paperwork burden for Medicare enrollees. The elderly and disabled would be required to file additional tax forms and perform calculations on the basis of filing status, income and number of months that Medicare benefits are received, and additional estimated taxes would be owed. This additional reporting burden is estimated to involve more than 1 million hours of time. The enclosed draft forms indicate the additional amount of calculations that would have to be performed and instructions that would have to be understood by the elderly and disabled. Even if the calculations were to be made on worksheets, the same amount of effort would be required.

Note that all of this administrative burden is avoidable. Collection of a premium by the Social Security Administration, as proposed by the Administration, would be far simpler—a straightforward extension of its Medicare Part B premium mechanism. Social Security operates on a monthly basis; the income tax system does not.

7. Additional audit and collection responsibilities would also be imposed on the Federal Government. New information reports would need to proceed from Medicare to IRS, and IRS effectively would keep "Medicare tax" data on Medicare recipients. A preliminary estimate of IRS costs for H.R. 2470 would be over 750 staff years and over $25 million, excluding audit and related costs. Absent additional IRS funding, these additional responsibilities would reduce other IRS audit and taxpayer service functions.

8. Embedding the financing of catastrophic care in the income tax system would complicate substantially the system's primary revenue raising purpose. Standard changes to the tax system, such as altering tax brackets to reduce bracket creep, or raising the value of the personal exemption, could affect the financing of Medicare. On the other hand, if filing requirements for the income tax and Medicare-related tax were made totally separate, then some persons could be required to file income tax returns simply to pay the Medicare tax. In effect, the income tax system would become tied in knots, and even a progressive tax change such as increasing the tax-exempt level of income would become much harder to achieve.

I hope you will agree that these consequences—an increasing rate of surtax, significant and avoidable administrative costs, and a complicated linkage of the tax and Medicare systems—are undesirable. A simple extension of the Medicare Part B premium mechanism, as proposed by the President, avoids the latter two problems. If any bill is to avoid significant increases in the rate of surtax and remain deficit neutral in the long-run, then both initial costs and the future rate in growth of costs must be limited.

I have been advised by the Office of Management and Budget that the Administration has completed its review of H.R. 2470, and determined that the bill is not in accord with the President's program because of non-catastrophic benefit expansions, excessive initial and actuarially unsound costs, and troublesome tax provisions. A review of S. 1127 is currently being conducted.

Sincerely,

ROGER MENTZ,
Assistant Secretary
(Tax Policy).

Ways and Means Bill—Computation of Supplemental Medicare Premium

Name(s) as shown on return..............

....

Your social security number ....

....

1. Enter the number of months you were eligible for Medicare Part A benefits in 1988 (as shown Form 1099G) (months) ....

2. If you are married filing a joint return, and your spouse was eligible for Medicare Part A benefits in 1988, enter the number of months your spouse was eligible for such benefits (as shown on Form 1099G) (months) ....

3. Enter the amount of your adjusted gross income from Form 1040, line 30, or Form 1040A, line 21. However, if you are married filing a joint return, enter one-half of the amount of your adjusted gross income shown on Form 1040 or 1040A (adjusted gross income)..............

4. If your filing status is Single, Head of Household, Married filing separate, or Qualifying Widow(er), enter the amount of your premium from Table A based on your adjusted gross income shown on line 3 above. Also, enter this amount on Form 1040, line xx, or Form 1040A, line xx (premium) ....

5a. If you are Married filing a joint return, enter here the amount of the premium from Table B based on amount shown in line 3 above. If your spouse was not eligible for Medicare Part A benefits, also enter the amount from line 5a on Form 1040, line xx, or Form 1040A, line xx. Otherwise, go on to line 5b. (premium) ....

b. If your spouse was also eligible for Medicare Part A benefits, enter here the amount of the premium from Table A based on the amount shown on line 3 above. (premium) ....

c. If you completed both lines 5a and 5b, enter the total of lines 5a and 5b here and on Form 1040, line xx, or Form 1040A, line xx (premium).............

TABLE A

If adjusted gross income from line 3 above is—		
At least	But less than:	Your premium is
0	6,000	$0
$6,000	6,143	10
$6,143	6,287	20
$6,287	6,430	30
$6,430	6,573	40
$6,573	6,716	50
$6,716	6,860	60
$6,860	7,003	70
$7,003	7,146	80
$7,146	7,289	90
$7,289	7,433	100
$7,433	7,576	110
$7,576	7,719	120
$7,719	7,862	130
$7,862	8,006	140
$8,006	8,149	150
$8,149	8,292	160
$8,292	8,436	170
$8,436	8,579	180
$8,579	8,722	190
$8,722	8,865	200
$8,865	9,009	210
$9,009	9,152	220
$9,152	9,295	230
$9,295	9,438	240
$9,438	9,582	250
$9,582	9,725	260
$9,725	9,868	270
$9,868	10,011	280
$10,011	10,155	290
$10,155	10,298	300
$10,298	10,441	310
$10,441	10,585	320
$10,585	10,728	330
$10,728	10,871	340
$10,871	11,014	350
$11,014	11,158	360
$11,158	11,301	370
$11,301	11,444	380
$11,444	11,587	390
$11,587	11,731	400
$11,731	11,874	410
$11,874	12,017	420
$12,017	12,160	430
$12,160	12,304	440
$12,304	12,447	450
$12,447	12,590	460
$12,590	12,734	470
$12,734	12,877	480
$12,887	13,020	490
$13,020	13,163	500
$13,163	13,307	510
$13,307	13,450	520
$13,450	13,593	530
$13,593	13,736	540
$13,736	13,880	550
$13,880	14,023	560
$14,023	14,166	570
$14,166	and up	580

Note.—If you were not eligible for Medicare Part A benefits ALL of 1988, see the instructions before using the table above to figure your premium.

Purpose of Form.—Beginning in 1988, if you are a medicare-eligible individual, you must pay a supplemental medicare premium in the form of an additional income tax. Use Form XXXX to figure the amount of your supplemental Medicare premium. The instructions below explain who is a medicare-eligible individual.

Who Must File.—In general, you are a medicare-eligible individual for 1988 and you must complete and attach this form to Form 1040 or Form 1040A if yopu were entitled to Medicare Part A benefits during any month in 1988. This also applies if on application without payment you would have been entitled to Part A benefits in 1988. You are treated as a medicare-eligible individual for the month you reach age 65 and any subsequent month unless you establish to the satisfaction of IRS that you were not eligible for the month. However, this rule does not apply if you are a nonresident alien.

On a joint return, each spouse must figure his or her own premium if both spouse's were eligible for Part A benefits in 1988. The combined premiums are included on the joint return.

Who Is NOT a Medicare-eligible Individual?—You are not a medicare-eligible individual and do not have to pay the premium if any one of the following applied to you for 1988:

a. You were entitled to benefits solely because you paid a premium equal to the value of the Part A coverage;

b. You were a resident of a U.S. territory who pays the extra Part B premium applicable only to such residents, or

c. You were a qualified nonresident.

Qualified nonresident.—A qualified nonresident is a person who a. has been outside of the United States for at least 330 full days during the 12-month period ending at the close of 1988 and each of the four consecutive preceding 12-month periods, and

b. has not received any medical services during 1988 and four of the preceding tax years for which payment is or will be made under Medicare Part A, and

c. is not entitled to Medicare Part B benefits at any time during 1988 and the four preceding tax years.

LINE-BY-LINE INSTRUCTIONS

Lines 1 and 2.—Enter on line 1 the number of months you were eligible for Medicare Part A benefits in 1988. If you are married filing a joint return and your spouse was also eligible for Medicare Part A benefits in 1988, enter on line 2 the number of months your spouse was eligible for such benefits. The number of months will be shown on Form 1099G that the Department of Health and Human Services should furnish you by January 31, 1989.

Line 3.—Enter your adjusted gross income on this line. The amount of your premium is based on your filing status and your adjusted gross income. In general, adjusted gross income is the amount shown on Form 1040, line 30 or Form 1040A, line 12. However, if you file a joint return, for purposes of figuring the premium, multiply your adjusted gross income shown on Form 1040, line 30, or Form 1040A, line 12, by .50 and enter the result on line 3.

Line 4.—Use Table A to figure your annual premium if your filing status is Single, Head of Household, Married Filing Separate, or Qualifying Widow(er). Enter the amount from Table A on line 4 and also on Form 1040, line xx, or Form 1040A, line xx. However, if you were not a medicare-eligible individual ALL of 1988, you will need to make the following computation to figure the amount to enter on line 4.

Computation if you were not a medicare-eligible individual ALL of 1988

———— Amount of premium from Table A x ———— Number of months eligible (from line 1)/12= ———— Amount of premium to enter on line 4

Line 5a.—Use Table B to figure your annual premium if your filing status is Married Filing Jointly. If you were not a medicare-eligible individual ALL of 1988, you will need to make the following computation to figure the amount to enter on line 5a.

Computation if you were not a medicare-eligible individual ALL of 1988

———— Amount of premium from Table B x ———— Number of months eligible (from line 1)/12= ———— Amount of premium to enter on line 5

If your spouse was not a medicare-eligible individual for 1988, stop here and enter the amount from line 5a on Form 1040, line xx, or Form 1040A, line xx. Otherwise, go on to line 5b.

Line 5b.—Use Table B to figure your spouse's annual premium if your spouse was also a medicare-eligible individual for 1988. If your spouse was not a medicare-eligible individual ALL of 1988, you will need to make the following computation to figure the amount to enter on line 5b.

———— Amount of premium from Table B x ———— Number of months eligible (from line 2)/12= ———— Amount of premium to enter on line 5b

Line 5c.—If you completed lines 5a and 5b, add the amounts on these two lines and enter the total of the two amounts on line 5c. Also, enter this amount on Form 1040, line xx, or Form 1040A, line xx. This is the total premium for both you and your spouse.

The following are examples of how to figure the premium.

Example 1. Mr. Brown files a single return. He was a medicare-eligible individual for all of 1988 and his adjusted gross income on Form 1040, line xx, is $12,230. Using Table A, he first finds the $12,160-12,304 adjusted gross income line. He then reads across that line and finds that the premium is $440, which he enters on Form XXXX, line 4.

Example 2. The facts are the same as in Example 1 except that Mr. Brown files a joint return. His share of the adjusted gross income on Form 1040, line 30, is $6,115 (50% of $12,230). Using Table A, he finds the $6,000-6,143 adjusted gross income line. The premium for that amount of adjusted gross income is $10, which he enters on Form XXXX, line 4.

Example 3. Mr. and Mrs. Blue file a joint return. Mr. Blue was a medicare-eligible individual for all of 1988. Mrs. Blue was an eligible individual for 4 months of 1988. Their adjusted gross income on Form 1040, line 30 was $19,200 and each spouse's share of that adjusted gross income is $9,600 (50% of $19,200). Each spouse must figure the premium separately. Using Table A, Mr. Blue finds the $9,582-9,725 adjusted gross income line. The premium for that amount of adjusted gross income is $260, which is entered on Form XXXX, line 5a. Mrs. Blue also uses Table A and $9,600 as her adjusted gross income. However, because she was a medicare-eligible individual for only four months, her premium is $86.67 ($260 annual premium x 4/12—for four month period that she was eligible for benefits), which is entered on line 5b. The total of the two amounts $346.67 ($260+86.67) is then entered on Form XXXX, line 5c.

Senate Finance Bill—Computation of Supplemental Medicare Premium

Name(s) as shown on return *Your social security number*

1. Enter the number of months you were covered by the Medicare Part B insurance program for 1988 (from Form SSA-1099). See instructions if you are married filing a joint return .... 1 ....
2. Enter your tax liability from Form 1040, line 47, or Form 1040A, line 20 .... 2 ....
3. Divide the amount on line 2 by $150. Enter the result. See the instructions for how to round dollars and cents .... 3 ....
4. Multiply the number on line 1 by the amount on line 3 .... 4 ....

Name(s) as shown on return *Your social security number*

5. Maximum premium. If you were covered by the Part B insurance program for 12 months in 1988 and you are not married filing a joint return, enter $800. Otherwise, see the instructions .... 5 ....
6. Enter the smaller of the amount on line 4 or the amount on line 5. Also, enter this amount on Form 1040, line xx, or Form 1040A, line xx. This is your supplemental medicare premium .... 6 ....

Purpose of Form.—Beginning in 1988, if you are eligible for medicare benefits under Part B of Title XVIII of the Social Security Act, you must pay a supplemental medicare premium with your Federal income tax. This form is used to figure the amount of the premium.

Who Must File.—In general, you must file this form for 1988 with Form 1040 or 1040A if you were covered by the insurance provided under Part B of Medicare during any month during 1988 and you have a liability for Federal income tax of more than $150. If you are married and file a joint return, the additional premium is computed separately for each spouse.

LINE-BY-LINE INSTRUCTIONS

Line 1.—Enter the number of months you were covered by Part B of the medicare insurance program. This number will be shown on the Form 1099-SSA furnished to you by the Social Security Administration. If you were covered for the entire year, enter 12.

If you are married and filing a joint return and either you or your spouse was covered for the entire year, enter 12. If only one of you was covered during the year, enter the number shown on the Form 1099-SSA. If both of you were covered during the year, enter the number shown on the Form 1099-SSA for the one covered for the longer period of time.

Line 3.—Divide the amount on line 2 by $150. If the result is less than 1, do not file this form. If the result is not a whole number, reduce it to the next lowest whole number. For example, $40.95 would become $40.00.

Line 5.—Maximum premium. If your filing status is Single, Head of Household, Married Filing Separate, or Qualifying Widow(er) and you were covered by the Part B insurance program for the entire year, enter $800. Also enter $800 if you are married filing a joint return and your spouse was not covered by the Part B insurance program. If you are married filing a joint return and your spouse was also covered by the Part B insurance program for the entire year, enter $1,600.

Individuals who were covered for fewer than 12 months during the year should enter the appropriate amount from the table below. Married persons filing joint returns in situations where both spouses are covered by Part B for less than 12 months in 1988 must make a separate computation for each spouse, and then show the sum of the separate amounts on line 5.

If number of months covered is:	*Enter on line 5*
11	$733
10	667
9	600
8	533
7	467

	Enter on line 5
6	400
5	333
4	267
3	200
2	133
1	67

HCFA ACTUARY REPORTED COSTS OF THE SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT (WAXMAN) ADD-ONS TO H.R. 2470

[Dollars in billions]

	Fiscal year	Cost
Influenza vaccine	1989	$0.3
	1990	.5
	1991	.5
	1992	.5
In-home care benefit	1989	2.3
	1990	3.3
	1991	3.6
	1992	3.9
Mental health (25-visit limit only	1989	.1
	1990	.1
	1991	.1
	1992	.2
Medicaid buy-in	1988	.1
	1989	.3
	1990	.3
	1991	.4
	1992	.5
Spousal impoverishment	1988	.2
	1989	.4
	1990	.4
	1991	.5
	1992	.5
Drug benefit	1989	9.0
Total	1989 HCFA cost	12.4
	1989 CBO cost	1.2

June 15, 1987.

COMPARISON OF COSTS TO GOVERNMENT AND MEDICARE BENEFICIARIES: H.R. 2470 AND H.R. 1245—CATASTROPHIC HEALTH INSURANCE PROPOSALS

The basic benefit and coverage costs and revenue projections for the Ways and Means Committee catastrophic proposal, H.R. 2470, as compared to the administration's bill, H.R. 1245, for years 1988 to 2005.

TOTAL COST OF PROVIDING THE CATASTROPHIC BENEFIT

[In billions of dollars]

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
H.R. 2470	1.8	5.2	6.1	7.3	8.7	10.3	12.2	14.5	17.0	20.0	23.5	27.5	32.2	37.7	44.0	51.5	60.3	70.6
H.R. 1245	2.3	2.7	3.1	3.5	4.1	4.7	5.3	6.2	7.0	8.0	9.2	10.6	12.1	13.9	16.1	18.6	21.4	24.9
H.R. 2470 (breakdown of costs):																		
Basic benefit	1.8	4.9	5.7	6.8	8.1	9.7	11.5	13.7	16.1	19.0	22.4	26.3	30.8	36.1	42.3	49.6	58.1	68.1
Add-ons (home health cutpatient mental health eliminated SNF prior hospital)	0	.3	.4	.5	.6	.6	.7	.8	.9	1.0	1.1	1.2	1.4	1.6	1.7	1.9	2.2	2.5

PREMIUM INCREASES ON MEDICARE BENEFICIARIES

[In billions of dollars]

	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
H.R. 2470																		
Tax table						9.3	10.6	12.2	13.9	15.9	18.1	20.7	23.6	27.1	31.5	35.6	40.9	47.1
Flat premium	0	0	0.4	0.6	0.6	.7	.7	.8	.8	.9	.9	1.0	1.0	1.1	1.1	1.2	1.2	1.3

Source: Department of Health and Human Services.

Mr. FIELDS. Mr. Speaker, I want to commend my colleague from Illinois, Mr. CRANE, for taking out this special order today to educate our colleagues and the public about the problems of H.R. 2470, the Medicare Catastrophic Protection Act of 1987.

I must say that I feel we are teetering on a precipice when I think about the apparent and hidden dangers of the legislation that has been reported from the Energy and Commerce Committee. I, personally, am experiencing a range of feelings—mixed emotions—about the catastrophic health care coverage legislation which will be before the House all too soon. It is not the proposal I would prefer to consider. I would prefer to consider H.R. 1245, President Reagan's proposal.

I, along with my Republican and Democratic colleagues alike, am concerned about catastrophic health care coverage. This should not be a Democratic or Republican issue, nor should it be a liberal or conservative issue.

President Reagan, whose catastrophic care coverage proposal I and a number of my colleagues on the minority side cosponsored, has supported catastrophic coverage—first as Governor of the State of California and now as President of these United States.

H.R. 1245, the legislative proposal developed by Health and Human Services Secretary Dr. Otis Bowen, embodies the President's concern for senior citizens and his concern for the financial future of the Medicare Trust Funds and this country. He should be congratulated for achieving a balance of those interests. I have been pleased that there actually was such a proposal that I and my constituents could support.

However, H.R. 2470 is not H.R. 1245. Oh, they may share some common features. But, it's the features they do not share that trouble me today.

In my opening, I said that we are "teering on a precipice." The precipice of which I speak is whether Congress decides to jeopardize the future solvency of the Medicare trust funds and our earnest efforts at deficit reduction or do we enact a proposal that is designed to be self-financing? Are you who support H.R. 2470 really confident that the senior citizens of this country support your attempts to substantially increase their premiums, practically overnight, without certainty of benefit?

The Congressional Budget Office estimates that the President's legislative proposal would cost about $12 billion over a 5-year period, while H.R. 2470 as reported from Energy and Commerce would cost $37 billion for the same period—more than three times as much! Clearly we cannot afford to saddle the entire Medicare Program with such increases. Nor should the Medicare beneficiaries of this country be forced into paying substantially higher premiums when their eligibility for increased benefits is, at best, questionable.

Under H.R. 2470 as reported from Ways and Means then amended by Energy and Commerce, a Medicare beneficiary may have to pay a total annual premium as high as $873 in 1988 and $1,687 in 1991. Respectively, this would be $72.75 per month in 1988 and $140.58 per month in 1991. Considering that the current part B premium is $17.90, and expected to be $22 in 1988, these are monstrous increases. The total premium is the sum of the surtax on income of Medicare-eligibles and increases in the part B premium due to benefits added by the Energy and Commerce Committee. These include prescription drug and respite care benefits.

The prescription drug benefit is of particular concern to me. Department of Health and Human Services, State Drug Program and private business data show a wide variation in the cost and utilization of drug coverage programs. Beneficiaries who already pay private MediGap premiums on policies which cover prescription drugs will find themselves burdened with an additional premium. Not only that, but they would only become eligible for coverage once they met the $500 deductible.

Mr. Speaker, earlier this year I polled my constituents about catastrophic health care coverage. When asked, "if you are not covered by Medicare, or if you soon will be covered by Medicare, would you be willing to pay an additional small (and I emphasize small) monthly fee for catastrophic health care coverage?", 47 percent of my constitutents who responded said "Yes;" 11 percent said "No;" 5 percent were undecided; and for 37 percent the question was not applicable.

Mr. Speaker, a large majority of my constituents who responded said they would be willing to pay a small additional amount monthly, such as the $6.10 required under H.R. 1245. I submit to you that $55 per month is not a small additional amount. Granted under H.R. 2470 some senior citizens would pay a very small additional amount, but about 50 percent would pay substantially more.

It seems that a number of my colleagues have used the catastrophic coverage political bandwagon to push through a significant expansion of benefits under Medicare. Given the uncertain long-term health of the Medicare trust funds. I find such efforts irresponsible.

It seems to me that the responsible avenue is just that proposed by President Reagan and Secretary Bowen and supported by me and a number of my Republican colleagues. I should think that Congress would want to tread most gingerly when considering increasing the burden on a fragile program and on our senior citizens. I would think that incrementalism would be best in this instance. We should consider the President's proposal and that is all we should consider at this time.

Mr. Speaker and my colleagues, I beseech you not to recommit errors of the past. I urge you to be prudent when considering new benefits under Medicare. The entire program, and, therefore, the health of all Medicare beneficiaries, is at stake.

Thank you, Mr. Speaker.

Mr. GREGG. Mr. Speaker, when President Reagan addressed the joint session of Congress in January of this year, he handed Congress a blank check to deal with the problem of "catastrophic" health care costs encountered by our Nation's elderly. That check is now being filled out with enthusiasm by a large contingent of modern-day New Dealers; and it appears that the real catastrophe may be the destruction of a system of private and public financing that is currently working well for the vast majority of senior citizens.

By the time this legislation emerges from the Congressional process, a program is likely to have been created that will simply substitute Federal coverage for existing private insurance with very little improvement in benefits, but with outrageous costs to both the Medicare trust funds and the Medicare beneficiaries. The catastrophic proposal, having emerged from both the Ways and Means Committee and the Committee on Energy and Commerce, has now exploded into more than a $30-billion, 5-year package that includes a prescription drug benefit which could skyrocket premiums by as much as $20 a month.

In order to finance the new benefits under Stark-Gradison, every Medicare participant would continue to pay the annual part B premium, which in 1988 will total $264; and some beneficiaries would be required to pay an additional income-related premium of up to $580 per year in 1988. This will rise to as much as $935 per year in 1992. In return, less than 3 percent of the 30 million Medicare beneficiaries will gain significant new protection and Congress will have totally avoided the major public policy issue of the coming decades: long-term care.

There are also a number of serious policy implications contained in the Stark-Gradison approach. First, actuaries at the Department of Health and Human Services project that the proposal will drain the Medicare trust funds by as much as $10 billion in the year 2000, and at least $27 billion in the year 2005. Using moderate economic forecasts, we can expect the Hospital Insurance Trust Fund to run deficits of $1.6 billion as early as 1995. By the year 2002, the fund will be insolvent and will have deficits of as much as $32 billion. Paying for current benefits will be difficult enough given the problems of an already grossly underfunded program. The Stark-Gradison initiative will make a bad situation much worse.

Perhaps more importantly, the Stark-Gradison legislation is deceptive and misleads senior citizens into a false sense of security. When most seniors think of "catastrophic" health care expenses, they think of long-term care. Of the 30.2 billion out-of-pocket dollars spent by older Americans in 1984, over $12.5 billion was spent on nursing home care. The average cost of care in long-term facilities is $24,000 per year and, clearly, that is catastrophic. Many older Americans, 79 percent of whom already mistakenly believe that Medicare pays for long-term care, will be lured into thinking that the burden of nursing home coverage will be lifted. Our older citizens will be confused and angry when they find out that what Washington has provided is not what they expected to get.

A third problem with the Stark-Gradison plan is the fact that, to a great extent, what is being delivered is a replacement of private insurance. Today, 70 percent of senior citizens are covered for high out-of-pocket expenses by Medicare supplemental policies. Medicaid provides coverage for another 10 percent of the population over 65. In an HIAA survey of top commercial MediGap policies, 86 percent of insureds were covered for 100 percent of all Medicare allowable hospital expenses, 92 percent were covered for the part A hospital deductible and 93 percent had unlimited coverage for Medicare allowable part B expenses. Stark-Gradison, then, gives additional coverage to only a small percentage of people, while essentially socializing an entire area of health care which is now being statisfactorily handled by the private sector. In other words, scarce Federal resources are being misapplied and, rather than encouraging the private sector to bear some of the costs of the insurance, we are actually replacing private dollars with Federal tax dollars.

Finally, one must wonder at the arbitrary and unrealistic definition of "catastrophic costs" imposed by Stark-Gradison. Clearly, there is a need for insurance coverage, in some cases even Federal coverage, for extremely expensive health care services, where private sector activity is not sufficient. But is $1,500 truly catastrophic, particularly in view of the fact that most low-income seniors also qualify for Medicaid assistance to offset a large portion of the $1,500? If we are to consider $1,500 in health care costs to be catastrophic, how do we view the $4,410 spent annually by the average elderly household for shelter or the $2,372 food cost and $2,246 transportation cost encountered each year by the average senior citizen?

In truth, the huge cost of the Stark-Gradison legislation does not come from its coverage of truly "catastrophic" events, such as long hospital stays which run into many thousands of dollars and are actually rather rate among Medicare beneficiaries. It is the low level of the threshold, in fact, that contributes to the staggering costs. The President's plan, which sets a threshold of $2,000, only $500 higher than that of Stark-Gradison, costs $12 billion less over 5 years. Yet, the House Committee on Ways and Means rejected the administration's initiative. Why is Congress so rigid inadhering to an arbitrary definition of catastrophic when the costs are so high and the benefits so misdirected?

The Stark-Gradison proposal is only part of what is likely to become a trailer-truck load of Federal health initiatives. Still to come are such things as mandated catastrophic care coverage under private health plans, mandatory Medicare physician assignment and an entitlement for long-term care coverage. The list goes on but, in the frenzy to provide new benefits, few are considering priorities or worrying about price tags.

Now is the time to thoughtfully consider the ramifications of the policy decisions reflected in the Stark-Gradison proposal. The creation of huge deficits in the Medicare trust funds in the out-years, the failure to leverage private dollars with Federal dollars and the misguided replacement of private sector involvement with Federal programs, most certainly should not be the doctrine at the heart of this Federal initiative or those to come.

Mr. BROWN of Colorado. Mr. Speaker, the goal of Congress and the administration to provide protection against health care expenses that would threaten the financial well being of our senior citizens is honorable.

However, the term "catastrophic" aptly describes H.R. 2470.

This legislation provides that the annual part A premium for a Medicare-eligible individual, whose adjusted gross income for the taxable year is $14,166, would be $580 in 1988. This program, which would be adjusted to reflect the increase in the cost of Medicare benefits, is expected to rise to $930 annually in 1992. It also provides that this premium would be mandated and not treated as a deductible medical expense.

Beginning in 1990, the part B premium would be increased by $1.00 per month. An added $1.50 per month would be added to the part B premium in 1991 and 1992. Thereafter, the part B premium would be increased by the same percentage as the increase in the cost-of-living adjustment for Social Security benefits. With these proposed increases, the projected annual part B premiums are estimated to be $304.80 in 1990, $321.60 in 1991 and $331.20 in 1992. For certain Medicare beneficiaries, the premium cost for catastrophic health care protections could equal almost 10 percent of their adjusted gross income.

According to the Congressional Budget Office [CBO], the part A, hospital costs, for the current Medicare Program, are projected to increase over the 1988–92 period at an average annual rate of 11.3 percent, while income is projected to grow at an annual rate of 7.2 percent. Current estimates suggest that the part A, hospital insurance trust fund, will become insolvent within the next 10 years. CBO also estimates that the part B, supplementary medical insurance outlays will increase at an annual rate of 13.5 percent from 1987 through 1992.

H.R. 2470 does not include incentives to keep health care costs down. The Department of Health and Human Services estimates that it would create annual deficits of $10 billion by the year 2000 and $30 billion by 2005.

The expansion of services covered by Medicare, proposed by H.R. 2470, does not include dental care, prescription eyeglasses and hearing aides. Senior citizens in my congressional district have indicated that these benefits could substantially improve their quality of life. The truly "catastrophic" problem of long-term care, which concerns a great number of our elderly, is addressed only by authorizing the Department of Health and Human Services to support research on long-term care.

It causes me great concern that this legislation could increase the federal budget deficit, deplete Medicare trust funds and impose additional expensive health insurance premiums on our elderly.

A RECAPITULATION OF TWO ISSUES

The **SPEAKER** pro tempore (Mr. TORRES). Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

(Mr. GONZALEZ asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. GONZALEZ. Mr. Speaker, I rise today to follow through on what I began last Monday, a summation, except this is sort of a recapitulation of two of the issues that I summed up, trying to bring them up to date, that I have discussed on this House floor through special orders and its privilege for the last year and a half.

First I would like to report to my colleagues with respect to the ongoing issue confronting me of a court so-called gag order that a county court at law level, new freshman judge announced when the district attorney, who after almost 6 months of great hesitation, conflict, commotion, and according to him, pressure from unnamed San Antonio newspapers—of course, there are only two main English-language daily papers in San Antonio, so I assume that they were the ones that he complained about from January until May 4 were pressuring him on my case.

The case was filed as a simple misdemeanor case arising from an incident that I have described herein before on December 4, 1986, and which incident resulted in widespread publicity and in the unprecedented filing of a simple assault case on a county or district attorney level. As I said once before, the police officer, Lieutenant Summey, who apparently had taken the complaint 10 days after the incident, himself volunteered the information that the only thing about this case was that it involved me, a Member of the U.S. House of Representatives, and that the police would get as many say 4 to 5 a day of these cases. They never got anyplace. If they did, it would be no higher jurisdiction than the municipal or the police court, as we call it, or the justice of the peace court.

So it was obvious that the malicious intent of the filing and the prosecution was practically self-proclaimed, because the charge was not filed until I criticized the district attorney for his course of intimidation or attempted intimidation that would compel me to provide a public apology to an insidious and a despicable individual, as I so described him, and said in no uncertain words that I would have nothing to do with a despicable deal with a despicable individual arranged by a despicable moral and political coward in the form and person of the district attorney.

□ 1655

What I said then I reaffirm today, and every single event occurring since May 4 past involving the same district attorney and the discharge of his duties as district attorney for Bexar County confirm rather than disaffirm this description I have made of him.

All along it has been obvious that the district attorney was speaking some element of truth when he said he was under great pressure to do something from the newspapers, and for the record I want to say that it was incumbent upon me to discuss this before the House because once the filing was made and the judge issued a gag rule, it was important that I stand up as to the immunities of the House of Representatives as presented in article I, section 6 of the Constitution.

Obviously the judge had not read that, or if he ever had he had forgotten it. So I came to the floor and announced that since this had implications for every Member of the House I felt honor bound to bring it to the attention of the House to discuss it and to announce that I would not be craven or back up in my exercise of the constitutional immunities and privileges granted Members of the Congress as well as I think almost every single legislative body in our States, or guaranteed by their individual State's constitutions, with similar immunities. Otherwise, the fact that an overweening executive branch official or czar or despotic judicial official could very well frustrate the freedom of the Members of the representative branch of the Government. There is a good reason for it.

At the time I first spoke out, the reaction among the press in San Antonio was critical, which the judge involved said, when asked, is that not a violation of the gag rule, he said, well, I don't know, I will have to study this. But I am going to go off right now for a 2-week vacation and I will worry about it during that time. He came back from that vacation, and as I reported last week and stated, he finally read the U.S. Constitution and he agreed that I was within my rights, there was not much that he could do about it.

I then came to the floor, reported that remark attributed to the judge and stated further that that was not the end of the situation, because in the meanwhile it was obvious that there was still some collusion on the part of the district attorney who had with malice and with persecutiorial rather than prosecutorial motivation filed the charges, unprecedented, selective in the sense that there is no recorded history where this gravamen of offense is handled on a county or a district attorney level.

So despite that it was obvious to me that there was collusion because of what happened at the time of the filing, and I knew full well that there would be attempts to try to reduce him, because the incident itself giving rise to all this activity was mostly politically motivated, and it still is 100 political, nothing else. And the reason, going back to that which offends these same editors in my district, and that is my criticism of the Reagan administration, my introduction of an impeachment resolution directed toward the President, my further introduction of a resolution alleging the violation of the War Powers Limitation Act on the part of the President, this time in the case of the Persian Gulf doings, all of these things have triggered off great hostilities. They have in the past, and I am sure they will continue to because from the beginning of my political career, and I might mention I had not intended to or planned to do so, to break through this total, complete control of political, social and business or economic control of the society in my district, Bexar County. I was the first breakthrough after the war, and I did so with little or no resources whatsoever. And for that, these still remaining and richly entrenched and ensconced interests have not forgiven me to this day. They have furiously been doing everything possible to keep me from being elected to anything since my election to the city council, most particularly in 1956 my election to the State senate, and then in 1961 in the special election against the challenger in which both newspapers were against me, both highly touted President Eisenhower who came down against me for 3 days in a row, with his picture and my opponent on the front page for 3 days in a row, and because they wanted to make it a test of the fact that the New Frontier was not taken, so that unwittingly, as in all of these incidents, in effect they did what President Nixon likes to quote from one of our movie actors by saying, they made my day. And they have and they continue to make my day.

The gag order could not have served a better purpose than making my day. The effort of intimidation and threat with this knife-holding individual who thought he could insult me with impunity and attack my honor, for that I am going to be made a criminal. I cannot think of anything that could better make my day.

So after the last remarks here on the House floor this last Monday, the newspapers in San Antonio responded with their continued and sustained criticism. But in one editorial appearing on June 25, 1987, by the San Antonio Express editor who incidentally has borrowed like no other newspaper in the United States canned editorials from the Republican National Committee, so that here I am, the chairman of the Housing Committee, the author of what was known as H.R. 1, the Comprehensive Housing and Community Development Authorization last year, and I had in my own district the only editorial printed in the United States against that bill, the only one in the whole United States. And the bill passed out by the greatest majority in the history of this legislation, 10 to 1, 340 to 36.

So I say all of this in order to give my colleagues an update on what I feel it is my duty to report to them, because if I allow a precedent to be established whereby for whatever reason a Member of this House can be intimidated by the awful and awesome power of a controlled press, controlled because it certainly is not open and available to all on an equal basis, and there is nothing much one wants to do about that because I glory in the fact that at times these same very same newspapers will save the day in another sense, as in 1954 when I was on the city council and the attempt was made to scare me off the city council by a frameup, attempted frameup which was conspired together with one of the other newspapers then, and it took this newspaper to save the day because it had been scooped and resented it.

So I look at these things quite philosophically, and in no sense have ever picked up a phone and damned an editor or written a letter and damned a reporter or anything. I just feel that in the long run, even if it is a controlled press, that it is good that we still have one.

I submit for the RECORD an article that appeared yesterday in the editorial section of the newspaper, and also indicating the further questionable equitable attitude of both the aspects of the criminal justice system, the prosecutorial as well as the judiciary, and an article in the other newspaper also appearing on the 25th in the San Antonio Light, bylined by Joyce Barrett of States News Service, their correspondent here in the District of Columbia.

The articles referred to follow:

[From the San Antonio Light, June 25, 1987]

HENRY B. BORING

U.S. Rep. Henry B. Gonzalez is beginning to be an expensive bore.

For the fourth time this month, Gonzalez has taken to the House floor to belabor the incident as Earl Abel's restaurant, an incident that he shouldn't have been involved in and should be ashamed about.

Most people have to go to court and answer a misdemeanor accusation, but Gonzalez uses his congressional immunity to skirt a court gag order and drone on and on about the conspiracy he sees.

In his first speech, before C-SPAN national TV cameras, he kept a vacant House open at considerable public expense. Plus, his speeches are being reproduced in the Congressional Record at a cost of $489 per page to the taxpayer.

We suggest that the congressman find a fresh and more-useful subject.

[From the San Antonio Light, June 25, 1987]

GONZALEZ WILL CONTINUE TO TALK ABOUT CHARGES

(By Joyce Barrett)

WASHINGTON.—U.S. Rep. Henry B. Gonzalez said he plans to continue his monologues on the House floor about charges he slugged a man for calling him a communist, despite criticism he may be threatening political suicide.

"They aren't a question of helping the case," Gonzalez said of his speeches in an interview Wednesday. "It's a question of clearly showing the political and malicious nature in the manner the charges were filed. People are saying I'm committing political suicide. They've said that before."

A gag order has been issued in the case, but Gonzalez's floor speeches are exempt under constitutional immunity.

County Court-at-law Judge Tim Johnson, presiding over the case, was not surprised when told of Gonzalez's comments made off the House floor.

The judge added he was "willing to have the order tested."

"Of course I care (if the gag order is violated)," he said. "If in fact it has been violated, the court has the power to find him in contempt, but not knowing what has been said. I'm not in a position to say there has been a violation."

Johnson said all questions pertaining to the gag order will be brought up in a pretrial hearing scheduled for Aug. 10.

Mr. Speaker, I want to say that the question still remains that when I got up the time before last here I announced that one of the pistoleros, that is the guntoters, investigators for this district attorney, made some very serious threats and accusations such as saying in a public place, a barbershop, that if he were asked to he would go out and arrest and bring handcuffed this Henry Gonzalez dead or alive.

When I reported that here, it happened to be reported by one newspaper back home. The district attorney was then quoted the next day as saying, "Well, ha ha ha, isn't that funny. I will look into it, I will investigate it."

I think that that still remains a question to be discussed and one that I do not consider with any levity whatsoever.

I have been in these circumstances before. I have had pistoleros like this actually attempt to carry out such a threat. And when it was over with in two instances, one 40 years ago, 41 years ago, and the other a few years after that, what happened was that I ended up with the pistol, or with the la pistola, and the other guy was begging that I not use it.

So I wanted to advise this district attorney that whether his investigator does not do anything about it, he better tell his pistolero that he better know what he is doing if he approaches me in such an illegal and in such an attempted intimidating fashion, because while I am now older, I still have the physical strength, and even to a certain extent more than I did then, and that it does not intimidate me, but it does further reflect the viciousness, the perversity, the malice inspired in the charges filed by this district attorney.

The second point, and I will sum that up by saying that I discussed the No. 1 issue that I have been raising since 22 years ago in 1965, and that was the question that at that point involved my wholehearted support of then Chairman Wright Patman of the Banking Committee, it was then known as the Banking and Currency Committee, of which I am the ranking member today after almost 6 years on that committee, in his attempt to obtain moneys from the House Administration Committee in order to conduct a study about the growing concentration of ownership of our banking system. We finally, after conflict and quite a bit of odious debate on the House floor between Chairman Patman and the then chairman of the House Administration Committee, or he may have been chairman of a subcommittee at that time, we got enough money to conduct a study in Texas, and there we found that through purchase, that is the hypothecation, the borrowing of banking stock, of other banking stock, one bank could take over another bank without having to go through the chartering process. Everybody has forgotten the purpose and the reason why banks are chartered. They are chartered for public need and convenience, but that is not the way it has turned out.

I then also introduced at the time the first time a bill to bring about an audit from the Congress of the Federal Reserve System.

□ 1605

You would have thought I had committed a crime by even thinking of the idea. And we still have not succeeded.

The Federal Reserve system, as I have pointed out, ad nauseam, is freewheeling, it is not accountable to the President or Congress anymore, even though the Congress created it, and it does not even have an inspector general.

So that when I introduced my resolution of impeachment of Chairman Paul Volcker at that time a few years back it was based on the specifics that Mr. Volcker had been guilty of deficiency and gross neglect of duty in that there had been a leakage of information from the open market committee that had resulted in the inordinate and improper profit, in great millions, of two of the main banks in New York whose membership also at times has been on the Federal Reserve Committee.

After three years of effort we finally got a promise from the Federal Reserve that would conduct an in-house study. It took another year to finally get it out.

When we got it I placed it in the RECORD because it was clearly indicative that the possibility of corruption in the Federal Reserve Board was so great that it should have concerned our immediate priority attention but it has not.

I brought out how coming increases in interest rates in 1966, one year later, were casting a dangerous and awesome shadow before the well-being of the American citizens, their standard of living and their economic freedom.

I am sorry to say all that talking did not do too much good. Today we are facing a terrible dilemma and I want to sum up by bringing out what I did not finish on Monday, this last Monday. And that is that one of the dangerous situations now, on top of what has been occurring, that is that the overfinancing of our corporate structures, international in scope as well, or multinational as they say, has in effect been the main reason why the United States is deindustrialized. Today we are no longer a producing nation as of 4 years ago. As of 2 years ago we are a debtor nation for the first time since 1914.

We have the most monstrous debt that exceeds all of the developing countries' debts put together and this, of course, is dangerous in itself. But the trigger, the main problem is this terrible, terrible over-financing. What does that mean? It means that money today in vast sums, these resources of credit in the Nation that should be available to industry, that should be available to the farmer, that should be available to the little, little businessman who needs to borrow $5,000 for his inventory but has to pay as much as 15 percent to get that money, that destroys any country. This is a history of mankind, going back to 7,000 years before Christ: interest rates, usurious, extortionate interest rates have doomed nations and empires all through mankind's history. We are witnessing it today in the case of America. So that every day we have reached the point where there are $200 billion in this speculative financing going throughout the world in Tokyo, London, Paris, New York, Sydney, Australia, $200 billion a day, in contrast to what we have in trade. Not in money, trading in money, but in actual merchandise and trade, real trade. That amounts, as of this year, to a little better than $2 trillion-plus per year compared to $200 billion a day of this speculative unproductive destroying force known as overfinancing.

Now there are only three things that can be done and this is what I have been recommending: One, we must increase consumption or consumer demand, even as great as it is, throughout the industrial world. It is the same pie being made over each year; it does not get any bigger. Whereas in the developing nations which have no capital but a great need for that consumption market, they have $1 trillion worth of debt and no capital. So something should be done to redress that and as quickly as possible.

Secondly, interest rates must go down. Without that nothing. And what can be done about it as long as the Congress refuses to look into that engine that fixes interest rates which is the Federal Reserve Board? I do not know what to say other than the specific bills that I have been introducing for the last 18 years. And I reintroduced them in this Congress. So that I want to also offer for the record a more back-home impact of this and that is an article appearing in the USA Today for Thursday, June 25, 1987, entitled "Well Runs Dry for the Texas Thrift Industry."

Among other things it says that one of the prime reasons for all of this distortion and the terribly shaky situation in Texas which is very shaky according to this article, fraud played a major role. "To disguise their losses, thrifts sold almost worthless properties to one another, falsely inflating values." I reported that here 3 years ago. Maybe, maybe if the editors back home had been interested in being responsible and not trying to protect their buddies through interlocking because the same people who dominated the media in San Antonio—and remember unfortunately my city does not have any locally owned media outlet, printed or otherwise. Everything is an absentee owner. One is a Rupert Murdoch paper, the other is a Hearst paper. That in itself does not necessarily mean it is bad but the way it is operated in San Antonio where you have, like a giant web, you touch one side and everything trembles, you cannot get these powerful forces too angry without something happening. In the course of my 34 years of public service I have had shooting incidents, I have had attacks with knives. I have had phone calls threatening my family and yet I have not hesitated to confront the most passionate and divisive of issues.

How well would it be if our editors would realize as much as their vaunted press needs to be free that their representatives also must be free and that they can, like the ancient prophet, Nathan, arising and coming from the desert and pointing his finger at King David and saying, "You have sinned, oh King, that they too have a free tribune, a free representative as I have told them in the past; you are corrupt, you are prejudiced, you are depriving the people of the needed knowledge they must have in order to exercise an independent judgment in their further exercise as free born citizens in a free democracy."

The article referred to follows:

[From USA Today, June 25, 1987]

WELL RUNS DRY FOR THE TEXAS THRIFT INDUSTRY

(By Mindy Fetterman)

DALLAS.—Just north of downtown—where glitzy green neon outlines the city's tallest tower—a deep, dark hole lies agape.

Ninety feet deep, a full block wide, the "Lemmon Avenue Hole" is all that's left of the grand loans one thrift made to build a $100 million hotel and health club—a "yuppie palace" of Jacuzzis, weight-lifting rooms, gyms and swimming pools. After the thrift went bust, only bums swam in the rainwater there. Now the chasm is a tourist attraction, a symbol of the deep, dark hole the Texas thrift industry has fallen into.

Forty-one Texas thrifts are "hopelessly insolvent," analysts estimate. They'll never be able to cover losses caused partly from making wild—and sometimes fraudulent—loans on wild real estate deals and, in some cases, having wild parties to celebrate. Seventy-two more are teetering on the brink of insolvency. Half of the thrifts in the Southwest region that includes Texas are under government control. And the Federal Savings and Loan Insurance Corp., which insures thrift deposits, is itself technically insolvent; it's $6.5 billion short to cover obligations it has already made to close, sell, merge or liquidate failing thrifts.

"The hole is getting deeper and deeper and deeper. No one knows when we'll go over the precipice," says Jack Crozier, president of Murray Savings Association, a healthy $1.2 billion (assets) Dallas thrift that stayed out of trouble by halting commercial lending in Texas before the bottom fell out of the state's economy.

As Texas thrifts inch closer to the edge, they're shaking confidence in the whole

USA thrift industry—prompting what federal regulators call a "slow, silent run" on thrifts by savers and investors. Depositors withdrew a record $14 billion more than they deposited in the USA's savings and loans in the first four months of this year, primarily in Texas, Oklahoma and California. More than $5.7 billion of that was in April alone. (FSLIC insures deposits to $100,000.)

The repair bill could be costly: To shore up FSLIC, member thrifts will have to pay higher fees—which could hurt their earnings and, ultimately, thrift dividends and stock prices. Even with bigger S&L contributions to the FSLIC insurance fund, a federal bailout probably is necessary—a bill that will cost taxpayers. Depositors likely will wind up with lower interest rates on savings as S&Ls recover some costs by paying out less.

The latest evidence of the problems:

Merrill Lynch, the giant brokerage firm that deposits billions of dollars annually in USA banks and thrifts for customer accounts, has threatened to pull $150 million out of two shaky Texas thrifts and put it elsewhere.

Income & Safety, a Florida newsletter for individual investors, last week recommended "immediately withdrawing deposits from all Texas thrifts whose net worth falls below regulatory minimums." (113 Texas thrifts qualify.)

The FBI and Justice Department have stepped up efforts to crack down on fraud in banks and thrifts—many of them in Texas. A federal grand jury in Dallas has subpoenaed banking records concerning 250 people in thrifts and real estate, The Wall Street Journal reported.

FSLIC last week sued a Dallas lawyer and his firm for malpractice involving loan abuses at three S&Ls; he was on their boards.

This week the horse trading began in Congress as a House/Senate conference committee haggled over bills to prop up FSLIC with a special assessment on the thrift industry and a new corporation to issue bonds. Besides needing money to shut down insolvent S&Ls (if left open, the 41 insolvent Texas thrifts could lose $7 billion during the next five years), FSLIC needs cash to help salvageable thrifts. The House bill would pump $5 billion into FSLIC. The Senate version: $7.5 billion. The Federal Home Loan Bank Board, wich administers the thrift insurance fund, wants $15 billion. Some analysts have put a $50 billion price tag on cleaning up the USA's thrift mess.

"Five billion dollars wouldn't get you out of Texas," says Crozier.

Besides shattering confidence in the industry, the Texas crisis is having a direct impact on USA thrifts. They must compete with the higher rates Texas thrifts pay to lure deposits—up to 1.5 percentage points above the national average. (Sunbelt Savings of Dallas is paying 7.875% on a six-month certificate of deposit, vs. the USA average of 6.69%.)

This "Texas premium" costs Crozier's thrift $8 million a year. J. Livingston Kosberg, chairman and chief executive of First Texas Financial Corp., the largest privately owned thrift in the country, says the premium costs his two thrifts between $50 million and $70 million a year.

How the Texas industry came to this point is a microcosm of what can happen in banking when "things just simply get out of hand," Crozier says.

Deregulation of the thrift industry in 1982 was "when the war started," says Frank Anderson, senior vice president of Ferguson & Co., a Dallas bank consulting firm. Suddenly thrifts could lend for—and own part of—commercial real estate developments. Loans could total 100% of the property's value. No money down. By paying higher rates, thrifts could draw deposits from the USA on the telephone. They grew spectacularly—some by 1,000% a year.

Riding on an oil high and the booming Texas economy of the early '80s, real estate developers and other non-bankers began buying thrifts. "Anyone less than a convicted felon could buy an S&L," says Anderson. From 1982 to 1986, the number of financial institutions in Texas grew by 300, to more than 2,000. These entrepreneurs lent and built until Dallas had 35 million square feet of empty office space that may take 10 years to fill.

The bum deals hurt the good ones. And now, Kosberg estimates, 15% to 20% of all the assets held by Texas thrifts earn little or no money. Many properties are 60% of their original value.

Fraud played a major role. To disguise their losses, thrifts sold almost worthless properties to one other, falsely inflating values. The bigger loans—which count as assets—made the thrifts' balance sheets look better. "One piece of land sold six times in one day," says Anderson.

The government is charging some executives "looted" the thrifts, paying themselves huge salaries and divdends, making loans to friends, buying airplanes and living lavish lifestyles. Seven executives at Vernon Savings & Loan in Vernon Texas, have been charged with hiding massive loan losses by falsifying records. A profile in June's Texas Monthly of former Sunbelt Savings Chairman Edwin McBirney details wild, excessive parties while the thrift lost millions.

"Honest-but-stupid" thrifts got caught in the squeeze, says Kosberg. They expanded into areas they didn't understand, like dealing mortgage-backed securities. "It was like giving a child a gun. They know enough to pull the trigger, but they don't know the impact," he says.

Regulators were overwhelmed. Now, they're beefing up forces. Staffing at the Dallas office of the Federal Home Loan Bank Board has grown five-fold since 1983 to 780; a $12-million expansion to triple its office space is under way. With a touch of Texas excess, the bank board's building is being covered in pink granite imported from Spain.

"What is critical right now is that public confidence in the industry must be restored, and that means a FSLIC bailout," says Kosberg. "The longer it lingers, the more doubt is created in the mind of the public, the more it's going to cost."

THE CONSTITUTION AND FEDERAL-STATE RELATIONS

The SPEAKER pro tempore (Mr. Torres). Under a previous order of the House, the gentleman from Georgia [Mr. Swindall] is recognized for 60 minutes.

Mr. SWINDALL. Mr. Speaker, first of all let me say that today is the day that those individuals who believe as I believe that we are now in one of the most tragic chapters of our American history during the period of time subsequent to the Roe versus Wade decision in 1973, have a great deal of reason to celebrate today, in fact, we have two very specific reasons. One is by virtue of the passage of Bob Dornan's amendment today with respect to the defunding of abortions in the District of Columbia. Second, the resignation of Justice Powell today or the announcement of that resignation because with that resignation we now see an opportunity for this President, a President who is committed to life, who is committed to the sanctity of life, will have an opportunity to replace what will undoubtedly be a pivotal vote in the debate that is currently, unfortunately, confined to the Supreme Court.

□ 1615

Perhaps after the Supreme Court's composition has changed and perhaps after the Supreme Court has overturned the Roe versus Wade decision, those individuals who have hypocritically argued that the Supreme Court ought to have the right to ultimately determine the issue of life will change their position and now recognize the wisdom of a constitutional amendment so that we can have permanently enshrined in our Constitution the principle that in fact life is something that is inalienable and that life is something that the state cannot arbitrarily take away. And it is my hope that that will occur quickly because we are all painfully aware of the fact that until that change is made a million and a half unborn children per year will lose their lives. That is more individuals or more American soldiers than have died in all the wars from the Revolutionary War to the present, including the Korean conflict and the Vietnam war.

But the purpose of my rising today, Mr. Speaker, is to talk about something entirely different. It is to talk about the fact that as we have continued to move away from the original formula that has made this country what it is today, the Constitution, we ought not be surprised that many of the problems we have sought to address have actually worsened. The reason we have seen the worsening of such problems as public education, the rising deficit, and the growing welfare system is that we have embraced a Machiavellian concept that the end justifies the means, even if that means happens to be the disregarding of the Constitution and, specifically, the constitutional principle that recognizes that the Federal Government is but one institution in this country, and that, in addition to the Federal Government, we also have the private sector comprised of individuals, families, churches, synagogues, and businesses, and that these institutions under our Constitution are to assume any of the responsibilities not expressly given to the Federal Government in the Constitution itself.

The real irony, though, of our Machiavellian approach is that the very end which we have sought has, as a result of our ignoring the Constitution, been exactly the opposite of the end that we say we sought. For example, as we have sought to better education, we have actually seen it worsen. As we have sought to lessen poverty, we have actually seen it increase. And ironically, as we have carried on those types of activities for which there is no constitutional responsibility, we find that we have abandoned the very responsibility that the Constitution placed on the Federal Government in the first instance, and that is to establish and administer justice, especially as it relates to protecting human life.

I think that the starting point in terms of solving the myriad problems that divide us as a nation is to recognize the balance between compassion and responsibility, because I think that the reason we have gradually abandoned the Constitution is that our desire to be compassionate has overridden our desire to balance that compassion with responsibility.

My first understanding of that balance occurred back when I was in early high school. My father had a used furniture business in the city of Atlanta, and every summer and during any of the various school recesses I would work in that used furniture business, and as I loaded furniture on the truck that was parked in front of the building, I would inevitably be stopped by individuals that we would now call "homeless," I suppose, but at that time we called them "winos." And the winos would inevitably walk up to me and ask me for a quarter for a cup of coffee. Each time if I happened to have a quarter, I would give them a quarter, until one day my father saw me in my act of compassion and pulled me aside and said, "Son, I don't know why you would want to hurt those individuals."

I said, "Dad, I'm not trying to hurt them. I'm trying to help them."

He said, "Well, your act of charity is really in the final analysis going to hurt them rather than help them, because they are not going to take that quarter and do as they promised, buy a cup of coffee. They are going to go out and buy another bottle of wine."

Well, at that point I was frankly rather disgusted with my father because I suspected he was just saying that to placate his own guilt or what he should have felt by way of guilt because he had watched these winos for years and never given them a quarter when they asked for it.

In any event, he walked away, and I thought nothing else of it until several days later when another wino walked up to me and asked me for a quarter. Well, I quickly thought about what my father said and then quickly disregarded it and gave the individual a quarter. But this time I did something a little different. This time, without the wino knowing that I was following him, I followed him to see how he spent the quarter.

To my relief, he walked down the street and cut into a little store. The reason I say it was to my relief is that that little store, I knew, did not sell any wine. I watched with great curiosity through the window as he shopped around in the store, and he walked over and bought something that was the last thing I would have thought he would spend his quarter on. It was not a cup of coffee. Rather, he bought a bottle of aftershave lotion. And I thought that that was really a curious thing for somebody to spend his one and only quarter on.

So I followed the individual further as he walked out of the store with his bottle of aftershave in his back pocket. I followed him at some distance, and he went around the corner, down another street, and then cut into an alley that was right behind my father's store. Again I stood far enough away that he could not observe me observing him. Then he pulled the bottle of aftershave out of his back pocket, took it out of his little brown bag, and at that point I began to think about all the empty bottles of aftershave lotion that I had seen through the years back there, and given the fact that I had never really smelled many winos that smelled that good, I could not figure out why they had all this aftershave lotion. But suddenly I realized why they had bought all those bottles of aftershave. That wino opened the bottle and guzzled the aftershave lotion.

At that point the stark reality of what my father was saying came home to me. I recognized that despite how compassionate I was, despite how well intended I had been in my act of charity, that wino was in fact worse off having met me than he was before.

So I think the real question ought to be: how could I have better directed my compassion in my act of charity so as to address his real need? In other words, it is not enough to simply place a quarter in an individual's hand and then absolve yourself of any responsibility with respect to how that quarter is spent. The reality is that there goes with charity a responsibility to make sure that the results that are desired are the results in fact.

From the story that I just told, I think that we can learn that with my compassion there had to be some responsibility on both my part and the part of the observed beneficiary of my charity. Specifically, what I should have done was to take the time to find out exactly what had driven this individual to drink in the first instance.

The greatest problem that we have today with our compassion is that we want in essence to address every problem with a quick-fix solution. We want to be able to say in essence that we gave our money for whatever charitable purpose or whatever tax purpose, and say, "That ends our responsibility. Don't bother us with the results of our policies."

All that means is that we intended well with our policies. That is certainly in a nutshell the problem with American policy today as it relates to welfare, as it relates to the decline of our public education system into a state of mediocrity. All it says is that we have spent more money on it, and, therefore, we have absolved ourselves of the responsibility. All we say is that we intended well with all these policies, and we say, "Don't bother us with the results, with the net results of our policy," but we are worse off today than we were before.

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I do not think it is an accident that the Federal Government has usurped more and more of the responsibilities that the Constitution laid at the doorstep of other institutions.

I think that it is a combined fault.

It is part the fault of the Federal Government for ignoring the Constitution, and the American people for allowing the Federal Government to ignore the Constitution, but also the fault lies in the institutions themselves who have not met the basic responsibilities of meeting fundamental human needs.

What I would like to see us do is gradually extricate ourselves from the situation in which we now find ourselves; that is, having the Federal Government grow in uncontrolled size and cost, but at the same time that we begin to take away some of that power and control and the cost of the Federal Government, we need also to begin to see other institutions assuming their rightful place.

In the process we will find that not only will the results be better, but I think that we will find that the responsibility that is so crucial to making our policies work will improve as well.

It is with that in mind that I have formed a foundation in my own congressional district entitled FAVOR, F-A-V-O-R. FAVOR stand for the words Foundation for Advancement of Volunteerism, Opportunity and Responsibility.

The whole concept behind this foundation which will be funded completely with private funds is to demonstrate by example that we can meet many of the needs that are crying out to be met in this country without the intervention of the Federal Government.

We are going to start rather unambitiously with a handful of the problems that are most imminent today; for example, the issue of homelessness.

I was among those who voted against the $425 million funding debacle that passed this House recently. In fact, it was $500 million when it passed the House, but now has been brought down to $425 million in the other body.

I voted against it, because we do not have a plan for meeting the needs of the homelessness. Second, the Constitution gives us no authority to spend the American people's money that way.

Third, the homeless will be worse off after our policy is embraced rather than before, because in meeting those needs, we are going to find that we are not really meeting the real need anymore so then giving a quarter to a wino is meeting a wino's needs.

We are not going to look at the spiritual, underlying emotional problems that have caused their homelessness in the first instance. What we are going to do in FAVOR is to find a private sector solution, and we are going to start by going to the various churches and synagogues in the Fourth District of Georgia, and ask them to assume a new ministry that would take the physical facilities that they have already—and most churches and synagogues already have an educational wing that other than Saturday or Sunday morning go unused, for the most part—and challenge those individuals to open their doors from 7 in the evening and until 7 in the morning and have 35 couples that will volunteer 1 night per month to open and close the doors. In the process, we will meet a substantial portion of the problem.

In the process, we will also be able to minister to those people in terms of their underlying problems. Another area that we are going to address is an area that this Congress has tried repeatedly to address, and certainly we have thrown millions of dollars at the problem; but as best I can see, it has not even been partially solved, and that is the problem of offering legal services to the individuals that cannot afford to hire private attorneys.

We do it through such programs as the Legal Services Corporation, and an examination of the Legal Services Corporation will quickly reveal that most of the money is going to administrative overhead and renting facilities.

What we are going to do in the Fourth District of Georgia is a little simpler, a heck of a lot less expensive, and I guarantee it will be much more effective.

We are going to find 52 attorneys who will volunteer their time so as to be on call 1 week out of every year, and each time someone calls in to their Congressman's office with a legal problem, and they lack the financial resources to hire an attorney, we will refer that individual to the attorney on call for that week.

That individual then will take any of those cases and handle them throughout the entirety of the case, even if it takes well beyond that week which undoubtedly it will. That will be our way of dividing up the caseload.

It will be that attorney's way of doing something charitable, pro bono, if you will, to address the real problem without any Federal, State, or local tax dollars being spent.

Another area that we are going to address is the area of what you do when you say, as I say, that you ought not to fund nor legalize abortion. What do you do then with the individuals that find themselves pregnant, unmarried, and without the ability to meet their responsibility with respect to that child?

We do know that now there is about a 10-year wait list for individuals that would like to adopt an infant child, but the problem comes in what you do with the mother during that period of pregnancy, and through the actual hospitalization and delivery of the child.

We are going to find individuals in the Fourth District of Georgia who are willing to open up their homes, and take in one of these individual unwed mothers, again at no cost to the taxpayers. In the process, we will not only be able to meet the physical needs of that individual mother, but we will also be able, I believe, to meet some of the emotional and spiritual needs of those unwed mothers.

What I am saying in a nutshell is, I believe it is possible for us to find back in each of our congressional districts a way to meet the needs that we give so much rhetorical service to here in Congress, but unfortunately do not followup to see what the net results are.

As I have stated many times before, it is not enough to simply say you care about something, nor is it enough to say that the programs that we have enacted are ineffective.

If you are going to charge that something is ineffective, it is your responsibility to step forward with a vision that replaces it that will be effective.

FAVOR is designed to do exactly that. It is designed to prove by example that the U.S. Constitution was not wrong. The basic principles set forth in the Constitution, the principle of division of responsibilities between individual, family, church, private sector institutions has worked and worked well; but what we have done is in our zeal, and quite frankly in our ignorance of our own Constitution, in our own history, ignored those principles to the point where we seriously jeopardized the existence of our constitutional republic, but the existence or our ability to assure to our prodigy, our children and our children's children, the same opportunities that we have taken for granted.

In a nutshell, I think that our Federal deficit is nothing more than a symptom of the American people in general, and the U.S. Congress in specific ignoring the constitutional restraints, the constitutional principles that have served us so well because of that Machiavellian notion that the end justifies the means; but regrettably we have not had the good sense to look at the actual end results to see whether what was set out in our good intentions to achieve in the first instance.

In closing, just as it really makes very little difference in terms of how well-intentioned I was when I sought to help the wino by giving him the quarter, in fact the end result of my charity was to make him more dependent on alcohol and worse off than had he never met me, the same is true today, if the net results, and I guarantee you we can prove that it is true, the net results are worse than better in terms of our very objectives that are much worse, why do we want to continue to reembrace the very philosophy that got us into this mess to begin with, and that is the Great Society philosophy that says for every problem, there is a Federal solution.

What I hope I can encourage my colleagues to do is to go back to their respective congressional district and set forth a vision and a model that demonstrates that we really are concerned about people. We really are concerned about unwed mothers.

We really are concerned about cyclical poverty. We really are concerned about all of the problems that we sit here and talk about in the Chamber of the House of Representatives, but other than spending the American taxpayers' dollar, we do very little else.

This is an opportunity to lead by example; and in doing that, we can demonstrate that it is possible to solve problems without spending taxpayers' dollars, and also the old-fashioned way, the way the Constitution said to do it, and what better time to do it than in the bicentennial of our Constitution?

If we conceive this historic opportunity, we cannot only turn America around, I think that we can set an example for the rest of the world.

I think that we can truly become the light on the top of the hill.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BONIOR of Michigan (at the request of Mr. FOLEY), for today, on account of illness.

Mrs. Lloyd (at the request of Mr. Foley), for today, on account of a death in the family.

Mr. Wolpe (at the request of Mr. Foley), for today, on account of official business.

Mr. Sundquist (at the request of Mr. Michel), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Member (at the request of Mr. Ravenel) to revise and extend his remarks and include extraneous material:)

Mr. Swindall, for 60 minutes, today.

(The following Members (at the request of Mr. Jontz) to revise and extend their remarks and include extraneous material:)

Mr. Annunzio, for 5 minutes, today.

Mr. Owens of New York, for 60 minutes, on June 30.

(The following Member (at the request of Mr. Swindall) to revise and extend his remarks and include extraneous material:)

Mr. Wise, for 60 minutes, on June 30.

Mr. Wise, for 60 minutes, on July 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Dorgan of North Dakota, on the Dornan of California amendment to H.R. 2713 in the Committee of the Whole today.

Mr. Flippo, on the Dornan of California amendment to H.R. 2713 in the Committee of the Whole today.

Mr. Upton, to revise and extend his remarks following the vote on the Dornan of California amendment in the Committee of the Whole today.

(The following Members (at the request of Mr. Ravenel) and to include extraneous matter:)

Mr. Skeen.

Mr. Boehlert.

Mr. Davis of Michigan.

Mr. Houghton.

Mr. Lagomarsino in two instances.

Mr. Lewis of California.

Mr. Gingrich.

Mr. Herger.

Mrs. Martin of Illinois.

Mr. Boehlert.

Mr. Davis of Illinois.

Mr. Dornan of California.

(The following Members (at the request of Mr. Jontz) and to include extraneous matter:)

Mr. Aspin.

Mr. Montgomery.

Mr. Stokes.

Mr. Bonior of Michigan.

Mr. Vento.

Mr. Coelho.

Mr. Lehman of California.

Mr. Feighan.

Mr. Hubbard.

Mr. Mineta.

Mr. Dowdy of Mississippi.

Mr. Bennett.

ADJOURNMENT

Mr. SWINDALL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 39 minutes p.m.) under its previous order, the House adjourned until Monday, June 29, 1987, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1669. A communication from the President of the United States transmitting amendments to the request for appropriations for fiscal year 1988 for the Judiciary and the Department of Labor, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-86); to the Committee on Appropriations and ordered to be printed.

1670. A letter from the Auditor, District of Columbia, transmitting a copy of the report, entitled "Annual Audit of the Boxing and Wrestling Commission for FY 1986," pursuant to D.C. Code section 47-117(d); to the Committee on the District of Columbia.

1671. A letter from the Secretary of the Treasury transmitting the annual report on the financial position and results of the operations of the Student Loan Marketing Association [Sallie Mae] for the year ended December 31, 1986, pursuant to Public Law 99-498; to the Committee on Education and Labor.

1672. A letter from the Assistant Secretary of State, Legislative and Intergovernmental Affairs, transmitting a report of political contributions by Warren Clark, of Connecticut, Ambassador Extraordinary and Plenipotentiary-designate to the Gabonese Republic, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

1673. A letter from the Director, Office of Management and Budget, transmitting a draft of proposed legislation to amend section 307 of the Federal Employees Retirement System Act of 1986; to the Committee on Post Office and Civil Service.

1674. A letter from the Executive Director, Federal Retirement Thrift Investment Board, transmitting a draft of proposed legislation to amend title 5, United States Code, to provide that any liability of a Federal employee for a breach of any fiduciary responsibility under the Federal Retirement Thrift Investment Management System shall be payable by the United States if the liability relates to action taken in good faith and within the scope of the individual's official duties; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOWARD: Committee on Public Works and Transportation. H.R. 2310. A bill to amend the Airport and Airway Improvement Act of 1982 for the purpose of extending the authorization of appropriations for airport and airway improvements, and for other purposes; with an amendment (Rept. 100-123, Pt. 2). Referred to the Committee on the Whole House on the State of the Union.

Mr. FASCELL: Committee on Foreign Affairs. H.R. 2689. A bill to amend the Arms Control and Disarmament Act to authorize appropriations for the fiscal years 1988 and 1989 for the Arms Control and Disarmament Agency, and for other purposes; with an amendment (Rept. 100-193). Referred to the Committee of the Whole House on the State of the Union.

Mr. HAWKINS: Committee on Education and Labor. H.R. 162. A bill to establish a system for identifying, notifying, and preventing illness and death among workers who are at increased or high risk of occupational disease, and for other purposes; with an amendment (Rept. 100-194). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT:

H.R. 2804. A bill to authorize the Secretary of Labor to issue exemplary rehabilitation certificates for certain individuals discharged from the Armed Forces; jointly, to the Committees on Education and Labor and Armed Services.

By Mr. BEREUTER (for himself, Mr. Edwards of Oklahoma, Mr. Clinger, Mr. Berman, Mrs. Byron, Mr. Dickinson, Mr. Fish, Mr. Frenzel, Mr. Gradison, Mr. Green, Mr. Henry, Mr. Horton, Mr. Jeffords, Mr. Kasich, Mrs. Johnson of Connecticut, Mr. Livingston, Mrs. Martin of Illinois, Mrs. Meyers of Kansas, Mr. Petri, Mr. Porter, Mr. Rowland of Connecticut, and Mr. Skelton):

H.R. 2805. A bill to authorize the establishment of a commission on out-of-area issues; to the Committee on Foreign Affairs.

By Mrs. BYRON (by request):

H.R. 2806. A bill to amend the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701) to permit temporary use by Federal departments and agencies of public lands controlled by the Bureau of Land Management, Department of the Interior; to the Committee on Interior and Insular Affairs.

By Mr. DAVIS of Michigan (for himself, Mr. Jones of North Carolina, Mr. Dingell, Mr. Biaggi, Mr. Young of Alaska, Mr. Lent, Mr. Stokes, Mr. Traxler, Mr. Vander Jagt, Mr. Hayes of Illinois, Mr. Hochbrueckner, Mr. Houghton, Mr. Sensenbrenner, Mr. Kildee, Mr. Pursell, Mr. Eckart, and, Mr. Foglietta):

H.R. 2807. A bill to amend the Coastal Zone Management Act of 1972 to provide grants to coastal States for implementing programs to control or prevent damage caused by chronic coastal erosion and flooding; to the Committee on Merchant Marine and Fisheries.

By Mr. DAVIS of Michigan (for himself, Mr. Jones of North Carolina, Mr. Dingell, Mr. Biaggi, Mr. Fuster, Mr. Lent, Mr. Stokes, Mr. Traxler, Mr. Vander Jagt, Mr. Hayes of Illinois, Mr. Hochbrueckner, Mr. Sensenbrenner, Mr. Kildee, Mr. Pursell, Mr. Eckart, and Mr. Foglietta):

H.R. 2808. A bill to improve the operation of the National Sea Grant College Program; to the Committee on Merchant Marine and Fisheries.

By Mr. DAVIS of Michigan (for himself, Mr. Jones of North Carolina, Mr. Dingell, Mr. Biaggi, Mr. Young of Alaska, Mr. Stokes, Mr. Traxler, Mr. Vander Jagt, Mr. Hayes of Illinois, Mr. Sensenbrenner, Mr. Kildee, Mr. Pursell, Mr. Eckart, and Mr. Foglietta):

H.R. 2809. A bill to direct the National Oceanic and Atmospheric Administration to prepare maps of the Great Lakes shoreline; to the Committee on Merchant Marine and Fisheries.

By Mr. DAVIS of Michigan (for himself, Mr. Dingell, Mr. Biaggi, Mr. Young of Alaska, Mr. Stokes, Mr. Traxler, Mr. Vander Jagt, Mr. Sensenbrenner, Mr. Kildee, Mr. Pursell, Mr. Eckart, and Mr. Foglietta):

H.R. 2810. A bill to study the expansion of the coastal barrier resources system to include undeveloped, unprotected areas along the Great Lakes shoreline; to the Committee on Merchant Marine and Fisheries.

By Mr. Lehman of California (for himself, Mr. Coelho, Mr. Robert F. Smith, and Mr. Herger):

H.R. 2811. A bill to amend the Stock Raising Homestead Act to resolve certain problems regarding subsurface estates, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. LEVINE of California (for himself and Mr. Tauke):

H.R. 2812. A bill to establish the National Commission on Economic Challenges; jointly, to the Committees on Banking, Finance and Urban Affairs; Foreign Affairs; and Ways and Means.

By Mr. LEWIS of California:

H.R. 2813. A bill to direct the Secretary of the Interior to convey a certain parcel of land located near the city of Barstow, CA; to the Committee on Interior and Insular Affairs.

By Mr. MORRISON of Washington:

H.R. 2814. A bill to authorize certain elements of the Yakima River basin water enhancement project, and for other purposes; to the Committee on Interior and Insular Affairs.

By Ms. OAKAR (for herself, Mr. Frenzel, Mr. Mineta, Mr. Boland, and Mr. Conte):

H.R. 2815. A bill to authorize the Smithsonian Institution to provide for additional facilities for the Cooper-Hewitt Museum, and for other purposes; to the Committee on House Administration.

By Mr. ST GERMAIN (for himself, Mr. Annunzio, and Mr. Frank):

H.R. 2816. A bill to protect the integrity of the Nation's coinage through domestic control of the coinage process by requiring that the U.S. Mint use only gold refined in the United States for U.S. gold coins; to the Committee on Banking; Finance and Urban Affairs.

By Mr. SAXTON (for himself and Mr. Eckart):

H.R. 2817. A bill to limit the promulgation of rules relating to impact aid payments pursuant to section 2 of Public Law 81-874; to the Committee on Education and Labor.

By Mr. SHARP (for himself, Mr. Moorhead, Mr. Waxman, Mr. Lewis of California, Mr. Berman, Mr. Fazio, Mr. Dixon, Mr. Bates, Mr. Levine of California, and Mr. Gejdenson):

H.R. 2818. A bill providing exemption from certain Federal and State laws for solar small power production facilities; to the Committee on Energy and Commerce.

By Mr. GRAY of Pennsylvania (for himself and Mr. Lewis of Georgia):

H. Res. 214. Resolution calling for the immediate release of all the children detained under the state of emergency regulations in South Africa, and calling for strong and sweeping sanctions against South Africa if such children are not released; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

147. The SPEAKER presented a memorial of the Legislature of the State of Colorado, relative to the Farm Credit System; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

Mr. LEWIS of California introduced a bill (H.R. 2819) for the relief of Tracey McFarlane; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 134: Mr. Lewis of Georgia and Mr. Kolter.

H.R. 137: Mr. Hayes of Illinois, Mr. Madigan, Mr. Feighan, Mr. Sensenbrenner, Mr. Skaggs, Mr. Fauntroy, Mrs. Martin of Illinois, Mr. Davis of Michigan, Mr. Dwyer of New Jersey, Mr. Bonior of Michigan, Mr. Eckart, Mrs. Byron, Mr. Conte, Mr. Martinez, and Mr. Fish.

H.R. 164: Mr. Waxman, Ms. Oakar, Mr. Levin of Michigan, Mr. Martinez, Mr. Edwards of California, Mr. Sikorski, and Mr. Dwyer of New Jersey.

H.R. 468: Mr. Dannemeyer.

H.R. 469: Mr. Dannemeyer.

H.R. 486: Mr. Jontz.

H.R. 592: Mr. Jacobs, Mr. Kildee, Mr. Owens of New York, and Mr. Gejdenson.

H.R. 593: Mr. Brennan.

H.R. 618: Ms. Pelosi.

H.R. 630: Mr. McEwen.

H.R. 732: Mr. Gregg, Mr. Bilirakis, Mr. Bennett, Mr. Mfume, Mr. Hutto, Mr. Solarz, Mr. Jeffords, Mr. de Lugo, Mr. Johnson of South Dakota, Mr. Conyers, Mr. Saxton, Mr. Fazio, Mr. Scheuer, Mr. Towns, Mr. Mrazek, Mr. DeFazio, Mr. Wilson, Mr. Sweeney, Mr. Frost, Mr. Bustamante, Mr. Martinez, Mr. Owens of New York, Mr. Garcia, Mr. Levin of Michigan, Mr. Rangel, Mr. Gray of Illinois, Mrs. Morella, Mr. Hughes, Mr. Smith of New Hampshire, Mr. Howard, Mr. Hoyer, Mr. Erdreich, Mrs. Lloyd, Mr. Schaefer, Mr. Cooper, Mr. Stump, Mr. Denny Smith, Ms. Snowe, Mr. McCollum, Mr. Daub, Mr. Cheney, Mr. Williams, Mr. Campbell, Mr. Boucher, Mr. Kolbe, Mr. Hefley, Mr. Rhodes, Mr. Akaka, Mr. Stenholm, Mr. Kyl, Mr. Udall, Mrs. Byron, Mr. Richardson, Mrs. Bentley, Mr. Lagomarsino, Mr. Flippo, Mr. Ackerman, Mr. Spence, Mr. Jontz, Mr. Lipinski, Mr. Hatcher, Mr. English, Mr. Alexander, Mr. Hall of Ohio, Mr. Spratt, Mr. Lancaster, Mr. Lott, Mr. Bateman, Mr. Green, Mr. Coble, Mr. Daniel, Mr. Stokes, Mr. Jones of North Carolina, Mr. Matsui, Mr. Bevill, Mr. Weiss, Mr. Weber, Mr. Dwyer of New Jersey, Mrs. Vucanovich, Mr. Hochbrueckner, Mr. McCurdy, Mr. Sunia, Mr. Gordon, Mr. Montgomery, Mr. Horton, Mr. Clay, Mr. Dyson, and Mr. Gejdenson.

H.R. 792: Mr. Berman.

H.R. 972: Mrs. Patterson, Mr. Bates, Mr. Bliley, Mr. Campbell, and Mr. Lewis of Georgia.

H.R. 1105: Mr. Houghton and Mr. Quillen.

H.R. 1115: Mr. Garcia, Mr. Clinger, Mr. Gunderson, Mr. Roberts, and Mr. Hyde.

H.R. 1171: Mr. Anderson, Mr. Hertel, Mr. Carper, Mr. Hutto, Mr. Bosco, Miss Schneider, and Mr. Hughes.

H.R. 1242: Mr. Madigan.

H.R. 1310: Mr. Craig.

H.R. 1337: Mr. Tallon and Mr. Smith of Florida.

H.R. 1342: Mr. Tallon.

H.R. 1393: Mr. Bates.

H.R. 1546: Mr. Boehlert.

H.R. 1558: Mr. Rogers.

H.R. 1766: Mr. Hutto and Mr. Craig.

H.R. 1782: Mr. Petri.

H.R. 1808: Mr. Bereuter.

H.R. 1832: Mr. Davis of Illinois and Mr. Cheney.

H.R. 1873. Mr. Wilson, Mr. Coelho, Mr. Chapman, and Mr. Vento.

H.R. 1874: Mr. Wilson, Mr. Coelho, Mr. Chapman, and Mr. Vento.

H.R. 2038: Mr. Kildee.

H.R. 2051: Mr. Stokes.

H.R. 2115: Mr. Wise and Mr. Boehlert.

H.R. 2212: Mr. Beilenson, Mrs. Boxer, Mr. Scheuer, Mr. Frank, Mr. Panetta, Mr. Hamilton, Ms. Pelosi, Mr. Towns, Mr. Conyers, Mr. Lehman of Florida, Mr. Porter, Mr. Smith of Florida, Mr. Foglietta, Mr. Levine of California, and Mr. Mrazek.

H.R. 2248: Mr. Young of Alaska and Mr. Rangel.

H.R. 2276: Mr. Edwards of California.

H.R. 2283: Mrs. Saiki.

H.R. 2454: Mr. Fuster, Mr. Levin of Michigan, Mr. Boehlert, Mr. Ackerman, Mr. Gray of Illinois, Mr. Wolpe, Mr. Frost, Mr. Manton, Mrs. Boxer, Mr. de Lugo, Mr. Bilbray, Mr. DioGuardi, Mr. Conyers, Mr. Bennett, Mr. Garcia, Mr. Atkins, Mr. Russo, Mr. Lewis of Florida, Mr. Feighan, Mr. Stokes, and Mr. Horton.

H.R. 2482: Mr. McEwen, Mr. Badham, Mr. Kennedy, Mr. Evans, Mr. Carper, Mr. Kildee, Mr. Hayes of Illinois, and Mr. Lewis of Georgia.

H.R. 2500: Mr. Ridge.

H.R. 2522: Mr. Gray of Pennsylvania, Mr. Howard, Mr. Dorgan of North Dakota, Mr. Foglietta, Mr. Mineta, and Mr. Frost.

H.R. 2538: Mr. Davis of Illinois and Mr. Martinez.

H.R. 2590: Mr. Young of Florida.

H.R. 2641: Mr. Sunia, Mr. Kildee, and Mr. Pease.

H.R. 2681: Mr. Hansen.

H.R. 2690: Mr. Lewis of Georgia, Mr. Bonior of Michigan, Mr. Towns, Mr. Florio, Mr. Rose, Mr. Moakley, Mr. Bustamante, Mr. Hopkins, Mr. Boehlert, Mr. Roybal, Mr. Olin, Mr. Roe, Mr. Penny, Mr. Ackerman, Mrs. Boxer, Mr. Dicks, Mr. Dellums, and Mr. Swift.

H.R. 2694: Mr. Martinez, Mr. Lehman of Florida, Mrs. Boxer, Mr. Fuster, Mr. Stokes, Mr. Solarz, and Mr. Lewis of Georgia.

H.R. 2727: Mr. Bates, Mr. Lewis of Georgia, Mr. Clay, and Mr. Evans.

H.J. Res. 140: Mr. Staggers, Mr. Boland, Mr. Blaz, Mr. Miller of Washington, Mr. Yates, Mr. Hawkins, Mr. DeFazio, Mr. Kolter, Mr. Berman, Mr. Bruce, Mr. Cooper, Mr. Downey of New York, Mr. Durbin, Mr. Frank, Mr. Kleczka, Mr. Lowry of Washington, Mr. Markey, Mr. Moody, Mr. Morrison of Connecticut, Mr. Murphy, Mr. Ortiz, Mr. Russo, Mr. Wheat, and Mr. Wise.

H.J. Res. 171: Mr. Traficant, Mr. Slattery, Mr. Swift, and Mr. Lott.

H.J. Res. 192: Mrs. Bentley, Mr. Bustamante, Mr. Chandler, Mr. Coats, Mr. de la Garza, Mr. Green, Mr. Thomas A. Luken, Mrs. Meyers of Kansas, Mr. Miller of Washington, Mr. Pursell, Mr. Spence, Mr. Upton, and Mr. Wolf.

H.J. Res. 251: Mr. Lipinski, Mr. McEwen, Mr. Denny Smith, Mr. Sawyer, Mr. Ritter, Mr. Panetta, Mr. Owens of Utah, Ms. Oakar, Mr. Hubbard, Mr. Broomfield, Mr. Morrison of Connecticut, Mr. Hansen, Mr. Stokes, Mr. Stump, Mr. Fawell, Mr. Stratton, Mr. Torres, Mr. Grant, Mr. Harris, Mr. Badham, Mr. Hochbrueckner, Mr. Dicks, Mr. Duncan, Mr. Derrick, Mr. Visclosky, Mr. Dymally, Mr. Hunter, Mr. Hawkins, Mr. Bates, Mr. Jontz, Mr. Buechner, Mr. Synar, Mr. Thomas of Georgia, Mr. Nichols, Mr. Rangel, Mr. Moody, Mr. Matsui, Mr. Miller of California, Mr. Coelho, Mr. Rhodes, Mr. Barnard, and Mr. Nelson of Florida.

H.J. Res. 303: Mr. Spence, Mr. Panetta, Mr. Rodino, Mr. Traxler, Mr. Clinger, Mr. Traficant, Mr. McMillen of Maryland, Mrs. Boxer, Mr. Thomas A. Luken, Mr. Brooks, Mr. Richardson, Mr. Mavroules, Mr. Hoyer, Mr. Rose, and Mr. Garcia.

H.J. Res. 311: Mr. McEwen, Mr. Ackerman, Mr. Hughes, Mr. Garcia, Mr. Kennedy, and Mr. Nowak.

H.J. Res. 313: Mr. Weiss.

H.J. Res. 317: Mr. Bonior of Michigan, Mr. Hochbrueckner, Mr. Levine of California, and Mr. Miller of California.

H.J. Res. 318: Mr. Coble, Mr. Applegate, Mr. Olin, Mr. Nichols, Mr. Yatron, Mr. Jones of North Carolina, Mr. Murtha, Mr. Smith of Florida, Mr. Wortley, Mr. Boland, Mr. Traficant, Mr. Wilson, Mr. Bevill, Mr. Erdreich, Mr. Valentine, Mr. Fazio, Mr. Volkmer, Mr. Coughlin, Mr. Daniel, Mr. Gunderson, Mr. Henry, Mr. Horton, Ms. Kaptur, Mr. McCloskey, Mr. McDade, Mr. Mrazek, Mr. Rinaldo, Mr. Rogers, Mr. Watkins, Mr. McEwen, Mr. Roe, Mrs. Boxer, Mr. Hutto, Mr. Lipinski, Mr. Hayes of Illinois, Mr. Darden, Mr. Boner of Tennessee, Mr. Levin of Michigan, Mr. Emerson, Mr. Martinez, Mr. Walgren, Mr. Early, and Mr. Evans.

H.J. Res. 323: Mr. Boulter and Mr. Stangeland.

H. Con. Res. 138: Mr. Kanjorski, Mr. Beilenson, Mr. Robinson, Mr. Frank, and Mr. Biaggi.

H. Con. Res. 143: Mr. Leland, Mr. Fuster, Mr. Tauzin, Mr. Stokes, Mrs. Collins, Mr. Wolpe, Mr. Clay, Mr. Sabo, Mr. Mrazek, Mr. Tallon, Mr. Roe, Mr. Mfume, Mr. Levin of Michigan, Mr. Frank, Mr. Wheat, and Mr. Berman.

H. Res. 188: Mr. Skelton, Mr. Porter, Mr. Oxley, Mr. Whittaker, Mrs. Bentley, Mr. DeWine, Mr. Henry, Mr. Shaw, Mr. Packard, and Mr. Barton of Texas.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 2342

By Mr. BENNETT:

—Page 22, after line 11, add the following new section:

SEC. 26. REDOCUMENTATION OF PERSIAN GULF VESSELS.

(a) Prohibition.—The Secretary of the department in which the Coast Guard is operating shall not issue a certificate of documentation under chapter 121 of title 46, United States Code, for a vessel which is beneficially owned by a country bordering on the Persian Gulf or by a national of any such country.

(b) Cancellation of Certain Redocumentation.—The Secretary of the department in which the Coast Guard is operating shall, 20 days after the date of the enactment of this Act, cancel any certificate of documentation issued after June 1, 1987, but before the date of the enactment of this Act under chapter 121 of title 46, United States Code, for a vessel which was, on June 1, 1987, owned by the government or nationals of a country bordering on the Persian Gulf.

(c) Exception.—This section shall cease to apply if the Soviet Union enters into an agreement with any country bordering on the Persian Gulf to allow the vessels of that country to operate under the Soviet flag.

CONFERENCE REPORT ON H.R. 1827

Mr. WHITTEN, pursuant to the order of the House on June 26, 1987, submitted the following conference report and statement on the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes:

Conference Report (H. Rept. 100-195)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 7, 12, 15, 16, 17, 22, 24, 36, 40, 42, 50, 63, 65, 72, 79, 80, 81, 83, 85, 86, 89, 90, 91, 94, 95, 96, 106, 108, 112, 113, 117, 119, 121, 123, 132, 141, 142, 158, 162, 163, 165, 169, 179, 182, 197, 201, 202, 203, 207, 210, 216, 217, 220, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 252, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 302, 303, 304, 307, 315, 343, 349, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 375, 376, 382, 383, 390, 391, 392, 393, 394, 400, 417, 423, 433, and 435.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 10, 11, 13, 18, 19, 20, 30, 31, 32, 34, 39, 43, 44, 45, 46, 47, 58, 60 61, 62, 74, 76, 77, 82, 88, 100, 101, 107, 118, 122, 124, 127, 135, 143, 150, 152, 155, 157, 160, 161, 166, 167, 168, 170, 171, 172, 177, 180, 184, 185, 196, 198, 200, 206, 213, 227, 229, 242, 245, 248, 249, 253, 255, 259, 260, 261, 262, 263, 264, 265, 266, 267, 280, 281, 282, 283, 299, 300, 301, 305, 308, 310, 313, 314, 318, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 344, 345, 346, 347, 348, 350, 353, 354, 355, 356, 357, 358, 373, 374, 377, 380, 386, 388, 389, 395, 396, 397, 398, 399, 401, 402, 403, 404, 405, 406, 407, 408, 409, 414, 418, and 421, and agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

General Administration

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $7,600,000, to remain available until September 30, 1988; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

SALARIES AND EXPENSES, ANTITRUST DIVISION

For an additional amount for "Salaries and expenses, Antitrust Division", $200,000, to remain available until September 30, 1988; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

UNITED STATES TRUSTEE SYSTEM FUND

In addition to amounts made available under the head "Salaries and expenses, oversight of bankruptcy cases", for the expansion of the United States Trustees Program, as authorized by Sec. 115 of the "Bankruptcy Judges, United States Trustees, and Family Farmer Bankruptcy Act of 1986" (Public Law 99-554), $12,000,000: Provided, That deposits to the Fund are available in such amounts as may be necessary to pay refunds due depositors; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

For an additional amount for "Acquisition and Maintenance of Buildings Aboard", $9,480,000, to remain available until expended: Provided, That these funds shall be available subject to the approval of the House and Senate Appropriations Committees' policies concerning the reprogramming of funds contained in House Report 99-669; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

For an additional amount for "Contributions to International Organizations", $268,831 for payment of the United States assessed contribution to the Interparliamentary Union: Provided, That in the appropriation language under the heading "Contributions to International Organizations" in the Department of State Appropriations Act, 1987, as included in Public Law 99-500 and Public Law 99-591, amend the phrase that reads "of which $130,000,000, to remain available until expended, shall become available for expenditure on October 1, 1987" to read as follows: "of which $65,000,000, to remain available until expended, shall become available for expenditure on October 1, 1987"; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

INTERNATIONAL COMMISSIONS

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

For an additional amount for "American Sections, International Commissions", $474,000, to remain available until September 30, 1988; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$37,800,000*; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

COMMISSION FOR THE STUDY OF INTERNATIONAL MIGRATION AND COOPERATIVE ECONOMIC DEVELOPMENT

SALARIES AND EXPENSES

For necessary expenses of the Commission for the Study of International Migration and Cooperative Economic Development as authorized by Title VI of Public Law 99-603, $217,000, to remain available until expended; and the Senate agree the same.

Amendment numbered 48:

That the House recede from its disagreement to the amendment of the Senate numbered 48, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert *$37,500,000*; and the Senate agree to the same.

Amendment numbered 49:

That the House recede from its disagreement to the amendment of the Senate numbered 49, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$60,000,000*; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$431,000,000*; and the Senate agree to the same.

Amendment numbered 52:

That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

OPERATION AND MAINTENANCE, ARMY RESERVE

For an additional amount for "Operation and maintenance, Army Reserve", $7,500,000; and the Senate agree to the same.

Amendment numbered 53:

That the House recede from its disagreement to the amendment of the Senate numbered 53, and agree to the same with an amendment, as follows:

In lieu of the sum named in said amendment insert *$2,500,000*; and the Senate agree to the same.

Amendment numbered 54:

That the House recede from its disagreement to the amendment of the Senate numbered 54, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For an additional amount for "Operation and maintenance, Army National Guard", $5,500,000; and the Senate agree to the same.

Amendment numbered 55:

That the House recede from its disagreement to the amendment of the Senate numbered 55, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

PROCUREMENT

AIRCRAFT PROCUREMENT, AIR FORCE

For an additional amount for "Aircraft procurement, Air Force", $122,000,000; and the Senate agree to the same.

Amendment numbered 57:

That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

For an additional amount for "Research, development, test, and evaluation, Navy", $7,000,000, for Manufacturing Technology; and the Senate agree to the same.

Amendment numbered 59:

That the House recede from its disagreement to the amendment of the Senate numbered 59, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$75,000,000*; and the Senate agree to the same.

Amendment numbered 75:

That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following: *10*; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

UNAUTHORIZED APPROPRIATIONS

SEC. 11. (a) Notwithstanding section 9126 or section 9133 of the Department of Defense Appropriations Act, 1987 (as contained in section 101(c) of the joint resolution entitled "Joint resolution making continuing appropriations for fiscal year 1987, and for other purposes," Public Law 99-500 and Public Law 99-591), only funds specifically authorized by the Congress in accordance with section 502 of the National Security Act of 1947 may be obligated or expended for intelligence or intelligence-related activities.

(b) All intelligence and intelligence-related activities for which funds were appropriated in the Defense Appropriations Act, 1987 shall be considered specifically authorized by Congress pursuant to section 502 of the National Security Act of 1947; and the Senate agree to the same.

Amendment numbered 93:

That the House recede from its disagreement to the amendment of the Senate numbered 93, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

Using funds previously provided in the Energy and Water Development Appropriations Act, 1987 (Public Law 99-500 and Public Law 99-591), the Secretary of the Interior is directed to undertake the following project in the amount specified hereafter:

Project	*Amount*
O'Neill Unit, Nebraska	*$771,000*

Using funds previously provided in the Energy and Water Development Appropriations Act, 1987 (Public Law 99-500 and Public Law 99-591), the Secretary of the Interior shall proceed with contracting for construction of the East-side and West-side roads and other features at the McGee Creek, Oklahoma, project in the amount specified hereafter:

Project	*Amount*
McGee Creek, Oklahoma	*$4,800,000*

And the Senate agree to the same.

Amendment numbered 109:

That the House recede from its disagreement to the amendment of the Senate numbered 109, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,350,000*; and the Senate agree to the same.

Amendment numbered 111:

That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert *$27,000,000*; and the Senate agree to the same.

Amendment numbered 131:

That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment, as follows

In lieu of the sum proposed by said amendment insert *$22,910,000*; and the Senate agree to the same.

Amendment numbered 146:

That the House recede from its disagreement to the amendment of the Senate numbered 146, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

(INCLUDING TRANSFER OF FUNDS AND DISAPPROVAL OF DEFERRAL)

And the Senate agree to the same.

Amendment numbered 147:

That the House recede from its disagreement to the amendment of the Senate numbered 147, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$8,000,000*; and the Senate agree to the same.

Amendment numbered 164:

That the House recede from its disagreement to the amendment of the Senate numbered 164, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows:

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

For an additional amount for "State unemployment insurance and employment service operations", $65,000,000 from the Employment Security Administration account in the Unemployment Trust Fund, of which $15,000,000 shall be used to carry out the targeted jobs tax credit program under section 51 of the Internal Revenue Code of 1986, and of which $27,500,000 shall be available only to the extent necessary to administer unemployment compensation laws to meet increased costs of administration resulting from changes in a State law or increases in the number of unemployment insurance claims filed and claims paid or increased salary costs resulting from changes in State salary compensation plans embracing employees of the State generally over those upon which the State's basic allocation was based, which cannot be provided for by normal budgetary adjustments based on State obligations as of December 31, 1987.; and the Senate agree to the same.

Amendment numbered 173:

That the House recede from its disagreement to the amendment of the Senate numbered 173, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$23,000,000*; and the Senate agree to the same.

Amendment numbered 225:

That the House recede from its disagreement to the amendment of the Senate numbered 225, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$1,500,000*; and the Senate agree to the same.

Amendment numbered 243:

That the House recede from its disagreement to the amendment of the Senate numbered 243, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$5,013,000*; and the Senate agree to the same.

Amendment numbered 244:

That the House recede from its disagreement to the amendment of the Senate numbered 244, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended to read as follows: *of which $3,000,000 shall be available to cover the cost of removing a landslide at the Panama Canal, and $2,013,000*; and the Senate agree to the same.

Amendment numbered 306:

That the House recede from its disagreement to the amendment of the Senate numbered 306, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named by said amendment, insert *$175,000*; and the Senate agree to the same.

Amendment numbered 311:

That the House recede from its disagreement to the amendment of the Senate numbered 311, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert *$16,100,000*; and the Senate agree to the same.

Amendment numbered 316:

That the House recede from its disagreement to the amendment of the Senate numbered 316, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following *$317,000*; and the Senate agree to the same.

Amendment numbered 330:

That the House recede from its disagreement to the amendment of the Senate numbered 330, and agree to the same with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, insert *of which $5,000,000 shall be derived by transfer from "Research and development"*; and the Senate agree to the same.

Amendment numbered 378:

That the House recede from its disagreement to the amendment of the Senate numbered 378, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the sum named in said amendment, insert *$200,000*; and the Senate agree to the same.

Amendment numbered 419:

That the House recede from its disagreement to the amendment of the Senate numbered 419, and agree to the same with an amendment, as follows:

Restore the matter stricken by said amendment, amended as follows:

In lieu of the first section number named in said amendment, insert *505*; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 3, 4, 5, 8, 21, 23, 26, 33, 37, 38, 41, 56, 64, 66, 67, 68, 69, 70, 71, 73, 84, 87, 92, 97, 98, 99, 102, 103, 104, 105, 110, 114, 115, 116, 120, 125, 128, 129, 130, 133, 134, 136, 137, 138, 139, 140, 144, 145, 148, 149, 151, 153, 154, 156, 159, 174, 175, 176, 178, 181, 183, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 199, 204, 205, 208, 209, 211, 212, 214, 215, 218, 219, 221, 222, 223, 224, 226, 228, 230, 246, 247, 250, 251, 254, 256, 257, 258, 284, 285, 286, 309, 312, 317, 319, 351, 352, 359, 379, 381, 384, 385, 387, 410, 411, 412, 413, 415, 416, 420, 422, 424, 425, 426, 427, 428, 429, 430, 431, 432, 434, 436, and 437.

JAMIE L. WHITTEN,
EDWARD P. BOLAND,
WILLIAM H. NATCHER,
NEAL SMITH,
SIDNEY R. YATES,
DAVID R. OBEY,
EDWARD R. ROYBAL,
TOM BEVILL,
BILL CHAPPELL,
WILLIAM LEHMAN,
JULIAN C. DIXON,
VIC FAZIO,
W.G. HEFNER,
JOSEPH M. MCDADE
(except No. 59 and No. 68),
LARRY COUGHLIN,
RALPH REGULA,
VIRGINIA SMITH,
MICKEY EDWARDS,
BILL GREEN,
HAROLD ROGERS,

Managers on the Part of the House.

JOHN C. STENNIS,
WILLIAM PROXMIRE,
DANIEL K. INOUYE,
ERNEST F. HOLLINGS,
LAWTON CHILES,
J. BENNETT JOHNSTON,
QUENTIN N. BURDICK,
PAT J. LEAHY,
JIM SASSER,
DENNIS DECONCINI,
DALE BUMPERS,
FRANK R. LAUTENBERG,
TOM HARKIN,
BARBARA A. MIKULSKI,
HARRY REID,
MARK O. HATFIELD,
TED STEVENS,
LOWELL P. WEICKER, Jr.,
JAMES A. MCCLURE,
JAKE GARN,
THAD COCHRAN,
ROBERT W. KASTEN, Jr.,
ALFONSE M. D'AMATO
(except No. 33),
WARREN RUDMAN,
ARLEN SPECTER,
PETE V. DOMENICI,
DON NICKLES,

Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

TITLE I—PROGRAM SUPPLEMENTALS

CHAPTER I

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

Amendment No. 1: Restores language proposed by the House and stricken by the Senate. The language would make available a total of $62,500,000, to be derived from $27,500,000 appropriated in the Continuing Resolution for commercialization of LANDSAT and $35,000,000 appropriated in the Continuing Resolution for the polar orbiting satellite system, for a two spacecraft LANDSAT system under a plan which provides for the cost of the second satellite from funds from users or sources other than NOAA. The language also provides that the release of the funds is subject to the funding plan being approved by the House and Senate Appropriations Committees. The Senate bill contained no provision on this item.

The conferees are in agreement that the $62,500,000, when available, is to be used solely for "LANDSAT 6" and that the conference agreement does not constitute any commitment to fund "LANDSAT 7" under the current contract with EOSAT.

Amendment No. 2: Deletes language proposed by the House and stricken by the Senate which provided that when funds are appropriated to carry out Sec. 118 of the Federal Water Pollution Control Act, amounts transferred to NOAA in accordance with subsection (h)(3) of such section, must be used to carry out the provisions of subsection (d) of such section at the Great Lakes Environmental Research Laboratory. The Senate bill contained no provision on this item.

The conferees are deeply concerned that NOAA move to implement the authority authorized in Section 104 of Public Law 100-4, the Clean Water Act. This section provides for the establishment within NOAA of a Great Lakes Research Office. In addition this law directs the Research Office to initiate significant programs before the end of fiscal year 1987.

The conferees direct NOAA to conduct an analysis of where to locate this office. The jurisdiction for the location of this office should be the ability to meet the requirements set forth in Section 104 of Public Law 100-4 and the cost effectiveness of the location selected. The conferees are agreed that the Administrator of NOAA should address these issues and present his findings and recommendations to the House and Senate Appropriations Committees by August 15, 1987.

Amendment No. 3: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which makes available until expended $750,000 of the funds deposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986.

Amendment No. 4: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

Funds appropriated or otherwise made available to the Department of Commerce and the National Oceanic and Atmospheric Administration shall be available for the procurement of launch services for geostationary weather satellites I, J, and K, to be conducted only by the National Aeronautics and Space Administration: Provided, That in the procurement of launch services for the National Oceanic and Atmospheric Administration for the GOES I, J, and K spacecraft, the National Aeronautics and Space Administration may provide, in its contract or contracts for launch services, for the payment for contingent liability of the Government which may accrue in the event the Government should decide to terminate the contract before the expiration of the contract period. Such contract or contracts shall limit the payments the Federal Government is allowed to make under the contracts to amounts provided in advance in appropriations Acts. In January of each year, the Administrator of the National Oceanic and Atmospheric Administration shall report to the House and Senate Committees on Appropriations the projected aggregate contingent liability, through the next fiscal year and in total, of the Government under termination provisions of any launch services contracts authorized in this section: Provided further, That such contract or contracts may not be entered into until the Department of Commerce submits a written certification to the appropriate Committees of the Congress that the fiscal year 1988 budget request for launch vehicles for GOES I, J, and K fully meets such contractual requirements for fiscal year 1988 of $80,000,000 or submits a proposed budget amendment for fiscal year 1988 to the Congress requesting any additional funds required in fiscal year 1988 to meet the obligations of the proposed contractual agreement.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill included no provision on this item. The Senate amendment inserted a provision which would have required that funds appropriated to the Department of Commerce and NOAA for procurement of launch services for GOES weather satellites I, J and K be used to procure such services only from NASA unless the Department of Commerce certified to appropriate Congressional Committees by July 1, 1987, that the conduct of such a procurement by the Department would not delay the availability of the launch services compared to the availability of launch services conducted by NASA. The conference agreement provides that the Department of Commerce and NOAA funds for procurement of launch services for the GOES I, J and K weather satellites shall be used only to procure such services from NASA and provides NASA with multi-year contract authority concerning such procurement. The conferees would like to affirm their intention that procurement of commercial launch services shall be done in a manner which will promote the development of a U.S. expendable launch vehicle industry. The procurement of such services shall be done in a commercially reasonable manner.

Amendment No. 5: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Not to exceed $14,100,000 appropriated and available for obligation and expenditure under Section 108(a)(1) of Public Law 99-190, as amended, shall remain available for obligation through September 30, 1988: Provided, That the Economic Development Administration shall close out the audits concerning grants to New York, New York pursuant to title I of the Local Public Works Capital Development and Investment Act of 1976, not later than August 1, 1987.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

None of the funds appropriated by this or any prior Act to the Patent and Trademark Office shall be used to purchase the mass storage requirement (PTO-10) portion of the U.S. Patent and Trademark Office Automation Project.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment inserted an administrative provision which would have prohibited the use of fiscal year 1987 funds to grant any patent for vertebrate or invertebrate animals, modified, altered or in any way changed through engineering technology, including genetic engineering. The House bill contained no provision on this item.

The conference agreement deletes the Senate provision. The conferees understand that the Patent and Trademark Office in the Department of Commerce has given assurances that no patents on technologically altered vertebrate or invertebrate animals will be granted during the remainder of fiscal year 1987. The conferees also understand that the Congress intends to hold hearings on this issue later this year.

The conference agreement also adds language that extends the availability of up to $14,100,000 of unobligated and unexpended balances for certain EDA Local Public Works projects in New York City until September 30, 1988, with the proviso that EDA shall close out the audits concerning grants to New York City by August 1, 1987, pursuant to title I of the Local Public Works Capital Development Investment Act of 1976. The conferees expect that not more than $14,100,000 available pursuant to this conference agreement for certain EDA projects in New York, New York shall be obligated at the earliest practical time following the closeout of audits concerning grants to New York, New York pursuant to title I of the Local Public Works Capital Development and Investment Act of 1976. These funds shall be obligated and expended for local priority projects which meet threshold eligiblity standards and requirements under applicable law and regulations without regard to competitive selection factors and criteria.

In addition, the conference agreement adds language which prohibits any funds appropriated to the Patent and Trademark Office by this or any prior Act from being used to purchase the mass storage required (PTO-10) portion of the U.S. Patent and Trademark Office Automation Project. The conferees are agreed that the Department of Commerce shall submit a full report by September 1, 1987 to the House and Senate Appropriations Committees concerning the Request for Proposal for purchase of the mass storage required (PTO-10) portion of the U.S. Patent and Trademark Office Automation Project. This report should include a detailed accounting of the bids received and the process used to award the contract.

The conferees are concerned about the continuing, enormous trade deficit in goods and services which the United States has with other nations. The conferees request that the Secretary of Commerce prepare and submit to the Congress by December 31, 1988, a report assessing the impact on U.S. exports of Federal taxation of foreign source earned and unearned income of United States citizens living abroad. The study should also assess the potential impact on U.S. exports which could result from a shift to residency-based taxation such as is used by all major, U.S. trading competitors.

DEPARTMENT OF JUSTICE

GENERAL ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 6: Appropriates $7,600,000 instead of $10,450,000 as proposed by the House and no funding as proposed by the Senate.

The conference agreement provides $3,500,000 for immigration reform, $200,000 for Bankruptcy Trustee Support, $1,765,000 for the Private Counsel for debt collection, $434,000 for the Justice Command Center, Emergency Planning Group and the Visitor Center, and $939,000 for GSA rent.

The conference agreement also provides $762,000 for Bond Building shared costs. The conferees wish to reiterate that relocation of offices must be approved by the Committees on Appropriations of the House and Senate before such changes occur. The conferees agree that no future funding requests will be approved for actions taken by the Department of Justice without the prior approval of the Committees.

Legal Activities

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

Amendment No. 7: Restores heading as proposed by the House and stricken by the Senate.

Amendment No. 8: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment appropriating $8,100,000 instead of $5,499,000 as proposed by the House and no funding as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $739,000 for Immigration litigation, $1,074,000 for the Special Counsel for unfair employment practices, and $2,287,000 for Bond Building costs.

The conference agreement also provides $4,000,000 for the Department of Justice to pay expenses related to the activities of Independent Counsel appointed pursuant to 28 U.S.C. 591, et seq. The conferees are concerned over the increased level of resources required to meet expenses of Independent Counsel and the inability to adequately plan for these expenditures. The conferees are aware that the Department of Justice receives from the Administrative Office of the United States Courts monthly reports of Independent Counsel expenditures and direct the Department of Justice to provide the Committees on Appropriations, on a monthly basis, copies of those reports for each ongoing Independent Counsel investigation.

SALARIES AND EXPENSES, ANTITRUST DIVISION

Amendment No. 9: Appropriates $200,000 instead of $299,000 as proposed by the House and no funding as proposed by the Senate.

SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

Amendment No. 10: Appropriates no funds as proposed by the Senate instead of $887,000 as proposed by the House.

SALARIES AND EXPENSES, UNITED STATES MARSHALS SERVICE

Amendment No. 11: Appropriates no funds as proposed by the Senate instead of $405,000 as proposed by the House.

SUPPORT OF UNITED STATES PRISONERS

Amendment No. 12: Appropriates $9,630,000 as proposed by the House instead of no funds as proposed by the Senate.

SALARIES AND EXPENSES, COMMUNITY RELATIONS SERVICE

Amendment No. 13: Deletes House language, as proposed by the Senate, which reallocated amounts contained in the Department of Justice Appropriation Act, 1987.

UNITED STATES TRUSTEE SYSTEM FUND

Amendment No. 14: Appropriates $12,000,000 instead of $16,436,000 as proposed by the House and no funds as proposed by the Senate.

Federal Bureau of Investigation

SALARIES AND EXPENSES

Amendment No. 15: Appropriates $3,989,000 as proposed by the House instead of no funds as proposed by the Senate.

Drug Enforcement Administration

SALARIES AND EXPENSES

Amendment No. 16: Appropriates $776,000 as proposed by the House instead of no funds as proposed by the Senate.

Immigration and Naturalization Service

SALARIES AND EXPENSES

Amendment No. 17: Deletes language proposed by the Senate which would allow the Department of Justice to transfer up to $3,264,000 from INS appropriations to fund the Bond Building relocation.

The conferees also understand that an additional $3,900,000 in current INS appropriations are no longer required for the purposes for which they were originally appropriated. The conferees direct the Immigration and Naturalization Service to reprogram this $3,900,000 into inspections of land border ports of entry. These funds should be utilized to fill authorized, but vacant positions and to pay overtime. It is imperative that the INS fill vacant positions at the entry points on both our southern and northern borders in order to reduce the extensive delays currently being experienced. It is especially important for INS to react quickly, considering the lengthy delays currently being experienced in locations such as the McAllen sector of Texas, San Ysidro, California, and Buffalo, New York, which will only be exacerbated during the summer tourist season.

Federal Prison System

SALARIES AND EXPENSES

Amendment No. 18: Deletes heading as proposed by the Senate.

Amendment No. 19: Appropriates no funds as proposed by the Senate instead of $548,000 as proposed by the House.

NATIONAL INSTITUTE OF CORRECTIONS

Amendment No. 20: Appropriates no funds as proposed by the Senate instead of $15,000 as proposed by the House.

General Provision—Department of Justice

Amendment No. 21: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment which changes "Provisions" to "Provision" in a heading.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 22: Deletes language proposed by the Senate which would allow the Department of Justice to transfer up to $5,000,000 to pay for Independent Counsel expenses.

Amendment No. 23: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment changing the first section number. The Senate amendment agreed to by the conference clarifies the intent of Congress in enacting the immigration user fee last year to provide that those fees remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DEPARTMENT OF STATE

Administration of Foreign Affairs

SALARIES AND EXPENSES

Amendment No. 24: Appropriates $61,750,000 to remain available until September 30, 1988 as proposed by the House and stricken by the Senate. The Senate bill contained no provision for this item.

The conferees are agreed that $900,000 out of the $61,750,000 provided for Salaries and Expenses shall be used for a contract with the University of Miami to establish a data base on Latin America.

The conferees are agreed that a total of $200,000 is to be provided on an equally shared basis from fiscal year 1987 appropriations for the Department of State, the National Oceanic and Atmospheric Administration in the Department of Commerce and the United States Information Agency for partial support for an international symposium to be held in 1987 on historical interaction between human social and economic development and the biosphere.

ACQUISITION AND MAINTENANCE OF BUILDINGS ABROAD

Amendment No. 25: Appropriates $9,480,000 for Acquisition and Maintenance of Buildings Abroad subject to compliance with the House and Senate Appropriations Committees' reprogramming procedures instead of $12,000,000 proposed by the House for this item and stricken by the Senate. The Senate made no provision for this item in the bill, but would have provided funding through reprogramming of existing funds.

Amendment No. 26: Reported in disagreement.

International Organizations and Conferences

CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

Amendment No. 27: Appropriates $268,831 for payment of the U.S. assessed contribution to the Interparliamentary Union as proposed by the House and stricken by the Senate and releases $65,000,000 in the "Contributions to International Organizations" account for expenditure in fiscal year 1987, instead of $130,000,000 for this purpose as proposed by the House and stricken by the Senate. The Senate bill contained no provision on this item.

International Commissions

AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

Amendment No. 28: Appropriates $474,000 for American Sections, International Commissions to remain available until September 30, 1988, instead of $600,000 for such purposes as proposed by the House and stricken by the Senate. The Senate bill contained no provision on this item.

THE JUDICIARY

Courts of Appeals, District Courts, and Other Judicial Services

SALARIES AND EXPENSES

Amendment No. 29: Appropriates $37,800,000 instead of $45,645,000 as proposed by the House and $33,500,000 as proposed by the Senate.

Included in amounts provided in the conference agreement are funds for the 1,017 positions requested by the Courts of Appeals, District Courts, and Other Judicial Services associated with bankruptcies and criminal caseloads; however, the requested funds were reduced because of delays in hiring personnel to fill these positions.

DEFENDER SERVICES

Amendment No. 30: Appropriates no funds as proposed by the Senate instead of $2,500,000 as proposed by the House.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

SALARIES AND EXPENSES

Amendment No. 31: Appropriates $100,000 as proposed by the Senate instead of $98,000 as proposed by the House.

FEDERAL JUDICIAL CENTER

SALARIES AND EXPENSES

Amendment No. 32: Appropriates $1,000,000 as proposed by the Senate instead of $1,017,000 as proposed by the House.

RELATED AGENCIES

DEPARTMENT OF TRANSPORTATION

MARITIME ADMINISTRATION

OPERATIONS AND TRAINING

Amendment No. 33: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

OPERATIONS AND TRAINING

Funds appropriated under this head in Public Law 98-396 for a training vessel for the State University of New York Maritime College shall be available for acquisition, pre-conversion and conversion costs of such vessel: Provided, That prior to the obligation of such funds and prior to the obligation of unobligated funds appropriated under this head for state maritime academies in Public Law 99-500 and Public Law 99-591, except for obligations necessary to complete current shipyard work and voyages in progress, all state maritime academies furnished a training vessel shall agree to such sharing of training vessels as shall be arranged by the Maritime Administration: Provided further, that the Maritime Administration shall submit its final plans for such a ship-sharing arrangement to the state maritime academies by October 1, 1987.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill contained no provision on this item. The Senate bill inserted language which would have permitted funds appropriated in Public Law 93-396 for a training vessel for the New York State Maritime College to be available for acquisition, preconversion and conversion costs of such vessel. The conference agreement retains the Senate provision and adds a provision, barring the obligation of funds for the acquisition of ships and unobligated funds appropriated for state maritime academies in PL 99-500 and PL 99-591 until all the state maritime academies furnished a training vessel have agreed to such a ship-sharing arrangement as shall be developed by MARAD.

It is the intention of the conference agreement that this ship-sharing program will provide for a total of 2 training ships. The program is to provide for a minimum of 9 weeks of underway training time for each state academy, 4 weeks between cruises for orientation, safety training, and necessary voyage repairs; and, adequate shipyard availability. Federal funding would be available for ship relocation costs associated with moving the ships among the schools, necessary voyage repairs and annual maintenance requirements, and transportation costs for academy training staff, crew and cadets, as necessary to facilitate ship sharing. In addition, MARAD is instructed to provide a nucleus shipkeeping staff to supervise ship maintenance and operations and to facilitate the transition of the ship from school to school.

Finally, MARAD is to make available suitable vessels, as determined by MARAD, from its inventory to be provided upon request of a state academy. This availability is intended to provide full time access to a ship for use as dockside labs during the academic year in order to supplement the training vessels. The full costs of operations, maintenance and repair of these vessels would be the responsibility of the state academies.

In developing this ship-sharing program, MARAD is to place primary emphasis on facilitating the training requirements of the state academies and enhancing the safety of the officers, crew and cadets.

FEDERAL SHIP FINANCING FUND

Amendment No. 34: Deletes language proposed by the House and stricken by the Senate which would have appropriated $73,000,000 for payment of interest on funds appropriated for payment to the Secretary of the Treasury for debt reduction. The Senate bill contained no provision on this item.

COMMISSION FOR THE STUDY OF INTERNATIONAL MIGRATION AND COOPERATIVE ECONOMIC DEVELOPMENT

SALARIES AND EXPENSES

Amendment No. 35: Appropriates $217,000 instead of $275,000 as proposed by the House and no funds as proposed by the Senate.

DWIGHT DAVID EISENHOWER CENTENNIAL COMMISSION

EXPENSES

Amendment No. 36: Appropriates $50,000 for necessary expenses of the Dwight David Eisenhower Centennial Commission as proposed by the House and stricken by the Senate. The Senate bill contained no provision on this item.

FEDERAL COMMUNICATIONS COMMISSION

Amendment No. 37: Reported in technical disagreement. The Managers on the part of the House will offer a motion to recede and concur in the Senate amendment which extends through fiscal year 1988, the authority contained in Public Law 99-88 for relocating the FCC's Ft. Lauderdale Monitoring Station. The House bill contained no provision on this item.

SMALL BUSINESS ADMINISTRATION

SALARIES AND EXPENSES

Amendment No. 38: Reported in technical disagreement. The Managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $10,000,000 for disaster loan making activities, derived by transfer from the "Disaster Loan Fund": Provided, That hereafter, notwithstanding any law, rule or regulation, moneys in any fund established by the Small Business Act which are not needed for current operations shall remain in such funds and shall be available solely to carry out the provisions and purposes of programs operated from such funds pursuant to law as provided in Appropriations Acts.

The Managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The House bill contained no provision on this item. The Senate bill proposed language which would have transferred $8,000,000 from the Business Loan and Investment Fund and $2,000,000 from Small Business Development Centers to Salaries and Expenses for disaster loan making activities and would have reduced the limit on direct loans from the Business Loan and Investment Fund in Public Law 99-500 and Public Law 99-591 to $89,000,000. The conference agreement transfers $10,000,000 from the Disaster Loan Fund to Salaries and Expenses for disaster loan making activities and provides language which requires that moneys in any of the funds established by the Small Business Act which are not needed for current operations shall remain in such funds and be available solely to carry out the programs operated from such funds pursuant to law as provided in appropriations acts.

SEC. 504 PROGRAM

Public Law 99-272 authorized a pilot program to sell Small Business Administration-guaranteed Section 503 Certified Development Company debentures directly to the private capital markets, thereby creating the "504 program". It authorized $450 million for development company programs under title 5 of the Small Business Investment Act of 1958, of which $295 million was authorized for the 504 pilot program. Public Law 99-483 appropriated $373 million for development company programs from the business loan and investment fund account.

The 504 program has worked well. Through the end of May 1987, SBA had approved over $250 million of debentures for fiscal year 1987. Recently, the House of Representatives approved H.R. 2166 which increased the authorized limit for the pilot program to $425 million in FY 87, and on June 11, 1987, the Senate Small Business Committee unanimously approved this measure. In order to insure that the program runs smoothly through the end of fiscal year 1987, the appropriation for development company programs is increased for fiscal year 1987 to $450 million and the Office of Management and Budget is directed to approve allocations at this level for the remainder of the year. This increase in the development company appropriation should be offset by a commensurate reduction in the funds appropriated for the general business loans.

GENERAL PROVISION

Amendment No. 39: Deletes language proposed by the House and stricken by the Senate which directed SBA to use available resources in the Disaster Loan Fund to assist small businesses along the Texas Gulf Coast which have incurred economic injury as a result of the Red Tide infestation. The Senate bill contained no provision on this matter.

UNITED STATES INFORMATION AGENCY

Amendment No. 40: Restores a heading proposed by the House and stricken by the Senate.

SALARIES AND EXPENSES

Amendment No. 41: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows:

Restore the matter stricken by said amendment amended to read as follows:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $8,098,176, of which $598,176 shall be used for purchase of Pakistani Rupees from the special account for the Informational Media Guarantee Program to carry out the provisions of section 1011(d) of the Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442(d)). The limitation in Public Law 99-591 on the receipts to this appropriation from fees or other payments received from or in connection with English-teaching programs is increased by $650,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment deleted the House provision which appropriated $8,098,176 of which $598,176 was for the purchase of U.S. Government owned Pakistani Rupees from a special account to carry out the provisions of section 1011(d) of the Information and Educational Exchange Act of 1948. The Senate bill contained no provision on this item. The conference agreement restores the House language and adds a provision which permits USIA to increase the limitation in Public Law 99-591 on receipts credited to this appropriation from proceeds from English-teaching programs by $650,000.

RADIO BROADCASTING TO CUBA

Amendment No. 42: Appropriates $993,000, as proposed by the House and stricken by the Senate, to carry out the provisions of section 7 of the Radio Broadcasting to Cuba Act, as amended. The Senate bill contained no provision on this item.

CHAPTER II

DEPARTMENT OF DEFENSE—MILITARY

The conferees provided for the transfer of $300,000,000 in unobligated balances from the Department of Defense to provide economic supporting assistance to Central America. The conferees direct the Department of Defense to submit program details to the Committees on Appropriations of the House and the Senate as soon as possible for prior approval before transferring any funds from the Department of Defense.

Military Personnel

Amendment No. 43: Deletes the title "Military Personnel" as proposed by the Senate.

The House proposed to appropriate $490,372,000 for overseas station allowances. The Senate provided no supplemental appropriations and increased transfer authority for this requirement under Section 9015 of the 1987 Defense Appropriations Act. The conferees agree that overseas station allowances should be accommodated within existing resources. This is further discussed in the administrative provisions section of this statement.

The conferees note that overseas station allowance requirements vary between services. The Department of Defense should fairly allocate available resources between services irrespective of the service sources from which these funds are derived.

MILITARY PERSONNEL, ARMY

Amendment No. 44: Deletes language proposed by the House which would have appropriated $255,452,000 for overseas station allowances.

MILITARY PERSONNEL, NAVY

Amendment No. 45: Deletes language proposed by the House which would have appropriated $40,600,000 for overseas station allowances.

MILITARY PERSONNEL, MARINE CORPS

Amendment No. 46: Deletes language proposed by the House which would have appropriated $36,520,000 for overseas station allowances.

MILITARY PERSONNEL, AIR FORCE

Amendment No. 47: Deletes language proposed by the House which would have appropriated $157,800,000 for overseas station allowances.

Operation and Maintenance

OPERATION AND MAINTENANCE, ARMY

Amendment No. 48: Appropriates $37,500,000 instead of $75,000,000 as proposed by the Senate and no appropriation as proposed by the House.

OPERATION AND MAINTENANCE, NAVY

Amendment No. 49: Appropriates $60,000,000 instead of $50,000,000 as proposed by the House and $70,000,000 as proposed by the Senate.

OPERATION AND MAINTENANCE, AIR FORCE

Amendment No. 50: Deletes language proposed by the Senate which would have appropriated $20,000,000 for Air Force flying hours.

OPERATION AND MAINTENANCE, DEFENSE AGENCIES

Amendment No. 51: Appropriates $431,000,000 instead of $382,500,000 as proposed by the House and $442,000,000 as proposed by the Senate.

CHAMPUS. The House provided $382,500,000 for CHAMPUS claims; the Senate provided $425,000,000. The conferees agree to provide $425,000,000 for CHAMPUS claims. The conferees also agree that if additional funds are required for CHAMPUS, the funding should be transferred from the Services' operation and maintenance accounts.

JCS Exercises. For the JCS Directed and Coordinated Exercise Program, the Senate provided $17,000,000, the supplemental request. Subsequent to this action, the Department of Defense notified the conferees that $6,000,000 is the amount required to support this program for the rest of fiscal year 1987. While the conferees are concerned that the Department took a general reduction in JCS Directed and Coordinated Exercises during execution of the fiscal year 1987 budget and then requested supplemental funds, they believe these exercises are an important part of training and contribute to the readiness of our forces. Therefore, the conferees agree to appropriate $6,000,000 for these exercises.

OPERATION AND MAINTENANCE, ARMY RESERVE

Amendment No. 52: Restores language and appropriates $7,500,000 instead of $15,000,000 as proposed by the House and no appropriation as proposed by the Senate.

The conferees believe that the Army Reserve should actively pursue the procurement of the Personnel Armor System, Ground Troops (PASGT) Helmets needed by the Reservists and should use available funds for the rest of the fiscal year 1987 buy.

OPERATION AND MAINTENANCE, NAVY RESERVE

Amendment No. 53: Appropriates $2,500,000 instead of $5,000,000 as proposed by the Senate and no appropriation as proposed by the House. These funds are to be used to increase the number of steaming days per quarter to 21.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

Amendment No. 54: Restores language and appropriates $5,000,000 for organizational clothing and equipment instead of $10,000,000 as proposed by the House and no appropriation as proposed by the Senate.

The conferees believe that the Army National Guard should actively pursue the procurement of these items needed by the Guardsmen and should use available funds for the rest of the fiscal year 1987 buy.

Procurement

AIRCRAFT PROCUREMENT, AIR FORCE

Amendment No. 55: Restores language and appropriates $122,000,000 instead of $313,700,000 as proposed by the House and no appropriation as proposed by the Senate. The conferees direct that the funds provided be used only for the purposes requested for the MH-53J helicopters.

OTHER PROCUREMENT, NAVY

Deadeye. The conferees agree to the direction provided in the Senate report for the five-inch guided projectile. The Navy shall submit its acquisition strategy to the Committees by July 10, 1987. As part of its submission, the Navy shall certify that the acquisition strategy is in the best interest of the Government in compliance with Section 9108 of Public Laws 99-500 and 99-591, and provide cost effectiveness justification supporting it. The conferees direct that the Navy respond to all previous Committee inquiries and correspondence regarding this program by July 10, 1987.

Research, Development, Test, and Evaluation

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, ARMY

Amendment No. 56: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted by said amendment, delete lines 2, 3, 4 and 5 on page 13 of the House of Representatives engrossed bill, H.R. 1827.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree that no appropriation is provided for Research, development, test, and evaluation, Army.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY

Amendment No. 57: Restores language and appropriates $7,000,000 for manufacturing technology instead of $14,000,000 as proposed by the House and no appropriation as proposed by the Senate.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, AIR FORCE

Amendment No. 58: Deletes language proposed by the House which would have appropriated $19,000,000 for Special Operations Forces and NATO research and development.

RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE AGENCIES

Amendment No. 59: Appropriates $75,000,000 for an Advanced Launch System instead of no appropriation as proposed by the House and $131,000,000 as proposed by the Senate.

The conferees agree to provide no funds for the NATO Cooperative Development

Program as proposed by the Senate instead of $4,400,00 as proposed by the House.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

Amendment No. 60: Deletes language proposed by the House which would have appropriated $13,900,000 for operational test and evaluation activities.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE

The Senate report noted the recent submission of the "Chemical Stockpile Plan Supplement" which presents a range of options for chemical weapons disposal. The options differ in their degree of risk and concurrency, technological approach, schedule, and cost. The Senate report directed the Army to provide the Committees on Appropriations with a report on the annual costs for each option and the Army's preferred solution by June 15, 1987.

The conferees agree with the direction of the Senate, while changing the date to July 1, 1987. The conferees further direct the Army to determine and specify the impact of the preferred plan on the legislated deadline of 1994 for this program.

ADMINISTRATIVE PROVISIONS

Amendment No. 61: Deletes the administrative provision proposed by the House which would have amended Section 9073 of the 1987 Defense Appropriations Act to allow continuance of the flat rate per diem test until the lodging plus provision of the 1987 Defense Authorization Act is implemented. Due to passage of a bill making technical corrections to various 1987 defense legislative provisions, this provision is no longer required.

Amendment No. 62: Changes section number as proposed by the Senate.

Amendment No. 63: Deletes the administrative provision proposed by the Senate which would have amended Section 9102 of the 1987 Defense Appropriations Act to allow for the exemption of civilian personnel costs of those civilians employed on January 1, 1987 from the prohibition on the use of appropriated funds. The conferees agree this provision should be deleted and will address this issue again in fiscal year 1988.

Amendment No. 64: Section 2—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 2. Section 9015 of the Department of Defense Appropriations Act, 1987 (as included in Public Laws 99-500 and 99-591), is amended by inserting "and not to exceed an additional $490,372,000 of funds otherwise available to the Department of Defense for military functions (except military construction) which would expire on September 30, 1987," directly following "(except military construction)".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to the Senate provision with an amendment. Instead of increasing transfer authority of funds provided in the 1987 Defense Appropriations Act from $1,100,000,000 to $1,590,372,000, the amendment provides additional transfer authority of $490,372,000 of expiring balances. The conferees have included this language to allow the Defense Department the flexibility to use expiring balances in addition to existing transfer authority to meet the unfunded overseas station allowance requirements. The conferees expect the Defense Department to submit a list to the Committees on Appropriations detailing all sources of funds it plans to recommend under this expanded authority. Any transfer of these funds will be subject to the prior approval of the Committees on Appropriations of the House and Senate.

Amendment No. 65: Deletes the administrative provision proposed by the Senate which would have made technical corrections to Section 9105 as enacted in the fiscal year 1987 Defense Appropriations Act. the conferees agree that Section 9105 should be reexamined in conjunction with the fiscal year 1988 Defense Appropriations Bill. Consequently, the conferees agree to defer further consideration of the issues until that time.

Amendment No. 66: Section 3—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of "Sec. 5" named in said amendment, insert the following: *Sec. 3.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment directs that no funds previously provided to the Air Force may be used to conduct a trainer aircraft competition unless two United States firms are involved and at least one candidate aircraft meets the next generation trainer system specifications.

Amendment No. 67: Section 4—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 4. Notwithstanding section 2324(e)(1)(H) of title 10, United States Code, and section 9061 of the Department of Defense Appropriations Act, 1987, Public Laws 99-500 and 99-591, the Secretary of Defense may allow under covered contracts reasonable costs incurred to promote American aerospace exports at domestic and international exhibits.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate included language which amended section 9061 of the Department of Defense Appropriations Act, 1987, to allow reasonable costs incurred in promoting American aerospace exports at domestic and international exhibits.

The conferees recognize the need for United States companies to sell United States products overseas. Participating in international exhibits is a major step in this processs. Therefore, the conferees have included revised language which states the Secretary of Defense may allow under covered contracts reasonable costs incurred to promote American aerospace exports at domestic and international exhibits.

However, the conferees are adamant that only reasonable costs, such as transportation of the aircraft, aerospace parts and equipment, U.S. defense products promoted for export, and associated support costs should be included, and that other costs, such as operating a chalet, advertising costs, and entertainment at an air show should not be considered reasonable contract costs. The Secretary of Defense should report by August 1, 1987 to the Committees on Appropriations of the House of Representatives and the Senate delineating what costs are considered reasonable. This will permit the Committees on Appropriations to take any further action required in connection with their consideration of the fiscal year 1988 Department of Defense Appropriations Bill.

Amendment No. 68: Section 5—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

SEC. 5. (a) None of the funds appropriated by this or any other Act for research, development, testing, and evaluation for the National Aeronautics and Space Administration (NASA) or the Department of Defense may be obligated or expended for the Advanced Launch System/Heavy Lift Launch Vehicle, hereinafter referred to as "ALS", or for the design, construction, or modification of test facilities for rocket propulsion systems to be integrated into or be compatible with ALS, until the Committees on Appropriations of the Senate and the House of Representatives have received a plan, submitted jointly by the Secretary of Defense and the Administrator of NASA, and approved by the President, delineating the respective responsibilities of, and apportioning of costs to, NASA and the Department of Defense relative to the ALS program and the Committees on Appropriations of the Senate and the House of Representatives have established a date for the release of said funds: Provided, That such plan shall make maximum use of existing unique federal testing facilities for rocket propulsion systems and shall identify the respective responsibilities of the federal entities and facilities to be used for rocket propulsion research, development, and testing: Provided further, That notwithtanding the requirements set forth in subsection (a) $12,000,000 previously appropriated for fiscal year 1987 and allocated for concept definition of the ALS shall be available for that purpose.

(b) Of the funds appropriated for "Research, development, test, and evaluation, Defense Agencies" by this Act, $38,000,000 shall be transferred to NASA as a part of the ALS program utilizing facilities and budgetary resources of both NASA and components of the Defense Department: Provided, That funds appropriated by this or any other Act for research, development, test, and evaluation of the ALS system may be obligated and expended only for ALS variants which embody advanced technologies with a design goal of reducing the cost to launch payloads to low Earth orbit by a factor of ten compared with current space boosters costing less than $3,000 (in constant fiscal 1987 dollars) per pound to low Earth orbit: Provided further, That none of the funds appropriated by this Act may be obligated or expended for research, development, test, and evaluation intended to facilitate early deployment of a ballistic missile defense system.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate included $131,000,000 and bill language regarding the development of the Advanced Launch System (ALS) heavy lift rocket program. The House included no appropriation or bill language concerning the ALS program. The conferees agree to provide $75,000,000 for ALS along with compromise bill language.

The conferees are concerned that the ALS program objectives, costs, and agency responsibilities are clear at the inception, that maximum use be made of existing rocket testing facilities and existing expertise (such as, for illustrative purposes, the National Space Technology Laboratories, and the Marshall Space Flight Center) to avoid costly duplication, and that ALS not support early deployment of the Strategic Defense Initiative (SDI).

Section 5 requires that the Secretary of Defense and Administrator of the National Aeronautics and Space Administration (NASA) submit a plan, approved by the President, to the Committees on Appropriations. The plan shall include: (1) an agreed-upon ALS design approach, management plan, and formal cost-sharing arrangement among all participants; (2) the total costs of the ALS program by fiscal year and for each participant for research, development, testing, and evaluation, procurement, and facility construction (in current and constant dollars); and (3) a detailed inventory of existing research and testing facilities capable of research and testing the ALS system and a detailed plan to utilize these existing research and testing facilities to the maximum extent possible.

In addition, the conferees direct that, except for $12,000,000 previously appropriated for fiscal year 1987 and allocated for concept definition, no funds appropriated by this or any other act may be obligated or expended for the ALS or for design, construction, or modification of test facilities for rocket propulsion systems to be integrated into or be compatible with ALS, until after the Committees on Appropriations of the House and Senate have received the joint NASA-Defense Department plan and, in addition, have established a specific date for the release of the funds withheld from obligation and expenditure.

The language also specifies that the funds appropriated for the ALS program cannot be used to facilitate the SDI "early deployment option". The conferees have adopted an ALS goal to reduce the cost per pound to low Earth orbit by a factor of ten. A Program Research and Development Announcement (PRDA) of April 1987, calls for an interim "capability to substantially reduce costs by the 1993/1994 time frame, should a national decision to implement the initial operational capability of a strategic defense deployment . . . be made by 1988 or 1989". Funds previously appropriated and those made available by this Act for the Department of Defense are not provided to achieve this interim goal.

The conferees agree, as an exception to the terms of section 5 hereof, that this provision does not affect the additional $5,000,000 made available for Phase A/B definition studies of a shuttle derived heavy lift launch vehicle in the 1987 NASA operating plan as approved by the Committees on Appropriations.

Amendment No. 69: Section 6—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of "Sec. 8" named in said amendment, insert the following: *Sec. 6.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to the Senate provision that would provide for the transfer of an APS-125 radar system from the Navy to the U.S. Customs Service, the radar to be installed on a P-3 drug interdiction aircraft by the Customs Service. The provision would also allow the Navy to use funds previously appropriated in the Urgent Supplemental Appropriation Act, 1986 (P.L. 99-349) for an APS-138 radar system targeted for transfer to Customs, to purchase an APS-139 radar system for use by the Navy in its ongoing programs.

In approving the transfer of an existing APS-125 radar system (which shall include the antenna and all associated radar elements), the conferees expect the U.S. Customs Service to be responsible for all funding for the operation and maintenance costs associated with the radar system and its P-3 drug interdiction project. At the same time, the conferees direct the Navy to offer radar support on a reimbursable basis only, to the Customs Service identical to the current support arrangements with Customs concerning the Navy E-2C Hawkeye aircraft which are on loan from the Navy to the U.S. Customs Service. This will assure the Navy and the Customs Service that the APS-125 radar system will be able to meet all combat operational standards and also the drug interdiction objectives of Customs in its air interdiction effort. The conferees further direct that the APS-125 radar system transferred to Customs meet all combat operational standards and that a flight test of the system be demonstrated to the Customs Service.

Amendment No. 70: Section 7—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of "Sec. 9" named in said amendment, insert the following: *Sec. 7.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This provision provides for Department of the Army's logistical and security support for Congressional activities relating to the celebration of the Bicentennial of the U.S. Constitution.

Amendment No. 71: Section 8—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 8. Within seven days after enactment of this Act, the Secretary of Defense shall submit a report to the Congress, in appropriate classified and unclassified form, regarding the implementation of any agreement between the governments of the United States and Kuwait for United States military protection of Kuwaiti shipping, which includes a plan which fully meets the security needs of our forces, in conjunction with the forces of our friends and allies in the Persian Gulf region, and specifically addresses, at a minimum:

(a) an assessment of the threats to American forces, to Kuwaiti interests and shipping, and otherwise impacting on the interests of the United States and its friends and allies in the Persian Gulf region;

(b) the Rules of Engagement, alert status and readiness conditions under which our military forces will operate under in the Persian Gulf, and when such conditions will be in force; and

(c) cooperative arrangements entered into, being negotiated or contemplated with our European allies with a stake in the Persian Gulf, who have forces deployed or planned for deployment in the Persian Gulf region, and with states littoral to the Persian Gulf for a shared security system, including provision for air cover of those forces.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 72: Deletes the administrative provision proposed by the Senate which would have amended Section 5314 of Title 5, United States Code to include the Comptroller of the Department of Defense in the executive level positions authorized for executive level III compensation.

As the chief financial officer of the largest department in the Federal Government, the Department of Defense Comptroller is responsible for all aspects of budget formulation and execution, financial management and information management systems. While the conferees have not adopted the bill language at this time, they are concerned that the position of the Department of Defense Comptroller be in no way diminished by implementation of the Defense Reorganization Act of 1986.

Amendment No. 73: Section 9—Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of "Sec. 12" named in said amendment, insert the following: *Sec. 9.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This provision provides that payments received as compensation for damages to the USS Stark be credited to the Department of Defense.

Amendment No. 74: Deletes the administrative provision proposed by the House which would have prohibited the use of fiscal year 1987 Department of Defense funds to deactivate or convert either the 815th Air Force Reserve Weather Reconnaissance Squadron at Keesler Air Force Base, Mississippi, or the 36th Tactical Airlift Squadron at McChord Air Force Base, Washington.

The House included an administrative provision that prohibited the Air Force from deactivating or implementing procedures for conversion or deactivation of the 815th Air Force Reserve Weather Reconnaissance Squadron, Keesler Air Force Base, or for the deactivation of the 36th Tactical Airlift Squadron, McChord Air Force Base. The Senate deleted the provision and included report language specifying conditions under which conversion of the 815th Weather Reconnaissance Squadron would be acceptable.

Keesler. The conferees agree to allow the conversion of the 815th squadron to proceed, provided that actions are taken to guarantee that sufficient hurricane reconnaissance is maintained. The Air Force is directed to augment the 815th Air Force Reserve squadron with four additional WC-130 or C-130 aircraft to create a twelve-aircraft squadron; to program an additional 960 flying hours, 600 of which will be for hurricane reconnaissance; and to utilize reserve pilots, technicians, and maintenance personnel to operate the four additional aircraft. This action will result in a combined active and reserve Air Force hurricane reconnaissance flying hour program of 1,600 hours and will provide sufficient hurricane coverage for Defense installations and the population living in the Southeast, Hawaii and on the Gulf Coast. It also will result in the 815th Reserve squadron retaining its trained weather reconnaissance personnel and providing such needed tactical airlift in support of Air Force requirements.

McChord. The conferees agree that the Air Force proposal to deactivate the 36th Tactical Airlift Squadron at McChord Air Force Base, Washington requires more detailed justification. The conferees direct the Secretary of the Air Force to submit the report required by the House in its report accompanying the fiscal year 1987 Supplemental appropriation bill to the Appropriations Committees by August 15, 1987. The Air Force should not implement the proposed deactivation until the Appropriations Committees have had time to evaluate the Air Force's report to Congress and to respond in their reports on the fiscal year 1988 DOD Appropriations Bill.

Memphis Naval Facilities, Millington, Tennessee. The Memphis Naval Air Station at Millington, Tennessee is, and has been for years an important United States Naval facility that cannot be duplicated. The facility has provided and continues to provide flight operations, medical facilities, important training programs, and many other vital support functions that are needed to perform the overall defense mission.

Therefore, it is of concern to the conferees that efforts are being taken to transfer some of the functions which have been performed at the Memphis Naval Air Station to other locations, thus weakening this vital defense mission. Over the years, similar efforts have been made to transfer functions from the Memphis Naval Air Station for questionable reasons. This issue was considered in 1984, at which time it was settled that the Station would continue its activities in place then.

The conferees find any effort to reduce civilian and military personnel levels, to reduce, transfer, downgrade or downsize current activities or facilities at the Memphis Naval Complex totally unacceptable. Therefore, the conferees direct the Department of the Navy to maintain civilian and military personnel levels and facilities at the 1984 levels.

Amendment No. 75: Changes section number to "10" instead of "13" as proposed by the Senate and "4" as proposed by the House.

Amendment No. 76: Deletes the administrative provision proposed by the House which would have limited United States strategic nuclear forces to the numerical sublimits allowed for in the SALT II agreement unless the President certified that the Soviet Union exceeded any of these limitations.

Amendment No. 77: Deletes the administrative provision proposed by the House which would have limited the carrying out of nuclear explosions with a yield exceeding one kiloton unless the President made certain certifications.

Amendment No. 78: Section 11—Restores language proposed by the House amended to provide for the authorization of certain intelligence activities which were provided appropriations in fiscal year 1987.

The conferees agree to: include subsection (a) as proposed by the House; include subsection (b) as proposed by the House, amended only to delete any reference to subsection (c); and delete subsection (c) in its entirety as proposed by the Senate. The conferees further agree that nothing in subsections (a) or (b) shall bind any of the Appropriations or Authorization Committees with regard to approving or disapproving any specific intelligence or intelligence related activity.

CHAPTER III—ENERGY AND WATER DEVELOPMENT

The conferees agree with the language contained in the House Report.

DEPARTMENT OF DEFENSE—CIVIL

DEPARTMENT OF THE ARMY

CORPS OF ENGINEERS—CIVIL

GENERAL INVESTIGATIONS

Amendment No. 79: Restores the language proposed by the House and stricken by the Senate providing for the use of previously appropriated funds for the Ohio River Water Development Study, between Rivermile 40-491, Ohio; Maumee Bay State Park, Ohio; St. Johns County, Florida; Jacksonville Harbor, St. John's River and Intracoastal Waterway Study, Florida; St. John's River Study, Florida; Water Resources Based Economic Development Computer Model; and the San Jacinto site on Galveston Island, Texas, study.

Within available funds, the Secretary of the Army is directed to use $135,000 to initiate engineering and design for replacement of the Core Creek Bridge as part of the AIWW-Replacement of Federal Highway Bridges, North Carolina, project.

CONSTRUCTION, GENERAL

Amendment No. 80: Restores language proposed by the House and stricken by the Senate directing the Corps of Engineers to proceed with the Fairfield Vicinity Streams, California, project under the provisions of section 117 of Public Law 99-190; providing for the use of previously appropriated funds for the Port Austin Harbor, Michigan; Sand Island Beach, Hawaii; Wellsburg, Sistersville, and Glen Dale, West Virginia, projects; and land acquisition activities described in section 1114 of Public Law 99-662.

OPERATION AND MAINTENANCE, GENERAL

(INCLUDING TRANSFER OF FUNDS)

Amendment No. 81: Restores heading proposed by the House and stricken by the Senate.

Amendment No. 82: Deletes language proposed by the House and stricken by the Senate providing funds for "Operation and Maintenance, General" from sums available in the Harbor Maintenance Trust Fund.

Amendment No. 83: Restores language proposed by the House and stricken by the Senate transferring funds from "General Investigations" to "Operation and Maintenance, General" to perform a cumulative environmental analysis.

Amendment No. 84: Reported in technical disagreement. Inserts language proposed by the Senate providing for "Operation and Maintenance, General" from sums available in the Harbor Maintenance Trust Fund.

GENERAL PROVISIONS

Amendment No. 85: Restores heading proposed by the House and stricken by the Senate.

Amendment No. 86: Restores language proposed by the House and stricken by the Senate requiring the Secretary of the Army to file (1) a report with the appropriate committees of Congress after a written request is made pursuant to subsection (m) of section 103 of Public Law 99-662 and (2) a report with the appropriate committees of Congress listing any project or study falling under the provisions of subsection (e)(1) of section 103 of Public Law 99-662.

Amendment No. 87: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following:

Pursuant to the Federal Advisory Committee Act (Public Law 92-463), the Secretary of the Army is directed to establish an advisory committee for the Denison Dam (Lake Texoma), Red River, Texas and Oklahoma project authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219). The purpose of the Committee shall be advisory only and it shall provide information and recommendations to the Corps of Engineers regarding the operations of Lake Texoma for its congressionally authorized purposes. The Committee shall be composed of representatives equally divided among the project purposes and between the states of Texas and Oklahoma.

The Corps of Engineers, taking into consideration recommendations of the Southwestern Power Administration and the Lake Texoma Advisory Committee, shall, to the extent feasible, develop a management plan for the conservation pool in Lake Texoma that:

(1) Attempts to maintain a water surface elevation between 617 and 612 msl, provided however that hydroelectric power will be generated to help satisfy electric loads when the water surface elevation is between 617 and 612 msl;

(2) when the water surface elevation drops to 612 msl or lower, implements a public information program;

(3) when the water surface elevation is between 612 and 607 msl, provides for the Corps to notify the SWPA that hydroelectric power generation should only be made when it is needed for rapid response, short term peaking purposes as determined by the power scheduling entity;

(4) When the water surface elevation is between 607 and 590 msl,

(a) provides for the Corps to notify the SWPA that hydroelectric power generation should only be made to satisfy critical power needs on the power scheduling entity's electrical system as determined by the power scheduling entity, and

(b) provides for the Corps of Engineers to notify municipal and industrial water users that they should implement water conservation measures designed to lessen the impact of municipal and industrial water withdrawals.

Any amendments to the current water control plan specified above shall not supersede or adversely affect any existing permit, lease license contract, public law or flood control operation relating to Denison Dam (Lake Texoma). The management plan shall have no impact upon the provisions of section 838 of the Water Resources Development Act of 1986. The management plan shall be reevaluated on or after September 30, 1989 by the Corps of Engineers, taking into consideration the recommendations of the Southwestern Power Administration and the Lake Texoma Advisory Committee.

The U.S. Army Corps of Engineers, Tulsa District, shall issue a final report on the Oklahoma portion of the comprehensive study of the Red River Basin, Oklahoma, Arkansas, Louisiana and Texas, no later than September 30, 1988.

The management plan specified above should be formally processed to the Committees on Environment and Public Works and Public Works and Transportation in the Senate and House of Representatives, respectively, if appropriate, for authorization as required prior to any amendments to the current operating plan that could impact health and safety, authorized purposes, or *expose the Federal Government to liability. None of the funds in this Act or any other Act relating to water resource development may be used to construct or enter into an agreement to construct additional hydroelectric power generation units at Denison Dam (Lake Texoma) until September 30, 1989.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Language is included in the bill concerning Denison Dam (Lake Texoma). The Secretary of the Army is directed to establish a Lake Texoma Advisory Committee for the purpose of providing information and recommendations to the Corps of Engineers regarding the operation of Lake Texoma.

Language is included directing development of a management plan for the conservation pool at Lake Texoma that attempts to maintain a water surface elevation between 617 and 612 msl. It establishes a public information process for times when the lake elevation drops to 612 msl or lower. It specifies that in times of drought only under certain circumstances may the water be drawn down below certain elevations for hydroelectric power generation and that municipal and industrial water users must implement water conservation measures during those times.

The management plan is not intended to supersede or affect the flood control operation, any existing contracts, or public law relating to Denison Dam (Lake Texoma), or to have any impact upon section 838 of the Water Resources Development Act of 1986, which modified the Denison Dam (Lake Texoma) project.

Language is included that prohibits the use of funds in this act or any other water resources development act to construct or enter into an agreement to construct additional hydroelectric power generation units at Denison Dam until September 30, 1989. That will permit a reasonable amount of time for the Congress to review the recommendations of the comprehensive study of the Corps of Engineers of the Red River Basin, which is due no later than September 30, 1988. This is not intended to preclude discussions with the Southwestern Power Administration and other Federal agencies before that time.

In addition, the Corps of Engineers is directed to extend the Denison Dam (Lake Texoma) Restudy to include an analysis of: (a) the feasibility and potential of constructing additional lakes on the Red River and/or Washita River for improving the overall management of, and permitting the maximum utilization of, the water resources of Lake Texoma and the Red River Basin for the benefit of the Nation and the surrounding area, and (b) the feasibility of constructing DC interconnections between the Southwest Power Pool (SWPP) and Electric Reliability Council of Texas (ERCOT) in accordance with the provisions of Section 210, 211 and 212 of the Federal Power Act for the purpose of allowing the transfer of electric power between SWPP and preference customers. The Corps should seek the assistance of the Southwestern Power Administration and the Bureau of Reclamation in conducting this feasibility study, and should complete the study by September 1989.

Amendment No. 88: Deletes language proposed by the House and stricken by the Senate relating to San Timoteo Creek, California.

Amendment No. 89: Restores language proposed by the House and stricken by the Senate amending section 91 of the Water Resources Development Act of 1974.

DEPARTMENT OF THE INTERIOR

BUREAU OF RECLAMATION

CONSTRUCTION PROGRAM

(TRANSFER OF FUNDS)

Amendment No. 90: Restores heading proposed by the House and stricken by the Senate.

Amendment No. 91: Restores heading proposed by the House and stricken by the Senate.

Amendment No. 92: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate, with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following:

For an additional amount for the Department of the Interior, Bureau of Reclamation, "Construction Program", for the cleanup of Kesterson Reservoir and San Luis Drain of the San Luis Unit, Central Valley Project, to remain available until expended, $5,600,000 to be derived by transfer of unobligated balances in the "Loan Program": Provided, That no funds may be obligated for this purpose until the issuance of a waste discharge permit by the Central Valley Regional Water Resources Control Board and a determination by the California Department of Health Services on the classification of the waste at Kesterson Reservoir and San Luis Drain.

In addition, Title II of Public Law 99-591 (100 Stat. 3341-200, 201), dated October 30, 1986, "Department of the Interior, Bureau of Reclamation, Construction Program (Including Transfer of Funds)", is amended by striking out "by August 1, 1987,".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 93: Restores matter proposed by the House and stricken by the Senate, amended to provide $771,000 for the O'Neill Unit, Nebraska, project instead of $1,381,000 as proposed by the House and provides $4,800,000 for the McGee Creek, Oklahoma, project instead of $7,755,000 as proposed by the House.

OPERATION AND MAINTENANCE

The Committee is aware that rapid residential growth in Sacramento County, California, has placed a considerable strain on existing water allocations under contract for Folsom Reservoir, a Bureau of Reclamation facility, to the San Juan Suburban Water District and the City of Folsom, California. Long term water service contracts between the Bureau and the two entities should be executed by February of 1989. Those long-term contracts should mitigate the water supply problems in the San Juan Suburban Water District and the City of Folsom; however, until long-term water service contracts can be executed, the residents of the affected areas need to be assured of an adequate water supply.

To provide the Congress with assurance that the San Juan Suburban Water District and the City of Folsom will have adequate water supplies until long-term water service contracts can be executed, the Committee requests that the Bureau provide the Committees on Appropriations with its plan for supplying the short-term water needs of the San Juan Suburban Water District and the City of Folsom by September 1, 1987.

LOAN PROGRAM

(TRANSFER OF FUNDS)

Amendment No. 94: Restores language proposed by the House and stricken by the Senate transferring unobligated balances in the "Construction Program" to the "Loan Program".

DEPARTMENT OF ENERGY

Amendment No. 95: Restores language proposed by the House and stricken by the Senate which enables Southwestern Power Administration dispatcher salaries to be set at a level similar to dispatcher salaries in the electric power industry.

Amendment No. 96: Deletes centerhead proposed by the Senate.

Amendment No. 97: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the Department of Energy from considering financial and other incentives that may be included in proposals for the Superconducting Super Collider in making its site selection decision.

While agreeing with the amendment that overall site suitability should be the factor that the Department of Energy should use in making its decision on site selection, the conferees agree that this amendment does not preclude any state or other group from including financial incentives in their proposals. In addition, the amendment does not preclude a state from including in its proposal the use of its own resources to improve the suitability of any proposed site.

The conferees are very mindful that the country faces serious fiscal problems including very large budget deficits and that final and/or total financial arrangements required for construction of this costly research facility have not yet evolved.

Amendment No. 98: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

Of the amounts heretofore appropriated and made available for Energy Supply, Research and Development Activities, an additional $1,200,000 shall be for completion of the MOD-5-B Wind Turbine Project.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

MOD-5-B Wind Turbine.—The MOD-5-B wind turbine is now in the final stages of assembly and the first rotation and acceptance testing are scheduled for the last quarter of the fiscal year. In order to prevent an interruption in testing which might jeopardize the purchase of the turbine by Hawaiian Electric, $1,200,000 is necessary in FY 1987 to complete the MOD-5-B acceptance testing. The conferees direct the Department to increase the MOD-5-B wind turbine funding from $4,500,000 to $5,700,000 to carry out this work. The redirection of funds is to be made without adversely affecting the FY 1987 funds earmarked for the Renewable Energy Research Center program at the University of Massachusetts at Amherst.

ACTO.—The Advanced Control Test Operation (ACTO) program at Oak Ridge provides for the systematic restructuring of the man to machine relationship in the operation of future reactors. Accordingly, the conferees direct the Department to increase the ACTO funding at Oak Ridge from $1,520,000 to $2,020,000 in FY 1987 to expedite this work.

Low-level radioactive waste disposal facilities.—The conferees agree that there is a need for additional work and attention to the design for low-level radioactive waste disposal facilities. Several States support an effort for the National Academy of Sciences to carry out additional work on the facility design process, as design is a critical component of the planning and siting of low-level radioactive disposal facilities. Due to the need to begin planning for these facilities, and the strict time schedules in the Low-Level Radioactive Waste Policy Act, the conferees direct the Department to make available to the National Academy of Sciences the necessary funds, not to exceed $200,000, to be derived by reallocating existing resources, to perform the desired additional work of facility designs for low-level radioactive waste.

The conferees agree further that this additional work by the National Academy shall not delay any of the scheduled site selection process.

CHAPTER IV

FOREIGN OPERATIONS AND RELATED PROGRAMS

Amendment No. 99: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

CHAPTER IV

FOREIGN ASSISTANCE AND RELATED PROGRAMS

MULTILATERAL ECONOMIC ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For an additional amount for payment to the International Development Association by the Secretary of the Treasury, $207,476,749 for the United States contribution to the seventh replenishment, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For an additional amount for payment to the International Finance Corporation by the Secretary of the Treasury, $7,205,610 for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For an additional amount for payment to the African Development Fund by the Secretary of the Treasury, $36,639,000 for the United States contribution to the fourth replenishment of the African Development Fund, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For an additional amount for payment to the African Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, $6,492,127 to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $17,375,058.

BILATERAL ECONOMIC ASSISTANCE FUNDS APPROPRIATED TO THE PRESIDENT AGENCY FOR INTERNATIONAL DEVELOPMENT

ASSISTANCE FOR CENTRAL AMERICA

(TRANSFER OF FUNDS)

(a) For an additional amount for the "Economic support fund", $300,000,000, for use pursuant to this heading for Central America, to be derived by transfer from the following amounts appropriated in prior appropriations Acts for the Department of Defense: "Aircraft Procurement, Army", fiscal year 1985, $10,000,000; "Missile Procurement, Army", fiscal year 1985, $15,000,000; "Weapons and Tracked Combat Vehicles, Army", fiscal year 1985, $20,000,000; "Procurement of Ammunition, Army", fiscal year 1985, $5,000,000; "Other Procurement Army", fiscal year 1985, $37,000,000; "Aircraft Procurement, Navy", fiscal year 1985, $19,000,000; "Weapons Procurement, Navy", fiscal year 1985, $35,000,000; "Shipbuilding and Conversion, Navy", fiscal year 1983, $45,000,000; "Other Procurement, Navy", fiscal year 1985, $5,000,000; "Procurement, Marine Corps", fiscal year 1985, $8,000,000; "Aircraft Procurement, Air Force", fiscal year 1985, $101,000,000: Provided, That of the funds obligated in fiscal year 1987 not more than $87,000,000 shall be expended prior to October 1, 1987.

(b) Funds transferred pursuant to paragraph (a) shall remain available until September 30, 1987: Provided, That the President shall make available the $300,000,000 transferred pursuant to paragraph (a) for assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to Economic support fund assistance) for the countries of Central America with democratically elected governments as follows:

$54,750,000 shall be made available only for assistance for Guatemala,

$54,750,000 shall be made available only for assistance for Costa Rica,

$59,750,000 shall be made available only for assistance for Honduras,

$129,750,000 shall be made available only for assistance for El Salvador,

$1,000,000 shall be made available only for assistance for Belize.

(c) Of the funds specified for El Salvador in paragraph (b) $75,000,000 shall be made available only for earthquake relief and reconstruction which shall be used in accordance with the authorities contained in section 491 of the Foreign Assistance Act of 1961. Funds made available for the purposes of this paragraph shall be accounted for separately.

(d) Of the funds specified in paragraph (a), less those amounts designated for earthquake assistance by paragraph (c), not less than 40 percent shall be used for assistance in accordance with the policy directions, purposes, and authorities of chapter 1 and chapter 9 of part I of the Foreign Assistance Act of 1961 and the remainder shall be used in a manner which will generate local currencies for use in accordance with those policy directions, purposes, and authorities.

(e) The assistance specified in paragraph (b) shall be in addition to the amounts previously allocated for fiscal year 1987 for these countries pursuant to section 653 of the Foreign Assistance Act of 1961.

(f) The local currencies generated from the funds specified in paragraph (b) for El Salvador shall be used for projects described in section 702(e)(2) of the International Security and Development Cooperation Act of 1985 (and of those local currencies, not less than 50 percent shall be for projects assisting agrarian reform and the agricultural sector and not less than 10 percent shall be used for judicial reform).

(g) Of the aggregate of the funds specified in paragraph (b), $10,000,000 shall be made available only for Child Survival Fund activities in the Central American democracies.

(h) The assistance provided under this heading shall be made available consistent with the policies contained in section 702 of the International Security and Development Cooperation Act of 1985 (relating to El Salvador), section 703 of that Act (relating to Guatemala), and chapter 6 of part I of the Foreign Assistance Act of 1961 (relating to the Central American Democracy, Peace, and Development Initiative).

(i) Funds made available for assistance pursuant to this heading may be obligated only in accordance with the Congressional notification procedures applicable under section 523 of the Foreign Assistance and Related Programs Appropriations Act, 1987, and section 634A of the Foreign Assistance Act of 1961.

(j) Of the funds specified for Honduras in paragraph (b), $20,000,000 shall be obligated, but shall not be expended, except as provided in the fourth proviso, until the Government of Honduras and an American citizen, whose property and businesses in the vicinity of Trujillo, Honduras were affected by actions of the Government of Honduras with respect to the Regional Military Training Center, reach a settlement concerning compensation: Provided, That in order to facilitate such a settlement the Department of State shall select an independent factfinder. The factfinder shall correct and expand, as may be appropriate, the existing factfinder's report. Such report shall be issued by September 30, 1987: Provided further, That if the two parties have not reached a full and final settlement of this matter, including a complete waiver of further claims and liabilities against the Governments of Honduras and the United States, by November 30, 1987, then the Department of State shall request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: Provided further, That if the Government of Honduras refuses to agree to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: Provided further, That if the United States citizen refuses to agree to binding international arbitration and refuses to agree that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, it officers, agents and employees, arising directly or indirectly from the establishment of the Regional Military Training Center, then the $20,000,000 shall be made available for expenditure to the Government of Honduras: Provided further, That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: Provided further, That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceed-

ings: Provided further, That funds previously appropriated for the Economic support fund shall be used to pay for the reasonable costs of the activities of the factfinder, the international arbitration Commission, the arbitrators, and the experts appointed by the arbitrators.

ASSISTANCE IN SUPPORT OF SOLIDARITY

For an additional amount for the "Economic support fund", $1,000,000, which shall be made available, notwithstanding any other provision of law, only for the support of the independent Polish trade union "Solidarity."

ASSISTANCE FOR SOUTHERN AFRICA

For an additional amount for "Energy and selected development activities, Development Assistance", $50,000,000 to remain available until September 30, 1988: Provided, That none of these funds may be available for activities in Mozambique or Angola: Provided further, That none of these funds may be available to any country for which the President proposes to disburse funds within the Southern Africa Development Coordination Conference until the President certifies that such country (1) has not advocated the form of terrorism, commonly known as "necklacing," used against South African blacks; (2) has provided assurances that it has taken action against any person who has been found to have practiced necklacing against South African blacks; and (3) is not knowingly allowing terrorist who practice necklacing to operate in its territory: Provided further, That such funds shall be made available only as follows:

(a) $37,500,000 shall be made available to assist the member states of the Southern Africa Development Coordination Conference (SADCC) in carrying out the most urgent sector projects supported by SADCC in the following sectors: transportation and communications, energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity), agricultural research and training, and industrial development and trade (including private sector initiatives): Provided, That of this amount not less than 60 percent shall be used in the transportation sector: Provided further, That none of the funds made available under this paragraph may be made available for the design, rehabilitation, construction, or equipping of any rail or road transportation corridor other than the Northern Corridor, which links southern Africa with Dar es Salaam, Tanzania.

(b) $12,500,000 shall be made available for projects and activities for disadvantaged South Africans in accordance with section 535 of the Foreign Assistance Act of 1961, or for humanitarian assistance for the member states of SADCC. Assistance for the member states of SADCC may include such activities as: transport of emergency food and medical supplies; refugee assistance; and disaster relief and rehabilitation assistance which shall be provided pursuant to the authorities contained in section 491 of the Foreign Assistance Act.

(c) Of the funds made available for the SADCC member countries for humanitarian assistance by paragraph (b), up to $5,000,000 may be made available for the United Nations Children's Fund emergency appeals for affected countries in southern Africa.

(d) None of the funds appropriated by this Act for southern Africa shall be obligated or expended until the President has submitted to the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the Committees on Appropriations the third quarter Project Accounting Information System Report of all economic assistance funds administered by the Agency for International Development that are allocated for southern Africa and which were authorized by the International Security and Development Cooperation Act of 1985 and Public Law 99-440 and, which pursuant to such authorizations, were subsequently appropriated.

INDEPENDENT AGENCIES

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612) (22 U.S.C. 2501, et seq.), $7,200,000, to remain available until September 30, 1988.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, $50,000,000, which shall be used only for the Philippines: Provided, That amounts appropriated under this heading shall be available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

FOREIGN MILITARY CREDIT SALES

For an additional amount to carry out the provisions of section 23 of the Arms Export Control Act, $13,000,000 of which $10,000,000 shall be available only for Morocco, and $3,000,000 shall be available only for Kenya.

EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

LIMITATION ON PROGRAM ACTIVITY

Notwithstanding the "limitation on program activity" contained in Title IV of the Foreign Assistance and Related Programs Appropriations Act, 1987 in Public Law 99-500 and Public Law 99-591, during the fiscal year 1987 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be reduced from $900,000,000 to $680,000,000 and shall be provided under the terms and conditions in the Foreign Assistance and Related Programs Appropriations Act of 1987 as they apply to the Export-Import Bank.

GENERAL PROVISIONS

GUARANTY RESERVE FUND

Section 24(c) of the Arms Export Control Act is amended by striking the second paragraph and inserting the following:

"Funds provided for necessary expenses to carry out the provisions of section 23 of the Arms Export Control Act and of section 503 of the Foreign Assistance Act of 1961, as amended, may be used to pay claims on the Guaranty Reserve Fund to the extent that funds in the Guaranty Reserve Fund are inadequate for that purpose."

REPEAL OF SECTION 215(2)

Section 215(2) of title II of the Military Construction Appropriations Act, 1987 as contained in Public Law 99-500 and Public Law 99-591 is hereby repealed.

INTER-AMERICAN DEVELOPMENT BANK

It is the sense of the Senate that United States economic and foreign policy interests in the western hemisphere would be best served if the Secretary of the Treasury were to adhere to the Administration's proposal to modify the voting procedures within the Inter-American Development Bank to require that decisions be taken by the board by a voting majority of 65 percent of the voting shares.

DAIRY SURPLUS PRODUCTS

Funds provided for new development projects of private entities and cooperatives utilizing surplus dairy products may also be used for development projects that include surplus dairy livestock under the Dairy Termination Program.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

FUNDS APPROPRIATED TO THE PRESIDENT

MULTILATERAL ECONOMIC ASSISTANCE

INTERNATIONAL FINANCIAL INSTITUTIONS

The conferees agree to provide funding for the International Financial Institutions as proposed by the Senate:

International Financial Institutions

International Development Association	$207,476,749
International Finance Corporation	7,205,610
African Development Fund	36,639,000
African Development Bank (Paid In)	6,492,127
African Development Bank (Callable Capital)	(17,375,058)
Total	257,813,486

BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

ECONOMIC SUPPORT FUND

ASSISTANCE FOR CENTRAL AMERICA

The conferees agree to provide Economic support funds for Central American Countries, as follows:

Guatemala	$54,750,000
Costa Rica	54,750,000
Honduras	59,750,000
El Salvador	54,750,000
El Salvador-Earthquake Assistance	75,000,000
Belize	1,000,000
Total	300,000,000

Funding for Central American assistance has been made available through a specific transfer of funds from Department of Defense unobligated balances. Full obligation of the Central American funding in fiscal year 1987 is allowed, however, the bill limits expenditure of funds in fiscal year 1987 to $87,000,000.

The conferees agree to include provisions contained in the Senate amendment that indicate that (1) funding is in addition to amounts previously allocated to Central American countries for fiscal year 1987 (2) funds provided to El Salvador and Guatemala are to be used in accordance with the current authorization (3) funds may be obligated only in accordance with the fifteen-day notification procedure.

The conferees also were to include bill language clarifying how funds for Central America are to be used. A provision has been added to the Senate language to require that 40 percent of the non-earthquake assistance provided in the bill be used for project assistance. It is the intent of the conferees that project assistance not exceed 50 percent in any one country. The provision also specifies that the funds that are not used for project assistance are to be used in a manner which will generate local currencies that are consistent with development assistance policy objectives.

The bill also includes a provision that references current authorization legislation to require that local currencies that are generated by the Economic support funds for El Salvador be used for projects assisting agrarian reform and the agricultural sector (and particular emphasis is to be placed on projects for these purposes); judicial reform; employment generation; health education and other social services; infrastructure repair; and credits and other support for the private sector (principally for small and medium sized businesses). Additionally, the language specifies that at least 50 percent of the local currencies are to be used for projects assisting agrarian reform and the agricultural sector and 10 percent for judicial reform. The conferees also have included a provision which specifies that $10,000,000 of the $300,000,000 be made available for Child Survival Fund activities in Central America.

ASSISTANCE TO HONDURAS

The conferees agree to new language addressing an expropriation case in Honduras.

The conferees are deeply disturbed by the apparent inability of the Government of Honduras and an American citizen to reach an agreement concerning appropriate compensation for the expropriation in Trujillo, Honduras. The conferees believe that a fair and expeditious negotiation could have resolved this matter previously.

Therefore, the conferees have included bill language which will withhold certain funds from expenditure to Honduras until this disagreement is settled, either by the parties to the dispute themselves before November 30, 1987 or thereafter through binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission.

The Government of Honduras ratified the Inter-American Convention on International Commercial Arbitration on March 22, 1979 and has previously taken part in arbitrations decided by the Commission. The conferees provide that the withheld funds will be returned to the U.S. Treasury if Honduras refuses to agree to binding international arbitration. The conferees further provide that the withheld funds are to be released to Honduras if the U.S. citizen refuses to accept binding international arbitration as the full and final resolution of this matter. Additionally, the conferees will not consider the further pursuit of any legislative resolution of this matter by the U.S. citizen, if the matter is not resolved by November 30, 1987, and if he then refuses binding international arbitration.

The conferees are convinced that further factual and financial materials need to be developed in this case before a final resolution can occur. The conferees are further convinced that it is inappropriate for the U.S. government or the Congress to decide the merits of the case or to establish levels of the appropriate compensation.

The funds which the conferees have withheld from expenditure to Honduras do not correspond in any way to any estimate of an appropriate settlement level.

Further, while it should not be construed as an admission or acceptance of any liability on the part of the United States, in recognition of the unusual involvement of the United States Government in the Regional Military Training Center in Honduras, the conferees have agreed to the use of previously appropriated Economic support funds for payment of the reasonable costs of revising and expanding the existing fact finder's report and of the costs of the arbitration Commission, the arbitrators, and the activities of any outside experts appointed by the arbitrators. Further, the conferees hold the State Department responsible for determining the reasonable nature of these costs based on normal fair market values for similar types of services. However, no funds shall be expended by the United States Government for the fees and expenses of the two parties or their counsels or their experts.

ASSISTANCE TO POLISH "SOLIDARITY"

The conferees agree to provide $1,000,000 in Economic support funds in support for the Polish Free Trade Union Solidarity, as proposed in the Senate Amendment. The Conferees intend that the President furnish the $1,000,000 in supplemental funds for Solidarity through assistance channels which have been used in the past to provide assistance to Solidarity.

Agency for International Development

DEVELOPMENT ASSISTANCE

The conferees agree to provide $50,000,000 to remain available until September 30, 1988 in development assistance funds for Southern Africa. The conferees have delayed the obligation of these funds until a specific project accounting report is submitted. The supplemental provides $50,000,000 to assist member states of the Southern Africa Development Coordination Conference (SADCC) with the exception of Angola and Mozambique. Of this amount $37,500,000 is provided to assist in carrying out urgent sector projects; and $12,500,000 for projects and activities for disadvantaged South Africans, or for humanitarian assistance for the member states of SADCC. Sixty percent of the $37,500,000 is to be used for transportation sector projects and has been restricted to the so-called "northern corridor" only.

In regard to the $12,500,000, the conferees agree that funds made available for humanitarian assistance for Southern Africa are to be used to carry out activities authorized under chapter 1 and chapter 9 of Part I of the Foreign Assistance Act. Those funds provided under the authority of disaster assistance, section 491 of the Foreign Assistance Act, may be provided to any SADCC member country. The conferees have also agreed that all legitimate requirements for disaster assistance should be met.

The conferees have also included a provision which specifies that up to $5,000,000 of these funds may be made available for the United Nations Children's Fund's emergency appeals for affected countries in Southern Africa.

The conferees have provided these funds on the condition that the President certify that the countries involved (1) have not advocated the form of terrorism, commonly known as "necklacing", used against South African blacks; (2) have provided assurances that they have taken action against any person who has been found to have practiced necklacing against South African blacks; and (3) are not knowingly allowing terrorists who practice necklacing to operate in their territory.

Independent Agency

PEACE CORPS

The conferees agree to provide $7,200,000 in additional funding for the Peace Corps as proposed in the Senate amendment.

Military Assistance

MILITARY ASSISTANCE PROGRAM

The conferees agree to provide $50,000,000 in grant military assistance program funds for the Philippines. The Senate bill included $25,000,000 in Foreign Military Credit Sales funding and an FMS uncommitted loan forgiveness provision. The conferees feel that providing $50,000,000 in grant military assistance will provide the most immediate and complete assistance for the Philippines.

FOREIGN MILITARY CREDIT SALES

The conferees agree to provide Foreign Military Credit Sales (FMS) concessional loans in the amount of $10,000,000 for Morocco and $3,000,000 for Kenya as proposed by the Senate.

The Senate provision to forgive certain existing FMS loans owed by the Philippines is not included in the Conference agreement.

Export Assistance

Export-Import Bank of the United States

LIMITATION ON PROGRAM ACTIVITY

The conferees agree to reduce the limitation on the level of program activity for the Export-Import Bank from $900,000,000 to $680,000,000. The Senate had provided a reduction to $700,000,000.

The reduced fiscal year 1987 level is based on projected fiscal year 1987 loan commitments, and should not be interpreted as a baseline for fiscal year 1988 Ex-Im Bank estimates.

General Provisions

GUARANTY RESERVE FUND

The conferees agree that any funds appropriated for foreign military credit sales and any funds appropriated for the military assistance program may be used to replenish the Guaranty Reserve Fund (GRF) to the extent that funds in the GRF are inadequate to pay claims.

REPEAL OF SECTION 215(2)

The conferees agree to the Senate provision repealing section 215(2) of title II of the Military Construction Appropriations Act of 1987. This section contained authorization for expedited procedures for consideration of additional Central American economic assistance. Since additional economic assistance funding for Central America has been provided in the fiscal year 1987 Supplemental, the provisions of Section 215(2) are no longer required.

INTER-AMERICAN DEVELOPMENT BANK

The conferees have recommended that the Senate provision, calling for the Secretary of the Treasury to adhere to a policy of defining a voting majority of the Inter-American Development Bank as 65 percent of the voting shares, be included as a Sense of the Senate rather than a Sense of the Congress resolution.

DAIRY SURPLUS PRODUCTS

The conferees agree to the Senate provision on dairy surplus products. The provision allows funds that are provided for new development projects to be used for development projects that include surplus dairy livestock under the Dairy Termination Program.

CHAPTER V

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment Nos. 100 and 101: Change chapter number and center heading as proposed by the Senate.

Amendment No. 102: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Housing Programs

PAYMENTS FOR THE OPERATION OF LOW-INCOME HOUSING PROJECTS

(INCLUDING RESCISSION)

Of the amounts made available under this head in section 101(g) of Public Laws 99-500 and 99-591 (100 Stat. 1783-242, 3341-242) for payments to public housing agencies and Indian housing authorities, $65,000,000 are rescinded and the balance shall be for payment of operating subsidies under section 9, United States Housing Act of 1937 (42 U.S.C. 1437g): Provided, That, notwithstanding section 9(d) of such Act, any amount of such balance not required for such purpose shall be made available only for increased liability insurance costs not reflected in the performance funding system formula (24 C.F.R. Part 990).

For an additional amount for "Payments for the operation of low-income housing projects", $65,000,000, as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), to be available for obligation on September 25, 1987, and to remain available until September 30, 1988: Provided, That such amount shall be available only for insurance costs not reflected in the performance funding system formula.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement has the effect of insuring that all public housing operating subsidy funds currently available or provided by this measure shall be used solely for payments under the performance funding system (PFS) and for insurance costs not included in PFS payments, an estimated $114,000,000. The effect of the agreed-upon amendment is to provide that $65,000,000 not required for this purpose in the current fiscal year shall be made available in fiscal year 1988 solely for insurance costs not covered by PFS payments.

Amendment No. 103: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate rescinding up to $14,420,000 of recaptured annual contract authority and $389,340,000 of budget authority in the rent supplement program.

Amendment No. 104: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate rescinding up to $2,699,000 of recaptured annual contract authority and $72,873,000 of budget authority in the rental housing assistance program.

Amendment No. 105: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate permitting the City of Camden, New Jersey to retain urban renewal land disposition proceeds and to use such funds for community development grant purposes.

Amendment No. 106: Deletes language proposed by the Senate rescinding $4,266,000 of the 1987 appropriation for salaries and expenses of the Department of Housing and Urban Development.

Independent Agencies

Amendment No. 107: Inserts center heading as proposed by the Senate.

American Battle Monuments Commission

Amendment No. 108: Appropriates $3,000,000 for salaries and expenses as proposed by the House, instead of $2,150,000 as proposed by the Senate.

Amendment No. 109: Earmarks $1,350,000 for a foreign currency fluctuation reserve, instead of $1,500,000 as proposed by the House and $500,000 as proposed by the Senate.

Amendment No. 110: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate earmarking $150,000 for the establishment of a Guadalcanal memorial.

Environmental Protection Agency

Amendment No. 111: Deletes language proposed by the House and stricken by the Senate earmarking $9,000,000 for Section 515 of the Water Quality Act of 1987 and transfers $27,000,000 to abatement, control, and compliance as proposed by the House, instead of $18,000,000 as proposed by the Senate. The conferees agree that these funds shall be used as follows for priority activities authorized by the clean water amendments:

+$11,000,000 for the Des Moines, Iowa wastewater treatment project authorized by Section 515. The conferees understand that these funds are sufficient to begin construction of the Des Moines project on an accelerated basis. Any additional funding required in 1988 will be considered in a future supplemental appropriations bill.

+$9,000,000 for section 106 water quality state grants, to assist states in meeting their expanded responsibilities.

+$7,000,000 for EPA to undertake time-critical activities related to clean water guidelines, technical assistance and studies.

Amendment No. 112: Earmarks $1,161,000,000 to be allocated in accordance with the provisions of the Water Quality Act of 1987 as proposed by the House, instead of $1,170,000,000 as proposed by the Senate.

Amendment No. 113: Deletes language proposed by the Senate which would have extended the availability of unobligated and unexpended balances for certain EPA Public Works Impact projects in New York City and Illinois until September 30, 1988 or during the two-year period following the date by which all such funds have been obligated, whichever date is later. The House bill contained no provision on this matter. The New York portion of this item is addressed in Amendment No. 5. The conferees were informed that the Illinois portion would be funded from EPA's current appropriation.

Amendment No. 114: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

ADVANCES TO TRUST FUNDS

Pursuant to Public Law 99-500 and Public Law 99-591, amounts advanced to the Hazardous Substance Response Trust Fund shall remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

With respect to the $16,000,000 made available from the Hazardous Substance Superfund in this Act for emergency planning and community right-to-know activities, the conferees want to make clear that such funds are intended to remain available for Title III purposes until expended.

Federal Emergency Management Agency

Amendment No. 115: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

Federal Emergency Management Agency

DISASTER RELIEF

For an additional amount for "Disaster relief", $57,475,000, to remain available until expended.

ADMINISTRATIVE PROVISION

The regulation changes to 44 CFR parts 59 and 60 promulgated by the Federal Emergency Management Agency and set forth at 51 Fed Reg. 30306-30309 (August 25, 1986), which amended the definition, placement, and elevation of mobile homes in an existing mobile home park or mobile home subdivision, as previously defined, shall not be effective from enactment of this Act through September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

National Aeronautics and Space Administration

Amendment No. 116: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

National Aeronautics and Space Administration

CONSTRUCTION OF FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Construction of facilities", $303,000,000, to become available on September 25, 1987, and remain available until September 20, 1989, of which $300,000,000 shall be transferred to "Space flight, control and data communications".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have included an additional $300,000,000 for shuttle anomaly and Rodgers Commission requirements. These funds are essential to assure that the June 1988 launch date is not threatened. Since the 1988 budget estimates were prepared, NASA has experienced an increase in the number and scope of testing and other recovery efforts. Therefore, it is important that these funds are available at the beginning of fiscal year 1988 to assure the safe return of the shuttle to launch status.

Veterans Administration

Amendment No. 117: Deletes center heading proposed by the Senate.

Amendment No. 118: Extends the availability of $34,178,000 in the 1987 medical care appropriation for automatic data processing equipment and support contracts from one year to two years as proposed by the Senate, instead of $44,178,000 as proposed by the House.

Amendment No. 119: Deletes language proposed by the Senate rescinding $10,000,000 for ADP equipment and support contracts and restricting the obligation of funds for the procurement of computer hardware to facilities where the capacity of existing systems has been reached and the procurement of additional or replacement equipment is necessary to maintain patient care.

The conferees agree not to rescind the $10,000,000 for medical computer programs and direct that the VA make these funds available for beneficiary travel. According to the VA, 1987 beneficiary travel costs will exceed the $68,000,000 presently available for that purpose by at least $10,000,000.

The conferees recognize the need for the Veterans Administration to upgrade and expand its medical ADP capability and recommend that the remaining $34,178,000 be made available through the end of fiscal year 1988. Extension of funding availability is necessary in light of the need for further review of the VA's plans for expansion of its medical ADP system.

The conferees are aware that a recent General Accounting Office report on the VA's medical computer system, conducted at the request of the House Veterans' Affairs Committee, includes a recommendation that "funding should be limited, contingent on the agency making satisfactory progress in developing a comprehensive and accurate life-cycle estimate and cost-benefit analysis that considers various system design alternatives." The conferees believe that an Office of Technology Assessment study of the VA's medical ADP system will suffice to provide any necessary redirection of the program.

The committee of conference wishes to make clear that funding for the Decentralized Hospital Program (DHCP) should be limited until the OTA study is completed, and the VA has submitted a revised medical care ADP program plan. It is expected that the VA will incorporate into that revised plan any identified technological and commercial opportunities that would materially enhance the capability of a medical care ADP system in a cost-effective manner, or provide an equivalent capability at significantly reduced cost. The conferees would expect the VA to expend the remaining $25,000,000 in accordance with that revised plan.

The committee of conference recognizes the importance of maintaining the existing data processing capability. The VA is expected to expend $9,178,000 of the ADP funds to ensure DHCP and Integrated Hospital Systems Support at currently planned levels.

It is unlikely that the VA will be in a position to expand DHCP prior to September. The conferees intend that this issue be resolved in time for a final resolution of this matter by no later than October 1, 1987.

Amendment No. 120: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate deleting language proposed by the House providing for payment of a contractor's claim on a construction project at the Huntington VA Medical Center and inserting language proposed by the Senate providing for payment of two contractors' claims on construction projects at the Huntington VA Medical Center.

Amendment No. 121: Appropriates $30,000,000 for veterans job training as proposed by the House, instead of $20,000,000 as proposed by the Senate.

Amendment No. 122: Inserts language appropriating $100,000,000 for the loan guaranty revolving fund as proposed by the Senate.

Amendment No. 123: Restores language proposed by the House and stricken by the Senate prohibiting a mission change for the VA Medical Center at Walla Walla, Washington, from that in existence on January 1, 1987.

CHAPTER VI

DEPARTMENT OF THE INTERIOR

Amendment No. 124: Changes the Chapter number to Chapter "VI" as proposed by the Senate.

BUREAU OF LAND MANAGEMENT

Amendment No. 125: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum stricken and proposed by said amendment, insert the following: *$2,126,000, of which $1,255,000 for hazardous waste site activities in Oroville, Washington, shall remain available until September 30, 1988.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment provides $2,126,000 for management of lands and resources as proposed by the Senate instead of $450,000 as proposed by the House. It also makes $1,255,000 available until the end of fiscal year 1988.

The increase above the amount proposed by the House includes $376,000 for Bureau repair of flood damaged roads, reservoirs, and fencing in Montana; $30,000 for the Hagerman Fossil Fauna Site National Natural Landmark; $15,000 for additional research on palatables, sprouting shrubs and on-range ecology research; and $1,255,000 for emergency funding for the hazardous waste site on Bureau lands in Oroville, Washington.

The managers concur in the Bureau's proposed reprogramming shifting the Alaska Resources Library from the Office of the Secretary to the Bureau of Land Management, Alaska State Office. Funds necessary for the operation of the Library will be provided from funds appropriated to the Office of the Secretary.

U.S. FISH AND WILDLIFE SERVICE

Amendment No. 126: Appropriates $3,100,000 for resource management as proposed by the Senate instead of $2,800,000 as proposed by the House. The managers agree that within available funds the Service is to provide $50,000 for closeout expenses for two South Carolina anadromous fish grants. The Service is to expand the report on suitable hatchery expansions for striped bass production to include information on the physical condition of existing hatcheries and establish a priority system for their rehabilitation.

Amendment No. 127: Appropriates $15,000,000 for Construction and Anadromous Fish as proposed by the Senate. The House did not have a similar provision. The managers agree that the funds should go to repair flood and storm damage at those refuges where wildlife values have been most impacted. An obligation plan is to be sent to the Committees on Appropriations as soon as possible.

Amendment No. 128: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment that appropriates $5,815,000 for land acquisition instead of $5,000,000 as proposed by the Senate and nothing proposed by the House.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amount above the Senate is for Ash Meadows NWR, MV.

NATIONAL PARK SERVICE

Amendment No. 129: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment that appropriates $18,250,000 for operation of the National Park System instead of $18,050,000 as proposed by the House and $17,631,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The increase above the amount provided by the House consists of an additional $200,000 for program planning and development of a report regarding implementation of the Native Hawaiian Culture and Arts Program, as authorized by the Higher Education Amendments Act of 1986. The funds are to be provided to the Bishop Museum in Hawaii. The managers will review future funding requirements after receiving and reviewing the report on the future cost and scope of the program.

The managers agree to use available construction planning money to initiate planning for construction of a new visitor facility at Canyon Rim, in New River Gorge NR, West Virginia. The managers concur that the Service is to upgrade and increase the land acquisition staff at New River Gorge NR, West Virginia.

Within available funds there is $75,000 for a waterfront interpretation study in New Orleans, Louisiana. There is also $50,000 within available funds, for start-up activities for the Blackstone River Valley National Heritage Corridor.

Within available funds the Service is directed to report to the Committees on Appropriations on the feasibility of establishing a unit of the National Park System at Stonewall Jackson Lake or elsewhere in West Virginia.

Amendment No. 130: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate.

The amendment rescinds $30,000,000 in Land and Water Conservation Fund contract authority as proposed by the Senate.

Amendment No. 131: Appropriates $22,910,000 for land acquisition and State assistance instead of $13,910,000 as proposed by the House and $25,000,000 as proposed by the Senate. The increase above the House includes $3,000,000 for the Appalachian National Scenic Trail and $6,000,000 for New River Gorge NR, West Virginia. The managers do not agree to provide advance approval of up to 20 percent above the appraised value for acquisition of tracts needed to keep facility construction projects on schedule.

The managers will agree to a reprogramming of funds for Longmont Dam acquisition at Rocky Mountain NP, Colorado when a different source of funds is proposed.

Amendment No. 132: Provides for the acquisition of Keystone Spit on Whidbey Island, Washington as proposed by the House. The Senate had no similar provision.

Amendment No. 133. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

ADMINISTRATIVE PROVISION

Notwithstanding any other provision of law, the pesticide application program described in the West Virginia Department of Natural Resources' permit application to conduct a pesticide (bacillus thuringiensis israelensis [Bti]) spraying program on the New River, West Virginia, to control the river's black fly (Simulium jenningsi) population, received by the Superintendent of New River Gorge National River, West Virginia, on September 9, 1986, is hereby approved as a demonstration project for a period of eight years from the date of enactment of this Act, unless the pesticide Bti is removed from the registered list of pesticides, as determined by the Environmental Protection Agency, at an earlier date. No additional analyses, proposals, or approvals will be required for the State to conduct similar pesticide application programs during the period of the demonstration project provided herein. The State shall notify the National Park Service of its planned annual program at least ninety days in advance of spraying, and shall consider the recommendations provided by the National Park Service, the United States Fish and Wildlife Service, and other parties in the conduct of the pesticide application program. The State shall also enter into an indemnity agreement with the National Park Service which will protect the Service from all tort claims which might arise from the State's spraying program. The State and the National Park Service shall jointly conduct a monitoring program on the effects of the pesticide application, including the impact on natural, cultural and recreational values of the National River.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers have agreed to include bill language which allows the State of West Virginia to conduct a pesticide (Bti) application program on a demonstration basis for a period of eight years in the New River Gorge National River. Accompanying the spraying program is a requirement for an extensive monitoring program of the impacts of the spraying program. The State is expected to pay for the spraying program and to enter into an indemnity agreement with the National Park Service to exempt the Service from all tort claims. In the event that EPA registration of the pesticide (Bti) is withdrawn, the spraying program of Bti cannot proceed until re-registration occurs.

The managers do not intend that this demonstration program be taken as a precedent.

MINERALS MANAGEMENT SERVICE

Amendment No. 134: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the Minerals Management Service from implementing, prior to November 1, 1987, a rule which modifies the product value guidelines.

The managers agree that this prohibition covers all regulations pertaining to coal, oil and gas, including Notice to Lessees-5.

The managers understand that MMS will publish draft regulations in final form on or before August 17, 1987 for coal, oil and gas, announce in that Federal Register notice a short comment period, and then publish final regulations on or before September 30, 1987. The managers continue to be concerned with obtaining workable regulations from the Minerals Management Service and hope that new regulations can go forward in fiscal year 1988. The Minerals Management Service is to notify royalty payors that they are to maintain records for auditing purposes despite any expiration of the six year statute of limitations. With this instruction MMS can be assured that they will have sufficient records with which to conduct audits.

In a separate matter the managers concur in the reorganization proposal which was transmitted to the Committees on Appropriations on May 28, 1987.

PAYMENTS TO STATES FROM RECEIPTS UNDER MINERAL LEASING ACT

Amendment No. 135: Deletes language proposed by the House and stricken by the Senate providing for the deduction of one half of the total annual cost of operation of the Federal onshore mineral leasing program before division and distribution of such receipts between the states and the Treasury.

OFFICE OF SURFACE MINING

Amendment No. 136: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ABANDONED MINE RECLAMATION FUND

Section 405(k) of the Surface Mining Control and Reclamation Act of 1977 (Public Law 95-87) is amended by adding at the end thereof, "except for purposes of subsection (c) of this section with respect to the Navajo, Hopi and Crow Indian Tribes".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers have included language which authorizes the Secretary of the Interior to provide the Navajo, Hopi and Crow Tribes access to their 50 percent share of the abandoned mine reclamation fees collected from tribal lands. Requirements of the Act that reclamation plans and grant applications be submitted by the tribes for approval by the Department are not changed by this provision.

The managers included all three tribes, an addition of the Crow tribe to the Senate language, even though all are at different stages in their ability to immediately use these funds, because this funding provides a means for the tribes to address previous reclamation problems on their lands. The Administration also supports access for all three tribes to these funds.

BUREAU OF INDIAN AFFAIRS

Amendment No. 137: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *For an additional amount for "Operation of Indian programs", $3,153,000: Provided, That not to exceed $226,000 shall be paid for the settlement of three appeals related to mineral leasing revenues that have been collected and disbursed to Indian allottees.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment appropriates $3,153,000 for the Operation of Indian programs instead of $3,127,000 as proposed by the Senate and nothing as proposed by the House. Of these funds, $2,700,000 is for Indian child welfare grants to restore the program to the $8,000,000 level provided in fiscal year 1986, $227,000 is for the new tribes program for initial funding for the Wampanoag Tribe in Gay Head, Massachusetts, and $226,000 is for the settlement of three appeals related to mineral leasing revenues. Funds proposed by the Senate under this head relating to the Native Hawaiian Culture and Arts program are deleted and carried under the National Park Service.

Amendment No. 138: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which inserts the words "transfer funds under a".

Amendment No. 139: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes language permitting the transfer of Indian trust funds to a third party manager only after an audit and reconciliation of such funds. The Bureau should submit the final version of the contract with the third party manager for review by the House and Senate Appropriations Committees, and consult with all affected tribes with regard to the terms of the final version of the contract, prior to signing.

Amendment No. 140: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which includes language prohibiting the implementation of new or revised higher education grant regulations until Congress has completed the fiscal year 1988 appropriations process. With regard to the language prohibiting implementation or steps leading to implementation of the initiatives proposed by the Bureau in its fiscal year 1988 budget, the managers agree that pending final Congressinal action on the fiscal year 1988 budget, the Bureau should limit any activity with relation to these proposed initiatives to briefings of interested parties and the Congress, and consulting with Indian tribes. No preparation or publication of draft or proposed regulations should occur until final Congressional disposition of these initiatives. The initiatives included under this language include, but are not limited to: transferring, by contract or otherwise, Bureau-operated schools to tribal, State or local control (except where a tribe requests to contract to operate a Bureau school under a P.L. 93-638 contract); charging tuition at Bureau post-secondary schools; implementing the proposed self-assistance initiative; changing the method of providing tribal contract support costs; reorganizing Bureau programs, including "regionalization", without submitting a reprogramming proposal to the Appropriations Committees in advance; collecting tribal timber fees to offset the Bureau's costs in the timber program; contracting out operation of Bureau-operated programs, such as forestry; and changing the regulations or guidelines to restrict eligibility for housing improvement funds.

Amendment No. 141: Deletes language included by the Senate to prohibit transfer of any Bureau-operated schools to the control of any tribal, State or local government until the Secretary of the Interior has submitted two reports required by law to the Congress. The managers agree that the transfer of any Bureau-operated schools is prohibited under the language included by both the House and Senate prohibiting implementation of all Bureau-proposed initiatives until and unless Congress has approved them as part of the fiscal year 1988 appropriations process. The managers also agree that the Secretary shall submit to the Congress or the appropriate Committees of Congress, a report on the studies and surveys required under section 1121(a) of Public Law 95-561 (25 U.S.C. 2001(a)), and the report required under section 1136(a) of Public Law 95-561 (25 U.S.C. 2016(a)) for fiscal year 1986. The Secretary shall submit a status report by July 15, 1987, including significant milestone events, leading to the final submission of the subject reports.

The managers agree that an amount of $250,000, originally provided for Alaska scholarships, shall be reprogrammed to Alaska adult education. The managers also agree that an additional amount of $20,000 shall be reprogrammed from pay costs for Public Law 93-638 contract employees in excess of actual needs, to the Winnebago tribal court, which will make a total of $50,000 available for the court. This amount is in addition to any prior reprogramming of funds made to address this need. The Bureau and the Winnebago tribe are expected to make mutually acceptable arrangements to preclude such a shortfall in funding in fiscal year 1988.

CONSTRUCTION

The managers agree that up to $500,000 in available unobligated funds shall be used to prepare a report on the estimated costs, and other factors to be considered, in providing for either reconstruction or a new replacement facility for the Choctaw, MS elementary school which burned down earlier this year. The report should be submitted to the House and Senate Appropriations Committees by August 15, 1987. The Bureau should notify the Committees as soon as possible as to the amount and source of funds used to prepare the report.

The managers intend for the construction contract for the Turtle Mountain middle school reconstruction project to be awarded as soon as possible after the construction funds are made available in the fall of 1987. To accomplish this the Bureau should ensure that all necessary and appropriate activities, including preparation of bid documents, are accomplished between now and October 1, 1987, by negotiating a modification of the existing Public Law 93-638 contract with the tribe and providing funds from available unobligated balances, to cover these activities. The Bureau should report to the Appropriations Committees on the amount and source of funds that will be used for this effort as soon as possible.

The managers agree that $100,000 of funds previously appropriated for the Miner Flat Dam project shall be released for the purpose of developing an environmental impact statement.

TERRITORIAL AND INTERNATIONAL AFFAIRS

Amendment No. 142: Deletes language proposed by the Senate which would have provided that educational assistance funds for the Federated States of Micronesia and the Republic of the Marshall Islands remain available until expended. The Office of Management and Budget issued a memorandum on May 21, 1987, allowing release of the funds, and the proposed bill language therefore is not necessary.

GENERAL PROVISIONS

Amendment No. 143: Inserts title as proposed by the Senate.

Amendment No. 144: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for the remaining judgment funds awarded to the Choctaw Indian Nation, after distribution of per capita payments, to be held in trust and to be used to carry out activities approved as part of the tribe's annual budget.

Amendment No. 145: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which prohibits the issuance of patents on oil shale mining claims prior to March 31, 1988, with the exception of ten named patent applications. The House bill contained no similar provision.

RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

Amendment No. 146: Changes title to include transfer of funds and disapproval of deferral.

Amendment No. 147: Appropriates $8,000,000 for State and private forestry instead of $1,500,000, to be derived by transfer as proposed by the House, and $10,000,000 as proposed by the Senate.

The net increase over the amount provided by the House consists of a decrease of $1,500,000 (which was to be derived by transfer) for control of the spruce budworm on the Umatilla and Mt. Hood National Forests in Oregon and an increase of $8,000,000 for insect and disease projects nationwide. Of this amount, $995,000 is transferred to the Forest Service research account.

The Committee understands that the forest pest management allowance will permit completion of all planned spruce budworm projects; the replacement of Southern pine beetle suppression funds used for gypsy moth eradication in Oregon; the initiation of an integrated pest management special project aimed at controlling the spread of the gypsy moth down the Allegheny Mountains and in West Virginia; the intensification of survey, planning, data collection, and suppression of low level gypsy moth populations as a part of the Allegheny integrated pest management project; and the development of a national evaluation plan for forest pest management.

The funds to be transferred to the Research account will permit the Service to improve gypsy moth trap performance; increase the effectiveness of insecticides; determine the effect of Dimilin on aquatic ecosystems; and to accelerate research on gypsy moth population dynamics, on improved insecticidal effectiveness, and on gypsy moth hazard ratings.

Amendment No. 148: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *of which $7,005,000 shall remain available until expended, and of which $995,000 shall be transferred to the "Forest Research" appropriation account of the Forest Service, to remain available until expended.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment provides for the transfer of funds to the forest research account.

Amendment No. 149: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which disapproves deferral D87-35 related to State and private forestry.

Amendment No. 150: Deletes the title "(By Transfer)" as proposed by the Senate.

Amendment No. 151: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$1,000,000, to remain available until expended*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The managers agree that the $1,000,000 provided includes funds to complete projects related to the November, 1985 flood in West Virginia, including repairs of the research laboratory at Parsons, WV, roads and bridges in the Monongahela NF, and the Seneca Creek campground; and $130,000 for repairs to the Mt. Whitney trail in California.

Amendment No. 152: deletes language, as proposed by the Senate, which would have provided for transfer of funds from the purchaser election permanent appropriation.

Amendment No. 153: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for the disapproval of deferral D87-36 relating to Forest Service land acquisition.

Amendment No. 154: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE

(RESCISSION)

(INCLUDING DISAPPROVAL OF DEFERRAL)

Of the funds previously made available and unobligated in this permanent appropriation account, $30,000,000 is rescinded.

The Congress disapproves deferral D87-37 relating to the Forest Service, "Timber roads, purchaser election, Forest Service," as set forth in the message of January 28, 1987, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment changes the title of the Senate proposed rescission of $30,000,000 and disapproval of deferral D87-37 in the permanent appropriation for timber purchaser roads. The House had no such provision.

DEPARTMENT OF ENERGY

Amendment No. 155: Strikes House proposed language earmarking energy conservation funds for a steel initiative, as proposed by the Senate.

The managers agree that of funds available because of termination of the thin strip casting contract in energy conservation, $800,000 is to be applied to a proposal to develop a planar flow technique for use with fully-killed carbon steels.

The managers also agree that in economic regulation, $943,000 not needed for fuels conversion activity may be used for pay and retirement costs in compliance ($195,000) and the Office of Hearings and Appeals ($138,000) and for increased litigation support contract needs ($610,000).

SMITHSONIAN INSTITUTION

Amendment No. 156: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment amended as follows:

In lieu of the sum named, insert ***$700,000***

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The funds provided include $500,000 to restore the base for acquisition of computer equipment at the Smithsonian Astrophysical Observatory; and $200,000 for a study related to possible relocation of the Museum of the American Indian, Heye Foundation. The study should address the feasibility and estimated costs related to three possible options for the Museum: (1) relocation to a newly-constructed site on the mall in Washington, DC; (2) co-location at one or more sites in New York City and in Washington, DC; and (3) maintaining the collection at one or more sites in New York City. The report should be submitted to the Appropriations Committees as promptly as possible. The managers agree that no further funds shall be provided relative to the possible relocation of the Museum until authorizing legislation is enacted.

NATIONAL ENDOWMENT FOR THE HUMANITIES

The managers agree that a grant to establish or assist a Center for American English would provide an unfair commercial advantage.

NATIONAL CAPITAL PLANNING COMMISSION

Amendment No. 157: Deletes language proposed by the House and stricken by the Senate appropriating $80,000 for the National Capital Planning Commission.

The managers understand that the developer of the PortAmerica project and the National Capital Planning Commission have worked out an arrangement for financing the environmental assessment/environmental impact statement. Therefore, the managers have provided no additional funding.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

Amendment No. 158: Restores language proposed by the House and stricken by the Senate providing the authority for the Chairperson of the Council to select an Executive Director.

GENERAL PROVISION

Amendment No. 159: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

GENERAL PROVISION

Notwithstanding the provisions of Public Law 99-663, which established the Columbia River Gorge National Scenic Area, the Pierce National Wildlife Refuge and the Little White Salmon National Fish Hatchery shall continue to be administered, operated and maintained in accordance with the provisions of the National Wildlife Refuge System Administration Act, Fish and Wildlife Coordination Act, and Fish and Wildlife Act of 1956 by the U.S. Fish and Wildlife Service.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amendment clarifies the authority under which Fish and Wildlife Service activities are carried out in the Columbia River Gorge National Scenic Area.

CHAPTER VII

Amendment No. 160: Changes chapter number as proposed by the Senate.

DEPARTMENT OF LABOR

EMPLOYMENT AND TRAINING ADMINISTRATION

TRAINING AND EMPLOYMENT SERVICES

Amendment No. 161: Deletes language proposed by the House which would have made $50,000,000 for the Summer Youth Employment Program available for the summer of 1987 instead of the summer of 1988.

COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

Amendment No. 162: Appropriates a total of $10,000,000, including $7,800,000 for national grants or contracts and $2,200,000 for grants to States, as proposed by the House.

Amendment No. 163: Deletes appropriation of $10,000,000, including $7,800,000 for national grants or contracts and $2,200,000 for grants to States, proposed by the Senate.

STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT SERVICE OPERATIONS

Amendment No. 164: Makes available $65,000,000 from the Unemployment Trust Fund for administrative expenses of State Employment Security Agencies, instead of $130,000,000 as proposed by the House. The Senate bill included no funds for this purpose.

The conference agreement includes $15,000,000 for administration of the Targeted Jobs Tax Credit and $50,000,000 for expenses of local unemployment offices.

The conferees expect the Department of Labor to direct supplemental funding to State Employment Security Agencies suffering the most severe fiscal and programmatic impact due to the loss of Federal funding, such as those with salary increases, staff layoffs, office closings and stable but not increasing workloads.

BUREAU OF LABOR STATISTICS

Amendment No. 165: Deletes language proposed by the Senate which would have directed the Bureau of Labor Statistics to develop and publish, within 90 days, a separate Consumer Price Index for the elderly.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

MATERNAL AND CHILD HEALTH

Amendment No. 166: Appropriates $18,750,000 for the Maternal and Child Health program as proposed by the Senate instead of $37,500,000 as proposed by the House.

CENTERS FOR DISEASE CONTROL

DISEASE CONTROL, RESEARCH, AND TRAINING

Amendment No. 167: Appropriates $20,000,000 as proposed by the Senate to finance a mass mailing of information about acquired immune deficiency syndrome (AIDS) to every household in the Nation. The House bill included no funds for this purpose.

On June 17, 1987, the Secretary of Health and Human Services requested permission to reprogram $47 million in 1987 appropriations for the purpose of increasing information, education and other prevention activities for AIDS. The conferees agree that the request is hereby denied. Forty-seven million dollars has been appropriated directly in this bill for the same general purposes, including $20 million in this amendment and $27 million in amendment number 431. The conferees are agreed that the funds proposed for reprogramming should be obligated for the purposes originally specified in Public Law 99-591 and the accompanying conference report.

NATIONAL INSTITUTE ON AGING

Amendment No. 168: Appropriates $750,000 for clinical trials at the National Institute on Aging as proposed by the Senate instead of $1,800,000 as proposed by the House.

RESEARCH RESOURCES

Amendment No. 169: Deletes appropriation of $4,000,000 proposed by the Senate for the General Clinical Research Centers program. The House bill contained no similar provision.

NATIONAL CENTER FOR NURSING RESEARCH

Amendment No. 170: Appropriates $1,000,000 as proposed by the Senate for studies related to the nurse shortage and nurse retention issue. The Conferees are agreed that these funds are to support a joint project with the National Center for Nursing Research and the Division of Nursing at the Health Resources and Services Administration. Funds should be shared equally, through cooperative agreement, between the two organizations. The House bill contained no similar provision.

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH

Amendment No. 171: Deletes appropriation of $750,000 for mental health clinical training proposed by the House. The Senate bill contained no similar provision.

PUBLIC HEALTH SERVICE

PUBLIC HEALTH EMERGENCY FUND

Amendment No. 172: Appropriates $30,000,000 as proposed by the Senate to cover the cost, on a one-time-only basis, of AZT and any other drug which proves to prolong the life of a person with AIDS and related complexes who is a low-income individual not covered under the State Medicaid program or third party payors, or whose State Medicaid program does not provide this drug coverage. The conferees stress that this is not a new entitlement program. The House bill included no funds for this purpose.

The conferees direct that these funds be used only for drug procurement and not be available for Federal or state administrative expenses associated with the program. The conferees intend that the appropriated funds will be used to supplement any State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the cost of these drugs and should not in any event supplant such State, local, and other non-Federal funds except where local funds are used to subsidize public hospitals or public benefit corporations which are mandated to serve all patients regardless of ability to pay. Furthermore, to insure full utilization of these funds, the conferees urge the Secretary to devise a process to reallocate any unused funds that may remain at the end of the project period.

FAMILY SUPPORT ADMINISTRATION

WORK INCENTIVES

Amendment No. 173: Appropriates $23,000,000 for the Work Incentives program instead of $35,000,000 as proposed by the House and $17,000,000 as proposed by the Senate.

The Conferees recognize that the amount agreed to for fourth quarter funding of the WIN program is not sufficient to support a full quarterly allocation equal to the previous three quarters in every state. The Conferees therefore agree that allocations to states should be made by adding total, unexpended balances in all states to the supplemental appropriation, determining the allocation due each state for this total using the same method as for the previous three quarters, then subtracting the unexpended balances in each state from this total using the same method as for the previous three quarters, then subtracting the unexpended balances in each state to determine its fourth quarter supplemental allocation.

OFFICE OF HUMAN DEVELOPMENT SERVICES

FAMILY SOCIAL SERVICES

Amendment No. 174: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment insert the following:

For an additional amount for Home Delivered Nutrition Services under subpart 2 of part C of title III of the Older Americans Act of 1965, $1,400,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DEPARTMENT OF EDUCATION

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

Amendment No. 175: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which specifies that $15,860,000 of the 1987 appropriation for Rehabilitation Services and Handicapped Research is available for special demonstration programs under section 311(a)(b)(c) of the Rehabilitation Act.

VOCATIONAL AND ADULT EDUCATION

Amendment No. 176: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides that $1,050,000 of existing funds under title IV of the Carl D. Perkins Vocational Education Act shall be used to fund curriculum coordination centers at the current level with the balance to be used for the national assessment for vocational education, instead of appropriating $1,000,000 for this purpose as proposed by the House.

STUDENT FINANCIAL ASSISTANCE

Amendment No. 177: Changes center head as proposed by the Senate.

Amendment No. 178: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which provides for a one-time waiver to the State of Louisiana from new State matching requirements for State Student Incentive grant funds.

HIGHER EDUCATION

Amendment No. 179: Appropriates $3,300,000 for Higher Education and earmarks $1,000,000 for activities under part B of Title III, $1,000,000 for part A of title VI and $1,300,000 for part C of title IX as proposed by the House. The Senate bill contained no similar provision.

COLLEGE CONSTRUCTION LOAN INSURANCE ASSOCIATION

Amendment No. 180: Deletes House language which would have provided $20,000,000 to capitalize the newly authorized College Construction Loan Insurance Association.

The conferees are aware that the Secretary of Education is authorized to purchase common stock to help capitalize the Association, and are agreed that this matter will be considered during the fiscal year 1988 appropriation process.

CHICAGO LITIGATION SETTLEMENT

Amendment No. 181: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

Restore the matter stricken by said amendment amended to read as follows:

CHICAGO LITIGATION SETTLEMENT

(TRANSFER OF FUNDS)

To enable the United States of America to satisfy in full any and all obligations it may have to provide financial assistance for the Chicago Board's Desegregation Plan under subsection 15.1 of the Consent Decree entered in the case United States v. Board of Education of the City of Chicago, 80 C 5124, and to resolve all claims of the Chicago Board and all litigation concerning the United States' obligations to the Chicago Board under section 15.1, there is hereby appropriated $83,000,000 to be derived by transfer of remaining unobligated or contingently obligated balances of appropriations for fiscal years 1983 through 1986 for the Department of Education that would have been expended or lapsed but for the escrow provisions established as a result of the litigation between the Chicago Board and the United States: Provided, That the Secretary of Education shall make these funds available to the Board to be used only for desegregation activities in accordance with the terms and conditions of the Consent Decree: Provided further, That these funds shall be made available to the Board in five equal annual grants beginning in fiscal year 1988: Provided further, That this $83,000,000 reappropriation constitutes full and final satisfaction of any and all past, present and future claims that the Chicago Board may have against the United States rising under or resulting from section 15.1 of the Consent Decree, and releases the United States from any further liability under section 15.1: Provided further, That the funds appropriated by this Act shall remain available until expended.

The managers on the part of the Senate will move to concur in the amendent of the House to the amendment of the Senate.

IMPACT AID

Amendment No. 182: Deletes language proposed by the Senate which would have directed the Secretary of Education to make a grant under section 14 of the Act of September 23, 1950 (Public Law 815, 81st Congress) to the Winona School District located in Winona, Missouri, by waiving certain provisions of existing law.

The conferees are aware that section 14(c) of Public Law 81-815 gives the Secretary of Education discretion to provide the assistance necessary to enable a local educational agency to provide minimum school facilities for children if such agency, among other things, makes a reasonable local tax effort and does not have sufficient funds from other Federal, State and local sources. In determining the amount of such assistance to the Winona R-III School District, of Winona, Missouri, the conferees therefore direct the Secretary to consider an amount of local effort not in excess of $200,000 as reasonable and adequate to satisfy the requirements of section 14(c).

RELATED AGENCIES

NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

OPERATING EXPENSES

Amendment No. 183: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which appropriates $700,000 to remain available until September 30, 1988, for the National Commission to Prevent Infant Mortality. The House bill included no funds for this purpose.

It is the intent of the conferees that the Commission members shall serve without compensation but that their travel and per diem expenses shall be paid in accordance with applicable laws and regulations.

CHAPTER VIII—LEGISLATIVE BRANCH

Amendment No. 184: Changes chapter number, as proposed by the Senate

SENATE

Amendment No. 185: Inserts heading, as proposed by the Senate.

Amendment Nos. 186-188: Reported in technical disagreement. Inasmuch as the amendments relate solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in Senate amendments 186-188.

Amendment No. 189: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as requested by the Senate conferees as follows:

In lieu of the sum proposed by said amendment, insert: *$1,300,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment Nos. 190-195: Reported in technical disagreement. Inasmuch as the amendments relate solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer motions to recede and concur in Senate amendments 190-195.

JOINT ITEMS

CAPITOL GUIDE SERVICE

Amendment No. 196: Appropriates $109,000 for the Capitol Guide Service, as proposed by the Senate.

ARCHITECT OF THE CAPITOL

WEST CENTRAL FRONT OF THE CAPITOL

(DEFERRAL)

Amendment No. 197: Deletes deferral of funds appropriated for the West Central Front of the Capitol until October 1, 1987, except for administrative or engineering inspection purposes, proposed by the Senate.

Administrative Provisions

Amendment No. 198: Substitutes "Provisions" for "Provision", as proposed by the Senate.

Amendment No. 199: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the Senate amendment which amends the joint resolution making continuing appropriations for the fiscal year 1987 to provide that the provisions of H.R. 5203, the Legislative Branch Appropriations Act, 1987, shall be effective as if enacted into law.

CHAPTER IX

MILITARY CONSTRUCTION

Administrative Provisions

Amendment No. 200: Changes the chapter designation to "Chapter IX" as proposed by the Senate.

Amendment No. 201: Restores House language which terminates the study associated with base closure of Mather Air Force Base. The conferees also agree with the House report language which directs the Department to lift the moratorium on fiscal year 1987 projects at Mather Air Force Base.

Amendment No. 202: Restores House language which allows the Navy to use funds made available by court order for four family housing units in San Diego, California.

Amendment No. 203: Deletes Senate language which prohibits the use of NATO Infrastructure funds for procurement of aircraft. However, the conferees do not support the use of infrastructure funds for aircraft procurement. More than 70 percent of the $20 billion identified infrastructure backlog is for facility construction. Initiation of expensive aircraft procurement programs could result in reducing funds available for construction of military facilities and installations. The conferees believe that infrastructure should remain primarily a facility program and directs the U.S. Mission to NATO not to support procurement which would reduce the percentage of infrastructure devoted to construction.

Amendment No. 204: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

TORREJON AIR BASE, SPAIN

It is the sense of the Congress that all facility construction costs associated with the relocation of the Tactical Fighter Wing at Torrejon Air Base, Spain, to another location, should be the responsibility of the North Atlantic Treaty Organization.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement is identical to the Senate amendment, but stipulates that it is the sense of both the House and the Senate.

Amendment No. 205: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which earmarks $1,500,000, within funds previously appropriated, for design of a middle school at Naval Air Station, Adak, Alaska. The conferees have agreed to the design funds with the understanding that construction funds for the middle school will be requested by the Department of Education under Public Law 81-815 and not requested by the Department of Defense.

CHAPTER X

DEPARTMENT OF AGRICULTURE

Amendment No. 206: Renumbers the chapter as proposed by the Senate.

Office of the Secretary of Agriculture

Amendment No. 207: Restores three investigations proposed by the House and deleted by the Senate. The first investigation funded at $6,000,000 is to enable the Secretary of Agriculture to investigate whether producers of basic agricultural commodities, including soybeans, favor the imposition of mandatory limits on the production of basic agricultural commodities, including soybeans, that will result in prices for such commodities that provide a fair return to the farm producer at not less than the cost of production.

The second investigation funded at $2,000,000 is to enable the Secretary of Agriculture to investigate the quantity of each basic agricultural commodity, including soybeans, needed by crop year to meet domestic consumption, to maintain an adequate reserve, and to regain and retain our fair share of world markets.

The third investigation funded at $2,000,000 is to enable the Secretary of Agriculture to investigate the changes needed in existing rules and regulations of the Department of Agriculture to provide for implementation of mandatory limits on the production of basic agricultural commodities, including soybeans, and nonrecourse loans on basic agricultural commodities, including soybeans, that reflect a fair return to the farm producer at not less than the cost of production.

The conferees have agreed to a total of $6,000,000 to assure that adequate funds are available for a comprehensive investigation of mandatory limits on production. In providing $4,000,000 for the two supporting investigations, the conferees feel some of the information may be available at present, which may lower the cost of these two investigations.

Agricultural Research Service

Amendment No. 208: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$9,891,000, to remain available until expended.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $9,891,000 for the Agricultural Research Service instead of $450,000 as proposed by the House and $10,450,000 as proposed by the Senate. The conference agreement includes $450,000 for essential repair work at the Beltsville Agricultural Research Center as proposed by the House and concurred in by the Senate.

The conference agreement also provides $9,441,000 for equipment for the Pennington Biomedical Research Center of Louisiana State University instead of $10,000,000 as proposed by the Senate. The agreement provides only the equipment necessary for the operation of the center. The conferees agree that these funds shall be made available to the center only if the University or the State provides assurance that the State or the University will provide the staff and funds and operate the center. The House bill contained no funding for operating this facility which is owned by the University.

Cooperative State Research Service

Amendment No. 209: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which appropriates $3,200,000 for two international trade development centers. Included in this total is $1,200,000 for the establishment of an operational demonstration and research feed mill and durum wheat flour mill at the Northern Crops Institute in North Dakota, and $2,000,000 for a center at Iowa State University. The House bill contained no similar provision.

The conferees agree that these grants shall be based on a matching formula of 50 percent Federal and 50 percent State funding as required by Sec. 1419 of the Food Security Act of 1985. Such grants may be used for operating costs and equipment, but not construction of buildings. The conferees will also expect these centers to operate as regional centers.

The conferees will expect these centers to work with the U.S. Department of State to assure that U.S. commodities are offered for sale in world trade at competitive prices.

The conference agreement includes $300,000 to accelerate the shrimp aquaculture research project as proposed by the House and concurred in by the Senate.

BUILDING AND FACILITIES

(INCLUDING RESCISSION OF FUNDS)

Amendment No. 210: Restores House heading "Buildings and Facilities" which the Senate proposed to delete.

Amendment No. 211: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$30,200,000, to remain available until expended: Provided, That of available funds under "Agricultural Stabilization and Conservation Service, Rural Clean Water Program", $6,000,000 are rescinded.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $30,200,000 for buildings and facilities of the Cooperative State Research Service instead of $16,200,000 as proposed by the House and $14,000,000 as proposed by the Senate.

The conference agreement includes $16,200,000, to be matched by State funds, for construction of the new Agriculture Science and Industry Center to be located at Pennsylvania State University as proposed by the House. The Senate proposed to delete funding for this facility.

The conference agreement includes $8,000,000 for the construction of a weed science and technology center to be located at the North Dakota State University on lands provided to the Federal Government under a lease. The conferees agree that the University will have architectural control of the design and construction of the building. This facility will be used to enhance research in weed science, plant pathology, and biochemistry. This facility will be federally owned, but operated by the University under a nominal cost lease-type agreement. The University will provide the staff and funds necessary to operate and maintain the center. The House bill contained no funding for this facility.

The conference agreement also includes $6,000,000 for the construction of the George Aiken Center for Microbiology to be located at the University of Vermont as proposed by the Senate. The agreement provides funds, on a matching funds basis, for the construction of this research facility. The House bill contained no funding for this facility.

The conference agreement rescinds $6,000,000 of funds appropriated in prior fiscal years for the rural clean water program. The Department had advised the conferees that these funds were no longer needed.

EXTENSION SERVICE

Amendment No. 212: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

EXTENSION SERVICE

For an additional amount for "Extension Service, Federal administration and coordination", for special grants for financially stressed and dislocated farmers, $300,000, to remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $300,000 to the Extension Service for grants to financially stressed and dislocated farmers instead of $600,000 as proposed by the Senate. The conference agreement also specifies that the funds are under the "federal administration" account, and are to be used by the College of Agriculture at North Dakota State University.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

Amendment No. 213: Appropriates $8,500,000 for the Animal and Plant Health Inspection Service as proposed by the Senate instead of $3,000,000 as proposed by the House. The conference agreement includes a total of $8,000,000 for the southeastern boll weevil eradication program, which is a cooperative Federal/State/grower program to eradicate the boll weevil through a coordinated regional effort covering Georgia, Alabama, and Florida. Under this program the grower pays 70 percent and the Federal Government pays 30 percent. The House proposed $3,000,000 for this program and the Senate increased that amount to $8,000,000.

The conference agreement also includes $500,000 for preparation of an environmental impact statement in connection with the animal damage control program as proposed by the Senate.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

DAIRY INDEMNITY PROGRAM

Amendment No. 214: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert the following: *$553,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $553,000 for dairy indemnity payments instead of $1,000,000 as proposed by the Senate. The conferees were advised by the Department that $553,000 will be required to complete payment on claims in Arkansas, Missouri, and Oklahoma, rather than $1,000,000 as originally estimated by the Department. The House bill contained no funding for this program.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

Amendment No. 215: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the sum named in said amendment, insert the following: *$5,553,189,000*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $5,553,189,000 to reimburse the Commodity Credit Corporation for net realized losses instead of $6,563,189,000 as proposed by the House and $6,653,189,000 as proposed by the Senate. The 21 percent across-the-board reduction included in the House bill provided an adjusted House amount of $5,184,919,000. The reduction of $1,100,000,000 below the budget request is composed of a reduction of $625,000,000 based on a reestimate of CCC requirements, a reduction of $500,000,000 in the contingency reserve, and an increase of $25,000,000 to cover increased disaster payments.

Amendment No. 216: Restores the limitation of $300,000,000 on the amount that is available for payment of export guaranteed loan claims as proposed by the House and deleted by the Senate.

Amendment No. 217: Provides $135,000,000 for additional payments to producers under section 633(B) of the Agriculture, Rural Development, and Related Agencies Appropriations Act of 1987, which shall be made to cover the difference between the partial payment and the amount of the full claim as proposed by the House.

Amendment No. 218: Report in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken by said amendment, insert the following: *, and for other disaster payments required by the Farm Disaster Assistance Act of 1987, $25,000,000; and interest payments to the United States Treasury, $440,000,000.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides $25,000,000 to cover the additional disaster payments made in order by the Farm Disaster Assistance Act of 1987 which are over and above the $135,000,000 provided to cover claims under the original provision in the 1987 Appropriations Act.

The conference agreement limits interest payments to the United States Treasury to $440,000,000 instead of $400,000,000 as proposed by the House. The Senate amendment deleted the House limitation on interest payments to the Treasury.

HONEY LOAN PROGRAM

Amendment No. 219: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which eliminates the cap on honey loans made through the Commodity Credit Corporation. Honey is the only commodity with a cap on its loans. The conferees believe that it is unfair to single out one commodity.

FARMERS HOME ADMINISTRATION

RURAL DEVELOPMENT GRANTS

Amendment No. 220: Appropriates $3,000,000 for a grant for the development of Choctaw Regional Rural Industrial Park as proposed by the House. The Senate amendment proposed to delete funding for this grant.

RURAL HOUSING INSURANCE FUND

MORATORIUM ON PREPAYMENT OF RURAL RENTAL HOUSING LOANS

The conference agreement extends the moratorium on prepayment of rural rental housing loans through September 30, 1987. The conferees recommend this action to provide the authorizing committees adequate time to develop a long-term solution to this problem.

The moratorium permits prepayments in cases in which there is adequate, comparable housing in the community or cases in which tenant rents will not be substantially increased. The conferees will expect the Secretary to make a determination that such housing is available to tenants, under the original terms and conditions, for a period of not less than five years before accepting an offer to prepay.

Amendment No. 221: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which transfers $115,000,000 from rural rental housing loans (section 515) to rental assistance payments as proposed by the Senate. This transfer will provide an additional estimated 10,000 units of rental assistance to be used for newly constructed projects financed under sections 514, 515 and 516. While the conferees expect that most of the additional rental assistance units provided will be employed with projects approved in fiscal year 1987, the Secretary may use up to 3,000 rental assistance units for projects financed with fiscal year 1986 funds. The conferees stress that these funds are not intended to assist previously occupied projects. The conferees are aware that rental assistance funding remains under P.L. 99-591, which can be used to assist occupied projects.

Amendment No. 222: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

LOAN REGULATIONS

Hereafter, funds appropriated or available to the Farmers Home Administration under this or any other Act to make or to service farm loans shall be available for continuing assistance to delinquent borrowers on the basis of the policies contained in Farmers Home Administration Announcement Number 1113-1960, dated November 30, 1984.

Hereafter, none of the funds appropriated or made available by this or any other Act, or otherwise made available to the Secretary of Agriculture or the Farmers Home Administration, may be used to implement section 1944.16(c)(1) of title 7, Code of Federal Regulations, as published in 52 Federal Register 11983 (April 14, 1987) or any other regulation that would have the same effect as such regulation.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement deletes language related to loan servicing regulations proposed by the Senate and adds language which has the effect of providing that a borrower, when applying for a loan from the Farmers Home Administration, has to show that he will cash flow only on the loan applied for rather than on all loans. The effect of this language is to restore Farmers Home Administration procedures and policies to those in effect for a number of years prior to the change put in place by the present administrator approximately two years ago.

The conference agreement also includes language that prohibits the use of the new provision under the section 502 rural housing program that prohibits the construction of both a garage and a basement on new homes. The conferees note that a garage and basement are customary and necessary in certain regions of the country because of weather or other conditions. To prohibit such construction would cause a hardship for many borrowers.

RURAL ELECTRIFICATION ADMINISTRATION

Amendment No. 223: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

RURAL ELECTRIFICATION ADMINISTRATION

Hereafter, notwithstanding section 306A(d) of the Rural Electrification Act of 1936 (7 U.S.C. 936a(d)), a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) may, at the option of the borrower, prepay such loan (or any loan advance thereunder) in accordance with section 306A of such Act.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement amends Senate language to allow Rural Electrification Administration borrowers to refinance their debt with the Federal Financing Bank without being assessed a prepayment penalty. These borrowers will use private capital to pay back their government loans.

The Senate amendment was limited to only those borrowers who serve six or fewer customers per mile of line. The House bill contained no similar provision.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

Amendment No. 224: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

REIMBURSEMENT

Of the funds made available under the heading "CHILD NUTRITION PROGRAMS" of title III of the provisions made effective by section 101(a) of Public Law 99-190 but not requested through an official budget request transmitted to the Congress, $167,500,000 shall be available to the Secretary of Agriculture to reimburse State agencies for meals served under child nutrition programs conducted under the National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) in September, 1987.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement makes available $167,500,000 to the Food and Nutrition Service for reimbursement to State agencies for meals served under the child nutrition programs instead of $167,550,000 as proposed by the Senate. The conference agreement deletes $50,000 for compensation for losses claimed as a result of the study referred to in section 1581(a) of the Food Security Act of 1985 (99 Stat. 1594). In accordance with the School Lunch and Child Nutrition Amendments of 1986, the conferees will expect the Department to report to Congress its final determination by August 31, 1987, of such claims before taking further action on this matter.

FOREIGN AGRICULTURAL SERVICE

Amendment No. 225: Appropriates $1,500,000 for the Foreign Agricultural Service to offset the increased cost resulting from overseas inflation instead of $1,000,000 as proposed by the House and $2,000,000 as proposed by the Senate.

FOOD AND DRUG ADMINISTRATION

Amendment No. 226: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

For an additional amount for orphan drug grants and contracts, $500,000.

Section 3 of the Saccharin Study and Labeling Act (21 U.S.C. 348 nt.) is amended by striking out "May 1, 1987" and inserting in lieu thereof "May 1, 1992".

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes language added by the Senate which would extend the prohibition against a ban on saccharin in the Saccharin Study and Labeling Act by an additional five years. The agreement also incorporates language in Senate amendment numbered 433 which provides an additional $500,000 for the Food and Drug Administration. The conference agreement deletes amendment numbered 433.

CHAPTER XI

DEPARTMENT OF TRANSPORTATION

Amendment No. 227: Conforms heading.

COAST GUARD

OPERATING EXPENSES

Amendment No. 228: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

COAST GUARD

OPERATING EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Operating Expenses", $4,120,000, to be derived by transfer from "United States Customs Service, Operation and Maintenance, Air Interdiction Program": Provided, That this provision shall be effective only upon validation of the transfer by the General Accounting Office.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

FEDERAL AVIATION ADMINISTRATION

OPERATIONS

(TRANSFER OF FUNDS)

Amendment No. 229: Conforms heading.

Amendment No. 230: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$60,000,000, of which $11,619,000 shall be derived by transfer from "Operation and maintenance, Metropolitan Washington airports", and $5,000,000 shall be derived by transfer from "Construction, Metropolitan Washington airports"*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees direct the FAA to halt any further closures and/or consolidations of flight service stations unless the affected service area will be served by an automated flight service station with Model 1 or Model 1 full capacity service. This directive shall be effective on July 15, 1987. The conferees have been advised by the General Accounting Office that this requirement should not delay the flight service station automation and consolidation program.

GRANTS-IN-AID FOR AIRPORTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(AIRPORT AND AIRWAY TRUST FUND)

Amendment No. 231: Conforms heading.

Amendment No. 232: Restores language proposed by the House that increases the limitation on obligations for airport planning and development, and noise compatibility planning and programs by $25,000,000 instead of rescinding $150,000,000 of unobligated contract authority as proposed by the Senate.

FEDERAL HIGHWAY ADMINISTRATION

MOTOR CARRIER SAFETY GRANTS

(LIQUIDATION OF CONTRACT AUTHORIZATION)

(HIGHWAY TRUST FUND)

Amendment No. 233: Conforms heading.

Amendment No. 234: Deletes rescission of $15,469,000 proposed by the Senate.

BALTIMORE-WASHINGTON PARKWAY

(HIGHWAY TRUST FUND)

(TRANSFER OF FUNDS)

Amendment No. 235: Provides $2,000,000, to be derived by transfer as proposed by the House.

HIGHWAY SAFETY AND ECONOMIC DEVELOPMENT DEMONSTRATION PROJECTS

(HIGHWAY TRUST FUND)

(TRANSFER OF FUNDS)

Amendment No. 236: Provides $5,000,000, to be derived by transfer as proposed by the House.

HIGHWAY SAFETY IMPROVEMENT DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

(TRANSFER OF FUNDS)

Amendment No. 237: Provides $2,000,000, to be derived by transfer as proposed by the House.

HIGHWAY-RAILROAD GRADE CROSSING SAFETY DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

(TRANSFER OF FUNDS)

Amendment No. 238: Provides $2,000,000, to be derived by transfer as proposed by the House.

VEHICULAR AND PEDESTRIAN SAFETY DEMONSTRATION PROJECT

(HIGHWAY TRUST FUND)

(TRANSFER OF FUNDS)

Amendment No. 239: Inserts permanent authorizing language, including a permanent exemption from any limitation on obligations for Federal-aid highways and highway safety construction programs, and provides $5,000,000 as proposed by the House.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

OPERATIONS AND RESEARCH

(TRANSFER OF FUNDS)

Amendment No. 240: Provides $1,000,000, to be derived by transfer as proposed by the House. The conference agreement includes the following distribution:

Initiate long-term research program to assess effectiveness of mandatory safety belt law provisions	$350,000
Dade County, Florida trauma network improvements	150,000
CDC injury study	400,000
Establishment of mid-atlantic trauma registry in states of New Jersey, Delaware, Maryland, Pennsylvania, Virginia, West Virginia, and the District of Columbia	100,000

FEDERAL RAILROAD ADMINISTRATION

RAILROAD SAFETY

(DISAPPROVAL OF DEFERRAL)

Amendment No. 241: Deletes language that disapproves the proposed deferral D87-43 relating to Railroad safety proposed by the Senate.

URBAN MASS TRANSPORTATION ADMINISTRATION

RESEARCH, TRAINING, AND HUMAN RESOURCES

(DISAPPROVAL OF DEFERRAL)

Amendment No. 242: Disapproves $4,336,000 of deferral D87-47 as proposed by the Senate instead of $4,036,000 as proposed by the House.

INTERSTATE TRANSFER GRANTS—TRANSIT

(DISAPPROVAL OF DEFERRAL)

The conferees agree that the fiscal year 1987 apportionments, allocations, and reapportionments for "Interstate transfer grants—transit" shall be consistent with the information provided by the Urban Mass Transportation Administration as printed on page 174 of Part 4 of the House fiscal year 1988 Department of Transportation Appropriations hearing record.

PANAMA CANAL COMMISSION

OPERATING EXPENSES

Amendment No. 243: Appropriates $5,013,000 instead of $2,013,000 as proposed by the Senate and $8,013,000 as proposed by the House.

Amendment No. 244: Includes language that makes $3,000,000 available for landslide removal instead of $6,000,000 as proposed by the House.

GENERAL PROVISIONS

Amendment No. 245: Conforms heading.

DISCRETIONARY BRIDGE PROGRAM

Amendment No. 246: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate directing the Secretary of Transportation to consider phase 1 and phase 2 of the construction of the Dubuque City Island Bridge in Dubuque, Iowa as one project.

Through the federal bridge replacement program, a bridge between Iowa and Wisconsin crossing the Mississippi River at Dubuque is being replaced in two phases. The first phase was completed in 1982, which provided a crossing from the Wisconsin shore to an island near the Iowa shore and completed the Wisconsin approach.

The Iowa approach section, known as phase II, will complete the full river crossing and link the replacement bridge to a revised arterial roadway in Dubuque. Phase II should receive the same level of priority consideration for discretionary bridge funds that phase I of the bridge received.

POMPANO BEACH AIR PARK

Amendment No. 247: Reported technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

POMPANO BEACH AIR PARK

None of the funds appropriated for the Federal Aviation Administration under this or any prior Act shall be used (1) to compel the City of Pompano Beach, Florida, to redesignate any land designated as nonaviation use land at the Pompano Beach Air Park as of November 1, 1966, or (2) to take any action to revert the Pompano Beach Air Park.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees encourage FAA to work with the city to resolve this matter as expeditiously as is possible.

CHAPTER XII

DEPARTMENT OF THE TREASURY

Amendment No. 248: Changes chapter number as proposed by the Senate.

OFFICE OF THE SECRETARY

Amendment No. 249: Deletes language proposed by the House appropriating $5,500,000 for salaries and expenses and inserts language proposed by the Senate appropriating $5,000,000 for that office.

FEDERAL LAW ENFORCEMENT TRAINING CENTER

Amendment No. 250: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. This amendment makes $2,500,000 of previously appropriated funds available until September 30, 1988, and establishes a base level of employment for the Center.

BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

Amendment No. 251: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate. The Senate amendment appropriates $5,000,000 for salaries and expenses instead of $10,000,000 as proposed by the House. The Senate amendment also establishes a base level of employment and makes available funds for certain equipment.

U.S. CUSTOMS SERVICE

Amendment No. 252: Restores language inserted by the House and stricken by the Senate which makes available $2,500,000 of previously appropriated funds for the operation and maintenance of the Air Interdiction Program until September 30, 1988.

Amendment No. 253: Makes technical change in the center heading as proposed by the Senate.

U.S. SECRET SERVICE

Amendment No. 254: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which makes $6,000,000 of previously appropriate funds for construction available until expended.

U.S. POSTAL SERVICE

Amendment No. 255: Deletes an appropriation of $79,177,000 for payment to the Postal Service Fund proposed by the House and stricken by the Senate.

The Conferees have concurred with the Senate in deferring the supplemental request of $79,177,000 to reimburse the Labor Department for compensation paid to postal employees for injuries that occurred prior to July 1, 1971 while employed by the old Post Office Department. The Conferees have taken this action without prejudice and with the knowledge that this will postpone payment to the Labor Department in fiscal year 1987.

The Conferees understand that the Labor Department can absorb the fiscal 1987 worker's compensation obligation of the U.S. Postal Service. The Conferees recognize, however, that the Postal Service shortfall owed the Labor Department for worker's compensation payments continues to accumulate and should be addressed as part of the fiscal year 1988 regular Treasury, Postal Service, and General Government Appropriation Bill.

The Conferees further acknowledge that under 39 U.S.C. 2002(a)(2) all liabilities attributable to operations of the former Post Office Department shall remain liabilities of "the Government of the United States," and that these obligations must ultimately be paid. Nevertheless, the Conferees recognize that these payments must be paid by the Federal Government and that the Labor Department must be reimbursed. To this end, the Conferees recommend that the Administration and the appropriate legislative committees of the House and Senate should consider providing an annual budget request to cover these payments to the Labor Department rather than indirectly through the Payment to the Postal Service Fund account.

GENERAL PROVISIONS

Amendment No. 256: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate amended to read as follows:

In lieu of the matter proposed by said amendment, insert the following:

CUSTOMS FORFEITURE FUND

TECHNICAL CORRECTION TO PUBLIC LAW 99-570

Section 1152(b) of Public Law 99-570 is repealed, and shall be treated as though it had never been enacted.

ALLOWANCES FOR CERTAIN GSA PERSONNEL

Notwithstanding sections 5923 and 5924, title 5, United States Code and any applicable regulations, the General Services Administration shall honor allowances initially authorized, resulting in an aggregate amount of $27,000 payable to twenty-one General Services Administration employees for certain cost of living and related expenses during official foreign duty from November 1984 through September 1985.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment makes a technical correction in legislation regarding the Customs

Forfeiture Fund and provides allowances for certain General Services Administration employees.

EFFECT OF REPORT LANGUAGE

The language set forth in Chapter XII of House Report 100-28 and Chapter XII of Senate Report 100-48 shall be compiled with unless specifically addressed in this statement of the managers to the contrary. Report language included by the House which is not changed by the Senate, and Senate report language which is not changed by this statement of the managers is approved by the Committee of Conference.

TITLE II

INCREASED PAY COSTS FOR THE FISCAL YEAR 1987 LEGISLATIVE BRANCH

SENATE

Amendment No. 257: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

ARCHITECT OF THE CAPITOL

SENATE OFFICE BUILDINGS

Amendment No. 258: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

EXECUTIVE OFFICE OF THE PRESIDENT

Amendment No. 259: Deletes an appropriation of $172,000 for the White House Office proposed by the House and stricken by the Senate.

Amendment No. 260: Deletes an appropriation of $43,000 for the Executive Residence at the White House proposed by the House and stricken by the Senate.

Amendment No. 261: Deletes an appropriation of $10,000 for Special Assistance to the President proposed by the House and stricken by the Senate.

Amendment No. 262: Deletes an appropriation of $16,000 for the Council of Economic Advisers proposed by the House and stricken by the Senate.

Amendment No. 263: Deletes an appropriation of $23,000 for the Office of Policy Development proposed by the House and stricken by the Senate.

Amendment No. 264: Deletes an appropriation of $28,000 for the National Security Council proposed by the House and stricken by the Senate.

Amendment No. 265: Deletes an appropriation of $57,000 for the Office of Administration proposed by the House and stricken by the Senate.

Amendment No. 266: Deletes an appropriation of $290,000 for the Office of Management and Budget proposed by the House and stricken by the Senate.

Amendment No. 267: Deletes an appropriation of $12,000 for the Office of Federal Procurement Policy proposed by the House and stricken by the Senate.

DEPARTMENT OF AGRICULTURE

Amendment No. 268: Restores heading "(Including Transfer of Funds)" which had been inserted by the House and deleted by the Senate.

Amendment No. 269: Appropriates $31,000 for the Office of the Secretary as proposed by the House instead of $53,000 as proposed by the Senate.

Amendment No. 270: Appropriates $7,000 for the Office of the Assistant Secretary for Administration as proposed by the House instead of $10,000 as proposed by the Senate.

Amendment No. 271: Appropriates $7,000 for the Office of the Assistant Secretary for Governmental and Public Affairs as proposed by the House instead of $10,000 as proposed by the Senate.

Amendment No. 272: Appropriates $7,000 for the Office of the Assistant Secretary for Science and Education as proposed by the House instead of $11,000 as proposed by the Senate.

Amendment No. 273: Appropriates $7,000 for the Office of the Assistant Secretary for Marketing and Inspection Services as proposed by the House instead of $11,000 as proposed by the Senate.

Amendment No. 274: Appropriates $8,000 for the Office of the Under Secretary for International Affairs and Commodity Programs as proposed by the House instead of $15,000 as proposed by the Senate.

Amendment No. 275: Appropriates $7,000 for the Office of the Assistant Secretary for Natural Resources and Environment as proposed by the House instead of $12,000 as proposed by the Senate.

Amendment No. 276: Appropriates $7,000 for the Office of the Assistant Secretary for Food and Consumer Services as proposed by the House instead of $10,000 as proposed by the Senate.

SOIL CONSERVATION SERVICE

Amendment No. 277: Appropriates $102,000 for river basin surveys and investigations as proposed by the House instead of $190,000 as proposed by the Senate.

Amendment No. 278: Appropriates $74,000 for watershed planning as proposed by the House instead of $136,000 as proposed by the Senate.

Amendment No. 279: Appropriates $943,000 for watershed and flood prevention operations as proposed by the House. The Senate amendment proposed to delete funds for this account.

FOREST SERVICE

Amendment No. 280: Appropriates $1,844,000 for forest research as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

Amendment No. 281: Appropriates $413,000 for State and private forestry as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

Amendment No. 282: Appropriates $17,574,000 for national forest system as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

Amendment No. 283: Appropriates $2,859,000 for construction as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

DEPARTMENT OF COMMERCE

NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION

Amendment No. 284: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the Senate amendment which transfers $243,000 from the National Telecommunications and Information Administration's "Public Telecommunications Facilities, Planning and Construction" account to the National Telecommunications and Information Administration's "Salaries and Expenses" account for increased pay costs, instead of transferring these funds for this purpose from the National Oceanic and Atmospheric Administration's "Operations, Research, and Facilities" account as proposed by the House.

DEPARTMENT OF ENERGY

Amendment No. 285: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

"ENERGY INFORMATION ADMINISTRATION"

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The effect of the amendment is to derive pay costs for the Energy Information Administration from unobligated amounts within the account, rather than from other accounts. Pay costs of $469,000 in the National Energy Information Systems Program will be derived from telephone and computer funds in the policy and management program which are not needed for that purpose.

Amendment No. 286: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following:

"EMERGENCY PREPAREDNESS"

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The effect of the amendment is to derive pay costs from unobligated amounts within the account rather than from other accounts. Pay costs of $89,000 can be absorbed because of lower than anticipated staffing levels.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

NATIONAL INSTITUTES OF HEALTH

Amendment No. 287: Deletes appropriation of $1,594,000 proposed by the Senate for the National Cancer Institute.

Amendment No. 288: Deletes appropriation of $628,000 proposed by the Senate for the National Heart, Lung and Blood Institute.

Amendment No. 289: Deletes appropriation of $211,000 proposed by the Senate for the National Institute of Dental Research.

Amendment No. 290: Deletes appropriation of $405,000 proposed by the Senate for the National Institute of Diabetes and Digestive and Kidney Diseases.

Amendment No. 291: Deletes appropriation of $498,000 proposed by the Senate for the National Institute of Allergy and Infectious Diseases.

Amendment No. 292; Deletes appropriation of $92,000 proposed by the Senate for the National Institute of General Medical Sciences.

Amendment No. 293: Deletes appropriation of $345,000 proposed by the Senate for the National Institute of Child Health and Human Development.

Amendment No. 294: Deletes appropriation of $119,000 proposed by the Senate for the National Eye Institute.

Amendment No. 295: Deletes appropriation of $266,000 proposed by the Senate for the National Institute of Environmental Health Sciences.

Amendment No. 296: Deletes appropriation of $193,000 proposed by the Senate for the National Institute on Aging.

Amendment No. 297: Deletes appropriation of $50,000 proposed by the Senate for the National Institute of Arthritis and Musculoskeletal and Skin Diseases.

Amendment No. 298: Appropriates $150,000 for the Office of the Director as proposed by the House instead of $252,000 as proposed by the Senate.

ASSISTANT SECRETARY FOR HUMAN DEVELOPMENT SERVICES

Amendment No. 299: Appropriates $1,300,000 for the Office of Human Development Services as proposed by the Senate instead of $500,000 as proposed by the House.

DEPARTMENTAL MANAGEMENT

Amendment No. 300: Appropriates $2,200,000 for General Departmental Management as proposed by the Senate instead of $1,500,000 as proposed by the House.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 301: Deletes language proposed by the House and stricken by the Senate transferring $9,714,000 to salaries and expenses from the various funds of the Federal Housing Administration.

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Amendment No. 302: Appropriates $815,000 for Oregon and California grant lands as proposed by the House and stricken by the Senate.

BUREAU OF MINES

Amendment No. 303: Deletes center heading proposed by the Senate to transfer funds to the Bureau of Mines.

Amendment No. 304: Appropriates $900,000 as proposed by the House instead of $1,442,000 to be derived by transfer from unobligated balances in Energy conservation as proposed by the Senate.

The managers agree that the Bureau is to absorb the balance of the funding needed for the pay increase ($737,000) from Executive Direction, mineral resources projects, and from mineral data analysis.

BUREAU OF RECLAMATION

Amendment No. 305: Appropriates $3,034,000 for pay costs for "Construction Program" and $1,808,000 for "Operation and Maintenance" as proposed by the Senate.

DEPARTMENTAL OFFICES

Amendment No. 306: Appropriates $175,000 for the Office of the Secretary instead of $350,000 as proposed by the House and nothing as proposed by the Senate.

Amendment No. 307: Appropriates $200,000 for the Office of the Solicitor as proposed by the House instead of $425,000 as proposed by the Senate.

Amendment No. 308: Appropriates $245,000 for the Office of the Inspector General as proposed by the Senate instead of $120,000 as proposed by the House.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

Amendment No. 309: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows $16,000 of the $64,000 appropriated to remain available until expended.

DEPARTMENT OF TRANSPORTATION

(INCLUDING TRANSFERS OF FUNDS)

OFFICE OF THE SECRETARY

Amendment No. 310: Provides $563,000, to be derived by transfer for salaries and expenses as proposed by the Senate instead of $750,000 to be derived by transfer as proposed by the House.

COAST GUARD

Amendment No. 311: Provides $16,100,000 for operating expenses instead of $15,100,000 as proposed by the Senate and $20,100,000 as proposed by the House.

Amendment No. 312: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following: *$3,000,000 shall be expended from the Boat Safety Account, $3,000,000 shall be derived from "Retired pay",*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

FEDERAL AVIATION ADMINISTRATION

Amendment No. 313: Provides $271,000 to be derived by transfer for headquarters administration as proposed by the Senate instead of $500,000 to be derived by transfer as proposed by the House.

Amendment No. 314: Appropriates $33,000,000 for operations as proposed by the Senate instead of $44,000,000, of which $8,500,000 shall be derived by transfer as proposed by the House.

FEDERAL HIGHWAY ADMINISTRATION

Amendment No. 315: Restores language that derives funds by transfer for motor carrier safety from section 311 of Public Law 96-131 as proposed by the House instead of language that derives funds by transfer from "Motor carrier safety grants" as proposed by the Senate.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Amendment No. 316: Appropriates $317,000 for operations and research instead of $317,000, to be derived by transfer as proposed by the Senate and $600,000 as proposed by the House.

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

Amendment No. 317: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Grants to the National Railroad Passenger Corporation", $5,000,000, to be derived from unobligated balances of "Redeemable preference shares" acquired by the Secretary of Transportation under the Railroad Revitalization and Regulatory Reform Act of 1976, to be available only for construction, rehabilitation, renewal, replacement, or other improvements deemed by the National Railroad Passenger Corporation to be needed to enable it to restore railroad passenger service between Springfield, Massachusetts and Montreal, Canada through Vermont: Provided, That any agreements entered into by the National Railroad Passenger Corporation for the performance of such improvements shall provide that the owners of any railroad lines so improved not construe the terms of any existing trackage rights agreement or any existing or future operating agreement between the National Railroad Passenger Corporation and the owners of any such railroad lines in a manner that would result in an increase in the rental or other payments made thereunder because of the expenditures made under this appropriation: Provided further, That any agreements entered into by the National Railroad Passenger Corporation for the performance of such improvements shall provide that the owners of any railroad lines so improved not seek to include the value of any expenditures made under this appropriation in the transfer price of any of the lines so improved: Provided further, That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall hereafter seek immediate and appropriate legal remedies to enforce its contractual rights whenever track maintenance on any route over which the National Railroad Passenger Corporation operates becomes inadequate or otherwise falls below the contractual standard.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees agree to grant to the National Railroad Passenger Corporation an additional $5 million to restore Amtrak's *Montrealer* railroad passenger service north of Springfield, Massachusetts. These funds are to be derived from unobligated balances of "Redeemable preference shares" that were previously reserved for projects of the Central Vermont Railroad and the Bangor & Aroostook Railroad. The conferees direct that the remaining $371,000 previously reserved for these railroads be made available for track rehabilitation needs of the Pioneer Valley Railroad.

The bill requires that the $5 million provided to Amtrak be made available only for the construction, rehabilitation, renewal, replacement, and other improvements needed to restore Amtrak service north of Springfield through Vermont to Montreal on reasonable business terms. The present route of the *Montrealer* includes two segments of track—Springfield to East Northfield, Massachusetts, and Brattleboro to Windsor, Vermont—owned by the Boston & Maine Railroad. Over the past several years, the condition of those two segments of track has been permitted to deteriorate to the point where passenger train service cannot safety be operated at speeds sufficient to make the service competitive or marketable.

The conferees understand that Amtrak has recently filed an arbitration action against the Boston & Maine Railroad, seeking to require that this track be maintained to the contractual standard. The conferees believe that Amtrak should have sought to enforce its contractual rights as soon as track maintenance became inadequate on this route, rather than waiting until deteriorating track conditions forced a cessation of railroad passenger service north of Springfield. The conferees direct that any arbitration award received by Amtrak in its proceedings against the Boston & Maine Railroad be used to offset the appropriation in this bill. The bill includes a permanent provision requiring that Amtrak not permit track conditions on other routes to similarly deteriorate without seeking immediate and appropriate legal remedies.

During the time that Amtrak's case against the Boston & Maine Railroad is proceeding, the conferees believe that it is critical for Amtrak to restore service on the *Montrealer* route. The conferees intend that Amtrak use the funds provided in this bill to fashion an effective, long-term approach to the provision of high quality rail passenger service north of Springfield through Vermont. Options that Amtrak should consider include, but are not limited to, rehabilitation of all or part of the existing route, as well as the improvement of alternative routes between Springfield and Windsor.

It is the intention of the conferees that $2.2 million of the funds made available be used for track rehabilitation work between Brattleboro and Windsor, Vermont, and that the remaining funds be used either to rehabilitate the remaining track segment or to improve an alternative route between Springfield and Vermont.

It is anticipated that Amtrak will contract with the owners of the railroad lines proposed to be used for this rail passenger service for the performance of the necessary improvement work. The bill requires that Amtrak condition any such contract on an agreement by the owners of the railroad lines to be improved not to seek reimbursement from Amtrak or other third parties for any expenditures made with the funds provided in this bill. Specifically, the conferees intend that the owners of the railroad lines to be improved not be permitted to construe the terms of any existing trackage rights agreement or any existing or future Amtrak operating agreement in a manner that would result in an increase in the rental or other payments made thereunder by virtue of the expenditures made pursuant to this appropriation.

In addition, the conferees are aware that there is a possibility that the affected railroad lines may be sold or otherwise transferred in the near future. It is the conferees' intention that the Boston & Maine Railroad not receive any windfall benefit by virtue of its failure to adequately maintain these lines, and bill language has therefore been included to preclude the value of any improvements made with this appropriation from being included in any transfer price.

FEDERAL RAILROAD ADMINISTRATION

Amendment No. 318: Provides $100,000 by transfer for office of the administrator as proposed by the Senate instead of $200,000 by transfer as proposed by the House.

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

Amendment No. 319: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

(TRANSFER OF FUNDS)

"Salaries and expenses", $165,000, to be derived by transfer from the unobligated balances of "Payments to air carriers";

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DEPARTMENT OF THE TREASURY

Amendment No. 320: Deletes a center heading proposed by the House and stricken by the Senate.

Amendment No. 321: Deletes an appropriation of $1,353,000 for the Office of the Secretary proposed by the House and stricken by the Senate.

Amendment No. 322: Deletes an appropriation of $118,000 for the Federal Law Enforcement Training Center proposed by the House and stricken by the Senate.

Amendment No. 323: Deletes an appropriation of $1,430,000 for the Financial Management Service proposed by the House and stricken by the Senate.

Amendment No. 324: Deletes an appropriation of $1,359,000 for the Bureau of Alcohol, Tobacco and Firearms proposed by the House and stricken by the Senate.

Amendment No. 325: Deletes an appropriation of $12,577,000 for the United States Customs Service proposed by the House and stricken by the Senate.

Amendment No. 326: Deletes an appropriation of $571,000 for the United States Mint proposed by the House and stricken by the Senate.

Amendment No. 327: Deletes an appropriation of $721,000 for the Bureau of the Public Debt proposed by the House and stricken by the Senate.

Amendment No. 328: Deletes appropriations for the Internal Revenue Service of $1,000,000 for salaries and expenses, $7,003,000 for processing tax returns, $13,700,000 for examination and appeals and $11,400,000 for investigation, collection and taxpayer service proposed by the House and stricken by the Senate.

Amendment No. 329: Deletes an appropriation of $2,045,000 for the United States Secret Service proposed by the House and stricken by the Senate.

ENVIRONMENTAL PROTECTION AGENCY

Amendment No. 330: Transfers $5,000,000 from research and development instead of $2,000,000 from buildings and facilities as proposed by the House and $9,000,000 from research and development as proposed by the Senate, deletes language proposed by the House and stricken by the Senate concerning laboratory construction, and deletes the proviso proposed by the Senate on proportional reductions.

In agreeing to transfer $5,000,000 from EPA's research and development account to cover additional salaries and expense costs, the conferees have dropped the proportionality language proposed by the Senate. This approach has been taken to give the Agency the flexibility to target reductions to lower priority areas, instead of requiring across-the-board reductions. Programs, projects, and activities which have received congressional add-ons should not be unfairly or disproportionately targeted. The Agency is directed to submit its proposals to the Committees on Appropriations through the normal reprogramming process.

GENERAL SERVICES ADMINISTRATION

Amendment No. 331: Deletes a center heading proposed by the House and stricken by the Senate.

Amendment No. 332: Deletes an appropriation of $1,233,000 for the Federal Supply Service proposed by the House and stricken by the Senate.

Amendment No. 333: Deletes an appropriation of $297,000 for Information Resources Management Service proposed by the House and stricken by the Senate.

Amendment No. 334: Deletes an appropriation of $177,500 for Federal Property Resources Service proposed by the House and stricken by the Senate.

Amendment No. 335: Deletes an appropriation of $912,000 for General Management and Administration proposed by the House and stricken by the Senate.

Amendment No. 336: Deletes an appropriation of $198,000 for the Office of Inspector General proposed by the House and stricken by the Senate.

Amendment No. 337: Deletes an appropriation of $3,000 for Allowances and Office Staff for Former Presidents proposed by the House and stricken by the Senate.

Amendment No. 338: Deletes language proposed by the House which would have increased limitations on the availability of revenue from the Federal Buildings Fund which was stricken by the Senate.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Amendment No. 339: Transfers $25,000,000 from Research and development and Space flight, control and data communications as proposed by the Senate instead of transferring $12,000,000 from Space flight, control and data communications as proposed by the House.

OTHER INDEPENDENT AGENCIES

Amendment No. 340: Deletes an appropriation of $34,000 for the Administrative Conference of the United States proposed by the House and stricken by the Senate.

Amendment No. 341: Deletes an appropriation of $8,000 for the Advisory Commission on Intergovernmental Relations proposed by the House and stricken by the Senate.

Amendment No. 342: Deletes an appropriation of $1,000 for the Advisory Committee on Federal Pay proposed by the House and stricken by the Senate.

Amendment No. 343: Appropriates $124,000 for the Arms Control and Disarmament Agency's increased pay cost requirements as proposed by the House and stricken by the Senate. The Senate bill contained no provision on this item.

Amendment No. 344: Deletes an appropriation of $4,000 for the Committee for Purchase from the Blind and Other Severely Handicapped proposed by the House and stricken by the Senate.

Amendment No. 345: Deletes an appropriation of $136,000 for the Federal Labor Relations Authority proposed by the House and stricken by the Senate.

Amendment No. 346: Deletes an appropriation to the Merit Systems Protection Board for: $170,000 for salaries and expenses, and $42,000 for the Office of Special Counsel proposed by the House and stricken by the Senate.

Amendment No. 347: Deletes an appropriation of $592,000 for the National Archives and Records Administration proposed by the House and stricken by the Senate.

Amendment No. 348: Deletes an appropriation of $731,000 and transfer authority of $435,000 for the Office of Personnel Management proposed by the House and stricken by the Senate.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

Amendment No. 349: Restores language proposed by the House and stricken by the Senate appropriating $19,000 for increased pay costs for the Holocaust memorial council.

Amendment No. 350: Deletes an appropriation of $150,000 for the United States Tax Court proposed by the House and stricken by the Senate.

TITLE III—INCREASED COSTS FOR RETIREMENT CONTRIBUTIONS

(PUBLIC LAW 99-335)

LEGISLATIVE BRANCH

SENATE

Amendment No. 351: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

ARCHITECT OF THE CAPITOL

SENATE OFFICE BUILDINGS

Amendment No. 352: Reported in technical disagreement. Inasmuch as the amendment relates solely to the Senate, and in accord with long practice under which each body determines its own housekeeping requirements and the other concurs without intervention, the managers on the part of the House will offer a motion to recede and concur in the Senate amendment.

DEPARTMENT OF AGRICULTURE

EXTENSION SERVICE

Amendment No. 353: Provides that the appropriation of $6,500,000 for the Extension Service shall be available for the Extension Service, "including extension agents" as proposed by the Senate. The House appropriated $6,500,000 for the Extension Service without specific mention of the extension agents.

FOREST SERVICE

Amendment No. 354: Appropriates $1,000,000 for forest research as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

Amendment No. 355: Appropriates $190,000 for State and private forestry as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

Amendment No. 356: Appropriates $9,300,000 for national forest system as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

Amendment No. 357: Appropriates $1,600,000 for construction as proposed by the Senate, instead of deriving the same amount by transfer from the purchaser election permanent appropriation as proposed by the House.

DEPARTMENT OF DEFENSE—CIVIL

SOLDIERS' AND AIRMEN'S HOME

Amendment No. 358: Inserts language proposed by the Senate which would ensure that no more will be drawn from the Home's Capital outlay account than is needed for retirement expenses.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

HEALTH RESOURCES AND SERVICES ADMINISTRATION

Amendment No. 359: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which transfers $1,400,000 from unobligated balances for federal retirement costs at the Health Resources and Services Administration.

NATIONAL INSTITUTES OF HEALTH

Amendment No. 360: Deletes appropriation of $3,533,000 proposed by the Senate for the National Cancer Institute.

Amendment No. 361: Deletes appropriation of $1,146,000 proposed by the Senate for the National Heart, Lung and Blood Institute.

Amendment No. 362: Deletes appropriation of $368,000 proposed by the Senate for the National Institute of Dental Research.

Amendment No. 363: Deletes appropriation of $703,000 proposed by the Senate for the National Institute of Diabetes and Digestive and Kidney Diseases.

Amendment No. 364: Deletes appropriation of $495,000 proposed by the Senate for the National Institute of Neurological and Communicative Disorders and Stroke.

Amendment No. 365: Deletes appropriation of $861,000 proposed by the Senate for the National Institute of Allergy and Infectious Diseases.

Amendment No. 366: Deletes appropriation of $260,000 proposed by the Senate for the National Institute of General Medical Sciences.

Amendment No. 367: Deletes appropriation of $570,000 proposed by the Senate for the National Institute of Child Health and Human Development.

Amendment No. 368: Deletes appropriation of $233,000 proposed by the Senate for the National Eye Institute.

Amendment No. 369: Deletes appropriation of $131,000 proposed by the Senate for the National Institute of Environmental Health Sciences.

Amendment No. 370: Deletes appropriation of $365,000 proposed by the Senate for the National Institute on Aging.

Amendment No. 371: Deletes appropriation of $101,000 proposed by the Senate for the National Institute of Arthritis and Musculoskeletal and Skin Diseases.

Amendment No. 372: Appropriates $350,000 for the Office of the Director as proposed by the House instead of $503,000 as proposed by the Senate.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Amendment No. 373: Deletes language proposed by the House and stricken by the Senate transferring $9,755,000 to salaries and expenses from the various funds of the Federal Housing Administration.

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

Amendment No. 374. Appropriates $3,780,000 for management of lands and resources as proposed by the Senate instead of $454,000 as proposed by the House.

The managers agree that any unfunded retirement costs should be absorbed on a pro rata, across-the-board basis.

Amendment No. 375. Appropriates $479,000 for Oregon and California grant lands as proposed by the House and stricken by the Senate.

GEOLOGICAL SURVEY

Amendment No. 376. Appropriates $4,206,000 for surveys, investigations, and research as proposed by the House instead of $1,236,000 as proposed by the Senate.

BUREAU OF RECLAMATION

Amendment No. 377. Appropriates $2,350,000 for retirement contributions for "Construction Program" and $1,567,000 "Operation and Maintenance" as proposed by the Senate.

DEPARTMENTAL OFFICES

Amendment No. 378. Appropriates $200,000 for the Office of the Secretary instead of $400,000 as proposed by the House and nothing as proposed by the Senate.

DEPARTMENT OF JUSTICE

LEGAL ACTIVITIES

Amendment No. 379. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate which allows $22,000 of the $85,000 appropriated to remain available until expended.

DEPARTMENT OF TRANSPORTATION

COAST GUARD

Amendment No. 380. Provides $1,723,200 by transfer for operating expenses as proposed by the Senate instead of $2,000,000 by transfer as proposed by the House.

FEDERAL AVIATION ADMINISTRATION

Amendment No. 381. Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert the following: *$46,000,000 of which $5,000,000 shall be derived by transfer from "Retired pay": Provided, That, notwithstanding Sec. 511 of this Act or any other provision of law, such funds shall remain available until expended;*

The managers on the part of the Senate will move to concur in the amendment of the Senate to the amendment of the House.

FEDERAL HIGHWAY ADMINISTRATION

Amendment No. 382: Restores language that derives funds by transfer for motor carrier safety from section 311 of Public Law 96-131 as proposed by the House instead of language that derives funds from "Motor carrier safety grants" as proposed by the Senate.

NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

Amendment No. 383: Deletes language proposed by the Senate that derives funds by transfer for operations and research from section 311 of Public Law 96-131.

FEDERAL RAILROAD ADMINISTRATION

Amendment No. 384: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that derives $100,000 for office of the administrator from unobligated balances of "Conrail labor protection".

Amendment No. 385: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate that derives $135,000 of the funds for railroad safety from unobligated balances of "Conrail labor protection".

OFFICE OF THE INSPECTOR GENERAL

Amendment No. 386: Provides $354,400 by transfer for salaries and expenses as proposed by the Senate instead of $400,000 by transfer as proposed by the House.

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

Amendment No. 387: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

(TRANSFER OF FUNDS)

"Salaries and expenses", $150,000, to be derived by transfer from unobligated balances of "Payments to air carriers";

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

DEPARTMENT OF THE TREASURY

Amendment No. 388: Deletes an appropriation of $3,428,000 for the Bureau of Alcohol, Tobacco and Firearms proposed by the House and stricken by the Senate.

INTERNAL REVENUE SERVICE

Amendment No. 389: Deletes an appropriation of $3,110,000 for salaries and expenses proposed by the House and stricken by the Senate.

Amendment No. 390: Appropriates $81,854,000 for processing tax returns as proposed by the House instead of $71,427,000 as proposed by the Senate.

Amendment No. 391: Appropriates $23,325,000 for examination and appeals as proposed by the House instead of $20,354,000 as proposed by the Senate.

Amendment No. 392: Appropriates $11,711,000 for investigation, collection and taxpayer service as proposed by the House instead of $10,219,000 as proposed by the Senate.

ENVIRONMENTAL PROTECTION AGENCY

Amendment No. 393: Deletes center head inserted by the Senate.

Amendment No. 394: Appropriates $5,000,000 for salaries and expenses as proposed by the House instead of providing $2,000,000 of that amount by transfer as proposed by the Senate and deletes a proviso on proportional reductions proposed by the Senate.

GENERAL SERVICES ADMINISTRATION

FEDERAL BUILDINGS FUND

Amendment No. 395: Makes technical change to a center heading as proposed by the Senate.

Amendment No. 396: Establishes a limitation on the amount available for real property operations of $758,284,000 as proposed by the Senate instead of $761,024,000 as proposed by the House.

Amendment No. 397: Establishes a limitation on the amount available for program direction and centralized services of $57,315,000 as proposed by the Senate instead of $57,444,000 as proposed by the House.

Amendment No. 398: Establishes a limitation on the amount available for design and construction services of $63,807,000 as proposed by the Senate instead of $64,009,700 as proposed by the House.

Amendment No. 399: Establishes a limitation on the total amount available from the Federal Buildings Fund of $2,453,518,700 as proposed by the Senate instead of $2,456,589,700 as proposed by the House.

OTHER INDEPENDENT AGENCIES

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

Amendment No. 400: Restores language proposed by the House and stricken by the Senate appropriating $16,000 for increased costs associated with the Federal Employees' Retirement System for the Holocaust Memorial Council.

TITLE IV

URGENT RELIEF FOR THE HOMELESS SUPPLEMENTAL APPROPRIATIONS ACT OF 1987

Amendment Nos. 401-408: Deletes language proposed by the House and stricken by the Senate providing for homeless programs in the Department of Housing and Urban Development, the Federal Emergency Management Agency and the Veterans Administration. Funds for homeless programs in these agencies are included in Amendment numbered 415.

DEPARTMENTS OF EDUCATION AND HEALTH AND HUMAN SERVICES

The conference agreement includes a substantial increase in funds for health and education services for homeless Americans based on new legislation recently passed by the Congress. This legislation, H.R. 558—the Stewart B. McKinney Homeless Assistance Act, passed the House of Representatives on March 5, 1987 and the Senate on April 9, 1987. The conference agreement on H.R. 558 was filed on June 19, 1987 (House Report 100-174) and is expected to be considered by the House and Senate in the very near future. Because of the urgent need to provide funding in this area, the conferees have agreed to provide funds prior to final enactment of the new law based on the conference agreement on H.R. 558. The funding agreement provides the following amounts:

	House	Senate	Conference
Health resources and services:			
Health care for homeless	$75,000,000	$30,000,000	$46,000,000
Alcohol, drug abuse and mental health:			
Mental health demonstrations	25,000,000		9,300,000
Homeless block grant		75,000,000	32,200,000
Substance abuse demonstrations			9,200,000
Community services block grant	45,000,000	20,000,000	36,800,000
Education:			
Special programs, homeless children		2,500,000	4,600,000
Adult literacy		10,000,000	6,900,000
Total	145,000,000	137,500,000	145,000,000

It is the intention of the Conferees that these funds be allocated among the States as provided for in the new authorization and that they support new programs as provided for under each of the various provisions of the Homeless Assistance Act as described in House Report 100-174.

Amendment No. 409: Deletes chapter number as proposed by the Senate.

Amendment No. 410: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $46,000,000 to remain available through September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The amount agreed to by the conferees will support a new grant program to meet both the physical and mental health needs of the homeless. Grants are to be awarded to public and nonprofit health providers for the delivery of outpatient health services to the homeless, including primary care, substance abuse treatment, and mental health services.

Amendment No. 411: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

For an additional amount for "Alcohol, drug abuse and mental health", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $50,700,000 to remain available through September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The new authorization for the homeless, H.R. 558, provides for three separate activities for the homeless administered by the Alcohol, Drug Abuse and Mental Health Administration and the conference agreement allocates funding for each of these new programs. Of the total amount agreed to by the conferees, $9,300,000 is for new community mental health demonstration projects. This program will provide community-based services to chronically mentally ill adults and children who are homeless or at risk of homelessness. The conference agreement also provides $32,200,000 for the homeless mental health services block grant. Under this program grants will be awarded for emergency projects such as outpatient mental health services, training, case management, support and supervisory services. For alcohol and drug abuse demonstration projects, the conference agreement provides $9,200,000, which will be used for developing alcohol and drug abuse treatment services.

Amendment No. 412: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment insert the following:

FAMILY SUPPORT ADMINISTRATION

OFFICE OF COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

For an additional amount for "Community services block grant", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $36,800,000 to remain available through September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides funding for emergency community services homeless grants. These funds are to be administered by community action agencies and other eligible entities that are currently providing emergency services to the homeless. Also included within this appropriation is $200,000 to support the Interagency Council on the Homeless as proposed by the Senate.

Amendment No. 413: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

DEPARTMENT OF EDUCATION

SPECIAL PROGRAMS

For an additional amount for "Special programs", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $4,600,000 to remain available through September 30, 1988.

VOCATIONAL AND ADULT EDUCATION

For an additional amount for "Vocational and adult education", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $6,900,000 to remain available through September 30, 1988.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement provides that these funds will be used to establish an Office of Coordinator of Education of Homeless Children and Youth. This office is responsible for developing and implementing plans to educate homeless children and ensuring that these children have access to all education services provided to non-homeless children.

The conference agreement also provides that funds will be given to State educational agencies to develop and implement programs of literacy training and basic skills improvement for adult homeless individuals.

HOMELESS AUTHORIZATION

Amendment No. 414: This language, which enacted the Homeless Authorization Act, is deleted because a conference report providing for the Homeless Authorization has now been filed and is awaiting action in the House and Senate.

Amendment No. 415: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EMERGENCY SHELTER GRANTS PROGRAM

For an additional amount for the emergency shelter grants program carried out by the Department of Housing and Urban Development as authorized in the Homeless Housing Act of 1986 under section 101(g) of Public Law 99-500 and Public Law 99-591, subject to the requirements for such program in the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174, $50,000,000, to remain available until expended.

SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

For an additional amount for the transitional housing demonstration program carried out by the Department of Housing and Urban Development as authorized in the Homeless Housing Act of 1986 under section 101(g) of Public Law 99-500 and Public Law 99-591, subject to the requirements of the supportive housing demonstration program in the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174, $80,000,000 to remain available until expended.

SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

For grants for supplemental assistance for facilities to assist the homeless pursuant to the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174, $15,000,000, to remain available until expended.

SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS

The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is increased by $35,000,000, to remain available until expended: Provided, That such amount of budget authority is to be used only to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174.

FEDERAL EMERGENCY MANAGEMENT AGENCY

EMERGENCY FOOD AND SHELTER PROGRAM

For an additional amount for the "Emergency food and shelter program", as authorized by section 101(g) of Public Law 99-500 and Public Law 99-591, and H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $10,000,000.

VETERANS' ADMINISTRATION

MEDICAL CARE

For an additional amount for "Medical care", $20,000,000, to remain available through September 30, 1988, of which $15,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $5,000,000 shall be available, notwithstanding section 2(c) of Public Law 100-6, for furnishing care under section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: Provided, That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishings of such care and, in furtherance of such purpose, to maintain an additional 10 full-time-employee equivalents: Provided further, That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees have agreed to provide the following levels for those homeless programs under the jurisdiction of the Department of Housing and Urban Development, the Federal Emergency Management Agency, and the Veterans' Administration.

	House bill	Senate bill	Conference agreement
Department of Housing and Urban Development:			
Grants for facilities to assist the homeless	$75,000,000		
Transitional Housing Demonstration Program	30,000,000	$80,000,000	[1] $80,000,000
Emergency Shelter Grants Program	100,000,000		50,000,000
Permanent housing for handicapped homeless persons	25,000,000		
Section 8 existing		50,000,000	
Section 8 moderate rehabilitation (SRO)		40,000,000	35,000,000
Supplemental assistance grants			15,000,000
Federal Emergency Management Agency: emergency food and shelter	50,000,000		10,000,000
Veterans Administration: Veterans Domiciliary Program (by transfer)	(20,000,000)	10,000,000	15,000,000
Chronic Mental Illness Program		10,000,000	5,000,000
Total	280,000,000	190,000,000	210,000,000

[1] Includes $15,000,000 for handicapped housing; $20,000,000 for transitional housing for families; and $30,000,000 for transitional housing for deinstitutionalized individuals.

TITLE V

GENERAL PROVISIONS

Amendment No. 416: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment, as follows:

In lieu of the matter stricken and inserted, insert the following:

SEC. 503. (a)(1) Except as provided in subsection (b) or (c), none of the funds appropriated or made available by this Act, or any other Act, with respect to any fiscal year, shall be available to administer or implement any drug testing pursuant to Executive Order Numbered 12564 (dated September 15, 1986), or any subsequent order, unless and until—

(A) the Secretary of Health and Human Services certifies in writing to the Committees on Appropriations of the House of Representatives and the Senate, and other appropriate committees of the Congress, that—

(i) each agency has developed a plan for achieving a drug-free workplace in accordance with Executive Order Numbered 12564 and applicable provisions of law (including applicable provisions of this section);

(ii) the Department of Health and Human Services, in addition to the scientific and technical guidelines dated February 13, 1987, and any subsequent amendments thereto, has, in accordance with paragraph (3), published mandatory guidelines which—

(I) establish comprehensive standards for all aspects of laboratory drug testing and laboratory procedures to be applied in carrying out Executive Order Numbered 12564, including standards which require the use of the best available technology for ensuring the full reliability and accuracy of drug tests and strict procedures governing the chain of custody of specimens collected for drug testing;

(II) specify the drugs for which Federal employees may be tested; and

(III) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform drug testing in carrying out Executive Order Numbered 12564; and

(iii) all agency drug-testing programs and plans established pursuant to Executive Order Numbered 12564 comply with applicable provisions of law, including applicable provisions of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), title 5 of the United States Code, and the mandatory guidelines under clause (ii);

(B) the Secretary of Health and Human Services has submitted to the Congress, in writing, a detailed, agency-by-agency analysis relating to—

(i) the criteria and procedures to be applied in designating employees or positions

for drug testing, including the justification for such criteria and procedures;

(ii) the position titles designated for random drug testing; and

(iii) the nature, frequency, and type of drug testing proposed to be instituted; and

(C) the Director of the Office of Management and Budget has submitted in writing to the Committees on Appropriations of the House of Representatives and the Senate a detailed, agency-by-agency analysis (as of the time of certification under subparagraph (A)) of the anticipated annual costs associated with carrying out Executive Order Numbered 12564 and all other requirements under this section during the 5-year period beginning on the date of the enactment of this Act.

(2) Notwithstanding subsection (g), for purposes of this subsection, the term "agency" means—

(A) the Executive Office of the President;

(B) an Executive department under section 101 of title 5, United States Code;

(C) the Environmental Protection Agency;

(D) the General Services Administration;

(E) the National Aeronautics and Space Administration;

(F) the Office of Personnel Management;

(G) the Small Business Administration;

(H) the United States Information Agency; and

(I) the Veterans' Administration;

except that such term does not include the Department of Transportation or any other entity (or component thereof) covered by subsection (b).

(3) Notwithstanding any provision of chapter 5 of title 5, United States Code, the mandatory guidelines to be published pursuant to subsection (a)(1)(A)(ii) shall be published and make effective exclusively according to the provisions of this paragraph. Notice of the mandatory guidelines proposed by the Secretary of Health and Human Services shall be published in the Federal Register, and interested persons shall be given not less than 60 days to submit written comments on the proposed mandatory guidelines. Following review and consideration of written comments, final mandatory guidelines shall be published in the Federal Register and shall become effective upon publication.

(b)(1) Nothing in subsection (a) shall limit or otherwise affect the availability of funds for drug testing by—

(A) the Department of Transportation;

(B) Department of Energy, for employees specifically involved in the handling of nuclear weapons or nuclear materials;

(C) any agency with an agency-wide drug-testing program in existence as of September 15, 1986; or

(D) any component of an agency if such component had a drug-testing program in existence as of September 15, 1986.

(2) The Departments of Transportation and Energy and any agency or component thereof with a drug-testing program in existence as of September 15, 1986—

(A) shall be brought into full compliance with Executive Order Numbered 12564 no later than the end of the 6-month period beginning on the date of the enactment of this Act; and

(B) shall take such actions as may be necessary to ensure that their respective drug-testing programs or plans are brought into full compliance with the mandatory guidelines published under subsection (a)(1)(A)(ii) no later than 90 days after such mandatory guidelines take effect, except that any judicial challenge that affects such guidelines should not affect drug-testing programs or plans subject to this paragraph.

(c) In the case of an agency (or component thereof) other than an agency as defined by subsection (a)(2) or an agency (or component thereof) covered by subsection (b), none of the funds appropriated or made available by this Act, or any other Act, with respect to any fiscal year, shall be available to administer or implement any drug testing pursuant to Executive Order Numbered 12564, or any subsequent order, unless and until—

(1) the Secretary of Health and Human Services provides written certification with respect to that agency (or component) in accordance with clauses (i) and (iii) of subsection (a)(1)(A);

(2) the Secretary of Health and Human Services has submitted a written, detailed analysis with respect to that agency (or component) in accordance with subsection (a)(1)(B); and

(3) the Director of the Office of Management and Budget has submitted a written, detailed analysis with respect to that agency (or component) in accordance with subsection (a)(1)(C).

(d) Any Federal employee who is the subject of a drug test under any program or plan shall, upon written request, have access to—

(1) any records relating to such employee's drug test; and

(2) any records relating to the results of any relevant certification, review, or revocation-of-certification proceedings, as referred to in subsection (a)(1)(A)(ii)(III).

(e) The results of a drug test of a Federal employee may not be disclosed without the prior written consent of such employee, unless the disclosure would be—

(1) to the employee's medical review official (as defined in the scientific and technical guidelines referred to in subsection (a)(1)(A)(ii));

(2) to the administrator of any Employee Assistance Program in which the employee is receiving counseling or treatment or is otherwise participating;

(3) to any supervisory or management official within the employee's agency having authority to take the adverse personnel action against such employee; or

(4) pursuant to the order of a court of competent jurisdiction where required by the United States Government to defend against any challenge against any adverse personnel action.

(f) Each agency covered by Executive Order Numbered 12564 shall submit to the Committees on Appropriations of the House of Representatives and the Senate, and other appropriate committees of the Congress, an annual report relating to drug-testing activities conducted by such agency pursuant to such executive order. Each such annual report shall be submitted at the time of the President's budget submission to the Congress under section 1105(a) of title 31, United States Code.

(g) For purposes of this section, the terms "agency" and "Employee Assistance Program" each has the meaning given such term under section 7(b) of Executive Order Numbered 12564, as in effect on September 15, 1986.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conferees recommend language to restrict Federal employee drug testing initiated under Executive Order 12564 until certain conditions have been met. Some of the most important concerns addressed in this language are as follows:

(I) *Uniformity is achieved among plans* developed by agencies to assure that Federal workers employed by different agencies who are similarly situated receive similar treatment, and that random testing of Federal employees is not implemented on an ad hoc basis;

(II) *Reliable and accurate drug testing* is undertaken through the enforcement or rigorous laboratory procedures as well as strict procedures governing the chain of custody of specimens;

(III) *Current law protections* afforded Federal employees are continued in agency drug testing programs, specifically protections of the Rehabilitation and Civil Service Acts;

(IV) *The costs* of the Federal Government's Drug Testing Program are known before implementation of testing;

(V) *Full access* to drug testing records of employees is assured to those employees;

(VI) *Confidentiality* of drug testing results is protected; and

(VII) *Continued, centralized oversight* of the Federal Government's Drug Testing Program exists.

The conferees note that the key element for any testing program is the credibility of the laboratory standards. Such standards must be as rigorous as possible, and to ensure this, an opportunity for public and expert review of these standards has been provided by the conferees. Such standards should provide at a minimum for: strict chain of custody procedures, such as qualified collection site monitors, sterile sample taking, and direct labeling, handling, and testing standards which use the best available technology for ensuring the full reliability and accuracy of drug tests.

To ensure that these standards are carefully adhered to by laboratories, the mandatory guidelines must provide for periodic review and clear standards for revocation of laboratory certification. It is the expectation of the conferees that such review would occur frequently but no less than once a year.

In order to protect the public health and safety, the conferees have exempted the Department of Transportation and certain employees within the Department of Energy, as well as all those agencies or components of agencies which were testing when the executive order was issued. A complete listing of those agencies follows:

The Department of Transportation;

Those employees of the Department of Energy directly responsible for handling nuclear weapons or nuclear fuel;

The Central Intelligence Agency;

The Bureau of Prisons;

The Drug Enforcement Administration;

The Federal Bureau of Investigation;

The Immigration and Naturalization Service;

The Department of the Army;

The Customs Service;

The Bureau of Alcohol, Tobacco, and Firearms; and

The Secret Service.

These agencies may continue and modify current drug testing programs. However, it is the conferees intent that these exempted agencies comply fully with the executive order within 6 months and the provisions of this Act by the dates specified. The conferees direct that these agencies complete the reporting certifications to the Congress required by this act of other agencies implementing drug testing under Executive Order 12564.

The conferees are concerned that existing law does not provide an employee easy access to the results of the employee's drug test and the laboratory certification and review results. By guaranteeing such access upon the written request of the employee, the conferees have assured that each employee will be afforded such access.

The conferees are also concerned that access to the results of an employee's drug test is carefully defined to avoid misuse and the possibility of criminal prosecution or any adverse action by any other agency or individual. The drug test results therefore may only be released to specifically defined persons within the agency and in any other circumstances only with the voluntary written permission of the employee.

Finally, the conferees are aware that the legality and constitutionality of drug testing of Federal workers is currently undergoing extensive litigation. Because of this, it is the conferees intent to remain neutral on these issues until the courts have made final rulings. Therefore, this language should not be construed as either supporting or opposing the constitutionality of Executive Order 12564.

Amendment No. 417: Restores language inserted by the House and stricken by the Senate which mandates that certain information be provided to the Committees on Appropriations prior to centralizing, consolidating or re-deploying Customs Service Air Operations.

The Conferees concur with the House provision which would require the Secretary of the Treasury to report to the Committee on Appropriations of the House and Senate before implementing any centralization, consolidation, or redeployment of Customs air operations. However, the Conferees intend that this language shall only apply to *permanent* centralizations, consolidations, or redeployment of Customs air operations, rather than to routine or special temporary operations that are conducted during the regular course of Customs air interdiction mission activities.

Amendment No. 418: Deletes language proposed by the House and stricken by the Senate regarding transfer or sale of the Customs House in Boston, Massachusetts.

Amendment No. 419: Restores language proposed by the House and stricken by the Senate, with a change in the first section number from "506" to "505". The House language restored by the conference agreement prohibits the Department of Transportation or the Maritime Administration from using funds appropriated or made available by this or any other Act or otherwise appropriated or made available to the Secretary of Transportation or the Maritime Administration for purposes of administering the Merchant Marine Act, 1936, as amended, to propose, promulgate or implement any rule or regulation concerning vessels which repaid subsidy under the rule issued by the Secretary of Transportation on May 3, 1985, and vacated by the U.S. Court of Appeals for the District of Columbia on January 16, 1987; conduct any adjudicatory proceeding; execute or perform any contract; or participate in any judicial action concerning repayment of construction differential subsidy for the permanent release of vessels from the restrictions in section 506 of the Merchant Marine Act of 1936, as amended. The language also provides that the restrictions on the use of such funds do not apply to the extent that such expenditures relate to a rule which conforms to statutory standards hereafter enacted by Congress. The Senate bill contained no provision on this matter.

Amendment No. 420: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter stricken, insert the following:

SEC. 506. Notwithstanding any other provision of this Act, appropriations made by title I of this Act for the following account shall be as follows:

Immigration and Naturalization Service, Salaries and Expenses, $137,216,000.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 421: Deletes language proposed by the House that prohibits funds for the closing of FAA's flight service station located at Youngstown, Ohio.

The conferees direct the Federal Aviation Administration to abide by the 1973 stipulation between the City of Youngstown and the FAA that this flight service station will not be closed until further authorized by Congress.

Amendment No. 422: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment changing the first section number. The Senate amendment agreed to by the conference repeals the provision included in the Department of Justice Appropriation Act, 1987 which prohibited immigration pre-inspection services at Shannon International Airport or Gander International Airport.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 423: Deletes Sec. 505 proposed by the Senate which would have extended the public information period associated with employer sanctions of the Immigration Reform and Control Act from six months to ten months.

The Conferees wish to emphasize that it is not their intent to legislatively delay the implementation of employer sanctions. Instead, the following language is intended to clarify and delineate those administrative policies of the Immigration and Naturalization Service (INS) which recognize that some employers are not at this time fully aware of the requirements and their responsibilities under the Immigration Law.

The Conferees understand that the INS will continue to follow its current policies and practices regarding the enforcement of sanctions against employers for the duration of the citation/warning period (June 1987-June 1988). At the current time, INS is not issuing a warning for a violation due to unlawful hiring or failing to verify new hires until an employer is provided a personal consultation with respect to the requirements of the new immigration law. However, in the case of continued noncompliance, after such a consultation, a warning could then be issued. Those who disregard both (1) the information and advice provided during the consultation and (2) the further instruction of the warning notice would then—but only then—be subject to monetary penalties.

In addition, the Conferees expect that the current rule, which requires verification within three days of employment of individuals hired after June 1, 1987, be postponed until September 1, 1987. The Conferees believe this action is necessary because most employers have not been sent the Government Verification Form (I-9) and handbook that was to be distributed to employers by the Attorney General no later than June 1, 1987. The Conferees direct the INS to fully disseminate the forms and handbook by August 1, 1987. Finally, in order to protect workers who may be subject to discrimination brought as a result of a lack of employer understanding of the sanctions, the INS is directed to more widely publicize the requirements of the new law and their current policies in enforcing it.

Concerning the Special Agricultural Workers (SAW) program, the conferees take note of the fears of shortages of agricultural labor in the West and view positively the following actions taken by the Immigration Service:

1. Opening of two additional consular offices in Mexico and one INS office on the border to process overseas SAW applicants; and
2. Creation of procedures to expedite the processing of overseas SAW applications.

The conferees intend that the Immigration Service provide for the immediate admission of aliens who present a non-frivolous claim to SAW status. The conferees further intend that the appropriate standard for determining admissibility shall be the definition of "non-frivolous" provided in House Report 99-1000, p. 96-97, 99th Congress 2d Session.

Amendment No. 424: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment that changes the section number. The Senate provision prohibits the use of funds in this or any other Act from being used to facilitate the sale of M-833 antitank shells. Countries which are members of NATO or designated as major non-NATO allies are exempted from the provision.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 425: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter proposed by said amendment, insert the following:

SEC. 509. None of the funds made available by this or any other Act may be used for the purpose of restarting the N-Reactor at the Hanford Reservation, Washington during fiscal year 1987. For the purposes of this paragraph the term "restarting" shall mean any activity related to the operation of the N-Reactor that would achieve criticality, generate fission products within the reactor or discharge cooling water from nuclear operations: Provided further, That this provision does not require a change in the current fuel status of the reactor.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 426: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment that changes the section number. The Senate provision prohibits the use of funds in this or any other Act from being used to relocate the Peace Corps Headquarters outside of the District of Columbia.

The conferees agree that this action relates only to the issues surrounding the location of the Peace Corps Headquarters and should not be used as a precedent for determining other Federal government office relocation policies in the National Capital region.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 427: Reported in technical disagreement. The Managers on the part of the House will offer a moton to recede and concur in the amendment of the Senate amended as follows:

In lieu of "Sec. 509." named in said amendment, insert the following: *Sec. 511.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This amendment requires that funds appropriated for costs of the Federal Employees Retirement System be used only for that purpose and any funds not so used shall lapse.

Amendment No. 428: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment that changes the section number. The Senate provision inserts a congressional finding on Angola.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 429: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment insert *513.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The Senate amendment prohibits the Department of Health and Human Services from promulgating or implementing any policy intended to establish a mandatory holding period for the payment of Medicare claims. The House bill included no similar provision.

Amendment No. 430: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment that changes the section number. The Senate provision provides a Sense of the Senate statement that none of the funds in this Act may be used for the payment of severance pay to employees of the World Bank.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

Amendment No. 431: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert the following: *515*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement appropriates $27,000,000 for AIDS testing, counseling and minority education activities, mandates an outlay reduction of $18,000,000 in Government-wide travel costs, and changes section number. The House contained no similar provision.

Amendment No. 432: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the section number named in said amendment, insert the following: *516*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement amends the fiscal year 1987 D.C. Appropriations Act (H.R. 5175, P.L. 99-500 and P.L. 99-591) by (1) removing the requirement that the Board of Trustees of the University of the District of Columbia approve the acquisition or merger of the Antioch School of Law prior to the use of $1,146,000 for the operation of the law school, and (2) requiring that the interim Board of Governors of the new District of Columbia School of Law submit a report by October 1, 1987, on the anticipated operating and capital expenses of the new law school for the next five years and stipulating that the report include a statement from the American Bar Association on the current status of an accreditation proposal for the new school.

In approving this language, the conferees believe that it is important to point out that this action conforms the fiscal year 1987 District of Columbia Appropriations Act with current D.C. Law 6-177, which was passed subsequent to final action on such Act. This change was requested by nine members of the District of Columbia Council.

The conferees are concerned about the possible long-term costs to the District of the operation of a public law school. For this reason the conferees look forward to the report due October 1, 1987, on the anticipated operating and capital expenses of the institution for the next five years and the District's further justification for this facility during next year's hearing. In the interim, the conferees intend that the governing board of the law school keep the Mayor, the Council, and the House and Senate Committees on Appropriations informed of their plans as well as any problems that may develop.

Amendment No. 433: Deletes Senate language appropriating $500,000 for orphan drug grants and contracts for the Food and Drug Administration. An additional $500,000 for this purpose is included in amendment numbered 226. The conference agreement also deletes a Senate provision reducing governmentwide travel by $500,000.

Amendment No. 434: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of Sec. 516 named in said amendment, insert the following: *Sec. 517.*

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement includes Senate language which provides that it is the sense of the Senate that the Commodity Credit Corporation in implementing regulations to establish the percentage share or metric tonnage of commodities under the Merchant Marine Act should respect the intent as well as the letter of the agreement entered into by and between the representatives of Great Lakes ports and Gulf ports and that, so far as practicable, Great Lakes ports be accorded the full proportion of tonnage contemplated thereby.

Amendment No. 435: Senate recedes.

Amendment No. 436: Reported in technical disagreement. The managers on the part of the House will move to recede and concur in the amendment of the Senate which inserts a new section providing that on or before August 31, 1987, the President, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, shall add human immunodeficiency virus (HIV) infection to the list of dangerous contagious diseases contained in title 42 of the Code of Federal Regulations. The House bill contained no similar provision.

Amendment No. 437: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment as follows:

In lieu of the matter inserted by said amendment, insert the following:

Sec. 519. (a) Subtitle C of title XVII of the Food Security Act of 1985 (7 U.S.C. 5001 et seq.) is amended—

(1) by striking out "National Agricultural Policy Commission Act of 1985" each place it appears in the subtitle heading and section 1721 (7 U.S.C. 5001) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy Act of 1985"; and

(2) by striking out "National Commission on Agricultural Policy" each place it appears in sections 1722(1) and 1723(a) (7 U.S.C. 5001(1) and 5002(a)) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy".

(b) Notwithstanding section 501(e) of the Farm Credit Amendments Act of 1985 (12 U.S.C. 2001 note), there is authorized and appropriated—

(1) for the National Commission on Agricultural Finance established under such section, $100,000, to remain available until expended; and

(2) for the National Commission on Agriculture and Rural Development established under section 1723 of the Food Security Act of 1985 (7 U.S.C. 5002), $100,000, to remain available until expended.

The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

The conference agreement renames the "National Commission on Agricultural Policy" the "National Commission on Agriculture and Rural Development Policy" as proposed by the Senate. The conference agreement also appropriates $100,000 for initial funding for the Commission instead of $350,000 as proposed by the Senate. The conference agreement also appropriates $100,000 for the National Commission on Agricultural Finance instead of $150,000 as proposed by the Senate. The agreement allows government funds to be used to finance this Commission as proposed by the Senate. Also deleted is a Senate provision reducing government-wide travel by $500,000.

Conference Total—With Comparisons

The total new budget (obligational) authority for the fiscal year 1987 recommended by the Committee of Conference, with comparisons to the fiscal year 1987, budget estimates, and House and Senate bills for 1987 follows:

Budget estimates of new (obligational) authority, fiscal year 1987	$12,104,054,862
House bill, fiscal year 1987	9,250,928,500
Senate bill, fiscal year 1987	9,759,478,569
Conference agreement, fiscal year 1987	9,377,119,976

Conference agreement compared with:

Budget estimates of new (obligational) authority, fiscal year 1987	−2,726,934,886
House bill, fiscal year 1987	+126,191,476
Senate bill, fiscal year 1987	−382,358,593

Jamie L. Whitten,
Edward P. Boland,
William H. Natcher,
Neal Smith,
Sidney R. Yates,
David R. Obey,
Edward R. Roybal,
Tom Bevill,
Bill Chappell,
William Lehman,
Julian C. Dixon,
Vic Fazio,
W.G. Hefner,
Joseph M. McDade (except No. 59 and No. 68),
Larry Coughlin,
Ralph Regula,
Virginia Smith,
Mickey Edwards,
Bill Green,
Harold Rogers,

Managers on the Part of the House.

John C. Stennis,
William Proxmire,
Daniel K. Inouye,
Ernest F. Hollings,
Lawton Chiles,
J. Bennett Johnston,
Quentin N. Burdick,
Pat J. Leahy,
Jim Sasser,
Dennis DeConcini,
Dale Bumpers,
Frank R. Lautenberg,
Tom Harkin,
Barbara A. Mikulski,
Harry Reid,
Mark O. Hatfield,
Ted Stevens,
Lowell P. Weicker, Jr.,
James A. McClure,
Jake Garn,
Thad Cochran,
Robert W. Kasten, Jr.,
Alfonse M. D'Amato (except No. 33),
Warren Rudman,
Arlen Specter,
Pete V. Domenici,
Don Nickles,

Managers on the Part of the Senate.

SENATE—*Friday, June 26, 1987*

(Legislative day of Tuesday, June 23, 1987)

The Senate met at 8:45 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore [Mr. GRAHAM].

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Whosoever would be great among you, let him be your servant.—Matthew 20:26.

Gracious God our Father, with deep appreciation, we thank You for those who serve public servants. In times like these, behind the scenes are long hours and hard work of dedicated staffs, indispensable to the operation of the Senate. Thank You for those who spend endless hours in reading and research—who keep the Senators informed as they debate and decide issues. Thank You for those who accurately record the volumes of words spoken. Thank You for those who keep records of all proceedings—those who guide on rules and order. Thank You for those who provide security in and around the buildings. Thank You for those who prepare and serve the food, for those who maintain buildings and grounds. Thank You for the people movers, vertically and horizontally. Thank You for the pages who are instantly available whatever need there may be for them. Thank You Lord, for the many without whom the Senate could not function. Bless them and their families. In the name of the Servant of servants we pray. Amen.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

THE 23D PSALM

Mr. BYRD. Mr. President, in days like these I think of the marvelous strength-giving qualities of the 23d Psalm.

We are under great pressure, and sometimes it seems to me that we ought to lift our eyes, hearts, souls, and thoughts above this place here and pause to see and know that Thou art God.

> The Lord *is* my shepherd; I shall not want.
>
> He maketh me to lie down in green pastures: he leadeth me beside the still waters.
>
> He restoreth my soul: he leadeth me in the paths of righteousness for his name's sake.
>
> Yea, though I walk through the valley of the shadow of death, I will fear no evil: for thou *art* with me; thy rod and thy staff they comfort me.
>
> Thou preparest a table before me in the presence of mine enemies: thou anointest my head with oil; my cup runneth over.
>
> Surely goodness and mercy shall follow me all the days of my life: and I will dwell in the house of the Lord for ever.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Wisconsin is recognized for not to exceed 5 minutes.

THE NUCLEAR ARMS RACE MOVES AHEAD AGAIN—TOMORROW, JUNE 27

Mr. PROXMIRE. Mr. President, once again I rise in this body to remind my colleagues that we are just 24 hours away from equipping still another B-52 with strategic cruise missiles. This B-52 will join our fleet of cruise missile equipped B-52's tomorrow, Saturday, June 27. Three weeks ago, on June 5, I rose to call the Senate's attention to the addition on that day of another B-52 armed with about 20 cruise missile warheads. And on May 22—2 weeks before that—I spoke out on the floor of the Senate to call attention to the addition on that day of yet another B-52 freshly armed with some 20 cruise missiles.

What irony. At the very time when American eyes are focused on negotiations in Europe loudly demanding world attention to negotiations that may possibly reduce intermediate nuclear arms, we are quietly, with virtually no public notice, continuing to modernize month by month, our strategic deterrent.

How destructive are cruise missiles? Once again, Mr. President, we must return to the only nuclear bombs ever dropped on places of human habitation: the Hiroshima bomb and the Nagasaki bomb. Each of those bombs utterly destroyed a major city. Each of those bombs ended the life of over 100,000 persons. Now, the Hiroshima bomb delivered about 15 kilotons of power on Hiroshima. The Nagasaki bomb carried about 22 kilotons. Get this—each of the 20 nuclear warheads that we will put on our modified B-52 tomorrow will carry 200 kilotons. So each of the warheads officially counted tomorrow will have more than 13 times the devastating power of the bomb that wiped out Hiroshima. Since each bomber will carry about 20 of these warheads, that means they can deliver almost 260 times as much destructive power on adversary targets—say 20 Russian cities as we delivered on Hiroshima 42 years ago.

This, Mr. President, is what this country is putting on our fleet tomorrow. Because we have been adding the newly cruise-missile equipped B-52's to our enormous nuclear arsenal, regularly and relentlessly, since last December, we have modernized our killing capacity just since last December in B-52's alone to nearly 3,000 times the destructive power that blasted and burned Hiroshima to a crisp. Meanwhile the world's attention focuses on negotiations to possibly reduce nuclear weapons in Europe by less than 10 percent.

And these new warheads are just for the added B-52's. In addition, we plan to deploy Trident submarines with a warhead arsenal that will dwarf the B-52 modernizations. I call attention to this because all of it is in direct and explicit violation of the SALT II Treaty signed by the President of the United States, but never ratified and now expired. A bipartisan majority of 57 Members of this body wrote President Reagan last December, pleading with him to reverse his decision to put the United States in deliberate violation of the SALT II sublimit of 1,320 multiple warhead systems. We argued that this action by the President represented an open invitation to the Soviets to proceed with their own nuclear warhead buildup which, as we said, they are "exceedingly well positioned to do in the very near future."

Now, Mr. President, what do we gain by this reckless policy of pushing ahead, madly piling on endless rounds of the most destructive weapons mankind has ever built. Think of it. We and the Soviets already have more than 10,000 strategic nuclear warheads each. If just 1 percent of this 10,000 warhead Russian arsenal should strike American cities they would instantly kill between 35 and 55 million Americans—according to the National Academy of Science. One percent, Mr. President. Is there any way this country could conceivably stop more than 99 percent of the Soviet arsenal from striking our cities? Assume that the administration's SDI or star wars defense works, assume it works perfectly. Assume it stops every single warhead carried by a Soviet intercontinental ballistic missile. Would that save the

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

millions who live in our cities? No indeed.

The Soviets have been rapidly shifting much of their arsenal into bombers and submarines. The overwhelming majority of our most eminent scientists tell us that SDI cannot defend successfully against Russian ICBM's launched from the Soviet Union. But let's assume the scientists are wrong. Assume the American SDI stops every last intercontinental nuclear carrying missile launched from the Soviet Union. Would our country survive? No way. Why not? Because SDI cannot possible defend against nuclear missiles launched from close in Soviet submarines or Soviet bombers. And just as we are relentlessly modernizing the warheads on our bombers and submarines, with the death of SALT II the Russians will be doing the same.

Now, all of this costs money, very big money. It costs billions, endless billions. All of those billions, every cent, is utterly wasted. Do these billions contribute to the security of our country? Of course, not. Quite the reverse.

The arms race undermines our security. This Senator cannot conceive of a more insane policy than our persistent month-after-month policy typified by our action in the next 24 hours of violating a treaty that will certainly provoke a Soviet violation that will render the billions we spend on SDI useless. It is outrageous. It is obscene. What a way to go broke.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 9 a.m., with Senators permitted to speak therein for not to exceed 1 minute each.

Mr. PROXMIRE. Mr. President, I also wish to thank the distinguished minority leader for graciously arranging last night that I could use some of his time. I reserve the remainder of his time. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

APPOINTMENTS TO THE NATIONAL COMMISSION ON INFANT MORTALITY

The ACTING PRESIDENT pro tempore. The Chair, pursuant to Public Law 99-660, announces the selection, made jointly by the Senate majority leader and the Speaker of the House of Representatives, of the following individuals as members of the National Commission on Infant Mortality:

James Thompson, of Illinois; Barbara Matule, of North Carolina; and Dr. William Hollingshead, of Rhode Island as representatives from State government, and

Lynda Robb, of Virginia; Richard W. Riley, of South Carolina; Dr. Julius Richmond, of Massachusetts; Dr. Herman A. Hein, of Iowa; and Margaret S. Wilson, of Connecticut as at large members.

S. 1414—THE COMMODITY CREDIT CORPORATION APPROPRIATION

Mr. KARNES. Mr. President, I rise today as an original cosponsor of S. 1414, legislation introduced by Senators McCONNELL, BOND, and myself. It is directed to relieve the plight of farmers who hold a yearly vigil waiting for Commodity Credit Corporation funds from an account that seems to dry up every summer like a farm pond, and with equally disastrous effects. Since coming to the U.S. Senate in March of this year, I have worked to develop legislation which will make Government work better and be more responsive to the needs of my fellow American farmers. This bill will do precisely that, for I believe it will restore the faith of farmers across the country in their Government's ability to keep its end of the bargain with the timely payment of Commodity Credit Corporation funds.

Today, as for the past 8 years, thousands of farmers are experiencing severe and unnecessary financial hardship. Now, farmers are used to hardship, and hardship takes many forms. Hardship may result from an act of will, or an act of negligence. Of course, hardship can result from an Act of God. But the hardship in this case results from inaction—inaction on the part of Congress, bordering on willful negligence in my mind, by failing to approve new CCC funds promised by prior congressional authority.

This situation is particularly frustrating because Congress seems to have failed to learn from its mistakes of the past. This problem is not new. This is only the latest episode in a sad history of interrupted payments and congressionally forced interruptions in farm operations. The Commodity Credit Corporation exhausted its funding authority last year as well as in previous years—each time causing instability and financial hardship to citizens who, in good faith, entered into contracts and agreements with the U.S. Government.

Mr. President, over the past days and weeks, many of my Democratic and Republican Senate colleagues, including both the majority and the minority leaders, have taken the floor to criticize the system that annually holds the American farmer hostage to the CCC supplemental appropriation process. And they are right. The CCC supplemental, and the farmers who depend on CCC payments, have indeed been held hostage—hostage to political gamesmanship on both sides of the aisle and on both sides of the Hill. Who wins in this game? Well, I don't know if anyone wins, but one thing is certain; the farmers of this country lose, and in a big way.

I have been advised that the USDA is in the process of preparing contingency plans to shut down ASCS offices, stopping all farmer transactions with the Federal Government through those vital ASCS offices when the CCC runs out of moneys in approximately 30 days. Mr. President, this would be an unmitigated disaster to agriculture! This year, with the lack of Senate and House conference progress to date on the supplemental appropriation, this unthinkable idea of closing down ASCS offices might actually come to pass. I ask my colleagues in the Senate and House who make up the supplemental appropriation conference to act immediately to pass the CCC supplemental appropriation. Moreover, I ask my colleagues in the Senate to join with me and care enough about our farmers to act to avoid this issue in the future.

Mr. President, the time has come to bring this shoddy and unresponsible way of doing business with our farm citizens to a halt. If such disregard of commitments and obligations would occur among Senators here in the Senate, immediate action would be taken to address the dilatory process. There is no good reason to ask our farmers to leave their farming operations to the whims of the congressional appropriations process year after year.

The bill that my distinguished colleagues from Kentucky and from Missouri, Senator McCONNELL and Senator BOND, and I have introduced is designed to prevent this problem from recurring next year and to assure that Congress provides two essential responsibilities to the farm families of Nebraska, as well as to all farm program participants across the country. These two responsibilities can be stated quite simply: First, to provide a degree of stability to citizens who reasonably rely on obligated Government payments under Federal farm programs, and second, to assure that the U.S. Government timely meets its just obligations. Mr. President, the first provision of our bill would increase the borrowing authority, not expenditure, of the Commodity Credit Corporation from the current level of $25 billion to $40 billion. Mindful of the desire of Congress for program oversite, the second provision would change the status of the CCC account to that of a current, indefinite appropriation subject to the annual approval of the Appropriations Committees.

The Commodity Credit Corporation is experiencing heavy demand for its financial resources for several reasons. High levels of farm program participation, high levels of demand for nonrecourse loans, high levels of participation in the Conservation Reserve Program constitute several of the many reasons for the heavy demand on CCC funds. I might add that each of these reasons were sought by Congress when the Food Security Act of 1985 was passed. A current, indefinite appropriation would serve American agriculture more effectively than the current direct appropriation process. It would do this by: First, assuring no disruption of service at local ASCS offices; and second, by assuring people who enter into agreements with the U.S. Government that the payment provisions of these agreements will be honored in a timely manner by ensuring the viability of the account from which to make the payments.

Administration budget proposals in the past years have routinely requested a permanent, indefinite appropriation for the Commodity Credit Corporation and Congress has routinely rejected this proposal. However, the Senate Appropriations Committee has recommended the use of a current, indefinite appropriation for fiscal years 1986 and 1987 with the provision that it receive frequent reports of the CCC's financial position and its use of the current, indefinite authority. I agree with the Senate Appropriations Committee's legislative history on this issue and feel that a current, indefinite appropriation will assure Congress ample opportunity for annual review of the Commodity Credit Corporation while enhancing stability in American agriculture during a time when the industry is experiencing such volatility.

Let us do unto others—our American farm families—what we would expect if we were in their shoes. I implore my colleagues to join in a commitment to stop this annual Chinese water torture of farmers who participate in good faith, in Federal farm programs. The farmers of America are waiting.

I would like to thank and commend my good friends and colleagues, Senator McConnell and Senator Bond for their participation in introducing this legislation. Clearly, they recognize as I do that this legislation is necessary to force the Federal Government to fulfill its legislatively prescribed obligations to the Nation's farm program farmers. I urge our colleagues in the Senate to study this legislation and join us in the coming days as cosponsors to ensure that we do more than complain about the CCC problem—that we actually do something about it.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the Record.

There being no objection, the text of S. 1414 was ordered to be printed in the Record, as follows:

S. 1414

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. OBLIGATION AND BORROWING AUTHORITY OF THE COMMODITY CREDIT CORPORATION.

(a) Obligations.—The first sentence of section 4 of the Act of March 8, 1938 (52 Stat. 109, chapter 44; 15 U.S.C. 714a-4) is amended by striking out "$25,000,000,000" and inserting in lieu thereof "$40,000,000,000".

(b) Borrowing Authority.—The proviso of the first sentence of section 4(i) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(i)) is amended by striking out "$25,000,000,000" and inserting in lieu thereof "$40,000,000,000".

SEC. 2. ANNUAL APPROPRIATIONS TO REIMBURSE COMMODITY CREDIT CORPORATION FOR NET REALIZED LOSSES.

(a) In General.—The first sentence of section 2 of Public Law 87-155 (15 U.S.C. 713a-11) is amended by striking out ", commencing with the fiscal year ending June 30, 1961" and inserting in lieu thereof "by means of a current, indefinite appropriation".

(b) Effective Date.—The amendment made by subsection (a) shall apply beginning with fiscal year 1988.

MISSISSIPPIAN ELECTED PRESIDENT OF NATIONAL JAYCEES

Mr. COCHRAN. Mr. President, I rise to congratulate Gary Wilkinson of Meridian, MS, who has been elected president of the National Jaycees.

He will preside over and guide the activities of this important organization, which has more than 25,000 members in 5,500 chapters nationwide.

Mr. Wilkinson has been a leader in the business and civic activities in his hometown of Meridian, and he has proven his dedication to the betterment of his community, our State and Nation.

Our best wishes go to Gary Wilkinson and his family as he begins his tenure as national president of the Jaycees.

An editorial in his hometown paper, the Meridian Star, appropriately expresses the pride and respect Mississippians have for him, and I ask that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

JAYCEES' PICK BRINGS HONOR TO MERIDIAN

Meridianites should be honored by the fact that a fellow resident has been selected president of the national Jaycees.

It is an outstanding honor. Meridian businessman Gary Wilkinson was picked at the organization's 67th annual meeting, held this year in Reno, Nev., according to a spokesman for the United States Jaycees.

Mr. Wilkinson and his wife, Sally, plan to move to Tulsa, Okla., where they will live in the Jaycees Founder's Home with their two sons, Will and Sid. Meridian will miss them during their stay in Oklahoma.

As president, Mr. Wilkinson will serve as motivator and chief spokesman for the 25,000-plus members of the 5,500 chapters across the country. He will also serve as director of the executive board and as director of the executive committee.

The former owner of a local business, Mr. Wilkinson said his experience as a Jaycee officer in Meridian will serve him well during the one-year term. He is correct. That experience should help him take direction to the national organization—something he has already promised.

Mr. Wilkinson is no stranger to the Jaycee hierarchy. The former Meridian chapter president has also served as the vice president of the U.S. Jaycees. And, it was under his presidency that the Mississippi Jaycees captured the honor of "Best Jaycee State in America." The Meridian chapter was named "Most Outstanding Local Chapter in Mississippi" while he was president.

Locally, Mr. Wilkinson has demonstrated that his leadership is strong. He has carried that leadership through to the state level and will no doubt continue to do so as national president.

The Jaycees have made a fine choice, one of which they—and Meridian—can be proud.

MISSISSIPPIAN INSTALLED AS PRESIDENT OF THE NATIONAL FEDERATION OF PRESS WOMEN

Mr. COCHRAN. Mr. President, on Saturday, June 26, Mary Lou Webb of Meadville, MS, will be installed as president of the National Federation of Press Women at their convention in Williamsburg, VA. Mary Lou and her husband, David, are the editors and publishers of two weekly newspapers in my State, the Franklin Advocate at Meadville, and the Wilk-Amite Record at Gloster.

Mary Lou Webb has not only been a dedicated, able journalist, she and her family have been active in many aspects of community life, to help improve the educational, economic, recreation, and other opportunities for the people of that area. She has been active in leadership capacities in the press organizations in Mississippi and at the national level, and she is the first Mississippian, to become president of the federation.

The organizational meeting of the National Federation of Press Women was held 50 years ago in Chicago and was attended by 39 women from seven States. Today, it has 5,000 members from all 50 States. These members are women who have excelled in their profession and in their vigilance of the people's right to know, as embodied in our Constitution and Bill of Rights.

The federation has been recognized by the President and by State and local leaders, and was the first women's press organization invited to send a delegation to the People's Republic of China.

The federation has provided a vehicle through which women of the press and news media could join to advance common objectives, including the promotion of the highest ideals in journalism.

Members include editors, publishers, writers, photographers, those in radio, television, public relations, journalism education, and free lance writers.

I applaud May Lou Webb for her leadership and achievements in journalism and community service, and I am confident that during her tenure as president, the National Federation of Press Women will benefit from her enthusiasm, dedication, intelligence, and willingness to work for the advancement of the organization's goals.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. If there is no further morning business, morning business is closed.

Under the previous order, the hour of 9 a.m. having arrived, the majority leader is recognized to call up Senate Resolution 238.

Mr. BYRD. Mr. President, I thank the Chair.

U.N. INTERNATIONAL CONFERENCE ON DRUG ABUSE AND ILLICIT TRAFFICKING

Mr. BYRD. Mr. President, I call up Senate Resolution 238.

The ACTING PRESIDENT pro tempore. The clerk will report the resolution.

The legislative clerk read as follows:

S. Res. 238, a resolution of support regarding the United States delegation's participation at the United Nations' International Conference on Drug Abuse and Illicit Trafficking.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll. The time will be equally charged.

The assistant legislative clerk called the roll.

Mr. CHILES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CHILES. Mr. President, the U.S. Senate is very dedicated to achieving international commitment against narcotic trafficking and drug abuse throughout the world. To that end, last year in the Anti-Drug Abuse Act the Senate strengthened U.S. policy with regards to international narcotics control and declared support for the U.N. International Conference on Drug Abuse and Illicit Trafficking.

As that Conference is underway in Vienna, Austria, we take the opportunity to commend the United Nations for the thoughtful work which has made this conference possible. We wish the conferees success in their efforts to provide the international community with guiding principles for the next decade. The threat inflicted by illegal drugs to all our peoples demands that we all cooperate to rid the world of these lethal substances.

The conference goals are our goals—effective and integrated efforts at the national, regional and international levels and to strengthen the commitment and ability of governments to cope with all aspects of the drug problem.

This drug problem is spreading to more countries, fueled by international demand and managed by an international cartel of all too successful criminals. Preliminary National Narcotics Intelligence Consumers Committee data reported in State Department's recent international narcotics control strategy report shows world wide production has increased again and U.S. imports of marijuana and cocaine continued to rise. The illegal drug industry in the United States is a $100 billion a year industry and billions of these dollars are leaving our Nation, going beyond the reach of our laws. Only international legal cooperation and assistance can help assure us and the criminals that those dollars can and will be stripped from the cartels no matter what country's banks they use.

With that understanding, we have been encouraging our State Department to negotiate mutual legal assistance treaties to fight the international drug cartels. Success to date has not been encouraging and at the current rate of progress it could take 10 years to put the desired treaties in force. Fortunately, the governments and representatives of many Conference countries have realized that along with the need for better adherence to existing treaties and conventions there is need to go further. At their request the Conference is addressing measures to facilitate extradition, standardize the international presentation of evidence, as well as finalize an additional convention to combat the illicit traffic.

With this in mind, today I am introducing a resolution which will send a message of our hopes and support to Attorney General Meese and our delegation to the Conference. I urge my colleagues to join me in showing the support of the U.S. Senate for this most important international Conference.

Mr. WILSON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from California.

Mr. WILSON. Mr. President, I rise in support of the Chiles resolution, but I must say that I am troubled deeply by the fact that earlier this year, not so long ago, here on the floor, the Senate, in my judgment, defaulted on a responsibility that we had set ourselves under the Omnibus Drug Act we passed so recently last year.

I have no quarrel whatsoever with the stated goals of the resolution. No one could. On the contrary, as the Senator from Florida has indicated, this is an enormously profitable and enormously evil traffic.

My feeling this morning is that I hope this Conference in Vienna is an enormous success, but I am deeply troubled by the suspicion that perhaps even among some who will travel to it there will be some who do not share the conviction of the Senator from Florida.

In our Omnibus Drug Act we set provisions which would punish drug-producing nations if they failed to adhere to the basic minimum of civilized conduct that we are not just entitled to command from them but wise to command from them. On three Presidential certifications when compliance was required, evidence was adduced that in fact those standards were not being met. The Senate found that they had not been met but could not bring itself to face what was required under that act, and that is to bring about a penalty, to cut off U.S. assistance.

Mr. President, I think for as long as we engage in that kind of turning away, that kind of blinking, we are not going to be very convincing to the drug traffickers who use their enormous profits to engage in the kind of corruption of government that has led the drug-producing nations to continue to engage in and to expand upon this very traffic.

So, while I rose to support the Chile-Pell-Dole resolution, I do not think for a moment that anyone on this floor should delude themselves. The mere passage of a sense of the Senate resolution is not necessarily going to achieve very much because we are dealing with people who are hardened criminals, who have no respect for law, who have no respect for human suffering. They respect profit. Unfortunately, they have gained through the enormity of their economic influence the ability to actually control governments.

Until we recognize the root corruption that has prevented effective international cooperation in so many cases, we are going to be continuing to delude ourselves and the American people. If we were deluding ourselves alone, that would be one thing. But the cost of this delusion, our failure to be confident in achieving our goals, is measued in too many ways. But the most tragic, obviously, is by the increasing number of drug deaths from overdose.

Mr. President, I am not going to say more. It would be poor recompense to the good men who brought forward a resolution expressing a goal that we all share. I am simply saying we are going to have to do a great deal more. We speak in terms of a war on drugs. It is lipservice if we lack the resolve to really follow through. That is going to mean in some cases offending those who are presumably otherwise good neighbors.

If so, I say so be it. If they are incapable of making the minimum decent response required to safeguard their children and our own, I find that far more offensive than any affront that we might give to some imagined transgression against their sovereignty.

I thank the Chair and I yield the floor.

Mr. CHILES. Mr. President, I ask unanimous consent that the Senator from Florida [Mr. GRAHAM] be listed as an original cosponsor of Senate Resolution 238.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The ACTING PRESIDENT pro tempore. All time has expired. Under the previous order, a vote will now occur on Senate Resolution 238. The yeas and nays are ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from' Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Tennessee [Mr. GORE] and the Senator from Illinois [Mr. SIMON] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] is necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

The PRESIDING OFFICER (Mr. WIRTH). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 159 Leg.]

YEAS—94

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Johnston
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—6

Biden
Bradley
Gore
Lugar
Simon
Stevens

So the resolution (S. Res. 238) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 238

Whereas, the United States delegation is participating in the United Nation's International Conference on Drug Abuse and illicit Trafficking in Vienna, Austria;

Whereas, according to the National Narcotics Intelligence Consumers Committee the eradication of illegal drug crops appears to be erratic and ineffective in regions throughout the world;

Whereas, addressing illegal drugs at their source is the most effective and cost efficient method of eliminating narcotics;

Whereas, the willingness of countries worldwide to eradicate illegal drug crops is crucial to the elimination of illegal drugs in all societies;

Whereas, nearly all of the supply of illegal drugs in the United States is imported from foreign lands and such international criminal activity necessitates international law enforcement and legal assistance;

Whereas, the narcotics supply in the United States has increased significantly over the last five years, especially with regards to cocaine which was estimated to be near 120 metric tons in 1986;

Whereas, the members of the United States Senate want to send a message to all nations that they are committed to the international narcotics control provisions set forth in the Anti-Drug Abuse Act of 1986: Now, therefore, be it

Resolved, That the Senate of the United States strongly urges the United States delegation to the International Conference on Drug Abuse and Illicit Trafficking to secure firm commitments from the governments of drug-producing and drug-transit countries—

To support initiatives which rate the reduction of drug trafficking and drug abuse as priorities in their governments domestic as well as international policy;

To reduce illicit drug crop production and drug transshipment;

To design and be party to more effective methods of sharing intelligence and information for cooperative international drug law enforcement;

To negotiate extradition treaties and mutual legal assistance treaties for mutual enhancement of efficient drug enforcement;

And, to support the initiative to develop a new Convention to combat illicit narcotic traffic.

SEC. 2. The Secretary of the Senate shall transmit this resolution to Attorney General Meese and the United States delegation attending the conference in Vienna as an expression of the United States Senate's support and best wishes for a most successful conference.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

The PRESIDING OFFICER. The Senate will not resume the pending business, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen the United States trade laws, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Who seeks recognition?

The Chair will repeat the question. Who seeks recognition?

Mr. BYRD. Mr. President, a Senator is preparing an amendment to be called up within the next 5 minutes, I understand.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. President, I would like to address a question to the Senator from Ohio if I could.

Mr. METZENBAUM. I am sorry.

Mr. PACKWOOD. That is all right. There is no reason that the Senator should have been listening before this.

Is it my understanding the Senator from Ohio intends to ask for a unanimous-consent agreement to modify the plant closing provision?

Mr. METZENBAUM. That is correct, and that has been discussed and worked out with Senator QUAYLE, and I think Senator DOLE is aware of it, and I believe Senator HATCH is also.

Mr. PACKWOOD. I appreciate knowing that and for the staff who are listening, if I could get to that. I saw Senator QUAYLE going over to the Armed Services Committee. I do not know that he is prepared right now.

Mr. BYRD. Senator QUAYLE is present in the Chamber now.

Mr. QUAYLE. Mr. President, I think we are in the process of trying to get a unanimous-consent agreement that will be worked out. I do not think we are there yet. That is why I talked to Senator PACKWOOD because there are some parliamentary concerns that we have that we are working on and putting down on paper a unanimous-consent agreement. Once we have that down, we will share with the Senator from Ohio and the chairman and ranking member to see if that is agreeable to all interested parties.

Mr. METZENBAUM. The Senator from Indiana and I are in complete accord on that.

I say to the managers of the bill if they have something else they want to bring up so we not delay the Senate, we will step back temporarily. We do not want to hold up progess on the bill.

Mr. BENTSEN. I say to the Senator from Ohio we would like to move ahead and hopefully we will have some of the Members offering amendments that we can consider now, and in the meantime I would think when the other issue arises before us that would be something to be managed by the ranking member and chairman of the committee.

Mr. METZENBAUM. I thank the Senator.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 323

(Purpose: To suspend most-favored-nation trade privileges to Romania until that government recognizes and protects fundamental human rights, and for other purposes)

Mr. ARMSTRONG. Mr. President, on behalf of myself and the Senator from Connecticut [Mr. DODD] I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG], for himself, Mr. DODD, Mr. SYMMS, Mrs. HELMS, and Mr. NICKLES, proposes an amendment numbered 323.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the appropriate location in the bill, add the following:

Sec. . Congressional Findings.

The Congress—

(1) notes that the Department of State, in the publication Country Reports on Human Rights Practices for 1985, determined that "In the area of human rights, major discrepancies exist between generally accepted standards, for example as embodied in the Helsinki Final Act of the Conference on Security and Cooperation in Europe, and Romania practice. . . . The party, through the Government, continues to restrict and control the right to free speech, free assembly and association, and the practice of one's religion.";

(2) is aware that overall emigration from Romania, and particularly Jewish emigration, has declined for the second consecutive year;

(3) is aware of numerous accounts from the Department of State, Congressional delegations, and various human rights organizations, that Romanian citizens are being arbitrarily harassed, interrogated, and arrested by Romanian government authorities for the exercise of civil and religious liberties;

(4) finds that official Romanian harassment of religious believers has not only been extended to the arrest of persons for carrying Bibles and other religious materials, but even carried to the point of destroying places of worship, including most recently the country's largest Seventh Day Adventist Church and the Sephardic synagogue in Bucharest;

(5) further finds that the United States trade deficit with Romania (which continues to be high) is a result of our extension of nondiscriminatory treatment (most-favored-nation treatment) to that country and can be construed as an endorsement of that nation's abusive internal practices;

(6) is aware of the severe limits placed on the rights of Hungarians and other ethnic minorities within Romania to express and maintain their cultural heritage, as is illustrated by the attempts made by the Romanian government to eliminate systematically Hungarian churches, schools, traditions, and even the Hungarian language from Romanian society;

(7) recognizes and emphasizes the continued dedication of the United States to fundamental human rights (as noted in section 402 of the Trade Act of 1974) and is concerned with Romania's commitment to those rights; and

(8) commends the President for withdrawing Romania's eligibility for duty-free treatment under the Generalized System of Preferences because of Romania's violation of "internationally recognized worker rights".

SEC. . OBJECTIVES.

The objectives of this Act are to effect—

(1) the termination of the current policies and practice of the Government of Romania under which—

(A) its citizens are denied the right or opportunity to emigrate,

(B) more than a nominal tax is imposed on emigration or on the visas or other documents required for emigration, and

(C) more than nominal taxes, levies, fines, fees, or other charges are imposed on citizens as a consequence of their desire to emigrate to the countries of their choice; and

(2) substantial progress in halting the persecution by the government of Romania of its citizens on religious and political grounds, and the repression by such Government of Hungarians and other ethnic minorities within Romania.

SEC. DEFINITIONS OF RIGHTS REVIEW PERIOD.

As used in this Act, the term "rights review period" means—

(1) the 6-month period referred to in section 4(a); and

(2) each successive period of 180 consecutive calendar days occurring after the last day of the 6-month period referred to in paragraph (1).

SEC. . SUSPENSION OF NONDISCRIMINATORY TREATMENT FOR ROMANIAN PRODUCTS

(a) INITIAL SUSPENSION.—The products of Romania may not receive nondiscriminatory treatment (most-favored-nation treatment) during the 6-month period beginning on the date of the enactment of this Act.

(b) AFTER INITIAL SUSPENSION.—The products of Romania may receive nondiscriminatory treatment (most-favored-nation treatment) during any rights review period referred to in section 3(2) only if—

(1) no later than the 30th day before the close of the immediately preceding rights review period, the President submits to the House of Representatives and the Senate a document containing—

(A) a Presidential determination, and the reasons therefor, that the application of nondiscriminatory treatment to the products of Romania during the next rights review period will substantially promote the objectives listed in section 2,

(B) a statement that the President has received assurances that the policies and practices of the Romanian government will henceforth lead substantially to the achievement of such objectives, and

(C) based on such determination and finding, a recommendation by the President that nondiscriminatory treatment be applied to the products of Romania during the rights review period; and

(2) a joint resolution disapproving such application is not enacted, in accordance with the procedures referred to in section 5, before the close of the rights review period in which the document referred to in paragraph (1) is submitted.

SEC. . RESOLUTION DISAPPROVING NONDISCRIMINATORY TREATMENT FOR THE PRODUCTS OF ROMANIA.

(a) CONTENTS OF RESOLUTION.—For purposes of this section, the term "joint resolution" means only a joint resolution of the two Houses of Congress the matter after the resolving clause of which is as follows: "That the Congress disapproves the application of nondiscriminatory treatment (most-favored-nation treatment) to the products of Romania that was recommended by the President to the Congress on ", with the blank space being filled with the appropriate date.

(b) APPLICATION OF PROCEDURES UNDER THE TRADE ACT OF 1974.—The provisions of section 152 of the Trade Act of 1974 (relating to concurrent resolutions) apply to joint resolutions except that in applying section 152(c)(1), all calendar days shall be counted and 5 calendar days shall be substituted for 30 calendar days. Section 145(a) of the Trade Act of 1974 applies to documents transmitted by the President under section 4(b)(1).

SEC. 6. INAPPLICABILITY OF CERTAIN TITLE IV PROVISIONS.

On and after the date of enactment of this Act, section 401 and 401 of the Trade Act of 1974 do not apply with respect to the tariff treatment of the products of Romania.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that Senators SYMMS, HELMS, and NICKLES be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, this amendment, if adopted and signed into law as a part of this trade bill, will suspend for a period of 6 months the most favored-nation-status of Romania. At the end of the 6-months period, under the terms of this amendment, they will revert to their present status as one of only three Communist nations which enjoy this privilege and highly-treasured trading status. They will continue, as under the present regime, to be subject to periodic review and recertification in order, after the 6-month suspension, to retain their most-favored-nation trading status.

The reason Senator Dodd and I and the others who bring you this amendment seek to take this step—and, indeed, the reason why the other body, the House of Representatives, adopted an amendment virtually identical to our language a few days ago—is to make it unmistakably clear to the Government of Romania and others who may be interested that we are dead serious about human rights.

Most-favored-nation trading status is, in the Communist world, an extraordinary form of recognition and privilege. It is simply not our custom in this country to grant MFN status to most Communist countries. Only three have it. The Soviet Union does not, Cuba does not. In fact, only Hungary and the People's Republic of China in addition to Romania have this highly privileged status.

Mr. President, this was extended to Romania several years ago, a dozen years ago, more or less, upon the expectation that the result would be a significant improvement in human rights practices. This has not turned out to be the case. As a result, every few months, every year, indeed, since MFN status was granted to Romania, Members of Congress have considered the waiver of MFN status. And each time it has been considered, though with greater and greater reluctance on the part of many of us, the status has been extended.

We have now reached the point—and it was the decision of the House of Representatives as they considered the trade bill that we have reached the point—where we must take some additional step to make it clear that the United States cares deeply about this matter; that we are serious about linkage between MFN status and human rights, emigration, and other human rights, and that at least this moderate measure is an appropriate, graduated measure to take to express our concern.

I stress, Mr. President, that this is not a drastic or a severe approach to the problem. We are not in this proposal, if it is adopted, terminating MFN status for all time. In fact, under the terms of the Armstrong-Dodd amendment, MFN status will be restored automatically without the President or Congress or anybody else, at the end of 6 months. It is just what I have described, a temporary suspension.

Nor are we taking other possible steps. We are not severing other kinds of cultural or trade relations. We are not imposing any special punitive measures. We are not breaking diplomatic relations. We are not embargoing. We are not blockading. We are not doing any of the kind of things that would mark an attack on Romania. We are simply saying that if this country wishes to enjoy a privileged status, the most-favored-nation status which they have had for several years, that they must begin to bring human rights practices into line.

Mr. President, the reality of the situation is that Romania is one of the most repressive regimes in the world. It has one of the worst records of human rights violations in Eastern Europe or anywhere on this planet. Let me just mention a few incidents which have occurred in the last few months in Romania.

Wrecking crews destroyed the largest Seventh Day Adventist Church located in the center of Bucharest. When the bulldozers began, a number of parishioners who were occupying the church to prevent its destruction were injured.

Florian Russu was sentenced to prison for "parasitism"—that is the crime of not having a job—and remains under tight police supervision. He now suffers from ailments caused by beatings and by prison conditions.

Mihai Botez, a recognized mathematician and the principal dissident in Romania, is under threat of internal exile from where he will never be permitted to emigrate if his appeal is turned down.

A group of young working-class Romanians, affiliated with the National Peasant Party, have been subjected to police and judicial reprisals after having formed a Romanian Association for the Defense of Human Rights. The association's purpose is simply to gather information on human rights violations in Romania and is dedicated to "exclusively peaceful, nonnviolent, and civilized means" of dissent.

Mr. President, roughly 2 million ethnic Hungarians live in Romania. However, the Hungarian culture is being systematically suppressed by the Government. Gabriella Poth, a laborer, was stabbed and subsequently thrown out of the bus she was riding for speaking Hungarian. The same thing happened to Judith Nagy a month later. Both incidents, it is significant for the Senate to understand, occurred in a city in which at least half of the population is ethnic Hungarian.

Mr. President, a decade ago, many of us had high hopes for improved human rights in Romania. But these incidents and others which I could mention show that the opposite is true today. To illustrate how Romania is perceived in the West by those who have been watching the signals, I would like to quote briefly from a few recent news articles.

The Wall Street Journal says:

> Romanian President Ceausescu is razing synagogues and churches, persecuting Hungarians, bartering Germans and Jews and is making life in general in Romania about as miserable as possible.

The Wall Street Journal editorial continues:

> It's ironic that Romania, once a thriving land, should now have almost the lowest standard of living in Europe and be a country that in Mr. Gorbachev's eyes gives communism a bad name.

I do not have it before, me, Mr. President, but much the same theme appeared in a news account of Mr. Gorbachev's visit to Romania which appeared recently in the Washington Post. In essence, Mr. Gorbachev was portrayed at least as being disgusted with the circumstances he found in Romania by the fact that it is a brutal and repressive regime even by the standards of the Soviet Union.

This is important to understand, Mr. President, because one of the reasons Romania was given MFN status in the first place was the expectation that Romania would be independent of the Soviet Union, that it would pursue a line independent of the Warsaw Pact nations, and indeed, this is true. But that should not be understood to be a line which is independent and more liberal with respect to human rights than the Soviet Union or other Eastern bloc nations. On the contrary, it is a line of independence and even greater repression.

An article in the Washington Post by Jeri Laber, executive director of Helsinki Watch, a respected human rights organization states:

> There is no trust in Romania, where it is generally assumed that as much as one-third of the population is working directly or indirectly for the secret police. . . . Romanians cannot meet in groups, circulate writings, or even discuss with others their thoughts, suspicions and hopes. There can be no underground press in a country where the use of duplicating machines is tightly restricted and citizens are obliged each year to register with the police the type face of their typewriters. . . . While the people suffer, however, the president is razing large portions of historic Bucharest to build a $1.2 billion civic center that will be another of his monuments.

Mr. President, today, Romania, Hungary, and China receive MFN treatment under the Jackson-Vanik provision. Hungary and China, I think it is fair to say, have fairly good records of open emigration at the present time. In fact, I believe I can state accurately, reunification case that remains unresolved in Hungary, according to the administration.

China has increased its number of immigrants every year since 1979, and the number of immigrants is significant.

The same is not true of Romania. Romania fails to allow thousands of its citizens to emigrate and continues to harass those who apply to leave for the West. While Romania made attempts to comply with increased immigration requirements since 1984, since that time the number of people permitted to emigrate has dropped from 21,000 in 1984 to 17,000 in 1985 and

15,000 in 1986. It is true that this year, the monthly immigration figures for the first half is slightly ahead of last year.

It should be noted that there was little change until legislation was introduced in both Houses of Congress to suspend MFN.

At this time I think it would be premature to judge the results for the year but, Mr. President, my sense, just from talking to Members of this body who have themselves expressed concern about emigration cases involving Romanian persons, there have been a number of persons released, or the promise of such persons being released, even in the last few days, in preparation for the debate of this amendment and following the passage of a similar amendment in the House of Representatives.

Mr. President, I want to note in passing that to be absolutely dead level fair about this, that the United States has some share of responsibility for the decrease in emigration from Romania to the United States, because of certain legal barriers which we have imposed.

I note that in passing. But I think the overwhelming preponderance of responsibility for the decline in emigration remains the blame of the Romanian Government because of its refusal to abide by one of the most basic of all human rights, the right of a person to leave a country if he or she wishes to do so.

Mr. President, let me quote briefly from the description of Romania'ss emigration policy as outlined in the State Department's "Country Reports on Human Rights Practices" for 1987:

> Official policy continues to oppose emigration for any purpose but family reunification. Those who seek to leave Romania continue to face harassment designed to dissuade them and others who might be considering permanent departure. Successful application take between 1 and 5 years before exit approval is granted. The Government refuses to allow some Romanians to apply for emigration passports at all.

Mr. President, the evidence of this, the litany of harassment, of threats of arrest, of temporary arrest, of temporary exile, goes on and on and on.

There has also surfaced, recently, a dreaded report that Romania is selling ethnic Germans and Jews to the West. The accusations claim that for a price, passports can be issued to those living in Romania which will permit them to leave the country. These accusations have been given added credibility by a recent article from a well-known German magazine, Der Spiegel. In it, Herta Mueller and Richard Wagner, two recognized ethnic German writers who left their homeland of Romania were interviewed. The following exchange was reported:

> MUELLER (in response to questions about the German population in Romania and its desire to emigrate): Some want to leave and start all over again. For others it is practically impossible because emigration works with bribery. Whoever lacks relatives who will send foreign currency have no chances at all.
>
> SPIEGEL. The Federal Republic [of Germany, i.e. West Germany] has paid head taxes for about 12,000 Germans from Romania who emigrate yearly. The price tag is at this time at about DM 8,000 [or about US$4500] per person.
>
> MUELLER. To this you have to add another DM 8,000 in bribes. The relatives have to come up with this money . . .
>
> SPIEGEL. Do these bribes go to the employees or the authorities?
>
> WAGNER. No, there are always middlemen. In Timisoara there is one about which all the Banat is laughing, called the "gardener."
>
> SPIEGEL. Some kind of agent?
>
> MUELLER. Yes, the whole thing goes through middlemen between Secret Service, Party and emigrants. Not only bribes are involved, but also the houses and other valuables which the emigrants leave behind. This has become a whole business-branch.

It should be pointed out, that Jackson-Vanik specifically states that MFN privileges will not be granted to any country that "imposes more than a nominal tax, levy, fine, free, or other charge on any citizen as a consequence of the desire of such citizen to emigrate." It would take quite a stretch of the imagination to claim that DM 8,000 (or U.S. $4500) is a nominal fee for emigration. Yet, it appears that the administration is claiming just that.

Let me make it clear that I do not blame those who will pay large sums of money to get people out of Romania. In fact, if I had relatives in Romania, I would do my utmost to find a way to obtain their release. However, it is abhorrent that our Government chooses to look the other way when an obvious violation of United States law, and for that matter, international human rights agreements to which Romania and the United States are signatories, is occurring. Instead of giving preferential trading privileges to the Romanian regime, we should be seeking confirmation of the allegations that Romania is selling its citizens. If found to be true, we should be castigating that government in every international forum for its willingness to sell human beings as if they were slaves.

Perhaps we do not chose to do so because in a different sense we are paying our own form of ransom to the Romanian Government. Every year since 1975 we have waived the prohibition of granting MFN to Romania. This actions says, in effect, that we will give Romania a special trade concession if it will only please promise to improve its human rights and emigration practices. And each year the Romanian government has made a few promises, and has delivered to some extent on those promises, to be candid about it. As a result, we have brokered this MFN status, something of immense value, for a lot of promises and for very few results.

While Jackson-Vanik uses the specific right of free emigration by which to measure progress in human rights, it would be negligent to igore Romania's human rights abuses in other areas. This is particularly true in light of the fact that the United States Helsinki Watch Committee, among others, has called the Romanian Government "one of the most egregious offenders of human rights in Eastern Europe."

Mr. President, I would now like to address the issue of freedom of religion in Romania. Freedom of religion is rigidly controlled in Romania. Romania President Nicolae Ceausescu requires all religious denominations to be registered in order to practice their faith. While 14 denominations are registered, many others are not, subjecting their members to harassment, imprisonment, surveillance and unannounced searches. In certain cases, those imprisoned for their religious activities have been tortured.

Places of worship repeatedly face difficulties in Romania. As I mentioned earlier, last year the largest Seventh Day Adventist Church in Bucharest was bulldozed with many parishioners still inside. In addition, the only Sephardic synagogue in Burcharest was torn down, despite repeated interventions by the Israeli, American and Spanish Embassies. The Orthodox Church of St. Nicolae-Jitnita, built more than 200 years ago, was pulled down to make space for a movie theater. In fact, 14 historic Orthodox Churches and monasteries have been moved, partially dismantled, or destroyed during the present urban renewal campaign, according to a recent report published by the Heritage Foundation.

It is important to note that a significant part of the "urban renewal" will be a huge complex to the glory of President Nicolae Ceausescu and his wife, Elena.

The Ceausescu regime carries out other forms of abuse against religious believers as well. The printing and dissemination of religious literature is tightly controlled. The government has agreed to permit the printing of 5,000 Bibles in Romania. However, many of us remember that this most recent promise was obtained after the Wall Street Journal (June 14, 1985) and other newspapers reported that some 20,000 Hungarian Bibles disappeared for some time, only to reappear as recycled toilet paper much later!

The Romanian Constitution guarantees freedom of speech and press, however, domestic dissemination of information is severely circumscribed. All media are State owned, rigidly controlled, and used primarily for party and government propaganda. The unauthorized importation or distribution of foreign publications is forbidden. Radio transmission from Hungary is regularly jammed. Numerous people have been harassed and imprisoned for speaking out or writing about negative aspects of the Ceausescu regime. Ion Puiu, a 68-year-old leader of the National Peasant Youth in the early postwar period, has 17 years of detention behind him and is now being harassed for composing a message to Soviet leader Mikhail Gorbachev. Puiu has been repeatedly subjected to lengthy interrogations by the police at all times of the day and night and has been beaten while in police custody as well as being fined exorbitant amounts of money on fabricated criminal charges. His type of treatment by the authorities is not an isolated incident.

Physical and mental degradation and torture have been reported repeatedly throughout the years. According to the State Department's "Country Reports on Human Rights Practices, cases of mistreatment include "cells which are badly ventilated and poorly heated, bad food in extremely small quantities, difficult working conditions, long periods of isolation, excessive use of force by guards, overcrowding, and segregation of persons deemed 'dangerous to the State' because of religious belief or for other reasons." Arrest and detention are often arbitrary. Take, for example, the case of Ioan Ruta who was arrested on trumped up charges after his wife chose to stay in the United States while on a business trip. While in prison his health deteriorated seriously, but for many months he was refused permission to emigrate even though a U.S. hospital offered him full medical treatment. Ruta was recently released from prison and just this week was permitted to emigrate—ironically, just in time for our debate today on MFN.

In addition to poor treatment of prisoners, there have been several allegations of severe beating and death as a result of police brutality in the past few years, including the mysterious death of an ethnic Hungarian actor, Arpad Visky and the death of Gheorghe-Emil Ursu while he was detained by the police.

This illustrates Romania's most serious and growing human rights problem. That is the abuse of ethnic Hungarians.

The case of Visky is illustrative of Romania's most serious and growing human rights problem. Abuses of the ethnic Hungarian minority range from the closing of Hungarian language schools and the frequent prohibition against Hungarian language writings, theater and other cultural activities to serious incidents of arrest and house searches to disappearances. According to the Committee for Human Rights in Rumania, Hungarians in Romania are the "object of a carefully planned, systematic and aggressive campaign of forced assimilation."

Labor rights are also severely restricted. Unemployment is a crime known as "parasitism" for which individuals can be arrested and imprisoned. Employees are frequently required to "volunteer" to work lengthy hours or to perform uncompensated days of labor to make up for lagging production, according to the State Department. Only labor unions under government control are permitted to operate. Those that do operate are able to do little to improve poor health and safety standards. Workers do not have the right to bargain collectively. In the past, the Government's reaction to strikes, or the advocacy of the right to strike, has been harsh repression.

Political rights are nonexistent. The State controls every significant aspect of the country's life. State Security deals harshly with criticism of the regime. There are no free elections and political activities are only carried out with the permission or involvement of the Communist party.

For all intents and purposes, Romania violates virtually every area of human rights.

So my question, the question which is addressed in the amendment before us today which Senator Dodd and I, and others, bring to you is, why, under such circumstances, do we give special trading privileges to the Romanian Government? The argument that we hear is that somehow by granting MFN status, we are encouraging Romania to take steps which are independent of the Soviet Union. I want to emphasize this point because in due course I am sure that someone is going to argue that case here on the floor of the Senate.

First, we should understand the reasons for any perceived independence that exists in Romania. Consider what I was told by a high-ranking Romanian defector who was once the personal aid of President Ceausescu, Gen. Ion Pacepa:

> It is true that Romania's political position within the Warsaw Pact embodies a degree of genuine independence and is an irritant to the Soviet Union. Until now, however, the pragmatic purpose of that posture has been solely to increase Ceausescu's personnal stature and to attract Western money and technology to help build communism in Romania. Regardless of its nominal "independence", according to Pacepa, Romania still maintains close intelligence ties to the Soviet Union and serves as a conduit for the transmission of embargoed Western technology to Moscow.
>
> From time to time, Romania has undertaken highly visible actions to show its alleged "independence." For instance, it was the only Soviet bloc nation to participate in the Los Angeles Olympics. While Romania was lauded in the West for its actions, one would be hardpressed to find any lasting effect participation in the games had for the Romanian people. Once again, it was a ploy that cost the Romanians nothing, but it received huge dividends in terms of Western good will for its actions.
>
> One frequently used measure of so-called "independence" is a country's United Nations voting record. In this case, Romania's record is only a percentage point or two better than the Soviet Union's, and in some respects it is even more radical. For example, Romania is particularly noted for its intransigence at Helsinki meetings.

In some ways, as I alluded to at the outset, Romania's so-called independence is 180 degrees out of phase with the kind of independence which thoughtful people in the United States and elsewhere would like to see.

According to Dr. Juliana Pilon, senior policy analyst at the Heritage Foundation, Romania, as one of the world's largest arms dealers sold more than 3 billion dollars' worth of armaments between 1979 and 1983. While the majority of the arms went to the Soviet Union, some $310 million went to Libya's Qadhafi. Another $120 million went to North Korea.

In addition, Romania supplies military assistance to the Palestine Liberation Organization and other Soviet-backed national liberation movements. To quote General Pacepa again, "Romania conducts paramilitary training schools for members of the Western Communist parties, who receive training in sabotage, diversion, and guerrilla tactics." From my way of thinking, this is not the type of independence which our Government should be encouraging or rewarding by U.S. trade policy.

As well as being unreliable as an independent Communist country, Romania, as a trading partner, is in other ways short of a good example of fair and free trade. The United States Trade Representative lists Romania as one of the countries most frequently subject to antidumping actions; 1986 was the fifth year in a row that the United States had a large trade deficit with Romania. During the past 3 years, our trade deficit ratio with Romania has averaged 3.4 to 1. Is this a country to which we want to continue to give special trading benefits so that Romania imports can be sold in the United States more easily? I would urge my colleagues to think very carefully about our trade relationship with Romania.

In the final analysis, as concerned as I am with Romania's trade deficit, with the arms shipments, with the support of terrorism and with Romania's less than reassuring foreign policy, I am even more concerned about America's responsibilities as leader of the free world.

Mihai Botez, the noted Romanian mathematician and human rights advocate I mentioned at the beginning of my remarks has raised an issue that should strike a note of concern for all Members of the Senate. He states in an article entitled "United States-Romanian Relations Between 1968-84: An Independent Survey From Bucharest" (1985):

> U.S. foreign policy has supported almost unreservedly the interests of the Romanian government during the past 15 years. The novelty that becomes visible now . . . is the possibility that the Romanian people, as a result of the gradually more apparent separation between people and government, may, being in a latent conflict with its government, begin to perceive the U.S. policy as being contrary to the interests of the Romanian people, or at least indifferent to them. Paradoxically, the adversaries of the present unpopular regime—such as the Soviets—gradually regain some credit in the eyes of the common people, exasperated at shortages, disorder, and corruption. Contrary to any political logic and in violation of traditional Romanian hostility toward Moscow, the ordinary Romanian is less and less inclined to hope for support from those in whom he had placed all his hopes—as the Americans—but who are "betraying" him now by allying themselves with his oppressors.

The issue is pretty well summed up in one of his final comments.

Botez further states:

> The West has proved to be associated with the most incompetent, backward, and injurious to the people alternative of communism.

As a footnote to these words, I was informed just earlier this week, that Mihai Botez is being sent into internal exile to the town of Tulcea where he will be forced to work on projects that are of a sensitive nature. The result of this action, if he is unable to appeal the decision, as I expect he will be, he will never be permitted to emigrate from Romania because he may have had access to privileged information.

My hope is that Mr. Botez will be free to choose whether he wishes to stay where he is or emigrate to the country of his choice. However, we shouldn't fool ourselves into thinking that once his case is solved, things will get better. Because after Mr. Botez is free, there will be others who are denied their rights who will speak out, only to suffer a similar fate. It is part of a consistent pattern that goes on in Romania.

We must not forget that Botez is a victim of the type of criminal harassment of human beings that goes on day after day in Romania. Make no mistake, the Romanian Government is playing with people's lives to serve its own purposes—and that purpose is increased concessions from the West to keep the present regime in power.

These are strong words, Mr. President, but they are most unfortunately true. The people of Romania are suffering under a terrible dictatorship. And they are beginning to view the United States as part of the problem rather than part of the solution because they know the privileges granted under Jackson-Vanik provide the economic support that keeps the Ceausescu regime in power.

Romania may not be a large country—it has only 23 million citizens. However, the world will not judge us kindly if we snuff out the last flame of hope for a better life in Romania. We are not asking a great deal with this legislation. It is merely a 6-month suspension of MFN to send the signal to the Romanian Government that the United States is serious in expecting Romania to live up to its part of the bargain—namely, respect for human rights, and most specifically free emigration. It will also send an important message to the people of Romania—that we are not in lockstep with the present regime, but rather, we believe in basic rights for all people, including the 23 million Romanians whether they are Christians, Jews, ethnic Hungarians or Germans, labor or political activists, or simply the average Romanian who wants the opportunity to live in peace from government harassment.

Temporarily suspending MFN is a modest but important step. Do not be fooled by those who argue that suspending MFN would force the Romanian Government into even more repressive actions. Clearly, MFN is too important to Romania for the regime to take negative action—for such action would deny them MFN at some later time.

Instead, we should break out of our complacency and stand up for what is right. The House has already acted to suspend MFN to Romania by a vote of 232 to 183. The votes were bipartisan, as is the support for this amendment here in the Senate. I hope today that the Senate will join our House colleagues in sending a strong message of hope and freedom to the people of Romania.

Mr. President, I want to emphasize, as I yield the floor, that the amendment which Senator DODD and others and I bring to the floor does not match the seriousness of the crimes against human nature which are occurring every day in Romania. We have, for what we think are good and sufficient reasons, not brought before the Senate a severe or drastic amendment. We are not suggesting a permanent termination of MFN status, although that may well happen at some point. We are not suggesting that we take the kind of adversarial measures which would make it impossible to have an improved relationship in the very near future with the Government of Romania. Instead, we are saying for a brief period, for 6 months and with automatic reinstatement, we believe MFN status ought to be suspended.

It is a message, it is very little more than that. But it is a message which, for the sake of human rights in Romania and for the honor of our own country, it is politically important that we send.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague from Colorado for the statement on this issue in which he reiterated with great clarity and specificity the various charges that have been raised, not only most recently but over the last number of years with regard to Romania.

Let me say to my colleagues here that this is almost the 12th year in succession, beginning with my tenure in the House, that I have proposed a resolution on this issue. For 12 straight years beginning in 1975, I have offered a resolution on MFN for Romania. For years, I have done what almost all of us have done. In the final hour, I have joined with those who have said, send message, send a signal; maybe there is reason to believe that Romania will get that message and will change. I have never changed my position in many years on this issue, but I, as many people over a period of time, begin to get exhausted. We have reached a point over 12 years where not only has the situation not gotten better, it has gotten substantially worse.

What we have seen in the last several days is an act of a play that has been carried out year after year. Just as this body or the other body begins to vote on MFN status, just as we begin to cast our votes, usually two or three people are released, some message is sent that there is reason to believe that there has been a change of heart. For 12 straight years, this has been played out.

Again we find that same tactic being used. I hope there would be some indication that perhaps this is a real change. But as the Senator from Colorado has pointed out, what we are proposing here is so modest it is almost embarrassing: Suspend MFN for 6 months, as maybe after 12 years, we might want to say to Romania, we are a little tired of the performance.

So today, I urge my colleagues to support this proposal.

The vote that follows this brief debate will be an opportunity to take a moderate but concrete step in defense of human rights. This will be a vote for human rights that may actually have consequences beyond rhetoric.

Every single day, dozens of letters are signed in Congress, in support of human rights, dozens of resolutions cosponsored, hearings held, speeches delivered. I do not underestimate the significance of these actions, I regularly engage in them myself. I think that, from time to time, they have some worth or merit. They are, however, basically risk-free feel-good activities, championing human rights on the cheap, so to speak.

Every now and then the opportunity arises to really do something about human rights, a move that requires making a real decision, involving assessing the risks and the readiness to pay a necessary price. This is such a decision. It is for real.

I have not arrived to this decision in a careless fashion. I have followed the human rights situation in Romania all through my congressional career, some 12 or 13 years. Much more often than not in these 12 years I sided with those who, while condemning the human rights abuses of the Romanian Government, elected to let them escape with a warning in the hope that our conciliatory attitude will be reciprocated and the human rights policy of the Government will improve as a result. These decisions brought me nothing but disappointment as a sharp decline in that policy has continued ever since.

I tell my colleagues of my experiences here because I want my colleagues to understand that I have been through every nook and cranny of this often complicated issue. I have considered every single counterargument that can possibly be presented here today and found them all wanting. None of them can invalidate the essence of our case which is the following.

Since the early seventies, in response to faint signs of digression from the Soviet policy line we have showered the Romanian Government with an abundance of goodwill. We have granted them MFN status that, 12 years later, we still withhold from most Soviet bloc states. By several mutual Presidential visits, favorable political gestures, trade, and cultural benefits, we have endowed this regime with signs of legitimacy and respectability unprecedented for a Communist government.

Our gestures, however, have not been reciprocated. Our pleas and warnings on the deteriorating human rights situation have been largely ignored. Our dedication to the idea of free emigration and our willingness to reward improvements in this area was turned into a cruel game of manipulation. By skillfully turning the faucet of emigration on and off according to political exigencies, the masses of would-be emigrants in Romania became a currency of international barter for the regime. Certainly, during the years of MFN, many thousand Romanian Jews could leave the country. The average yearly exit permits granted, however, were much higher before the granting of MFN than after, when their value in this barter was discovered.

In the meantime, the country was turned into the epitome of a police state for all citizens. Under this benighted regime privately owned typewriters must be registered with the police with typing samples. Law compels citizens to report any conversation with a foreign citizen, including relatives, to the police within 24 hours. The network of omnipresent police agents and informants would put to shame Stalin's GPU.

The country's religious and ethnic minorities are singled out for particularly harsh treatment. Religious believers have been imprisoned and beaten up for the peaceful exercise of their faith or the distribution of Bibles. Places of worship have been bulldozed. A Hungarian Catholic priest was beaten to death by the police for a sermon in which he called for making Christmas a holiday for this largely Christian nation.

Ethnic minorities, among them about 2.5 million Hungarians, are increasingly deprived of the opportunity to use their own language, enjoy and develop their own distinct culture and traditions. Their school systems where children can learn in their mother tongue have largely been destroyed. We should be mindful that all this happens with one of the most important multiethnic cradles of European culture, Transylvania, where political loyalties and potentates often changed through history but where networks of autonomous cultural and religious institutions have coexisted for Hungarians, Romanians, and German Saxons, unhindered for centuries.

One particularly repugnant abuse has a special relevance to me and to this body. In the late seventies 20,000 Protestant Bibles, printed in the West in the Hungarian language were delivered to Romania for distribution to the churches of that minority. This was done after lengthy, patient negotiations by a former colleague of ours. My predecessor, Senator Abe Ribicoff, at the time chairman of the Senate Subcommittee on International Trade.

It was Senator Ribicoff who negotiated and worked to see to it that those 20,000 Bibles could be delivered. He spent countless weeks and months on that negotiation.

Not one church received one of those Bibles, they disappeared in Romania but they reappeared. Some time later, packs of toiletpaper turned up in Romania with remnants of printed text clearly visible on the surface. It was a constituent of mine, a Hungarian reformed minister, who, with painstaking detective work, has identified these letters and fractions of words as coming from those Bibles. The Romanian Government pulped the Bibles we sent and turned them into toiletpaper. This is not an unconfirmed anecdote, incredible as it sounds. I have seen one of these Bibles and a sample of the toiletpaper and the essence of this incident was independently confirmed, I might add, by congressional staff traveling in Romania. Leaving aside the question of an incredible sacrilege that was committed, I want to ask all of my colleagues to ponder for a few moments what kind of message the Romanian Government was sending us with. This action where a former colleague negotiated and makes possible the arrival of 20,000 Bibles in a country.

That is how our gesture was treated, and now we gather here today to decide whether or not we want to single out Romania and provide most favored nation status for them after 12 years, 12 years of messages, of reminders, of begging, of pleading for some consideration and this is what we receive in return. So I would urge my colleagues today to consider carefully this modest and moderate proposal—I want to emphasize that—that my colleague from Colorado and I are offering this morning.

We are urged to reward, as I said earlier, Romania's alleged independent foreign policy. In 12 years of following this issue, as I said earlier, I have not seen one action by the Romanian Government that promoted any substantial United States interest as opposed to mere propaganda. So they came to the Los Angeles Olympics, we are told.

Who do you think paid for that? The Romanians came because they said, "We will come if you will pay," and so hard currency from the United States paid for their travel and the United States Olympic Committee paid for their hotel rooms. That is why they came. They came because we were willing to buy them in hard dollars.

The real significance of Romania's independence in the Soviet bloc lies in the fact that they are the only regime that preserved Stalinism in its purest form.

There are reforms being instituted in the Soviet Union at present some of them concerning the rights of their own citizens. It is too early to tell if these reforms will signify a profound and permanent positive change in Soviet attitudes toward human rights. It is characteristic, however, that the most outright rejection of the Gorbachev reforms came from Romania's President Ceausescu. He expressly ruled out any kind of change in the way that regime treats its own citizens. Independence, indeed, I would say.

Opponents of our amendment have expressed fear that by suspending MFN we would lose valuable leverage vis-á-vis the Romanian Government. A leverage, however, that we are too timid to use, is not a leverage. If MFN worked as a leverage, it worked for the benefit of the Romanian Government, not for ours. This would not be the end of our relations. MFN as has been mentioned, can be restored in 6 months, and in the meantime we retain a whole range of diplomatic, political, trade, and cultural relations with the Romanian Government. We will remain in speaking terms ready to find accommodation if good will exists on both sides, not just on ours.

No, Mr. President, I have not submitted or cosponsored this amendment because I am unaware of or indifferent to the possible consensus. Human rights are our most cherished values as public officials, as representatives of the people of this great Nation, and as American citizens. During these past 12 years of working on human rights in Congress, trying to make a real difference, helping real change to materialize both in rightwing as well as in leftwing dictatorships I have learned a few basic truths about this business. I would like to close by sharing them with my colleagues.

One truth is that if the oppressors of this world succeed in playing off one set of victims against the other, if they can hold one group hostage against the claims of the other, all victims lose, we all lose, and the dictators prevail.

Another truth is that if the oppressors of this world can buy us out year by year with last-minute concessions such as the alleged sudden release yesterday of three Hungarian teachers who were kept in jail by the Romanian Government for over 5 years then we teach that Government only one lesson: it is prudent to keep an ample supply of jailed victims because they can be traded in the last minute for consideration.

Finally, Mr. President, I learned that when applying sanctions on the violators of human rights, we must not be more afraid of the consequnces of that action than are the oppressors, the targets of our sanctions. I have heard and read thousands or words about the dire results that will come out of this suspension. Could anyone enlighten me on the question of how the President of Romania fears the consequnces of running unquestionably one of the most controlled, most brutal, most oppressive regimes in the world?

Mr. President, I yield to no one in the extent of my concern for the future of the people of Romania, whatever faith or nationality they belong to. I have thought long and hard about all the factors, all the arguments pro and con. It is my considered opinion that this is the right thing to do today. This is the right step for us to be taking. I strongly urge my colleagues to support this amendment.

I yield the floor.

Mr. BENTSEN addressed the Chair.

The **PRESIDING OFFICER**. The Senator from Texas.

Mr. BENTSEN. The Senator from Connecticut is right in saying he yields to no one in his concern for human rights and his fight against oppression around the world. He has a long and proud record. The Senator from Colorado, a distinguished Member of this body, has spoken out time and time again against repression of minorities.

I would stipulate with the Senators on each and every point about this dictatorship, this horror state, this state of abuses against human rights, civil rights violations. The real dilemma is how to move that kind of dictatorship to accomplish some of the very objectives the Senators are talking about because I share them. I think about the Jewish people subjected to bigotry and discrimination and persecution through history, and yet I also know they have one of the best intelligence systems in the world as they try to find out what is happening in the way of violations of civil rights and oppression and trying to turn those things around.

I have a great respect for their judgment and their understanding of what works best because they have been there so many times. So in tying to make up my mind—because I share the objectives, I know what the Senators are trying to do. I think in fact every Member of this body shares them, but in trying to make up my mind I could not help but note this letter to us from the Conference of Presidents of Major American Jewish Organizations, Mr. Morris Abram, chairman. This is what it says:

Dear Senator: On behalf of the member organizations of the Conference of Presidents of Major American Jewish Organizations including American Israel Public Affairs Committee (AIPAC), American Jewish Committee, American Jewish Congress, Anti-Defamation League of B'nai B'rith, B'nai B'rith International, National Conference on Soviet Jewry and the National Jewish Community Relations Advisory Council, we want to inform you of our strong support for continuing for this year most-favored-nation status for Romania.

We concur in the President's decision to extend the waiver authority under the Jackson-Vanik amendment in order to afford most-favored-nation status to Romania for the next year for the reasons stated in Presidents Reagan's report to the Congress.

Then they talk about some of the gains they have had. Pretty modest, I think. But they talk about the gains. Some of the same concerns of Hungarian-Americans for their relatives and the persecutions of Hungarians in Romania.

Mr. President, I ask unanimous consent that this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Conference of Presidents of Major American Jewish Organizations,

June 18, 1987.

Dear Senator: On behalf of the member organizations of the Conference of Presidents of Major American Jewish Organizations including American Israel Public Affairs Committee (AIPAC), American Jewish Committee, American Jewish Congress, Anti-Defamation League of B'nai B'rith, B'nai B'rith International, National Conference on Soviet Jewry and the National Jewish Community Relations Advisory Council, we want to inform you of our strong support for continuing for this year most-favored-nation status for Romania.

We concur in the President's decision to extend the waiver authority under the Jackson-Vanik amendment in order to afford most-favored-nation status to Romania for the next year for the reasons stated in Presidents Reagan's report to the Congress.

In adopting this position we reiterate our support of the religious and ethnic rights for all of Romania's people, including its Hungarian, Protestant Christian, Seventh Day Adventist, Mormon and other religious and ethnic minorities. We came to this decision for the following reasons:

1. Romania has substantially complied with the intent of the Jackson-Vanik amendment to permit emigration;
2. We believe the continuation of most-favored-nation status affords the best means presently available to our Government to effect positive change in Romania;
3. Jewish institutional life continues in Romania without government interference;
4. The loss of most-favored-nation status at this time would in our judgement hurt the effectiveness of the Jackson-Vanik amendment in aiding Soviet Jewry, including the possibility of Romania serving as a transit point for Jews emigrating from the Soviet Union.

Although the Romanian government has taken some positive steps in the area of religious and human rights, which we have strongly urged, the need for significant improvement remains. We shall continue to express our concerns in these areas to the Romanian government.

Respectfully,

Morris B. Abram,
Chairman, Conference of Presidents.

Mr. BENTSEN. Mr. President, we have a law on the books. We have the Jackson-Vanik Act. This was one of Senator Jackson's proudest moments, when he was able to achieve this, because of his great concern for the very things the two Senators are talking about.

Every summer when the President makes that determination, we review it in the Finance Committee, and we have representatives of those minority groups there. We know that the Romanian Government is deeply interested in and concerned about what happens there. We will be doing that again this summer, and I would be delighted to have hearings. We have not had hearings on this proposal in the Finance Committee. I would be delighted to hold hearings on it and further examine the possibilities and listen to witnesses who are concerned about it, as well as the two Senators.

The President's statement says that some positive steps have been taken. It says that more than 170,000 Romanians have been allowed to emigrate to the United States since Jackson-Vanik was put into effect—to the United States, Israel, and West Germany; that over 15,000 Romanians emigrated in 1986 alone. The Jewish emigrants from Romania to Israel in 1986 numbered almost 1,300.

I think it is important to know that most major American Jewish organizations have come out in opposition to this amendment. I think a telling point they make is that the continuation of most-favored-nation status for Romania, subject to the yearly review provided by Jackson-Vanik, is the best means available to assure positive changes in Romania. With their history, their knowledge of the subject, their great emotional involvement, and the concerns they state, I back their judgment.

With that in mind, I urge the defeat of the amendment.

Mr. DODD. Mr. President, will the Senator yield?

Mr. BENTSEN. I yield.

Mr. DODD. Just on two points.

I appreciate the Senator's comments. He certainly takes a back seat to no one in his concern about human rights cases.

One, the Finance Committee did have hearings last year on this issue. In fact, I testified, along with other colleagues, on August 1 of last year, on the issue. So the committee has been gracious enough to consider the matter, and we talked about it then.

I certainly have great respect for Mr. Abrams and others of the Jewish organizations who signed letters. I point out that there are others within the Jewish community in this country who support this amendment. It is not a unanimous vote by that constituency.

As I tried to point out, I think we make a great error when we play off the various victims.

I say to the Senator from Texas that I have seen those letters every year for 12 years, and they come right at the moment, and they say, "Give us one more year on this." I can go back and show a record of letters, "just 6 months," and for 12 years I have bought it, accepted it. But after our hearings, I hope we might, on this one occasion, say, with a strong voice, that we want to get better performance.

I thank my colleague.

Mr. HELMS. Mr. President, the time has long passed for delaying, let alone declining to approve this amendment. The evidence is too clear as to the situation in the Communists country of Romania.

I have a special source of information about what is going on in Romania—the subterfuge, the deceitful stroking and the false promises by that Communist government. The former Ambassador to Romania, a North Carolinian, David Funderburk, who ended his tour of duty as Ambassador to Romania and came home. Ambassador Funderburk described in detail what really is going on in Romania. It's not at all similar to what the U.S. State Department says it is.

Mr. President, the Senate will make a serious mistake if it does not approve overwhelmingly the amendment by the Senator from Colorado, cosponsored by the able Senator from Connecticut and this Senator and others, because it is beyond question that the Communist government of Mr. Ceausescu is not merely continuing to oppress the people of that beleaguered country who yearn for freedom—the Communist are stepping up the pace of callousness and brutality.

The Romanian Government boasts of its adherence to the Stalinist tradition. Mr. Ceausescu has often claimed that he is independent of Moscow, but that is for U.S. consumption. He seeks to delude us. He wants something from us, and the State Department has swallowed that line.

Mr. Gorbachev, himself—and this is ironic—found out what independence from Moscow means during his recent trip to Romania. Mr. Ceausescu made clear that he would have nothing to do with Mr. Gorbachev's celebrated glasnost, because Mr. Ceausescu said Romaina is not interested in openness. Mr. Gorbachev took careful note of that hard line message, and I think we should do the same. That is precisely the motivation for the Armstrong amendment.

Churches and synagogs throughout Romania not only are closed but are being destroyed. Dozens have been torn down in the capital city of Bucharest alone. The majority of the Romanian people are devout Christians, and the Jewish traditions are also very strong there. But the Communist government in Romania demands that the cultural traditions of the Romanian people, their religions, their freedoms be wiped away; and when the Romanian people resist, their livelihoods are gone. There is unbridled retaliation by the government of Mr. Ceausescu.

Mr. Ceausescu obviously intends to make Romania the Cambodia of eastern Europe. He is waging genocide on the culture and civilization of his people and eliminating those who do not knuckle under. Meanwhile, he tries to lure us—and he is successful with the U.S. State Department—with promises of increased emigration, if we will just require the American taxpayers to continue to finance his tyranny. This Senator says no, and I trust the vast majority of other Senators will say no, as well. Will we wait until all the countless Romanians who want to flee the yoke of Mr. Ceausescu have been allowed to leave?

The amendment spells out the reasons for the action it requires. It emphasizes how blatantly the Ceausescu regime has given the back of the hand—no the iron fist—to human rights considerations.

I simply cannot understand how or why the State Department can side with Mr. Ceausescu, especially after the detailed on the spot report prepared by the distinguished former U.S. Ambassador to Romania, the Honorable David Funderburk, and countless others.

David has emphasized that the Romanian situation is not improving; to the contrary, the screws are being turned even more tightly on the lives and liberties of the Romanian people.

So as I conclude, let us just consider a few of the countless examples: Romania provides training camps for the PLO, and hosts Yassir Arafat several times a year. The defection of a high-ranking Romanian security officer has revealed complicity by Romania in the training of terrorists who took part in the *Achille Lauro* hijacking that killed Leon Klinghoffer. The defector has also been reported as describing the infiltration of the United States Embassy in Romania.

But that is another story, a story that much of the media in our own country has refused to touch because it involves one of their fair haired boys—a previous United States Ambassador to Romania who obviously was compromised by a Communist functionary.

Every major news medium in this country has known that story. But because the Secretary of State and others called CBS, the New York Times, and the Washington Post, the story was swept aside and the American people know nothing about it.

In any event, Mr. President, it is time for the Senate to speak out, not merely to Mr. Ceausescu, not merely to the Government of Romania, but to our own United States State Department and to the major news media of this country. The Communist government of Romania does not deserve most-favored-nation benefits.

I commend the distinguished Senator from Colorado and I compliment the distinguished Senator from Connecticut and others for their cosponsorship of this amendment. I am glad to have played a part in this amendment. I hope it is approved overwhelmingly.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from Oregon is recognized.

Mr. PACKWOOD. Mr. President, no one in this body can take a back seat to the Senator from Connecticut in his defense of human rights, whether it be eastern Europe, Central America, or elsewhere, and I think we all give him high marks and accolades.

No one in this body can exceed the Senator from North Carolina in his genuine fervor for the defense of what we might call fundamental religious rights.

Nor can anyone disagree with the logic of the Senator from Colorado, and I have dealt with the Senator from Colorado for a long time. He has never blindsided me. He will always tell you when he is going to bring up an amendment. He will tell you what it is and when it is coming.

I discovered one thing in debating him: If you ever grant him his premise, you have lost the debate because his logic is absolutely unassailable.

This is the premise of his amendment. We deny most-favored-nation status to those countries that abuse religious freedoms, and make no mistake about it, Mr. President, the conduct of Romania, when it comes to religious freedom, is brutish, boorish, deplorable, disgusting. There is no question about that.

But the Jackson-Vanik amendment and the extension of most-favored-nation status to Romania is premised on emigration; emigration, not religious freedom.

Romania has a better record of emigration than any other European Eastern bloc country, a better record per capita than Russia. Since 1973, 170,000 people have emigrated from Romania, 15,000 last year alone, and that is more from Romania, a relatively smaller country, than the combined totals from Russia, Bulgaria, Hungary, and Czechoslovakia.

Do they do this because of Jackson-Vanik and only because of Jackson-Vanik? That is a question that is impossible to answer. All we can say is that they have done it and not only Jewish emigration but other emigration from other religions, other ethnic groups as well.

This in no way is to defend their conduct in terms of religious liberty.

I can understand why the Seventh Day Adventists drive the Government of Romania to despair. There are very few religions for which I have a higher regard than the Seventh Day Adventists. Here is a group so consistent in its views that it opposes prayer in public schools, because it regards it as an undue connection between government and religion. Here is a religion that opposes tuition tax credits for private schools because they regard it as an undue connection between government and religion.

It is no wonder that they are a hair shirt to the Romanian Government which thinks it should poke its nose in everything and limiting everything and repressing everything, and indeed they do.

But the question we should address ourselves to is do we want to change the fundamental purpose of the Jackson-Vanik amendment and say that in addition to offering it or withholding it, depending upon whether you are generous or not generous with emigration, we shall also say we will withhold it or extend it, depending upon how you view religious liberty. That is a fair question.

If we want to start doing that, there are countries as repressive as Romania—China certainly is in terms of religious freedom, and we extend the most-favored-nation clause to them. In terms of emigration, Chou En-lai has one of the classic—you hate to say humorous—realistic comments. When the issue was brought up to Chou En-lai almost a decade ago when he was asked about emigration, he said: "Certainly. How many millions do you want?"

So long as countries will say to their citizens—and I emphasize again Romania is better than almost any other country, certainly the best in Eastern Europe; they do not let everybody out. None of the Eastern European countries do. They are better than most. So long as a country will say to most of its citizens, "You don't like our government, you don't like the way we treat your religion, you don't like our economic system, you don't like our urban renewal projects, you can leave."

So long as you freely have the right to leave you can go someplace else and practice your religion, practice your economics, practice your civil liberties.

It is unfortunate that the rest of the world does not have our concept of the Bill of Rights, and yet it is not our place to go around the world whether it be in Nicaragua or Romania, saying you have to have our freedom of speech, our freedom of press, our freedom of religion, our right to assemble, our right to petition the government, our concept of trial by jury.

I think what the Senator from Colorado, Senator ARMSTRONG, is logically trying to do is change the premise of Jackson-Vanik from emigration to emigration and religious tolerance.

If you grant that premise, then his amendment is valid because Romania is abominable from the standpoint of religious tolerance. If you think its purpose ought to be limited to those countries who reasonably will allow those citizens within the country to leave who do not like the country, then I think his amendment should be defeated because on that measure, and on that measure alone, Mr. President, Romania has been tried and found to be more generous than any other country that we deal with, certainly in Eastern Europe.

The **PRESIDING OFFICER**. The Senator from Missouri.

Mr. **DANFORTH**. Mr. President, I think the case against this amendment has been pretty well made by the chairman and ranking member of the Finance Committee.

Really the issue before the Senate is how do we feel about Jackson-Vanik? Are we willing to scrap it? Are we willing to scrap it because we are annoyed and rightfully so at religious persecution within Romania?

Some feel very strongly, and we have argued this case before on the floor of the Senate, that religious persecution is something that we should act against and that Jackson-Vanik, the withdrawal of most-favored-nation status and the scrapping really of Jackson-Vanik is the way to stand on principle. But the fact of the matter is that the annual review of most-favored-nation status for Romania which would be scrapped if this amendment were withdrawn does provide us with the one opportunity we have to apply some leverage on Romania.

Romania is not like us. Romania is Eastern bloc. Romania is a repressive country. All of that has been said on the floor of the Senate. But we have been able to do some good with the annual review process of Jackson-Vanik.

Senator PACKWOOD has pointed out that since 1973 170,000 people have emigrated from Romania. Last year 15,000 left Romania, more than the combined total from the U.S.S.R., Bulgaria, Hungary, and Czechoslovakia.

Why did they leave? Why were they permitted to leave Romania?

Senator PACKWOOD raised that question. He was not certain this was the answer, but I am certain this is the answer. Because, for 6 years, it was my privilege to serve as the chairman of the Trade Subcommittee of the Finance Committee. And the job of that Trade Subcommittee was to hold annual hearings, annual review of most-favored-nation status for Romania. That annual review was an opportunity for the Romanian Ambassador to come in and talk to me to explain what Romania was doing with respect to emigration. And it was also an opportunity for me and my staff to give Romania lists of people who wanted to escape from that country and who had not been allowed to escape. That is what Jackson-Vanik did; that is what the annual review process did.

Jackson-Vanik has a very limited use. It has to do with emigration. It does not have to do with everything we could list that is a complaint with Romania or with any other country. It has to do with emigration. That is why it was designed. It was designed for the express purpose of letting people out of captivity. It was created for the expressed purpose of unifying families.

What do we say if we pass this amendment? And I might say, if we pass this amendment, it exists verbatim in the House bill. So this is the battle right now on the floor of the Senate. What do we say, if we pass this amendment and this becomes law, to those families who have not yet been reunited?

A lot of people have left Romania; a lot of Jews have left Romania. I understand that only something like 20,000 remain within that country. But they are human beings and some of them want to leave and some of them have family members who live in Israel, who live in the United States or who live in Germany.

How do we explain to them that the handle that we have to secure their release is no longer there? Do we say, "Well, good news and bad news. The good news is that we took a stand on principle against bulldozing churches. But the bad news is that we have lost all leverage."

We have lost all leverage with respect to religious persecution, as a matter of fact, and we lost all leverage with respect to the reunification of families and the emigration of Jews in Romania.

It is very natural to want to make a stand on principle. We do that here all the time. We vote on matters of South Africa, for example. We want to stand on principle against philosophies that are different from our own. But there are occasions when taking stands on principles backfire, when they do more harm than good. And this is such a case.

This is not just a luxury of the U.S. Senate, a vote in the U.S. Senate on a matter of principle. This is a cashing in of Jackson-Vanik. This is a cashing in of whatever leverage we have against Romania. This is forgoing the possibility forever of reunifying families that are now separated.

Now I am sure it will be said that I am overstating the case because this is simply a 6-month act. Mr. President, it is not possible to turn the flow of international trade on and off as though it was attached to a switch. It is not possible to interrupt trade relations for 6 months and then renew trade relations for 6 months.

For years, the Soviet Union has been saying to Romania, in effect, "You people are suckers. You are letting people out of your country for no reason, because sooner or later the most-favored-nation status will be withdrawn no matter what you do on emigration."

We would be saying, by voting for this amendment, that the Soviet Union is right in the arguments that it has made to Romania, that Romania has been a sucker for letting Jews out of its country. There is no doubt in my mind that the cost of this amendment would be a very severe human cost. It would inflict severe pain on families who now have hope that the process of most-favored-nation review will help them and help their relatives.

We have argued this before on the floor of the Senate, Mr. President. I would say once again, as I have said in the past, this is a terrible mistake and I hope the Senate would vote against it.

Mr. DODD. Will the Senator yield for just one point, because I think it is central to this whole discussion, on the issue of Jackson-Vanik?

If Senator Jackson and former Congressman Vanik ever thought that, by their amendment, we were limiting our ability to be concerned about other issues, I think they would be horrified. Jackson-Vanik specifically deals with one issue—emigration. But it was never intended to eliminate or to disregard those other issues that come forward. And so to suggest somehow that by the adoption of Jackson-Vanik we have then forever excluded the possibility of raising these other issues in terms of whether or not we wish to underwrite or subsidize or economically support a country, I think does a disservice to Jackson-Vanik.

I may be wrong on that. My colleague has worked on these trade issues. But Jackson-Vanik was never meant to restrict our human rights concerns. It was merely to emphasize the issue of emigration. Is the Senator from Connecticut wrong in that?

Mr. DANFORTH. The purpose of Jackson-Vanik is emigration. We have, in fact, been able to use the leverage of Jackson-Vanik to achieve some limited human rights changes. We have, for example, been successful in getting some passports issued and some Bibles printed, because we have a relationship, we have negotiations and they go on every year.

I can assure the Senator from Connecticut that when I have met with the Romanian Ambassador, I have pressed the human rights question as well as the emigration question. But the purpose of Jackson-Vanik is emigration. It has worked.

My point is that this is a gun with one shot in it. Jackson-Vanik is a gun that only shoots once. It is kind of like a bee. It stings once. And once you use it up, as we would the minute we voted for this, this is the end of it.

Mr. DODD. But, may I ask the Senator from Missouri, Jackson-Vanik was not meant to exclude or restrict the Congress from raising other human rights issues. It was merely to emphasize the issue of emigration. Am I correct in that?

Mr. DANFORTH. Once you get in the door, once you start negotiations with another country, you can raise other issues, and we have raised other issues.

But the point of Jackson-Vanik has been emigration. And I think it is ironic that for both possible uses—the intended use of emigration and the secondary use of human rights reforms—that it can be used for both would be gone if this amendment were adopted.

Mr. DODD. I thank the Senator.

The PRESIDING OFFICER. The Senate will be in order. Senators will cease conversations.

Mr. TRIBLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. TRIBLE. Thank you, Mr. President.

Mr. President, let me say, in response to my distinguished friend from Missouri, that I believe his concerns are misplaced. The language of this legislation does not terminate MFN but only suspends it and then MFN is reinstated automatically with the usual annual review.

This is an important point, and meets these concerns that he has expressed.

But let me go further. I would suggest to my colleagues that the annual review of MFN has become a farce. It lacks meaning.

Over the past decade the script on Romania has been replayed with numbing frequency. The United States decision on Romania's MFN status is made by the President in early summer. Several weeks prior to that Romania takes a half-step toward civilization. It refrains from destroying a church. It releases a priest from prison. It permits modest amounts of emigration.

Indeed, in recent weeks there has been a flurry of activity in Washington. Many of us have received phone calls from the Romanian Ambassador: Let us get together and talk about the Romanian citizens that wants to emigrate from our country.

Romania promises that such steps are the beginning of a new and enlightened era. Ceausescu swears that the situtation will improve. As a result of these glowing pledges the United States, once again, extends Romania MFN benefits. Then, year in and year out, the heavy hand of the Romanian state descends on the Romanian people and on the Christian Church.

My God, when are we going to see through this charade?

In the last Congress I advanced this legislation. I worked with my distinguished friend from Missouri, Senator DANFORTH, then chairman of the relevant subcommittee. He graciously, invited me to join him in his annual meeting with the Romanian Ambassador.

I will always remember we spoke as passionately and as persuasively as we could, underscoring our concerns about the repression of Romania. Promises were made that things would be better. We gave the Ambassador a long list of our concerns.

Within 1 month the Romanian Government demolished a synagogue and a church. That was their response. That is the kind of response we receive from the Romanian Government each and every year.

When are we going to see through this charade? When will we translate our values into action and do something that might improve the situation in Romania?

The harsh reality of Romania remains the same. Romania is one of the most antireligious, responsive regimes in the world and her people continue to suffer. That is why I believe we should suspend business as usual. I believe we should follow the example of the House and adopt this amendment.

The proponents of MFN make several arguments. I want to respond briefly to those arguments because I believe the response ought to be persuasive.

Proponents of MFN point to Romania's independence in the world. I would suggest that Romanian independence is mythic. It is illusory.

We have heard, for example, that Romania has walked out of key votes in the United Nations. That may be true, but the reality is that in the 1984 session of the United Nations, in total votes cast in plenary session, Romania voted with the United States just 10.1 percent of the time. That is lower than Hungary, Bulrgaria, Poland, East Germany, Czechoslovakia, Byelorussia, and the Soviet Union.

We will hear that Romania sent Nadia Comaneci to the Olympics. Indeed they did, and she was a great hit. But we should also hear that there are very direct, real, and powerful ties between the DIE, the secret police of Romania, and the KGB; that Romania's secret police are largely responsible for the pursuit of Western technology; that Romanian secret police are actively involved in the training, the financing, the supporting of the PLO and other terrorist organizations. We should also know that there is a higher ratio of secret police to people in Romania than in any other country in the world.

The reality, unmistakable, undeniable, is that Romania is one of the most Sovietized nations on the globe in the organization of its economy, in the use of forced labor, in the oppression of its people.

I believe that should count in our deliberations and weigh heavily on all of us. We should make decisions on that basis—decisions that have become so routine, so easy, that they have been rendered meaningless by the process.

I believe the moral questions that we have sketched here ought to come into play; they ought to weigh heavily on what we do. By any moral standard, Romania flunks. It is failing the tests that are the essence of the American experience. We simply ought not to do business as usual with this kind of country.

Some people argue, and you have heard these arguments today, that Romania's emigration policies are more liberal than they once were. I find it interesting that they are contrasted with Bulgaria and the Soviet Union, two nations to whom we grant no special trade benefits.

What should be our objective, Mr. President? Do we want to get more people out of Romania or do we want to improve the plight of Romanians in Romania? But, let us look at the statistics. Let us take a hard look at those arguments about emigration. They simply do not carry the day.

If you look at the numbers, look back to 1974, the year before the United States granted MFN status to Romania, total emigration from that country was 12,591. In the last year it was 15,222. In over 10 years of MFN status, total emigration has increased by less than 3,000—by less than 3,000. Most importantly, I would suggest, emigration has been on the decline in the last 2 years. There is no good faith here. There is no liberalization of emigration policy. There is no progress.

Why can't we see the reality of Romania and respond appropriately?

I believe it does matter that people are permitted to leave. But by any objective standard, if you compare Romania's experience before MFN and today, there is no meaningful difference. No difference. And that is undeniable.

If you look at the life of the people, the life of the people who live in the darkest and coldest country in Europe; the life of the people who try to worship God and live their life unfettered from the interference of their government, it is dismal, it is miserable, it is oppressive!

I would say the time for business as usual has passed. Let us not go through this annual charade, this game, once again. Let us strike out in a new direction, a policy that may work.

Indeed, it may not. And I have asked Romanian citizens: should we take this step? You know the kind of man Ceausescu is. No one can say exactly how he may respond.

Their response to me, I think, is most telling. They said: You know, our life could not be any more desperate than it is today. Take this action. Our life may improve as a consequence. It could not be worse.

Let us be decisive. Let us stand up for the values that animate this country. Let us make a difference for good. Let us stop business as usual with one of the most repressive, antireligious nations in the world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, it may be that there are others who wish to speak, but I am not aware of that. So unless someone else desires to seek recognition for debate, it is my purpose to draw this debate to a close.

I see the Senator from Montana on his feet. I would be happy to yield to him, if he wishes to speak.

Mr. BAUCUS. It is my understanding that the Senator from Rhode Island [Mr. PELL] wishes to speak on this issue. He is detained momentarily. He will be here quite soon. I would suggest that the Senator from Colorado speak now.

Mr. ARMSTRONG. I might, Mr. President, transact at least 1 minute of business.

I see the Senator from Rhode Island has now arrived. I will defer to him.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. PELL. Mr. President, I thank my colleague from Colorado. I regret that I must oppose the amendment. As a former cochairman of the Helsinki Commission, I share my colleague's concern about the deplorable human rights situation in Romania.

A particular case, which has concerned me for many years is that of Napoleon Fodor who defected from Romania and has been separated from his wife and son for several years. Despite repeated appeals, the Romanian Government has refused to allow his family to join him here in the United States. There are many other cases of abuses of the right to emigrate, of religious rights, and of the rights of the Hungarian minority in Transylvania. I believe that we need to use whatever leverage we have to bring about improvements in Romania's human rights situation. However, I do not believe that a 6-month suspension of the most favored nation tariff treatment [MFN] will accomplish this objective.

Earlier this month, in recommending that MFN be renewed for Romania, the President observed that,

> Over the years, MFN has stimulated increased Romanian emigration and made possible the reunification of thousands of families. MFN has also enabled us to have an impact on Romania's human rights practices and to help strengthen the conditions for religious observance there.

I agree with the President's conclusion,

> That it is better to direct our efforts to improving the conditions that arouse our concern than to abandon the principal means of influence we now have and walk away.

The Jackson-Vanik amendment was designed to encourage increased emigration from countries which deny the fundamental right of freedom of movement.

It was never conceived to be an instrument capable of effecting far-reaching internal change.

However, through prudent use of the leverage MFN has afforded the United States, the United States has been able to obtain limited human rights improvements while maintaining an acceptable rate of emigration to the United States.

By expanding the conditions under which MFN is granted, we run the great risk of decreasing the leverage embodied in MFN with respect to emigration and reducing our ability to use MFN to promote other limited improvements in the human rights situation.

While this amendment would only affect Romania's MFN status, it undermines the uniform standard of compliance embodied in Jackson-Vanik.

For these reasons, I think, on balance, that we would be better off without this amendment, without the 6-month suspension of MFN. I look forward to joining with the floor manager of the bill, when the time comes, in his move to table this amendment.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ADAMS. Mr. President, this is a difficult issue. There is no question that the Senator from Colorado and the Senator from Connecticut make a compelling case about Romania's behavior. Despite some signs of progress, Romania continues to persecute those who seek religious freedom. Beyond that, Romania's so-called independence amounts to little more than symbolism. No one can claim, no one can believe, that Romania is a reasonable state.

But the issue of most favored nation is to center on more than generalized human rights concern. The law established by Jackson-Vanik requires us to give primary consideration to immigration. And in that one area, at least, Romania's behavior has been acceptable. The number of people allowed to immigrate from Romania could be greater—but the 17,000 people of all religious faiths who were allowed to leave last year more than exceed our expectations for a Communist state.

Jackson-Vanik does encourage us to consider general human rights policy. And in that context, it is clear that Romania must do better. The question is: Will we encourage them to do better by continuing to extend MFN status to them or will a denial of MFN drive them closer to the Communist bloc and further away from our ultimate goal of a more humane society? I suspect the answer to that question is that a denial will destroy any hopes we might have to make progress in this critical area.

Mr. President, I am not happy to cast this vote in favor of continuing MFN status for Romania. But both as a matter of law and policy, I think we have no realistic choice.

SUSPEND ROMANIAN MFN STATUS

Mr. SYMMS. Mr. President, I am pleased to join as a cosponsor of the amendment to suspend the most-favored-nation status of Romania.

On several occasions, I have spoken on this important issue. And, in November 1985, I offered an amendment to the State appropriations bill, which urged the President, in the absence of improvements in Romania's attitude toward religious freedom, to consider human rights violations in deciding whether to reextend most favored nation trading status to Romania. I am pleased to say the amendment passed by unanimous consent.

Less than 2 years later, I must stand before this body again to denounce the social and religious repression that is being waged against the people of Romania by the Communist Party and its leader Nicolae Ceausescu.

Though several Members of Congress have expressed so well the human rights violations in Romania, our State Department believes the President should implement the waiver provision in the Jackson-Vanik agreement which is intended "to assure the continued dedication of the United States to fundamental human rights," and is the basic tenent that must be met in order to allow Communist countries to receive MFN status. The past three administrations have invoked this waiver authority for several Communist countries which do not even comply with the minimal emigration requirements of Jackson-Vanik.

Employed properly, most-favored-nation status is a leverage that has the potential to improve the conditions of life for people in Romania. To ignore human rights abuses, and to let MFN become gratuitous is to tolerate torture, intimidation, and state terrorism.

The State Department recommends that we grant MFN status to Romania because they view the country as a maverick in foreign policy that goes against the Warsaw Pact. Contrary to what is being said down at State, the Romanian Government is becoming much closer to the Soviets than they wish us to believe. As David Funderburk, former Ambassador to Romania states, the Government closely collaborates with the Soviets militarily, economically, and politically. Dictator Ceausescu and the Romanian Communist Party has allowed Soviet troop transits, exported massive amounts of armaments to radical Arab States and Marxist Leninist guerillas, and transferred sensitive technology from the West to the Soviets. Funderburk believes that Romania may "advertise, but cannot in fact carry out an independent foreign policy detrimental to the essential interest or aims of the Soviets."

Despite the State Department view of Romania's foreign policy, the granting of MFN status to Romania smacks at the heart of this Nation's dedication of human rights and a free emigration policy. Romania holds the distinction of having the worst human rights record in Europe as well an antiemigration policy. "Country Reports on Human Rights Practices for 1986 finds that through the Romanian Government, the Communist Party seeks to control every significant aspect of the country's life. Almost all aspects of life proceed within narrow bounds defined by the party and its leader.

Romania is pursuing the repayment of its foreign debt, by conserving energy and raw materials. This causes shortages in domestic and consumer goods, leaving citizens without many of the basic food items and cooking and heating oils. This condition has worsened drastically and is most life threatening during the harsh winter months.

Moreover, Romania skirts around many of the guarantees of human rights established in the Helsinki Final Act because of major discrepancies that exist between generally accepted standards. The government continues to limit and often deny the right to free speech. Though the Romanian Constitution guarantees freedom of speech and press, it prohibits their use for any purpose "hostile to the Socialist system and the interests of the working people." While official censorship has been abolished, the media is state owned and controlled, and is used primarily for government and party propoganda.

Amnesty International and Helsinki Watch have cited instances of the imprisonment of people who are exercising their right to freedom of expression in a nonviolent fashion. The beating and murder of a priest who simply stated that Christmas should be made a public holiday typifies the atrocities common to the Ceausescu regime. The abuses seem endless, and those responsible for determining whether to reextend the MFN status for Romania have hardened beyond rational and compassionate thinking. Former Ambassador Funderburk states that, while a misconceived United States policy has neither led to an independent Romanian foreign policy nor an improved human rights situation, the MFN status benefits the Bucharest regime but not the United States or the Romanian people.

I believe this amendment is needed to establish a United States commitment that recognizes the abusive Communist regime in Romania and denounces the repression of its citizens. I urge adoption of this amendment and thank my colleagues in advance for their support.

Mr. WARNER. Mr. President, today we vote on the amendment offered by the Senator from Colorado and others, including my colleague from Virginia, Mr. TRIBLE.

In April, Senator NUNN and I traveled to Europe. On that trip, I had the opportunity to visit Romania and its leader, Mr. Ceausescu. I also had the privilege of meeting with Rabbi Meyer

Rosen while in Bucharest. Human rights was among the first topics discussed with both.

Since returning from that trip, I have met with representatives of the Romanian Government, and with officials of the Island Creek Coal Co., and its parent company, Occidental.

The Island Creek Coal, Co., has for the past several years had an agreement with the Government of Romania whereby that country would purchase the entire output of Island Creek's Mine in Buchanan County, VA.

It was the collective advice of those individuals that MFN status for Romania guaranteed the United States continued access and leverage to influence that nation's human rights policies. I considered those views. I agree that a termination would be detrimental to trade and therefore I would not, at this time, support that permanent action.

Following that visit, I researched how other religious groups in Romania, groups I never had the privilege of meeting, are treated. And I decided that, rather than to suspend MFN status indefinitely, the Congress could temporarily suspend MFN status for Romania, and give that country an incentive to make some changes.

It is for that reason that I support the amendment before us, to temporarily suspend MFN status, and encourage Romania's leaders to make changes.

Mr. President, suspending MFN status for Romania should not adversely affect the relationship with Virginia coal. Only permanent termination should affect contracts and I am hopeful this will not occur.

Mr. DECONCINI. Mr. President, I was elected to this distinguished body almost 12 years ago. This timespan happens to coincide almost identically with the number of years the United States has extended most-favored-nation status to Romania. I have carefully listened to my colleagues argue and debate the positive merits of MFN as a valued incentive or positive leverage to improve the human rights status of the persecuted peoples living in Romania. I have heard over and over that this leverage would improve emigration, allow the free practice of religion, benefit minority rights, and lessen harassment of minority groups. It has not. I have heard over and over: "Wait until next year," or "One more year." I will not wait.

Mr. President, I have a tremendous respect for the rules, traditions, and practices of the Senate. Members of the Senate attach a great significance to the meaning and definition of legislation and words in this distinguished Chamber. Members respect such terms as "most favored nation" status and the "Jackson-Vanik" legislation. These words stand for something. These are not merely symbols with which we trade people or goods. I do not support lending the prestigious name of the late Senator Jackson to a policy that is only symbolic and merely intended to make an abysmal situation a little more tolerable.

Mr. President, emigration numbers are the lowest in the last 3 years. There is minimal change in the numbers of prisoners of conscience. There are no improvements in minority rights. There are severe limitations on religious rights and many churches have been demolished. This is only one aspect of the story. As this is a trade bill we are debating, the United States has a 3.4- to- 1 trade deficit with Romania, an Eastern bloc country. As I understand, this is a higher deficit ratio than we have with the Japanese.

This is not all, Mr. President. On June 24, 1987, State Department officials testified to the House that the Government of Romania is providing training for the PLO. The State Department has also indicated that Romania has diplomatic relations with the PLO, Syria, Libya, and Iran and have sold arms to many of these countries and organizations. MFN and Jackson-Vanik should not apply here.

The United States has granted MFN to Romania for 12 years with the hope of improving human rights and emigration, despite a 3.4-to-1 trade deficit and blatant conflicts in foreign relations. As a matter of economics, trade, and principle, I will not implicitly support this policy any longer. I urge my colleagues to support Senator ARMSTRONG's amendment to suspend MFN for Romania.

Mr. BYRD. Mr. President, suspension of MFN to Romania will jeopardize U.S. coal and agricultural exports to Romania, resulting in a senseless loss of American jobs.

There is a need to substantially improve both human rights and religious rights in Romania. However, the suspension of the most favored nation [MFN] trading status of Romania would not be in the best interest of the United States or the Romanian people.

MFN is the tool that has brought about the changes that have occurred in regard to human rights violations in Romania, and can continue to do so in the future. In fact, MFN, at the present, is the only such tool we have to seriously impact the quality of life of the average Romanian.

Mr. President, I oppose this amendment.

Mr. ARMSTRONG. Mr. President, like everything else in life, the Senate has its ups and downs. There are days when I wonder if really the debate in the Senate reflects the significance and majesty of our purpose. But I really was satisfied with the debate we had this morning. It was thoughtful. It has been responsible. Although there are serious differences of opinion about this amendment, I think the debate has served to illuminate the issue and to put it in its proper perspective.

In drawing the debate to a close now, I want to express my appreciation to all who have spoken, and I say that with utmost sincerity. Of course, I am especially grateful for those who have spoken in support of the Armstrong-Dodd amendment. But the two managers have approached this matter with the utmost serious and thoughtful consideration. Others who have spoken—the Senator from Missouri—have laid out their case well. While we may end up disagreeing on the wisest course of action, there is no one who has spoken who has the slightest doubt about the nature of the regime in Romania. There is not a single Member of the Senate who has spoken or another Member who has not spoken that I am aware of, who doubts that it must be the task and purpose of our Government to keep the pressure on, to make it clear in every way we can think of that this regime must do more, must bend to more civilized practices with respect to human rights, emigration and other rights. So I feel good about what we have accomplished.

Mr. President, I ask unanimous consent that some Senators who have been listening to this debate and who have asked to be cosponsors be added to the amendment. Senators ADAMS, MURKOWSKI, and HARKIN have made that request. I ask unanimous consent that they be added as cosponsors.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. ARMSTRONG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ARMSTRONG. Mr. President, having made the point of mentioning the active participation of a number of Senators who have spoken, I want to mention three other people who for more than a year have been working on this matter, particularly two of our colleagues from the House, Congressman FRANK WOLF and Congressman COELHO, under whose leadership the House of Representatives recently passed an amendment which is virtually identical to the proposal which is brought before you today.

Then my colleague from Virginia, the distinguished Senator from Virginia, who has spoken with such eloquence here this morning, and who has been working on this matter indeed for more than a year and has had not only a great sense of personal destiny and concern about it but has devoted time, effort, and staff resources, Senator PAUL TRIBLE. In fact, if circumstances were only slightly different, it would be he who would be the chief sponsor of this amendment rather than I.

As you all know, he has been involved in the Iran-Contra hearings and, therefore, did not feel that it was possible for him to devote the time and effort to do the research and marshal the forces to bring this before us today. But even so, it is he who has really done most of the work and we are indebted to him.

Mr. President, I want to address only one substantive issue which has been raised against this amendment. That is the question of whether or not by voting for this amendment we somehow burn our bridges behind us, that we give up leverage or stand up for principle in a way which is likely to backfire. I think there is absolutely no sound basis for such a conclusion.

Were we suggesting that we break trade relations with Romania, then I would think that would be a justifiable conclusion and I would not at the present time think it would be wise to take such a drastic and severe step.

Someone might even conclude that we were taking such an off-the-cliff step if we were to permanently terminate MFN status for Romania, though I would not feel that way, but we are not doing that either.

We are taking a graduate, moderate, restrained step. This amendment seeks only to suspend for 6 months the MFN status and then under the terms of the amendment it will be automatically restored and Romania will be right back on the track it has been for the last dozen years with automatic annual renewal of its MFN status and so on. We are not giving up leverage at all.

What we are saying is that we mean business, we are serious, we are standing up for principle. It seems to me that under the reality of the massive, overpowering evidence of human rights violations by Romania, we cannot do less.

Mr. President, in order to make the RECORD complete, I am going to send several documents to the desk and ask that they be printed. Let me describe them.

I ask unanimous consent to have printed in the RECORD a Dear Colleague letter which I circulated along with Senator DODD and Senator NICKLES, explaining the background of this amendment, why it is coming to this body and a little about it.

Second, a factsheet on the Armstrong-Dodd amendment which goes into a little detail about the current law, how Congress came to grant MFN status to Romania in the first place, the nature of the proposed amendment, and five brief paragraphs about why this is needed:

First, because Romania has one of the worst human rights violations record in the eastern bloc; second, because it violates human rights obligations in almost every area; third, because its so-called independence policy in which it claims independence of the Soviet Union, is filled with errors since it grows more dependent on the U.S.S.R. every year; fourth, because of the close relationship between Romania and various terrorist nations and organizations; fifth, because continuing to grant MFN status sends exactly the wrong message to the people of Romania and the world.

Mr. President, I also ask unanimous consent to have printed an article from the Washington Post of June 8, by Jeri Laber, who is executive director of Helsinki Watch, under the title "It's Time to Rein in Romania's Tyrant." I hope every Senator, when the RECORD comes out tomorrow, will read this thoughtful article, which sums up the case in the words:

> It would be a great mistake if the United States government were to seize upon hints of a Gorbachev-Ceausescu rift to further its own "friendship" with Romania. Instead, we should outmatch the Soviet leader's reproaches to Romania by suspending Romania's MFN status until it improves its human rights practices. Ceausescu's policies have proved offensive even to his Soviet allies. He should certainly be no friend of ours.

Mr. President, I also ask unanimous consent to have printed, for all who will read the RECORD of this proceeding, a letter from Chairman STENY HOYER, a Representative of the State of Maryland, who is chairman of the Commission on Security and Cooperation in Europe, who sends, under a cover letter in anticipation of this debate, a discussion of human rights in Romania, the view from 1987, detailing emigration, what is happening to prisoners of conscience, religious rights, the rights of minority persons, social and economic rights.

I ask unanimous consent to have printed in the RECORD the extract of the State Derpartment's Report on Human Rights Practices for 1987. If time permitted, I would love to read every word of this into the RECORD.

The Department of State states:

> Romania is a highly centralized Communist state.

It goes on in some detail to outline torture and cruel and inhuman or degrading treatment or punishment, arbitrary arrest, detention, or exile, denial of fair public trial, and temporary interference with privacy, family home, or correspondence, severe restriction on freedom of speech and press, repression of freedom of peaceful assembly and association, denial of religious freedom, on and on.

I also ask unanimous consent to have printed the report of Dr. Juliana Pilon of the Heritage Foundation, in which she details the reasons for concluding:

> Romania is probably the most repressive, most economically backward country of the Soviet bloc. For the U.S. to continue giving it MFN—whatever the rationale, the hope for "independence" and "liberalization" back in 1975—is by now nothing short of embarrasing.

I also send to the desk for printing in the RECORD an article from the Wall Street Journal, an editorial, which sums up:

> We all know the rest. Mr. Ceausescu is razing synagogues and churches, persecuting Hungarians, bartering Germans and Jews and is making life in general in Romania about as miserable as possible. Notwithstanding the U.S. policy of somehow differentiating between Messrs. Gorbachev and Ceausescu, Romania continues its efforts to achieve the status of least-favored nation.

Mr. President, I also ask unanimous consent to have printed letters of support for the Armstrong-Dodd amendment from the Center for Russian and East European Jewry and the Student Struggle for Soviet Jewry; from the Christian Response International, the International Human Rights Law Group, the Romanian Missionary Society, the Christian Rescue Effort for the Emancipation of Dissidents, Helsinki Watch and LUPTA.

I ask unanimous consent that all these documents be printed in full in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, June 25, 1987.

DEAR COLLEAGUE: During the floor consideration of the Omnibus Trade Bill we intend to offer an amendment to suspend for six months the most favor nation status of Romania because of severe, continuous and systematic violations of basic human rights by the government of that country.

We did not arrive at this decision lightly or hastily. We have followed the human rights situation in Romania for many years. During the first few years none of us felt inclined to oppose the renewal of MFN for Romania in the hope that our good intentions would be reciprocated and that the human rights policy of Romania would gradually improve as a result. Instead, a precipitous decline in that policy has continued ever since.

In 1975, the year in which the U.S. granted MFN privileges to Romania, that country's record of emigration was fairly respectable among Soviet bloc countries. Unfortunately, emigration declined in 1985 and 1986, and this year's figures are not greatly improved. Once individuals apply to emigrate, they frequently must wait years to obtain permission during which they face harassment by the government. At present, there are still thousands of people awaiting permission to leave Romania.

In addition to the problem of emigration, Romania violates its obligations under international human rights agreements in nearly every category. Religious believers have been imprisoned and beaten for the peaceful exercise of their faith or the possession of Bibles. Places of worship have been bulldozed such as the country's largest Seventh

Day Adventist Church and the Sephardic synagogue of Bucharest. A Hungarian Catholic priest was beaten to death by the police for a sermon in which he called for making Christmas a holiday for his largely Christian nation. Ethnic minorities, among them about 2.5 million Hungarians, are facing forced assimilation that will deprive them of their language, their culture and their traditions. Political rights are non-existent. Labor unions are strictly controlled by the state and strikes are suppressed. Political, religious and ethnic activists are subject to harassment, arbitrary arrest and physical and mental mistreatment while detained. And to make matters worse, no human rights monitoring organizations are permitted to operate in Romania, thus limiting our knowledge of other abuses that may be occurring.

In sum, since we started to "favor" Romania, the country has turned into the epitome of a police state. Under this benighted regime, privately owned typewriters must be registered with the police with typing samples. Law compels citizens to report any conversation with a foreign citizen, including relatives, to the police within 24 hours. According to Helsinki Watch, a respected human rights organization, as much as one-third of the population of Romania is working directly or indirectly for the secret police.

Ask yourself these questions: Is this the kind of regime that should be "most favored" by us? If we do not invoke this moderate and temporary penalty now, what regime can we ever penalize?

Beyond the human rights angle, consider the following. The bill before us seeks to improve the negative balance that we run with our trading partners. During the past three years our trade deficit ratio with Romania averaged 3.4 to 1 against us, one of the worst. At a time when Congress tries to pressure some of our friends and allies on this score, our trade balance with this outlaw regime should merit equal scrutiny.

The amendment we are proposing calls only for a 6 month suspension of MFN for Romania, a very moderate sanction under the circumstances. We will retain several layers of economic, political, diplomatic, cultural and other relations with Romania even during suspension. This is not the end of our relations and certainly not the end of our leverage.

A similar amendment to the trade bill passed the House 232-183 on April 30. The only point where our amendment differs is in its reinforced concern for the issue of Jewish emigration from Romania. If you want to join us as a cosponsor or need any further information, please call Wendy Lechner at 4-5941 or Bulcsu Veress at 4-0349.

Sincerely,

CHRISTOPHER J. DODD.
WILLIAM L. ARMSTRONG.
DON NICKLES.

[From the Washington Post, June 8, 1987]

It's Time To Rein in Romania's Tyrant

(By Jeri Laber)

Both the Soviet and the U.S. governments have recently indicated a growing exasperation with the megalomaniacal policies of Romania's president, Nicolae Ceausescu. If the two superpowers were both to turn their criticisms into concrete actions, they might defeat Ceausescu at his game of playing off the United States and the Soviet Union against each other and, in the process, help lessen the misery of the Romanian people. Congress has an opportunity right now as it begins its annual review of Romania's most favored nation trade status.

For some years now Romania has taken independent foreign policy positions that depart from those of the Warsaw Pact, while maintaining the most closed and repressive society in Eastern Europe. Its maverick foreign policy has lured the United States into an unsavory courtship of Romania, one that has continued despite egregious human rights offenses. On the other hand, Romania's ability to keep its population under firm control had won support in Brezhnev's U.S.S.R. despite its refusal to go along such Soviet policies as the nonrecognition of Israel, the 1968 invasion of Czechosolovakia and the participation of Warsaw Pact countries in joint military maneuvers.

Mikhail Gorbachev made a break with previous Soviet attitudes during his recent visit to Romania. Demonstrating glasnost in action, he touched on many of Romania's most delicate problems—economic hardships, nepotism, the repression of minority rights—and refused to accept the

Potemkin village of domestic tranquillity that President Ceausesu had erected in his honor. "Even if you tell me that everything is all right in the country . . . I wouldn't believe you. There are problems," Gorbachev told a group of Romanians shortly after his arrival.

Gorbachev's criticisms of Romania came just a few weeks after the U.S. House of Representatives had approved an amendment to the trade bill that would suspend Romania's MFN trade benefits for a six-month period pending an improvement in its deplorable human rights record. The Senate has yet to take action. President Reagan, voicing concern about human rights violations, nevertheless went ahead and approved the extension of MFN to Romania for another year. The State Department apparently persists in the fantasy that Romania can be weaned away from its communist allies.

Three policies, all Ceausescu-created, have resulted in making Romania one of the poorest and most oppressed countries in Europe: the creation of a highly sophisticated police state that exercises total control over a terrorized population; the decision to use most of Romania's resources to pay off its huge international debt, thereby impoverishing the Romanian people; and the escalation of a Ceausescu "cult of personality" unrivaled since the days of Joseph Stalin.

There is no trust in Romania, where it is generally assumed that as much as one third of the population is working directly or indirectly for the secret police. Everyone is aware of an unpublished Decree, No. 408, which requires Romanian citizens to report to the police within 24 hours any conversation with a foreigner. Romanians cannot meet in groups, circulate writings, or even discuss with others their thoughts, suspicions and hopes. There can be no underground press in a country where the use of duplicating machines is tightly restricted and citizens are obliged each year to register with the police the type face of their typewriters. Ethic minorities in Romania, especially the 2/½ million Hungarians in Transylvania, suffer from cultural as wel as political repression.

In addition, Romanian citizens must tolerate unbelievable economic hardships. Severe shortages have led to worthless currency that is giving way to a system of barter. Drastic cutbacks on heat and electric power have caused suffering and many deaths. Romania, once the "breadbasket" of Europe, is paying the price for Ceausescu's unsuccessful efforts at breakneck industrialization. Among Ceausescu's other extreme policies is his determination to double the birthrate; to this end he has ordered compulsory monthly gynecological examinations for women of childbearing age in order to prevent unauthorized abortions. At the same time, elderly people who have "outlived their usefulness" are being moved out of the cities and denied medical and social services. While the people suffer, however, the president is razing large portions of historic Bucharest to build a $1.2 billion civic center that will be another of his personal monuments.

Ceausescu, who is intent on perpetuating his family's reign, indulges himself in all the luxuries and privileges of royalty. "Glory to the great Ceausescu" read signs along country roads outside of Bucharest. A large wing of the Museum of National History in Bucharest is devoted exclusively to a Ceausescu-inspired iconography—portraits and tapes tries glorifying the president and his wife—while another floor displays photographs of Ceausescu with every world leader he has ever met.

It would be a great mistake if the United States government were to seize upon hints of a Gorbachev-Ceausescu rift to further its own "friendship" with Romania. Instead, we should outmatch the Soviet leader's reproaches to Romania by suspending Romania's MFN status until it improves its human rights practices. Ceausescu's policies have proved offensive even to his Soviet allies. He should certainly be no friend of ours.

U.S. SENATE,
Washington, DC.

Suspending Most-Favored-Nation Status to Romania

Current Law: In 1974, the Congress passed the Jackson-Vanik amendment that linked most-favored-nation (MFN) trading status for nonmarket economy countries to the observance of human rights, particularly the right of free emigration. Specifically, the Jackson-Vanik provision states in brief: To assure the continued dedication of the United States to fundamental human rights. . . . products from any nonmarket economy country shall not be eligible to receive nondiscriminatory MFN treatment, credits or credit guarantees or investment guarantees or enter into commercial agreements with the U.S. if it does not permit free emigration. If a nonmarket economy country observes the requirements of Jackson-Vanik, the President may submit a waiver to Congress requesting that that country be granted MFN on the grounds that it is complying with Jackson-Vanik. The waiver must be resubmitted to Congress every 12 months to retain MFN. Since Jackson-Vanik, Romania, Hungary and China have received waivers under its provisions.

Proposed Amendment: In light of the fact that Romania is no longer complying with the requirements of the Jackson-Vanik provisions, and that it has one of the worst human rights records in the Eastern bloc, an amendment will be offered to the Trade bill to suspend for a period of six months MFN status for Romania. At the end of the six-month period, MFN will be reinstituted automatically. The President is required to report to Congress at the end of the suspension period, and every six months thereafter, on Romania's policies and practices regarding human rights, and how Romania is complying with the purposes of the amendment.

Why This Legislation is Needed:

1. Romania has one of the worst records of human rights violations in the Eastern bloc. In the specific area of emigration, Romania fails to allow thousands of its citizens to emigrate and continues to harass those who have applied to leave for the West. While Romania made nominal attempts to comply with increased emigration until 1984, since that time, the number of people permitted to emigrate has dropped from 21,000 to 15,000.

2. The Romanian government violates its obligations under several human rights agreements in almost every area. Freedom of speech is strictly limited and all media are controlled by the government. The printing of Bibles and religious literature is strictly controlled. Places of worship have been destroyed, such as the country's largest Seventh Day Adventist Church and the Sephardic synagogue in Bucharest. Free labor unions, and the observance of labor rights are practically non-existent. Political, religious and ethnic activists are subject to harassment, arbitrary arrest and physical and mental mistreatment while detained. No human rights monitoring organizations can operate freely in Romania.

3. We often hear that Romania should receive MFN status because it maintains a foreign policy independent of the Soviet Union. In reality, Romania is growing more and more dependent on the U.S.S.R. largely because of its catastrophic mismanagement of the economy. The example of "independence" often cited is Romania's opposition to the Soviet suppression of freedom in Czechoslovakia a number of years ago. However, a more recent freedom movement—that of Solidarity in Poland—was denounced by the Ceausescu regime in Romania, and internal freedom movements are severely repressed by the government.

4. Romania is known to have a close relationship with terrorists and terrorist countries. As one of the world's largest manufacturers of weapons, Romania sold more than $300,000,000 worth of armaments to Libya's Ghadafi between 1979 and 1983, and maintains a formal military cooperation agreement with Libya. Romania supplies military assistance to the PLO and other Soviet-backed "national liberation movements." And according to a high-ranking Romanian defector, General Ion Mihai Pacepa, "Romania conducts paramilitary training schools for members of the Western Communist parties, who receive training in sabotage, diversion and guerrilla tactics."

5. Continuing MFN privileges to Romania sends the wrong message to the Romanian people who suffer under their government's harsh repression. According to one of the most highly recognized human rights activists in Romania, Mihai Botez, the average Romanian is confused by the fact that the U.S. is viewed as a country of freedom, yet we support Ceausescu's repressive regime by continuing to extend preferential trade status. The United States should rethink its position and support freedom for the Romanian people.

COMMISSION ON SECURITY AND
COOPERATION IN EUROPE,
CONGRESS OF THE UNITED STATES,
Washington, DC, June 10, 1987.

To: All Commissiners.
From: Chairman Steny Hoyer.
Re: Romanian MFN Update.

In anticipation of an upcoming Senate debate on the Armstrong-Dodd resolution on suspension of Romania's Most-Favored-Nation status, as well as this summer's House and Senate hearings on the President's MFN recommendation for Romania, I am enclosing an update on Romania's human rights performance compiled by the Helsinki Commission staff. I hope you will find this information helpful.

COMMISSION ON SECURITY AND
COOPERATION IN EUROPE,
CONGRESS OF THE UNITED STATES,
Washington, DC.

I. ROMANIAN HUMAN RIGHTS UPDATE: THE VIEW FROM JUNE 1987

The Commission has traditionally categorized its human rights concerns in regard to Romania into four areas: emigration, prisoners of conscience, religious rights, and minority rights. Romanian performance in a fifth area of concern; social and economic rights, has had an inpact on attitudes towards Romania and the appropriateness of granting Most-Favored-Nation status to that country.

Each year, Romania has come up with some limited human rights concessions during the annual MFN review season. In June 1983, Romanian authorities gave assurances to the U.S. Government that they no longer would levy the education tax for would-be emigrants announced in November of the previous year. In 1984, prominent prisoners of conscience Father Gheorghe Calciu-Dumitreasa was released from prison, and in 1985, he was allowed to emigrate to the United States. Also in 1985, Romanian authorities came to an agreement with U.S. special envoy Counselor Edward Derwinski whereby Romanian citizens whose emigration to the United States have been approved no longer will suffer hardships such as loss of employment, access to social services and other rights of citizenship. In 1986, an amnesty announced in early June—well before the more commonplace Romanian National Day amnesty in August—freed prisoners serving three to five years in prison and significantly reduced the sentences of others. Also, the Romanians released several Christian prisoners of conscience, such as Adventist Dorel Catarama (imprisoned since 1982 for "economic crimes") and allowed Catarama and others to emigrate.

Other Romanian actions, even during the MFN review period, raise serious questions about the country's willingness to find common ground with either Western human rights advocates or its own citizens. Days before the Senate subcommittee debate on extension of MFN status in 1986, demolition crews in Bucharest knocked down a Sephardic synagogue. This action violated prior assurances given to members of the religious community in Romania and abroad.

Emigration

As the attached charts indicate, the annual rate of Romanian emigration to the United States declined in 1986, and the rate for the first three months of 1987 was decidedly lower than the first three months of 1986 (309, as opposed to 453). However, the figure for May to June this year is ten percent higher than the comparable number last year. There was a drop in emigration approvals to Third Country Processing (TCP) applicants, which was only reversed in May.

The TCP applicants have until recently made up a very large percentage of Romanian emigrants. With the TCP program discontinued in 1984, emigration figures could be expected to drop. While the pool of TCP applicants is shrinking (just over 2,000 remain to be processed), there is no supportable reason for such a drop as occurred in early 1987.

Last summer, two highly regarded Romanian mathematicians were permitted to come teach in the United States. Several scientific organizations had thrown their weight behind Radu Rosu and Silviu Teleman and their cases were raised vigorously during the MFN review. A third mathematician, Sorin Popa, arrived in the United States on May 30, 1987 to take up a post at UCLA. He was granted permission for this trip within a few weeks of requesting it, before his case could become a cause celebre.

Prisoners of conscience

Since last year's MFN review, one new high-profile prisoner-of-consicence case emerged: Ioan Constantin Ruta. Ruta was detained after applying to join his wife in the United States and was sentenced on bribery charges to seven years in prison as well as a fine roughly equivalent to $10,000. He is in poor health.

The Commission learned that on June 6 Ruta was granted a pardon and released from prison. His fine had been paid the previous week. He still awaits exit papers to join his wife and daughter in Minnesota.

Three Hungarian prisoners—Bela Pall, Laszlo Buzas and Erno Borbely—have been in confinement since 1983. The charges against them have never been made public. The Romanian Government has not answered any U.S. queries about their whereabouts or condition.

One prisoner of conscience with a lot of support form Christian groups in the United States was freed on appeal in November 1986. Ilie Meamtu, a member of the Open Brethren Church and a religious activist, was detained in August 1985 and held for several months before being sentenced to four and a half years in prison for unauthorized use of socialist property. His sentence was increased on appeal to seven and a half years, then reduced to four and a half in consonance with the June 1986 amnesty. He was released after an appeals court found the original charges against him incorrect.

Others were freed under the June amnesty or during last summer's MFN review. Those freed included a number of Protestant Bible smugglers, and Christian prisoners Dorel Catarama and Constantin Sfatcu. The latter two, as well as three Baptist ministers deprived of the opportunity to preach in Romania, were permitted to emigrate to the United States last summer. To the Commission's knowledge, at this time there are no persons imprisoned because of their religious activities.

The Commission has still received no information on Aurelia Nistor, a Romanian psychiatrist reportedly incarcerated in a psychiatric ward for refusing to issue an inaccurate psychological profile of someone she did not consider mentally ill (and whom the Government sought to punish). After a few Commission letters and State Department queries, the Romanians claimed that Nistor had been allowed to emigrate in 1984, under a maiden or married name. The State Department disputes this, and has received no further word from the Romanians.

Religious rights

A breakthrough in the area of religious rights occurred last summer with the Romanian agreement to print 5,000 Cornilescu (Baptist) Bibles by the end of 1986, as well as sufficient numbers in subsequent years to satisfy demand. However, to date only 1,000 have been printed; Baptist representatives claim that the delay has been due to a backup in the German paper supply.

The Government has yet to allow a large Bucharest Adventist congregation to move into new, permanent quarters after last August's razing of the Adventist Church in the process of urban renewal. On a visit to Washington in April, Adventist leader Vasile Popa reported that the Church has purchased a new headquarters building and has received permission to build a new church. Romania's largest Baptist Church, in Oradea, has been told that approval previously granted for construction of a new church has now been revoked, even though authorities earlier had facilitated the church's purchase of a new site. The Oradea congregation has outgrown its original church building.

The Romanian Jewish community was concerned about a number of anti-Semitic publications last year, but did not report any recent such publications. It has had no further public complaints, other than expressing dismay over an attack by arsonists on a synagogue in northeastern Romania. The Government arrested four accused arsonists in connection with the incident.

Reports of harassment of members of unrecognized churches have diminished considerably, suggesting that the authorities are easing up on them.

Minority rights

There has been no improvement in the situation of the Hungarian minority since the last MFN review; Hungarian NGOs report that the situation has only worsened. They report that a Hungarian doctor was arrested in August 1986 and is being held on charges of engaging in nationalist activities.

Leaflets have appeared in Transylvania (where the Hungarian minority is concentrated) calling for the overthrow of Ceausescu. It is impossible to tell whether the atmosphere of fear reported in Transylvania is any greater than the pervasive fear in Romanian society as a whole.

Ceausescu's brand of rabid nationalism is taking a toll on the Hungarians. They face diminishing opportunities to be educated in their own language and maintain a culture separate from Romanian culture. Hungarian-language theaters and publishing houses are being shut down or merged with Romanian-language ones. Family and cultural contacts across the Romanian-Hungarian border are hampered, and Hungarian visitors to Transylvania are harassed.

The Hungarians in Transylvania are the only Romanian citizens to have sustained a samizda periodical, the Hungarian News of Transylvania, over several years. This newspaper chronicles the situation of the Hungarian minority and can be credited for raising consciousness in the West on the Hungarian minority issue—a consciousness which has spread to the U.S. Congress.

Social and economic rights

The economic situation in Romania has never been worse. Fuel has been rationed for several years, leaving many people in apartments and offices which are heated to just over freezing. The street-lights in Bucharest—a capital once compared to Paris for its atmosphere—are no longer turned on at night. Basic foods, including milk and bread, are rationed. Meat is scarcely available. It appears that all of Romanian society—outside the Party and Ceausescu family elite—is suffering equally.

Decades of financial mis-planning have led to the dire condition of the Romanian economy. The Government has continued to pay back its foreign debts and engage in a modernization campaign for the country at the expense of the Romanian people. The center of Bucharest—where the Spanish Synagogue and the Adventist Church stood—is being torn up to build a modern complex in honor of Ceausescu.

ANNUAL ROMANIAN EMIGRATION TO THE UNITED STATES, ISRAEL AND THE FEDERAL REPUBLIC OF GERMANY—1971–86

Year	USA	Israel	FRG
1971	362	[1] 1,900	(2)
1972	348	[1] 3,000	(2)
1973	469	[1] 4,000	(2)
1974	407	[1] 3,700	(2)

[1] Approximate.
[2] Unreported figures.

MOST-FAVORED-NATION TRADING STATUS GRANTED—1975

1975	890	[1] 2,000	4,085
1976	1,021	1,989	2,720
1977	1,240	1,334	9,237
1978	1,666	1,140	9,827
1979	1,552	976	7,957
1980	2,886	1,061	12,946
1981	2,352	1,012	8,619
1982	2,381	1,474	11,546
1983	3,499	1,331	13,957
1984	4,545	1,908	14,831
1985	2,913	1,327	13,072
1986	1,996	1,281	13,130

[1] Approximate.

Monthly Romanian emigration to the USA, 1986

January	159
February	81
March	213
April	135
May	132
June	135
July	147
August	165
September	255
October	182
November	224
December	169
Total	1,996

MONTHLY ROMANIAN EMIGRATION TO THE USA AND ISRAEL, 1987

	USA	Israel
1987:		
January	82	116
February	97	101
March	130	105
April	200	106
May	291	95

[State Department "Country Report on Human Rights Practices," 1987]

ROMANIA

Romania is a highly centralized Communist state. The Romanian Communist Party, led since 1965 by President Nicolae Ceausescu, is described by the Constitution as "the leading political force in the whole of society." Through the Government, the party seeks to control every significant aspect of the country's life. In practice, the bureaucratic system leaves varying degrees of latitude to local officials to carry out central directives as well as to abuse their powers in violation of constitutional rights. Almost all aspects of life proceed within narrow bounds defined by the party and its leader. Political dissent is not tolerated. Criticism of the regime and its policies is suppressed by the ubiquitous Department of State Security.

Maintaining its policy of repaying its foreign debt obligations as soon as possible, Romania in 1986 continued to make drastic efforts to increase productivity and conserve energy and raw materials. Domestic shortage of consumer and food items have continued to worsen, especially during the winter months. Many basic foodstuffs are rationed, and meat is largely unavailable. Mandatory energy conservation measures result in many Romanian homes being without heat or cooking gas for much of the winter.

In the area of human rights, major discrepancies exist between generally accepted standards, for example as embodied in the Helsinki Final Act of the Conference on Security and Cooperation in Europe, and Romanian practice. Although Romania is a signatory of the Final Act and the Romanian Constitution guarantees many rights, the standards set in both documents are not precise on many issues, so that the guarantees are often meaningless in Romanian practice. The party, through the Government, continues to limit and often deny the right to free speech and free assembly and association, and to apply restrictions to religious practice. However, the Government has, within severely circumscribed limits, moved to accommodate some human rights concerns.

In 1986 the Government acted on several longstanding human rights issues. It agreed to permit the printing of some 5,000 Bibles for Baptist churches in Romania, with the promise of more in subsequent years based on need. It declared an amnesty in June for persons convicted of relatively minor crimes and also released several long-term prisoners identified with issues of religious freedom and allowed them to emigrate to the United States. American religious travelers reported that they remained able to visit persons and places of their choosing, although they or their contacts subsequently have been questioned by the authorities. At the same time, other aspects of the Government's treatment of religious groups and the demolition of a number of places of worship, including a major Jewish synagogue and a large Seventh-Day Adventist church, in the name of urban reconstruction, caused major concern.

In 1986 the Government continued its "principled opposition" to emigration, discouraging individual cases by complicated, slow-moving procedures and coercive tactics. Potential emigrants often must wait several years before they receive exit approval, although the hardships endured by such intending emigrants have been reduced considerably by a 1985 U.S.-Romanian understanding on emigration procedures. Departures for the United States, Israel, and the Federal Republic of Germany in 1986 totaled 15,222, mainly under the rubric of family reunification. This figure represents a decline from the 1985 total of 17,350.

Respect for human rights:

Section 1.—Respect for the integrity of the Person. Including Freedom from:

a. Political killing:

There were no substantiated reports of political killings in Romania during 1986. There were allegations that the death of an ethnic Hungarian actor, Arpad Visky, was caused by the security police, but there is other information contesting this charge. At the same time, no Romanian investigation was ever made public in the case of Gheorghe-Emil Ursu, a detainee who died in November 1985 under unexplained circumstances. Some sources claim the prisoner suffered beatings at the hands of the police which led to his death. The available information, though not definitive, appears to lend credence to these reports.

b. Disappearance:

There were no substantiated reports of politically motivated disappearances. However, family and friends of persons arrested on political charges are frequently left unaware of their circumstances and location for long periods of time.

c. Torture and cruel, inhuman, or degrading treatment or punishment:

There were numerous reports of mistreatment of persons while in Romanian prisons or police custody. Acts of violence perpetrated by police authorities attempting to obtain information are frequently reported. Romanian authorities also use physical and mental degradation to intimidate those caught or suspected of wrongdoing. Persons detained for questioning are often held incommunicado and kept for long periods without sleep, food, or toilet facilities. Numerous reports say those caught attempting to leave the country illegally, for example, are subject to extreme physical and mental harassment, often prior to being given only relatively light sentences if they are first offenders. Prisoners also report that, in the case of those who have received long sentences for political offenses, wives are sometimes pressured to divorce their spouses.

Among numerous other reports of mistreatment, the most common complaints concern cells which are badly ventilated and poorly heated, bad food in extremely small quantities, difficult working conditions, long periods of isolation, excessive use of force by guards, overcrowding, and segregation of persons deemed "dangerous to the State" because of religious belief or for other reasons. Several prisoners reportedly have been denied outside medical care or even the use of medicines brought to their prison by family members. By law, some Romanian convicts are not required to work; the State uses this provision to keep some prisoners effectively in solitary confinement, whereas others in this category, whom the State does not wish to segregate, reportedly are made to sign "voluntary" requests to be allowed to work.

d. Arbitrary arrest, detention, or exile:

Persons detained for investigation often are held incommunicado. Detention of varying duration, usually a matter of hours, followed by release without charge, continues to be widespread. Such arbitrary detention may be repeated several times, with subjects called back for additional lengthy interrogation and threatened with further harassment or punishment for their actions. This treatment is particularly common for those religious activists who are detained. There is no provision for bail.

The scope of Romanian criminal law is broad enough to insure that persons coming under official scrutiny may be convicted of some offense. Examples of typical charges are "defaming the Socialist order" for speaking frankly to a foreigner; "disturbing the peace" or "illegal" assembly for private prayer meetings in the home; "social parasitism" if unemployed but technically guilty of no other offense; or "distributing literature without a license"—a felony—if found attempting to hand out free Bibles. A June 1986 presidential decree granted amnesty for certain offenses to most Romanians sentenced to prison terms of less than 5 years and also reduced longer sentences. This action freed a number of persons imprisoned on relatively minor charges related to their religious activities.

Exile is not a sanction under Romanian law, although there have been cases of persons "temporarily exiled" by being taken to a remote location and detained.

Romanian citizens are required to perform involuntary labor, but for the most part this seems to fall within the area of "civic obligations." The labor exactions are general throughout the population. For example, a 1971 law, amended in 1985, requires up to 6 days' unpaid labor per year from each citizen. The 1985 amendment, however, specifically provides that additional tax payments can be substituted for days not worked. Sanctions for nonperformance are light, and in many jurisdictions the requirement for contributions of work (or additional tax payments for days not worked) is apparently not enforced. Students 11 years of age and older perform "patriotic work" in agriculture or elsewhere, sometimes 8 to 10 hours daily for several weeks, especially during the harvest. The Union of Communist Youth organizes "youth brigades" for this purpose. Some religious groups reportedly have been "encouraged" by local authorities to perform unpaid labor in the fields on Sundays as a means of securing official approval for church building permits or other benefits for their congregations.

e. Denial of fair public trial:

Although Romanian law sets standards for providing guilt, in practice an accused person often is considered guilty until proven innocent. The ability of the accused to defend himself effectively in a fair trial can be severely limited, especially in politically sensitive cases. Although authorities occasionally take pains to display an appearance of regard for correct procedure and due process of law, Western observers continue to gain the impression that being brought to trial in Romania is in many cases an almost sure guarantee of conviction. In 1986 there were clear cases of fabrication of evidence and suborning and intimidation of witnesses by prosecuting authorities, as well as of what appeared to be violations of Romanian law regarding court procedures. Defendants are often tried without counsel or are represented by state-appointed attorneys whose role appears to be that of apologizing for defendants' offenses. Members of the judiciary, like other officials, are subject to the authority of the Communist Party.

An example in 1986 of a trial which appeared politically motivated was the case of Ioan Ruta. Shortly after Ruta, the head of an enterprise employing 150 people, applied to join his wife, who had elected to remain permanently in the United States while on a business trip, he was charged with accepting bribes. Observers found the evidence questionable and inconclusive, with defense witnesses too intimidated to appear in court. Ruta was convicted and sentenced to 7 years in prison.

Most trials are held in public, though secret trials are common where state security is involved and may also be permitted in certain other cases. Foreign observers in 1986 continued to be able to attend public trials of high local or international interest.

It is impossible accurately to estimate the number of political prisoners in Romania, though the number could be several thousand. This includes those convicted for attempting to leave Romania illegally, "parasitism" (no visible legal means of support), illegal economic activities, and protesting against the political or social system.

f. Arbitrary Interference with privacy, family, home, or correspondence:

Romanian laws and regulations governing the security apparatus sanction a high degree of interference with the individual and the family. The interference is somewhat mitigated by the impossibility of total control, by uneven application of regulations, and by official corruption.

Deliberate and arbitrary interference with the privacy of the family, home, and correspondence is a frequent occurrence. Searches are made of private homes, persons, and personal effects without search warrants or probable cause that a crime may have been committed. Militiamen at checkpoints located on most roads leading out of the cities and at major highway intersections in the countryside randomly stop and search vehicles as a matter of course. Persons on tram cars and city buses often are asked for identity documents and have shopping bags and personal belongings checked by the authorities.

The authorities frequently enter homes on the pretext of looking for building code violations, excessive consumption of electricity, illegal use of electrical appliances, etc. These searches facilitate the discovery of other items, such as forbidden books and publications, religious materials, or any other evidence of "wrongdoing."

Violation of privacy of the person also arises from the antiabortion campaign. Mandatory pregnancy tests and physical examinations take place bimonthly for many female workers in order to insure that pregnancies are discovered and carried to term.

Complaints about interference with both domestic and international correspondence continue. Letters to or from persons of interest to the authorities often never arrive at their destination. People have reportedly been questioned by the security police about topics discussed in letters which were delivered seemingly unopened. On other occasions, people have been questioned about statements made in letters sent abroad but never received by the addresses.

The Government has the capability to monitor domestic and international telephone calls and appears to do so frequently.

Section 2.—Respect for civil liberties. Including:

a. Freedom of speech and press:

These freedoms are severely restricted. While the Constitution guarantees freedom of speech and press, it prohibits their use for any purpose "hostile to the Socialist system and the interests of the working people," as defined by the State and party. Similarly, the Penal Code prohibits "propaganda with a Fascist (as defined by the State) character delivered in public by any means . . . (or) . . . the undertaking of any action for the changing of the Socialist system. . . ." It also prohibits acts "which would result in a danger to state security;" these offenses are punishable by prison terms of up to 15 years.

The Government seeks to control the domestic dissemination of information in a variety of ways. Though official censorship was abolished some years ago, all media are state owned, rigidly controlled, and used primarily as the vehicle for government and party propaganda. Western radio broadcasts in the Romanian language are not jammed and are a major source of both foreign and domestic news for the Romanian people. Western publications are not generally available, although foreign cultural centers and libraries are open to the public and are allowed to distribute limited quantities of Western periodicals. The unauthorized importation or distribution of foreign publications is forbidden. In 1986 there were frequent reports of confiscations of foreign-source materials, including Hungarian language publications, at the border. Romanian libraries carefully control access to "restricted" materials such as prewar historical texts. For live theater, official boards must approve all new productions before the opening performance. Serial numbers and type-face samples of all typewriters must be registered with the authorities, and the use of duplicating machines is strictly regulated.

b. Freedom of peaceful assembly and association:

The Government attempts to control all group activity. No organization independent of government or party influence is permitted to exist. Peaceful assembly and association without permission are usually short-lived and may bring severe penalties to those involved. Citizens are strongly discouraged from making contact with foreigners and are required to obtain permission in advance to attend functions held by non-Romanians. New decrees promulgated late in 1985 but never officially published (and often not obeyed) further discourage contacts with foreigners and strengthen the requirement that all such contacts be reported to the authorities within 24 hours.

The Constitution guarantees the right to join a union. As noted earlier, however, it also enshrines the Communist Party as "the leading political force in the whole of society," which applies specifically with respect to labor unions and other "mass and public organizations." Trade unions independent of the party are thus prohibited, and workers do not have the right to form associations, elect representatives, or affiliate with international organizations except through the official unions.

Workers do not have the right to organize or bargain collectively. While they nominally have a direct voice in the management of the workplace through the unions that all must join, in many factories the senior party official is also the union's chief executive, and the primary function of the unions is to channel party doctrine and directives to the workers. Unions also dispense social benefits, such as vacations at union-owned hotels (for which the member pays only a fraction of the real cost), low-interest loans, and access to cultural, educational, and other leisure activities.

Romania's labor code is silent on the right to strike, except to elaborate procedures by which the union leadership is required to mediate disputes between the workers and management, with recourse to the courts where the dispute cannot be settled. In practice, sanctions available to the party and the union make it unlikely that such disputes would reach the courts. In the past, the Government's reaction to actual strikes, or to advocacy of the worker's right strike, has been harsh repression.

Brutal suppression of miners strikes in the late 1970's led to a complaint by the World Federation of Labor and an investigation by the International Labor Organization (ILO). Inadequate responses, failure to respond further to charges, and refusal to accept a direct-contact mission led the ILO to find Romania substantially in violation of generally accepted labor standards. In 1986 Romania reportedly resumed discussions with the ILO, but no resolution of the matter has been reached.

Work stoppages and labor unrest caused by dissatisfaction about food shortaged, pay, or lack of heat have increasingly been reported. The institution of unrealistic production and sales quotas and penalties in the form of salary deductions for failure to meet them has increased worker dissatisfaction.

c. Freedom of religion:

Religious practice is active and widespread, yet closely controlled and circumscribed by the Government. The Government subsidizes some religious groups, but actions by central and local authorities which abridge basic religious rights are a continuing source of concern. The Communist Party advocates atheism, and religious activism by state officials and party members is not permitted. Schoolchildren are taught to be wary of religious superstition." Newspapers and other party-controlled media regularly portray religious believers as ignorant or backward.

Article 30 of the Constitution provides for "freedom of conscience" for all citizens, with freedom for individuals to share or not to share a religious belief and for churches to "function freely," subject to laws governing church organization and operation. Those who do not challenge the limits imposed by the Government on church activities may practice their religion quietly. With such "freedom" comes the disadvantage that those who exercise it are less likely to advance far in their trade or to enter such professions as law or medicine.

The Government recognizes 14 religious denominations and, through the Department of Religious Affairs, exercises broad discretionary powers over the various religious groups. The Government subsidies clerical salaries (which some denominations do not accept), issues licenses to preach, approves permits for church construction or renovation, establishes the number of new admissions to seminaries, and controls the importation or printing of religious materials, including Bibles. These powers often are used arbitrarily, especially against groups that arouse official concern.

Government restrictions are aimed most intensely at groups whose beliefs, in the Government's view, inspire "antisocial" or "anti-Government" behavior. Press articles periodically criticize these groups for being "fanatic," or "antisocial," or for professing beliefs that conflict with Romanian law. In recent times, however, the unrecognized religious groups have been tolerated by the Government, although their worship services occasionally are treated by local authorities as illegal assemblies," with the participants arrested or fined.

The rapid growth of the evangelical denominations has led to pressures for more religious training, more printing of religious materials, and the expansion and construction of more churches. Conflicts between evangelical groups and the authorities have arisen frequently, and the Government's response has been harsh. Activists who are devout and vocal are kept under surveillance and often are subject to loss of jobs and social benefits, police intimidation or arrest, and in some cases beatings.

The shortage of Protestant Bibles has led some Romanians to risk harsh penalties and even imprisonment for smuggling them into the country. In 1986, however, a number of imprisoned religious activists were released. Constantin Sfatcu, convicted in 1985 of attempting to murder a police officer after Sfatcu was caught transporting "illegal" Bibles, was released and allowed to emigrate to the United States, as were a number of others, including Dorel Catarama, a Seventh-Day Adventist, and three Baptist pastors. An elder of a Ploesti Evangelical Brethren Church, Ilie Neamtu, was convicted in 1986 and given a severe sentence, although the circumstances suggest that Neamtu's real offense was organizing a series of Evangelical meetings among his coworkers. Neamtu's conviction, however, was overturned in November by an appeals court which ruled the charges against him were incorrect.

In a positive development in 1986, Romanian authorities agreed to the printing of 5,000 new Bibles for the Romanian National Baptist Union, the first such printing since the 1920's. They also agreed to the printing of several thousand additional Bibles in subsequent years, depending upon the need. At the end of the year, arrangements for the printing of the first group of Bibles had not been completed.

Concerns remain regarding the maintenance, repair, and construction of church buildings. A large Senventh-Day Adventist Church in Bucharest, located in a renovation zone, was demolished in August. Although the Government has promised to allow the purchase of a replacement facility, none of the sites proposed by the Church have been approved. Since August, the congregation has been meeting in a temporary structure totally inadequate for its needs. A Baptist Church in Hunedoara is making its final appeal on an alleged building code violation; if it loses, a substantial part of the church building will be demolished. Several other congregations whose churches were destroyed in previous years are still awaiting approval to rebuild. An Evangelical Brethren Church in Brinceni recently lost a court case involving the validity of the sales contract for its building and now must find new quarters. The country's largest Baptist Church, in Oradea, has been told that approval previously granted for construction of a new church, on land purchased at great expense, has now been revoked, leaving the several thousand-member congregation in an overcrowded building with a decaying foundation and no sewer facilities.

Seminary admissions remain extremely limited. In 1985 the Baptists were allowed only four new students, the Seventh-Day Adventists and Pentecostals, three each. By comparison, the Baptists were permitted an average of 40 per year in the late 1970's.

The Government remains in disagreement with the Roman Catholic Church on a number of issues, and the church technically remains without an approved government charter. However, the church is allowed to operate as if it were fully recognized.

The Government continues to permit the operation of an active Jewish community organization throughout the country. Jewish leaders also continue to be able to travel freely outside Romania. However, there were a number of problems in 1986. In the course of a major urban renewal project in Bucharest, a large old age home was demolished before a replacement facility was ready, and a major synagogue was torn down despite earlier indications from the Government that this would not occur. Responsible Government authorities have since given assurances that the remaining key Jewish community facilities will not be disturbed. The Jewish community also has been distressed by anti-Semitic overtones in two recent publications. Community leaders protested vigorously and were told that those responsible would be punished. Recent reports indicate that the editor of one of the publications has been dismissed. The Government did allow the Chief Rabbi to respond publicly in the Jewish community newspaper to one of the pieces, but neither of the offending publications has printed the Rabbi's letter of rebuttal. A fire in October which damaged the synagogue in Buhusi, in northeastern Romania, has given rise to new concerns about anit-Semitism in Romania. However, the Government quickly denounced the act, and within several days arrested four suspects who were later convicted on charges of robbery and arson and imprisoned.

d. Freedom of movement within the country, foreign travel, emigration, and repatriation:

Except for certain military or other restricted areas (access prohibited) and border areas (access limited to residents of the areas and those with economic need to travel there), there are no official restrictions placed on travel within Romania. Because of economic hardships, however, travel within Romania can be difficult for the average citizen. The authorities sometimes reportedly seek to discourage citizens from traveling to meet foreign visitors or to attend particular functions.

The right of a citizen to change his place of residence is restricted. All citizens are required to have residence permits and may not legally move from one town to another, or between districts within a city, without official permission. Implementation of residence permit regulations and antiunemployment laws has had the effect of diluting the ethnically homogeneous nature of some parts of the country heavily populated by national minority groups. Workers are technically free to change jobs, although antiunemployment laws and governmental controls limit this freedom in practice.

Travel outside Romania is treated as a privilege, frequently arbitrarily withheld, even for those who can "guarantee" their return by leaving a close family member behind. Older persons wishing to visit their children resident abroad generally have few problems.

Officially, Romania encourages tourism by making visas available for most visitors at the border. The Government has indicated, however, that certain U.S. citizens who formerly visited Romania as tourists would not be given visas for future visits, nor would they be allowed to reenter the country. In 1986 two American visitors were arrested and expelled from the country after attempting to contact prominent ethnic Hungarians. The Government refused to give the grounds for the explusion except to insist, with no apparent justification, that their activities were inconsistent with tourist status.

Official policy continues to oppose emigration for any purpose but family reunification. Those who seek to leave Romania continue to face harassment designed to dissuade them and others who might be considering permanent departure. Successful applications take between 1 and 5 years before exit approval is granted. The Government refuses to allow some Romanians to apply for emigration passports at all.

The United States and Romanian Governments reached an understanding in 1985 on new procedures for processing persons seeking to emigrate to the United States. These procedures have substantially reduced the hardships formerly faced by Romanians given permission to leave permanently for the United States. They represent one area of progress by Romania toward fulfilling its commitments, under the Madrid Concluding Document of the Conference on Security and Cooperation in Europe, regarding treatment of intending emigrants.

Section 3.—Respect for political rights: The right of citizens to change their government:

Though the Constitution guarantees the right of Romanians to change their government and leaders, in practice the individual citizen has almost no voice in shaping public policy or choosing public officials. The Romanian Communist Party, led by the President and a few advisers, rules the country. No actual or potential alternatives to this present rigidly centralized control are apparent, and no meaningful opposition exists or would be tolerated. Public criticism of the Government, the party, and the state leadership is suppressed.

The Communist Party comprises more than 13.5 percent of the total population of the country. Women officially represent 52 percent of the general membership, and minorities are reportedly represented in proportion to their numbers within the general population.

National parliamentary elections by secret ballot are held every 5 years. The public has no effective voice in the nominating process; candidates are chosen by the Front for Democracy and Socialist Unity, a mass organization whose president is Nicolae Ceausescu. Over 75 percent of its officers are Communist Party Central Committee members. Official statistics published after the March 1985 general election claimed that 99 percent of those registered actually voted, and 97.3 percent of these voted for the Front's candidates. Western observers closely watching the elections consider these figures highly suspect. The Parliament itself rubber-stamps the Government's proposals.

In Romania, the chief party executive for each city, county, or enterprise is also the chief civil executive. Internal party elections were held for the new Communist Party leadership late in 1984. Though these preceded the national general election by several months, those chosen for senior party posts the previous fall were universally "elected" to the corresponding public posts the following spring.

Section 4.—Governmental Attitude Regarding International and Nongovernmental Investigation of Alleged Violations of Human Rights:

There are no human rights monitoring organizations operating in Romania. The Government has not commented officially on reports issued by governmental or nongovernmental organizations such as the Council of Europe, Amnesty International, or freedom House, all of which have been critical. In 1986 Romanian authorities refused to approve a long-proposed visit by the International Human Rights Law Group. It did allow travel to Romania by American human rights attorney-observers at the bribery trial of Ioan Ruta described above.

Romania continues officially to proclaim that discussion and examination of its human rights situation is "unwarranted interference in domestic affairs," despite its professed support for human rights standards embodied in the United Nations Charter and in the Final Act of the Conference on Security and Cooperation in Europe. At the same time, discussion of human rights issues is a regular feature of diplomatic exchanges between the U.S. and Romanian Governments.

Section 5.—Discrimination Based on Race, Sex, Religion, Language, or Social Status:

According to official figures, the country's population includes about 2.7 million members of ethnic minorities, of whom 1.7 million are ethnic Hungarians. Hungarian sources claim that the true figure is closer to between 2 and 2½ million ethnic Hungarians. Hungarians, Germans, Gypsies, and members of many smaller groups constitute about 12 percent of the total population. Romania's minorities live in a country infused with Romanian nationalism. School texts, history books, and mass media purvey a version of history which often ignores or belittles the role these minorities have played in Romanian history. Although there is no clear evidence of economic discrimination against minorities, the Government, despite public pronouncements to the contrary, appears to encourage the integration and absorption of minority groups into one unified Romaian culture.

Although the Constitution forbids discrimination on the basis of ethnic background, and the Government claims it does not discriminate against minorities, there nonetheless are limitations on minority groups' freedom to express and maintain their cultural heritage. The principal groups which feel such limitations are the Hungarian and, to a lesser degree, the German minorities. Government efforts to centralize and economize by combining educational, social, and cultural facilities frequently affect minoritiy groups disproportionately. For example, the mergers of schools, theaters, or other such institutions often result in the loss of the minority group's ethnic characteristics as the institutions become predominantly Romanian.

Strict government control of private organizations which are dedicated to the preservation of ethnic cultural practices is often viewed by members of minority groups as discriminatory. Both Romanian and non-Romanian telvision and radio broadcasting have been cut as an economy measure. However, despite government limitations, Hungarian- and German-language daily papers still outstrip their Romanian language equivalents in circulation in heavily ethnic areas.

In the field of education, reports from several sources indicate that there are no longer Hungarian-language high schools, but only Hungarian sections in Romanian high schools. Under longstanding rules, the minimum number of Romanian-speaking students required to form a Romanian class is far less than the minimum number of minority children required to form a class in their language. There continue to be reports that government practice is to assign mainly Romanian-speaking teachers to predominantly Hungarian areas, and most Hungarian-speaking teachers to predominantly Romanian areas. Although basic schooling still is available in minority languages such as Hungarian and German, students can take university entrance examinations and courses in minority languages only in a few disciplines.

Women are constitutionally guaranteed the same rights and priviliges as men. The Government seeks to upgrade the role of women in society with specific policies in the areas of education, access to employment, and comparable wages. As a result, women are employed in virtually all sectors of the economy, and there is equal opportunity in education, but at the senior levels of responsibility and authority, they appear in far smaller numbers. The higher ranks of the party are occupied predominantly by male Romanians.

CONDITIONS OF LABOR

The Constitution guarantees the right to work. Unemployment is a crime ("social parasitism"). The Government closely controls the labor market and claims that there is no unemployment.

The Constitution guarantees an 8-hour workday (or a 6-hour day in "arduous" occupations), a 24-hour rest period each week, paid vacations, and the "right to leisure." Labor law elaborates these guarantees but allows employers to override these standards "if conditions warrant." In 1986 there were numerous reports of workers required to perform extra, uncompensated days of labor to make up for lagging production or for some official holidays. Shift schedules and workdays have been arbitrarily adjusted, in some cases, to rationalize machinery use or energy consumption patterns.

There is no specific minimum employment age, although Romanian law requires schooling to the age of 16. Exceptions, however, are allowed for youths 14 years of age in temporary jobs and for youths of 15 employed in industrial work, so long as the employer provides continuing educational opportunities and shows that the work being performed is "appropriate for the age and condition" of the employee. In such cases, the law limits work to 6 hours per day. Children from age 11 may work in the fields, or in other "patriotic work," usually as part of a school or other group activity.

The labor code guarantees Romanian workers a safe environment. The Ministry of Labor has established safety standards for most industries and is responsible for enforcing these standards. In practice, however, observers report that workplace conditions in many factories present substantial health or safety hazards. Although management is reportedly aware of these deficiencies in most cases, emphasis on meeting production goals clearly takes precedence over safety and health in light of the Government's insistence on rapidly paying off the foreign debt and on pursuing industrial and economic development.

ROMANIA: SOME REASONS FOR DENYING MFN

Romania is probably the most repressive, most economically backward country of the Soviet bloc. For the U.S. to continue giving it MFN—whatever the rationale, the hope for "independence" and "liberalization" back in 1975—is by now nothing short of embarrasing.

INDEPENDENCE?

The Soviet-Romanian trade agreement for 1987, signed in December 1986, confirms the expected increase of the economic exchanges: estimated at up to 70 percent over the next five years. Romania is now largely dependent on Soviet oil: Soviet supplies may reach half the volume of estimated Romanian oil extraction for 1987—namely, some 5 million tons. Romania, given its economic performance, simply cannot afford to be "independent" of the Soviet Union.

Romania's U.N. voting record is only a percentage point or so better than the Soviet Union's. In some respects, Romania is more radical than the Soviet Union: its intransigence at the Helsinki meetings, for example, has been noted by participants.

RELATIONSHIP WITH TERRORISTS

The cumulative value of arms transfers from Romania during 1979-1983 was $3,100 million, which put Romania in 9th place worldwide. The Soviet Union bought some $1,800 million of that cumulative total; the other takers within the Warsaw Pact plus Vietnam accounted for at least another $200,000,000 of Romanian armament deliveries. Most of the remainder went to Iraq, Libya, and North Korea, which took $400,000,000, $310,000,000 and $120,000,000 worth of armaments respectively.

Since 1983 Romania and Libya have had a formal military cooperation agreement between their Defense Ministries, covering Romanian armament supplies and other military activities.

Romania supplies military assistance to the Palestine Liberation Organization and other Soviet-backed "national liberation movements." Some of the deliveries have been handled by Romtechnica state trading enterprise, which is attached to the Foreign Trade Division of the Ministry of National Defense. Some of the consignments have reportedly been delivered by Soviet transports.

RELIGIOUS FREEDOM?

July 21-23, 1986: The only Sephardic synagogue in Bucharest was torn down, despite repeated interventions by the Israeli, American, and Spanish Embassies. In doing so, the authorities did not even wait for an advisory MFN vote in the U.S. House of Representatives.

July 29, 1986: Wrecking crews arrived at a Seventh-Day Adventist Church in the center of Bucharest—on the same day that the House voted on the Crane Amendment (216-190). About 200 parishioners occupied the building, trying to prevent its destruction.

On August 6 demolition work began at the Adventist Church. Some of the occupants were injured in the process.

August 18-23: The Orthodox Church of St. Nicolae-Jitnita (built in 1711-1718) was pulled down to make space for a movie theatre. In fact, 14 historic Orthodox Churches and monasteries have been moved, partially dismantled, or destroyed during the present urban renewal campaign.

Note.—Rosanne Ridgway, Assistant Secretary of State for European Affairs, noted that "the notion that the day after a hearing you can go out as if that is the end of it, as if the United States is worried about human rights and emigration only two days of a year—one day in the Senate and one day in the House—is just wrong." (Aug. 7, 1986)

ECONOMIC LIBERALIZATION?

On January 27, 1987, President Ceausescu categorically rejected any attempts at liberalizing either Romania's economy or diminishing state control in domestic activities: "No one can conceive of a revolutionary party saying that it will let enterprises or economic sectors manage themselves and no longer interfere in the management of the enterprise or of scientific, cultural, or other activities."

Workers at the Heavy Machinery Plant in Cluj, at the glass factory in Turda, and in several other Transylvanian towns, went on strike in the fall and winter of 1986 and 1987 to protest abysmal work conditions, lack of food, and decreasing wages.

POLITICAL FREEDOM?

A group of young working-class Romanians, adherents of Romania's outlawed National Peasant Party—the largest political party in Romania before 1947—have been subjected to police and judicial reprisals after having formed a Romanian Association for the Defense of Human Rights. All members of the Association are working-class. The group's most active and articulate members are: Florian Rusu, aged 31, a guitarist who graduate from the Bucharest conservatory and a high-school music teacher, recently dismissed from his job; Cristian Butusina, aged 26, a bus driver; Florian Toporan, aged 21, an electrician.

The Romanian Association for the Defense of Human Rights gathers information on human rights violations in Romania and is dedicated to "exclusively peaceful, nonviolent, and civilized means" of dissent.

Florian Russu has served a four-month prison sentence for "parasitism" (not having a job), and remains under tight police supervision. He now suffers from ailments caused by beatings and by prison conditions. His account of prison conditions in Romania has been broadcast over Radio Free Europe in April, 1987.

Ion Puiu, a 68 year old leader of the National Peasant Youth in the early postwar period, has 17 years of detention behind him and is now being harassed for composing a message of support for the 1956 Hungarian Revolution. Puiu has been repeatedly subjected to lengthy interrogations by the police at all times of the day and night and has been beaten while in police custody as well as being fined exorbitant amounts of money on fabricated criminal charges.

In February, mathematician Mihai Botez was severely beaten. Botez had been the principal dissident in Romania. He is currently prohibited from teaching, and there is concern about his safety.

Note.—The United States Helsinki Watch Committee, among others, has called the Romanian government "one of the most egregious offenders of human rights in Eastern Europe."

THE EMIGRATION RECORD

400,000 Romanian Jews chose to emigrate since the end of the Second World War, more than 90 percent of them before MFN was granted in 1975.

In 1974, 12,591 people emigrated from Romania altogether.

The average during the following 11 years was 22 percent higher (15,400 per year). However, close to ⅔ of that figure emigrated to West Germany—due mainly to bilateral agreements. Only some 26,000 people have emigrated to the U.S. altogether from 1975 to 1986.

In 1986, total emigration from Romania to the U.S., West Germany and Israel decreased by over 12 percent from 1985, with a hefty 31 percent drop in emigration to the U.S. This is due in part to U.S. legal barriers to emigration—thus making a mockery of the Jackson-Vanik emigration procedure.

MINORITY RIGHTS

The situation of the Hungarian minority is undoubtedly the most serious problem in the area of human rights faced by Romania. Hearings were held by the Helsinki Commission on May 5, 1987. The Hungarians are facing virtual cultural genocide in Romania.

THE TRADE DEFICIT

1986 was the fifth year in a row that there was a large trade deficit with Romania: $838 million in Romanian exports to the U.S. vs. $250 million U.S. exports to Romania. Of the latter, almost half were agricultural commodities. Of the former, about half was oil; the rest included furniture, shoes, china and steamware, and clothing and yarn.

JULIANA GERAN PILON, Ph.D.,
Senior Policy Analyst,
The Heritage Foundation.

[From the Wall Street Journal]

'CEAU-SES-CU! GOR-BA-CHEV!'

Mikhail Gorbachev finally swallowed hard and got on the plane this week for Bucharest. It was the last visit in his tour of the Eastern European allies and the first to Romania by a Soviet leader since 1976.

Now it is well known that Mr. Gorbachev, the most outward looking leader in Soviet history, does not like a lot of fuss on these trips. So what did a fun-loving strong man like Nicolae Ceausescu do? He ordered out crowds to chant "Ceau-Ses-Cu! Gor-Ba-Chev!" while bearing flags and waving posters that make the aged Romanian look younger than the Russian.

Less than thrilled, Mr. Gorbachev retaliated when he waded into a crowd for a bit of repartee that was carried on Soviet, but not Romanian, television. To Romanian citizens, who have for years endured heatless winters, meatless diets and ruthless oppression, he said this: "Even if you tell me everything is fine in the country and in the family, I wouldn't believe you."

The mutual enmity goes deep. Mr. Ceausescu has for some time been critical of the Gorbachev reform initiatives, lashing out at decentralized management and limited autonomy.

It's ironic that Romania, once a thriving land, should now have almost the lowest standard of living in Europe and be a country that in Mr. Gorbachev's eyes gives communism a bad name. Part of the reason for this state of affairs has been Mr. Ceausescu's longtime resentment over Soviet designs to make Romania a food and raw-material producer for the Warsaw Pact. So two decades ago Bucharest embarked on breakneck industrialization—ill-conceived, mismanaged and by now obsolete in every significant respect.

The most notable byproduct of the program has been an enormous amount of hard-currency borrowing. So Mr. Ceausescu is now squeezing all vitality from his economy in a brutal austerity program to pay the debt.

Concurrent with its insane industrialization, Bucharest began to distance itself from Moscow over some foreign-policy issues. Most notably, it declined to participate in the invasion of Czechoslovakia; it declined to make its soil available for Warsaw Pact exercises, and it alone in the bloc maintained diplomatic relations with Israel.

Flashy moves, but of no meaningful consequence. The changing image did however pose a problem for the West: how to take advantage of such apparent divisions within the East Bloc. A U.S. State Department scheme called "differentiation" resulted. Under the policy, the U.S. denied trade advantages to the Soviet Union because of its expansionist adventures, while rewarding Romania, with most-favored-nation tariff treatment for playing the maverick.

We all know the rest. Mr. Ceausescu is razing synagogues and churches, persecuting Hungarians, bartering Germans and Jews and is making life in general in Romania about as miserable as possible. Notwithstanding the U.S. policy of somehow differentiating between Messrs. Gorbachev and Ceausescu, Romania continues its efforts to achieve the status of least-favored nation.

U.S. SENATE,
Washington, DC.

LETTERS OF SUPPORT FOR THE ARMSTRONG-DODD AMENDMENT

Center for Russian and East European Jewry and Student Struggle for Soviet Jewry—"After all these years of abundant Romanian assurances, but of poor performance, we support any Congressional action that would serve as 'a shot across the bow,' sending Bucharest a clear signal that we intend to implement the leverage potential inherent in the Jackson-Vanik Amendment to the 1974 Trade Act."

Christian Response International—"I would strongly urge you to support this very important amendment. It is my conviction that suspension of MFN to Romania will send a message to Romania we Americans are serious about freedom—the basic freedom of all being religious freedom."

International Human Rights Law Group—"The Law Group believes that the situation in Romania has deteriorated significantly since MFN status was granted in 1975 . . . Romania is a case where suspension of MFN trade status is both appropriate and necessary if Congress is to have a substantial effect on the human rights situation there. The Law Group, therefore, urges you to vote for the Wolf Amendment, sending the message that human rights violations by U.S. trading partners will not be tolerated."

The Romanian Missionary Society—"A clear sign has to be given to Ceausescu from Washington that he cannot fool the West forever. While a complete cancellation of the Most Favored Nation Clause to Romania would be a further economic disaster on a terribly distressed nation, a temporary suspension as proposed by Congressman Wolf is the clear sign that it is time for Ceausescu to take the American administration seriously. That is why we support the Wolf Amendment."

Christian Rescue Effort for the Emancipation of Dissidents—"Dear Mr. Wolf: Your efforts to suspend MFN for Romania are, unhappily, well justified by recent events. After MFN was granted Ilie Neamtu, who had been granted amnesty, was sentenced to 4½ years, and the 7th Day Adventist Church in Bucharest was "bulldozed" with worshipers still in it."

Note that the Wolf Amendment is the House version of the Armstrong-Dodd amendment which is in H.R. 3.

Helsinki Watch—"We support the Wolf/Hall initiative as a means to encourage actual human rights developments in Romania as a condition of normal trade relations, and urge that the measure be adopted."

LUPTA "The Fight"—"We think that by not having MFN renewed the United States would put substantial pressure on the present leaders in Bucharest to improve living conditions in Romania. I also believe that it could influence the struggle for power within the communist leadership of all Central and Eastern (USSR) Europe."

THE CENTER FOR RUSSIAN
AND EAST EUROPEAN JEWRY,
New York, NY.

Hon. WILLIAM ARMSTRONG,
U.S. Senate, Hart Building, Washington, DC.

DEAR SENATOR: In view of the upcoming Congressional hearings on the renewal of Most Favored Nation (MFN) trading status for Romania, Hungary and China, and the current legislative proposals to suspend Romania's MFN status for six months signalling the critical importance of improved human rights performance in the areas of emigration, religious oppression and Hungarian minority discrimination, I am pleased to provide some background on Romanian human rights performance, and especially Jewish emigration to Israel, since the early 1970's.

Annual emigration dropped dramatically from 3,000-to-4,000 (when Bucharest was currying favor in Washington) to 2,000 in 1975/6, immediately after MFN had been granted, and thereafter to approximately 1,000 the approximate current, wholly inadequate, level.

This decline is not related to the much talked of reduced number of Romanian Jews due to aging and emigration. In our experience, many old people do wish to join their children once they are settled abroad. What's more, official Romanian figures of 23,000 as their total population of Jews is also misleading. Unofficial estimates go up to 40,000. We know of many Jews, especially in Bucharest, not registered with the Jewish community.

In the years after World War II, Romania, like all other East European countries, became a land of mass Jewish emigration. Even though the majority of Romanian Jewish survivors of the Nazi Holocaust have left, Romania has probably a worse record of Jewish emigration than the others, with the important exception of the USSR.

An examination of general, non-Jewish, emigration to the U.S. during these years clearly indicates a careful up and down calibration according to perceived interest at any given time. For example, as a result of heavy Congressional campaigns in 1978 and 1979, general Romanian emigration to the U.S. almost doubled from 1,550 in 1979 to 2,886 in 1980. It remained at approximately 2,000 for a couple of years but after Romania imposed onerous emigration taxes and were then obliged to suspend them, they felt the need for U.S. good will. Accordingly, Romanian emigration to the U.S. shot up to 3,499 in 1983 and leapt to 4,545 in 1984!

With regard to Jewish emigration to Israel, we can also perceive this calibration at work. After the notorious emigration tax episode, the monthly rate rose to some 200 for 8 of the 12 months from October 1983 to September 1984. Current average monthly Jewish emigration is back down to 100 because Washington did not maintain the pressure on Bucharest. As an expert on East European refugees remarked the other day, "permitting 200-300 Jews a month to leave Romania would be no problem for Bucharest." If indeed the gates were open, there is little doubt that some 15,000 Jews would leave by the end of 1990.

Romanian society is pervaded by anti-Semitism at all levels. 1986 saw the continued growth of chauvinist nationalism, accompanied by the most serious rise in the number of documented anti-Jewish incidents seen in a long time.

Further, with the rapid aging of President Ceausescu, a period of internal instability must be considered a definite possibility. Such instability in East Europe has historically always been dangerous for Jews and it is therefore the duty of all human rights activists to make every effort to evacuate and rescue as many Jews as possible in the near future.

After all these years of abundant Romanian assurances, but of poor performance, we support any Congressional action that would serve as "a shot across the bow," sending Bucharest a clear signal that we intend to implement the leverage potential inherent in the Jackson-Vanik Amendment to the 1974 Trade Act. Needless to say, the message would be heard in Moscow as well. We must not send mixed messages.

Sincerely,

JACOB BIRNBAUM,
National Director.

[Memorandum: April 28, 1987]

To: Members of the House of Representatives.
Fr: Steven Snyder, Executive Director, CRI.
Re: Wolf-Hall Amendment to H.R. 3.

As an active international advocate of religious and human rights, Christian Response International and our international affiliate, Christian solidarity International, would appreciate your support of the Wolf-Hall amendment calling for temporary suspension of Most Favored Nation status for Romania.

We are involved in promoting and defending religious liberty throughout the world. For a number of years, Romania has been a great concern to us, for the mere fact that Romanian Christians have suffered greatly under the leadership of Nicolae Ceausescu, second only to that of the Soviet Union. Many promises have been made by the Romanian government over the years, but none of them have ever been carried through. Churches that have been demolished by the government remain in ruins, being denied permission to rebuild. Christians are subjected to harsh brutality, denied education, employment, and basic needs.

To be a Christian in Romania means being ostracized. The government makes every effort to deliberately degrade any Christian that does not strictly adhere to the government's control of religion. Christians are subjected to beatings and constant harassment. Many have been released from prisons in order to falsely give the impression to the U.S. that things are changing, only then to be subjected to the Ministry of the Interior's "auxiliary forces", which is basically forced labor and total denial of freedom, while being allowed to live with their family.

I would strongly urge you to support this very important amendment. It is my conviction that suspension of MFN to Romania will send a message to Romania that we Americans are serious about freedom—the basic freedom of all being religious freedom. Nothing else has helped the Romanian people gain their rights. Conditions have only become worse over the past two years. Suspension of MFN may be their only chance for survival . . . loosening the grip of totalitarian control of a government that lavishes the benefits of the American people while demoralizing its own citizens.

Please take action before despotism takes its final victims in Romania.

Sincerely,

STEVEN SNYDER.

INTERNATIONAL HUMAN
RIGHTS LAW GROUP,
Washington, DC, April 29, 1987.

DEAR CONGRESSMAN: On behalf of the International Human Rights Law Group, I am writing concerning the amendment to suspend the Most Favored Nation Trade Status of Romania for six months due to that country's continued egregious violations of human rights. The Law Group understands that the issue will come up for a vote today or tomorrow in the form of an amendment (known as the Wolf Amendment) to H.R. 3. The Wolf Amendment was originally introduced by Representatives Smith, Hall and Wolf as H.R. 1250, a bill "to suspend most-favored-nation treatment to the products of Romania until that country recognizes and protects fundamental human rights, and for other purposes," and had a number of bi-partisan co-sponsors.

The Law Group is a non-profit public interest organization that works to protect and promote international human rights worldwide. It has followed the situation in Romania with particular interest for a number of years, and representatives of the organization have testified before Congress on the issue of Romania's trade status on several occasions, most recently before the International Trade Subcommittee of the Senate Committee on Finance in August of 1986.

In March of this year, we have brought the following cases to the attention of Mr. Dan Dumitru of the Romanian Embassy:

Attila Kun, M.D., of Cluj-Napoca, has reportedly been arrested, repeatedly beaten and convicted of "nationalism" as punishment for providing medical assistance to the inhabitants of the Hungarian community of Sic beyond official duties.

Erno Borbely and Laszlo Buzas remain imprisoned after being convicted in 1983 by a secret military court of "treason" for protesting a flyer inciting Romanians against Hungarians.

Bela Pall, who was arrested and sentenced in 1983 on unknown charges upon returning from a visit to Hungary, languishes in prison.

In 1978, there were 156 hours a year of Hungarian television broadcasting and 2072 hours of radio broadcasting in Hungarian. Materials distributed by the Embassy recognize the significance of such minority language broadcasting. Today, however, all minority language radio and television broadcasting has been terminated. Similarly, Rumania has proudly proclaimed the importance of minority-language schools, but the once wide-ranging network of Hungarian schools is being dismantled; *all* secondary schools teaching the Hungarian language have reportedly been eliminated.

As one of a continuing series of incidents involving the demolition of churches and synagogues, the Second Baptist Church in Oradea has been or is about to be demolished, and all necessary services have been terminated.

Despite a reported written agreement between the Church and the city of Oradea, the Church has not been permitted to start building a new sanctuary and will not be permitted to build an auditorium suitable to accommodate its congregation.

Romania attempts to capitalize on its so-called independent foreign policy by using it to divert public attention away from Romania's egregious human rights abuses. Romania's hostility toward any scrutiny of its dismal human rights record is demonstrated by its consistent refusal to admit a Law Group fact-finding mission to investigate these and other allegations first hand. *See Department of State Country Reports on Human Rights Practices for 1986, p. 1021.* In addition, Romania was harshly critical of the Law Group during the meeting of the U.N. committee on Consultative Status on February 19, 1987, the only non-member of the Committee to appear in order to criticize the Law Group's application.

The Law Group believes that the situation in Romania has deteriorated significantly since MFN status was granted in 1975. Suspension of the status at this time would indicate to the Romanian government that Congress views Romania's human rights record extremely unfavorably. It would also demonstrate to Romania and to other countries the depth of Congress' commitment to the human rights concerns expressed in legislation such as the Jackson-Vanik Amendment to the Trade Act of 1974.

It has been argued that continued MFN trade with Romania gives the U.S. leverage over that country, leverage that can be used to pressure the Romanian government to improve its human rights record. While this may be true in some situations, the Law Group believes that such leverage ceases to exist if the threatened loss of desirable MFN status remains only a threat. Only if Congress actually suspends MFN status where appropriate will the granting of MFN status be used as an incentive to improved human rights.

Romania is a case where suspension of MFN trade status is both appropriate and necessary if Congress is to have a substantial effect on the human rights situation there. The Law Group, therefore, urges you to vote for the Wolf Amendment, sending the message that human rights violations by U.S. trading partners will not be tolerated.

Sincerely,

FRANK KOSZORUS,
Pro Bono Attorney.

THE ROMANIAN
MISSIONARY SOCIETY,
April 28, 1987.

Mr. DAN CAPRIA,
Cannon House Office Building, Washington, DC.

President Ceausescu of Romania has brought the country to a disastrous situation, economically, politically and spiritually. The Most Favored Nation Clause given to Romania in 1975 has been a good leverage to help some of the most distressed and persecuted people of Ceausescu's regime. But the shrewd Romanian dictator seems to outplay us. Each year, in the spring, just prior to the renewal of the status, he makes a few improvements in the field of human rights, like releasing a few prisoners or allowing two or three churches to be rebuilt (after his people demolished them) and with these "signs of liberalization" he wins the Clause again. It seems that he cannot believe that it would ever be cancelled. And it seems that he is always right about this.

A clear sign has to be given to Ceausescu from Washington that he cannot fool the West forever. While a complete cancellation of the Most Favored Nation Clause to Romania would be a further economic disaster on a terribly distressed nation, a temporary suspension as proposed by Congressman Wolf is the clear sign that it is time for Ceausescu to take the American administration seriously.

That is why we support the Wolf Amendment to HR 3, the Omnibus Trade Bill for 1987.

JOSEF TSON,
RMS, President.

HELSINKI WATCH SUPPORTS WOLF/HALL AMENDMENT

Re: Human Rights in Romania.

April 29, 1987: Helsinki Watch, the New York-based human rights organization affiliated with the Americas Watch and the Asia Watch, today announced its support for the Wolf/Hall amendment to the Trade Act which suspends Romania's Most Favored Nation (MFN) trade status pending a certification of human rights improvements.

Helsinki Watch, which was founded in 1979 to monitor compliance with the 1975 Helsinki Final Act, closely monitors human rights in Romania. In the past, the Helsinki Watch has supported MFN for Romania on the grounds that the process can be used to obtain human rights concessions by the Romanian government. The Ceausescu Government has become increasingly cynical about the MFN process, however, and human rights, particularly religious and political rights and the rights of ethnic minorities have not improved.

The Helsinki Watch is particularly concerned about the following human rights issues in Romania: reprisals against prospective emigrants, political imprisonment, complete lack of freedom of expression, including prohibitions on any form of independent press, human rights monitoring, or independent cultural or political activities; harsh repression of certain religious groups; repression against ethnic minorities such as the Hungarians; and the complete suppression of independent labor activity.

The Helsinki Watch favors efforts to make the MFN review process for Romania more meaningful. We support the Wolf/Hall initiative as a means to encourage actual human rights developments in Romania as a condition of normal trade relations, and urge that the measure be adopted.

LUPTA THE FIGHT,
Providence RI, May 22, 1987.

Hon. FRANK R. WOLF,
Congress of the United States, House of Representatives, Washington, DC.

DEAR SIR: I refer to your letter dated December 18, 1985. Now that the renewal of the Most Favoured Nation status for the Romanian Socialist Republic is again under consideration of the US Congress and Administration, please find enclosed the Fight Nr. 80 containing a note issued by the Free Romanians in Paris as well as several other views on the subject.

We think that by not having MFN renewed the United States would put substantial pressure on the present leaders in Bucharest to improve living conditions in Romania. I also believe that it could influence the struggle for power within the communist leadership of all Central and Eastern (USSR) Europe.

Yours truly,

MICHEL KORNE.

HUNGARIAN HUMAN RIGHTS FOUNDATION,
New York, NY, June 26, 1987.

Hon. WILLIAM L. ARMSTRONG,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR ARMSTRONG: During consideration of the Omnibus Trade bill presently before the Senate, an amendment will be offered by Senators Dodd and Armstrong to suspend the Most-Favored Nation status of Romania for six months because of a systematic pattern of brutal human rights violations by that country's government. At a time when a heightened campaign of forced denationalization and terror threatens the very survival of Romania's 2.5 million-strong Hungarian minority, we alert you to this important opportunity to take a stand in support of their rights by voting for the Dodd-Armstrong Amendment.

As you may be aware, your State is one with an especially large number of Hungarian-American voters. You may also be aware that the survival of Romania's Hungarian population (Europe's largest national minority) is the single issue of greatest concern to all Hungarians. for the close to two million living in the United States, the Dodd-Armstrong Amendment is of prime significance: it represents the only Congressional vote in recent memory of immediate interest to them, and it will be watched closely by the entire community.

Contrary to U.S. expectations, the Romanian government has sharply intensified its repressive practices since first receiving MFN status twelve years ago. During the past two years, seven Congressional hearings have been held to investigate Romania's abysmal record. With regard to the Hungarian minority alone, the hearings revealed that this "favored nation" of ours had its police thugs beat to death a popular Hungarian Catholic priest because of a Christmas sermon, it murdered several human and minority rights activists, it continues (for the fifth year running) the incarceration of three prominent minority cultural figures on false charges, and it persecutes all minorities, whether religious or ethnic, with a vigor and cruelty unparalleled even in the surrounding Communist states.

One specific measure taken by the Romanian government has direct relevance to the Senate. Physical evidence was presented at several Congressional hearings showing that 20,000 Bibles donated to the Hungarian Reformed Church in Romania by churches in the West had been recycled and turned into toilet paper. Expert analysis of the samples further revealed that the Bibles were none other than those which the Romanian government had allowed into the country, in the mid-1970's, as a "concession" for obtaining MFN status. it was Senator Abraham Ribicoff, then Chairman of the Subcommittee having jurisdiction over granting that status, who had succeeded in extracting this concession. Was the incredible sacrilege of turning Holy Books into toilet paper also conceived as some kind of ghastly affront to the U.S. Senate?

The Dodd-Armstrong Amendment calls only for a half-year suspension of MFN for Romania, not a termination of that status. After six months, Romania would be welcome to re-apply for MFN benefits, provided only that it begins to show signs of bettering its human rights record. As pointed out in the House, which passed a similar amendment by a margin of 49 votes, far from relinquishing U.S. leverage, this moderate and flexible measure would actually provide the incentive for the Ceausescu regime to implement concrete human rights improvements.

By voting for the Dodd-Armstrong Amendment, you can help put the Senate on the right side of an important human rights issue, and also send a message to Romania's dictator that in order to enjoy U.S. favors he must change his government's abominable practices.

Please help the persecuted Hungarians of Romania by voting for the Dodd-Armstrong Amendment.

Thank you.

Sincerely,

Lászlò Hāmos.

Mr. ARMSTRONG. Mr. President, as Senators come to the floor to vote on this issue, to decide where they want to stand on one of the most important, significant, symbolic human rights issues of our time, as they come to decide whether they want to vote for or against the Armstrong-Dodd amendment, I hope they will recall what Martin Niemuller wrote about life in Germany in the 1930's. He said:

> When they came for the Communists, I didn't speak up because I wasn't a Communist. When they came for the Jews, I didn't speak up because I wasn't a Jew. When they came for the trade unionists, I didn't speak up because I wasn't a trade unionist. When they came for the Catholics, I didn't speak up because I was a Protestant. Then they came for me, and by that time, there was no one left to speak up.

I say to Senators, today is our day to speak. I urge adoption of the amendment.

Mr. BENTSEN. Mr. President, I move to lay the amendment on the table. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay the amendment on the table. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Tennessee [Mr. GORE] and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

I further announce that, if present and voting, the Senator from South Carolina [Mr. THURMOND] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 44, nays 49—as follows:

[Rollcall Vote No. 160 Leg.]

YEAS—44

Baucus Bentsen Bond

Boren
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
Evans
Exon
Ford
Fowler
Harkin
Hatfield
Heflin
Heinz
Inouye
Johnston
Matsunaga
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Specter
Stafford
Stennis
Weicker

NAYS—49

Adams
Armstrong
Bingaman
Boschwitz
Cochran
D'Amato
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Garn
Glenn
Graham
Gramm
Grassley
Hatch
Hecht
Helms
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
McCain
McClure
Melcher
Murkowski
Nickles
Nunn
Pressler
Proxmire
Quayle
Roth
Rudman
Shelby
Simpson
Symms
Trible
Wallop
Warner
Wilson
Wirth

NOT VOTING—7

Biden
Bradley
Gore
Lugar
Simon
Stevens
Thurmond

So the motion to lay on the table was rejected.

Mr. ARMSTRONG. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. DODD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, I send an amendment to the desk.

Mr. ARMSTRONG. Mr. President, just a moment. Have we adopted the underlying amendment?

The PRESIDING OFFICER. The Senator from Colorado is correct. We have not adopted the amendment. The amendment is still pending. The motion to table was not agreed to.

The yeas and nays are ordered.

Mr. ARMSTRONG. Mr. President, I move to vitiate the yeas and nays and I think we are ready to vote on the amendment.

The motion was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

(Putting the question.)

The PRESIDING OFFICER. The "yeas" appear to have it.

The Senator from Nebraska.

Mr. EXON. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ARMSTRONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I asked for a brief quorum to check signals for those seeking the yea-and-nay vote on this matter since we just had the yeas and nays on the tabling motion. It has been pointed out to me there may be a reason for some who wish to vote on this. Having voted to table, they may wish to go ahead and support the amendment. There may be some who voted to table, maybe a procedural question, or thought perhaps they were in support of the committee or something, but who would not want that vote to stand as their judgment on the underlying issue and want to be recorded in support of the amendment.

So I certainly have no objection to the yeas and nays and I guess we are ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Indiana [Mr. GORE], and the Senator from Illinois [Mr. SIMON] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. STEVENS] and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

I further announce that, if present and voting, the Senator from South Carolina [Mr. THURMOND] would vote "yea."

The PRESIDING OFFICER (Mr. SHELBY). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 57, nays 36, as follows:

[Rollcall Vote No. 161 Leg.]

YEAS—57

Armstrong
Bingaman
Boschwitz
Breaux
Cochran
D'Amato
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Helms
Hollings
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McCain
McClure
Melcher
Metzenbaum
Murkowski
Nickles
Nunn
Pressler
Proxmire
Quayle
Reid
Riegle
Roth
Rudman
Sarbanes
Shelby
Simpson
Symms
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—36

Adams
Baucus
Bentsen
Bond
Boren
Bumpers
Burdick
Byrd
Chafee
Chiles
Cohen
Conrad
Cranston
Danforth
Daschle
Evans
Exon
Ford
Fowler
Hatfield
Heflin
Heinz
Johnston
McConnell
Mikulski
Mitchell
Moynihan
Packwood
Pell
Pryor
Rockefeller
Sanford
Sasser
Specter
Stafford
Stennis

NOT VOTING—7

Biden
Bradley
Gore
Lugar
Simon
Stevens
Thurmond

So the amendment (No. 323) was agreed to.

Mr. EXON. Mr. President, I take a back seat to no one in this body with regard to my record on human rights. I think violations of human rights are a fundamental problem that we have in the world today. Unfortunately, here we are trying to pass major trade legislation and we keep moving in on the thrust of the legislation to further interrupt trade.

Mr. President, I have basically no use for the present Government of Romania, but the present Government of Romania is not unlike many other nations today under the Communist yoke. It is probably worse than some and maybe not as bad as others. But I carry no water for them at all. I simply want to point out that the votes that we have just had in this body in the view of this Senator were very serious mistakes. They were certainly serious mistakes from the standpoint of agriculture.

I remember a few years ago when then President Carter placed an embargo on a portion of the agricultural and food shipments that were going to the Soviet Union, basically as a result of their invasion of Afghanistan. There was a great hue and cry around the Nation, as there probably should have been, about using food as a weapon in international affairs. That embargo played a very key role in the Presidential campaign that followed. I think history will show that.

What we did with the preceding votes was to institute, though it may be somewhat de facto, a de facto embargo on shipments of food to Romania.

The record will clearly indicate that over the last year or two Romania has increased its imports of agricultural products from the United States by somewhere between 20 and 40 percent. They did that, of course, with the favored nation trading status that they enjoy, as several other countries do.

It seems rather ironic to me, Mr. President, that at a time when we are spending nearly a record $30 billion a year on agricultural programs because of the deep economic difficulties in rural America today, and as part of that $30 billion expenditure we have a great deal of revenue enhancement or export PIK, which makes us more competitive in the international marketplace, I ask what sense it makes, although the motives of the people introducing the measure we have just voted on were good?

But sometimes we get caught up in emotionalism and recognize that we do not know with our left hand what the right hand is doing.

Therefore, I simply say that I think that move was a very serious mistake. I hope that it does not significantly adversely affect the movement of agricultural products into Romania. I think that in due time, the Senate will see the failure of the wisdom of its action in the votes that we have just cast.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The bill clerk proceeded to call the roll.

Mr. CONRAD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CONRAD. Mr. President, I want to associate myself with the remarks of the distinguished Senator from Nebraska on the question of the rollcall votes we have just held. I, too, believe a mistake has been made. I want to point out that with respect to trade with Romania, last year, the total United States exports to that country were some $250 million. $115 million of that total was agricultural exports. The agriculture exports to Romania, especially grains and soybeans, have been growing rapidly over the past several years.

Again, I want to associate myself with the remarks of the Senator from Nebraska in the sense that I do not take up the cudgel of the current Government of Romania. I think the case against the Government of Romania with respect to human rights violations is rather clear. It is, like many of the govenments of totalitarian powers, one that does not fully respect the human rights of its citizens. In no way does trade with that country indicate an endorsement of their internal policies or their human rights stand, but we must also look to the economic interest of this country and to the long economic record of trade and the question of what results we get when we attempt to impose trade sanctions.

One simply goes back to the time of the grain embargo to see the false hope that agricultural policy gives, and that attempting to use agricultural policy to influence the internal politics of foreign governments does not work. The ones who get hurt are the American farmer. I fear that we will have much the same result with the votes that we have just taken.

I point out that the wheat growers, the soybean association, and the Farm Bureau were opposed to the amendment that we just passed, I think for good reason, fearing that even a temporary suspension of most-favored-nation status will cause problems for U.S. sales of grain products, not only in the 6-month period but in the future as well.

With that, Mr. President, I yield the floor.

Mr. ARMSTRONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Montana.

Mr. ARMSTRONG. May I have 10 seconds?

Mr. BAUCUS. I yield.

Mr. ARMSTRONG. I thank all Senators for their participation on the amendment so adopted and I regret to say I misspoke on one matter I would like to correct. I asked unanimous consent that Senator HARKIN be added as a cosponsor and in doing so I was speaking without his authorization. I would ask his name be removed.

The PRESIDING OFFICER. Without objection, so ordered.

Mr. MITCHELL. Mr. President, the trade debate the Senate began yesterday should mark the start of a new chapter in our Nation's trade policy.

For more than three decades after the Second World War, two principal goals have guided U.S. international relations: The goal of preserving a credible defense of the West and the goal of developing a free global economic trading market.

We have pursued those goals for more than three decades, with both success and failure.

Our alliances today are strong and sound. The Western alliance continues to enjoy a broad consensus of support.

Our other major international goal—the development of a free global economic trading environment—has been more difficult to achieve.

Beginning with the Kennedy round of trade talks in the early 1960's, through the most recent GATT negotiations in the Tokyo round, we have pursued the goal of expended international trade. Those agreements have generally been successful in reducing tariff barriers to international trade. Now, we must turn our attention to nontariff barriers.

The need for an overhaul of international trade rules is clear. An increasing volume of international trade today is not covered under the GATT, in such sectors as service trade, investment, intellectual property, and agriculture. In many of those sectors, the United States enjoys a competitive advantage which is being denied us by trade barriers erected by other nations.

A central element of the GATT system is the rules it establishes for nations to enact laws to assist its workers and industries against surges in imports, to counter unfair trade practices, and to protect its national security.

Our Nation, like others, has enacted laws designed to retrain displaced workers, to preserve industries vital to our national security, and to prevent unfair trade practices from victimizing workers and businesses.

But our domestic trade remedy laws have lately proven inadequate in responding to new predatory trade practices by other nations which are designed to circumvent those laws. In other cases, those laws have not worked because the administration has simply not enforced them.

This legislation would change our trade remedy laws to reduce Presidential discretion; to make more predicatable the response our Nation will take to unfair practices; and to establish more clearly the principle that industries hurt by unfair practices need not look in vain to their Government for redress.

The bill rests on several central premises. First, the recognition that in our system, Presidential consultation with Congress is essential. Our constituents must know that trade negotiations undertaken in their name—and which will effect their economic well-being—are undertaken within the framework of consultation with the Congress.

So the bill requires closer, more detailed and continuing consultation with Congress as agreements are negotiated. This is vital.

Trade negotiations must place the interests of our citizens at the forefront. Too often, that has not been the case in the past.

To cite but one example. Last year, the Maine potato industry suffered through one of its worst markets in decades. Prices were less than one-tenth of production costs. To limit the losses, Senator COHEN and I proposed a modest potato diversion program which the administration rejected. The administration cited concern about the reaction in Canada as one reason for its opposition to this modest program.

Coincidentally, less than a week later the Canadian Government announced the first of three potato diversion programs for Canadian producers.

When I asked our Trade Representative whether the Canadians had asked about American reaction to their diversion program, I was told "No." Obviously, the Canadian Government acted as it felt necessary to help its citizens; our administration refused to act, partly out of concern for Canadian objections.

This is not an isolated example. The attitude is pervasive. It exists throughout government. And it undercuts the legitimate economic interests of American workers, farmers and businesses.

Trade policy must have continuity, purpose, and accountability. The only way the interests of American workers, consumers, and businesses can be served is to ensure that those concerns are factored into the negotiations through consultations with Congress.

Another basic premise in this bill is predictability. Not only should American businesses and workers feel confident that American law will protect American interests; our trading partners and competitors also need to know, with some clarity, what actions will produce responses.

A prime example is the domestic shoe industry which by 1985 had lost most of its market to imports—a 50-percent increase in imports over a 4-year period. From the end of 1982 to the end of 1986, the domestic footwear industry closed almost 40 percent of its plants and lost 40 percent of its employees. In Maine, the largest footwear producing State in the Nation, one-third of all footwear workers lost their jobs in 1984 and 1985.

That kind of surge in imports, during a period of extreme imbalance in international economic relationships, was precisely the type of situation contemplated when the GATT provided for an "escape clause" to temporarily slow imports.

The International Trade Commission unanimously found that the footwear industry was injured by imports and entitled to relief under international law.

But the President rejected the ITC's recommendations out of hand, as current law permits. The Reagan administration made the decision that the United States no longer has a need for a domestic footwear industry. The effect of this decision goes beyond the footwear industry.

The result has been for the United States to unilaterally forfeit its rights under international trade law. Following the footwear decision in 1985, few industries have gone forward with section 201 cases. Those that have appear to have begun working on their cases prior to the President's footwear decision.

Why? Because American industry knows that there is little chance of receiving relief under the escape clause. If an industry suffering 75 percent import penetration cannot get relief, even with a unanimous vote from the International Trade Commission, then what industry can ever get relief?

Clearly, American businessmen have drawn the lesson that in this administration no industry can get trade relief under any circumstances.

It is not surprising that the escape clause, which protects U.S. industry from a surge in imports, has become a dead letter. It is meaningless.

And after years of such enforcement, it is not surprising if foreign producers see American trade laws as a sporting challenge, not an obstacle to outlawed trade practices.

So the bill before us changes the law. It does so by limiting the discretionary authority of the President to enforce the rights of U.S. industries and workers in international trade.

I recognize that no matter how much executive branch discretion is reduced, the effectiveness of the law depends on the President's willingness to respond aggressively to unfair trade practices. Under our system, the value of most laws depends on the vigor with which a President enforces them.

The effects of today's trade imbalances are self-evident: Any shoe store anywhere in Maine sells Brazilian-made shoes. But you can go into a shoe store anywhere in Brazil and you will not find any American shoes because they cannot be sold in Brazil. The same is true of American manufactured computers. United States pharmaceutical companies can do business in Brazil, but only if they want to forfeit their patent rights to local companies.

If you go to a clothing store anywhere in Maine, you will find apparel made in South Korea. But if you go into a clothing store anywhere in South Korea, you cannot find American-made apparel because it cannot be sold in South Korea. If you want to sell textile products in Korea, you have to obtain an import license. That sounds easy enough until you find out that the trade association representing Korean textile manufacturers has to approve the license.

If you go into an auto parts store in Maine, you will find Japanese made auto parts. If you go into a auto parts store in Japan, you will not find American made auto parts because they cannot be sold there. The same holds true for other American products which face quotas, bureaucratic obstacles, and industry exclusions.

Such imbalances persist because the administration pursues a policy which does not insist on reciprocal dealing.

One ironic outcome is that the commitment to the ideology of free trade—not a free trade policy, but a free trade ideology—has gone hand in hand with an increase in protectionism around the world. Every one of our trading partners now recognizes that they can have totally unrestricted access to the American market and bar American imports with impunity.

None of our trading partners has an incentive to overcome its own national interests when there is absolutely no penalty attached to pursuing that national interest.

Expanded international trade cannot develop in an environment where most trading nations are pursuing their own interests exclusively. But when foreign producers see there is no penalty in doing what the Brazilians, the Japanese, the South Koreans do, there is no incentive for restraint.

The bill before us, by directing a more aggressive presidential pursuit of reciprocal access to foreign markets, as well as mandating penalties for unfair trade practices in our market, seeks to recreate such an incentive.

The bill does not set in concrete the current manufacturing makeup of U.S. industry. It recognizes that as technology changes, as our Nation's demographics alter and as economic choices shift, new products, new processes and new services will displace old ones. But it seeks to make the transition from older to new industries less burdensome to the workers in those industries by providing for better retraining and retooling in industries affected by import competition.

This is not only a key element to maintaining American competitiveness in world trade, it is a key element in ensuring a sound domestic economy as well. We cannot and should not enter the 21st century with whole regions of people whose skills are outmoded and workers whose energies are wasted.

Congressional pressure—and the trade bill debate—have recently encouraged the administration to begin using the laws on the books to open foreign markets to American products. But it is too little, too late.

American workers should not have to wait until our trade deficit approaches disaster levels before their government acts. American businessmen should not have to hope for a dangerous trade deficit before they can be assured that our laws will be enforced.

No one in this body suggests that this trade bill alone is the answer to our trade problems. Our trade deficit did not increase by $140 billion over the last 6 years solely because of the deficiencies in our trade laws or the unfair trade practices in other nations. Our industries did not suddenly become so uncompetitive that our trade deficit grew almost 600 percent.

Instead, the extraordinary turn around in our trade position also relates to the Nation's fiscal policies which are drowning us in a sea of red ink.

Wednesday's newspapers told the story rather clearly. As recently as 1982, the United States was the world's largest creditor nation, with a surplus of $141 billion in outstanding loans to the rest of the world. But beginning in 1981 we set upon a fiscal policy of record budget deficits which required the United States to go abroad to borrow money. The result was that by 1985, the United States became a net debtor nation for the first time since 1914.

By the end of 1986 our debt to the rest of the world had soared to $264 billion. That is more than twice the amount at the end of 1985 and greater than the total owed by the next three debtor nations combined.

At the current rate, the United States will face an external debt of almost $700 billion by the end of the decade requiring that we spend as much as 1 percent of our gross national product just to pay interest costs abroad. That represents a transfer of our domestic income abroad resulting in a long-term lower American standard of living.

The more immediate harm is to our workers and industries which have been hurt as our trade position has suffered. Over the last 6 years, as the Federal Government has pursued a policy of record budget deficits, exports from the United States have actually declined.

Why? Because foreign interests, busy lending us money to finance our budget deficits, have little left to buy our goods with. The solution, of course, is to bring down our Federal budget deficits to reduce our reliance on foreign borrowing.

We are making progress on the budget deficit. It will be difficult to regain the advantages that have been squandered in the past several years. But we are turning things around.

The return to responsible Federal budgets, together with this comprehensive trade bill, will enable the United States to restore its competitive advantages and bring international trade into balance.

I congratulate the chairman of the Senate Finance Committee and the other committee chairmen who have brought their trade bills to the floor. I look forward to the debate in the days ahead.

Mr. President, this legislation would change our trade laws to make more predictable the response our Nation will make to unfair trade practices; to establish more clearly the principle that industries hurt by unfair practices need not look in vain to their Government for redress.

Trade negotiations must place the interests of our citizens at the forefront. Too often that has not been the case in the past. To cite but one example, last year the Maine potato industry suffered through one of its worst markets in decades. Prices were less than one-tenth of production costs. To limit the losses, Senator COHEN and I proposed a modest Potato Diversion Program which the administration rejected, citing concern about the reaction in Canada as one reason for its opposition to this modest program.

Coincidentally, less than a week later, the Canadian Government announced the first of three diversion programs for Canadian producers.

When I asked our trade representative and other officials of our administration whether the Canadians had previously asked about an American reaction to their diversion program, I was told no.

Obviously, the Canadian Government acted as it felt necessary to help its citizens. Our administration refused to act out of a concern for Canadian objections.

This is not an isolated example. The attitude is pervasive. It exists throughout the Government and it undercuts the legitimate economic interests of American workers, American farmers and American businessmen.

Mr. President, I thank the distinguished Senator from Montana. I yield back the floor.

AMENDMENT NO. 326

(Purpose: Calculation of subsidies on certain processed agricultural products)

Mr. BAUCUS. Mr. President, without objection I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> Title VII of the Tariff Act of 1930 is amended by inserting after Section 771A (19 U.S.C. 1677-1) the following new Section:
>
> "Section 771B.
>
> In the case of an agricultural product processed from a raw agricultural product in which (1) the demand for the prior stage product is substantially dependent on the demand for the latter stage product, and (2) the processing operation adds only limited value to the raw commodity, subsidies found to be provided to either producers or processors of the product shall be deemed to be provided with respect to the manufacture, production, or exportation of the processed product.

Mr. BAUCUS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, this amendment may sound a bit complicated, but it is frankly very simple in effect. It is an important amendment to agricultural processing industries and important to agricultural commodity producers in America.

Very simply, about 1985, the hog-producing industry along with the pork-producing industry in our country, filed with the International Trade Commission and, in effect, with the Department of Commerce, alleging that the country of Canada was subsidizing its hog producers to the detriment of American hog producers.

Fortunately, the ITC agreed with that, yes, Canada was subsidizing, indeed, the hog producers, but the International Trade Commission, in a separate departure from the hog producers, unfortunately ruled that the country of Canada was not subsidizing in a detrimental effect its pork producers, so, in effect, it ruled against the subsidy for pork producers as against hog producers.

Why is that important? It is important because the practical effect of that is that the American hog producers lost to the Canadian hog producers because you can, obviously, begin to slaughter a lot more hogs, Canadian hogs, and to some degree American hogs, in Canadian plants. Second, the processors who make the bacons and hams out of the hogs, obviously, with more processing in Canada, the processing industry in our country was damaged, lost jobs, and lost income.

It was through the efforts of Senator GRASSLEY of Iowa and also Senator DANFORTH of Missouri, and other Senators, that this Senator and the other Senators I mentioned were able to change the law in this Finance Committee bill which is before us. We are appreciative of the Senators' efforts to get that change.

Unfortunately, all is not as it seems to be because since the markup of the bill, the U.S. Court of International Trade ruled that the Department of Commerce in determining the degree of countervail that should be assessed against the hog imports into the United States as well as pork ruled that it is proper for the Department of Commerce to find the amount of subsidy that Canada provides for hog producers, but, unfortunately, improper for the processing industry, saying that the U.S. Court of International Trade simply did not have the statutory authority to allow the Department of Commerce to go ahead and proceed and find the level of that subsidy.

The court went on to volunteer that even though it did not have the statutory authority, perhaps it was a problem that the Congress could solve.

That is the point of this amendment. This amendment is simply that statutory authority so that the U.S. Court of International Trade can levy the amount of subsidy that Canada provides for its hog producers and also the amount of subsidy that Canada provides, in effect, for its processing industry, in this case, of pork.

The amendment was agreed to by the Department of Commerce and by the USTR, and I believe it is agreed to on both sides.

Let me just sum up by saying this is not a small matter. If the law is not changed, then a foreign country would be able to get around the U.S. countervail statutes very simply by, for example, freezing raspberries or freezing any produce because, in effect, that will not be the raw material; it will be some minor value added.

That is just one example of many that one could cite.

Mr. President, I think this is an important amendment to restore some balance to the interconnection of our subsidy-countervail laws as applied through both the UTC and the Department of Commerce. I urge adoption of the amendment.

This amendment is not controversial. It is not opposed by either the Office of the U.S. Trade Representative or the Department of Commerce. I know of no objection to it on either side of the aisle.

Mr. President, in 1985, an ITC decision on hog and pork imports from Canada set a disturbing precedent for the treatment of agricultural products under countervailing duty law.

The ITC held that Canada was subsidizing hog production and that the Canadian hogs were injuring the United States hog industry.

The ITC also decided, in a sharp departure from past precedent, that the U.S. pork industry—the industry that processes live hogs into pork—should be considered separately from hog producers.

Now, that just doesn't make sense. Hogs and pork are both the same product. As one farmer once told me, "Pork is just a very mature hog."

But the ITC ruled that pork processors were not being harmed by imports, and declined to order a duty placed on pork imports from Canada.

So we had a tariff on hogs, but none on pork.

And that led to a ridiculous result.

Canada just began slaughtering the hogs they had been shipping to the United States in Canada and exporting pork instead. Hog producers got no relief.

But worse than that, pork processors lost jobs, because Canadian pork processors had picked up the new business.

In other words, the ITC decision didn't help the U.S. industry. It hurt it.

Thanks to the tireless efforts of Senator GRASSLEY and others, we managed to craft legislation to remedy this problem. This legislation was added to the trade bill in the Finance Committee markup.

But it seems that just as we move one step forward we have been knocked two steps backward.

A recent U.S. Court of International Trade decision held that the Commerce Department had no statutory authority to impose duties on processed agricultural products if the raw agricultural product was being subsidized.

This means that even if the ITC determines that pork processors are being injured by subsidized Canadian hogs, the Commerce Department would not be able to impose any countervailing duties on pork.

Seems like we've just moved out of the frying pan and into the fire.

This court ruling, if it is not answered legislatively, effectively means that agricultural produced will not be covered by countervailing duty law.

A foreign nation could avoid a U.S. countervailing duty on an agricultural product merely by doing some minor processing of the agricultural product before it is exported to the United States.

For example, a duty on raspberries could be avoided by merely freezing the raspberries before they are shipped to the United States.

Let's say I'm a foreign producer of raspberries, and my government subsidizes all my input costs for growing raspberries.

Now if I sent those raspberries to the United States, I have to pay a tariff to offset the subsidy.

But if I freeze the raspberries, I pay no tariff.

Same raspberries—they're just frozen. But no tariff. Does that make sense?

And we're not just talking about raspberries. We're talking about fish, rice, lamb, pork, and many other products that right now are subject to countervailing duties. These duties soon will be either lifted or left open to easy foreign circumvention.

In its decision, the Court of International Trade did not argue that it was right to permit this circumvention. It merely said that there was no statutory basis for preventing circumvention.

The court said, "If the [current] statutory approach * * * is inadequate, it is not the role of Commerce or the court, but the Congress to remedy any deficiency."

In other words, the court looked to us to fix a glitch in the law.

It the court decision had come before the Finance Committee markup of the trade bill, I'm sure the Finance Committee would have fixed this glitch.

Unfortunately, the decision did not come down till after the markup. The glitch must be dealt with through a floor amendment.

That is why Senator GRASSLEY and myself, with the support of Senator PRYOR, are today offering an amendment to the trade bill that directs the Commerce Department to place duties on processed agricultural products if the raw agricultural product is being subsidized.

The purpose of this amendment is to codify Commerce Department practice.

As I said before, this amendment has been accepted by both the Office of the U.S. Trade Representative and the Commerce Department.

I hope that we can all agree to make this much needed change in U.S. trade law.

Otherwise, we will be giving a green light to foreign nations that want to dump agricultural products in the United States, and U.S. farmers and fishermen will be driven out of business.

CALCULATION OF SUBSIDIES ON CERTAIN PROCESSED AG PRODUCTS

Mr. GRASSLEY. Mr. President, I am pleased to join my good friend Senator BAUCUS in offering this amendment.

As many of you are aware I have been involved with this issue—going back as far as the first session of the 99th Congress. This year I was pleased to see the Finance Committee accept my legislation that treated producers of certain raw agricultural commodities. As part of the industry producing products processed from such commodities for purposes of the countervailing duty and antidumping statutes. Not being a member of the Finance Committee this year, I want to thank my colleague, Senator BAUCUS for his leadership in shepherding this measure in the committee for me.

Unfortunately, while most of us thought that this would take care of most of our problems, the Court of International Trade overruled the Commerce Department's decision to apply a final affirmative countervailing duty in certain cases involving agricultural subsidies. For example, as a result of the Court of International Trade's adverse decision, a subsidy could be paid to the commodity producer and the countervailing duty be evaded by merely changing the form of the product—by subjecting it, for example, to an added stage of production—such as packing or processing. Thus, subsidized fresh raspberries could become nonsubsidized frozen raspberries or subsidized fish or swine could become nonsubsidized fish fillet or fresh chilled pork.

To curb this abuse, the Department of Commerce developed the rule codified in the proposed amendment. The rule was most recently applied in the final affirmative countervailing duty determination: Live swine and fresh chilled, and frozen pork products from Canada, 50 FR 25097, and in the final affirmative countervailing duty determination and countervailing duty order: Rice from Thailand, 51 FR 12356. Under the rule, duties would be imposed on the processed product when first the processing operation added relatively little value-added to the product; and second, where the demand for the raw product was dependent upon the demand for the processed product.

Codification is now needed because of recent confusion in the Court of International Trade over the rule's relationship to a provision directed toward similar problems with manufactured goods, 19 U.S.C. 1677-1. Section 1677-1 was added in 1984 to create a new test for upstream subsidies—subsidies on input products used in the manufacture or production of finished articles. The court rejected the Commerce Department test on the grounds that section 1677-1, stating that:

> Absent statutory recognition of special rules applicable to investigations concerning early stage agricultural subsidies, * * * departs from the course set by Congress under section 1677-1 for determining whether upstream subsidies pass through to later stage products in agricultural cases.

However, the three-pronged test of section 1677-1, directed primarily to components used in the manufacture of a finished product, is incompatible with the nature of agricultural commodity markets. The second prong of the test looks to whether the subsidy bestows a competitive benefit on the merchandise. A competitive benefit is found under section 1677-1(b) where the price for the input product is lower than would otherwise be paid in an arms-length transaction with another seller. In contrast, the price of products sold on a commodity basis, which is determined by overall supply and demand, is essentially the same for all commodities sold at a given time in a given market. The upstream subsidies test, if applied to agricultural commodities, would understate the magnitude of the subsidy and permit wholesale circumvention of the countervailing duty statute. The trade statute would be rendered essentially useless in the case of subsidized agricultural commodities. The court apparently recognized such danger but concluded:

> If the statutory approach to upstream subsidies is inadequate, it is not the role of commerce or the court, but of Congress to remedy any deficiency.

It is for that reason that Senator Baucus and I are offering our amendment today. I would hope that the committee would accept this amendment. Short of that I hope the Senate would see fit to vote favorably on this important issue.

Mr. PRYOR. Mr. President, I am pleased to be a cosponsor of this amendment, which corrects an illogical ITC ruling which has a direct effect on pork imports.

A number of the pork producers in my State have complained to me about an International Trade Commission ruling in 1985 that declared that hogs and processed pork were two separate products. This action was taken in the context of a complaint by United States producers that Canada was subsidizing its own producers and was confirmed in a recent Court of International Trade decision. As a result of the ITC ruling and the court decision, countervailing duties could be levied against hog imports to counteract Canadian subsidies, but no such duties would be applied to pork products. The court and ITC thereby created an incentive for Canadian pork producers to slaughter their hogs in Canada and ship us various pork products at low-duty rates.

During the past 2 years I have cosponsored legislation to correct this illogical situation. Today's amendment makes it clear that countervailing duties may be applied to processed pork as well as to live hogs as long as the processing operation adds relatively little value to the product, and the demand for the raw product is dependent on the demand for the processed product.

During 1986 the level of pork imports from Canada rose by 20 percent. The Senate needed to act quickly to prevent further damage to the U.S. industry, and I join with the Arkansas pork producers in applauding this action today.

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, this amendment basically codifies the past policies of the Department of Commerce regarding subsidies on agricultural products. The question was where you have that subsidy on raw material and then they have been putting it on processed products, you have the past practices overturned by the Court of International Trade. The effect was to make the countervailing duty useless. It did not work. It was not effective.

Senator Baucus has shown this amendment to the administration and has shown it to the ranking member of the minority side. I personally have no objection to it. I support it and recommend its adoption. I have been assured by staff on the minority side that it has been cleared. I urge its adoption.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 326) was agreed to.

Mr. BAUCUS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 327

(Purpose: To authorize negotiations of a North American Trade Expansion Area)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. Gramm] proposes an amendment numbered 327.

Mr. GRAMM. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill add the following:

SEC. . NORTH AMERICAN TRADE EXPANSION AREA.

(a) Short Title.—This section may be cited as "The North American Trade Expansion Area Act of 1987.

(b) In General.—The President shall take action to initiate negotiations to obtain trade agreements with Mexico, the Caribbean Basin countries, and Canada, the terms of which provide for the reduction and ultimate elimination of tariffs and other nontariff barriers to trade for the purpose of promoting the establishment of a North American Trade Expansion Area.

(c) Reciprocal Basis.—An agreement entered into under subsection (a) shall be reciprocal and provide for mutual reductions in trade barriers to promote trade, economic growth, and employment.

(d) Bilateral of Multilateral Basis.—Agreements may be entered into under subsection (a) on a bilateral basis or on a multilateral basis with all of such countries or any group of such countries, described in subsection (b).

(e) Caribbean Basin Countries.—For purposes of this section, the term "Caribbean Basin countries" means the countries designated as beneficiary countries under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702).

SEC. . IMPLEMENTATION OF TRADE AGREEMENTS.

(a) Requirements.—Any trade agreement entered into under the previous section shall enter into force with respect to the United States if (and only if)—

(1) the President has, at least 90 days before the day on which he enters into such trade agreement, notified the House of Representatives and the Senate of his intention to enter into such as agreement, and promptly thereafter publishes notice of such intention in the Federal Register.

(2) after entering into the agreement, the President transmits a document to the Congress containing a copy of the final legal text of such agreement together with—

(A) a statement of any administrative action proposed to implement such agreement,

(B) a draft of an implementing bill,

(C) an explanation of how the proposed administrative action and implementing bill change or affect existing law, and

(D) a statement of the reasons as to how the agreement serves the interests of the United States and as to why the proposed administrative action and implementing bill are required or appropriate to carry out the agreement, and

(3) an implementing bill is enacted into law with respect to such agreement.

(b) Effective Date of Agreement.—If the requirements of subsection (a) are met with respect to a trade agreement entered into under the previous section, the trade agreement shall enter into force with respect to the United States on the date on which the implementing bill is enacted with respect to such trade agreement.

(c) Any agreement entered into under the previous section shall be treated as an agreement entered into under section 102 of the Trade Act of 1974 for purposes of section 151 of the Trade Act of 1974.

Mr. GRAMM. Mr. President, this amendment authorizes and directs the President of the United States to begin negotiations for the establishment of a North American free trade area with the goal of reducing and ultimately eliminating tariff and nontariff barriers between the United States and Canada, the United States and Mexico, the United States and the Caribbean Basin, and between each of the individual countries so as to achieve a free trade area in North America.

Under these provisions, all reductions in tariff and nontariff barriers have to be on a reciprocal basis to provide mutual reduction in trade barriers to increase the amount of commerce that can take place in North America.

I do not need to tell Members of the Senate how important this would be in developing North America, in creating jobs, in generating economic growth. It would, if successfully completed, open up the markets for American products to 140 million additional people. These people in North America outside the United States have a cumulative GNP of $600 billion.

I submit, Mr. President, that this would be the largest free trade area on Earth. It would generate a substantial increase in eonomic growth in the United States, Canada, Mexico, and throughout the Caribbean Basin Initiative. It would promote the development of a commercial middle class which we all know is the very foundation of democracy.

I submit, Mr. President, that giving the President both the authority and the direction to proceed with the negotiation of this free trade area can be the most important step that we can take in eliminating poverty, in attacking totalitarianism, in preventing the spread of communism in Central America. I think this is a very important step.

We all know that after it is authorized, it has to be negotiated. I think we have in the reciprocal requirements there be mutual reductions in tariffs, quotas, licensing fees and other restrictions; a guarantee that as markets are opened up in the United States to the goods produced in North America, that similar markets will be opened in those countries so as to provide an expansion of jobs and growth.

I think this is especially important when you look at our major exports to Canada, Mexico, and the Caribbean Basin nations. Those exports consist of machinery and transportation, advance data processing equipment, telecommunications, and agricultural products. In turn, our largest import from those nations is petroleum. We all know that we have to buy petroleum if not from these sources from the Middle East, though obviously we would like to produce more petroleum here at home.

I think this is an important step. I think it provides both the authority and the initiative to move forward to open up a free trade area in North America, doing it on a reciprocal basis so that trade barriers are lowered against American goods as we lower trade barriers against other goods from North America coming into the United States. I urge my colleagues to support this amendment.

Mr. BENTSEN. Mr. President, I congratulate the distinguished Senator from Texas for the amendment. I think it is a laudable objective. I ask unanimous consent to be added as cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENTSEN. I must say in all candor that I favor multilateral arrangements, but I think in some instances, you have to set an example and you have to try to push some of the other nations in the world in trying to get into a free trade status. I have been very supportive of trying to work out the agreement with Canada. That is our major trading partner. I think it is mutually beneficial to both of us as we look toward free trade.

As I look at Mexico, I look to a country that has historically had all kinds of barriers to trade, that has had a licensing agreement that virtually did not let products come in unless some bureaucrat decided it was all right. I think it is a singular thing that when they moved into GATT, it brought about a change on the part of Mexico. I realize that in many instances with Mexico, those tariffs can be quite high. I hope the bilateral process with Canada will bring those down. I hope it can be mutually beneficial to all of North America, that that kind of agreement can bring about some of the changes we want.

I urge support and I hope it will be adopted.

Mr. DURENBERGER. Will the Senator from Texas yield?

Mr. GRAMM. To the extent that I have the floor, I yield.

The PRESIDING OFFICER. The senior Senator from Texas has the floor.

Mr. BENTSEN. I would like to add the thought that I want to emphasize that all procedures now applicable to the bilateral trade agreements will apply under this amendment. I think that is important.

With that, I yield back the floor.

Mr. DURENBERGER. Mr. President, just a brief comment on the value to me as a representative of a large border State that thrives on free trade in North America, particularly the trade with the country of Canada and the problems with Canada; I also speak in appreciation of the value to us as policymakers of being able to look at North America as what we all ought to start calling for, a free trade zone, getting some of the politics out of economics in this country. I congratulate my colleague from Texas [Mr. GRAMM] both for the content and the simplicity of the agreement. I ask unanimous consent that I may be made a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, I thank the Senator, and I thank the distinguished senior Senator from Texas for accepting the amendment. I am delighted to have him and the Senator from Minnesota as cosponsors. I think this is an important amendment. Obviously, there is a lot of work to be done to make it a reality, as is the case with our free trade area with Israel and Canada. I think it is an important first step, and I appreciate the support.

The PRESIDING OFFICER. Is there further debate?

Mr. BENTSEN. Mr. President, I urge the adoption of the amendment of my colleague.

Mr. SYMMS. Mr. President, I want to add my commendation to the Senator from Texas [Mr. GRAMM] and those who have cosponsored the legislation. I would like to say that the director of the Center for the Study of Market Alternatives in Caldwell, ID, Mr. Lawrence Reed, in the Idaho Press-Tribune, wrote an article about the amendment of the Senator from Texas and the proposition of a free trade zone. I think it is an idea that has a great deal of merit.

I recall very vividly in 1976, when former Governor Reagan came to Idaho, campaigning for a Presidential nomination. He made a very strong case for a North American free trade zone and what it could offer for the citizens of all three countries. I think these are goals that are laudable and that we should all work for.

I ask unanimous consent that the article by Mr. Lawrence Reed, which is so pertinent to this amendment, be printed in the RECORD at this point. I add my support to the amendment.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TRADE LEGISLATION THAT ACTUALLY MAKES SENSE

(By Lawrence W. Reed)

The congressional hopper this year is crammed full again with trade bills. True to form, most of them are blatantly protectionist. A lot of congressmen think that the way for America to compete is to bash our competitors, but experience has shown that that sort of approach produces short-term benefits sometimes, and long-term problems almost all the time.

One particular bill, however, demonstrates an unusual combination of sound economics and political sensitivity. Introduced by Sen. Phil Gramm of Texas and Rep. Jack Kemp of New York, the bill seeks to expand U.S. access to foreign markets through establishment of a North American Free Trade Area (FTA).

The strategy of the Gramm-Kemp bill is for America to open up markets by making free trade agreements with its neighbors, rather than rely only on worldwide trade deals—where a few countries can thwart real progress.

Under a North American FTA arrangement, the U.S., Canada, Mexico and the non-communist Caribbean Basin countries would eliminate most, if not all, of their patchwork of trade barriers. This would give American companies access to foreign markets of over 140 million people and nearly $600 billion in gross national product.

At the moment, the Reagan administration is attempting to negotiate an FTA with Canada. Progress toward a similar arrangement with the Caribbean countries is very possible, if tough issues of sugar and textiles can be worked out.

In the opinion of Dr. Edward L. Hudgins, "the improved economic efficiency resulting from a North American FTA would surround the U.S. with a ring of prosperous countries better able to purchase U.S. goods and to provide the U.S. with valuable products."

Hudgins, a prominent economist, also argues that the idea would strengthen the security of the hemisphere by replacing economic stagnation with economic growth and closer cooperation. A North American FTA could neutralize the subversive and destructive influences of Marxist outfits like Cuba and Nicaragua.

The Gramm-Kemp bill would also extend the FTA idea beyond North America by offering special phase-in provisions to encourage developing countries to seek freer trade with the U.S. Any successful agreements would immediately put Japanese goods at a competitive disadvantage in those markets, which would give Japan a powerful incentive to seek similar free trade arrangements. Competition, in other words, just might do more than bashing the Japanese into a freer trade posture.

The bill calls for two other things that are long overdue. One is a requirement that the Congressional Budget Office prepare a "trade impact statement" for any trade legislation proposed in Congress. Tariffs and quotas are often seen as beneficial to the industries they "protect," but too little attention is paid to the costs of that protection—to consumers and other industries especially. With a trade impact statement in hand, Congress would have fewer excuses for passing counterproductive trade laws.

The other thing is a requirement that the Executive Branch oppose loans by the International Monetary Fund. World Bank and other international lending agencies to countries that restrict sales of U.S. products. That's a good idea, but to avoid being two-faced about trade, we ought to couple it with reduction of our own barriers against those nations.

Hopefully, our lawmakers will recognize the political and economic wisdom of using the leverage of bilateral free trade areas and act accordingly. It might be our last shot at avoiding a costly and destructive worldwide trade war. The Gramm-Kemp bill is one of the few good ideas on trade to see the light of day in Congress in a long while.

The PRESIDING OFFICER. Is there further debate on the amendment? The question is on agreeing to the amendment.

The amendment (No. 327) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRAMM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 328

(Purpose: To express the sense of the Senate concerning support for human rights and evolution to genuine democracy in Panama, and for other purposes)

Mr. DURENBERGER. Mr. President, I call up an amendment at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Minnesota [Mr. DURENBERGER], for himself and Mr. Kennedy, Mr. Helms, Mr. Byrd, Mr. Pell, Mr. Thurmond, Mr. Kerry, Mr. Wilson, Mr. Graham, Mr. Simpson, Mr. Burdick, Mr. Stevens, Mr. Bumpers, Mr. McCain, Mr. Pryor, Mr. Garn, Mr. Sanford, Mr. Symms, Ms. Mikulski, Mr. D'Amato, Mr. DeConcini, Mr. Rudman, Mr. Dixon, Mr. Hecht, Mr. Gore, Mr. Shelby, Mr. Armstrong, Mr. Simon, Mr. Murkowski, Mr. Leahy, Mr. Nickles, Mr. Harkin, Mr. McClure, Mr. Sasser, Mr. Boschwitz, Mr. Cranston, Mrs. Kassebaum, Mr. Glenn, Mr. Humphrey, Mr. Warner, Mr. Quayle, Mr. Chiles, Mr. Grassley, Mr. Roth, Mr. Trible, Mr. Kasten, Mr. McConnell, Mr. Cochran, Mr. Moynihan, Mr. Gramm, Mr. Hatch, Mr. Pressler, Mr. Hollings, Mr. Rockefeller, and Mr. Dole proposes an amendment numbered 328.

Mr. DURENBERGER. I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. .

(a) FINDINGS.—The Senate finds that—

(1) the Republic of Panama is a historic ally and friend of the United States;

(2) the security and stability of the Republic of Panama are vital to the security of all states in the Western hemisphere;

(3) over 9,000 American military personnel are currently stationed in Panama in a number of important military installations, including the headquarters of the Southern Command of the United States Armed Forces;

(4) the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama, the United States, and the free world;

(5) evolution toward genuine democracy with guarantees of freedom of speech, press, and assembly is in the best interest of the Republic of Panama and the people of the region;

(6) genuine democracy, governmental respect for internationally-recognized human rights, and internal stability best guarantee the long-term security and economic wellbeing of the Republic of Panama;

(7) the executive, judicial, and legislative branches of the government of Panama are now under the influence and control of the Panama Defense Forces;

(8) recent allegations concerning the role of members of the Panama Defense Forces and its commander in the murder of Doctor Hugo Spadafora, Panama's 1984 presidential election, involvement in international narcotics trafficking and money laundering, and corruption have resulted in spontaneous demonstrations on the part of the Panamanian people calling for a full and independent investigation of the conduct of those officials;

(9) a broad coalition of church, professional, business, civic, and labor, and political groups have joined to call for an objective and thorough investigation into the allegations concerning senior members of the Panama Defense Force;

(10) the recent suspension of constitutional guarantees by the government of Panama has been accompanied by restrictions of the fundamental human rights of the Panamanian people, including censorship and closure of the independent media, hundreds of arrests without due process, and instances of excessive force;

(11) the legitimate aspirations of the Panamanian people for democratically elected government and respect for internationally recognized human rights deserve to be addressed and cannot be thwarted indefinitely.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the government of Panama should respond to the points contained in the communique issued on June 17, 1987, by the Panamanian Episcopal Conference and should:

(i) Restore suspended constitutional guarantees to the people of Panama;

(ii) Establish genuine autonomy for civilian authorities and seek the effective and progressive removal of the Panamanian Defense Forces from non-military activities and institutions;

(iii) Provide for a public accounting of accusations leveled against certain authorities of the Panamanian Defense Forces;

(iv) Take specific steps to help ensure the credibility of and confidence in free and fair elections;

(v) Underscore a full commitment to the kind of political pluralism that is necessary to avoid a climate of violence, unrest, revenge or reprisal;

(2) the vital interests of the United States in securing authentic democracy in the Republic of Panama could best be served by the peaceful establishment of genuine democratic institutions in accordance with the Panamanian constitution, including the holding of free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, non-political military establishment under civilian control;

(3) compliance with internationally-recognized human rights, including freedom of speech, freedom of the press, freedom of assembly, respect for the due process of law, the restoration of political and civil rights, and the lifting of the current suspension of constitutional guarantees are essential preconditions to the restoration of democracy in Panama;

(4) consistent with the requests issued by the Panamanian Chamber of Commerce, Industry, and Agriculture, the Archdiocese of Panama, and the National Civic Crusade, an impartial and independent investigation into the allegations against senior Panamanian civilian and military officials should be conducted by an objective group of Panamanians with authority to publish their findings without delay or fear of reprisal;

(5) in accordance with universally recognized principles of fair procedure, to guar-

antee the objectivity of the investigation, to preserve the integrity of the military institution, and in response to the communique issued by the Civic Crusade for Justice and Democracy in Panama, the government of Panama should apply the provisions of the judicial code of Panama, Title 9, Chapter 2, Book 3, Article 2470 and direct the current commander of the Panama Defense Forces and any other implicated officials to relinquish their duties pending the outcome of the independent investigation.

Mr. DURENBERGER. Mr. President, this is an amendment whose purpose is stated as expressing the sense of the Senate to support human rights and evolution to genuine democracy in Panama and for other purposes.

This amendment has been in the works now for the better part of 2½ weeks. It has 52 cosponsors, some of whom are on the floor at the present time.

It was not my desire to bring this amendment up as an amendment to the trade bill if, in fact, it could be considered as a separate resolution. One of my problems in negotiating for its consideration either as an amendment or as a separate resolution has been conflict with the Interparliamentarian Conference in another part of the hemisphere—Mexico, I believe—and the forced absence of our colleague [Mr. DODD], from Connecticut. He has asked me, as recently as the last few minutes prior to what I think was his departure, if we who propose this resolution would consider laying it aside as an amendment to this bill until Tuesday of next week, with the understanding that, at that point, we should have reached an agreement as to the appropriate consideration.

Before I suggest that that might be an appropriate course of action, I yield to my colleague from North Carolina [Mr. HELMS], who has been so important to the shaping of this resolution for his comment.

Mr. HELMS. Mr. President, I thank the distinguished Senator from Minnesota.

The situation as it now exists is that Senator DODD is seeking a unanimous-consent agreement for a time certain for consideration on Tuesday, as I understand it, of a freestanding resolution.

Nobody can predict whether such a unanimous consent request will be made, let alone whether it will be objected to, but in any case, I think we ought to make as much haste as possible because we have delayed too long in consideration of this matter. But I agree with the distinguished Senator from Minnesota that in all probability we ought to accord the Senator from Connecticut [Mr. DODD] an opportunity to see what he can work out in that regard. If he is not able to work it out, then I hope that we will proceed this afternoon. But in any case, I agree with him that he should ask unanimous consent that it be laid aside temporarily and proceed to another amendment with the understanding this amendment will be the pending amendment after the disposition of the next amendment.

Mr. DURENBERGER. I thank my colleague from North Carolina.

Mr. SYMMS. Mr. President, I think this is a most important amendment. I think the Durenberger amendment, which is now pending, should be passed and I would like to see it passed today. Senator DURENBERGER and Senator HELMS have been the leaders, and Senator KENNEDY and others, on this issue.

If we listen carefully, we can hear a long time ally of the United States calling for help. It is the cry of people who want freedom, the right to express themselves and vote in a fair election to determine their future. What they want is something we in the United States too often take for granted. It's called freedom.

Panama is a friend and neighbor of longstanding. The reason we have to listen so carefully to hear Panamanians calling for help is that Panama is being throttled by the man who dictates the nation's way of life—Gen. Manuel Antonio Noriega.

General Noriega has a stranglehold on Panama, and he's choking the economic and moral life out of that suffering nation. Worse, he's managed to sustain himself and prosper in office because we in the United States have been unable or unwilling to see through his charade.

It is absolutely outrageous. I visited Panama on two or three occasions in the past few years and the young population that is unemployed is astronomical.

Whether you think that they have a dictator who is profiteering from his position, I am not persuaded to believe that he is either pro-Communist, pro-capitalist, he is only greedy and pro-Noriega and we ought to bash him and let him know that we disapprove of this.

Noriega has claimed to be a staunch ally of the United States, yet last week he openly embraced another dictator, Nicaraguan President Daniel Ortega who, if it was left up to me, the United States would break diplomatic relations with Daniel Ortega and we would recognize a government, provisional government, in Nicaragua that recognizes and respects the virtues and values and opportunities and humanitarianism of freedom instead of one that clings to a bankrupt, morally and economically bankrupt, and decayed status Communist doctrine that is only bringing down the opportunities for the people in Nicaragua. But that is not what the purpose of this resolution that is before us is.

We have long heard reports of Noriega's ties to Fidel Casto, but even as the Senate deliberates the events which have occurred in Panama, we see Noriega flaunting his friendship with Ortega, openly embracing a fellow despot in a remarkable display of dictatorial excess, thumbing his nose at the United States, telling us he'll do what he pleases, when he pleases, without regard for the interests of Panama and its long friendship with the United States. He feels secure in his actions, for he's sure that he can convince us that he's just acting in our best interests. That tired argument just won't wash any longer.

Noriega's open display of intimacy is a slap in the face for the United States. It must be seen for what it actually is—another example of double dealing by a man with a history of duplicity. He's managed to stay in office despite the fact that he has no support among the people of Panama, and despite the fact that no one in Congress wants to be in his corner. He's done so by portraying himself as a critical part of the solution to ongoing problems in Latin America. But General Noriega is not part of the solution—he's part of the problem.

It is time to blow the whistle on Noriega's game. He's supported by leftists, consorts with Communists, and tells us he can help us. But all he's been doing is helping himself. General Noriega has played a clever game, pretending to befriend the United States, proclaiming himself as a staunch ally needed to provide stability in a vital region. The only claim that is true is that Panama exists in a vital region, and is a close neighbor of great importance.

The Panamanian people like the United States of America and American people. That part is true. But Noriega is a despot, a greedy leader of the worst order.

For years Panamanian citizens have looked on with increasing disbelief as General Noriega has systematically laid waste to the fundamental human rights of the citizens of Panama through a brutal campaign of terror and intimidation. His outrageous abuse of power is a tawdry tale filled with acts of corruption and violence typical of dictatorial excesses seen whenever men such as Hitler, Mussolini, and more recently Duvalier unleash their unbridled greed and lust for power on an innocent population.

A good example of this is that less than a week ago, our distinguished colleague from Connecticut—or maybe it was 2 weeks ago now—was in Panama. General Noriega hosted our distinguished colleague, the honorable Senator from Connecticut, CHRISTOPHER DODD, a very important Senator with respect to Latin America with his views on it, though I may not agree with some of his views. He has a certain reputation because of his experience in that region and is now the chairman of the Subcommittee on Latin American Affairs.

When Senator DODD visited General Noriega he was doing his responsibility as a U.S. Senator interested in that part of the world. While he was on his way back from Panama, before Senator DODD could say anything, General Noriega was seeking to undercut the Senator's report, not even waiting to learn what the Senator had to say before denouncing him in an editorial printed in Matutino, the paper that he alone controls.

Senator DODD would be the first to say he would not want me to agree with everything he said, but the point is that General Noriega is very duplicitous in his own modus operandi, and in my view very disrespectful to one of our distinguished colleagues.

General Noriega is making clear his intention to follow a tried and true path to the bitter end, blaming everyone but himself for the misery he has brought to Panama. He closed down the news outlets which might give the Panamanian people a balanced view of events, and is using the paper he controls to conduct a vicious campaign of slander and character assassination.

We should not be surprised to see the ugly side of General Noriega, for his recent actions are little different from his conduct through the years. Last week, when Panamanians took to the streets in peaceful opposition to his bloody reign, he responded with typical brutality, closing down newspapers, imposing a curfew, and arresting and intimidating any Panamanian citizen he thought posed a problem.

Perhaps his most outrageous act was to demand that the Panamanian National Assembly level charges against nine prominent Panamanians that he wished to remove. He obviously intends to intimidate, imprison, or exile anyone who he thinks might have the courage to oppose his brand of domestic terrorism.

Some say that the crisis now underway in Panama is the result of a public confession made by General Noriega's former crony, Col. Roberto Diaz Herrera, who admitted that he personally bribed people in the general election of 1984 to ensure that Noriega's candidate would win. Colonel Herrera also implicated General Noriega in the murder of Hugo Spadafora, a courageous Panamanian who spoke out against the dictator who is grinding democracy in Panama under the heels of his boots.

General Noriega's former friend shocked many Panamanians by confessing that Noriega was also responsible for the death of Gen. Omar Torrijos, the popular Panamanian leader who died in a mysterious plane crash. But those who have had an opportunity to observe General Noriega's behavior, who have seen the accusations of his involvement with drug trafficking and learned of his links to Fidel Castro cannot be surprised. They know that the seeds of the crisis now underway in Panama were sown by General Noriega himself—and he must reap their bitter harvest.

Ultimately the problems of Panama can only be resolved by the Panamanian people. But the U.S. Senate should make clear exactly where it stands. We must not be cowed by a conniving dictator who mistakes his own interests for the national interest. We must show that we welcome change in Panama, that we know the difference between hypocrisy and democracy, and that we are willing to assist the people of Panama in their peaceful determination to obtain free and fair elections.

Mr. President, as I said, I am offended by General Noriega consorting with people of the likes of Fidel Castro and Daniel Ortega, thumbing his nose at the United States. I have heard scandalous stories that I believe to be true of General Noriega selling passports for outrageously high prices to people from all over the world and pocketing the money privately himself. He is enriching himself not to the tune of thousands of dollars or millions of dollars, but literally hundreds of millions of dollars that this man is making at the expense of the people of Panama in a clear abuse of his powers as leader of a country that I believe deserves better than this, and that we do have a great interest in.

We cannot ever forget that the most important country in the world that has the most at stake from a commercial standpoint of shipping through the canal is the United States of America, but also our Canadian friends, our Mexican friends, and our other friends south of the Panama Canal in South America.

The canal is a very important commercial and strategic defense canal. It is a choke point of the Western Hemisphere. This should not continue to go on without the Senate speaking and raising its voice in righteous indignation about General Noriega and his abuses of the freedoms of people. We should speak against it. I hope that the Senate will act on the amendment before us today to speak as to what our view is and that we would do so very soon.

I yield the floor.

Mr. DURENBERGER. Unless any of my other colleagues have any comments on the amendment, I would, given the importance of the Senator from Connecticut to this issue, and also given the demands on his official time today, and in the hopes that we can reach an agreement and reconsider this matter on Tuesday, ask unanimous consent that this amendment be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 329

(Purpose: To specify additional administrative requirements for the National Critical Materials Council)

Mr. REID address the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 329.

Mr. REID. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill, insert the following:

SEC. . NATIONAL CRITICAL MATERIALS COUNCIL.

(a) THE NATIONAL FEDERAL PROGRAM PLAN FOR ADVANCED MATERIALS RESEARCH, AND DEVELOPMENT.—The National Critical Materials Council shall prepare the national Federal program plan for advanced materials research and development under section 205(a)(1)(A) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1251) and shall submit such plan to Congress not later than 180 days after the date of the enactment of this Act.

(b) PERSONNEL MATTERS.—(1) Not later than 30 days after the date of the enactment of this Act, the Executive Director of the National Critical Materials Council shall increase the number of employees of the Council by the equivalent of 5 full-time employees over the number of employees of the Council on the date of the enactment of this Act.

(2) Not less than the equivalent of 4 full-time employees appointed pursuant to paragraph (1) shall be permanent professional employees who have expertise in technical fields that are relevant to the responsibilities of the National Critical Materials Council, such as materials science and engineering, environmental matters, minerals and natural resources, ceramic or composite engineering, metallurgy, and geology.

(c) AUTHORITY TO ACCEPT SERVICES AND PERSONNEL FROM OTHER FEDERAL AGENCIES.—Section 210(4) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "reimbursable" and inserting in lieu thereof "nonreimbursable".

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 211 of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "1990" and inserting in lieu thereof "1992".

Mr. REID. Mr. President, I think it is appropriate to ask what is manganese? What is cobalt? What is platinum? What is chromium? What do they have in common?

They have in common, Mr. President, the fact that they are all materials that are critical either to the economic or political stability of this country and that they are available predominantly from countries of questionable reliability to the United States.

For example, the United States is 73-percent reliant on imports of chromium from South Africa, Zimbabwe, Yugoslavia, and Turkey. Chromium is essential for the construction of automobiles, aircraft, insulation of high-temperature furnaces, and many other industrial applications.

Mr. President, 95 percent of the United States cobalt supply is imported from Zaire and Zambia, countries that are unstable most of the time. Cobalt is crucial in the forging of alloys, the building of tool bits, and the refining of oil.

Manganese is crucial in the alloy process of certain high-strength steels used in various weapons systems crucial to this Nation's defense; 100 percent of our manganese supply is imported from South Africa, France, Brazil, and Gabon.

Platinum group metals are essential in petroleum refining, chemical processing, and automobile exhaust treatment. They are also used in telecommunications equipment, medical and dental equipment; 92 percent of our supply is imported from South Africa, Great Britain, and the Soviet Union.

Without these materials many basic products on which we have all come to rely would not be available. As my colleagues can see, we are very vulnerable to a complete or partial embargo of these materials. There are several policy options to consider to guard against such an eventuality. Two that immediately spring to mind are stockpiling and developing substitutes for these materials.

There is and was an ongoing scientific research program to determine if there are in fact substitutes. But there must be a coordinated effort at the national level to devise a policy to address this problem and we do not have one. Within the White House is a council charged with exactly this mission. Unfortunately, in its 3 years of existence, the National Critical Materials Council has done nothing to study, recommend, or in any way further the development of a national critical materials policy.

We hear a lot about a national energy policy. We also have to be concerned about a critical materials policy. This amendment, Mr. President, is supported by many different groups and organizations. To name only two: The American Mining Congress and the National Association of Manufacturers. This amendment makes minor changes—and I repeat, minor changes—in a law which established a council within the Executive Office of the President. This little council was exiled to obscurity somewhere probably in Georgetown, charged with this crucial task to establish a long-range Federal program for research and development of advanced materials.

Public Law 98-373 was signed into law in July 1984. It has been almost 3 years since the President signed this act. This council, according to law, was to produce a report providing long-range assessment of United States critical material needs; to establish a Federal program-plan for advanced materials research and development to be reviewed annually; to evaluate and make recommendations regarding centers for industrial technology; and to establish a materials property data distribution system.

To date, not one of these steps has been taken.

It is really no surprise that the council has been dead for nearly 3 years; it was not until 16 months after this act, the National Critical Materials Act, was signed into law that the President appointed the council's first three members. But within 2 months of this appointment two of the members, including the chairman, resigned. It was not until 9 months after this time, over 2 years after the establishment of the council, that the Secretary of the Interior was assigned to chair the Council. Moreover, although the act authorized the Council to hire 12 full-time employees as staff, it actually only hired 2, an executive director and a secretary. The executive director had absolutely no experience or expertise in any of the technical disciplines associated with advanced materials. He, in fact, was a PR man who worked in political campaigns.

I have told this body about the lack of action on the part of the Council. Now I would like to take a minute to explain why there is a Council at all and what it should be doing. Critical materials covers more than chromium, platinum, and cobalt. It is a broad term best defined by examples but generally including any material critical to this Nation's political and economic security.

Materials crucial to this Nation's defense but available only from countries of questionable reliability such as South Africa and the Soviet Union are considered critical. Advanced ceramics is an example. A light-weight but very strong material that will constitute a $10 billion share of the gross national product by the year 2000, it is considered a critical material, as it should be. Superconducting materials, the properties and applications of which are just now beginning to be fully understood, is a critical material. Basic materials such as steel, aluminum, and copper are crucial to the economy of my State as well as many other Western States. It provides some $250 billion in annual revenues to American corporations that employ close to 3½ million people. These materials, used in a myriad of fundamental industries from construction to car manufacturing, are also considered critical.

The Federal Government already spends at least $1.5 billion annually on research and development of these critical materials but these efforts are disbursed throughout the Department of Energy, the Department of the Interior, the Department of Commerce, and the National Science Foundation, to name just a few.

Legislating action on the part of the Critical Materials Council will not lead to new Federal programs or contribute to the deficit. On the contrary, coordinating policy within the Federal Government will streamline research and development efforts and lead to budgetary savings.

It makes absolutely no sense to permit the continued inaction of the National Critical Materials Council. While we debate trade remedies and measures to aid competitiveness, our friends in Europe and Japan enjoy the support of their governments in developing policy and coordinating research and development efforts into critical materials. This Nation missed the boat when it came to protecting our competitive advantage in the semiconductor industry, and we are barely on board in our efforts to become competitive in advance ceramics and superconducting materials. In a world where the United States no longer automatically enjoys a scientific, technological or competitive advantage, we cannot sit back and wait for the free market to work its will.

Of course, a council of 3 with a staff of 12 will not alone make this Nation competitive in the area of critical materials. That, of course, is a job best left to the private sector. But by putting together a plan for coordinating Federal action; by acting as a clearinghouse for information in the area of critical materials; and by serving as a conduit between the Federal Government and the private sector, the council can contribute to the political and economic security of the Nation.

My amendment will do four things. One, it requires the National Critical Materials Council to prepare the national Federal program-plan for advanced materials research and development within 6 months after this bill is passed. Two, it requires the council to hire five staff with expertise in disciplines relevant to critical materials. Three, it contains a provision prohibiting OMB from preventing the loaning of staff from agencies to the council. Four, it extends the authorization of the act to fiscal year 1992.

Within the last month, the council appointed a new executive director with expertise in critical materials. It is my belief that the appointment of this new director shows a new willingness on the part of the administration to support the activities of the council.

Adoption of my amendment will give a boost to this new attitude permeating the administration and show that Congress is still interested in seeing the establishment of a Federal critical materials policy.

We have heard a lot of talk these past few days on the need to make the nations economy more competitive. By supporting my amendment, the Senate will support the rejuvenation of a council well placed to promote a competitive critical materials industry, in both the advanced and traditional sectors. I urge my colleagues to support my amendment.

I ask for the yeas and nays. However, I ask that this amendment be temporarily set-aside until I check with two subcommittee chairmen.

Mr. PACKWOOD. Mr. President, may I ask the Senator to withhold the request for the yeas and nays? This is a Governmental Affairs amendment.

Mr. REID. I will withhold.

Mr. PACKWOOD. Senator BENTSEN and I have not seen this amendment, and we have no feeling one way or the other about it, but we are reluctant to accept it on behalf of chairmen of other committees who know it better. We do not have unanimous consent to limit amendments to the Finance Committee titles. It would be helpful to the proposer of the amendment if he would find out what committees have jurisdiction and check with those committees.

Mr. REID. There is no question about that. I apologize to the chairman and the ranking minority member.

I will withhold the request for the yeas and nays, and I will check.

Mr. BENTSEN. Mr. President, the amendment may be very excellent, and I assume it is. But, again, if we start taking the responsibility for jurisdiction of the other chairmen, I think we will get into some problems on it. The Senator has every right to bring up the amendment now, procedurally.

Mr. REID. I understand that. I will bring this up at a subsequent time.

I have checked with the staff of those on the other side of the aisle, and I think it is an acceptable amendment; but I will withhold until I check with the two chairmen.

Mr. PACKWOOD. I suggest to the Senator from Nevada that he withdraw it rather than setting it aside; because if he sets it aside, it automatically comes up as soon as we finish with another amendment. We would not be stuck on the floor with this backup.

Mr. REID. The suggestion is well taken. That is what I will do.

The PRESIDING OFFICER (Mr. CONRAD). The Senator has a right to withdraw it.

The amendment is withdrawn.

The PRESIDING OFFICER. The question recurs on the Durenberger amendment.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I rise to make a few comments on the bill in general. I was here yesterday, seeking recognition, but many Senators were speaking.

First, I should like to make a parliamentary inquiry of the Chair. Am I correct that the Durenberger amendment is the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. SYMMS. Am I also correct that any time that it is temporarily laid aside, any Senator who wished to call for the regular order could bring the Durenberger amendment back up as the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. SYMMS. I thank the Chair.

Mr. HELMS. Mr. President, will the Senator yield?

Mr. SYMMS. I yield.

Mr. HELMS. Mr. President, I ask for the yeas and nays on the Durenberger amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SYMMS. Mr. President, I just want to make a few comments, and I will be as brief as I can.

First, I compliment the distinguished chairman of the committee and the distinguished ranking minority member for their long and hard work on the Finance Committee. I was privileged to work with both of them for the preceding 6 years. However, due to an event that happened on November 4, 1986, and a reorganization of the U.S. Senate, I find myself now on the Armed Services Committee and not on the Finance Committee. I have a deep and abiding interest in the affairs of the Finance Committee and the utmost respect for the distinguished Senator from Texas and my good friend and neighbor from the State of Oregon, Senator PACKWOOD. I compliment them.

I know they have had a long and difficult task of bringing trade legislation out of committee. I have discussed it with both of them. I believe they both would like to get trade legislation that would be bipartisan and that would have the approval of the President. Such a bill would have to not limit the President's ability to be flexible enough to conduct economic policy or trade policy as oftentimes Congress has restricted the President with respect to foreign policy and military policy.

The peak of this happened back in the 1970's, at the end of the Vietnam war, when Congress passed the War Powers Act. I would hope that if trade legislation does pass the Senate and the House, it would not be a trade War Powers Act that would restrict this administration, or the administrations that will succeed them, from operating an effective trade policy.

I believe that the trade debate is actually two issues. One is the ability of the United States to provide leadership in promoting world growth. The other is whether the Congress has the strong desire to strip the President of discretion and claim responsibility for foreign trade.

In both cases, the United States will potentially be taking giant steps backward in its world role.

Some parts of the bill further erode the power of the Presidency and, therefore, will undermine U.S. leadership. At the same time I am afraid that the bill promotes statist policies that will help reinforce socialist thinking around the world and not promote market economies and market solutions in other countries.

I am still one who believes that it is possible that the conferees of the other body and of the Senate will be able to work out legislation that might achieve positive goals. I think we should have the ability to be strong, to object to what we consider are blatant unfair trading practices against American producers and against producers of other countries. We should work toward goals that remove subsidies, whether they be subsidies in Western Europe or subsidies in the United States or subsidies in Japan. Subsidies interfere with market economies and hamper the free market from working to produce growth and better economic opportunities worldwide.

I think we need to take a look at several things. We cannot escape the role of U.S. leadership in promoting world growth. Balanced trade is rarely accomplished. The United States has had trade surpluses and deficits for numerous years.

Trade is not determined by central governments making decisions, but by individual people buying and selling on the world market. Individuals ultimately make those decisions.

The problem with the world economy is that governments are involved in making many of those decisions and sometimes our producers are not competing against other companies or individuals in other countries, but the governments of those countries.

We are not completely innocent ourselves. As members of the United States, I think we have to recognize that our hands are not completely clean.

The distinguished Senator from Oregon has made the case very well on the floor that the United States loses as many or more dumping cases than any other country.

The U.S. trade deficit dramatically increased beginning in 1982, and there were several reasons. One of the many reasons is that the economy in this country started to come out of the recession in 1982. We have had a period of sustained economic growth in the country. There has been a grasping for more consumer goods by Americans and there has been more demand in this country; therefore, there have been more goods sold in the United States. So we have taken in larger inventories of goods from other countries and the trade deficit has grown.

I would refer my colleagues to today's Wall Street Journal lead editorial. I ask unanimous consent, Mr. President, that at the end of my remarks the entire editorial be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SYMMS. They point out, for example, and I quote from the editorial:

> Say a U.S. consumer buys a $10,000 Toyota, and a Japanese investor uses the $10,000 to buy a Treasury bond. The U.S. trade deficit goes up $10,000 because it counts Toyotas but not Treasury bonds. The $10,000 outlay by the Japanese investor shows up in the U.S. accounts as a "capital inflow."

I think it is important to note that there has been a big capital inflow into the United States because the United States still offers a relatively better investment opportunity than any other place in the world. Foreigners are investing their money here to build factories, to build buildings, and to expand production of certain items in this country. We get back a large capital inflow whether they are buying Treasury bonds or investing in plants and equipment in the country. It is not all oftentimes as it appears to be when we focus on merchandise trade data.

We do not need to hang our heads in shame in this country for our achievement. The investment opportunity has been increased in the United States because there has been an increased confidence during the eighties because of reduced inflation, reduced regulation, reduced tax rates, and a general promotion of free enterprise in this country.

The United States is the biggest open market in the world, and most business in the world has benefited from this change. We have become a haven for the world's businessmen. It is important as we address the important issue of trade that we ask why we were creating jobs in America while the trade surplus nations are losing those jobs. The business climate is worse overseas.

What we are doing here in Congress will decrease the U.S. investment opportunities if we are not careful.

If we try to solve the trade deficit problem, we do not want to do it by driving our economy into the ground. There has been a lot of demand for goods in this country and our producers have not been able to produce the goods fast enough or competitively enough in some cases to get all the business. We have bought a lot of foreign goods to make up for the extra demand.

We are the world's strongest nation, and I said it on this floor many times, that if it were not for military weapons, the Soviet Union would not even be classified as a superpower. If we just talk about economic strength, the superpowers of the world are the United States, Japan, Western Europe, and other relative free economies. The strength of the world is there. Our strength largely comes from the limited government and historically lower tax rates, and a favorable, proinvestment climate.

There is no one in the Congress who wants to or intends to ruin the economy. As long as we continue to cling to trade figures solely and view them as evil to be eradicated, however, we may end up insisting on attacking the wrong problem.

We are doing very well in the United States and it is our trading partners, in my view, that I wish we could get to come along with us a little more. I do not approve of our budget deficit, but I do believe that if we approach our budget deficit with the attitude that we can reduce the budget deficit through spending cuts with the trade deficit as it appears that it is coming down already, and reduce those, we could get a correct equilibrium. We would strengthen the future of the United States. In my view, we would be better served to be reducing expenditures on all spending accounts of the Federal Government without large tax increases. Those actions would probably do more good to the trade picture. I realize that is a political problem and we probably do not have the votes to do what this Senator would do, so we have to do the next best thing.

So now Congress is approaching the trade question not as an economic problem as a political problem.

In my view, Mr. President, we have to do this: we need to promote our system as a model for the world, not inhibit it here in the United States. We should not head down the road that will promote contrary ideas abroad by increasing the scope of our own Government.

I am not in favor of increased spending and that is one of the areas in this bill that I hope my colleagues will be able to work some of these things out of the bill. The small business, education, and worker retraining provisions are going to cost a lot of money and this necessarily means that the money has to come from some place. We will either raise taxes, print more money, or go further in debt, but sooner or later those things have to be reckoned with.

The bill will force Presidential action of trade disputes which will thereby guarantee increased Government interference in the economy. The President loses much of his flexibility to reduce Government interference in the market. The increased likelihood of tariffs or other protections will lead to increased cost for materials needed in production.

The bill as it is written, includes many measures to increase the number and scope of the international development banks. The Multilateral Investment Guarantee Agency will not allow free markets to call into question Government policies. It will promote nationalization of industries in some areas.

I believe this is the wrong course to go down. As a matter of fact, at the appropriate time I will have an amendment to this legislation to limit the dollars that the U.S. taxpayers have been sending to international development banks which encourage production of agriculture, minerals, or manufactured goods that are used in direct competition against American producers.

Let me give a couple of examples. Last year, the World Bank sent $162 million to Nigeria to encourage the production of grain; $109 million to Mexico for livestock and poultry; $30 million to Mauritius for sugar; $302 million to India for producing fertilizer.

These things are all in competition with U.S. producers and all have a tendency to increase our trade balance deficit.

This is an area where I would like to see us strengthen this bill and I think it will be strengthened.

We passed this legislation three times in the Senate in the 99th Congress, but have never been able to get it through the other body. It does get some resistance from the State Department, but it has merit and I hope, when the appropriate time comes, we can have a very indepth discussion of the FAIR bill. Incidentally, the AIR Coalition Organization members are the American Association of Meat Producers, the American Farm Bureau, the American Soybean Association, the American Sugar Beet Growers Association, the National Association of Wheat Growers, the National Cattlemen's Association, the National Grain Sorghum Producers Association, Women Involved in Farm Economics, and the Fertilizer Institute.

This is broad-based support.

The basis, bottom line of what my amendment will do is the United States would require its representatives to the international development banks to cast their votes against loans that take markets away from the U.S. producers. And if the loans are made over the objections of the votes of the U.S. representatives, we would be required to withhold future contributions to the amount contained in the loans made.

The bill would also require that foreign aid be given in the form of agriculture commodities instead of cash, wherever possible. I have not decided whether to offer that part of the bill in the trade bill or not, but it would be a way for us to lessen our trade balance by exporting commodities instead of cash. Commodities count in the trade equation and money does not.

The world has learned a lot from the United States. We have done a lot of good. The world has learned a great lesson.

Look at what is happening in Great Britain now. Mrs. Thatcher has had three successful elections and she is now in a full-scale press to privatize State-owned enterprises. Other places in the world are following suit and trying to reduce tax rates. They are generally thinking about how to improve the business climate.

But, Mr. President, I call upon my colleagues to recognize that American leadership is needed to promote these positive developments.

We need to eliminate all trade barriers, including Japanese and the European Economic Community on agriculture restrictions. It is ridiculous, when one looks at the world and looks at the Japanese markets, to see how much American beef costs in Tokyo. The free market must be upheld. We need to get the governments of the world out of the business of trying to help business.

How do you best do this? I think some of the actions that the administration has taken in the last 2 years have been the right way to do it. The threat to the Japanese by Dr. Clayton Yeutter, the U.S. Trade Ambassador, that we would be recommending a tariff on Japanese automobiles unless they opened up the market to tobacco is the right way to do it.

I do not want to do anything in this legislation that would limit the flexibility of this administration, or any administration, to be able to make that kind of negotiation. We have now opened up the tobacco market in Japan to where it is going to lessen the trade deficit, I understand, as much as $2 billion next year because of their willingness to cooperate with a hard, tough stance by the United States.

This trade bill gradually, it appears to me, is becoming more and more of a Christmas tree for those seeking to reverse the course and increase the scope of the Government under the guise of "competitiveness." The way to be more competitive is to get the Government out of the way. That is what we need to do with respect to the foreign countries.

I have said many times that I would feel happier if the United States would expend its energies on negotiating with our friends and our trading partners—for farm control—by that I mean by reducing agriculture subsidies worldwide in a long-range plan—than I would if we spent our time negotiating for arms control with our adversaries. The Soviets do not have moral equivalency with us. They have cheated, lied and deceived us on every single agreement we have ever signed with them.

And we know, if history is any guide to us, that on any future arms agreements they will cheat and lie and only do things in their own best interests. But we could, I believe, do a great deal for the American economy and strengthen the free world if we could get Western Europe and Japan and the United States and other countries to gradually lessen the amount of money we are all spending on farm subsidies. Those dollars could be better used for other things and the American farmer would be allowed to compete in a more open world market.

I have confidence in American farmers that they would be very competitive. What is difficult for the farmers in my State and other States is when they have to compete against subsidies from other governments. For example, when a North Dakota wheat producer or Idaho wheat producer sells wheat to a government purchasing agency in Japan, the price is marked up many dollars per bushel. The surplus revenue gained when the wheat is sold to the flour millers in Japan, is then used to subsidize Japanese rice producers, who then are competing against American farmers in Texas and California. If we could work on reducing those kinds of inequities, and recognize that we have them also, I think we could do more good than we can do trying to deal with people who have no record of honesty and have only a record of lying, murder, tyranny, and cheating on arms controls. I think that we could make a better record for ourselves.

We need to focus, I believe, in this legislation to try to expand the borders and the frontiers of markets and trade, rather than trying to contract them.

Now, it comes down to one solid thing. Like I said, Mr. President, this is politics. You cannot get away from politics in this country. It is a big part of our lives. There is a power struggle here between the President and the Congress. I think it is important to note that most in this body will agree that the trade deficit was not caused by an increase in the number of restrictions on our exports in foreign markets, as important as they are. The trade deficits are focusing our attention and our wrath upon the barriers, but most analyses suggest that if you got rid of all of them it would only reduce our trade deficit by about 10 to 20 percent.

The real issue is a basic power struggle. Congress wants to have more clout, more to say about it in order to get more done. I believe, as one Member of this body and in the preceding 8 years in the other body, that the United States was slow to respond to a changing world with respect to trade.

It was not just President Reagan's administration. It was true of the administration before him.

The Congress thought the trade deficit was important and they felt the President refused to do anything about it. So, finally, the Congress passed the textile bill which this Senator opposed. Having had Congress pass the textile bill and narrowly avoid overriding the veto, the administration has taken a much, much stronger stance on trade policy and I cite the dealings of this administration with respect to D RAMS, to the Canadian timber problems, and I have already mentioned the tobacco export. They are putting some clout in our negotiations. I note the proposition to get some products sold in Spain and threatening to put some tariffs on some of the higher priced consumer agriculture products that were coming in this country. Those kinds of positions that the administration has taken have helped bring about equity.

I think the administration deserves credit. Let us not have Congress then come in and try to take all of this power away from the administration by trying to pass a very restrictive trade legislation.

I believe that we are going to resolve this in either one of two ways. Either the conferees under the wisdom of Senator PACKWOOD, Senator BENTSEN, and those in the other body, will come out with a trade bill that will, fine-tune and improve some of our trading policies to get faster response on some issues so that it does not take so long, which I hope will be the way, If this does not happen we will end up with a trade War Powers Act of 1987 like the War Powers Act of 1974. In my view, the 1974 act has severely weakened the U.S. ability to carry out its diplomatic and foreign policy, because we have 535 people that think they should be Secretary of State.

We do not want to end up having 535 people who are making international economic policy. It is just too cumbersome and too difficult.

If we do not get legislation to the President that is fair and does not restrict his ability, he will have no choice but to veto the legislation. I think that he should veto it and I would think that his veto will be sustained and this legislative work will all have been for naught.

The lesson then will be learned, the administration then will say they have learned a lesson: They should consult with Congress. But then the other lesson will be learned: Never try to placate the blatant protectionists, because they always want more than you can give them.

So I think what we have to do, Mr. President, is to get the United States moving on a free enterprise economy and the best way to do that would be to reduce Government spending, freeze the budget, not overburden American producers with millions of dollars of new taxes. Reduce the spending side of the equation here in this country and get the economy moving stronger in the United States. Then, do not pass legislation which weakens the Presidency of the United States as it was viewed in the Constitution.

Mr. President, that rather summarizes my remarks on the trade bill.

EXHIBIT 1

THE DEBTOR DIVERSION

We recall when "the energy crisis" was the centerpiece of received wisdom. The establishment understood the predicament: The weight of the earth was finite, so energy prices had to rise indefinitely. Someday we would look on the shelf and discover there is no more energy. Then we would all freeze in the dark.

In the last year the establishment has been similarly mesmerized by the predicament of "a debtor nation": The American public has such an all-consuming desire for, say, Japanese automobiles that we have to go hat-in-hand to Japan for loans. We are living beyond our means, and have become the world's greatest debtor. Someday we will look on the shelf and find there is no more foreign capital. Then we will all turn into Mexicans.

This week the Commerce Department released the latest version of the "debtor nation" statistics. The "negative net international investment position" of the U.S. increased to $236.6 billion in 1986 from $111.9 billion the year before. The wails over this soaring "debt" were somewhat diluted, however, because someone noticed that one big reason for the increase was the soaring value of the foreign stake in the U.S. stock market. Can this be all bad?

It may be an apt moment to talk some sense about both "debt" and international statistics generally.

The absolute first thing to understand is that there is zero chance the U.S. will be faced with the debt problems of Mexico or Brazil. Their problems reached crisis because their debts were denominated in dollars rather than their domestic currencies, and became unmanageable when the dollar rose and their currencies collapsed. The U.S. foreign debt, by contrast, is denominated in dollars. If the dollar collapses, so does the real value of the debt.

The second thing to understand is that international transactions do not create debt that did not exist before. A Treasury bond draws the same interest at home or abroad. If the little lady in Dubuque sells her bond to an insurance company on the Ginza, what precisely has changed?

The third thing to understand is that the international trade and investment figures make up an accounting identity. They *must* balance—tautologically, by definition. The import of a merchandise item is also the export of an equivalent financial claim. Say a U.S. consumer buys a $10,000 Toyota, and a Japanese investor uses the $10,000 to buy a Treasury bond. The U.S. trade deficit goes up $10,000 because it counts Toyotas but not Treasury bonds. The $10,000 outlay by the Japanese investor shows up in the U.S. accounts as a "capital inflow."

These are transactions between consenting adults. The consumer got the Toyota he wanted, and the investor got the bond he wanted. If there were no statistics, no one would know there is any problem. (Problems can arise only from an obscure account entry called "official financing"; we'll explain that when someone notices it.)

One should not assume, indeed, that the chain of transactions is driven by the merchandise account. Maybe the investor's eagerness for the Treasury bond started things, and the consumer bought the Toyota to use the money. In our view, a desire to invest in the U.S. has been the main force driving the international accounts the past few years. The American banks stopped loaning funds to the Third World, which meant that South America stopped buying U.S. merchandise. Even in the developed world, the U.S. economy has been the engine of growth since the Reagan tax cuts. And when a Mexican (or Japanese) deposits dollars in New York, they become a "liability" of the U.S. bank and drive up the Commerce Department's debt numbers.

Now, it is not a healthy thing that the world's most developed economy is also its best investment. In a healthy world, funds should flow out of the U.S. to exploit the profit opportunities in, and advance development of, the Third World. This crucially depends on the domestic policies of Third World nations, as the Baker plan recognizes. But against this remaining unhealthy imbalance must be set the historically remarkable success of American policy in taming a world inflation without the complete crack-up most would have predicted.

The main danger in the debt numbers and trade deficit is that they will confuse the American establishment, convincing it of failure in the face of success. There are plenty of signs of this in the upsurge of protectionism. The whole notion of these statistics—trying to trace flows of goods and money among separate national economies—is probably outmoded in today's interdependent world. There are not many economies somehow linked together; there is one organic whole.

Understandably given these confusions, there have been frequent attempts to reform the statistics, most recently in 1976. A panel of distinguished economists took up the issue, and its main conclusion was that there is no bottom line. It suggested that in official releases, "the words 'surplus' and 'deficit' be avoided insofar as possible." It said, "These words are frequently taken to mean that the developments are 'good' or 'bad' respectively. Since that interpretation is often incorrect, the terms may be widely misunderstood and used in lieu of analysis."

Mr. BYRD. Mr. President, this is a very good time for Senators to call up their amendments. I hope that Senators will call up their amendments and there are plenty of amendments to be called up. We have a list that shows 42 amendments. I realize that the bill is a big bill, that it contains the work of nine committees, and therefore, that Senators and their staffs have had some difficulty in studying the bill and preparing amendments.

It has to be said that nine committees know about nine parts of this bill and Republican Senators and Democrats on nine different committees know a good deal about what is in nine titles of the bill. It is evident that there are some amendments that have been prepared because I have a list of them. So let it not be said that because it is such a mammoth bill, it is going to take us time to study and prepare amendments, because there are nine committees that know a good deal about the material in this bill. It does have a title and it is open to amendment at any point. I hope, therefore, that we can call up amendments so we can make progress.

We made good progress on amendments. What is happening is just what I feared would happen, that we would get started making statements again as we did yesterday and Senators would leave the floor and wait a while to call up their amendments.

This is a good time for Senators to call up amendments. I thank the Senators for the fine cooperation that has been given. I urge Senators within the hearing of my voice to please come to the floor to call up amendments. I urge the respective Cloakrooms to get the word out that this is an opportunity to call up amendments. Those who have amendments, please come to the floor to call them up.

Mr. President, the managers of the bill are waiting patiently. The ranking manager is pacing the floor, impatiently pacing the floor. I hope that Senators will come over and call up amendments.

I thank all Senators. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. EXON). Without objection, it is so ordered.

The Senator from Florida.

AMENDMENT NO. 330

(Purpose: To extend the Caribbean Basin Economic Recovery Act until the date that is 12 year after the date of enactment of the Omnibus Trade Act of 1987 and require reports from beneficiary countries)

Mr. GRAHAM. Mr. President, I send to the desk an amendment, which is amendment No. 14 under the amendments to titles 1 through 9, and ask that the amendment be read.

The PRESIDING OFFICER. Without objection, the pending amendment will be laid aside and the clerk will report.

The bill clerk read as follows:

The Senator from Florida [Mr. GRAHAM] for himself and Mr. KERRY proposes an amendment numbered 330.

At the end of title IX of the bill, add the following:

SEC. . CARIBBEAN BASIN INITIATIVE.

(a) EXTENSION.—Subsection (b) of section 218 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2706) is amended to read as follows:

"(b) Duty-free treatment provided to beneficiary countries under this title shall remain in effect until the date that is 12 years after the date of enactment of the Omnibus Trade Act of 1987.".

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

Mr. President, this amendment has been reviewed and cleared on both sides. Four years ago this Congress took a significant step and recognized the importance of strong economies in our nearest neighbors in Central America and the Caribbean through the adoption of the Caribbean Basin Initiative. This program is intended to stimulate private sector development through a closer economic relationship with the United States. It recognizes the historic, cultural, political, and economic relationships which are unique to those countries and the United States.

That program, Mr. President, has had a mixed response in part because of other factors which have occurred over the 4-year period, but it is still looked to as an important symbol of U.S. economic interest in the region and a sign of opportunity for a better future for those countries.

In visits over the past several months with business and governmental leadership in the region, when asked "what could the United States do that would be the most significant in terms of your economic well-being?" Almost without exception at the top of that list of priorities has been to start again on the Caribbean Basin Initative, to give us again the 12-year period which was made available 4 years ago and which now has dwindled to 8 years.

This amendment would do that, Mr. President. I believe that it is appropriate, and important statement and will be a significant economic contribution to the well-being of this critical region.

Mr. PACKWOOD. Mr. President, I heartily concur in the amendment. I urge the Senate to adopt it. There are very few things we can do, frankly, for a cheaper price than the extension of the Caribbean Basin Initiative. We will get more for our money and do more for relations in the Caribbean and security of this country in passing this amendment.

Mr. DASCHLE. Mr. President, we have also looked at the amendment and consider it a very valuable contribution to this bill. The Senator from Florida has made an excellent statement in defense of the amendment, and I am authorized by the chairman of the committee to indicate to the Senate that the committee will accept the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 330) was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PANAMA

Mr. LEAHY. Mr. President, at some point this afternoon we will be voting on a resolution regarding Panama and the serious situation down there. I would like to just take a couple minutes of my colleagues' time to mention my own concern about that situation. Within the past hour and a half I talked with a friend and classmate of mine in Panama. He is a member of the opposition, opposition to the Government. His name is Camillo Brenes. He has been a senator in Panama. He is a businessman there. He detailed to me, again, as I said, within the past hour, the problems and the kinds of harassment that he has faced in Panama. He and his brother have published a newspaper and found the Noriega government coming under a search warrent to search and thoroughly disrupt the publication, his business the same thing—well, perhaps we should close them down for a week or 2 or 3 while we check out this or that or the other thing. The message to him is very, very clear. If he is going to show the courage or willingness to speak out about the degree of corruption, theft, and other activities of the Noriega regime, then he is going to be silenced one way or the other.

I mention this not only because of my concern for a friend, a classmate's safety but also because of my concern for the people of Panama and for the relationship between the United States and Panama, a long and historic one. We have a great deal of interest there as all of Central and North America does. I hope that at some point the United States is able to speak strongly enough—and I hope the President especially, whose words would carry the most weight down there—about what is happening in Panama.

Certainly the President's sources of information are superb. He knows of the corruption. He knows of the danger to our security system. He knows of the attempts being made to totally loot that country in a way that the next generation will have nothing. The President of the United States, because of not only the power of his office but the prestige that he carries throughout the hemisphere, could speak out strongly and condemn what is going on. I hope he will.

Mr. President, I recently traveled to Panama and came away deeply concerned about the insufficient strides that country has made toward real democracy.

I saw how the Panama defense forces are expending and assuming an ever growing role in Panamanian political, economic and social life.

I saw how the commander of the PDF, Gen. Manuel Noriega, is the real power behind the current weak civilian government, and that there is a genuine fear that he may dictate the outcome of the 1989 elections. If that occurs, it would be a tragedy for the hopes of democracy in Panama, and could immensely complicate the delicate task United States policymakers will face in the 1990's in working out the future United States-Panama military and political relationship.

Today, just 3 months after my trip to Panama, the people of that country have spoken out more forcefully than anytime in recent history. They have taken to the streets to show the world that they will settle for nothing less than full participation in the selection of their future leaders.

Between the Panamanian people and democracy stands General Noriega. For years, Noriega has been suspected of being at the center of the drug trade and money laundering in Panama. United States officials have insisted there is no hard evidence to implicate Noriega, but the huge scale of these activities in Panama make it difficult to believe that high level officials are not involved.

The recent accusations of Noriega's hand-picked chief of staff, Col. Roberto Diaz Herrera, have heightened those suspicions. Colonel Diaz has said that Noriega planned the assassination of former President Torrijos, that he ordered the brutal murder of opposition leader Hugo Spadafora, that he rigged the Presidential election of 1984, and that he has taken millions of dollars in bribes in exchange for Panamanian visas and other favors.

Instead of responding responsibly by pledging to investigate these serious accusations by an important official, the Panamanian Government has attacked Colonel Herrera's credibility and attributed the unrest to subversives and foreign agents who seek to destroy the Carter-Torrijos Treaty.

In contrast, the response of the Panamanian people has been heartening. They have marched and protested and risked their lives in the streets, showing their opposition to government by Noriega. The military declared a state of emergency and deployed armed soldiers to suppress dissent. Opposition leaders were beaten and arrested. The press was censored.

What facade of democracy that existed in Panama when I was there 3 months ago no longer exists. There are no civil rights and no rule of law. There is no democracy. The military is in charge.

It is critical that the outcry of the Panamanian people not be lost on the United States. It is important for them and General Noriega to know that the United States will not stand by silently while this suppression of political freedom occurs in our own hemisphere.

General Noriega is sorely mistaken if, as has been reported in the press, he believes what is occurring in Panama today is the result of some United States-backed conspiracy to prevent Panama from taking over the canal. It has nothing to do with the canal.

Neither should he mistake the resolution offered today by Senators BYRD, KENNEDY and others as an attempt by the Congress of the United States to manipulate events in Panama. It is an appeal for democracy. It is an expression of support for the Panamanian peoples' legitimate demands for political freedom and human rights, rights they have been denied for too long.

The United States and Panama have shared difficult histories, but we share common goals for the future. Above all, those goals are the security of our two countries and close political and economic relations. Those goals can only be realized if the generals get out of politics and real democracy is allowed to prevail in Panama. Only then can brave people like my classmate be protected, and only then can those who can do so much for the future of Panama, not only for the rest of this century but also in the next century, be given the chance to speak out and to work for their own country.

Mr. President, I see the distinguished majority leader on the floor. I yield to him.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. The Chair recognizes the majority leader.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

Mr. BYRD. I believe that the Senator from Washington [Mr. EVANS] is about ready to offer an amendment, and I will not suggest the absence of a quorum.

(After some delay, the following occurred.)

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Nebraska, suggests the absence of a quorum, and the clerk will call the roll.

Mr. BYRD. Mr. President, I ask that the Chair withhold that suggestion.

The PRESIDING OFFICER. Following the wish of the majority leader, the Chair withholds.

Mr. BYRD. I thank the Chair.

Mr. President, I urge that Senators come to the floor and call up their amendments. At some point, as the debate goes on, if no Senator seeks recognition, what is the question that the Chair is required to put before the Senate?

The PRESIDING OFFICER. The question is on the amendment of the Senator from Minnesota.

Is there further debate?

Mr. BYRD. What is the question?

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BYRD. Mr. President, what is the number of the amendment?

The PRESIDING OFFICER. It is amendment No. 328, the Chair advises the majority leader, and the yeas and nays have been ordered.

Mr. BYRD. Is that amendment pending before the Senate?

The PRESIDING OFFICER. That is the pending amendment.

Mr. BYRD. The yeas and nays have been ordered?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. BYRD. Mr. President, I am not going to stand here and keep the Senate from voting on an amendment on which the yeas and nays have been ordered.

The PRESIDING OFFICER. Is there further debate?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. BYRD. Mr. President, I yield for a question.

Mr. HELMS. I do not know that I have a question.

The Senator from Connecticut [Mr. DODD] was supposed to be consulting with the majority leader about the unanimous-consent request with respect to a freestanding resolution on the Panama issue. Senator DURENBERGER and I agreed to set aside the amendment temporarily, and that is where it stands. I am prepared to start debate on it. But, in good faith, I felt obliged to accede to Senator DODD's request. I am prepared to proceed with whatever the majority leader decides to do.

Mr. BYRD. Mr. President, I have been in a meeting with Senators in my office, and I was not even aware that there was a pending amendment. I was not aware that there was an amendment pending. I asked the Chair what the duty of the Chair was if no Senator sought recognition; and I thought the Chair would say, "If there was no further amendments, third reading of the bill." It came as a surprise to me that there is an amendment pending and that the yeas and nays have been ordered on it.

So, the Chair was accurate; and if no Senator seeks recognition, it is the duty of the Chair to put the question. That would be a rollcall vote.

Mr. President, I am not seeking to cut off debate on my amendment. But there is an amendment pending, and I can guarantee that we are not going to stand around here for another hour waiting for Senators to come to the floor and call up an amendment when there is an amendment pending, nobody wants the floor, the yeas and nays have been ordered, and we are going to have a rollcall vote.

Mr. HELMS. I hope the Senator understands the position I am in. I would like to proceed; but, as a matter of good faith involving the distinguished Senator from Connecticut, I agreed to give him time to consult with the majority leader.

Mr. BYRD. Nobody has been consulting with me. I have been in my office conducting a meeting with Senators, and what I say is not meant to be criticism of the Senator from North Carolina or the Senator from Connecticut or anyone else.

I am glad to know that we have an amendment. I am thrilled. [Laughter.] We have an amendment on the floor, before the Senate. I am happy to know that.

Mr. HELMS. Amen.

Mr. BYRD. I had not asked the Chair what the Chair is supposed to do if no one is seeking recognition, I would not know that there was an amendment up. Hallelujah! We have an amendment before the Senate, and the yeas and nays have been ordered on it, and I am going to sit down.

If no Senator wishes to debate it or call up another amendment, the Chair will do its duty, I am certain.

The PRESIDING OFFICER. The Chair advises the Senate that the pending amendment has been set aside by unanimous consent on several occasions, but it is still the pending business.

Mr. BENTSEN. Mr. President, I request that we temporarily set aside the amendment.

I have an amendment here I sent to the desk.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Reserving the right to object, Mr. President, and I shall not object, before we set aside the amendment, again I would like to have some indication from the leadership and from Mr. DODD what my circumstances are because I am ready to debate it and I am ready to vote.

Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas.

AMENDMENT NO. 331

(Purpose: To deny trade benefits to countries that support acts of international terrorism)

Mr. BENTSEN. Mr. President, I have an amendment I send to the desk and ask the clerk to report.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN], for himself, Mr. CHILES, Mr. DURENBERGER, Mr. METZENBAUM, Mr. HATCH, Mr. PRYOR, Mr. DECONCINI, Mr. ROTH, Mr. MCCONNELL, Mr. THURMOND, Mr. JOHNSTON, Mr. EXON, and Mr. MURKOWSKI, proposes an amendment numbered 331.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER (Mr. SANFORD). Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . DENIAL OF TRADE BENEFITS TO COUNTRIES SUPPORTING ACTS OF TERRORISM.

(a) IDENTIFICATION.—(1) The Secretary of State shall identify each foreign country that repeatedly provides support for acts of international terrorism and shall publish such identification in the Federal Register. Such identification shall remain in effect until a determination is made with respect to such country under paragraph (2).

(2) If the Secretary of State determines that a foreign country identified under paragraph (1) has ceased to provide support for acts of international terrorism, the Secretary of State shall publish such determination in the Federal Register.

(3) By no later than February 15 of 1988, and of each calendar year thereafter, the Secretary of State shall submit to the Congress a list of the names of each foreign country with respect to which an identification under paragraph (1) is in effect.

(b) DENIAL OF TRADE BENEFITS.—Notwithstanding any other provision of law, if a foreign country is identified under subsection (a)(1)—

(1) the President shall terminate, withdraw, or suspend any portion of any trade agreement or treaty that relates to the provision of nondiscriminatory (most-favored-nation) trade treatment to such country,

(2) such country shall be denied nondiscriminatory (most-favored-nation) trade treatment by the United States and the products of such country shall be subject to the rates of duty set forth in column number 2 of the Tariff Schedules of the United States,

(3) the provisions of title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.) shall not apply with respect to the products of such country, and

(4) the provisions of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701, et seq.) shall not apply with respect to the products of such country,

during the period in which such identification is in effect.

(c) WAIVERS.—(1) The President may waive all, or any portion of, the provisions of subsection (b) with respect to any foreign country if the President determines that such a waiver would be in the best interests of the United States. The President shall submit to the Congress written notice of any waiver granted under this paragraph.

(2) Any waiver granted under paragraph (1) may be revoked by the President at any time.

(3)(A) Any waiver granted under paragraph (1) shall take effect only after the close of the 30-day period that begins on the date on which the President submits to the Congress written notice of such waiver.

(B) The following days shall be excluded in determining the 30-day period described in subparagraph (A):

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

Mr. BENTSEN. Mr. President, over the past few years the American people have had it brought home to them time and again just how vulnerable we as a nation are to threats from terrorism. We lost hundreds of our citizens in the bombings of the American Embassy and the Marine barracks in Beirut; we agonized over the hijacking of TWA 847 and the cruise ship *Achille Lauro*; we retaliated against Libya for the bombing of the discotheque in Berlin, though we could not do anything to prevent it.

During the past decade the number of terrorist incidents worldwide has been growing at the alarming rate of 12 percent a year, and American citizens are routinely singled out for harsh treatment and even execution when they fall into the hands of terrorist groups, particularly in the Middle East.

Ironically, though, our policy toward terrorism has been inconsistent. We identified Iran as a terrorist nation, and then we sold them TOW missiles and Hawk spare parts. For some time prior to these sales, and even while the sales were taking place, we had been attempting to convince our allies not to sell weapons to Iran and other terrorist nations. Our own actions undercut our words. This was most unfortunate, and it is unclear just how long it will take our credibility to recover.

My amendment today is designed to correct another situation where our actions are at variance with what we are saying about terrorism and our will to fight against it.

This is the area of trade preferences, where it might surprise many Members of the Senate to learn that we give most-favored-nation status to Iran, Syria, and Libya, three countries that the Secretary of State has identified as being consistent supporters of terrorism. This means that imports from these three nations enter the United States at the same tariff level as do items imported from our friends and allies. To me this is outrageous.

We have in our trade statutes today different tariff levels for friendly countries—to whom we give most-favored-nation status—and for countries that are not favorable toward us, such as most of the Communist nations. It is simply inconceivable to me that we should continue to allow three of the terrorist nations of the world to enjoy the same low-tariff rates that we give our friends.

The amount that we import from these three contries is surprisingly large, amounting to over $600 million in 1986. For 1987 the amount is projected to be even higher. In terms of the overall amount of U.S. imports this is not a large percentage, but it is not insignificant, either. Libya, I have to say in all candor, would be little affected by this amendment at present, for President Reagan imposed an embargo against its products in the fall of 1985. The effect on Colonel Qadhafi would be more psychological than financial, and that seems to me enough reason to take this action.

This amendment will do the following three things: First, it will require the Secretary of State to maintain a list of nations that support terrorism, notifying the Congress whenever a country is added to or taken from the list. The Secretary already maintains such a list for the purpose of notifying the Congress of certain military exports; this will require the same thing with regard to countries from which we receive imports. Second, it will deny trade preferences, including most-favored-nation status, to any country on the list of terrorist supporters. Third, it will give the President the authority to waive this proscription if he decides it is in the best interests of the United States to do so, and if he notifies Congress of his intent 30 days in advance. I anticipate that this waiver would be given most infrequently and only for the most urgent of reasons, if it is given at all.

This amendment does not place an embargo on goods from these nations. It would simply require a higher tariff on imports from them and would thereby place them at a disadvantage when competing against imports from other countries and against similar products manufactured or produced here in the United States. And it would add some much-needed consistency to our statements and policies directed against terrorism and terrorist-supporting nations.

Mr. NICKLES. Mr. President, will the Senator yield for a question?

Mr. BENTSEN. I yield.

Mr. NICKLES. I appreciate the Senator's statement. It sounds like an excellent approach. What were the three countries that the Senator mentioned that would be affected?

Mr. BENTSEN. We were talking about Libya, Syria, and Iran.

Mr. NICKLES. I appreciate the Senator's response.

Just one question. Certainly I would agree with Iran and Libya. Syria, I believe, or at least I have understood by some reports, is in the process of working hopefully trying to effect the release of some American citizens who are held hostage in Lebanon.

Does my friend and colleague think that the passage of this amendment in any way might be detrimental to their efforts or possibilities of their efforts in trying to assist us for the release of American citizens who are held hostage in Lebanon?

Mr. BENTSEN. I think this will put some pressure on them, frankly, to try to help us in that regard.

I thought this had been cleared on the minority side, and I have just been advised by staff that there is a question concerning it.

So, Mr. President, with that in mind, I will withhold this amendment and withdraw this amendment until a later date.

The PRESIDING OFFICER. The amendment is withdrawn.

The question recurs on the Panama amendment.

The Senator from Washington.

Mr. EVANS. Mr. President, I ask unanimous consent that the pending amendment be set aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 332

(Purpose: To eliminate constraints on the Secretary of Commerce that prevent the timely publication of monthly balance of trade data and to require a study of the feasibility of developing an index that measures the real volume of merchandise trade)

Mr. EVANS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. EVANS] proposes an amendment numbered 332.

Mr. EVANS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . TRADE STATISTICS.

(a) REPORTING OF IMPORT STATISTICS.—Subsection (e) of section 301 of title 13, United States Code, is amended by striking out the last sentence thereof.

(b) VOLUMETRIC INDEX.—

(1) The Director of the Census, in consultation with the Director of the Bureau of Economic Analysis and the Commissioner of Labor Statistics, shall conduct a study to determine the feasibility of developing, and of publishing, an index that measures the real volume of merchandise trade on a monthly basis, which would be reported simultaneously with the balance of merchandise trade for the United States.

(2) The Director of the Census shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the study conducted under paragraph (1) by no later than the date that is 1 year after the date of enactment of this Act.

Mr. EVANS. Mr. President, I would hope that this amendment would be cleared on both sides. It is my understanding that it has been cleared on the Republican side and is in the process of being worked on on the majority side. It is supported by the administration.

Very simply, it will give us, I believe, a stronger and better method of accurately measuring just where we are each month in terms of our trade balances.

It does two things: First, it would remove a requirement currently in law that requires imports, including freight, insurance, and the cost of freight insurance and associated charges, to be included in the value of imports. That is a legitimate index and it is one that we need to know.

The other index which is reported 48 hours later is called FAS or free along side ship, and it does not include the freight, insurance, and associated charges.

My concern, Mr. President, is that currently only the imports on the CIF basis are reported early. They tend, because they include insurance and they do include freight, to be larger figures than the others.

As a result, they tend to startle and in some cases dismay those who watch those statistics very carefully.

Forty-eight hours later other figures come out both on imports and exports on a free along side ship basis, and they tend to be lower.

Since both are measured in the same way, they accurately set forth the difference between imports and exports. But, currently, by that time, the second report is lost in the latter pages of any newspaper, while the first has been reported on the front pages quite generally.

Mr. President, I believe that this would allow us to report all these statistics concurrently. It would give Members of Congress, those who are engaged in the business, economists, and everyone else a chance to look at all these statistics, measure them one against the other as equivalents, and give us, as a result, a straightforward measurement each month on one day of all of our import and export trade.

The second portion of this amendment would merely ask that a study be conducted to see if there is some way to develop a better volumetric index, or something that measures the real volume of merchandise trade on a monthly basis.

We have found in the last 1½ or 2 years that our trade statistics get distorted quite substantially simply because there are rapid changes in the relative values of American currency against foreign currency. That tends to mask or hide the real changes which are occurring in the volume of goods which are being both shipped overseas and which are being imported into the United States.

So the second half of this amendment would ask that a study be conducted in an effort to try to get to such an index which, if successfully implemented, would tell us just how we are doing in the actual volume of goods or the value, consistent value, of those goods being shipped into the United States and exported from the United States.

Mr. President, I am rather confident that, if such a successful index had been developed and utilized during the course of the last several years, it would have shown us earlier than we have now discovered that, in terms of volume, in terms of American goods being shipped overseas and foreign goods shipped into America, that we had turned the corner earlier than the current measurements would show; the current measurements being measured in current dollars only. So I think that the two halves of this amendment, if adopted and implemented, would give us a much more straightforward and complete picture of our total trade, would enable all of us to look more accurately at what is happening and, as a result, I think to make better decisions.

Mr. President, I urge the adoption of the amendment and I hope that it will be supported by both sides. It is supported by the administration.

Mr. PACKWOOD. Mr. President, I think it is a good amendment. I remember when we put into law the provision for counting cost, insurance and freight, CIF, as we call it. I never thought it was properly part of the merchandise. Indeed, it is not merchandise and I think it should not be counted. I think the amendment of the Senator from Washington is a good amendment.

Mr. BENTSEN. Mr. President, I have read the amendment and I do not object to the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 332) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 328

Mr. HELMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The amendment of the Senator from Minnesota.

Mr. HELMS. The yeas and nays have been ordered on the amendment, correct?

The PRESIDING OFFICER. Yes.

Mr. HELMS. Mr. President, this amendment is by no means the first time that the Senate has dealt with the important issues regarding Panama. Last September 24, the Senate, by a vote of 53 to 46, passed my amendment to the intelligence bill that read as follows:

> Section 604. The Director of Central Intelligence shall provide a report to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives not later than March 1, 1987, whether and to what extent the Defense Forces of the Government of Panama may have violated the human rights of the Panamanian people, are involved in international drug trafficking, arms trafficking, or money laundering, or were involved in the death of Dr. Hugo Spadafora.

At this point, Mr. President, I would inquire of the Chair if the pending amendment has been properly stated by the clerk. If not, I would ask him to do so.

The PRESIDING OFFICER. Consent was granted for the reading to be dispensed with.

Mr. HELMS. I am sorry, I did not understand the Chair.

The PRESIDING OFFICER. Consent was granted to dispense with the reading.

Mr. HELMS. Very well.

Mr. President, in many ways, my amendment of last September was unprecedented but the situation was also unprecedented. Panama has been our friend and ally since 1903. The United States has maintained a very close relationship of diplomatic, political, and ecomomic cooperation with Panama. Our long parternship with the Panama Canal has given us strong interests in common which, even when at times strained, nevertheless gave us a strong incentive to accommodate each other.

Now, I realize, as I speak here this afternoon, that there is the possibility that a unanimous-consent agreement will be reached to have the subject of the amendment proposed by Senator DURENBERGER and me laid aside in order that it can be called up as a freestanding resolution.

I do not know whether such a unanimous-consent request will be propounded. I hope it will be and that it will be agreed to. But, in any case, I thoroughly agree with the distinguished leader that we ought to move along on this bill. And inasmuch as the pending amendment does have the yeas and nays ordered, I think it is proper that we have a discussion of the effect of the amendment—or, as the case may be, the Senate resolution.

In recent years it has become clear that Panama's democracy has been victimized by the presence of a military strong man, Gen. Manuel Antonio Noriega. Although his official position is commander of the Panamanian Defense Forces, it is no secret that General Noriega has actually used his position almost entirely for his own personal advantage. And in the course of pursuing that personal advantage he has exercised what amounts to a de facto coup against the constitutional government of Panama.

Moreover, General Noriega's aggrandizement of personal power and personal riches has not been accomplished without brutal terrorization of the Panamanian people and the trampling of their civil and constitutional rights.

I might say parenthetically, Mr. President, that we are not talking about peanuts in terms of the money that has flowed into General Noriega's secret bank accounts overseas. That is a subject that will be discussed by the Senate on another occasion. Suffice it to say that we are talking in terms of somewhere between at least $75 million and $100 million.

Newspapers, both in Panama and the United States, have detailed Mr. Noriega's role as a narcotics trafficker, as a dealer in contraband, and a deposer of Presidents. His business partnerships with Fidel Castro are well known, well documented. Perhaps more significant than anything else has been the very clear and justified suspicion surrounding the brutal murder of Dr. Hugo Spadafora, a former high government official whose decapitated body was found just over the border in Costa Rica on September 13, 1985.

The Spadafora murder, a circumstance not all that unusual in Panama these days, has become a tragic symbol of what can happen to the opposition to General Noriega. Anyone who has been reading the papers or watching the television for almost the last three weeks, is bound to know of the protests of the people, and the widespread popular uprisings in Panama. General Noriega's misconduct is well known to the people of Panama. I will say, Mr. President, that many, many people of Panama have contacted me wondering why the United States Government has not done anything or said anything about the manifest crisis in Panama.

I am one Senator who is willing to do something and willing to say something. I participated in the drafting of the legislation now pending in the Senate, and I want the Senate to act, and preferably this afternoon.

The allegations against Mr. Noriega were reviewed in a series of hearings conducted by the Senate Foreign Relations Committee last year. I presided over those hearings. The testimony received by the committee, both from the administration and from private witnesses, confirmed the allegations that have now caused the crisis in Panama. There is no question about it, Mr. Noriega is on the run. I think it is time for the U.S. Senate to speak up and to say where we stand with respect to this man because the situation as it now stands reflects upon United States relations with Panama.

Believe it or not, Mr. President, throughout Central America the United States—thanks to the U.S. State Department and others—is widely perceived as General Noriega's supporter and backer. Let me say to those who have that impression: It is not so as far as this Senator is concerned. I am not his supporter and I am not his backer and I never will be.

But it seems to me there are some in the U.S. Government—including the State Department and, I am sorry to say, the CIA, which is an arm of the State Department—some elements that regard the unsavory General Noriega as "a U.S. asset." These people do not seem to understand Mr. Noriega, his politics, or the politics of Panama. The continued support, or perception of support, of General Noriega undermines U.S. security interests throughout Central America and the continued functioning of the Panama Canal—which the Senate unwisely voted in 1978 to give away.

The fact is, Mr. President, that General Noriega is without any redeeming value, social or otherwise.

That was the background leading to the action of the Senate last September when my amendment was adopted, 53 to 46. Senators will recall, Mr. President, that when I proposed the amendment of last September, I specified that the CIA was to provide a report to the Select Committee on Intelligence of the Senate and to the Permanent Select Committee on Intelligence of the House of Representatives, not later than September 1, 1987.

We all eargerly awaited that March 1 report, a report that, because of its nature, was to be classified. We did not expect to be able to discuss the report publicly. But it does not violate any classification to comment today that the report, when it finally arrived, consisted of precisely one and a half pages; that is all, one and a half pages. It was, in fact, a nonreport. It was insulting in its deliberate disregard of the clear intent of the amendment adopted by the Senate and later enacted into law. I will leave it to the unclassified imagination of anyone who dares to reconstruct the boldness and decisions and masses of detail in the masses of evidence available that purportedly was included in that one and a half pages that the CIA sent up here. It was a default in responsibility on the part of the CIA.

The Director of the CIA, Bill Casey, was gravely ill at the time this page and a half response was prepared. Mr. President, I simply do not believe Bill Casey either approved or knew about this page and a half nonreport because it revealed, when you think about it, the contempt which the operating level of the CIA has for its own oversight committee not to mention the seriously deliberated actions of the U.S. Senate. It also demonstrates the level to which some sectors of the U.S. Government will go to protect an individual who is regarded as "a U.S. asset," even when that "asset" is clearly a liability to anybody having the remotest respect for morality or decency, let alone honor. Needless to say that liability in this instance is General Noriega.

It was not surprising that for the past week or more, the citizens of Pananama have been demonstrating against General Noriega. They are fed up, they are tired of this brutal, ruthless dictator; they are tired of the depression, the oppression, the brutality.

We now know that General Noriega's second in command, chief of staff, Col. Roberto Diaz Herrera, was forced out. Diaz made a series of accusations against Noriega. Diaz made clear that Noriega intended to kill him so he was going to tell the truth. Diaz then made a number of interesting disclosures. Bear in mind this was the No. 2 man.

First, Colonel Diaz said that the 1984 election had been stolen in Panama; that, indeed, the manipulation of the tallies had been done in Diaz's own home.

Second, Diaz Herrera said that General Noriega was personally responsible for the murder and decapitation of Hugo Spadafora. Diaz named the associates of Noriega who had done the ghastly deed.

And, third, he said that Noriega was personally responsible for the airplane crash that took the life of General Torrijos in 1981.

Fourth, Diaz said that Noriega had illegitimately amassed funds through the illegal sales of Panamanian visas for Cubans.

And, fifth, he gave a detailed account of Noriega's drug trafficking.

As to the drug trafficking and the laundering of money, the Senate is going to hear a great deal in detail about this in days to come. It is going to be the smelliest story that we have heard in a long time, a sordid tapestry of corruption.

These allegations—and quite frankly they are far more than allegations—come from sources that need to be examined very carefully. They are not new allegations, except to the degree and in the detail in which they have now been presented. The Foreign Relations Committee yesterday afternoon met in secret session. I sat for 4 hours listening to the most startling testimony that I have heard since I have been a Member of the Senate for these past 14½ years.

All who are interested in freedom and deomocracy in Latin America must support the objectives of this amendment—or a freestanding resolution, if it turns out be be that.

I would personally hope that we can withdraw this amendment and offer it, right now, as a freestanding resolution to be acted upon this afternoon, if that is the will of the leadership.

Mr. President, no matter how we handle this matter legislatively, it is clear to this Senator that General Noriega must step aside so that the allegations can be examined impartially by distinguished, respectable, dedicated Panamanian citizens. Unfortunately, the U.S. Government has not been quick to respond to the anguished cry of the Panamanians for the return of their dignity and their freedom.

That is the purpose of this resolution, this amendment, whatever it turns out to be. There are 56 of us who are cosponsoring this amendment or resolution, each saying the same thing: We want to make it clear to Noriega that he is playing a destructive role in Panama. We want to make it clear to the State Department that support for Noriega is undermining our own national interest. But most of all, we want the people of Panama to understand that the people of the United States support them in their call for an investigation of past crimes, whatever they may be, and restoration of constitutional government in Panama.

Mr. President, I thank the Chair and I yield the floor.

SEVERAL SENATORS addressed the Chair.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from New York is recognized.

Mr. D'AMATO. Mr. President, I rise to join my colleagues in cosponsoring this amendment expressing our support for genuine democracy in Panama.

On June 5, several colleagues and I inserted into the RECORD an open letter to the people of Panama. Our purpose was to counter the false assertions made by the Noriega government that U.S. criticism of Panama's involvement in drug trafficking and money laundering was a valid attempt to a abrogate the Panama Canal Treaty.

That is not the case.

Our concern was certainly vital to the interests of the United States, and, more importantly, to the interests and concerns of the citizens of Panama.

A few days, latter, Mr. President, a close associate of General Noriega, the No. 2 man in Panama in the defense forces, began to reveal the sordid details of corruption, election fraud, and political assassination by Noriega. Colonel Diaz' statements have touched off demonstrations in Panama, peaceful demonstrations, by the citizens.

What was General Noriega's response to these peaceful protests? He ordered his subordinates to confiscate the cars of those who dared sound their horn in support of protests. He ordered that those who flew the white flag over their homes in support of the protests would have their homes confiscated. He ordered that those who would wave white handkerchiefs in support of the protests would be arrested. He ordered that those who beat their pans in the streets in front of their homes, who cried out for democracy, who said, "Let us have democracy," should be arrested.

The Hilton Hotel in Panama City is now a makeshift prision. I might add, with no vacancies. He declared martial law. He censored all oppostion media.

Recently, Noriega extended martial law indefinitely.

Is this democracy—democracy that we mutually pledged to foster?

On June 16, the government-controlled National Assembly issued a decree charging nine opposition leaders with high treason, accusing them of conspiring with the U.S. Senate and other members of the U.S. Government to impose a Panamanian Government that would allow the abrogation of the Panama Canal Treaty.

That is just nonsense. It is untrue. None of us have any intention of seeking the abrogation of that treaty. While there may be some who disagreed with it, we respect the rule of law. We respect our obligations. We respect our treaties. This is just being used by Noriega to attempt to arouse the public in Panama of his cause. And he has failed.

It is most important, Mr. President, that we send a clear message that we understand this. It is most important to those people who placed their lives on the line, who peacefully have come forward and said, "We want democracy. We no longer want a killer, a murderer, a drug dealer, a thief, who would impose his will on the people of this nation."

There is a struggle going on behind the scenes here. I wonder why. I wonder how it is that there would be those who would oppose these efforts, oppose the efforts of those of us who seek to give comfort, aid, and yet say by way of our legislation that we are committed to democracy.

These accusations are something that I find hard to believe, that we should not come together as a body and say that we are committed, that we are ready and willing to stand behind—and do stand behind—our commitments as relate to the Panama Canal. The statements made by Noriega are simply a cover for his misdeeds.

One of the nine accused of high treason is former Ambassador Gabriel Lewis, the Panamanian most responsible for bringing about the Panama Canal Treaty, who worked tirelessly and with total dedication to the people of Panama to see that this treaty was established and ratified. Certainly, to now accuse him of high treason for some kind of conspiracy to take the canal away is absurd.

Gabriel Lewis gave a substantial portion of his time and his life to seeing to it that this treaty was enacted.

Another was Nicolas Bartella, former President who was forced out of office for pursuing an investigation into one of the murders of which General Noriega was accused. That is where one of the opponents had his head severed from his body—an incredible, shocking case. It is a case where Mr. Diaz came forward and said Noriega was responsible. Mr. Diaz was forced from office because he sought an investigation as to how this man met his death.

Another was Robert Aleman, whose crime appears to be his very presence in Washington, D.C., when the protests broke out.

It is clear, Mr. President, that General Noriega is trying to inflame anti-Americanism to hide his regime's illegitimate stranglehold on power. General Noriega's power base is the barrel of a gun. He has been exposed, Mr. President, and his time is limited.

The U.S. Government, Mr. President, must stand firmly and unequivocally behind the cause of democracy in this hemisphere. It must never again permit itself to be seen as supporting, even by mere tolerance, an antidemocratic dictator. Have we not learned our lesson yet?

We have an opportunity to support reform. The charges leveled at Noriega only confirm what many have suspected for a long time. His involvement in government corruption, election fraud, sale of visas, and assassinations demonstrate Noriega's warped and despoitic leadership. Also, there are clear indications that Noriega participates in extensive drug trafficking and money laundering.

The importance of this amendment cannot be understated. It is my hope, Mr. President, that this amendment passes unanimously. Although the resolve of the problems of Panama are in the hands of the Panamanian people, the message they of Panama receive from the United States is important. That message must be one of support for democracy; it must not imply, directly or indirectly, in any manner, support for the regime of General Noriega.

In fact, Mr. President, we should send an emissary from the United States to Panama to express this Nation's support and commitment for democracy in that country.

The situation in Panama is extremely tenuous. Silence on our part could be viewed as deafening support for Noriega. It could be viewed as a cruel blow for those citizens who yearn for democracy. The Senate has an opportunity to stand on the side of democracy. I think it has to do that and record that.

Mr. President, I insist that this amendment be voted on today, not laid over until another time, because the longer we wait, the less effective a message we send to the people of Panama. It is they who will be looking to us, as the people of the Philippines looked to us with respect to where we stood when they fought valiantly and said, "We want true democracy." Why is it not as essential today to send that same clear message?

I hope that this important amendment is voted on today.

I thank the Chair.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I shall take but a minute or two.

If we are going to have a vote on this subject matter today, I hope that we can have a vote on a separate, freestanding resolution and not on an amendment to this bill. This chairman is going to have enough problems when it goes to conference without having a number of foreign policy amendments involved. I am personally very agreeable, rather than take up a couple of hours now debating an amendment which we would like to put into a separate, freestanding resolution, I would prefer that if we are going to have a freestanding resolution, let us have that understanding and get consent to that effect and forget about this subject matter as an amendment to this bill. If we cannot get a freestanding resolution, then let us just find that out and vote on it as an amendment to the bill.

I hope we could have a freestanding resolution. I do not detect any desire on either side to force a vote on an amendment to the bill. I think there is general agreement around the Chamber that we have a freestanding resolution. Am I correct?

Mr. DURENBERGER. Will the leader yield?

Mr. BENTSEN. Mr. President, that is certainly my viewpoint and I share the idea that it should not be a part of this legislation.

Mr. BYRD. Mr. President, I wonder if I can get consent to have this as a freestanding resolution, get a time limitation on it, and either go at it, if the Senators want to vote on today or if you want to put it aside until another day, that is up to the Senate.

I see a great number of Senators on this floor now who want to discuss this subject matter.

Mr. DURENBERGER. Mr. President, will the leader yield for a response?

Mr. BYRD. Yes, Mr. President.

Mr. DURENBERGER. At about 12:57 this afternoon, when I proposed the amendment, I suggested my preference was not to burden my colleagues who are the managers of the trade bill with this particular amendment; yet it had a time urgency. I suggested at that time—in fact, I have drafted a unanimous consent request which would accomplish the leader's request. It would limit debate appropriately.

I think the important issue now for the majority leader is whether or not we can get that unanimous consent and whether we can vote on it this afternoon.

Mr. BYRD. Mr. President, I think we ought to settle that now, because I hesitate to see these two managers of this bill having to go to a conference and deal with a foreign policy problem along with a multiplicity of other very necessary problems that will be attached to that bill. I also hesitate to see us take 2 or 3 hours this afternoon debating an amendment and then decide to make it a freestanding resolution and have all this debate over again.

Mr. PACKWOOD. Mr. President, will the Senator yield?

Mr. BYRD. Yes; I yield.

Mr. PACKWOOD. Speaking for the minority, I agree. I would like to have a vote this afternoon. I do not know how many freestanding amendments we are going to get. I would rather have it today than Tuesday or Wednesday, when everybody is here and we will not be begging for amendments. I would agree to whatever time we can agree upon now.

Mr. DODD. Will the distinguished majority leader yield?

Mr. BYRD. I yield to the distinguished Senator from Connecticut.

Mr. DODD. I thank the leader. I thank my colleague from North Carolina and my colleague from Minnesota, as well as the Senator from Texas, for trying to work out something to allow us to debate this separately and not complicate the trade bill. I have been going back and forth all afternoon trying to accomplish that.

I agree with the notion that this should be dealt with separately and not on the trade bill. The trade bill will have enough difficulty without this matter being added to it. I would be happy to agree to a unanimous-consent request to have this be a freestanding resolution. I appreciate the fact that Tuesday and Wednesday are going to be difficult as it is. I hope to get a couple of hours of debate on this, because I do have an amendment or a substitute that I would like to raise along with my colleague from Washington [Mr. EVANS], and it needs a little bit of time.

I need a little bit of time to explain it. It is not a simple matter, and I would suggest as well—this is a very delicate foreign policy matter we are about to engage in. If we are going to have it dealt with independently this afternoon, I would like to ask for a couple hours to prepare the matter. I apologize for such a long request, but it is sensitive, it does require some discussion, and I would urge that to be a part of the unanimous-consent request. On that basis I will try to go forward and deal with it today rather than waiting until next week.

Mr. BENTSEN. Mr. Leader, it would be very preferable if it could be done today. We are going to be in a real time squeeze insofar as the Finance Committee is concerned. We have some major issues to be dealt with on Tuesday and Wednesday. Frankly, I would like to do them now. I do not think they will be brought up. But what happens to us, then we will have reconciliation in the Finance Committee. The debt ceiling has been sent over to us today. Then you are going to end up with appropriations coming along. It is going to be a problem for us to get this thing done unless we can fit it into this time slot insofar as this trade bill for that part of the jurisdiction that involves the Finance Committee.

Mr. EVANS. Will the majority leader yield briefly?

Mr. BYRD. Yes.

Mr. EVANS. I think that what really it seems to me is at stake here is a question of how sensitively and how understandably we deal with a foreign policy issue to get to the ultimate goal which I believe all 100 Members of this Senate want to get to, and the administration wants to get to, and I would guess an overwhelming number of people of this country would like to get to and an overwhelming number of the people in Panama would like to get to.

I think we have to make sure that we are careful enough—we have not carried the wording of any such resolution through the Foreign Relations Committee. It seems to me we need at least time enough so that we can carefully consider the wording of what we do to accomplish the goal we all seek. I fear that we may be about to move in the wrong direction and possibly inadvertently give to the leader of Panama the one thin reed he may require to retain power than to be taken from power. And so I think that if we want to move this afternoon, that may be fine. I hope that we will take sufficient time so that along with the debate there is an opportunity to work together and to try to get to agreed-upon language that can be supported by every Member of the Senate.

Mr. BYRD. Mr. President, I will take a chance. First of all, I do not think we can wait too many days if this resolution is going to have the desired impact. Second, I have already made, I think, a pretty good case, and has been supported by the distinguished Senator from Texas, who is the manager of the bill, that we separate this.

UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD. Mr. President, I ask unanimous consent that the language of this amendment be put in the form of a separate Senate resolution.

Mr. HELMS. We have that prepared, Mr. Leader.

Mr. BYRD. That is prepared. That there be a 2-hour time limitation thereon, with 1 hour for an amendment by Mr. DODD and Mr. EVANS, and that upon the expiration of that time the Senate vote.

Mr. DODD. With time equally divided between the proponents and opponents of the resolution.

Mr. BYRD. Yes, and that the agreement be in its usual form, which means no nongermane amendments. I hope all Senators understand that. No nongermane amendments. If we are going to only allow one amendment, I think we ought to know what the amendment does before we enter into this agreement. I do not know what the amendment does.

Mr. DODD. If the leader will yield, it may be proper to refer to it as an amendment and/or a substitute. I am not sure from a parliamentary standpoint which is the more proper form that such an amendment may have to take. It may amend the resolution in two places. A substitute may be necessary rather than a single amendment. I do not want to lose my right to be able to offer something I would like to because I failed to bring up the proper wording in such a unanimous-consent request. But my intention would be to offer one proposition. I just want to make sure I am not precluded from offering the amendment I would like to because of the parliamentary rules of the Senate.

Mr. BYRD. Is the amendment germane?

Mr. DODD. Yes.

Mr. BYRD. I do not want to open it to a capital punishment amendment—which I favor, which I favor—but I do not want to open it up to just anything.

Mr. DODD. I assure the leader it is a germane amendment.

Mr. EVANS. I would judge at this point that only one amendment may be necessary. It is possible, however, that I would have a somewhat different amendment than the Senator from Connecticut and would ask for that privilege.

Mr. BYRD. Then, Mr. President, I ask unanimous consent that the time for debate on the resolution itself be limited to 1 hour to be equally divided and controlled between Mr. DURENBERGER and myself or my designee and that there be one amendment by Mr. DODD—does the Senator want one also?

Mr. EVANS. Yes.

Mr. BYRD. And one amendment by Mr. EVANS; there be no further amendments; that both amendments be germane to the resolution, and that the time be equally divided on each amendment and limited to one-half hour on each amendment, since we are talking about two amendments, to be equally divided in the usual form, which would mean the offerer of the amendment and the manager of the bill, if he is opposed to the amendment; that if the manager of the bill does not oppose the amendment, then the minority leader would be in control of the time in opposition.

Mr. DODD. If the leader will yield for just one point, I would like to say an amendment and/or substitute.

Mr. BYRD. A substitute would be an amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HELMS. Mr. President, reserving the right to object, and I guarantee I am not going to object, let me clarify a little bit for the record to be clear that there are 54 Senators cosponsoring the amendment, including the distinguished minority leader and the distinguished assistant majority leader, the chairman of the Foreign Relations Committee, and 13 other members of the Foreign Relations Committee. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators and I thank the distinguished Republican leader for their cooperation.

SUPPORT FOR DEMOCRACY IN PANAMA

Mr. BYRD. Mr. President, is the resolution ready to be sent to the desk?

Mr. KENNEDY. Mr. President, if the Senator will yield, I have the resolution in independent form and I send it to the desk on behalf of the Senator from Minnesota and myself.

Mr. BYRD. Yes, if the Senator will send the resolution to the desk.

Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered. The clerk will report the resolution.

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The clerk will report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 239) expressing the sense of the Senate concerning support for respect for human rights and evolution to genuine democracy in Panama, and for other purposes.

Mr. KENNEDY. Mr. President, I ask unanimous consent further reading of the resolution be suspended, and if I can have a minute of time to give the assurance that this is identical to the Durenberger amendment except it is redrafted to be in the form of a freestanding resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Who yields time?

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER Mr. President, I would be glad to yield 5 minutes of the proponents' time to the Senator from Delaware.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise at this point——

Mr. BYRD. Mr. President, will the distinguished Senator from Delaware allow me to further impose on his courtesy and good nature?

Mr. ROTH. I am happy to yield.

Mr. BYRD. Mr. President, I hope we do not say that school is out, no more action on this bill today. I hope that staffs will busy themselves contacting Senators, lining up amendments on the trade bill because once the vote occurs on the pending resolution the Senate fully understands it will be back on the trade bill with amendments ready to go. I thank the Senator for yielding. I take that time out of my own time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, I rise in support of the Sense of the Senate resolution regarding Panama.

The recent events in Panama have been alarming. The street violence, the arrests, the curtailment of civil rights, including particularly the rights of freedom of speech and of the press, have stripped away whatever pretense remained of claims that the Panamanian Government is really in the hands of civilians chosen through a constitutional process. The recent events have demonstrated to the world that Gen. Manuel Antonio Noriega runs not only the Panamanian defense forces; General Noriega runs the civilian Government of Panama and the legislature of Panama. In short, General Noriega runs Panama, despite his protestations that his figurehead civilian government has real authority.

Mr. President, for some months now, the staff of the Permanent Subcommittee on Investigations, on which I serve as ranking minority member, has been looking into allegations of money laundering and drug trafficking in Panama. It is clear that Panama has become one of the principal money laundering centers in the world for drug dealers. Panama's strict bank secrecy laws and its secret corporation laws give a double layer of protection to drug dealers who want to hide the source of their illicit profits. Panama's geographic location also makes it a convenient spot for drug money laundering since it borders on Colombia, the home base of the infamous international cocaine cartel.

Mr. President, every significant money laundering case which the Permanent Subcommittee on Investigations has investigated, or which the Justice Department has prosecuted in recent years, has in some fashion involved secret Panamanian bank accounts and secret Panamanian corporations. The United States has been repeatly stonewalled when seeking bank account information from Panamanian authorities on drug money laundering cases. Two very recent, major Federal sting operations. Operation Pisces and Operation Cashweb, involved United States law enforcement agents setting up money laundering sting operations with Panamanian bank accounts. For the first time, the Panamanian Attorney General has offered cooperation by freezing some of these accounts. But the final verdict is not in on Panamanian Government cooperation on drug money laundering cases, and it is only through constant pressure by the United States that any cooperation has been forthcoming.

I began by saying that General Noriega runs Panama. It has been said, in fact, that nothing moves in Panama without Noriega's consent. Even if that assertion is somewhat overstated, our investigation indicates that little of significance happens, and that it is highly unlikely that any major drug operation or money laundering operation takes place in Panama without General Noriega's approval or the approval of the Panamanian defense forces. Approval is obtained by the payment of bribes. The evidence supporting this charge is abundant, and the recent public statements of General Noriega's former second in command confirming this charge is mere icing on the cake.

Recently, I introduced S. 1379, cosponsored by Senator NUNN, to impose additional sanctions on countries that facilitate the drug trade by failing to curtail corruption and cooperate with the United States. That legislation was occasioned primarily by my concern about wide-spread, drug-related corruption in the Bahamas. But, Mr. President, the ingenuity of the Panamanian defense forces in developing new methods and sources of corruption would arouse the envy of corrupt public officials everywhere. S. 1379 would apply to corruption in Panama as well as to public corruption in the Bahamas and elsewhere. We should enact it into law promptly.

Meanwhile, it is time for the United States to make clear our policy toward Panama. It is time for us to get off the dime, to forcefully state our revulsion at the actions of General Noriega and the Panamanian defense forces. It is time for us to insist on real democracy in Panama; because a real democracy in Panama, a stable democracy in Panama, is the best way to ensure that United States interests in a secure and open Panama Canal can be protected. Continued support of a corrupt military dictator who has increasingly lost the support of the Panamanian people can only lead to disaster for United States interests in the long run.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, the majority leader has designated me to control a half hour. I yield myself such time as I may use.

Mr. President, as the Senate is well aware now, this resolution is sponsored not only by the Senator from Minnesota [Mr. DURENBERGER] and myself, but has the complete and wholehearted support of the bipartisan leadership—Senator BYRD, Senator DOLE, and Senator CRANSTON, and others in the leadership of our party and of the Republican Party—and, as has been mentioned by the Senator from North Carolina, it has the bipartisan support of the Foreign Relations Committee.

I should like to read into the RECORD the names of the cosponsors. They are as follows:

Mr. Kennedy, Mr. Durenberger, Mr. Byrd, Mr. Helms, Mr. Pell, Mr. Thurmond, Mr. Kerry, Mr. Wilson, Mr. Graham, Mr. Simpson, Mr. Burdick, Mr. Stevens, Mr. Bumpers, Mr. McCain, Mr. Pryor, Mr. Garn, Mr. Sanford, Mr. Symms, Ms. Mikulski, Mr. D'Amato, Mr. DeConcini, Mr. Rudman, Mr. Dixon, Mr. Hecht, Mr. Gore, Mr. Shelby, Mr. Armstrong, Mr. Simon, Mr. Murkowski, Mr. Leahy, Mr. Nickles, Mr. McClure, Mr. Boschwitz, Mrs. Kassebaum, Mr. Humphrey, Mr. Warner, Mr. Grassley, Mr. Roth, Mr. Kasten, Mr. Hatch, Mr. Rockefeller, Mr. Quayle, Mr. Chiles, Mr. Glenn, Mr. Cranston, Mr. Trible, Mr. McConnell, Mr. Cochran, Mr. Harkin, Mr. Sasser, Mr. Dole, Mr. Pressler, Mr. Heflin, Mr. Hollings, Mr. Gramm, Mr. Moynihan.

Mr. President, that is a real cross section, not only reflective of the political spectrum in this body but in our country. I think it indicates the broad support which has been referenced during the course of this discussion of the Members of the Senate who support this resolution.

Mr. President, I urge my colleagues in the Senate to cast a strong and bipartisan vote in support of the Byrd-Durenburger-Kennedy resolution calling for the restoration of democracy in Panama. There is a crisis in that country, and America must not be silent any longer.

Today, for the first time in 20 years, the people of Panama are filled with the hope that their Government, for so long ruled by the generals, can now be returned to the rule of law. Today, after marching and protesting in the streets, after risking their lives for their freedom, the people of Panama are waiting for the people of America to speak out. We must not disappoint them. The future of democracy in Panama hangs in the balance.

The immediate source of the crisis in Panama today is in allegations implicating the current commander of the Panama defense forces, Gen. Antonio Noriega, and other top military and civilian officials in a series of serious crimes, including murder, election fraud, and corruption. Over the past days, the former chief of the general staff of the Panama defense forces—or the PDF—Col. Roberto Diaz Herrera, has accused General Noriega and others of having done the following things:

Planning the assassination of the former President of Panama, Omar Torrijos;

Ordering the brutal murder and beheading of opposition leader Hugo Spadafora;

Rigging the presidential election of 1984 and engaging in gross electoral fraud; and

Taking millions of dollars in bribes and kickbacks in exchange for end-use permits and Panamanian visas.

In response to these allegations, the people of Panama have taken to the streets, honking their horns, banging kitchen pots and waving white handkerchiefs to show their opposition to government by Noriega.

Over the past 2 weeks, Panama has been swept by a broad-based and popular revolution of the middle class against the Noriega regime.

In response, the military declared a state of urgency and filled the streets with heavily armed soldiers bent on suppressing all dissent. Opposition leaders were beaten, arrested and detained. Prominent businessmen fled the country in fear of their lives.

Independent radio stations were forced off the air. Opposition newspapers were subjected to harsh censorship and stopped publication. Then, when the state of urgency expired, it was promptly renewed without limitation. Today, there is no rule of law, there are no civil rights in Panama.

Abuse of human rights inside Panama has never been as brutal or as pervasive as in some other countries—as in Chile today, for example, where General Pinochet continues his reign of terror, or as in Guatamala and Argentina when those two countries were governed by generals and tens of thousands of people were killed. And in fact, in recent years, Panamanian political parties have been able to function in relative freedom—at the sufferance of the Panamanian military.

But today, the democratic facade has been stripped away. It is now clear to all that the executive, judicial and legislative branches of the Government of Panama are under the total dominion and control of the Panama defense forces. The military is in charge, and the government rules only through the power of armed force.

But the flame of freedom has not been extinguished. The people of Panama have risen up and, with one voice, called for an end to oppression, an end to crime and corruption, and a return to democracy and the rule of law. Only the Panamanians can determine their own future; only the Panamanians can restore their own democracy; only the Panamanians can bring back honest men and women to their nation's government. Those tasks must be performed by Panamanians, not by North Americans.

But the American people should not be silent or passive when the cause of freedom is in such grave peril. And when the American people speak—as they will through this resolution—we must be clear that we do not seek to impose the American will or the American way on the people of Panama.

When we agree to this resolution, General Noriega will surely say that the Yankees are at it again, that the North Americans are once again intervening in the internal affairs of a smaller and weaker neighbor to the south. We must not let General Noriega wrap himself and his cause in the flag of Panamanian nationalism at the expense of Panamanian democracy. We must not let General Noriega portray this resolution as just another sad and tragic chapter in the history of American imperialism.

In fact, this resolution has been written and will be agreed to in response to appeals from the Panamanian people and from all sectors of Panamanian society—from the Catholic Church, the labor unions, the professional organizations, the political parties, and from the chamber of commerce. And their pleas have been the same—for an independent investigation, for respect for human rights, for the rule of law, for a return to democratic institutions, and for General Noriega and the other implicated officials to relinquish their duties as required by Panamanian law at least until such time as the independent investigation has finished its business and reported to the nation.

And so, when we vote for this resolution today, we show our support for the Catholic Church of Panama and its courageous archbishop, Marcos McGrath, for the National Civic Crusade for Freedom and Justice in Panama which is a coalition of labor unions, professional and civic groups including the Panamanian Chamber of Commerce, and for the Patriotic Junta of National Resistance, organized under the auspices of the five major opposition parties. And in voting for this resolution, we also stand up for our own best traditions and values. Today, with this resolution, we will answer the pleas of the Panamanians, and we will send them this message: "We are with you, and we are with your cause."

But General Noreiga can be expected to make a second and even more dangerous argument that plays on the deepest fear still harbored by the people of Panama—that the Americans don't care about human rights or democracy or justice, they only care about getting the canal back. He will claim that this resolution actually has a secret and sinister purpose—to destroy the Panama Canal Treaties and to restore the canal to the United States.

This argument is preposterous, and our response must be swift and certain. The issue of the treaties was fiercely debated almost 10 years ago, and it was resolved then and for all time. Those treaties were ratified by the Senate in 1978 and are the law of the land today. They will be the law of the land from now until the canal is transferred to the people of Panama in the year 2000. That result is irreversible. That issue is closed. That debate is over. General Noriega's attempt to interject that issue into this debate—at a time when his leadership is being challenged and after he has been accused of high crimes and misdemeanors—is nothing more than the tactic of a desperate man, trying to protect himself by playing on the deepest fears of the Panamanian people. There is nothing in this resolution that has any bearing whatsoever on the legal and moral commitment made by the American people as set forth in the Panama Canal Treaties. That commitment is still binding. This resolution deals not with canals but with human rights.

Mr. President, the history of our two peoples has too long been one of mistrust and suspicion. Let us take a first step today to put that history aside. Let us answer the call to conscience, and let us send a message of support to our democratic brothers and sisters in Panama. I urge my fellow Senators to support this resolution.

And I thank, Mr. President, the Senator from Minnesota, Senator DURENBERGER, for his very excellent leadership and for all the work that he has done on this issue. It has been a pleasure to work with him and so many others who have been a part of this joint effort on both sides of the aisle.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. KENNEDY. I am glad to yield.

How much time does the Senator care for?

Mr. CRANSTON. Five minutes.

Mr. KENNEDY. I yield 5 minutes.

Mr. CRANSTON. Mr. President, I was in the Senate at the time the Panama Canal treaties were before this body. I visited Panama at that time. I wound up playing a key role in the approval by the Senate of the Panama Canal treaties. I am proud of my work in that effort and proud of the record of the Senate, proud of the record of the Carter administration at that time on those treaties.

I want to make plain now, however, that the matter before us, regardless of what the final language may be, because I understand the Senator from Connecticut, Sanator DODD, may have and will have an amendment to offer, regardless of the outcome of whatever he puts before us, and that is not yet clear, whether we adopt the resolution now before us which I cosponsored, whether it is altered to some degree by Senator DODD's amendment, regardless of all that, the Panama Canal treaties have nothing to do with the issue before this body.

The Panama Canal treaties have been approved by the United States. The United States will stick by the terms of those treaties and the control over the canal in accordance with that treaty will pass into the hands of Panama in the course of time and in accordance with the schedule adopted at the time of those treaties.

Efforts by General Noriega and others to suggest that what is going on in the Senate and in the United States in regard to the human rights problems in Panama are totally false. Our concerns have nothing to do with the Panama Canal treaties.

What concerns us is the violation of human rights in Panama. This is a concern of this Senator and a concern of this Senate and a concern of the United States.

Not only in regard to the situation in Panama, it is of concern to us because of the violations of human rights in many other lands on both sides of the Iron Curtain. We are concerned about the situation not only in Panama but in South Africa, where again the Senator from Massachusetts and I have been leaders in seeking to bring about a granting of human rights in South Africa. We are concerned also in Korea where there is turmoil at the present time. We are concerned about the situation in Romania, a matter that we dealt with in this very body a few hours ago. We are concerned about the situation in the Soviet Union and in many other lands.

And there are many of us who recognize that the record of the United States is not totally pristine, not perfect in regard to human rights. So we are not singling out Panama.

We are dealing with Panama now, however, because there are violations of the free press, violations of the traditions and the hopes for democracy in that land because at the present time the military, the Panamanian defense forces are really running that country.

There are people in Panama who believe that they should have an opportunity for real democracy in their land and those of us who support the effort to put the United States on record today in terms of Senate action in regard to human rights in Panama are simply seeking to make plain our hopes that there will be a restoration or an achievement of democracy in Panama.

We need stability in that part of the world, as we need stability in many parts of the world. And an end to the strife and the creation of a true democratic state in Panama is the surest situation for an open canal, open to all nations. But, again, I stress that that has nothing to do with the treaty, which will be adhered to by the United States.

I am reserving judgment on the amendments to be offered by the Senator from Connecticut until I see their text, and their text is not yet available to us. But I want to again stress that whatever the outcome in regard to dealing with the Senator from Connecticut's amendments, it has nothing to do with the Panama Canal Treaty.

The United States is not seeking to be imperialist in any way by any actions it takes today. The United States is seeking to foster democracy in Panama and by other actions we are seeking to foster democracy in all parts of the world. We believe in freedom. We want to see freedom expanded. We believe that that is the best answer to the alternatives posed by communism and by other forms of dictatorship.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DURENBERGER addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, I rise to speak in favor of the resolution which I have submitted, along with 55 of my colleagues here in the U.S. Senate, expressing the sense of the Senate with respect to conditions in Panama.

Mr. President, how much time is remaining to this side on this resolution?

The PRESIDING OFFICER. The Senator has 22½ minutes.

Mr. DURENBERGER. I thank the Chair.

Mr. President, Panama is a strategically vital state located on the southern end of the Central American isthmus. Its history has been inextricably intertwined with that of the United States and more recently with the saga of the Panama Canal.

I need not remind my colleagues of the debate that took place in this body in the late 1970's over the Panama Canal treaties, their implementing legislation.

I recall only too well that, at a point in time in mid-April of 1978 when I arrived in this city as a former candidate for Governor of my party in Minnesota and exploring the possibilities of running for the U.S. Senate, I spent an hour on the day that this debate began, visiting with my colleague, then the junior Senator from the State of Nevada, who was the manager of the opposition to the treaty debate. And for a period of time he was not successful in his opposition to the treaty, but he was successful in persuading me to run for the Senate in Minnesota. My reflection on that time, although I was not in the body, was that the debate, the foreign policy debate in this body was probably among the most contentious and certainly the most vigorous debate since the end of the Vietnam war.

But our intention, that of the 56 sponsors of this resolution today, Mr. President, is not to revisit that debate in any manner. Because, as our colleague from New York said earlier, it is our purpose to affirm the rule of law by which this Nation is governed which we applied to that treaty debate and which, by example, and even by the written language of its constitution and legislative procedures, the Republic of Panama would make available to the people of its country were it not for its current political condition.

Our purpose in presenting this resolution is simply to put the U.S. Senate, and hopefully the U.S. Congress, firmly on the record in support of genuine democracy in the Republic of Panama.

It is now recent history that the former Panama defense forces chief of staff, Col. Roberto Diaz Herrera, charged that Gen. Manuel Antonio Noriega and others in the PDF were directly responsible for the 1985 murder of Dr. Hugo Spadafora, rigged the results of the 1984 Presidential election to insure the victory of Nicolas Ardito Barletta, and have been heavily involved in international narcotics trafficking and money laundering.

These charges, as we all recall, spurred an outbreak of spontaneous demonstrations on the part of the Panamanian people. The long-rumored possibility that Arnulfo Arias was robbed of the Presidency through election fraud was especially insulting to the Panamanians, who desire true democracy as much as their neighbors in Costa Rica and Colombia. The brutal torture and killing of Hugo Spadafora in 1985 was an event which shocked the world.

Allegations that General Noriega was involved are not new; what is new is that the second most powerful member of the PDF—a man who is in a position to know—has gone public with the charge of direct involvement on the part of General Noriega.

How is it that Panama arrived at a point where a military strongman—a caudillo—runs the country with no legitimacy, with little popular support, with little respect for basic human rights, and with complete disregard for international opinion?

The answer is, unfortunately, all to familiar to those of us who follow the evolution of authoritarianism in the Third World.

It is a story of greed, of naked ambition, and of complete disregard for the rule of law. It is the story of how one man can come to control the entire apparatus of state power. When Omar Torrijos took power in 1968, Panama had no soldiers. Torrijos was a major in what was a police force.

Panama also did not have the prospect of eventual control of the canal in 1968, even though negotiations had been underway for some time. The dual legacy of Torrijos is Panamanian sovereignty over the canal zone and a military institution that has become accustomed to governance through the Democratic Revolutionary Party [PRD].

Under the rule of Torrijos, there was an element of stability, if not democracy, in the civilian leadership of Panama.

But since his mysterious plane crash in 1980, Panama has seen frequent changes in the Presidency and a gradual but consistent increase in repression. Manuel Antonio Noriega became the commander of the Panamanian military in 1983 after a long stint in G-2, military intelligence. His intelligence work enabled Noriega to amass information that reportedly proves useful for keeping his comrades in line.

After Noriega's accession, he replaced President Esprielle with an interim figure until he could settle on a more lasting arrangement. For the elections of May 1984, Noriega chose Nicolas Ardito Barletta. The main opposition candidate, Arnulfo Arias Madrid, lost to Mr. Barletta even though many polls indicated that Arias would win by 25,000 or more votes.

In fact, those estimates may have been more accurate than the official count which had Barletta winning by 1,713 votes out of 640,000 cast. The fact that vote counting was stopped, that many ballot boxes were seized by the military, and that there was a 2-week delay in announcing a winner strongly suggests that the announced results were somewhat less than accurate. And, that is why the confirmation provided by Colonel Diaz touched such a raw nerve in the Panamanian body politic.

Another of Diaz's allegations—that of Noriega's involvement in narcotics trafficking and money laundering—is also not new. This body considered the question last April when it voted to disapprove the President's certification that Panama was "cooperating fully" with United States drug enforcement efforts.

I was then, and still am, concerned about the allegations that General Noriega and his cronies are involved in the international drug trade—providing transit facilities, profiting from money laundering, and giving safe haven. The charges by Colonel Diaz deserve a full investigation in Panama and by our Government.

A third accusation by Diaz was that General Noriega was directly responsible for the torture and murder of Dr. Hugo Spadafora in September 1985. Spadafora was the most outspoken critic of Noriega in Panama, saying at one point that it was a disgrace to have Panama run by an international drug trafficker.

On September 15, 1985, Spadafora's decapitated body was found stuffed into a United States mailbag near the Costa Rican border with Panama. He was last seen being hauled off a bus by men identified as agents of G-2, Panamanian military intelligence.

I wrote to the State Department on a number of occasions in an effort to get the true story about the Spadafora killing. Many Panamanians called for an investigation at the time. President Nicolas Barletta—the beneficiary of Noriega's intervention in the 1984 election—resigned rather than be a part of Noriega's efforts to stifle an inquiry into the Spadafora murder. The Diaz charges show, once again, that unrestrained brutality will not be forgotten by the Panamanian people.

If the charges against Noriega and his cohorts are serious and deserving of a full investigation, what has been U.S. policy? Earlier this year the State Department issued a special report entitled "Democracy in Latin America and the Caribbean: The Promise and the Challenge" which reviewed the tremendous progress toward democratization made in the Americas in the last decade.

It indicated the outposts of dictatorship have dwindled in number—only Paraguay, Suriname, Nicaragua, Chile, and Cuba are indentified as bucking the tide of democracy. But Panama is listed as "not categorized" even though it is clearly not a functioning democracy. In Panama, the state serves the military rather than the opposite as in a true democracy. In Panama, the trend is toward greater repression rather than greater openness.

And in Panama, the lust for power and greed on the part of a few forecloses the hopes and dreams of the many. Yet, the State Department was not able to categorize Panama.

United States policy toward Panama should be guided by the same principles we espouse in Nicaragua and in Chile: support for the democratic opposition completely and unequivocally. This is a crucial watershed.

Many Panamanians have said that if this spontaneous outpouring of feeling does not lead to an end of the stranglehold Noriega has on the country, he may not relinquish power for years. We can, and must, be concerned with the future of American interests in Panama. The continued operation of the canal is vital to the security of the entire hemisphere. But we cannot let a legitimate security interest guide us into support—tacit or otherwise—for a kind of dictatorship that evokes memories of days gone by.

Mr. President, it was a pleasure to work with a number of Senators in the drafting of the resolution before us today. I have long been concerned with the struggle for democracy in Central America and in Panama. I have been joined by many of my colleagues in an effort to let the Panamanian people know we support their desire for freedom.

I have no doubt that General Noriega does not agree with this resolution, that he will attempt to portray this resolution as an intrusion into internal Panamanian affairs. Has there ever been a dictator who has not? Any effort by this body to support democracy in Panama will be denounced by Noriega. He will try to fan the flames of nationalism by claiming this resolution is an attempt to maintain American control of the canal beyond the year 2000. But, Mr. President, this resolution is not about the canal. This resolution is not even solely about Noriega. This resolution is about democracy, about human rights, about accountability for murder and about responsibility for election fraud.

This resolution expresses the sense of the Senate that democracy in Panama is in the best interests of Panama and of the United States. It outlines the steps that must be taken for there to be genuine progress toward democratization in Panama. The resolution supports an independent investigation into the allegations against Noriega and his clique. Consistent with the judicial code of Panama, it urges the Government of Panama to direct all implicated officials to relinquish their duties while the investigation is underway.

Mr. President, it is imperative that this body send a strong message to the people of Panama that the United States Senate will not waver in its support for democracy. And it is vital that we act on this measure today.

Last week nine opposition leaders were charged with "treason" because they dared to call for an investigation and dared to support real democracy for their country. We cannot let the real powers in Panama believe that they can trample on human rights with impunity.

I urge my colleagues to vote for this resolution and ask unanimous consent that several articles dealing with the situation in Panama be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

CHAMBER OF COMMERCE ANNOUNCES MEASURES

["Communique" issued by the Chamber of Commerce and 25 other civic and labor organizations in Panama City—dated 9 June.]

Communique to the country: The country's civic forces, made up of business, medical, labor, teachers, student, civic, religious, and other organizations, which met today, 9 June 1987, in the Horacio Alfaro Room, in the Chamber of Commerce, Industries, and Agriculture of Panama, considering the state of anguish the country has been experiencing; that the country's civic and moral values are in crisis, the terrifying climax of which is reflected in the statements of Colonel Roberto Diaz Herrera, retired, until recently Defense Forces chief of staff; and that the Defense Forces have initiated a brutal repression against peaceful demonstrations in the past few hours, resolves to:

1. Create the national civilianization crusade to coordinate all actions aimed at rescuing and reconstructing institutions guaranteeing justice and real democracy in our country;
2. Vigorously reject the cowardly and brutal aggression suffered by the Panamanian people at the hands of the Defense Forces;
3. Demand the physical safety and guarantee for the life of Col Roberto Diaz Herrera, his family, and each and every person now in his residence;
4. Initiate, beginning today, a number of civil disobedience measures;
5. Demand the immediate dismissal of all officials accused and involved, including military and civilians, from their positions until the situation and charges are clarified.

(Issued in Panama City on 9 Jun 1987.)

First civil disobedience measure: The civilianization crusade asks that all citizens beginning today abstain from paying taxes and public service charges in general, until those involved in the shameful incidents, which were recently revealed, are dismissed. Additional civil disobedience measure will be announced in the next few hours.

(Issued in Panama City on 9 Jun 1987.)

[From the Washington Times, June 15, 1987]

U.S. FINDS ITSELF CAUGHT IN THE MIDDLE IN PANAMA

(By James M. Dorsey)

PANAMA CITY, PANAMA.—Both the government and the opposition view the United States as the final arbiter of a one-week campaign to oust Panamanian strongman Gen. Manuel Antonio Noriega.

U.S. assets in Panama are all too obvious. It has 10,000 troops assigned to the U.S. Southern Command headquarters here, continues to control the Panama Canal and dominates the local economy.

Several hundred government supporters demonstrated in front of the U.S. Embassy last night, accusing the United States of interfering in the country's internal affairs.

"Ambassador Arthur Davis has talked to officers in the armed forces asking them to no longer recognize Noriega," said Luis G. Suarez, a former military officer who graduated from a Peruvian military academy with Gen. Noriega and Col. Roberto Diaz Herrera, the former second-in-command who has accused Gen. Noriega of murder and electoral fraud.

Mr. Suarez said Ambassador Davis on Saturday asked "senior military officers" whom he refused to identify to remove Gen. Noriega from power, take control of the armed forces and call for new elections.

"Davis told the officers they should not worry about the politicians in the opposition because they were going to be eliminated as 'great enemies of the armed forces,'" Mr. Suarez said.

The U.S. Embassy declined to comment directly on the alleged meeting.

"The ambassador is meeting with a whole variety of people across the political spectrum. We will talk with anybody who will meet with us for an exchange of ideas," said an American spokeswoman.

The demonstration in front of the embassy was the first attempt by government supporters to regain control of Panama City's streets. Despite the state of emergency under which public gatherings and political demonstrations are forbidden, troops and police stayed well out of the vicinity of the Panamanian-flag-waving government supporters.

"This is how you make opposition. You don't do it with [white] handkerchiefs and pots and pans," Mr. Suarez said. "We want the status quo back, and now we are taking control of the streets."

The opposition firmly believes that U.S. economic and military aid to Panama offers the United States the tool with which to rid the country of Gen. Noriega. Yet government and other sources said the general's far-reaching cooperation in combating drugs and the diversion of sensitive Western technologies to Cuba and other communist countries makes him a valuable U.S. asset.

Despite this cooperation, Panama under the control of Gen. Noriega and under the rule of his predecessor, Gen. Omar Torrijos, has been, like Mexico, a strong supporter of the revolutionary left in the hemisphere.

"We have wanted Noriega to go for the past two or three years," said one U.S. official. "We would like to see a more apolitical military institution that does not dabble in politics."

The military, however, does run Panama, as it so aptly demonstrated in the case of Gabriel Lewis, a respected former ambassador to the United States who was forced to flee the country when he told Gen. Noriega something he didn't want to hear.

On Wednesday, Gen. Noriega asked Mr. Lewis to try to mediate an end to Panama's worst crisis in seven years. Sources close to Mr. Lewis said Ambassador Davis approved of the move and followed his efforts closely.

On Friday, Mr. Lewis advised Gen. Noriega to go into voluntary exile because he was "the most hated man in the country," the sources revealed.

Hours later, Mr. Lewis received a phone call from Col. Bernardo Barrera, head of Panamanian intelligence, informing him in expletives that he had been declared an enemy of Gen. Noriega's defense forces, the sources said. Mr. Lewis left the country the next day aboard a private jet put at his disposal by Costa Rican Ambassador Miguel Yamuni Tabush.

The government followed up that heavy-handed victory by pressuring bankers to end their support of a general strike demanding Gen. Noriega's ouster. The bankers' defection from the strike was prompted by a threat of $10,000 fines for every day they stay closed.

To both the banks and the United States, stability is a major concern. Privately, bankers say the crisis could lead them to accelerate cutbacks in their local operations and may culminate in a gradual exodus of the banking community.

Like the banks, the United States walks a fine line between viewing Gen. Noriega, the real power behind the civilian government, as a force of stability in a strategically important nation and harboring a nagging fear the rampant corruption in the military-backed government could lead to instability and chaos.

Government officials fear privately that Gen. Noriega may push the civilian government of President Eric Arturo Delvalle aside and decide to put the country under direct military rule.

"If things go much deeper and there is a chance of change of government, then that could affect our relationship with this country," said Col. Neil Buttimer, a Southern Command spokesman.

Much of the daily agitation makes little reference to the United States and Americans are conspicuously absent from the streets: U.S. military personnel have been ordered not to leave their bases or homes unless they are on official or essential business. Up to 100 military personnel ordered to Panama on temporary assignments have been told of delay of their departures, U.S. military officials said.

"The problem is," said a taxi driver as he honked his horn in support of the anti-government campaign, "that we don't know which side the United States is on."

The campaign began when Col. Diaz Herrera, who claims he was forced to retire as Gen. Noriega's second-in-command, accused his former boss of murder and electoral fraud.

The charges triggered street demonstrations, quickly suppressed by the military in a declared state of emergency, which in turn led to the general strike.

The only public gatherings now permitted are in Panama's churches. They now are surrounded by soldiers in combat gear and occasionally buzzed by helicopter gunships.

To indicate their support for the opposition, Panamanians dress in white, honk their car horns and bang pots and pans every night.

"If Noriega doesn't leave this week, we are going to have a very hard dictatorship," said Aurelio Barria, the 35-year-old president of the prestigious Chamber of Commerce that spearheaded the campaign of civil disobedience.

"We ask the Americans to put their mouth where their money is, to practice what they preach. Let them pull out of the joint committee that protects the canal zone."

[From the Washington Post, June 17, 1987]

PANAMANIANS CHARGED WITH "HIGH TREASON"

(By Julia Preston)

PANAMA CITY, June 16.—The government-controlled National Assembly decreed last night that nine opposition political leaders, including a former president, and prominent businessmen had committed "high treason" during a week of protests against military strongman Gen. Manuel Antonio Noriega by conspiring to overthrow the government.

Among those declared "traitors" is former president Nicolas Ardito Barletta. Ardito Barletta said last week that Noriega forced him out of office in 1985 after he demanded an investigation of the murder of Hugo Spadafora, a popular Noriega critic who was found beheaded.

Ricardo Arias Calderon, head of the opposition Christian Democratic Party, was named in the decree.

Also included was entrepreneur Gabriel Lewis Galindo, a former ambassador to Washington who fled Panama Saturday after allegedly receiving threats from the military.

The decree is not legally binding, but could lead to arrests if the government pursues it. The charges appear to be a counterpunch by the government to allegations by Noriega's former second-in-command, Col. Roberto Diaz Herrera, that the Defense Forces chief was involved in assassination and electoral fraud. Diaz's charges sparked the week-long crisis.

Other businessmen named in the decree included Federico Humbert, a top officer of the Banco General, the largest Panamanian bank; Roberto Motta, president of the Banco Continental; Fernando Eleta, owner of a Panamanian television station; and Roberto Aleman, president of the national brewery and another former ambassador to the United States.

The businessmen were believed to have been in touch with Lewis last week while he conducted a failed mediation between Noriega's Defense Forces and the opposition.

The assembly charged that the businessmen tried to impose a government that would allow the United States to retain the Panama Canal after the year 2000, when, by treaty, it will be taken over by Panama.

[From the Washington Post, June 24, 1987]

PANAMA'S MILITARY STRONGMAN ON THE DEFENSIVE

(By Julia Preston)

PANAMA CITY.—After trying for the past three years to strengthen his grip on power by delaying Panama's return to civilian democracy, top military commander Gen. Manuel Antonio Noriega now appears to have seriously weakened his position by failing to respond to public demands to get the Army out of politics.

Last week, for the first time since he became Panamanian Defense Forces commander-in-chief in 1983, Noriega was on the defensive, parrying opposition protests with uncharacteristic recklessness.

He tried to mobilize support among leftists by accusing American conservatives of fomenting unrest to thwart the process of turning over control of the Panama Canal to the Panamanian government by the year 2000. But the charge drew only lukewarm support and alienated him from Panama's most influential business and Roman Catholic Church leaders.

After two weeks of protests and growing public resentment over his purported role in rigging the 1984 presidential vote, Noriega faces an uphill battle to stay in power until the next presidential elections in May 1989, foreign diplomats and military observers said.

"There will be no putting Humpty Dumpty together again," said one foreign military observer familiar with the Panamanian military.

In the recent two-week upheaval, many more Panamanians turned against the government that Noriega controls than in the riots of 1984 and 1985. Until now, the opposition had been limited mostly to right-of-center, middle-class political parties sarcastically labeled *rabiblancos*, or "white tails," by the largely black working poor.

But even columnist Demetrio Olaciregui, one of Noriega's most articulate supporters, noted: "What we saw was an outbreak of popular discontent, not because it was summoned by the rightist opposition, but because it's there—latent. . . . The scorecard did not come out well for the Defense Forces."

"This crisis really shook the country," said Catholic Archbishop Marcos Gregorio McGrath, who has spoken with caution to preserve his neutrality during the turmoil. But he warned: "If we simply close our eyes, we're going to have deeper and deeper rifts."

The roots of the turmoil stretch back to 1979 when the widely admired nationalist leader Gen. Omar Torrijos announced a Defense Forces "retreat" to make way for an elected civilian president. The 20,000-troop Defense Forces had seized power in a 1968 coup. Torrijos' popularity surged when he signed the 1977 treaties with Washington to turn over the canal to Panama.

Torrijos was killed in a 1981 plane crash. But the return to democracy inched forward until the May 1984 vote. Noriega is believed to have rigged it against veteran politician Arnulfo Arias, who would have named a new commander-in-chief.

Then, in September 1985, Noriega ousted the president he had installed, Nicolas Ardito Barletta, reportedly for seeking an investigation of the murder of Hugo Spadafora, a popular figure who spoke out against Noriega.

Retired colonel Roberto Diaz Herrera, Noriega's chief-of-staff until he was forcibly retired June 1, has admitted that he bribed polling place magistrates to ensure the victory of Noriega's candidate. The accusations, publicized by Diaz, that Noriega was directly involved in murder and corruption cases ignited the riots that began June 9.

In a communique last week McGrath and the 10 other members of the Catholic Bishops Conference called for immediate measures to establish "a real autonomy of civilian power and the progressive return of the Defense Forces to their appropriate tasks."

"In any government that has been in power for an awfully long time, problems of graft develop—like Tammany Hall—which have to be cleared up," McGrath observed. "The fact that the Defense Forces' retreat hasn't continued hampers all the branches of government."

Noriega remained silent about the church's statement. But a government censor removed the communique from the Sunday edition of the opposition daily La Prensa, the first issue of the paper to be published since censorship was imposed June 11. A radio station Noreiga controls called the Panamanian archbishop a "boozer" and a "gringo," a slang word for American.

Noriega also encouraged the National Assembly to level charges that nine prominent Panamanian businessmen and politicians had conspired with U.S. conservatives to overthrow President Eric Arturo Delvalle.

All those mentioned privately denied any plot ever existed. Three of those named—lawyer Roberto Aleman, financier Federico Humbert and banker Roberto Motta—went public with their outrage, arguing that they were not even involved in any anti-Noriega protests. Aleman, who served in the 1960s as ambassador to Washington, was on business in the United States when he was said to be hatching the plot.

"They think I'm 007, playing golf in Washington and leading a revolution in Panama at the same time," said Aleman, a government supporter until this incident.

The attack on some of Panama's most prosperous executives cemented the views of many in the highest business echelons who long had cooperated with Noriega but turned away from him with the recent disturbances.

"This situation really touched our soul. Our dignity was hurt," said one prominent Panamanian enterpreneur who did not want his name published. Many other business leaders said privately that Noriega should step down.

The most conspicuous defector was wealth investor Gabriel Lewis, who fled Panama June 13 after he had tried unsuccessfully to mediate between Noriega and the opposition. Congressional sources in Washington said Lewis went to many policy makers there last week with the message that Noriega should be replaced.

Noriega is expected to turn now for support to his leftist political forces, primarily the Democratic Rebolutionary Party, which was created by Torrijos in 1979 as a party supporting the military.

Democratic Revolutionary Party followers portrayed the crisis as a clash between poor working blacks and the "white tails." They accused the middle-class opposition of pushing to regain the power they lost two decades ago to Torrijos and his supporters among the poor.

But party leaders made it clear that their backing this time is going to cost the government money. In the tangled Panama City slum of San Miguelito, rioting erupted earlier this month for the first time in years. Worried Democratic Revolutionary Party leaders who run the town hall there said bluntly they are demanding $1.3 million public funds immediately to create jobs and put up housing.

The party's strong-arm, ward-heeling style can be effective. The party summoned soldiers to collect the garbage last week in San Miguelito instead of the regular civilian crews, to renew the Defense Forces' bonds with the slum dwellers.

But the government will face an economic bind when it tries to divide Panama's tight budget among Noriega's leftist political ranks. With a foreign debt of at least $4.5 billion, Panama must slash its inflated public spending to qualify this year for fresh international bail-out loans. Hardest hit will be the social security and public urban job programs that the party is pressing.

Reuter reported the following from Panama City:

Nicaraguan President Daniel Ortega will meet Wednesday with Panamanian President Delvalle to discuss faltering Central American peace efforts, government newspapers and the Nicaraguan Embassy announced today.

[From the Christian Science Monitor, June 22, 1987]

FOR FREE ELECTIONS IN PANAMA

Panama's widespread antigovernment protests have subsided with the top political and military leader, Gen. Manual Antonio Noriega, still in control. But the extent of open opposition to his corrupt military dictatorship and alleged drug trafficking has left his grip weakened. Panamanians and influential outsiders, such as the United States, should continue to press for free and fair elections.

The Panamanian unrest was touched off by the comments of Col. Roberto Díaz Herrera, forcibly retired June 1 as second in command of Panama's armed forces. He said that he and General Noriega had conspired to fix their nation's 1984 elections and accused Noriega of planning both the 1981 death of Panamanian leader Omar Torrijos Herrara in a plane crash and the brutal slaying of prominent opposition leader Hugo Spadafora. Noriega denied the charges and imposed a state of emergency.

The charges against Noriega are not new. Most Panamanians and US officials had heard them all before. But the spontaneous civilian protests emboldened the US State Department, which had previously looked the other way when charges of corruption, drug dealing, and dictatorship were debated. State officials have now announced support for "free and untarnished" elections in Panama, development of an apolitical, professional military organization, and prompt removal of censorship restrictions. Talks with Panamanian opposition leaders have began.

Also, Gabriel Lewis Galindo, a wealthy Panamanian businessman tapped by Noriega early in the recent crisis as a mediator, has left Panama, vowing to wage a worldwide campaign against its dictatorial rule. Mr. Lewis, a former ambassador to the US, insists that stability is Panama's chief asset and that it will be lost if the present government continues in power. In recent days Lewis has been in Washington helping lawmakers draft a Senate resolution calling for free elections in Panama and a return to full democracy. That resolution deserves support.

Washington has been reluctant until now to criticize its Panamanian ally, because of the considerable American presence and investment there. Panama is home to 40,000 Americans, one-fourth of them military personnel, and headquarters to the US Southern Command. Control of the Panama Canal does not shift to the Panamanians until 1999. The United States, seeing until now little broad-based Panamanian opposition to the government, reasoned that if Washington were too critical of the anticommunist Noriega, his regime might endure in spite of it all and give the US more trouble.

For consistency both in the hemisphere, where the US often calls for free elections in Nicaragua, and around the globe, the US should stand by its democratic principles. Some in the US once argued that Washington could not afford to do so in the Philippines, pressing Ferdinand Marcos for free and early elections, or US bases there could be lost. But the US did speak out for democracy, and the security of its Philippine bases is probably the stronger for it.

The US should now make its preference for a return to full democracy similarly clear in Panama.

Such action should offer a more secure foundation for improved US-Panamanian relations in years to come.

[From the Atlanta Constitution, June 23, 1987]

PANAMA'S WEAKENING STRONGMAN

Liberals and conservatives in the U.S. Senate are in rare agreement worrying about the stability of a vital Latin neighbor, Panama, which has been convulsed recently in angry, near-universal protests against Gen. Manuel Noriega's rotten brand of military misrule.

Make no mistake about the street violence there. Most of it was inflicted by over-zealous riot police. The demonstrations can hardly be classified as ideological. Their object has been to bring down an entrenched system of official corruption-cum-repression.

Noriega's excesses have alienated Panama's bankers, its business class, its clergy, its students, its poor, even self-respecting comrades-in-arms. His only recourses are 1) to abuse the rights of his countrymen still more blatantly, using his partners in graft as enforcers, and 2) to hope that by blaming Washington for his troubles he will stimulate knee-jerk nationalist reflexes.

Panama's stability is a legitimate U.S. worry, what with our stake in the canal. We are obligated to turn it over by the end of the century, which is fair enough, but we mustn't be overshy about helping the good people of Panama to shape their future—especially when their present is so bleak.

The Senate's concern will be expressed in a resolution scheduled for consideration today. The senators would do well to insist on the strongest possible condemnation of Noriega and echo the recommendation of Panamanian clergy that he at least step aside during a legal inquiry into charges that he plotted the murders of two key military leaders.

More important, though, are the moves the administration makes. The State Department is urging Noriega to authorize early, free elections, the thinking being that his handpicked candidates would fare badly. Washington can exert powerful leverage, both in the form of U.S. aid and of influence upon Panama's creditors, to help Noriega understand his limitations.

And, perhaps, it's not too early to invite the increasingly unpopular Noriega to consider the benefits of early retirement—a la Jean-Claude Duvalier of Ferdinand Marcos.

[From the Washington Post, June 13, 1987]

PANAMA'S TIME FOR DEMOCRACY

Fearing, he said, God's wrath and also having just been fired, the No. 2 man in Panama's defense forces, which have run the country for nearly 20 years, told all the other day. Col. Roberto Diaz Herrera said his boss, Gen. Manuel Noreiga, had, as alleged, altered by fraud the outcome of presidential elections in 1984 and ordered the assassination of a gadfly critic. He put a number ($12 million) on the sum the shah of Iran was supposed to have paid the late dictator Omar Torrijos to take refuge in Panama, and charged—this without proof—that Gen. Noriega among others, including the CIA, had had a hand in the accident that took the life of Gen. Torrijos. Oh, yes, the colonel confessed he himself had made big money selling visas to Cubans.

All this hanging out of dirty linen was enough to galvanize a country accustomed to living easily with a high level of official corruption and military intrusiveness. All the political parties, the private sector, the church and plenty of individual citizens seem to have decided they'd had enough. Their protests were met by the armed forces of Gen. Noriega, who has now imposed something like military law, choked off the opposition press and undertaken arbitrary arrests. He is the kind of Latin strongman most people thought didn't exist anymore. Everything he is doing now—calling out troops, blaming the CIA—fits with what could be expected from someone who is trying to save his skin and protect his ill-gotten gains.

Panama is a country created by foreign intrigue, and it remains a country whose politics rotate on the pressures and wishes, real and presumed, of the United States. Traditionally, American policy has aimed at ensuing all the democracy deemed consistent with the stability demanded by the presence of the strategic Panama Canal. Panamanians habitually scan official American words—including American press leaks—for signs of what is on Washington's mind.

The signs Panama is reading these days—the calls paid by the American ambassador, for instance—tend toward the cautious and the ambiguous. This should not be. No Panamanian should have the slightest doubt that Washington favors prompt peaceful progress toward a situation in which fairly elected civilians run the country, the army stays in the barracks and duly convicted criminals sit in jail.

Mr. EVANS. Mr. President, I cared not for General Noriega. I believe that I feel as much repugnance as any Member of the Senate for his activities while leading the armed forces and, by doing so, the Government of Panama.

Mr. President, it seems to me that every charge against him which has been made or will be made in the Senate is likely to have considerable merit. But he is not necessarily alone. No one person, without some support, can remain in power.

We may indulge ourselves with some satisfaction in poking him in the eye, consistently and repetitively, but to what good if the ultimate end is to remove him from power and replace him with a clone?

It is time to do what we can, carefully, thinking about the wording and the message we send; for what purpose is there in an amendment or in a resolution like this before the Senate in the first place? What are we really attempting to do? Not just to spend a Friday afternoon enjoying beating up on a foreign dictator. Certainly not spending 2 or 3 hours during this afternoon to craft a resolution which will be placed in the archives.

There is only one reason for even considering such a resolution, and that is: Will it be helpful in achieving the kind of democracy we all seek in Panama?

Mr. President, we have indulged ourselves in similar kinds of resolutions and more comprehensive proposals during the course, at least, of the last year. Sometimes we act in a way which tends to drive people away rather than attract them to us.

I supported and in fact helped craft the ultimate series of actions which we took against South Africa and I thought we did a responsible job. But, at least to this date, the effect in South Africa has been to cause through the last election, a decided move toward the more conservative; away from any accommodation with the black majority in South Africa; to build rather than reduce tensions; to move us further away rather than closer toward the goals we seek.

We said some strong things in recent months about the problems in the Bahamas, the drug running and the trafficking that causes great harm and pain to the citizens of this country. But, Mr. President, with all of the good wishes we had, we still did it in a way to cause the people of the Bahamas to respond to a leader in an election and vote to go in precisely the opposite direction we hoped they would take.

Even in a country as closely aligned and as friendly to the United States as New Zealand, when we leaned on them to move away from their nuclear free policies, they did not do so. It merely strengthened their resolve to move in that direction and forced our hand in eliminating our longstanding security relationship with the Government of New Zealand.

Mr. President, I am concerned about not giving General Noriega one single slim reed to lean upon in his efforts to retain power. I think in at least two instances in the resolution as it is now drafted we do that. I think that the proposed changes are relatively minor in nature, but very important in terms of the kind of message we send.

In the very last paragraph of the "resolved" section, rather than specifically calling for and demanding, in fact, the stepping aside of General Noriega during the time of any investigation, I believe we can accomplish essentially the same purpose but do it in language that the Panamanian people will understand and still not give the general the opportunity to hold up a resolution and say: "Look, these Yankees from North America, once again, are trying to step into the affairs of another Central American republic."

As a result, Mr. President, I would eventually propose and hope there would be general acceptance of substitute language of subparagraph 5 which, as I say, in other words, in words which I believe are significant and responsible, shall accomplish the same thing and will be readily understood by the Panamanian people. It says:

> In accordance with universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution, the Government of Panama should apply all relevant provisions of the Panamanian judicial code with respect to all implicated officials whether civilian or military.

In one other area, Mr. President, I think we should modify an otherwise good resolution.

Nowhere in it do we speak of upholding our treaty relationships and international obligations. I know perfectly well the reluctance of many in this body, having gone through the extended fight over the Panama Canal Treaty, to ever want to even by implication bring it before this body again. But I can think of no single thing that would give General Noriega a chance, even a chance, to hold on to power than to be able to say, "Look, this is what they are trying to do, to renege on their treaty, to come back and take over once again the Panama Canal."

It is my understanding from talking with distinguished citizens of that nation that if there is one thing on which virtually all Panamanians do agree, regardless of the sides they take on the current government in Panama, it is the adherence to the treaty we signed with them.

I can conceive of no reason why anyone in this body would object to adding words, which I think are important and yet do not get us back into the whole question of the wisdom of the Panama Canal Treaty, by merely saying in the whereas clause, "Whereas, the United States remains fully committed to honoring its treaties and international obligations."

That sends the right message, the message that we reiterate once again what all of us in this body not only believe but have sworn constitutionally to uphold.

Mr. President, with those modifications, which I think are not only appropriate but helpful, we could all join together and we would find for the first time in many, many months that happy combination of circumstances which leads to successful American foreign policy. That is where the administration, the House of Representatives, and the Senate of the United States, and both parties, Republican and Democrat, are joined as unanimously as possible in a foreign policy initiative.

The last time, Mr. President, I believe that this happy circumstance occurred was in the days just preceding the revolution in the Philippines and the marvelous outcome that occurred. We have seldom had opportunity in the months since then to come together again, and I think this is another splendid opportunity to do so.

Several Senators addressed the Chair.

The **PRESIDING OFFICER**. Who yields time? Who yields time?

Mr. **DURENBERGER**. Mr. President, I yield 5 minutes to my colleague from Connecticut, if I can first just take 1 minute to make a couple of observations.

I am glad my colleague from Washington ended on the Philippines because I just tried to pin down the last time we had a resolution like this in front of us, other than South Africa, which he mentioned. It happened to be on November 14 of the year before last when House Concurrent Resolution 232 came over here and we discussed United States policy with regard to the Philippines right here on the floor of the United States Senate.

I do not think this is an inappropriate place to debate the issue. I would suggest to my colleague from Washington that if he is a gringo, like we all are, and you sit down in a place like this to state your feelings about any country in Central America, that anybody who controls the television in that country, anybody who owns the radio in that country, anybody who censors the media in that country is going to tell the people of that country, "There they go again."

So while I appreciate the concerns of my colleague from the State of Washington about how this resolution and its words may be interpreted, no matter what language he may suggest we substitute for the proffered language in the legislation, Mr. Noriega is going to make every effort that he can to turn it to his advantage.

I am pleased to yield 5 minutes.

Mr. **EVANS**. Will the Senator yield for just one moment, I think we need to understand——

Mr. **DURENBERGER**. How much time have I remaining?

The **PRESIDING OFFICER**. Ten minutes 50 seconds.

Mr. **DURENBERGER**. I yield 30 seconds.

Mr. **EVANS**. I wanted to point out that while it is true that the Government of Panama owns virtually all of the domestic newspapers and television, it is also true that there is a very strong Voice of America; that the American military in Panama broadcasts to their own military and are picked up by virtually all Panamanians, CBS, ABC, CNN. So I think the message would be clear.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **DURENBERGER**. I ask unanimous consent that Senator LAUTENBERG of New Jersey be added as a cosponsor.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **DURENBERGER**. I yield 5 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. I thank my colleague for yielding.

Mr. President, I want to pick up on exactly what Senator EVANS was talking about. I think it is so important when we consider resolutions like this that we remind ourselves who the audience is, who we are trying to reach. Were this a resolution for domestic consumption, then you could say almost anything you wanted because the effect of it would only be on individual Members of this body or our colleagues in the other body. That would be understandable.

The audience for this resolution, however, is not the citizens of this country, at least in the primary sense. The audience for this resolution is the people of Panama. Those people break down into various groups.

There are those who are adamantly opposed to what is occurring in that country as a result of the control of General Noriega, and they would like to know that we support them and that they will be able to support us as they try to make change in their society. That is the first audience; our friends, those who were wounded in the streets, those who lost their jobs, those who have been threatened, those who have been called traitors.

A former Ambassador to this country from Panama has been identified as a traitor. They need to know at this hour that the United States and the Congress stand with them. This resolution does a great deal to accomplish that goal.

If it falls short, it falls short in one area. That is that our friends also feel very strongly about the United States living up to its international obligations and its treaties, they are concerned about being put into the position of appearing as though they were supporting us as we try to create change in Panama and yet, simultaneously, be put in the position of defending an action in this Congress which failed to recognize the single most nationalistic issue in Panama Canal today, and that is the treaty. They feel very strongly about that.

So we must be sensitive to our friends in Panama if this resolution is to be as meaningful as we would like it to be.

The second group are the moderates. These are the people who have not lost their jobs. These are people in the military in Panama. They need some room to maneuver if they are going to effectuate change. They need an opportunity to find in their own Panamanian way to bring about change in that country. If in our collective desire here, which is an admirable one, a laudable one, we make it difficult for them to maneuver in their own country, then we do a disservice to a group of people we want to support and help.

I would suggest that despite the good, strong language of this resolution, in at least one instance I think we make it more difficult, not less difficult, for those who seek to create change in that society. Senator EVANS has raised that point.

Third, there are our enemies in Panama, the people who are today running much of the operation that we would like to see removed from control. We would like to see others running that government.

It seems to me this resolution has to speak to them as well, and it does in many ways in a very clear and firm voice, in a very loud voice. But as Senator EVANS, our colleague from Washington, suggested, it deprives them also of utilizing this action, which we are taking for the very best of intentions, as a vehicle for their own best advantage and to the disadvantage of our friends.

Mr. President, I ask unanimous consent that an article that appeared in this morning's New York Times, entitled "Nicaragua Backs Panama's Leaders," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the Record, as follows:

NICARAGUA BACKS PANAMA'S LEADERS

(By Stephen Kinzer)

MANAGUA, Nicaragua, June 25—President Daniel Ortega Saavedra flew to Panama Wednesday and expressed support for Panamanian leaders who imposed a state of emergency two weeks ago after an outbreak of political protest and street violence.

The United States is increasing its diplomatic pressure on Panama and has called for an end to the state of emergency there. Today the House Foreign Affairs Committee approved a resolution urging Panama to move toward "genuine democracy."

Apparently sensing a diplomatic opening, Nicaragua has moved quicky to strengthen its ties to Panama.

Mr. Ortega, whose Government is fighting a war against United States-backed insurgents, said both Nicaragua and Panama were victims of unjust interference from Washington.

Mr. Ortega was the first foreign leader to visit Panama since the state of emergency was imposed June 11. Emergency rule, which entails suspension of some civil and political rights, has been in effect in Nicaragua since 1982.

U.S. ACCUSED OF MEDDLING

Mr. Ortega arrived at a military airfield in Panama accompanied by Foreign Minister Miguel d'Escoto Brockmann and other officials. A reporter asked him if he believed Panama's Government had been discredited by the protests.

"The discredited one is the Government of the United States, which continually meddles in Latin American countries," Mr. Ortega replied.

Mr. Ortega asserted that the United States was working against Panama because of Panamanian peace efforts in Central America. He said the United States "is not interested in peace" and charged that Washington was behind the postponement of a meeting of Central American presidents, which was to have taken place this week. The State Department denied the charge.

Mr. Ortega vowed last week that if the summit meeting was not held in June as planned, he would refuse to take part in any future summit. But in Panama Wednesday he announced that he had reversed his position and would attend the summit meeting now set for Aug. 7 and 8 in Guatamala.

The meeting is to discuss a peace plan put forward by the President of Costa Rica, Oscar Arias Sánchez. The plan is viewed unfavorably by the Reagan Administration because it would require a cutoff in American aid to Nicaraguan rebels.

The Sandinistas have also expressed reservations about the Arias plan because it would require them to end press censorship and lift restrictions on political activity.

MEETS WITH NORIEGA

During his visit, Mr. Ortega met with Panama's military commander, Gen. Manuel Antoinio Noriega. This month's protests were prompted by charges that General Noriega had directed electoral fraud and political murder. He rejected the charges and said the protests were being led by pro-American businessmen and opposition politicians unable to accept their defeat at the polls.

Mr. Ortega, who holds the rank of general and was dressed in military uniform, said Panamanian authorities had been "brave and decisive" in dealing with the protest. "The Panama defense forces are defending the territorial integrity and the sovereignty of the Panamanian people," he said.

Mr. Ortega met for three hours with the military-backed Panamanian President Eric Arturo Delvalle, and said he believed the United States was plotting to depose both Mr. Dalvalle and General Noriega.

"There is a full-scale conspiracy to crush them, and to throw out the Torrijos-Carter treaties at the same time," Mr. Ortega said.

Under the treaties, the United States is to turn the Panama Canal over to Panamanian administrators at the turn of the century. General Noriega has charged that his American critics are seeking ways to scrap the treaties.

U.S. WELCOMES ORTEGA DECISION

WASHINGTON, June 25 (AP)—The State Department said today that it welcomed President Ortega's decision to attend a meeting of Central American presidents set for August.

Mr. DODD. Mr. President, I asked that this be in the RECORD because it makes a point, in a sense, of how we can permit people to accuse us of not living up to our agreements. It seems to me we do not want to give General Noriega or anybody else or even Panama the chance to make that claim.

To our friends, to the moderates and to our enemies, it seems to me we have to craft a resolution carefully. We should craft our proposition here very carefully so as to indicate that we all agree on the goal, and that there is no dissent or debate on the goal. What we differ slightly over here is the crafting of the language of the resolution.

That is why, over these last several days, I have tried to work to add a bit to this resolution that I thought would improve upon it in terms of reaching those audiences.

As my colleagues know, I spent the last weekend, 3½ days, in Panama. I sat with some 150 different people, ranging from the Catholic Church and opposition groups, the press that has been denied its opportunity to publish, the President of the country, members of their general assembly, and about 3 hours with General Noriega, 5 hours with the President, and countless hours with various opposition groups. I share with my colleagues these two points the Senator from Minnesota and I have tried to raise: One is how we will make it abundantly clear, in language acceptable to all Members, that we are going to live up to our international obligations. The second is that we do not want to just change the name of the individual there, substituting one bad arrangement with another.

Those two messages I bring back to my colleagues, those two messages we have tried to incorporate in a very good resolution, an excellent one. In many ways, it covers all those points.

I hope my colleagues will look at this proposed language before we actually get to it, and offer whatever suggestions they might have. We want to come out of here with that strong, strong vote that includes those elements, that reaches our audience—our friends, the moderates, and those we would like to see out of power.

I thank my colleagues, both Senators from Massachusetts and the Senator from Minnesota, for the time.

Mr. KENNEDY. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator from Massachusetts has 2 minutes.

Mr. KENNEDY. I wonder if my friend from Minnesota would yield my colleague, Mr. KERRY, 3 minutes.

The PRESIDING OFFICER. The Senator from Minnesota has 5 minutes.

Mr. DURENBERGER. I yield 4 of my 5 minutes to the Senator from Massachusetts.

Mr. KENNEDY. I yield 2 minutes of my time to my colleague, who has worked very hard on the shaping of this resolution. The Senator would have 2 minutes of my remaining time and 4 minutes of the time of the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KERRY] is recognized for 6 minutes.

Mr. KERRY. Mr. President, I thank my colleagues for the surplus of time. I do not think I need that much time and I shall try to yield some of it back.

I think this is an important resolution, an important message that we are, hopefully, going to send to the people of Panama.

I listened to my distinguished colleague on the Foreign Relations Committee, the Senator from Washington [Mr. EVANS] suggest that somehow there is a linkage between this action and efforts to make a statement about the flow of drugs through the Bahamas. I suggest very respectfully to my colleagues that the election in the Bahamas is really not yet over, that some 30,000 extra ballots were printed and 18 seats are currently under contest because of the possibility of voter fraud. The possibility is very real that that election is not what it purports to be. Whether it is or is not, and those 18 seats are enough to turn the election, the point has been made that in the Bahamas, because the United States took the position—both the present Government and the opposition—talked about the issue that was of concern to the United States, the issue of the flow of narcotics. And even in the aftermath of that election, my office has received calls from the current Government saying they want to sit down and talk about how they can deal with this issue.

I believe that the same kind of point has to be made here. We all know what has happened in terms of the riots, we all know what has happened in terms of the deprivation of human liberties, we know how the church is providing the only available outlet for people to meet and try to deal with the problem in Panama; we know how the press has been put in a state of censorship, and we know that human rights are nonexistent.

I listened to my colleague from Washington suggest that somehow, this represents neocolonialism, that it somehow represents an overburdening of the effort by the Yanqui of the North to make its impression felt on our neighbor to the South.

I just could not disagree more, Mr. President. I believe the lesson we learned only a short year ago about the ability of this body to make a difference in the politics of the world was made as clear as it can be made in the case of the Philippines.

I hear the suggestion that somehow, this is even neocolonialist in its thrust. As in the case of the Philippines, where we had a very special relationship with the country, we have a very special relationship with Panama and with Panamanians. This country, the United States was responsible for the founding of Panama as an independent nation. I think that it is natural that the democratic elements in Panama are now pleading with us for some kind of statement that we stand somewhere other than with General Noriega. They are saying that they are turning to the United States for a statement of assistance in support in their time of need.

I suggest that what is neocolonialist is for Senators to stand here and say that they know better than the Civic Crusade for Justice and Democracy, which is pleading with the United States Senate for some kind of signal that we do in fact stand with the Panamanians.

I think there are some very important parallels between what we are doing and what we are not doing and what we did do and did not do in the Philippines. We have a very similar relationship in the sense that in the Philippines, we had Subic Bay and Clark Air Force Base and the Filipinos said, "Aha, it looks like the United States cares more about its relationship with President Marcos in order to protect its interest in those two installations." In the very same way, the people of Panama recognize that there is a Panama Canal issue and they recognize there is the Southern Command which is based there. They say to themselves, "Aha, once again, the United States is more interested in siding with the incumbent regime in order to protect interests that are not the interests of human rights and the interests of democracy which we talk about."

I do not see how support for democracy and for democratic forces is neocolonialist. I believe it is a foreign policy that is in the very best tradition of the United States.

I think all too often we wind up giving lipservice to that but in fact supporting other people.

Mr. President, this administration is right now waging a war against Nicaragua in the name of promoting democracy in that country and elsewhere in the region. That contradiction in our policy in the region is not lost on the people of Panama. It appears that we only want democracy for those countries whose regimes we oppose but we are not willing to stand up for democracy for those regimes that we support or who support us. It seems to me that in light of the unique historical ties that we have had with Panama, it is inconceivable that our Government is going to be unwilling to say to them that freedom of the press, enforcement of human rights, democratization is a fair goal for us to seek to achieve. Mr. President, I urge the passage of this amendment for that reason.

Notwithstanding what my distinguished colleague from Connecticut has said with respect to Panama, most of us support the Panama Canal, and I think it would have an overwhelming vote of support in this body but that is not the issue. The issue is support for democracy. I yield whatever time I have remaining.

Mr. EVANS. Mr. President, will the Senator from Minnesota yield 30 seconds?

The **PRESIDING OFFICER.** The Senator from Minnesota has 1 minute remaining.

Mr. **DURENBERGER.** I will be happy to yield.

Mr. **EVANS.** Let me respond to my colleague from Massachusetts.

What I was saying was that General Noriega could use the arguments that we were colonialists or that the Yankee from the north was coming down once again telling them what to do. I certainly do not suggest that that was my view.

The **PRESIDING OFFICER.** The Senator's time has expired. The Senator from Minnesota has 30 seconds.

Mr. **DURENBERGER.** Mr. President, I compliment my two colleagues for the position that they have taken but suggest to them that there should be a unanimous message coming out of this body. It is hard to find anybody but the two of them who do not want to make it unanimous at this point, and I would hope, after we have had some time to discuss their amendments, we can talk them out of those amendments and that we can send a 100-to-nothing message to the people of Panama.

The **PRESIDING OFFICER.** The Senator's time has expired.

AMENDMENT NO. 335

Mr. **DODD.** Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD] proposes an amendment numbered 335.

Mr. **DODD.** Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

Mr. **DURENBERGER.** I object, Mr. President.

The **PRESIDING OFFICER.** Without objection, that is the order.

Mr. **DURENBERGER.** I object, Mr. President.

Mr. **DODD.** I could not hear my colleague from Minnesota.

Mr. **DURENBERGER.** I am concerned about the wording.

Mr. **DODD.** I was going to explain what it is rather than going through the entire amendment.

Mr. **DURENBERGER.** I withdraw my objection.

The amendment is as follows:

Strike all after the Preamble and insert in lieu thereof the following:

Whereas the Republic of Panama is a historic ally and friend of the United States;

Whereas the security and stability of the Republic of Panama is vital to the security of all states in the Western hemisphere;

Whereas over 9000 American military personnel are currently stationed in Panama in a number of important military installations, including the headquarters of the Southern Command of the United States Armed Forces;

Whereas the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama and the United States, and the free world;

Whereas the United States remains fully committed to honoring its treaties and international obligations;

Whereas evolution toward genuine democracy with guarantees of freedom of speech, press, and assembly is in the best interest of the Republic of Panama and the people of the region;

Whereas genuine democracy, governmental respect for internationally-recognized human rights, and internal stability best guarantee the long-term security and economic well-being of the Republic of Panama;

Whereas the executive, judicial, and legislative branches of the government of Panama are now under the influence and control of the Panama Defense Forces;

Whereas recent allegations concerning the role of members of the Panama Defense Forces and its commander in the murder of Doctor Hugo Spadafora, Panama's 1984 presidential election, involvement in international narcotics tafffficking and money laundering, and corruption have resulted in spontaneous demonstrations on the part of the Panamanian people calling for a full and independent investigation of the conduct of those officials;

Whereas a broad coalition of church, professional, business, civic, and labor, and political groups have joined to call for an objective and thorough investigation into the allegations concerning senior members of the Panama Defense Force;

Whereas the recent suspension of constitutional guarantees by the government of Panama has been accompanied by restrictions of the fundamental human rights of the Panamanian people, including censorship and closure of the independent media, hundreds of arrests without due process, and instances of excessive force;

Whereas the legitimate aspirations of the Panamanian people for democratically elected government and respect for internationally recognized human rights deserve to be addressed and cannot be thwarted indefinitely: Now, therefore, be it

Resolved by the Congress, that

(a) the American people reaffirm our commitment to promoting the development of democracy in all the Americas.

(b) It is the sense of the Congress that—

(1) the government of Panama should respond to the points contained in the communique issued on June 17, 1987 by the Panamanian Episcopal Conference and should:

(a) Restore suspended constitutional guarantees to the people of Panama;

(b) Establish genuine autonony for civilian authorities and seek the effective and progressive removal of the Panamanian Defense Forces from non-military activities and institutions;

(c) Provide for a public accounting of accusations leveled against certain authorities of the Panamanian Defense Forces;

(d) Take specific steps to help ensure the credibility of and confidence in free and fair elections;

(e) Underscore a full commitment to the kind of political pluralism that is necessary to avoid a climate of violence, unrest, revenge or reprisal;

(2) the vital interests of the United States in securing authentic democracy in the Republic of Panama would best be served by the peaceful establishment of genuine democratic institutions in accordance with the Panamanian constitution, including the holding of free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, non-political military establishment under civilian control;

(3) compliance with internationally-recognized human rights, including freedom of speech, freedom of the press, freedom of assembly, respect for the due process of law, the restoration of political and civil rights, and the lifting of the current suspension of constitutional guarantees are essential preconditions to the restoration of democracy in Panama;

(4) consistent with the requests issued by the Panamanian Chamber of Commerce, Industry and Agriculture, the Archdiocese of Panama, and the National Civic Crusade, an impartial and independent investigation into the allegations against senior Panamanian civilian and military officials should be conducted by an objective group of Panamanians with authority to publish their findings without delay or fear of reprisal;

(5) in accordance with universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution, the government of Panama should apply all relevant provisions of the Panamanian judicial code with respect to all implicated officials, whether civilian or military.

Mr. **DODD.** Mr. President, this amendment I offer on behalf of myself, Senator EVANS, and Senator BIDEN of Delaware. The language is the exact language of the resolution as offered by the Senator from Minnesota and the Senator from Massachusetts with two exceptions.

After the clause, Whereas the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama and the United States, and the free world,

We add an additional whereas clause immediately following which says,

Whereas the United States remains fully committed to honoring its treaties and international obligations;

We further amend the resolution as offered by the Senators from Minnesota and Massachusetts by striking paragraph 5 of the resolved clause of the resolution and in lieu thereof using the following language: "in accordance with universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution, the Government of Panama should apply all relevant provisions of the Panamanian judicial code with respect to all implicated officials, whether civilian or military."

Mr. President, I now ask unanimous consent this amendment be in order.

The **PRESIDING OFFICER.** Is there objection to this amendment being in order as contemplated by the agreement previously entered? Is this the amendment that was contemplated in the agreement?

Mr. **DODD.** Yes; this is the amendment.

Mr. **DURENBERGER.** I have no objection to its consideration, Mr. President.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. **DODD.** I thank the Chair.

Mr. President, let me again come back and try very briefly to explain to my colleagues the first whereas addition. It was crafted in a way to be sensitive to the legitimate concerns of some. I know that my colleagues, even those who opposed the Panama Canal Treaties almost 10 years ago, believe that the United States should live up to its treaties and international obligations even when they disagree with the proposed treaty. In Panama it is extremely important to Panamanians of all political persuasions that we embrace and support those obligations. I do not spell out specifically that obligation as to the specific treaty. But I do try to make reference to the fact that that is an important consideration and we recognize that.

Second, we amend this resolution by trying to impose the kind of judicial standards and codes that the authors of the proposition before us included without getting so specific that we actually call for actions that the Panamanian code already, arguably, does call for. I realize that is rhetorical in some sense, but the idea is, coming back to the statement I made a few moments ago, to be sensitive to the audiences in Panama, to the audience that wants to be able to take this resolution and to be able to distribute it in the streets of Panama, saying that our friends in the United States support democracy in this country, do not support military control, and support their basic concerns, including international obligations. It is extremely important that our friends in Panama, who are facing the worst of all of this, be able to say that they have friends who agree with them on this point.

Third, that audience of moderates, General Werner and others, will tell you that in Panama there are people within the Panamanian military structure who do not support General Noriega but who need some maneuvering room, need the ability to be able to find ways in their own operations to begin to move in a direction that we would like to see them move. If we make the general the sole and absolute target of this resolution, we run the risk of denying those other elements, both civilian and military, in Panama the opportunity to maneuver.

I offer these ideas not because they are my own but because they were the ideas and suggestions given to me by Panamanians and by American officials in Panama who spend every waking hour working on these problems. It was their suggestion that this is the best way to approach this. They know what we want to do in the Senate and the House and they applaud what we want to do. They are also asking, simultaneously, that we do it in a way that will best assist them. And what Senator EVANS, my colleague from Washington, and my colleague from Delaware, Senator BIDEN and I are trying to do is improve this resolution to the extent that we make it a more marketable item in Panama, that will have the kind of improved effect on the very people in Panama that we hope it does.

I do not want to belabor this point. I took an awful lot of time of my colleague from Massachusetts when he controlled time. So, Mr. President, I yield the floor at this point and reserve the remainder of whatever time we may have remaining on this amendment.

The **PRESIDING OFFICER.** Who yields time?

Mr. **DODD.** Mr. President, parliamentary inquiry. Who is in control of the time on this amendment?

The **PRESIDING OFFICER.** The Senator from Minnesota.

Mr. **DODD.** And the Senator from Massachusetts?

The **PRESIDING OFFICER.** And the Senator from Connecticut. The Senator from Minnesota controls time in opposition to the amendment. Does the Senator yield time?

Mr. **DURENBERGER.** I will be glad to yield time in opposition to the amendment. May I inquire of the time I have available to me in opposition?

Mr. **DODD.** How much time does the Senator from Connecticut have remaining?

The **PRESIDING OFFICER.** Fifteen minutes.

Mr. **DURENBERGER.** I thank the Chair.

The **PRESIDING OFFICER.** The Senator from Connecticut has 9 minutes remaining.

Mr. **DURENBERGER.** I will yield to my colleague from Massachusetts 5 minutes.

Mr. **KENNEDY.** Mr. President, I have listened with great interest to the arguments that are made by my friend, the chairman of the Senate Subcommittee on the Western Hemisphere of the Foreign Relations Committee. He makes a plausible and I think powerful and eloquent argument. I regrettably come to a different conclusion.

I was here at the time we debated the Panama Canal Treaty issues. We had a full debate and discussion on those issues. This body voted in conformance with the Constitution. Those treaties are the law of this land, and no one in Panama should doubt the obligations which we are under, under those treaties. That is not what is at issue today.

The Senator from Connecticut has discussed the desire of those in Panama to ensure that any resolution would include the elements that he has described. I think that we here should reflect our own best judgment, sensitive, obviously, to the interests of the Panamanian people. But this particular resolution deals with democracy in Panama.

I think it is important that we not let General Noriega set the agenda for debate and discussion in terms of this particular resolution. I believe that he will portray this resolution in whatever he wants to portray, for his own international advantage.

Included in this amendment is some change of language to ensure that we are going to have this resolution inconformity with the Panamanian law. In section 5, General Noriega is mentioned; but it also points out that any other implicated officials are to relinquish their duties pending the outcome of the independent investigation.

Mr. President, I think that to leave General Noriega out would be like going to the North Pole and not talking about ice and snow. We understand the thrust of this resolution. It is one of enormous importance and significance. All of us should be mindful of what is in the interests of our audience in Panama. It seems to me that the message should be very powerful and clear. It will be on the issue of democracy; clear on the issue of human rights; clear to the extent that it reflects a strong bipartisan voice that states what our desire and aim are, and that is for the restoration of democratic institutions. I believe this resolution achieves that objective, and it is with the greatest reluctance that I would hope that the Senate would not accept this amendment.

Mr. **CRANSTON.** Mr. President, will the Senator yield 4 minutes?

Mr. **DURENBERGER.** I yield the Senator from California 4 minutes.

Mr. **CRANSTON.** Mr. President, like the Senator from Massachusetts, I rise in reluctance to oppose the amendment offered by the distinguished Senator from Connecticut.

I respect greatly the work the Senator from Connecticut has done on this matter and on all others within his purview as chairman of the relevant subcommittee of the Foreign Relations Committee. I know that he went to Panama. I know that he was there just a few days ago; that he is acting in accordance with the advice he got from many Panamanians. I also know that there are different views on the issues that are now before us, and placed before us by this amendment, among citizens of Panama whom I respect.

I would not have difficulty with the amendment offered by the Senator from Connecticut and the Senator from Washington and the Senator from Delaware; but now that the resolution is before us, with overwhelming support from various segments of philosophy and party in the Senate, in the form of the resolution offered by the Senator from Massachusetts on behalf of the Senator from Minnesota and many others, I feel that to change it in the ways that are proposed by the Senator from Connecticut would be unwise.

I want to stress once again that I helped lead the fight toward the Panama Canal treaties in the Senate when they were approved by the Senate, and my concern about the first part of the amendment offered by the Senator from Connecticut has nothing to do with my commitment and the commitment of the United States to adhere to the terms of the Panama Canal treaties. We will do so.

However, I believe that the amendment offered by the Senator from Connecticut is going to go down to a rather overwhelming defeat, and I do not want anyone to believe that that is simply because there are any prevailing sentiments in this body or in the United States that we will not stick by the Panama Canal treaties. We will.

However, the rather convoluted language that does not endorse the treaties but, nonetheless, inserts what is actually a reference to them in the matter before us, and its defeat—and it will be defeated in the vote that will come on the amendment of the Senator from Connecticut—must not be interpreted as indicating any lack of will on the part of the United States to conform to the terms of those treaties. We will conform to the terms of those treaties.

The other part of the amendment that does not remove the name "Noriega" from the resolution before us—it is not in the resolution, but that removes an obvious reference to the current commander of the Panama defense forces and suggests that he and any other implicated officials in violation of human rights and of democracy relinquish their duties pending the outcome of the independent investigation. Plainly, removing that language would seem to some people in Panama to mean that we are less concerned about Noriega's behavior. We are very concerned about the behavior of General Noriega and those in league with him in using the Panama defense forces in an unprofessional way, using them to intervene in the civilian affairs of the country of Panama.

I think we do not want to take an action in this body now that would indicate any softening of concern about General Noriega's behavior and his part in the ruling of Panama, and the fact that this amendment by the Senator from Connecticut will be voted down should not be interpreted in that way.

There is universal condemnation of the behavior of the general who commands the Panama defense forces, General Noriega, in violation of principles of democracy, in the country of Panama.

I am glad that there will be an overwhelming vote in this body in behalf of the underlying resolution offered by the Senator from Connecticut, the Senator from Minnesota, and others, which makes plain where we stand on the principles of democracy. It is not imperialism; it is not neocolonialism. When we support democracy, that is the very opposite of supporting colonialism or imperialism.

The **PRESIDING OFFICER.** The time of the Senator has expired. Who yields time?

The Senator from Connecticut is recognized.

Mr. **DODD.** Mr. President, how much time remains to the Senator from Connecticut?

The **PRESIDING OFFICER.** Nine and a half minutes.

Mr. **DODD.** I yield 5 minutes to the Senator from Washington.

The **PRESIDING OFFICER.** The Senator from Washington is recognized for 5 minutes.

Mr. **EVANS.** I probably shall not take 5 minutes.

Mr. President, much of what I said in argument on the resolution itself certainly applies to this amendment.

Let me add that I am frankly dismayed by the number of times we in this body end up doing the work of the Foreign Relations Committee on the floor of the Senate.

We fail to bring these resolutions, to work them out, to try to reach accommodation, to perfect them, to craft them in a way that has the maximum chance of total acceptance and agreement and the maximum chance of gaining support or listening to and trying to associate ourselves with the views of the administration.

Whatever administration it is, it is certainly true that the President of the United States has prime responsibility for American foreign policy. I think that puts an extra burden on us to go the extra mile, to try to ensure that what we do is consistent with that administration's foreign policy. It may be harder to say, given all the revelations of the last few months, all of the continuing hearings that are going on in the building across the street; but, nonetheless, the Constitution still tells us the same thing:

The President does have prime responsibility for foreign policy of the United States.

Certainly, it is important for the Senate to speak up just as it is important for the House to speak up. I just hope that we can do so in a way that will bring all three elements together. With these modest amendments we will be in closer concert with the House of Representatives and with the administration. I think that is a goal that is important to seek.

The Senator from California suggested that we needed to get as close to a unanimous vote as we could. That is easy to achieve by supporting overwhelmingly, maybe unanimously, this amendment which certainly carries with it virtually all of the thought and the element of the original proposal with modifications which I believe certainly will add to its effectiveness with the people we want to reach in Panama and certainly do so when they know that all three of these important bodies of American foreign policy are speaking with one voice.

We can turn it down, and we can speak with a separate voice and we can indulge ourselves in our own feelings, but, Mr. President, I do not think that that is what ultimately is going to help in the goal we all seek.

I do urge my colleagues to take another look, recognize that this is a strong specific speaking up on behalf of an independent investigation conducted utilizing all of the elements of Panamanian law. That is what we all seek. That is what we all want. That is what this says.

I think it is also important to say so that there is no question about as copies of this resolution are circulated in the streets of Panama City, as I hope they will be, that there is no question in the minds of people there that we do continue to be committed to and live up to the treaties and the international obligations we have.

I think there was a reference a little earlier to the fact that it is really neocolonialist for us to dictate or for us to interfere or for us to state or for us to interpret just how we should approach those from other countries, and, frankly, Mr. President, I take objection to that as a charge. There is no one in this body who is neocolonialist, none that I know of, and certainly this Senator is not. We are all trying to do the same thing, and that is to speak in a way which will be most effective in terms of bringing democracy and peace to the people of Panama.

I believe with this amendment coupled with the House of Representatives and the administration we will have done so.

The **PRESIDING OFFICER.** The Senator's time has expired.

Who yields time?

Mr. **DODD.** Mr. President, how much time remains on the side of the proponents?

The **PRESIDING OFFICER.** The Senator from Connecticut has 4½ minutes; the Senator from Minnesota 6½ minutes.

Mr. **DODD.** Mr. President, I will just take a minute or so.

Does my colleague from Massachusetts desire time?

Mr. **KERRY.** Mr. President, how much time remains on our side?

Mr. DURENBERGER. Six-and-a-half minutes on the part of the proponents.

Mr. KERRY. Will the Senator yield 2 minutes, or 3 minutes?

Mr. DURENBERGER. I yield 2 minutes to my colleague from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KERRY. Mr. President, I would like to say that I also reluctantly oppose my colleague who happens to chair the subcommittee on which we discussed this very matter. No one has put more time or energy into this issue. He took the time to go down to Panama and he has met with people, and I think where we really are is not so much the enormous difference of policy as we are on a judgmental difference, a difference of judgment about what is going to send the message.

I happen to serve as chairman of the Narcotics and Terrorism Subcommittee. I have been listening to testimony for the last 2 days that makes my head spin.

When I think back on the report of the State Department as well as various other information that we have had made available to us in the U.S. Senate, the notion that we would not ask Panamanian law to be applied to General Noriega and that we would pass a resolution that does not recognize the fundamental reason for the whole unrest that exists in Panama is incomprehensible to me.

General Noriega should not be allowed to continue, in the judgment of this Senator, and I think we ought to make a statement because not only is he injuring the people of Panama in ways that some may say we have less of a right to comment on, but General Noriega is as a matter of record involved in actions that are injuring the people of the United States because of the money laundering and the flow of narcotics to this country.

I think it would be irresponsible for us as Senators not to make it clear that that is something we are not going to stand for, and I think that is part of the message of this resolution.

Thank you, Mr. President.

The PRESIDING OFFICER. The Senator's time has expired.

Who yields time?

Mr. DODD. Mr. President, as I understand I have 4½ minutes remaining.

The PRESIDING OFFICER. Four minutes.

Mr. DODD. Four minutes.

Mr. President, I yield myself 2 minutes if I could.

Mr. President, again I appreciate the comments of my colleagues and I understand what they are saying here. They are telling me, while they agree at least in substance with what the language is here, it is going to fail. This is an awkward position to be in, to be offering something that Members agree with, but which is going to go down in flames.

I hope that will not be the case, but if it is, I guess we all bear a responsibility here as individuals to offer to our colleagues what we think is wise and sound judgment on this.

From time to time positions are offered that are uncomfortable ones. I know we have all had to vote on them. I have no desire to try to make colleagues uncomfortable with things, but I feel that what we have offered represents sound and good judgments that would be of help to our country and what we try to seek in other countries.

It is for that reason that I made these proposals, suggested them for the last week or so in the discussions, and come forward with this resolution in writing.

So, Mr. President, I ask for the yeas and nays on the amendment at this juncture.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. DODD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator's time is yielded back.

The Senator from Minnesota is recognized.

Mr. DURENBERGER. Thank you, Mr. President.

Let me conclude the opposition by suggesting that we have tried for quite a number of years around here to deal with policy relative to Panama. In particular, a resolution was 2 solid weeks in the crafting but the language is not new and the issues are not new.

We have been on this debate for a long, long period of time.

I still hope despite the fact that he has asked for the yeas and nays that somehow our colleague from Connecticut would make sure that his amendment does not go down in flames by not tossing the match. If he did not toss the match on the amendment it would not go down in flames.

I suggest it deserves to go down in flames not because our Senator from Connecticut or the colleague from the State of Washington do not have merit to the position that they bring to this particular amendment. But I think those of us who proposed it have worked on it very carefully, not only as to the message as to how they ought to get the message. We do not want to redebate the Panama Canal Treaties on the floor of the U.S. Senate and we feel very strongly, however, as in the Philippine situation, which I lived through intimately from day to day, that there should be no doubt in anyone's mind where the United States stands on this issue.

We will never craft the perfect language. We will never design the perfect message in this place.

But the message that is behind the particular resolution is more significant than the resolution itself. I think that is the message that says that this country stands for democracy and that democracy is at stake in Panama today, and I would suggest strongly to my colleagues that we defeat this amendment and go on to the unanimous passage of the resolution.

Mr. KENNEDY. Mr. President, since the Senator from Minnesota mentioned the Philippines, I remember that we debated a little over a year ago two resolutions relating to the Philippines, one about the election fraud and one congratulating Cory Aquino at that time on her election. And they were targeted on the issues of human rights and democracy. Neither of those resolutions mentioned the bases in the Philippines which were enormously important and significant to our security in the Pacific.

It seems to me that what we have done in the past, when we have targeted the resolutions on human rights and liberties, that is where the focus of the attention ought to be. And it ought to be clear, it ought to be crisp, and it ought to be clean. And I think that is what we attempted to do on this particular resolution.

Mr. DURENBERGER. I thank my colleague for those comments.

I yield back my time on the amendment.

The PRESIDING OFFICER. The Senator yields back his time. All time has been yielded back.

Mr. CRANSTON. Mr. President, I move to table the pending amendment.

The PRESIDING OFFICER. The question is on the motion to table the amendment.

Mr. DODD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. CRANSTON] to table the amendment of the Senator from Connecticut [Mr. DODD]. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

Mr. SIMPSON. I announce that the Senator from Rhode Island [Mr. Chafee], the Senator from Utah [Mr. Garn], the Senator from Nebraska [Mr. Karnes], the Senator from Idaho [Mr. McClure], and the Senator from Alaska [Mr. Stevens] are necessarily absent.

I also announce that the Senator from Indiana [Mr. Lugar] is absent on official business.

The PRESIDING OFFICER (Mr. Adams). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 13, as follows:

[Rollcall Vote No. 162 Leg.]

YEAS—73

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Humphrey
Kasten
Kennedy
Kerry
Leahy
Matsunaga
McCain
McConnell
Melcher
Mikulski
Moynihan
Murkowski
Nickles
Nunn
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—13

Dodd
Evans
Hollings
Kassebaum
Lautenberg
Levin
Metzenbaum
Mitchell
Packwood
Pell
Sanford
Sarbanes
Weicker

NOT VOTING—14

Biden
Bradley
Chafee
Chiles
Garn
Gore
Inouye
Johnston
Karnes
Lugar
McClure
Simon
Stevens
Wirth

So the motion was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PELL. Mr. President, the people of Panama are speaking out for democracy and the Senate can support their pleas today. The military has always been a fact of political life in Panama, but today, the military has become deeply involved in so many facets of Panamanian life that the evolution back to full democracy has been greatly hindered.

Events of the past 2 weeks, sparked by allegations of the former chief of staff of the Panamanian Defense Force against Commander in Chief Gen. Manuel Noriega and other military leaders have crystalized genuine bipartisan support among a vast spectrum of political, civic, business, and church groups in Panama for a return to full democracy and respect for human rights and justice.

The call of this broad coalition for a thorough and impartial investigation into the allegations regarding the role of members of the Panama Defense Force in the questioned election of 1984 and the death of government critical Hugo Spadafora is strongly supported by the people and deserves a positive response from the Government. It will help to calm the tense atmosphere that has already seen too much violence against individuals involved in the ongoing civic protests. The absence of a careful look into the charges will only serve to condemn Panama and its people to continual anguish and turmoil and a cycle of destabilizing discontent which could make the political future very uncertain.

I do not believe that it is necessary to remind my colleagues of the security and other important interests the United States has in Panama—the Panama Canal and the guaranties of the Panama Canal treaties which are the law of the land, being the most significant. This only deepens our hope that peace can be restored and democracy be strengthened.

Today, we can support the profound desire for democracy by the Panamanian people as expressed by groups such as the Panamanian Episcopal Conference which has called for a restoration of democratic guaranties, civilian supremacy over the military, and concrete steps toward free and fair elections.

I am confident that the people of Panama can work their way through this crisis and work toward the strengthening of democracy. This courageous effort deserves the overwhelming backing of a bipartisan Senate.

Mr. KERRY. Mr. President, this resolution is an important signal to the democratic forces in Panama that we will not abandon them during this time of national crisis in their country.

We are all well aware of the political crisis that has erupted following the publication, on June 7 of dramatic charges against Panama's top military commander, Gen. Manuel Antonio Noriega. These allegations were made by a former high ranking officer in the Panama Defense Forces.

Those of us who support this resolution are not prejudging the veracity of all the allegations made by Col. Roberto Diaz Herrera. However, the fact that these allegations triggered massive demonstrations and a nationwide strike in that country demonstrates that there have been serious problems in that country for some time. The Panamanian people are not prone to violence or challenging governmental authority in the manner they have over the past few days. What we have witnessed is the release of pent-up frustrations directed at a government in which the military continues to call all the shots.

These allegations, true or not, have led to calls for General Noriega's resignation by a broad-based coalition of more then 60 business, civic, professional, and church groups as well as political opposition leaders. The group called the civic crusade for Justice and Democracy was able to orchestrate a nationwide general strike in the Panamanian capital for more than a week.

Efforts to continue the strike last week failed when the banking community, concerned about the international market implications of the strike, and under pressure from the government, led the way in calling a halt to such activities. However, the civic crusade has called for the continuation of nonpayment of taxes by the Panamanian people and other forms of civil disobedience.

On June 10, after 4 days of rioting, strikes, and political violence, General Noriega responded by imposing a suspension of all constitutional rights including the civil and political rights of the Panamanian people. The declared state of emergency gives police broad authority to arrest and hold protestors and political figures without due process. In addition, the constitutional guarantees of free speech, assembly, right of private property and free transit also have been suspended.

Severe press censorship has been imposed by the government. One opposition newspaper, La Prensa, submitted material to the Ministry of Government and Justice, as required by the state of siege. The ministry in turn rejected 100 percent of the material submitted, including the comics. La Prensa is owned by 700 small stockholders. As a matter of fact, the publisher of La Prensa, Roberto Eisenmann, reported to me today that in yesterday's edition of his newspaper a story in which our colleague, Senator Dodd, called for democracy in Panama. The censors would not allow La Prensa to publish that reference.

Although the state of emergency was to last for only 10 days, this suspension of constitutional liberties and press censorship has now been extended indefinitely.

The Catholic Church has also played, and continues to play, an active role in the civic crusade. With the state of emergency in place, the churches have been the only outlet available to permit opponents of the government to meet as a group and to seek refuge from the repression of the government. The church has joined with the civic crusade in calling for the formation of an independent commission to investigate fully the death of Gen. Omar Torrijos, the murder of Dr. Hugo Spadafora, and the allegations of election fraud during the last presidential context. The church has taken on the responsibility for the protection of Colonel Diaz by dispatching priests to serve as guards at his home.

It should be pointed out that the church has joined with the civic crusade in issuing a communique which, among other things, calls for dismissal of General Noriega and other officers, until an independent investigation into these allegations has been conducted.

Mr. President, some may accuse us of intervention in the internal affairs of Panama. I have even heard it suggested that this resolution is neo-colonialist in thrust. However, as is the case with the Philippines, we have had a rather unique relationship with the Republic of Panama. We were responsible for its founding as an independent nation.

I think it is only natural that Democratic elements, with whom our Nation should identify and support, would turn to the U.S. Congress for assistance in their time of greatest need. I suggest that it is neo-colonialist for us to suggest that we know better than the Civic Crusade for Justice and Democracy as to what is best for Panama and the Panamanian people. Our failure to recognize the real problems in Panama and the real reasons for the current unrest can only lead to the inescapable conclusion that the United States places a higher priority on maintaining General Noriega in power, than we do in responding to the need for true democratization in that country.

There are some important parallels between Panama and the Philippines. In the Philippines we have two important bases vital to U.S. security interests in the Far East—Subic Bay Naval Base and Clark Air Force Base. The democratic opposition in the Philippines, in their frustration with living under a repressive and corrupt regime, became convinced that were it not for these bases the United States would have abandoned Ferdinand Marcos much earlier than we did.

The United States has vital interests in Panama. Not only is the Panama Canal important to U.S. economic and strategic interests, but Panama also serves as the headquarters for the Southern Command and a number of important military bases. It is logical for the democratic opposition to assume that U.S. Government is reluctant to offend General Noriega for fear of jeopardizing these interests.

I do not see how support for democracy and democratic forces throughout the world is a neo-colonial foreign policy. I believe it is a foreign policy which is in the best tradition of the United States. All too often we give lip service to our promotion of democracy at home and abroad. All too often, we abandon those who share our values and beliefs in democratic institutions for what we perceive to be more important short-term interests.

I accept the fact that it might be difficult for democratic forces in Panama to develop the cohesiveness necessary for bringing true civilian rule to that country. After 19 years of military dictatorship it is easy to understand the weakened state of these forces. That was the same argument made in the Philippines—that there was not a democratic alternative to Ferdinand Marcos since the democratic opposition was too fragmented and too weak. Just as was the case of the Philippines, the democratic opposition in Panama deserve a chance to prove they can get their act together. It is in our long-term interests in Panama to align oursleves with the forces of democracy, rather than, through our inaction, feeding the perception that it is U.S. policy to maintain General Noriega in power.

Mr. President, this administration is waging a war against Nicaragua in the name of promoting democracy in that country and elsewhere in the region. The contradiction of our policy in the region is not lost on the people of Panama. It appears that we only want democracy for those countries whose regimes we oppose, and not for those regimes whom we support.

In light of the unique historical ties we have had with Panama, it is inconceivable that our Government would be willing to crush the Democratic forces in that country by inaction. But that is exactly what we will be doing if we fail to pass this resolution. We are only strengthening General Noriega and the continuation of military rule in Panama, and in the process weakening further the Democratic opposition.

And finally, Mr. President, General Noriega is trying to rally Panamanian public opinion behind him by asserting there is a sinister motive associated with what we are doing. I am a strong supporter of the Panama Canal treaties. I believe the treaties and the implementing legislation passed by the Congress subsequent to the ratification process is the law of the land in our country. I believe we should implement the provisions and timetables for turning the canal over to full control of the Panamanians without hesitation.

It is not unusual for dictators to wrap their misdeeds in the flag of nationalism. I believe the majority of the Senators voting in support of this resolution are as committed to the continued implementation of the Panama Canal treaties as am I. Unfortunately, since General Noriega has imposed a severe censorship on the press in his country, he will attempt to prevent the Panamanian people from hearing the views of Senators, who support their aspirations for democratization and the maintenance of the integrity of the Panama Canal treaties.

I for one will resist strongly any effort to reverse or undo our treaty relationship with Panama. Equally, I will strongly pursue support for the Democratic forces and decmocracy in Panama. Both issues go hand in hand. We are obligated to carry out our treaty responsibilities, just as the powers that be in Panama are obligated to carry out their commitment to true democracy.

Mr. LEVIN. Mr. President, I will vote against this resolution in spite of the fact that I am deeply concerned about the reports of human rights violations and governmental corruption in Panama. However, I am also concerned that the absence of language in this resolution which reiterates our treaty commitments with Panama could be used by some powerful forces in Panama to attack our position and status there. The Dodd amendment, which I supported, would have made clear that we intend to abide by those treaty commitments. However, with the defeat of the Dodd amendment, the absence of the treaty commitment has been highlighted. That being the case, it would be better to pass no resolution rather than this imperfect resolution.

Mr. DODD. Mr. President, I ask unanimous consent that the yeas and nays that were ordered on the underlying amendment be vitiated.

The PRESIDING OFFICER. Is there objection?

Mr. CRANSTON. I object.

Mr. DODD. The underlying amendment.

Mr. CRANSTON. Right, the underlying amendment.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Connecticut has been granted recognition.

Mr. DODD. I have no request, Mr. President.

Mr. CRANSTON. Mr. President, I ask for the yeas and nays on the resolution which is now before us.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution of the Senator from Minnesota. The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden], the Senator from New Jersey [Mr. Bradley], the Senator from Florida [Mr. Chiles], the Senator from Tennessee [Mr. Gore], the Senator from Hawaii [Mr. Inouye], the Senator from Louisiana [Mr. Johnston], the Senator from Illinois [Mr. SIMON] and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea"

Mr. SIMPSON. I announce that the Senator from Rhode Island [Mr. CHAFEE], the Senator from Utah [Mr. GARN], the Senator from Nebraska [Mr. KARNES], the Senator from Idaho [Mr. MCCLURE] and the Senator from Alaska [Mr. STEVENS] are necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 84, nays 2, as follows:

[Rollcall Vote No. 163 Leg.]

YEAS—84

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NAYS—2

Dodd
Levin

NOT VOTING—14

Biden
Bradley
Chafee
Chiles
Garn
Gore
Inouye
Johnston
Karnes
Lugar
McClure
Simon
Stevens
Wirth

So the resolution (S. Res. 239) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 239

Whereas the Republic of Panama is a historic ally and friend of the United States;

Whereas the security and stability of the Republic of Panama is vital to the security of all states in the Western hemisphere;

Whereas over 9,000 American military personnel are currently stationed in Panama in a number of important military installations, including the headquarters of the Southern Command of the United States Armed Forces;

Whereas the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama and the United States, and the free world;

Whereas evolution toward genuine democracy with guarantees of freedom of speech, press, and assembly is in the best interest of the Republic of Panama and the people of the region;

Whereas genuine democracy, governmental respect for internationally-recognized human rights, and internal stability best guarantee the long-term security and econmic well-being of the Republic of Panama;

Whereas the executive, judicial, and legislative branches of the government of Panama are now under the influence and control of the Panama Defense Forces;

Whereas recent allegations concerning the role of members of the Panama Defense Forces and its commander in the murder of Doctor Hugo Spadafora, Panama's 1984 presidential election, involvement in international narcotics trafficking and money laundering, and corruption have resulted in spontaneous demonstrations on the part of the Panamanian people calling for a full and independent investigation of the conduct of those officials;

Whereas a broad coalition of church, professional, business, civic, and labor, and political groups have joined to call for an objective and thorough investigation into the allegations concerning senior members of the Panama Defense Force;

Whereas the recent suspension of constitutional guarantees by the government of Pamana has been accompanied by restrictions of the fundamental human rights of the Panamanian people, including censorship and closure of the independent media, hundreds of arrests without due process, and instances of excessive force;

Whereas the legitimate aspirations of the Panamanian people for democratically elected government and respect for internationally recognized human rights deserve to be addressed and cannot be thwarted indefinitely: Now, therefore, be it

Resolved, That

(a) The American people reaffirm our commitment to promoting the development of democracy in all the Americas.

(b) It is the sense of the Senate that—

(1) the government of Panama should respond to the points contained in the communique issued on June 17, 1987 by the Panamanian Episcopal Conference and should:

(a) restore suspended constitutional guarantees to the people of Panama;

(b) establish genuine autonomy for civilian authorities and seek the effective and progressive removal of the Panamanian Defense Forces from nonmilitary activities and institutions;

(c) provide for a public accounting of accusations leveled against certain authorities of the Panamanian Defense Forces;

(d) take specific steps to help assure the credibility of and confidence in free and fair elections;

(e) underscore a full commitment to the kind of political pluralism that is necessary to avoid a climate of violence, unrest, revenge or reprisal;

(2) the vital interests of the United States in securing authentic democracy in the Republic of Panama would best be served by the peaceful establishment of genuine democratic institutions in accordance with the Panamanian constitution, including the holding of free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, nonpolitical military establishment under civilian control;

(3) compliance with the internationally-recognized human rights, including freedom of speech, freedom of the press, freedom of assembly, respect for the due process of law, the restoration of political and civil rights, and the lifting of the current suspension of constitutional guarantees are essential preconditions to the restoration of democracy in Panama;

(4) consistent with the requests issued by the Panamanian Chamber of Commerce, Industry, and Agriculture, the Archdiocese of Panama, and the National Civic Crusade, an impartial and independent investigation into the allegations against senior Panamanian civilian and military officials should be conducted by an objective group of Panamanians with authority to publish their findings without delay or fear of reprisal;

(5) in accordance with the universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution and in response to the communique issued by the Civic Crusade for Justice and Democracy in Panama, the government of Panama should apply the provisions of the judicial code of Panama, Title 9, Chapter 2, Book 3, Article 2470 and direct the current commander of the Panama Defense Force and any other implicated officials to relinquish their duties pending the outcome of the independent investigation.

Mr. DURENBERGER. I move to reconsider the vote by which the resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DURENBERGER. Mr. President, let me briefly express my appreciation to the principal cosponors of this resolution and their staffs in particular who have spent 2 weeks on this effort. I think the vote on this resolution by such an overwhelming majority certainly sends a very clear and a very strong signal to the people of Panama and I think that we will all be grateful for the action that we took here today.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

The Senate continued with the consideration of the bill.

Mr. DURENBERGER. Mr. President, the previous action was on a sense of the Senate resolution, and I believe the pending business is my amendment relative to human rights in Panama?

The PRESIDING OFFICER. Yes. The pending question is the amendment of the Senator from Minnesota.

Mr. DURENBERGER. Have the yeas and nays been ordered on that amendment?

The PRESIDING OFFICER. They have been ordered.

Mr. DURENBERGER. Then, Mr. President, I ask unanimous consent that I might withdraw my amendment.

The PRESIDING OFFICER. Is there objection to the withdrawal of the amendment? Without objection, it is so ordered.

AMENDMENT NO. 334

(Purpose: To provide for the reliquidation of certain entries for which a refund of antidumping duties is to be made)

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I call up an amendment which I have at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Maryland [Ms. Mikulski] proposes an amendment numbered 334.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle B of title VIII of the bill, add the following:

SEC. . RELIQUIDATION OF CERTAIN ENTRIES AND REFUND OF ANTIDUMPING DUTIES.

(a) In General.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the entries listed in subsection (b) shall be reliquidated without liability of the importer of record for antidumping duties, and if any such duty has been paid, either through liquidation or compromise under section 617 of the Tariff Act of 1930 (19 U.S.C. 1617), refund thereof shall be made.

(b) Specific Entries.—The entries referred to in subsection (a) are as follows:

Entry Number:	Date of Entry:
144549	March 26, 1976
150297	April 27, 1976
152729	May 11, 1976
156068	May 26, 1976
161653	June 23, 1976
168759	July 30, 1976
173393	August 25, 1976
175173	September 3, 1976
178811	September 23, 1976
108842	November 18, 1976
113000	December 9, 1976
115229	December 21, 1976
120070	January 17, 1977
120908	January 20, 1977
121403	January 24, 1977
130005	March 10, 1977

Ms. MIKULSKI. Mr. President, this amendment would relieve a Baltimore customs broker of dumping duties unfairly assessed on him by the Customs Service.

These duties were assessed on this corporation as the importer of record for a German company on goods imported into the United States in 1976 and 1977.

At the time when the goods were imported, this corporation had no notice that the goods were subject to dumping duties. Had they had that notice, they would have been able to substitute the German company's bond for its own, thereby relieving itself of all potential liabilities.

In 1979, Congress passed legislation that says no importer of record could be assessed dumping duties unless they had notice that the goods they were importing were subject to duties.

Despite this legislative change requiring notice, the Customs Service assessed the corporation these duties in 1981. This assessment occurred 2 years after Congress changed the law and 4 years after the last shipment for which they were assessed duties.

Customs' actions in 1981 was the first time the corporation had notice that the goods it imported were subject to duties.

I offer my amendment for two reasons:

First, Congress required in 1979 that an importer of record have notice before it is assessed duties. Congress did so because to be able to assess penalties without such notice puts the American importer unfairly at risk. In assessing these duties against the Rukert Corp., Customs acted directly contrary to congressional intent.

Second, this gross inequity could seriously damage the corporation's ability to do business. They had no notice of their liability, yet now they are being penalized for their efforts.

The Customs Service has recognized this inequity by granting, at my request and that of Senator DeConcini, a 6-month delay in collecting these duties from the corporation in the hopes that a legislative remedy could be found.

I do not intend this amendment to set any sort of precedent with respect to any other customs brokers. After passage of the 1979 law, all importers of record should receive notice of their potential liability to be assessed dumping duties on entries that occur after 1979.

The amendment has no opposition and I urge my colleagues to adopt it.

Mr. SARBANES. Mr. President, I rise as a cosponsor and strong supporter of the amendment offered by my distinguished colleague from Maryland. I understand that the amendment is acceptable to the managers of the bill, and I want to express my appreciation to them for their understanding of the problem which the amendment addresses

In 1976 and 1977, Ruckert Marine Corp., an established and respected customs broker in Baltimore, served in that role for another company which wanted to import chemicals from Japan. Ruckert, however, was not informed that the chemicals were subject to an antidumping duty. As the customs broker, Ruckert was listed as the "importer of record" for the chemicals.

The U.S. Customs Service did not inform Ruckert until 1982 that the chemicals were subject to a $258,000 antidumping duty. A change in the antidumping duty laws in 1979 requires that antidumping duties be imposed with other duties when merchandise arrives in the United States. However, that change in the law does not apply to goods that arrived in the United States in 1976 and 1977. Further, under Customs regulations, brokers such as Ruckert who file initially as "importers of record" may substitute the company for which they are serving as broker as the true owners of the goods within 90 days of the original entry of the merchandise into the United States. However, since Ruckert was not informed of the antidumping duty until 6 years after the goods first entered the United States, it had no opportunity to do this.

Mr. President, in this case the Ruckert Corp. neither had fair notice of the duties on the goods for which it was serving as customs broker, nor fair opportunity to insert the name of the true owner of the goods as the importer of record as required by customs regulations. For these reasons, it is only fair that Ruckert not be subject to the very heavy antidumping duty that would otherwise be imposed upon it.

Mr. BENTSEN. Mr. President, the amendment by the Senator from Maryland refers to a customs broker who became the importer of record for some commodities that were going to another company. In this instance, Ruckert Marine did not itself benefit, nor was it the ultimate recipient of the product.

I think there is some equity in this case. My concern is that I do not want to see this set as a precedent, where you have a countervailing duty put in place and then have a constituent come here trying to get Congress to redress it. In this instance, I do not object to this particular amendment, as manager for the majority on the bill.

Ms. MIKULSKI. I thank the Senator for not objecting. I assure him that I do not see this as a precedent.

Mr. PACKWOOD. Mr. President, this is a good amendment, and it should be adopted.

The PRESIDING OFFICER. Is there further debate? If not, the question is on agreeing to the amendment of the Senator from Maryland.

The amendment (No. 334) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATSUNAGA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 336

(Purpose: To provide for expedited consideration of a bill to implement the Harmonized Commodity Description and Coding System for a new Tariff Schedule)

Mr. MATSUNAGA. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Hawaii [Mr. MATSUNAGA] proposes an amendment numbered 336.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle B of title IX of the bill, add the following:

SEC. . HARMONIZED COMMODITY DESCRIPTION AND CODING SYSTEM FOR A NEW TARIFF SCHEDULE

(a) FINDINGS.—The Congress finds that—

(1) the establishment of a uniform system of tariff classification among the major trading nations of the world will yield significant benefits to United States firms and individuals involved in international trade and will enhance the prospects for a more efficient operation of the world trading system; and

(2) implementation of the Harmonized Commodity Description and Coding System by the United States on the internationally set target date of January 1, 1988, is a highly desirable goal and should be achieved by Congressional approval of the Harmonized System Convention and its implementing legislation at the earliest possible date.

(b) CONVENTION IMPLEMENTING BILL.—For purposes of this section, the term "Convention implementing bill" means a bill of either House of the Congress—

(1) with respect to which the requirements of subsection (c) have been met, and

(2) which is limited to provisions that—

(A) approve the International Convention on the Harmonized Commodity Description and Coding System done at Brussels on June 14, 1983, and the Protocol to such Convention done at Brussels on June 24, 1986,

(B) implement such Convention and Protocol, and

(C) make any necessary conforming changes in Federal laws.

(c) REQUIREMENTS.—

(1) The requirements of this subsection are met with respect to a bill if—

(A) the President has consulted with the Congress in accordance with paragraph (2),

(B) the President has, before the date that is 15 days after the date of enactment of this Act—

(i) notified the Congress of the intention of the President to submit to the Congress a draft of a bill that would approve and implement the convention and protocol described in subsection (b)(2)(A), and

(ii) published notice of such intention in the Federal Register, and

(C) the President has, before the date that is 30 days after the date on which notice is provided to the Congress under subparagraph (B), transmitted a document to the Congress containing a copy of the final legal text of the convention and protocol described in subsection (b)(2)(A), together with—

(i) a draft of the bill,

(ii) a statement of any administrative action proposed to implement such convention and protocol,

(iii) an explanation as to how the bill and proposed administrative action change or affect existing law, and

(iv) a statement of the reasons as to why the bill and proposed administrative action is required or appropriate to carry out such convention and protocol.

(2) As soon as practicable after the date of enactment of this Act, but before the date on which the document is submitted to the Congress under paragraph (1)(C), the President shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate with respect to the convention and protocol described in subsection (b)(2)(A). Such consultation shall include all matters relating to the implementation of such convention and protocol.

(d) EXPEDITED CONGRESSIONAL CONSIDERATION.—

(1) Any draft of a Convention implementing bill which is submitted by the President to the Congress under subsection (c)(1)(C)(i) and with respect to which the requirements of subsection (c) have been met shall be introduced by the majority leader of each House of the Congress (by request) on the first day on which such House is in session after the date such draft is submitted to the Congress.

(2) Any Convention implementing bill introduced in the House of Representatives shall be referred to the Committee on Ways and Means and any Convention implementing bill introduced in the Senate shall be referred to the Committee on Finance.

(3) Any Convention implementing bill introduced in a House of the Congress under paragraph (1) shall be treated as an implementing revenue bill for purposes of subsections (d), (e), (f), and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191), but in applying such subsections with respect to a Convention implementing bill, the term "10th day" shall be substituted for the term "45th day" and for the term "15th day" each place such terms appear in such subsections.

(4) This subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules, and

(B) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

Mr. MATSUNAGA. Mr. President, the amendment I offer would allow the Congress to consider approval and implementation of the International Convention on the Harmonized Commodity Description and Coding System on a fast-track basis.

Many of my colleagues may not be familiar with the harmonized system. The Harmonized Commodity Description and Coding System is an international produce and commodity nomenclature developed in the Customs Cooperation Council. The United States has been a full participant in the process of developing this uniform nomenclature since 1975, as mandated by section 608 of the Trade Act of 1974.

Once the harmonized system is in place, for the first time in world history there will be a uniform tariff classification system in place among all of the world's major trading nations. The adoption of a uniform system will yield significant benefits to companies involved in international trade. Recordkeeping will be simplified, tracking goods between countries will become easier, and compliance with restrictions on imports, such as licensing requirements, will become more certain. The harmonized system is scheduled to become effective on January 1, 1988 and is expected to be put into use in more then 40 countries on that date. I should emphasize that the conversion to the harmonized system has been designed to be as trade neutral as possible. That is, the administration has attempted to keep rates of duties on imports unchanged.

This amendment to the omnibus trade bill will allow the administration to submit the harmonized system convention as a trade agreement eligible for special fast-track consideration and approval by the Congress. Under present law, the convention is not eligible for such fast-track consideration. As I have noted earlier, a critical element in considering the harmonized system is timing. All of the major nations involved in negotiating the convention have set January 1, 1988 as the target date for conversion to the new uniform tariff classification system. Under a regular fast-track procedure such as adopted in the House trade bill, approval of the harmonized system convention would probably require 150 days or nearly 5 months. Such a timeframe would necessarily result in the United States not achieving the goal of joining the other major trading nations in implementing the harmonized system on January 1, 1988.

In order to allow the United States to remain in step with the rest of the world, and to allow American concerns involved in international trade to benefit as early as possible from this new system, I am offering an amendment that will allow the harmonized system to be considered on an expedited fast-track basis by the Congress. Under this amendment, the same procedure as a normal fast-track trade agreement will be followed. However, in an attempt to ensure that the system can be in place by January 1, 1988, the procedure is telescoped into roughly a 2-month consideration by the Congress.

I feel comfortable in offering my amendment for a number of reasons. First, negotiation of the conversion from the present tariff schedule of the

United States to the harmonized system has been underway since 1981. Because of the length of the negotiation and the extensive consultations that the U.S. trade representative has conducted with the private sector, I believe that there will be few, if any hidden problems in the conversion. There have been numerous public hearings and periods for public comment during the last 6 years. A draft conversion of the tariff schedule to the harmonized system has been available since June 1983.

A second reason I am comfortable with this approach is that on April 27, the International Trade Subcommittee, which I chair, conducted a public hearing on the harmonized system. From a broad range of private sector witnesses with an interest in international trade, there was virtual unanimity of opinion on the desirability of the United States implementing the harmonized system. The primary concern of the witnesses was that the Congress adopt the convention as soon as possible. Rapid implementation is necessary because of the substantial investment in time, training and database modification that must be made in advance by the Customs Service, customs brokers, and private business in order to be prepared to carry out the new system on January 1, 1988.

Mr. President, any problems that might exist in the conversion to the new tariff nomenclature system have likely already been uncovered because of the extensive private sector participation in this long process. I believe that there is little danger in reducing the time period for fast track consideration of this agreement. I note that although the House adopted a regular fast-track for this agreement, at the time the House considered the convention, the administration had not quite completed the last phase of its negotiations in Geneva. It is my understanding that if the House had the benefit of the documentation that is now available from the administration, including the final text of the convention, it is likely they would have proceeded with a more expeditious approach, authorizing the President to implement directly the harmonized system in their trade bill. Given that the administration has favored such direct implementation by providing the President with authority to proclaim the new tariff schedule, my amendment offers a middle path for its implementation between the administration approach and that in the House bill.

I believe that it is essential that we include a provision in the Senate trade bill that will address this critical issue for Americans involved in international trade. The amendment I offer will allow the Congress to exercise its authority to approve this trade agreement and implementing legislation in a thorough fashion. I urge my colleagues to join me in supporting this amendment.

As I understand it both the majority and minority have agreed to accept the amendment.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, I congratulate Senator MATSUNAGA and Senator PACKWOOD for their efforts to get us a harmonized tariff system.

It is terribly important to us and to our allies that we have that.

One question about it is the question of how to do the implementation, and here we are suggesting doing it on the fast track. I think that is a good proposal, and I think it will give the Congress the opportunity to see that the harmonized system is put in effect at an early date.

I certainly urge the adoption of the amendment.

Mr. PACKWOOD. Mr. President, the Senator from Hawaii has done his usual thoroguh job in this case on the harmonized tariff schedule.

I urge the adoption of his amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from Hawaii.

So the amendment (No. 336) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. MATSUNAGA. Mr. President, I wish to thank the distinguished chairman of the Finance Committee and the distinguished minority leader of that committee for their support. It shows great wisdom on their part.

The PRESIDING OFFICER. The Senator from New Hampshire.

AMENDMENT NO. 338

(Purpose: To authorize the President to prohibit trade between the United States and the regime in Afghanistan that is sponsored by the Soviet Union)

Mr. HUMPHREY. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. HUMPHREY] for himself and Mr. PROXMIRE proposes an amendment numbered 338.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . TRADE WITH AFGHANISTAN.

(a) AUTHORIZATION TO PROHIBIT IMPORTS.

(1) Notwithstanding any other provision of law, the President is authorized to prohibit the importation into the United States of all products of Afghanistan after the date of enactment of this Act.

(2) For purposes of this subsection, the term "product of Afghanistan" means any article which—

(A) is grown, produced, or manufactured in Afghanistan, and

(B) is exported by—

(i) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or

(ii) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

(b) AUTHORIZATION TO PROHIBIT EXPORTS.—Notwithstanding any other provision of law, the President is authorized to prohibit the exportation of any goods or technology from the United States for the benefit of, or use by—

(1) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or

(2) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

(c) REPORT TO CONGRESS.—If the President has not, before the date that is 45 days after the date of enactment of this Act, taken actions under this section to prohibit trade between the United States and the Democratic Republic of Afghanistan, a regime that is sponsored by the Union of Soviet Socialist Republics, the President shall submit to the Congress on such date a report which states the reasons why the President has not taken actions to prohibit such trade.

Mr. HUMPHREY. Mr. President, our Government should not permit trade with a regime actively participating in the genocide of its own people.

At this hour I am presenting an amendment that will authorize the President to prohibit trade between the United States and the Soviet puppet regime in Afghanistan, a regime with a thoroughly documented record of crimes against its own people.

More than 7 years have passed since troops of the Soviet Union poured into Afghanistan and installed a puppet regime in Kabul. The list of documented atrocities sanctioned by that regime is endless. The United Nations, Helsinki Watch, Amnesty International, and recently a team of international lawyers, have compiled hundreds of pages of testimony on the horrifying disregard for human rights in Afghanistan.

With the help of 120,000 Soviet troops, the Kabul puppets have been directly responsible for the deaths of more than 1 million people—most of them noncombattants, including women, children, and the elderly. To give the Senate some sense of proportion, that equates to 16 million dead Americans. The Kabul regime is directly responsible for the largest refugee population in the world—over 5 million people—one-third of Afghanistan's population before the Soviet invasion. Again, translating that proportionately, it equates to 80 million Americans driven into foreign exile.

So enormous are the crimes committed by the puppet regime in Kabul that the United Nations has described the condition of human rights in Afghanistan as: "A situation approaching genocide." Last year, the Congress, in Public Law 99-399, expressed concern that Soviet policies in Afghanistan may constitute the crime of genocide.

In March, President Reagan accurately described the Kabul regime as "weak and illegitimate." Yet, the United States continues to grant legitimacy to that criminal regime by maintaining a trade relationship. Though there are restrictions on the sale of certain strategic items, the State Department informs me that: "Trade in and of itself between the United States and Afghanistan is not prohibited."

Indeed, it is not.

In fact, trade is on the rise between the United States and Afghanistan. Last year, the volume of United States exports to Afghanistan more than doubled over the volume of exports the previous year. The items included aircraft parts, small engine parts, cigarettes, and some domestic items such as used clothing and soaps.

Stated simply, the same regime that is participating in the genocide of its own people, has access to American markets for the purchase of certain goods.

My amendment would authorize the President to prohibit all trade between the United States and the Soviet puppet regime in Kabul. This amendment is similar to legislation that I introduced on April 10, 1987. At that time, I was joined by Senators PROXMIRE, BYRD, DOLE and 19 other Senators. Now, that legislation—S. 1027—has the bipartisan support of 31 Senators.

My proposal is consistent with our trade policy toward other States whose human rights abuses are an anathema to civilized nations. The United States prohibits trade with Cuba, Nicaragua, Vietnam, North Korea, and Kampuchea. We are long overdue in adding Afghanistan to that list. As my distinguished colleague from Wisconsin, Senator PROXMIRE, indicated upon the introduction of this legislation: "While in the past some Members of this body have expressed doubts over the need to cut off trade with Nicaragua, North Korea, and Cuba, this case is crystal clear."

Mr. President, in an annual statement marking the seventh anniversary of the brutal Soviet invasion of Afghanistan, Deputy Secretary of State Whitehead stated: "It is clear that only steadily increasing pressure on all fronts—military, political, diplomatic—will induce the Soviets to make the political decision to negotiate the withdrawal of their forces * * * we must keep up the effort."

Unfortunately, that is just more hot air from the State Department. In fact, if the United States is serious about "steadily increasing pressure," it is the Congress, and not the State Department, which must take the lead. For instance, Senators may recall that the United States continued to extend most-favored-nation trading status to Afghanistan until it was rescinded last year, pursuant to legislation that was unanimously adopted by this body.

The time has come for the Senate to act again. As the crisis in Afghanistan worsens, we must send a strong message that this Nation will not cooperate in any fashion with a regime participating in the genocide of its own people.

I have requested the administration's views on this legislation. The administration has no substantive opposition to this amendment. They have provided suggestions on improving the text of the original legislation. Those suggestions have been incorporated into this amendment.

Mr. President, this amendment provides the Senate with an opportunity to match our Government's inspiring rhetoric with substantive action. In the spirit of the overwhelming bipartisan support that the Afghanistan issue enjoys in Congress, and the bipartisan support that this initiative enjoys, I hope that it will be unanimously adopted.

I ask unanimous consent that an editorial on this legislation that appeared in the New York Post on June 9, 1987, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Post, June 9, 1987]

FREE SOVIET-OCCUPIED AFGHANISTAN

While America's attention has been focused on events closer to home, terrible things have been happening in a small country half a world away.

The bloodshed in Afghanistan continues. Moscow and its Kabul puppets have been using the Afghanistan peace talks now taking place in Geneva as a cloak for heavy increases in attacks on civilians, particularly refugees in camps on the Pakistan border. The goal is to persuade Pakistan to close its border to refugees, and to cease supporting the Mujihadeen freedom fighters.

State Dept. figures show that during the first five months of this year, the Soviet-controlled Afghan Air Force killed 342 refugees and wounded 502 in raids on the camps. This compares with a combined 1985 and 1986 casualty toll of 69 dead and 167 wounded.

Pakistan—which has been representing the interests of the Mujihadeen at those Geneva talks—has, in protest at the intensified bombing, suspended its participation. But Washington has remained curiously silent.

And beyond supplying small quantities of arms to the Mujihadeen, the U.S. has done little to discourage the Soviets and their Afghan puppets from stepping up the war.

The administration recognizes the Kabul regime as the legitimate government of Afghanistan and permits U.S. companies to trade freely with the area of the country under Communist control. Indeed, U.S. trade with Afghanistan is on the rise—from $3.4 million in 1985 to $7.3 in the first 11 months of last year. This may seem like small stuff, but Afghanistan, let's remember, is a small country.

Moreover, the nature of the trade is decidedly disturbing: spare aircraft parts, automobile pumps and radio equipment, among other items. Not war material per se, but very much the sorts of things useful in fighting a war.

Washington has also failed to insist on the direct participation of the Mujihadeen in the Geneva negotiations.

It's high time that all this changed. It's high time America started taking the plight of the Afghan people seriously. It's high time the U.S. began to give their fight for freedom some real help.

Sen. Gordon Humphrey (R-N.H.) and 28 co-sponsors have introduced a bill banning all trade with Kabul—this would place the Afghan Communists in the same category as the governments of Nicaragua, Cambodia, Cuba, Vietnam and North Korea.

Humphrey's bill deserves support. It must be complemented by a clear statement from the administration putting the blame for the bloodshed in Afghanistan right where it most belongs—at Mikhail Gorbachev's doorstep.

Mr. HUMPHREY. Mr. President, this amendment is supported by the administration. I ask unanimous consent to print in the RECORD at this point a letter from the State Department indicating support for the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF STATE,
Washington, DC, June 26, 1987.

Hon. GORDON J. HUMPHREY,
United States Senate.

DEAR SENATOR HUMPHREY: The Administration supports your recent draft legislation authorizing the President to prohibit trade between the United States and Afghanistan.

The Office of Management and Budget has advised that from the standpoint of the Administration's program, there is no objection to the submission of this letter.

Sincerely,

LOUISE R. HOPPE,
Acting Assistant Secretary, Legislative and Intergovernmental Affairs

Mr. HUMPHREY. Mr. President, I have discussed the amendment with the distinguished floor managers who are prepared to accept it.

Mr. BENTSEN. Mr. President, will the Senator yield for a question on that?

Mr. HUMPHREY. I am happy to yield.

Mr. BENTSEN. As I understand it, what it will ban, I believe, is trade with the government itself; is that not correct?

Mr. HUMPHREY. It would ban——

Mr. BENTSEN. Products.

Mr. HUMPHREY. I do not know if the government engages in trade directly.

Mr. BENTSEN. As I read it, it says.

> (2) For purposes of this subsection, the term "product of Afghanistan" means any article which—
>
> (A) is grown, produced, or manufactured in Afghanistan, and
>
> (B) is exported by—
>
> (i) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or
>
> (ii) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

So it is a government or political party, as it reads.

Mr. HUMPHREY. The intent as formulated and as supported, indeed formulated according to the wishes of the administration, that is to say we modified our amendment to comport with the administration request, the intent and the understanding is to cut off all trade between the United States and Afghanistan while the government of that country is a puppet of the Soviet Union. That is the intent and that is the understanding.

Mr. BENTSEN. As I read it, it prohibits the exportation of any goods or technology from the United States for the benefit of or the use by, and then it gets again to the Government of the Democratic Republic of Afghanistan or any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

Again, in each instance, it is using a government agency and that is what it is referring to specifically.

With that in mind, I have no objection to it.

Mr. BYRD. Mr. President, may we have a reading of the amendment? It is short.

Mr. HUMPHREY. Of course.

The PRESIDING OFFICER. It is requested that the amendment be read. The amendment will be retrieved and read.

The amendment is being copied at this time for distribution for Members.

The clerk will read the amendment.

The assistant legislative clerk read the amendment.

Mr. BENTSEN. Mr. President, it would seem to me that is what the Senator is trying to accomplish is to stop the technology transfer to the Government of Afghanistan. This would not in any way prohibit any trade aid, for example, by the same token.

Mr. HUMPHREY. That is correct.

Mr. BENTSEN. The Senator does not want to accept their exports. If that is the intent I have no objection.

Mr. HUMPHREY. I want to be sure that the legislative history is clear on this, Mr. President. The intent is here and I believe the legislation is worded to reflect that intent.

The intent is to cut off trade between the United States and Afghanistan. It is not just the matter of cutting off the floor of technology of the regime in Afghanistan. That is a very minor part. Indeed, the trade in dollar figures is very minor in the international context, but it is the symbolism that is important here.

The United States should not be permitting trade between itself and any nation which is cooperating in the genocide of its own people. We prohibit trade with Cuba, with Cambodia, with Vietnam, and other nations which are regarded by civilized nations as anathema. The intent here is to categorize the Afghanistan as anathema in the same sense the other governments are. It cuts off all trade in both directions.

Mr. BENTSEN. It does not read to cut off all trade in both directions. It talks specifically of all products of Afghanistan, then goes on to explain what all products of Afghanistan relates to. And it says it means any article, any product of any article which is grown, produced, or manufactured in Afghanistan and is exported by the so-called Democratic Republic of Afghanistan and any political party, faction, or regime in Afghanistan.

Mr. HUMPHREY. I would assume, in a government of that type, oppressive government of that kind, there are no exports which are not sanctioned by the government itself.

But, in any event, I have the impression that the Senator from Texas supported the concept, but he is trying to draw a distinction that would permit some trade and disallow other trade. That certainly is not my intent.

Mr. BENTSEN. You better redraft your amendment, because that is what it says. If you want to deal with the Mujahidin you can do that. I would not think you would want to cut that off from your point of view.

Mr. HUMPHREY. Indeed not.

Mr. BENTSEN. You have done what I think you want to do, but we ought to understand what it does.

Mr. HUMPHREY. I do not agree with the Senator if he suggests the present language would preclude trade with the Mujahidin.

Mr. BENTSEN. I did not say that. I said you do not want to cut that off. You have used the term that you stop all trade and you have not, if you read your amendment.

Mr. HUMPHREY. Well, we qualify that, as the Senator noted himself. We qualify it by saying that all products mean any article grown, produced, or manufactured in Afghanistan, is exported by the so-called Democratic Republic of Afghanistan.

Mr. BENTSEN. I say to the Senator, I think his amendment means what it says. And with that in mind, I am ready to accept it.

Mr. HUMPHREY. If the Senator sees an unfortunate loophole, I certainly want to close it, because it is my intent to close off completely all trade between the United States and Afghanistan, or at least that part of it which is dominated by this government called the PDPA.

Mr. PACKWOOD. Mr. President, I actually think we are going in circles. I think everbody agrees that the Senator from New Hampshire wants to cut off trade with that portion of government controlled by the Soviet Union, but not the freedom fighters. I think that is what his amendment says and I think that is what Senator BENTSEN says it says. I agree, and the administration supports the amendment as drafted.

Mr. BENTSEN. That is right. His problem is he keeps going beyond that and I do not think he really means it. I am prepared to accept the amendmemt as it is stated.

Mr. HUMPHREY. Mr. President, first of all, let me ask for the yeas and nays on the amendment.

The PRESIDING OFFICER (Mr. KERRY). Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the distinguished Republican leader, Mr. DOLE, be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, before we go to a vote, I want to be sure that there is no misunderstanding, because we can be certain if there is any latitude for playing games the State Department will play games. And I do not want any latitude for such game playing. I want all trade cut off. So if the Senator thinks I have left a loophole here, I would like to correct it.

Mr. BYRD. Mr. President, I share some of the concern that has been expressed by the distinguished manager, because of paragraph No. 1. I realize that it goes on in subsequent paragraphs to define what is meant by "products of Afghanistan."

But, why not tighten up the language in paragraph No. 1 so that there is no doubt, no reason for doubt.

Paragraph No. 1 says:

> Notwithstanding any other provision of law, the President is authorized to prohibit the importation into the United States of all products of Afghanistan after the date of enactment of this act.

I realize that we go on to define the term "product of Afghanistan," but that says "means any article which is grown, produced, or manufactured in Afghanistan."

So, up to that point, it can be grown, it can be produced, it can be manufactured by the Mujeheddim.

Mr. HUMPHREY. Yes.

Mr. BYRD. I realize we have the conjunction "and is exported by" and then the subsequent paragraphs constitute the language that the distinguished author relies upon to clarify the definition.

But it seems to me we could further clarify that, the previous verbiage, and I would hope the Senator would do that.

Mr. HUMPHREY. Does the Senator have a specific suggestion? I would be glad to do that, because I want this to be airtight; more than that, I want it to be State Department-tight, if you will.

I will be happy to amend it and I would be happy to have a suggestion from the Senator if he has a specific proposal in that regard.

Mr. BYRD. Well, I could probably suggest something, but I would suggest to the author that he work with me and with others in trying to find something.

Mr. HUMPHREY. I would be happy to do so.

Mr. BYRD. I will be happy to have him work the matter out, but I am a little concerned.

Mr. President, there is nobody in here who has been a stronger supporter of the freedom fighers in Afghanistan than has this Senator. I have offered resolutions from time to time. I have supported resolutions that have been offered by the distinguished Senator from New Hampshire and I have lauded him.

But if questions can be raised on this floor now, questions may be raised later.

Mr. HUMPHREY. Yes; quite so.

Mr. BYRD. It seems to me we ought to try as best we can to word the resolution so that those questions which may be raised later will not arise.

Mr. BENTSEN. Mr. President, with that in mind, would the Senator consider withdrawing it for the moment?

Mr. HUMPHREY. I would rather we sought unanimous consent to lay it aside. I recognize I would have to withdraw the yeas and nays to modify it ultimately, but just lay it aside, assuming that it would be the next amendment.

Mr. BYRD. You do not have to stipulate that. If you lay it aside, it automatically comes back.

Mr. HUMPHREY. I ask unanimous consent, Mr. President, that the amendment be laid aside.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

Mr. BENTSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 331

(Purpose: To deny trade benefits to countries that repeatedly support acts of international terrorism)

Mr. BENTSEN. Mr. President, earlier in the day I called up my antiterrorism amendment and suggested at that time its consideration. There was some question as to its acceptance on the other side of the aisle. That has been clarified. This is one that deals with most-favored-nation status for Syria, for Libya, and for Iran. And, so long as they are on the list of terrorist-supporting nations, as so designated by the Secretary of State, they should not have the benefits of the most-favored-nation status. I urge the adoption of the amendment.

Mr. PACKWOOD. Mr. President, there was a slight glitch in the amendment that had caused on our side an objection earlier in the day. That has been removed. We have no objection. We think it is a fine amendment.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mr. BENTSEN] proposes an amendment numbered 331.

Mr. BENTSEN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . DENIAL OF TRADE BENEFITS TO COUNTRIES SUPPORTING ACTS OF TERRORISM.

(a) IDENTIFICATION.—(1) The Secretary of State shall identify each foreign country that repeatedly provides support for acts of international terrorism and shall publish such identification in the Federal Register. Such identification shall remain in effect until a determination is made with respect to such country under paragraph (2).

(2) If the Secretary of State determines that a foreign country identified under paragraph (1) has ceased to provide support for acts of international terrorism, the Secretary of State shall publish such determination in the Federal Register.

(3) By no later than February 15 of 1988, and of each calendar year thereafter, the Secretary of State shall submit to the Congress a list of the names of each foreign country with respect to which an identification under paragraph (1) is in effect.

(b) DENIAL OF TRADE BENEFITS.—Notwithstanding any other provision of law, if a foreign country is identified under subsection (a)(1)—

(1) the President shall terminate, withdraw, or suspend any portion of any trade agreement or treaty that relates to the provision of nondiscriminatory (most-favored-nation) trade treatment to such country,

(2) such country shall be denied nondiscriminatory (most-favored-nation) trade treatment by the United States and the products of such country shall be subject to the rates of duty set forth in column number 2 of the Tariff Schedules of the United States,

(3) the provisions of title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.) shall not apply with respect to the products of such country, and

(4) the provisions of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701, et seq.) shall not apply with respect to the products of such country,

during the period in which such identification is in effect.

(c) WAIVERS.—(1) The President may waive all, or any portion of, the provisions of subsection (b) with respect to any foreign country if the President determines that such a waiver would be in the best interests of the United States. The President shall submit to the Congress written notice of any waiver granted under this paragraph.

(2) Any waiver granted under paragraph (1) may be revoked by the President at any time.

(3)(A) Any waiver granted under paragraph (1) shall take effect only after the close of the 30-day period that begins on the date on which the President submits to the Congress written notice of such waiver.

(B) The following days shall be excluded in determining the 30-day period described in subparagraph (A):

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

Mr. BENTSEN. Mr. President, I ask unanimous consent that Senators CHILES, DURENBERGER, METZENBAUM, HATCH, PRYOR, DECONCINI, ROTH, MCCONNELL, THURMOND, JOHNSTON, EXON, MURKOWSKI, and DOLE be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I am pleased to join as a cosponsor of this amendment, and I commend the Senator from Texas for taking the leadership on this issue.

Every Senator, and every thinking American, agrees that terrorism is one of the most serious challenges which faces this Nation and this world. And we all know, sadly, that certain nations—Libya and Iran among others—have actively aided and abetted international terrorists in carrying out their bloody acts.

What is less known is that, both in law and in practice, the United States is conducting trading relations with some of these countries on a "business as usual" basis. For each of the past several years, for example, the United States has imported a half billion dollars of Iranian oil. Think about that. We have provided Iran a half billion dollars, to carry on its reckless war against Iraq and to fund terrorist operations in Lebanon and around the world.

Isn't it time to end what, were it not so tragic, could properly be called "nonsense?" Isn't it time to make clear to terrorist nations that there will be no more "business as usual" until they cease, once and for all, their support for terrorism?

This is an excellent first step in making sure that we are doing the right thing, and sending the right message, on this issue. Simultaneously, by providing a Presidential waiver provision, it leaves with the President sufficient flexibility to apply our policies in a way best calculated to turn countries away from support for terrorism.

Mr. President, again, I commend the Senator from Texas for crafting this amendment. And I urge all of my colleagues to join me in cosponsoring and voting for it.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 331) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATSUNAGA addressed the Chair.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. MATSUNAGA. I send an amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The Chair informs the Senator from Hawaii that the pending business now is the Humphrey amendment, unless there is unanimous consent.

Mr. MATSUNAGA. I ask unanimous consent that the Humphrey amendment be temporarily set aside.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 339

(Purpose: To fund 2 additional positions in the office of the United States Trade Representative)

Mr. MATSUNAGA. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Hawaii [Mr. MATSUNAGA] proposes an amendment numbered 339.

Mr. MATSUNAGA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In section 703 of the bill—

(1) strike out "$15,248,000" and insert in lieu thereof "$15,348,000", and

(2) strike out paragraph (2) and insert in lieu thereof the following:

(2) by adding at the end thereof the following new sentence: "Of the amounts appropriated under the authority of this paragraph for fiscal year 1988—

"(A) $1,000,000 shall remain available until expended, and

"(B) $100,000 shall be used to fund a full-time position for a Deputy Director of Japanese Affairs and a full-time position for a Director of Chinese Affairs.".

Mr. MATSUNAGA. Mr. President, recently, the only officer at USTR working full-time on our trade relations with China was on loan from another agency. He recently left USTR because of USTR's lack of funds to pay for a Director of Chinese Affairs out of its own budget. Given this lack of funds, the Director for Chinese Affairs left USTR for other employment. At present, USTR has no full time officer working on Chinese trade issues.

With regard to Japanese trade, Mr. President, USTR currently has one assistant USTR in charge of Japan and China and one individual who is Director for Japanese Affairs. The only other assistants in that office are student interns. If the United States is serious about improving our trading relations with important trading partners like Japan, we need to start by putting the necessary manpower resources in place. There is no reason why our top trade policy agency has inadequate manpower resources in areas that are of critical interest to the Nation. Given the amount of resources that Japan is willing to devote to promoting its trade efforts with the United States, this addition to the budget authorization is little more than a first step to building the kind of resource base we need. For example, it is my understanding that the Japan External Trade Organization, which promotes Japanese exports, spends about the equivalent amount on its United States export promotion activities as does the United States Trade Representative on its entire budget.

Mr. President, my amendment proposes a minor addition of $100,000 to the budget authorization for the Office of the U.S. Trade Representative. If the United States is to have effective trade policymaking machinery, we must allocate the necessary funds to do so. The positions to be funded are Director for Chinese Affairs and Deputy Director for Japanese Affairs.

The amount of funds involved in this amendment are minimal. However, I believe that it signifies the kind of commitment we need to make to improve our personnel resources devoted to trade. I therefore move the adoption of my amendment.

The PRESIDING OFFICER. Is there further debate? The Senator from Texas is recognized.

Mr. BENTSEN. We have examined this and it is a good proposal and we support it.

Mr. PACKWOOD. I agree, Mr. President.

The PRESIDING OFFICER. Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 339) was agreed to.

Mr. PACKWOOD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MATSUNAGA. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MATSUNAGA. I thank the Chairman and ranking minority member, again, for their courtesy.

Mr. BENTSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I would like the Senate to continue work on this bill this evening until 8 or 9 o'clock if we can continue to make progress. I think some Senators may be under the impression that the amendments to other titles cannot be called up at this time. But this bill is open to amendment at any point. Any of these titles are subject to amendments being called up right now.

I would urge that this is a good time for Senators to come over and to call up their amendments. The managers are both here, and I do not think it is quite fair to expect them to sit here and wait on amendments and have Senators not come and call up amendments.

Let me say for the record how many amendments there are that are possible amendments and have been listed as such.

Concerning possible amendments to the Finance Committee titles, I have listed 42 amendments. Several of those amendments have been disposed of.

Listed under the Banking Committee titles, three amendments.

Banking and Foreign Relations Committee, six amendments.

Foreign Relations Committee, four amendments.

Agriculture Committee, one amendment.

Labor Committee, three amendments.

Governmental Affairs Committee, one amendment.

Commerce Committee, one amendment.

Other amendments, 37.

Mr. President, there are quite a number of Senators who know what is in this bill and in these titles and who have amendments that are listed. So I would urge that Senators be prepared to call up further amendments this evening.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 338

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the yeas and nays on the pending amendment be vitiated.

The PRESIDING OFFICER. Is there any objection? Hearing none, it is so ordered.

Mr. BYRD. Mr. President, I object. I ask unanimous consent the Senator may modify his amendment.

Mr. HUMPHREY. Mr. President, I send the modification of my amendment to the desk.

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

The amendment, as modified, is as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . TRADE WITH AFGHANISTAN.

(a) Authorization to Prohibit Imports.

(1) Notwithstanding any other provision of law, the President is authorized to prohibit the importation into the United States of all products of Afghanistan after the date of enactment of this Act.

(2) For purposes of this subsection, the term "product of Afghanistan" means any article which—

(A) is grown, produced, or manufactured in Afghanistan, and

(B) is exported by—

(i) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or

(ii) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

(b) Authorization to Prohibit Exports.—Notwithstanding any other provision of law, the President is authorized to prohibit the exportation of any goods or technology from the United States for the benefit of, or use by—

(1) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or

(2) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

(c) Report to Congress.—If the President has not, before the date that is 45 days after the date of enactment of this Act, taken actions under this section to prohibit trade between the United States and the Democratic Republic of Afghanistan, a regime that is sponsored by the Union of Soviet Socialist Republics, the President shall submit to the Congress on such date a report which states the reasons why the President has not taken actions to prohibit such trade.

"(c) It is not the intent of Congress to authorize the President to prohibit trade with those Afghan forces or factors for which the Congress has expressed support."

Mr. HUMPHREY. Let me just read the modification. It adds a new section, section (c).

It is not the intent of Congress to authorize the President to prohibit trade with those Afghan forces or factions for which the Congress has expressed support.

It is pretty clear, I think, that should there be, now or in the future, any trade with the mujeheddin that this amendment will in no way preclude such trade. The intent of the amendment is to cut off trade between the United States and Afghanistan as long as that government is a puppet government of the Soviet Union.

That is the intent. I do not know of any who would argue with it. If there are, let them speak now or forever hold their peace.

Mr. MATSUNAGA. Will the Senator yield for a question?

Mr. HUMPHREY. Yes.

Mr. MATSUNAGA. The proposal will still leave the discretion to the President, will it not?

Mr. HUMPHREY. It certainly does.

Mr. MATSUNAGA. So the final authority would rest with the President of the United States?

Mr. HUMPHREY. This is merely an authorization for the President to prohibit trade. That is correct.

Mr. MATSUNAGA. I thank the Senator.

Mr. HUMPHREY. Mr. President, do the floor managers wish to comment further?

Mr. BENTSEN. No.

Mr. PACKWOOD. I am ready to vote.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. HUMPHREY. Mr. President, I ask unanimous consent that Senator Symms be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may be added as a cosponsor.

Mr. HUMPHREY. Mr. President, I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

If there be no further debate, the question is on agreeing to the amendment of the Senator from New Hampshire, as modified. The yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden], the Senator from New Jersey [Mr. Bradley], the Senator from Florida [Mr. Chiles], the Senator from Tennessee [Mr. Gore], the Senator from Hawaii [Mr. Inouye], the Senator from Louisiana [Mr. Johnston], the Senator from New Jersey [Mr. Lautenberg], the Senator from Georgia [Mr. Nunn], the Senator from Illinois [Mr. Simon], and the Senator from Colorado [Mr. Wirth], are necessarily absent.

I further announce that, if present and voting, the Senator from Indiana [Mr. Gore], and the Senator from Georgia [Mr. Nunn], would each vote yea.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Rhode Island [Mr. Chafee], the Senator from Utah [Mr. Garn], the Senator from Nebraska [Mr. Karnes], the Senator from Idaho [Mr. McClure], and the Senator from Alaska [Mr. Stevens], are necessarily absent.

I also announce that the Senator from Indiana [Mr. Lugar] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 83, nays 0, as follows:

[Rollcall Vote No. 164 Leg.]

YEAS—83

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Bumpers
Burdick
Byrd
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Kassebaum
Kasten
Kennedy
Kerry
Leahy
Levin
Matsunaga
McCain
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson

NOT VOTING—17

Biden
Boschwitz
Bradley
Chafee
Chiles
Garn
Gore
Inouye
Johnston
Karnes
Lautenberg
Lugar
McClure
Nunn
Simon
Stevens
Wirth

So Amendment No. 338, as modified, was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HOLLINGS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, may I have the attention of the Senate.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD. Mr. President, I wonder if any Senator would indicate that he is ready to call up his amendment.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. I am ready to offer an amendment on wheat that I understand is cleared on all sides.

Mr. BYRD. That is what?

Mr. MELCHER. Cleared on all sides.

Mr. PACKWOOD. Mr. President, that amendment has not been cleared on all sides. There is objection on this side and if it comes up we would not vote on it.

Mr. BYRD. Mr. President, the Senator has a right to call up an amendment dealing with agriculture.

Let me explain to Senators what the problem is. I believe if Senators understand the problem we will get more cooperation in calling up amendments.

This is a massive bill, and, as I indicated months ago, the trade bill is one of the key items on our agenda. I asked committee chairmen months ago to report out of their respective bodies legislation that dealt with trade and competitiveness in any fashion: education, copyrights, patents, trademarks, agricultural exports, job training, whatever. And they did that. Nine committees reported out legislation. Five of those bills only appeared on the calendar since and beginning with this past Monday, so the omnibus bill could not have been fused together earlier.

Now, Mr. President, last night it was indicated by a distinguished Senator that Senators had not had an opportunity to study this massive bill. I sympathize with that viewpoint, but let me also say that there are nine committees that have knowledge of nine chapters in this bill. I believe that five of those bills were reported out of those nine committees unanimously. The remaining bills were reported with strong bipartisan support. And so there are, among these 100 Senators, a great number of Senators who know a great deal about nine different titles, or at least the nine bills that came out of nine different committees, all of which nine bills are in this bill.

Now, to say that the bill is so massive that we have not had time to study it for amendments, when nine committees took ample time, conducted hearings, and marked up these bills, somebody in this Senate knows a good bit about these various bills that were reported out of those nine committees.

Now, as evidence of the fact that there are Senators who know a good bit about what is in that bill, let me state the number of amendments that are listed with the names of the offerers.

Under Finance, there are 42 amendments listed, and 3 have been since added, so there are 45 amendments. We have acted, I believe, on 8 or 9 of those amendments today. Some of the amendments today dealt with foreign policy, but they were being offered as amendments to this bill. One dealt with Panama.

The Banking Committee: Three amendments listed, and the names of the offerers.

Banking and Foreign Relations Committees: Six amendments, and the authors' names are listed.

Foreign Relations Committee: Four amendments, one of which was just disposed of, the amendment by Mr. HUMPHREY.

The Agriculture Committee: One amendment.

The Labor Committee: Three amendments.

The Governmental Affairs Committee: One amendment.

The Commerce Committee: One amendment.

Other: Thirty-seven amendments.

Mr. President, I could make a quick calculation but I will not. It is easy to see that there are close to 100 amendments still listed on this paper, after subtracting those already acted upon, together with the names of the Senators who will offer the amendments.

I have heard a little undercurrent—it has not been said to me, but it has been said to other Senators, and I have been told about it—"Well, why do we have to be in on Saturday?" Then another Senator said, "Well, what's the big hurry?"

Mr. President, what I sense here is a stall. I hope Senators will understand that I say that without attempting to implicate any particular Senator, but I am having great difficulty today, and so are these two managers, in getting Senators to call up amendments.

Senators may have been under the impression that we are to act only on amendments to the Finance Committee's title, but there has been no agreement ordered by the Senate that Senators are not to offer amendments to other titles.

Now, why are we here on Friday evening and why will we be here tomorrow? I say to my friends on both sides of the aisle that we have not been here on any Saturday this year. We have been here on only 11 Mondays this year.

We have been here a little past midnight once this year, but we finished a bill on that occasion, an important bill.

So I say that I have been very conscious of the quality of life of Senators, and I am very interested in the quality of life of Senators. I do not like late sessions. I can show by the record which I have in my pocket exactly how many evenings we have been here past 7 o'clock, exactly how many evenings we have been here past 8, how many past 9. I will not take the time of the Senate to do that.

Let me say this as to why we have to be here tonight and Saturday: Behind this bill is the reconciliation bill, at some point. We just adopted the budget conference report the day before yesterday. Action on reconciliation must necessarily await the adoption of the conference report on the budget. So that conference report has been adopted 2 days ago.

Now, who has to handle that reconciliation bill, the biggest part of it? The same Senator who has to stand here day after day and sit here hour after hour and plead with Senator after Senator to call up amendments on this trade bill. This man here, the Senator from Texas [Mr. BENTSEN], is going to have the major part of the reconciliation bill. Once he disposes of this trade bill, he has to handle it in conference with the House, and he has to deal very soon with the reconciliation measure.

He has the biggest part of the reconciliation bill and it will be the most difficult piece of legislation that this Senate will deal with in this session. It falls largely on his shoulders.

He has said to me: "I hope we can get this bill through, because I have to deal with the reconciliation measure and, God, what that's going to be like!"

So this man has to do that next. He cannot get to reconciliation and have this trade bill still pending on this floor. I am trying to help him and the ranking manager and other members of the Finance Committee to get this bill passed by the Senate so they can be ready to get on to reconciliation.

Remember, the debt limit expires on the July 17. So, how are we going to get all this done? By staying Saturday and this evening, we are not going to have any more amendments than we would otherwise have had if we had gone home today at 2 o'clock and not been in tomorrow. We would still have the same number of amendments. But we are trying to compress action on those amendments into a smaller timeframe so that Senators on the Finance Committee can go to the reconciliation bill when it comes over from the House.

Then, what is next? We have appropriations bills coming down the track. Moreover, we still have the Department of Defense authorization bill. We also still have campaign finance reform, which is not going to go away.

Mr. President, next week we will be into July. Then what happens after July? A quantum leap into September. We are only here the first week of August, unless we have to erode the beginning of that vacation. So we jump from July to September, with all this workload. Come October, and we are into the new fiscal year, and time will be running out.

So I appeal to Senators to cooperate. I know there may be some who think I am just trying to be mean-spirited, trying to get them in for a few bedcheck votes. I do not like bedcheck votes.

I do not expect other Senators to know as much as I do about this workload, because that is my responsibility, to attempt to look far down the road, see what there is down the road, and understand what little time we have left in which to do the work that is yet to be done.

I believe that if Senators understand what the real problem is, then they will be very cooperative, and I think they are entitled to know why it is necessary that we step up the pace. That is why I have taken this time to explain.

I hope Senators will start coming to the floor. If they are not going to call up their amendments, I hope they will tell the floor staff and the managers, so that we can mark those amendments off the list.

I am going to ask unanimous consent to put this list of amendments into the RECORD—the list of amendments shown on the Democratic Policy Committee stationery. It lists the amendments that are still to be offered by both Republicans and Democrats—at least those that we know about. I ask unanimous consent to have the list printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1420, OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987; CALENDAR NO. 206

FINANCE COMMITTEE (TITLES I-IX)

1. An amendment to add provisions from the House trade bill that would take away an importer's right to import if he violates customs law more than three times in three years.

2. An amendment to strike the lamb quotas.

3. An amendment to strike the sugar drawback provisions.

4. An amendment expressing the sense of the Senate to encourage Canada to open its market to the distribution of U.S. film.

5. Baucus amendment to add provisions seeking a GATT Article 23 action to address adversarial trade.

6. Bingaman amendment to require that imports of native American jewelry contain a stamp of the country of origin.

7. Bingaman amendment adding sense of the Congress language regarding U.S.-Mexico trade.

8. Bradley amendment regarding non-controversial miscellaneous tariff suspensions.

9. Bradley, Metzenbaum, or Packwood amendment to strike the provisions dealing with oil imports.

10. Bradley unspecified amendment.

11. Bradley unspecified amendment.

12. Bradley unspecified amendment.

13. Exon amendment to ensure treatment of wheat gluten in international trade negotiations.

14. Glenn amendment to make the countervailing duty law applicable to non-market economy countries to the extent that the subsidy can reasonably be identified and measured.

15. Graham amendment to put CBI agreements on the fast-track basis.

16. Gramm amendment to prohibit sanctions under Section 201 from applying to any nation that is less protectionist than the U.S.

17. Gramm amendment to limit relief measures proposed by the ITC to no more than 5 years.

18. Gramm amendment to delete the import fees required under the TAA language.

19. Gramm amendment to require that any additional funding for TAA be deficit neutral.

20. Gramm amendment to strike the authority to use general funds from the Treasury for TAA-related purposes.

21. Gramm amendment to prohibit imposition of rationing, mandatory allocation, and price controls when an import "peril point" is reached.

22. Gramm amendment to outline the specific steps to be taken if an oil import "peril point" determination is made.

23. Gramm amendment to require Congressional approval of tariff increases with symmetry provided through an equivalent reduction in other tariffs.

24. Hecht amendment to exempt China from the non-market economy dumping statute.

25. Hecht amendment No. 252 to exempt China from anti-dumping laws.

26. Heinz amendment to add provisions on diversionary input dumping.

27. Hollings amendment to add provisions to change how the Commerce Department determines dumping margin. The amendment would (1) prohibit Commerce from deducting indirect selling expenses in determining foreign market value in related party transactions, and (2) eliminate the allowance for profit in determining constructed export.

28. Four Hollings amendments dealing with the Finance section of the bill.

29. Lautenberg amendment regarding the importation of ten pound chocolate blocks.

30. Matsunaga amendment to section 838 on lithotripters.

31. Moynihan amendment regarding anticircumvention for the countervailing duty and anti-dumping laws.

32. Pryor amendment regarding rice.

33. Riegle, et al, amendment to eliminate barriers to U.S. exports in countries practicing adversarial trade.

34. Wilson amendment to eliminate the "fast-track" for bilateral agreements.

35. Wilson amendment regarding TAA to those hurt by import restraint programs.

36. Wilson amendment regarding negotiating authority.

37. Wilson amendment regarding the dumping of technical books.

BANKING COMMITTEE (TITLES X-XVI)

1. Bingaman amendment authorizing the Secretary of Commerce to give grants to Indian tribes for export promotion.

2. Metzenbaum amendment on Foreign Corrupt Practices Act.

3. Baucus amendment to apply section 10g of the Export Administration Act only to exports to eastern bloc nations, thereby cutting the DOD out of so-called west-west review, but retaining some presidential discretion to block exports to western nations.

BANKING AND FOREIGN RELATIONS COMMITTEES (TITLE XVII)

1. Bradley amendment calling for greater coordination of third world debt management.

2. Garn amendment on Export Administration Act.

3. Gramm amendment to strike the debt facility.

4. Gramm amendment to prohibit the use of taxpayer funds to establish or fund a debt facility.

5. Heinz amendments on Export Trading Companies.

6. Heinz amendment on debt for equity swaps.

FOREIGN RELATIONS COMMITTEE (TITLES XVIII-XX)

1.2. Bingaman amendment regarding the U.S.-Mexico agreement and bilateral commission on U.S.-Mexico relations.

2. Dole amendment which tightens trade restrictions against Cuba and impose an import and export ban on trade with Angola; and prohibits profits from U.S. operations in Angola to be credited as "Foreign earned income".

3. Gramm amendment to strike the language calling for the issuing of new "special drawing rights" for the poorest third world countries.

AGRICULTURE COMMITTEE (TITLE XXI)

1. An amendment to direct the Administration to expand the Export Enhancement Act to cover red meat.

LABOR COMMITTEE (TITLES XII-XXXII)

1. Bingaman amendment regarding funds to computerize State job banks.

2. Bingaman amendment calling for two studies—one on portability pensions and one on computerization of state job banks.

3. Hollings amendment to strike the provision within the Labor section which creates a small state minimum for the Chapter 1 program (Education for the Disadvantaged).

GOVERNMENTAL AFFAIRS COMMITTEE (TITLES XXXVII-XXXVIII)

1. Kasten amendment to strike ACTA.

COMMERCE COMMITTEE (TITLES XXXVII-XL-XLV)

1. Bumpers technical amendment regarding the Center on State and Local Initiatives.

OTHER

1. An amendment to add provisions to require copy code scanners on digital audio tape recorders to prevent unauthorized home taping.

2. An amendment regarding judicial review.

3. An amendment to add provisions to reallocate U.S. sugar import quotas to less developed countries.

4. Armstrong human rights amendment regarding the right to strike.

5. Baucus amendment to permit the President, under certain conditions, to sell agricultural products to Cuba on a cash only sales basis.

6. Bradley amendment regarding the U.S. sugar program.

7. Breaux amendment regarding maritime trade and competitiveness.

8. DeConcini amendment regarding copper.

9. DeConcini amendment regarding Angola trade embargo.

10. DeConcini amendment regarding Mexican Maquiladora's.

11. DeConcini amendment regarding Microtone machine Buy American Act.

12. DeConcini amendment regarding allied contribution to defense and trade deficit surplus with the U.S.

13. Domenici amendment incorporating provisions of S. 1042, regarding subsidized excess capacity controls of newly industrialized countries, limiting subsidies for either new facilities or expanding old facilities in excess of what is needed.

14. Domenici amendment to add a provision making the subsidization of excess capacity to produce nonagricultural, fungible goods an "unreasonable practice" under Sec. 301.

15. Durenberger amendment incorporate the provisions of resolution urging conferees to delete provision in House bill which lifts the 35 year embargo on imports of furskins.

16. Durenberger-Heinz amendment to strike the duty suspension process.

17. Evans amendment incorporating provisions of S. 301 regarding workers right to strike.

18. Exon amendment incorporating the provisions of his bill, S. 1218, to require food products containing 10 percent or more of imported ingredients be labeled by country of origin.

19. Gramm amendment to require a consumer impact statement which details the costs to consumers of any proposed trade legislation.

20. Gramm amendment to exempt nations that are less protectionist than the U.S. from the provisions of the bill.

21. Gramm amendment to point out the linkage between the trade deficit, the Federal budget deficit and the need for a Constitutional amendment to balance the budget.

22. Grassley amendment regarding literacy.

23. Grassley amendment regarding foreign and commercial trade.

24. Helms amendment to prohibit government-financed loans to Romania.

25. An amendment to require certain foreign investors to personal and financial information with the government.

26. McCain amendment regarding Mexico.

27. McConnell amendment incorporating provisions of S. 554 regarding tort reform.

28. Murkowski amendment to require reciprocal treatment for airport construction projects.

29. Packwood amendment regarding Section 201—To maintain presidential discretion to consider "the national economic interest" in deciding whether to grant import relief.

30. Quayle amendment to establish a program in the Commerce Department to increase the sale of American auto parts to Japanese motor vehicle manufacturers.

31. Quayle-Bumpers amendment expressing the sense of the Senate that any new legislation requiring employers to provide new employee benefits include an analysis of the impact of the benefits on employment and international competitiveness.

32. Reid amendment on National Critical Material Council.

33. Shelby amendment to ban the importation of Toshiba products for five years.

34. Symms amendment regarding foreign agricultural investment reform.

Mr. BYRD. Mr. President, Senators can see the number of amendments, and I hope the managers will get some help.

I ask the distinguished chairman of the committee, Mr. Bentsen, who has to carry most of the reconciliation load: Have I misrepresented what the problem is here?

Mr. BENTSEN. Mr. President, I appreciate very much the comments of the majority leader. Let me say what our schedule is and what we are up against.

I look at the situation on reconciliation. I look at the budget and see the Budget Committee taking over a month to decide how much for this and that. Now we have to come back with specificity to talk about $19.3 billion and $22 billion or $23 billion. It took over a month.

I see the Ways and Means Committee starting their hearings July 7. That is the day we get back. We have to start then or very soon thereafter in the Finance Committee with our hearings. We have to work in tandem with the House.

It is going to take awhile to try to work that out. It is going to be very difficult for us.

That is why we have a window here if we can get through it for the Finance Committee for their part of this responsibility on this trade bill.

I just strongly urge that the amendments be sent forth and that we be allowed to move on them tonight, tomorrow, Tuesday, and Wednesday. If we can get them out of the way, then we can get on with our part of it on reconciliation and try to meet the schedule.

We are looking at the debt limit. That is going to be sent over to us. We are looking at the expiration of the present limitation on the 17th, I believe it is, of July.

Then you are going to have appropriations around here.

What I see us doing here is eroding October.

I think I do not see us getting out at the time that we thought we might be getting out.

It is going to be extremely difficult for us on the Finance Committee to mesh this together unless we can finish up certainly our part of it before we go out for the Fourth of July.

(Mr. **ROCKEFELLER** assumed the chair.)

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. I yield.

Mr. DOLE. Mr. President, I have been listening not with amusement because I remember making the same plea as the distinguished majority leader made a number of times in the last 2 years, and I remember one day one Senator, who will remain nameless, telling me Friday at 1 o'clock there would be no more votes today.

I thought that was sort of the leader's prerogative, but I learned later he was correct. There were no more votes on that day.

So we all understand that one Senator can delay and maybe obstruct sometimes, but in the final analysis, we have to do the work and we have been working on this side to make certain we had Republicans ready to offer amendments.

I know there is a problem with some of the major amendments with 17 absentees. There is a concern that once the major amendment is up it is probably going to stay up until next Tuesday when everybody returns.

What the leader has been trying to do effectively, so far today there has not been much wasted time, is getting a lot of these things done that can be done.

I would only indicate that certainly we will be trying to help on this side. I know the distinguished ranking member on Finance, Senator Packwood, would be prepared now to offer a major amendment, but that would in effect bring everything to a standstill. There would be no more votes if the section 201 amendment came up because there are 17 Members not here. It is a very important amendment, probably the most significant amendment or one of the most significant amendments, that may come up during this debate. This is an important bill.

It is probably or could be the most important piece of legislation we pass, and I hope we pass it and we want it to be bipartisan. I want to commend the managers for their efforts thus far.

Maybe we can reach an agreement tomorrow morning on a time—certain on July whatever—to have final passage or somehow start to squeeze the play; otherwise, it will not work.

The leader knows very well and does an excellent job. We need to have a little pressure put on at the other end. But we will make every effort.

Does the Senator from Oregon have any thought we can scurry up?

Mr. PACKWOOD. Mr. President, I did not mean to send the majority leader into orbit when I indicated that on the amendment that Senator Melcher wants to offer, there would be some lengthy discussion and no vote. There are several of our Members interested. It is not cleared on this side.

Senator Bentsen and I have been happily taking amendments as we could and trying to get votes on them. On this particular one, it simply is not clear. It is an agriculture amendment. I am simply speaking for the Agriculture chairman on our side. It simply is not cleared and I cannot clear it for him and could not let a vote occur.

Mr. LEAHY. Mr. President, will the majority leader yield for a comment?

Mr. BYRD. Yes.

Mr. LEAHY. Mr. President, the distinguished Senator from Oregon definitely is correct. It happens to be an amendment that I think is a good amendment and I am sure I am going to be strongly supporting it.

But Senator Lugar has been a valuable player in putting together the agricultural part of this package and in fact those who were on the Senate Agriculture Committee know we put together a package that was virtually unanimous but required, I think, the strong cooperation of both the Senator from Indiana, Mr. Lugar, and myself in doing that.

The distinguished minority leader is a member of the committee, and others, and I would feel very reluctant personally to put all the onus on the Senator from Oregon. I would feel very reluctant to have a major agricultural part come up unless both Senator Lugar and I were here.

I happen to support this amendment. We are not going to finish tonight. If we could finish tonight, I would try reaching him by phone to clear it. We are not going to.

I think there are a whole lot of matters we can bring up and go forward.

I will stay here as long as anybody wants tonight to discuss agricultural matters, but I think the Senator from Indiana has a legitimate point in saying he would like to be here, too.

Mr. PACKWOOD. I thank my good friend from Vermont.

Mr. MELCHER. Mr. President, will the majority leader yield to me?

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. I yield.

Mr. DOLE. I indicate we do have the distinguished Senator from Pennsylvania [Mr. Heinz] who is prepared to offer an amendment at this time, maybe more than one, which I understand could be acceptable.

So we do have someone on this side prepared to offer an amendment.

Mr. MELCHER. Mr. President, will the majority leader yield?

Mr. SYMMS. Mr. President, will the majority leader yield for a question?

Mr. BYRD. I yield first to this Senator and then to Mr. Symms.

Mr. MELCHER. Mr. President, the wheat food amendment is agreed to on all sides. I think it is a question of whether all Senators are here who are interested in this. There is no opposition to it. It is the sense-of-the-Senate resolution, and it is for a very good purpose.

However, Mr. President, I do have another amendment involving agriculture which adds three, four, or five words to the agricultural and trade missions portions of the agricultural section of this trade bill. It is also cleared on all sides.

If we have to clear them too often we spend more time clearing than we do adopting these amendments by consent.

I am ready to offer it at any time.

Mr. BYRD. I thank the distinguished Senator. I promised to yield to Mr. Symms.

Mr. SYMMS. Mr. President, I wanted to ask if the leader anticipates whether there will be any more rollcall votes tonight or not.

Mr. BYRD. I wanted to go to 8 o'clock. I first cleared this with our manager after all and I asked him earlier if he felt like going that long. He said he felt he would go as long as we were making progress; if he could have movement to 8, fine.

I cannot force Senators to offer amendments. I am not going to stay in and keep Senators in if Senators will not offer amendments.

Just a cursory mathematical exercise here tells me there are 126 amendments here.

So even though there may be one or two amendments in agriculture that for one reason or another Senators feel should not be called up, there are a lot of other amendments.

Mr. BENTSEN. Mr. President, I think I made a count on our side and I understand the minority has an amendment on their side that deals with this particular section of the bill.

Mr. BYRD. Very well.

Mr. BENTSEN. That we can move on.

Mr. BYRD. While the distinguished minority leader is here, then I will yield the floor.

Mr. President, there is a sense of the Senate amendment by Mr. DeConcini and others dealing with Korea and he has indicated to me and I believe he has talked with Mr. Gramm and others that he would be willing to have a time limit thereon of 40 minutes to be equally divided.

Mr. DOLE. Fine.

Mr. BYRD. I make that unanimous-consent request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I take it I better include something to the effect there be no amendments, or if there are amendments to it with no amendments.

Mr. DOLE. That would be helpful, with no amendments.

Mr. BYRD. I ask unanimous consent that no amendments be in order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. Moynihan has an amendment that would require a report on future economic trends. He is willing to do it in 30 minutes equally divided on this amendment.

Mr. PACKWOOD. Mr. President, is Senator Moynihan here?

Mr. BENTSEN. Yes; he was. He just walked out.

Mr. PACKWOOD. The reason I ask that, that is the report that imposes an extraordinary reporting requirement on STR. It is a relatively small organization. I do not know if the Senator has seen the amendment or not. It is fundamentally a fact-gathering task.

Mr. BENTSEN. I understand the Secretary of the Treasury, I believe——

Mr. BYRD. I may have been mixed up.

Mr. BENTSEN. It is coordinated with the trade adviser and they consult with the Federal Reserve, I believe.

Mr. BYRD. Very well.

I will temporarily then withhold the request on that.

Mr. Reid has an amendment to increase the personnel for a study by the National Critical Material Council.

I understand he would be willing to have 30 minutes, equally divided.

Mr. President, I ask unanimous consent that there be 30 minutes, equally divided, on that.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, that has been cleared with Mr. Hollings.

Mr. BYRD. I make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will sit down. I understand there are two amendments.

Mr. BENTSEN. I have one from this side and one from the other side.

Mr. BYRD. Very well.

Let me say that tomorrow we come in at 9 a.m.

I ask unanimous consent, if the distinguished Republican leader is agreeable, that immediately after the prayer the Senate resume consideration of the trade legislation.

The PRESIDING OFFICER. Is there objection?

Mr. DeCONCINI. Reserving the right to object, and I do not plan to.

The request you made on the DeConcini amendment, that is a freestanding vote, not on the trade bill.

Mr. BYRD. Yes; it is a sense-of-the-Senate resolution.

Mr. DeCONCINI. Would we not take that up tomorrow morning?

Mr. BYRD. Yes.

Mr. DeCONCINI. Then you want to come back on the trade bill, even though you are going to go to the freestanding resolution?

Mr. BYRD. I understand what the Senator is saying.

Mr. President, I ask unanimous consent that Mr. DeConcini lay his resolution down this evening. I ask unanimous consent that time begin running on the resolution by Mr. DeConcini at 9 o'clock in the morning subsequent to the prayer.

The PRESIDING OFFICE. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Then I ask unanimous consent that, upon the disposition of the resolution by Mr. DeConcini, which will be a freestanding resolution—I understand it is a Senate resolution, not a joint resolution or not a concurrent resolution—the Senate resume consideration of the trade legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I will sit down now, after I say that in the morning the Senate will come in at 9 o'clock. After the prayer, the Senate will proceed to the consideration of the resolution by Mr. DECONCINI, on which there is a time limitation of 40 minutes to be equally divided.

Mr. President, I ask unanimous consent that it be in order to ask for the yeas and nays now on that resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays on the resolution by Mr. DECONCINI.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, Mr. MOYNIHAN is here now. I would like to request that there be a 30-minute time limitation on the amendment by Mr. MOYNIHAN.

The PRESIDING OFFICER. Is there objection?

Mr. DOLE. Reserving the right to object, I think the Senator from Oregon would like to see the amendment.

Mr. BYRD. Very well. I withdraw that request for now. I yield the floor. I thank all Senators.

One thing I should say to Senators. I hope that the Senate could do business tomorrow on the trade legislation and on other matters, if necessary, such as conference reports. There is a conference report on the homeless relief legislation.

I hope we could do business until around 6 o'clock. There is no point in coming in on Saturday and just staying in until 1 o'clock, because we are here on a serious matter. I hope the Senate will prepare itself accordingly.

Mr. REID. Will the leader yield?

Mr. BYRD. Yes.

Mr. REID. It is my understanding my amendment would come up tomorrow morning, also with a time limit that you have suggested.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senator from New York, Mr. MOYNIHAN, be recognized to call up his amendment immediately after the disposition of the resolution by Mr. DECONCINI and——

Mr. MOYNIHAN. I am prepared to call my amendment up now.

Mr. BYRD. Very well.

Mr. President, I ask unanimous consent that the amendment by Mr. REID be in order immediately following the disposition of the DeConcini resolution.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, could I make only one request of the leader: Those two amendments that are coming up are not finance amendments, which is fine, but if we could encourage the chairman and ranking member of, I think it is, commerce and is it foreign relations?

Mr. DECONCINI. Yes. It has been cleared.

Mr. PACKWOOD. If they could be here to handle their parts of it, it would be helpful.

Mr. BYRD. Senator PELL is here.

Mr. DOLE. Mr. President, I wonder if I might inquire—as I understand it, neither one of these amendments are controversial—will there be rollcall votes on these two noncontroversial amendments? I guess the ultimate question is: Will there be any additional rollcall votes this evening if there are not votes on these two noncontroversial amendments?

Mr. BYRD. Mr. President, I ask Mr. MOYNIHAN, does he want a rollcall vote?

Mr. MOYNIHAN. No, I do not.

Mr. BYRD. Who is the other one?

Mr. DOLE. Senator HEINZ.

He does not need a rollcall?

MR. BYRD. Very well. Does any other Senator wish to call up an amendment tonight?

Mr. MELCHER. I have an amendment.

Mr. DOLE. Will that need a rollcall?

Mr. MELCHER. No, no rollcall. This one has been cleared. It has to do with nonprofit agribusiness organizations.

Mr. BYRD. Mr. President, may I suggest that there be no more rollcall votes tonight, but that Senators come early, cooperate tomorrow, call up their amendments, and let us have a good day and get as much work as we can done tomorrow.

Mr. METZENBAUM. Would the leader give us some indication as to what time we expect to be out of here tomorrow afternoon?

Mr. BYRD. Six o'clock.

Mr. DOLE. Mr. President, I ask unanimous consent that I may speak out of order for 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

ARTHUR BURNS

Mr. DOLE. Mr. President, today Arthur F. Burns, who served four American Presidents—Republican and Democrat—with distinction, died.

Whether it was as Chairman of the Federal Reserve Board—a job he held 8 somewhat turbulent years for the economy—or most recently as President Reagan's Ambassador to West Germany, Arthur Burns used his keen intellect and pragmatic approach to deal successfully with critical and often delicate issues.

He was widely respected and admired among the business community and in economic circles.

And while serving in Bonn was his first diplomatic mission, I know from visiting West Germany with the German people that it was readily apparent they held him in the highest esteem.

Mr. President, I want to express my condolences to his wife, Helen, and the Burns family. This country, and Members of both political parties and those outside political circles, have lost a valued public servant and good friend.

Mr. MOYNIHAN. Mr. President, may I just briefly join the distinguished Republican leader in expressing condolences on this side of the aisle to Mrs. Burns and to their children.

The United States has lost a public servant of extraordinary capacity, who served from the time of President Eisenhower's administration to President Reagan's. Few men have added as much to the integrity of public service.

If any person has ever had the privilege of knowing Ambassador Burns, Chairman of the Federal Reserve Board Burns, counsel to the President Burns, he has known a person of towering intelligence and integrity. It is a gift to the country in that aspect of character as great as any contributed in his specific and extraordinarily successful career as an economist.

I had the honor to serve in the Cabinet with Arthur Burns and I shall mourn him even as we celebrate his life.

Mr. LEAHY. Mr. President, Arthur Burns was one of the most distinguished of all Vermonters. I know how deeply we Vermonters feel and how the people of Fairlee, VT, must feel tonight.

I will speak at greater length, as I am sure the distinguished senior Senator from Vermont [Senator STAFFORD], will at another time.

But I do want to join in the comments made by the distinguished Senator from New York and the distinguished Senator from Kansas in saying that I, too, mourn the passing of Dr. Burns and send my condolences to his wife, Helen, and to the members of his family. He has given more than could ever be asked of people in public service.

Mr. BENTSEN. Mr. President, I join in the comments of the Senator from New York. I think he was one of the ablest men in economics that I have known in a long time, a man of great integrity, intellect, and patience. I might say that he helped educate me some on economics.

● Mr. GARN. Mr. President, a great American died today: Arthur Burns. Born in Austria, Dr. Burns came to the United States at age 10 and proceeded to serve this country with great distinction in a wide range of positions.

His Government service included serving as Chairman of the Board of Governors of the Federal Reserve Board, Chairman of the President's Council of Economic Advisers and Ambassador to the Federal Republic of Germany. When not in Government, Dr. Burns' research on the management of business cycles made significant strides in pushing back the frontiers of knowledge in the science of economics.

I had the honor of getting to know Arthur Burns while he was serving as Chairman of the Federal Reserve Board. His immense contributions while in that position were a product of both his intellect and of the great respect for him in Congress and in the financial community.

Arthur Burns believed deeply, as I do, in the independence of the Federal Reserve. The independence that the Federal Reserve has today is to a large extent attributable to his efforts and the universal respect be enjoyed.

I join all Americans in extending my deepest sympathy to Helen Burns, his wife of 57 years, and his two sons, Joseph and David.●

DEATH OF ARTHUR BURNS

Mr. DOMENICI. Mr. President, about 2 hours ago I heard that Arthur Burns had died. I called his wife, Helen. I know them both very well. I did not want to let the day pass without just saying a few words about him here on the Senate floor.

In my 20 years in political life, and the years before that, I do not think I have ever met a man that I had more confidence in, that I had more respect for. I must say in the last year or so, because of his generosity, he spent a great deal of his spare time here on the Hill with four or five of us talking and exchanging views.

I do not think there was anyone around that I really loved more.

His passing, however, as I think about his life, his wife, I believe they can look back on it, he can look back on it, down on us, and I am quite sure he can be very proud of what he has accomplished.

If there ever was a person who this Senator would ask a caricature artist to draw as the epitome of Solomon, as I read about the wise Solomon, since I did not see him and I do not know what he looks like, I would have them draw Arthur Burns.

Perhaps I would even have them draw Arthur Burns exactly after he was asked a complicated question before either the Joint Economic Committee or the Budget Committee when he put his pipe in his mouth and before he answered he puffed on it for a couple of seconds. Then pearls of wisdom and judgment just flowed from the lope of this great man.

Clearly, one could spend far more than a few moments talking about what he has accomplished in his years, but suffice it to say that he served the people of this land in an extraordinary way. He served Presidents of these United States in an extraordinary way. He served the committees of the Congress as he testified year after year, time after time, in an extraordinary way.

From what I know, he did all of that because he loved this country and he had a great and abiding sense of responsibility to it and to those who asked him to commit of himself and to sacrifice and to give and to share.

I am sure his wife and his family feel the same with reference to his personal affairs. The man that he was, he must have taken those responsibilities as seriously as the ones he did with all of us, our children in the future and a couple of generations back, in American economic and marketplace history.

So I rise tonight to say thanks to him for what he did, what he did for all of us, what he did for this magnificent country, his stalwart advice; his age did nothing to his versatility and his mind.

He was open to new ideas, but he held onto basic principles. I just wanted to say thank you to him tonight and thank his family for what they did to lend so much of him to us for so many years.

It is with real regret that I stand here. I saw him before he went in the hospital; I had not had an opportunity to visit him there, although I talked to him once. But I do think when historians write about great Americans of the past 35 years in this land, if they are talking about just the very few that stand out, they will be hard pressed not to include a picture of my idea of Solomon, Arthur Burns.

I thank the Chair.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

(The Senate resumed consideration of the bill.)

AMENDMENT NO. 340

(Purpose: To add tax-exempt nonprofit agribusiness organizations as entities that may be represented on agricultural aid and trade missions)

Mr. MELCHER. Mr. President, I have an amendment at the desk and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. MELCHER] proposes an amendment numbered 340.

On page 541, line 8, insert "tax-exempt nonprofit agribusiness organizations," after "cooperators,".

Mr. MELCHER. Mr. President, this is page 541. It simply adds to the trade mission and to developing agriculture trade opportunities one other group besides cooperators and private voluntary organizations that we include in tax-exempt nonprofit agribusiness organizations.

Our good friend and dear colleague, Senator Jennings Randolph, serving on the Agri-Round Table, which is such a nonprofit organization, has made the recommendation that we add that to give further meaning and further substance to the trade missions.

It has been cleared by Senator LUGAR's staff and by Senator LEAHY. I do not think anybody would object to it, Mr. President. I hope it can be accepted.

Mr. BENTEN. Mr. President, we checked with the chairman of the Agriculture Committee and he has no objection to it. I know there is no objection on our side.

The PRESIDING OFFICER. Is there further debate on the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 340) was agreed to.

AMENDMENT NO. 341

(Purpose: To require a annual report on international trade)

Mr. MOYNIHAN. Mr. President, I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk, read as follows:

The Senator from New York [Mr. MOYNIHAN] proposes an amendment numbered 341.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle D of title IX, add the following:

SEC. . ANNUAL TRADE REPORT.

(a) IN GENERAL.—In order for the Congress to be informed of the impact of foreign trade barriers and macroeconomic factors on the balance of trade of the United States, the United States Trade Representatives and the Secretary of the Treasury shall jointly prepare and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on April 1 of each year a report which consists of—

(1) a review and analysis of—

(A) the merchandise balance of trade,

(B) the goods and services balance of trade,

(C) the balance on the current account,

(D) the external debt position,

(E) the exchange rates,

(F) the economic growth rates,

(G) the deficit or surplus in the fiscal budget, and

(H) the impact of market barriers and other unfair practices of the United States, the European Communities, all other Western European nations considered as a group, Japan, Canada, Latin America, Korea, Taiwan, Hong Kong, and Singapore and the Arab member countries of the Organization of Petroleum Exporting Countries, considered as a group, and of all other countries considered as a group;

(2) projections for each of the economic factors decribed in the subparagraphs of paragraph (1) except (E) for each of the countries and groups of countries described in paragraph (1) for the year in which the report is submitted and for each of the 2 succeeding years; and

(3) conclusions with regard to whether the projections described in paragraph (2) are satisfactory from the standpoint of the United States, and if the projections are not satisfactory, the policy changes, including changes in trade policy, exchange rate policy, and fiscal policy, that will be implemented to improve the outlook.

(b) CONSULTATION.—

(1) The United States Trade Representative and the Secretary of the Treasury shall consult with the Chairman of the Board of Governors of the Federal Reserve System in the preparation of each report required under subsection (a).

(2) After submission of each report required under subsection (a), the United States Trade Representative and the Secretary of the Treasury shall consult with each of the congressional committees described in subsection (a) with respect to the report.

(c) COMMITTEE REPORTS.—Each of the congressional committees described in subsection (a) shall prepare and publish a report which contains the views and recommendations of the committee with respect to each of the reports submitted under subsection (a).

Mr. MOYNIHAN. Mr. President, this simple amendment I am happy to report has been well received on both sides of the aisle. I have spoken with our distinguished special trade representative, Mr. Clayton Yeutter, and a representative from the Treasury, about the amendment. They each made one useful change. And with those changes, the amendment has their support as well.

The purpose is as follows: To begin a regular tracking and reporting by the executive branch of the various factors which influence the trade balance and trade performance.

A great change in the 1980's has been the sudden lurching of the United States into a trade deficit situation after a half century of, I believe, unbroken trade surpluses. This profound change was brought about, primarily, by a change in exchange rates. And, also, to some extent, by a change in trading practices.

The mix of causes for the trade deficit is an elusive one. The relevant salience of one factor as against another, and further factors such as productivity, general entrepreneurial efforts of the Nation, are things which we have not had to pay much heed to because they had taken care of themselves.

We suddenly see, in this decade, that this need not be the case and that great and unwelcome surprises come to an economy and society that does not follow these matters.

I think it is particularly the case, that in the early parts of this decade we found great difficulty in eliciting from the Treasury Department the kinds of comprehensive and comprehensible analysis of what was going on. In large measure the administration themselves were not clear enough on the subject.

It is the record of American Government from its very early beginnings—and our Constitution requires—a census. And we build statistics into our system of government. We have always found you do not really learn to do anything about a problem until you have learned to measure it. The great strength of the American National Government is the strength of its national statistics.

As different issues come along, those statistics are brought to bear on those issues.

It was not really until we learned to measure unemployment under the Employment Act of 1946, that we began to be sensitive to its fluctuations.

We used to take, for 170 years or so, the unemployment rate once every 10 years if at all. In the case of the Great Depression in the 1930's, we took unemployment rates in the spring of 1930 when there was not yet much effect of the oncoming Depression and in the spring of 1940, after the war preparations had resumed.

Officially in our data the Great Depression does not exist. In 1946, having learned to measure employment, we began the annual reports of the Council of Economic Advisers. The Bureau of Labor Statistics began to collect monthy data, it became more refined, and we know more about the subject.

It is my hope that, on a one-time annual basis, we now should receive from the Secretary of the Treasury and the Special Trade Representative, in consultation with the Chairman of the Federal Reserve Board, a review and analysis of these specific matters.

Among the flows to be analyzed are the merchandise balance of trade; the goods and services balance of trade, which will increasingly become salient as services export and services import begin to be a large part of economic flows between nations; and the balance on the current account.

We need to know about our external debt position. We suddenly, in this Nation, became a net debtor in about 1983, if I recall, having been a net creditor since approximately 1917, when the allied powers liquidated their holdings in the United States. And this is not a very pleasant experience at all. It came as a great surprise. I think we could have seen it coming better had we had this annual report.

We would like to see an analysis of exchange rates, which has been the great factor in affecting trade flows in the 1980's; of economic growth rates; of the deficit and surplus in the fiscal budget and the impact of market barriers and other unfair practices from different communities.

Mr. President, we think this is a useful move. We do not expect it to be an institution in our economic life overnight but we think, of course, in a relatively few years it will help clarify the thinking of the executive branch by concentrating on an April 1 report and, in turn, will help us in our thinking on the matter.

Mr. President, I believe this has been accepted on both sides. If there is no further Senator who wishes to speak, I move the adoption of the amendment.

The **PRESIDING OFFICER.** Is there further debate on the amendment?

Mr. BENTSEN. Mr. President, I thank the distinguished Senator of New York. One of the things I like from the amendment is the fact that you have a collection of data, and often raw data. But here what the Senator is calling for, he is calling for some conclusions. He is calling for what is the impact of this kind of information so we can exercise a better judgment in our action and I think it is a contribution and I am delighted to support it.

Mr. MOYNIHAN. Mr. President, may I make one further point? At the request of the Treasury a very sensible change was made. We ask for projections of these various matters but with the exception of exchange rate projection that could influence markets. The Treasury does not want exchange rates projections to influence markets. We do not want that to happen.

The **PRESIDING OFFICER.** Is there any further debate on this amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 341) was agreed to.

Mr. BENTSEN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MOYNIHAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 342

(Purpose: To provide additional authority for the U.S. Trade Representative)

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The legislative clerk read as follows:

The Senator from Pennsylvania (Mr. Heinz) proposes an amendment numbered 342.

Mr. HEINZ. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 191, line 17, strike the quotation mark and final period and add the following:

"(3) The U.S. Trade Representative may, in a manner consistent with the purpose of any so-called 'third country equity provision' of an arrangement entered into under the President's Steel Policy, take such actions as he deems necessary with respect to steel imports of any other country or countries so as to ensure the effectiveness of any portion of such arrangement.".

Mr. HEINZ. Mr. President, I am offering this amendment at the request of the U.S. Trade Representative. It is an amendment that grants discretionary authority to ensure that any country cooperating with the administration will not be disadvantaged when there is a question of making such a program as the President's VRA program work. I have cleared this amendment on both sides of the aisle and I believe there is no objection to it.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BENTSEN. Mr. President, we have examined the amendment and we have no objection.

Mr. PACKWOOD. I agree.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 342) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I have one further request, if I may.

First, I thank all Members for their action on the amendment. I have some additional remarks I would like to put into the Record at this point.

I will just say that the problem, as I think everybody knows, which we are addressing is when the President announced his voluntary restraint agreement on steel, as one example, it required the cooperation of a number of countries who were shipping to this country to enter into voluntary restraint agreements. Many of those voluntary restraint agreements contained so-called equity provisions. That is to say that the U.S. agreed that they would not let any overall voluntary restraint agreement hurt that particular country's position relative to other countries.

These arrangements were made, but what has happened since is that because there are, in this instance, a number of countries that were not participants in the President's voluntary restraint program, they have been increasingly achieving windfall gains at the expense of the cooperating countries. As a result, both their positions is being undercut as is the President's program.

I would cite one or two to support that contention.

The VRA countries, that is to say, those countries that have been cooperating, had a share of imports into the U.S. market of approximately 81 percent at the beginning of the program. That has declined to 65.6 percent for the first quarter of 1987. It was about 75 percent in 1986.

Back in 1985 when the President's program began to take effect, about 23.6 percent of our markets were taken by imports and VRA countries took 19.1 percent of that. The non-VRA countries, the ones, that is to say, that obviously had not agreed to cooperate, took 4.5 percent.

By the first quarter of 1987, the share of the non-VRA countries had gone from 4.5 percent to 7.2 percent, and the share of the VRA, that is to say, the cooperating countries, had gone down to 13.7 percent.

Clearly, shipments from countries like Canada, Sweden, Taiwan, and Singapore were increasing, some as much as 40 to 50 percent over this period. Their share of market was increasing.

It was clear that these countries happened to take advantage of the situation to increase their share.

It may be noted that other countries, such as Japan, Korea, the European Community, had agreed, in effect, when they concurred in their voluntary restraints, to sacrifice market share in the interest of helping our steel industry recover and in helping President Reagan implement the steel program.

Now, frankly, they see that the gains that they have sacrificed are not going for the purpose originally intended but to Canadian, Turkish, and Singapore industries instead.

The amendment that we have adopted gives discretionary authority to the U.S. Trade Representative for the purpose of implementing equity provisions to make the VRA effective. It is not country specific, it is not mandatory, but it will be helpful.

APPOINTMENTS BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276h-276k, as amended, appoints the following Senators as members of the Senate delegation to the Mexico-United States Interparliamentary Group during the first session of the 100th Congress, to be held in Cancun, Mexico, June 26-30, 1987: the Senator from North Carolina [Mr. Sanford], the Senator from Maryland [Ms. Mikulski], and the Senator from Georgia [Mr. Fowler].

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 46 U.S.C. 1295, appoints the following Members to the Board of Visitors of the U.S. Merchant Marine Academy: the Senator from South Carolina [Mr. Hollings], from the Commitee on Commerce, Science, and Transportation; the Senator from Alaska [Mr. Stevens], from the Committee on Commerce, Science, and Transportation; and the Senator from New York [Mr. Moynihan], at large.

Mr. MATSUNAGA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY

Mr. BYRD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the region 2 agreement for the Medium Frequency Broadcasting Service (Treaty Document No. 100-7), which was transmitted to the Senate today by the President of the United States.

I further ask that the agreement be considered as having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's message be printed in the Record.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Regional Agreement for the Medium Frequency Broadcasting Service in Region 2, with annexes, and a Final Protocol (containing a statement of reservation made by the United States), signed on behalf of the United States at Rio de Janeiro on December 19, 1981. I transmit also, for the information of the Senate, the report of the Department of State with respect to the Agreement.

The Agreement establishes a Plan of frequency assignments and associated procedures designed to enable the International Telecommunication Union (ITU) member countries of Region 2 (essentially, the Western Hemisphere) to protect each other's radio broadcasting services in the medium frequency band (535-1605 kHz, commonly known as AM radio) from mutually caused objectionable interference. It is the result of two sessions of a Regional Administrative Radio Conference held in 1980 at Buenos Aires, and in 1981 at Rio de Janeiro, under the auspices of the ITU. The Regional Agreement will replace the 1950 North American Regional Broadcasting Agreement (NARBA) and the 1968 U.S.-Mexico agreement as the basic agreement among North American countries to maintain an orderly development of their AM radio services. The Agreement, with one exception noted below, is consistent with the proposals of and positions taken by the United States at the 1981 conference.

Given the level of objectionable interference to U.S. stations from various countries in the Region (particularly Cuba), the United States, at the time of signature, submitted a statement (No. 14) on this subject for inclusion in a Final Protocol to the Agreement. The statement, with reasons, is given in the report of the Department of State.

I believe that the United States should become a party to this Agreement, which has the potential to improve the utilization of medium frequency broadcasting services in the Western Hemisphere, and it is my hope that the Senate will take early action on this matter and give its advice and consent to ratification of the Agreement, with annexes, and a Final Protocol (containing a statement of reservation made by the United States).

Ronald Reagan.

The White House, *June 26, 1987.*

THE CALENDAR

Mr. BYRD. Mr. President, I ask the distinguished acting Republican leader whether or not calendar orders numbered 159, 209, and 210 are cleared on his side of the aisle.

Mr. HECHT. They are, Mr. President.

Mr. BYRD. I thank the Senator.

I ask unanimous consent that the Senate proceed to the consideration of calendar orders numbered 159, 209, and 210 seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROTECTIVE SERVICES

The Senate proceeded to consider the bill (S. 442) to amend section 914 of title 17, United States Code, regarding certain protective orders, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof, the following:

That section 914(e) of title 17, United States Code, is amended by striking out "three years after such date of enactment" and inserting in lieu thereof "on November 8, 1990".

Sec. 2. Section 902(a)(2) of title 17, United States Code, is amended by adding at the end thereof the following: "The President may revise, suspend, or revoke any such proclamation or impose any conditions or limitations on protection under a proclamation.".

Mr. LEAHY. Mr. President, Congress enacted the Semiconductor Chip Protection Act of 1984 because a void in the law enabled pirates to appropriate American inventors' chip designs with impunity. The 1984 chip law was tailored to the unique properties of semiconductor technology. It created the first intellectual property right outside traditional patent, trademark, and copyright principles.

The U.S. chip law protects foreign nations only to the extent that they provide reciprocal protection for American chips. It permits the Secretary of Commerce to extend interim protection to chips made in countries making good faith progress toward a law protecting American chip designs.

This carrot-and-stick approach has been quite effective. Seventeen nations—the 12 members of the European Economic Community, plus Japan, Sweden, Canada, Australia and Switzerland—have earned transitional protection.

Because many of the successes of the 1984 Chip Act would be vitiated if the Secretary's authority to issue interim protection were to sunset as it is scheduled to in November, I introduced legislation extending the Secretary's authority for 3 years.

In addition to the interim authority of the Secretary of Commerce, S. 442 also addresses the President's authority under the 1984 Chip Protection Act to issue a proclamation protecting chips designed in another country once that country has enacted a law protecting our American chips. In 1984, we granted the President this authority in order to promote international comity.

However, in today's world marketplace, there is a reality we have to recognize. That is, that some nations misuse the privileges we make available to them. We don't want the President to issue permanent protection to a nation that has restricted imports on American chips, or that has sought unfair advantages over America's semiconductor industry.

Moreover, once a Presidential proclamation has been issued giving a foreign nation the benefits of protection under our chip law, we want to be sure that nation acts in good faith. Thus, the Judiciary Committee's Subcommittee on Technology and the Law amended S. 442 to specify that the President may "revise, suspend or revoke" a proclamation if conditions warrant such action. The amendment is modeled after a parallel provision in section 104 of the Copyright Act.

I proffered this language in order to send a signal to the White House. It says that Congress wants the President to monitor diligently the faithful enforcement of the Semiconductor Chip Protection Act.

It also sends a clear message to the beneficiaries of Presidential Proclamations. It says that when the United States extends a privilege to them, they have an ongoing responsibility to comply in good faith with the American law. It means that they have a duty to faithfully enforce the chip laws that enabled them to earn the President's confidence.

Mr. President, this bill was unanimously approved by the Judiciary Committee. It is cosponsored by Senators DeConcini, Humphrey, and Hatch. I encourage all of my colleagues to support it and I look forward to working toward its prompt enactment with Representative Kastenmeier, chairman of the House Judiciary Subcommittee on Courts, Civil Liberties and the Administration of Justice whose record of leadership on protection for semiconductor chip designs is outstanding. I ask unanimous consent that the text of S. 442 be printed at this point in the Record.

Finally, I thank Matthew Gerson, general counsel of the Subcommittee on Technology and the Law, for his good work in bringing this legislation to the point of Senate passage.

Mr. THURMOND. Mr. President, I support S. 442 which proposes amendments to the Semiconductor Chip Protection Act. I was a cosponsor of that legislation when Congress passed it in 1984. I feel now, as I did then, that it is important for the United States to encourage other countries to pass laws to protect chip designs.

Under the 1984 act, design protection is extended to chips from foreign countries if that country provides design protection which is similar to that provided by the United States. In order to encourage countries to change their laws, that act gives the Secretary of Commerce the authority to grant interim protection to chips from those countries that are making progress in changing their laws. The Secretary's authority will expire on November 8, 1987, unless this bill, which would extend that authority for 3 years, is passed.

Currently, interim protection has been extended to 17 countries. These countries have been making satisfactory progress. However, as we all know, changing a country's laws can sometimes be a long and tedious process. Therefore, it is necessary to give these countries additional time to effect these changes.

This bill also contains a provision which makes it clear that Presidential proclamations issued under the act may be revised, revoked, or suspended.

If this bill is passed, I believe that we will continue to see progress in this area. The administration as well as representatives from the semiconductor chip industry have indicated their support for this legislation. I urge my colleagues to join me in supporting this measure.

The committee amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. BYRD. I move to reconsider the vote by which the bill was passed.

Mr. HECHT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

PREPAYMENTS UNDER SECTION 515 OF THE HOUSING ACT

The bill (S. 1430) to impose a moratorium on prepayments under section 515 of the Housing Act of 1949, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 515 of the Housing Act of 1949 is amended by adding at the end thereof the following:

"(q) Notwithstanding any other provision of law, including section 502(c)(2), prior to January 1, 1988, the Secretary may not accept or process any application for prepayment, accept prepayment, or request refinancing, of any loan made or insured under this section, unless (1) such loan was made or insured at least 20 years prior to the date of prepayment, or (2) for a loan made or insured pursuant to a contract entered into before December 21, 1979, the Secretary determines that a supply of adequate, comparable housing is available in the community, or that prepayment or refinancing of such loan will not result in a substantial increase in rents to tenants in residence upon date of prepayment or refinancing or displacement of such tenants.".

Mr. BYRD. I move to reconsider the vote by which the bill passed.

Mr. HECHT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS AND NATIONAL FALLEN FIRE FIGHTER MEMORIAL

The concurrent resolution (S. Con. Res. 38) to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO, was considered, and agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, is as follows:

S. CON. RES. 38

Whereas fire fighters have dedicated their lives to protecting communities;

Whereas the working environment of fire fighters entails hazards beyond the normal limits of other occupations, including exposure to unknown toxic elements;

Whereas nearly 1,200 fire fighters have died in the line of duty since 1977;

Whereas the Colorado Springs, Colorado, affiliate of the International Association of Fire Fighters is building a permanent memorial in recognition of fire fighters who have given the ultimate sacrifice while performing their duties;

Whereas the Colorado Springs Fire Fighters Association has commissioned sculptor Gary Coulter to produce a "Heroic Bronze" entitled "Somewhere Everyday" to permanently commemorate fallen fire fighters;

Whereas fire fighters from around the country are raising funds to pay for the statue;

Whereas the city of Colorado Springs had donated the land for the statue and surrounding plaza and will provide perpetual care and maintenance of the memorial grounds;

Whereas the statue has been unanimously approved by the Arts in Public Places Commission;

Whereas the Fallen Fire Fighter Memorial is centrally located to give fire fighters from all over the country an opportunity to visit the memorial; and

Whereas the International Association of Fire Fighters adopted a resolution at their 1986 convention endorsing the Fallen Fire Fighter Memorial in Colorado Springs, Colorado, as the National Fallen Fire Fighter Memorial of the International Association of Fire Fighters: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress recognizes the Fallen Fire Fighter Memorial in Colorado Springs, Colorado, as the International Association of Fire Fighters National Fallen Fire Fighter Memorial.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. HECHT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE INDEFINITELY POSTPONED

Mr. BYRD. Mr. President, I ask unanimous consent that Calendar Order No. 92 be indefinitely postponed.

The PRESIDING OFFICER. Is there objection?

Mr. HECHT. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL SOKOL DAY IN THE UNITED STATES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of Senate Joint Resolution 165 declaring June 27, 1987, as "National Sokol Day" in the United States and that the Senate proceed to the immediate consideration of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the resolution by title.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 165), expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987, as National Sokol Day in the United States.

The joint resolution (S.J. Res. 165) was considered, ordered to a third reading, read the third time, and passed.

The preamble was agreed to.

The joint resolution, with its preamble, reads as follows:

S.J. RES. 165

Whereas, the Sokol, an association of Americans whose ancestry hails from Czechoslovakia and who are dedicated to gymnastics, physical fitness, equality of the sexes, freedom, and democracy is celebrating the 125th anniversary of its existence with a national festival, called the XX Sokol USA National Slet, on June 27th, 1987 in the Washington, D.C. Armory; and

Whereas, the Slet will be attended by thousands of gymnasts, young and old, men and women, from many parts of the United States who, like Sokol's founder, Dr. Miroslav Tyrs, strive for, "A sound mind in a sound body," for "no personal profit or glory;" and

Whereas, the Sokols since their inception have always been firm believers in democracy and were a very important element in the struggle of the people of Czechoslovakia for their freedom during World Wars I and II; and

Whereas, the Sokols were one of the first organizations in the United States which promoted gymnastics; and

Whereas, the first Sokol unit was established in St. Louis, Missouri on March 14th, 1865 and since that time they have always firmly supported the principles of democracy, human rights, and excellence in all endeavors without compromise: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the sense of the Senate and the House of Representatives of the United States of America in Congress assembled that the President is authorized and requested to issue a proclamation declaring June 27th, 1987 as "National Sokol Day in the United States".

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HECHT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

BICENTENNIAL OF THE NORTHWEST ORDINANCE OF 1787

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be discharged from further consideration of House Joint Resolution 181, a joint resolution dealing with the bicentennial of the Northwest Ordinance of 1787, and I ask unanimous consent that the Senate proceed to the immediate consideration of the joint resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the joint resolution.

The legislative clerk read as follows:

A joint resolution (H.J. Res. 181) commemorating the Bicentennial of the Northwest Ordinance of 1787.

The PRESIDING OFFICER. The question is on the third reading and passage of the joint resolution.

The joint resolution (H.J. Res. 181) was ordered to a third reading, was read the third time, and passed.

The preamble was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

Mr. HECHT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent that earlier action on the companion measure, Senate Joint Resolution 82, be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE INDEFINITELY POSTPONED

Mr. BYRD. Mr. President, I ask unanimous consent that Senate Joint Resolution 82 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE PLACED ON CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that I may introduce on behalf of Mr. SHELBY and Mr. HEFLIN in a bill (S. 1447) to designate Morgan and Lawrence Counties in Alabama as a single metropolitan statistical area and that the bill be placed on the calendar.

Mr. HECHT. No objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SHELBY. Mr. President, this bill I am introducing addresses a problem of concern for two counties in Alabama with respect to obtaining their metropolitan statistical area [MSA] designation. My legislation, cosponsored by Alabama's senior Senator HOWELL HEFLIN, would allow the counties of Morgan and Lawrence in Alabama to be considered for designation as a single metropolitan statistical area by the Director of the Office of Management and Budget [OMB] without regard to the portion of the Bankhead National Forest within Lawrence County.

The existing MSA definition permits urbanized areas which have a central city of 25,000 or more persons, and which are located in a county of less than 100,000 persons to be designated as an MSA if an adjacent county qualifies on the basis of certain standards of population density and worker-commuting.

The only criterion preventing the Decatur area from receiving the designation is the fact that Lawrence County's 1980 population density—43 persons per square mile—falls short of OMB's threshold of 50 persons per square mile. Lawrence County would easily meet OMB's population density requirement of 50 persons per square mile were it not for the fact that the Bankhead National Forest embodies over one-fifth of the county's land area.

Research has shown conclusively that Decatur, AL, is the only nonmetropolitan area in the Nation which as been deprived of the MSA designation because of OMB's requirements that National Forest properties be included in the population density formula.

I believe in view of the unusual nature of this situation, and in view of the fact that this "technicality" is the only criterion preventing OMB from designating Morgan and Lawrence Counties as a metropolitan statistical area, with Decatur as the central city, that this legislation is needed for OMB to recalculate Lawrence County's population density, excluding the national forest portion.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the counties of Morgan and Lawrence in Alabama shall be considered for designation as a single metropolitan statistical area by the Director of the Office of Management and Budget without regard to the portion of the Bankhead National Forest located within Lawrence County.

ORDER FOR H.R. 2480, INTERNATIONAL FISHERY AGREEMENT BETWEEN THE UNITED STATES AND KOREA, TO BE PLACED ON THE CALENDAR

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Commerce be discharged from further consideration of H.R. 2480, a bill to extend temporarily the International Fishery Agreement between the United States and Korea, and that the bill be placed on the calendar.

Mr. HECHT. Mr. President, there is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARMERS NEED CCC FUNDING

Mr. DANFORTH. Mr. President, Missouri farmers, and farmers throughout the country, have suffered serious and totally needless financial hardship because Congress has not yet produced a supplemental appropriations bill to fund the programs of the Commodity Credit Corporation [CCC]. It is extremely disappointing that the new leadership in this Congress has permitted a partisan fight over arms control to make a hostage of farm program payments. It is an absolute disgrace that our farmers should have to pay the costs arising from the misplaced desires of some Congressmen to micro-manage this Nation's foreign policy. Scores of distraught farmers contact my office every day to express their frustration because they entered into agreements with the U.S. Government in good faith and now Uncle Sam isn't living up to the bargain.

It is now my understanding that the ice is breaking and that House and Senate conferees are pushing hard to produce a bill. Indeed, some Senators believe we will be able to complete action next week. For the sake of farmers who have been put through the wringer for absolutely no good reason, Mr. President, I hope the optimism about finally passing this bill is well-founded. It's about time.

However, even if the optimism that I have picked up today is well-founded and we finally do our duty, we are not off the hook. Farmers have taken a terrific financial beating because payments due to them under contracts have not been made. We cannot overlook the damage that has been done.

In 1982, Congress passed and the President signed into law the Prompt Payment Act. Senator CHILES and I introduced this legislation in the Senate in order to clean up the notorious bill-paying practices of a number of Federal agencies. Delinquency on bills was widespread. Suppliers of goods and services had to wait weeks or even months for payment with severe financial consequences, especially for small businesses. Under the 1982 law, if agencies fail to pay their bill on time, they are required to pay penalty interest to suppliers. The current rate for calculating penalty interest is 7⅝ percent. Payment is due generally within 30 days; payment on meat and other agricultural commodities are due in 7 and 10 days, respectively. As a result of this legislation, significant progress has made in this troublesome area.

But does the Prompt Payment Act apply to the CCC? I believe it clearly does, although USDA seems to disagree. Earlier this year, the Comptroller General ruled that certain CCC contracts for red meat are covered by the Prompt Payment Act. I intend to contact the Secretary of Agriculture to express my hope that USDA will abide by the Comptroller General's position. And why should other CCC contracts be treated differently? My inclination would be that the Department should take the position that the act applies generally to CCC contracts, although I suspect USDA will be unwilling to take this position.

The Senate will have the opportunity to address these issues when we conside S. 328, the Prompt Payment Act Amendments of 1987. The Governmental Affairs Committee has approved a provision that will make it clear that an agency is not exempt from the Prompt Payment Act simply because funds are temporarily unavailable. I would hope to have a reply from the Secretary by the time we take up S. 328. It seems to me that all or most CCC contracts should be covered by the Prompt Payment Act, and I would be interested in discussing this question with members of the Governmental Affairs Committee.

SCHOLAR ON MOZAMBIQUE OUTLINES CURRENT SITUATION THERE

Mr. HELMS. Mr. President, the Subcommittee on Africa of the Foreign Relations Committee heard testimony on June 24 of an outstanding and widely respected scholar on Mozambique. Dr. Thomas H. Henriksen, senior fellow of the Hoover Institution on War. Revolution and Peace, outlined the origins of the present civil war in Mozambique as well as describing the present situation there.

Dr. Henriksen noted:

> By the time of FRELIMO's second party congress in 1968, the part program had shifted to the Marxist left, as FRELIMO sided with those who wished to wage a world-wide class struggle. When called a Communist movement by Portuguese colonial officials during the guerrilla war, FRELIMO officials, however, denied the charge and stated that their reliance on Soviet bloc military assistance was a necessity.

The situation sounds much like what happened in Cuba. Few in our State Department recognized, or admitted, that Castro's guerrillas were, in fact, of Communist origin.

Dr. Henriksen noted the similarities between the early Soviet and early Communist Chinese governments in terms of attempting to minimize the international recognition of their socialist nature.

With respect to Mozambique, Dr. Henriksen observed that the civil war is the result of the unpopularity of the FRELIMO regime and the popular support for Mozambique National Resistance [RENAMO] throughout the country.

> In the last analysis, it was FRELIMO's domestic policies which caused its greatest problems. FRELIMO is the only legal party in the country. It controls the media. Soon after independence it set up "re-education camps" for thousands of Mozambicans deemed guilty of political offenses. It was indeed FRELIMO Communist schemes of collectivization and confiscation of private property and oppression of individual rights that planted the seeds of the formidable internal challenge now posed by RENAMO.
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> . . . It was and is FRELIMO's collectivized agricultural schemes that led directly to the famine which stalks that unhappy country. FRELIMO's policies occasioned widespread famine and the flight of refugees into neighboring states, just as similar schemes had helped to create the Ethiopian catastrophe of 1985. Under Portuguese colonialism, no equivalent famine had existed. Many Mozambicans wanted to get rid of Lisbon's rule—they won their independence—but not their expected freedom from fear or want.

Dr. Henriksen has devoted much of his academic life to the study of Mozambique. His publications on the topic include "Revolution and Counterrevolution: Mozambique's War of Independence, 1964-1974" (published in 1983) and "Mozambique: A History" (1978).

I commend his views to my colleagues, and I ask unanimous consent that his testimony be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY DR. THOMAS H. HENRIKSEN, SENIOR FELLOW, HOOVER INSTITUTION ON MOZAMBIQUE

Mr. Chairman, I welcome this opportunity to speak with this committee today about the situation in the People's Republic of Mozambique and the American policy toward and aid to that country.

Our policy objectives for the People's Republic of Mozambique should be to restore and advance United States influence; to deny the Soviet Union the use of that country's ports and airfields to expand its influence in southern Africa, the Indian Ocean and even reaching into the continent of Antartica. Our goal should also be to further the development of democracy in Mozambique as we did in such countries as the Philippines and Haiti by withdrawing support for the anti-democratic regime in power.

It is apparent that these objectives and goals are not furthered by present U.S. support for the current government of the People's Republic of Mozambique—FRELIMO, or the Front for the Liberation of Mozambique. FRELIMO is by its own declaration a "Marxist-Leninist vanguard party", which has in 1977 entered into a party-to-party twenty-year Treaty of Friendship and Cooperation with the Communist Party of the Soviet Union. In addition to acting as a staging area for Soviet objectives in the region, Mozambique has a long history of antidemocratic policies and oppression of its own citizens.

Following the growth of an opposition party espousing a platform of free and fair elections, such as the Mozambique National Resistance (RENAMO, formerly MNR), FRELIMO has reputedly seen the light. But despite FRELIMO's assumed conversion to pragmatism and neutralism, the FRELIMO leopard has not changed its spots. Allow me to summarize the key aspects of FRELIMO's rule before dealing with aspects and arguments of American aid and policy for the main players in the current drama in the People's Republic of Mozambique.

FRELIMO came into being in 1962 when three small organizations merged to launch a campaign to end Portuguese colonial rule. True to its name, the Front for the Liberation assumed "popular front" tactics designed to secure a broad base of support among Mozambicans and foreign states against colonialism. FRELIMO's initial political platform called principally for national liberation. Other resolutions of the First Congress in September, 1964, were directed to the achievement of independence by means of mobilization, preparation for war, education and diplomacy.

By the time of FRELIMO's second party congress in 1968, the party program had shifted to the Marxist left, as FRELIMO sided with those who wished to wage a world-wide class struggle. When called a communist movement by Portuguese colonial officials during the guerrilla war, FRELIMO officials, however, denied the charge and stated that their reliance on Soviet bloc military assistance was a necessity.

But after independence, FRELIMO's alliance with the Soviet bloc was as unmistakable as was its hostility to the West in general and the United States in particular. Likewise its domestic and foreign policy's demonstrated a wholehearted and genuine conversion to Marxism. I have mentioned already FRELIMO's announcement of being a "Marxist-Leninist vanguard party" at the Third Party Congress in 1977, and FRELIMO's party-to-party treaty with the CPSU. Additionally, FRELIMO invited Soviet warships to Mozambique ports, allowed Soviet aircraft to use its airfields and sent its youth and cadres to Soviet and Cuban schools and training camps.

In the last analysis, it was FRELIMO's domestic policies which caused its greatest problems. FRELIMO is the only legal party in the country. It controls the media. Soon after independence it set up "re-education camps" for thousands of Mozambicans deemed guilty of political offenses. It was indeed FRELIMO communist schemes of collectivization and confiscation of private property and oppression of individual rights that planted the seeds of the formidable internal challenge now posed by RENAMO.

The new regime in Maputo (formerly Lourenco Marques) sought to abolish private enterprise, introduce People's Shops, formed cooperative industrial centers and collective farming by moving tillers off the soil into communal villages. FRELIMO nationalized many farms, banks, industries and even the services of morticians, doctors and schoolteachers. It became embroiled in controversy with the Catholic Church in Mozambique by criticizing its rituals and schools, and by proclaiming its Marxist version of atheism as official state doctrine. The FRELIMO government also sought to undermine traditional rulers and ancient customs in its efforts to create a New Man, reminiscent of other communist regimes.

Alarmed by government policies, the Portuguese colonial population fled, leaving about 10,000-20,000 of the former 230,000 present before independence. The departing whites took their skills and capital, leaving the new country woefully short of managers, farmers, bankers, physicians, teachers, technicians and repairman. The economy worsened. Agricultural output tumbled to well below colonial production figures. The service sector collapsed. FRELIMO's efforts to improve literacy and health standards faltered.

Just as devastatingly, FRELIMO policies helped destablize traditions and customs of the rural Africans, who little understood and greatly feared the changes in their daily lives. The government moved them from traditionally held lands to communal villages by promises of readily accessible water, schooling, medical care and farming assistance which proved to be upsetting. When the promised amenities failed to appear, Mozambicans, who had experienced rising expectations, expressed discontent and some turned to opposition. Rhodesia (now Zimbabwe) capitalized on Mozambican discontent by organizing, training, arming FRELIMO opponents.

The Marxist government matched its sweeping domestic programs with a forward foreign policy. FRELIMO granted sanctuaries and support to the Zimbabwe African National Union (ZANU), whose guerrillas fought to displace the Rhodesian government. The Rhodesians retaliated by devastating raids and pre-emptive strikes, not only on ZANU bases, but also on Mozambique's economic infrastructure. The Rhodesian imbroglio only extended the scope of FRELIMO's problems.

RENAMO's message and actions gained new converts. Former FRELIMO members, as well as urban dwellers and rural folk, became increasingly disenchanted with a Marxists regime, which strove to impose its vision of a reordered society on an economically backward land. For a time, the rebels received assistance from South Africa (until the signing of the Nkomati Accord in 1984.) But since its inception, RENAMO has proved adept at capturing weapons from FRELIMO or by simply improvising them. By all independent accounts, RENAMO lacks sophisticated weapons, uniforms, and arms for its recruits. Yet the struggle goes on.

In my opinion, it was and is FRELIMO's collectivized agricultural schemes that led directly to the famine which stalks that unhappy country. FRELIMO's policies occasioned widespread famine and the flight of refugees into neighboring states, just as similar schemes had helped to create the Ethiopian catastrophe of 1985. Under Portuguese colonialism, no equivalent famine had existed. Many Mozambicans wanted to get rid of Lisbon's rule—they won their independence—but not their expected freedom from fear or want. The United States should once more support the popular cause. Hence, I should like to make the following recommendations.

1. The United States Department of State, Agency for International Development and other appropriate American government offices should open contact with RENAMO.

2. The United States, wherever possible, must provide moral and material support to peoples struggling against communist inspired and communist aided governments. If we, as a nation, can back democracy in authoritarian states friendly to the United States, such as in Marco's Philippines or Baby Doc's Haiti, then we can and should support democratic forces, such as RENAMO, in countries such as Mozambique, which have not been friendly to the United States.

Specifically, we should provide military assistance to RENAMO to the same extent provided to UNITA (União Nacional para e Independência Total de Angola), about $15 million a year.

If the Soviet bloc (including Cuba and Ethiopha) withdraws its forces, advisors and ground troops from the People's Republic of Mozambique, in an effort to extend its policy of glasnot to the Third World, then the United States could consider reversing its decision to send arms to RENAMO.

Additionally, the United States should match its humanitarian aid, such as food relief, to FRELIMO with a similar amount to RENAMO. RENAMO's objectives of free and fair elections and the withdrawal of Foreign forces are commensurate with both American goals and values.

3. The United States should not participate in aid programs designed to rebuild or to protect the Beira Corridor. Some well-wishers of the FRELIMO regime point to its apparent adoption of pragmatism in its economic policies. We should, however, be wary of undue optimism in this regard. Short periods of economic liberalization in communist countries have never as yet produced political freedom. For example, the Soviet Union's New Economic Policy of the early 1920s was followed by the brutal Stalin policies of the next three decades. China's campaign of a Hundred Flowers preceded the terror of Cultural Revolution. Hungary has done somewhat better; but even Hungary is not a free country, and Janos Kadar does not serve as a model for the Mozambican nomenclature.

United States assistance to FRELIMO may in fact have unintended consequences. The United States would strengthen a Marxist-Leninist regime. By offering help in rebuilding Mozambique's infrastructure, the United States may unwittingly encourage individual Mozambicans to pursue private enterprise. Once the FRELIMO regime feels secure from foreign pressure, FRELIMO might well again change the party line and purge the new, but now unwelcome class of entrepreneurs. Speaking in more general terms, the West has never as yet succeeded in converting any communist regime into a democracy through the provision of foreign aid.

4. At the very least, the United States should post an accredited ambassador from Washington to Maputo, who will strive to place the United States in a position to offer its good offices in a search for peace. Such an ambassador should take as an initial step in fostering communications and negotiations between RENAMO and the Maputo regime.

In my opinion, history is at a crossroads in the People's Republic of Mozambique. The United States should choose to march with democracy.

It is a positive step that this committee is bringing into the open the question of People's Republic of Mozambique. It, of course, is up to the committee to decide what position it will take on the situation in Mozambique. In conclusion to this statement, I would like to suggest, however, that America's best interests are served by a strong Congressional stand that this country is on the side of RENAMO and the democratic government in Mozambique.

If I can provide additional details or answer your questions, I would be pleased to do so.

Thank you.

SUBSEABED DISPOSAL OF HIGH LEVEL NUCLEAR WASTE

Mr. HECHT. Mr. President, yesterday I introduced S. 1428, a bill to set up a special office in the Department of Energy to carry out research on the possiblity of subseabed disposal of high level nuclear waste.

The Federal Government has been participating in this research since 1974. By 1985 ten other nations had joined the United States in a cooperative research effort on this subject, with America contributing only about 42 percent of the total research budget.

Subseabed is potentially a superior alternative to our current plans for high level nuclear waste. It may prove to be cheaper and safer. This research allows us to cooperate with other nations in finding a common solution to the waste problem, and a solution that reduces the chances of nuclear proliferation. Finally, this research enables America to stay at the cutting edge of ocean research and technological development.

In the past, this research has been under the administrative direction of the Office of Civilian Radioactive Waste Management at the Energy Department. Unfortunately, that office has shown little or no interest in subseabed disposal, but instead has been preoccupied with promoting deep geologic disposal inside the continental United States. As a result, subseabed disposal research was not funded last year. If this sort of research does not go forward as it was intended according to the Nuclear Waste Policy Act of 1982, it is entirely possible that the Energy Department's entire waste disposal program might unravel due to a legal challenge under the National Environmental Policy Act.

If subseabed research is to receive the attention it deserves from the Energy Department, the Congress is going to have to put another part of the department in charge of this research effort. This bill puts the program in the office of energy research, where I expect it will receive more attention from the department.

Mr. President, I encourage the Senate to give this bill enthusiastic bipartisan support, and I hope we can rapidly process it through committee and bring it to the floor of the Senate for favorable consideration.

I ask unanimous consent that Senator Reid be listed as a cosponsor of S. 1428.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

LIZ CARPENTER ADDRESSES NATIONAL PRESS CLUB

Mr. FOWLER. Mr. President, it is wonderful to have Liz Carpenter back in town. She has always been a fount where the waters of wry wit and sobering wisdom have intermingled in a refreshing vision.

Yesterday, at the National Press Club luncheon here in Washington, the insight of a woman who has served eight presidents came through with greater crispness and clarity than ever.

Her book, "Ruffles and Flourishes", from 1970, is an unparalleled manual of the American political campaign.

Now, on her 65th birthday, she has published a new book of reminiscence and sage advice called "Getting Better

All the Time". I can't think of a more appropriate way to describe her. Long live Liz Carpenter!

I was pleased to be present for her speech, and I wanted to share it with my colleagues who couldn't be there.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS BY LIZ CARPENTER

How great thou art! How great it is to return after ten years and to find you are still here in the town where "try to remember" has become the national anthem. Like Rip Van Winkle, I rub my eyes in wonder at Washington today. Like George Bush, I wonder where I am and where I have been all this time.

It is gratifying that so many of you haven't forgotten me. But how many of you really remember what a President was doing August 8, 1986? Forgetting, of course, is a bad thing . . . remembering to forget is good politics.

It seems like only ten years ago, the speed limit was 55. Today it's 65 and so am I. I'm observing the limit, but I warn you, I'm accelerated. I am picking up speed, but at my age, that's about all. Well, we are all into aging. That sex symbol, Paul Newman is 62. Ben Bradlee is 66. Why am I so glad to know that?

If I have any claim to this podium, it is because this National Press Building has been a big part of my life for forty years. From FDR to Jimmy Carter, I had the pleasure of watching Washington through eight Presidents, and a whole covey of Vice Presidents and a gaggle of Attorneys General. I am a pre-television, pre-word processor, pre-pill, pad and pencil reporter.

When I came here that summer of '42, Franklin Roosevelt was President and Eleanor was making news and newspaper jobs for women. I was 22 when I first walked into this building . . . journalism degree in hand, virtue intact. I still have my journalism degree. I was a brunette then, and so naive, I thought the "body politic" was a candidate's wife.

I made the rounds looking for a job, wide-eyed at the mastheads on the doors: The New York Herald Tribune, Look Magazine, Bascom Timmons News Bureau—they had leaped out at me from the pages of my journalism textbook and here they were in real life. I had been given a trip to Washington as a graduation present so I wouldn't marry some Yankee soldier stationed in Texas. (We still had Yankee soldiers in World War II.) And I didn't. I married the boy from back home, also a reporter, and we were swept up into covering this magnificent marble Capitol, "Grandaddy and grandchild of all the main streets of America, in which evil men do good things and good men do evil in a way of government so delicately balanced that only Americans can understand it and often they are baffled." Remember? That was the description our fellow reporter, Allan Drury, gave in his novel that we all wished we had written.

Reporting is a marvelously romantic profession and here in this building, we worked, launched a family, a career, and life. Of course, we had Potomac fever! This is heady stuff. Uncle Sam in all his glory and a press pass to every thought and action. Every few years when things got dull, there were new faces, new Presidents and first families to cover and analyze.

I had become a reporter in spite of the advice of my first editor. Why is it we never encourage anyone to go into our profession? I remember his warning, "You don't want to be a newspaperwoman. It's the most underpaid and oversexed profession in the world." Of course, he never did anything to disprove it. Later, he went on to work at the Miami Herald.

So here I am back in town, stunned by headlines of shenanigans on Wall Street, Washington, the pulpit . . . what happened? Oh, in the past, we always had probes and investigations but it was friendlier like a good gynecologist. Come to think of it, that's what politics is coming to.

In the good old days, hanky panky was—

A midnight leap into the Tidal Basin;

A Congressman losing his pacemaker at the Marriott;

Drew Pearson and Joe McCarthy in a fist fight at the Sulgrave Club;

Harry Truman firing General MacArthur;

President Eisenhower removing the squirrels from the White House lawn so they wouldn't tear up his golf tee;

Arthur Schlesinger jumping into Bobby Kennedy's swimming pool with his clothes on;

LBJ showing his scar;

Watergate and the overgrown little boys tiptoeing around Foggy Bottom to bug the other gang;

Ham Jordan tossing amaretto and cream down the cleavage of an ambassador's wife.

But today, news has gone hog wild and you get the blame for telling it.

Today, I had hoped to bring some jokes and gag lines, but all the cutesy Gary Hart quips and puns about Iranamuck have been said. There's nothing left. Time was when I knew every nuance, every player, every quip around the press table, but I am no longer "au courant." I would like to report what they are saying and thinking in the middle of the Bible Belt where I come from—not below the Bible Belt where pious people seem to be straying.

In my own Lake Woebegone, my hometown of Salado, Texas—population 1,380 when everyone is home—we called a town meeting and even named it "understanding evil." Our local psychiatrist says someone needs to, now that evil is so stylish. It seems like a compassionate approach to a timely subject to help us know what's going on.

At the first meeting, we studied the problem of cocaine and Wall Street. Our local banker said, "Well, I've been wondering why Dow Jones is so high and now I know."

At the second meeting, we tried to understand the White House and the Contras. The Democratic chairman claimed he had seen it coming. "What do you expect from a crowd with so many Reagans and Regans and Bakers and Bakkers they can't decide how to pronounce them or spell them. Hell, we've just got it straight that Iran and Iraq are two different countries." Or are they? I haven't read today's papers.

At the third meeting, we tried to understand about Jim and Tammy Faye. Our local minister was in charge, and was he embarrassed. He just bowed his head in prayer, "Lord, forgive us that it would be a preacher who made 'Love Lifted Me' a porno song."

In our moment of truth, we realized "bringing in the sheaves" has a whole new meaning on the national level!

Actually, we grassrooters should be paying more attention. But in Texas where chapter 11 is a way of life, we have been too busy learning how to be broke.

And I have been busy aging and reflecting on life. It began on my Medicare birthday. Yes, a funny thing happened on my way to, hopefully, heaven. My back went out and I couldn't get out of bed, so, I began to think—what did it all mean, what did I learn in taking up space on this earth for sixty-five years.

And that set me doing what any of you could and should do, i.e. write an accounting of life as you have known it. Write it for your descendants if no one else so they won't keep making the same mistakes, and, of course, so they can know you.

As my fellow Texan, Bill Moyers, points out "You can't ignore the rear view mirror, every story is the consequence of events often unremembered but always inescapable. But alas, what is happening this hour seems to be our sole criterion for judgment and action."

He is amazed to find some young people who ask, "Who is this fellow Churchill you are always quoting?"

So it is with individuals. We are shaped by our genes, our roots, our education and experiences, by being tested on the trial fields of life. Ask yourself, what has life taught me and you find you're in debt to a wide circle of people and experiences.

I am so lucky. Life has always led me where things are happening, where people are exhilarating, where actions and laughter come quickly. When I took time out to ponder it, I had a book. At 65, I am proud to say, I mastered a word processor, graduating from the Underwood upright which had served me so well through my newspaper days, and I began to write, "Today, I am sixty-five years old. That seems like a lot to my grandchildren. They look at my white hair and think 'old,' maybe everyone does. But for me, it seems like nothing at all. I am still the same person, I have always been, the child wading in the creek, writing school songs, attending the university, going to Washington as a cub reporter, covering the Hill and the White House, then working in the White House, and finally coming home to lead a new kind of life as a widow."

I began to ask myself the question: "What is home? Roots, trappings, family, work, love. What is home for me? Five houses take shape, walls come alive, porches and rooms reach out to touch me, from the house where I, was born to my last lap house, my happy hour house overlooking Austin. This press building is very personal to me, part home, echoing another time, another me. I never pass the press building cornerstone, laid by Calvin Coolidge, with what was undoubtedly a very short speech, that I don't think of his last day in office. He strolled outside the grounds of the White House with a friend who asked in whimsy, "Who lives there?" Coolidge replied, "No one." But in truth, we all do. It is that sense of possessiveness which we all have about Washington whether we sit in the seat of the mighty or watch from the grassroots.

I recommend this exercise of reflectioning for everyone. We witness in our life span so much history and there is more time to reflect on it. Most of us will live sixty years after we are twenty. Some of us will even get to hear Willard Scott say happy birthday when we reach 100. He barely bothers with the 90 year olds any more.

We have just begun to probe what this new gift of time offers. Obviously, there is more time to learn and, as John Gardner points out, it's what you learn after you know it all that counts. We learn how to change careers and interests several times. We learn how much friendship really counts—how to widen our circle of friends by being one. We seize new ways to serve.

Like Van Gogh, I do not think we were put on this Earth to be merely honest or simply happy. We were put here to realize great things for humanity. This provides a sense of purpose so necessary to happiness. Then, we learn how humor is essential for perspective about ourselves. And we learn to avoid congenital complainers.

Age is very liberating. Grey hair is a license to say what you think. And what is happening beyond the mesmerizing Potomac? What is taking shape at this very moment? I am here to tell you:

(1) An almost superhuman effort is underway to save education. We simply have to redefine national defense to include education. The States are awash with emergency committees to put our priorities where they belong, off the sports field and into well financed classrooms. Otherwise we lose our world markets.

(2) There is a real antagonism towards soaring costs of political campaigns. Voters are drained by fundraisers and disgusted by the failure to put a lid on campaign costs which breed payoffs, and place a price on acts of public service.

(3) There is a graying of the peace movement. You hear it in the songs: "And may we have peace on Earth and may it begin with me." "We are the world, we are the children." We are also supposed to be the responsible adults.

The Contra hearings have won a lot of TV armchair peacemakers. The spectacle of hired gun runners, war profiteers, Swiss bank accounts and munitions makers is terrorizing. If Robert Sherwood hadn't used the title "Idiot's Delight" for his anti-war play, we could use it now. Back in Salado, even our local rifle association knows guns and missiles kill people, whether they are made in the USA or the USSR.

When I came to this town, there were 70 foreign nations represented here. Now there are about 160. Yet even as the world grows more crowded we have not found the way to make it more peaceful. It has been said the cold war set America's political maturity back two generations by creating an unreasoning fear of the Soviets which fuels the arms race. No one can know for sure whether this is so. Looking back, it was pretty silly not to let Khrushev go to Disneyland. It may be just as silly not to believe Gorbachev is for real. Yet, the only person brave enough to say it was Gregory Peck.

Out there in the grass roots, these are the stories waiting to be covered. Never have thoughtful journalists been so needed.

I assure you that dismay over national events has not created apathy. People are looking for answers and optimistic that we shall find them.

What saves us in a time of unthinkable shenanigans? What saves us when the system falters, the leaders go awry?

I used to think the only enemies of democracy were poverty and ignorance. but age and experience have taught me it is also the poverty of the rich and the ignorance of the learned who know the rules and wink at them. One thing our political history proves is that despite the headlines, behind the headlines, there are values that endure, people who don't follow the latest trends. The great movements for justice did not come from Washington but from the grassroots, scattered voices banding together to form coalitions for civil rights, equality for women, a humane environment, peace. Indeed the very reason pollsters were born was to search out the early signals that are alive in this country.

So we keep on trying what keeps us spellbound, ever hopeful, as citizens and as reporters in this free democracy with its free press, are the surprise endings.

Fifty years ago, we had a terrible depression, who would have thought it would be the aristocratic country squire from Hyde Park to give us a social conscience and put government and the country to work?

We survived a massive war and who would have imagined it would be the cocky high school graduate haberdasher from Independence wise enough to lift Europe out of the ashes of that war?

And in the aftermath, that it would be the military man who would check the excesses of the Pentagon's military industrial complex?

It was the wealthy swashbuckling Boston Lancelot who rallied us to ask what we could do for our country . . . and enobled public service as a career.

No Harvard or Stanford graduate gave us our agenda for education. It came from the Johnson City graduate of a small State teachers college—the same Texan who put civil rights into law and action.

It was the commie hunter from California who made us recognize Red China.

The Michigan football center who opened up access lines to government.

The Christian Southern Baptist who brought the Jews and Arabs to the altar of the peace table.

Maybe, just maybe, it will be the jingoistic hawk . . . who will bring us into an arms control treaty and lay down the swift sword. Wouldn't it be nice if the world announced a universal peace party and everyone RSVP's.

Yes, surprise endings to the continuing story of trials and failures, of scandals and shortcomings, in this ever trying unfinished democracy of ours.

Andy, I want to present the first copy of my book to the National Press Club library, so I can keep on being part of this building. The title of my new book is getting better all the time. Look at that cover girl. I'll let you in on a secret. The hair is real but the wrinkles aren't. They were airbrushed in to make me look more mature.

In closing, I offer you and everyone this toast:

Here's to your ability
To have the agility
To take your virility
Into your senility.

RETIREMENT OF JOHN A. KNAUSS

Mr. CHAFEE. Mr. President, Dr. John A. Knauss, dean of the Graduate School of Oceanography and vice president of Marine Programs at the University of Rhode Island, is retiring this month after an outstanding career at U.R.I. The leadership and guidance that he had consistently supplied to the school will be deeply missed.

Dr. Knauss' dedication to the university is limitless, and his contributions to the marine affairs scientific community are overwhelming in their variety and comprehensiveness.

John began his career in oceanic research with the U.S. Navy, but came to Rhode Island and to U.R.I. in 1962 after earning his doctorate at the Scripps Institution of Oceanography. Nineteen sixty-two was also the first year of the Sea Grant Program, and since that time Dr. Knauss has been a leader of that program, both in my home State and nationally. He has served as president of the association of Sea Grant Program institutions, but his accomplishments in the oceanic research field extend far beyond this position.

Dr. Knauss has served on several Federal advisory committees and he has been appointed to two presidential commissions, including the National Advisory Committee on Oceans and Atmosphere, of which he served as chairman from 1981-85. He has also been chairman of the Ocean Science Committee of the National Academy of Science, and has served on numerous other boards and committees in a variety of positions. In addition, he has written two textbooks and countless articles.

His career in the marine science field has certainly been full and successful.

The people of my home State are proud of John Knauss. Indeed, he was elected to the Rhode Island Heritage Hall of Fame in 1982. After all, in Rhode Island the ocean touches upon every citizen's life in one form or another. Our State is inextricably linked to the sea, both commercially and recreationally. Rhode Islanders deeply admire a man who has made the study of the ocean his life.

I believe that Dr. Knauss's record effectively demonstrates his dedication to educational quality, as well as public service and awareness. I congratulate John Knauss on his performance as dean at the University of Rhode Island and on his leadership in his chosen field of endeavor. His extraordinary efforts are recognized, appreciated, and admired. We wish him the best in his approaching and well-deserved retirement.

BICENTENNIAL MINUTE

JUNE 26, 1787: CONSTITUTIONAL CONVENTION DECIDES ON SENATE TERM AND PAY

Mr. DOLE. Mr. President, 200 years ago today, on June 26, 1787, the Constitutional Convention arrived at two major decisions about the structure of the proposed Senate.

By a vote of seven States to four, the delegates agreed to Gorham of Massachusetts' recommendation that Senators serve 6-year terms. South Carolina's Pinckney had urged a 4-year term, fearing that Senators would become too detached from the interests of their States if they were away at the national seat of government for a longer period. Read of Delaware, to the contrary, preferred an unlimited term of service "during good behavior." As he knew there was no support for this, he settled on the longest term then being considered—9 years. James

Madison agreed, saying "In framing a system which we wish to last for ages, we should not lose sight of the changes which ages will produce. An increase of population, will of necessity increase the proportion of those who will labor under the hardships of life, and secretly sigh for a more equal distribution of its blessings." Madison feared that without a stable Senate, power could slide into the hands of the numerous poor rather than the few rich. Despite Madison's wishes, the Convention defeated the 9-year term in favor of 6.

South Carolina's Pinckney then moved that Senators should receive no salary. As the Senate was to represent the wealth of the Nation, its membership should be composed of persons of wealth. Ben Franklin agreed. He hoped that many of the Convention's delegates would become Senators. If those positions were well paid, the public might charge the delegates with carving out comfortable positions for themselves. When this was defeated by a vote of 5 to 6, the delegates then rejected a motion that Senators be paid by their respective States. Ultimately, the Convention left the touchy issue of the amount of salaries to the first Congress.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty, which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 9:20 a.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

H.R. 2700. An act making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes; and

H.J. Res. 324. Joint resolution increasing the statutory limit on the public debt.

MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2700. An act making appropriations for energy and water development for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

H.J. Res. 324. Joint resolution increasing the statutory limit on the public debt; to the Committee on Finance.

MEASURES PLACED ON THE CALENDAR

The Committee on Commerce, Science, and Transportation was discharged from the further consideration of the following bill which was placed on the calendar:

H.R. 2480. An act to extend temporarily the governing international fishery agreement between the United States and the Republic of Korea.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUYE, from the Select Committee on Indian Affairs, with an amendment in the nature of a substitute and an amendment to the title:

H.R. 318. A bill to provide for the restoration of Federal recognition to the Ysleta del Sur Pueblo and the Alabama and Coushatta Indian Tribes of Texas, and for other purposes (Rept. No. 100-90).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. KASTEN:

S. 1433. A bill to amend the Federal Meat Inspection Act with regard to certain frozen meat products; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BYRD (for Mr. Gore (for himself and Mr. Sasser)):

S. 1434. A bill for the relief of Rolen-Rolen-Roberts International of Knoxville, Tennessee; to the Committee on the Judiciary.

By Mr. EVANS (for himself and Mr. Adams):

S. 1435. A bill to authorize certain elements of the Yakima River Basin Water Enhancement Project, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. DANFORTH:

S. 1436. A bill to amend the Hazardous Materials Transportation Act regarding the transportation by rail of certain materials, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. HELMS:

S. 1437. A bill to make certain members of foreign diplomatic missions and consular posts in the United States subject to the criminal jurisdiction of the United States with respect to crimes of violence; to the Committee on Foreign Relations.

By Mr. DURENBERGER (for himself, Mr. Heinz, Mr. Daschle, Mr. Lugar, Mr. Cohen, Mr. McCain, Mr. Exon, Mr. Wirth, Mr. Grassley, Mr. Boschwitz, Mr. Hecht, Mr. Burdick, Mr. Pressler, Mr. Stevens, Mr. Conrad, Mr. Stafford, and Mr. Hatch):

S. 1438. A bill to assist rural hospitals facing unfair Medicare payment policies; to the Committee on Finance.

By Mr. McCLURE:

S. 1439. A bill to amend the Energy Policy and Conservation Act to strengthen our Nation's energy emergency preparedness consistent with the policy set forth in section 271 of said Act, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. EVANS (for himself, Mr. Inouye, Mr. Riegle, Mr. Kerry, Mr. Murkowski, Mr. Hatfield, Mr. DeConcini, Mr. Hatch, Mr. Stafford, Mr. Karnes, Mr. Glenn, Mr. Levin, Mr. Adams, Mr. Hollings, Mr. Rockefeller, Mr. Wirth, Mr. Matsunaga, Mr. Simon, Mr. Sarbanes, Mr. Pell, Mr. Stevens, Mr. Weicker, Mr. Dodd, Mr. Bingaman, and Mr. Moynihan):

S. 1440. A bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid and Food Stamp programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes; to the Committee on Finance.

By Mr. KENNEDY (for himself, Mr. Bradley, Mr. Hatch, Mr. Riegle, Mr. Quayle, Mr. Bentsen, Mr. Matsunaga, Mr. Weicker, Mr. Stafford, Mr. Inouye, Mr. Simon, and Mr. Burdick):

S. 1441. A bill to reduce the incidence of infant mortality; to the Committee on Labor and Human Resources.

By Mr. GRASSLEY:

S. 1442. A bill regarding permitted public uses within the Desoto National Wildlife Refuge, Iowa; to the Committee on Environment and Public Works.

By Mr. CRANSTON (for himself, Mr. Murkowski, Mr. Matsunaga, Mr. DeConcini, Mr. Graham, and Mr. Simpson):

S. 1443. A bill to amend title 38, United States Code, to establish an Office of Medical Inspector General in the Office of the Chief Medical Director of the Veterans' Administration, and for other purposes; to the Committee on Veterans Affairs.

By Mr. MURKOWSKI (for himself, Mr. Cranston, Mr. Specter, Mr. Simpson, Mr. Thurmond, Mr. Matsunaga, Mr. DeConcini, and Mr. Graham):

S. 1444. A bill to amend title 38, United States Code, to establish the position of Assistant Inspector General for Health Care Quality Assurance Review in the Office of the Inspector General of the Veterans' Administration; to the Committee on Veterans Affairs.

By Mr. ROTH:

S. 1445. A bill to require the Secretary of Defense to conduct a pilot program for the encouragement of civilian and other uses of composites technology developed under research programs of the Department of Defense; to the Committee on Armed Services.

By Mr. STAFFORD (for himself, Mr. Chafee, Mr. Durenberger, and Mr. Wirth):

S. 1446. A bill to amend section 112 of the Clean Air Act to regulate the emissions of certain hazardous air pollutants; to the Committee on Environment and Public Works.

By Mr. BYRD (for Mr. Shelby (for himself and Mr. Heflin)):

S. 1447. A bill to designate Morgan and Lawrence Counties in Alabama as a single metropolitan statistical area; placed on the calendar.

By Mr. MELCHER (for himself, Mr. Heinz, Mr. Breaux, Mr. Burdick, Mr. Chiles, Mr. Durenberger, Mr. Hollings, Mr. Kerry, Mr. Pell, Mr. Bentsen, Mr. Pryor, Mr. Glenn, Mr. Shelby, Mr. Warner, Mr. Nunn, and Mr. Reid):

S.J. Res. 168. Joint resolution designating the week beginning October 25, 1987, as "National Adult Immunization Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. KENNEDY (for Mr. Durenberger (for himself, Mr. Byrd, Mr. Kennedy, Mr. Helms, Mr. Pell, Mr. Thurmond, Mr. Kerry, Mr. Wilson, Mr. Graham, Mr. Simpson, Mr. Burdick, Mr. Stevens, Mr. Bumpers, Mr. McCain, Mr. Pryor, Mr. Garn, Mr. Sanford, Mr. Symms, Ms. Mikulski, Mr. D'Amato, Mr. DeConcini, Mr. Rudman, Mr. Dixon, Mr. Hecht, Mr. Gore, Mr. Shelby, Mr. Armstrong, Mr. Simon, Mr. Murkowski, Mr. Leahy, Mr. Nickles, Mr. McClure, Mr. Boschwitz, Mrs. Kassebaum, Mr. Humphrey, Mr. Warner, Mr. Grassley, Mr. Roth, Mr. Kasten, Mr. Hatch, Mr. Rockefeller, Mr. Quayle, Mr. Chiles, Mr. Glenn, Mr. Cranston, Mr. Trible, Mr. McConnell, Mr. Cochran, Mr. Harkin, Mr. Sasser, Mr. Dole, Mr. Pressler, Mr. Heflin, Mr. Hollings, Mr. Gramm, Mr. Moynihan, Mr. Lautenberg, and Mr. Riegle)):

S. Res. 239. Resolution expressing the sense of the Senate concerning support for respect for human rights and evolution to genuine democracy in Panama, and for other purposes; considered and agreed to.

By Mr. KERRY (for himself, Mr. Dodd, Mr. Cranston, Mr. Daschle, Mr. Gore, Mr. Harkin, Mr. Nickles, and Mr. Pressler):

S. Res. 240. A resolution expressing appreciation for America's Vietnam Veterans; to the Committee on Veterans' Affairs.

By Mr. BYRD (for Mr. DeConcini (for himself, Mr. Cranston, Mr. Murkowski, Mr. Lugar, Mr. Pell, Mr. Kerry, Mr. Biden, Ms. Mikulski, Mr. Kennedy, Mr. Harkin, and Mr. Bond)):

S. Res. 241. Resolution expressing the sense of the Senate concerning support for the evolution to full democracy in the Republic of Korea; ordered held at the desk.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. KASTEN:

S. 1433. A bill to amend the Federal Meat Inspection Act with regard to certain frozen meat products; to the Committee on Agriculture, Nutrition, and Forestry.

TRUTH IN FROZEN PIZZA LABELING ACT

Mr. KASTEN. Mr. President, today I am introducing the Truth in Frozen Pizza Labeling Act of 1987.

For most consumers, a pizza is a pizza: A food with a bread or dough-based crust, topped with tomato sauce and cheese. Consumers expect that the crust will be made from wheat, the sauce will be made from real tomatoes, and the cheese will be made from milk.

But about 75 percent of frozen pizzas are made not with real cheese but with substitutes and imitation. These artificial cheeses are made from an imported milk protein extract called casein and a combination of vegetable fats and chemical stabilizers.

The consumer has no way of knowing this without reading—and being able to understand—the ingredient lists printed in very small type and technical language on the side of the frozen pizza box.

My bill would simply require that frozen pizzas containing cheese substitutes be clearly labeled as such. It would not force any pizza manufacturer to use real cheese; it would not discriminate against artificial cheeses.

Mr. President, the point of my legislation is simply that consumers have the right to be informed about what they are buying. Not informing consumers that what they think they are buying—pizzas with real cheese—is in fact made with something else is deception, pure and simple. It should not be permitted.

In 1983, the Department of Agriculture published proposed regulations relating to the labeling of frozen pizzas made with imitation cheeses or cheese substitutes. These regulations required prominent labeling on the front panel of frozen pizza containers of any substitute or imitation cheese content. The regulations also established a minimum content requirement of 12 percent cheese or cheese substitute on frozen pizzas, with one-half of that required to be real cheese.

After receiving over 5,000 comments from the public, USDA began a process of shuffling these regulations from one agency to another, repeatedly delaying dates for the publication of final regulations, and generally dragging its feet—in short, exhibiting the classic behavior of a bureaucracy afraid to make a decision.

Amazingly, the process dragged on for about 4 years. Arms control agreements have been negotiated in less time.

Finally, after being deluged by letters from many Senators, including me, and others urging them to make some kind of decision, USDA folded. It abandoned the proposal for truthful labeling and withdrew the regulations last February, doubtless hoping the issue would simply go away.

Mr. President, the issue will not go away. The Federal Government requires prominent labeling of artificial sweeteners in soft drinks and imitation flavors in cake mixes. Why not require the same for artificial cheese in frozen pizzas?

The answer, apparently, is that some frozen pizza manufacturers like things the way they are. They are afraid that if consumers knew what they were buying, they might opt for frozen pizzas containing real cheese. Companies using artificial cheese would either have to switch to real cheese or promote their current product differently.

The reason opponents of prominent labeling consider this a terrible hardship has never really been clear to me. I suppose change is always difficult. I would suggest that frozen pizza makers would do well to rely on open and honest competition in the marketplace, rather than depend on the Government to permit them to use deceptive labeling practices that processors of many other foods are not permitted to use.

For the record, I would note that many frozen pizza makers use all real cheese and do quite well. They include Bud's Pizza, Palermo's, Timoteo's Pizza, and Wisconsin's own Tombstone Pizza.

Mr. President, my legislation would require frozen pizzas containing cheese substitute or imitation cheeses to note that fact in prominent letters contiguous to the product name. A technical subject of this kind is usually dealt with in the regulatory process, and the necessarily general wording of the labeling requirement in my legislation may well need to be adjusted to prevent undue inconvenience to smaller pizza manufacturers. I would welcome any suggestions for changes in the language I have used that would accomplish this while still fulfilling my intent that imitation and substitute cheese content in frozen pizzas be labeled in such a way that the typical consumer knows what he or she is buying.

Mr. President, it may well be that frozen pizza makers required to inform consumers in a forthright way about their use of artificial cheese would choose to switch to real cheese. The increased purchases of real cheese this would cause would reduce the need for Government purchases under the dairy price support program, and could save the Government some money—on a program that, unlike other farm programs, costs significantly less than it did a few years ago.

But this is not the reason I am introducing this legislation. My primary concern is truth in labeling. It should be required for frozen pizzas, and it should be required now. To prevent a repetition of USDA's embarrassing performance over the last 4 years on this issue, my legislation provides that imitation and substitute cheese content in frozen pizzas be required not later than October 1, 1987.

Mr. President, I urge my colleagues to support this legislation, and ask unanimous consent that the text of my bill be printed at this point in the Record.

There being no objection, the bill was orderd to be printed in the Record, as follows:

S. 1433

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Truth in Frozen Pizza Labeling Act of 1987".

SEC. 2. MEAT PIZZA PRODUCTS CHEESE CONTENT.

Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended—

(1) in subsection (n)—

(A) by striking out "or" at the end of paragraph (11);

(B) by striking out the period at the end of paragraph (12) and inserting in lieu thereof a semicolon; and

(C) by adding at the end thereof the following new paragraph:

"(13) If it is a meat pizza product topped with a combination of cheese and one or more cheese substitutes or imitations and if its labeling fails to bear, in prominent letters contiguous to the product name, the statement: 'This product contains ———— used as a cheese substitute', the blank space therein being filled with the name of the cheese substitute or imitation used."; and

(2) by adding at the end thereof the following new subsections:

"(w) The term 'meat pizza products' is a product that is;

"(A) bread- or dough-based; and

"(B) topped with tomato sauce, cheese, and meat.

"(x) The term 'cheese' means any variety of cheese that is subject to a Food and Drug Administration standard of identity regulation.".

SEC. 3. EFFECTIVE DATE.

This act and the amendments made by this Act shall become effective on October 1, 1987.

By Mr. BYRD (for Mr. Gore, for himself and Mr. Sasser):

S. 1434. A bill for the relief of Rolen-Rolen-Roberts International of Knoxville, TN; to the Committee on the Judiciary.

RELIEF OF ROLEN-ROLEN-ROBERTS INTERNATIONAL

● Mr. GORE. Mr. President, today I am introducing, along with my distinguished colleague, the senior Senator from Tennessee [Mr. Sasser], a bill for the relief of Rolen-Rolen-Roberts International of Knoxville, TN, for the satisfaction of a claim against the United States. This company has been harmed by certain procurement actions of the Department of Commerce.

Specifically, on May 6, 1985, the Department issued a solicitation for the acquisition of management services for a renewable energy exhibition in which the United States was to participate in Beijing, China, later that year. Prospective contractors began the proposal preparation process. In an overseas exhibition such as this one, that process involved many long distance telephone calls, travel, preparation of artistic materials, and design work. This was expensive.

Meanwhile, the Department's contracting officer and inspector general were investigating allegations that preselection for the contract had already been made. That report determined that a Department of Commerce employee may have improperly, and without authority, attempted to bind the Government to the selection of one of the prospective offerers. The Government agrees with the facts to this point.

But what happened after that is mystifying. The Department of Commerce simply canceled the solicitation. It did not replace the procurement official who made the improper preselection. It did not rebid the contract. It did not disqualify the preselected bidder. It did not attempt to cleanse the process. It simply canceled the solicitation and did the work itself—expending the Department's limited and more expensive resources on the program.

All the work which went into the preparation of proposals went for naught. As bad as this situation is, it has been made worse by the tough luck attitude of the Department of Commerce. An appeal for relief from Rolen-Rolen-Roberts International was denied, with only the following justification from the Assistant Secretary for Administration:

> When seen in the light of the Government's responsibility to treat all offerers equally, it is clear that the Government did have a reasonable basis to cancel the solicitation.

Well, that is a pretty weak justification for refusing to make restitution to Rolen-Rolen-Roberts International. Even if we accept the argument of the Department that the solicitation should be cancelled, the issue of paying the claim remains. It seems strange to me that the Government could take the position of drawing this company into a procurement competition and then leave the company high and dry when the competition was canceled—not because of any factors within the control of Rolen-Rolen-Roberts International, but because of improper activity on the part of government officials.

Mr. President, this is simply a case of fairness, and I urge my colleagues to give quick approval to this bill. I ask unanimous consent that the bill be printed in its entirety in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1434

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SATISFACTION OF CLAIM AGAINST THE UNITED STATES.

The Secretary of the Treasury shall pay, out of any money in the Treasury not otherwise appropriated, the sum of $28,210.00 to Rolen-Rolen-Roberts International of Knoxville, Tennessee. The payment of such sum shall be in full satisfaction of any claim of Rolen-Rolen-Roberts International against the United States arising out of the preparation by Rolen-Rolen-Roberts International of a proposal in response to Solicitation No. 50-SATA-5-17359 issued on May 6, 1985, by the Department of Commerce for management services for an exhibition in Beijing, People's Republic of China, such solicitation having been cancelled by the Department before acceptance of a proposal.

SEC. 2. LIMITATION ON ATTORNEY'S AND AGENT'S FEES.

It shall be unlawful for more than 15 percent of the sum appropriated by section 1 to be paid to or received by any agent or attorney for services rendered in connection with the claim described in such section. Any person who violates this section shall be fined not more than $1,000.●

By Mr. EVANS (for himself and Mr. Adams):

S. 1435. A bill to authorize certain elements of the Yakima River Basin Water Enhancement Project, and for other purposes; to the Committee on Energy and Natural Resources.

YAKIMA RIVER BASIN WATER ENHANCEMENT PROJECT

Mr. EVANS. Mr. President, today I am introducing with my colleague, Senator Adams, a bill to authorize some of the elements of the Yakima River basin water enhancement project. Specifically, the bill would authorize the construction of storage facilities at the Cabin Creek reservoir site, and the construction of a pipeline connecting Keechelus Lake with Kachess Lake. The bill would also authorize several small projects to increase the efficiency of existing irrigation facilities within the Bureau of Reclamation's Yakima project in Washington State.

This bill is sorely needed. Just this week, the Bureau of Reclamation announced that it will begin prorating water due to a predicted water shortage in the basin. This bill will supplement existing irrigation development, increase the irrigation capacity on the Yakima Indian Reservation, and increase instream flows to protect and enhance salmon and steelhead resources. Congressman Morrison will introduce companion legislation in the House of Representatives.

As a result of the development of its water resources, the Yakima basin has become one of the most productive agricultural areas in the United States. Yet chronic water shortages threaten the continued production of agricultural products in the Yakima basin. The Yakima River was once one of the most productive rivers in the country for anadromous fish as well. By 1982, however, as a result of blockage of migratory routes and dewatering of spawning and rearing habitats, the Yakima River salmon and steelhead runs declined to a fraction of their historical numbers.

Mr. President, the primary objective of this legislation is to help alleviate the water supply problems in the Yakima basin. The bill will provide supplemental water to presently irrigated land. The bill will help to irrigate new lands on the Yakima Indian Reservation. Finally, the bill will provide water for increased instream flows for anadromous fish resources. It is the second phase of a longer term project to resolve the long term problem of water shortages in the Yakima River basin.

Specifically, this bill would authorize a number of projects to increase the efficiency of the Yakima enhancement project. The bill authorizes the construction of additional storage at Cabin Creek. This project could provide up to 150,000 acre feet of new water in the Yakima basin. The bill allows for the modification of existing radial gates at Cle Elum Dam, thereby increasing the storage capacity of that reservoir by 15,000 acre-feet. The bill authorizes the construction of a pipeline between Keechelus Lake and Kachess Lake, helping to balance storage between these two reservoirs. Building the pipeline will facilitate the transfer of water from one the Keechelus Lake to the Kachess Lake to take greater advantage of the storage capacity of the Keechelus reservoir. The bill authorizes the construction of a reregulating reservoir within the Roza irrigation system, and facilities to automate and improve canal operations of the Sunnyside Division and the Wapato irrigation project. These facilities will reduce the average annual diversions by 72,000 acre-feet of water. Finally, the bill authorizes the subordination of hydroelectric power generation at the Federal Roza and Chandler powerplants. Subordination would result in the suspension of power generation during periods of low river flows to increase instream flows for anadromous fish resources.

The legislation we are introducing today is unique in several respects. First, the bill represents a consensus among user groups to develop and conserve the water resources of the Yakima River basin. Second, the bill demonstrates that nonstorage facilities can also be used to achieve water conservation. Third, the bill demonstrates the commitment of non-Federal interests to contribute a substantial portion of the costs of the project. The total cost of these facilities is approximately $142 million. The non-Federal beneficiaries of the project will contribute 35 percent of the construction costs of the facilities during the period of construction, except for those to be located within the boundaries of the Yakima Indian Reservation.

Mr. President, this legislation represents an interim step in the process of developing a physical solution to the water supply problems of the Yakima River basin. Our first step was construction of fish passage facilities at existing irrigation facilities on the Yakima River. These facilities were authorized in 1984, and should be completed by 1989. The final step will include measures to conserve the use of water in the basin and the construction of additional storage capacity. The selection of this facility should occur sometime next year, provided that the Bureau of Reclamation, the State of Washington, the Yakima Indian Nation and others reach agreement on the site of the facility and the allocation of costs and benefits accruing from its construction.

It is important to note, Mr. President, that this bill provides a significant advance in reaching a solution to the water supply situation in the valley. It is not a complete solution. The valley needs to continue to work together to cooperatively agree on a course of action that will relieve the pressures of the over-allocated existing water supply. Unquestionably, the additional capacity provided by this bill is long overdue. There are many in the Yakima Valley who have been anticipating additional storage in the system since the 1940's.

The Yakima enhancement project is an equitable sharing of costs between the Federal Government and the non-Federal beneficiaries of the project. The development of this project will assure the delivery of irrigation water for one of the Nation's most productive agricultural areas. It will help to restore an anadromous fishery resource of great importance to the Pacific Northwest and the Nation. I heartily endorse this project and urge my colleagues to do the same.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1435

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. (a) That for purposes of protection and enhancement of fish and wildlife, irrigation, and water conservation, the Secretary of the Interior (hereafter, the Secretary) acting pursuant to Federal reclamation law (Act of June 17, 1902, 32 Stat. 388, and Acts amendatory thereof and supplementary thereto) and consistent with the Pacific Northwest Electric Power Planning and Conservation Act (94 Stat. 2697) is authorized to design, construct, operate and maintain the following facilities:

(1) modification of existing radial gates at Cle Elum Dam; a Keechelus Lake to Kachess Lake pipeline; a reregulating reservoir to increase water-use efficiency of the Roza Division; facilities to automate and otherwise improve canal operations of the Sunnyside Division; facilities to automate the headgate, wasteways and trashrack of the Chandler Power Canal to maintain operating controls for the Kennewick Irrigation District;

(2) facilities to automate and otherwise improve canal operations of the Wapato Irrigation Project which is operated by the Bureau of Indian Affairs; and

(3) storage facilities at the Cabin Creek site pending the completion of the preliminary analysis and submission of a report to Congress by the Bureau of Reclamation and a Secretarial determination of economic and technical justification and compliance with applicable laws: Provided that, in addition and consistent with the purposes authorized in section 1(a) of this Act, the Cabin Creek storage facilities are authorized to be operated for flood control purposes, and that reimbursement of such costs allocable to flood control shall be governed by provisions of law applicable to projects constructed by the Secretary of the Army.

(b) The Secretary shall, in cooperation with appropriate Federal, state, and local entities, develop a plan for the incorporation of prudent and responsible water conservation measures by recipients of irrigation water, pursuant to a contract with the Secretary, from the Yakima Enhancement Project, and shall submit such plan along with the Secretary's recommendations to Congress: Provided that, no funds shall be appropriated for land acquisition associated with the construction of the Cabin Creek facilities authorized by section 1(a)(3) of this Act until said report has been transmitted to Congress.

(c) The Secretary is authorized to accept funds from any entity, public or private, to design, construct, operate, and maintain facilities authorized by this Act.

SEC. 2. The facilities authorized by this Act and fish passage facilities authorized by the Acts of August 17, 1984 (98 Stat. 1933) and August 22, 1984 (98 Stat. 1369) shall be considered features of the Yakima River Basin Water Enhancement Project (hereafter, Yakima Enhancement Project), and their operation and maintenance shall be integrated and coordinated with other features of the existing Yakima Project. As appropriate, the Secretary shall enter into agreements to provide for the operation and maintenance of such facilities. The Secretary shall insure that such facilities are operated in an manner consistent with the treaty rights of the Yakima Indian Nation, Federal reclamation law, and water rights recognized pursuant to State law, including the valid contract rights of irrigation users.

SEC. 3. (a) The Roza reregulating reservoir shall become a feature of the Roza Division. Water savings resulting from construction and operation of the Roza reregulating reservoir shall be available for use as supplemental irrigation water for currently developed lands within the Roza Division.

(b) The facilities to automate and otherwise improve canal operations of the Wapato Irrigation Project shall become features of the Wapato Irrigation Project. Water savings resulting from construction and operation of such facilities shall be available for irrigation purposes and for the protection and enhancement of fish and wildlife within the boundaries of the Yakima Indian Reservation. Design, construction, operation and maintenance costs related to such facilities shall be reimbursable and returnable according to the provisions of the Leavitt Act (Act of July 1, 1932 (47 Stat. 564).

(c) The facilities to automate and otherwise improve canal operations of the Sunnyside Division shall become features of the Sunnyside Division. Water savings resulting from construction and operation of such facilities shall be allocated to the protection and enhancement of fish and wildlife.

SEC. 4. The modified radial gates at Cle Elum Dam and the Keechelus Lake to Kachess Lake pipeline shall become a feature of the existing Yakima Project. The Secretary shall operate and maintain such facilities in accordance with the purposes of this Act.

SEC. 5. (a) The Secretary shall operate and maintain the existing Federal Chandler and Roza powerplants in a manner that provides priority for protection and enhancement of fish and wildlife.

(b) The Administrator of the Bonneville Power Administration (hereafter, the Administrator) shall make available power and energy from the Federal Columbia River Power System to the Secretary to meet contractual obligations entered into by the Secretary for the delivery of power and energy from the Chandler and Roza powerplants.

(c) Except as otherwise provided by this section, the Secretary shall offer to amend, without imposing any other requirement as a condition to such amendment, all existing contracts for the sale of power and energy from the Chandler and Roza powerplants to relieve any outstanding obligations for the repayment of construction costs for such powerplants allocated to irrigation.

SEC. 6. There is hereby authorized to be appropriated to the Secretary for planning, design, and construction of elements of the Yakima Enhancement Project authorized in Section 1(a)(1) of this Act, $37,300,000 (October 1986 prices), and $105,000,000 (October 1986 prices) for the construction of the facilities authorized in section 1(a)(3) of this Act, plus or minus such amounts as may be justified by reason of ordinary fluctuations of construction costs indexes applicable to the type of construction involved herein. There are also authorized to be appropriated to the Secretary such additional sums as may be required for the operation and maintenance of the three vertical feet enlargement of Cle Elum Lake and the Keechelus Lake to Kachess Lake pipeline, and that portion of the operation and maintenance cost of other facilities authorized by this Act determined by the Secretary to be a Federal responsibility, pursuant to the agreements specified in section 2 of this Act.

SEC. 7. The construction of facilities authorized by section 1(a)(1) and section 1(a)(3) of this Act shall be initiated only after non-Federal interests have entered into binding agreements with the Secretary to fund 35 per centum of the total construction cost of such facilities during such period of construction.

SEC. 8. (a) Design, construction, operation and maintenance costs of facilities authorized by this Act allocated to fish and wildlife shall be reimbursable and returnable according to the provisions of the Federal Water Project Recreation Act (79 Stat. 213), as amended: *Provided*, That design, construction, operation and maintenance costs related to anadromous fish shall be nonreimbursable and nonreturnable.

(b) Design, construction, operation and maintenance costs of facilities authorized by this Act allocated to irrigation and which are determined by the Secretary to be an irrigation obligation shall be reimbursable and returnable according to the provisions of section 9(d) of the Reclamation Project Act of 1939 (53 Stat. 1187). The Secretary shall offer to amend existing irrigation repayment contracts, without imposing any other requirement as a condition to such amendment, to provide for repayment of the irrigation construction costs of facilities authorized by this Act over a period of not more than forty years exclusive of any development period authorized by law.

SEC. 9. If the State of Washington, the Yakima Indian Nation, or any other entity, public or private, prior to the providing of an appropriation of funds to the Secretary to construct the Yakima Enhancement project, shares in the costs of or constructs any physical element of the project, the costs incurred by the State, the Yakima Indian Nation, or any other entity in the construction of such elements shall be credited to the total amount of any costs to be borne by the State, the Yakima Indian Nation, or any other entity as contributions toward payment of the cost of the Yakima Enhancement Project; except that no such credit shall be given for any element constructed by the State, the Yakima Indian Nation, or any other entity unless the element has been approved by the Secretary prior to its construction. The Secretary shall grant such approval, when requested by the state or other entity, if the Secretary determines that the element proposed for construction would be an integral part of the Yakima Enhancement Project.

SEC. 10. (a) The Secretary, as part of the study authorized by the Act of December 28, 1979 (93 Stat. 1241), is directed to conduct a feasibility study of the following potential elements:

(1) Kittitas Valley irrigation system improvements;

(2) consolidation of the Selah-Moxee Irrigation District, Union Gap Irrigation District, Moxee Ditch Company, and Hubbard Ditch Company diversions from the Yakima River for delivery from the Roza Canal; and

(3) development of groundwater resources within the Roza Division for a supplemental irrigation water supply.

(b) There are hereby authorized to be appropriated to the Secretary for such feasibility study $500,000 (October 1986 prices); *Provided*, That the Secretary is authorized to accept funds from any entity, public or private, to assist in the financing of such feasibility study.

SEC. 11. Nothing in this Act shall be construed to—

(a) affect or modify any treaty or other right of the Yakima Indian Nation;

(b) authorize the appropriation or use of water by any Federal, State, or local agency, the Yakima Indian Nation, or any other entity or individual;

(c) affect the rights or jurisdictions of the United States, the States, the Yakima Indian Nation, or other entities over waters of any river or stream or over any groundwater resource;

(d) alter, amend, repeal, interpret, modify, or be in conflict with any interstate compact made by the States;

(e) alter, establish, or affect the respective rights of States, the United States, the Yakima Indian Nation, or any person with respect to any water or water-related right; or

(f) alter, diminish, or abridge the rights and obligations of any Federal, State, or local agency, the Yakima Indian Nation, or other entity, public or private.

Mr. ADAMS. Mr. President, I arise as a proud cosponsor of this legislation. The Yakima River Basin water enhancement project, certain elements of which are authorized by this legislation, is of enormous importance to Washington State. This bill represents a significant agreement between the various communities that live in the Yakima River Basin, and as such represents a crucial step toward successful completion of this project.

The Yakima River Basin water enhancement project is necessary because in a bad dry year there really isn't enough water in this basin to go around. The Yakima River Basin is the home of diverse peoples with diverse needs for water. It is the home of the Yakima Indian Nation, who are strongly interested in preserving and upgrading their traditional fisheries. It is also the home of farmers who grow fruit and raise cattle, farmers who depend on irrigated water for their livelihoods.

The history of the basin is to some extent a history of conflict between these two water user groups. I hope that the introduction of this bill today is a chapter in a new history in the basin, a history of cooperation for the common good.

This bill authorizes certain elements of the overall project. It authorizes modernization of existing irrigation facilities, both on the Yakima Indian Reservation, and in various irrigation districts along the river basin. Many of these elements are designed to enhance water conservation, and to promote more efficient use of existing water resources.

This bill also makes the first step toward developing a long-term solution for the water needs of the Yakima River Basin by authorizing construction of storage facilities at Cabin Creek. Construction of this facility will be contingent on analysis of the economic and technical feasibility of this site by the Bureau of Reclamation, and on a determination by the Department of the Interior that this project is in compliance with all applicable laws.

Mr. President, I would like to commend my good friend and colleague, Senator EVANS, for his long years of effort and leadership on this issue. This bill is also the product of hard work by Congressman MORRISON, the State of Washington, and the Northwest Power Planning Council. Finally, I would also like to again commend the people of the Yakima River Basin for coming to the agreements reflected in this legislation. This is essentially their bill, and this project will hopefully be an important part of their future.

By Mr. DANFORTH:

S. 1436. A bill to amend the Hazardous Materials Transportation Act regarding the transportation by rail of certain materials, and for other purposes; to the Committee on Commerce, Science, and Transportation.

RAIL TRANSPORT OF HIGH LEVEL NUCLEAR WASTES

● Mr. DANFORTH. Mr. President, transporting hazardous cargo—be it petroleum products, chemicals, radioactive wastes, or other materials—is an unfortunate but necessary part of this Nation's daily life. While only about 3 percent of all hazardous shipments involve radioactive materials, the threat of harm looms large in this area. Consequently, Congress must be especially vigilant with regard to our policies and procedures related to radioactive shipments.

I am introducing legislation today which would amend the Hazardous Materials Transportation Act [HMTA] to require that rail transportation of high-level radioactive waste and spent nuclear fuel be done on trains operated exclusively for that purpose. In other words, this legislation would require such shipments to be transported on dedicated trains.

This is a matter of great interest to the citizens of Missouri and every State affected by the Department of Energy's [DOE] shipment of damaged core materials from the Three Mile Island [TMI] reactor in Pennsylvania to DOE's research facility in Idaho Falls. Ever since this particular shipping campaign commenced, TMI spent nuclear fuel has been hauled on dedicated trains made up of a locomotive, a buffer car or idler, a cask car carrying the specially designed spent nuclear fuel container, another idler, and a caboose.

The railroads prefer to move radioactive materials from source to destination in the safest possible manner. The fact that radioactive materials present unique hazards, as well as the uncertainty of what would occur in the event of an accident, justify taking all reasonable safety precautions including the use of dedicated trains.

At this time, however, it appears that the use of mixed trains to transport high-level radioactive materials is inevitable unless Congress takes action to prevent it. First of all, neither DOE nor DOT require that high-level radioactive materials or spent nuclear fuel be transported in trains moving only that material. In addition, the Interstate Commerce Commission has ruled that the railroads cannot unilaterally decide to ship by dedicated train and expect to be compensated for that level of safety.

At the beginning of the TMI campaign, DOE said that high level radioactive shipments should use routes involving the least amount of switching on the best tracks available. Safety, not economic considerations, was its overriding concern. If a railroad preferred to ship by dedicated trains, DOE was willing to pay the premium. However, DOE now seems unwilling to provide reasonable compensation to the railroads for dedicated train service. It seems to want to rely solely upon the structural integrity of the casks used to carry nuclear wastes.

This was confirmed during a May 12 hearing before the Senate Subcommittee on Surface Transportation. DOE admitted that mixed trains, which may be carrying flammable or explosive materials in addition to nuclear materials, will be picking up and dropping off cars across the country, and will be subject to the switching and jolting that DOE originally sought to avoid.

The legislation I am introducing would require that all rail shipments of high-level nuclear wastes and spent nuclear fuel be on dedicated trains. It is my hope that the Senate will act on this legislation soon, either as a free-standing bill, or as a part of other legislation. Perhaps it could be included in legislation reauthorizing the Hazardous Materials Transportation Act. Perhaps an even more attractive legislative vehicle will present itself. I will be looking for an appropriate opportunity to expedite action on this measure.

Mr. President, I urge my colleagues to support this important initiative.●

By Mr. HELMS:

S. 1437. A bill to make certain members of foreign diplomatic missions and consular posts in the United States subject to the criminal jurisdiction of the United States with respect to crimes of violence; to the Committee on Foreign Relations.

DIPLOMATIC CRIMES

Mr. HELMS. Mr. President, I am introducing today legislation which is overdue and, in my judgment, made more necessary each day that passes.

The proposal, Mr. President, is designed to limit the diplomatic immunity enjoyed—or should I say frequently abused—by the family and support staff of foreign diplomats. In effect, the bill would also restore to innocent American citizens the rights, privileges and freedoms which were guaranteed to them 200 years ago in the Constitution.

I bring to the attention of the Senate, Mr. President, the fact that in the United States today, there reside over 37,000 individuals who are not citizens of this country and yet enjoy more freedom, liberty and personal privileges than our own countrymen. Indeed, there are 37,000 individuals in this country who are free to commit any crime, no matter how serious, how violent, how heinous, and remain free from prosecution.

In their book entitled "Diplomatic Crime" Chuck Ashman and Pamela Trescott detail in 350 pages the horrors suffered by innocent Americans at the hands of foreign residents who have no regard or remorse for their victims—our citizens.

Two hundred years ago, Thomas Jefferson wrote in the Declaration of Independence:

> We hold these truths to be self-evident; that all men are created equal; that they are endowed by their creator with certain unalienable rights; that among these are life, liberty, and the pursuit of happiness.

Unfortunately, for hundreds of Americans, their unalienable rights have been alienated, and continue to be alienated by foreign criminals who hide behind cloak of diplomatic immunity.

For innocent Americans like Carol Holmes who was brutally raped in her own home, or "Holly" a young Washington DC, teenager who was gang raped—there is no personal liberty. For residents like Dr. Halla Brown, professor of medicine and chief of the allergy clinic at George Washington University, there is no such thing as freedom. Her professional career, her contribution to our community, her financial independence and her personal life were all destroyed by a Panamanian diplomat who, through his callous arrogance and disregard for simple traffic regulations, has left Dr. Brown a prisoner in her own quadriplegic body. And for a young man like Kenneth Skeen, who had honorably served our country in military service, his guarantee of a right to life was all but extinguished by the son of a South American diplomat who shot him three times and left him to fight for his life in an intensive care unit.

In each of these cases, our citizens, these victims of international arrogance have not only been denied their constitutional rights of life, liberty, and the pursuit of happiness, they have also been denied the right of redress of grievances, the right of equal protection under law, and the right, Mr. President, to expect what every American is taught to expect and believe when they recite the Pledge of Allegiance—the right of liberty and justice for all.

I believe that our colleague, the distinguished senior Senator from West Virginia, Senator BYRD, stated it most succinctly when, in reference to the shooting of Kenneth Skeen, he said it seemed:

> Inconceivable to me that the relative of a diplomat can carry a gun in this country and shoot an American citizen and cannot be arrested; cannot be brought to trial; can just be turned loose on the street.

I too think it inconceivable that such an outrageous lack of regard for our system of justice, our due process of law, and the rights of our citizens has been allowed to continue in this country. I think it is time that we, the representatives of the people of this Nation, put an end to the legal loophole that has allowed the family and support staff members of foreign diplomats to deny to our citizens the freedoms and protections which are rightfully theirs.

By Mr. DURENBERGER (for himself, Mr. HEINZ, Mr. DASCHLE, Mr. LUGAR, Mr. COHEN, Mr. MCCAIN, Mr. EXON, Mr. WIRTH, Mr. GRASSLEY, Mr. BOSCHWITZ, Mr. HECHT, Mr. BURDICK, Mr. PRESSLER, Mr. CONRAD, Mr. STAFFORD, Mr. HATCH, and Mr. STEVENS):

S. 1438. A bill to assist rural hospitals facing unfair Medicare payment policies; to the Committee on Finance.

MEDICARE RURAL HOSPITAL PAYMENT EQUITY ACT

● Mr. DURENBERGER. Mr. President, today, along with my colleagues, Mr. HEINZ, Mr. DASCHLE, Mr. LUGAR, Mr. COHEN, Mr. MCCAIN, Mr. EXON, Mr. WIRTH, Mr. GRASSLEY, Mr. BOSCHWITZ, Mr. HECHT, Mr. BURDICK, Mr. PRESSLER, Mr. CONRAD, Mr. STAFFORD, Mr. HATCH, and Mr. STEVENS. I am pleased to introduce the Medicare Rural Hospital Payment Equity Act of 1987. This act is designed to provide assistance to rural hospitals faced with unfair Medicare payment policies.

Mr. President, in January of this year, President Reagan went to Bethesda Naval Hospital and successfully underwent prostate surgery performed by a team of Minnesota physicians. I'm not sure what the President's surgery cost, and I doubt if the procedure was paid for through the normal Medicare payment system.

But, had the President gone to Douglas County Hospital in Alexandria, MN, presented his Medicare card, and had his surgery paid for like most Medicare beneficiaries, the Medicare payment to Douglas County Hospital would have been $2,233. Had the President gone to a hospital in Minneapolis for his surgery, however, Medicare would have paid $3,640—over 50 percent more.

This case is an example of what is known in hospital circles as the urban-rural differential in the Medicare payment system. And, this illogical and unconscionable bias against rural hospitals is today, in 1987, one of the principal reasons that rural health care in this country is in very serious trouble.

Mr. President, our rural hospitals are ailing. From rural America, we hear an outpouring of concern that the primary focus of many communities' health care—the rural hospital—is in jeopardy of disappearing.

The present Medicare payment system doesn't adequately account for the fact that small rural hospitals like those in Deer River and Northfield, MN compete for the same doctors and nurses, buy from the same suppliers, and have other costs comparable to those in metropolitan areas such as Minneapolis/St. Paul or Duluth. In fact, the rural/urban differential is entirely arbitrary and capricious, penalizing a hospital if it happens to be located in an area classified as "rural," when just across some imaginary line is a hospital with the same underlying costs, but receiving higher payments.

In Minnesota, the financial underpinnings of many rural hospitals are so strained that talk of hospital closure is not uncommon. Rural hospitals have, in addition, to contend with a depressed economy and an aging and often declining population. Four rural hospitals in Minnesota have closed in the past 3 years, and the situation is projected to get worse: 36 of the State's 170 hospitals are in financial trouble, most are rural.

A similar picture is developing nationwide. From 1980 to 1985, of 214 hospitals that closed, 86 were rural. In 1985, there were 49 closings with urban closings slightly outnumbered rural, 28 to 21. But in 1986, 71 community hospitals closed—more than in any other year of this decade—and more than half were in rural areas.

Rural residents cite numerous reasons for the general decline in rural hospitals' financial health: The downturn in local agricultural and natural resource-based economies; the shift toward less expensive outpatient care with a parallel decline in inpatient hospital services, and profound changes in payment policies of Medicare and other payors.

It is toward this latter impact—the impact of Medicare payment changes—that rural communities are directing their frustration and anger. Rural residents are angry because they believe Medicare payment policies are unfair to rural hospitals. And they are not alone in their belief. Their concerns are echoed by such organizations as the American Hospital Association, which at its most recent house of delegates meeting urged its members to put aside self-interest in recognizing the need to resolve the issue of inequitable Medicare payments to rural hospitals.

And, the independent and respected Prospective Payment Assessment Commission [ProPAC], in a report submitted on April 1, calls for better treatment of rural hospitals under Medicare's prospective payment system [PPS]. Despite the actions of Congress in 1986 to remove some inequities in the way rural hospitals are paid, ProPAC concludes that more help will be needed to ensure that Medicare's payment policy does not jeopardize access to care for beneficiaries in rural areas.

Medicare payments have a particularly strong impact on rural hospitals. Because most rural hospitals are small, they cannot adjust easily to fluctuations in inpatient admissions or case mix, whereas larger hospitals can average the fluctuations from year to year and over many cases. For small rural hospitals which tend to operate closer to the margin, and which cannot take advantage of the law of large numbers—a key principle upon which PPS is based—these fluctuations can be devastating financially. Because about two-thirds of rural hospital patients are Medicare patients, compared to about one-third for urban hospitals, rural hospitals are doubly at risk when the prospective payment systems fails to compensate them adequately for their special circumstances or when inequities in payment policies exist.

A fundamental problem does exist within the payment rates for urban/rural hospitals. Rural hospitals, because of lower average costs in 1981, are paid a lower rate than urban hospitals. This differential, based on geographic location, means that rural hospitals receive considerably less than their urban counterparts for the same services, even though the actual costs of operating a hospital in these areas have now narrowed. Our bill seeks to correct this inequity by phasing out separate urban and rural payments and requiring that payments be based on a single national rate by 1991.

In the short term, our proposal provides immediate relief to rural hospitals by requiring, in 1988, a hospital payment update which is equitable for all hospitals, yet which is slightly higher for rural hospitals than for urbans, thereby reducing the payment gap. Our proposal provides additional relief by focusing on other Medicare hospital payment policies which fail to consider or provide for the needs of rural hospitals. Such policies, as in the case of the area wage index, do not account accurately for the cost of hospital labor in urban and rural areas. Similarly, in the case of sole community hospitals—a specially designated group of isolated hospitals whose existence is critical to access of Medicare beneficiaries to health care—we find that assistance that is supposed to be available to this group is only partially received.

This act proposes remedies for these and other inequities in the way in which the current hospital payment system treats the rural hospital. At the close of this statement we will provide, with the consent of our colleagues, a summary of the key features of the Rural Hospital Payment Equity Act of 1987.

Mr. President, this bill is not a bailout for rural hospitals. Certainly, for some areas, there are duplicative facilities and facilities with far too little population base to support multiple hospitals. Moreover, some hospitals have an oversupply of acute care beds and need to look critically at the services they presently are delivering. Indeed, along with several of my colleagues, I recently introduced S. 1207, "The Medicare Rural Health Services Transition Act of 1987"; a bill designed to complement the Medicare Rural Hospital Payment Equity Act. S. 1207 would help small rural hospitals implement strategies to transform themselves into health care entities more suited to changing services needs of Medicare beneficiaries in some rural areas.

The Medicare Rural Hospital Payment Equity Act of 1987 will help to assure equity of Medicare payments for rural hospitals already struggling to survive in the rapidly evolving health care scene. We hope that our colleagues will join with us in supporting this bill, and we look forward to your comments and suggestions.

Mr. President, I ask that the text of this bill and a summary of its key features be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1438

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Medicare Rural Hospital Payment Equity Act of 1987".

(b) REFERENCES IN THIS ACT.—Whenever in this Act there is an amendment or repeal of a section or provision, the amendment or repeal shall be considered to be made to that section or provision in the Social Security Act.

SEC. 2. ELIMINATION OF SEPARATE AVERAGE STANDARDIZED AMOUNTS FOR URBAN AND RURAL PPS HOSPITALS.

(a) IN GENERAL.—Section 1886 (42 U.S.C. 1395ww) is amended by adding at the end thereof the following new subsection:

"(i)(1)(A) On or before April 1, 1988, the Secretary and the Prospective Payment Assessment Commission established under subsection (e) (in this subsection referred to as the 'Commission') shall each submit to the Congress a report recommending a methodology that provides for the elimination of the system of determining separate average standardized amounts for subsection (d) hospitals (as defined in subsection (d)(1)(B)) located in urban and rural areas. The methodologies set forth in such reports shall provide for a graduated reduction of the differences in the average standardized amounts applicable to urban and rural subsection (d) hospitals during the 36-month period beginning October 1, 1988 and shall provide for the complete elimination of such differences for discharges occurring on or after October 1, 1990. Such methodologies may provide for such changes to any of the adjustments, reductions, and special payments otherwise authorized or required by this section as the Secretary or the Commission determines to be necessary and appropriate to carry out the the purposes of this subsection.

"(B) Not later than May 1, 1988, the Congressional Budget Office (in this subsection referred to as 'CBO') shall submit to the Congress an analysis of each of the reports submitted under subparagraph (A).

"(C) Not later than June 1, 1988, the Secretary shall promulgate proposed regulations to implement the recommendations of the Secretary under subparagraph (A) (including any recommended changes in the adjustments, reductions, and special payments otherwise authorized or required by this section).

"(D) Not later than August 30, 1988, the Secretary shall promulgate final regulations to implement the recommendations and changes described in subparagraph (C).

"(E) If the Congress does not enact legislation after the date of the enactment of this subsection and before October 1, 1988, with respect to the average standardized amounts applicable to urban and rural subsection (d) hospitals, then, notwithstanding any other provision of this section, the average standardized amounts for such hospitals for discharges occurring on or after October 1, 1988, shall be determined in accordance with the final regulations promulgated under subparagraph (D).

"(2)(A) On or before April 1, 1989, the Secretary and the Commission shall each submit to the Congress a report specifying the manner in which the average standardized amounts determined under the regulations becoming effective in accordance with paragraph (1)(E) should be adjusted appropriately to reflect legitimate differences in the operating costs of inpatient hospital services (as defined in subsection (a)(4)) for different categories of subsection (d) hospitals.

"(B) Not later than May 1, 1989, the Congressional Budget Office (in this subsection referred to as 'CBO') shall submit to the Congress an analysis of each of the reports submitted under subparagraph (A).

"(C) Not later than June 1, 1990, the Secretary shall promulgate proposed regulations to implement the recommendations of the Secretary under subparagraph (A).

"(D) Not later than August 30, 1990, the Secretary shall promulgate final regulations to implement the Secretary's recommendations under subparagraph (A).

"(E) If the Congress does not enact legislation after the date of the enactment of this subsection and before October 1, 1990, with respect to adjustments to the average standardized amounts applicable to urban and rural subsection (d) hospitals, then, notwithstanding any other provision of the section, the average standardized amounts for such hospitals for discharges occurring on or after October 1, 1990, shall be determined in accordance with the final regulations promulgated under paragraph (1)(D) and subparagraph (D) of this paragraph.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on the date of the enactment of this Act.

SEC. 3. APPLICABLE PERCENTAGE INCREASE IN PAYMENTS FOR INPATIENT HOSPITAL SERVICES.

(a) IN GENERAL.—Section 1886(b)(3)(B) (42 U.S.C. 1395ww(b)(3)(B)(i)) is amended—

(1) in clause (i)—

(A) by striking "and for purposes of subsection (d) for discharges occurring during a fiscal year" in the matter preceding subclause (I), and

(B) by striking subclause (I) and redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively,

(2) by redesignating clause (ii) as clause (iii), and

(3) by inserting after clause (i) the following:

"(ii) For purposes of subsection (d), for discharges occurring during a fiscal year, the 'applicable percentage increase' shall be—

"(II) for fiscal year 1987, 1.15 percent,

"(III) for fiscal year 1988, 2.2 percent for hospitals located in an urban area and 3.0 percent for hospitals located in a rural area,

"(IV) for fiscal year 1989, and subsequent fiscal year, the percentage determined by the Secretary pursuant to subsection (e)(4).".

(b) CONFORMING CHANGES.—

(1) Subclause (I) of section 1886(b)(3)(B)(i), as redesignated by subsection (a)(1)(B), is amended by striking "clause (ii)" and inserting in lieu thereof "clause (iii).

(2) Section 1886(b)(3)(A) is amended by striking "under subparagraph (B)" in the matter following clause (ii) and inserting in lieu thereof "under subparagraph (B)(i)".

(3) Section 1886(d)(3)(A) is amended by striking "(b)(3)(B)" and inserting in lieu thereof "(b)(3)(B)(ii)".

(c) EFFECTIVE DATE.—The amendments made by subsection shall apply to cost reporting periods beginning on or after October 1, 1987, and for purposes of section 1886(d) of the Social Security Act, to discharges occurring on or after October 1, 1987.

SEC. 4. PROSPECTIVE PAYMENT WAGE INDEX.

(a) APPLICATION OF REVISED HOSPITAL LABOR MARKET AREAS.—

(1) The Congressional Budget Office shall study and report to the Congress on the effect that the application of the labor market area definitions described in paragraph (2), in making the adjustments described in sections 1886(d)(2)(C)(ii), 1886(d)(2)(H), and 1886(d)(3)(E) of the Social Security Act, would have upon payments under part A of title XVIII of such Act to hospitals located in urban areas and hospitals located in rural areas (by State and by region).

(2) The labor market area definitions described in this paragraph are—

(A) urbanized portions of a metropolitan statistical area (MSA) or a New England county metropolitan area (NECMA),

(B) nonurbanized portions of an MSA or NECMA,

(C) urbanized counties not within an MSA or NECMA, and

(D) nonurbanized counties not within an MSA or NECMA.

(3) For purposes of paragraph (2)(C), a county shall be treated as 'urbanized' if a city or town with 25,000 or more inhabitants is located in the county.

(4) The report required by paragraph (1) shall be submitted not later than 180 days after the date of the enactment of this Act and shall analyze—

(A) the appropriateness of applying the labor market area definitions described in paragraph (2) for the purposes described in paragraph (1), and

(B) whether definitions of labor market areas other than the definitions described in paragraph (2) would more accurately reflect variations in wages and wage-related costs.

(b) UPDATING AND REFINING SURVEY OF HOSPITAL WAGES.—

(1)(A)(i) The Secretary of Health and Human Services (in this subsection referred to as the "Secretary") shall—

(I) conduct a survey of the wages and wage-related costs of subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)) for purposes of updating the area wage index applied in making the adjustments described in sections 1886(d)(2)(C)(ii), 1886(d)(2)(H), and 1886(d)(3)(E) of the Social Security Act, and

(II) apply the updated index in determining payments to such hospitals for discharges occurring on or after October 1, 1988.

(ii) The survey conducted pursuant to clause (ii) shall measure the earnings and paid hours of employment by occupational category and shall exclude data with respect to the wages and wage-related costs incurred in furnishing skilled nursing facility services.

(B) A survey of the type described in subparagraph (A) shall be conducted at least once every 36 months after the completion of the survey required by such paragraph, and an updated area wage index reflecting the results of the survey involved shall be applied in determining payments to subsection (d) hospitals for discharges occurring in fiscal years beginning after the completion of the survey.

(2) The Secretary shall publish in the Federal Register a summary of the results of any survey required by paragraph (1).

(3)(A) The Congressional Budget Office shall study and report to the Congress on—

(i) the effect of variations in occupational mix on the wage and wage-related costs of subsection (d) hospitals, and

(ii) the feasibility of adjusting the area wage index used for purposes of making the adjustments described in sections 1886(d)(2)(C)(ii), 1886(d)(2)(H), and 1886(d)(3)(E) of the Social Security Act to take into account variations in occupational mix.

(B) The report required by subparagraph (a) shall be submitted not later than 180 days after the date of the enactment of this Act.

SEC. 5. MEDICARE PAYMENT FOR HOSPITALS THAT ARE SOLE COMMUNITY PROVIDERS.

(a) PAYMENT FORMULA ELECTION.—The first sentence of section 1886(d)(5)(C)(ii) (42 U.S.C. 1395ww(d)(5)(C)(ii)) is amended—

(1) by striking "shall" and inserting in lieu thereof "may, at the election of the hospital," and

(2) by inserting "(rather than under the payment formula otherwise applicable under that paragraph)" after "that paragraph".

(b) REVISION OF VOLUME ADJUSTMENT PROVISION.—Section 1886(d)(5)(C)(ii) (42 U.S.C. 1395ww(d)(5)(C)(ii)), as amended by subsection (a), is further amended—

(1) by inserting "(I)" after "(ii)",

(2) by striking the second sentence, and

(3) by adding at the end the following new subclause:

"(II) In the case of a hospital that is a sole community hospital that experiences, in a cost reporting period (beginning before October 1, 1990), compared to the previous cost reporting period, a decrease of more than 5 percent in its total number of inpatient cases, the Secretary shall provide for such adjustment to the pay amounts provided under this subsection (other than under paragraph (9)) as may be necessary to fully compensate the hospital for the fixed costs it incurs in the period in providing inpatient hospital services, including the reasonable cost of maintaining necessary core staff and services. The previous sentence shall not apply to a decrease to the extent it is attributable to the closing of beds by a hospital or other affirmative actions taken by a hospital to reduce capacity or case load.".

(c) CLARIFICATION OF CRITERIA.—The Secretary of Health and Human Services shall issue, before October 1, 1987, instructions for implementation of the volume adjustment described in section 1886(d)(5)(C)(ii)(II) of the Social Security Act for sole community hospitals, in order to clarify the interpretation of the criteria used in granting such an adjustment (including those circumstances that will be treated as circumstances beyond a hospital's control) and to simplify the process of applying for such adjustment.

(d) STUDY.—The Secretary of Health and Human Services (in this subsection referred to as the "Secretary") shall study and report to the Congress on the feasibility and appropriateness of applying a formula, based on the average increase (for each decrease of 1 percent in the total volume of inpatient cases) in the cost per discharge for hospitals of similar size and characteristics, to determine the payment adjustments made pursuant to section 1886(d)(5)(C)(ii)(II) of the Social Security Act. The Secretary shall submit the report to the Congress not later than October 1, 1987.

(e) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to cost reporting periods beginning on or after July 1, 1987.

SEC. 6. OUTLIER REDUCTIONS AND PAYMENTS FOR RURAL HOSPITALS.

(a) BASED ON ACTUAL OUTLIER PAYMENTS FOR SECOND PREVIOUS FISCAL YEAR.—Section 1886 of the Social Security Act (42 U.S.C. 1395ww) is amended—

(1) in subsection (d)(3)(B), by striking "(estimated by the Secretary)" and inserting "(determined by the Secretary)";

(2) in subsection (d)(5)(A)(iv)—

(A) by striking "projected or estimated" and inserting "determined", and

(B) by striking "in that year" and inserting "in the second previous fiscal year";

(3) in subsection (e)(5)—

(A) in subparagraph (A), by inserting "and the determinations under subsections (d)(3)(B) and (d)(5)(A)" after "paragraph (4)", and

(B) in subparagraph (B), by inserting "and such subsections" after "such paragraph".

(b) ANNUAL REPORT.—The Secretary of Health and Human Services shall include in the annual report submitted pursuant to section 1875(b) of the Social Security Act a comparison of the total reductions made pursuant to section 1886(d)(3)(B) of such Act and the total payments made pursuant to section 1886(d)(5)(A) of such Act for hospitals located in rural areas, and the total reductions and payments made pursuant to such sections for hospitals located in urban areas. The comparison shall be for discharges occurring in the most recently completed fiscal year.

SUMMARY OF KEY FEATURES, RURAL HOSPITAL PAYMENT EQUITY ACT OF 1987, SENATOR DAVE DURENBERGER

1. ESTABLISH A SINGLE, NATIONAL PAYMENT RATE

Rationale: In 1983, when the prospective payment system [PPS] was established, rural and urban hospitals were grouped separately as the basis of the calculation of the payment rate, or standardized amount. The rural/urban variable was selected because it was believed to be a reasonable proxy for unexplained, yet historically higher, costs of operation of urban hospitals. Congress agreed to pay hospitals some portion of the cost difference, although the empirical basis of the differences was not then, and continues to be uncertain.

Subsequently, Congress has recognized that the rural/urban distinction has resulted in rural hospitals receiving inequitable, significantly lower payments than urban hospitals. Through a series of provisions and adjustments, it has attempted to close the payment gap. The rural/urban variable has failed as a means of reflecting underlying cost differences because it is a poorly defined, discrete variable which is unable to distinguish between the differences in the cost of doing business in different communities. There are as many differences within these broad rural and urban groups, as there are between the groups. For example, a hospital can be only a few miles away from another, but if one is located in a metropolitan area, that hospital can receive as much as 40 percent higher payment for a "DRG".

This proposal requires that the payment gap, in phases, be closed completely by fiscal year 1991. This goal is achieved by establishing a single national payment rate. A single, national rate would enable Medicare to: a. eliminate the rural/urban variable as the means of accounting for underlying, undetermined cost differences, b. pay the same rate for all hospitals—except for payments which can be demonstrated to reflect an underlying source of costs which are unavoidable or determined to be legitimate for payment from a public policy perspective, c. develop new or revised factors which are not now explicitly acknowledged by PPS but which might achieve the fine discriminations necessary to provide equitable payments. Only if it could be determined that a specific grouping of hospitals have higher or lower costs for reasons well founded, should new payment adjustments be developed and implemented.

The Prospective Payment Assessment Commission [ProPAC] and the Department of Health and Human Services [HHS], would make recommendations by April 1, 1988, as to the specific rate, the method of calculation of the rate, and the transition year amounts. Congress, by acting on those recommendations, would establish fiscal year 1988 as the first transition year for phasein of a single rate. In fiscal year 1990, the second transition year, the rates would converge even further. On Oct. 1, 1990—first year 1991—the entire gap would have been eliminated and the single rate would take effect.

Windfall profits—or losses—for any hospital group should not be permitted to occur as a side effect of the shift to a single rate. Such profits/ losses might occur because of the modifications already instituted by Congress which were designed to reduce the gap between rural and urban hospitals. Those modifications might no longer be applicable as the transition to a single rate proceeds. Even the other, new provisions of this proposed bill might need revision or elimination. We have provided, therefore, that ProPAC and HHS would make recommendations to the Congress by April 1, 1988, about any other changes needed.

Similarly, we require that these organizations provide recommendations to Congress by April 1, 1989, about any new adjustments to the single standardized amount which would be required once the single rate is in effect to assure that hospitals receive fair payment based on unavoidable and legitimate underlying variation in costs or other factors.

2. DEVELOP SEPARATE RURAL AND URBAN 1988 UPDATE FACTORS FOR PAYMENTS UNDER THE PROSPECTIVE PAYMENT SYSTEM (PPS)

Rationale: This proposal will immediately reduce the distance between urban and rural hospitals' rates of payment. In 1988, rural hospitals would receive a 3.0-percent update andurban hospitals would get a 2.2-percent increase. Reduction in the disparity in rates is required to restore equity for rural hospitals. The update amount proposed here also was proposed by the ProPAC and would equal 2.3 percent when the rural and urban proportions are weighted and averaged. The amount proposed falls between the administration's proposal for a 0.75-percent update, and the probable update of 2.9 percent that would result under current law—in which the update equals hospital market basket minus 2 percent. The update amount would be subject to revision depending upon more recent data reflecting additional fluctuations in the hospital market basket and case mix amounts.

ProPAC's recommendations provide a sensible and reasoned approach to the complex problem of providing equitable payments to hospitals. The recommendations are based on a procedure which recalculates the standardized amount paid to hospitals by partially incorporating changes in the cost base, while sharing productivity gains between the hospital industry and the Medicare Program. It also takes into consideration downward adjustments in the update factor made in prior years. Rebasing, in its purest form, would not take these adjustments into account, but would adjust for all of the cost changes that have occurred between 1981 and 1984, and, in effect, would take away the productivity gains achieved by hospitals which played by the rules that Congress set forth.

3. IMPROVING THE AREA WAGE INDEX BY: (A) AMENDING THE LABOR MARKET AREA DEFINITION, AND (B) UPDATING THE WAGE SURVEY AND ADDING A SKILL MIX FACTOR

Rationale: As soon as possible, we should account more accurately for wage variation in rural and urban areas. This accounting is important because the relative distribution of Medicare payments is based on the area wage index. Equity in hospital payments requires that we redefine labor market areas. However, changes in definitions suggested by ProPAC, in the short term, may result in changes that are not clearly understood and which may contribute to new inequities. Such questions suggest that additional information regarding the impact of the new definitions is necessary to assure that they would increase equity in the system, not exacerbate current problems.

The Congressional Budget Office [CBO] has plans to conduct a study of the effect of the proposed redefinition and of potential alternatives. The study results may be ready this summer (1987), providing opportunity to incorporate CBO findings into the bill. However, to assure that congressional timetables are met, this bill directs that such a study be completed within 180 days of adoption of this proposal.

The current hospital wage index is based on data for cost reporting periods ending in 1982, prior to the introduction of PPS and before effects on hospitals and their staffing patterns could be quantified. The survey and area wage index must be updated as soon as possible and on a regular basis thereafter to reflect changes in the relative costliness of hospital labor.

The current survey-based wage index does not account for variations in hospital occupational mix. The Health Care Financing Administration [HCFA], should collect such occupational data and analyze it to determine whether an adjustment is warranted for occupational categories. In conducting the survey, and indeed in the computation of the area wage index, skilled nursing home staff not providing PPS services should be excluded.

We understand that the CBO has plans to study the probable impact of occupational categories using existing data, and may have information soon enough to incorporate an appropriate methodology into this legislation. Again, to ensure that this information is available in a timely fashion, this act requires CBO to conduct and complete such a study within 6 months of the act's adoption.

4. EXPAND ELIGIBILITY CRITERIA FOR SOLE COMMUNITY HOSPITALS AND AMEND VOLUME ADJUSTMENT PROVISIONS

Rationale: Sole Community Hospital status was created by the Congress in 1972, and continued under PPS because it recognized that such hospitals are at substantially greater risk under any payment methodology or cost control mechanism in which payment is tied to patient admissions, unless there are protections when admissions decline. No matter how few patients there are, certain costs are fixed. Failure of the only hospital in a geographic area would jeopardize access of Medicare populations to inpatient services. In order to protect access for the beneficiaries and share the risks of the PPS with these hospitals, the hospitals have been given certain benefits which includes: First, payment based on a combination of 75 percent hospital-specific and 25 percent Federal rates; second, exemption from capital payment cuts until 1990; and third, a payment adjustment for a decline in discharges of more than 5 percent over the preceding cost period.

Not all hospitals which might be in need of such protection have applied for sole community hospital status. In fact, only about 363 hospitals are currently approved as sole community hospitals. Some hospitals, including many small rural hospitals, who otherwise meet geographic criteria for sole community status cannot take advantage of the volume adjustment and capital payment protection because they have per case costs lower than the national average and cannot give up the national rate. We have elected to resolve this dilemma by permitting hospitals which are otherwise eligible for sole community hospital status to select the national rate if they so desire. This action would increase the number of sole community hospitals by an unknown number, but probably by about 100 additional hospitals. As discussed previously, protections against downside swings in volume are very important to sole community hospitals, however, implementation of this provision has not been very successful. Only 11 of 363 sole community hospitals have applied for such adjustment, and only 4 have received it. This result is particularly surprising in view of the large average volume declines which have been observed in small rural hospitals since 1984.

This lack of activity can be attributed to unclear and subjective methods used in approval of applications, and cumbersome administrative procedures. Pro-PAC concludes that issuance of implementing regulations would help clarify criteria and increase the number of sole community hospitals applying for and receiving adjustments.

Issuance of such instructions would help, but would not rectify the problem since regulations now in effect are more restrictive than intended by Congress. For example, sole community hospitals currently must document not merely that volume reductions were "due to circumstances beyond their control", but rather due to "extraordinary circumstances * * * such as (but not limited to) strikes, fires, earthquakes, floods, or similar unusual occurrence * * *." Three hospitals were denied adjustments because they claimed local economic problems had caused precipitous volume declines. This bill would revise the volume adjustment provision to facilitate a hospital's receipt of an adjustment while continuing to recognize that case-by-case review is necessary to assure that the adjustment is appropriate and fair.

5. IMPROVING OUTLIER EXPENDITURES

Rationale: The 1986 Omnibus Budget Reconciliation Act (P.L. 99-509), included a provision that established separate urban and rural set-asides for outlier payments. These payments compensate hospitals for unusually long or costly cases. Rural hospitals are not major recipients of outlier payments. Yet, until creation of the separate set-aside, they contributed equally with urban hospitals in the funding of the outlier payments. It remains unclear whether outlier set-asides are being used fully in making payments for outliers in urban and rural areas respectively. This provision will permit an accounting of all rural and urban outlier payments each year, and ensure that all hospitals are being treated fairly. In addition, the provision will assure that total outlier payments to hospitals are equal to the total amount withheld from hospitals through offsets against their DRG payments. This is accomplished by requiring that both total payments and amounts withheld are based on the total known DRG prospective payment amounts incurred in a year for which such data is available—that is, the year 2 years previous to the current year.●

Mr. DASCHLE. Mr. President, I join with Senator DURENBERGER today in introducing the Medicare Rural Hospital Payment Equity Act of 1987.

The title tells you exactly what this bill is about: Equity for rural hospitals. But it also could have been named the Rural Hospital Survival Act of 1987, and that would have been just as accurate.

Mr. President, over 25 percent of this Nation's rural hospitals lose money on their Medicare patients. The average Medicare profit margin for rural hospitals is only 60 percent of the average profit margin for urban hospitals. For small rural hospitals, the situation is even worse; their Medicare profit margin is less than 50 percent of the urban level.

These numbers demonstrate two inescapable facts. First, rural hospitals are in trouble. Many of them are in big trouble. Second, the reason they're in such big trouble is because they're not being treated fairly. That's what this bill would correct.

The bill has five main provisions. First, it would eliminate the separate urban and rural payment rates, and establish a single, national rate starting in fiscal year 1990. Second, it would provide a higher 1988 update for rural hospitals than for urbans. Third, it would make the wage index more accurate. Fourth, it would expand the eligibility criteria for sole community providers. Finally, it would help make sure that rural hospitals get their fair share of outlier payments.

Mr. President, the numbers I cited earlier demonstrate that having separate urban and rural payment rates is inexcusably unfair. I do not dispute that some urban hospitals have higher costs than some rural hospitals, but we have already corrected for those differences by basing payments on variables like the level of local wages. There is no reason to have separate urban and rural rates as well, and the numbers I cited prove that rural hospitals are being hurt as a result.

The changes that would be brought about by this bill are absolutely essential if we are to guarantee the survival of rural America's health care system. Many hospitals in South Dakota are teetering on the brink of financial collapse, largely because they lose money on their Medicare patients.

But this bill does more than protect South Dakota's small hospitals; it also protects the small towns where they're located. We cannot expect people to live in small towns if they must jeopardize their families' health in the process. This bill will allow rural hospitals to keep their doors open, and it will allow people to live in the small towns where they grew up. I am pleased to work with Senator DURENBERGER on this issue.

● Mr. McCAIN. Mr. President, I'd like to join my distinguished colleague from Minnesota, Senator DURENBERGER, in introducing legislation which seeks to address a very serious situation confronting many of the rural communities in our country. That situation is the potential closure of hospitals in rural America due to a flaw in the payment methodology which has provided for a differential between the Medicare payment levels provided to urban and rural hospitals.

Many of our Nation's rural hospitals are in real trouble. I do not believe the financial difficulties rural hospitals are currently facing were brought on intentionally, but nonetheless they do exist.

The root of the current problem goes back to 1983, when a radical change was made in hospital payment methodology. The Medicare prospective system was born. Hospitals would no longer be paid on the basis of their customary billing, rather the payment would be a predetermined amount based on the type of procedure or treatment the patient received. In adopting this new payment methodology, we were not aware of any differences between rural and urban hospitals that might adversely effect the financial viability of one group.

It was not until we began receiving initial data indicating the effect that the new payment methodology was having on hospitals that we realized there was a problem. Since that time, we have made several modifications in the payment formula which have somewhat lessened the severity of the payment differential between urban and rural hospitals. There is, however, still more that remains to be done in order that the rural communities of our Nation—and their citizens—will not lose access to hospital care.

In March, the prospective payment assessment commission [Pro-PAC] issued its annual report. In its report, the Commission indicated that the most stunning difference in the first-year prospective payment system margins were between urban and rural hospitals. According to the Commission, the differential was 7 percent.

The report also cited that in excess of 25 percent of small rural hospitals ended the fiscal year in the red, while this could only be said about a small number of urban hospitals. The hospitals which—as an aggregate—had the lowest operating margins, and tended to go into the red most frequently, were those hospitals with less than 50 beds. Of those hospitals, 10 percent had deficit operating margins as great as 18.4 percent.

These facts make it accutely clear that the hospital industry has been correct in arguing that we cannot look to the aggregate profit figures to determine how well hospitals are doing under the prospective payment system. While it is correct that some hospitals are fairing very well, there are many that are not so well off—most of which are rural hospitals.

Mr. President, in my own State of Arizona, close to 50 percent of the 93 hospitals are rural. More than half of the rural hospitals have less than 50 beds. In addition to having fewer beds, these hospitals treat a higher percentage of patients who are elderly—people whose illnesses tend to be more acute, resulting in more costly care. Nine hospitals in Arizona have patient loads comprised of more than 70 percent Medicare beneficiaries. The volume of this type of patient, coupled with the intensity of care required, in turn makes these hospitals much more dependent on the Medicare system for their survival than other hospitals. As you can well imagine, the level of financial strain felt by these hospitals, due to the payment differential, is greatly exacerbated.

Mr. President, it is my belief that this legislation which is being introduced today, is a responsible approach to addressing the situation faced by rural hospitals. The legislation has four components.

First, this legislation proposes that the separate payment rates for urban and rural hospitals under the prospective payment system be eliminated and that a single, national standardized payment rate be developed. The move to a single rate would occur across the period of 3 years and the gap would be completely closed by 1991.

Second, this legislation seeks to correct problems which exist in the wage index—a tool which is used to determine reimbursement rates. The wage index includes such factors as the average wages for each type of employee, in addition to the ratio of technical to nontechnical employees. There are two provisions to this part of the legislation. First, it would require the Congressional Budget Office to study, and report to Congress, the effect that the application of the labor market area definitions have on hospitals. Second, it would provide for the updating and refining of the survey of hospital wages. This would be done only after the Secretary of HHS conducts a survey of the wages, and the CBO studies the effect of variations in occupational mix on the wage and wage-related costs of these hospitals and the feasibility of adjusting the area wage index.

Third, this legislation includes several provisions relevant to hospitals that are sole community providers. First, it would allow the Secretary to compensate, for their fixed costs, those hospitals which experience a decline of more than 5 percent in their patient census. Second, it would require the Secretary to issue instructions for implementation of the volume adjustment, in order to clarify the interpretation of the criteria and to simplify the process of applying for such an adjustment. Third, it would require the Secretary to study, and report to Congress, the feasibility and appropriateness of applying a formula, based on the average increase in the cost per discharge for hospitals of similar size and characteristics, to determine the payment adjustments.

Fourth, this legislation includes a provision that will permit hospitals and the Congress to know the total amount of money held back and used for outlier payments. In addition, this provision will assure that total outlier payments to hospitals are equal with respect to the total amount withheld from hospitals through offsets against their DRG payments. This is accomplished by requiring that both total payments and the amounts withheld are based on the total known DRG prospective payment amounts incurred in the most recent year for which data is available.

In the 1986 Omnibus Reconciliation Act, a provision was included which established separate urban and rural set-asides for outlier payments. These payments compensate hospitals for unusually long or costly cases. Currently, rural hospitals are not major recipients of these payments. Yet, until the creation of the separate set-aside, rural hospitals contributed equally with urban hospitals in the funding of outlier payments. It remains unclear whether outlier set-asides are currently being used fully in making payments for outliers in rural and urban areas respectively. The provision just mentioned will permit an accounting of all rural and urban outlier payments each year, and ensure that all hospitals are being treated fairly.

On May 6, during consideration of the budget resolution, we adopted a rural hospital amendment offered by Senator GRASSLEY. This amendment, of which I was a cosponsor, expressed the sense of the Congress that the special needs of rural hospitals should be taken into account in enacting any legislation which would amend the Medicare Program to reconcile expenditures with the budget resolution. The legislation being offered here today, begins to move us down the road of making some of the needed changes, that will ultimately spell relief and protection for a great number of our Nation's rural hospitals.

Mr. President, I urge my colleagues to support this legislation—legislation which will begin moving us down the road to righting the current situation, thus protecting access to hospital care for the citizens of this country who live in rural communities.●

● Mr. GRASSLEY. Mr. President, I rise as a cosponsor of this bill to indicate my strong support for it and to urge my colleagues, especially those from rural States, to support it as it moves through the legislative process.

Mr. President, during the Senate debate on the budget resolution last May, I offered, as an amendment, a sense-of-the-Senate resolution to the effect that the special needs of rural hospitals be taken into consideration when Medicare Program expenditures are reconciled with the requirements of the budget resolution. That amendment was accepted by the committee and was included in the budget resolution.

There is abundant evidence available to indicate that rural hospitals need such consideration. As I noted in my discussion of that amendment, the February 1987 report of the prospective payment review commission noted striking differences in the first-year prospective payment system margins between urban and rural hospitals. According to their report, the urban margin was a full 7-percent higher than the rural margin. Over one-fourth of rural hospitals incurred losses under the system, while few urban hospitals had losses. Some 10 percent of the smallest hospitals, those with fewer than 50 beds—the overwhelming majority of which are in rural areas—had margins of minus 18 percent. The Commission stated in their report:

> Financial difficulties of rural hospitals deserve continued attention, especially small rural hospitals, which had the highest proportion of PPS losses of any hospital group.

My own State of Iowa is one in which this problem is acutely felt. At least 50 percent of our hospitals have less than 50 beds. Older people—Medicare beneficiaries—constitute a larger percentage of admissions in rural areas than in urban areas, so the prospective payment system has a proportionally larger effect on these hospitals than on urban hospitals. Fortunately, there is a consensus among Iowa hospitals, including our urban hospitals, to the effect that we have to take steps to protect the viability of our smaller rural hospitals. Everyone involved in providing health care in Iowa knows very well that these hospitals are the backbone of health care in their communities. They know full well also that these hospitals have a major economic impact on their communities.

That sense-of-the-Senate resolution to which I referred a moment ago did not say how the special needs of small rural hospitals should be taken into account. Senator DURENBERGER's bill does lay out a way to achieve greater payment equity for rural hospitals under the prospective payment system.

The Durenberger bill has at least three provisions which, if enacted into law, will have a direct and positive effect on the financial well-being of rural hospitals. These are: a separate rural and urban update factor for payments under the prospective payment system for fiscal year 1988, an expansion of the eligibility criteria for sole community hospitals and an improvement in the volume adjustment provisions, and improvements in outlier expenditures. The bill would also bring about improvements in the area wage index which will have a positive effect on the financial situation of rural hospitals.

I think that the provisions of this bill, if enacted, will help sustain our rural hospitals and hence, high quality health care in our rural communities, and I am pleased to be a cosponsor of the bill.

Mr. President, I am also cosponsoring S. 1390, a bill introduced last week by Senator BAUCUS which contains numerous provisions which would ultimately have a beneficial effect on health care in rural communities.●

By Mr. McCLURE:

S. 1439. A bill to amend the Energy Policy and Conservation Act to strengthen our Nation's energy emergency preparedness consistent with the policy set forth in section 271 of said act, and for other purposes; to the Committee on Energy and Natural Resources.

ENERGY EMERGENCY PREPAREDNESS ACT AMENDMENTS

● Mr. McCLURE. Mr. President, today I introduce the Energy Emergency Preparedness Act Amendments of 1987. This measure reflects my continuing concern for the energy security of the United States. Repeatedly I have advocated a strengthening of the United States' preparedness to deal with international energy emergencies.

This measure, Mr. President, authorizes the President to activate the enegy emergency reserves, in the event of three defined national or international energy emergencies: activation of the International Energy Agency, drawdown of the strategic petroleum reserve, or in the event of a "severe energy supply emergency." Up to 50 Reservists could be called up to aid the Federal Government in coping with such energy emegencies; however, they can serve only in advisory or consultative positions.

Second, the measure authorizes the use of voluntary agreements and plans of action, in the event of such energy emergencies.

Third, with regard to the International Energy Program, the measure extends the expiration date for the limited antitrust defense until June 20, 1995.

Fourth, the measure contains several provisions addressing use of the strategic petroleum reserve, such as first, predrawdown diversion of SPR petroleum products in transit; second, use of the Defense Production Act to effectuate transportation of SPR petroleum products; third, coordination of IEA stock policies; and fourth, a report on SPR sales options. The measure also includes a study of a 1 billion barrel SPR.

Fifth, with regard to preemption of State laws and State set-asides, the measure would provide for preemption of State price and allocation laws in the event of any of three energy emergencies. If the IEA is triggered or the SPR is drawndown, an automatic State set-aside program would be provided. In the event of a "severe energy supply interruption," but not either of the aforementioned events, a State set-aside program would require Federal approval to be implemented.

Sixth, the measure also incorporates an extension of titles I and II of EPCA until June 30, 1995.

And, finally, the measure requires reports to the Congress of efforts of the administration to prepare for international energy emergencies.

Mr. President, this measure reflects the legislative efforts by the Energy and Natural Resources Committee in 1984 during the 98th Congress. At that time I reached agreements with then Secretary of Energy Hodel and OMB Director Stockman regarding the elements of an energy emergency preparedness bill that the administration could support. Hearings were held and markup began. However, markup was suspended when it was recognized that final congressional action was not feasible within the time remaining in the 98th Congress. This measure reflects that earlier effort.

I ask unanimous consent that the text of the measure as well as the earlier correspondence with OMB Director Stockman and then Secretary of the Interior Hodel be printed following these remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 1439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this act may be cited as the "Energy Emergency Preparedness Act Amendments of 1987".

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SEC. 2. CONGRESSIONAL FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) further legislative and administrative actions are needed to strengthen and improve our Nation's energy emergency preparedness in order to implement section 271 of the Energy Policy and Conservation Act (42 U.S.C. 6281), which established the policy that the Federal Government shall be prepared prior to any shortage of petroleum products to respond to energy emergencies, as a supplement to reliance on the free market to mitigate the adverse impacts of a shortage of petroleum products—

(A) on public health, safety, and welfare; and

(B) on the price of petroleum products; and

(2) individual State and local pricing and allocation of petroleum products could frustrate—

(A) free market pricing and allocation of available petroleum product supplies, and

(B) the response of the Federal Government to energy emergencies.

(b) PURPOSE.—The purpose of this Act is to carry out further the policy set forth in section 271(b) of the Energy Policy and Conservation Act (42 U.S.C. 6281(b)) by—

(1) extending the expiration date of titles I and II of said Act until June 30, 1995.

(2) amending existing energy emergency authorities to—

(A) assure that such authorities are adequate for, and remove any inconsistencies which may impede, proper implementation of the energy emergency preparedness policy established by section 271(b) of the Energy Policy and Conservation Act (42 U.S.C. 6281(b));

(B) assure the availability and effectiveness of organizations for utilizing the assistance of the private sector, including the Energy Emergency Executive Reserves, and Voluntary Agreements and Plans of Action, in national and international energy emergencies; and

(C) preserve the ability of the domestic marketplace to work effectively in the event of a severe petroleum supply disruption by protecting against the possibility that States or local governments by the adoption of pricing and allocation laws, may interfere in the domestic marketplace and thereby worsen energy emergencies;

(3) undertaking on a continuing and timely basis appropriate administrative actions to—

(A) improve and upgrade the Comprehensive Energy Emergency Response Procedures provided for in the Energy Emergency Preparedness Act of 1982, by incorporating improvements that are needed in light of the results of ongoing tests and exercises relating to the energy emergency response capabilities of the United States; and

(B) assure, commensurate with the Strategic Petroleum Reserve Distribution Plan and with applicable law, that—

(i) the Strategic Petroleum Reserve will be applied to meet domestic needs, including regional hardships, and can be applied to meet international obligations of the United States (including those under the International Energy Program and NATO Agreements); and

(ii) any petroleum products from the Strategic Petroleum Reserve, including any such petroleum products distributed by directed sales, enter the market during the energy emergency and are protected from speculation and hoarding; and

(4) completing the Strategic Petroleum Reserve by:

(A) developing a 750 million barrel Reserve by the end of fiscal year 1991; and

(B) maintaining an average annual fillrate in accordance with applicable law.

(c) CONFORMING AMENDMENT—Amend section 271(c) of the Energy Policy and Conservation Act (42 U.S.C. 6281(c)) by making purpose plural; by inserting two dashes, a paragraph, and "(1)" before "carry out"; and by inserting before the period a semicolon followed by "and" and the following new paragraph: "(2) assure the availability and effectiveness of organizations for utilizing the assistance of the private sector, in the Energy Emergency Executive Reserves, and Voluntary Agreements and Plans of Action, during national or international energy emergencies".

TITLE I—EMERGENCY PREPAREDNESS

SEC. 101. ENERGY EMERGENCY PREPAREDNESS ORGANIZATIONS: EXECUTIVE RESERVES, AND VOLUNTARY AGREEMENTS AND PLANS OF ACTION.

(a) Part C of Title II of the Energy Policy and Conservation Act (42 U.S.C. 6281), relating to energy emergency preparedness, is amended by adding at the end thereof the following new sections:

"ENERGY EMERGENCY EXECUTIVE RESERVES

"SEC. 273. EMPLOYMENT OF PERSONNEL; APPOINTMENT POLICIES; AND EXECUTIVE RESERVES.—(a)(1) The President is authorized, to the extent he deems it necessary and appropriate in order to implement the Comprehensive Energy Emergency Response Procedures (including any revisions thereto) provided for in section 272(b), and subject to such regulations as he may issue, to train and employ, subject to paragraph (2), persons of outstanding experience and ability in connection with the activities of the Emergency Petroleum and Gas Executive Reserve, the Emergency Solid Fuels Executive Reserve, and the Emergency Electric Power Executive Reserve of the Department of Energy. Such persons shall be employed only in advisory or consultative positions.

"(2) The President may employ persons pursuant to this subsection when there is in effect—

"(A) a finding by the President pursuant to section 161(d) that implementation of the Distribution Plan contained in the Strategic Petroleum Reserve Plan is required by a severe energy supply interruption or by obligations of the United States under the International Energy Program;

"(B) an international energy supply emergency (as defined in section 252 (a)(1)); or

"(C) a Presidential declaration, expressly stated to be pursuant this section, that there exists or is imminent a severe energy supply interruption (as defined in section 3(a)).

"(3) In the appointment of personnel and in assignment of their duties, the President shall take steps to avoid, to as great an extent as possible, any conflict between the governmental duties and the private interests of such personnel.

"(4) Notwithstanding any other provision of law, the President, upon finding that the achievement of the purpose of section 271(c)(2) requires such action, may exempt with respect to specified activities up to 50 persons in connection with the activities of each Reserve:

"(A) who become employed pursuant to paragraph (1) from the operations of sections 601 through 608 of the Department of Energy Organization Act (42 U.S.C. 7211-7218); and

"(B) who become employed pursuant to paragraph (1) and their private employers from the antitrust laws (as defined in Section 3(9)) or similar State law: *Provided,* That the exemption authorized in this subparagraph shall apply only with respect to activities undertaken in good faith within the scope of the employees; official governmental duties.

"(5) Appointments under this subsection shall be supported by written certification by the Secretary that—

"(A) the appointment is necessary and appropriate in order to implement the Comprehensive Energy Emergency Response Procedures;

"(B) the duties of the position to which the appointment is being made require outstanding experience and ability; and

"(C) the appointee has the oustanding experience and ability required by the position.

"(6) The Secretary shall publish in the Federal Register a statement including the name of the appointee, the title of his position, and the name of his private employer. The appointee shall file with the Secretary for publication in the Federal Register a statement listing the names of any corporations of which he is an employee, officer or director or within sixty days preceding his appointment has been an employee, officer or director, or in which he owns, or within sixty days preceding his appointment has owned, any stocks, bonds, or other financial interests, and the names of any partnerships in which he is, or was within sixty days preceding his appointment, a partner, and the names of any other businesses in which he owns, or within such sixty-day period has owned, any similar interest. At the end of each succeeding six-month period, the appointee shall file with the Secretary for publication in the Federal Register a statement showing any changes in such interests during such period.

"(7) At least once every three months the Director of the Office of Personnel Management shall survey appointments made under this subsection and shall report his findings to the President and the Congress and make such recommendations as he may deem proper.

"(8) Persons appointed under the authority of this subsection may be allowed transportation and per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such appointment, in accordance with title 5 of the United States Code.

"(9) For the purpose of participating in the Executive Reserve training program, members of these Executive Reserves who are not at the time full-time Federal Government employees may be allowed transportation and per diem in lieu of subsistence, in accordance with title 5 of the United States Code (with respect to individuals serving without pay, while away from their homes or regular places of business).

"(b) In order to achieve the purpose of section 271(c)(2), the President may utilize the voluntary services of State and local agencies and he is authorized to provide for the exemption with respect to specified activities of persons whose services are utilized under this subsection from the operation of:

"(1) sections 601 through 608 of the Department of Energy Organization Act (42 U.S.C. 7211-7218); and

"(2) the antitrust laws (as defined in section 3(9)) or any similar State law: *Provided,* That the exemption authorized in this subparagraph shall apply only with respect to activities undertaken in good faith within the scope of the official duties of the employee and shall extend to the State and local agency employers of persons whose services are utilized under this section.

"(c) Notwithstanding any other provision of law, any activities conducted under this section are exempt from the operation of all Federal laws, rules, and regulations pertaining to advisory committees.

"(d) The Secretary, in consultation with the Federal Trade Commission and with the concurrence of the Attorney General, shall promulgate regulations implementing the exemptions contained in subsections (a)(4), (b), and (c)(1).

"(e) The report required by the Secretary pursuant to section of the Energy Emergency Preparedness Act of 1982 shall include a description of those actions taken to solicit participation in a particular Energy Emergency Executive Reserve by qualified personnel who, in the aggregate, possess a diversity of expertise and employment backgrounds relevant to the activities of such Reserve.

"(f) The authority granted by this section shall be supplementary to, and shall have no effect on, the authority provided under section 10 of the Defense Production Act of 1950 (50 U.S.C. App.).

"VOLUNTARY AGREEMENTS AND PLANS OF ACTION FOR ENERGY EMERGENCIES.

"SEC. 274. (a)(1) The President is authorized to consult with representatives of the energy industry, energy consumers and other interests, in order to initiate, and encourage such persons to participate in, voluntary agreements and plans of action which—

"(A) he deems important to the national interest and which, in his judgement, would contribute to the objectives of this part by facilitating preparation for, or a response to, an energy emergency of national or international scope or character in a manner that—

"(i) is consistent with the policy set forth in section 271(b); and

"(ii) does not unreasonably or unnecessarily interfere with competition; and

"(B) are related to—

"(i) providing equitable and otherwise appropriate domestic mechanisms to encourage or facilitate transactions to satisfy the obligations of the United States under the International Energy Program;

"(ii) actions necessary to ensure the transportation and distribution of Strategic Petroleum Reserve petroleum products;

"(iii) emergency response efforts to optimize the distribution of Strategic Petroleum Reserve petroleum products, and other stocks, for the purposes of critical refinery or transportation operations;

"(iv) emergency response efforts to ensure that adequate supplies of petroleum products are made available in geographic areas subject to imminent and severe shortages of petroleum products through normal market distribution mechanisms; or

"(v) actions necessary to meet national security commitments to the NATO Wartime Oil Organization and the United States-Israeli (petroleum product) supply agreement.

"(2) Within ninety days of enactment, the President, pursuant to this section, shall initiate and encourage the development of and participation in voluntary agreements and plans of action that provide equitable and otherwise appropriate domestic mechanisms to encourage or facilitate transactions to satisfy the obligations of the United States under the International Energy program.

"(b) The President shall prescribe standards and procedures by which persons may develop and carry out voluntary agreements and plans of action provided for in subsection (a).

"(c) The standards and procedures prescribed under subsection (b) shall include without limitation the following requirements:

"(1)(A) Except as provided in subparagraph (B), meetings held to develop or carry out a voluntary agreement or plan of action under this section shall—

"(i) permit attendance by representatives of committees of the Congress and interested persons, including all interested segments to the energy industry, energy consumers, and the public;

"(ii) be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission, committees of the Congress, and (except during an energy emergency with respect to meetings to carry out a voluntary agreement or to develop or carry out a plan of action) the public; and

"(iii) be initiated and chaired by a regular full-time employee of the Department of Energy.

"(B) The President may determine that a meeting held to carry out a voluntary agreement or to develop or carry out a plan of action shall not be open to interested persons or that attendance by interested persons may be limited, if the President finds that a wider disclosure would be detrimental to—

"(i) achievement of the purpose described in section 271(c)(2); or

"(ii) the interests of the United States.

"(2) Interested persons permitted to attend such a meeting shall be afforded an opportunity to present, in writing and orally, data, views, and arguments at such meetings, subject to any reasonable limitations with respect to the manner of presentation of data, views, and arguments as the Secretary may impose.

"(3) A full and complete record, including where practicable (in order of preference) a verbatim transcript or tape recording, shall be kept of any meeting held, and a full and complete record shall be kept of any communication (other than in a meeting) made, between or among participants or potential participants, to develop or carry out a voluntary agreement or a plan of action under this section. Such record, transcript, or tape recording shall be deposited, together with any agreement resulting therefrom, with the Secretary and shall be available to the Attorney General and the Federal Trade Commission. Such records, transcripts, or tape recordings shall be available for public inspection and copying in accordance with section 552 of title 5, United States Code; except that (A) matter may not be withheld from disclosure under section 552(b) of such title on grounds other than the grounds specified in section 552(b)(1), (b)(3), or so much of (b)(4) as relates to trade secrets; and (B) in the exercise of authority under section 552(b)(1), the President shall consult with the Secretary of State and the Attorney General with respect to questions relating to the foreign policy interests of the United States.

"(4) No provision of this section may be implemented so as to prevent representatives of committees of Congress from attending meetings to which this section applies, or from having access to any transcripts, records, and agreements kept or made under this section. Such access to any transcript or tape recording that is required to be kept for any meeting shall be provided as soon as practicable (but not later than 14 days) after that meeting.

"(5) Any person shall be afforded an opportunity to seek participation in a voluntary agreement or plan of action by submitting a petition to the President. Any such petition may be granted if the requested participation meets the criteria set forth in subsections (a)(1) (A) and (B). Denial of a petition shall be accompanied by a written statement of the reasons for such denial.

"(d)(1) The Attorney General and the Federal Trade Commission, as they deem appropriate, may participate in the development, and when practicable, in the carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this part. A voluntary agreement or plan of action under this section may not be carried out unless approved by the Secretary and by the Attorney General, after consultation with the Federal Trade Commission. Prior to the expiration of the period determined under paragraph (2), the Federal Trade Commission shall transmit to the Attorney General its views as to whether such an agreement or plan of action should be approved, of action shall be available for public inspection and copying, except that a plan of action shall be so available only to the extent to which records are so available as provided in the last sentence of subsection (c)(3). Any action taken pursuant to such voluntary agreement or plan of action shall be reported to the Attorney General and the Federal Trade Commission pursuant to such regulations as may be prescribed under subsections (e)(3) and (4).

"(3) A voluntary agreement or plan of action may not be approved by the Attorney General under this subsection unless such agreement or plan—

"(A) describes the types of substantive actions which may be taken under the agreement or plan, and

"(B) is as specific in its description of proposed substantive actions as is reasonable in light of circumstances known at the time of approval of such agreement or plan.

"(e)(1) The Attorney General and the Federal Trade Commission, as they deem appropriate, shall monitor the development and carrying out of voluntary agreements and plans of action authorized under this section in order to promote competition and to prevent anticompetitive practices and effects, while achieving substantially the purposes of this part.

"(2) In addition to any requirement specified under subsections (b) and (c) of this section and in order to carry out the purposes of this section, the Attorney General, in consultation with the Federal Trade Commission and the Secretary, may promulgate rules concerning the maintenance of necessary and appropriate records related to the development and carrying out of voluntary agreements and plans of action authorized pursuant to this section.

"(3) Persons developing or carrying out voluntary agreements and plans of action authorized pursuant to this section shall maintain such records as are required by rules promulgated under paragraph (2). The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

"(4) The Attorney General and the Federal Trade Commission may each prescribe such rules as may be necessary or appropriate to carry out their respective responsibilities under this section. They may both utilize for such purposes and for purposes of enforcement any powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by the antitrust laws or the Antitrust Civil Process Act; and wherever any such law refers to "the purposes of this Act" or like terms, the reference shall be understood to include this section.

"(f)(1) There shall be available as a defense to any civil or criminal action brought under the antitrust laws (as defined in section 3(9)) or any similar State law in respect to actions taken to develop or carry out a voluntary agreement or plan of action (provided that such actions were not taken for the purpose of injuring competition) that—

"(A) such actions were taken—

"(i) in the course of developng a voluntary agreement or plan of action pursuant to this section, the making of which was initiated by the President, or

"(ii) to carry out a voluntary agreement or plan of action authorized and approved in accordance with this section, the making of which was initiated by the President, and

"(B) the persons taking such actions complied with the requirements of this section and the rules promulgated hereunder.

"(2) Except in the case of actions taken to develop a voluntary agreement or plan of action, the defense provided in this subsection shall be available only if and to the extent that the person asserting the defense demonstrates that the actions were specified in, or within the reasonable contemplation of an approved voluntary agreement or plan of action the making of which was initiated by the President.

"(3) Persons interposing the defense provided by this subsection shall have the burden of proof upon the elements of the defense, except that the burden shall be on the person against whom the defense is asserted with respect to whether the actions were taken for the purpose of injuring competition.

"(g) No provision of this section shall be construed as granting immunity for, or as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any act or practice which occurred prior to the date of enactment of this section or subsequent to its expiration or repeal.

"(h) The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at least once annually, a report on the implementation of this section, including any impact on competition and on small business of actions authorized by this section.

"(i) In any action in any Federal or State court for breach of contract, there shall be available as a defense that the alleged breach of contract was caused predominantly by action taken—

"(A) when there is in effect a Presidential finding pursuant to section 161(d) that implementation of the Distribution Plan contained in the Strategic Petroleum Reserve Plan is required by a severe energy supply interruption (as defined in section 3(8)) or by obligations of the United States under the International Energy Progam,

"(B) there is in effect an international energy supply emergency (as defined in section 252(l)(1), or

"(C) which are necessary to meet national security commitments to the NATO Wartime Oil Organization and the United States-Israeli (petroleum product) supply agreement,

to carry out a plan of action authorized and approved in accordance with this section.

"(j) Notwithstanding any other provision of law, any activities conducted under this section, when conducted in compliance with the requirements of this section, the rules promulgated hereunder, and the provisions of the voluntary agreement or plan of action, are exempt from the operation of all Federal laws, rules and regulations pertaining to advisory committees.

"(k) The authority provided by this section shall not apply to the development or carrying out of voluntary agreements or plans of action to implement the allocation and information provisons of the International Energy Program: *Provided*, That this shall not preclude or limit the applicability of the authority to voluntary agreements or plans of action by oil compaines that provide equitable and otherwise appropriate domestic mechanisms to encourage or facilitate transactions to satisfy the obligation of the United States under the International Energy Program.".

"(b) Section 208(b) of title 18, United States Code, relating to acts affecting a personal financial interest, is amended by striking "." in clause (2), after the world "services", and inserting in lieu thereof——

"; or (3) if the Government official responsible for appointment of the officer or employee, with the concurrence of the Director of the Office of Government Ethics, make a certification, published in the *Federal Register*, that the national interest would be served by the participation of the officer or employee because the officer or employee has outstanding qualifications not otherwise available and is acting with respect to a particular matter that requires such qualifications, and that—

"(A) the financial interest is not likely to affect the integrity of the services which the Government might expect from such officer or employee; or

"(B) the participation by such officer or employee in the particular matter will be limited to the rendering of advice and all persons receiving such advice will be notified of the nature and extent of the officer's or employee's financial interest in the matter.".

"(c) CONFORMING AMENDMENTS.—Section 271 of the Energy Policy and Conservation Act (42 U.S.C. 6281) is amended—

(1) in subsection (b), by deleting "other than this part" and inserting in lieu thereof, "other than section 272".

(2) in subsection (c), by deleting "other than this part" and inserting in lieu thereof, "other than section 272, and by making available to the President authorities for utilizing the private sector in implementing this policy".

(d) The table of contents of the Energy Policy and Conservation Act is amended further by inserting after the item relating to section 272 the following:

"Sec. 273. Energy emergency executive reserves.

"Sec. 274. Voluntary agreements and plans of action for energy emergencies.".

SEC. 102. INTERNATIONAL ENERGY PROGRAM AMENDMENTS.

(a) Section 252 of the Energy Policy and Conservation Act (42 U.S.C. 6272) is amended—

(1) in subsection (d)(1), by adding at the end thereof, "No action to approve a voluntary agreement or plan or action under this subsection shall be subject to judicial review.

(2) in subsection (d)(3), by deleting "known circumstances" and inserting in lieu thereof, "circumstances known at the time of approval";

(3) in subsection (e)(2), by deleting "shall" and inserting in lieu thereof, "may";

(4) in subsection (f)(2), by inserting after "approved", the phrase "voluntary agreement or"; and

(5) in subsection (i), by deleting "once every six months" and inserting in lieu thereof, "annually, or once every six months when there is in effect a Presidentially-declared energy emergency,".

(b) Extension.—Subsection (j) of section 252 of the Energy Policy and Conservation Act (42 U.S.C. 6272(j)) is amended by striking our "1988" and inserting in lieu thereof "1995".

SEC. 103. STRATEGIC PETROLEUM RESERVE AMENDMENTS.

(a) Section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241) is amended by adding the following new subsections:

"(g) When the President has found that implementation of the Strategic Petroleum Reserve Distribution Plan is required, he is authorized to use the authority contained in section 101(a) of the Defense Production Act of 1950, as amended (50 U.S.C. App. 2071(a)), in such manner as he deems necessary or appropriate to effectuate the transportation of petroleum products from the Strategic Petroleum Reserve during drawdown and distribution of the Reserve, as if the drawdown and distribution of the Reserve were a national defense program within the meaning of that section; notwithstanding such usage, procurements for the Reserve shall not be subject to any Cost Accounting Standards as required pursuant to any statute or regulation applicable to national defense contractors.

"(h) Notwithstanding any other provision of law, the President may permit any crude oil withdrawn from the Strategic Petroleum Reserve in accordance with the provisions of this section to be sold to persons who will have such crude oil refined outside the United States pursuant to an arrangement for the delivery of refined petroleum products to the United States.

"(i) Predrawdown Diversion of Strategic Petroleum Reserve Petroleum Products.—(1) If the President finds that a severe energy supply interruption may be imminent and that the world price of crude oil has, as a result, increased substantially, then the execution of new contract for petroleum products for injection into the Strategic Petroleum Reserve may be curtailed or suspended for not to exceed 30 days, and the provisions of sections 160 (c) and (d) shall not apply: *Provided, however,* That such finding may be extended for additional 30 day periods upon a finding that the conditions that justified the initial finding still exist.

"(2) During the period for which such Presidential finding is in effect, the quantity of any petroleum products involved shall be disregarded in applying the provisions of such subsections for periods following the effective period of such finding.

"(3) When such a finding is in effect, the Secretary is authorized to sell, in accordance with rules or regulations which he shall promulgate, any petroleum products acquired by contract and produced for storage in, but not injected into, the Strategic Petroleum Reserve.

(b) Billion Barrel Strategic Petroleum Reserve Study.—Within one year from the date of enactment, the Secretary of Energy shall submit to the Congress a report on the benefits and costs to the Nation of filling the Strategic Petroleum Reserve to the level of one billion barrels (as originally intended in section 151(b) of the Energy Policy and Conservation Act (Public Law 94-163)) as compared to the currently planned storage capacity of 750 million barrels. Such report shall include:

(1) an economic analysis of the relative levels of protection that would be provided our economy at these two storage capacity levels,

(2) an analysis of the likely costs of the additional storage capacity and petroleum products, and

(3) a specific finding and recommendation by the President as to the amount of storage capacity to which the Reserve should be filled upon its completion.

(c) Coordinated IEA Stock Policies.—It is the sense of Congress that the President is to be commended for an encouraged to continue seeking to establish among the countries participating in the International Energy Program a policy for the rapid buildup of strategic petroleum stocks prior to a major oil supply disruption and the coordinated drawdown of such strategic petroleum stocks early in a major oil supply disruption.

(d) Strategic Petroleum Reserve Sales Option Report.—Within one hundred and eighty days of enactment, the Secretary of Energy shall transmit to the Congress a report evaluating the feasibility, cost-benefit comparisons, and other advantages and disadvantages, of conditional market options for the sale of petroleum products from the Strategic Petroleum Reserve. In making his evaluation, the Secretary, among other things, shall provide—

(1) a description of the authorities available under existing law; and

(2) any changes to existing law which would be necessary in order to use such options.

SEC. 104. EFFECT ON STATE LAWS.

(a) Part C of Title II of the Energy Policy and Conservation Act, relating to energy emergency preparedness, is further amended by adding at the end thereof the following new section:

"EFFECT ON STATE LAWS

"Sec. 275. (a) Preemption.—(1)(A) When there is in effect,

"(i) a finding by the President pursuant to section 161(d) that implementation of the Distribution Plan contained in the Strategic Petroleum Reserve Plan is required by a severe energy supply interruption or by obligations of the United States under the International Energy Program, except as provided in subsection (b)(1),

"(ii) an international energy supply emergency (as defined in the first sentence of section 252(l)(1)), except as provided in subsubsection (b)(1), or

"(iii) a Presidential declaration, expressly stated to be pursuant to this section, that there is imminent a severe energy supply interruption (as defined in section 3(8)), except as provided in subsection (b)(2),

any law or regulation adopted or promulgated by a State or any political subdivision thereof, to the extent that such law or regulation provides for the pricing or allocation of any petroleum product, is hereby preempted, except as provided in paragraph (2).

"(2) The President may, by rule or order, exempt from the operation of paragraph (1) classes or categories of laws or regulations, or specific laws or regulations, which would otherwise be preempted under such paragraph, to the extent that the President determines that such laws or regulations would—

"(A) preserve a significant State or local interest;

"(B) not unduly burden interstate commerce; and

"(C) not interfere with the policy established by section 271.

"(C) No action of the President under subparagraph (A) or (B) shall be subject to judicial review.

"(b) State Set Aside.—(1) When there is in effect,

"(A) a finding by the President pursuant to section 161(d); or

"(B) an international energy supply emergency (as defined in the first sentence of section 252(1)(1)),

the Governor of any State may implement a State set-aside program for petroleum products upon notification of the President of the Governor's intent to do so.

"(2)(A) When there is in effect a Presidential declaration, expressly stated to be pursuant to this section, that there exists or is imminent a severe energy supply interruption (as defined in section 3(8)), the Governor of any State may notify the President of the Governor's intent to implement a State setaside program for petroleum products.

"(B)(i) The Governor shall provide the President with notice under subparagraph (A), accompanied by a request for approval of the State set-aside program the Governor intends to implement, at least 10 days prior to the date on which the Governor intends to implement the program.

"(ii) Within 10 days after receipt of such notice and request transmitted by the Governor, the President, in his discretion, shall either approve or disapprove such request and notify the Governor of the President's action.

"(iii) To the extent that the President approves the request within such 10-day period, the program shall then be exempt from the operation of subsection (a).

"(iv) If the President does not approve such request within such 10-day period, the request shall be considered disapproved and the program shall not be exempt under this subsection from the operation of subsection (a).

"(v) The President's approval of any program under this subsection may be in whole or in part; but only so much of any State set-aside program as the President approves under this paragraph may be implemented.

"(C) Notwithstanding the 90-day limitation in paragraph (3)(B), an exemption under this subsection allowing implementation of any State set-aside program may be extended by the President for successive 90-day periods if the Governor transmits a notice and request therefor to the President and the President approves such request prior to the expiration of the applicable 90-day period. For such purposes, the preceding provisions of this subsection shall apply with respect to any notice and request for such an extension as if it were for exemption for initial implementation.

"(D) Any approval or disapproval by the President of a request under paragraph (B)(ii) or (iv) shall not be subject to judicial review.

"(3) For purposes of this subsection, the term 'State set-aside program' means with respect to any petroleum product, a program administered by the State under State law and which—

"(A) is implemented only upon a determination by the Governor that the program is required to meet a petroleum product supply shortage within the State which will significantly impair essential public services or essential economic activity;

"(B) continues in effect for no more than 90 days;

"(C) authorizes the Governor to require a prime supplier of any petroleum product subject to the program to set aside in any month a volume of such petroleum product for distribution under the program which volume does not exceed 5 percent of the total supply, as estimated by such supplier of such petroleum product which will be sold by the supplier in the State for consumption within the State in that month;

"(D) defines a prime supplier as a supplier which makes the first sale of that petroleum product subject to the State set-aside into the State distribution system for consumption within the State;

"(E) does not authorize the Governor to fix or limit the price of any petroleum product which is set aside; and

"(F) does not unduly burden interstate commerce.

"(c) PROTECTION OF CERTAIN INVENTORIES.—(1) Notwithstanding subsection (b), no State shall have authority to—

"(A) provide for the allocation of consumer petroleum product inventories,

"(B) impose restrictions on the consumption of such inventories, or

"(C) consider or take into account the existence or size of such inventories in determining the amount of petroleum products to be allocated to any such consumer.

"(2) For purposes of paragraph (1)—

"(A) The term 'consumer petroleum product inventory' means an inventory of petroleum products which is—

"(i) held by and in the custody of a consumer (other than a refiner, except to the extent provided in subparagraph (C)) for such consumer's own end-use consumption,

"(ii) held by and in the custody of such consumer on the day before the date on which a State set aside program is implemented, and

"(iii) not thereafter sold by such consumer, but only to the extent that such inventory does not exceed the inventory of petroleum products held by and in the custody of that consumer for its own end-use consumption on the 30th day prior to the date of such implementation.

"(B) The term 'held by and in the custody of', when used with respect to an inventory, means any such inventory owned by the consumer and in the direct possession of the consumer, such as on the consumer's site.

"(C) The term 'end-use consumption', in the case of an inventory of petroleum products of any consumer which is a refiner, means the use by the refiner of such petroleum products to meet normal fuel requirements necessary for operating refinery equipment and facilities."."

(b) CONFORMING AMENDMENTS.—Section 271 of the Energy Policy and Conservation Act is amended—

(1) in subsection (a)(2), by deleting "and";

(2) in subsection (a)(3), by deleting the period and inserting in lieu thereof a semicolon and the word "and";

(3) in subsection (a), by adding the following new paragraph:

"(4) individual State and local pricing or allocation of petroleum products could frustrate free market pricing and allocation of available petroleum product supplies, and the response of the Federal Government to energy emergencies."; and

(4) in subsection (c), by inserting after, "than this part", a semicolon and "further, by preventing individual State and local petroleum product pricing or allocation laws or regulations from interfering with the carrying out of this policy.".

(c) The table of contents of the Energy Policy and Conservation Act is amended by inserting after the new item relating to section 274 the following:

"Sec. 275. Effect on State laws.".

SEC. 105. EXTENSION OF TITLES I AND II OF THE ENERGY POLICY AND CONSERVATION ACT.

Section 531 of the Energy Policy and Conservation Act (42 U.S.C. 6401) is amended by striking "1988" wherever it appears and inserting in lieu thereof "1995".

SEC. 106. REPORT TO THE CONGRESS.

(a) The Energy Emergency Preparedness Act of 1982 is amended by adding at the end thereof the following new section:

"SEC. 7. REPORT TO THE CONGRESS.

"(a) The Secretary of Energy shall, pursuant to authorities otherwise available under applicable law, continue to strengthen and improve our Nation's energy emergency preparedness in order to implement the policy established by section 271(b) of the Energy Policy and Conservation Act (42 U.S.C. 6281(b)). The Secretary shall report as specified in subsection (b), to the Congress on any such actions taken, to—

"(1) improve and upgrade on a timely basis, the Comprehensive Energy Emergency Response Procedures provided for by section 272(b) of the Energy Emergency Preparedness Act of 1982 (42 U.S.C. 6282(b)) by incorporating improvements (including improvements in Department of Energy organization, inter-agency coordination, decision-making procedures, and emergency alert systems and logistics support) that are needed in light of the results of ongoing tests and exercises relating to the energy emergency response capability of the United States;

"(2)(A) assure the availability and effectiveness of organizations for utilizing the assistance of the private sector, including the Energy Emergency Executive Reserves, and Voluntary Agreements and Plans of Action, in energy emergencies of national or international scope or character in order to meet both defense-related and non-defense-related needs;

"(B) solicit participation in a particular Energy Emergency Executive Reserve by qualified personnel who, in the aggregate, possess a diversity of expertise and employment backgrounds relevant to the activities of such Reserve;

"(3) preserve the ability of the domestic marketplace to work effectively, in the event of a severe petroleum supply disruption, by protecting against the possibility that States or local governments may, by the adoption of price and allocation laws, interfere in the domestic marketplace and thereby worsen energy emergencies;

"(4) assure, commensurate with the Strategic Petroleum Reserve Distribution Plan and with existing legal authorities, that—

"(A) the Strategic Petroleum Reserve will be applied to meet domestic needs (including regional hardships) and can be applied to meet international obligations of the United States (including those under the International Energy Program and NATO Agreements); and

"(B) petroleum products from the Strategic Petroleum Reserve, including any such petroleum products distributed by directed sales, enter the market during the energy emergency and are protected from speculation and hoarding; and

"(5) complete the Strategic Petroleum Reserve by:

"(A) developing a 750 million barrel Reserve by the end of Fiscal Year 1991;

"(B) maintaining an average annual fill-rate in accordance with applicable law; and

"(6) consult with respect to stock levels and stock drawdown policies of International Energy Program member countries.

"(b) Within three months after the date of enactment of this section, and annually thereafter in the annual report required by title X of the Department of Energy Organization Act, the Secretary of Energy shall submit a report to the Congress containing a description of the actions taken pursuant to subsection (a) and any other measures to strengthen and improve our Nation's energy emergency preparedness in order to further carry out the policy set forth in section 271(b) of the Energy Policy and Conservation Act (42 U.S.C. 6281(b)).".

EXECUTIVE OFFICE OF THE PRESIDENT, OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, July 19, 1983.

Hon. JAMES A. MCCLURE,
Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR JIM: I appreciate the opportunity to clarify for you the Administration's plans for funding completion of the Strategic Petroleum Reserve.

As is evident from the rapid acceleration of oil purchases undertaken by this Administration soon after the President's inauguration, we share the strong commitment to the Strategic Petroleum Reserve expressed by the Congress through the actions of both the appropriations and authorizing committees.

The plan to which we are committed, developed after consultation with the Congress, calls for the following:

Development of the full 750 million barrel reserve by the end of fiscal year 1991.

Requesting funds for major construction at Big Hill in the budget for fiscal year 1985 that will be submitted to Congress next January.

Requesting funds for oil acquisition sufficient to maintain a fill rate over the 1984–88 period of at least 145,000 barrels per day, with some necessary year-to-year flexibility to accommodate especially favorable purchases that may arise in the future.

Completion of Big Hill on a schedule that will allow fill of the facility to begin no later than the third quarter of fiscal year 1987.

We believe that this plan balances fiscal policy objectives and the need to complete our energy security preparations in timely fashion. In this regard, it is very important to note that other actions of this Administration, such as immediate decontrol of oil, have greatly enhanced the level of protection provided by the more than 400 million barrels we will have in storage by next year.

The Strategic Petroleum Reserve is just one facet of our energy emergency preparedness effort. As part of our continued effort to work with Congress to take the necessary steps to ensure such preparedness, we plan to implement certain additional actions, which are outlined in a letter to you from Secretary Hodel sent under separate cover.

I am certain that Secretary Hodel and I would be pleased to provide any further clarification you might require on these important issues.

Sincerely,

DAVID A. STOCKMAN,
Director.

THE SECRETARY OF ENERGY,
Washington, DC, July 19, 1983.
Hon. JAMES A. MCCLURE,
Chairman, Committee on Energy and Natural Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As recent correspondence to you from the Director of the Office of Management and Budget makes clear, this Administration shares with the Congress a strong commitment to the Strategic Petroleum Reserve (SPR). However, as Mr. Stockman has stated, the SPR is just one part of our Nation's energy emergency preparedness efforts. Such efforts, in turn, constitute but a facet of the President's determination that the United States maintain and improve its defense and national security positions.

I publicly have recognized that adequate energy emergency preparedness may require certain, carefully defined legislative action. Specifically, I have testified to my willingness to seek legislation to assure legally the availability and effectiveness of the Executive Manpower Reserves in domestic and international energy emergencies in order to meet both defense-related and non-defense-related needs. I have supported extension of Section 252 of the Energy Policy and Conservation Act (EPCA), pertaining to the International Energy Agency antitrust defense, to coincide with the EPCA expiration date of June 30, 1985. In addition, I have promised to identify, and to support corrective legislation in regard to, shortfalls in existing emergency preparedness legislation, such as current provisions which require clarification or which contain inconsistencies, which I believe may impede proper implementation of the current energy emergency preparedness policies established in Section 271 of the EPCA.

You and others have called to my attention the possible need for legislation to preserve the ability of the domestic marketplace to work effectively in the event of a severe petroleum supply disruption. The concern has been expressed that states or local governments may interfere, and thereby worsen the situation, by adoption of petroleum price and allocation laws. My understanding is that members of your Committee may be considering legislation designed to protect against such interference, and we agree to work with you to achieve an appropriate legal resolution to this problem.

A principal purpose of this letter is to express the commitment of this Administration to enter into a prompt and meaningful dialogue with you and other members of the Congress who have expressed interest or concern about these matters, with a view to developing acceptable legislation which appropriately deals with these issues. Such acceptable legislation having been developed, the Administration will lend its full support to the required legislative program. On the other hand, I must inform you I will not hesitate to recommend to the President that he veto any energy emergency preparedness legislation, including but not limited to petroleum price or allocation controls, which exceed the scope of the legislative possibilities described above.

Comprehensive energy emergency preparedness may be furthered also by appropriate administrative action on a timely basis. The Department of Energy already has embarked upon, and I am determined to continue, an effort to improve and to upgrade the comprehensive energy emergency response procedures contemplated by the Energy Emergency Preparedness Act of 1982 so as to assure achievement of the preparedness policies and purposes of Section 271 of EPCA. Among other things, we shall continue to determine, in light of results of ongoing tests and exercises, the improvements which may be needed in the areas of internal Department of Energy organization, inter-agency coordination, decision-making procedures and emergency alert systems and logistics support.

An analysis of prudent administrative actions, commensurate with the existing SPR drawdown plan and other presently effective, associated legal authorities, already is underway, and will continue, with a view to development of measures necessary to assure that the SPR will be applied to meet domestic needs, including regional hardships, and foreign obligations, including those under the International Energy Agency and NATO agreements, and also to assure that SPR Oil, including any SPR oil distributed by directed sales, enters the market during the emergency and will be protected against speculation and hoarding.

As plans for the abovementioned administrative actions progress, I shall communicate appropriately with the Congress.

Incidentally, I am informed by Mr. Stockman's office that there was a typographical error in the sentence of his letter to you pertaining to completion of Big Hill. The sentence was intended to refer to "completion of Big Hill on a schedule that will allow fill of the facility to begin no later than the third quarter of fiscal year 1987."

The long-standing concerns you and other members of Congress repeatedly have expressed about the energy emergency preparedness of our Nation are taken most seriously by the Administration. We look forward to working with you and with them on this all-important subject.

Sincerely yours,

DONALD PAUL HODEL.●

By Mr. EVANS (for himself, Mr. INOUYE, Mr. RIEGLE, Mr. KERRY, Mr. MURKOWSKI, Mr. HATFIELD, Mr. DECONCINI, Mr. HATCH, Mr. STAFFORD, Mr. KARNES, Mr. GLENN, Mr. LEVIN, Mr. ADAMS, Mr. HOLLINGS, Mr. ROCKEFELLER, Mr. WIRTH, Mr. MATSUNAGA, Mr. SIMON, Mr. SARBANES, Mr. PELL, Mr. STEVENS, Mr. WEICKER, Mr. DODD, and Mr. BINGAMAN):

S. 1440. A bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid, and Food Stamp programs; to impose a temporary moritorium for the collection of penalties under such programs, and for other purposes; to the Committee on Finance.

QUALITY CONTROL AMENDMENTS

● Mr. EVANS. Mr. President, today I am introducing legislation reinstituting the moratoria on the collection of fiscal penalties from States in the Aid to Families with Dependent Children, (AFDC), Medicaid and Food Stamps Programs. I am joined in this effort by several of my colleagues from both sides of the aisle.

During the last legislative session, we recognize that there were serious flaws in the existing quality control system in AFDC, Medicaid and Food Stamps. We called into question the validity of statistical procedures used to measure State performance. We agreed that the purpose of quality control is not to raise Federal revenues. It is not to shift program costs from Federal to State budgets and its purpose is not to force States to reduce administrative resources which ironically, will result in higher program errors in the future. We acknowledged that the purpose of quality control is to provide States with an effective management tool so that program administration can be as cost-efficient as possible.

We acted upon these concerns. Specifically, during consideration of the 1986 Farm bill, I offered an amendment which called for a comprehensive study of the food stamp quality control system and imposed a 2 year moratorium on the collection of fiscal sanctions. This amendment was adopted by a substantial majority. Unfortunately, the moratorium period was cut down to 6 months in Conference and expired in June 1986.

Similar provisions for the AFDC and Medicaid Programs were included in the 1985 Senate-passed reconciliation measure. The 2 year moratorium on Medicaid collections, however, was excluded in conference. To date, therefore, there is no moratorium in either the Medicaid or Food Stamp Programs. The existing moratorium in the AFDC Program will expire on July 30, 1988.

When we first enacted the quality control study and moratorium provisions, it was contemplated that reform of the system would take 2 years. Accordingly, the moratorium was to last 2 years. The study was to be completed within 1 year and Congress was to have an additional year to review and implement the recommendations. Recently, the National Academy of Sciences released a portion of this congressionally-mandated study addressing food stamp quality control reform. The academy, however, does not anticipate finishing the rest of the report until the end of 1987.

Unforeseeably, the completion of the study has taken longer than anticipated, which now necessitates certain revisions to existing law timetables for quality control reform. The legislation I am introducing today would extend the moratoria in all three programs until the end of 1988. This extension would give Congress the necessary time to review the study recommendations and enact legislation implementing a new Federal quality control system.

Our failure to reinstate the moratoria in all three programs will have severe and unintended consequences for not only the States but for program beneficiaries as well. When we first enacted the moratoria, we recognized that States should not be penalized under a system whose accuracy had been widely challenged. Furthermore, as we begin the task of reviewing the work of the National Academy of Sciences and preparing reform initiatives, we cannot continue imposing fiscal penalties against the States—especially when the evidence illustrates overwhelmingly that the existing system is not working.

Mr. President, the existing system undoubtedly is broke and it needs fixing very badly. The National Academy of Sciences already has found that the food stamp quality control system, "offers little to State and local program managers in support of continued improvement in administration." It also concluded that the existing system, "lacks many of the elements of a comprehensive quality improvement system."

The academy was concerned particularly with the extraordinary number of States subject to fiscal sanctions. I share their concern and agree with their recommendation that a sound quality control system should provide sanctions only for extremely poor State performance. Mr. President, I ask unanimous consent that the following tables be included in the RECORD at the conclusion of my remarks. They outline the extent of State performance and liability under the current quality control system.

These tables show, for example, that despite a national average error rate which continues to decline each year, the number of States subject to sanction and the amount of money levied in penalties continues to increase at an alarming rate. For example, in AFDC, 45 States failed to meet their statutory error rate target for fiscal year 1984. Approximately $234 million is pending in penalties for that year alone. In all three programs, over $1 billion is pending in penalties against the States.

After 4 years of official sanctions in all three programs, every single State but one has been subject to fiscal penalties. Recently, the Department of Agriculture announced that 45 States would be subject to fiscal penalties for their error rates in the Food Stamp Program. Ironically, the national average error rate has dropped from 12.5 percent in 1981 to 8.6 percent for fiscal year 1984.

There is something wrong with a system which has penalized 49 States in just the few short years of its existence. Now 49 States are not incapable. 49 States are not fraudulent. 49 States are not incompetent. And, its very hard to believe 49 States are in willful noncompliance with the law. Without the protection of a temporary moratorium, therefore, virtually every State in the Union will be subject to exorbitant fiscal penalties. The burdens of additional sanctions will have further dysfunctional effects upon the States.

Allowing this type of environment to develop will not result in the atmosphere of cooperation necessary between the States and the Federal Government to implement quality control reform. My legislation will foster this essential cooperative environment. It will give us the opportunity to enact substantive reforms and it will protect the integrity of existing programs. Until we can develop a new system that will serve as an effective management tool measuring overall State performance, we cannot allow the existing process to be used to impose additional and more punitive hardships upon the States and ultimately, the very people these programs are to serve.

Mr. President, I urge my colleagues to join me in this effort which is of such vital importance to an effective Federal-State partnership in our major means-tested entitlement programs.

There being no objection, the tables were orderd to be printed in the RECORD, as follows:

AFDC PAYMENT ERROR RATES

	Fiscal year—				
	1981	1982	1983	1984	1985
National average	7.7	6.9	6.5	6.0	6.25
Alabama	7.7	5.3	3.2	4.4	4.0
Alaska	18.1	12.1	15.5	6.8	10.5
Arizona	8.3	11.6	10.0	9.7	9.3
Arkansas	6.8	7.0	4.9	3.8	3.0
California	6.8	6.0	4.8	5.2	6.3
Colorado	8.2	6.6	6.2	4.6	5.5
Connecticut	7.5	6.4	4.4	3.4	4.7
Delaware	11.6	11.9	9.4	7.8	7.9
District of Columbia	13.6	17.1	13.1	11.2	9.9
Florida	7.9	6.0	4.5	5.4	5.7
Georgia	6.5	5.1	5.7	6.2	7.8
Hawaii	10.1	8.2	6.9	6.7	6.3
Idaho	9.1	5.4	3.0	9.7	3.9
Illinois	8.3	8.2	6.8	6.5	7.4
Indiana	4.1	3.9	4.9	4.0	4.7
Iowa	4.3	4.5	3.4	3.7	4.9
Kansas	8.1	2.8	5.1	5.5	5.2
Kentucky	5.0	3.6	3.4	4.1	3.1
Louisiana	6.7	6.2	5.7	5.8	7.2
Maine	7.9	4.1	4.5	4.1	5.7
Maryland	11.6	8.2	5.3	5.7	7.0
Massachusetts	9.3	7.4	11.4	7.8	3.6
Michigan	7.3	8.2	9.1	8.0	6.6
Minnesota	4.4	3.0	2.6	2.0	3.0
Mississippi	6.9	4.7	3.5	2.0	2.8
Missouri	7.1	4.8	3.4	3.7	3.9
Montana	4.9	2.5	2.5	6.9	7.5
Nebraska	5.5	9.6	4.7	6.9	8.1
Nevada	2.3	1.3	2.7	2.1	2.6
New Hampshire	6.6	5.9	4.3	7.5	5.2
New Jersey	8.0	7.3	6.4	5.1	6.3
New Mexico	12.4	10.5	6.3	5.9	5.7
New York	8.0	8.0	9.4	7.1	7.4
North Carolina	5.4	3.3	2.7	3.5	2.2
North Dakota	3.1	1.9	2.1	4.7	1.2
Ohio	8.9	7.6	5.6	6.4	6.6
Oklahoma	6.6	3.8	4.1	3.0	2.8
Oregon	6.8	7.1	6.0	4.6	3.9
Pennsylvania	9.0	8.5	9.1	9.1	6.6
Puerto Rico	8.9	8.9	8.6	7.7	6.3
Rhode Island	6.3	5.7	6.2	3.7	4.6
South Carolina	7.8	8.9	7.1	7.8	6.9
South Dakota	4.7	3.7	2.1	2.9	1.5
Tennessee	8.9	4.9	4.5	4.3	3.4
Texas	7.5	8.4	7.2	5.7	4.3
Utah	4.9	5.0	5.7	5.8	4.5
Vermont	5.2	4.5	7.9	5.8	5.7
Virginia	3.6	4.1	3.8	3.5	3.5
Washington	9.3	6.4	4.8	4.1	6.4
West Virginia	7.4	8.2	3.0	4.8	5.8
Wisconsin	8.2	6.5	5.1	6.6	8.8
Wyoming	13.7	4.8	7.1	5.6	3.0

AFDC DISALLOWANCES

	Fiscal year—			
	1981	1982	1983	1984
Alabama	47,000			700,000
Alaska			1,000,000	700,000
Arizona	[1] 209,000	1,090,634	2,400,000	2,800,000
Arkansas		323,042	200,000	200,000
California	35,067,000	27,358,934	12,000,000	34,500,000
Colorado	1,898,000	1,130,182	1,200,000	900,000
Connecticut	424,000	854,023	400,000	400,000
Delaware		545,227	700,000	700,000
District of Columbia		3,013,839	3,700,000	3,100,000
Florida	3,467,000	1,782,642	1,700,000	3,400,000
Georgia			2,200,000	4,300,000
Guam			500,000	600,000
Hawaii	1,212,000	1,083,939	1,300,000	1,500,000
Idaho	691,000	168,807		900,000
Illinois			11,600,000	14,800,000
Indiana	113,000		700,000	900,000
Iowa				600,000
Kansas	1,903,000		500,000	1,100,000
Kentucky				1,100,000
Louisiana			1,500,000	2,600,000
Maine	168,000		200,000	600,000
Maryland	[1] 1,325,000	1,093,979	1,400,000	3,100,000
Massachusetts			16,600,000	9,700,000
Michigan		13,305,903	29,100,000	30,800,000
Minnesota	571,000			
Mississippi				
Missouri				900,000
Montana				700,000
Nebraska	280,000	1,521,056	200,000	1,300,000
Nevada				
New Hampshire			50,000	600,000
New Jersey	[1] 1,200,000	4,019,957	5,900,000	5,200,000
New Mexico	2,554,000	1,929,997	600,000	1,000,000
New York	6,270,000	19,812,355	47,600,000	39,400,000
North Carolina				500,000
North Dakota				200,000
Ohio	3,935,000	5,894,804	5,800,000	13,600,000
Oklahoma	1,508,000		20,000	10,000
Oregon			1,000,000	900,000
Pennsylvania		1,797,228	21,200,000	24,600,000
Puerto Rico	1,714,000	1,749,992	2,200,000	1,800,000
Rhode Island			900,000	300,000
South Carolina	[1] 1,004,000	2,071,595	1,700,000	2,600,000
South Dakota	13,000			
Tennessee	1,754,000		300,000	700,000
Texas	1,112,000	2,138,881	2,100,000	2,800,000
Utah	[1] 300,000	324,694	600,000	1,000,000
Vermont	[1] 225,000	93,532	1,000,000	800,000
Virgin Islands			100,000	
Virginia				400,000
Washington	4,162,000	1,826,594	1,000,000	1,600,000
West Virginia		691,271		1,000,000
Wisconsin		294,799	3,000,000	10,700,000
Wyoming	413,000	33,281	200,000	200,000
Total	69,200,000	95,951,000	189,000,000	223,000,000

[1] full disallowance waived.

MEDICAID PAYMENT ERROR RATES

	Fiscal year—				
	1981	1982	1983	1984	1985
National average	3.8	3.8	2.8	2.6	2.7
Alabama	3.02	2.9	2.8	3.0	1.6

MEDICAID PAYMENT ERROR RATES—Continued

	Fiscal year—				
	1981	1982	1983	1984	1985
Alaska	12.7	2.6	5.2	2.6	2.0
Arizona	3.08			7.3	6.2
Arkansas		3.5	3.6	3.4	1.7
California	5.8	5.5	2.7	4.2	2.8
Colorado	4.1	5.5	4.1	2.6	4.1
Connecticut	5.1	2.1	1.4	2.6	2.4
Delaware	9.4	4.4	1.1	.9	.4
District of Columbia	2.6	10.8	3.8	1.6	4.8
Florida	5.3	4.3	1.8	2.4	1.4
Georgia	6.8	5.6	2.7	6.3	4.3
Hawaii	8.4	6.8	2.3	1.5	1.9
Idaho	4.6	2.4	1.0	1.8	.7
Illinois	4.9	2.0	2.2	2.4	1.9
Indiana	1.0	7.4	5.0	4.8	3.6
Iowa	3.0	4.7	2.4	2.0	2.1
Kansas	3.1	3.0	2.9	3.1	1.1
Kentucky	4.4	2.8	2.3	1.6	1.5
Louisiana	3.2	3.1	3.5	1.9	2.8
Maine	7.5	7.7	4.6	1.8	3.6
Maryland	5.2	4.0	2.7	2.2	3.2
Massachusetts	8.3	7.8	4.6	2.7	2.5
Michigan	2.7	3.3	2.1	2.6	2.2
Minnesota	.5	.5	1.9	1.3	3.4
Mississippi	3.0	5.7	3.1	1.1	2.4
Missouri	.5	3.4	4.9	1.4	3.1
Montana	14.7	8.5	1.5	.9	2.2
Nebraska	6.0	5.1	3.2	1.7	1.5
Nevada	1.8	2.1	.7	.5	.1
New Hampshire	3.5	4.1	1.7	2.6	.2
New Jersey	3.0	2.5	2.1	1.2	1.2
New Mexico	3.9	8.4	7.1	3.7	3.0
New York	2.4	1.9	2.8	2.3	2.8
North Carolina	3.7	2.1	1.5	.7	2.3
North Dakota	3.6	2.3	1.1	1.0	1.1
Ohio	2.2	4.5	2.6	2.7	3.5
Oklahoma	5.7	3.0	3.4	5.5	5.0
Oregon	3.4	3.5	1.9	2.1	1.6
Pennsylvania	3.6	5.5	2.9	3.8	4.1
Rhode Island	5.5	2.0	4.0	1.2	2.5
South Carolina	2.3	5.8	4.2	3.6	3.0
South Dakota	3.7	3.5	1.5	1.0	1.4
Tennessee	3.5	4.5	2.2	1.7	2.6
Texas	3.4	5.4	3.0	2.8	1.8
Utah	4.9	3.7	1.2	3.2	1.1
Vermont	5.0	4.2	3.3	4.3	2.8
Virginia	2.0	3.2	1.6		
Washington	6.8	6.7	3.3	2.2	2.0
West Virginia	10.2	5.5	.3	1.6	1.8
Wisconsin	3.1	3.9	3.2	3.3	2.2
Wyoming	3.9	3.6	2.6	1.4	2.3

MEDICAID DISALLOWANCES

	Fiscal year—				
	1981	1982	1983	1984	1985
Alabama				13,314	
Alaska	1,955,000		487,738		
Arizona			274,918	1,269,480	944,548
Arkansas			2,091,634	652,496	
California		4,112,979	8,201,735	11,910,430	
Colorado	171,000	1,653,883			748,612
Connecticut					
Delaware	359,000				
District of Columbia		3,269,333			1,519,513
Florida					
Georgia				6,707,527	3,407,726
Guam					
Hawaii	2,309,000	1,660,577			
Idaho	234,000				
Illinois					
Indiana		9,870,921		6,836,060	2,734,825
Iowa					
Kansas				103,209	
Kentucky					
Louisiana					
Maine		655,091			744,843
Maryland			30,344		574,555
Massachusetts		6,771,575	873,300		
Michigan					
Minnesota					2,092,336
Mississippi		732,509			
Missouri			6,153,787		
Montana					
Nebraska	1,567,000	894,150	784,641		
Nevada					
New Hampshire		219,402			
New Jersey					
New Mexico		1,587,507	271,994		790,405
New York					
North Carolina					
North Dakota					
Ohio					5,063,621
Oklahoma	1,170,000				5,407,145
Oregon					
Pennsylvania			466,230		8,160,461
Puerto Rico					
Rhode Island	1,018,000			399,629	
South Carolina		1,671,286		370,913	

MEDICAID DISALLOWANCES—Continued

	Fiscal year—				
	1981	1982	1983	1984	1985
South Dakota					
Tennessee		855,893			
Texas		3,301,065			
Utah	614,000			217,701	
Vermont	27,000			484,276	
Virgin Islands					
Virginia					
Washington	2,645,000	3,266,889	848,388		
West Virginia	1,321,000	92,986			
Wisconsin			1,166,692	1,330,919	
Wyoming			24,994		
Total	12,578,000	40,616,046	22,076,024	37,562,953	32,188,590

FOOD STAMP PAYMENT ERROR RATES

State	Fiscal year—				
	1981	1982	1983	1984	1985
National average	12.4	11.9	8.32	8.64	8.30
Alabama	7.36	5.72	6.98	13.35	13.50
Alaska	23.23	20.80	13.86	9.29	13.53
Arizona	12.25	11.98	9.79	9.38	9.38
Arkansas	9.17	9.64	8.88	9.66	7.88
California	7.11	8.61	6.73	7.67	7.08
Colorado	12.87	15.07	12.63	10.66	8.48
Connecticut	9.97	12.73	12.80	7.11	7.04
Delaware	7.45	6.40	4.94	6.40	7.17
District of Columbia	13.12	11.10	10.08	8.80	9.81
Florida	12.85	10.25	10.09	9.00	6.71
Georgia	9.48	8.34	7.48	9.57	12.91
Hawaii	6.97	5.96	4.28	3.69	4.35
Idaho	9.49	8.32	8.48	6.88	5.16
Illinois	8.50	8.93	7.23	8.31	8.16
Indiana	8.08	7.41	8.77	8.64	10.90
Iowa	9.11	9.25	8.51	8.51	8.41
Kansas	11.12	9.69	9.09	7.35	8.16

FOOD STAMP PAYMENT ERROR RATES—Continued

State	Fiscal year—				
	1981	1982	1983	1984	1985
Kentucky	7.75	7.15	6.90	8.98	6.00
Louisiana	10.45	9.71	9.45	10.16	9.76
Maine	8.09	8.49	8.37	6.74	7.91
Maryland	14.22	9.70	7.12	6.85	7.37
Massachusetts	11.31	13.38	13.60	9.86	9.71
Michigan	9.30	8.99	7.70	6.46	7.35
Minnesota	7.65	8.37	7.92	9.77	9.51
Mississippi	10.10	9.11	8.33	9.24	7.98
Missouri	8.52	7.40	6.72	5.83	5.23
Montana	13.48	7.56	5.52	8.77	7.44
Nebraska	11.02	10.67	7.22	8.79	9.04
Nevada	3.39	1.48	2.17	2.54	2.48
New Hampshire	12.53	16.29	9.99	8.18	4.42
New Jersey	9.40	8.68	7.95	7.47	8.50
New Mexico	13.34	12.85	11.43	11.83	8.83
New York	13.63	11.42	9.98	10.14	7.11
North Carolina	11.37	10.51	7.86	7.22	6.49
North Dakota	5.16	6.89	4.98	6.27	3.53

FOOD STAMP PAYMENT ERROR RATES—Continued

State	Fiscal year—				
	1981	1982	1983	1984	1985
Ohio	7.74	8.56	6.90	6.65	7.43
Oklahoma	9.31	8.02	8.79	7.61	10.58
Oregon	8.99	10.36	10.03	9.18	9.41
Pennsylvania	9.567	10.87	10.37	10.41	9.36
Puerto Rico	9.71	N/A	N/A	N/A	N/A
Rhode Island	10.50	8.90	8.90	7.08	8.00
South Carolina	9.03	9.57	8.20	10.90	12.10
South Dakota	8.26	10.64	7.84	3.59	3.15
Tennessee	11.31	10.04	6.83	6.09	6.39
Texas	9.28	9.69	7.57	9.97	10.38
Utah	7.89	9.79	13.29	11.43	7.26
Vermont	9.21	10.26	16.71	9.71	8.06
Virginia	7.50	8.20	6.46	7.63	6.67
Washington	8.49	9.82	10.08	9.23	9.50
West Virginia	9.09	9.03	5.52	6.95	5.07
Wisconsin	10.24	11.40	8.27	9.60	8.00
Wyoming	12.37	8.72	9.88	9.88	6.78

FOOD STAMP ERROR RATE FISCAL SANCTIONS

State	Fiscal year—				
	1981	1982	1983	1984	1985
Alabama	0	0	0	9,221,622	13,118,714
Alaska	2,148,102	0	0	1,199,017	2,096,708
Arizona	236,206	0	0	4,263,749	4,329,756
Arkansas	0	0	0	1,144,268	13,136,972
California	0	0	0	0	1,242,979
Colorado	0	0	1,000,445	1,381,910	1,354,275
Connecticut	0	0	0	0	1,025,885
Delaware	0	0	0	0	246,819
District of Columbia	0	0	0	235,823	1,561,937
Florida	0	0	181,223	2,116,453	2,432,062
Georgia	0	0	0	3,697,445	16,441,248
Hawaii	0	0	0	0	0
Idaho	0	0	0	0	57,098
Illinois	0	0	0	2,844,492	9,029,457
Indiana	0	0	0	1,361,069	5,659,493
Iowa	0	0	0	690,194	2,028,618
Kansas	0	0	0	101,150	1,078,122
Kentucky	0	0	0	1,395,355	776,939
Louisiana	0	0	965,340	5,283,439	7,719,113
Maine	0	0	0	0	598,696
Maryland	0	0	0	0	2,531,9920
Massachusetts	0	1,585,034	2,796,743	2,321,093	5,860,198
Michigan	0	0	0	0	4,563,908
Minnesota	0	0	0	1,461,779	3,218,388
Mississippi	0	0	0	1,731,884	1,816,892
Missouri	0	0	0	0	487,902
Montana	0	0	0	90,933	385,539
Nebraska	0	0	0	301,193	1,152,601
Nevada	0	0	0	0	0
New Hampshire	0	0	0	73,631	0
New Jersey	0	0	0	1,088,471	5,829,207
New Mexico	0	623,045	563,423	2,197,196	1,620,542
New York	0	0	0	10,063,964	16,280,441
North Carolina	0	0	0	523,964	1,802,557
North Dakota	0	0	0	0	0
Ohio	0	0	0	0	3,690,595
Oklahoma	0	0	0	586,756	5,312,273
Oregon	0	1,642,118	303,364	1,340,292	3,800,149
Pennsylvania	0	1,619,419	2,316,399	7,819,005	11,709,304
Puerto Rico	0	0	0	0	0
Rhode Island	0	0	0	0	391,265
South Carolina	0	0	0	3,159,387	8,319,451
South Dakota	0	0	0	0	0
Tennessee	0	0	0	0	2,058,553
Texas	0	0	0	8,212,334	28,120,597
Utah	0	576,696	726,506	1,334,155	583,204
Vermont	0	0	705,015	200,169	410,263
Virginia	0	0	0	652,347	1,415,766
Washington	0	0	705,919	1,509,980	4,048,211
West Virginia	0	0	0	0	111,525
Wisconsin	0	0	0	1,391,622	1,267,661

FOOD STAMP ERROR RATE FISCAL SANCTIONS—Continued

State	Fiscal year—				
	1981	1982	1983	1984	1985
Wyoming	0	0	14,853	94,377	138,332
Total	2,384,308	6,046,312	10,279,230	81,090,518	200,862,117

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By Mr. KENNEDY (for himself, Mr. BRADLEY, Mr. HATCH, Mr. RIEGLE, Mr. QUAYLE, Mr. BENTSEN, Mr. MATSUNAGA, Mr. WEICKER, Mr. STAFFORD, Mr. INOUYE, Mr. SIMON, and Mr. BURDICK):

S. 1441. A bill to reduce the incidence of infant mortality; to the Committee on Labor and Human Resources.

PUBLIC HEALTH SERVICE ACT INFANT MORTALITY AMENDMENTS OF 1987

Mr. KENNEDY. Mr. President, today I am introducing legislation to improve the access of high risk women and children to necessary health care. This legislation will increase the number and outreach of Community and Migrant Health Centers targeting services to poor pregnant women and children, improve the coordination of services to this population, and improve the quality of care in health facilities serving underserved populations by increasing the number of health professionals including nurse practitioners and nurse midwives skilled in meeting the needs of high risk maternal and infant populations.

THE PROBLEM

It is a deplorable fact that the United States ranks 17th in the world in infant mortality rate, behind Singapore and Hong Kong. Nearly 40,000 of the 3.7 million children who were born in the United States in 1984 died before their first birthday, a rate of 10.8 infant deaths per 1,000 live births. The disparity between black and white infant mortality is particularly alarming; black infants are nearly twice as likely as white infants to die in the first year of life. At our current rate of progress, the United States has little chance of meeting the Surgeon General's goal of reducing the infant mortality rate to 9 per 1,000 live births by 1990.

Two-thirds of all infant mortality can be attributed to low birth weight. In 1987, a quarter of a million babies will be born with low birth weight. These infants are 40 times more likely to die in the first month of life, 5 times more likely in the first year. They are also far more likely to have mental and physical birth defects and handicaps, which often mean lifelong challenges, hardships, and expenses for themselves, their families and society.

Low birth weight is largely preventable—and at relatively low cost. Early prenatal care can reduce the number of infants born with low birth weight by more than 25 percent. The Institute of Medicine has estimated that for every $1 spent for prenatal care, $3.38 would be saved in the total cost of caring for low-birth-weight infants.

Although access to prenatal care is the most effective way to prevent low birth weight, millions of women receive little or no prenatal care. In 1983, it is estimated that about one-quarter of all pregnant women in the United States did not begin prenatal care in the first trimester of pregnancy. Poor women were twice as likely to receive either no prenatal care or late prenatal care. Among teenagers and black women, nearly one-half do not receive prenatal care in the first trimester.

Infant mortality is closely associated with low-income and lack of health insurance. One out of every three poor children and one out of three poor women of childbearing age is completely uninsured. Women of childbearing age and children compose nearly 60 percent of the uninsured; and 12 percent of pregnant women are uninsured. Pregnant women and children who are poor and uninsured are about half as likely as their insured counterparts to use health services. Twenty percent of uninsured pregnant women receive late prenatal care.

COMMUNITY AND MIGRANT HEALTH CENTERS

Few programs have made as significant a contribution to increasing the access to quality health care for low-income and uninsured families as Community and Migrant Health Centers.

Begun in 1965 as eight research and demonstration projects, the program has grown and matured over the past 20 years into a network of nearly 800 primary health care centers providing comprehensive primary care to nearly 6 million poor and underserved Americans in 50 States, Puerto Rico, and the District of Columbia. Of the individuals served by such centers, 60 percent are poor, 48 percent lack any form of health insurance, over one-third are children under the age of 14, and over one-fourth are women of child-bearing age.

Despite their record of achievement, health centers still reach less than one-fourth of America's 25 million medically underserved residents. The need to strengthen the capacity of health centers has grown more urgent in recent years, as the number of families living in poverty and without health insurance has grown. Health centers are their only potential source of affordable health care for millions of our most vulnerable citizens.

For these reasons, I am proposing $35 million to increase the number and outreach capabilities of Community and Migrant Health Centers with services targeted to high risk women and children. With these funds, new centers can be established in underserved areas and satellite facilities can be added to existing facilities. In addition, outreach, coordination and other special services could be implemented to bring high-risk, hard-to-reach women into care and encourage them to remain so. Approximatley 200,000 more women and children would receive services under this proposal.

To ensure access to high quality care for this high risk population, adequately trained health professionals must be available to serve in these settings. Therefore, I am proposing two additional initiatives. The first would authorize $4 million for expenses related to the training of nurse practitioners and nurse midwives. Under this program, preference would be given to nurses employed by Community and Migrant Health Centers, the Indian Health Services, and Native Hawaiian Health Centers. In light of the national nursing shortage and the demonstrated cost-effectiveness of nurse practitioners and nurse midwives, these facilities have expressed a need for more of these providers. The second training initiative would authorize $3 million to expand AHEC's in underserved Southern border areas to allow training of more physicians and other health care professionals to serve in these areas.

Even during a time of fiscal restraint it is sound economic policy to invest in the health of mothers and children. Investment in improved pregnancy outcomes has enormous future returns in both human and fiscal terms.

I urge all of my colleagues to join us in this effort. Mr. President, I ask unanimous consent that text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1441

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Public Health Service Act Infant Mortality Amendments of 1987".

FINDINGS

SEC. 2. The Congress finds that—

(1) the United States has made far less progress than other industrialized nations in reducing the infant mortality rate;

(2) the Surgeon General in 1980 established the 1990 Health Objectives for the Nation concerning the provision of prenatal care early in pregnancy and for reducing the incidence of low birthweight babies and infant mortality;

(3) the incidence of low birthweight, which is one leading cause of infant mortality and handicapping conditions (such as retardation, cerebral palsy, epilepsy, and autism) has been reduced only marginally;

(4) insufficient progress has been made in the reduction of the overall infant mortality rate;

(5) despite a declining infant mortality rate, black infants remain twice as likely as white infants to die in the first year of life;

(6) it now appears that the Nation will fail to meet the objectives of the Surgeon General described in paragraph (2);

(7) it is well established that appropriate and timely prenatal care and primary care for infants can reduce infant mortality and improve infant health and are essential if the Nation is to meet objectives of the Surgeon General described in paragraph (2);

(8) it is well established that inadequate prenatal care and infant mortality and disability are highest for those individuals who are poor and are without health insurance;

(9) recent statistics indicate that 1 out of every 3 poor children and 1 out of every 3 women of child bearing age does not have health insurance;

(10) community and migrant health centers were established to provide primary health care to poor individuals and individuals without health insurance;

(11) of the individuals served by such centers, 60 percent are poor, 48 percent lack any form of health insurance, over one-third are children under the age of 14, and over one-fourth are women of child bearing age; and

(12) the services of community and migrant health centers should be expanded to provide increased prenatal care and infant care, including an expansion of the number of health professionals providing such services.

MIGRANT HEALTH CENTERS

SEC. 3. Section 329(h)(1) of the Public Health Service Act is amended by striking out "$45,400,000" the second place it appears and inserting in lieu thereof "$48,400,000".

COMMUNITY HEALTH CENTERS

SEC. 4. (a) Section 330(g)(1) of the Public Health Service Act is amended by striking out "$400,000,000" the second place it appears and inserting in lieu thereof "$435,000,000".

(b) Section 330(c) of such Act is amended by adding at the end thereof the following new paragraph:

"(4) In making grants under this subsection and subsection (d), the Secretary shall give special consideration to the unique needs of frontier areas.".

(c) Section 330(g) is amended by adding at the end thereof the following new paragraph:

"(4) In any case in which the amounts appropriated under paragraph (1) for fiscal year 1988 exceed $418,000,000, the total amount of any such excess shall be available for grants under subsections (c) and (d) to community health centers to support special prenatal services to decrease infant mortality and special perinatal coordination projects to develop and coordinate referral arrangements between community health centers and other agencies, institutions, and organizations that are crucial to the successful management of pregnant women and infants. In making grants from amounts available under the preceding sentence, the Secretary shall give priority to community health centers in areas in which there is a high incidence of infant mortality or in which there is an increased incidence of infant mortality.".

AREA HEALTH EDUCATION CENTERS

SEC. 5. (a) Section 781(a)(1) of the Public Health Service Act is amended—

(1) by inserting "(A)" before "The"; and

(2) by adding at the end thereof the following new subparagraph:

"(B) Under subparagraph (A), the Secretary shall enter into contracts to establish and support area health education center programs which include training of personnel to offer maternal health services and child health services in underserved areas. In entering into contracts under the preceding sentence, the Secretary shall give priority to programs which will train personnel to provide such services in areas along the border between the United States and Mexico, in frontier areas, and in areas in which the rate of infant mortality and low birthweight are disproportionately higher than such rates for the State in which such an area is located.".

(b) Section 781(c)(1) of such Act is amended by inserting before the semicolon a comma and "except that a program described in subsection (a)(1)(B) shall only be required to provide for the active participation in such program of individuals who are associated with the administration of the school and each of the departments (or specialties if the school has no departments) of pediatrics, obstetrics and gynecology, and family medicine".

(c) Section 781(c)(2) of such Act is amended by inserting "except in the case of a program described in subsection (a)(1)(B)," before "provide".

(d) Section 781(d)(2)(C) of such Act is amended—

(1) by inserting "(i) except as provided in clause (ii)," before "provide";

(2) by inserting "or" after the semicolon; and

(3) by adding at the end thereof the following new clause:

"(ii) in the case of a program described in subsection (a)(1)(B), provide for or conduct a medical residency program in obstetrics and gynecology in which no fewer than six individuals are enrolled in first year positions in such program;".

(e) Section 781(d)(2)(F) of such Act is amended by striking out "and nurse practitioners" and inserting in lieu thereof ", nurse practitioners, and nurse midwives".

(f) Section 781(g) of such Act is amended—

(1) by striking out "$18,000,000" the last place it appears and inserting in lieu thereof "$21,000,000"; and

(2) by adding at the end thereof the following new sentence: "Of the amounts appropriated under this subsection for fiscal year 1988, $3,000,000 shall be available for contracts under subsection (a)(1)(B).".

FELLOWSHIPS FOR NURSE PRACTITIONERS AND NURSE MIDWIVES

SEC. 6. Part A of title VIII of the Public Health Service Act is amended by adding at the end thereof the following new section:

"FELLOWSHIPS FOR NURSE PRACTITIONERS AND NURSE MIDWIVES

"SEC. 823. (a) The Secretary shall make grants to public or nonprofit private schools of nursing for the establishment and operation of fellowship programs for the education of nurse midwives and pediatric, family, obstetric, and gynecologic nurse practitioners. Such programs shall meet the guidelines prescribed by the Secretary under subsection (b).

"(b) After consultation with appropriate educational organizations and professional nursing and medical organizations, the Secretary shall prescribe guidelines for fellowship programs for the education of nurse midwives and pediatric, family, obstetric, and gynecologic nurse practitioners. Such guidelines shall, as a minimum, require that such a program—

"(1) extend for at least one academic year; and

"(2) consist of—

"(A) supervised clinical practice; and

"(B) at least four months (in the aggregate) of classroom instruction,

directed at preparing nurses to deliver pediatric, family, obstetrical, and gynecological services, particularly prenatal care other services designed to reduce infant mortality.

"(c) A fellowship funded under this section shall include, for each year for which the fellowship is awarded, 100 percent of the costs of tuition, books, fees, reasonable living expenses (including stipends), reasonable moving expenses, and necessary transportation.

"(d)(1) In order to receive a fellowship funded under this section, an individual must be a registered nurse.

"(2) In awarding fellowships funded under this section, a school of nursing shall give priority to any applicant who—

"(A) is employed by a facility providing health services to medically underserved populations, such as a community health center, a migrant health center, a facility operated by the Indian Health Service, or a Native Hawaiian health center; and

"(B) has been recommended for the fellowship by the facility described in subparagraph (A).

"(e) No grant may be made for the establishment and operation of a fellowship program under this section unless this application for the grant contains assurances satisfactory to the Secretary that the program meets or will meet the guidelines which are in effect under subsection (b).

"(f) For grants under this section, there are authorized to be appropriated $4,000,000 for fiscal year 1988.".

Mr. BURDICK. Mr. President, I am pleased to join my colleague Mr. KENNEDY in offering the Public Health Service Infant Mortality Act of 1987. The issue of infant mortality in the United States is a critical one with statistics showing that among industrialized nations, we have the highest mortality rates. Our health care system and the knowledge and technology that system affords, are among the finest in the world. These infant mortality statistics are truly a national shame.

The legislation proposed today is designed to help fill the gaps in health care delivery by targeting groups who need that help the most. Specifically, this legislation emphasizes and sup-

ports the need to expand prenatal services available through migrant and community health centers. These are the centers which reach out to those who need quality prenatal care most. Also, this act includes support for the education of nurses and physicians in the areas of obstetrics and gynecology.

Without Federal initiatives, we are destined to watch the cycle continue—infant illness and death that could have been avoided had we chosen to respond. I urge my colleagues to heed this call to action on behalf of thousands of infants yet to be born to whom this legislation could make a difference.

Mr. HATCH. Mr. President, I am pleased to join with Senator KENNEDY and Senator QUAYLE in support of this legislation. Infant mortality is an ongoing problem in this country, but one that can be prevented.

The bad news is that the United States ranks behind other western countries in infant mortality rates. The good news is that the United States is first in the world in birth weight specific infant survival rates.

So how can we explain those two conflicting facts? First, we do have the best health care system in the world. An infant born in a hospital in this country has a better chance of survival than they would have if born anywhere else in the world.

Second, we have too many low birth weight babies born in this country. Low birth weight babies are less likely to survive and low birth weight babies are preventable. They are preventable by providing proper nutrition, proper prenatal care, decreasing alcohol abuse, drug use, and tobacco use, by decreasing the incidence of AIDS, and by decreasing the number of teenage pregnancies.

The Public Health Service Act Infant Mortality Amendments of 1987 addresses this second issue. It establishes a new program to coordinate prevention efforts—prevention efforts which should reduce the number of low birth weight babies in this country.

This legislation is especially important to my home State of Utah because it has seen a recent increase in infant mortality rate and this legislation targets resources to States that have seen recent increases.

In addition, this legislation recognizes that some areas of our country—frontier areas—have health care problems which are different from urban or rural areas. This provision should increase the availability of health care through community health centers for large areas of the United States, including my own State of Utah.

I am pleased to have worked with Senator KENNEDY and Senator QUAYLE on this legislation and I look forward to its enactment.

Mr. QUAYLE. Mr. President, I am pleased to join Senator HATCH and Senator KENNEDY and several other colleagues in introducing the Public Health Service Act Infant Mortality Amendments of 1987.

During this century, enormous improvements have been made in reducing our infant mortality rates. The extraordinary improvements in life expectancy have been largely a function of reductions in infant mortality rates. Great strides occurred as a result of improved ability to control the infectious diseases that threatened young lives. Our declining mortality rates clearly demonstrate the enormous success of these efforts.

However, we still need to do more. I am cosponsoring this legislation because I am concerned that, without such an initiative, we will fall short of meeting the Surgeon General's goal of reducing the infant mortality rate to 9 per 1,000 live births by 1990. The need to step up our efforts toward this goal was recently pointed out by the Department of Health and Human Services in its report "The 1990 Health Objectives for the Nation: A Midcourse Review".

The need to reduce infant mortality rates is particularly acute in minority communities. Unfortunately, this has become a particularly serious problem in specific areas of my own home State of Indiana.

Innovative approaches in dealing with this problem are clearly needed. I believe that this bill will provide for such approaches while at the same time relying on existing systems. This legislation will:

Increase the funding authorization for community health centers that provide medical care to medically underserved populations for the purpose of providing special prenatal services to decrease infant mortality. Priority will be given to those centers where there is a high incidence of infant mortality or where there is an increased rate of infant mortality.

Allow for the establishment of additional centers in areas with high infant mortality rates.

Provide incentives for health professionals to work in these centers and to focus on the means of reducing infant mortality by establishing a fellowship program for pediatric, obstetric, and gynecologic nurse practitioners.

I urge my colleagues to join me in supporting this important legislation.

By Mr. GRASSLEY:

S. 1442. A bill regarding permitted public uses within the DeSoto National Wildlife Refuge, IA; to the Committee on Environment and Public Works.

PERMITTED PUBLIC USES WITHIN THE DE SOTO BEND NATIONAL WILDLIFE REFUGE

● Mr. GRASSLEY. Mr. President, I rise today to offer legislation to reopen the DeSoto Bend National Wildlife Refuge near Missouri Valley, IA, for several recreational uses which had been previously available to the public at that facility.

When plans for the proposed DeSoto Bend National Wildlife Refuge and Recreational Area were made public by the Bureau of Sport Fisheries and Wildlife Service in the late 1950's, a great deal of opposition from the public in the immediate vicinity made necessary public hearings to air grievances.

On September 4, 1957, at Blair, NE, and on September 5, 1957, at Missouri Valley, IA, public hearings on the proposed project were held. By far the most significant objection to the proposed refuge was the need for 7,800 acres of valuable real estate to be designated as refuge land. In order to overcome this objection and to gain the necessary support of influential groups, Government officials exhibited numerous slides of similar refuge areas along with exciting commentary, most of which dealt with recreational scenes, water skiing, camping, controlled shooting areas within specially constructed buffer zones, and so forth.

During the hearing, Mr. Robert Burwell, an official of the Department of Interior's regional office in Minneapolis, MN, stated, "We are here this evening to describe for you a proposed plan for this refuge as we have developed it, how we would like to operate and administer it, and what we would want to accomplish." He went on to say, "It is our opinion that the area should generally be open to public enjoyment at all times of the year, except during the period approximately September 15 until the end of waterfowl season. I believe that with the exception of the period from September 15 to about the first of January, it can be opened to boating, fishing, swimming, picnicking, et cetera. If the ice is thick enough and the folks want to do so, we know of no reason why there can't be ice fishing."

Most of the supporting statements from well-meaning participants in these discussions stressed the desirable recreational benefits to the public and not primarily the creation of a game refuge alone. These minutes are a matter of public record and many of the participants in these hearings were prominent in the field of conservation and local affairs.

Strangely enough, the DeSoto Bend proposal as presented at that time was no pipedream. It became a reality and was every bit as successful, initially, as the Government salesman promised. Unfortunately, several key recreational activities used as attractive fringe benefits to win public support never were developed and some were gradually deemphasized after the first few years of implementation.

The Iowa Conservation Commission has stated:

> The issue, as viewed by the Commission, is that the U.S. Bureau of Sports Fisheries and Wildlife has gone back on its promise to the people of Iowa and Nebraska as to how the vast resources of DeSoto Bend would be used.
>
> In 1957, public acceptance of Federal control of DeSoto Bend was given only after Federal officials assured the public that in addition to giving refuge to migration waterfowl, DeSoto Bend would provide public recreation. This was to include fishing, boating, waterskiing, swimming, picnicking, hiking, hunting, camping, etc.

The battle over the use of this facility has gone on and on. The citizens of my State are tired of fighting the bureaucrats who are going back on their promises. They were told one thing by the Government and over the past 10-15 years a Federal agency has tried to go back on that promise after they got our citizen's land for the waterfowl program.

Mr. President, I recently received an article from the Nonpareil of Council Bluffs, IA, that summarizes the quandary my State is in. I ask unanimous consent that it be printed in the Record at the end of my statement.

By passing this simple legislation, the Government would be keeping its promises. It would open up half the lake for power boating and skiing, and the other half for fishing and vegetation for the waterfowl. This is vitally important to the people in my State because DeSoto Bend is one of the only areas that can be used as a recreational area.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Nonpareil, June 11, 1987]

HISTORY, FUTURE OF DESOTO BEND

Missouri Valley.—The DeSoto Bend Justice Association, a newly forming organization, intends to "make the U.S. Fish and Wildlife Service honor their "pledges" in operating the DeSoto National Wildlife Refuge.

The association's first meeting will be held at 8 p.m. June 29 at the Youth Center in Logan.

It is time for people to demand their park back, says the self-proclaimed "Missouri River rat" who first came up with the idea for a lake at DeSoto Bend.

And it will be with the leadership and testimony of Jerry Jauron and other DeSoto pioneers that the association will build its case.

Controversy has been sparked by decisions to close the refuge to swimming, powerboating, concessions and skiing—plus the recent announcement that visitors will soon have to pay an entrance fee.

Jauron, 75, of Earling, was the Missouri River coordinator for the Iowa Conservaton Commission, forerunner of the current Department of Natural Resources when he and Washington County (Neb.) Sheriff Rudy Fick came up with the idea for a lake at DeSoto Bend. That was in 1956.

Besides his own notes and memory, Jauron has official documentation of the lake's development from the early days on.

This, Jauron says—and he invites attempts to contradict him, is the way it was:

In 1956, a bridge was built on State Highway 175—on dry land. Congressman Ben Jensen of Exira was asked by the bridge's promoters to instruct the U.S. Army Corps of Engineers to put the Missouri River where the 1943 the Corps had said it would be located. In those prechannelization days, the Missouri meandered at will.

The Corps told Jensen that to put the river under the bridge the river would have to be redesigned for 17 miles upstream.

Jensen, Jauron said, told the Corps: "I don't care if you have to go all the way to Sioux City, but put the river under that bridge like you told the people you would."

Hearing that the Corps would comply with Jensen's order, Jauron "began to plan—and inquire from the Corps what the future design of the river would look like."

"In the process of searching for this information, I found out there would be a minimum of nine bends cut off to shorten and straighten the river," he said.

DeSoto Bend was not in the Corps' plans.

"So being inquisitive," Jauron said, "I asked another Missouri River rat who was also the sheriff of Washington County why Big Bertrand Bend—it wasn't called DeSoto Bend back then—was not cut off in 1943."

Fick said the Corps wanted to cut it off but "politics in Lincoln"—Nebraska red tape—stopped them.

So DeSoto was not cut off during the original river design in 1943.

Upon hearing this, Jauron asked the Corps area engineer, Randy Fitzhugh, if it was indeed politics that prevented the bend from being cut off. "I was told that it was," Jauron said.

Jauron then went to Mel Steen, director of the Nebraska Game and Parks Commission, to see if the state would be interested in buying the land cut off a straightened river channel.

Steen replied, "Absolutely not. The State of Nebraska will invest not one dime east of the new river channel," Jauron said.

So, Jauron contacted Michael Murray, special assistant Attorney General of Iowa, and asked if he had any political contacts in Washington, D.C.

Murray said yes, he did. Congressman Ben Jensen.

"And I also told him that the Corps was in the process of setting up construction sites around DeSoto Bend in its natural course and if any results were to be obtained it would have to be quick," Jauron said.

Murray reached for the telephone. Jensen, showing immediate interest, told Murray to stand by his phone. In a few hours, Murray received a call from the Corps' district engineer, a Col. Hayes, who said he had received a call from the Washington office that informed him that Jensen had requested a delay of 60 to 90 days on further planning of DeSoto Bend to give him—Jensen—time to try to obtain an appropriation to cut the bend through.

"Within a few days," Jauron said, "Murray was informed that a new canal would be built cutting off Bertrand Bend at the expense of the Corps of Engineers."

Then Jensen went after funds to buy land surrounding the soon-to-be formed ox-bow lake. In a few days, Jensen called Murray and told him $200,000 would be appropriated to buy the interior area.

"A conflict developed at about that time," Jauron said, "between local sportsmen's clubs and sportsmen about federal ownership of the land. Some were for federal ownership, some against."

Landowners, he said, "were nearly 100 percent against the proposal because they did not want to dispose of their land."

"Congressman Ben Jensen gave explicit instructions to Michael Murray that not one inch of Iowa land could or would be condemned for the project," Jauron said.

But, Jensen hoped landowners would sell at least 150 feet of property around the lake for a road to allow the public to enjoy the aesthetic value of the lake.

Jauron contacted every landowner and renter and told them of Jensen's orders.

"About this time," Jauron said, "the Fish and Wildlife Service had become acquainted with the project and began to stick its foot in the door.

"They were not wanted by anybody. Not one soul wanted them on this safari."

The FWS set up public meetings in Blair, Neb., on Sept. 4, 1957 and in Missouri Valley the following day. Jauron has copies of the official notes from both meetings.

In the years following those emotional meetings, years when the FWS assumed stewardship of the area, "everything went smoothly," Jauron said, "until the early '60s."

It was then that the U.S. Department of the Interior instigated condemnation proceedings on land Jensen had ordered would not be condemned.

"At the time of the public hearings," Jauron said, "Robert Burwell (regional FWS director) informed the people of the area that Congressman Jensen's request would be carried out to the letter.

"And also he said that it would not be a refuge only, that it would be a recreational area patterned after the Crab Orchard federal refuge in southern Illinois, which was also formed by a river cutoff—the Mississippi River.

"The park director of the region showed slides of swimming, boating, camping, picnicking and all other recreation that accommodates 1.25 million visitors a year—including boat ramps, boat rentals and so on. It's all in the meeting notes."

And, Jauran added, Burwell said the refuge would be closed to the public only from September 15 until such time as the waterfowl had migrated to the south and there would be only one employee, a refuge manager.

"The first thing they did," Jauron said, "is build three houses."

The states of Iowa and Nebraska, Jauron said, were to be included in all decisions and activities affecting the park "which, by the way, never happened."

This is where Jauron gets hot.

In 1959, a refuge manager, Kermit Dybsetter, was sent to area. He set up an office in Blair.

Jauron said that even though Burwell had said there could be ice fishing the first winter, Dybsetter insisted that all fishing houses be removed not only from the lake but from the area every night, "which stopped 90 percent of the ice fishing."

Then, despite another Burwell promise, Dybsetter said there would be no camping on the area, Jauron said. "This is when the state of Iowa started to develop Wilson Island adjacent to the refuge. That was April 10, 1960."

"The next violation of their promises occurred July 13, 1961," Jauron said, "when refuge manager Dybsetter closed all areas to the public."

Hearing of the closing, Jauron informed Jensen. The refuge was reopened July 22.

Later that year—about September, Jauron said, the state of Iowa's fisheries section had made plans to eradicate the rough fish in the lake by use of rotenonne, a fish toxicant. "Dybsetter absolutely refused to let the state of Iowa do it," Jauron said.

In the summer of 1964, Jauron said, after the refuge was again placed off-limits to certain recreational activitiies, officials from the regional FWS office in Minneapolis and representatives of the Iowa Conservation Commission met in Missouri Valley "where it was agreed between Iowa commission members and Mr. Burwell that prior agreements would be honored and complied with."

Again, for a while, Jauron said, "everything went smoothly."

Until the spring of 1974.

A new refuge manager, Jim Salyer, was sent to the area "who proceeded at once to hide 75 picnic tables to stop the influx of visitors;" and the number of boats permitted on the lake was limited; and the refuge was again closed on July 15, 1974.

After Iowa and regional FWS officials talked it over, the refuge reopened August 31.

Jauron's list of "violated promises" continues:

In 1983, the beach was closed, the concession stand bulldozed, a dock, bait and gas store removed; and other buildings razed. "They didn't just close it, they destroyed it," he said.

In 1985, boating was limited to 5 mph, ending water skiing and power boating.

Also in 1985, the lake underwent renovation. Tons of fish were killed and left to decompose in the water "which caused algae bloom and that made the water slimey, stinky and undesirable," Jauron said.

Refuge officials contend the lake renovation and activity restrictions are more in keeping with the FWS wildlife refuge concept. Jauron contends that that is not what was intended and promised, for the area.

And through it all, visitor attendance has dropped, Jauron said.

At the time appropriations were being sought to build a visitor's center, refuge officials estimated they would host 1.1 million visitors a year, Jauron said, "It took them six years by their own count to register I million," he said.

So that, in part—and in a large nutshell, is The History of DeSoto According to Jerry Jauron.

It is time for people to demand that the FWS live up to its promises, Jauron said. Legislation introduced in 1986 by Sen. Grassley and Rep. Jim Lightfoot to resolve the contoversy by opening half of the lake to powerboating, skiing, etc., went nowhere.

Among things to be discussed at the meeting will be a petition effort aimed at Sen. Grassley and Nebraska Sen. David Karnes.

Among those expected to attend, Jauron said, is Jim Bixler, former director of the Iowa Conservation Commission and now a Council Bluffs Businessman.

The DeSoto Bend Justice Association, Jauron said, is after just that—justice.●

By Mr. CRANSTON (for himself, Mr. Murkowski, Mr. Matsunaga, Mr. DeConcini, Mr. Graham, and Mr. Simpson):

S. 1443. A bill to amend title 38, United States Code, to establish an Office of Medical Inspector General in the Office of the Chief Medical Director of the Veterans' Administration, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' ADMINISTRATION MEDICAL INSPECTOR GENERAL ACT

Mr. CRANSTON. Mr. President, as the chairman of the Committee on Veterans' Affairs, I am today introducing the proposed Veterans' Administration Medical Inspector General Act of 1987. I am pleased to note that I am joined in introducing this measure by the ranking minority member of our committee, Senator Murkowski, just as I am joining him in introducing a complementary bill, the proposed Veterans' Administration Assistant Inspector General for Health Care Quality Assurance Review Act of 1987. Our bills are cosponsored by committee members Senators Matsunaga, DeConcini, Graham, and Simpson.

Mr. President, my bill (S. 1443) has as its basic purpose the upgrading within the VA's Department of Medicine and Surgery [DM&S] of the medical investigation, quality assurance, and risk management programs and operations by establishing an effective and autonomous Office of the Medical Inspector General [MIG], directly accountable to the Chief Medical Director [CMD], which will be charged with investigating reports of inadequate quality of care, and by establishing as Assistant Chief Medical Director for Quality Assurance [ACMD]. Senator Murkowski's complementary bill would establish within the VA's Office of Inspector General [IG] an Assistant Inspector General for Health Care Quality Assurance Review, and related positions, responsible for comprehensive monitoring of the functioning of the MIG's operation as well as of the DM&S quality assurance and risk management programs and procedures. Together, the two measures are designed to upgrade the VA's medical inspection and health care quality assurance and risk management programs and operations so as to ensure that the VA health care system operates in such a manner as to merit the confidence of veterans seeking care from the VA and their families.

On September 21, 1980, the Office of the Medical Inspector was established administratively by then-CMD Dr. Donald Custis for the purpose of investigating and surveying the quality of care within VA health care facilities. As the committee's chairman during the consideration of the establishment of this office, I had asked for assurances that confusion between the delineated responsibilities of this Office and those of the IG would be minimized. Later, during a June 1984 oversight hearing of our committee, I expressed concern about the resources available to the Medical Inspector, the lack of statutory mandate, and the level of independence, authority, and credibility of that Office within DM&S and in the eyes of the public.

The General Accounting Office [GAO], in a June 1985 report entitled "VA Has Not Fully Implemented Its Health Care Quality Assurance System," which was requested by our committee, found that medical centers were not reporting adverse occurrences in a timely fashion and that there were no incentives for employees to report poor quality care. In May of this year, the GAO released a follow-up report entitled "VA Health Care—VA's Patient Injury Control Program Not Effective," documenting a major failure by the Medical Inspector to provide oversight and supervision of the VA's patient injury control program. The provisions in the bills we are introducing today are intended to provide a farmework to resolve many of these concerns.

SUMMARY OF PROVISIONS

Mr. President, our bill includes provisions that would:

First, statutorily establish the Office of Medical Inspector General [MIG] in the Office of the Chief Medical Director [CMD] and make the head of that office directly accountable to the CMD; the MIG's functions and duties would generally continue to be described in DM&S directives, except that the MIG could not be assigned any operational responsibility for quality assurance or risk management activities, including patient injury reporting.

Second, require the MIG to be a physician who would be appointed by the Administrator, upon the recommendation of the CMD, for a term of 4 years, removable only for cause, as are the Assistant Chief Medical Directors [ACMD], for example.

Third, require the office of the MIG to be staffed by not less than five full-time physicians, two registered nurses, one dentist, and five support personnel.

Fourth, require the Administrator of the VA to transfer to the MIG 10 staff years, and such funds as are designated by the CMD to be necessary to support the positions described above.

Fifth, except for those instances where the Administrator or the CMD specifically requests an investigation, give the MIG sole discretion as to which investigations to conduct; investigations would be conducted in the manner described in 38 C.F.R. section 17.508 as well as in such manner as would be defined by the CMD and approved by the IG.

Sixth, require that all MIG investigations conducted by personnel from outside the medical facility being investigated include at least one Central Office professional MIG staff member.

Seventh, require that the MIG be a member of all policy-making bodies of DM&S relating to the quality of care and quality assurance [QA] programs.

Eighth, require the CMD to take appropriate steps to ensure that all DM&S employees understand their responsibilities for QA activities and are advised that failure to cooperate with such activities, or report activities as required by VA regulations or manuals, will result in appropriate disciplinary action.

Ninth, require the MIG to make annual reports, due February 1 of each year, to the CMD, Administrator, and House and Senate Committees on Veterans' Affairs, regarding the activities of the MIG for the preceding fiscal year, including (a) the resolution of all recommendations for remedial or disciplinary actions made by the MIG, (b) the same general detail as is included in the IG semiannual reports, and (c) a list specifying which studies were initiated by the CMD or Administrator and which were self initiated.

Tenth, require that the position of Assistant Chief Medical Director [ACMD] for Quality Assurance be established to carry out the responsibilities of the CMD as defined in subchapter V of title 38, "Quality Assurance", as well as other duties assigned by the CMD.

STATUTORY ESTABLISHMENT OF THE OFFICE OF THE MEDICAL INSPECTOR GENERAL

Mr. President, as I noted earlier, the Medical Inspector was established administratively in 1980. Since then, I have continued to be concerned with the effectiveness and autonomy of that office. As chairman of the committee in August 1980, I was notified of a proposal—under discussion between the VA, IG and the CMD—to establish a Medical Inspector's Office within DM&S to review matters relating to the quality of care at VA health-care facilities. I responded to this proposal by contacting then-Administrator of Veterans' Affairs Max Cleland to urge, among other things, that any argument reached ensure the autonomy of the Medical Inspector's Office.

Later, at a June 6, 1984, oversight hearing of our committee pertaining to quality assurance issues within DM&S, I expressed my continuing concern that the MI did not have a clear statutory mandate as did the IG and therefore might not have the credibility or the stature to carry out needed investigations or the clout to pursue remedial action where indicated. The bill we are introducing should help rectify that situation by statutorily defining the office and giving it additional resources.

Since the inception of the MI office, I have questioned the advisability of it remaining within DM&S versus the feasibility of moving this investigative function to the IG. Both arguments seem to have merit. Moving the Office to the IG would assure the autonomy needed by the MIG to carry out functions of the Office in a manner that would prevent any conflict of interest. But, because the CMD is clearly ultimately accountable under law for the quality of care provided to veteran patients, and one aspect of ensuring such quality is to investigate questionable practices in the provision of clinical services, I am satisfied that this investigative function should continue to report directly to the CMD as long as we put in place the safeguards proposed in this bill to ensure the autonomy of the Office. If in the implementation of this legislation and these safeguards it is found that a substantial enhancement of the operations of this investigative function is not forthcoming, then consideration will be given to the need for legislation to move the MIG into the Office of the IG.

QUALIFICATIONS AND TENURE

The science of medicine and the art of medical care are complex. Although often there is only one acceptable treatment for an illness or one preferred approach for a procedure, there are frequently times when the method can be varied. For this reason, Mr. President, this bill would require that the MIG be a physician to ensure the knowledge base to ascertain whether the judgments made in a particular situation were reasonable.

Not only must the MIG have the knowledge and capabilities to make medical judgments, but he or she must also have the freedom to do so without fear of reprisal. The MIG must have protection from retribution from those who disagree with the conduct of an investigation or a decision forthcoming as a result of an investigation. To provide such protection, the bill specifies that the MIG be appointed for a tenure of 4 years, removable only for cause.

COMPOSITION AND FUNDING OF THE OFFICE

The VA health-care system is comprised of 172 hospitals, 226 outpatient centers, 105 nursing homes, and 16 domiciliaries. The present administratively established Office of the Medical Inspector has four employees, two professional and two support persons. Such a level of staffing cannot ensure the necessary adequacy and thoroughness of investigations. I have been concerned about this staffing issue for many years and, at our June 6, 1984, oversight hearings, voiced concerns about the level or resources that were available to the Medical Inspector and the background and training of those who were assigned to carry out or monitor investigations. One of the most important elements in any effort is the devotion of resources to the effort. The extent of resources allocated is, I believe, a good measure of the degree of commitment to quality health care.

To address this concern, the legislation we are introducing would mandate a minimum number and composition of employment for the Office of the Medical Inspector General. Specifically, the office would be required to have not less than five physicians, two registered nurses, one dentist, and five support personnel. Such a mix of staff would provide the necessary diversity of skills to perform and analyze information obtained in the course of MIG investigations. Further, this measure would mandate that the Administrator transfer to the MIG—from funds other than those appropriated to support the central office operation of DM&S—the full-time equivalent employees and funds to support 10 MIG positions.

FUNCTIONS OF THE OFFICE OF THE MEDICAL INSPECTOR GENERAL

Mr. President, this legislation would provide for the autonomy of the MIG by authorizing that office to carry out investigations deemed necessary by the MIG, without obtaining prior approval from either the CMD or the Administrator. Conversely, the Administrator or the CMD would not be permitted to prohibit an investigation. This should help prevent accusations that an investigation was not made because the operating VA officials were attempting to hide or "cover up" an incident. While this measure provides for the Administrator or CMD to request an investigation either deems necessary, they would not be able to prevent the MIG from taking the initiative and investigating those areas where possible adverse patient outcomes may be occurring.

Our bill would further provide that when a MIG investigation team is sent into the field to interview staff and review documentation, a member of the MIG Office would be a part of the team. At present, when a site visit is carried out to determine the facts in a particular case, staff from other facilities within the VA generally are assigned to conduct the investigation. Although such visiting experts may have technical knowledge within their specialty, they often lack training in investigative procedure and, more importantly, may feel pressure—inadvertent or advertent—from their peers to minimize findings. Even if these pressures are subtle and unintentional, we can never truly know whether the results of the investigation were influenced. It is difficult to rely entirely on the objectivity and aggressiveness of a field investigation by DM&S employees when those critiquing the work of others may be working with them at a later time. This factor should be mitigated by having a member of the MIG Office as a member of any site visit team.

Prior to March 3, 1985, when the DM&S Office of Quality Assurance [QA] was established, the Medical Inspector was responsible for all QA activities. On that date, all QA programs were transferred to the QA office except patient injury reporting. Mr. President, this measure would specify that QA and risk management activities would not fall under the direct authority of the MIG. However, the bill would mandate that the MIG be an ex officio, nonvoting member of all Central Office policy-making committees which address those subjects as well as that of QA. I believe that a conflict of interest would exist if the Medical Inspector General had direct responsibility for any programs within DM&S that he or she would have responsibility for investigating, but to maintain knowledge of DM&S requirements and to lend expertise and concrete information to QA policy-making activities, he or she should be included in all pertinent QA and health-care quality discussions.

RESPONSIBILITIES OF DM&S EMPLOYEES

In its May 1987 study entitled "VA Health Care—VA's Patient Injury Control Program Not Effective", the GAO reported that many patient injury or adverse occurrences were not, because of a variety of reasons including disincentives associated with reporting, reported according to established policy. These disincentives included a reluctance on the part of nursing staff to report physician-related incidents, the view that reporting of incidents was negative and could perhaps cause a fellow employee to lose his or her job, and the fear that reported incidents would not remain confidential and would thus become the basis for malpractice action.

Although I believe these fears are understandable, I also feel strongly that, in order to have an effective QA program, employees must understand and fulfill their reponsibilities in the areas of problem detection and reporting. Although the concerns of staff should be addressed through major educational efforts and the development of a creative program to reward positive behavior, I believe regulations must also be prescribed to support appropriate disciplinary action if employees fail to comply with required reporting. Hence, this measure would include a provision requiring the CMD to issue such regulations.

REPORTING REQUIREMENTS

Mr. President, the bill would require the MIG to submit a report to the Administrator, the CMD, and both Committees on Veterans' Affairs, by February 1 of each year, describing the activities of the MIG Office over the preceding year, including the outcome of MIG recommendations for remedial or disciplinary action and an assessment of the effectiveness of that office, and a listing of those investigations which were self-initiated and those which were assigned by the Administrator or CMD. As the chairman of the Committee on Veterans' Affairs, I am very interested in the scope and types of problems occurring in the VA health-care system and, more importantly, what is being done to correct and prevent these problems from reoccurring. This report should help us maintain effective oversight on these issues.

As a preventive measure, to discourage the Administrator or CMD from overwhelming the MIG with management-prescribed investigations, to the point of preventing the MIG from studying other potential problems, the bill would also require the MIG to delineate in the report the number of investigations—and the total resources devoted to them—which were requested by the Administrator or CMD and the number which were self-initiated.

Since the Administrator and CMD are charged with the responsibility for providing safe, effective care to our veterans, they will also require access to this report.

STATUTORY CREATION OF THE ASSISTANT CMD FOR QUALITY ASSURANCE

It is evident when one reviews the 1985 and 1987 GAO reports referred to previously that DM&S is not meeting the goals and objectives it has established for itself in the area of quality assurance, let alone the expectations of others. This lack of emphasis on QA comes at a time when the private sector has begun to put greater stress on QA activities. Because of the impact quality assurance and risk management programs have on the operations of a hospital, hospital boards of directors are now requiring indepth QA analyses and reports to be provided to them. The Joint Commission on Accreditation of Hospitals is also giving QA more prominence than it has in the past.

To provide a similar emphasis in DM&S, this legislation would upgrade QA activities in DM&S by establishing the position of ACMD for Quality Assurance responsible for carrying out the responsibilities of the CMD as defined in subchapter V of title 38 as well as other QA functions as assigned by the CMD. The importance of this position as conveyed by this title should provide a greater impetus to those in the field carrying out QA activities.

OVERSIGHT BY THE INSPECTOR GENERAL

Mr. President, I am pleased to note that I am today joining with our committee's ranking minority member, Senator MURKOWSKI, in introducing a complementary bill, the proposed "Veterans' Administration Assistant Inspector General for Health Care Quality Assurance Review Act of 1987." That legislation would provide for an Office of the Assistant Inspector General for Health Care Quality Assurance Review, staffed with sufficient numbers of professional and support personnel to, among other things, first, monitor the establishment and implementation of quality assurance and risk management activities within DM&S, second, monitor the analysis of trends, and determine the completeness of the information collected, third, monitor the activities of the MIG and review investigations made by that office, making such recommendations as might be appropriate, including recommendations for additional investigations, and fourth, provide an annual report to the Administrator and the Senate and House Committees on Veterans' Affairs setting forth the findings, conclusions, and recommendations for corrective actions, and the actions taken with respect to those recommendations, arising out of the monitoring activities of the Assistant Inspector General during the preceding fiscal year.

In mid-December 1984, a "Statement of Responsibilities and Relationships Between The Office of Medical Inspector and The Office of Inspector General" was signed. This agreement set forth the roles and responsibilities of the respective offices and their relationships with each other. Although the agreement specified that the IG would perform oversight review of medical inspector investigations, unfortunately, as can be seen by the results of the May 1987 GAO report studying the VA's patient injury program, it did not have the force needed to ensure the effectiveness of the Office of the MI—to be renamed the "Medical Inspector General" under my bill—as was intended.

Monitoring of the Office of the Medical Inspector by the IG must be strengthened, and the legislation proposed by Senator MURKOWSKI would provide the necessary reinforcement while at the same time avoiding setting up a duplicate mechanism in the IG's office. Not only would these monitoring responsibilities be set forth very specifically but the necessary resources to carry out the additional functions successfully would be assured.

As I noted earlier, the CMD is accountable by law for the quality of care provided our veterans in VA medical facilities. Creating an autonomous Office of the Medical Inspector General and an ACMD for Quality Assurance, as would be brought about by the complementary legislation I am introducing today, would enhance the efforts of the CMD to carry out the mandate of his office; Senator MURKOWSKI's measure should complete the loop. Independent monitoring of the MIG and DM&S quality assurance and risk management activities by the IG should provide assurances that the MIG is acting independently and responsibly and that QA efforts are functioning effectively to carry out the investigations and reviews necessary to establish that the quality of care provided in the VA health-care system is appropriate.

CONCLUSION

Mr. President, the VA needs to be a leader in the provision of quality health-care services, not a follower. If this is to be the case, problems which appear to arise in the provision of health-care services must be fully investigated in a constructive and aggressive manner. To accomplish this task, DM&S must have an Office of the Medical Inspector General free and able to function autonomously, without interference from others in DM&S or the VA, and DM&S must have an enhanced Quality Assurance program and operation. The MIG Office must also have the personnel and resources needed to do its job. In addition, the Inspector General must have the direction and capacity to monitor those investigative and Quality Assurance activities very closely. Finally, Congress needs to have ongoing information about these activities.

The two bills we are introducing today would offer much needed improvements to these areas and, hopefully, result in enhancing the level of public confidence in the VA health-care system.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1443

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Administration Medical Inspector General Act of 1987".

SEC. 2. ESTABLISHMENT OF OFFICE OF MEDICAL INSPECTOR GENERAL.

(a) IN GENERAL.—Chapter 73 of title 38, United States Code, is amended by inserting after section 4103 the following new section:

"§ 4103a. Office of Medical Inspector General

"(a) There is established in the Office of the Chief Medical Director an Office of Medical Inspector General.

"(b) The Office of the Medical Inspector General shall consist of the following:

"(1) The Medical Inspector General who (A) shall be the head of the Office of Medical Inspector General, (B) shall be directly responsible to the Chief Medical Director for such functions as may be assigned to the Medical Inspector General in regulations prescribed by the Chief Medical Director consistent with the provisions of this section, and (C) shall be a qualified doctor of medicine appointed by the Administrator upon the recommendation of the Chief Medical Director.

"(2) Not less than five Assistant Medical Inspectors General who shall be qualified doctors of medicine, doctors of dental surgery or dental medicine, or registered nurses and who shall be employed on a full-time basis in the Veterans' Administration.

"(3) Not less than two registered nurses (including any who are Assistant Medical Inspectors General) who are employed on a full-time basis in the Veterans' Administration.

"(4) Not less than one qualified doctor of dental surgery or dental medicine (who may be an Assistant Medical Inspector General) who is employed on a full-time basis in the Veterans' Administration.

"(5) Not less than five support personnel, who are employed on a full-time basis in the Veterans' Administration.

"(b) The Medical Inspector General shall be appointed for a term of four years, with reappointment permissible for successive like periods. The Medical Inspector General shall be subject to removal by the Administrator only for reasonable cause upon the recommendation of the Chief Medical Director.

"(c)(1) The Medical Inspector General shall monitor, review, and investigate any adverse incident which is experienced by a patient during the course of the patient's care in a Veterans' Administration health-care facility, including any incident that would not normally be considered a natural consequence of the patient's disease process or illness and any incident that would carry a recognized need for medical intervention.

"(2) The Medical Inspector General shall also conduct such reviews and investigations as the Medical Inspector General considers necessary to identify problems in the provision of health care to veterans and, when problems are detected, shall propose to the Chief Medical Director such corrective measures as the Medical Inspector General considers necessary or appropriate.

"(3) The Medical Inspector General shall conduct such other studies, reviews, and investigations relating to the quality of health care provided to veterans as the Administrator or the Chief Medical Director may assign to the Medical Inspector General.

"(4) Subject to paragraph (3) of this subsection, the Medical Inspector General shall have sole discretion in determining whether to investigate any incident involving patient care or to study or review any problem in the provision of health care to veterans.

"(d) In conducting an investigation of any incident involving the care of a patient or any study or review of any problem in the provision of health care to veterans, the Medical Inspector General shall assign to the investigation, study, or review at least one health-care professional from the Office of the Medical Inspector General.

"(e) The Medical Inspector General shall submit to the Administrator, the Chief Medical Director, and the Committees on Veteran Affairs of the Senate and the House of Representatives a report each year, not later than February 1, on the activities of the Office of the Medical Inspector General under this section during the preceding fiscal year. The Medical Inspector General shall include in each such report—

"(1) a description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of the Department of Medicine and Surgery disclosed by such activities during the preceding fiscal year;

"(2) a description of (A) the recommendations for corrective action and of any recommendations for disciplinary action made by the Office during the preceding fiscal year with respect to significant problems, abuses, or deficiencies identified pursuant to clause (1) of this subsection, and (B) the action taken as of the end of such fiscal year on each such recommendation, including any such recommendations on which action had not been completed prior to the end of such fiscal year;

"(3) a specification of (A) which activities of the Office were carried out (A) pursuant to an assignment by the Administrator or the Chief Medical Director, and (B) which activities of the Office were carried out on the initiative of the Medical Inspector General;

"(4) an identification of each significant recommendation for corrective or disciplinary action described in the report or in previous annual reports under this subsection on which action has not been completed;

"(5) a summary of any matters referred to prosecutorial authorities and the prosecutions and convictions which have resulted; and

"(6) a summary of each incident in which information or assistance requested by the Medical Inspector General from the Department of Medicine and Surgery during the preceding fiscal year has been, in the judgment of the Medical Inspector General, unreasonably refused or not provided.

"(f) The Medical Inspector General shall be an ex officio, nonvoting member of all policymaking bodies within the central office of the Department of Medicine and Surgery that are concerned with the quality of health care provided in Veterans' Administration facilities or that are concerned with quality assurance in the provision of such care. The Medical Inspector General shall not, however, have any direct responsibility for quality assurance activities, including patient risk management and the reporting of patient injuries under quality assurance procedures.

"(g)(1) The Administrator shall transfer to the Office of the Medical Inspector General each fiscal year, out of any funds available to the Veterans' Administration for such fiscal year (other than funds available for the operation of the central office of the Department of Medicine and Surgery), such amounts as may be necessary, as determined by the Chief Medical Director, to support five full-time medical doctors and five full-time support personnel in the Office of the Medical Inspector General.

"(2) The positions of five full-time medical doctors and five full-time support personnel in the Office of Medical Inspector General shall be counted against the number of full-time employees authorized by the Office of Management and Budget for the program, function, or activity for which the funds transferred pursuant to paragraph (1) of this subsection would be available except for the transfer of such funds. In the event that the Administrator transfers funds from more than one program, function, or activity, the ten full-time positions shall be counted against the number of such positions authorized by the Office of Management and Budget for each such program, function, or activity in proportion to the amount of funds transferred therefrom."

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 4103 the following:

"4103a. Office of Medical Inspector General.".

SEC. 3. ASSISTANT CHIEF MEDICAL DIRECTOR FOR QUALITY ASSURANCE.

Section 4103(a)(4) of title 38, United States Code, is amended by adding at the end the following new sentence: "One Assistant Chief Medical Director shall be a qualified physician trained in, or having suitable extensive experience in, health-care quality assurance and risk management who shall be responsible to the Chief Medical Director for carrying out the responsibilities assigned to the Chief Medical Director in subchapter V of this chapter and such related responsibilities as are assigned to the Assistant Chief Medical Director by the Chief Medical Director.".

SEC. 4. IMPLEMENTATION OF THE HEALTH CARE QUALITY ASSURANCE PROGRAM.

Section 4151 of title 38, United States Code, is amended by adding at the end the following:

"(f) The Chief Medical Director shall take such action as may be necessary to ensure that all personnel of the Department of Medicine and Surgery—

"(1) are given an explanation periodically of their responsibilities for the quality assurance activities of such department; and

"(2) are advised that any failure to comply with quality assurance procedures prescribed in regulations or in procedural publications issued by the Department of Medicine and Surgery, including any failure to report any incident as required under such procedures, will result in appropriate disciplinary action.".

SEC. 5. EFFECTIVE DATE.

The amendments made by this Act shall take effect on October 1, 1987.

By Mr. MURKOWSKI (for himself, Mr. Cranston, Mr. Specter, Mr. Simpson, Mr. Thurmond, Mr. Matsunaga, Mr. DeConcini, and Mr. Graham):

S. 1444. A bill to amend title 38, United States Code, to establish the position of Assistant Inspector General for Health Care Quality Assurance Review in the Office of Inspector General of the Veterans' Administration.

VETERANS' ADMINISTRATION ASSISTANT INSPECTOR GENERAL FOR HEALTH CARE QUALITY ASSURANCE REVIEW ACT

Mr. MURKOWSKI. Mr. President, today I rise to introduce, along with Senators Cranston, Specter, Simpson, Thurmond, Matsunaga, DeConcini, and Graham, the proposed "Veterans' Administration Assistant Inspector General for Health Care Quality Assurance Review Act of 1987." I believe this legislation will serve to build confidence in the Veterans' Administration's [VA] healthcare system. In my view, top priority must be given to matters relating to quality of medical care. Our Nation's veterans deserve no less. As the Administrator of Veterans' Affairs has recently stated, "An effective quality assurance program depends upon an effective system of data collection, analysis, and reporting." This legislation is designed to ensure that these important functions are properly established and fully implemented.

Those who serve veterans in VA health-care facilities are dedicated and highly professional individuals and deserve much credit for their efforts. And I strongly believe that VA health care is of the highest quality. However, absent an effective quality assurance program—we simply don't know. The fact is, Mr. President, that veterans who receive VA care must know. And the American people—who through taxes fund nearly $10 billion for this program—must know. Without this knowledge, the VA's medical care system will surely erode.

I believe that my legislation will serve an extremely vital role—and that is to independently validate the high quality of VA health care services. Make no mistake about it, this bill is not intended to invoke a "police state" atmosphere in the VA. In fact, my bill envisions thoughtful exchanges of ideas between the providers of VA health care and the independent body which will oversee quality assurance issues.

Mr. President, the legislation I am proposing is designed to ensure that the Veterans' Administration inspector general [IG] fulfill his important statutory responsibilities with regard to independent oversight of the VA's Department of Medicine and Surgery [DM&S].

Specifically, my legislation would enhance the role and duties of the IG by providing a statutory mandate that there be in the Office of the IG an Assistant Inspector General for Quality Assurance Health Care Review. Through this office, an interdisciplinary team of health-care professionals would carry out important oversight of quality of care issues.

BACKGROUND

Before I discuss the details of my bill, and in order to fully understand the need for this legislation, it is important to take a brief look at where we are and how we got here.

The Inspector General Act of 1978, Public Law 95-452, created the Office of Inspector General to conduct and supervise independent and objective audits and investigations of programs and operations of Government agencies. The IG is charged with providing leadership, coordination and policy recommendations to promote economy, efficiency and effectiveness, and to prevent and detect fraud and abuse in the programs and operations of that agency. The IG has the statutory authority to have access to all material which relates to the agency.

Following the establishment of the VA's IG, concerns were raised with regard to specific duties of the IG—especially relating to quality of health-care issues. The Senate Committee on Veterans' Affairs raised concerns about having certain IG functions delineated to DM&S. Further, the committee questioned the objectivity and independence of medical reviews which were conducted by the department charged with delivering the service.

Senator Cranston, then chairman of the Committee on Veterans' Affairs, conducted a hearing on June 11, 1980, to explore this matter. At that time, a discussion took place between committee members and the VA concerning the viability of establishing a medical unit within the IG's office. In response to that suggestion, the IG responded that the volume of work would not sufficiently warrant the range of staff which would be required of such a unit and that it would be difficult to hire staff to perform these types of activities. I simply do not agree with that contention.

In light of those concerns, and apparently the strong desire of DM&S to keep quality assurance oversight within DM&S, in 1981 the Office of Medical Inspector was created. The Medical Inspector is responsible to the Chief Medical Director for monitoring, investigating, and reporting on quality of care issues within DM&S. The Medical Inspector, in effect, performs oversight of quality of care issues. And the IG performs oversight of the Medical Inspector to ensure that investigations are timely and adequate. These responsibilities—although general and somewhat vague—were also outlined in a December 1984 memorandum of understanding between the IG and DM&S with regard to their respective roles in quality of care matters. That memorandum specifically noted the concerns of Congress regarding the necessity for an independent and objective Medical Inspector. In order to focus increased attention to quality assurance programs, in March 1985, the VA established an Office of Quality Assurance. This new office is responsible for establishing and implementing the VA's quality assurance program. The important investigative and oversight functions remained with the Medical Inspector. However, very limited resources have been provided to the Medical Inspector. In fact, the Office of Medical Inspector consists of only two professionals who must oversee the implementation of quality assurance activities within the largest health-care delivery system in the Nation. Given that fact, one could certainly question the VA's commitment to this important office.

VA'S RECORD ON QUALITY ASSURANCE PROGRAMS

Many observers of VA health care—both in and out of Government—believe that when inspections and reviews of clinical activity and quality of care are performed by those within the department to be reviewed that there's "a fox watching the hen house" situation. Regardless of its accuracy, there is a very strong perception that this type of oversight will not provide an objective and hard look at quality of care issues.

Mr. President, this is not only an issue in Federal health care programs—like the ones operated by the VA and Department of Defense—but in the private sector as well. Health care professionals have traditionally been hesitant to be critical of their peers. But unlike the Federal Government, there are incentives in the private sector to ensure that quality assurance programs are being implemented. Malpractice costs are just one such incentive.

Additionally, VA's medical facilities are "closed" to examination from outside reviewers. The only exception is review of all VA medical centers by the Joint Commission on Accreditation of Hospitals [JCAH]. Typically, JCAH simply looks at the "potential of the facility for providing quality care." That is, JCAH determines if procedures are in place but not whether they are effective or appropriately implemented. Because of the VA's apparent unwillingess to undergo outside review, a perception exists that the VA has something to hide. I do not believe for a moment that the VA has anything to hide, but, make no mistake about it, there needs to be the perception of independence—and, in fact, there must be independence—if confidence in the system is to exist.

Mr. President, it seems to me that with few exceptions the only time an "independent review" is conducted in this area is when a Member of Congress requests a study by the General Accounting Office [GAO]. Don't get me wrong, I strongly support GAO and appalud the fine work which they have done at my request and at the request of other members of the committee. However, GAO cannot and should not have the ongoing responsibility to monitor quality of care indicators and issues in the VA.

Although these GAO studies are extremely useful to the Congress—and I suppose to a certain extent the VA—often the recommendations are not implemented. For example, in 1985, GAO released a report which concluded that at the 13 facilities visited, none had fully implemented the required quality assurance program. More importantly, the report concluded that the Medical Inspector was not evaluating the effectiveness of medical centers' programs. Subsequently, our committee held hearings to explore quality assurance programs; and, I introduced legislation, which was ultimately enacted on December 3, 1985, as Public Law 99-166, which required the VA to establish a comprehensive quality assurance program to include the collection and analysis of mortality and morbidity data. Further, this legislation required the VA to establish relationships with appropriate entities to verify the credentials of health-care professionals. The VA is currently in the process of implementing these provisions.

Recently, GAO has released to me a report which concluded that an important component of the VA's quality assurance program—known as Patient Injury Control—was not working. The medical inspector is responsible for ensuring that program is working and for any investigations resulting from it. Unfortunately, GAO found that at the centers they visited, 86 percent of the incidents which, according to VA regulations, are required to be reported simply were not. Let me be clear, if incidents like unexpected deaths, suicides and surgical complications are not reported, then they are not investigated.

And trending and analysis of these incidents will not occur; and, most important, action will not take place to correct problems. If corrective action is not taken, then similar types of incidents will not be avoided. When I speak of needless suffering, this is what I am referring to and not of the quality of care generally in VA hospitals. As I stated earlier, in an April 1, 1987, report to Congress mandated by Public Law 99-166, the VA noted "an effective quality assurance program depends upon an effective system of data collection, analysis, and reporting." I could not agree more. The unfortunate part is that the VA has indicated that their primary reporting mechanism—the Patient Injury Control Program—needs improvement.

In addition to the work of GAO, the VA's IG has done several studies of medical malpractice claims. The first was completed in 1985 and recommended, among other things, that the VA analyze malpractice claims in order to improve its risk management activities and quality assurance programs. Although the VA agreed with the IG recommendations, a March 1987 followup IG report found that the VA had not fully implemented the recommendations.

So, what have we learned from all these studies? I think we have learned that there are some rather serious deficiencies in the VA's quality assurance programs—ones which must be corrected immediately.

WHAT SHOULD BE OUR RESPONSE?

Mr. President, my staff and I have grappled long and hard to determine the best way to deal with these troubling matters. I have attempted to respond in a thoughtful manner. A series of meetings have been held in an attempt to learn how other health care systems—including those in the Department of Defense—work. In my mind, we keep coming back to the same basic issue; and, that is, the VA must open its doors to independent review of the quality of care which it delivers. No health care delivery system has the luxury of making "assertions" regarding the quality of their services. Patients and their families as well as insurance companies and Government agencies now expect and deserve much more.

Mr. President, my legislation establishes an assistant inspector general for Health Care Quality Assurance Review, who shall be a qualified doctor of medicine. The staff of this office would consist of at least thirteen employees to include at least two doctors, and at least one of the following: doctor of dental surgery or medicine, nurse, health care administrator, quality assurance/risk management specialist, and health-care attorney. This interdisciplinary team would have the medical expertise and experience to cooperate and exchange ideas with the medical inspector. The specific duties of this new assistant IG would be to:

First, monitor the establishment and implementation of quality assurance and risk management programs through on-site reviews of VA health-care facilities: second, monitor the activities of the medical inspector; and recommend the conduct of investigations, as needed, as well as coordinate activities with the medical inspector; fourth, review investigations of the medical inspector and recommended appropriate followup or additional action; fifth, monitor and analyze the collection and analysis of quality assurance and risk management data, determine if additional data should be collected, and monitor the analysis and trending of data relating to the delivery of health care services; sixth, make recommendations for corrective action on health care matters and monitor the implementation of those recommendations: and seventh, perform any other duties which are deemed appropriate by the IG.

Mr. President, I do not intend for the assistant inspector general for Health Care Quality Assurance Review to duplicate the work of the medical inspector. However, in order for the assistant IG to fulfill his or her responsibilities, on-site reviews of VA health care facilities and analysis of information and data obtained through those visits will be necessary. That is, I expect that this office may and, in fact, should collect its own information. In my view, that is an important mechanism to validate the DM&S data.

Finally, my legislation would require an annual report of the activities of the Assistant Inspector General. This report would be required to include a discussion of activities of this office, findings and conclusions resulting from their work, recommendations made to the Administrator for corrective action, and specific activities undertaken to monitor the Medical Inspector.

It is interesting to note that the Navy and Air Force Inspectors General currently carry out similar functions and report very positive results from this type of approach. As one of their doctors noted, "military medical care has been enhanced due to this independent oversight." This legislation in no way alters or restricts the ability of DM&S to establish, implement, and monitor its quality assurance program. It is most appropriate that they do so. In fact, I strongly believe that the capability—in terms of priority and resources—must exist, and the responsibility to provide quality care belongs to the Chief Medical Director. This legislation does not in any way change the statutory duties of the Chief Medical Director. It serves only to enhance and strengthen the responsibilities of the Inspector General.

In fact, because of my strong belief that the establishment, implementation and oversight of quality assurance programs belongs to the Chief Medical Director, I have joined with the distinguished chairman of the Veterans' Affairs Committee, Senator CRANSTON, in introducing a bill which would mandate the establishment of the Office of the Medical Inspector General within DM&S. The bill would provide adequate staff for the Office of the Medical Inspector General in that a health-care team would be assigned to that office. The office would be provided with specific statutory requirements to monitor, review and investigate any adverse incident experienced by a veteran receiving care in a VA facility.

The Medical Inspector General would be required to submit reports annually to the Administrator and Chief Medical Director describing significant problems, abuses or deficiencies in VA health-care programs. In addition, this legislation would require that there be an Assistant Chief Medical Director who is a physician trained in quality assurance and risk management programs. I am pleased to join with Senator CRANSTON on this important initiative for it will certainly provide increased priority for VA quality assurance programs. This has truly been a bipartisan effort, and I thank Senator CRANSTON and his staff for their cooperation in the development of these legislative proposals.

Mr. President, I believe that the bills Senator CRANSTON and I, along with other members of the committee, have introduced today are appropriate responses to the many complex issues which I have stated. I believe that these two bills will serve to establish a needed priority for quality assurance oversight in the VA.

Finally, I would like to note the interest and involvement of my friend from Pennsylvania, Senator SPECTER, in the development of my legislation. I thank Senator SPECTER and his staff, particularly Jim Barnette who provided useful assistance and insight into this issue. Jim is leaving the Senate shortly to attend Georgetown Law School. I wish him all the best in this endeavor.

I look forward to working with Senator CRANSTON, the other members of the committee, the VA, and veterans' service organizations on this vital legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1444

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Administration Assistant Inspector General for Health Care Quality Assurance Review Act of 1987".

SEC. 2. ESTABLISHMENT OF THE VETERANS' ADMINISTRATION ASSISTANT INSPECTOR GENERAL FOR HEALTH CARE QUALITY ASSURANCE REVIEW.

(a) IN GENERAL.—(1) Chapter 3 of title 38, United States Code, is amended by adding at the end the following new subchapter:

"Subchapter V—Other Veterans' Administration Offices

"§ 250. Assistant Inspector General for Health Care Quality Assurance Review

"(a) There is established in the Veterans' Administration Office of the Inspector General, in addition to the positions of Assistant Inspector General of the Veterans' Administration provided under section 3(d) of the Inspector General Act of 1978 (5 U.S.C. App. 3), the position of Assistant Inspector General for Health Care Quality Assurance Review.

"(b) The Administrator shall make available to the Office of the Inspector General sufficient resources to provide for an Assistant Inspector General for Health Care Quality Assurance Review and the personnel required by subsection (d) of this section and to enable such Assistant Inspector General and personnel to perform the duties of such Assistant Inspector General.

"(c) The Assistant Inspector General for Health Care Quality Assurance Review shall be a qualified doctor of medicine appointed by the Inspector General of the Veterans' Administration.

"(d) The staff of the Assistant Inspector General for Health Care Quality Assurance Review shall include the following:

"(1) Not less than two qualified doctors of medicine.

"(2) Not less than one qualified doctor of dental surgery or dental medicine.

"(3) Not less than one qualified registered nurse.

"(4) Not less than one attorney who has expertise in health care law.

"(5) Not less than one individual who has expertise in health care quality assurance and risk management.

"(6) Not less than one individual who has expertise in health care administration.

"(7) A sufficient number of support and additional personnel, but not less than the equivalent of five full-time personnel, to enable the Assistant Inspector General for Health Care Quality Assurance Review to perform the duties of such Assistant Inspector General.

"(e) The Assistant Inspector General for Health Care Quality Assurance Review, in addition to performing (with respect to activities of the Department of Medicine and Surgery) such other functions and duties prescribed for the Inspector General of the Veterans' Administration in the Inspector General Act of 1978 (5 U.S.C. App. 3) as may be directed by the Inspector General, shall—

"(1) monitor, including through reviews of Veterans' Administration health care facilities, the establishment and implementation of the health-care quality assurance and risk management programs of the Department of Medicine and Surgery;

"(2) monitor the activities of the Medical Inspector of the Department of Medicine and Surgery;

"(3) recommend that the Medical Inspector of the Department of Medicine and Surgery conduct such investigations as the Assistant Inspector General for Health Care Quality Assurance Review considers appropriate;

"(4) coordinate the activities of the Assistant Inspector General for Health Care Quality Assurance Review with the activities of the Medical Inspector of the Department of Medicine and Surgery;

"(5) review any investigation conducted by the Medical Inspector of the Department of Medicine and Surgery of any adverse incident or incidents occurring during the course of providing health-care services in a Veterans' Administration facility or facilities and make such recommendations for additional action to such Medical Inspector as the Assistant Inspector General for Health Care Quality Assurance Review considers appropriate;

"(6) monitor and analyze the collection and analysis of quality assurance and risk management information by the Department of Medicine and Surgery (including information relating to medical malpractice claims), review the quality assurance and risk management information collected by the Department of Medicine and Surgery in order to identify data that is not collected and should be collected, and monitor the analysis by the Department of Medicine and Surgery of trends in the provision of health care services by such Department;

"(7) make to the Inspector General such recommendations for corrective action on health-care matters as the Assistant Inspector General for Health Care Quality Assurance Review considers appropriate; and

"(8) monitor the implementation of recommendations for corrective action made to the Administrator by the Inspector General on health-care matters.

"(f) The Inspector General of the Veterans' Administration, in addition to preparing and submitting the reports required by the Inspector General Act of 1978 (5 U.S.C. App. 3), shall submit to the Administrator and the Committees on Veterans' Affairs of the Senate and the House of Representatives each year, not later than February 1, a report containing—

"(1) a discussion of the activities undertaken by the Assistant Inspector General for Health Care Quality Assurance Review during the fiscal year preceding the fiscal year in which the report is submitted, including—

"(A) the findings and conclusions resulting from such activities;

"(B) the recommendations made (on the basis of such activities) by the Inspector General to the Administrator for corrective action in the activities of the Department of Medicine and Surgery; and

"(C) any corrective actions taken with respect to those recommendations; and

"(2) a discussion of the activities undertaken by the Assistant Inspector General for Health Care Quality Assurance Review to monitor the activities of the Medical Inspector during the fiscal year preceding the fiscal year in which the report is submitted, including—

"(A) the findings of the Inspector General and the Assistant Inspector General for Health Care Quality Assurance Review on the activities of the Medical Inspector during such preceding fiscal year;

"(B) the recommendations, if any, made by the Inspector General to the Chief Medical Director or the Administrator on the basis of such monitoring activities, including any recommendations for remedial or disciplinary actions as a result of such activities; and

"(C) an assessment of the extent to which the Medical Inspector has been effective during such preceding fiscal year in bringing about such recommended remedial and disciplinary actions.

"(g) The rate of pay for the position of Assistant Inspector General for Health Care Quality Assurance Review shall be the same rate of pay established for the positions of the other Assistant Inspectors General of the Veterans' Administration.".

(2) The table of sections at the beginning of chapter 3 of title 38, United States Code, is amended by adding at the end the following:

"SUBCHAPTER V—OTHER VETERANS'
ADMINISTRATION OFFICES

"250. Assistant Inspector General for Health Care Quality Assurance Review.".

(b) RESOURCES FOR MONITORING QUALITY ASSURANCE PROGRAM.—Section 4151(e)(2) of title 38, United States Code, is amended by inserting "to the Assistant Inspector General for Health Care Quality Assurance Review" after "qualifications)".

Mr. SPECTER. Mr. President, I am pleased to join with Senator MURKOWSKI today in introducing legislation which I feel will go a long way toward ensuring the quality of medical care in Veterans' Administration facilities across the country. The Veterans' Administration Assistant Inspector General for Health Care Quality Assurance Review Act of 1987 will establish an independent office to oversee all aspects of medical care administered by the VA.

In my service on the Veterans' Affairs Committee, and in regular meetings with Pennsylvania veterans, I have become concerned that there is not a sufficient mechanism within the VA to pinpoint medical care problems, abuses, malpractices, and other occurrences that reduce the quality of care that our Nation's veterans receive. Most recently, a May 20, 1987, General Accounting Office [GAO] report on the VA's Patient Injury Control Program further substantiated this concern.

The GAO found that the VA's current medical inspector, who works out of the Department of Medicine and Surgery, failed to report and investigate surgical complications, unexpected deaths, and dozens of other serious incidents under the injury control program.

After the release of the report, I visited the Philadelphia and Pittsburgh VA medical centers to discuss its particular criticisms, and the larger issue of the quality of health care. I found a great deal of interest in the idea of creating an independent VA medical inspector from both veterans and VA medical staff.

The principal reason for this legislation, of course, is to ensure that VA medical care equals the standards of private institutions throughout the country, and at a minimum that of other Federal facilities. It is important to recognize that while the VA operates the largest health care system in the Nation, it does not have the kind of independent watchdog of other Federal systems half its size, such as the Navy or the Air Force.

The current efforts of the inspector general for overseeing this system have not been adequate. A December 1984 memorandum of understanding between the inspector general and the Chief Medical Director outlines the inspector general's responsibilities, but does not provide for the necessary expertise and resources to carry them out. Additionally, a large share of the burden for investigations was assigned to the medical inspector, who is subordinate to the Chief Medical Director, and in many quality assurance issues reports directly to his superiors in the Department of Medicine and Surgery.

By statutorily establishing a new assistant inspector general's office, with appropriate support staff, and with the exclusive responsibility for oversight of the VA medical care system, we will ensure that the inspector general will be able to carry out his duties. As indicated in the most recent GAO report on patient injury control, and in another report of June 27, 1985, these duties are essential to maintaining quality medical care throughout the VA system.

Almost just as importantly, the knowledge that there will be independence in VA medical care review will instill greater confidence in our Nation's veterans in the integrity of the system that serves them.

I look forward to working with the members of the committee and the Veterans' Administration on this intiative, and urge my colleagues to support this effort.

By Mr. STAFFORD (for himself, Mr. CHAFEE, Mr. DURENBERGER, and Mr. WIRTH):

S. 1446. A bill to amend section 112 of the Clean Air Act to regulate the emissions of certain hazardous air pollutants; to the Committee on Environment and Public Works.

REGULATION OF HAZARDOUS AIR POLLUTANTS

● Mr. STAFFORD. Mr. President, I am introducing, on behalf of myself and for Mr. CHAFEE, Mr. DURENBERGER, and Mr. WIRTH, a bill to ban by statute four chemicals. They are best known to the press and the public by the names of the products of which they are the major ingredients. All of these products are pesticides and the most infamous is chlordane.

Probably half of the Members of the Senate live in homes which have been treated with chlordane because it is the pesticide used to kill termites. In some cases, it has the same effect on humans, which is a major reason I am introducing this bill.

The first industry studies suggesting that chlordane was too dangerous for common use were reported in 1969. They were so persuasive that chlordane was among the first pesticides to be evaluated in 1971 by the newly created Environmental Protection Agency. Within 4 years all agricultural uses of chlordane were eliminated. But because there seemed to be no available substitutes and because it was believed that the chemical could be safely applied by professional insect control firms, the EPA allowed continued use of chlordane to kill termites.

Today, we know that those assumptions were almost certainly wrong.

Mr. President, without going into details, it is apparent that chlordane is in practice a much more dangerous chemical than the Environmental Protection Agency believed in 1975. The preliminary analyses indicate that the cancer risk from chlordane, even when properly applied, is between 1 in 1,000 and 3 in 1,000. Equally important is the practical experience indicating that the public simply cannot expect that proper application will be the case.

Because of the requirements of lending institutions and real estate companies, homes which are resold are routinely being inspected and treated for insect and termite infestation. As a result, some homes have been repeatedly treated with chlordane and, in many cases, there have been tragic consequences. Some people have died, and others have been permanently disabled.

One scientist, Dr. Samuel Epstein, has estimated that there will be 700,000 cancer deaths due to chlordane. That is a staggering number which even I find difficult to believe. But even if Dr. Epstein is wrong—which many believe is unlikely—this suggests the magnitude of the public health threat.

This bill proposes to eliminate applications of chlordane which result in contamination of the indoor or ambient air, or soil, or water. There are alternatives.

The Congress could instead wait for the Environmental Protection Agency to cancel chlordane under the Federal Insecticide, Fungicide and Rodenticide Act. But that would take 4 or more years.

Or it could wait for an emergency suspension. But that would take at least $50 million.

A better choice, Mr. President, is to ban chlordane and its relatives, which is what this bill proposes.

Mr. President, I ask unanimous consent that the bill be reprinted in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1446

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REGULATION OF CERTAIN HAZARDOUS AIR POLLUTANTS.

(a) PROHIBITION ON AIR EMISSIONS.—Section 112 of the Clean Air Act is amended by adding the following new subsection at the end thereof:

"(f) EMISSIONS OF CERTAIN AIR POLLUTANTS.—In order to protect the public health and environment, it shall be unlawful for any person to release, or cause to be released, into the indoor air, ambient air, or soils or waters the following substances:

1,2,4,5,6,7,8,8-octachloro-2,3,3a,4,7a-hexahydro-4,7-methano-1H-indene (also marketed as Chlordane);

1,4,5,6,7,8,8-heptachloro-3a,4,7,7a-tetrahydro-4,7-methano-1H-indene (also marketed as Heptachlor);

1,2,3,4,10,10-hexachloro-1,4,4a,5,8,8a-hexahydro-1,4:5,8-dimethano-napthalene (also marketed as Aldrin);

and 3,4,5,6,9,9-hexachloro-1a*α*, 2*β*, 2a*α*, 3*β*, 6*β*, 6a*α*, 7*β*, 7a*α*-octahydro-2,7:3,6-dimethanonaphth[2,3-b]oxirene (also marketed as Dieldrin)."

(b) ENFORCEMENT.—Section 113(c)(1)(C) of such Act is amended by inserting "or 112(f)," after "112(c)".●

By Mr. MELCHER (for himself, Mr. HEINZ, Mr. BREAUX, Mr. BURDICK, Mr. CHILES, Mr. DURENBERGER, Mr. HOLLINGS, Mr. KERRY, Mr. PELL, Mr. BENTSEN, Mr. PRYOR, Mr. GLENN, Mr. SHELBY, Mr. WARNER, Mr. NUNN, and Mr. REID):

S.J. Res. 168. Joint resolution to designate the week beginning October 25, 1987, as "National Adult Immunization Awareness Week;" to the Committee on the Judiciary.

NATIONAL ADULT IMMUNIZATION AWARENESS WEEK

● Mr. MELCHER. Mr. President, today I am introducing a joint resolution to designate the week of October 25, 1987, as "National Adult Immunization Awareness Week." This measure is identical to House Joint Resolution 250, introduced by my counterpart on the House Select Committee on Aging, Chairman ROYBAL.

Tens of thousands of adults, most of them elderly, will die this year from vaccine-preventable diseases. While every State in the Union requires preschool immunization, adult immunization has been largely neglected. Fewer than one in every eight adults is protected against flu, pneumonia, hepatitis B, measles, diphtheria, rubella or tetanus.

Despite the fact that Pneumococal Pneumonia is the sixth leading cause of death in the United States, fewer than 10 percent of our Nation's elderly are immunized against it. This deadly disease is responsible for between 25,000 and 30,000 deaths each year, most of which could be prevented by a simple vaccination.

Influenza is another killer, striking hardest among the elderly and chronically ill. During the past 30 years, our country has been hit by 16 major flu epidemics that have each claimed the lives of at least 10,000 Americans, the majority of them elderly. Many of these deaths could have been prevented had people known that a simple shot could save their lives.

In my mind, it is a national disgrace that tens of thousands are dying each year from vaccine-preventable diseases. Clearly, much remains to be done to raise national consciousness regarding the need for increased adult immunization.

The joint resolution I am introducing today designates the week of October 25, 1987 as "National Adult Immunization Awareness Week." Last year this resolution passed both Houses of Congress and was signed into law by the President. This year's legislation will enable Congress to continue raising national awareness about the need for greater adult immunization. I urge my colleagues to work for the quick passage of this measure and, once again, show their commitment to ending the tragic loss of life caused by these deadly and, in most cases, easily preventable diseases.●

ADDITIONAL COSPONSORS

S. 81

At the request of Mr. METZENBAUM, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 81, a bill to amend the Older Americans Act of 1965 to establish the Alzheimer's Disease and related demnetias home and community based services block grant.

S. 249

At the request of Mr. DODD, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 249, a bill to grant employees parental and temporary medical leave under certain circumstances, and for other purposes.

S. 346

At the request of Mr. HARKIN, his name was added as a cosponsor of S. 346, a bill to amend the Railroad Retirement Act of 1974 to allow a worker to be employed in any nonrailroad employment and still qualify for an annuity, subject to current deductions in the tier 1 benefit on account of work and new deduction in the tier 2 benefit if the employement is for his last nonrailroad employer.

S. 533

At the request of Mr. THURMOND, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 533, a bill to establish the Veterans' Administration as an executive department.

S. 567

At the request of Mr. SASSER, his name was added as a cosponsor of S. 567, a bill to clarify the circumstances under which territorial provisions in licenses to distribute and sell trademarked malt beverage products are lawful under the antitrust laws.

S. 814

At the request of Mr. HATFIELD, the name of the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Vermont [Mr. STAFFORD] were added as cosnponsors of S. 814, a bill to facilitate the resettlement of Indochinese refugees and to provide for the protection of Indochinese refugees along the border of Thailand from cross-border attacks, and for other purposes.

S. 840

At the request of Mr. THURMOND the name of the Senator from Arizona [Mr. DECONCINI], the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. HELMS], and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 840, a bill to recognize the organization known as the 82nd Airborne Division Association, Inc.

S. 936

At the request of Mr. DURENBERGER, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 936 a bill to amend title XVIII of the Social Security Act to permit certain individuals with physical or mental impairments to continue Medicare coverage at their own expense.

S. 998

At the request of Mr. DECONCINI, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 998 a bill entitled the "Micro Enterprise Loans for the Poor Act".

S. 1109

At the request of Mr. HARKIN, the name of the Senator from Montana [Mr. MELCHER] was added as a cosponsor of S. 1109 a bill to amend the Federal Food, Drug, and Cosmetic Act to require certain labeling of foods which contain tropical fats.

S. 1203

At the request of Mr. GRASSLEY, the names of the Senator from Utah [Mr. GARN] and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 1203, a bill to amend title 22, United States Code, to make unlawful the establishment or maintenance within the United States of an office of the Palestine Liberation Organization, and for other purposes.

S. 1207

At the request of Mr. Durenberger, the name of the Senator from Mississippi [Mr. Stennis] was added as a cosponsor of S. 1207, a bill to amend title XVIII of the Social Security Act to establish a program of grants, funded from the Federal Hospital Insurance Trust Fund, to assist small rural hospitals in modifying their service mixes to meet new community needs and in providing more appropriate and cost-effective health care services to medicare beneficiaries.

S. 1234

At the request of Mr. Chafee, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1320

At the request of Mr. Bumpers, the name of the Senator from Hawaii [Mr. Inouye] was added as a cosponsor of S. 1320, a bill to provide adequate funding levels for solar energy research and development, to encourage Federal procurement of solar energy systems, to encourage Federal loans for solar energy equipment, to enhance the international competitiveness of the solar industry, and for other purposes.

S. 1333

At the request of Mr. McConnell, the names of the Senator from Idaho [Mr. Symms] and the Senator from Nebraska [Mr. Karnes] were added as cosponsors of S. 1333, a bill to allow the 65 miles per hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways.

S. 1366

At the request of Mr. Kennedy, the names of the Senator from New Jersey [Mr. Lautenberg] and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of S. 1366, a bill to revise and extend the programs of assistance under title X of the Public Health Service Act.

S. 1395

At the request of Mr. Hecht, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of S. 1395, a bill entitled "The Nuclear Waste Transportation Act of 1987."

S. 1430

At the request of Mr. Cranston, the name of the Senator from New York [Mr. Moynihan] was added as a cosponsor of S. 1430, a bill to impose a moratorium on prepayments under section 515 of the Housing Act of 1949.

SENATE JOINT RESOLUTION 53

At the request of Mr. Cranston, the names of the Senator from Texas [Mr. Bentsen], the Senator from North Dakota [Mr. Burdick], the Senator from Kansas [Mr. Dole], the Senator from Tennessee [Mr. Gore], the Senator from Oklahoma [Mr. Nickles], the Senator from Minnesota [Mr. Boschwitz], and the Senator from Arkansas [Mr. Pryor] were added as cosponsors of Senate Joint Resolution 53, a joint resolution to designate the period commencing November 22, 1987, and ending November 28, 1987, as "American Indian Week."

SENATE JOINT RESOLUTION 59

At the request of Mr. Thurmond, the names of the Senator from Illinois [Mr. Simon] and the Senator from California [Mr. Wilson] were added as cosponsors of Senate Joint Resolution 59, a joint resolution to designate the month of May 1987 as "National Foster Care Month."

SENATE JOINT RESOLUTION 126

At the request of Mr. Packwood, the names of the Senator from Alaska [Mr. Murkowski], the Senator from Nevada [Mr. Reid], the Senator from Missouri [Mr. Bond], the Senator from Georgia [Mr. Nunn], the Senator from Vermont [Mr. Leahy], and the Senator from Wyoming [Mr. Simpson] were added as cosponsors of Senate Joint Resolution 126, a joint resolution to designate March 16, 1988, as "Freedom of Information Day".

SENATE JOINT RESOLUTION 160

At the request of Mr. Lautenberg, the name of the Senator from Wyoming [Mr. Simpson] was added as a cosponsor of Senate Joint Resolution 160, a joint resolution to designate July 25, 1987, as "Clean Water Day".

SENATE JOINT RESOLUTION 161

At the request of Mr. DeConcini, the name of the Senator from South Dakota [Mr. Daschle] was added as a cosponsor of Senate Joint Resolution 161, a joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation.

SENATE JOINT RESOLUTION 165

At the request of Mr. Bradley, the names of the Senator from Georgia [Mr. Nunn], the Senator from Nevada [Mr. Reid], the Senator from Idaho [Mr. McClure], the Senator from Maryland [Ms. Mikulski], the Senator from West Virginia [Mr. Rockefeller], the Senator from California [Mr. Cranston], the Senator from Hawaii [Mr. Matsunaga], the Senator from Georgia [Mr. Fowler], the Senator from Arkansas [Mr. Bumpers], the Senator from Pennsylvania [Mr. Heinz], the Senator from Ohio [Mr. Metzenbaum], the Senator from Colorado [Mr. Armstrong], the Senator from Oklahoma [Mr. Boren], the Senator from Rhode Island [Mr. Chafee], the Senator from Vermont [Mr. Stafford], and the Senator from Missouri [Mr. Danforth] were added as cosponsors of Senate Joint Resolution 165, a joint resolution expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987, as "National Sokol Day in the United States."

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the names of the Senator from New Jersey [Mr. Bradley], the Senator from Arkansas [Mr. Bumpers], the Senator from Maine [Mr. Mitchell], and the Senator from Tennessee [Mr. Gore] were added as cosponsors of Senate Concurrent Resolution 23, a concurrent resolution designating jazz as an American national treasure.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the names of the Senator from Alabama [Mr. Heflin] and the Senator from Illinois [Mr. Dixon] were added as cosponsors of Senate Concurrent Resolution 29, a concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 38

At the request of Mr. Armstrong, the names of the Senator from Ohio [Mr. Glenn], the Senator from Delaware [Mr. Roth], and the Senator from New Jersey [Mr. Bradley] were added as cosponsors of Senate Concurrent Resolution 38, a concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO.

SENATE CONCURRENT RESOLUTION 54

At the request of Mr. Hatfield, the names of the Senator from Iowa [Mr. Harkin], the Senator from Wisconsin [Mr. Kasten], and the Senator from Maryland [Ms. Mikulski] were added as cosponsors of Senate Concurrent Resolution 54, a concurrent resolution expressing the sense of the Congress with respect to relations between Vietnam and the United States.

SENATE RESOLUTION 238

At the request of Mr. Moynihan, his name was added as a cosponsor of Senate Resolution 238, a resolution of support regarding the United States delegation's participation at the United Nation's International Conference on Drug Abuse and Illicit Trafficking.

At the request of Mr. Chiles, the name of the Senator from Florida [Mr. Graham] was added as a cosponsor of Senate Resolution 238, supra.

SENATE RESOLUTION 239—SUPPORTING RESPECT FOR HUMAN RIGHTS AND EVOLUTION OF DEMOCRACY IN PANAMA

Mr. KENNEDY (for Mr. DURENBERGER) (for himself, Mr. BYRD, Mr. KENNEDY, Mr. HELMS, Mr. PELL, Mr. THURMOND, Mr. KERRY, Mr. WILSON, Mr. GRAHAM, Mr. SIMPSON, Mr. BURDICK, Mr. STEVENS, Mr. BUMPERS, Mr. MCCAIN, Mr. PRYOR, Mr. GARN, Mr. SANFORD, Mr. SYMMS, Ms. MIKULSKI, Mr. D'AMATO, Mr. DECONCINI, Mr. RUDMAN, Mr. DIXON, Mr. HECHT, Mr. GORE, Mr. SHELBY, Mr. ARMSTRONG, Mr. SIMON, Mr. MURKOWSKI, Mr. LEAHY, Mr. NICKLES, Mr. MCCLURE, Mr. BOSCHWITZ, Mrs. KASSEBAUM, Mr. HUMPHREY, Mr. WARNER, Mr. GRASSLEY, Mr. ROTH, Mr. KASTEN, Mr. HATCH, Mr. ROCKEFELLER, Mr. QUAYLE, Mr. CHILES, Mr. GLENN, Mr. CRANSTON, Mr. TRIBLE, Mr. MCCONNELL, Mr. COCHRAN, Mr. HARKIN, Mr. SASSER, Mr. DOLE, Mr. PRESSLER, Mr. HEFLIN, Mr. HOLLINGS, Mr. GRAMM, Mr. MOYNIHAN, Mr. LAUTENBERG, and Mr. RIEGLE) submitted the following resolution; which was considered and agreed to:

S. RES. 239

Whereas the Republic of Panama is an historic ally and friend of the United States;

Whereas the security and stability of the Republic of Panama is vital to the security of all states in the Western Hemisphere;

Whereas over 9,000 American military personnel are currently stationed in Panama in a number of important military installations, including the headquarters of the Southern Command of the United States Armed Forces;

Whereas the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama and the United States, and the free world;

Whereas evolution toward genuine democracy with guarantees of freedom of speech, press, and assembly is in the best interest of the Republic of Panama and the people of the region;

Whereas genuine democracy, governmental respect for internationally-recognized human rights, and internal stability best guarantee the long-term security and economic well-being of the Republic of Panama;

Whereas the executive, judicial, and legislative branches of the government of Panama are now under the influence and control of the Panama Defense Forces;

Whereas recent allegations concerning the role of members of the Panama Defense Forces and its commander in the murder of Doctor Hugo Spadafora, Panama's 1984 presidential election, involvement in international narcotics trafficking, money laundering, and corruption have resulted in spontaneous demonstrations on the part of the Panamanian people calling for a full and independent investigation of the conduct of those officials;

Whereas a broad coalition of church, professional, business, civic, labor, and political groups have joined to call for an objective and thorough investigation into the allegations concerning senior members of the Panama Defense Forces;

Whereas the recent suspension of constitutional guarantees by the government of Panama has been accompanied by restrictions of the fundamental human rights of the Panamanian people, including censorship and closure of the independent media, hundreds of arrests without due process, and instances of excessive force;

Whereas the legitimate aspirations of the Panamanian people for democratically elected government and respect for internationally recognized human rights deserve to be addressed and cannot be thwarted indefinitely: Now, therefore, be it

Resolved by the Senate, That

(a) the American people reaffirm our commitment to promoting the development of democracy in all the Americas.

(b) It is the sense of the Senate that—

(1) the government of Panama should respond to the points contained in the communique issued on June 17, 1987 by the Panamanian Episcopal Conference and should:

(a) Restore suspended constitutional guarantees to the people of Panama;

(b) Establish genuine autonomy for civilian authorities and seek the effective and progressive removal of the Panamanian Defense Forces from non-military activities and institutions;

(c) Provide for a public accounting of accusations leveled against certain authorities of the Panamanian Defense Forces;

(d) Take specific steps to help ensure the credibility of and confidence in free and fair elections;

(e) Underscore a full commitment to the kind of political pluralism that is necessary to avoid a climate of violence, unrest, revenge or reprisal;

(2) the vital interests of the United States in securing authentic democracy in the Republic of Panama would best be served by the peaceful establishment of genuine democratic institutions in accordance with the Panamanian constitution, including the holding of free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, non-political military establishment under civilian control;

(3) compliance with internationally-recognized human rights, including freedom of speech, freedom of the press, freedom of assembly, respect for the due process of law, the restoration of political and civil rights, and the lifting of the current suspension of constitutional guarantees are essential preconditions to the restoration of democracy in Panama;

(4) consistent with requests issued by the Panamanian Chamber of Commerce, Industry, and Agriculture, the Archdiocese of Panama, and the National Civic Crusade, an impartial and independent investigation into the allegations against senior Panamanian civilian and military officials should be conducted by an objective group of Panamanians with authority to publish their findings without delay or fear of reprisal;

(5) in accordance with universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution and in response to the communique issued by the Civic Crusade for Justice and Democracy in Panama, the government of Panama should apply the provisions of the judicial code of Panama, Title 9, Chapter 2, Book 3, Article 2470 and direct the current commander of the Panama Defense Forces and any other implicated officials to relinquish their duties pending the outcome of the independent investigation.

SENATE RESOLUTION 240—EXPRESSING APPRECIATION FOR AMERICA'S VIETNAM VETERANS

Mr. KERRY (for himself, Mr. DODD, Mr. CRANSTON, Mr. DASCHLE, Mr. GORE, Mr. HARKIN, Mr. NICKLES, and Mr. PRESSLER) submitted the following resolution; which was referred to the Committee on Veterans' Affairs:

S. RES. 240

Whereas, nearly three million Americans served their country in Vietnam during the period of the Vietnam war; and

Whereas, over 58,000 Americans gave their lives in that war, and thousands more suffered injuries in the course of combat; and,

Whereas, the sacrifices of Vietnam veterans were not adequately recognized or rewarded by their country upon their return from Vietnam; and

Whereas, the people of the United States have recognized, through the construction of the Vietnam Veterans Memorial in Washington, D.C. and through other events, that an enormous debt of gratitude is owed to our nation's Vietnam veterans; and,

Whereas, many Vietnam veterans continue to have ongoing needs for adequate food, shelter, and health care; and,

Whereas, the 4th of July, being our national Independence Day, is an appropriate day to take note of the sacrifices and contributions of Vietnam veterans and to honor them; and,

Whereas, a Welcome Home concert honoring Vietnam veterans and raising funds for the benefit of Vietnam veterans will be held in our nation's capital on July 4, 1987; and,

Whereas, this benefit concert is an appropriate and fitting way to honor America's Vietnam veterans; now therefore be it

Resolved, by the United States Senate, That it expresses its profound gratitude, and that of the entire nation, for the contributions and the sacrifices of all Vietnam veterans; and be it further

Resolved, That the Secretary of the Senate shall transmit a copy of this Resolution to the President of the United States.

SENATE RESOLUTION 241—CONCERNING SUPPORT FOR THE EVOLUTION TO FULL DEMOCRACY IN THE REPUBLIC OF KOREA

Mr. BYRD (for Mr. DECONCINI) (for himself, Mr. CRANSTON, Mr. MURKOWSKI, Mr. LUGAR, Mr. PELL, Mr. KERRY, Mr. BIDEN, Ms. MIKULSKI, Mr. KENNEDY, Mr. HARKIN, and Mr. BOND).

S. RES. 241

(a) FINDINGS.—The Congress finds that—

(1) The Republic of Korea is a historical ally and partner of the United States whose security, prosperity, and stability are of longstanding concern to the United States;

(2) The American people have an enduring commitment to the freedom of the Korean people, demonstrated by the sacrifices of the United States during the Korean War in which over fifty thousand Americans died;

(3) United States troops, stationed in Korea under our bilateral military treaty, represent a critical American presence in the Far East, reflecting a recognition that Korea's security is central to that of Japan

and East Asia and the Pacific and is of overall geopolitical importance to the United States;

(4) The Republic of Korea is seeking to establish a level of political and civil rights commensurate with their increased role in the international economy;

(5) The United States recognizes and supports the desire of the Korean people to achieve a level of political development commensurate with their outstanding economic, social, and cultural achievements;

(6) Genuine democracy, governmental respect for internationally recognized human rights, and internal stability, together with effective defense forces, best guarantee the security of the Republic of Korea against the threat of aggression from North Korea;

(7) A peaceful transition of governmental power through democratic elections could become the political landmark that will break the tragic cycle of political confrontation and crisis which has slowed Korea's evolution toward full democracy; and

(b) POLICY.—It is the sense of Congress that—

(1) the United States supports the efforts of Koreans to establish fair and free elections and peacefully evolve to a full democratic government;

(2) the necessary conditions for achievement of a genuine democracy in the Republic of Korea are flexibility and fairness, and the renunciation of violence by all parties in achieving a democratic system which can give the people of Korea confidence that the outcome of elections will reflect their will;

(3) the necessary conditions for meaningful and free elections include such internationally recognized standards as freedom of expression, freedom of the press, respect for due process of law, an independent judiciary, the restoration of full political and civil rights, and legal guarantees for the proper and humane treatment of all detainees.

(4) the United States recognizes President Chun Doo Hwan's commitment to initiate the first peaceful transition of executive power in the Republic of Korea's history by stepping down in March 1988;

(5) such a peaceful transfer of power is endangered by inability to agree on timely democratic reforms essential for free and fair national elections;

(6) the United States calls on all parties in the Republic of Korea to resume the search for a peaceful agreement on democratic reform in the spirit of restraint and compromise essential to democracy; and

(7) the President of the United States and the Administration should undertake all possible efforts to facilitate dialogue and negotiation among the parties to achieve democracy in the Republic of Korea.

AMENDMENTS SUBMITTED

OMNIBUS TRADE ACT

ARMSTRONG (AND OTHERS) AMENDMENT NO. 323

Mr. ARMSTRONG (for himself, Mr. DODD, Mr. SYMMS, Mr. HELMS, Mr. NICKLES, Mr. BRADLEY, Mr. TRIBLE, Mr. ADAMS, and Mr. MURKOWSKI) proposed an amendment to the bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen U.S. trade laws, and for other purposes; as follows:

At the appropriate location in the bill, add the following:

SEC. . CONGRESSIONAL FINDINGS.

The Congress—

(1) notes that the Department of State, in the publication Country Reports on Human Rights Practices for 1985, determined that "In the area of human rights, major discrepancies exist between generally accepted standards, for example as embodied in the Helsinki Final Act of the Conference on Security and Cooperation in Europe, and Romania practice. . . . The party, through the Government, continues to restrict and control the right to free speech, free assembly and association, and the practice of one's religion.";

(2) is aware that overall emigration from Romania, and particularly Jewish emigration, has declined for the second consecutive year;

(3) is aware of numerous accounts from the Department of State, Congressional delegations, and various human rights organizations, that Romanian citizens are being arbitrarily harassed, interrogated, and arrested by Romanian government authorities for the exercise of civil and religious liberties;

(4) finds that official Romanian harassment of religious believers has not only been extended to the arrest of persons for carrying Bibles and other religious materials, but even carried to the point of destroying places of worship, including most recently the country's largest Seventh Day Adventist Church and the Sephardic synagogue in Bucharest;

(5) further finds that the United States trade deficit with Romania (which continues to be high) is a result of our extension of nondiscriminatory treatment (most-favored-nation treatment) to that country and can be construed as an endorsement of that nation's abusive internal practices;

(6) is aware of the severe limits placed on the rights of Hungarians and other ethnic minorities within Romania to express and maintain their cultural heritage, as is illustrated by the attempts made by the Romanian government to eliminate systematically Hungarian churches, schools, traditions, and even the Hungarian language from Romanian society;

(7) recognizes and emphasizes the continued dedication of the United States to fundamental human rights (as noted in section 402 of the Trade Act of 1974) and is concerned with Romania's commitment to those rights; and

(8) commends the President for withdrawing Romania's eligibility for duty-free treatment under the Generalized System of Preferences because of Romania's violation of "internationally recognized worker rights".

SEC. . OBJECTIVES

The objectives of this Act are to effect—

(1) the termination of the current policies and practices of the Government of Romania under which—

(A) its citizens are denied the right or opportunity to emigrate,

(B) more than nominal tax is imposed on emigration or on the visas or other documents required for emigration, and

(C) more than nominal taxes, levies, fines, fees, or other charges are imposed on citizens as a consequence of their desire to emigrate to the countries of their choice; and

(2) substantial progress in halting the persecution by the government of Romania of its citizens on religious and political grounds, and the repression by such Government of Hungarians and other ethnic minorities within Romania.

SEC. . DEFINITIONS OF RIGHTS REVIEW PERIOD.

As used in this Act, the term "rights review period" means—

(1) the 6-month period referred to in section 4(a); and

(2) each successive period of 180 consecutive calendar days occurring after the last day of the 6-month period referred to in paragraph (1).

SEC. . SUSPENSION OF NONDISCRIMINATORY TREATMENT FOR ROMANIAN PRODUCTS.

(a) INITIAL SUSPENSION.—The products of Romania may not receive nondiscriminatory treatment (most-favored-nation treatment) during the 6-month period beginning on the date of the enactment of this Act.

(b) AFTER INITIAL SUSPENSION.—The products of Romania may receive nondiscriminatory treatment (most-favored-nation treatment) during any rights review period referred to in section 3(2) only if—

(1) no later than the 30th day before the close of the immediately preceding rights review period, the President submits to the House of Representatives and the Senate a document containing—

(A) a Presidential determination, and the reasons therefore, that the application of nondiscriminatory treatment to the products of Romania during the next rights review period will substantially promote the objectives listed in section 2,

(B) a statement that the President has received assurances that the policies and practices of the Romanian government will henceforth lead substantially to the achievement of such objectives, and

(C) based on such determination and finding, a recommendation by the President that nondiscriminatory treatment be applied to the products of Romania during the rights review period; and

(2) a joint resolution disapproving such application is not enacted, in accordance with the procedures referred to in section 5, before the close of the rights review period in which the document referred to in paragraph (1) is submitted.

SEC. . RESOLUTION DISAPPROVING NONDISCRIMINATORY TREATMENT FOR THE PRODUCTS OF ROMANIA.

(a) CONTENTS OF RESOLUTION.—For purposes of this section, the term "joint resolution" means only a joint resolution of the two Houses of Congress the matter after the resolving clause of which is as follows: "That the Congress disapproves the application of nondiscriminatory treatment (most-favored-nation treatment) to the products of Romania that was recommended by the President to the Congress on ———", with the blank space being filled with the appropriate date.

(b) APPLICATION OF PROCEDURES UNDER THE TRADE ACT OF 1974.—The provisions of section 152 of the Trade Act of 1974 (relating to concurrent resolutions) apply to joint resolutions except that in applying section 152(c)(1), all calendar days shall be counted and 5 calendar days shall be substituted for 30 calendar days. Section 145(a) of the Trade Act of 1974 applies to documents transmitted by the President under section 4(b)(1).

SEC. 6. INAPPLICABILITY OF CERTAIN TITLE IV PROVISIONS.

On and after the date of enactment of this Act, section 401 and 401 of the Trade

Act of 1974 do not apply with respect to the tariff treatment of the products of Romania.

THURMOND AMENDMENT NOS. 324 AND 325

(Ordered to lie on the table.)

Mr. THURMOND submitted two amendments intended to be proposed by him to the bill S. 1420, supra; as follows:

AMENDMENT No. 324

On page 646, line 3, strike "$20,000,000" and insert $7,500,000.

AMENDMENT No. 325

On page 646, line 3, after "." add "to be eligible for a grant under this program, a telecommunications, partnership must provide a 50% match of the funds made available under this program."

BAUCUS AMENDMENT NO. 326

Mr. BAUCUS proposed an amendment to the bill S. 1420, supra; as follows:

Title VII of the Tariff Act of 1930 is amended by inserting after Section 771A (19 U.S.C. 1677-1) the following new Section:

"Section 771B—In the case of an agricultural product processed from a raw agricultural product in which (1) the demand for the prior stage product is substantially dependent on the demand for the latter stage product, and (2) the processing operation adds only limited value to the raw commodity, subsidies found to be provided to either producers or processors of the product shall be deemed to be provided with respect to the manufacture, production, or exportation of the processed product.

GRAMM AMENDMENT NO. 327

Mr. GRAMM proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place in the bill add the following:

SEC. . NORTH AMERICAN TRADE EXPANSION AREA.

(a) SHORT TITLE.—This section may be cited as "The North American Trade Expansion Area Act of 1987:"

(b) IN GENERAL.—The President shall take action to initiate negotiations to obtain trade agreements with Mexico, the Caribbean Basin countries, and Canada, the terms of which provide for the reduction and ultimate elimination of tariffs and other nontariff barriers to trade for the purpose of promoting the establishment of a North American Trade Expansion Area.

(c) RECIPROCAL BASIS.—An agreement entered into under subsection (a) shall be reciprocal and provide for mutual reductions in trade barriers to promote trade, economic growth, and employment.

(d) BILATERAL OR MULTILATERAL BASIS.—Agreements may be entered into under subsection (a) on a bilateral basis or on a multilateral basis with all of such countries or any group of such countries, described in subsection (b).

(e) CARIBBEAN BASIN COUNTRIES.—For purposes of this section, the term "Caribbean Basin countries" means the countries designated as beneficiary countries under section 212 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2702).

SEC. . IMPLEMENTATION OF TRADE AGREEMENTS.

(a) REQUIREMENTS.—Any trade agreement entered into under the previous section shall enter into force with respect to the United States if (and only if)—

(1) the President has, at least 90 days before the day on which he enters into such trade agreement, notified the House of Representatives and the Senate of his intention to enter into such an agreement, and promptly thereafter publishes notice of such intention in the Federal Register.

(2) after entering into the agreement, the President transmits a document to the Congress containing a copy of the final legal text of such agreement together with —

(A) a statement of any administrative action proposed to implement such agreement,

(B) a draft of an implementing bill,

(C) an explanation of how the proposed administrative action and implementing bill change or affect existing law, and

(D) a statement of the reasons as to how the agreement serves the interests of the United States and as to why the proposed administrative action and implementing bill are required or appropriate to carry out the agreement, and

(3) an implementing bill is enacted into law with respect to such agreement.

(b) EFFECTIVE DATE OF AGREEMENT.—If the requirements of subsection (a) are met with respect to a trade agreement entered into under the previous section, the trade agreement shall enter into force with respect to the United States on the date on which the implementing bill is enacted with respect to such trade agreement.

(c) Any agreement entered into under the previous section shall be treated as an agreement entered into under section 102 of the Trade Act of 1974 for purposes of section 151 of the Trade Act of 1974.

DURENBERGER (AND OTHERS) AMENDMENT NO. 328

Mr. DURENBERGER (for himself, Mr. KENNEDY, Mr. HELMS, Mr. BYRD, Mr. PELL, Mr. THURMOND, Mr. KERRY, Mr. WILSON, Mr. GRAHAM, Mr. SIMPSON, Mr. BURDICK, Mr. STEVENS, Mr. BUMPERS, Mr. MCCAIN, Mr. PRYOR, Mr. GARN, Mr. SANFORD, Mr. SYMMS, Ms. MIKULSKI, Mr. D'AMATO, Mr. DECONCINI, Mr. RUDMAN, Mr. DIXON, Mr. HECHT, Mr. GORE, Mr. SHELBY, Mr. ARMSTRONG, Mr. SIMON, Mr. MURKOWSKI, Mr. LEAHY, Mr. NICKLES, Mr. HARKIN, Mr. MCCLURE, Mr. SASSER, Mr. BOSCHWITZ, Mr. CRANSTON, Mrs. KASSEBAUM, Mr. GLENN, Mr. HUMPHREY, Mr. WARNER, Mr. QUAYLE, Mr. CHILES, Mr. GRASSLEY, Mr. ROTH, Mr. TRIBLE, Mr. KASTEN, Mr. MCCONNELL, Mr. COCHRAN, Mr. MOYNIHAN, Mr. GRAMM, Mr. HATCH, Mr. PRESSLER, and Mr. LAUTENBERG, proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. .

(a) FINDINGS.—The Senate finds that—

(1) the Republic of Panama is a historic ally and friend of the United States;

(2) the security and stability of the Republic of Panama are vital to the security of all states in the western hemisphere;

(3) over 9000 American military personnel are currently stationed in Panama in a number of important military installations, including the headquarters of the Southern Command of the United States Armed Forces;

(4) the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama, the United States, and the free world;

(5) evolution toward genuine democracy with guarantees of freedom of speech, press, and assembly is in the best interest of the Republic of Panama and the people of the region;

(6) genuine democracy, governmental respect for internationally-recognized human rights, and internal stability best guarantee the long-term security and economic well-being of the Republic of Panama;

(7) the executive, judicial, and legislative branches of the government of Panama are now under the influence and control of the Panama Defense Forces;

(8) recent allegations concerning the role of members of the Panama Defense Forces and its commender in the murder of Doctor Hugo Spadafora, Panama's 1984 presidential election, involvement in international narcotics trafficking and money laundering, and corruption have resulted in spontaneous demonstrations on the part of the Panamanian people calling for a full and independent investigation of the conduct of those officials;

(9) a broad coalition of church, professional, business, civic, and labor, and political groups have joined to call for an objective and thorough investigation into the allegations concerning senior members of the Panama Defense Force;

(10) the recent suspension of constitutional guarantees by the government of Panama has been accompanied by restrictions of the fundamental human rights of the Panamanian people, including censorship and closure of the independent media, hundreds of arrests without due process, and instances of excessive force;

(11) the legitimate aspirations of the Panamanian people for democratically elected government and respect for internationally recognized human rights deserve to be the addressed and cannot be thwarted indefinitely.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) the government of Panama should respond to the points contained in the communique issued on June 17, 1987, by the Panamanian Episcopal Conference and should:

(a) Restore suspended constitutional guarantees to the people of Panama;

(b) Establish genuine autonomy for civilian authorities and seek the effective and progressive removal of the Panamanian Defense Forces from non-military activities and institutions;

(c) Provide for a public accounting of accusations leveled against certain authorities of the Panamanian Defense Forces;

(d) Take specific steps to help ensure the credibility of and confidence in free and fair elections;

(e) Underscore a full commitment to the kind of political pluralism that is necessary to avoid a climate of violence, unrest, revenge or reprisal;

(2) the vital interests of the United States in securing authentic democracy in the Republic of Panama would best be served by the peaceful establishment of genuine democratic institutions in accordance with

the Panamanian constitution, including the holding of free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, non-political military establishment under civilian control;

(3) compliance with internationally-recognized human rights, including freedom of speech, freedom of the press, freedom of assembly, respect for the due process of law, the restoration of political and civil rights, and the lifting of the current suspension of constitutional guarantees are essential preconditions to the restoration of democracy in Panama;

(4) consistent with the requests issued by the Panamanian Chamber of Commerce, Industry, and Agriculture, the Archdiocese of Panama, and the National Civic Crusade, an impartial and independent investigation into the allegations against senior Panamanian civilian and military officials should be conducted by an objective group of Panamanians with authority to publish their findings without delay or fear of reprisal;

(5) in accordance with universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution and in response to the communique issued by the Civic Crusade for Justice and Democracy in Panama, the government of Panama should apply the provisions of the judicial code of Panama, Title 9, Chapter 2, Book 3, Article 2470 and direct the current commander of the Panama Defense Forces and any other implicated officials to relinquish their duties pending the outcome of the independent investigation.

REID AMENDMENT No. 329

Mr. REID proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . NATIONAL CRITICAL MATERIALS COUNCIL.

(a) The National Federal Program Plan for Advanced Materials Research and Development.—The National Critical Materials Council shall prepare the national Federal program plan for advanced materials research and development under section 205(a)(1)(A) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1251) and shall submit such plan to Congress not later than 180 days after the date of the enactment of this Act.

(b) Personnel Matters.—(1) Not later than 30 days after the date of the enactment of this Act, the Executive Director of the National Critical Materials Council shall increase the number of employees of the Council by the equivalent of 5 full-time employees over the number of employees of the Council on the date of the enactment of this Act.

(2) Not less than the equivalent of 4 full-time employees appointed pursuant to paragraph (1) shall be permanent professional employees who have expertise in technical fields that are relevant to the responsibilities of the National Critical Materials Council, such as materials science and engineering, environmental matters, minerals, and natural resources, ceramic or composite engineering, metallurgy, and geology.

(c) Authority to Accept Services and Personnel From Other Federal Agencies.—Section 210(4) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "reimbursable" and inserting in lieu thereof "nonreimbursable".

(d) Authorization of Appropriations.—Section 211 of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "1990" and inserting in lieu thereof "1992".

GRAHAM (AND KERRY) AMENDMENT NO. 330

Mr. GRAHAM (for himself and Mr. Kerry) proposed an amendment to the bill S. 1420, supra; as follows:

At the end of title IX of the bill add the following:

SEC. . CARIBBEAN BASIN INITIATIVE.

(a) Extension.—Subsection (b) of section 218 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2706) is amended to read as follows:

"(b) Duty-free treatment provided to beneficiary countries under this title remain in effect until the date that is 12 years after the date of enactment of the Omnibus Trade Act of 1987.".

BENTSEN (AND OTHERS) AMENDMENT NO. 331

Mr. BENTSEN (for himself, Mr. Chiles, Mr. Durenberger, Mr. Metzenbaum, Mr. Hatch, Mr. Pryor, Mr. DeConcini, Mr. Roth, Mr. McConnell, Mr. Thurmond, Mr. Johnston, Mr. Exon, Mr. Murkowski, and Mr. Dole) proposed an amendment to the bill S. 420, supra; as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . DENIAL OF TRADE BENEFITS TO COUNTRIES SUPPORTING ACTS OF TERRORISM.

(a) Identification.—(1) The Secretary of State shall identify each foreign country that repeatedly provides support for acts of international terrorism and shall publish such identification in the Federal Register. Such identification shall remain in effect until a determination is made with respect to such country under paragraph (2).

(2) If the Secretary of State determines that a foreign country identified under paragraph (1) has ceased to provide support for acts of international terrorism, the Secretary of State shall publish such determination in the Federal Register.

(3) By no later than February 15 of 1988, and of each calendar year thereafter, the Secretary of State shall submit to the Congress a list of the names of each foreign country with respect to which an identification under paragraph (1) is in effect.

(b) Denial of Trade Benefits.—Notwithstanding any other provision of law, if a foreign country is identified under subsection (a)(1)—

(1) the President shall terminate, withdraw, or suspend any portion of any trade agreement or treaty that relates to the provision of nondiscriminatory (most-favored-nation) trade treatment to such country,

(2) such country shall be denied nondiscriminatory (most-favored-nation) trade treatment by the United States and the products of such country shall be subject to the rates of duty set forth in column number 2 of the Tariff Schedules of the United States,

(3) the provisions of title V of the Trade Act of 1974 (19 U.S.C. 2461, et seq.) shall not apply with respect to the products of such country, and

(4) the provisions of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701, et seq.) shall not apply with respect to the products of such country,

during the period in which such identification is in effect.

(c) Waivers.—(1) The President may waive all, or any portion of, the provisions of subsection (b) with respect to any foreign country if the President determines that such a waiver would be in the best interests of the United States. The President shall submit to the Congress written notice of any waiver granted under this paragraph.

(2) Any waiver granted under paragraph (1) may be revoked by the President at any time.

(3)(A) Any waiver granted under paragraph (1) shall take effect only after the close of the 30-day period that begins on the date on which the President submits to the Congress written notice of such waiver.

(B) The following days shall be excluded in determining the 30-day period described in subparagraph (A):

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

EVANS (AND OTHERS) AMENDMENT NO. 332

Mr. EVANS (for himself, Mr. Gramm, and Mr. Bradley) proposed an amendment to the bill S. 1420, supra; as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . TRADE STATISTICS.

(a) Reporting of Import Statistics.—Subsection (e) of section 301 of title 13, United States Code, is amended by striking out the last sentence thereof.

(b) Volumetric Index.—

(1) The Director of the Census, in consultation with the Director of the Bureau of Economic Analysis and the Commissioner of Labor Statistics, shall conduct a study to determine the feasibility of developing, and of publishing, an index that measures the real volume of merchandise trade on a monthly basis, which would be reported simultaneously with the balance of merchandise trade for the United States.

(2) The Director of the Census shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the study conducted under paragraph (1) by no later than the date that is 1 year after the date of enactment of this Act.

THURMOND AMENDMENT NO. 333

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill S. 1420, supra; as follows:

On page 645, line 17, beginning with "to", strike out through "acquire" on line 18 and insert in lieu thereof the following: "to pay the Federal share of the development, construction, and acquisition of".

On page 645, line 19, strike out "for" and insert in lieu thereof "of".

On page 646, line 3, strike out "$20,000,000" and insert in lieu thereof "$7,500,000".

On page 646, between lines 11 and 12, insert the following:

"(d) Federal Share.—The Federal share shall be 50 percent in each fiscal year.

On page 650, between lines 9 and 10, insert the following:

"(6) provide assurances that the applicant will pay the non-Federal share of the activities for which assistance is sought from non-Federal sources;

On page 650, line 10, strike out "(6)" and insert in lieu thereof "(7)".

On page 650, line 15, strike out "(7)" and insert in lieu thereof "(8)".

MIKULSKI AMENDMENT NO. 334

Ms. MIKULSKI submitted an amendment intended to be proposed by her to the bill S. 1420, supra; as follows:

At the end of subtitle B of title VII of the bill, add the following:

SEC. —D. RELIQUIDATION OF CERTAIN ENTRIES AND REFUND OF ANTIDUMPING DUTIES.

(a) In General.—Nothwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the entries listed in subsection (b) shall be reliquidated without liability of the importer of record for antidumping duties, and if any such duty has been paid, either through liquidation or compromise under section 617 of the Tariff Act of 1930 (19 U.S.C. 1617), refund thereof shall be made.

(b) Specific Entries.—The entries referred to in subsection (a) are as follows:

Entry Number:	Date of Entry:
144549	March 26, 1976
150297	April 27, 1976
152729	May 11, 1976
156068	May 26, 1976
161653	June 23, 1976
168759	July 30, 1976
173393	August 25, 1976
175173	September 3, 1976
178811	September 23, 1976
108842	November 18, 1976
113000	December 9, 1976
115229	December 21, 1976
120070	January 17, 1977
120908	January 20, 1977
121403	January 24, 1977
130005	March 10, 1977.

DODD (AND OTHERS) AMENDMENT NO. 335

Mr. DODD (for himself, Mr. Evans, and Mr. Biden) proposed an amendment to the bill S. 1420, supra; as follows:

Strike all after the preamble and insert in lieu thereof the following:

Whereas the Republic of Panama is a historic ally and friend of the United States;

Whereas the security and stability of the Republic of Panama is vital to the security of all states in the Western hemisphere;

Whereas over 9000 American military personnel are currently stationed in Panama in a number of important military installations, including the headquarters of the Southern Command of the United States Armed Forces;

Whereas the unimpeded operation of the Panama Canal is in the strongest interests of the Republic of Panama and the United States, and the free world;

Whereas the United States remains fully committed to honoring its treaties and international obligations;

Whereas evolution toward genuine democracy with guarantees of freedom of speech, press, and assembly is in the best interest of the Republic of Panama and the people of the region;

Whereas genuine democracy, governmental respect for internationally-recognized human rights, and internal stability best guarantee the long-term security and economic well-being of the Republic of Panama;

Whereas the executive, judicial, and legislative branches of the government of Panama are now under the influence and control of the Panama Defense Forces;

Whereas recent allegations concerning the role of members of the Panama Defense Forces and its commander in the murder of Doctor Hugo Spadafora, Panama's 1984 presidential election, involvement in international narcotics trafficking and money laundering, and corruption have resulted in spontaneous demonstrations on the part of the Panamanian people calling for a full and independent investigation of the conduct of those officials;

Whereas a broad coalition of church, professional, business, civic, and labor, and political groups have joined to call for an objective and thorough investigation into the allegations concerning senior members of the Panama Defense Force;

Whereas the recent suspension of constitutional guarantees by the government of Panama has been accompanied by restrictions of the fundamental human rights of the Panamanian people, including censorship and closure of the independent media, hundreds of arrests without due process, and instances of excessive force;

Whereas the legitimate aspirations of the Panamanian people for democratically elected government and respect for internationally recognized human rights deserve to be addressed and cannot be thwarted indefinitely: Now, therefore, be it

Resolved by the Congress, that

(a) the American people reaffirm our commitment to promoting the development of democracy in all the Americas.

(b) It is the sense of the Congress that—

(1) the government of Panama should respond to the points contained in the communique issued on June 17, 1987 by the Panamanian Episcopal Conference and should:

(b) Establish genuine autonomy for civilian authorities and seek the effective and progressive removal of the Panamanian Defense Forces from non-military activities and institutions;

(c) Provide for a public accounting of accusations leveled against certain authorities of the Panamanian Defense Forces;

(d) Take specific steps to help ensure the credibility of and confidence in free and fair elections;

(e) Underscore a full commitment to the kind of political pluralism that is necessary to avoid a climate of violence, unrest, revenge or reprisal;

(2) the vital interests of the United States in securing authentic democracy in the Republic of Panama would best be served by the peaceful establishment of genuine democratic institutions in accordance with the Panamanian constitution, including the holding of free and fair elections, the establishment of an independent judicial system, and the guarantee of a professional, non-political military establishment under civilian control;

(3) compliance with internationally-recognized human rights, including freedom of speech, freedom of the press, freedom of assembly, respect for the due process of law, the restoration of political and civil rights, and the lifting of the current suspension of constitutional guarantees are essential preconditions to the restoration of democracy in Panama;

(4) consistent with the requests issued by the Panamanian Chamber of Commerce, Industry, and Agriculture, the Archdiocese of Panama, and the National Civic Crusade, an impartial and independent investigation into the allegations against senior Panamanian civilian and military officials should be conducted by an objective group of Panamanians with authority to publish their findings without delay or fear of reprisal;

(5) in accordance with universally recognized principles of fair procedure, to guarantee the objectivity of the investigation, to preserve the integrity of the military institution, the government of Panama should apply all relevant provisions of the Panamanian judicial code with respect to all implicated officials, whether civilian or military.

MATSUNAGA AMENDMENT NO. 336

Mr. MATSUNAGA proposed an amendment to the bill, S. 1420, supra, as follows:

At the end of subtitle B of title IX of the bill, add the following:

SEC. . HARMONIZED COMMODITY DESCRIPTION AND CODING SYSTEM FOR A NEW TARIFF SCHEDULE.

(a) Findings.—The Congress finds that—

(1) the establishment of a uniform system of tariff classification among the major trading nations of the world will yield significant benefits to United States firms and individuals involved in international trade and will enhance the prospects for a more efficient operation of the world trading system; and

(2) implementation of the Harmonized Commodity Description and Coding System by the United States on the internationally set target date of January 1, 1988, is a highly desirable goal and should be achieved by Congressional approval of the Harmonized System Convention and its implementing legislation at the earliest possible date.

(b) Convention Implementing Bill.—For purposes of the section, the term "Convention implementing bill" means a bill of either House of the Congress—

(1) with respect to which the requirements of subsection (c) have been met, and

(2) which is limited to provisions that—

(A) approve the International Convention on the Harmonized Commodity Description and Coding System, done at Brussels on June 14, 1983, and the Protocol to such Convention done at Brussels on June 24, 1986.

(B) implement such Convention and Protocol, and

(C) make any necessary conforming changes in Federal laws.

(c) Requirements.—

(1) The requirements of this subsection are met with respect to a bill if—

(A) the President has consulted with the Congress in accordance with paragraph (2),

(B) the President has, before the date that is 15 days after the date of enactment of this Act—

(i) notified the Congress of the intention of the President to submit to the Congress a draft of a bill that would approve and implement the convention and protocol described in subsection (b)(2)(A), and

(ii) published notice of such intention in the Federal Register, and

(C) the President has, before the date that is 30 days after the date on which notice is provided to the Congress under subparagraph (B), transmitted a document to the Congress containing a copy of the final legal text of the convention and protocol described in subsection (b)(2)(A), together with—

(i) a draft of the bill,

(ii) a statement of any administrative action proposed to implement such convention and protocol,

(iii) an explanation as to how the bill and proposed administrative action change or affect existing law, and

(iv) a statement of the reasons as to why the bill and proposed administrative action is required or appropriate to carry out such convention and protocol.

(2) As soon as practicable after the date of enactment of this Act, but before the date on which the document is submitted to the Congress under paragraph (1)(C), the President shall consult with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate with respect to the convention and protocol described in subsection (b)(2)(A). Such consultation shall include all matters relating to the implementation of such convention and protocol.

(d) EXPEDITED CONGRESSIONAL CONSIDERATION.—

(1) Any draft of a Convention implementing bill which is submitted by the President to the Congress under subsection (c)(1)(C)(i) and with respect to which the requirements of subsection (c) have been met shall be introduced by the majority leader of each House of the Congress (by request) on the first day on which such House is in session after the date such draft is submitted to the Congress.

(2) Any Convention implementing bill introduced in the House of Representatives shall be referred to the Committee on Ways and Means and any Convention implementing bill introduced in the Senate shall be referred to the Committee on Finance.

(3) Any Convention implementing bill introduced in a House of the Congress under paragraph (1) shall be treated as an implementing revenue bill for purposes of subsections (d), (e), (f), and (g) of section 151 of the Trade Act of 1974 (19 U.S.C. 2191), but in applying such subsections with respect to a Convention implementing bill, the term "10th day" shall be substituted for the term "45th day" and for the term "15th day" each place such terms appear in such subsections.

(4) This subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules, and

(B) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

BINGAMAN AMENDMENT NO. 337

Mr. BINGAMAN proposed an amendment to the bill S. 1420, supra; as follows:

At the end of Subtitle B of Title IX of the Bill, add the following:

SEC. . (1) Immediately after the date of enactment of this Act, the United States Customs Service shall implement the proposed rule published in the Federal Register on July 15, 1986, concerning the country-of-origin marking of imported Native American-style jewelry, unless such rule is implemented before that date.

HUMPHREY (AND OTHERS) AMENDMENT NO. 338

Mr. HUMPHREY (for himself, Mr. PROXMIRE, Mr. DOLE, and Mr. SYMMS) proposed an amendment to the bill S. 1420, supra; as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. . Trade with Afghanistan.

(a) AUTHORIZATION TO PROHIBIT IMPORTS.

(1) Notwithstanding any other provision of law, the President is authorized to prohibit the importation into the United States of all products of Afghanistan after the date of enactment of this Act.

(2) For purposes of this subsection, the term "product of Afghanistan" means any article which—

(A) is grown, produced, or manufactured in Afghanistan, and

(B) is exported by—

(i) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or

(ii) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

(b) AUTHORIZATION TO PROHIBIT EXPORTS.—Notwithstanding any other provision of law, the President is authorized to prohibit the exportation of any goods or technology from the United States for the benefit of, or use by—

(1) the so-called Democratic Republic of Afghanistan that is sponsored by the Union of Soviet Socialist Republics, or

(2) any political party, faction, or regime in Afghanistan sponsored by the Union of Soviet Socialist Republics.

(c) REPORT TO CONGRESS.—If the President has not, before the date that is 45 days after the date of enactment of this Act, taken actions under this section to prohibit trade between the United States and the Democratic Republic of Afghanistan, a regime that is sponsored by the Union of Soviet Socialist Republics, the President shall submit to the Congress on such date a report which states the reasons why the President has not taken actions to prohibit such trade.

(c) It is not the intent of Congress to authorize the President to prohibit trade with those Afghan forces or factions for which the Congress has expressed support.

MATSUNAGA (AND OTHERS) AMENDMENT NO. 339

Mr. MATSUNAGA (for himself, Mr. SYMMS, and Mr. BYRD) proposed an amendment to the bill S. 1420, supra; as follows:

In section 703 of the bill—

(1) strike out "$15,248,000" and insert in lieu thereof "$15,348,000", and

(2) strike out paragraph (2) and insert in lieu thereof the following:

(2) by adding at the end thereof the following new sentence: "Of the amounts appropriated under the authority of this paragraph for fiscal year 1988—

"(A) $1,000,000 shall remain available until expended, and

"(B) $100,000 shall be used to fund a full-time position for a Deputy Director of Japanese Affairs and a full-time position for a Director of Chinese Affairs.".

MELCHER AMENDMENT NO. 340

Mr. MELCHER proposed an amendment to the bill S. 1420, supra; as follows:

On page 541, line 8, insert "tax-exempt nonprofit agribusiness organizations," after "cooperators,".

MOYNIHAN AMENDMENT NO. 341

Mr. MOYNIHAN proposed an amendment to the bill S. 1420, supra; as follows:

At the end of subtitle D of title IX, add the following:

SEC. . ANNUAL TRADE REPORT.

(a) IN GENERAL.—In order for the Congress to be informed of the impact of foreign trade barriers and macroeconomic factors on the balance of trade of the United States, the United States Trade Representative and the Secretary of the Treasury shall jointly prepare and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on April 1 of each year a report which consists of—

(1) a review and analysis of—

(A) the merchandise balance of trade,

(B) the goods and services balance of trade,

(C) the balance on the current account,

(D) the external debt position,

(E) the exchange rates,

(F) the economic growth rates,

(G) the deficit or surplus in the fiscal budget, and

(H) the impact of market barriers and other unfair practices of the United States, the European Communities, all other Western European nations considered as a group, Japan, Canada, Latin America, Korea, Taiwan, Hong Kong and Singapore and the Arab member countries of the Organization of Petroleum Exporting Countries, considered as a group, and of all other countries considered as a group;

(2) projections for each of the economic factors described in the subparagraphs of paragraph (1) except (E) for each of the countries and groups of countries described in paragraph (1) for the year in which the report is submitted and for each of the 2 succeeding years; and

(3) conclusions with regard to whether the projections described in paragraph (2) are satisfactory from the standpoint of the United States, and if the projections are not satisfactory, the policy changes, including changes in trade policy, exchange rate policy, and fiscal policy, that will be implemented to improve the outlook.

(b) CONSULTATION.—

(1) The United States Trade Representative and the Secretary of the Treasury shall consult with the Chairman of the Board of Governors of the Federal Reserve System in

the preparation of each report required under subsection (a).

(2) After submission of each report required under subsection (a), the United States Trade Representative and the Secretary of the Treasury shall consult with each of the congressional committees described in subsection (a) with respect to the report.

(c) Committee Reports.—Each of the congressional committees described in subsection (a) shall prepare and publish a report which contains the views and recommendations of the committee with respect to each of the reports submitted under subsection (a).

HEINZ AMENDMENT NO. 342

Mr. HEINZ proposed an amendment to the bill S. 1420, supra; as follows:

On page 191, line 17, strike the quotation mark and final period and add the following:

"(3) The U.S. Trade Representative may, in a manner consistent with the purpose of any so-called 'third country equity provision' of an arrangement entered into under the President's Steel Policy, take such actions as he deems necessary with respect to steel imports of any other country or countries so as to ensure the effectiveness of any portion of such arrangement.".

McCONNELL AMENDMENT NO. 343

(Ordered to lie on the table.)

Mr. McCONNELL submitted the following amendment, intended to be proposed by him, to the bill S. 1420, supra; as follows:

On page 562, between lines 18 and 19, insert the following new section:

SEC. —. OBLIGATIONS, BORROWING AUTHORITY, AND APPROPRIATIONS OF THE COMMODITY CREDIT CORPORATION.

(a) Obligations and Borrowing Authority.—

(1) Obligations.—The first sentence of section 4 of the Act of March 8, 1938 (52 Stat. 109, chapter 44; 15 U.S.C. 714a-4) is amended by striking out "$25,000,000,000" and inserting in lieu thereof "$40,000,000,000".

(2) Borrowing authority.—The proviso of the first sentence of section 4(i) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714(i)) is amended by striking out "$25,000,000,000" and inserting in lieu thereof "$40,000,000,000".

(b) Annual Appropriations.—

(1) In general.—The first sentence of section 2 of Public Law 87-155 (15 U.S.C. 713a-11) is amended by striking out ", commencing with the fiscal year ending June 30, 1961" and inserting in lieu thereof "by means of a current, indefinite appropriation".

(2) Effective date.—The amendment made by paragraph (1) shall apply beginning with fiscal year 1988.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled to consider the nomination of Martha O. Hesse to be a Member of the Federal Energy Regulatory Commission. (The President has indicated his intent to continue to designate Ms. Hesse as Chairman of the Commission.) This hearing will take place on July 9, 1987 at 10 a.m. in SD-366.

For further information please contact Mike Harvey at 224-0611.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate Friday, June 26, 1987, to conduct hearings on the role of employee ownership in corporate takeovers.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AGRICULTURAL RESEARCH AND GENERAL LEGISLATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Agricultural Research and General Legislation, of the Committee on Agriculture, Nutrition, and Forestry, be authorized to meet during the session of the Senate on Friday, June 26, 1987, to hold a hearing on new uses for farm and forest products.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EDUCATION

Mr. BYRD. Mr. President, I ask unanimous consent that the Education Subcommittee, of the Committee on Labor and Human Resources, be authorized to meet during the session of the Senate on Friday, June 26, 1987, to conduct a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON TERRORISM, NARCOTICS, AND INTERNATIONAL OPERATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Terrorism, Narcotics and International Operations of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, June 26, 1987, at 2 p.m. to hold a hearing on drugs, law enforcement and foreign policy: the Colombian cartel.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Friday, June 26, 1987, to discuss a Marine Corps nomination list that is pending before the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE SANTA FE INDIAN SCHOOL'S 100TH ANNIVERSARY

● Mr. BINGAMAN. Mr. President, the Sante Fe Indian School in Sante Fe, NM, this year is celebrating its 100th anniversary. Through its first century this outstanding school has performed a most laudable and lasting service. It has educated hundreds of Indian children who have gone on to become leaders of our Indian communities and throughout the country.

I would like to recognize the school's first 100 years by entering into the Record the eloquent words of its present superintendent, Joseph Abeyta, a Santa Clara Indian who has directed the institution since it was first contracted by the All Indian Pueblo Council in 1977. His words are from his introduction to the catalog of photographs entitled, "The First One Hundred Years: Sante Fe Indian School."

I ask that Mr. Abeyta's remarks be entered into the Record.

The First One Hundred Years—Santa Fe Indian School

INTRODUCTION

(By Joseph Abeyta)

Education is the basis of a people's way of life. It is one of the most significant contributors to the past, to the present, and to an unfolding future. From its founding in 1890, Sante Fe Indian School was the institution charged with the responsibility for educating a group of people, the Indian children of southwestern tribes. Whether the school in the past was good or bad, the point is that it was an Indian school. Its impact was monumental. The result of the education that was offered is apparent all around us. The people who participated in the school over the past one hundred years are the product of the education they received. They are now the core of their communities. There are literally hundreds of former students who are alive and active now, educating their own children based on what and how they were taught.

The Indian community is now of unprecedented importance at Sante Fe Indian School. The 19 Pueblo Governors control and operate the school. They appoint a School Board that is at the heart of the organization and that gives direction to the school. The Indian community owns the school in the sense that it establishes policy. It dictates what the curriculum will be, and the school's goal is to take what the community says is important and translate that into the curriculum. The entire staff is accountable to Indian people.

Our school must have a curriculum that meets the needs of Indian children. What a challenge that is! We must develop individuals who can return to their communities and become committed and contributing Indian people, and we must develop Indian people who will be participants in the society at large. Our challenge is to teach students to exercise all the potential they have as Indian people and as American citizens.

There is a critical difference between an Indian school and a public school. As Indian people, our students have needs that go beyond those addressed by the public school. They require instruction that has to do with a specific way of life. They must understand tribal government, because it is central to their lives and their communities. They must understand the government-to-government relationship that exists between Indian tribes and the federal government. And they must understand the issues of tribal, state and federal jurisdiction. Indian students have these special needs, as well as those addressed by the public school curriculum.

Soon, there is going to be a tremendous change in the area of Indian education. Historically, the Indian community has operated on the philosophy that the whole is important, and that the community makes its decisions as a group. In promoting economic development, however, the society at large encourages the individual rather than the group, and private enterprises rather than tribal businesses. More and more, individuals are emerging with their own agendas. Over the next ten to fifteen years, competition will emerge between Indian people who are oriented towards individual goals, and the traditional community that has always operated on behalf of the whole.

The solution to this coming conflict is dirctly related to the way in which educators orchestrate and organize the educational pursuits of Indian students. We must teach them to respect their traditional way of life and also to develop themselves as individuals with individual talents.

Finally, at Santa Fe Indian School we have to look at ways to support ourselves so that we can in fact be in control of our own destiny. It is incumbent upon Indian people to become less dependent upon the government and to be more self-sufficient. We must be able to speak adequately on our own behalf, without being subsidized or owned.

As Santa Fe Indian School enters its next one hundred years, now under the direction of the Pueblo leadership, we know that education will continue to be a significant part of Indian life. Our goals are to realize the aspirations of the Indian community; to teach our young people to foster and continue the Indian way of life, while participating in the larger society as American citizens; to encourage individual development, but not at the expense of the community; and to move towards economic self-sufficiency.●

IMMIGRATION ENFORCEMENT CAN PROTECT LABOR STANDARDS

● Mr. KENNEDY. Mr. President, our country is in the process of adjusting to new patterns of doing business following passage last year of the landmark Immigration Reform and Control Act.

The bill's provisions—as ably sponsored by Senator Alan Simpson and Congressman Peter Rodino—are clearly far reaching. The employer sanctions provisions touch upon every new hire in this country, and the legislation program promises to bring hundreds of thousands of undocumented workers out of the shadows of exploitation.

With this perspective that I was struck by a thoughtful article in the June 22 Christian Science Monitor by Malcolm R. Lovell, Jr. Mr. Lovell has spent several years in leadership positions in the Department of Labor, most recently from 1981 to 1983 as Undersecretary. In his article, he properly underscores the potential pitfalls and advantages of the new employer sanctions. He emphasizes the necessity of a coordinated and thoughtful implementation strategy which views employer sanctions in partnership with manpower training and other labor services.

Mr. President, I commend Mr. Lovell's article to my colleagues, and ask that it be printed in the Record.

The article follows:

[From the Christian Science Monitor, June 22, 1987]

ENFORCING SANCTIONS

(By Malcolm R. Lovell, Jr.)

Unless Congress votes further delays, the United States government is to begin shortly a major experiment, the imposition of warnings and then penalties against employers of illegal aliens.

There is a public interest in successful enforcement of employer sanctions. If poorly enforced, sanctions could be a device in the hands of unscrupulous employers to exploit illegal aliens. But effectively enforced, sanctions can curb illegal immigration, protect job prospects and labor standards for less skilled US workers and legal residents, and safeguard the newly won rights of the 2 million or more illegal aliens that amnesty will bring out of the shadows. Effective sanctions can also help end a form of labor subsidy that has distorted investment decisions and rewarded less innovative companies.

The decade-long experience of some major Western Europeans nations in enforcing employer sanctions effectively offers some lessons. First and most obvious is that we must provide enough compliance officers for the two enforcement agencies leading the effort, the Immigration and Naturalization Service (INS) and the Labor Department's Employment Standards Administration. In last fall's Immigration Reform Act, Congress proclaimed the need for adequate funding for both agencies. But the modest sense of urgency and commitment displayed in following up has not been promising. Employer sanctions have many enemies. Those who lost the 15-year legislative battle against them now seek to convert sanctions into a symbolic law reminiscent of the Volstead Act or the 55-mile-an-hour speed limit by starving them of resources.

America's employers by and large have long displayed profound goodwill in cooperating voluntarily in enforcement of federal tax and labor laws, a civic asset that must be drawn on once again in making sanctions work. In return, employers have the right to expect evenhanded, uniform enforcement among industries and regions, clear rules, and a light paper-work burden. Nothing could ease paper work more than a tamper-proof system of identification for eligible workers, which would relieve well-intentioned employers of perplexing uncertainties and threats of discrimination charges. Most Western European states are ahead of the US in secure identification with no loss of democracy.

The Europeans learned from experience that fines and other penalties must be strong enough to deter, or they will simply become a cost of doing business often shifted to the workers themselves. We can also expect subcontracting, dummy fronts, and short-term hires to be used as evasions here, as they were in Europe. They must be met by extra enforcement vigilance.

Finally, the French and German governments found that immigration and labor enforcement officials could not do it alone. National and local revenue, farming, social welfare, safety, and law enforcement agencies concerned with the workplace also had a stake in effective sanctions and were brought in on enforcement.

It is clear from Western Europe's experience that illegal immigration is a deeply rooted social practice. Employer sanctions can deter, but they work best when meshed with other remedies. As we strive for effective enforcement, we must first of all back up sanctions with more-effective manpower training and labor market services to meet the needs of employers and ensure full and efficient use of our ample domestic labor force. American workers and employers can gain from an end to exploitation at the workplace, along with hundreds of thousands of newly legalized workers whom we have promised the full protection of our laws.

(Malcolm R. Lovell, Jr. is director of the Labor and Management Institute of the School of Government and Business Administration at George Washington University. He was Assistant Secretary of Labor for Manpower from 1970 to 1973 and Undersecretary of Labor from 1981 to 1983.)●

PLANT CLOSING LAWS—TWO MORE VIEWPOINTS

● Mr. HUMPHREY. Mr. President, I would like to share with my colleagues two more viewpoints of the plant closings provisions contained in title XXII of the new trade bill that is now before the Senate.

The Atlanta Journal and Constitution has joined numerous other newspapers in editorializing against mandatory advance notice and information disclosure provisions. In fact, I am unaware of one single editorial that supports such legislation.

And Alexander B. Trowbridge, currently president of the National Association of Manufacturers, succinctly and convincingly lays out the case against these European style laws in an article that recently appeared in the Kansas City Star.

Mr. Trowbridge has considerable experience with the competitive problems facing the American Economy. As a former Secretary of Commerce under President Johnson, I hope that all Senators see the widsom of his thinking.

Mr. President, I ask that the two may be printed in the Record.

The editorials follow:

[From the Atlanta Journal/Constitution, June 13, 1987]

A BAD IDEA THEN, A BAD IDEA NOW

A bad idea that has been hanging around in Congress since Rep. William Ford (D-Mich.) introduced it in 1973 looks likely to pass the House and, with Democrats in control of the Senate, to enjoy more favor there than it has had before. This is just the sort of legislation Democrats find it difficult to shun—and ought to shun for their own good, not to mention everyone else's.

Ford's bill would require companies that are planning plant closings or layoffs that would result in the loss of more than 50 jobs to give public notice of their intention 90 days before acting.

The professed aim is to inhibit closings and layoffs. The effect, however, is likely to be just the opposite.

On philosophical grounds alone, the plan is a questionable intrusion into the workings of the economy. As a practical matter, it would run up the costs and hassles of layoffs and plant closings in ways that would make managers quicker rather than slower to jump to such actions.

Where unions are involved, a thousand roadblocks would be thrown in the way of carrying out the actions. Even where there is no union, employee lawsuits seeking to stop the moves would be likely. Certainly, in the 90-day period, employees would be less rather than more productive, an additional cost.

No business closes operations or orders major layoffs just for the sport of it. With the costs of the Ford legislation in prospect, employers who come to believe a closing or major layoff is likely to be necessary would be best advised to act on the possibility quickly, while they still have some assets to burn, rather than waiting to see if the operation might be pulled out of its tailspin.

The House Education and Labor Committee has voted 23-11 to recommend passage. If Democrats in the House or in the Senate can't restrain themselves from this humanely intended but unwise impulse, President Reagan shouldn't hesitate to veto.

[From the Kansas City (MO) Star, May 28, 1987]

PLANT CLOSING LAW WON'T HELP WORKERS

(By Alexander B. Trowbridge)

Once again, American business is being labeled the "bad guy" in Congress in a debate over mandatory pre-notification of plant closings. But we refuse to accept that label.

Indeed, we would argue that the villains in this case are those very senators and congressmen who think they are riding to the rescue of American workers and American competitiveness.

The legislation being considered would mandate advance notice of plant closings or worker layoffs, anywhere from 90 days to six months. It also would require employers to turn over sensitive corporate financial information to those groups affected by the actions, supposedly to ease the transition for employees and the community and explore buy-out opportunities.

Nobel objectives—with potentially disastrous consequences.

First of all, no company closes a plant cavalierly. It is a difficult, painful decision, often a last resort for a company that just can't make it in a certain locale any longer. And contrary to some claims, rarely does an employer close his doors on a Friday night and tell workers not to report on Monday morning.

By the same token, no employer gets pleasure out of terminating workers. Often cutting out jobs of some employees is the only way to save jobs for many more.

Should the benefit of the few be to the detriment of the many? And is it good public policy to legislate on this basis? Obviously not, but the rigid controls contained in the proposed bills would put the bulk of such jobs at risk.

Flexibility is the key word for companies on the move. Without it, a business will become stagnant and won't be able to improve productivity, increase efficiency, restructure, or, so important in today's global economy, compete.

In many instances, such companies tend to be smaller and more entrepreneurial. While their very nature dictates that they sometimes fail, they are also the job creators.

According to the Labor Department task force on dislocated workers, the U.S. economy has generated almost 29 million jobs since 1979, most in small businesses and service industries.

In contrast, in European countries with which we trade—where stringent plant closing laws are the norm—job creation has been essentially flat, and unemployment is a perennial problem.

Twenty-nine million jobs. That an impressive number, but it wouldn't be so impressive if rigid rules such as those written into the plant closings bill had been in effect. There's nothing like strict parameters on how, when and what a business can do to put a wet blanket on the embers of creativity and entrepreneurship.

Smaller companies are the ones that would be most affected by the plant closings bill. Currently, most large corporations already provide advance notice voluntarily or comply with advance notice provisions that are the results of labor agreements. They plan for such contingencies.

But smaller firms often cannot predict their economic outlook months in advance. They are directly dependent on orders, customers and suppliers. When they lose a big customer or face an unexpected economic downturn, they scramble to cover themselves and work out short-term solutions.

That almost always involves arranging new financing or approaching new customers, and often takes the company right up to the wire before it is assured of survival.

Economically, it would be a disaster for such a company to have to announce potential layoffs months in advance; few creditors or customers would be willing to sign on with a company that has already admitted defeat.

There are provisions of the plant closings bill that business supports, namely those that will help workers readjust to economic changes and retain them for jobs that are now available.

We also support voluntary corporate compliance with procedures that will ease the strain of a plant closing or layoff on workers and communities.

But we can't support—and will actively fight—government stepping in and mandating decisions that must be tied to the marketplace and are best left to company management.●

DEVELOPING A CONSUMER PRICE INDEX FOR THE ELDERLY

● Mr. SHELBY. Mr. President, I rise today to commend the Senate Special Committee on Aging which will be holding a hearing on "Developing a Consumer Price Index for the Elderly" on Monday, June 29. I would like to particularly thank Chairman JOHN MELCHER for his continued interest in this most vital issue. I only regret that I cannot attend the hearing. I had, however, several months ago, arranged to hold town meetings in Cherokee, Calhoun, Talladega, and Cleburne Counties in Alabama. From experience, I know that as I meet with Alabamians throughout the day, I will undoubtedly come in contact with many senior citizens. It is typical that in the forum of a town meeting the concerns I will hear about most from these senior adults will center around their struggle to get by.

During Aging Committee hearings over the past couple of months, we have discussed many of the problems elderly Americans face—from catastrophic health care coverage to abuses within the home health care field. Monday, the committee will discuss and examine a problem which affects our senior adults on a day-to-day basis. The task of the committee is simple in theory—and a little more difficult in practice. The witnesses will help us determine the ultimate design of a consumer price index for the elderly and how a more appropriately adjusted index will help older Americans. The testimony of these witnesses will assist us in our understanding of what needs to be considered and implemented. The Senate, as a whole, has already spoken on the need to develop a CPI for the elderly. The task before us now is to begin the first stages of examination of this CPI and a possible modification of the COLA formulation.

In June 1982, the General Accounting Office [GAO] published a report to Congress in which it claimed that "A CPI for retirees is not needed now, but could be in the future." Well, 5 years later we find the American consumer in a different situation—while the inflation rate is decreasing for the general population, the elderly consumer finds the costs of the products and services they need increasing at an alarming rate.

Our esteemed chairman, Senator MELCHER, realized the importance of a CPI for the elderly when he offered an amendment to H.R. 1827, the supplemental appropriations bill. His amendment would require the Department of Labor to develop an adjusted index for the elderly. Having been 1 of the 95 Senators who supported this measure, I hope that the supplemental conferees choose to retain the Melcher amendment in the final conference report.

But the Senate is not alone in its recognition of this critical problem. Just 1 week ago, our colleague on the House side, the distinguished ranking minority member of the House Select Committee on Aging, Congressman RINALDO, introduced H.R. 2729—a bill to direct the Secretary of Labor to develop and publish a new consumer price index adjusted specifically for the spending habits of the elderly. Congressman RINALDO is reacting, like many of us who want to see something done, to a cry for help from the elderly whose COLA's do not reflect the outstanding expenses they face. Just last January, I am sure we all heard the cries for help from Social Security and civil service retirement recipients in our districts who received a COLA of just 1.3 percent.

The buying patterns and spending priorities of the elderly are special—different from anyone else because they are based on a fixed income and very specific needs. So when prices increase and Social Security or other Federal benefits do not increase at the same rate—our elderly have more than a tough time getting along. In addition, the prices of the services and goods the elderly purchase tend to increase faster than those prioritized by the under age 65 population. This, on top of the unfortunate reality of catastrophic illness expenses, tends to tarnish the luster of the "golden years."

I am shocked by information brought to my attention by the committee, that indicates a recent reweighting of the components of the CPI by the Bureau of Labor Statistics [BLS]. Based on the varying of consumption and spending patterns, the BLS downweighted the medical component of the CPI claiming that Government and private insurance is carrying a far greater proportion of health costs for the general population. This figure, however, does not seem to take into account the medical inflation our Nation's elderly face. In addition, an April 1987 GAO report revealed that between 1980 and 1985, the inflation-adjustment out-of-pocket cost for Medicare-covered services increased by about 49 percent for part A services and 31 percent for part B services.

Mr. President, clearly now is the time to place the congressional spotlight back on a CPI for the elderly and I thank Senator MELCHER for making this effort to do so. Monday's hearing is indeed a "first step" toward helping the Members of this 100th Congress determine the need to modify the COLA formulation and at the same time provide them with a realistic representation of the effects of inflation on the elderly. I welcome the opportunity to place this issue back under the scrutiny of the Congress. I look forward to reviewing the testimony from Monday's hearing and working with my colleagues on the committee to put some of the "gold" back in the "golden years."●

WESTCHESTER CITIZENS CYCLE TO ALLEVIATE HOMELESSNESS

● Mr. MOYNIHAN. Mr. President, I wish to applaud the commitment of a group of young citizens of Westchester County, NY, who are pedaling their way from their hometowns to our Nation's Capital to raise funds for the homeless.

Cyclists participating in the 360-mile Westchester Bike-a-thon hope to raise greater social awareness of the problem of homelessness, and to raise desperately needed funds for three local organizations that assist homeless individuals and families: the Coalition for the Homeless, the Coalition of Westchester Food Pantries and Food Kitchens, and the Have a Heart for the Homeless Committee.

Most people familiar with this beautiful suburban area associate Westchester County with great affluence; indeed, painful social conditions like poverty and homelessness would appear to be someone else's problem. So it may come as a surprise that, on a per capita basis, Westchester's homeless problem is as severe as New York City's.

In recent testimony before the Finance Subcommittee on Social Security and Family Policy, Westchester County Executive Andrew P. O'Rourke advised us that "Westchester has the bulk of the homeless problem in New York State outside of New York City * * *. In April of this year, 750 Westchester families, with 1,450 children, were homeless." This figure represents a shocking 62-percent increase in just 1 year in the number of homeless families. This significantly increases the tax burden on citizens of Westchester County in the form of additional AFDC payments to those families, representing the annual 62-percent increase, who find themselves homeless. The county expects to spend over $22 million this year on homeless AFDC families—and half this amount will be Federal money. Clearly, Mr. President, we must take steps to alleviate this enormous burden.

As my colleagues recall, both Houses of Congress recently passed H.R. 558, the Stewart B. McKinney Homeless Assistance Act, which will provide more than $400 million in immediate, Federal assistance for homeless programs. In the coming days, we will vote on the conference agreement for H.R. 558, and the measure will have my strongest support. Under this legislation, funding will be provided for housing—emergency, transitional, and long term; health care for the homeless; education and training services; and food assistance programs, among others. Such funding is vital, it comes not a moment too soon; but, even so, it is not nearly adequate. In short, our Nation's homeless crisis will not be solved—indeed, will barely be ameliorated—by the legislation we pass.

We will not come to grips with the tragedy of homelessness in our Nation without the efforts of individuals in each and every community across the land. It is a formidable task: to raise money; to help feed and clothe our neighbors who have fallen upon hard times; to work within the community providing short-term help for our fellow citizens who need but a little encouragement, and long-term help for those who might be in need of psychiatric care or counseling for substance abuse. Homelessness, we know, is a multifaceted problem which demands a multifacted response.

The bike-a-thon'ers from Westchester deserve our admiration and our thanks. We would all do well to follow the example they set.

Mr. President, the participants in the Westchester bike-a-thon are: Ross Pollack, Susan Lauer, Raphael Riverso, Adam Klotz, Margot Brown, Larry Paquette, Michael Molinelli, Christopher Guglielmo, Bertha Well, Winston Gonzalez, Russell Roman, Les Mahen, Hilary Kao, Martin Zagari, James Halsey, Richard DiGiacomo, Chuck Resnick, and county legislator Paul Feiner.●

ROBERT L. LOUGHHEAD

● Mr. ROCKEFELLER. Mr. President, I would like my colleagues to join me in paying tribute to Robert L. Loughhead, who is preparing to retire as chairman, president, and chief executive officer of Weirton Steel Corp.

Bob Loughhead is a businessman who has won the admiration of the people of the northern panhandle of West Virginia for helping guide Weirton Steel to an extraordinary recovery and great success as the Nation's largest employee-owned company. At a time when many steelmills have been forced to close their doors, he has earned respect in the business community for consistently promoting quality products and customer service.

Bob has also won my respect and great admiration. We spent many sleepless nights and anxious moments together, while I was Governor of West Virginia, putting together what has become known as the "miracle of Weirton Steel." While I've rarely had a prouder moment than the day that the final agreement was signed giving birth to Weirton Steel, I can only imagine the kind of pride Bob has had serving as the head of Weirton during the company's infancy.

Bob Loughhead has led this great steel company, and its 8,400 workers—who are also its owners—to profits and high quality products that have become industry standards. He has helped to demonstrate, through that "miracle of Weirton Steel" and his unique brand of participatory management, what the American steel industry is capable of doing—competing in a world market and providing the best workers in the world. The proof, as he would proudly point out, is in the 12 consecutive quarters that Weirton Steel has remained in the black.

Bob Loughhead has been an American success story. Before taking over Weirton Steel, Bob had planned on an early retirement, but the challenge of guiding Weirton into prosperity lured him from his plans. His 28-year career in the steel industry began when he started with Jessop Steel, first as controller and later as president. He later took over as executive vice president of Copperweld Corp. and president of Copperweld Steel.

In January 1986, a New York City business newsletter, recognizing Bob's prominence in the steel industry, named him one of America's best corporate chief executives. Bob Loughhead deserves this honor not only for his leadership in this important industry but also for his active participation in professional and civic organizations.

Bob has served as director and a member of the executive committee of the American Iron and Steel Institute. He also has been director of the Employee Stock Ownership Plan, president of Weirton United Way, Inc., and executive board member of the Boy Scouts of America.

Bob Loughhead has been a tremendous community leader and his influence, dedication, and expertise will be truly missed in Weirton. But, the lessons he has taught us can never be forgotten: hard work, sacrifice, determination are all essential to success, and the we-can-do-it years at Weirton is the Loughhead model to follow. Moreover, I believe that Bob Loughhead, still young at 57, will make many more significant contributions to the business world and to our country in the coming years.●

ORDER FOR LEADERS' TIME TOMORROW VITIATED

Mr. BYRD. Mr. President, I ask unanimous consent that on tomorrow, the standing order for the two leaders be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the distinguished Republican leader may reserve his time under that order for his use later in the day, if he so desires.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I make the same requests on my own behalf.

The PRESIDING OFFICER. Without objection, it is so ordered.

DEMOCRACY IN THE REPUBLIC OF KOREA

Mr. BYRD. Mr. President, I ask unanimous consent—if I have not already done so—that the resolution which I now send to the desk on behalf of Mr. DeConcini, Mr. Cranston, Mr. Murkowski, Mr. Lugar, Mr. Pell, Mr. Kerry, Mr. Biden, Ms. Mikulski, Mr. Kennedy, Mr. Harkin, and Mr. Bond be laid before the Senate immediately following the prayer on tomorrow.

This is the resolution for which consent was earlier granted, upon my request, that it be called up immediately after the prayer; and I am introducing it this evening for the purpose of having it printed. This is the resolution that will be called up under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I believe I had gotten an order earlier to the effect that upon the disposition of the DeConcini resolution, an amendment by Mr. Reid be in order.

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. I thank the Chair.

I believe there is a time limitation on that amendment by Mr. Reid.

The PRESIDING OFFICER. The majority leader is correct. It will be 30 minutes, equally divided.

Mr. BYRD. I thank the Chair.

PROGRAM

Mr. BYRD. Mr. President, on tomorrow, the Senate will convene at 9 o'clock a.m.

After the prayer, the Senate will proceed to the consideration of the resolution submitted by myself on behalf of Mr. DeConcini and other Senators. There is a time limitation on that resolution of 40 minutes, to be equally divided. The yeas and nays have previously been ordered thereon.

So there will be a rollcall vote at around 9:40 a.m. if all the time is used. I think that all Senators may want to know when that rollcall vote will occur. I ask unanimous consent that the rollcall vote on that resolution occur at 9:40 a.m.

Mr. HECHT. There is no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, upon the disposition of the resolution by Mr. DeConcini and others, the Senate will resume consideration of the trade bill. The pending question at that time, under the order, will be on the amendment that will be offered by Mr. Reid. There is a 30-minute time limitation on that amendment. The yeas and nays have not been ordered on that amendment. Mr. Reid indicated to me today that he would ask for the yeas and nays on that amendment.

Other amendments will be called up during the day. I would urge Senators, as I have asked already today, that they be ready to call up their amendments. I expect it to be a busy tomorrow. I think the reasons have been explained ad infinitum as to why there has to be a session tomorrow, as to why we need to make progress on the trade bill on tomorrow. There are many amendments, and I have listed them in the Record.

Discounting those few amendments that have been disposed of, there are still circa 90 known amendments, if, indeed, they are all called up. Some of them may never be called up.

Mr. President, in the neighborhood of 90 amendments are listed. So there is much work that can be done tomorrow.

Then at the close of business tomorrow, the order has been entered that the Senate will go over until Tuesday next at 10 o'clock.

There will be votes on Tuesday next beginning early in the day because the Senate will resume consideration of the trade bill.

The Senate will be in on Wednesday, and will come in early—the order is for 9 a.m. I anticipate that both Tuesday and Wednesday will see late sessions.

The conference report on the homeless relief legislation is ready to be called up and there is a time limit on that conference report. That will also necessitate a rollcall vote tomorrow.

Mr. President, may I ask the distinguished acting Republican leader if he has any statement he wishes to make or any business that he would like to have transacted today before the Senate recesses over?

Mr. HECHT. I thank the distinguished majority leader, but I have none.

Mr. BYRD. I thank the distinguished Senator. It is a pleasure working with him.

Mr. HECHT. I thank the majority leader.

Mr. BYRD. I think he does a good job as acting Republican leader. I am sure that the able Republican leader is proud that he has this Senator whom he can call upon to be here at this moment and who will do the work for the leader in a dedicated fashion and do it well.

RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in recess until the hour of 9 o'clock tomorrow morning.

The motion was agreed to, and at 8:09 p.m., the Senate recessed until tomorrow, Saturday, June 27, 1987, at 9 a.m.

NOMINATIONS

Executive nominations received by the Senate June 26, 1987:

The Judiciary

William D. Hutchinson, of Pennsylvania, to be U.S. circuit judge for the third circuit vice Arlin M. Adams, retired.

Anthony J. Scirica, of Pennsylvania, to be U.S. circuit judge for the third circuit vice Ruggero J. Aldisert, retired.

DEPARTMENT OF ENERGY

Robert O. Hunter, Jr., of California, to be Director of the Office of Energy Research, vice Alvin W. Trivelpiece, resigned.

NATIONAL ADVISORY COUNCIL ON WOMEN'S EDUCATIONAL PROGRAMS

Judith D. Moss, of Ohio, to be a member of the National Advisory Council on Women's Educational Programs for a term expiring May 8, 1990, reappointment.

IN THE AIR FORCE

The following-named officer, under the provisions of title 10, United States Code, section 601, to be assigned to a position of importance and responsibility designated by the President under title 10, United States Code, section 601:

To be lieutenant general

Maj. Gen. Hansford T. Johnson, [redacted] [redacted] FR, U.S. Air Force.

IN THE NAVY

The following-named Navy enlisted candidates to be appointed permanent ensign in the Medical Service Corps of the U.S. Navy, pursuant to title 10, United States Code, section 531:

German S. Arcibal
Roland E. Arellano
Rebecca J. Bernard
Valmori M. Castillo
John T. Dotter
Danilo F. Fernando
Anthony W. Guerra
Phillip E. Jackson
Patricia A. Lando
William M. McGee
Charles R. Miranda
Leslie V. Moore
Johnny B. Perry, Jr.
Robert A. Rahal
Gail J. Robin
Gilbert L. Smith
Robert B. Taylor
Carl V. Tresnak
Sheldon R. Trowbridge
Robert A. Welch
Marcia L. Young

IN THE AIR FORCE

The following cadets, U.S. Air Force Reserve Officers Training Corps, for appointment in the Regular Air Force in the grade of second lieutenant under the provisions of section 531, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force.

Adams, Brent J., [redacted]
Adams, Douglas R., [redacted]
Anderson, Donald R., [redacted]
Anderson, Holly R., [redacted]
Andrews, Anne M., [redacted]
Arellano, Mark M., [redacted]
Arnold, Michael J., [redacted]
Ashenfelter, Christine H., [redacted]
Atterbury, Clarence III, [redacted]
Auer, Mark D., [redacted]
Auld, Greg H., [redacted]
Baier, Lori A., [redacted]
Barlow, John T., [redacted]
Basnett, Edward J., [redacted]
Bedesem, Kerri A., [redacted]
Bee, Arlen E., [redacted]
Beisner, Arthur T., II, [redacted]
Berry, Warren D., [redacted]
Black, Robert U., [redacted]
Bluhm, Thomas W., [redacted]
Board, Mark E., [redacted]
Boilesen, Karen M., [redacted]
Bowers, Matthew S., [redacted]
Bowers, William L., [redacted]
Boyer, David E., [redacted]
Branch, Irvin E., [redacted]
Brannan, Richie H., [redacted]
Breeland, Mack L., [redacted]
Brenton, David S., [redacted]
Bridgeman, Theresa C., [redacted]
Brilando, Guy J., [redacted]
Bristol, Peter W., [redacted]
Broadwater, Robert K., II, [redacted]
Brocker, Kevin B., [redacted]
Brown, Benjamin B., [redacted]
Burgoyne, Jon R., [redacted]
Burns, Ann M., [redacted]
Burns, Shannon L., [redacted]
Busch, John M., [redacted]
Cahill, Tim, [redacted]
Carroll, Oran Y., [redacted]
Caudle, Mike S., [redacted]
Centrella, Thomas J., [redacted]
Chautin, Joseph C., III, [redacted]
Clawson, Gregory S., [redacted]
Cline, Karhryne R., [redacted]
Coleman, Nicholas D., [redacted]
Collevecchio, Ann L., [redacted]
Cooper, Dane S., [redacted]
Costa, Robert, [redacted]
Couvillion, Gerard G., [redacted]
Cynamon, Charles H., [redacted]
Dargenic, Michael J., [redacted]
Darling, Michael A., [redacted]
Davis, Asa S., [redacted]
Davis, Jay M., [redacted]
Davis, John H., [redacted]
Davis, Robert D., [redacted]
Dean, Deborah A., [redacted]
Debree, Daniel R., [redacted]
Determan, Deborah A., [redacted]
Dewerth, Michele A., [redacted]
Dickerson, Brenda S., [redacted]
Dickey, Michael R., [redacted]
Dickinson, Joel C., [redacted]
Dickinson, Karolyn B., [redacted]
Diserafino, David J., [redacted]
Dolfi, Christine, [redacted]
Donnelly, Margaret M., [redacted]
Dries, William D., Jr., [redacted]
Drouillard, Charles A., [redacted]
Duker, Russel L., [redacted]
Dunn, Michael T., [redacted]
Dwyer, Michael J., [redacted]
Dye, Thomas P., [redacted]
Eck, James K., [redacted]
Edwards, Mark P., [redacted]
Farnsworth, Gay M., [redacted]
Farris, Jesse L., III, [redacted]
Ficke, Diane C., [redacted]
Findley, James C., [redacted]
Firkin, Eric C., [redacted]
Fisher, John A., [redacted]
Fittante, Philip R., [redacted]
Fitzgerrell, John R., [redacted]
Fitzpatrick, Mary E., [redacted]
Fleishauer, Robert P., [redacted]
Fowler, Julie P., [redacted]
Francis, Barbara J., [redacted]
Franke, Matthew P., [redacted]
From, James A., [redacted]
Gaddis, Gregory S., [redacted]
Gandhi, Rohini T.S., [redacted]
Genco, Andrew J., [redacted]
Guerts, James F., [redacted]
Ginnetti, Katherine E., [redacted]
Glass, Marvin J., Jr., [redacted]
Goff, Jerry C., [redacted]
Golden, Mace L., [redacted]
Gomrick, Kathleen M., [redacted]
Gonzales, Norman M., [redacted]
Green, Timothy S., [redacted]
Griffith, Kristine D., [redacted]
Grove, Ronald L., [redacted]
Guichard, Lawrence R., [redacted]
Hall, Timothy J., [redacted]
Halphen, Michael F., Jr., [redacted]
Hamilton, Bruce P., [redacted]
Hansen, Ralph S., [redacted]
Harms, Scott A., [redacted]
Harris, David Alan, [redacted]
Hatchett, Tonia J., [redacted]
Hehemann, Robert W., [redacted]
Heiniger, Penny A., [redacted]
Hevenor, Russell S., [redacted]
Hicks, Allen D., [redacted]
Higgins, John M., [redacted]
Hinson, Franklin J., Jr., [redacted]
Hirayama, Alan A., [redacted]
Hock, Robert J., [redacted]
Holda, Julie A., [redacted]
Holder, Alexander L., [redacted]
Howell, Paul E., [redacted]
Hylen, Joel A., [redacted]
Jacob, Stephen T., [redacted]
Jaggers, Mark L., [redacted]
Janoschka, Darin M., [redacted]
Jeffries, Derek A., [redacted]
Jenkins, William K., [redacted]
Jennings, William S., [redacted]
Johnson, Peter R., [redacted]
Jones, Robert A., [redacted]
Jorgensen, Raymond W., [redacted]
Karre, Debra M., [redacted]
Katuzienski, Joseph C., [redacted]
Keefe, James J., [redacted]
Kelley, John J., [redacted]
Kelly, Dana C., [redacted]
Kenkel, Tina M., [redacted]
Kennedy, Joseph C., [redacted]
Kholos, Alan S., [redacted]
King, Lemuel L., [redacted]
Kitts, Christopher A., [redacted]
Knesek, David R., [redacted]
Knierim, Craig J., [redacted]
Knippel, Jefery D., [redacted]
Kobak, Marguerite C., [redacted]
Koepke, Lisa C., [redacted]
Kolota, Daniel P., [redacted]
Konnath, Scott A., [redacted]
Koontz, David W., [redacted]
Kopf, Monica, [redacted]
Lacroix, Vicki A., [redacted]
Lamb, Jeanette E., [redacted]
Lamond, Cynthia G., [redacted]
Lance, James A., [redacted]
Lane, David W., [redacted]
Langland, Bart W., [redacted]
Larson, Brock A., [redacted]
Lauffer, Karl H., [redacted]
Lautzenheiser, Ronald W., [redacted]
Lawson, Glen K., [redacted]
Leister, Stephanie M., [redacted]
Leister, William S., [redacted]
Less, Joseph A., [redacted]
Lindsay, Ray A., [redacted]
Littlefield, John W., [redacted]
Looby, Thomas A., [redacted]
Lowenstein, Guermantes I., [redacted]
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Lucus Robert, E., Jr., [redacted]
Lukowski, Joseph G., [redacted]
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Lundhagen, Cindy G., [redacted]
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Marcellus, John E., [redacted]
Marcontell, David A., [redacted]
Marrazzo Robert, A., [redacted]
Massaro, Melissa R., [redacted]
Mathers, Russell F., [redacted]
Mauch, Deborah L., [redacted]
McBride, Karen A., [redacted]
McCormick, Sott L., [redacted]
McCroan, Donald D., [redacted]
McDuffie, Margaret A., [redacted]
McFeely, Daniel, J., [redacted]
McGee, Michael P., [redacted]
McGehee Michael, B., [redacted]
McKenzie, Kevin R., [redacted]
McQueary, Gerard J., [redacted]
Meadows, William D., [redacted]
Medley, Ronald S., [redacted]
Merrell, Richard C., [redacted]
Michel, John E., [redacted]
Millard, Richard P., [redacted]
Milliner, Lyndon B., [redacted]
Mithchell, Joseph B., [redacted]
Miltchell, Russell L., [redacted]
Molloy, Matthew H., [redacted]
Moore, Dennis M., [redacted]

Murray, Gregory A., [redacted]
Myers, Deborah J., [redacted]
Myers, Russell S., [redacted]
Nelson, Lowell A., [redacted]
Nelson, Paul D., [redacted]
Newman, Kristen M., [redacted]
Nielsen, Erik C., [redacted]
Norris, Dian L., [redacted]
Northrup, Alan J., [redacted]
Novin, Michael J., [redacted]
O'Connor, Stephen, [redacted]
Otey, Gregory S., [redacted]
Ouellette, Brian A., [redacted]
Palmisano, Frank W., [redacted]
Parent, Edward D., Jr., [redacted]
Parente, Henry J., [redacted]
Patterson, Chris B., [redacted]
Peck, Brian G., [redacted]
Powell, John P., [redacted]
Price, Arthur C., [redacted]
Price, Carl E., [redacted]
Puckett, Clifford T., [redacted]
Purdham, Aldon E., [redacted]
Raach, Jennifer L., [redacted]
Rabon, William W., [redacted]
Raglow, Patrick J., [redacted]
Reed, Christopher B., [redacted]
Reed, Wayne B., [redacted]
Reese, Marc E., [redacted]
Reid, John R., [redacted]
Reveron, Rafael, [redacted]
Rice, Laurence H., Jr., [redacted]
Riveragaud, Jose A., [redacted]
Robbins, Michael G., [redacted]
Roberts, Gregory D., [redacted]
Roman, Ruth M., [redacted]
Romano, Elisa L., [redacted]
Roof, Becky Jane, [redacted]
Ruhnau, Darren S., [redacted]
Ruple, Kimberly D., [redacted]
Sadler, Ronald K., [redacted]
Sanders, James B., [redacted]
Sanders, William G., [redacted]
Sawyer, Barbara L., [redacted]
Schalk, Valerie L., [redacted]
Schoonmaker, Richard L., [redacted]
Schumacher, Curtis M., [redacted]
Scott, Craig T., [redacted]
Scudder, Brett H., [redacted]
Setser, Richard F., [redacted]
Sevigny, Renee, [redacted]
Sheppard, Jeffrey A., [redacted]
Sheppard, Michael G., [redacted]
Sheridan, Daniel John, [redacted]
Shibaro, Stuart O., [redacted]
Shintaku, David S., [redacted]
Shular, Robert G., [redacted]
Silvestri, Paul R., [redacted]
Simmons, Kevin Hugh, [redacted]
Smith, Steve A., [redacted]
Sommers, William J., [redacted]
Spacy, Bradley D., [redacted]
Stachelczyk, Laura D., [redacted]
Stein, Lisa R., [redacted]
Stephens, Matthew T., [redacted]
Stephenson, Bruce W., [redacted]
Swanson, Donald E., II, [redacted]
Swayne, Daniel L., [redacted]
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Thurgood, Gregory S., [redacted]
Tice, Lisa M., [redacted]
Tighe, Kathleen, V., [redacted]
Tope, Timothy J., [redacted]
Tucker, Edgar K., [redacted]
Van De Walle, Curt Alan, [redacted]
Vanslyke, Kirk J., [redacted]
Walchli, Scott E., [redacted]
Walsh, Stephen J., [redacted]
Ward, Jennifer R., [redacted]
Warn, Laura B., [redacted]
Wasson, Michael S., [redacted]
Waterman, Scott M., [redacted]
Weggeman, Christopher P., [redacted]
Wells, Scott R., [redacted]
Wesselmann, Gary F., [redacted]
West, Robert A., [redacted]
Wetzel, Robert J., [redacted]
Wheeler, Thomas M., [redacted]
Whiting, Calvin D., [redacted]
Williams, Andrew P., [redacted]
Williams, John D., [redacted]
Williams, Paul E., [redacted]
Wing, Natalie K., [redacted]
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The following officers, U.S. Air Force Officer Training School, for appointment as second lieutenants in the Regular Air Force, under the provisions of section 531, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Anderson, Clayton M., [redacted]
Archer, Glen E., [redacted]
Asay, Brent F., [redacted]
Barker, Barry K., [redacted]
Barkley, Jerry G., [redacted]
Beecher, Jeffrey L., [redacted]
Blackmon, Dennis T., [redacted]
Bledsoe, Kelly G., [redacted]
Boman, Robert P., [redacted]
Bostrom, Laurence C., [redacted]
Burton, William E., Jr., [redacted]
Carroll, James J., [redacted]
Caskey, Richard M., [redacted]
Chitty, Jeffrey P., [redacted]
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Cosnyka, Edward L., [redacted]
Coss, David L., [redacted]
Defenderfer, Victor R., [redacted]
Derry, Marvin L., [redacted]
Deuitch, Douglas M., [redacted]
Dewsnap, John R., [redacted]
Distaolo, Robert A., [redacted]
Doering, Miriam H., [redacted]
Doucette, John W., [redacted]
Ehrenstein, Gabriel H., [redacted]
Ellenberger, Keith W., [redacted]
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Erickson, Mark A., [redacted]
Erickson, Mark A., [redacted]
Essad, Robert P., [redacted]
Forsythe, Timothy A., [redacted]
Gandal, Bruce R., [redacted]
Graham, Robert P., [redacted]
Greco, Philip T., [redacted]
Griffin, Ruth A., [redacted]
Hall, Ralph E., [redacted]
Hamel, Anthony W., [redacted]
Hansen, David S., [redacted]
Hawes, Howard M., [redacted]
Hank, James M., [redacted]
Helman, Christopher C., [redacted]
Herrera, Theodore D., [redacted]
Herte, Mark S., [redacted]
Hoffman, Patricia D., [redacted]
Hoffmann, Peter J., [redacted]
Holbrook, Benny D., [redacted]
Hoots, David W., [redacted]
Jensen, Lance S., [redacted]
Johnson, Kurt R., [redacted]
Kaufman, Christopher J., [redacted]
Keefe, Wende L., [redacted]
Keen, Ronald L., [redacted]
Keller, Leroy S., II, [redacted]
Kitti, Kurt J., [redacted]
Kromer, Jeffrey B., [redacted]
Lacy, Kenneth E., [redacted]
Law, Judith A., [redacted]
Leavy, Gray J., [redacted]
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Matty, Eric J., [redacted]
McCarthy, Bruce A., [redacted]
McClellan, Brian A., [redacted]
McClendon, George W., [redacted]
McKenzie, Samuel D., [redacted]
McNear, Andrew E., [redacted]
Miller, Keith S., [redacted]
Modlin, Norman R., [redacted]
Morin, Bernard A., [redacted]
Murphy, Matthew W., [redacted]
Neely, William M., [redacted]
Overman, John T., [redacted]
Paddio, Mary E., [redacted]
Parker, Christopher G., [redacted]
Payne, Jack S., Jr., [redacted]
Penner, Bruce W., [redacted]
Perry, Diana K., [redacted]
Peters, Patrick J., [redacted]
Petranick, Judith A., [redacted]
Phillips, Gordon D., [redacted]
Plourde, Bruce D., [redacted]
Polahar, Daniel J., Jr., [redacted]
Poston, Jeffrey A., [redacted]
Pouliot, Robert D., [redacted]
Roberts, Russell G., [redacted]
Robinson, Jeffrey D., [redacted]
Roman, Mark C., [redacted]
Saling, Patricia L., [redacted]
Saltzman, John E., [redacted]
Sasano, Schuyler K., [redacted]
Sauchuk, Catherine J., [redacted]
Schaelling, Gregory C., [redacted]
Schmidt, Eric W., [redacted]
Seehorn, Donna M., [redacted]
Sellers, John S., [redacted]
Shanahan, Kevin F., [redacted]
Sharrar, Kristopher A., [redacted]
Shonk, David R., Jr., [redacted]
Shrout, Charles R., [redacted]
Siegel, Nicholas E.T., [redacted]
Stapp, Richard S., [redacted]
Steinwand, Tracy A., [redacted]
Sturgill, Daphne J., [redacted]
Taggart, Mark T., [redacted]
Thompson, Randal S., [redacted]
Ullman, Jon H., [redacted]
Ulrich, Alex E., [redacted]
Wallin, Monika L., [redacted]
Waltrip, Mark A., [redacted]
Webb, Jerome G., [redacted]
Wiley, Larry L., [redacted]
Woltering, Diane C., [redacted]
Zuverink, David H., [redacted]

EXTENSIONS OF REMARKS

THE HAZARDOUS WASTE REDUCTION ACT

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. WOLPE. Mr. Speaker, I am joined today by Representative CLAUDINE SCHNEIDER, Representative DENNIS ECKART, Representative SHERWOOD BOEHLERT and over 50 other colleagues in introducing the Hazardous Waste Reduction Act.

The "garbage barge" floating aimlessly along our eastern coastline, was only the most recent indication that the United States is producing more waste than it can handle. Toxic wastes in particular are posing an ever greater threat to our environment, the public health and the economy. The Office of Technology Assessment [OTA] has estimated that we produce annually a shocking 1 ton of hazardous waste for every man, woman, and child in the Nation. We spend approximately $70 billion as a Nation each year managing that waste. Our waste reduction legislation would address the environmental and economic ravages of toxic wastes in our society by helping industry take advantage of promising new approaches for reducing waste at the source.

Having recently renewed the Resource Conservation and Recovery Act and the Superfund legislation, we are all aware of the tremendous difficulties inherent in managing solid wastes and the incredible cost to the Government—which could reach $100 billion—of cleaning up after our mistakes. But a recent study by the National Academy of Sciences that attributes toxic contamination of the Great Lakes to air emissions, wastewater discharges and nonpoint runoff sources demonstrates that the successful control of toxic wastes must extend beyond solid wastes and encompass all pollutants on a multimedia basis.

Recent reports by OTA, the Environmental Protection Agency, Inform, Inc., and others, as well as the experience of several farsighted industry managers, have shown that waste reduction—the actual elimination or reduction of wastes created during the manufacturing process—is the best way to keep toxics out of every facet of the environment in the first instance.

Waste reduction also saves companies money in raw materials, waste management and liability costs. A Ventura County, CA, waste reduction program is saving industry $67 in land disposal costs for every $1 it spends on waste reduction. Indeed, the OTA estimates that a Federal Waste Reduction Program would pay for itself in less than a year based simply on the increased tax base that would result from increased corporate profits.

Everyone agrees that U.S. industries have a tremendous, untapped potential for reducing wastes. The DTA estimates that hazardous waste reduction has the potential to eliminate as much as half of the hazardous materials now disposed in the environment.

What is needed to realize this potential? A program of technology transfer and technical assistance which will get the word out—particularly to small- and medium-sized business—that waste reduction can be fast, simple and cost effective. Several States have already developed innovative assistance programs which have successfully guided businesses through equipment modifications, raw material substitutions and other plant modifications that lead to waste reduction and improved plant efficiency.

The Hazardous Waste Reduction Act would help these State programs grow, and new ones develop, by providing matching grants to qualifying State programs. The bill would also establish a Federal computer clearinghouse to facilitate the flow of information on waste reduction and recycling techniques. To administer these programs and ensure that waste reduction becomes a priority with the EPA, the bill would create an independent Office of Waste Reduction at the Agency. In addition, it clearly defines waste reduction and distinguishes it from less desirable practices, such as waste treatment.

It is also increasingly apparent that EPA needs a clear mandate to establish a sensible toxic waste accounting system. Information is currently collected by the Agency in a piecemeal uncoordinated fashion under several different statutes. The Hazardous Waste Reduction Act would consolidate and improve the data currently collected on toxic emissions under the Superfund right-to-know provisions and the waste reduction plans required by the Resource Conservation and Recovery Act. Finally it directs the Agency to build the collected information into industry profiles which measure our progress in reducing hazardous waste across the Nation.

With the introduction of the Hazardous Waste Reduction Act, I hope to draw attention to an important new weapon in the war against hazardous waste and to help industry become more competitive through more sensible waste policies. The Natural Resources Defense Counsel, Sierra Club, Audubon Society, Friends of the Earth, and the National Roundatable of State Waste Reduction Programs, as well as the States of Michigan, New Jersey, North Carolina, and Ohio, all endorse this bill. I hope my colleagues in the House will join us in supporting this legislation.

A full text of the legislation follows:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

This Act may be cited as the "Hazardous Waste Reduction Act.".

TABLE OF CONTENTS

Sec. 1. Short title and table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Multi-media waste reduction plans.
Sec. 4. Information collection and analysis at EPA.
Sec. 5. Waste reduction and recycling clearinghouse.
Sec. 6. Grants to States for technical assistance programs.
Sec. 7. Report to Congress.
Sec. 8. Office of Waste Reduction.
Sec. 9. Authorization of Appropriations.
Sec. 10. Definitions.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that:

(1) There are significant opportunities for industry to make economically efficient investments in hazardous waste reduction at the source, through changes in production, operation, and raw materials use. These changes may offer significant savings through reduced raw material and waste management costs. They are also likely to improve worker health and safety.

(2) These opportunities for hazardous waste reduction are not realized because, (A) existing regulations, and the industrial resources they require for compliance, focus on treatment and disposal, rather than reducing hazardous waste at its source; (B) existing regulations do not emphasize multimedia management of waste; and (C) small businesses may need capital and businesses of all sizes may need technical assistance for hazardous waste reduction.

(3) It is difficult to assess the potential for hazardous waste reduction using the Environmental Protection Agency's current data base because the existing regulatory emphasis is on the treatment and disposal of isolated waste streams. The agency has limited information about waste reduction practices, due to defects in the data it has collected. Waste minimization reporting requirements are limited to waste regulated under the Solid Waste Disposal Act, and will offer no systematic information about multi-media waste reduction practices.

(4) In general, the Environmental Protection Agency has not collected or stored its information about the management or release of toxic chemicals into the environment in a manner that is suitable for useful analysis.

(5) The Environmental Protection Agency can help promote waste reduction by disseminating information about waste reduction techniques to a range of industries, both large and small.

(6) Many businesses may also require onsite technical assistance, which can best be provided through matching grants to innovative State programs.

(7) The generation of hazardous waste should be reduced or eliminated at its source as expeditiously as possible wherever feasible, and waste that is generated should be recycled in an environmentally safe manner whenever feasible.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

(8) Where it is not feasible to reduce or recycle hazardous waste, the waste should be treated in an environmentally safe manner to minimize the present and future threat to health and the environment, and land disposal should be used only as a last resort and should be conducted in an environmentally safe manner to minimize the present and future threat to health and the environment.

(b) Purposes.—The purposes of this Act are as follows:

(1) To make adjustments in current Environmental Protection Agency information reporting requirements to allow more accurate measurement of toxic chemical waste reduction opportunities across all media.

(2) To assess the incentives and disincentives to hazardous waste reduction provided by current Federal regulations.

(3) To require Environmental Protection Agency to establish an office to coordinate and consolidate current data collection programs relating to toxic chemical releases across all media

(4) To establish and maintain a clearinghouse for the dissemination of information about hazardous waste reduction opportunities.

(5) To administer a small program of Federal matching grants to help States provide information and technical assistance about waste reduction.

SEC. 3. MULTI-MEDIA WASTE REDUCTION PLANS.

(a) Reporting Requirements.—Each owner or operator of a facility required to file an annual toxic chemical release form under section 313 of the Superfund Amendments and Reauthorization Act of 1986 for any toxic chemical shall include in each such annual filing a toxic chemical waste reduction and recycling report for the preceding calendar year. The report shall cover each toxic chemical on the list described in section 313(c) of that Act.

(b) Items Included in Report.—The toxic chemical waste reduction and recycling report required under subsection (a) shall set forth each of the following facility basis:

(1) The total volume of each toxic chemical that, during the calendar year for which the report is filed, was (A) released from the facility, (B) removed from the facility for treatment storage, or disposal under subtitle C of the Solid Waste Disposal Act, (C) subjected to waste treatment at the facility, (D) recycled or reused at the facility, or (E) transferred to another facility for recycling or reuse. For each activity required to be reported under this paragraph, the total volume of each toxic chemical shall be stated separately in the report.

(2) The toxic chemical waste reduction practices for each toxic chemical waste used by such person during the calendar year involved at each facility for which a report is filed.

(3) The level of waste reduction for each toxic chemical waste actually achieved at each facility during the calendar year in question in comparison with the previous year. For the first year of reporting, comparison with the previous year is required only to the extent such information is available.

(4) The level of waste reduction for each toxic chemical waste expected to be achieved at each facility during the coming calendar year and the coming three calendar years in comparison to the current calendar year.

(5) The level of recycling and reuse (at the facility or elsewhere) for each toxic chemical waste expected to be achieved at each facility during the coming calendar year and the coming three calendar years in comparison to the current calendar year.

(6) The level of recycling and reuse (at the facility or elsewhere) for each toxic chemical waste actually achieved at each facility during the calendar year in question in comparison with the previous year. For the first year of reporting, comparison with the previous year is required only to the extent such information is available.

The waste reduction report shall be combined with the report required under section 313 of the Superfund Amendments and Reauthorization Act of 1986. The Administrator shall take such steps as may be necessary to eliminate duplicate reporting and redundancy under such section 313, this section, and section 3002(a)(6) of the Solid Waste Disposal Act and the report shall satisfy the requirements of this subsection as well as the requirements of those provisions. Any person filing a waste reduction report under this section for any year may include with the report additional information regarding waste reduction in earlier years.

(c) Specific Requirements Regarding Waste Reduction Practices.—The toxic chemical waste reduction practices referred to in paragraph (2) of subsection (b) shall be reported in accordance with the following categories unless the Administrator finds other categories to be more appropriate:

(1) Equipment, technology, process, or procedure modifications.

(2) Reformulation or redesign of products.

(3) Substitution of raw materials.

(4) Improvement in management, training, inventory control, materials handling, or other general operational phases of industrial facilities.

The Administrator may require more detailed reporting of waste reduction practices where appropriate, including information generally describing the specific waste reduction techniques employed, information on the length of time a waste reduction practice has been or will be employed, the estimated amounts of toxic chemical waste that are reduced through the use of any waste reduction practice and the relative costs and benefits of any such practice.

(d) Production Index.—Together with each report filed under this section, the person filing the report shall provide for each toxic chemical waste an index of the production or products the manufacture of which generated such waste. The index shall be designed to compare the output of such products in the reporting year with their output in an earlier baseline year to be determined by the agency. Where feasible the index should be developed on a product specific basis.

(e) Evaluation Techniques.—Together with each report filed under this section, the person filing the report shall indicate which, if any, of a list of techniques were used to identify waste reduction opportunities. Techniques listed should include but are not limited to, employee recommendations, external and internal audits, participative team management, and mass balance audits. Each type of reduction listed under subsection (c) should be associated with the technique or multiples of techniques used to identify the waste reduction technique.

(f) Trade Secrets.—The provisions of section 322 of the Superfund Amendments and Reauthorization Act of 1986 relating to trade secret protection shall apply to the reporting requirements of this section in the same manner as to the reports required under section 313 of that Act.

(g) Other Investigations.—Nothing in this section shall apply to any person not required to submit a toxic chemical release form under section 313 of the Superfund Amendments and Reauthorization Act of 1986, except that the Administrator may conduct investigations, including sampling, of persons generating toxic chemical waste to determine the general magnitude of waste generated.

SEC. 4. INFORMATION COLLECTION AND ANALYSIS AT EPA.

(a) Central Receiving Facility.—The Administrator shall establish a central receiving facility at the Environmental Protection Agency to be used for the storage and retrieval of information obtained from programs administered by the Agency relating to waste management.

(b) Collection of Information.—The Administrator shall develop an inventory of Federal reporting and information gathering systems relating to the generation, management, environmental presence and effects of hazardous wastes. The Administrator is authorized to investigate methods of coordinating and streamlining data collection requirements under existing environmental statutes. The Administrator shall consider developing common nomenclature, consistent reporting formats, and compatible data storage and retrieval systems to facilitate linkage between systems. The Administrator shall convene a panel of experts compromised of representatives from industry, the States, technical experts, and public interest groups to provide advice and assistance to the Environmental Protection Agency regarding the means by which the collection of such data may be simplified and how the quality of the information may be improved.

(c) Environmental Protection Practices.—The information made available through this Act, section 313 of the Superfund Amendments and Reauthorization Act of 1986, the Solid Waste Disposal Act, and other environmental statutes where appropriate, shall be compiled into a data base. The data base shall include information assessing current industry practices of each of the following:

(1) Waste disposal practices.

(2) Waste treatment practices.

(3) Waste recycling practices.

(4) Waste reduction practices.

The data base shall be organized for retrieval on an industry-by-industry basis according to Standard Industrial Classifications (SIC Code) and on a waste stream basis.

SEC. 5. WASTE REDUCTION AND RECYCLING CLEARINGHOUSE.

The Administrator shall establish a Waste Reduction and Recycling Clearinghouse Program. The program shall include a computer data base which contains information on management, technical, and operational approaches to waste reduction and recycling. The Administrator shall use the Clearinghouse to collect and compile information reported by States receiving grants under section 6. The Clearinghouse shall serve as a center for waste reduction technology transfer. The Administrator shall use the Clearinghouse to mount active outreach and education programs to further the development and adoption of waste reduction technologies. The computer data base in the Clearinghouse shall include data on the operation and success of State waste reduction and recycling programs. The data base shall permit entry and retrieval of information by States. Under the Clearinghouse Program the Administrator shall also publish and otherwise make available to the public information on waste reduction and recycling.

SEC. 6. GRANTS TO STATES FOR STATE TECHNICAL ASSISTANCE PROGRAMS.

To demonstrate the importance of multimedia waste reduction the Administrator shall make matching grants to States to invest in innovative waste reduction programs. As a condition for making grants, the Administrator shall establish a method for measuring the frequency with which technical assistance through the State is implemented, and the results achieved. The Administrator shall select the State programs eligible for funding. In making his selection the Administrator shall consider whether the proposed State program would include each of the following:

(1) Making specific technical assistance available to businesses seeking information about waste reduction and recycling opportunities. Such assistance may be provided through technical information centers established within a State agency, at universities or other nonprofit centers in cooperation with major trade associations.

(2) Targeting assistance to businesses for whom lack of information and capital are serious impediments to waste reduction.

(3) Providing funding for experts to provide onsite technical advice, including mass balance audits, to industries seeking assistance.

(4) Providing training in waste reduction techniques, such as through local engineering schools.

(5) Making grants to any organizations for research and development and pilot tests and demonstration projects if such an investment was designed to obtain new waste reduction technology, or new applications of existing technology. Any such grants funded from sums made available to the State under this section shall be made only for technologies which are cost-effective, and where the results of the research, development, and tests are broadly applicable to industry segments or generic types of process wastes or materials.

(6) Requiring that any waste reduction techniques designed or implemented with Federal assistance be documented and evaluated for effectiveness and whether such results be reported to the Administrator.

SEC. 7. REPORT TO CONGRESS.

The Administrator shall prepare and submit an annual report to Congress regarding the waste reduction information gathered pursuant to this Act. The first report would be due 3 years after the enactment of this Act. The report shall include each of the following:

(1) A profile of current levels of waste reduction on an industry-by-industry basis as the information becomes available under section 8(b)(1).

(2) Identification of regulations that may inhibit waste reduction and of opportunities within existing regulatory programs to promote and assist waste reduction.

(3) Identification of priority industries and pollutants that require assistance in multi-media waste reduction.

(4) Identification of opportunities and development of priorities for research and development in waste reduction methods and techniques.

(5) Recommendations as to incentives needed to encourage investment and research and development in waste reduction. Before submission to Congress, a draft report shall be available for a reasonable period for public comment. The report shall respond to public comments submitted during the comment period.

SEC. 8. OFFICE OF WASTE REDUCTION.

(a) Establishment.—There is established in the Environmental Protection Agency an independent Office of Waste Reduction which shall be multimedia in focus and be headed by a Director, who is directly responsible to the Administrator.

(b) Functions.—The Administrator shall delegate to the Director the authority to carry out the provisions of this Act. The Director shall carry out the following functions:

(1) Collection of waste reduction plans and information from other Environmental Protection Agency offices in a coordinated industry-by-industry sequence, as determined by SIC codes. The Director shall begin his analysis with those SIC codes identified with the highest volumes of toxic chemical waste. The Director shall complete the analysis for not less than 3 SIC codes within 3 years after the enactment of this Act.

(2) Administration of the clearinghouse referred to in section 5.

(3) Administration of the program of waste reduction grants to States under section 6.

(4) Reporting to Congress and the Administration under section 7.

(5) Reviewing proposed regulations of the Environmental Protection Agency to determine their effect on waste reduction and advising the Administrator of such effect prior to final promulgation.

(6) Establishing a senior level liaison group with industry to provide guidance to the Office of Waste Reduction, to provide outreach to the industrial community, and to provide a liaison group for the educational community to promote the introduction of waste reduction principles into engineering and management curricula.

(7) Working directly with the Office of Federal Activities to promote waste reduction practices in other Federal agencies and programs.

(8) Carrying out all other functions of the Administrator under this Act.

(c) Additional Responsibilities.—Additional responsibilities of the Director shall include improving the ability of the Environmental Protection Agency to evaluate multi-media waste management practices and the potential for waste reduction by each of the following means:

(1) Refining the methodology for data collection, with the assistance of an advisory panel.

(2) Maintaining a storage and retrieval capacity for information collected under existing programs.

(3) Developing a model waste reduction impact statement for use in assessing the impact of environmental regulations by individual program offices.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Administrator $8,000,000 for each fiscal year after enactment of this Act for functions carried out by the Director of the Office of Waste Reduction (other than State grants) and $10,000,000 for each fiscal year after enactment of this Act for the State grant program.

SEC. 10. DEFINITIONS.

For purpose of this Act—

(1) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) The term "agency" means the Environmental Protection Agency.

(3) The term "Director" means the Director of the Office of Waste Reduction.

(4) The term "toxic chemical" means any toxic chemical on the list described in section 313(c) of the Superfund Amendments and Reauthorization Act of 1986.

(5) The term "release" has the same meaning as provided by section 329(8) of the Superfund Amendments and Reauthorization Act of 1986.

(6)(A) The term "waste reduction" means any practice (such as equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, improvement management, training, or inventory control) which reduces the volume of substances released from the facility or entering the waste stream and reduces the hazards to public health and the environment associated with those substances. For purposes of this section, a substance shall be considered as entering the waste stream when it becomes subject to subtitle C of the Solid Waste Disposal Act or when it is removed for recycling at another location.

"(B) The term "waste reduction" does not include any practice which alters the physical, chemical, or biological characteristics or the volume of a substance through a process or activity separate from the production of a product or the providing of a service.

(7) The term "multimedia" means air, water, and land environmental media into which waste is emitted, released, discharged, or displaced.

HONORING AMERICAN INDUSTRIAL WORKERS

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. WALGREN. Mr. Speaker, in 1987, the U.S. Postal Service will honor many worthy inventions, causes, and personages by the issuing of postage stamps. Antique inventions including locomotives, early tow trucks, tractors, and the self-scouring steel plow will have stamps issued in recognition of the contributions these inventions have made to American life, as will such diverse items as certified public accountants, the Pan American games, love, the United Way, and United States-Moroccan relations. Among individuals to be honored with a stamp, one finds the names of the educators Julia Ward Howe and Mary Lyon, the authors Bret Harte and William Faulkner, the black leader Jean Baptiste DuSable, and the great singer Enrico Caruso.

Absent from the list of honorees this year are professions associated with modern technology, and this greatly troubles me. None of the stamps emphasize such industrial trades as welding, mining, the production of steel and other metals, and factory work. Neither does any stamp honor manufacturing technology and the production of American manufactured goods.

Mr. Speaker, we hear mentioned quite often today the term competitiveness, and how Americans have lost the competitive edge in their products. We should recall that it was the American miners, welders, steelmakers, and other industrial workers from cities such as Pittsburgh, Bethlehem, Akron, Youngstown, and Birmingham who made American manufactured goods the best in the world. The contributions these workers made to building America need to be recognized. At a time when the competitiveness of American products is rebounding from a postwar low, it would be an important patriotic gesture for the U.S. Post Office to recognize these workers and their professions by means of a stamp honoring welding or coal mining and perhaps even a quality in American manufacturing stamp series for 1989 or beyond.

Mr. Speaker, the House recently passed H.R. 812, the National Quality Improvement Act of 1987. This legislation gives special attention to an American company whose products represent the best in American industry. This measure encourages the spirit and values that are necessary to make the United States the best manufacturer in the world by quality, cost, reliability, and any other measure important to competitiveness.

American manufacturing companies are beginning to realize that they must apply new technologies to producing their products if they are to successfully compete with foreign competition. With the assistance of such agencies as the National Science Foundation and the National Bureau of Standards, American manufacturing firms are starting to recapture the quality that was once present in American made goods. But I believe that it is only fitting that we pay tribute to those American workers who helped to make this country and its products first rate, and a postage stamp would make all Americans realize the enormity of the contributions made by welders, miners, steelworkers, and the like.

THE AFGHAN CAUSE

HON. CHARLES WILSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. WILSON. Mr. Speaker, my colleagues in the House have for some time been aware of my interest in the war in Afghanistan. For the past year I have been participating in a program that has had benefits both for the Afghan refugees brought to the United States for medical care and for the sponsors who have had the opportunity to involve themselves in this humanitarian effort.

For me, one of the outstanding pluses in the Afghan Medical Program has been working with Mrs. Sally Fulkerson of Victoria, TX. Sally, as "house mother" to our first group of young Afghan patients, has devoted time, energy, and love to the refugees she had in her care. She has become, in the State of Texas, an impassioned spokesperson for the Afghan cause.

I recently received a copy of a letter that Sally has sent to Mikhail Gorbachev, asking that Soviet troops be withdrawn from Afghanistan and the country returned to its people. This is a beautiful letter. It expresses the feelings of many people who have become friends with and come to respect the courage of the Afghan people.

I can think of no better forum for publication of Sally's words than in the RECORD of the House of Representatives. We can only hope that this letter will have the positive effect she so fervently hopes for.

VICTORIA, TX.

Hon. MIKHAIL GORBACHEV,
Office of the Chairman,
Moscow, U.S.S.R.

HONORABLE CHAIRMAN GORBACHEV: Because of your professed policy of openness, or glasnost, I will try to reach you through this letter. I lack the credentials of diplomat, government official, or any lofty title assuring me of an opportunity to be heard by the leader of one of the largest and most advanced nations in the world. However, ordinary citizens, because we have no urgency for career's sake and can present ourselves in an open and sincere fashion, sometimes can reach that ordinary man which exists at the heart of every great leader. It is with this hope that I write to you as an ordinary citizen, a mother, a person concerned for the future of others.

First, I will give you background information so that you may understand my concern. I live in a small city in Texas, the United States of America. I have a son and a daughter who are 18 and 16 years old respectively. A little more than a year ago I began to work at a residential treatment center for emotionally disturbed children. I was hired for a specific project on a part time basis, little suspecting that this project would have such gravity in my life that I would voluntarily work seven days each week, fifteen and more hours each day. My pay for all these extra hours was the love and gratitude I received from some wonderful children. The treatment center had been chosen to house some children who were victims of the war in Afghanistan. These children, ranging in age from two to eighteen, were in the United States to receive surgeries which could not be performed in their country nor in neighboring countries. They stayed here from four to eight months depending upon the severity of their wounds. We cared for 23 Afghans totally. Our job was to give them a home. The surgeries were performed in the medical centers of larger cities. During recuperation we took the children sightseeing, swimming, to local festivals and parks. We did not try to Americanize them. We only tried to make their lives pleasant during their sojourn here. I must mention also that this program was not U.S. government funded. The services provided in this program were all donated by generous people who have dedicated their lives to caring for others.

Because of my deep commitment to these children I became as their mother, and they did in fact call me "Mother." I love them as my own children and will always be anxious for their safety and well-being. It is for this reason that I write to you. I ask you to remove the Soviet troops now occupying Afghanistan so that the war there might cease. I know there are many grieving Russian families also who would like to see this action taken. No matter what nationality, people do not want to see their loved ones maimed or killed.

In January I went to Pakistan to see my Afghan children. They showed me their homes in the refugee camps, and I met their families and friends. It was not a political trip. They welcomed me to their homes as I had welcomed them. We enjoyed our visit and bade a tearful farewell at the airport.

The Afghans are a proud people. The refugees want very much to go back to Afghanistan and to govern themselves without outside interference. The road to self government by the Afghans will be arduous. Rebuilding will be a monumental task. The many tribes will have to work together, which may present some difficulties. But they are a sovereign country, and the Soviet Union and the United States should treat them as such.

I hope the great length of my letter to you will not deter your reading it, and hopefully, acting upon it.

I long for world peace where no country has to fear the motives of others.

Please, as a mother who loves her adopted Afghan children, won't you remove the Soviet citizens from Afghanistan and let the Afghan people find their peace?

Sincerely,

SALLY FULKERSON.

TRIBUTE TO MIKE GLICKMAN

HON. HOWARD L. BERMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. BERMAN. Mr. Speaker, I rise today to pay tribute to an outstanding young man, the recipient of the 1987 B'nai B'rith Man of the Year Award—Mike Glickman.

Mike's success in business has carried over into his community activities. He is a well known and highly respected benefactor of many of our local schools. After a fundraiser Mike sponsored at Wilbur Elementary School in Tarzana, the students were so appreciative of the funds raised that they honored him with an award and a "Mike Glickman Day." Mike has also demonstrated his generosity by providing fellowships to students desirous of a higher education.

Mike Glickman has blended a community oriented, concerned nature with a drive for action. During a trash strike several years ago, for example, Mike personally arranged for private trash collectors to help keep his neighborhood clean. Mike is also a key sponsor of a number of community protection projects, reflecting his genuine concern for his community.

It is my distinct honor and pleasure to join my colleagues in saluting Mike Glickman. His dedication to various charities and philanthropies is evidence of his laudable desire to serve his community.

TRIBUTE TO MARGE COFFEY AND JOEL WOLMAN

HON. BERNARD J. DWYER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. DWYER of New Jersey. Mr. Speaker, each year two people are honored by the local Democratic Party in the Borough of Matawan, NJ, for their civic contributions and efforts in behalf of the community. This year's honorees are Marge Coffey and Joel Wolman, and they are dedicated citizens indeed.

Mrs. Coffey has been active in the Bayshore all her life, serving in various roles with the local PTA and scout troops. She is also president of the St. Clement's Rosary Altar Society. She served as a volunteer with the Monmouth County Department of Consumer Affairs, and she is now employed full time with that important agency. Mrs. Coffey has also held a number of positions within the local Democratic Party, and was most recently named municipal chair of the Matawan County Committee.

Joel Wolman has also been active in the borough for many years, assisting in local sports and recreation activities, and as manager of the Matawan-Aberdeen Little League, a post he has held for 16 years. Mr. Wolman has also served the borough as a member of the Matawan Zoning Board and has been active in school budget matters.

Through their many years of dedicated service, both these individuals exemplify the spirit of working together toward the betterment of our communities.

I am honored to be able to share their achievements with my colleagues in the House and to join in paying tribute to Marge Coffey and Joel Wolman for their truly outstanding records of community service.

BETH JACOB CONGREGATION AT 100

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HALL of Ohio. Mr. Speaker, in August 1887, a group fo Jewish families gathered together to establish the first Orthodox congregation in Dayton, OH, the principal city in my district. That group, which became Beth Jacob Congregation, is now celebrating its 100th anniversary.

During the past century, Beth Jacob has grown and changed. It has occupied several different buildings, most recently a beautiful new synagogue dedicated in 1980. However, Beth Jacob's commitment to keeping Judaism alive, vibrant, and dynamic has never changed.

The congregation was instrumental in the founding of Dayton's Jewish day school, Hillel Academy, which was first housed in Beth Jacob Synagogue. The congregation has also provided valuable support to the Dayton community Hebrew school.

Beth Jacob has benefited greatly from the dedication of Rabbi Samuel Fox, who has provided spiritual leadership for a remarkable 33 years, spanning one-third the life of the congregation.

This September, Beth Jacob will celebrate its 100th birthday with a special Sabbath service and an address by Nobel laureate Elie Wiesel. Mazel tov to the Beth Jacob family and best wishes for another century of service to Judaism and to the community.

A POLITICAL LITMUS TEST THAT BLIGHTS THE GROVES OF ACADEME

HON. F. JAMES SENSENBRENNER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. SENSENBRENNER. Mr. Speaker, this year we celebrate the bicentennial of our Constitution. Because of this document, we, unlike many countries, enjoy many freedoms, including political freedom. Recently this freedom has been threatened on some of our college campuses. This type of intolerence on college campuses is cause for concern.

Last week, the Allenton Morning Call printed an editorial discussing this matter by my colleague, Representative DON RITTER. I think it is worth your reading.

A POLITICAL LITMUS TEST THAT BLIGHTS THE GROVES OF ACADEME

(By Don Ritter)

WASHINGTON.—In the wake of the Lafayette College faculty action to derail Dr. Jeane Kirkpatrick's honorary degree and graduation address, we need to ask some pointed, perhaps painful questions.

Why is the voice of Dr. Kirkpatrick, one of America's leading foreign policy voices, being muzzled on such college and university campuses as Columbia and Berkeley, as well as Lafayette?

Have America's bastions of intellectual freedom, our institutions of higher education, adopted what amounts to a de facto double standard where certain political views are far more accepted than others?

Could it be that the political opposition, frustrated with the quiet, professional Kirkpatrick prowess in a fair fight, has decided to deny her access to the fray . . . in this case, to the impressionable minds of college students?

Now, while Jeane Kirkpatrick's ideas are off limits to young inquiring minds in the college campus, others on the opposite side of the political spectrum have an open door. At the same time Jeane Kirkpatrick was being rejected, the Rev. William Sloane Coffin Jr. (a former Vietnam War protester who urged young people to return their draft cards) received an honorary doctorate at Lehigh University.

Jeane Kirkpatrick . . . wife, grandmother, scholar, diplomat, policymaker, possible future presidential candidate or secretary of state . . . is a heroine of sorts to a pretty big contingent of Americans including lots of students, and not just Republicans. She was a lifelong Democrat, of the Harry Truman variety, until recently.

On June 14, 1985, she came to the Lehigh Valley as guest speaker for my annual fundraising event. Some 650 citizens had the opportunity to hear her. Had I a crystal ball at the time, I would have been delighted to invite those 495 Lafayette College sophomores who later would miss the chance to hear Kirkpatrick's views at Lafayette.

Her speech lasted some 45 minutes and was delivered without any notes. In softspoken, methodical fashion, she took headon one of today's signal controversies, the struggle between free and controlled societies, and weaved a fabric of historical imperative for America that was clear to everyone. And this was an audience whose views on the subject were quite varied, or as yet unformed.

In public forums across the country, she has demonstrated an understanding of the issues. Her wit is razor-sharp, too . . . opponents beware. Indeed, she has left such a trail of opponents made to look silly in debate that it has been hard to find those willing to take her on.

It seems there's a political litmus test out there and its dangerous to our nation's health. Ironically, that litmus test encompasses many views that have been rejected at the polls. Political factions promoting forms of unilateral disarmament, or theories that the U.S. and not the U.S.S.R. is responsible for world tensions, or economic strategies based on new and expanded government powers (socialism), all have achieved minority status in the West. British Prime Minister Margaret Thatcher's reelection to a third term is just the latest example of the rejection of such views.

On the academic activist's political litmus test, Jeane Kirkpatrick obviously receives an "F." What is so galling to the examiners is that Kirkpatrick not only delivers an "A" lecture but also exposes the tenets of the test as being without intellectual or historical merit. That is a very bitter pill for her opponents to have to swallow.

Meanwhile, the Rev. Dr. Sloane Coffin, activist on the political left, had no faculty petitions drafted against him taking his words out of context and stridently denouncing him with the aim of making him unwelcome. Such intolerance seems reserved for those on the other end of the political spectrum.

Intolerance is part of human existence but we expect its best adversaries to be in our higher educational institutions . . . and vocal. The record of intolerance on campus lately—where eloquent and accomplished individuals are attacked and made unwelcome and where a doube standard exists that allows only "the right thinking" a voice—is cause for concern. An open, spirited debate is in order. In the meantime, a little participation by those on campus who have thus far been silent is needed to begin to set things right.

AN ARTISTIC DISCOVERY

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. CARR. Mr. Speaker, today we honor the winners of "An Artistic Discovery"—the Sixth Annual High School Art Competition. These gifted artists are making a real contribution to our country's ever changing cultural heritage, and they deserve our praise and encouragement. We urge the winners of this competition to continue to strive for excellence in the arts because the mature artistic expression of tomorrow evolves out of the youthful creativity of today.

The competition—our largest ever with 239 congressional districts represented—is even more meaningful since this year we are celebrating the bicentennial of the Constitution. Two hundred years ago, the framers of the Constitution had the insight to encourage the arts by granting Congress the power to protect the fruits of artistic efforts. They wanted to create a nation where culture and fine arts would grow and flourish. In sponsoring this exhibition, Congress continues to fulfill this mandate in the spirit of the Constitution, and the young artists we honor continue to fulfill the vision of our forefathers.

The rich, creative traditions of the past 200 years are reflected in the artwork displayed in the Cannon Tunnel. As we view these impressive works, we are struck by the boundless imagination and energy of our young people. The variations in styles, textures and mediums of expression, as well as the diversity in subject matter, exemplify the artistic spirit of today. And as art has always reflected our Nation's moods and identities, this exhibition has also offered us a greater insight into the thoughts and visions of today's young Americans.

We are grateful to so many people for today's successful opening: Willard Scott—America's Good Will Ambassador—who delights audiences each day with the achievements of ordinary people from all walks of life; and Daphne Zuniga and Judd Nelson—two of the most popular young film stars—who exemplify that artistic success can come at a young age with hard work and dedication. To George White, Architect of the Capitol, we extend our thanks for his efforts and assistance of his staff in facilitating this professional exhibit. And to Roger B. Smith and General Motors Corp. for not only supporting our art competition with both resources and encouragement, but also for providing opportunities for each generation by fostering the arts and education in America.

Finally, and most importantly, we wish to thank the students, teachers, principals, parents, Members of Congress, and staff who helped make "An Artistic Discovery"—our Sixth Annual Congressional Arts Competition—a truly great celebration of the creative spirit of today's young people.

UP FROM PUBLIC HOUSING

HON. JIM COURTER

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. COURTER. Mr. Speaker, an article in the July Reader's Digest offers some examples of the miraculous transformation of dingy, dirty, and often dangerous public housing projects into safe, well-kept neighborhoods. Although the needs of these different areas may differ, there is a common element: the revitalization occurred through tenant management or control.

Tenant management is based on the very obvious truth that the inhabitants have the greatest stake in improving their own living conditions. What may not have been as obvious, at least until recently, is that the residents themselves also have the best understanding of what the problems are, and how they can be solved.

In "Up From Public Housing" Martin Wooster and John Fund show how individuals can pull themselves up by their own bootstraps once they're given encouragement and support. I commend this article to the attention of my colleagues in the hope that the self-help idea will be incorporated into future Federal housing programs.

The article follows:

UP FROM PUBLIC HOUSING

(By Martin Wooster and John Fund)

In St. Louis, the Vaughn housing project is a monument to despair. Built by the federal government nearly three decades ago, its four high-rise buildings look out over ugly vacant lots. Its brick walls are covered with graffiti and drenched in urine; its playgrounds are overgrown and littered. Dozens of young men loiter in the project's trash-strewn yards, making drug deals or playing endless games of basketball.

Cochran, another St. Louis public-housing complex, is even older. But its 12 buildings, home to 3600, are well-kept, securely guarded and have freshly trimmed, spacious yards. Its apartments are newly painted and full of well-maintained appliances and furniture. Most of its teen-agers are in school.

Although the projects are only eight blocks apart, they look as different as East and West Berlin. The reason: Vaughn is managed by a government agency, the St. Louis Housing Authority. Cochran is managed by the people who live there.

Most government-subsidized housing projects in inner cities resemble Vaughn. Unlike private landlords, public-housing authorities have little financial incentive to keep up their properties. And unlike homeowners, tenants are limited in their ability to make their apartment complexes livable. But in city after city—aided by foundations, corporations and the federal grants—public-housing tenants are taking the situation into their own hands. As they learn self-reliance, their neighborhoods are becoming islands of safety in a sea of urban danger. And the cost to the taxpayer has gone down.

There was a time when Cochran had one of the highest crime rates of any public-housing project in St. Louis. Gangs took over apartments and terrorized residents; pushers openly sold drugs from illegally occupied rooms. There was so much vandalism that the housing authority even refused to install a coin laundry. Snipers fired at pedestrians from the upper floors. Residents called the main Cochran building "Little 'Nam."

"It was survival of the fittest," says Gary Richie, a former gang member who is now a second-year college student. "If you were weak, you would die."

Help came in 1976, when Cochran became part of a three-year, $20-million effort by the Department of Housing and Urban Development (HUD) and the Ford Foundation to test tenant management. Residents elected a board of directors to manage the new corporation, and a young divorced mother named Bertha Gilkey was selected as president, a position she still holds.

Free of many housing authority rules, Cochran's tenants quickly made changes. Instead of the authority's claustrophobic battleship gray, they painted their rooms any color they chose. Large families got expanded apartments, which were situated on lower floors to preserve the elevators from the constant wear and tear of small children. Cochran's major challenge, however, was crime.

For decades after their inception during the Depresssion, projects were supposed to be self-sufficient, temporary housing for those in need. Tenants stayed until their living standards improved, at which time they would move, creating vacancies for new arrivals. Tenant rents covered maintenance, and housing authorities could screen out and evict troublemakers.

As years passed, however, government regulations and the courts made it more and more difficult to screen applicants and evict undesirables. The results were devastating; income from rents dropped drastically, so housing authorities cut back on maintenance. Belatedly, Congress began to subsidize rents, and the courts restored some power to eject troublemakers. But most public-housing projects by then had become crime-infested hulks, and the bureaucracy lacked the means or the will to turn them around.

At Cochran today, prospective tenants must provide information on their employment history, criminal record, marriage stability and previous residence. Those with no criminal record, who are steadily employed, who own an insured car and whose children have missed fewer than ten days of school a year have the best chance to secure an apartment. Those who show a favorable history but are unemployed also have a good chance, since Cochran will help them find work.

Cochran's 20 security guards can make arrests. They not only look for criminals but also issue warnings and make reports on lease violations. "The bad apples are gone," says city police officer Joe Thomas. "They won't come back."

Bertha Gilkey and executive manager Mabel Coney work closely with schools. If a child seems to be getting into trouble, Gilkey makes sure that the parents learns about it promptly.

To create jobs, Cochran leaders have started businesses servicing other sections of the city. A janitorial company employs 11 residents; a day-care center hired seven more. A meal service feeds day-care children and senior citizens, and another company installs cable television in public-housing complexes.

In 1978, Gilkey and Richard Baron, a real-estate developer, decided to turn nearby vacant land—the legacy of a failed urban-renewal program—into a low- to middle-income housing development. The site had been written off in terms of development by most St. Louis politicians, but Baron's company raised $7 million in venture capital, and Gilkey and her associates obtained $28 million in federal, state and local funds and FHA-insured mortgages. Local businessmen also invested heavily. O'Fallon Place was completed in 1984. Cochran receives about 11 percent of the profits from the 675 new units, and many previously unemployed Cochran residents who worked with contractors on the project now have full-time construction jobs.

Cochran is not an isolated example. Nearly a dozen tenant-managed sites already exist and at least a score more are in the works. Among the successes:

Washington, D.C. Before 1982, when it became resident-managed, Kenilworth/Parkside, a 28-year-old, 464-unit apartment complex, had gone without heat or hot water for up to three years at a time. The roofs leaked, but had not been repaired for 20 years.

Using capital from rents and federal operating subsidies, Kimi Gray, president of the resident-management corporation, started 11 enterprises, including a trash company, a roofing company and a catering service. Edward Murdock, an unemployed aluminum worker who started out fixing broken windows at Kenilworth/Parkside, set up a window and storm-door repair business in an abandoned laundry room. Murdock trained dozens of teen-agers, who now repair windows at other public-housing projects.

The corporation fines residents who do not keep the place tidy. Breaking a window brings a fine of $12.50; spilling trash, $25. Too many violations can lead to eviction.

Because of the dozens of jobs created, tenants are able to pay rent on time, and collections have risen from $36,000 a month in 1982 to $117,000 today. In four years under resident management, Kenilworth/Parkside has saved taxpayers over $3 million.

Boston. Following riots in 1968, city planners wanted to demolish some buildings in Boston's South End as parft of an urban-renewal project. Instead, tenants of those buildings formed the Inquilinos Boricuas en Acción (IBA) and were permitted to develop the neighborhood for themselves. Between 1971 and 1982, IBA, with private investors and government aid, built 570 new apartments and rehabilitated 251 more. Since 1982, IBA has established a coin laundry, a grocery store, a child-development center, and a credit union with 800 accounts and $800,000 in capital.

New York City. Located in Brownsville, a run-down Brooklyn neighborhood, the Nehemiah Project has enabled over 900 families to become homeowners since 1983. Five thousand families are expected to live in this and other Nehemiah Projects by 1992.

While the Nehemiah Project is not public housing, it is an example of how urban dwellers can improve their living conditions. Seed money was $8 million in interest-free loans from the Roman Catholic Diocese of Brooklyn, as well as from Lutheran, Episcopal and Baptist churches. The city donated most of the devastated, virtually deserted 20-block area where the homes would be built.

"I would have had to move seventy miles out of town to get something for twice the price," says one resident about his three-bedroom frame house, which cost him $39,000.

The success of Nehemiah and tenant-run corporations like Cochran have led several members of Congress from all points on the political spectrum to question the way our federally subsidized, government-managed, public-housing projects are run. While home ownership may not be feasible for every city or family, Rep. Walter Fauntroy (D., District of Columbia) and Sen. Alan Dixon (D., Ill.) have introduced a bill that would allow tenant-management corporations to retain all income in excess of government subsidies. At present, successful groups must turn over most of this money to other projects.

Rep. Jack Kemp (R., N.Y.) has proposed that housing authorities be allowed to sell projects outright to tenant-management groups at 25 percent of their market value. The Kemp bill would also help tenant associations obtain mortgages at attractive rates.

In St. Louis, Bertha Gilkey hopes to make Cochran completely private by 1991. She explains the motivation behind tenant self-management: "We wanted a chance to develop so that one day we would not have to depend on the federal government to support us. We want to take care of ourselves just like everybody else."

PERSONAL EXPLANATION

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. MARKEY. Mr. Speaker, I was absent from the House floor late in the afternoon of Tuesday, June 24, and missed two rollcall votes. Had I been present, I would have voted "nay" on roll No. 211, and "yea" on roll No. 212.

THE HARVEST DISASTER RELIEF ACT OF 1987

HON. DENNY SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. DENNY SMITH. Mr. Speaker, today I am introducing legislation to assist farmers unable to produce their crops because of the less-than-orderly implementation of the Immigration Reform and Control Act.

In my district in Oregon, strawberries lie rotting in the fields for the lack of farmworkers. Within 2 weeks, other crops in the Pacific Northwest will be in jeopardy. If the current trend in labor shortages continues, Oregon farmers will lose $200 million to $300 million. This will have a dramatic impact on the State's economy, and on agricultural-related industries.

While the Pacific Northwest has been hit the hardest so far, several regions may begin to experience severe labor shortages for other labor-intensive crops as the summer progresses. Even if the perfect solution is found today to the problems of processing alien farmworkers, these workers would arrive too late for many producers.

The Federal Government has a history of helping farmers who face economic ruin due to natural disasters. This is a Government-created disaster, and these farmers need our help. Whether you believe the problem is with the policies themselves or simply with their implementation, the bottom line is that the labor shortage is real. Congress never intended to deny agriculture the labor needed to survive. Yet this is what has happened.

My bill will provide payment for losses in the form of generic negotiable commodity certificates from the Commodity Credit Corporation to eligible producers. Governors can petition the Secretary of Agriculture on a crop-by-crop basis. Assistance may be requested for farmers on a statewide basis, or for particular counties. Assistance can be sought when there has been a 20-percent loss of the normal year's dollar value due to the unavailability of workers resulting in an inability to produce or harvest a crop. The Secretary would then have 10 days to make a determination of a labor disaster.

It is not my intent to create a new bureaucracy or a long-term program. Therefore, this program will be administered by USDA in a manner consistent with existing natural disaster relief programs, and will apply to harvests that begin after May 1, 1987, and before December 31, 1988.

In an effort to regain control of our borders, we are destroying the farm economy in many regions of the country. If you believe, as I do, that it's high time Congress accepted responsibility for the disastrous impact of its actions, I urge you to join me as a cosponsor of this bill.

HOLLOWAY BILL TO PROVIDE VETERANS CEMETERY IN LOUISIANA

HON. CLYDE C. HOLLOWAY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HOLLOWAY. Mr. Speaker, I am introducing legislation today that would authorize the Administrator of Veterans' Affairs to establish a national cemetery in the central geographic area of Louisiana. I took this action because our State's veteran death rate is increasing and I believe we owe it to our veterans to plan for their future burial needs. Today, it is not too soon to begin work on another veterans cemetery in Louisiana.

It is projected that our two "open" veterans cemeteries will close out of grave spaces by 1991 or 1992. A third cemetery located in Baton Rouge closed in 1960. With a veteran population of 438,000—16,920 of this number being older veterans, we are facing a critical memorial situation in just a few years.

Mr. Speaker, the State of Louisiana is not in an economic position to participate in the State Cemetery Grants Program established under Public Law 95-476. The alternative, the regional cemetery concept of national cemetery expansion which was enacted in 1973, is far too restrictive and not realistically attuned to the long-range needs of the veterans populations.

For example, Louisiana is in region 6 of the National Cemetery System. Thus, our veterans are expected to seek burial services at the Houston National Cemetery. From the closest border of Louisiana, Houston is 128 miles. From Shreveport, a major metropolitan area in Louisiana, Houston is 234 miles. From New Orleans, where 25 percent of our population lives, it is 333 miles. To bury our veteran dead in Houston is not practical. Besides, statistics show that veterans and their dependents prefer to be buried within a 50-mile radius of their homes.

Next week, the gentlewoman from Ohio, MARCY KAPTUR, will begin hearings in her Subcommittee on Housing and Memorial Affairs of the House Veterans' Affairs Committee. Among the issues to be focused upon before the subcommittee are future cemetery expansion plans. I am pleased and proud to have been asked to testify before this subcommittee.

Mr. Speaker, the burial issue is a sensitive one. But, as a grateful nation, I believe we owe it to our veterans to provide for their memorial needs. It is for this reason that I introduced this bill today and it is my sincere hope that the Congress will find it appropriate to respond to my legislation.

A TRIBUTE TO COUNCILMAN LINDSAY

HON. AUGUSTUS F. HAWKINS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HAWKINS. Mr. Speaker, Sunday, June 28, 1987, will be the day designated by the Peoples Independent Church of Christ as "Gilbert Lindsay Day." Councilman Lindsay, of the ninth district of Los Angeles, has been a friend and colleague for several years and has given the Los Angeles community over 50 years of public service.

Born on a cotton plantation in Mississippi, Lindsay left the farm in his early teens and headed for Pittsburgh, PA, where he continued his education. After leaving Pittsburgh, he went West to Arizona where he served in the U.S. Army, first in the 10th Cavalry and later in the 25th Infantry.

Always seeking to progress by furthering his education, Lindsay attended the University of Arizona School of Business Administration, which was part of the Army's program. After his service career, he came to Los Angeles, took civil service examinations and was hired by the Department of Water and Power, City of Los Angeles.

At that time, more than 50 years ago, blacks were hired primarily for manual work. Lindsay quietly accepted a job as a janitor, vowing that he would better himself. He used every available hour in the Civic Center Division of USC pursuing courses in governmental administration and political science, and took studies in business administration at the University of California at Los Angeles. He also continued taking promotional civil service examinations, resulting in his upward movement through the clerical civil service ranks and also, becoming highly respected by management for his initiative and ability.

Despite his busy schedule, Lindsay managed to become active in both politics and in community affairs. In 1952, he served as associate manager in the campaign to elect Kenneth Hahn supervisor of Los Angeles County, and after the election was appointed the first black deputy supervisor of any county in the United States. He served for 10 years in that capacity.

In January 1963, Lindsay was appointed to fill a vacancy on the Los Angeles City Council for the ninth district, becoming the first black councilman in the city's history. He was overwhelmingly elected in the general election in May 1963, defeating 11 opponents. He has been overwhelmingly elected for seven terms, taking 84 percent of the vote in the primary of his last election in April 1985. He has served over 22 years and ranks second in seniority of the 15 members of the council.

Mr. Speaker, I would like to commend Gil Lindsay for his contributions and dedication to the Los Angeles community, and join with our colleagues in wishing him best wishes on this special day of tribute.

MAYOR JAMES B. BARNES RETIRES AS MAYOR OF SALINAS

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. PANETTA. Mr. Speaker, a government leader in my congressional district is leaving office at the end of this month, and I would like to take this opportunity to pay him tribute for his productive career in city politics and government. Mayor Jim Barnes of Salinas, CA, is retiring after 4 years as the first directly elected mayor in the city's history and many years before that as a member of the city council. The city is holding a banquet in his honor on July 10, and I hope to take part in the proceedings.

Jim Barnes was first elected to the city council in June 1971 and reelected in 1975. In June 1979, after being reelected again, he was appointed by the rest of the city council to a 2-year term as mayor. Then, on June 7, 1983, he became the first mayor of Salinas elected by direct vote of the people.

Before serving on the council, Mayor Barnes served on the Monterey County Traffic and Transportation Commission, which he chaired for 4 years. He also served 2 years on the board of directors of Monterey-Salinas Transit. As mayor, he also served later as president of the Monterey Bay Division of the League of California Cities.

As mayor and as a council member, Jim Barnes played a critical role in the implementation of many projects for the physical expansion and improvement of Salinas. The projects included the redevelopment of Hebbron Heights, construction of the Santa Lucia Branch Library, the renovation of two downtown blocks of Main Street, construction of the Salinas Community Center with its substantial auditorium, several major annexations to the city, the Neighborhood Watch Program, the second phase of the Northridge Mall, and efforts to attract new businesses and industry to the city.

Personally, it has always been a pleasure for me to work with Jim Barnes to help coordinate Federal and local government activities. He has always been cooperative and helpful, and he has always been a strong advocate for his city.

Mr. Speaker, Jim Barnes can be proud of his record of accomplishment. Salinas will miss his leadership, but I am confident the city, its leaders, and its people will be able to call on him for advice and counsel in the years ahead. I know my colleagues join me in congratulating him on his retirement and wishing him the best of luck in the future.

LET'S LOOK AT UNITED STATES POLICY ON ANGOLA

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mrs. SCHROEDER. Mr. Speaker, Members of the other body are upset with the administration and the State Department for its support of Mozambique in response to that country's efforts to build better relations with the West.

On the other side of the continent, the United States is offering covert support to UNITA guerrillas in Angola, who are also supported by South Africa. This allies us militarily with South Africa. In addition, the administration has linked removal of the Cuban troops in Angola with removal of South African troops from Namibia, rejecting the one without the other. In effect, this holds Namibia, occuppied by South Africa, hostage to the Cuban troops in Angola.

In spite of this, Angola has made repeated attempts to negotiate withdrawal of the Cuban troops and has displayed a desire to improve relations with the West.

The question is, If the administration can work with Mozambique and reward it for its turn toward the West, why not reexamine the White House's policy toward Angola?

STEPHEN JAMES: PART-TIME STUDENT EXTRAORDINAIRE

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. BIAGGI. Mr. Speaker, I rise today in tribute to Stephen James, a life-long resident of the Bronx, part of my congressional district. Mr. James recently graduated summa cum laude from Lehman College in the Bronx, with a full 6-year fellowship to Harvard University, where he will pursue his doctorate in American literature.

The accomplishment of graduating with such high honors and receiving such a distinguished scholarship is certainly worthy of national recognition; however, closer examination of the circumstances surrounding Mr. James' education point to an even more outstanding achievement.

Stephen James is a nontraditional student. He did not complete high school at 18, enroll immediately in a 4-year college and study full time to be awarded his degree at 22. In fact the future Harvard doctoral student dropped out of De Witt Clinton High School in the 10th grade. Mr. James entered the work force, taking a number of blue collar jobs before receiving his high school equivalency diploma and becoming a carpenter.

In the mid-seventies, Mr. James became a bus driver, working for the New York Bus Service, a position he held throughout his college career. The more flexible hours allowed him to enroll in Lehman College's Adult Degree Program.

During this time, Mr. James had a family to support. His wife, Laurie, and three children, Joy, Robert, and Elliot, provided him with constant encouragement. But he was forced to study on a part-time basis and had to drop out several times for financial reasons.

A typical day for Mr. James was described recently in a New York Times article as follows:

> The schedule was grueling. On a typical day Mr. James reported to work at 6:30 a.m.,

drove the bus into Manhattan and back and arrived at Lehman in the Bedford Park section of the Bronx by 10 a.m. He stayed on campus until after 3 p.m. and then made the afternoon bus run. Normally he got home around 7 p.m., spent time with his wife and 4-year-old son Elliot, and then studied until 2 a.m. or later. Some nights he never went to bed at all.

This was his schedule during his last year, when he was awarded a Lehman Foundation scholarship, allowing him to cut back his bus-driving schedule to 6 hours a day. I shudder to think of his schedule prior to this.

I rise today to pay tribute to Mr. James, because of his extraordinary academic achievement and because he is from the Bronx. But more importantly, I wish to give my colleagues an illustrious example of today's nontraditional student. Currently, students like Mr. James, who because of financial and family responsibilities are forced to attend school on a part-time basis are not receiving any Federal financial assistance. In fact, Mr. James was ineligible for Pell grants, our Nation's major student grant program. However, thanks to the higher education amendments of 1986, this will not always be the case. Pell grants will soon be open to all degree or certificate seeking students, whether they are enrolled on a traditional full-time basis, or whether they are students like Mr. James, attending when they can on a part-time basis.

Mr. James had to hurdle many obstacles on the road to his degree. We cannot remove all the barriers for students like Mr. James. They will still have families to support and therefore, must work on a regular basis. However, we can help them, as we help so many of our other needy students, with the cost of their tuition and education expenses. Stephen James possess such commitment and dedication that he was able to overcome the obstacles he faced in obtaining his degree. It is my hope that those who follow him will not have to face as many obstacles, and I applaud congressional efforts to create equal opportunity for all to pursue their educational goals.

REBEL AID

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. LIVINGSTON. Mr. Speaker, I would like to take this opportunity to commend the following article by Mr. Yonas Deressa to my colleagues who are interested in African affairs. This article appeared in the April 24, 1987, edition of the National Review, and details the Mengistu regime's reign of terror in Ethiopia. After reading the article I hope that you will join me, TOBY ROTH, BILL GRAY, and over 50 of your colleagues as cosponsors of H.R. 588, the Promotion of Democracy in Ethiopia Act of 1987.

[The article follows:]

[From the National Review, Apr. 24, 1987]

REBEL AID

(By Yonas Deressa)

The pictures of starving children with swollen bellies and pathetic eyes are only the beginning of the story. The real problem in Ethiopia is not with the rains, but in the reign of terror its current rulers, with a little help from Moscow, have imposed on their unhappy poeple. To stave off hunger, the Ethiopians need not butter, but guns; not charity, but freedom—and, if necessary, a revolution to establish it.

The situation is ripe. The personnel, in the form of thousands of refugees with military training, is available. At least two existing political groups, the Ethiopian People's Democratic Alliance and the Ethiopian Democratic Union, could provide the organizational foundation for an armed resistance. Both are based in Sudan, are run partly by Western-trained military professionals, and are committed to democratic and pluralistic principles. Thanks to the Ethiopian Communist regime's political mistakes, and to a rough topography ideally suited to guerrilla war, an armed resistance would stand an excellent chance. So far, however, the Reagan Administration has refused to extend the Reagan Doctrine—which calls for American aid to promising anti-Communist resistance movements—to Ethiopia. Yet the strategic significance of Ethiopia makes support for such a resistance movement important, not only for Ethiopia, but for America as well.

On June 28, 1974, an Ethiopian army junta calling itself the Dergue overthrew Emperor Haile Selassie in a bloodless coup. At first, the emperor lingered on as a symbolic head of state, but soon he was formally deposed, toted away from his elegant palace in the back seat of a little blue Volkswagen. The more moderate members of the Dergue were soon purged. Several leftist factions battled for power, a struggle that culminated in a spectacular and bloody shootout at the junta's headquarters. The winner of the gunfight, and now undisputed ruler of Ethiopia, was a Marxist-Leninist major, Mengistu Haile-Mariam.

One of Mengistu's first acts as dictator was to smother the old and decrepit emperor to death with a pillow. One of his next was to put into place the agricultural and political policies that would culminate in the famine that sparked so much compassion in the West. In 1975, Mengistu declared all agricultural land the property of the state. Encouraged by this decree, some peasants drove their landlords away and grabbed their estates. But the new regime soon set the peasant straight. The government would henceforth be the landlord. The peasants would rent the land from it and would be forbidden to hire help. The large estates in the south were turned into Soviet-style collectives.

In order to make the land-reform decrees stick, the regime established "peasant associations." To organize these associations, Mengistu sent mobs of high-school and college students out into the countryside, where they wreaked havoc, dispensing arbitrary and often brutal revolutionary justice. Although these state farms have proved a disaster, the Dergue has insisted on pouring 80 per cent of its agricultural investment into them, pulling critical resources, in the form of seeds and fertilizer, out of production areas of the country.

Under Haile Selassie, Ethiopia usually produced enough food not only to feed itself, but also to export agricultural products. Under the burden of Communist agricultural policy, Ethiopia's economy has collapsed: The per-capita productivity of the peasantry has fallen significantly, while the amount of land under cultivation has actually decreased. Seven to eight million people still are on the brink of starvation, despite good rains and massive Western aid. In the cities, nationalization of large and small businesses alike has led to mass bankruptcies and to an unemployment rate of 50 per cent and rising. Ethiopia's foreign-exchange reserves are long gone: Mengistu now owes $5 billion to the Soviet Union for the arms that have fed a sevenfold expansion of the military.

By now, the Ethiopian regime's role in creating the famine has been well documented. Ethiopia's neighbor Kenya, which was hit harder by drought, has experienced none of Ethiopia's mass starvation and disease. The Kenyan government took reasonable and prudent measures to deal with the food shortage. Mengistu, on the other hand, took a leaf out of Stalin's book and saw the drought as an opportunity to crush resistance. Not only did he fail to get food to his people—for some time, he tried to keep international relief agencies from knowing there was a famine.

Much of the aid that was eventually sent has been diverted to feed the army, or used as bait in a cruel mass resettlement program that has come under increasing fire from Western relief organizations. The State Department estimates that Mengistu has forcibly relocated 500,000 people; observers in Sudan say the real number may be three times that high. Many of those dragged from their homes had grown sufficient stocks of food to feed themselves and their families for the coming year. Farmers have been taken off their lands during the harvest. Villages have been bulldozed and marketplaces bombed. Families are torn apart apparently on purpose, and people are packed like cattle into trucks, buses, and unheated and unpressurized airplanes for a trip of hundreds of miles. Some reports indicate that victims are often starved beforehand to make them easier to handle. Many die on the journey.

Those who surive find themselves in resettlement camps similar to the re-education camps that proliferate in the Communist world. There is little food, less shelter, and no hygiene. Disease and pestilence are rampant. The refugees work under duress, supervised by gun-toting guards who brutalize and torture them for infractions of the rules. Informers are paid with food. Those who try to escape may be shot. A Medecins sans Frontieres report released in December 1985 estimated Mengistu's resettlement camps had taken the lives of at least 100,000 people. The death toll has mounted since.

Resettlement camps are but the beginning of a larger plan. The regime plans to forcibly relocate nearly all of Ethiopia's rural population of thirty million people into centralized villages. Although relocation is billed as a way to provide more efficient services to the peasants, the regime's real aims are evidently military: Rural areas are good breeding grounds for guerrillas. Thus, for the moment, Mengistu is concentrating on rounding up peasants in areas where resistance is active.

Consider the province of Hararghe, home of an active rebellion led by the Oromo Liberation Front, itself a Marxist group. The villagization campaign in Hararghe was at last report causing about 1,500 refugees a day to pour into neighboring Somalia. According to these refugees, Mengistu's soldiers force rural families from their homes. If they balk, their houses are burned down. Often victims are beaten, raped, or murdered. At the new villages, they must build their own houses and submit to indoctrination and constant surveillance. From these villages, it is often a long distance to travel to their fields, and almost everything they produce belongs to the state. Food production in Hararghe has plunged, and resistance flourishes.

Communism has not succeeded in consolidating its power in Ethiopia—not yet. When Mengistu first took over, he left most of Ethiopia's political institutions intact. He made an alliance with Moscow, but—apparently afraid of Soviet manipulation or worse—he refused to allow the Soviets or East Germans to train or control his secret police. In 1978, the Soviets and Cubans tried to make an end run around Mengistu, smuggling in an exiled Ethiopian Marxist to set up a Communist party inside the country. To Mengistu, who had only recently destroyed another rival Ethiopian Marxist party in a "Red Terror" campaign that included mass arrests and murder in the streets, the new Soviet maneuver appeared as an attempt to outflank him. He expelled the Cuban and Soviet ambassadors. Soon, however, relations were back to normal. Mengistu eventually bowed to pressure and allowed a Marxist party (now known as the Workers' Party of Ethiopia) to be established, though it was kept weak for several years.

As a result of Mengistu's hesitancy, Communism hasn't had the chance to send deep roots into Ethiopian society. Without the influence networks, informants, and systematic indoctrination provided by a Leninist-style party organization, Mengistu's regime is vulnerable, and his ability to stamp out guerrilla movements greatly limited.

This favorable situation will not last long. In the coming years the party will expand and gain influence. Unreliable people will gradually be purged from positions of influence and party members put in their places. The systematic indoctrination of schoolchildren has already begun.

As Ethiopia is bound tighter to the Soviet Union, the threat to America will grow. Moscow has been trying to gain a beachhead in the strategically crucial Horn of Africa, at the mouth of the Red Sea, since it began supplying arms to Eritrean guerrillas in the early Sixties, and later through its alliance with Somalia. With the Soviet client state of South Yemen across from the Horn, Ethiopia is in a perfect position to threaten maritime traffic headed through the Suez Canal or on its way from the Persian Gulf oil ports around the Horn to Europe. The oilfields of the Arabian Peninsula and Iran are but a few hundred miles away. Already the Soviet navy has a base on the Dahlak Islands off Ethiopia's coast, the Soviet naval warplanes fly from Ethiopian bases on patrol over the Indian Ocean.

The threat goes beyond this. The Ethiopian army, grown to over half a million strong, has become a serious military threat to the surrounding countries: Sudan, Kenya, Uganda, and Somalia, Ethiopian troops are already taking the place of Cubans as the USSR's African legion. Because they are black and African, they are less of a propaganda liability than the Cubans. Unlike Cuban troops, they can be paid with grain instead of currency. The more than 35,000 Cuban troops battling UNITA in Angola cost the strapped Angolan regime approximately $500 million a year. Ethiopian troops will be much cheaper. Ethiopian pilots are already replacing Cubans in the cockpits of Soviet-supplied Angolan aircraft, and six thousand Ethiopian troops are now in Mozambique to bolster the flagging Communist dictatorship there.

According to one Ethiopian defector, Mengistu is setting up a fifty-thousand-man special-forces unit, under the tutelage of the Soviets. These commandos are being trained to operate behind enemy lines: sabotaging communications, destroying vital targets, and generally sowing chaos. When they become operational they may be far more dangerous than any troops yet seen on the African continent.

Also, it appears that for the first time a "black KGB" has been set up for use, not just in Ethiopia, but all over Africa. According to local reports, not always verifiable, its members can marry only other members, and any children are taken from their parents at ten months of age and shipped to the Soviet Union to be brought up as model agents.

The only thing restraining Soviet exploitation of the Ethiopian army is the need to deal with secessionist guerrillas in Ethiopia. Once the resistance is crushed, Ethiopian troops may be deployed to crush UNITA and Renamo, and such countries as Sudan and Somalia will face a serious and active military threat. African nations will have to deal with a new balance of power on the continent; resistance to the dictates of Moscow will become much more risky. In the southern tip of the continent, South Africa may find itself completely alone. The loss of southern Africa would be a crushing blow to the security of the United States and her allies.

Right now, the power of the Ethiopian Communist regime is broad but shallow. The World Human Rights Guide, a report recently compiled by The Economist of London, gives Ethiopia the lowest human-rights rating in the world. The regime has not been able to gain a constituency among any sector of society, and rules only through terror and force. The rural population bitterly hates the regime, and the students and city dwellers have been alienated by the catastrophic economic conditions and by Mengistu's periodic terror campaigns. Nationalization has impoverished and humbled businessmen and merchants and has made many of them into black-market criminals.

Though the army is larger, better equipped, and more powerful than under Haile Selassie, it has serious weaknesses that could be exploited by a truly popular resistance. It has lost much of its prestige and esprit de corps; Mengistu deals with discipline problems, or military failures, by summary execution. Years of civil war, and the use of the military in the forced starvation and the brutal resettlement and villagization campaigns, have demoralized officers and men. Draft evasion is now so widespread that the state has begun combatting it by throwing the mothers of draft-dodgers in jail. The desertion rate is astronomical: A few years ago, for example, more than five thousand officers and men mutinied together and escaped to Sudan.

Ethiopia is ripe for a broad-based national liberation movement—if only the United States offers its support. Such a group could provide a legitimate alternative, not only to Mengistu, but to the Marxist-led secessionist factions now stalemated in their war against him. (The Marxist secessionist groups are ethnically based, with a limited national appeal. The pro-democratic EDU and EPDA, by contrast, include Ethiopians of all ethnic and religious types and have the potential to become truly national movements.)

Guerrilla wars are always chancy, but in Ethiopia a legitimate resistance movement would almost certainly awaken powerful latent forces. In Sudan there are thousands of officers and NCOs—some of them West Point trained—and tens of thousands of potential recruits living as refugees, waiting for the chance to fight the regime that destroyed their country. Administrative and technical expertise is already in place, as is a support structure of Ethiopians now living in Western democracies. With proper funding—measured in the tens, not hundreds, of millions—a trained force of thirty thousand fighters could be in the field in a matter of months.

Ethiopia is far from the Soviet Union. Mengistu would find resupply a nightmare if airfields and seaports were sabotaged. The lack of roads handicaps a conventional army and helps guerrillas immensely. Also, there is no "ugly American" problem to contend with: Perhaps because the country has never been successfully colonized, Westerners are well liked in Ethiopia. Americans are remembered with fondness for their roles as missionaries, educators, agronomists, and development experts during Haile Selassie's time. America's reputation has, if anything, grown brighter with the massive American effort to relieve the famine.

The resources of Ethiopia's neighbors are already strained by their own battles against hunger and against Ethiopian-trained and -supported guerrillas. If help comes, it must be from the West. Unfortunately, the United States has taken a "Catch-22" approach to supporting Ethiopian freedom-fighters. The State Department has informed the democratic resistance groups they will not receive aid until they have put a substantial force in the field. In some cases this might be a prudent policy. In a region impoverished by famine, where recruits would come from desolate refugee camps based in countries that are poor themselves, and where resources for training and equipping troops are almost wholly lacking, it is a recipe for disaster, a foolproof way to snatch defeat from the jaws of victory. Moreover, there is some evidence that the force-in-the-field requirement is merely an excuse for inaction: Despite the odds, the Ethiopian Democratic Union has now put a small force in the field, yet State Department officials still resist the idea of sending it aid on the grounds that we have relations with the Mengistu regime.

America can stand by while the Soviets consolidate their power in the Horn of Africa as a base for further conquests. Or it can take a historic step to roll back the frontiers of Communism. The investment in a democratic resistance would be small, the risk minimal. But the returns, to the Ethiopian people and to the West would be a thousandfold.

CONGRATULATIONS, JENNIFER STEWART

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. KLECZKA. Mr. Speaker, as we celebrate the bicentennial of our Nation's Constitution, it is fitting that we pay special attention to the meaning this important document holds for our children, our future.

In this spirit, I am proud to present to my colleagues an essay written by one of my outstanding young constituents, Ms. Jennifer Stewart, 11, of New Berlin, WI.

Jennifer's essay was selected for award by the U.S. Department of Education from more than one million essays on this subject written by grade school students across America. Her words speak well to the essence of our Constitution, and should give us reassurance that its future—our future—will be in good hands.

I congratulate Jennifer on her accomplishment, and commend her essay to citizens everywhere:

WHAT THE CONSTITUTION MEANS TO ME AND MY COUNTRY

(By Jennifer Stewart)

The Constitution of the United States gives us a government "of the People, By the People, and For the People". It is the law of the land—the principles we live by. It means we can feel safe in our daily life. Many countries aren't so lucky.

The Constitution means a lot to me. It means that "We the People, or "I, the Person":

Have the right to go the any church, on any street, in any town, or to pray out loud in an religion—and not be afraid.

Have the right to disagree with the mayor, or a policeman, or even the President—and not be afraid.

Have the right to join any club or organization, or attend any meetings—and not be afraid.

Have the right to read what I want, when I want—and not be afraid.

Have the right to move to any state and live in any house, and feel safe in my house—and not be afraid.

Have the right to vote for who I want to (when I'm old enough)—and not be afraid.

Have the right to try to change laws—and not be afraid.

Have the right to not be put in jail for no reason, and to have a lawyer to help me—and not be afraid.

Have the right to life, liberty, and happienss—and not be afraid.

Have a right to be protected by the law—and not be afraid.

Have the right to own my own gun—and not be afraid.

Have the right to have all the guaranteed rights of any citizen of the United States, no matter what my color, race, creed, or sex—and not be afraid.

The U.S. Constitution has stood the test of time for two hundred years. It has seen war, depression, and challenges, but it has continued to guarantee me my freedoms by preserving, protecting, and defending these rights that all of those men fought for so long ago.

I am one small voice in this big country of ours, but I have the right to be heard and to live free from fear. Our Constitution guarantees me these rights—and you, too.

LEGISLATION TO END IRS EFFORTS TO VIOLATE INDIAN TREATY RIGHTS

HON. MIKE LOWRY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. LOWRY of Washington. Mr. Speaker, today I am introducing legislation—for myself and Representatives CHANDLER, DEFAZIO, MILLER of California, MILLER of Washington, MORRISON of Washington, and SIKORSKY—that would end efforts by the Internal Revenue Service to impose taxes on tribal commercial fisheries that are protected by treaties signed by the Federal Government in the 1850's. These treaties reserved the right of the tribes to harvest fish in their "usual and accustomed grounds and stations."

The Federal courts have construed the treaties "not as a grant of rights to the Indians, but a grant of rights from them—[and] a reservation of those not granted." Moreover, the tribal treaty fishing rights have been upheld by the Supreme Court seven times in this century. It is clear that treaty rights are not a benevolent gift given to the tribes by the United States. Rather, they are rights that were consciously and purposefully reserved by the tribes and their people for the benefit of future generations. Similar treaty rights exist in Oregon, California, and in the Great Lakes States. It is imperative that these treaties be honored by our Nation.

Since 1982, the IRS has attempted to impose Federal income taxes upon tribal commercial fishermen of the Lummi Indian Tribe of Washington State, a signator to the 1855 Point Elliot Treaty. The Lummi fishermen have exercised treaty rights under tribal regulation in areas reserved and protected by their treaty. The unprecedented action by the IRS, coming 127 years after ratification of the treaties by the Senate, does not recognize that treaty-protected property of tribal members is held for them by their tribes. Moreover, the Lummi tribal government was never consulted on this matter on a government-to-government basis.

The IRS bases its tax claim against Lummi fishermen on the 1982 Earl against Commissioner case. Mr. Earl, an Indian not then enrolled in a tribe, working as a cook on a non-Indian fishing boat, was brought into tax court by the IRS. By the time he reached court, Earl had enrolled in his Puyallup Tribe. He represented himself, claimed tax immunity as an Indian, and lost the case. With this and another weak case as precedents, the IRS began efforts to tax other individuals whose fishing activities were truly protected by Indian treaties.

The Interior Department, the Federal agency that provides the executive branch with expertise on American Indian law, strongly opposes the IRS—Treasury Department—position. The Justice Department supports the IRS position. It ruled in 1985 that the IRS opinion was the "sounder view of the law," contending that the tribes should have foreseen and protected themselves against the 1913 enactment of the 16th amendment to the Constitution—the amendment that established the Federal income tax system. I believe that the Justice Department's contention is ludicrous. It is wholly unreasonable to expect that the Northwest tribes could have looked into the future in the 1850's and anticipated the enactment of the 16th amendment to the Constitution some 60 years later.

Last July, during the 99th Congress, 33 Senators sent a bipartisan letter to the Justice Department describing the Department's opinion—given established Indian law and court opinions—as "seriously flawed." The letter urged the Department "to reverse this ill-advised policy without delay." When the Justice Department failed to act on the Senators' request, an Indian fishing rights amendment was attached to House Joint Resolution 668, the Debt Ceiling Act, to stop the IRS action. However, for reasons unrelated to the merits of the Indian fishing rights language, all amendments were stripped from House Joint Resolution 668.

S. 727 was introduced early in the 100th Congress by Senator EVANS, for himself and Senators BRADLEY, INOUYE, DECONCINI, ADAMS, and MCCAIN to reverse the Justice Department's policy. It passed the Senate on March 13 by voice vote. Because the bill deals with possible revenue generation—in this case less than $125,000 at most—it must originate in the House.

I am introducing my bill to satisfy this procedural requirement and to reconfirm longstanding Federal policy and principle that was distilled in a 1925 opinion by then-U.S. Attorney General John G. Sargent. He noted that:

> General acts of Congress do not apply to Indians unless so worded as to manifest a clear intention to include them; that Indians have always been the object of special legislation, and that general legislation, and especially revenue laws, which burden and restrict the use and enjoyment of property should not be applied to Indians, unless Congress in clear and unambiguous language so directs.

The supremacy of treaty law is quite clear.

I would like my colleagues to note that, despite the differences between agencies, the administration now supports the Indian fishing rights bill. Assistant Secretary of the Interior for Indian Affairs Ross Swimmer clarified this point in his testimony before the Senate Select Committee on Indian Affairs in March. Accordingly, the IRS has agreed to cease all collection efforts against tribal fishermen pending congressional action but has continued litigation against Indian fishermen in U.S. Tax Court.

The swift passage of my bill will send an unequivocal message to the IRS about the sanctity of treaty fishing rights. It will also avoid continued hardship for the affected treaty-protected fishermen. The treaty Indian fishing industry is the central economic activity for most Pacific Northwest Indian tribes and the only source of employment for many tribal members. I urge my colleagues to cosponsor my bill and work for its passage.

A TESTIMONIAL TO ARMANDO SEGURA

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. DELLUMS. Mr. Speaker, I rise today to pay tribute to a young man, Armando Segura, who has contributed mightily to the Latino and majority population in the great city of Berkeley.

Mr. Segura is one of the creative workers in the human vineyards of our city; doing the basic work of bilingual education. He has taught bilingual classes, created curriculum, and trained teachers and aides in the art of bilingual education. In the past 13 years, while he was still in the university, he worked with the Latino and larger community to provide better educational progress for Latino youth. For the adult who needed remedial education or job training, Mr. Segura developed and administered a bilingual multiservice program utilizing English as a second language and providing post high school education. He has nurtured, and encouraged students through these years to ever greater independence.

He has successfully worked with community members to develop, implement and administer a training program in advanced clerical and word processing skills which was funded by the U.S. Department of Education.

He was the principal of La Escuela del Verano, a bilingual summer school in Berkeley in 1978; the coordinator of the Chicano Studies Department of Berkeley High School as well as education consultant to the Department of Education, University of California at Santa Cruz.

Mr. Segura is the cofounder of the Raza Coalition of Berkeley, a member of the West Berkeley Health Center Board of Directors, as well as Raza Educators de Berkeley, the National Association for Bilingual Education, the California Association for Bilingual Education, the Coalition of Hispanic Organizations, and the California Mini-Corp Alumni Association.

He has been the executive director of Adelante, Inc., a nonprofit, adult education, community organization, functioning since 1976 to provide employment and training opportunities for the Latino community and other residents of the San Francisco Bay area. It is the only bilingual, multiservice agency in northern Alameda and Contra Costa Counties. Adelante also functions as a referral and information service for the unemployed, and the limited English-speaking population, and for individuals seeking information about the Latino population of northern California.

Mr. Segura is leaving our community to move to central California. We are sad to see him go but we know that our local loss is balanced by the enrichment he will offer his new community.

We thank him for the needed and sound work that he has done for all of us and send him to his new home with love and best wishes.

DEATH OF SOVIET CANCER PATIENT RIMMA BRAVVE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. HOYER. Mr. Speaker, I was saddened to receive news Monday of the death of Rimma Bravve, a courageous 32-year-old Soviet cancer patient who came to the United States only 6 short months ago. Many of us will recall Rimma's 8-year struggle with Soviet authorities to be allowed to emigrate to join her mother and sister in the United States. In the midst of this struggle, in February 1984, Rimma was diagnosed with ovarian cancer. Unfortunately, she was to endure almost 3 more years of painful separation from her family before Soviet authorities finally permitted her to leave in December 1986.

Rimma's death reminds us of other cancer patients such as Inna Meiman and Yuri Shpeizman who died shortly after being permitted to emigrate to the West. Perhaps we should be thankful that Rimma had a short 6 months to spend with her mother and sister in the West. For other Soviet cancer patients denied the right to emigrate it may be too late. They wait divided from the love and comfort of their families in the West.

One such case is that of Rimma's sister-in-law Sophia Bravve, who also has cancer. On June 8 she and her child finally received permission to emigrate after 7 years of trying. Tragically, the Soviets are refusing to allow Sophia's parents to emigrate with her, despite their repeated attempts to emigrate. Sophia's health is poor and she needs her parents to care for her child.

Mr. Speaker, the resolution of this and other cancer patient cases is a test of Soviet Government's determination to live up to its commitments under the Helsinki Final Act. As chairman of the U.S. Helsinki Commission, I will continue to urge that the Soviet Union abide by its pledge, under the Helsinki Final Act, to deal with family reunification cases, particularly of those who are ill or old, "in a positive and humanitarian spirit."

A TRIBUTE TO ALVIN MUGGELBERG

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. BILIRAKIS. Mr. Speaker, the veterans' community in Pasco County, FL, experienced a great loss earlier this month with the death of Alvin R. Muggelberg, a fine American in every sense of the word and a man who I was proud to have as a constituent.

At the time of his death on June 3, 1987, Mugsy was the much-loved chairman of Gateway Chapter 646 of the Non Commissioned Officers Association in Port Richey. In addition to NCOA, he was also a member of the local organizations of the American Legion, the VFW, the Marine Corps League, the Fraternal Order of Eagles, and the Fraternal Order of Elks.

Mugsy was an active advocate on behalf of his fellow veterans and was always willing to help out when he was needed. He didn't need to be asked, nor did he shy away from positions of leadership.

Service to his community and to his country was a lifelong commitment for Mugsy. He served in the Navy as a radio man 3d class from 1951 to 1955 and was awarded a Good Conduct Medal along with several other awards. He never forgot what it meant to be a "serviceman."

Mugsy's wife, Judy, and his three children were rightfully proud of their husband and father and I join his many friends and comrades in extending my heartfelt condolences to his family.

Alvin Muggelberg will be greatly missed and I am privileged to have this opportunity to pay some small tribute to him.

HAZARDOUS WASTE REDUCTION ACT OF 1987

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Miss SCHNEIDER. Mr. Speaker, today, HOWARD WOLPE and I, together with more than 40 colleagues are introducing comprehensive legislation designed to both improve the quality of the Nation's air, land, and water and reduce industry's costs. The Hazardous Waste Reduction Act of 1987 represents a turning point in our thinking about how to manage the evergrowing volume of toxic industrial wastes—by focusing national attention on preventing those wastes from being created to begin with.

Recent reports from the Office of Technology Assessment [OTA] paint an alarming picture of a nation drowning in its own wastes. Estimates of the annual production of hazardous wastes range from 570 million to 1 billion metric tons, 2 to 4 tons of hazardous waste for every individual in the Nation. There may be as many as 10,000 waste sites in the country that will require Superfund cleanup, and that process may take 50 years to accomplish at a cost to the Nation of hundreds of billions of dollars.

Current information suggests that through techniques such as raw material substitution, recycling, and various industrial process modifications, we may be able to cut the generation of toxic wastes by as much as 50 percent. While the potential health benefits to the American people of reduced exposure to environmental contamination are enormous, the projected savings to industry from decreased waste management and disposal costs are less obvious, but no less dramatic.

Hundreds of case studies attest to the near-term feasibility of waste reduction. Many show not only that environmental costs are reduced, but that savings are also realized in energy, raw materials, and labor. A 2-year pilot project in Ventura County, CA, has shown that for every dollar local businesses spent on waste reduction, they saved as much as $67 a year in waste management costs. And the total waste reduction achieved by these 100 companies was 70 percent.

Particularly compelling is the apparent relationship between industrial waste and industrial competitiveness. OTA reports that in 1980, capital investments in pollution control by American industries as a percent of gross industrial domestic product were nearly four times greater for the United States than for Japan and France, and nearly three times greater than for West Germany. Manufacturing industries in newly industrializing nations have an even larger cost advantage because they have fewer regulatory requirements. The Organization for Economic Cooperation and Development [OECD] has concluded that waste reduction is the only environmental protection tactic that directly benefits industry in the broader context of industrial efficiency and technological change, and that public authorities have an important role to play in managing this evolution for the best environmental protection.

The bill we are introducing today puts into action the words of the Congress in the 1984 Resource Conservation and Recovery Act: "The Congress hereby declares it to be the national policy of the United States that, wherever feasible, the generation of hazardous waste is to be reduced or eliminated as expeditiously as possible." Our legislation provides a small amount of matching funds, $10 million, to States which have established programs to reduce waste. These funds would be used to provide technical assistance to small and medium sized firms seeking ways to reduce the hazardous wastes they generate. OTA makes the case that State agencies, because of their proximity to industrial facilities and their familiarity with the total hazardous waste picture in their area, can more efficiently and effectively implement such an assistance program than can a Federal agency like EPA. Rhode Island and 11 other States already have initiated programs in this area; more are in the planning stages. In the past, Federal assistance has been available only for the management and cleanup of wastes after they are produced. By expanding Federal assistance to include waste prevention, State activities can form the nucleus around which a national effort can be galvanized.

The bill establishes a national clearinghouse on waste reduction to transfer information on successful approaches to the industrial community. The legislation requires generators of toxic wastes to report on their waste reduction practices and accomplishments and it establishes a national data base to track our progress toward these goals.

Waste reduction, when it is technically and economically feasible, is clearly the best choice for the protection of our health and our environment. While the goal of zero production of hazardous wastes is unrealistic, waste reduction should be the first option we examine, so that waste management and waste disposal are required only for those wastes we cannot prevent.

I urge my colleagues to join in support of the Hazardous Waste Reduction Act of 1987.

TRADE GAP NARROWS

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. FRENZEL. Mr. Speaker, today New York Times carries a front-page, top right-hand column story headlined, "The Worst May Be Over As the Trade Gap Narrows".

The story explains that the rationalization of currency exchange spells "important changes in the behavior of the economy." It points out industries which are already beginning to benefit: paper; chemicals; computers; farm machinery; aircraft; automobiles; meat; fish; clothing; yarn.

According to the story, American industry has regained its competitive tone. Our productivity increase in 1986 led the world.

The article suggests that an unnecessarily tough trade bill is inappropriate now, quoting USTR Clayton Yeutter "It's a bit like closing the barn door when the horse wants to get back in."

The overall thrust of the story is that trade had become an engine of U.S. growth. U.S. goods are replacing foreign goods. It's about time.

TRIBUTE TO PUTNAM COUNTY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. FISH. Mr. Speaker, I rise to announce to this Chamber the 175th anniversary of Putnam County, NY. Originally part of Dutchess County, Putnam was separated by the New York State Legislature on June 12, 1812. Putnam County is small in size, the third smallest county in the State, but it is favored by rolling hills, clear lakes and streams, and lush greenery that exists to this day.

It is only 50 miles north of New York City and is bounded by the Hudson River on the west and Connecticut to the east. Putnam County is one of the most beautiful sections of the Hudson River, where the majestic Hudson Highlands rise from the river's edge. This section of the Hudson, dominated by West Point on the west shore, has long inspired painters with the scenic beauty.

Putnam County has undergone many changes in the 175 years since it was named in honor of Revolutionary War hero, Maj. Gen. Israel Putnam. In the beginning the county was largely occupied by Dutch and English farmers who were the principal suppliers of dairy products, meat and other agricultural products to New York City and surrounding areas.

Industry came to Putnam County when the West Point Foundry was established in 1817 in the village of Cold Springs, then a thriving port on the Hudson River. The foundry brought with it an era of commercial prosperity, being responsible for production of the Parrott guns of the Civil War fame, locomotives, engines, and processing machinery.

Two railroads were operating in Putnam County by the mid-19th century, one located along the shore of the Hudson River and one in the eastern part of the county extending from New York City to Brewster's station in the town of Southeast.

In the later part of the 19th century, Putnam County began to change once more. The area became a vacation land and several prominent hotels were constructed. This trend continued and summer bungalows began to appear, most being converted to permanent homes with the onset of a population and construction boom. Putnam today is one of the fastest growing counties in New York State. Its population has grown to approximately 88,000 from 20,000 in 1950, and 57,000 in 1970.

I hope my brief oration has made clear the changes Putnam County has undergone in its evolution. I am confident it will continue to maintain its historical traditions and values as it does by its celebrations this year. I am proud to represent a county of people with such a high pitch of spirit and pride.

TRIBUTE TO JOHN L. MARTIN

HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. KONNYU. Mr. Speaker, I take this opportunity to pay tribute to John L. Martin, a constituent of mine in the 12th District of California, who retires today after serving 37 tireless years in California's system of public education.

After being born and educated in the State of Iowa, Mr. Martin and his wife and child drove to Coronado, CA, where John began his distinguished teaching career in 1950. From 1952-60, John worked at Hillview School in Menlo Park where he taught for 2 years and was principal for 6. Mr. Martin and his family settled permanently in Palo Alto in 1963, and since 1965, in his capacity as assistant superintendent of Palo Alto Schools in charge of curriculum, John Martin has distinguished himself as an outstanding administrator.

Mr. Martin has received many awards for his selfless service, including the 1981 Sally Siegel Award for Excellence in Education. He also enjoys the respect of his peers in the profession. A superintendent for whom John served had this to say about John's abilities: "* * * I know of no one who has a broader understanding of the entire area of curriculum, including special education * * *. His energy seems limitless." Moreover, a principal who served for Mr. Martin stated: "In my nearly 28 years in secondary education, I have never known another person with quite the special combination of warmth, energy, and ability which definitely characterize John Martin."

Mr. Martin's record of educational excellence has been matched only by his devotion to family and community. He and his wife have raised 6 children and supported them through college. In addition, Mr. Martin has been active in the local Little League, Babe Ruth, PTA, and church organizations. John Martin is truly a fine citizen in the Palo Alto community.

Mr. Speaker, in closing, I would like to thank John Martin for his services to public education in California and wish him the best in his years of retirement.

HOW EFFECTIVE ARE THE WEAPONS ON "STARK"

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. BUSTAMANTE. Mr. Speaker, in the aftermath of the Iraqi attack on the U.S.S. *Stark* and the President's decision to reflag Kuwaiti ships, questions remain about the effectiveness of the weapons on our ships. The attack on the *Stark* by Exocets and the potential threat by Iranian Silkworms, both sea-skimming antiship missiles, has turned our focus on our capacity to deal with such threats.

Much attention has, therefore, been given to the Phalanx gun which is the Navy's last-ditch defense against missiles. Since the *Stark's* Phalanx was not activated in the Iraqi attack, our only evidence as to its effectiveness comes from Navy tests. According to an article that appeared in the San Diego Union, the Navy has never conducted realistic tests to prove that the Phalanx can track sea-skimming missiles. While such missiles skim over the waives at a height of 10 feet or so, the Navy has defined a low-flier at 100 feet. After Exocets proved effective in the Falklands war, Congress demanded that the Navy test the Phalanx against similar weapons. In order to avoid the problem with the sea clutter effect which interferes with the tracking of a low-altitude target, the Navy mounted the Phalanx radar on a barge so that it would be approximately at the same height as the approaching missile. Unfortunately, in real life the Phalanx is usually high on the superstructure. On the *Stark* it is over 30 feet above the surface. The article also raises questions as to whether the Phalanx's slugs will stop the missiles.

Mr. Speaker, in view of the threat facing our servicemen in the Persian Gulf, I find it unconscionable that realistic tests have not been conducted on the weapons we are providing for their protection. I urge my colleagues to join in my efforts to require the Pentagon to conduct realistic operational tests on all our weapons.

Mr. Speaker, I ask unanimous consent to have the San Diego Union article appear in the RECORD following my remarks.

[From the San Diego (CA) Union, June 11, 1987]

VALUE OF PHALANX GUN SYSTEM DOUBTED

(By Otto Kreisher)

WASHINGTON.—The Phalanx, a radar-aimed gatling gun considered the Navy's last-ditch defense against air attacks, may not be able to stop low-flying missiles that could be the greatest threat to U.S. warships in the Persian Gulf, according to sources who are weapons authorities.

The sources, including a veteran Pentagon weapons testing expert, said the Navy has never conducted realistic tests to prove the Phalanx radar can track sea-skimming missilies, such as the Exocets that hit the guided missile frigate Stark, or the Silkworms, which Iran is installing near the Strait of Hormuz.

The Stark's Phalanx was not activated in time so it will never be known if it could have destroyed the two Exocets that struck it May 17, killing 37 sailors.

The sources also said the test the Navy has conducted raise doubts about whether the Phalanx's 20mm slugs are heavy enough to destroy attacking missiles even if the weapons system successfully locates and tracks the targets.

The Navy and General Dynamics, the Phalanx's manufacturer, say the weapons system has proven itself a reliable and effective close-in defense in numerous tests against a wide range of threats, including "low-fliers" similar to the Exocet.

Although he could not provide specific test information, a Navy spokesman insisted yesterday that tests of the Phalanx "have been successful in all respects" against "anti-air warfare towed targets at various altitudes and presentation." The tests included "a threat representative of a low-altitude target," he said.

But an operational test of a Phalanx, called the close-in weapons system or "cewis" by the Navy, on a similar frigate conducted three days before the Stark attack, indicated problems with radar tracking a sea-skimming target.

The Navy conceded that during the May 14 trial the Phalanx radar was able to track the simulated Exocet only intermittently.

The Pentagon weapons testing expert, who is familiar with Navy systems, said "the problem is, the Navy never tested it (the Phalanx) against a low-flier."

"They define a 'low-flier' as 100 feet, which is not" a realistic low-altitude threat, said the weapons expert, who asked not to be identified. Low-altitude missiles usually skim over the waves at a height of 10 feet or so.

Steve Kosiak, a weapons authority at the Center for Defense Information, gave a similar evaluation of the Phalanx testing.

The critical problem with radar tracking of a low-altitude target is an effect known as "sea clutter" or "back scatter," they said.

Radar works by directing pulses of electrical energy toward an object and recording the energy that is reflected back from the surface of the target.

The surface of the sea normally is covered with waves and swells of various sizes which also can reflect the electrical energy of a radar. The more a radar beam is pointed down toward the surface, the more the radar energy is likely to be bounced back as sea clutter.

This factor increases for every degree of depression, which means a rapid increase in interference or clutter with even the smallest increase in downward tilt of the radar antenna.

The degree of depression of a radar is determined by the heights of the radar antenna and the target and by the distance between them. The higher the antenna, and the lower and closer the target, the worse the clutter.

The weapons experts said the original operational testing of the Phalanx was done against drones or towed targets at altitudes too high to realistically simulate an Exocet, which homes in at 10 to 15 feet above the water.

But after Exocets proved effective in the 1982 Falklands War, Congress demanded the Navy test the Phalanx against similar weapons.

Although the Navy used an old destroyer as the target for the simulated missile, the expert said, "they mounted the radar on a barge."

That means the Phalanx's radar would have been only about 15 feet above the surface, about the same height as the approaching missile, minimizing the sea clutter problem.

But "in most ship applications it's high on the superstructure," the Pentagon expert noted. "On the Aegis (cruisers) it is 60 feet."

On a guided missile frigate such as the Stark, the Phalanx is mounted on top the aft superstructure, which is more than 20 feet above water level. And the radar is at the top of the gun assembly, adding about 10 feet.

The Pentagon expert's evaluation of the test was echoed by Kosiak, who said "that's a very major criticism since the look-down capability is much more difficult."

A House Armed Services Committee aide, who was not familiar with how the test was run, said the Navy claimed it hit six of eight simulated Exocets in the trial. The committee aide and Kosiak, however, said one of the "hits" the Navy claimed came after the target had passed over the ship, which normally would be too late to protect the vessel.

"I'm not willing to say out and out that it won't work,"the Pentagon expert said of the Phalanx. But he added that he has not seen any test data to show that the weapon can be effective.

The problem with back scatter is particularly bad for the Phalanx because its radar tricks both the target and the stream of bullets from its 200mm gun and corrects the firing angle until the slugs hit the target.

Tracking the projectiles, about the size of a large thumb, could be very difficult against the sea clutter, the Pentagon source said.

"I think they are trying to do something that can't be done," he said.

"They pay $4 million (each) for these things; it would be nice if they worked," he said.

This expert also questioned whether the Phalanx's slugs are heavy enough to stop some missiles and guided bombs—an issue that has been discussed previously in various defense publications.

The Pentagon source said he saw results of one test in which a Walleye television guided rocket was fired at by Phalanx mounted on an old ship. The gun "shot the seeker out but the missile came in and put a 40-foot hole in the ship," he said.

"There are no realistic tests I know of that show it can detonate the warhead," he said. "You must detonate the warhead or it's going to get you."

The Navy and General Dynamics refused requests by Copley News Service to provide test results that show the Phalanx can stop low-flying missiles.

The manufacturer said such information must come from the Navy, although its promotional brochures claim "multiple hits on 100 percent of all targets presented" during operational testing.

The brochures also show what appear to be missiles or drones exploding at low altitudes in front of Phalanx guns.

The Navy cited security restrictions for declining to give specific test information on the Phalanx. But a Navy officer strongly denied the Pentagon expert's statement that the system was never tested realistically against a low-flying missile.

"The results I have seen were (against) low-fliers by anybody's definition," the officer said.

Although more than 400 Phalanx systems have been installed on Navy ships, the potential problem with the weapon becomes more critical with the planned increase in escort duties in the war-torn Persian Gulf.

IN MEMORY OF RIMMA BRAVVE

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. GILMAN. Mr. Speaker, when a young person dies, the tragedy is magnified. The death of Rimma Bravve earlier this week is sadder still, since she was not given permission to leave the Soviet Union for advanced medical care in the West until her ovarian cancer was in its last stages. Even the advanced medical technology at the University of Rochester Medical School could not save this 32-year-old woman, who was finally granted permission to leave last December after much sustained pressure and intervention on her behalf with Soviet authorities. This raises the death toll of Sovet Jewish refuseniks recently to four: Inna Meiman, who died only 3 weeks after arriving in the United States for medical care; Michael Shirman, whose sister was not allowed to travel to Israel to donate bone marrow until it was too late; and Yuri Shpeizman, who collapsed and died in Vienna just days after having been granted emigration permission from the Soviet Union. It is through their eyes that we must view glasnost.

Rimma Bravve, her husband Vladimir, and her parents first applied to leave the Soviet Union in February 1979. But before a response could be received, her father died. In December of that year, permission was received, exist visas were granted, and the family made preparations to depart the Soviet Union on January 17, 1980.

On January 7, 1980, however, OVIR authorities called the family into its offices, and ordered that their visas be handed in for clarification. In a meeting with officials 1 week later, it was disclosed that these three individuals would be considered under the application of Vladimir's parents, who had also applied to emigrate the previous May. Refusal to the group was based on Vladimir's father's having worked in a military plant years earlier.

Rimma Bravve's mother was allowed to emigrate several months later, but the rest sustained repeated refusals to their ongoing application. Unemployed, the situation grew worse when in 1984, Rimma underwent surgery for ovarian cancer. Appeals to Soviet authorities went unanswered until December of last year, when finally, the desperately sought permission for medical treatment in the West was granted to Rimma and Vladimir. They arrived on December 16, 1986, and were rushed to Rochester, where Rimma's sister, Larissa Shapiro, had arranged for her care at the medical center.

Mr. Speaker, the extensive effort expended to obtain the necessary permission cannot be calculated, nor can the pain of Rimma Bravve's death be measured. As time passes, it becomes more and more evident that seriously ill individuals will not be allowed to leave the Soviet Union until their disease is in the end stages. In this way, the Soviet Union takes advantage of the situation, garnering public sympathy for having allowed an ill person to seek treatment in the West, but yet denying that individual the crucial care that is so vitally needed in the early and middle stages of disease. We cannot be led astray into thinking that glasnost truly exists for Soviet Jewish cancer patients, and it is for that reason, among many others, that we must continue to ensure compliance with the important provisions of the Helsinki Final Act. It is to honor the memory of Rimma Bravve and others like her that we persist in these efforts, so that no other young woman's life will be needlessly cut short.

HAZARDOUS WASTE REDUCTION ACT OF 1987

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. SWIFT. Mr. Speaker, I'm pleased to join the gentleman from Michigan [Mr. WOLPE] and the gentlewoman from Rhode Island [Miss SCHNEIDER] in introducing today the Hazardous Waste Reduction Act of 1987.

As a nation, we have devoted considerable resources to the cleanup of thousands of uncontrolled hazardous waste sites located in nearly every State. We need to continue that effort for many years to come. But if we are to prevent future hazardous waste sites from contaminating our environment and threatening our health, we must make serious progress in minimizing the amount of waste that is created in the first place.

The Hazardous Waste Reduction Act of 1987 is an important step toward waste minimization. For that reason, I am pleased to join as an original cosponsor of the bill. As it proceeds through the legislative process, I hope to work closely with my colleagues to perfect its provisions. While serving as the lead House conferee on the Emergency Planning and Community Right-to-Know Act of 1986, which Congress adopted last year as part of the Superfund amendments, I came to appreciate the complexities of this type of legislation, particularly provisions relating to trade secrets. I believe that this experience will enable me to bring a useful perspective to the legislation, so that we can pass the most effective bill possible.

WILBUR J. COHEN

HON. WILLIAM D. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. FORD of Michigan. Mr. Speaker, I rise to honor the memory of the Honorable Wilbur J. Cohen who died last month after a lifetime of accomplishments in public service. Wilbur Cohen was a valued personal friend and political comrade in arms. I worked with Wilbur most closely during the 1960's when he served in the Department of Health, Education, and Welfare. I am pleased to call him my teacher and my mentor. His knowledge and experience concerning health, social welfare, and education programs made an invaluable contribution to me personally as well as to the Nation. I share with many others an abiding respect and admiration for the energy, skill, and dedication that Wilbur Cohen brought to the goals of eliminating poverty and bringing opportunity, dignity, and decency to the lives of all Americans. Wilbur Cohen took pride in being an unreconstructed New Deal liberal.

Wilbur began his distinguished career in Government service as one of the drafters of the Social Security Act of 1935 and served in the Social Security Administration for the next 20 years as its chief program developer and technical adviser. He was a pragmatic and persistent innovator and worked closely with Congress toward the achievement of major extensions of Social Security to dependents, survivors, domestics, farmworkers, the blind, and the permanently disabled.

In the 1960's, Wilbur Cohen was appointed Assistant Secretary of the Department of Health, Education, and Welfare by the Kennedy administration, and advanced to the higher posts of Under Secretary and Secretary of HEW under President Johnson. During these years, he played a key role in the passage of the Medicare Act of 1965, a program which he masterminded and then vigorously promoted for over a decade against powerful establishment opposition. He also labored diligently on a compromise between public, private, and parochial school groups to expedite passage of the Elementary and Secondary Education Act of 1965, providing large scale Federal assistance to education for the first time. Wilbur Cohen is credited for helping people to lift themselves out of poverty through education, health, and improved job opportunities. His policy objectives encompassed the areas of civil rights, mental health, unemployment insurance, vocational training, veterans' assistance, family planning, special training for school dropouts, workstudy for high school and college students, assistance to Indians, and the mobilization and coordination of medical research by Federal agencies.

In addition to being a preeminent national figure, Wilbur Cohen has special ties to the State of Michigan. He taught at the University of Michigan in Ann Arbor during the 1950's and returned in the 1970's and 1980's to serve as dean of the school of education and a faculty member. Wilbur Cohen's achievements touched and improved the lives of millions of Americans. His compassion, vision, and zeal for social justice and equal opportunity serve as a model for us all. I extend my deepest sympathy to his wife, three sons, and other members of his family who survive him.

TRIBUTE TO STANLEY SOLLINS

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. CARDIN. Mr. Speaker, I would like to pay tribute to an individual who has contributed greatly to the quality and betterment of life in the Baltimore area. Stanley Sollins, who just left as head of the Baltimore Jewish Council, is a valued member of the Baltimore community. His time and contributions have been great and many. His devoted and exemplary leadership during his years as head of the Baltimore Jewish Council has been nothing less than outstanding. Indeed, he has set a standard and tone that will be hard to match but it will certainly serve as an incentive for his successors.

Stanley will be missed in his position as head of the Baltimore Jewish Council. Hopefully, he'll continue to play an active and important role in the community. Certainly whatever course Stanley chooses to take in the future, it will be marked with continued success.

ENERGY AND WATER DEVELOPMENT APPROPRIATION ACT, 1988

HON. JACK DAVIS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. DAVIS of Illinois. Mr. Speaker, I rise in support of the Penny/Tauke amendment to trim 1.7 percent across the board from the energy and water appropriations bill.

It is my my belief that if we really believe our words of fiscal responsibility, we should follow the lead of Congressmen PENNY and TAUKE and take this modest approach to slowing the growth of spending. This will at least begin the process of putting in place a mechanism on each appropriation bill that would produce spending reductions of some $6 billion next fiscal year.

The Penny/Tauke bipartisan amendment used $6 billion as the target of this modest beginning proposal as that is the amount of the total budget proposal assigned to REA asset sale which may or may not happen!

The Democratic budget proposal also includes a provision for a $100 billion dollar unspecified tax increase over the next 5 years which is a particularly onerous provision.

Regrettably, I had to leave the Chamber on district business related to producing more jobs for my constituents. I was meeting with General Wagner, commanding officer of the Army Material Command and his top staff. If I had been present for the votes, I would have voted aye on the Penny/Tauke amendment. I want the record to show I would have voted most enthusiastically for that amendment.

I then would have voted "aye" on the bill as amended.

TYNDALL AFB ESSAYS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. SKELTON. Mr. Speaker, recently, while visiting Tyndall Air Force Base, FL, commanded by Maj. Gen. Clifford Rees, I had the opportunity to visit the Tyndall AFB Non-Commissioned Officer Professional Military Education Center. I was most impressed by the work they do and I also learned of the various prize-winning essays on the subject of "What America Means to Me."

I insert in the RECORD seven of these outstanding essays for our colleagues to read. I am proud of these young people, as they are truly the backbone of our country.

The essays are as follows:

[SSGT. Eric F. Ardjewski, 2021 Communications Squadron, Tyndall AFB, FL, Class 87-F, 9 Jun 87]

"WHAT AMERICA MEANS TO ME"

In this world of troubled times there is a bastion of freedom which is known by all—America. As human beings of this world we all stem from different roots, but as Americans we share a common bond. This bond that binds us together is also calling to the hearts and minds of people who are denied the personal freedoms we hold dear. As a nation of individuals we all possess different thoughts of what America means. Each person's meaning is different, but all are correct for the only true meaning can be found in the hearts of our nation's people. The meaning of America to me can be summed up by looking at the word America. Each of its letters have a meaning behind them: "A" stands for all men are created equal. We have come to live together as different people where the rights of the individual reign supreme. "M" is for the morals which have built our great country. We as a gentle race of people hold the good things of life preciously close. With our steadfast morals we have become the defenders of freedom throughout the world. "E" represents endurance. As united people we have endured through many struggles, and we have lost many lives defending our cause.

If need be we will stand and fight alone. We will endure as a nation. "R" is for republic. Our country is a federal republic. A union of states governed by the people. "I" is for the individuals that work together keeping our nation strong. "C" is for the constitution, the law of the land. The constitution is the seed of our nation which we have cultivated with our blood, sweat, and tears. Even though we have grown into a powerful nation, those ideals that have formed us are still very close. We hold the constitution dear like a mother holds her newborn baby. The last letter "A" stands for America. I am proud to be an American since we stand for everything good in life. Together we stand with outstretched hands reaching to the people of the world. Our country is the essence of truth and justice for all.

[SSGT. Lillian Sullivan, 325 Medical Group, Tyndall AFB, CLASS 87-E, 28 Apr. 87]

"WHAT AMERICA MEANS TO ME"

I'm proud to be an American
As a country girl from the deep south,
I've learned a lot of lessons
I'm gonna tell you about.

I learned to sing
My Country Tis of Thee,
and say the Pledge of Allegiance,
at the early age of three.

I helped my papa farm the land,
and help my mamma wash clothes by hand.
We even carried water from the well,
up a hill and down a trail.

When I was five John F. Kennedy died
and I listened as my parents cried.
I watched T.V. as they walked the moon
and I couldn't believe that it was true.

When I was twelve
the President said,
segregate the schools,
so we did.

No one tells me what to believe
Nor who I can talk to,
because I am an American.
Are you?

I serve my country proud,
I serve my country true.
I will die to protect,
each one of you.

So as you sit,
please look around and know,
that the woman beside you,
will not let you down.

America is free to choose,
and find that dreams do come true.
I am proud to be an American
Aren't you?

[SSGT. William D. Merritt, 82 Tactical Aerial Targets Sq., Tyndall AFB FL., Class 87-B, 9 Dec. 86]

"AMERICA"

What is America? America is freedom. Freedom that was earned with the sacrifices of those before us. Freedom and peace for everyone. Human rights, religious rights, civil rights; the right to choose what you want to do with your own life and pursue it.

America is opportunity. The opportunity to practice individuality and responsibility. The opportunity for young and old, black and white, and all other races and creeds to work together; providing and protecting human freedom throughout the world. America is responsibility. The responsibility to continue contributing to the good of all people, all over the world. The responsibility to respect every person's right to sovereignty over his/her own life. Freedom isn't free. Many veterans have fought and died in wars; honest, dependable and brave men. Mothers, fathers, sons, and daughters have given their lives, so that we can enjoy even the simplest pleasures in our day to day existence.

We have a responsibility to do whatever we must to maintain freedom and resist aggression. When called upon, we must stand ready to do our part in perserving our way of life. America is hope. Hope for our children, and the children of all people on earth. Hope for liberty and justice, security, unity, education and progress. The greatest protection for individual rights existing anywhere, exists in our own country. Through us, there is hope for tomorrow, for peace and goodwill for all mankind. I cannot envision being a citizen of any other land. One can travel to and from, far beyond, but a true American can't wait to come back home. America is my country. America, is you and me.

[SSGT. Albert F. Heineman IV, Det 9, 3 Weather Sq., Tyndall AFB FL, Class 87-A, 4 Nov 86]

"WHAT AMERICA MEANS TO ME"

To me America is the opportunity to be the prodigy of my dreams. I can be whomever I choose. America means I am a vibrant spirit manifested by the souls of her people and yet that spirit challenges those very souls. It dares them to excel, create, and make tangible their dreams. America is demanding, but rewards those who meet her needs with limitless prosperity.

America is new, dynamic, and fresh. She possesses the flexibility of youth. She bends but never breaks under the often forceful winds of change. When the winds abate, America springs back stronger, and more confident than ever.

America is a heirloom. She must be handed gently through the generations, for there are no others like her. There is age in her newness, and frailty in her strength. She is young and must be nurtured. In her age she must remain handsomely groomed if she is to maintain her health and posture.

America is made fragile by the very virtues she extolls. These frail virtues allow mankind to live free in society, unbound by those who see freedom as weakness. Her strength lies in the hearts of those who are fulfilling their lives with the responsibility of her care; Those who are making their dreams come true!

[SSGT. Dean R. Sannes, 325 AGS Tyndall AFB FL, Class 86-H, 30 Sep 86]

"THE FORCE"

In a land of vast waters, rolling plains, and climbing skyscrapers it lays. It's a Force. A strong, hungry, and steadily growing force. Accepted by some, denied by others, but never the less, it still remains hungry and eating its way through it all. It has waited. Waited a long time to be released from the locked cage that has been its home. They, the ones on the outside—they had called the cage home, but it knew better. It wanted . . . no, it had to be released. Long ago, by many a man, the thought of it was created. There were long, hard fought battles and the loss of much life that preceded its birth. One night, after many long years of being imprisoned, it heard the click of a key being turned in a lock and the cage door swung open. Without hesitating, it rushed through the door and out into the land. It has roamed this nation we live in, ever since that one night long ago. It walks through our homes, across our yards, and into our streets. It courses through the blood of every man, woman, and child in America. Some hold on to it dearly and others take it for granted. Either way, it does exist. This Force that we come to know and love, is still with us today. This Force, my fellow Americans, that we have fought and died for in the past and will continue to fight and die for in the future, is called "Freedom". Freedom for you; Freedom for me, and Freedom for all who believe in it.

[SSGT. Larry Killingsworth, 325 CES, Tyndall AFB FL, Class 86-E, 6 May 86]

"BEYOND APPLE PIE"

There is more to America than apple pie. America is caring. Caring about others as well as its own. I think no matter where one may go in this country, he will always find a smile, someone willing to help, or just pleasant conversation. America is freedom. Since its beginning, it has attracted many people in search of their dreams; dreams of freedom. To this day, it is still attracting people for this same reason. If it wasn't for their dreams America wouldn't be what it is today.

Through good and bad, because of their desire to retain constitutional rights, people have given of themselves. Some people have dedicated their lives to preserve these freedoms and our way of life here in America.

We should be thankful for the high standard of living we have managed to obtain through the years; for the food grown by the farmers; for the factory made products, which help us in every day life; for the life saving drugs created through many hours of medical research; and for the many social programs helping the elderly and less fortunate.

People of America demonstrate a powerful will to help their fellow man through community service and charitable organizations. This expressed by people giving their time and money. America is giving.

The spirit in which Americans pursue things surpasses that of any other country in the world, such as, the drive to be the best, whether competing with one another in sports or protecting human rights. If I were to sum up in one word what america means to me, I would have to say it means people. America is people, "we the people".

[SSGT. Carolyn Hemmerick, 325 CSG, Tyndall AFB FL, Class 85-B, 18 Dec 84]

"WHAT AMERICAN MEANS TO ME"

Each year the Holiday Season brings with it a time of looking back on our lives and thinking about all the things that we have to be thankful for. Most of us look to our families, our jobs, and our accomplishments.

But how many of us look to our country? After all, if it weren't for America, would we still enjoy life as we know it today? Would we have all the things that we feel are so important in our lives?

America stands for freedom, and one very important part of that freedom is the freedom of choice. We choose our own careers, we choose our own goals, and we also choose the avenues we take to achieve those goals.

America also stands for compassion. When people from other nations look at us they see a "people" loving country. Not just American people but all people who are willing to help the needy and underprivileged of the world.

We are not a perfect nation by any means. We have people starving within our own country. We have people who are jobless and uneducated. But one important step in solving these problems is the recognition that they exist, and throughout our nation, people are reaching out a helping hand to these people in hopes that one day we will all benefit from the freedom that America offers. That freedom would not exist were it not for the force behind it. Although we are now living in a time of peace, each day thousands of men and women are training and if called upon are ready to defend our country and the freedom it stands for. I am proud to be one of those people and would gladly give up my life to the Lady that has given me so much. America.

I thank God to be a part of America and with the help of the people that she represents, I truly believe that she will stand tall forever.

INSPIRATION FOR LEGISLATION

HON. DEAN A. GALLO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. GALLO. Mr. Speaker, on June 11, I introduced H.R. 2609, the Residential Mortgage Credit Fairness Act of 1987. If passed, this legislation will protect consumers from lock-in shock, caused by delays in the mortgage process.

This bill states that early disclosure must be made of basic mortgage terms and whether or not they are locked in. Locked in terms must be honored unless the delay in closing is caused by the borrower. Also, no lender would be forced to offer a lock-in, but if offered, the lender would have to honor the committment.

I would like to take this opportunity to thank one of my constituents, the Honorable Jim Milonas, for his assistance in the creation of this legislation. Jim contacted my office with his concerns regarding problems involving mortgage delays experienced by the residents of Dover, NJ.

Through Jim's input and research into the problem, it became clear to me that this could not be solved on the local level, but needed attention by the Federal Government.

Jim has been a Dover alderman for 6½ years, and has been actively involved in politics since the mid 1950's. He served in the Army for 3 years and currently owns a restaurant. He is married with four children and two grandchildren, and yet still has time to be concerned about his fellow citizens.

I would like to extend my gratitude and appreciation to Jim, and pay tribute to his persistence and hard work during years of service to his fellow citizens.

THE SSI IMPROVEMENT AMENDMENTS OF 1987

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, June 25, 1987

Mr. MATSUI. Mr. Speaker, on behalf of myself, Mr. STARK, Mr. FORD of Tennessee, Mrs. KENNELLY, and Mr. LELAND, I am pleased to introduce today the SSI Technical Amendments of 1987. This legislation is a collection of small, extremely modest provisions that will improve the SSI program and make it more manageable, more effective, and better able to serve the needy aged, blind, and disabled.

The goal of this legislation is to refocus the SSI Program onto the needs of those receiving benefits and as a result should improve the administration of the program as well as the lives of those affected by the program. While its cost is extremely modest, its provisions are well-designed to eliminate numerous problems in the SSI Program that have created a great deal of suffering and misfortune for many SSI applicants and recipients.

First, the legislation would update the personal needs allowance for SSI recipients in Medicaid facilities by $10, and would adjust it by the same cost-of-living percentage that is applied to the regular SSI benefit standard in future years. The PNA has been set at $25 since the program was created some 13 years ago. Nursing home residents rely very heavily upon this small sum to supply themselves with items and services which most of us take for granted: long-distance telephone calls, postage stamps, a soda, bus or taxi fare. This modest sum of money provides residents with the ability to maintain their dignity and some mode of independence.

Second, the legislation proposes minor changes to be made to assure that a person's income and assets are more realistically accounted for. These changes include: exclusion of welfare benefits from retrospective monthly accounting; reducing the time period in which a couple must be separated before one's income will not be counted as the other's; improvement in how the one-third reduction is applied; modifications to the transfer of assets penalty; and exclusion of real property when it cannot be sold. These changes would treat certain income and resources in a more equitable fashion and would ensure that SSI recipients receive the benefits to which they are entitled.

Third, the bill modifies the eligibility requirements so that truly deserving individuals receive their benefits in a timely manner. Some individuals, particularly some disabled widows and some disabled adult children, need to be deemed eligible for SSI when they begin to receive Social Security benefits in order to assure that their critical need to retain Medicaid benefits is met.

Fourth, the bill makes modest changes in payment to individuals temporarily residing in institutions that will increase the likelihood of their release and decrease the likelihood of homelessness upon their release. This provision applies both to mentally ill individuals and to elderly and disabled people who spend very short periods of time in nursing homes. This will permit them the opportunity to maintain their home in the community and allow them an out from the institution.

Fifth, there are provisions to make the program more responsive to blind individuals.

Last, the legislation contains language to help clarify the program and would provide for the extension of several expiring provisions.

Most of the provisions of this bill are relatively modest. However, each of them are important to those aged, blind, or disabled individuals who would retain eligibility for SSI, or could receive a little more assistance, because one of the bill's provisions would correct an oftentimes unintended consequence of current law which has worked to their disadvantage. Taken together, these proposals will make the SSI Program fairer for recipients and more responsive to the truly needy. The following summary discusses these proposals in more detail:

SSI AMENDMENTS OF 1987

TITLE I—PERSONAL NEEDS ALLOWANCE CHANGES

Section 101. *Increases in Personal Needs Allowance Benefit Standard for Residents of Medical Institutions.*

Effective October 1, 1987, provides for a $10 increase in the federal SSI benefit standard from $25 to $35 for residents of medical facilities. In addition, beginning January 1, 1989, the personal needs allowance benefit standard would be increased by the same cost of living percentage each year as is applied to the regular SSI benefit standard. The dollar amount of the increase applicable to a month would be rounded to the next lower dollar. States which currently supplement the federal payment would be required to pass through the initial increase and the annual cost of living increases.

Section 102. *Continuation of Full Benefit Standard for Individuals Temporarily Institutionalized.*

Provides that SSI recipients who enter a medical facility or a public institition would not have their benefits reduced to the $35 a month standard or terminated in the case of a public institution if it is determined that their stay is expected to be of a temporary nature and they need to maintain a living arrangement to return to after release from the medical or public institution. Such a continuation of benefits on the basis of the benefit standard, including State supplementation, in effect in the month prior to the month of their entering an institution would be for up to three months. HHS could enter into agreements with public or private agencies to assist in determinations of those individuals to whom this provision would apply. The provision would be effective July 1, 1988.

TITLE II—CHANGES IN INCOME AND RESOURCES ELIGIBILITY REQUIREMENTS

Section 201. *Exclusion of Real Property When It Cannot Be Sold.*

Provides that real property which is owned by an SSI recipient would not be counted as a resource when it cannot be sold because it is jointly owned (and its sale would cause undue hardship (including loss of housing) for the other owners of such property); the sale is barred by a legal impediment or the owner's reasonable efforts to sell it have been unsuccessful.

Under current law the Secretary of HHS must count real property which is not specifically excluded. If an SSI applicant or recipient has real property which is not excluded from being counted as a resource, and the value is such that the excess resources makes the individual ineligible for SSI, "conditional SSI benefits" can be provided to the individual while an effort is made to sell the property. The amount of the "conditional SSI benefits" paid out are overpayments and the SSI recipient is required to pay back the amount after the resource has been sold. Under current regulations, conditional payments can be made only if the excess total resources do not exceed $3000 for an individual and $4500 for a couple. The regulations provide that conditional payments can be made for up to six months in the case of real property.

Section 202. *Adjustment of Penalty Where Resources are Transferred for Less than Fair Market Value.*

Provides for modifications in the provisions in current law which imposes a two year delay in an individual's eligibility for SSI benefits when resources are given away or sold at less than fair market value. The amendment would provide that the amount of the total uncompensated value of resources given or sold would not be counted toward the SSI countable resources limit until the uncompensated value of the resources exceeded $3000. In addition, in cases where there would otherwise be a denial of benefits, the Secretary would have the authority to suspend the application of the penalty to the extent that the Secretary determines that such suspension is necessary to avoid undue hardship.

Section 203. *Determination of Living Arrangement Related to Living in the Household of Another.*

Provides for modifications in the provisions in current law which results in a one-third reduction in the federal SSI benefit standard if it is determined that an individual is receiving in-kind assistance by living in the household of another. If an individual is determined to have been able to pay their pro-rata share of the household's expenses with the benefit they will receive based on two-thirds of the federal SSI benefit standard plus state supplementation, then the one-third reduction in the Federal SSI benefit standard would not be applied in determining the individual's benefit amount in the first months of initial eligibility for SSI. This amendment would protect SSI applicants living in relatively low income households from an automatic application of the one-third reduction in their SSI benefits during the first months of SSI eligibility.

Section 204. *Treatment of Retroactive Social Security Benefits in Month Received.*

Provides that a retroactive social security benefit received by an SSI recipient will not be counted as income in the month it is actually received but will only be counted in determining SSI benefits that would have been payable for the month in which it was due. Under present law, the amount of an individual's retroactive social security benefit that an SSI recipient actually receives is reduced to recoup that portion of the SSI payment which the recipient was paid but would not have been paid if the social security that the individual was due had been paid in a particular month. However, if after this calculation and reduction in the amount of social security benefits determined to be payable, the remaining retroactive social security benefit is payable. The amount of such payment will, under current law, be income which is countable for determining SSI eligibility and benefit amount for the month that it is received. Current law already provides for not counting the amount of retroactive payment as a resource for up to six months.

Section 205. *Exclusion of Interest on Burial Accounts.*

Provides that interest earned on burial accounts owned by SSI recipients will not be counted whether or not the value of the account plus other countable resources exceeds the general countable resources limit. Current law does not count interest on burial accounts only if the value of the burial account plus other countable resources takes the individual above the resource limit.

Section 206. *Disregard of Certain Welfare Benefits Under SSI Retrospective Accounting.*

Provides that AFDC benefits received by an individual applying for SSI would not be counted in determining eligibility for or amount of SSI benefits. While current law prevents an individual from being eligible for both AFDC and SSI benefits in the same month, under two month retrospective accounting AFDC benefits received in the months immediately prior to the initial month of an application for SSI is counted as income under the SSI program in the first month. The amendment would result in not counting federally matched AFDC payments for SSI purposes as is now the case for State and local financed general assistance or other State or local assistance which is based on need.

Section 207. *Eligibility of Members of a Couple Living Apart.*

Provides that an individual and a spouse would be treated as individuals for determining eligibility and amount of SSI beginning with the month after the first full month of living apart. Current law requires that they be treated as individuals beginning with the first month after six months throughout which they have been living apart. In cases of domestic violence or other emergency situations the Secretary is to waive the requirement for a one month wait unless it would be to the disadvantage to the individual.

Section 208. *Temporary Increase in the Length of Time for Retroactive Payments to be Disregarded as Resources.*

Provides that for the two year period beginning January 1, 1987, that instead of the current law's six month disregard as a resource of retroactive SSI or social security payments, that such payments would be disregarded as a resource for 12 months.

Section 209. *Technical Amendment Relating to 1986 Amendment Concerning the Treatment of Certain Couples in Medical Institutions.*

Makes a technical modification in the provision enacted in 1986 as part of Public Law 99-643, to provide that a State would not be required to apply the SSI rule that considers members of a couple sharing a room in a medical institution as two eligible SSI individuals instead of a SSI couple if such a rule would disadvantage either member of a couple in determining eligibility under other State programs under the Social Security Act. The amendment would allow for this option if the members of the couple were living in the same medical institution, not just when they were living in the same room.

TITLE III—DEEMED SSI STATUS FOR CERTAIN INDIVIDUALS

Section 301. *Retention of Medicaid When SSI Benefits Are Lost Upon Entitlement to Early Widow's or Widower's Insurance Benefits.*

Provides that an individual who would otherwise qualify for SSI on the basis of disability or blindness but beginning at age 60 qualifies for social security early aged widow's or widower's benefits and looses eligibility for SSI, would, nevertheless, be deemed to be an SSI recipient for purposes of eligibility for Medicaid. Eligibility for Medicaid would continue until such time that the individual becomes eligible for Medicare as a social security retiree or if earlier, on the basis of being eligible for social security disability benefits.

Section 302. *Amendment Related to Provision Which Provides Medicaid for Those Who Are Not Eligible for SSI Upon Entitlement to or An Increase In Disabled Adult Children Insurance Benefits.*

Amends the provision of current law which provides that after July 1, 1987, an SSI recipient who looses their eligibility after July 1, 1987 for SSI and thus Medicaid because of their becoming newly eligible for social security benefits as an adult disabled child would be deemed to be an SSI recipient for Medicaid eligibility purposes. The amendment would also, effective July 1, 1987, deem as SSI recipients for purposes of Medicaid eligibility those individuals who, since January 1, 1981, have lost or have been ineligible for SSI because of eligibility for social security disabled adult child benefits.

Section 303. *Extension of Deadline for Disabled Widows and Widowers to Apply for Medicaid Protection Under 1984 Legislation.*

Provides that low income widows and widowers who lost eligibility for SSI because of the 1984 social security law's disability benefit increase will have until July 1, 1988 instead of July 1, 1987 to file an application with the State for protection against loss of Medicaid eligibility.

TITLE IV—PROVISIONS RELATED TO EMERGENCY ASSISTANCE

Section 401. *Permanant Extension of Disregard of Nonprofit Organizations' In-Kind Assistance to SSI and AFDC Recipients.*

Permanently extends the provision which expires on September 30, 1987, which provides that in-kind assistance provided by a private nonprofit organization to an SSI or AFDC applicant or recipient will not be counted as income if the State has determined that such assistance was provided on the basis of need.

Section 402. *Increased Emergency Advance Payments for Presumptively Eligible Individuals.*

Provides that emergency advance payments which can be paid directly by a Social Security district office to those in need of immediate subsistence income, be increased from a maximum of $100 to a maximum of the monthly regular SSI benefit standard plus, if any, the State supplementary payment.

Section 403. *Modification of Interim Assistance Reimbursement Program.*

The amendment would expand the use of the interim assistance reimbursement program which, under current law, provides reimbursement to a State from a retroactive SSI payment if the State has provided emergency assistance to an SSI applicant prior to receipt of retroactive SSI benefits after the initial application. The amendment would provide that the interim assistance reimbursement program could also be used in cases where the State has provided assistance to SSI recipients whose SSI benefits were terminated or suspended and who are subsequently found eligible for benefits during the time they were without SSI benefits. It would also include the use of the interim assistance mechanism when the receipient's check has been lost or stolen and there has not been a prompt replacement.

Section 404. *Extension From Three Months to Twelve Months of the Length of Time that an Individual in a Public Emergency Shelter Can be Eligible for SSI.*

Provides that the current law's exception to the general rule against residences of public institutions being eligible for SSI which allows eligibility for up to three months in a public emergency shelter, be extended to provide eligibility for up to twelve consecutive months.

TITLE V—PROVISIONS RELATED TO THE BLIND

Section 501. *Special Notice to Blind Recipients*

Requires that the Social Security Administration would be required to provide applicants and recipients on the basis of blindness the option to receive a supplementary notice, i.e., by telephone or certified letter, or any decision, determination or other action taken or proposed to be taken with respect to his or her rights under the SSI program.

Section 502. *Technical Amendment Related to Rehabilitation Services to the Blind*

Provides that the blind receiving benefits under the SSI program would, as is now the case for disabled SSI recipients, be allowed to continue to receive vocational rehabilitation services funded under the SSI program even if there is an improvement in their medical condition that results in their no longer qualifying for SSI benefits.

TITLE VI—MISCELLANEOUS PROVISIONS

Section 601. *General Effective Date*

Provides that the provisions of the bill would be effective October 1, 1987 unless otherwise specifically * * *.

JEWISH HOMES FOR THE AGING

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. DYMALLY. Mr. Speaker, I am pleased to call your attention to the 75th anniversary of a very special institution in Los Angeles. The Jewish Homes for the Aging of Los Angeles have been in existence since 1912. At that time some courageous yet concerned members of the Jewish community took under their care a group of older Jews who wanted to observe a traditional kosher passover in peace and among friends. From such humble beginnings came forth two beautiful campuses in Reseda which house amost 900 residents.

Facilities which care for the aged are not necessarily rare, however, I believe that the quality and love found in these facilities is exceptional. My view is not based solely on my personal affection for the work done by the homes. The facility has a 2 year waiting list, 10 residents over the age of 100, and the average age of its residents is 89. Those persons who have visited the facility have remarked on the personalized individual care that each resident receives.

One of the things which often disturbs me about this country is the treatment of our oldest citizens. The Jewish Homes is a beautiful contrast to the misery and desolation many of our elderly suffer. There, the people who have sacrificed so much, the people who have endured hardship and built our great Nation, can live out their days in dignity. It brings my heart joy to see the grandparents of our Nation treated with the reverence and respect that we owe them.

DON'T REFLAG KUWAITI SHIPS!

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. BENNETT. Mr. Speaker, it would be a great mistake to reflag Kuwaiti ships with United States flags. Under international law we can use our forces to keep sea lanes open regardless of whether the ships carry U.S. flags or not. What reflagging does is to allow some other country to attack our newly flagged ships to precipitate a war. Remember the *Maine*? That U.S. ship was blown up from sabotage inside it—probably a Cuban engineered successful effort to get the United States to fight Spain in the Spanish American War. Such a happening could occur again. We should not reflag because to do so may require us to enter an unneeded war which would not be a win for us even if we defeated someone. I have introduced the following resolution and hope to attach it or in some similar form to the Coast Guard authorization bill or some other appropriate bill.

H.R. 2635

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding any other provision of law and for the duration of the current hostilities in the Persian Gulf, the United States shall not enter into, and shall not implement, any agreement, formal or informal, with any country bordering on the Persian Gulf under which any vessel owned by such a country or by a national of such a country is registered or is to be registered under the United States flag. No funds appropriated or otherwise made available under any such agreement. This subsection shall cease to apply if the Soviet Union enters into an agreement with any country bordering on the Persian Gulf to allow vessels of that country to operate under the Soviet flag.

(b) The Congress urges the President to seek a United Nations Security Council

meeting to establish a United Nations Peacekeeping Force to protect nonbelligerent shipping in the Persian Gulf and to seek an early end to the Iran-Iraq war.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 26)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. SHARP. Mr. Speaker, how long should the term of office be for Members of the Senate? On June 26, 1787, the Convention returned to the question that had stumped them the day before.

Virginia's James Madison urged a 9-year term, suggesting that long serivce would produce "a portion of enlightened citizens, whose limited number and firmness might seasonably interpose against impetuous counsels." His proposal was too radical a departure from the current practice of annual elections, however, and the delegates settled on the now familiar 6-year term, with one-third of the Members to be elected every 2 years.

Once again, the Convention wrestled with the questions of legislative pay and dual office holding, this time for the Senate.

HARRY PAPPAGEORGE RETIRES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. LAGOMARSINO. Mr. Speaker, I appreciate the opportunity to bring to the attention of my colleagues the retirement of Harry Pappageorge from the Oxnard, California Police Department.

Harry calls himself the "granddaddy of them all" because he has served the Oxnard Police Department longer than anyone else in its history—34 years.

When Harry was a rookie in 1953 his training officer had made his life so miserable he just about decided to give up police work entirely. He did, however, endure, and turned out to be a first-rate cop. He has been Oxnard's assistant police chief for the past 10 years.

There was a total of 20 sworn officers in Oxnard when Harry started and now there are 151. He served during the tumultuous 1960's when officers were called pigs, but Oxnard officers turned that around and made PIG an acronym for pride, integrity, and guts.

Harry Pappageorge was born in Bakersfield, CA, and raised in the city of Ventura, graduating from Ventura High School and Ventura College. He also holds a bachelor's degree in public management from the University of Redlands and a California community college lifetime teaching credential. Harry served in the Army in Korea and was in the military police in 1951 and 1952.

Harry's civic involvement includes membership in Oxnard Optimist Club, Knights of Columbus, California Peace Officers Association, and he is scouting coordinator for the Police Department's Explorer Scout Post.

After his retirement Harry and his wife Nona, who recently retired from the Ventura County District Attorney's office, will spend their time golfing and skiing, dividing their time between their Camarillo and Lake Tahoe homes.

Please join me in wishing a happy retirement to Harry Pappageorge, the 56-year-old "granddaddy of them all."

A FOUR POINT APPROACH TO FACING HIGH WATER LEVELS IN THE GREAT LAKES

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. DAVIS of Michigan. Mr. Speaker, today I have introduced four bills designed to assist the Great Lakes States in facing current flooding and erosion and preventing future damage caused by the millennium-high water levels in the region. Damage levels for 1986 along the Great Lakes shore is estimated at over $150 million, and this number will only increase as the water levels continue to rise, flooding our low-lying areas, eroding coastal bluffs and destroying property sited along the shore.

COASTAL EROSION AND FLOOD CONTROL ASSISTANCE PROGRAM

My first bill amends the Coastal Zone Management Act to create a national grant program for States with chronic, nonemergency coastal flooding and erosion. Funds under this program will be made available to those who currently fall between the cracks of existing flood and erosion assistance administered by the Federal Emergency Management Agency and the U.S. Army Corps of Engineers. In addition, the act encourages responsible coastal planning by rewarding States who are directing new development away from flood- and erosion-prone areas.

Under this program, States with approved coastal management programs and States developing such plans are eligible for Federal moneys if the State has the equivalent of a 30-year erosion setback for new construction in the coastal zone. States must also meet a 20 percent match requirement, which can be satisified by in-kind services, local government funds, or other appropriate means.

Funds received under this act may be distributed by the States in the form of loans, loan interest subsidies, or grants. States may pass on funds to local governments, private homeowners, small businesses, and charitable organizations with property threatened by or already damaged by erosion or flooding.

States must also follow a funding hierarchy. First preference is given to nonstructural erosion and flood prevention measures, such as elevation of buildings, moving endangered property back from the water line, planting vegetation, and floodproofing. The next preference is for the purchase of damaged or endangered property for public use consistent with future flooding and erosion problems. The third preference is for structural devices, such as seawalls, revetments, and groins, but these projects must be consistent with local, State, and Federal environmental laws, must protect the endangered property at least 30 years, and must not displace flooding or erosion elsewhere. Finally, moneys under this bill can be used for matching shares for other State or Federal assistance consistent with the purposes of the bill.

Funding for this program will be drawn from the Coastal Energy Impact (CEIP) Revolving Fund established under section 308 of the Coastal Zone Management Act. Loan authority for this revolving fund expired in 1986, but States continue to repay loans. These CEIP funds are not now being used for coastal management purposes, and while small, will serve as "seed money" for the initial implementation of the Act.

After 2 years, the Secretary of Commerce will report to Congress on the implementation of the Act, the progress made by coastal States in preventing and controlling chronic coastal erosion and flooding, and make recommendations for improving the operation of this act. Reports will then be due every 2 years beginning February 1, 1991. Congress will then be able to assess the success of this program and make necessary adjustments in implementation and funding, if warranted.

REAUTHORIZATION OF THE NATIONAL SEA GRANT COLLEGE PROGRAM

My second bill would reauthorize the National Sea Grant College Program for 5 years. The National Sea Grant Program is patterned after the Land Grant College Program and is composed of over 300 colleges, universities, and nonprofit marine education and research institutions. These groups and others have been successfully working together to contribute to the Nation's marine economy, to scientific achievement, to technology transfer, and to public education on critical resource and environmental issues.

The Great Lakes are strongly represented in the Sea Grant Program, with over 68 universities in Illinois, Indiana, Michigan, Minnesota, New York, Ohio, and Wisconsin actively and productively addressing high lake levels, shore erosion, fisheries and economic development—all pressing issues confronting the Great Lakes today.

The bill will reauthorize the National Sea Grant Program at $50 million for fiscal year 1988; $52 million for fiscal year 1989; $55 million for fiscal year 1990; $58 million for fiscal year 1991; and $62 million for fiscal year 1992. The bill also replaces the existing Sea Grant review panel with an independent committee and increases the number of voting members.

The bill also creates a new Strategic Coastal and Great Lakes Research Program (SCGLP) covering research areas which require special attention because of their critical national or international nature, long-range aspects, or large scale. This program is designed to foster economic competitiveness; promote public stewardship of the coastal areas of the United States, including the Great Lakes; to understand regional and global environmental processes; and to promote domestic and international solutions to coastal and Great Lakes resource issues. Centers of excellence in SCGLP areas may also be designated under this bill.

The bill will authorize $5 million for the SCGLP in fiscal year 1988; $10 million in fiscal year 1989; $15 million in fiscal year 1990; $20 million in fiscal year 1991; and $25 million in fiscal year 1992.

Finally, the bill establishes coastal policy graduate internships and SCGLP postdoctoral fellowships.

GREAT LAKE SHORELINE MAPPING

In response to a recommendation from the International Joint Commission, a United States-Canadian advisory organization with jurisdiction over the Great Lakes, my third bill directs the Coast and Geodetic Survey to produce shoreline maps for the U.S. portion of the Great Lakes. These maps will update the wholly inadequate shoreline maps prepared by the Survey at least 20 years ago and the flood hazard maps prepared by the Federal Emergency Management Agency in the 1970's. The Survey will cooperate with the U.S. Geological Survey of the Department of the Interior in preparing the maps.

These maps are envisioned as a multipurpose tool for the Federal Government, Great Lakes States and private citizens to help plan for and prevent future damage from rising Great Lakes water levels. Therefore, the information contained in these maps must be up-to-date and in a form useful to the Army Corps of Engineers, Federal Emergency Management Agency, the Great Lakes States, and other entities planning for shoreline erosion and flooding problems. First priority in mapping is to be given to areas subject to a high risk of erosion or flooding, and consistency with similar Canadian maps is encouraged.

Appropriations of $10 million are authorized for fiscal years 1988, with such amounts as are necessary for fiscal years 1989–97. The first maps are to be available within 6 months, and as they are intended to serve a variety of informational functions, could save the United States hundreds of thousands of dollars by avoiding duplicative maps. In addition, these maps will help prevent future costly damage along the Great Lakes shoreline by improving planning capabilities for communities and individuals, and providing accurate shoreline data for erosion and flood protection projects.

COASTAL BARRIER RESOURCES ACT

Lastly, my fourth bill would amend the Coastal Barrier Resources Act [CBRA] to require the Secretary of the Interior to recommend appropriate areas along the Great Lakes shore for inclusion in the Coastal Barrier Resources System. The purpose of CBRA is to place the risk of building in high hazard flood and erosion areas on those who choose to build there, not the general taxpayer. The Federal Government spends billions of dollars each year settling food insurance claims, building flood and erosion control structures, and replacing inopportunely sited public facilities. Accordingly, areas included within the CBRA System are no longer eligible for certain types of Federal financial assistance which promotes development, such as flood insurance and funds for the construction of new airports and sewer systems.

Only those areas which are privately owned, undeveloped, unprotected, and subject to wave and wind action are eligible for inclusion in the system. These land areas are generally unsuited for development because they are vulnerable to storm damage and because natural shoreline recession and movement of unstable sediments undermine manmade structures. Therefore, only a few areas of the Great Lakes—approximately 140 shoreline miles in Michigan, Minnesota, New York, Ohio, and Wisconsin—have been initially determined as suitable for inclusion.

There are many exceptions to the ban on Federal expenditures, including maintenance and repairs of existing roads and channels, nonstructural shoreline stabilization projects, construction of Coast Guard facilities, projects funded under the Land and Water Conservation Fund and the Coastal Zone Management Act, and energy facilities requiring access to coastal waters. Scientific research and fish and wildlife studies and management would also be excluded. Of course, funding from the State, local governments, or the private sector would not be affected, but the risk of future harm would be borne by these parties.

I believe that the Great Lakes can face the challenge of rising lake waters by encouraging the Great Lakes States to better manage their coastal areas; by developing information to help these States in their planning efforts; and by reducing wasteful Federal expenditures which encourage inappropriate coastal development. My bills foster this approach and would make a great difference to those whose property has been lost, or will be lost, by advancing Great Lakes levels.

ADDRESS OF TYRONE E. GROTHE AT OAKLAND, NE SWEDISH FESTIVAL

HON. HAL DAUB

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. DAUB. Mr. Speaker, I appreciate this opportunity to insert in the RECORD a speech given by Mr. Tyrone E. Grothe at the Oakland, NE Swedish Festival. These words are a heartwarming expression of how good it is to be an American.

During this 200th anniversary celebration of the United States Constitution, we all have an opportunity to repay an old debt. . . . A debt of gratitude to our Founding Fathers for providing us with this cornerstone of our republic that symbolizes the national ideals of freedom, justice, equality and hope.

On May 25, 1787, 29 delegates gathered in Philadelphia to revise the Articles of Confederation. George Washington was unanimously elected to preside. As the days passed, additional delegates arrived and settled in, rules were adopted and on May 29th, Gov. Edmund Randolph of Virginia introduced a radical plan to completely restructure the American Government.

The first serious problem was what kind of representation should exist in what became our Congress. Large State and small State interests had to be balanced or the convention would disintegrate. In order to allow open discussion, all votes and actions were as a committee. The decisions then were presented to the same delegates sitting formally as the convention. So they had 2 chances to accept or reject proposals. Compromises took place and after nearly 4 months of sometimes heated debate, on September 17, 1787, our beloved Constitution was signed.

This document is the fountainhead of our great liberties. . . . Religous, political and economic. What is in the 4 pages of our Constitution that caused these happy results and made people all over the world want to come to America? What would we do with the freedom so dearly won in the Revolution? What kind of government would we create?

The delegates were men who knew that "freedom wasn't free". 23 signers had been soldiers in the Revolution. Their average age was 41 even though Ben Franklin was 81. They were well read and reliant on God.

Only 36 years old, James Madison was the principal architect of our new and unique system of government and earned the title, Father of the Constitution.

Some of the basic principles of our Constitution are:

1. Our Founding Fathers gave us a government of laws, not of men, a government whose powers and limitations were defined on paper for all to see.

2. Another principle is the sovereignty of the people. The Founding Fathers proclaimed this in the first words of the Constitution: "We the people of the United States . . . do ordain and establish this constitution for the United States of America." The American concept of political power is that government is the servant of the people, not their master. Our theory of government is fundamentally different, for example, from the Magna Carta, in which a reluctant king was forced to give up some of his rights to the people. The "we the people" theory of our constitution is based on the same theory as our Declaration of Independence.

3. A third principle of the Constitution is limited government, the concept that the Federal Government enjoys only the powers that are listed, and no others. The Constitution lists the specific powers of the Federal Government granted by "we the people" with the clear understanding that everything else remained in the hands of the people and the several States, and that there are some things our Government may not do at all. Even the majority of our people and our elected officials may not interfere with our God-given individual rights. This principle makes our entire Constitution a "bill of rights". The philosophical foundation of both the Declaration of Independence and of the Constitution is that individual rights come from God, and that government enjoys only those limited powers which the people choose to give it.

4. A final principle of our Constitution we touch on today is the structure of government which we call the separation of powers. Our Constitution separated the powers of government so that each section can serve as a check on the others, and so that no one section can become powerful enough to gobble up the others.

James Madison, a principal architect of our Constitution, believed that this original institutional design created by the Constitution is the best way to achieve the twin goals of liberty and justice!

To promote ratification of the Constitution, James Madison, Alexander Hamilton and John Jay wrote 85 articles explaining its terms. These articles, published under the name, the Federalist Papers, are the most valuable source for determining the meaning of the Constitution.

By January 1788, Delaware, Pennsylvania, New Jersey, Georgia and Connecticut had ratified. The Constitution became official when the 9th State, New Hampshire, ratified it in June 1788. The remaining States ratified after that.

On February 4, 1789, George Washington was unanimously elected our first President. When he took his oath of office on April 30, 1789, we achieved the first purpose of the Constitution, as stated in the preamble: "to form a more perfect union".

My love affair with America and our Constitution is a passionate one.

I thank God for an ancestor that fought in the Revolutionary War; a grandfather that came to Nebraska; my husband's grandfather who came to Nebraska; parents who taught me that nothing is impossible if you persevere; a husband who gave 4 years to serve his country in World War II; a son who has brightened my days; and, a grandson who leaves in September to serve in the United States Navy for 4 years.

Most of all, I thank God for my American heritage and His love that has allowed our Constitution to survive longer than any other since His creation of mankind.

Treasure your American heritage daily and thank God for His blessings on our land. Pass on your love of this much blessed Nation to your children and grandchildren so the light of freedom may always shine in the United States of America.

RELEASE/SUFFICIENCY LANGUAGE IN WILDERNESS BILLS

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. VENTO. Mr. Speaker, in 1980, after long debate and discussion, a compromise was forged between conservationists, the timber industry and the Forest Service concerning the disposition of national forest roadless lands not designated as wilderness in statewide wilderness bills. Known as release/sufficiency language, that compromise became part of every statewide forest wilderness bill that passed in the 96th and 97th Congresses. But continued controversy prevented passage of major legislation until further clarifications finally were agreed to in 1984 during the 98th Congress. All subsequent wilderness bills have included the revised compromise. So far, 28 statewide forest wilderness bills have passed incorporating either the 1980 or 1984 compromise language. Now some groups in the timber industry are proposing to reopen the drawn-out, bitterly fought controversy in the context of proposed wilderness legislation for Montana and Idaho.

As chairman of the Subcommittee on National Parks and Public Lands, I do not support this effort. I believe that the present release sufficiency language is working and should continue to be included in national forest wilderness legislation. To undo this carefully crafted compromise would jeopardize the passage of future wilderness bills, not only preventing the addition of beautiful pristine areas to the national wilderness preservation system, but also stopping the release of millions of acres of national forest lands to nonwilderness uses. This would create unnecessary hardships for commodity industries and local economies.

The compromise has two components—release language and sufficiency language. Release language provides that those lands that are not designated as wilderness are released for further disposition in the comprehensive forest plans to be adopted pursuant to the National Forest Management Act of 1976 [NFMA]. Those lands need not be studied for possible wilderness designation in the first round of forest plans, but any of those lands that remain roadless at the end of the first planning cycle must be restudied when the plans are revised in 10 years. During the first planning cycle, released lands are available for a full range of management options from development to continued management in a roadless state as determined in the planning process.

Sufficiency language provides that the Forest Service's roadless area review and evaluation [RARE II] study will not be subject to judicial review for lands within the particular State that were addressed in the wilderness bill. This provision was necessary because the ninth circuit court had declared legally inadequate the nationwide RARE II study in which the Forest Service had made its roadless land recommendations to Congress. Whenever Congress enacts a statewide wilderness bill, the Forest Service's recommendations are, of course, moot.

The Intermountain Forest Industry Association—Coeur d'Alene, ID.—claims that the language is not working. It says that development activities—principally timbering—in released roadless lands are being tied up by conservationist appeals of both the forest plans themselves and individual timber sales. It proposes changing the release/sufficiency language to preclude further wilderness review until after the year 2000 and to prevent judicial review of the forest plans. I oppose this proposal for the following reasons:

First, the present release/sufficiency language is working. Timber in roadless areas that previously could not be harvested is now being sold in large volumes in those States with statewide wilderness bills containing this language. Forest Service records show that since 1980 when the original compromise was reached, the Forest Service has sold over 2.3 billion board feet of timber in released roadless areas. Since 1984 when the compromise was further refined, the amount of timber sold annually in released roadless areas has increased six times from 138 million board feet in 1983 to 751 million board feet in 1986. Of the 512 timber sales in these released roadless lands, only 32 have been appealed. Clearly, the claims that the language has not worked are unfounded. On the contrary, this language has been a great boon to the timber industry, allowing it to harvest millions of board feet of timber in roadless country that previously was closed to harvest.

Second, the present compromise is the result of over 4 years of hard work and negotiations. Developing new language could take just as much time and effort. In the meantime, wilderness bills could be stalled in Congress for years and the three Western States without statewide wilderness bills, Idaho, Montana, and Nevada, could suffer from the delay. Without release/sufficiency language, industry in these States would not be able to operate in many roadless areas that are unlikely ever to become wilderness.

Third, because development now is proceeding on the national forest roadless lands in those States that already have release/sufficiency language, changing this language would result in a different set of rules for the remaining States. Two sets of rules for the management of roadless land would be inconsistent, confusing, and unfair. The principles governing national forest management need to be the same nationwide with each State receiving fair and equal treatment. Inconsistent treatment could reopen the roadless issue in the States that already have statewide wilderness bills. Certain groups could demand that national forest roadless lands in their States be managed by the new set of criteria. Years of work and compromise could unravel.

Fourth, industry benefits as much as the conservation community from the Forest Service appeal process and from judicial review of the forest plans. For Congress to prevent such review is not in the best interest of many industry groups. In Montana, for example, the timber industry has appealed five of the six final forest plans and is expected to appeal four more as soon as they are completed. The Intermountain Forest Industry Association's proposal would prohibit these timber companies from taking their appeals to court. They, along with the conservationists, would have to accept the forest plans exactly as written by the Forest Service.

The present release/sufficiency language is a compromise that has been good for the Nation. It has enabled 28 statewide wilderness bills to pass, adding approximately 14 million acres to the national wilderness preservation system while at the same time releasing over 32 million acres for development. Outside Alaska, 21 million acres have been released. The record shows that development is proceeding on many of these lands. To undo this successful compromise would hurt the very people that the critics of the language are trying to help.

WHY HAVE WE BECOME THE APPLE OF KUWAIT'S EYE?

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. ASPIN. Mr. Speaker, why Kuwait?

What is going on in the Persian Gulf that prompted Kuwait to seek our help by reflagging 11 of its tankers?

The common answer is that it wants big power protection. That is part of the answer—but only one part.

This is the fifth in a series of speeches I have been presenting to the House about the Persian Gulf. And today I would like to focus on Kuwait.

Why have we become the apple of Kuwait's eye?

In part, it is undoubtedly because Kuwait is being targeted by Tehran. But as I pointed out in an earlier speech this week, that targeting was not apparent last year when Kuwait first broached the issue of United States protection for its shipping.

The fact is that reflagging will provide largely symbolic protection. I don't mean it's symbolic because we are reflagging only half of Kuwait's tanker fleet. That number is reasonable. Kuwait has 235 merchant vessels, including 22 tankers. We are reflagging 11 of the tankers; 2 of the other 11 have long been flagged British; and the remaining 9 are not regularly engaged in Persian Gulf trade, according to the Coast Guard. Most of the other merchant vessels are relatively small. So there's a logic behind the reflagging of these 11. But the Iranians are not targeting these 11 tankers. They are targeting shipping that calls at Kuwaiti ports—regardless of its flag. Since January 1, 1986, some 28 vessels that called at Kuwaiti ports were attacked by the Iranians. Of those 28, only 4 were Kuwaiti-flag vessels—and only 1 of those is on the list of 11 to be reflagged.

In the simplest terms, our reflagging doesn't really interfere with anything the Iranians are up to. They can keep hitting the same targets they have been hitting. Iranians and Americans can literally just sail by one another.

The Kuwaitis have themselves offered a second reason for inviting us and the Russians in. They want to get us more involved in the war in order to induce us to take a more active role in ending the war.

This may sound a bit arcane, but one must first understand the Third World mind. By that term I do not mean to suggest that there is only one way of thinking in the 100 countries of the Third World. But it is a common attitude in the Third World that the superpowers can make it rain—that Washington and Moscow make events rather than merely react to them.

Arab officials have been complaining for years that the Iran-Iraq war would end tomorrow if the United States and the Soviet Union really wanted it to end. That is a compliment to superpower propaganda, if not to Arab analytical capability. So, I think we can take the Kuwaitis at their word when they say the reason—a reason—they invited us and the Soviets into the Persian Gulf lair was to ensnare us in their problem so we would do something about it.

As I mentioned yesterday, a danger of ending the war by reestablishing the status quo ante is that we also reestablish Iran's and Iraq's old animosities—including Iraq's covetousness toward Kuwait. One would think that inconsistent with the idea of Kuwait seeking to end the war quickly by involving the superpowers. It is not inconsistent, however. For one thing, Kuwait may not be thinking through all the chess moves either, and simply trying to solve the most immediate problem. Another possibility is that the Kuwaitis calculate that if they involve the superpowers in the peace, they can more easily impress upon the superpowers the need for superpower guarantees to protect Kuwaiti sovereignty in the postwar era. In other words, Kuwait's best hope is to be at the center of any peace talks—sitting side by side with the superpowers.

In summary, this gives us two possible reasons for the Kuwaiti invitations to Moscow and Washington—protection of Kuwaiti shipping, and ensnarement of the superpowers. Might there be other reasons as well?

There might. For example, perhaps the Kuwaitis are planning to do more for Baghdad and anticipate that Tehran will punish them by striking harshly at Kuwaiti flagged tankers. In other words, Kuwait might want our flag as a shield behind which it could do more of the things that irritate the Iranians. American officials to whom I have spoken do not claim to know of any such reasons. But then, would the Kuwaitis volunteer them?

That last point raises another important question. Why are the Iranians targeting the Kuwaitis? I would say there are three central reasons.

First and foremost, the Kuwaitis are aiding Baghdad in its war effort. It does that in three key ways.

It has provided money, both in direct loans and by selling, along with Suadi Arabia, 300,000 barrels a day of oil from the neutral zone, the proceeds of which go to Baghdad's treasury. When the war is over, Baghdad is supposed to sell oil with the proceeds going to Kuwait and Saudi Arabia.

Kuwait has also allowed Iraqi aircraft to fly over Kuwaiti territory on their way to attack Iranian targets.

And Kuwait has opened its ports to cargo vessels carrying military goods bound for Iraq. There is a cruel irony in that. Just about the only ships carrying such material through the Persian Gulf are Russian. The Iranians are unwilling to challenge the Soviets although they search the vessels of lesser powers and seize any contraband they find. The irony is that we are effectivley being asked to provide protection for Soviet arms deliveries. If the administration had looked at the issue in this light, it might not have been quite so enthusiastic to join the reflagging scheme.

The second reason for Iran targeting Kuwait is that it wants to destroy the unity of the six Arab States that comprise the Gulf Cooperation Council [GCC]—Kuwait, Bahrain, Qatar, Saudi Arabia, the United Arab Emirates, and Oman.

Tehran appears to be using the divide and conquer approach. It seeks to butter up some of the GCC states while turning the screws on others. For several months now, and with growing intensity, Kuwait has been almost the exclusive target. In fact, in just the last month, Iranians officials have publicly said that the other five GCC states have all been reasonable and accommodating, while Kuwait has been the single nasty neighbor. That isn't exactly true, but it fits in with an effort to separate Kuwait from the other five.

It looks as if the other five understand that. When Kuwait went off on its own asking superpower protection for its ships, the other GCC members were less than enthusiastic. But earlier this month, they all voted to put their support for the Kuwait reflagging plan into writing. The cost of division is greater than the cost of submission.

A third reason for Tehran targeting Kuwait is simply that Iran is a bully. It always has been. The Shah liked to push the smaller states around, too; there are a lot of things the Islamic revolution didn't change. Ironically, at the time of the revolution, the Shah's military pretensions in the gulf were one of the revolution's targets. But the Khomeini regime's rhetoric today is far more assertive than the Shah's.

The Islamic Republic of Iran asserts that the security of the Persian Gulf is purely in the domain of the littoral states—and it quickly points out that, while there are eight littoral states, Iran owns half the coastline. Iranian rhetoric also declares that Iran is the greatest regional power—again the rhetoric is far more assertive than the Shah's and the complete reverse of the philosophy uttered at the time of the revolution.

Kuwait's position is in stark contrast to Terhran's. Kuwait argues that the Persian Gulf is international waters and that, therefore, its security is the responsibility of the entire world. In other words, while Tehran wants to drive everyone out of the gulf security business, including the other littoral states, Kuwait want to bring everybody into the gulf security business, except the littoral states.

One final irony: what happens if Iran does decide to fire missiles at United States warships or tankers? What kind of damage would be done? One of the ironies is that the missiles being used in the gulf war generally do more damage to warships than tankers. First, warships are much smaller than tankers. The *Stark* displaced 3,600 tons. The tankers that will be reflagged displace from 45,000 tons to 400,000 tons. Second, its been found that the safest vessel in the gulf is a loaded tanker—the missiles commonly enter a filled oil cell and the heavy oil acts as a blanket smothering the explosion.

Summing up, Mr. Speaker, the reflagging idea proposes to use ships that are more vulnerable if hit to protect tankers that are less vulnerable if hit—but to protect only a relative handful of those tankers anyway—and to protect them from attacks that might come largely as a result of profitable Soviet arms sales to Baghdad.

It's a strange world—for the Reagan administration, in pursuing the reflagging, is effectively involving the United States in protecting Soviet arms deliveries.

The Iranians are too scared to challenge the Soviet ships carrying the supplies, so they are leaning on the Kuwaitis to close their ports. We are being asked to guard Kuwaiti tankers that are liable to attack because of Soviet arms sales. The irony of ironies is that Ronald Reagan, of all people, has adopted a policy of providing free protection for profit-making arms sales by the Soviet Union.

CAPT. GEORGE E. FINK

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. DYMALLY. Mr. Speaker, on Monday, June 29, a change of command will occur at Long Beach Naval Shipyard.

Capt. George E. Fink is retiring from a distinguished career in the U.S. Navy, the last several years of which he served as commander of the shipyard.

Thanks to Captain Fink's leadership and his dedication on the mission of Long Beach, the shipyard has compiled a shining record of service to our naval fleet.

During his tenure, Long Beach performed the overhaul of two historic battleships, the U.S.S. *New Jersey* and the U.S.S. *Missouri*. Maintenance of other ships was often completed ahead of schedule and below cost.

I am proud to have known Captain Fink, a truly honest and loyal public servant. On behalf of California's 31st Congressional District, let me congratulate Captain Fink for the outstanding contributions he has made to the Long Beach Naval Shipyard.

AMENDMENT TO PROHIBIT REFLAGGING IN PERSIAN GULF

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. BENNETT. Mr. Speaker, the precise amendment that I expect to offer to H.R. 2342, the Coast Guard authorization bill is as follows. This is similar to the legislation that I have introduced (H.R. 2635) and here it is in a form that would be proper and germane to H.R. 2342, the Coast Guard authorization bill.

AMENDMENT TO H.R. 2342, AS REPORTED—OFFERED BY MR. BENNETT OF FLORIDA

Page 22, after line 11, add the following new section:

SEC. 26. REDOCUMENTATION OF PERSIAN GULF VESSELS.

(a) PROHIBITION.—The Secretary of the department in which the Coast Guard is operating shall not issue a certificate of documentation under chapter 121 of title 46, United States Code, for a vessel which is beneficially owned by a country bordering on the Persian Gulf or by a national or any such country.

(b) CANCELLATION OF CERTAIN REDOCUMENTATION.—The Secretary of the department in which the Coast Guard is operating shall, 20 days after the date of the enactment of this Act, cancel any certificate of documentation issued after June 1, 1987, but before the date of the enactment of this Act under chapter 121 of title 46, United States Code, for a vessel which was, on June 1, 1987, owned by the government or nationals of a country bordering on the Persian Gulf.

(c) EXCEPTION.—This section shall cease to apply if the Soviet Union enters into an agreement with any country bordering on the Persian Gulf to allow the vessels of that country to operate under the Soviet flag.

A BILL PROVIDING EXEMPTION FROM CERTAIN FEDERAL AND STATE LAWS FOR SOLAR SMALL POWER PRODUCTION FACILITIES

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. SHARP. Mr. Speaker, I am pleased to introduce today a bill to enhance the development of our Nation's solar energy resources. This bill will exempt solar small power production facilities of not more than 80 megawatts capacity and qualifying solar energy facilities not exceeding 80 megawatts from the Federal Power Act, the Public Utility Holding Company Act, and State utility laws and regulations.

Under current law, these exemptions apply to solar facilities up to 30 megawatts. At the time Congress enacted the Public Utility Regulatory Policies Act of 1978 [PURPA], that ceiling was thought to be not only adequate, but high. It is a tribute to the strides that this fledgling industry has made in the last decade that solar facilities of 80 megawatts or more are now both technologically feasible and economic. The bill we introduce today does no more than to acknowledge those strides, giving to solar power production the same exemptions already available to geothermal power.

In southern California, a company called Luz International, Ltd., now supplies 103 megawatts of power to the Southern California Edison Co. to help meet the utility's peak and near-peak load requirements. Luz and Southern California Edison plan to increase that number to 500 megawatts by the early 1990's. Luz's breakthroughs in solar parabolic trough technology are the immediate reason for this bill's introduction, although the bill's provisions will hopefully spur the development of other large-scale solar technologies. It is significant that both Luz and the utility which purchases Luz's power fully support this bill.

I thank my distinguished colleagues for their leadership in developing this legislation, particularly Mr. WAXMAN, Mr. BERMAN, and the ranking minority member of the Energy and Power Subcommittee Mr. MOORHEAD, and I hope that we may see this key regulatory inducement to the development of American solar power enacted speedily into law.

REVEALING REACTION TO A HIGH-RISK PLAN

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. LAGOMARSINO. Mr. Speaker, the recent visit of President Oscar Arias of Costa Rica to Washington served to focus a great deal of attention on his peace initiative for Central America.

While both Democrats and Republicans applaud President Arias' initiative and offer hope and encouragement that the process will continue, there are some who are concerned with certain specifics of the Arias proposal which do not seem to go far enough to ensure compliance by the Sandinista Government in Nicaragua. Those fears are shared not only in Washington, but also in Central America capitals as well.

Two commentaries that appeared recently in the Washington Times help to put into perspective the concerns raised about the Arias peace plan. I urge my colleagues to read carefully the two following commentaries by Michael Novak and Curtin Winsor, Jr.

[From the Washington Times, June 19, 1987]

REVEALING REACTION TO A HIGH-RISK PLAN

(By Michael Novak and Curtin Winsor Jr.)

SAN JOSE, COSTA RICA.—The Sandinista tyranny comes into sharp focus in Costa Rica, a tiny democracy that has led the world in denying itself the protection of an army. Its 5,000 soldiers are, essentially, a police force.

In Panama to the south, riots against a corrupt government were in the San Jose headlines June 13-14. From the north, the stream of refugees from tiny Nicaragua (pop. 3 million) is unabated. Some estimate that one out of every 10 Nicaraguans—300,000—are already in Costa Rica.

Many Costa Ricans tremble about the future.

On Sunday, June 14, in the capital, President Arias addressed a conference of some 200 democrats from Latin America—professors, literary figures and journalists, mostly—expressing his frustration at the help being given to the Sandinistas by Europeans. Accordingly, President Oscar Arias has designed a "peace plan" for the democratic governments of the region, plus Nicaragua. One of its conditions is that the Sandinista Party must abandon its totalitarian claim to be the sole voice of the Nicaraguan people, and reinstate non-Marxist-Leninist, fully democratic institutions.

So far, the president said, Nicaragua is the only nation to fail to respond to his plan, even by letter. Arias says he wants the whole world to see the Sandinistas as they are. He said that if they accept his peace plan, the Sandinistas will be marking "the beginning of the end" of their own rule.

Even so, his "peace plan" left many in the audience skeptical. They already know who the Sandinistas are. They know the Sandinistas are grown men, intent upon total power, and willing to eliminate those who stand in their way. The Sandinistas have already driven nearly one-quarter of the population from the nation. They have driven another half-million off the land into the cities. They have also created internal "camps" for nearly 100,000 peasants suspected of being supporters of the massive anti-Sandinista rebellion. They have bombed their own civilians in the villages suspected of harboring rebels.

Mr. Arias responded to such skepticism, acknowledging his own grasp of the realities while emphasizing the need to awaken the whole world to them. He does not think his peace plan has much chance of success, he said. But it is necessary to clarify the situation for the world.

Another speaker at the conference, sponsored by the democratic institute Libro Libre, was the dean of Latin American historians, German Arciniegas, whose theme was that the Americas, North and South, are not adjuncts of European civilization, but "something else." The Americans are politically and intellectually ahead of Europe, he said. We Americans, he said, long ago declared our independence from Europe. We have pioneered the paths of liberty, democracy and human rights that Europe has followed.

Even the bad experiences the Americas have had with dictators, he said, are small troubles compared with the European terrors of Hitler, Lenin, Stalin and Mussolini. Only Cuba and Nicaragua, he said, stand outside the American tradition of liberty. The Americans have shown Europe the way to the peaceful and productive regimes Europe has experienced since World War II.

How to make democracy in the Americas work, especially for the poor, was the theme of the two-day conference. Libro Libre has become known for publishing the classics of the democratic revolution in handsome, cheap editions: *The Federalist*, Tocqueville, Lord Acton, Montesquieu; but also such Latin-American writers as Carlos Rangel, Octavio Paz, Mario Vargas Llosa.

Among those in attendance was Jose Luis Velasquez, a brilliant young theoretician who once served on the staff of Miguel d'Escot in the Sandinista foreign ministry. Mr. Velasquez has published a penetrating book, based on the work of Gramsci, *Civil Order and Dictatorship*, showing how the Sandinistas have systematically destroyed the civic culture of Nicaragua, in the name of total dictatorship and power.

The Sandinistas, many participants said, have committed human rights abuses against scores of thousands of citizens, depriving them of property, imprisoning them, practicing torture and assassination. Scores of thousands of Nicaraguan children have been sent to Eastern Europe for "study."

Every Nicaraguan official is assigned an Eastern European or Cuban "adviser," to whom all decisions must be referred. Massive Soviet intelligence installations for electronic and satellite surveillance have been established. Ports both on the Atlantic and the Pacific for servicing Soviet ships are being readied. East bloc advisers insist with growing frequency, some said, that the Sandinista officials must become "more efficient" in exercising total control.

This is because the resistance to the Sandinistas is far stronger than two years ago, more widespread, more passionate.

After a two-year absence from the field, the rebel forces are rebuilding their networks among the population deep inside the country.

Many expressed fears that the U.S. Congress has treated the rebels "like a yo-yo on a string," helping them and then not helping them—on again, off again. But the population still in Nicaragua is small, under 2.5 million. Every day there are battles, and every day Nicaraguans are dying to regain their liberty. Their human resources are not endless—there are only so many who can die. And the power arrayed against them is immense, cynical and power-centered.

Meanwhile diseases such as typhoid and tuberculosis, once virtually eradicated, are again spreading. Health care has deteriorated sharply. Water supplies are low and often not safe. The schools teach little more than the glorious deeds of the *comandantes*.

The democrats in Latin America know that time is vital. Many believe that support for the Sandinistas is weak in the lower levels of government, and defections even at high levels continue steadily. The entire Sandinista structure is top-heavy, under the control of foreigners and imposed by force.

The issue, for many, is liberty or death.

The "peace plan" proposed for Central America by President Oscar Arias of Costa Rica is a positive step in one respect. It does—finally—identify Nicaragua as the principal Central American problem.

This is a significant step toward reality in recognizing the major block to economic, social and political justice for Central America.

Having thanked Mr. Arias for this rose, however, I must also write of the many poisonous thorns which abound in his proposal.

The Arias plan fails to require the simultaneous and verifiable acceptance of genuine democracy by Nicaragua. Worse, it fails to address the inherent political, economic and military-terrorist threat of an expansionist communist presence in Nicaragua.

Former U.S. Assistant Secretary of State for Latin America Thomas Enders, flew to the region in 1981 to cut a similar deal. The Sandinistas risked rebuffing him then.

Today, the Sandinistas may not be ready to take another such "risk." They may be bright enough to recognize an opportunity which seems to give them a free hand in Nicaragua in return for "containing" their revolution on the basis of unverifiable assurances. Such containment as this is better defined as appeasement. That we should see such a recipe for "containment" of the Sandinistas brought forward by the government of Costa Rica, which only last year so courageously held the line for democracy in Nicaragua as the only hope for peace, is cause for alarm.

The Arias plan has been interpreted for us here in Washington by John Biehl, a Chilean adviser to Mr. Arias, as being "incompatible with U.S. aid to the Nicaraguan Armed Democratic Resistance (Contras)." Mr. Biehl (who in the past, was associated with late Marxist President Salvador Allende of Chile and who was a public school chum of Mr. Arias in England) has also informed American policy-makers that the success of the Arias plan depends on "guarantees and good faith."

This strongly indicates that the Arias plan falls into the oldest of political traps used by totalitarians against democrats of honor and good will: trading of our concrete concessions for their promises of good behavior.

Mr. Biehl dismisses the loss of the Contras, arguing that the Arias plan merely observes reality: Because the Contras are weak militarily and politically, and because U.S. aid to them only passes the Senate by one or two, even five votes . . . it makes no difference.

Yet the proposed abandonment of the Contras would not boost democratic prospects for Nicaragua and it will make a fateful difference. The Arias plan throws away an army of Nicaraguans who are eager to fight for democracy. It offers no hope for democracy to take the Contras' place.

Like other communist totalitarian regimes, the oppressive Sandinista government's security is enforced by huge secret-police resources, an army of 120,000 men, and by Soviet bloc and terrorist elements which today number more than 12,000 persons.

Strangely, the Arias plan refers to all foreign presences in Central America as if they were equally culpable. This seems to reflect the contemptible intellectual vice, "moral equivalence," which is fashionable among America-baiting leftists. To thus play down the Soviet-bloc threat in Nicaragua in a "peace plan" and to lump such scum as its Cuban, Bulgarian, North Korean, Vietnamese, Palestine Liberation Organization and Libyan terrorist proxies with the few U.S. advisers in El Salvador and Honduras is unworthy of Costa Rica's unique tradition of open friendship with the United States.

Finally, the use of the word "peace" with the Arias plan obscures what this plan does not do.

It fails to demand verifiable democracy in the place of the totalitarian system which is disrupting the region through support for terrorism and the flight of its own oppressed people.

It fails to offer solutions to the economic and social problems of the region. Needed regional economic growth requires the confidence of the region's savers and investors. The willingness of Central Americans to save money in local funds and to invest in their homelands will only return with democracy in Nicaragua.

Finally, the Arias plan fails to offer hope to the Nicaraguan people for the end of tyranny in their country.

Mr. Arias' popular predecessor in democratic Costa Rica has summed it up best of all.

Former President Luis Alberto Monge has always clearly stated that peace can only grow out of democracy in Central America.

THE PARTY'S OVER: WHO'S GOING TO CLEAN UP THE MESS?

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. GINGRICH. Mr. Speaker, from 1945 to 1965, we had the richest most advanced economy in the world. Our preeminent position in the world allowed us to expand liberal welfare state tax policies, regulatory policies, and welfare policies without any apparent harm. Our business management pursued short-term profits instead of aggressively building our competitive abilities. Labor unions adopted work rules and attitudes which made American workers and companies less competitive.

While we were adopting liberal welfare state policies, many of our international competitors were adopting progrowth, market driven policies. They are now reaping the benefits, and we are now paying the price. Evidence of the high price we've paid is seen in our enormous budget and trade deficits. It's time for America to wake up and realize that the world has changed and we need to make some changes too.

Mr. Edward G. Harshfield, president and chief executive officer of Household Finance, recently gave a speech before the Executives Club of Chicago in which he clearly outlined the challenges and opportunities we face in today's world economy. I urge my colleagues to review his insightful remarks.

The speech follows:

CORPORATE AMERICA: THE MORNING AFTER

The ancient Chinese had a curse that went this way: "May you live in interesting times!" In a less sardonic mood, the Chinese designed their alphabet figure for the word "crises" by pairing two other figures—one, the symbol for "problem" and the other, the symbol for "opportunity."

If you will allow me the truism that says leaders turn problems into opportunities, I would like to address that premise with you. I've titled my remarks: "Corporate America—the Day After," because the opportunities to which I allude must be carved out of a challenge far different than anything our nation has faced since World War II.

Let's face it. The post war world experienced almost 30 years of the greatest prosperity ever known. It was an era of sustained growth at the highest rates in recorded history. And the United States owned the cake!

In the early 1950's we accounted for 80 percent of all the new products developed in the world, 52 percent of the world's total economic output, 42 percent of its total income—and all this with only 7 percent of the world's population. That kind of record never happened before; it isn't likely to happen again.

The question may haunt some of us: "Did we earn it?" The answer is both yes and no. Yes, our economy produced at incredible rates and with dynamic energy; but no, it all had to do with the good fortune of being the only unscarred superpower with its economy at peak performance after the war, and its security under the world's only atomic umbrella.

The simple fact is that it was a great party; America was celebrating its international leadership in political and economic terms. Since we were giving the party, we just assumed the entire world would show up—and it did. And we also assumed the party would go on forever—but it didn't.

It's hard to point a finger at the specific turning point—some say the Vietnam war, or the great post-war inflation that saw our currency lose 90% of its post-war value, or the recession of 1981-2. The seventies certainly seemed prosperous enough—not only two cars in every garage, but a mobile home in the driveway. And the average American family now has three television sets!

But in the last six years, the decade of the 1980's, there has been a dawning awareness that the party may be over—or at least slowing down. A recent poll conducted by the Wall Street Journal and NBC News showed that 65% of middle-class people now think that it is becoming more difficult to maintain their current living standards.

Although the number of households earning $50,000 or more per year has increased by 70% since 1970—yet personal bankruptcies, home foreclosures, and debt delinquency rates have also reached post-war highs. In just the last year, real after-tax spendable income—that is, your buying power—has been dropping at a 3% annual rate.

And when we hold America up to an international comparison, some of the statistics are even more surprising. Four of the five largest banks in the world are not American; they are Japanese. Those banks control more than 30% of the world's capital. We think of Merrill Lynch as the world's brokerage giant—but Japan's Nomura securities is three times larger, with $241 billion in deposits, compared to $81 billion at Merrill Lynch. But before anyone thinks this is Japan bashing time, that is not the intent. Consider Chicago where familiar names are owned by foreigners—Marshall Fields, Spiegals, Saks, 20th Century Fox, Intercontinental Hotels, A&P, Grand Union or Giant Foods.

The United States in the last three years has become a debtor nation, not a creditor—relying on borrowing from other nations to keep our economy going. In fact, we are the largest debtor—not Brazil, not Mexico—we, the United States. The Japanese now own an estimated one-third of our national debt. At every quarterly Treasury auction, we depend on the Japanese to buy our bonds and thereby fund our annual operating deficit. It's as if a young married couple paid most of the bills every month and then went to the in-laws and signed IOU's for a loan to make up the difference. Only the Japanese cannot always be depended upon to be as magnanimous as the in-laws. And they demand a real rate of return on their loans—a market interest rate.

Interest on the national debt is now the third largest category in the Federal budget—an estimated 140 billion dollars this year. How do we get the money to pay the interest to the foreigners to entice them to buy our Treasury bonds? We tax Americans!

Just as we are no longer self-sufficient financially, we are coming to the point where we will no longer be self-sufficent in technology. America invented the most sophisticated computer chips as a result of the space program. Today the Japanese can and do manufacture those chips much more cheaply—and now they are challenging us on the technology front with their own super computers. Not beause of cheaper labor—but because of cheaper capital.

But let's not just judge at the edge of technology. I challenge you: name one 35 mm camera that's made in the United States. Or one VCR. (It may have the RCA name on it—but it's still manufactured in Asia.)

So whether Americans feel it intuitively—or look at the statistics—it is undeniable. Something has changed. But change is inevitable—if somewhat shocking. The only question is how we handle change—and America has a very good track record at that.

Let me take you back in history for a moment and compare our current situation to another apparent crisis that faced Americans just before the turn of the century. Up to that time, America had unlimited horizons, expanding ever westward to challenge the frontier. But that came to an abrupt end when the Census report of 1890 declared that America was so widely settled that the frontier line no longer existed. It was a shock to America—the possiblity of unlimited expansion and growth had been given finite boundaries. Yet that shock of the closing of the frontier—both economic and emotional—did not stop America in its tracks. Instead our country turned inward and went on to build a great industrial empire—the greatest the world has ever seen. And in a similar fashion, I am confident that America—with strong leadership from the corporate community—will rise to the challenge of competing in a global economy—competing and winning!

But to become competitive, we must first come up with creative new policies to deal with key areas that impede potential progress. I can point to several key areas of concern. But keep in mind, the solutions will have to be as bold and as large as the problems. They will need to be creative, but will in fact seem to be "unreasonably creative." Because if the solutions appear at first glance to be reasonable, chances are they won't be nearly creative enough to solve the problems. Put another way, when I was learning to parachute jump, my instructor told me, "A parachute is like the mind—it has to be open to work."

First, we have a government that is out of control. In terms of numbers, the annual federal budget has doubled since 1979. We now have the specter of the 1 trillion dollar annual operating budget for the federal government. And we are told bluntly that 40% of that budget is not virtually "uncontrollable" as a result of actions taken by Congresses past to perpetuate grants, support mechanisms, and other programs that create ongoing obligations.

In the corporate world, when budgets get out of control, each expenditure is re-exmined and re-justified. Maybe it's time for the government to have a chief financial officer with executive powers.

Second, we must deal with government regulation. When this country wrote its Declaration of Independence, 80% of the signers were humanists—merchants, doctors, teachers. Today 90% of our national legislature are lawyers who communicate and write laws that only other lawyers can understand. How sad to think that in these volatile times, there are only three CPAs serving in all the Congress. No wonder our laws and regulations bear so little economic relationship to the real world in which business is conducted. And then they have the nerve to label the tax law—"simplification" and advertise it as "reduction". What happened to truth in advertising?

The financial services industry is a classic example of how government can re-introduce legislation and regulation that has already been proven obsolete by the free market and unsound in economic terms. Thus, now that we have 37 states and the District of Columbia with reciprocal banking laws, and 91% of domestic bank deposits, Congress is debating a new statute to impede national financial service firms from delivering products across state boundaries. And suddenly we hear talk of interest rate caps—a proposed return to usury laws which, experience shows, denies credit access to those who need it most.

The list goes on. Clearly it's not business that needs more regulation and limitation—but government itself. The answer is simply less government, not more. Controls must be placed on Congress because self-policing has been shown to be inadequate. Line item veto, constitutional amendment to balance the budget, reorganization of the House and Senate and redefinition of their members' respective goals may be in order. Going further, let's balance the legislature with managerial disciplines. After all, isn't government a form of business?

We are shifting from a managerial society to an enterpreneurial society—so the relationship between management and labor is a third area that will require a creative new path. And I stress the terms "management" and "labor"—not labor organizations. It strikes me that all too often creative solutions to increase productivity and foster innovation are derailed by organizational structures. The computer is smashing the pyramid. We mass produce information the way we used to mass produce cars. We have collapsed the information float. By now everyone knows what workers balk at: a class-conscious, hierarchical, authoritarian, adversarial management outlook. And we know how they retaliate: by holding back commitment. We also know what they want and need: participation, responsibility, goal setting and continuing feedback and recognition. The adversarial relationship of the past thirty years must be replaced by a willingness to sit down together and examine the different kinds of jobs and skills that will be required to compete in international markets and then cooperate in structuring those jobs.

Fourth, as we recognize the need for different skills in the workplace, we must take a new approach to education. Corporate America must be pro-active—assisting in the design of a curriculum that is relevant to our needs, enabling us to develop products and services that are, in fact, competitive. Time Magazine reports that 75% of Japanese students who are tested in math scored higher than our top 5%. Japan graduates more engineers each year than we do with twice the population. Failure to educate meaningfully leaves us vulnerable in virtually every endeavor in which we are engaged. My own company, Household International, has recognized that need with its corporate involvement with the education process and the participation of its officers in everything from Junior Achievement to the business schools of several universities. We and other corporations have adopted public and private schools, endowed chairs and centers at universities and encouraged their workers and teachers to communicate their skills and values to today's students. The partnership between corporate America and today's students must be a full one, a counselling one, a supportive one and a much strengthened one.

There are certainly others areas that will benefit from creative new approaches to the challenge of becoming internationally competitive. Dealing with productivity and research and development, as well as current fragile sectors of the economy—farming to finance—will require more "unreasonably creative" solutions.

The need is to see clearly that we are competing in an international arena and on a global scale. That competition is wanted, needed, and desirable. The prize for which we are all competing is international economic power—even dominance. But it is a prize that cannot be won by erecting trade barriers. History has proven that no country that ever closed its borders was able to make significant economic progress. Today, more than ever, no nation is self-sufficient—certainly not our nation.

There is an exquisite irony in our current trade position. Our post-war policy of rebuilding the shattered world after 1945 was not so much altruism as it was national self interest. We then accounted for 60% of the free world's gross national product—and so it was in our interest to promote trade and investment.

Over the last 40 odd years, our policy has succeeded so well that we now find ourselves accepting 40% of all Korea's exports, 40% of Japan's, 50% of Taiwan's, and 80% of Canada's. That policy was right for its time—and it is right for ours. The answer is not to stop imports—it's to increase our exports—to become internationally competitive in markets again.

Then what key element do we need to give us the competitive edge to address all of the key issues: We simply must have an uplifting of the spirit—a national purpose.

A national purpose requires leadership—a strong leadership like that which told us America could put a man on the moon. It is easy to recognize the need for political leadership. But credibility in the world arena comes only from clout. And clout comes from economic leadership.

The President of the United States can only exercise leadership if we are economically sound, technologically secure, and politically rational. Three weeks ago, in four capitals of Europe, this message was reinforced over and over as I met with business and government leaders. We need a strong President—and we need a strong economic base in order to be credible.

Our national purpose should be defined as a requirement to once again become the preeminent economic leader of the world because in doing so, we assure our leadership and our freedom. The risks for not disciplining ourselves for such a purpose have been illustrated by England, France, and earlier times, Spain. Think of how they hurt "their empires." It need not happen to us.

Yes, it is now the morning after—but it's also a new day. Perhaps all of these changing realities do not pose immediate challenges to your work or your job. But we must look at all of these domestic and international issues, understand their relevance to what all of us need to do, and ensure that each of us in our own capacities do everything we can to help our companies win! Certainly not all of us can be winners in the long run, but if we all strive toward that end, our America and our economy cannot be but better off. You and I must decide which bridges to burn and which to cross.

That is a worthy agenda for those of us whose professions may not always win high marks in the nation's public opinion polls, but who nevertheless must provide that nation its goods and sevices and its jobs. The central theme here is that we have a willingness to face the problem and believe in ourselves. To seize the opportunities and act. I'd like to close by leaving you with my favorite newspaper character—and who expresses the thought. He is pogo—a 'possum who lived in Okeefenokee swamp—a consummate philosopher. Once, as he polled his skift through the swamp, daydreaming, he found himself hanging high on his pole as the skift slowly drifted away. Looking down at the alligators below, he said, "What we have here is an ' "Insurmountable opportunity.' " He was also probably thinking, "I'm up to my tail in alligators!" But—he still returned the next day to the pages of my paper. Opportunities are realized by people who know how to go for them!

America has always realized those opportunities in the past. That's always been our strength. With a national purpose and focus, it will continue to be our strength.

The morning after is a new day. And it need not start with a hangover. And you as leaders and future leaders have the ability to make the difference.

AMENDING THE STOCK RAISING HOMESTEAD ACT OF 1916

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. LEHMAN of California. Mr. Speaker, today I am introducing legislation to amend the Stock Raising Homestead Act of 1916. This act has resulted in an unusual land ownership pattern whereby the surface is privately owned and ranched, at the same time the subsurface is retained by the U.S. Government. Nationwide 70 million acres were privately settled under this act, and in California alone 3.5 million acres were acquired under the 1916 act.

The original act was passed to promote continued settlement and ranching in the West while reserving whatever minerals might exist for exploration. Unfortunately, the old 1916 act has wrought some unintended consequences due to the practical fact that in order to get to the subsurface, it is clearly necessary to disturb the surface of the land. In some instances, prospecting and hard rock mining beneath the surface of privately owned land causes serious damage to the surface and interferes with day to day grazing operations. Private property owners on the surface have little recourse except to go to court and try to collect damages.

I believe that the Stock Raising Homestead Act can and should be amended to provide more protection for the rights of the surface owners. Furthermore, this can be accomplished without unduly restricting mining beneath the surface of this private land. My bill would modernize the Stock Raising Homestead Act in the following manner:

1. The bill will require written notice to the private property owner prior to entering this land for the purpose of prospecting or mining; and

2. The bill will require a bond to be posted in amount to insure that if damages to grazing operations occur, compensation will be paid;

3. The bill will require a plan of operations for mining beneath the surface of private property which will include a program for reclamation and mitigation of surface damages. In addition, the plan will include a negotiated agreement between the surface owner and the miner for use of the surface land, but if agreement cannot be reached the Secretary of the Interior will set a rental fee for use of the surface property;

4. The bill will enforce the new requirements for mining beneath the surface of privately owned property by requiring payment of the bond if surface damage occurs, suspension or revocation of the plan of operations if violations occur during mineral development, and court action may be brought for triple the amount of damages to the surface property; and

5. The bill also directs the Secretary of the Interior to simplify the procedures by which the surface owner can obtain title to the land beneath the private property acquired under the Stock Raising Homestead Act. Although this provision does nothing to alter current policy with regard to sale or price of the subsurface, it does make an effort to simplify whatever the required procedures may be.

Mr. Speaker, my bill is a fair one which will simply give private property owners some very basic rights—the right to be notified when their property is entered and the right to be compensated when efforts to mine the subsurface damage the surface property. Many responsible miners already are good neighbors to their surface-owning ranchers and as a matter of courtesy and equity already comply with the principles embodied in my legislation. Unfortunately, all do not.

Mr. Speaker, when the Federal Government owns the surface of land to be prospected or mined, a great many laws exist to protect the surface from distrubances resulting from mining—from plans of operations to environmental studies to bonding and reclamation requirements. When States or charities own the surface and the Federal Government retains the subsurface, States and charities must be given notice and opportunity to comment and even object to proposed surface disturbances. The only party which has little or no protection in these instances of split-estate land ownership is the private surface owner. My bill would balance the very real need for mineral exploration with the completely unmet needs of the surface owner. There are no administrative remedies to this very serious problem. Legislative action is imperative, and I urge my colleagues to support my bill.

H.R. 2811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, SECTION 1. NOTICE TO SURFACE OWNER OF ENTRY

(a) HARDROCK MINERAL ENTRY UNDER THE STOCK RAISING HOMESTEAD ACT.—Section 9 of the Act of December 29, 1916 entitled "An Act to provide for stock-raising homesteads, and for other purposes" (39 Stat. 862; 43 U.S.C. 299) is amended by inserting "(a) ENTRY FOR PROSPECTING OR MINING AND REMOVAL OF MINERALS" before the words "All entries made" and by adding the following at the end thereof:

"(b) HARDROCK MINERALS—

"(1) APPLICATION OF PROVISIONS.—This subsection shall apply only to hardrock minerals. The provisions of subsection (a) shall also apply to hardrock minerals except that where there is a conflict or inconsistency between the provisions of this subsection and the provisions of subsection (a) the provisions of this subsection shall govern in the case of hardrock minerals.

"(2) NOTICE OF PROSPECTING.—No person may enter lands subject to this Act for purposes of prospecting for hardrock minerals under the authority of this section unless such person has provided written notice to the surface owner. The notice shall be sent to the surface owner by registered mail at least 30 days prior to the date of entry. No such notice shall remain effective for such entry more than 90 days after the date on which it is sent to the surface owner. The notice shall contain (A) a statement of intention to enter the lands concerned for purposes of prospecting, (B) a brief description (or map) of the lands to be subject to prospecting and (C) the name, address, and phone number of each individual who will enter the lands concerned.

"(3) REENTRY FOR MINING OR REMOVAL OF MINERALS.—Any person who has acquired from the United States hardrock mineral deposits in lands subject to this Act, or the right to mine and remove such minerals, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of such minerals only if such person meets each of the following conditions:

"(A) NOTICE.—Notice shall be provided in writing to the surface owner by registered mail at least 60 days prior to such reentry. The notice must include a copy of the approved plan of operations.

"(B) BOND.—A good and sufficient bond shall be executed, and held by the United States, to insure reclamation of the surface and payment to the surface owner of compensation for damages to crops or tangible imrpovements of the owner and loss of income by the surface owner due to loss or impairment of existing grazing or other uses by the surface owner.

"(C) PLAN OF OPERATIONS.—The Secretary has approved a plan of operations submitted by the person proposing to mine or remove hardrock minerals from such land. The plan shall contain such conditions as may be necessary as determined by the Secretary. The conditions shall include reclamation of the surface, mitigation of damages incurred by the surface owner as a result of loss of use of the surface or disruption of normal surface use operations, and a condition requiring a negotiated agreement with the surface owner for the use of the surface lands unless such an agreement cannot be negotiated. If an agreement cannot be negotiated with the surface owner, the plan shall contain a rental fee to be paid to the surface owner for the use of the surface lands. The Secretary shall establish the rental fee. The plan shall be provided to the surface owner at least 90 days before it is approved by the Secretary. The surface owner may submit comments and recommend modification to the Secretary during such 90-day period.

"(4) PAYMENT OF DAMAGES.—The surface owner of any land subject to this subsection may petition the Secretary for payment of all or any portion of a bond required to be posted under paragraph (3)(B) as compensation for damages referred to in paragraph (3)(B). Pursuant to such a petition, the Secretary may use such bond to provide compensation to the surface owner for such damages. The Secretary shall release such bond on the date 24 months after completion of all mining operations and all reclamation activities required pursuant to the plan approved under paragraph (3)(C) or at such earlier date as may be agreed to by the surface owner.

"(5) FAILURE TO COMPLY WITH PLAN CONDITIONS.—The Secretary shall suspend or revoke his approval of any plan approved under this subsection whenever the Secretary determines, on his own motion or on a motion made by the surface owner, that the mine operator has violated any condition of the plan and failed to remedy the violation after notice from the Secretary.

"(6) DAMAGES FOR FAILURE TO COMPLY.—Whenever the surface owner of any land subject to mineral entry under this subsection has suffered any damages or loss of income resulting from any mining activity undertaken before approval of a plan of operations or from the failure of a mine operator to comply with the terms and conditions of the plan, the surface owner may bring an action in the appropriate United States district court for, and the court may award, treble damages. The surface owner of such lands may also bring an action in the appropriate United States district court for treble damages against any person undertaking any prospecting activity on such lands who injures, damages, or destroys permanent improvements of the surface owner or damages crops or grazing or surface lands. Damages awarded under this paragraph shall be reduced by the amount of any compensation which the surface owner has received (or is eligible to receive) pursuant to the bond required under paragraph (3)(B).

"(7) PATENTS FOR MINERAL DEPOSITS.—All patents issued after the enactment of this subsection for mineral deposits subject to this subsection shall contain appropriate notations declaring them to be subject to the provisions of this subsection.

"(c) SIMPLIFIED PROCEDURES.—The Secretary shall take such actions as may be necessary to simplify the procedures of the Department of the Interior which must be complied with by persons owning rights to the surface estate of lands subject to this Act who apply to the Secretary to obtain title to the subsurface estate of those lands.

"(d) DEFINITIONS.—As used in this section—

"(1) The term 'leasable mineral' means any mineral subject to disposition under the Act of February 25, 1920 entitled 'An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain', under the Geothermal Leasing Act, or under other laws of the United States providing for the leasing of mineral deposits owned by the United States (including but not limited to deposits of oil, gas, coal, oil shale, sulfur, potash, and gilsonite).

"(2) The term 'hardrock mineral' means any mineral other than a leasable mineral.

"(3) The term 'prospecting' has the meaning provided for such term by the Dictionary of Mining, Mineral, and Related Terms, published by the Bureau of Mines, United States Department of the Interior (1968).".

THE McCARREN WALTER ACT

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. BIAGGI. Mr. Speaker, 25 years ago today, President Harry Truman vetoed a piece of legislation which he charged gave far too "sweeping powers" to the Department of Justice.

The legislation was the McCarren Walter Act which has dictated the terms and conditions for visas granted for foreigners visiting our Nation.

Included as one of the provisions of the McCarren Walter Act is section 212(a)(27) which "prohibits the issuance of a visa to any foreign national who seeks to enter the United States to engage in activities prejudicial to the American public interest."

This section over the past 25 years stands as our "iron curtain" against a full and free exchange of all political views since the provision allows for persons to be excluded solely because of their political views.

Nowhere, has our current visa policy been more discriminatory than against those who are concerned about the ongoing struggle for peace and justice in Northern Ireland.

The McCarren Walter Act has contributed to a cloak of censorship being imposed on certain segments of the Irish American community who are deprived of hearing a full and free exchange of political positions.

This is because some views are allowed into the United States and others are not. Whereas the Rev. Ian Paisley and other representatives of the Democratic Unionist Party are routinely allowed in the United States—all members of another legally sanctioned political party—Sinn Fein are denied outright.

I am proud to be an original cosponsor of H.R. 1199 which would reform the McCarren Walter Act to repeal the political exclusion category for visa denial. It would still bar terrorists and criminals from entering but would not permit the State Department to continue to impose a political and moral order over the rest of the world.

Hearings were begun on this legislation earlier this week and I hope its passage will occur in the not too distant future because it should not take us another 25 years to realize that Harry Truman was right.

WELFARE REFORM

HON. SANDER M. LEVIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. LEVIN of Michigan. Mr. Speaker, I would like to share with my colleagues an excellent article on the status of current efforts to reform the welfare system, which was written by Robert Kuttner in a recent issue of The New Republic.

Mr. Kuttner does an excellent job of summarizing the need to build stronger linkages between welfare and work. There is a growing consensus on the need for reform. The current welfare system does nothing to help recipients to find work; to the contrary, the system frustrates work. Many recipients find that by accepting a job, they lose more in benefits and work-related expenses than they gain in wages. Even worse, they put their children at risk by the loss of medical coverage.

The House Ways and Means Committee recently reported out a bill, H.R. 1720, which requires States to establish education, employment and training programs for welfare recipients and to provide day care and other support services for participants in these programs. Unfortunately, despite Democratic efforts at compromise, this bill passed the committee on a strictly partisan vote. As Mr. Kuttner details, the administration has professed agreement on the need for greater work-welfare linkages, but it has refused all attempts to reach bipartisan agreement on the issue.

I hope that Mr. Kuttner's article will persuade my colleagues not to miss this historic chance to build linkages between welfare and work that are constructive and productive for both recipients and society at large.

The article follows:

[From the New Republic, July 6, 1987]

THE WELFARE STRAIT

(By Robert Kuttner)

After two decades of ideological wrangling, a remarkable consensus on welfare reform is said to be emerging. Most liberals and conservatives now agree that the welfare system encourages dependency, promotes the breakup of families, legitimizes a culture of illegitimacy, and offers too few opportunities to escape from poverty. Virtually all liberals now concur that many, perhaps most, welfare recipients can and should—and often want to—work. Liberals, abetted by their feminist allies, are also willing to have the State fiercely pursue absent fathers for child support.

Many conservatives, for their part, concede that benefits for those "truly needy" are indecently low; that some entitlements must be broadened, paradoxically, to reduce dependency (for example, allowing benefits when the father is in the home); and that although the welfare-to-work shift can save public money in the long run, it will necessarily increase transitional costs in the short run, for day care, health insurance, and compensatory education, to mention just three. Both liberals and conservatives want to modify tax credit and "disregard" formulas so that an additional dollar earned does not mean a dollar of benefits lost. Both want work requirements to be targeted on "recidivists"—the relatively small fraction of AFDC recipients who stay on welfare for the long term and cost the most. Both acknowledge the perversity of a system that can give some people more money for staying on welfare than working while leaving those who go off welfare with less money.

One can find variations on these common themes in a small library of recent reports representing diverse points on the political spectrum: "One Child in Four" by the American Public Welfare Association; "Ladders Out of Poverty" by the project on the Welfare of Families (co-chaired by Bruce Babbitt); "A New Social Contract" by a task force appointed by Mario Cuomo; "A Community of Self-Reliance" by the American Enterprise Institute; and the forthcoming "Beyond Welfarism" by the Heritage Foundation. Indeed, in these works liberals often make conservative arguments and conservatives voice liberal ones. "Increase the federal and state resources spent on locating absentee parents," declares the report to Governor Cuomo. "Work requirements will not provide a panacea for dependency," cautions Heritage. "A powerful new consensus has taken shape," concludes AEI's Working Seminar on Family and American Welfare Policy, whose members ranged from Charles Murray on the right to Barbara Blum, former president of the American Public Welfare Association, on the center-left.

So we ought to be on the verge of a historic bipartisan breakthrough. But it is very likely that 1987 and '88 will pass with no welfare reform, thanks to the Reagan White House. The conspicuous dissenter in the new consensus is Charles Hobbs Jr., the White House point man on welfare reform. Hobbs's December 1986 White House report, "Up from Dependency" (a cute play on William F. Buckley's Up from Liberalism," which is itself a play on Booker T. Washington's Up From Slavery), poses two basic obstacles: ideology and money. The White House's ideological goal is to get the federal government out of the welfare business as quickly as possible. Instead the administration wants broad waiver authority to let states reallocate present social outlays, in the process dropping federal safety-net entitlements and leaving states holding the fiscal bag for recessions. According to a White House memo circulated to legislative allies, any welfare reform that increases spending, sets additional federal standards, or fails to give the administration virtually unlimited authority to allow state experiments is unacceptable. Any further transitional outlays for health insurance and day care, much less job training or higher basic AFDC benefits, would invite a presidential veto.

As congressional drafters of reform legislation have informally felt out possible compromises to secure White House support, Reagan officials have simply refused to bargain at all, and have pressed congressional Republicans not to back any legislation that increases costs or broadens mandates. Even the conservative sponsors of the AEI report, "A Community of Self-Reliance," who include former administration officials, have been unable to get the White House to play. Unless chief of staff Howard Baker, once a Senate supporter of welfare reform, chooses to assert himself and pull rank on Hobbs (which will be difficult, since Hobbs is a protégé of Attorney General Ed Meese's), any bill that passes Congress is likely to be bitterly fought by the White House.

Everyone who is serious about welfare reform has bumped up against several interrelated conundrums. The first is the matter of who takes care of the kids. Some states now impose work-or-training requirements of mothers of children as young as six months. Although some conservatives argue that if you are sufficiently coercive about work, neighbors and relatives will somehow emerge to watch the children, there are already too many latchkey children in America's ghettos. Massachusetts, which has the most ambitious welfare-to-work transition program, puts over half of its new state "employment-training" money into day care. Even if tough workfare requirements were to reduce gradually the prevalence of illegitimate motherhood, someone must care for the children already born. In a national welfare-to-work effort, subsidizing even a transitional day-care entitlement of 12 months post-AFDC would easily cost a billion dollars annually.

A second and related general dilemma is insufficient income. AFDC benefits have been falling further and further behind living costs. The purchasing power of an average welfare check is about 33 percent below what it was in 1970. In several states AFDC levels are under $200 a month for a family of four. AFDC benefits plus food stamps together create a family income package that averages 74 percent of the poverty level. Bringing up the basic welfare standard to even 15 percent of median family income, which congressional Democrats propose, would require 18 states to raise their current payment levels.

A key tenet of the bipartisan reform consensus is that shifting people off welfare and into employment should not worsen their lives. But moving a mother from AFDC into a minimum-wage job, at 35 hours a week, produces a yearly gross income of only $6,000. Since most such jobs provide no health insurance, the work option imposes new costs—medical coverage, day care, and the costs of getting to work. Without federal transition subsidies, it leaves the family with a net income below the welfare package in most large states.

Third, health insurance poses a special problem. Paul Starr calls the creation of a separate means-tested Medicaid program "the original sin" of health policy in America. Lacking votes for comprehensive national health insurance, Congress in 1965 designed Medicaid as a program for the medically needy, including the working poor. But eligibility has been narrowed, and in most states now Medicaid is a perquisite of being on welfare; if you go off AFDC to take a job you lose your Medicaid. Today 23 million people qualify for Medicaid. Another 37 million people, most of them the "working poor" and their families, have no health insurance at all. To buy good health insurance for a family of four costs $150-$200 a month. According to the Congressional Budget Office, about half the families that go off AFDC to take jobs get no health insurance. In some places, such as Dallas, as few as 17 percent get employer-provided health coverage. CBO reports: "Even those covered by private health insurance are likely to incur greater costs" because the typical stripped-down policy has higher deductibles and coinsurance costs, and some illnesses are not covered because of "pre-existing condition" clauses. Until there is some form of universal health insurance, the Medicaid problem will either necessitate transitional subsidies or exact a punitive form of tax on welfare recipients who take jobs.

Fourth, virtually all the studies agree that the widespread requirement restricting AFDC to one-parent households has had the effect of breaking up families. In most states a man who takes responsibility for the children disqualifies his mate from collecting benefits. A minority of states currently do extend AFDC to families with unemployed fathers. Every welfare reform blueprint, from Heritage to AEI to Children's Defense Fund, argues that a reformed welfare system should stop driving away fathers—every blueprint, that is, except the White House plan. Attorney

General Meese, in his capacity as domestic policy czar, has said that any program that extended benefits to fathers would be vetoed.

A related issue is child support. Liberals and conservatives both recognize that absent fathers should be required to support their kids. Although present law compels states to go after fathers, enforcement is spotty. About 58 percent of single or divorced mothers have a court award for child support, but only about 40 percent actually get it, and half of those get less than the amount they were awarded. Although in very poor communities it is often presumed that the father is either unknown or long gone, a recent ethnographic study sponsored by the Vera Foundation, "Teen Fathers in the Inner City" by Mercer Sullivan, suggests that contacts between unmarried fathers, their own families of origin, and their children are far more widespread than is often supposed. Paternity is frequently acknowledged; money, though sporadically, often flows.

A new approach in Wisconsin holds great promise for universalizing the child support obligation beyond the AFDC population, bringing all children under the same umbrella. A Wisconsin law takes effect in July (beginning experimentally in several counties) mandates a broad requirement that strictly enforces child support on all absent fathers—rich divorced ones, as well as unemployed fathers of AFDC children. It creates a minimum standard of $3,000 per child, and to the extent that the father's income plus the mother's can't provide it, the state does. This has the splendid liberal byproduct of de-stigmatizing AFDC children, and it serves the conservative goal of enforcing paternal responsibility.

Further, there is the problem of job qualification. Some fraction of the welfare population is not competent to work. (I have less sympathy for this argument than some of my liberal friends; a lot of very poor people with very low skills nonetheless do choose to take fairly menial jobs rather than go on the dole.) Presumably, it doesn't take advanced skills to run a checkout counter at McDonald's. But it does take basic literacy and a sufficient degree of personal organization to get to a job on time, ready to work. California's current version of workfare, called GAIN, tests the educational level of every AFDC recipient; fully 57 percent require remedial basic education. An extensive evaluation of state workfare programs by the Manpower Development Research Corporation found that Mandatory-work requirements; on average, increase the proportion of AFDC people who take jobs by only three percent to eight percent. Moreover, because of the transitional costs, the AFDC savings were smaller than the earnings gained, in all but one state. Virtually all of the recent studies urge that work requirements be targeted on the hardest core, long-term welfare recipients. But making that population employable will take money. A goal of a reformed welfare system should be not just to make the very poor sing for their supper, but to improve their life prospects.

Finally, there is the long-standing issue of whether, and to what degree, the availability of the welfare life is responsible for increasing teenage parenthood among underclass youths. Recent research by social scientists William Julius Wilson, David Ellwood, and Mary Jo Bane, among others, qualifies that claim in several respects. First, as Ellwood observes, AFDC levels for a family of four vary from just over $100 a month in Mississippi to nearly $600 a month in California. Yet among black families the incidence of illegitimacy fluctuates between 40 percent and 65 percent in different parts of the country, and does not correlate at all with the size of the welfare check. Some low-welfare states have very high illegitimacy rates, and vice versa. Secondly, says Ellwood, during the 1970s, the birthrate to unmarried black women fell by 13 percent, while for white women it rose by 27 percent. Something other than the culture of welfare dependancy must have been at work.

According to Wilson, a more convincing factor has been what he calls the diminishing pool of "marriageable" black males—"a long-term decline in the proportion of black men, and particularly young black men, who are in a position to support a family." Wilson reports that the ratio of employed civilian non-white men aged 20-24 to women of the same age and race has declined from about 70 percent in the mid-1960s to below 50 percent today, while the ratio among whites has actually risen slightly. A recent study by the Children's Defense Fund tracks the recent decline in the employment and earnings of young men, young black men in particular. Real earnings of men aged 20-24 fell by 30 percent between 1973 and 1984. Young black high school graduates, on average, suffered a 52 percent drop in their earnings, faring only slightly better than black dropouts. In real, inflation-adjusted dollars, the mean annual income of a black man, aged 20-24, dropped from $11,444 in 1973 to $5,571 in 1984—from well above to well below the poverty level for a family of three. If we want more intact families, we need more young men who earn a decent living.

Obviously, the route away from the welfare subculture has everything to do with work and the rewards of work, but in ways more complicated than many "workfare" advocates might first suggest. If liberals have learned to appreciate the importance of work, conservatives have come to appreciate the complexities: the need to employ not just mothers but fathers, and the need to supplement low incomes. Everybody favors some form of transitional work requirement, but it is just not practical to sound a bell and announce that henceforth, after a cutoff date, everyone who fails to show up at a WPA-type shape-up will simply starve.

There are solutions to all of these conundrums, but they cost some money. Not astronomical amounts, mind you. A radically better system could probably be put in place for $2 billion-$3 billion a year, net. And since it would gradually wean a lot of people from dependence, fiscal savings would materialize over time. Senator Pat Moynihan, who has been studying the welfare dilemma for better than a quarter century, as an academic, as a young assistant labor secretary under Nixon, and as the senior senator from New York, has an approach that promises a genuine breakthrough.

"Welfare cannot be reformed, it should be replaced," says he. "A program that was designed to pay mothers to stay at home with their children cannot succeed when we now observe most mothers going out to work." In a bill being circulated in draft, Moynihan proposes a three-layer cake, to replace the present AFDC program and reduce poverty at the same time. The first layer would be work income: all able-bodied welfare recipients with children over three would have to work, or take job training in preparation for work. The requirements would be applied most intensively to long-term welfare recipients. The second layer would be support payments from absent fathers, with a much more systematic effort to identify paternity and enforce collection, perhaps using the tax system. The final layer would be subsidies from a new Child Support Supplement, to the extent that the first two sources failed to provide a minimally adequate income.

The key difference between this approach and AFDC is that under AFDC, the government pays those who don't work; under this approach, the government would supplement the earnings of those who do work, and would go to greater lengths to "insist that all parents support their children," as Moynihan puts it. "Thirty years ago," says Erika Baum, Moynihan's welfare assistant, "it was punitive to single out AFDC mothers to work. Today mothers generally work. If the mother works, and the income from work and from child support payments is inadequate, then government can add the last piece. The present AFDC program is backward. It starts with the benefit. We want to reverse that."

But even the Moynihan approach—which allows the states great flexibility in designing specifics, assumes fairly meager benefit levels, and offers only brief transitional Medicaid and child care subsidies—would cost between $1 billion and $2 billion a year in additional federal funding. This approach serves the conservative goals of discouraging frivolous fatherhood, requiring that mothers work, and eliminating the present incentives to break up intact families. But it also broadens federal responsibility, and the White House wants none of it. Senate Minority Leader Robert Dole, the original leading prospect to be Republican co-sponsor, is said to be torn between his party loyalty and his desire to set an independent course from Reagan and Vice President Bush, his rival for the Republican nomination. Moynihan reportedly hopes to go over the heads of the White House ultras and enlist Howard Baker and the president himself.

A bill reported by the House Ways and Means Committee offers a similar approach. Here the first legislative obstacle was sticker-shock. The original subcommittee proposal, with higher AFDC minimums, day care, Medicaid, and job training, cost over $3 billion a year in the "out years " after 1990. At each stage, the cost has been pared back in the hope of picking up bipartisan support. But the real obstacle is the White House. Despite another round of trimming in last week's markup, eliminating mandated minimum AFDC levels and cutting the net cost to about a billion dollars a year, the bill reported by committee picked up no Republican co-sponsors.

In partisan terms, Democratic welfare reform advocates are in a tactical quandary. If they give the White House the waiver authority that Charles Hobbs wants, they essentially put the federal government out of the safety-net business, and deprive states of the resources to do welfare reform properly. If, alternatively, they decide to brave a veto and pass something like the Moynihan bill or the House Ways and Means bill, the resources may well be too meager, and Democrats could still find themselves as the party that wants to spend more money "on welfare" without solving the problem. The irony is that the new consensus approach has a lot of tacit Republican support and holds real promise for moving away from welfare dependency.

Thus far the White House line has placed its own "new federalism" agenda of weakened federal responsibility for the poor far ahead of welfare reform. The White House blueprint "Up from Dependency" is a hodgepodge of homilies about self-sufficiency, and outright intellectual dishonesty. In making the case that present federal transfers to the poor should be "cashed out" in favor of state programs, the report grossly inflates what it counts as anti-poverty transfers, counting, for example, tens of billions of dollars spent to keep old people in nursing homes, as well as college loan and grant payments, neither of which could readily be traded for higher welfare benefits.

The report makes two basic arguments against the current welfare system. First, it says, the system fails the poor, because it spends too much money on the non-poor. Second, it argues, the system fosters dependency by making it more attractive to stay on welfare. But obviously, what makes it attractive is the fact that you lose such benefits as Medicaid if you go off welfare. The only way to make welfare less attractive is by allowing some partial benefits to keep flowing to the near poor; you can't withdraw every nickel as soon as they increase their earnings. Either the first argument or the second could be right, but logically both can't be right simultaneously. The White House, perversely, has also eliminated federal Work Incentive (WIN) money from the 1988 budget; WIN substantially finances the state workfare programs that the administration commends.

Congress is closer today to real welfare reform than it has been for two decades. Despite the Democratic majority in Congress, the consensus reform view has been substantially influenced by conservative scholarship. But the idea that we can shift from a welfare state to a work economy on the cheap is a fantasy. That, despite the consensus, is why welfare reform is very likely to land on the desk of the next president. To get serious about welfare reform, Democrats—and Republicans—will have to confront an old nemesis: taxing and spending. For the better part of a decade social problems have accumulated, and decent attempts to remedy them have been crushed by the same fiscal and ideological constraints imposed by the administration. An increment of $2 billion-$3 billion would be a small price to pay for a bipartisan solution to the welfare knot. It is one more reason for wishing a speedy departure to the Reagan presidency.

GLENN C. LOURY—EXPERT ON SOCIALLY DESTRUCTIVE BEHAVIORAL PATTERNS

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. STOKES. Mr. Speaker, during the Reagan administration it has become fashionable for the media to confront Black leaders with the statements and opinions of so-called black Republican conservatives. These blacks who have surfaced during the Reagan administration have delighted in attacking black people and black leaders and have tried with some success in out Reaganing Ronald Reagan.

In fact these Thomas Sowells', Clarence Pendletons', and Walter Williams' have on some occasion been so far to the right of Reagan that they have embarrassed him. Now we have learned that another of these characters, Glenn C. Loury who has made his reputation as a black spokesman by going around the country attacking affirmative action and severely criticizing blacks for what he calls socially destructive "behavioral patterns" among some blacks, particularly those in low-income communities, has been charged in Boston Municipal Court with assault with a dangerous weapon, malicious destruction of property and threatening to murder his girlfriend, Pamela Foster.

Perhaps this will explain the expertise with which he speaks regarding socially destructive behavioral patterns.

I think my colleagues will find the attached New York Times article of June 6, 1987 not only interesting but insightful in evaluating his pronouncements in the future.

REAGAN SELECTION FOR A POST IN EDUCATION DECLINES JOB

(By Lena Williams)

WASHINGTON, June 5—Glenn C. Loury, President Reagan's choice for the No. 2 post in the Department of Education, has unexpectedly withdrawn from consideration.

On Thursday, Mr. Loury was charged with assaulting a 23-year-old Boston woman in an apartment that has Mr. Loury's name on its mailbox, according to a spokesman for the Boston Police Department. He entered a plea of not guilty today in Boston Municipal Court.

An official in the Department of Education said today that Mr. Loury, a professor at Harvard University's John F. Kennedy School of Government, withdrew his name Monday, citing "personal reasons."

The withdrawal and the charges against Mr. Loury caused embarrassment for the Reagan Administration, which felt it had a formidable candidate for Under Secretary of Education in Mr. Loury, a conservative political economist.

A CRITIC OF AFFIRMATIVE ACTION

Mr. Loury, who is black, has been an outspoken critic of affirmative action and what he has called socially destructive "behavorial patterns" among some blacks, particularly those in low-income communities. Consequently, the allegations against him shocked friends as well as his foes, many of them members of civil rights groups who had indicated they would oppose the nomination.

Representatives of some of these groups had said they were hard pressed to find fault with Mr. Loury's professional qualifications.

Benjamin L. Hooks, Jr., executive director of the National Association for the Advancement of Colored People, said today: "We have made known our opposition to Mr. Loury for the No. 2 position in Department of Education, based on our conviction that he was not the right person for the job."

When Mr. Loury appeared in Boston Municipal Court today he pleaded not guilty to charges of assault with a dangerous weapon, malicious destruction of property and threatening to murder the woman, identified as Pamela Foster. He was released on his own recognizance pending a court appearance July 9. If convicted, Mr. Loury could be sentenced to up to 10 years in prison.

The police gave this account of the episode that led to the charges:

On Wednesday at 9 P.M., and again a half-hour later, they were called to a domestic dispute between Ms. Foster and Mr. Loury in a fifth-floor penthouse apartment at 314 Shalmut Avenue in Boston's South End. The couple had apparently settled their difference by the time the police arrived.

But at 7 A.M., Thursday, the police received another call from Ms. Foster to come to the apartment after another fight. Ms. Foster asked the police to escort her from the apartment and went to the Area D station house to file a complaint, in which she accused Mr. Loury of assault and battery with a dangerous weapon, a "shod foot."

HE WAS MENTIONED IN MARCH

Boston directory assistance said a Glenn C. Loury had an unpublished number at the address where the woman reported the assault took place. A harvard directory also lists a Cambridge address for Mr. Loury, where he lives with his wife, Linda. Calls left on Mr. Loury's telephone message machine at his Cambridge home were not returned.

Mr. Loury, 38 years old, was widely mentioned by education officials last March as Mr. Reagan's choice for the post. The nomination was to be officially announced in early July, after routine security clearances, according to a department spokesman. It would then have been sent to the Senate for confirmation.

William Kristol, chief of staff for the Secretary of Education William J. Bennett, said in a statement released today that the department first learned of the allegations concerning Mr. Loury "from press calls Thursday evening."

"And we have no independent knowledge of these allegations, or any comments on them," he said.

"On Monday, Mr. Loury called to say that, for personal reasons, he wished to withdraw his name from consideration for nomination for the $82,500-a-year position of Under Secretary" Mr. Kristol said in his statement. He said he had called Mr. Loury to ask that he write a letter to make his withdrawal formal.

"I understand, he has written such a letter," the statement continued.

NO HINT IN NEW YORK

In New York on Wednesday to address a Trustees Luncheon of the Manhattan Institute for Policy Research, a conservative group of which he has been a member of the board since February, Mr. Loury gave no hint of his plan to withdraw from consideration.

Mr. Loury, who grew up on Chicago's South Side has gained widespread attention in recent years for his thought-provoking, often controversial views on a range of issues, including civil rights, quotas, the role of government, black self-help and the black leadership.

In a recent article in Public Interest, Mr. Loury said: "How long can blacks continue to evoke the 'slavery was terrible it was your fault' rhetoric and still suppose that dignity and equality can be achieved thereby?"

BUDGET REFORM

HON. AMO HOUGHTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. HOUGHTON. Mr. Speaker, the other day a friend called who had just returned from a brief trip to Mexico. One of the most memorable things about his trip, oddly enough, was the price he paid for a bottle of beer. It cost over 4,000 pesos. When he took his last trip a little over 10 years ago, the price was around 25 pesos. The cost in our dollars, though, wasn't much different. Why? Simple—due to the enormous debt pileup Mexico has experienced, the value of its currency has declined by an incredible 1,000 percent during that period of time.

Now, does the significance of all this lead to a need for budget reform? I tend to think so. There are painful similarities emerging between the debt crisis in Mexico, other Latin American countries and right here in our own country. Unless we as a Congress feel a need to control our spending, I must believe that unless the laws of nature reverse themselves, we too will be faced with these kinds of choices, which means either rendering our currency worthless to pay off our debt, or drastically reducing programs like Social Security just to pay the interest on that debt. Is this an exaggeration? Maybe—but consider these facts:

First, in every year but one since 1980, Congress has substantially exceeded not only the level of spending proposed in the President's budget but its own budget resolution.

Second, during that period of time, payment on the interest on the national debt climbed from 8 percent to 14 percent of the budget.

Third, at the current rate, by the time kids now entering school get their first job, our debt will amount to $43,000 for every single person in this country.

Sooner or later the system will collapse with its own weight, and no new fancy economic theory will stop it. No bank, private or central, can continue to lend money to someone who can't pay it back. The recent multibillion dollar increases in bad debt reserve made by Citicorp, Bank of America and others attest to that and are only a prelude to our own situation.

What is the answer? I have a few simple steps to suggest:

First, the key is to control spending. Increasing taxes is not the way to control spending. It's a copout.

Second, the budget resolution must become a real not a weak guideline subject to reinterpretation and waiver. I believe we must either enforce these resolutions or require that they become law subject to Presidential veto. To those that argue that this is surrendering congressional responsibility to the executive branch, I reply that history states clearly that we have not been able to act responsibly.

Third, to set meaningful, achievable deficit targets, I believe reductions of $40 billion for each of the next 5 years is about right.

Let's be at it.

RESPONSE TO GENERAL KELLEY

HON. LYNN MARTIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mrs. MARTIN of Illinois. Mr. Speaker, in this morning's Washington Post, Marine Corps Commandant General Paul Xaiver Kelley was quoted on the subject of working mothers. According to the general:

> Fifty percent of the mothers today work. And that means that a number of our children are not getting the kind of upbringing that you and I had. Instead, their moral upbringing is being dictated by some nameless, faceless child-care center.

It is hard to believe that such a remark could be made in 1987. I think it deserves a response.

[Mrs. MARTIN's response follows:]

RESPONSE TO GENERAL KELLEY

It has been a difficult tenure as Commandant of the Marines for General P.X. Kelley. To my knowledge, no one has blamed him for the security lapses of the Embassy in Moscow that involved the Marines. We all shared in his sadness at the massacre in Beiurt and welcomed his promise that there would be more caution. Nary a soul has suggested that the testimomy of a Marine Colonel in Irangate means that all Marines should be adjudged guilty. But now, in case anyone should even think the fiber of the Corps and the watch of its current commander is ever questioned, he has provided us with the answer for all of his problems: women. Specifically, women who work—in other words, people who comprise 44% of the work force.

Part of me just gets angry and wants to repeat what this supposedly educated man should know.

First, that all women work, some at home and some outside the home. Second, many women who work outside the home do it to support children whose fathers are nowhere in sight—and some of those fathers are Marines.

Third, some women are working to provide that talent and thoughtfulness that is too often lacking in organizations whose thinking is closed to new ideas, especially groups totally lacking in women's input.

But why repeat it? It has been an emotionally devastating time for a man who has been a sincere and dedicated public servant. Marines are human, and even a commandant can try to assuage his own guilt by blaming another person or group. I don't think most Marines blame their mommies when something goes wrong; I wish P.X. Kelley hadn't either.

AMERICAN DEPENDENCE ON FOREIGN MONEY

HON. TONY COELHO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. COELHO. Mr. Speaker, 2 days ago the Department of Commerce announced that the U.S. foreign debt increased 135 percent last year. The United States now owes $263.6 billion to foreign creditors, up from $111.9 billion in 1985.

The very next day the Department of Commerce announced that foreign direct investment is up 13.4 percent. Foreigners now hold $209.3 billion in direct investments in the United States, up from just $182.95 in 1985. All told, foreign ownership of U.S. assets jumped by 26 percent in 1986, up to $1.3 trillion. Foreigners now own more assets in the United States than Americans own overseas. Total U.S. assets overseas equal $1.1. trillion.

Mr. Speaker, this trend is disturbing, to say the least. Is America being bought out?

The increase in foreign investment, coupled with growing imports represents a "triple threat" of sorts for the United States: Not only is our marketplace increasingly deluged by foreign goods, but our domestic manufacturing base is increasingly owned by foreigners and our finance industry is increasingly dominated by foreign money.

The growth in foreign investment in the United States coincides with the growth of several other economic indicators: the budget deficit, the public debt, and the trade deficit. In particular, the rise in foreign investment closely mirrors the increasing trade deficit.

DIRECT FOREIGN INVESTMENT IN THE UNITED STATES—ALL COUNTRIES, ALL INDUSTRIES

[In billions of dollars]

Year	Foreign investment	U.S. Trade Deficit
1981	90.42	39.6
1982	101.84	42.6
1983	135.31	69.3
1984	164.58	123.2
1985	182.95	148.4
1986	209.30	169.7

Source: Department of Commerce.

Though foreign investment is not responsible for the trade deficit, it is a part of the growing American dependence on foreign money. Because the U.S. money market is dominated by the Federal Government which borrows dollars for defense expenditures and other Federal programs, fewer domestic dollars are available for investment purposes. U.S. companies look to foreigners for capital investments, financing, and seed money. Just as the United States has gone from being the world's No. 1 creditor 5 years ago to being the world's No. 1 debtor, the United States is going from being the leading foreign investor to being the leading foreign investment.

In fact, according to the International Monetary Fund, the United States now hosts more foreign direct investment than any other country. In recent years, the United States has received more than one-third of world inward direct investment capital flows.

The question looming over this growing foreign presence in America is: Who ultimately controls the U.S. economy? The answer, right now, is still America and American money. But the increase in foreign investment and ownership gives foreigners unprecedented influence over the private sector economy. Decisions by foreign owned or controlled corporations, collectively impact employment, wages, plant and capital investments, stock offerings, and a host of other economic factors that together fuel the American economy. If those decisions are made with overtly foreign interests in mind, the infrastructure of the American business economy is weakened.

Because the level of foreign investment depends on the rate—or lack thereof—of domestic investment, the most responsible means of reducing foreign investment is to free up the domestic monetary markets for private sector use. As it stands now, the Government uses much of that money to finance budget deficits. Reducing the budget deficit will free up the financial markets for domestic use and reduce industry's dependence on foreign money to finance its operations.

But most of all, we shouldn't sit back and do nothing. Congress needs to step back and examine the extent of this foreign incursion. We don't need to alienate our foreign business partners, but neither should America's vest and powerful economy be blindly turned over to foreign interests through inaction.

It may be so that America is experiencing one of its longest economic recoveries ever. But it is disturbing, to say the least, that the recovery is based, not on American productivity, but foreign currency. That being so, just whose economic revival is this, ours or theirs?

THE VETERANS EMPLOYMENT AND EDUCATION ACT AMENDMENTS

HON. WAYNE DOWDY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. DOWDY of Mississippi. Mr. Speaker, as chairman of the Veterans' Affairs Subcommittee on Education, Training and Employment, I am pleased that the House of Representatives is considering passage of H.R. 1504, to extend the Veterans' Job Training Act.

During consideration of this important legislation in our subcommittee, we made changes to strengthen and improve the program.

The distinguished ranking minority member of the subcommittee offered an amendment to allow veterans to apply for participation in VJTA through September 30, 1990 and to begin participation in a training program by March 30, 1991. The bill also authorizes $30 million for fiscal year 1987, and $60 million for each of the fiscal years 1988, 1989, and 1990.

In order to ensure the continued effectiveness of VJTA, we have asked for two reports. The first requires an in-depth evaluation of VJTA to be done by the Administrator of Veterans' Affairs and the Secretary of Labor. My friend and chairman of the Subcommittee on Housing and Memorial Affairs, Representative MARCY KAPTUR of Ohio, deserves credit for her hard work on this amendment.

The second report, recommended by Representative CHRIS SMITH of New Jersey, will examine the population of displaced workers. Those people who suddenly find themselves jobless have a special set of problems, and we are greatly concerned about their plight. Representative SMITH's amendment will be an important step in alleviating the problems of displaced veteran workers.

Another key improvement to the Veterans' Job Training Act was proposed by our friend and colleague from Massachusetts, Representative JOE KENNEDY. In an effort to help veterans become better prepared to enter the job market, this provision will set aside 5 percent of the funds appropriated for VJTA to establish a program of employability training and counseling for VJTA participants.

The Veterans' Job Training Act has successfully assisted over 47,000 veterans by placing them in productive jobs. This is good news for individual veterans and for our overall economy.

Mr. Speaker, I urge my colleagues to offer their full support to H.R. 1504, and I also want to take this opportunity to express my personal thanks to the chairman of the full Veterans' Affairs Committee, my good friend G.V. (SONNY) MONTGOMERY. His leadership, along with that of the distinguished ranking member of the full committee, JERRY SOLOMON, has been crucial in the development of this important legislation to assist our Nation's veterans.

JUST COMPENSATION IN THE CASE OF THE U.S.S. "STARK"

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. HUBBARD. Mr. Speaker, I recently received a letter from Tim NcNeely, a 15-year-old constituent from Paducah, KY, who expresses his strong feelings that the United States should take retaliatory action against Iraq for the U.S.S. *Stark* incident. His letter follows:

MAY 20, 1987.

Hon. CARROLL HUBBARD,
Congress of the United States, House of Representatives, Washington, DC.

DEAR MR. HUBBARD: On May 17, 1987, the U.S. Navy frigate U.S.S. *Stark* was struck by an Exocet missile fired from an Iraquian aircraft. This action in itself is inexplicable, but with the death of at least thirty-seven American crewman, it calls for extreme punishment.

The United States must take immediate retaliatory action, though it need not be military unless it is absolutely needed. If such actions are not taken in retaliation, the power of the United States will be undermined through terrorist acts. These terrorist acts will become frequent and extend into the civilian sector of life, unless they are punished.

The people of the United States of America should have pride enough to defend their country, but sense enough to resort to military strength as a final answer to the problems of this country. This should be the course of action used in this and similar cases in the United States and throughout the world.

Sincerely,

TIM MCNEELY.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program [DHCP] system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987 on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Dr. Harold C. Sox, Jr., Associate Chief of Staff for Ambulatory Care at the VA Medical Center in Palo Alto, CA, that demonstrates how the VA employees feel about their medical computer system.

The letter follows.

APRIL 10, 1987.

Hon. G.V. (SONNY) MONTGOMERY,
Chairman, Committee on Veterans Affairs, House of Representatives, Washington, DC.

DEAR CONGRESSMAN MONTGOMERY: I am writing out of concern that support for the Veterans Administration Disseminated Hospital Computer (DHCP) System may be discontinued while an alternate system made by the McConnell-Douglas Corporation is being considered. You must understand the catastrophic effect that an interruption in support for the DHCP hospital computer system would have on the VA system.

Right now, the VA has, in my opinion, the best computer facilities of any system of hospitals in the country. The effectiveness of our computer system is one reason that the VA can provide comparable care at a comparable cost to the private sector, despite our very sick population of patients. We have become completely dependent on computers to run our patient care programs. The changeover to a new computer system could take many years. If expansion of the DHCP were not supported during the period of transition, VA patient care programs would suffer greatly.

With the support of the Congress, the VA has taken a bold and largely successful step into the future by initiating the DHCP. VA personnel are very happy with the DHCP, by and large. Any decision to change to a new system should be taken in light of general satisfaction with the DHCP. Since a decision has not been made, expansion of the DHCP should proceed on schedule to allow VA hospitals to continue to deliver medical care in an efficient manner. Moreover, when a decision is made, expansion of the DHCP should continue until the new computers are actually installed. While this policy sounds expensive, to do otherwise would be to incur far greater expense, since the quality and efficiency of VA medical care programs might suffer substantially.

I am writing this as a private citizen, but I know whereof I speak since I am Associate Chief of Staff for Ambulatory Care at the VA Medical Center at Palo Alto, California.

Sincerely yours,

HAROLD C. SOX, Jr., M.D.

THE COOPER-HEWITT MUSEUM

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Ms. OAKAR. Mr. Speaker, today I am introducing a bill to authorize the Smithsonian Institution to plan and construct facilities for the Cooper-Hewitt Museum, and for other purposes.

In addition to authorizing planning and construction, this bill would also authorize appropriations of $15,000,000 effective October 1, 1988. However, obligation of those funds could not be made until an equal amount is available from non-Federal sources.

Plans for construction at the Cooper-Hewitt would provide additional space to support collections and improve facilities for storage, research, exhibitions, education, and other activities.

Since the Cooper-Hewitt reopened to the public in 1976, the museum has produced innumerable exhibitions that have brought the history of decorative arts and design to the attention of thousands of visitors. In their exhibitions, publications, and educational programs, the museum serves to underline the important role of design in our society. The Cooper-Hewitt Museum is a vital component in the educational and cultural matrix of not only New York, but of the Nation as a whole. Its important collections are recognized worldwide as outstanding by major architects, designers, artists, and by most of the major museums.

The physical limitations of the existing structure have made it virtually impossible to display its permanent collections. Storage of these collections is grossly inadequate, putting these valuable artifacts in considerable jeopardy. Just recently, I visited the Cooper-Hewitt Museum and to my dismay, found the only elevator used by both staff and to move objects in the collection had been condemned. The storage facility is also threatened by faulty wiring, water damage, insufficient temperature control and inadequate fire hazard protection. The priceless textiles, books, fabrics and jewelry that are stored in the structure are threatened everyday by the state of the area that surrounds it.

For too long in our country, there has been an intellectual bias directed toward the design arts, both commercial and industrial; the perception being that it is somehow below the status of the traditional fine arts of painting and sculpture.

The United States has become an important center for all areas of design and the decorative arts. American design artrists have made monumental contributions. I believe that this country should have a museum dedicated solely to the exhibition and enhancement of the design field.

Design is the living art form. It becomes part of our everyday existence in the decisions that we make—why we choose the clothes we wear or why we purchase a red car rather than a white one. We are all designers when we made an aesthetic decision about how something looks, whether it serves the particular function intended and how well the two are integrated.

We live in a competitive world market where design plays an integral role. Let's face it—design is important to our Nation's trade policy. The innovation of architects, industrial and interior designers, engineers and city planners, and so forth, provide us with the products and initiative that boosts our domestic policy. It is important that we increase our Nation's competitiveness in industry, art and commerce. We must support museums unique as the Cooper-Hewitt in order to ensure the vitality of this country's talents.

I strongly believe that there should be a place of prominence for artists concerned with design and the decorative arts in this country. This legislation will endorse the integrity and quality of just one entity of the Smithsonian Institution. The Cooper-Hewitt Museum and its collections represent an important national treasure that must be preserved for the enjoyment of all Americans who are concerned about the cultural life of our Nation.

DUNCAN ONEAL AND CHARLES E. LUCKHARDT, SR.

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. MINETA. Mr. Speaker, it is with sadness that I take this occasion to honor the memory of two great Americans, Duncan Oneal and Charles E. Luckhardt, Sr., prominent attorneys and pioneers of the Santa Clara Valley who both passed away recently at the age of 83. In addition to their expert legal skills, both men symbolized a spirit of community and love of civic duty that was truly inspiring.

A native San Josean, Duncan Oneal joined his father in his law firm in 1929 after earning a law degree from Stanford University. He soon became a prominent trial attorney representing such clients as Southern Pacific, Kaiser Aluminum, and Chemical Corp. The firm, now known as Rankin, Oneal, Center, Luckhardt & Lund, grew in size and reputation, making it one of San Jose's largest and most prestigious. Oneal's legal skills were widely recognized in the Santa Clara Valley; his talents brought to the firm a wealth of clients. Though both industrious and ambitious, Duncan tried to take time off whenever possible to pursue his favorite leisure activities, hunting and fishing.

Duncan Oneal will be remembered as much for his efforts to better our community as for being a lawyer or outdoorsman. He was highly active in civic and charitable organizations, including the Santa Clara County Fair Association, the San Jose Chamber of Commerce, the California Historical Society, the State Bar of California, the Boy Scouts of America, and a score of others. Yet he also found enough time to devote to his family and his profession.

Luckhardt, a native of Missouri, was also a Stanford graduate. After graduation, he joined one of San Jose's most reputable law firms. As an attorney he quickly rose to prominence in Santa Clara Valley legal circles, and was elected president of the Santa Clara Valley County Bar Association. He also served as a member of the California State Bar for 60 years. Like his colleague, Mr. Luckhardt was active in the community, most prominently with the San Jose Elks Club.

In the later years of his illustrious career, Luckhardt was a mentor to the younger members of the office. By example and through direction, he guided young lawyers through the mazes of the legal profession. His leadership proved fruitful as the firm sent at least six of its lawyers to judgeships in Federal, municipal, and superior courts.

Mr. Speaker, San Jose has suffered a great loss with the passing of these two men. Both were persons of the highest caliber and principle. Each respected both the letter and spirit of the laws of America. They stood as fine examples for our Nation, and they leave a legacy of love, competence, and devotion to family, profession, and country. I respectfully request that my esteemed colleagues in the House of Representatives join me in honoring the memory of Duncan Oneal and Charles E. Luckhardt, Sr., and extending to their families our deepest sympathies.

TRIBUTE TO LT. GEN. BENJAMIN FRANKLIN REGISTER, JR.

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. RAY. Mr. Speaker, a great American and a distinguished son of Georgia is retiring from the U.S. Army on June 30 after 36 years of service to his country. Lt. Gen. Benjamin Franklin Register, Jr., a native of Columbia, is culminating his outstanding career with the completion of 3 years as the Army's Deputy Chief of Staff for Logistics.

General Register's career includes wartime service in Korea and Vietnam and overseas assignments in Germany and Alaska. As a young lieutenant, he participated in the repatriation of American prisoners of war at the end of the Korean conflict and, later in his career, in the helicopter evacuation of Saigon in April 1975.

A preeminent logistician, General Register is also a true leader who respects and appreciates the American soldier. His early years with soldiers included command at the company and battalion level. He subsequently commanded Mainz (Germany) Army Depot and the 2d Support Command (Corps), United States Army Europe.

In September 1981 he became commanding general of the U.S. Army Armament Materiel Readiness Command, Rock Island, IL, and served there until it merged with the U.S. Army Armament Research and Development Command. With the merger in July 1983, General Register became the first commanding general of the resulting U.S. Army Armament, Munitions, and Chemical Command.

In November 1983, General Register was appointed as deputy director, Defense Logistics Agency, Cameron Station, Alexandria, VA. General Register was promoted to lieutenant general and sworn in as the Army's Deputy Chief of Staff for Logistics, on June 28, 1984.

The general's awards include the Distinguished Service Medal (with Oak Leaf Cluster), Legion of Merit, Bronze Star Medal (with Oak Leaf Cluster), Meritorious Service Medal (with three Oak Leaf Clusters), the Army Commendation Medal (with Oak Leaf Cluster) and Korean and Vietnamese awards.

General Register and his wife, the former Betty J. Day of Columbus, have served our country well. They have provided an outstanding example of selflessness, dedicated service, and love of country to countless young men and women over the past 36 years. They clearly deserve the thanks and appreciation of this body.

THE COMMODITY CREDIT CORPORATION SHOULD BE OPERATIONAL AGAIN

HON. JOE SKEEN

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. SKEEN. Mr. Speaker, I strongly support House Joint Resolution 323, which I have cosponsored. This resolution will make an urgent supplemental appropriations that is needed to allow the Commodity Credit Corporation to operate through the current fiscal year.

For nearly 2 months now farmers in New Mexico and all across the Nation have been waiting for Congress to follow through with its commitment to fund the CCC. Congress can not keep our farmers waiting any longer.

We all know that one of the primary functions of the CCC program is to provide price stability for the commodities our farmers produce. As each day passes without action on the CCC, the confidence our farmers have in the system and the stability of the system itself, is slowly eroding.

Everyday I hear from farmers back home who ask me when they wil be able to get their CCC loans. They have been patient, but their patience is growing thin, and I can not blame them.

Crops have been harvested and loans are coming due. Farmers will have to make decisions with the next few days on whether to sell their crops on the open market, or hope their lenders will give them a few more weeks. This is not the process our farmers expected when they went to the fields earlier this year.

I urge my colleagues to back this initiative to get the CCC operational once again. We must restore funding and stability to this vital program.

RECOUNT TRAGEDY IN THE NATION OF INDIA

HON. WALLY HERGER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. HERGER. Mr. Speaker, I rise to bring to the attention of my colleagues the recent tragedy in the nation of India, in which Government paramilitary forces once again attacked the Sikh Golden Temple in the Province of Punjab. Just 2 days ago, Government forces raided this holy shrine of the Sikh people and arrested so-called extremists of the Sikh community. This attack, the fifth of its kind in the past 14 months, comes 3 years after a similar brutal attack on the Golden Temple, in which many innocent Sikhs were murdered.

The repression of the Sikh nation by the Indian Government stands exposed before the free world. As a democracy, we must take note of these tragic violations of fundamental human rights by the nation of India. Dr. Gurmit Singh Aulakh, president of the international Sikh organization, states that this desecration of the Golden Temple is condemned by Sikhs the world over. We, as the leader of the free world and defender of human rights, must recognize the oppression of the Sikhs and speak out against this recent attack by the Government of India.

THE CITY OF BARSTOW—ONE STEP CLOSER TO ITS AMPHITHEATER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. LEWIS of California. Mr. Speaker, today I am introducing legislation which will bring the city of Barstow one step closer to fulfilling its goal of bringing greater cultural activity to that community through the construction of a public amphitheater.

Specifically, my legislation will instruct the Secretary of the Interior to transfer an 8.7 acre parcel of Bureau of Land Management [BLM] property to the city of Barstow for the purpose of building an outdoor amphitheater and recreational facility. Because the BLM land in question is "acquired' land, transfer to the city of Barstow must be achieved through purchase or through congressionally-approved conveyance. This bill comes at no cost to the Federal Government.

This legislation is possible in large part to the coordinated efforts of the city of Barstow and the Barstow Amphitheater Committee. Support for this bill comes from a variety of groups including the Barstow city council, the Barstow Park and Recreation district board, the executive director of the Barstow Chamber of Commerce, the Tourist and Convention Committee of the Chamber of Commerce, the Barstow unified school district and other civic organizations within the community. Also endorsing the bill are State assemblyman Bill Leonard and State senator Don Rogers.

Mr. Speaker, a great deal of credit for this legislation should go to the city of Barstow, the Barstow Amphitheater Committee and civic organizations which have spent a great deal of time and effort organizing this proposal. From the outset, the proposed land conveyance has been handled in a very responsible and professional manner resulting in the introduction of this legislation today. I share the hope of the city of Barstow that their dream of constructing a public amphitheater will one day become a reality. Mr. Speaker, this legislation is the first step toward ultimate realization of that dream.

TRIBUTE TO CARLA HUDSON, ACCOUNTANT ADVOCATE OF THE YEAR

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. PANETTA. Mr. Speaker, it is my pleasure to inform my colleagues that Carla Hudson has been named by the U.S. Small Business Administration to receive the Accountant Advocate of the Year Award. Carla received here award at a special National Association of Accountants dinner which was held on June 16 in Gilroy, CA.

Carla is a partner and cofounder of the Monterey firm of Huey & Hudson, certified public accountants. In 1985–86 she served as president of the Salinas Valley-Monterey Peninsula National Association of Accounts chapter. Carla is also involved with the American Institute of Certified Public Accountants, California Society of Certified Public Accountants, National Association of Accountants, and Professional Women's Network.

Ms. Hudson has devoted a great deal of time and effort to the small business community in Monterey. She has provided workshops, seminars and counseling to small business owners. Through this work she has stressed the importance of financial planning, strategy and recordkeeping as the tools available to small businesses. She helped to establish quarterly prebusiness workshops cosponsored by SCORE and the Monterey Peninsula Chamber of Commerce in conjunction with the National Association of Accountants.

Carla was selected for the award on the basis of the SBA's selection criteria, which include the candidate's involvement in civic and community activities that promote small business, such as volunteering their services to assist small firms, sponsoring or participating in legislative or regulatory initiatives, public communication, active participation in small business organizations and pursuing initiatives that will help small businesses. Clearly, Carla more than adequately fits these criteria.

Again, I wish to extend my congratulations to Carla Hudson. The Monterey small business community is lucky to have a dedicated professional like Carla Hudson working for the continuing growth of small business.

TIME FOR CHANGE IN SOUTH KOREA

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. FEIGHAN. Mr. Speaker, the more things seem to change in South Korea, the more they stay the same.

Earlier this week, President Chun had agreed to make three important concessions to the demonstrators in his country calling for democracy.

He would meet opposition leader, Kim Young Sam, for the first time ever. He would release Kim Dae-Jung from his 53d house arrest in the last 2 years, and he would release the hundreds of other protesters imprisoned since June 10.

As the clouds of tear gas cleared away from downtown Seoul, it seemed as if encouraging signs were starting to appear through the haze.

But today it is clear that President Chun does not intend to move toward democracy after all.

After only 24 hours of freedom, Kim Dae-Jung is under house arrest once more. Two days after President Chun's meeting with Kim Young-Sam, Kim Young-Sam himself was forced into a police car and placed under house arrest. And rather than releasing, as promised, the hundreds of demonstrators being held since June 10, this morning the Chun regime has placed over a thousand more people into its jails.

Two days ago, President Chun said that the future security of South Korea is in a precarious situation. President Chun understands that much. But President Chun does not seem to understand that South Korea will not be secure if its people are not free. President Chun does not seem to understand that democracy is the best guarantee of security. President Chun does not seem to understand how deeply his people want democracy.

Mr. Speaker, it is critical that President Chun allow Democracy to grow in South Korea. It is critical that President Chun stop moving in the opposite direction toward martial law. It is time for some real change after all in South Korea.

TRIBUTE TO WILLIAM HELLMAN

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. CARDIN. Mr. Speaker, I would like to recognize an individual who has been a truly outstanding public servant for Maryland who now stands ready to leave for the private sector.

Maryland Transportation Secretary William Hellman first distinguished himself during his years of dedicated service with Mayor William Donald Schaefer and the city of Baltimore from 1979-83. In 1984, Bill joined the State Government as Secretary of Transportation. A few weeks ago, Bill announced that he would leave public life to return to his former job in the private sector.

Bill Hellman's insight, leadership, and political savvy, time and again, came through for the State. He set a tone and charted a course for the State's Transportation Department that, hopefully, will be a legacy for others to follow. His wisdom and expertise will be sorely missed by the State but I'm sure they will serve him well in his new position.

Maryland's loss is definitely the private sector's gain. I would like to thank Bill Hellman for his years of dedicated public service, and wish him well in his new life.

PERSONAL EXPLANATION

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. BONIOR of Michigan. Mr. Speaker, I was absent from House proceedings on June 24 and 25, 1987, because of recurring back problems. My physician has prescribed bedrest to relieve resulting pain and discomfort. Had I been present for the following rollcall votes, I would have voted:

"No" on rollcall vote 210.
"No" on rollcall vote 211.
"Yes" on rollcall vote 212.
"No" on rollcall vote 214.
"No" on rollcall vote 215.
"No" on rollcall vote 216.
"No" on rollcall vote 217.
"Yes" on rollcall vote 218.

THE LIABILITY INSURANCE CRISIS: TIME TO ACT

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. BOEHLERT. Mr. Speaker, I would like to take this opportunity to call for a renewed emphasis in Congress for passing legislation to end the liability insurance crisis now facing small businesses and manufacturers across the country.

The small business sector in our country—manufacturers, wholesalers, and retailers—are being crushed under the weight of our current liability tort system. For too many enterprises the cost of doing business in America is simply too expensive.

Last year businesses paid out a total of $116 billion in liability tort claims. Injured consumers received far less than half of that amount. Even if you aren't opposed to the exorbitant amounts being paid out in successful liability claims, you've got to wonder about the amounts being paid out for middleman handling charges.

Very few of us would want to see a system which made it difficult for injured consumers to press their legitimate injury claims against a liable party. What we should all like to see is a system which is fair and just without being debilitating to our entire nationwide business community.

We have the framework for such a system in the form of H.R. 1115, the Uniform Product Safety Act of 1987. This bill goes right to the heart of the liability crisis facing America's businesses while it would actually accelerate the emphasis on protecting consumers from dangerous products.

The Uniform Product Safety Act of 1987, as the title implies, would establish uniform safety standards for products sold in interstate commerce. By doing so, it would also promote increased safety in the manufacture and use of these products.

Also, insurers would be allowed to base their rates for product liability insurance on a uniform and predictable standard. Rates now are set against a backdrop of extremely inflated tort claim settlements which often collect from parties liable only in the most remote sense.

Finally, States would be allowed to develop alternative methods for settling product liability disputes in a way that will reduce costs to both businesses and consumers. New methods could be instituted without threatening consumer power to win just settlements.

Mr. Speaker, today many businesses face the worst dilemma; that is the choice between simply going without any liability insurance coverage at all, or laying off workers, closing plants, and skimping on efforts toward greater innovation just to afford insurance—all the while hoping that their premiums won't double or triple again next year.

Of course, we are all very concerned with finding new ways to help our businesses win back their competitive edge. Here is a way we can begin to help; here is a way we can bring down the cost of doing business in America, and do so by improving consumer protection and the consumer's right to seek just compensation for damages.

Mr. Speaker, I encourage all of my colleagues to get behind this issue with full force. Let's give America a tort system that is protective for the consumer without bankrupting our businesses.

TRIBUTE TO PUTNAM COUNTY

HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, June 26, 1987

Mr. FISH. Mr. Speaker, I rise to announce to this chamber the 175th anniversary of Putnam County, NY. Originally part of Dutchess County, Putnam was separated by the New York State Legislature on June 12, 1812. Putnam County is small in size, the third smallest county in the State, but it is favored by rolling hills, clear lakes and streams and lush greenery that exists to this day.

It is only 50 miles north of New York City and is bounded by the Hudson River on the west and Connecticut to the east. Putnam County is one of the most beautiful sections of the Hudson River, where the majestic Hudson Highlands rise from the river's edge. This section of the Hudson, dominated by West point on the east shore, has long inspired painters with its scenic beauty.

Putnam County has undergone many changes in the 175 years since it was named in honor of Revolutionary War hero, Major General Israel Putnam. In the beginning the country was largely occupied by Dutch and English farmers who were the principal suppliers of dairy products, meat and other agricultural products to New York City and surrounding areas.

Industry came to Putnam County when the West point Foundry was established in 1817 in the village of Cold Spring, then a thriving port on the Hudson River. The foundry brought with it an era of commercial prosperity, being responsible for production of the Parrott guns of Civil War fame, locomotives, engines and processing machinery.

Two railroads were operating in Putnam County by the mid-19th century, one located along the shore of the Hudson River and one in the eastern part of the county extending from New York City to Brewster's station in the town of Southeast.

In the later part of the 19th century, Putnam County began to change once more. The area became a vacationland and several prominent hotels were constructed. This trend continued and summer bungalows began to appear, most being converted to permanent homes with the onset of a population and construction boom. Putnam today is one of the fastest growing counties in New York State. Its population has grown to approximately 88,000 from 20,000 in 1950 and 57,000 in 1970.

I hope my brief oration has made clear the changes Putnam County has undergone in its evolution. I am confident it will continue to maintain its historical traditions and values as it does by its celebrations this year. I am proud to represent a county of people with such a high pitch of spirit and pride.

SENATE—*Saturday, June 27, 1987*

(Legislative day of Tuesday, June 23, 1987)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable Jeff Bingaman, a Senator from the State of New Mexico.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

God of Abraham, Isaac, and Israel, thank You for the insights, the strength, the direction, that come from the Psalms and especially the wisdom of Psalm 1.

"Blessed is the man that walketh not in the counsel of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful, but his delight is in the law of the Lord; and in his law doth he meditate day and night. And he shall be like a tree planted by the rivers of water, that bringeth forth his fruit in his season; his leaf also shall not wither; and whatsoever he doeth shall prosper. The ungodly are not so: but are like the chaff which the wind driveth away. Therefore the ungodly shall not stand in the judgment, nor sinners in the congregation of the righteous. For the Lord knoweth the way of the righteous: but the way of the ungodly shall perish."—Psalm 1. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, June 27, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Jeff Bingaman, a Senator from the State of New Mexico, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. BINGAMAN thereupon assumed the chair as Acting President pro tempore.

ORDER OF PROCEDURE

The ACTING PRESIDENT pro tempore. The majority leader.

Mr. BYRD. Mr. President, I have a parliamentary inquiry.

The ACTING PRESIDENT pro tempore. Please state the inquiry.

Mr. BYRD. Who controls the time on the resolution that will be before the Senate?

The ACTING PRESIDENT pro tempore. The time is controlled by the Senator from Arizona, Mr. DeConcini.

Mr. BYRD. Mr. President, I ask unanimous consent that there be 5 minutes of additional time on the resolution and that the vote occur at 9:45 instead of 9:40 a.m.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. I ask unanimous consent that Mr. Proxmire may be recognized for 5 minutes and that the time be equally charged against both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Wisconsin.

Mr. PROXMIRE. Mr. President, I thank the majority leader for his graciously giving me 5 minutes. I deeply appreciate it.

TIME FOR A SUPERPOWER ARMS CONTROL AGREEMENT ON CONVENTIONAL WEAPONS

Mr. PROXMIRE. Mr. President, could NATO defend Western Europe in an all-conventional war? Helmut Schmidt, the Chancellor of West Germany from 1974 to 1982 weighs in with this:

> What we do need in order to discourage and deter an adversary from limited aggression, whether in Afghanistan, Europe or elsewhere, are credible conventional forces. Such forces exist in Western Europe in almost satisfactory numbers.

Mr. President, the words of Helmut Schmidt merit very careful consideration. Schmidt is no dove. He is no unilateral disarmer. He is devoted to the security of his country: West Germany. He knows that West Germany is cheek to jowl, bordering right on the frontier with the Communist Warsaw Pact. He knows that in an invasion of Western Europe by the Soviet Union, his country would be the first target. On what does this German statesman base his optimism that with a relatively small amount of strengthening NATO could "discourage and deter" a Warsaw Pact attack? He has solid reasons: First, he contends that it is absurd to include the Polish, Czechoslovak, and East German troops in determining the Warsaw Pact strength. He says the Soviets would need to employ their own Russian guards to prevent such Warsaw Pact troops from following their own instincts. Then he points out that West Germany alone has more than 500,000 soldiers on the spot. He asserts this can grow to 1.3 million in less than a week. And that is just the beginning. Here is why: France, the United Kingdom, and all other Western European countries, unlike this country, have maintained the draft. So NATO could expand its forces with veteran, trained reserves in a hurry. Furthermore, without a significant increase in spending NATO could vastly increase its deterrence by integrating the French, West German, and Benelux forces. There's more. In case of a zero-zero agreement including short range weapons, the West would still have enough nuclear artillery and nuclear-equipped bombers that NATO could continue to apply the "flexible response" strategy.

So Mr. Schmidt counsels NATO and the United States to accept the zero-zero option. Should we? This Senator suggests that we should press the option, but in sequence with one absolute condition. That condition would require that any phased reduction on both sides in nuclear weapons must coincide with a phased reduction of conventional weapons to achieve equal numbers on both sides of military equipment and personnel. The phased reduction could take place over a period of say 5 years. Arms control negotiators should press hard to achieve equal numbers in planes, tanks, artillery, and so forth, over the 5-year period. To the extent the Soviets resist such a reduction NATO might consider an agreement to permit a build-up by NATO of its forces to match the present Soviet numbers. But there is every reason why Gorbachev would agree to a reduction over time in the Soviet conventional military advantage. Why would Gorbachev agree? Consider: Such a reduction would do far more than reinforce Gorbachev's consistent drive to win the "arms control sentiment" of people throughout the world. What would he win? He would win precisely the kind of economic breathing space he needs to ease the enormous, crushing arms burden on his people. He would have a chance to raise the standard of living of the Russian people. He could improve the sorry state of Soviet industry and agriculture. Many Soviet scientists now entirely occupied with mili-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

tary research and development would be freed to work in civilian area. And what alternative does Gorbachev have? Gorbachev is certainly intelligent enough to recognize that a conventional arms race with the United States and NATO is a sure loser for the Soviet Union. Just think of it. Not only is the NATO economy three times as productive as the Warsaw Pact economy, the NATO technology is way ahead. It is ahead in military technology areas. But it is specially superior in the application of that technology to manufacturing techniques. In the industrial computer area, for example, the Russians are at least 30 years behind the United States.

If Russia would gain by the establishment of a conventional military balance between the two great alliances, the gain for the United States would be even more certain. We can not escape from the grim fact that we live with the worst Federal deficits in the peacetime history of this or any advanced country. We know those deficits threatens to torpedo our great economy. We know that relief from the immense pressure of $300 billion and growing defense budgets would in the long run sharply improve our economic outlook.

So here we have it. We have a rare opportunity to negotiate an agreement that will be kept for one simple and decisive reason. It will greatly benefit both sides to keep it. It will also significantly advance the cause of peace.

HOW AND WHY ARTHUR BURNS DOMINATED AMERICAN ECONOMIC POLICY

Mr. PROXMIRE. Mr. President, Arthur Burns served his country brilliantly. In the past 35 years our country has been blessed with three remarkable Chairmen of the Federal Reserve Board: William McChesney Martin, Arthur Burns, and Paul Volcker. Each won the overwhelming confidence of the business community, the Congress and the country. Arthur Burns also served as a highly successful Chairman of the Council of Economic Advisers. There was never any doubt where Chairman Burns stood in the economic spectrum. He was consistently conservative. But he was even more consistently practical. He won every bit as much admiration and respect from liberal Democrats as he did from conservative Republicans.

Arthur Burns was an extraordinarily perceptive scholar. He was a skilled and tireless politician. He was Mr. Take Charge Administrator. He demonstrated these qualities first as Chairman of the Council of Economic Advisers. He converted the Council from a highly useful fountain of ideas into the principle economic advice for the President of the United States. There was nothing academic about Burns' Council. When Burns took over he brought in experts with conflicting ideas, insisted on rigorous analysis by scholars with differing viewpoints. This meant his staff duplicated their work. This didn't bother Burns. It gave him exactly the kind of basis for selective judgment he wanted. He could study competing sets of data and then use his own deep understanding of economics to make a thoroughly informed decision. It worked. The product of the Council of Economic Advisers that had been Olympian under Edwin Nourse and conspicuously committed to big government under Leon Keyserling became a highly effective analytical tool under Arthur Burns.

Burns never made that most tempting of economic mistakes—forecasting economic developments. Burns was convinced that no school of economics can predict the future. And he added, "Thank God, they can't." To Burns the function of the President's chief economic adviser was not to consult the tea leaves and report on what would be the country's economic condition next month or next year. It was to bring to Government an understanding of the consequences of economic policy as one force among the huge number of factors that influence employment, prices, interest rates and economic growth. No one brought that understanding more clearly to the attention of the Congress and the President. Arthur Burns never stopped educating us in Congress. He was always a professor and a tremendously good one.

At the Federal Reserve, Burns brought his force as an administrator and his style as the master organizer and user of a highly skilled staff. The Federal Reserve Board has consistently enjoyed a high level of staff competence. Just as he had dominated and directed his staff at the Council of Economic Advisers, he did the same at the Fed. But at the Fed Chairman Burns was confronted with a Board of six other governors who had an equal vote on bank regulatory policy with Burns. On monetary policy he also had to cope with an open market committee on which Burns was only 1 of 12 members. But like William McChesney Martin who preceded him and Paul Volcker who followed him, Burns dominated the Fed. In fact, his dominance was probably more emphatic than either of the other two superlative Chairmen. Unlike Martin, he would vote first. He would fight for a consensus among the other members of the Board of the open market committee. But he would never leave a whisper of doubt about where he stood. He would fight for his viewpoint. He would win.

Burns spent substantial time working us in the Congress. He contended strongly for the confirmation of his choices both on the Council of Economic Advisers and the Fed with those of us who were members of the Banking Committee. As Chairman of the Fed and as Chairman of the Council of Economic Advisers he ran this Nation's economic policy with great force. During these Burns years American economic policy was strictly King Arthur—all the way.

Mr. President, I yield the floor and I thank my good friend, the majority leader, once again.

DEMOCRACY IN THE REPUBLIC OF KOREA

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to consider Senate Resolution 241, which the clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 241) to express the sense of Congress concerning support for the evolution to full democracy in the Republic of Korea.

The Senate proceeded to consider the resolution.

The ACTING PRESIDENT pro tempore. Time for debate on this resolution continues until 9:45, equally divided and controlled, with no amendments in order thereto.

The Senator from Arizona.

Mr. DECONCINI. Mr. President, I want to first thank the majority leader and the minority leader and the staffs of the various policy committees for arranging that we could have a freestanding vote on this particular resolution.

Mr. President, although my name does appear on this resolution, it really belongs to a number of Senators who have worked long and hard with their staffs. The leader of that really is Senator Alan Cranston of California, who has been out front on this. He and I have worked on it for some time. I appreciate the Senator joining in this effort and his leadership and, quite frankly, for permitting me to lead off today.

It would not be here if it were not also for the chairman of the Foreign Relations Committee, Senator Pell, and, of course, the ranking member, Mr. Helms, who supports this resolution. The Senator from Alaska [Mr. Murkowski] is a strong supporter, as is Mr. Bond, the Senator from Missouri, and many, many others, who have joined in this effort.

I want to thank particularly my staff member, Tim Roemer, who has worked many, many hours.

Mr. President, South Korean President Chun had promised to revise the constitution so that when he leaves office in February 1988—the first Korean President to do so voluntarily—his successor would be more democratically chosen. The discussion with the opposition regarding constitutional revision had focused upon direct elections or a parliamentary system, either of which would progress toward democracy from the current authoritarian regime. But on April 13, President Chun decided that due to the pressing business of preparing for the Olympics' opening ceremonies on September 17, 1988, there will be no constitutional revision before that. In effect, President Chun had prioritized the Olympics before democracy.

I am a sports fan, as everyone in this body is, Mr. President, but not when athletic events take preference and priority over human rights, freedom of speech, and democratic elections. The stadiums have been constructed, the logos designed, and the people of Seoul count the days for the opening of the 1988 Summer Olympics. But these athletic events cannot and must not take place at the expense of democratic values. This decision by President Chun on April 13 is one of the key events fueling the ongoing crisis in South Korea. Another key event was the tragic death of Korean student Park Chong-Chul, who was tortured by police in a brutal interrogation session.

Mr. President, these two events are important. But the fundamental, the basic, the underlying concern expressed by the Korean people is to move peacefully from an authoritarian system to a democratic system. The existing constitution heavily favors the traditional military power structure. The opposition seeks direct elections or a referendum for the people. The result has deadlocked Korean hope for democracy. The United States cannot endorse a particular system but we can respond to the democratic impulse that is stirring Korea. The forces of moderation are increasingly hemmed in by events outside their control and the desire to protect their interests. Genuine dialog on the constitutional revision issue must proceed.

Releasing political prisoners is important. Allowing Mr. Kim Dae Jung to travel and speak freely is important. Addressing human rights issues are important. Condemning violence on either side is important. The political stability of South Korea in the region, especially in light of the Philippines, is important. And, so, Mr. President, is true and committed constitutional debate.

The United States must encourage the Korean Government toward full democracy. This is in the Korean peoples' own interest; it is in the United States' security interests; it is why the 40,000 United States troops are stationed in Korea. The United States must speak on this vital issue. The House of Representatives has spoken by passing a resolution on this subject. The Reagan administration has called on President Chun to resume dialog with the opposition and revise election laws. The President has written Mr. Chun on this. The U.S. Senate has not yet conveyed any opinion by vote on this issue. It is time, Mr. President.

Currently in Korea, President Chun has appointed a successor to the throne, Roh Tae Woo. He will merely be annointed by 5,000 delegates in a very indirect process. Mr. Roh, a general, has close associations with the military. He was instrumental in commanding the Seoul Garrison when President Chun took office in a military coup in 1980. After President Chun's announcement of Mr. Roh as his successor, a new round of riots, arrests, and detentions hit Korea, as I referred to earlier as one of the key issues in this debate. One of the opposition leaders, Kim Dae Jung, had been under house arrest for over 2 months. Said Stephen Cardinal Kim, whose influence goes far beyond the country's Roman Catholic population: "The peoples' dream for constitutional reform, which they had expected to open up a new brighter era, has been miserably shattered."

The administration has said the "U.S. consistently and steadfastly supports the development of democracy in Korea." Assistant Secretary of State Gaston Sigur has called for civilianizing of Korean politics. Mr. Sigur just recently visited South Korea as a special envoy from the President to address this issue. The House of Representatives supports free and fair elections and has said so. Mr. President, this sense of Congress expresses exactly what the administration and House of Representatives have already voiced. This amendment encourages development to full democracy; it stresses the geostrategic military importance and longstanding friendship with Korea; it recommends that the United States Ambassador should meet with all Koreans interested in true democracy; and it supports the principle that political rights accompany economic success—elementary rights such as free speech and assembly and direct or indirect elections, but not appointment. Finally, this amendment supports the democratic rights and responsibilities that define American beliefs. Accordingly, this resolution supports the release of political prisoners, freedom of assembly and the press, the mutual restraint of violence, the lifting of restrictions on Mr. Kim Dae Jung, and genuine debate on constitutional reform.

The U.S. Senate cannot afford to remain silent on this issue of democracy. The stakes are high for the United States and other allied nations that helped defend South Korea in the 1950's. But also, the stakes are high for the hard working and industrious people of South Korea. Some legislators are now discussing possible trade and economic sanctions against South Korea. Before we debate this step, we should vote on democracy and democratic rights. Democracy, after all, is what thousands of American soldiers died for in the Korean war. It is also what 40,000 troops are there to defend. I urge my colleagues to support this amendment in the spirit of nurturing democracy and dialog and protecting U.S. security interests.

Mr. President, I ask unanimous consent to have printed in the RECORD a host of articles and editorials.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BATTLE LINES DRAWN FOR SOUTH KOREA RALLIES

(By Daniel Sneider)

SEOUL.—The relative calm in South Korea yesterday seemed to be the quiet before a storm.

Both the forces of the political opposition and those of the military-backed regime are geared up for a confrontation in the streets of Seoul and other major cities today. The opposition has called for a mass "Peace March" to press for constitutional reform and democratization.

The government has vowed to crush what it called "the reckless and illegal demonstrations." In language reflecting the gathering mood of confrontation, National Police Director-General Kwon Bok Kyong charged that the protests are "aimed at driving society into extreme chaos and anxiety to achieve its [the opposition coalition's] subversive political objectives."

The demonstrations are seen as a test of strength following the summit meeting Wednesday between President Chun Doo Hwan and opposition leader Kim Young Sam.

The opposition has labeled the talks a failure, saying the regime did not make serious concessions to opposition demands for a retraction of the government's April 13 decision to suspend talks on a new, more democratic constitution.

The summit "failed to calm down our people's movement," opposition leader Kim Dae Jung said in an interview yesterday. "Tomorrow's rally is another decisive case to determine our political future."

The only concrete result of the meeting was Mr. Kim's release from house arrest.

The government continues to insist that its offer to resume talks in the National Assembly represents a commitment to resume dialogue. "The political opposition should end their insistence on solving all problems in one sweep," said a presidential spokesman, "and should instead approach the issue in a more patient and earnest attitude."

The government is hoping this stance, along with its threat to block assembly before the march, will keep down the turnout on Friday.

The prospects for serious street clashes and violence is raising fears that the government may move to impose martial law or some kind of emergency rule.

"I cannot deny that possibility," said Kim Dae Jung. "This government may be seeking to get that sort of chance."

The opposition is urging participants to maintain a non-violent stance, fearing radical students may seek clashes with police.

Gaston Sigur, United States assistant secretary of state for East Asia and Pacific affairs, warned against such a turn of events.

"Our position is crystal clear—we oppose martial law," Mr. Sigur told reporters before his departure yesterday after a two day fact finding visit. "Any use of the armed forces in this situation is unwarranted."

Sigur, who met with both government and opposition leaders, called on both sides to proceed with dialogue. "Hopefully dialogue will continue and move forward at various levels, so that action can be agreed upon," he said.

He expressed confidence in the prospects for agreement, while admitting that the gulf between the two sides is wide.

Sigur's visit won praise from the opposition, which has been critical of what it sees as American backing for the Chun regime.

"I told Mr. Sigur I think your government is now headed in the right direction," Kim said. He pointed favorably, as evidence, to the US "openly advocating the support of our peoples' efforts at democratization" and the "open opposition to military involvement in politics."

[Meanwhile, the Associated Press reported North Korea, which said Wednesday that the situation in South Korea was as dangerous as when the two countries went to war 37 years ago, said yesterday it had no intention of involving itself by force in South Korea.]

SOUTH KOREAN MILITARY: WAITING IN WINGS

(By Daniel Sneider)

SEOUL.—The most important actor in the South Korean political scene is also the least visible and the most unpredictable—the military.

As the country is pulled apart in a seesaw dynamic of political protest and governmental response, the Army stands ominously in the wings, ready to intervene.

Last week, as protests swept through South Korea, President Chun Doo Hwan, a former general, met with senior Army commanders. According to several well-informed Korean and Western sources, Mr. Chun received their pledge to impose emergency rule, deploying their forces to maintain order.

Chun, one source said, "was close to [declaring] martial law last week but backed down off it."

His decision to hold off was prompted, the sources say, by pressure from within South Korea and from the United States, its main ally. American officials in the past week have sought to issue unusually blunt warnings against martial law.

"Any use of the armed forces in this situation is unwarranted," US Assistant Secretary of State Gaston Sigur said in Seoul yesterday.

Close observers of the South Korean military express uncertainty over what course the politicized officers may chose. The circumstances for overt military intervention, all agree, would be created by an escalation of the political turmoil that has swept the country in the past two weeks. The military would deploy troops, they say, if it felt the police and government could no longer control events on the street.

However there are also powerful factors acting against such intervention. Many Korean military officers wish to avoid a repeat of the Kwangju incident of May, 1980 when troops under General Chun crushed a student-led revolt in Kwangju, killing at least 200 persons.

"There are indications that there are a lot of military officers that see the dangers of an emergency or garrison decree," says a Western diplomat. They "feel the prestige of the Army suffered a lot because of the Kwangju incident and wouldn't want that to happen again."

Nonetheless, the Korean military has a powerful belief that such civilian unrest is a threat to national security. The threat from North Korea, the well-armed communist dictatorship, has been used many times to motivate the need for suppressing dissent. On Wednesday, Defense Minister Lee Ki Baek, a close military ally of Chun, spoke about "unusual" troop movements in the north in a meeting with senior military commanders. According to South Korean press reports, Lee said the events are "taking place in North Korea in connection with the domestic [political] situation in the south."

The military's fierce anticommunism, a hallmark since the Korean War, has tended to warp attitudes toward opposition parties. In the elite Korean Military Academy, cadets are reportedly taught that opposition leader Kim Dae Jun is a communist sympathizer.

For many military officers, says one longtime observer, the mere possibility of the opposition coming to power is feared. "They don't trust" what the opposition "would do with national security," he says.

The military officers also fear retribution for Kwangju. "For some it could mean going to jail. For others," the source continues, "it could mean just being deprived of their perks and power. . . ."

While the country has lived under a nominally civilian government, the Army has been the actual source of power for the past 25 years. Civilian rule ended in 1961 when Gen. Park Chung Hee staged a coup. General Park set the style for Korea's military leaders: He legitimized his rule, giving it a civilian, constitutional form, with political parties and limited elections. But the actual realm of electoral choice was kept limited.

Park was assassinated in October 1979. Shortly after that, Chun staged his own coup. Following in Park's footsteps, he too became a civilian, becoming President under a new Constitution in September 1980. During this time, Korea's generals, majors, and colonels have come to occupy positions of influence and power throughout society. Former generals constitute a quarter of the ruling party's National Assembly members and retire to top posts incorporations and the bureaucracy.

A martial law declaration, observers say, could be accompanied by a coup against Chun. But, says one observer, conditions "would have to reach the stage where the core group in the Army . . . [concluded] that Chun is more of a liability than an asset, that if they didn't do something, something worse would happen."

Certain factors work against a coup. For one Chun is said to be a master at not only coup-making but coup prevention. More importantly, the observer believes, the military has become "more pragmatic. . . . They've seen military government fail." If they moved, "it would simply be to work themselves out of a disaster, out of being blamed for another mess."

Still, the present situation may present unavoidable choices for the military. The Chun regime is demonstrably unpopular. The unrest could make his continuation in office untenable without military intervention.

U.S. INTENSIFIES PRESSURE ON CHUN

(By Don Oberdorfer)

The Reagan administration turned up its public pressure on the government of South Korean President Chun Doo Hwan yesterday, calling recent concessions to the opposition in Seoul "small signs of flexibility" and bluntly recommending "further concrete positive moves."

The administration's views were announced at a White House news conference by Assistant Secretary of State Gaston J. Sigur, who met reporters immediately after briefing President Reagan on Sigur's just-completed mission to Seoul.

Speaking with presidential authorization against the symbolic background of the presidential seal, Sigur called for Korean opposition leaders as well as the government leaders to "examine their positions and work toward the middle."

Privately, U.S. officials are showing signs of impatience at the unwillingness of Korean opposition leaders to renew negotiations with the Chun regime on the means of selecting Chun's successor between now and February, when the president is pledged to step down.

Sigur had no word of criticism of the opposition in his remarks, though he did say that the Korean people "ask for consensus to replace confrontation, meetings to replace posturing and for compromise to pave the way to progress."

The most explicit message was for Chun. "We urge tolerance for peaceful demonstrations, release of people in prison for political activities, an end to preemptive arrests and house arrests. Such steps are necessary," Sigur said.

By describing as "small signs of flexibility" Chung's meeting with opposition leader Kim Young Sam and Chun's reversal of his April 13 decision ending national debate on constitutional change, Sigur appeared to be suggesting that the Korean president should go much farther toward meeting opposition demands.

"This is a very tense time in Korea, full of opportunities for progress toward political compromise, yet carrying risks of degeneration into violent confrontation," Sigur said. As in other recent official U.S. utterances, there was no mention of North Korea or the international security situation.

Sigur made it clear that Washington opposes renewed house arrest for opposition leader Kim Dae Jung, though he suggested it is understandable in the context of yesterday in Seoul, when mass demonstrations had been threatened to test the strength of the government and opposition. The U.S. official said he was "very hopeful" that Kim's renewed house arrest will be lifted "very shortly."

The U.S. message to the Korean government and military commanders, as expressed by Sigur, continued to emphasize that "military steps offer no solution" to the political crisis. Sigur said it is "clear as day" to everyone that in the U.S. view, "any intervention by the military into this situation is unwarranted and we oppose it."

U.S. officials, who expressed relief that a day of tension and testing had ended in Seoul without the explosive outbreak of disorder that had been feared, said Sigur's public message was designed to affect Chun's decision making as he ponders new steps to assuage the public and political opposition there. Announcement of further government steps is expected from Chun within the next several days, officials said.

U.S. apprehension about the political situation in Korea and U.S. policy toward it, which have grown clearer and sharper over the past two weeks of large-scale public demonstrations, escalated further with Sigur's news conference. Sigur previously said he had gone to Korea to listen and assess the situation rather than prescribe. But after reporting to Reagan on his mission, Sigur insisted that major new democratizing steps be taken by the Chun government, came closer than before in specifying what they should be, and did so in a more highly visible and symbolic public setting.

Sigur disavowed any intention by Washington to "intervene in detail" about the political process in Korea. Nevertheless, he said, the United States must continue to strongly urge that the transfer of power from the retiring Chun take place as scheduled next February and that it take place "in peaceful circumstances . . . with continuing and growing dialogue between all parties concerned."

A Long Hot Summer in Seoul

The new protest rallies in South Korea indicate that the concessions made by President Chun Doo Hwan were too little and came too late to end the turmoil, turn political activity back into channels of negotiation and convince the United States that the leadership has matters in hand. The rallies suggest that the students may stay in the streets longer and that, under their goad, the moderate opposition may intensify effort to bring down the regime. Whether the army will leave the job of enforcing order with the police or even whether the army will stay united behind President Chun and the fellow former general he has named as his successor is up in the air. The outlook is for a long, explosive summer in Seoul.

Korea, then, is launched into great uncertainty. The United States did not expect this development. But upheaval has come, and with it arrives new risk to the American interest in a dependency's welfare and in the peace of the region—for across a near and fragile line sits the menacing regime of North Korea.

For decades Washington's challenge in dealing with friendly autocratic governments has been to encourage essential change but not summary change: progress toward democracy but not a loss of control leading on to leftist or anti-American regimes. In recent years, the Philippines stands as a provisional success story. Iran and Nicaragua stand as disasters—Carter-era disasters that Ronald Reagan rode to the White House pledging never to repeat. Korea and to a lesser extent Panama are his hand cases.

For anticipation in Korea, the Reagan administration gets low grades. Its catch-up game is more promising. Though often criticized for instinctively favoring considerations of strategy and security over considerations of democracy and human rights, it is aligning itself pragmatically in Korea with elements of peaceful change.

The administration detaches itself from the Korean military in one dimension by preemptively denouncing the use of force on civilians and any turn to a military coup. It detaches itself in a second dimension by offering public favor for a plan to have President Chun replaced at the end of his term next February not by his handpicked comrade but by an interim figure chosen in broad consultations. So far its pressures have been in the right direction. The question is whether it can bring the Chun government along with it without helping to incite military revolt, worse repression and the predictable reaction to it.

Recasting South Korea

The predictable cast of characters—mainly on the left—has been suggesting that the United States should clean up South Korea. For "clean up" read: Oust the government of President Chun Doo Hwan and turn over power to the opposition.

There are several major things wrong with this woolly thinking.

First, the US does not have it within its power to change governments in Seoul. That must be done by Koreans themselves. Any clumsy attempt to force the issue would almost certainly be met with a military coup. What would the US do then—divert its 40,000 troops in South Korea, sent there to guard against the communist North, to fight the South Korean Army?

Second, the opposition, although drawing strength from government insensitivity, is not united in either organization or strategy. Kim Young Sam, the opposition leader with whom President Chun met this week, stands restlessly in the shadow of Kim Dae Jung, the other opposition leader who has been under house detention. They have split with other opposition leaders over the course of dialogue with the governing regime. The opposition needs to get its act together.

Third, even if the US were able to orchestrate a turnover of power, there is no guarantee that opposition criticism of the US role in Korea to date would turn to affection. Certainly the US would be hard put to capture the anti-American student radicals.

Thus, endorsement by the US of the opposition would not only alienate the right-wing military, but might do nothing for promoting bonds with the left.

The US should not be choosing governments in South Korea.

The US should be standing for movement in the direction of democracy, and urging upon all parties there its own values and principles.

There have been some reckless recommendations in Washington to those responsible for formulating US policy.

One is that the US should threaten to pull its troops out of South Korea if Mr. Chun does not move faster toward political reform. That is irresponsible. Aside from inviting North Korean intervention in South Korea, it would weaken the American presence in a general region where the Soviets are aggressively expanding.

A second suggestion is for drastic economic sanctions against South Korea. That, too, would stymie one of America's principal allies at a time when the Soviets are expanding and when the US is facing uncertainty over the future of bases in the Philippines.

Then there is the suggestion that the US ought to lay down a marker to Chun by dispatching to Seoul an emissary such as Sen. Paul Laxalt.

That conjures up clear parallels with the fall of President Ferdinand Marcos in the Philippines and the US role in that transfer of power.

But South Korea is not the Philippines. It has a vibrant economy and a tough, well-drilled army. The Philippines had neither. The Philippines was driven by corruption. While there is some in South Korea, it is on nothing like the Filipino scale.

More important, though Chun is not widely liked, he is no Marcos.

Nor, in the ranks of the South Korean opposition, is there any charismatic Corazon Aquino.

It is tempting to some to urge precipitate and impulsive US action in South Korea. But this should be a time for steady nerves and cool heads in Washington. The pressure for reform should be kept on Chun. There should be no daylight between the policy enunciated in Washington and the application of it by the US embassy in Seoul.

But there is danger on overestimating US influence in South Korea and the ability to recast every country around the world in the image the US would impatiently like to see.

Mr. CRANSTON. Will the Senator yield to me?

Mr. DECONCINI. I will be happy to yield.

The PRESIDING OFFICER (Mr. PROXMIRE). The Senator from California is recognized.

Mr. CRANSTON. I thank my friend from Arizona. I thank him for his leadership in this matter and I thank him for his generous remarks with regard to what I have been trying to do with regard to human rights in South Korea.

I rise to speak as a U.S. Senator who has worked for many years for human rights in and out of the Senate. I first witnessed dictatorship in Nazi Germany. I lived under it in Fascist Italy. I have seen it behind the Iron Curtain. I speak also as chairman of the Foreign Relations Committee Subcommittee on East Asian and Pacific Affairs.

Mr. President, I am pleased that the Senate is going to make its voice heard on the critical situation in South Korea today. I do not mean to compare the regime in South Korea with the Nazi regime, but the government in Seoul is, indeed, a dictatorship.

Let me stress, first, my great respect for the people of South Korea. They have achieved miracles in economics, in industry, labor, business, finance. They now yearn for and need matching progress in the realm of democracy and freedom. They are certainly ready and mature and wise enough to run their own affairs through processes of self-government. Unfortunately, the papers have been filled in recent weeks with the news that the Korean people are taking to the streets to fight for democratic freedoms, a fair electoral system and for justice.

I am glad they are fighting for those purposes, but I regret that they need to.

The Korean people have made it clear they will not be lulled by promises of a peaceful transfer of power—promises that become increasingly fraudulent as it becomes clear that no transfer of power will be fair, democratic, or peaceful under current conditions. The Korean people will not accept an electoral process that is merely a cosmetic exercise, a mock election that only substitutes one dictator for another.

Mr. President, this resolution makes clear that the American people stand with the people of South Korea in their struggle for freedom from dictatorship.

This administration has not been forceful enough in making clear United States interests in a truly democratic Korea. We have too often and for too long been associated with the unpopular Chun regime. We cannot be evenhanded when the choice is between democracy and dictatorship. We must press for democracy only.

The American people sacrificed over 50,000 lives to preserve South Korea's freedom from Communist dictatorship.

American boys did not die in Korea for an oppressive, military regime that has virtually no support among the Korean people.

American economic and military assistance were given to Korea to support democracy, not military dictatorship.

We must not turn our backs now, as the Korean people are again fighting a dictatorship—this time a dictatorship from the right. And so we must restate our commitment, during this difficult period in the Republic of Korea's history, that we stand with the people of that country, and that we support their efforts to forge a democratic system.

Mr. President, despite the violent confrontations of the past few days in Korea, I am hopeful that the Korean people will be able to work out the current impasse on the constitutional reform. This could be the most important moment in Korean history. The events of recent days have made it apparent that change is inevitable. We must urge that this change take place peacefully and in a true spirit of cooperation and flexibility.

We must also forthrightly state that any intervention by the Korean Armed Forces or any attempt at a military solution would be extremely unwise and could indefinitely undermine the political, economic, and social stability of the Korean nation. Instead, we must encourage the search for creative solutions to this impasse.

The future of South Korea will be determined by Korean leaders, and any real solution to the current quandary must have the strong support of the Korean people.

But as Americans who have a deep interest in the long-term security and democratic development in the Republic of Korea we must underscore our interest in seeing that genuine democracy is established in that country.

I strongly urge my colleagues to send a united message to all the people of the Republic of Korea by lending their firm support to this resolution.

Mr. President, the administration made some significant progress yesterday in remarks made by the Assistant Secretary of State, Gaston J. Sigur. I met with Secretary Sigur yesterday. I know that the administration feels that the resolution will be helpful in the present circumstances.

I also am delighted that Mr. Sigur yesterday announced the administration's views of the situation in South Korea at a White House news conference.

The Washington Post reports this morning that:

> The most explicit message was for Chun. "We urge tolerance for peaceful demonstrations, release of people in prison for political activities, an end to preemptive arrests and house arrests. Such steps are necessary." Sigur said.

The Washington Post went on to state that the Korean people "ask for consensus to replace confrontation, meetings to replace posturing and for compromise to pave the way to progress." Those are the words of Gaston Sigur.

The Post further reports.

> By describing as "small signs of flexibility" Chun's meeting with opposition leader Kim Young Sam and Chun's reversal of his April 13 decision ending national debate on constitutional change, Sigur appeared to be suggesting that the Korean President should go much farther toward meeting opposition demands.
>
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>
> Sigur made it clear that Washington opposes renewed House arrest for opposition leader Kim Dae Jung. . . . The U.S. official said he was "very hopeful" that Kim's renewed house arrest will be lifted "very shortly."
>
> The U.S. message to the Korean Government and military commanders, as expected by Sigur, continued to emphasize that "military steps offer no solution" to the political crisis. Sigur said it is "clear as day" to everyone that in the U.S. view "any intervention by the military into this situation is unwarranted and we oppose it."

Mr. President, I applaud the administration for taking that firm stand and sending that firm message to South Korea. It is now time for the Senate to send a similar message. I am glad that we are about to do so.

The **PRESIDING OFFICER**. The Senator from Alaska.

Mr. **MURKOWSKI**. Mr. President, I wonder if I may inquire as to the time remaining.

The **PRESIDING OFFICER**. Nineteen minutes remain to the Senator.

Mr. **MURKOWSKI**. I yield whatever time the Senator from Missouri will require.

The **PRESIDING OFFICER**. The Senator from Missouri.

Mr. **BOND**. Mr. President, I support the resolution and I commend the distinguished Senator from Arizona for crafting what is an extremely significant and important resolution for us to consider at this difficult time.

Korea is truly important to the United States and we have to pay careful attention to what is happening in that country. As the distinguished Senator from California has just noted, we had very clear signs yesterday from the administration of the seriousness with which they view the situation.

I thought it was very significant that Assistant Secretary of State Gaston Sigur was quoted as bluntly recommending "further concrete positive moves." He was said to have done so against the highly visible and symbolic background of the Presidential seal, which I think does set the tone which all Americans feel is extremely important for seeing progress.

There are few areas which play a more key role in our national defense than the nation of South Korea. There are 40,000 American troops stationed in South Korea. South Korea is an important trading partner of the United States as well. Last year, it was our eighth largest export market and viewed on the other side, United States imports to Korea marked us the second largest importer. For this reason, we must think very carefully before we rush in with heavy-handed sanctions, drastic actions, or decide to sit on the sidelines and do nothing.

I think it is clear to say that all of us here in this body want to see an end to the clashes in the streets of Seoul, Pusan, and other Korean cities, and all of us here want to see South Korea move toward democracy.

But we must take measured action and we must be careful not to aggravate the situation.

It appears that the situation in South Korea has heated almost to the boiling point. We were all truly sorry yesterday to read in the morning news that the Government was once again arresting hundreds of protesters, including opposition leader Kim Young Sam, and opposition leader Kim Dae Jung was once again placed under house arrest after only 1 day of freedom.

As the crisis in South Korea deepens, President Chun may very well be on the verge of drastic action, possibly even instituting martial law.

Of even greater concern and unfortunately greater likelihood is a possibility of a military takeover, the kind that has plagued South Korea twice in its short history.

We must never lose sight of the fact that the crisis in South Korea does not take place in a vacuum. Less than 30 miles from the capital are the North Koreans, massed with heavy heavy armament and artillery, waiting for the opportunity to exploit any weakness in their southern neighbor.

Mr. President, South Korea is a vital link in our national security. We cannot afford to take actions that jeopardize not only the security but the freedom of the South Korean people as well.

I think that the approach we are taking and recommending with this resolution is far preferable to an alternative of economic sanctions, for example, which would invite Japan to jump in and take our place, which would punish Korean workers who are the victims of repression, not the perpetrators, and which would hurt American workers and businesses.

Mr. President, my State of Missouri, for example, has long enjoyed trade relationships with South Korea. Several Missouri companies, and hence the jobs they provide, could lose opportunities to export their products to South Korea. There are hundreds of people in my State who are now employed by Korean-owned businesses.

Mr. President, I had planned a morning business statement on the subject of Missouri's trade and investment ties with South Korea. Under the circumstances, I ask unanimous consent that the text of that statement be inserted at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. BOND. Mr. President, the problem in South Korea is political and requires a political solution. It is necessary to move toward democratic reform. But instead of trying unilaterally to impose a solution with legislative sanctions, the United States should work with all the parties to bring a peaceful, political resolution to the dispute.

The United States should pressure the Chun government to release Kim Dae Jung from house arrest, release the detainees of recent protests, grant basic freedoms, such as freedom of assembly and freedom of the press, and most importantly to negotiate in good faith constitutional and election law reforms.

Mr. President, this resolution does just that. I believe that it is a reasonable, well-thought response by the Congress to the situation in South Korea. It does not attempt unilaterally to impose sanctions or solutions on the crisis in South Korea. Instead, it recognizes that heavy-handed actions could be counterproductive.

With the passage of this resolution, the Congress will express its desire to see democratic reforms in Korea, and its willingness to work with all parties to reach that goal in an expeditious and peaceful manner. I hope the Government of Korea will work with the Congress and the administration to arrive at a means for moving toward democracy.

All of us, both Koreans and Americans, want to see South Korea make a peaceful transition to democracy. But we must not make the mistake of believing the U.S. Congress can simply legislate democracy with ham-handed sanctions. It is not our place to try and it would not bring about a lasting solution in any event. Instead, we need to promote constructive discussion between the Government and the opposition to be sure that they can work out a plan for lasting democracy in South Korea. This resolution will allow us to take precisely that action.

Mr. President, a Kansas City Times editorial has recently expressed such thoughts. I ask unanimous consent that that editorial be printed in the RECORD.

I thank the Chair.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

EXHIBIT 1

U.S. STAKE IN KOREA

Maybe the official visit of Gaston J. Sigur to South Korea will lead to a constructive American response to the massive demonstrations that have shaken the South Korea government. So far, Washington's reaction has been muddled, to put it charitably.

Considering the stakes, and they are enormous, a firm, even-handed policy is urgently needed—and it should be directed toward political change, not toward propping up a dictatorial regime.

Sigur, the U.S. assistant secretary of state for East Asian and Pacific Affairs, knows Korea well. After talking with the principal parties involved, he is qualified to come up with solid recommendations. If not, then Secretary Shultz, who dispatched Sigur to Korea, should personally take over.

To date, Washington's reaction has been a mixture of indifference and hysteria. The view from the Pentagon was ridiculous. Richard L. Armitage, assistant secretary of defense for international security affairs, said: "Frankly, we're really busy. I'm up to my ears in Kuwait and contras and the normal press of business."

The initial response on Capitol Hill was worse. Soon after the rampaging students took to the streets, a congressional group, led by Sen. Edward M. Kennedy, introduced bills to mandate economic sanctions unless there is quick movement toward reform. Political pressure is one thing, and it should be applied. But to threaten the Korean economy, which would hurt the very members of the middle class who have joined the protest, is no way to go about it.

America has every right to be heard. There would be no independent South Korea if Harry S. Truman had sent troops there in 1950 to stop a communist invasion from the north. That costly war left 33,629 Americans dead. And to preserve the peace, there has been an U.S. presence there ever since.

As Sigur put it recently in a speech in New York: "Few countries face as direct and sustained a threat to their very existence as does the Republic of Korea. Over the past 40 years, North Korea's Kim Il Sung has tried virtually every tool available—from all-out war to assassination to 'peace offensives'—to destroy or eclipse the republic." He has been unsuccessful, largely due to a continued American commitment, which currently numbers about 40,000 military personnel.

Of course, America has a right to be heard, but in a firm, quiet and reasoned voice. No such voice has been raised—and the hour is growing late.

EXHIBIT 1

Mr. BOND. Mr. President, Tuesday I expressed my opposition to recent proposals for imposing trade sanctions on South Korea. One of the reasons for my opposition is that sanctions would hurt American businesses and South Korean businesses, and the people who work for them.

The United States and South Korea have a close economic relationship—a relationship that is growing every day. The experience of my State provides a good example of the kinds of economic cooperation that are now taking place.

In 1984, during my last term as Governor, I led a trade mission of State officials and businessmen on a visit to Korea. Our meetings with Government officials and business leaders gave us the opportunity to sow the initial seeds that have led to a promising economic relationship.

Missouri's current Governor, John Ashcroft, has followed up on our initiatives and has led two trade missions to South Korea. On his most recent trip, in September 1986, Governor Ashcroft, joined by more than 30 State and local officials, and representatives of agriculture, business and finance, visited with Korean trade officials and business leaders. Most importantly, they opened Missouri's new trade promotion office in Seoul.

Missouri's Seoul office—only the fourth State office to be opened in Korea—will give my State the ability to work aggressively to help Missouri firms sell their products in Korea and to bring Korean investment to Missouri.

Already, we have reason to feel optimistic about expanded trade. In April, South Korea held a trade show for auto part firms interested in supplying parts for Korean-built cars. Four Missouri firms participated in this event; and, I understand that some of them are currently negotiating supply agreements.

In November, Seoul will host another trade show aimed at a wide range of industries. Already 12 Missouri firms have made plans to attend and more than 20 others will be represented by catalog. It is likely that even more Missouri companies will be participating.

Trade is flowing in the other direction as well. As a result of our trade missions, delegations from South Korea have visited Missouri to meet with Government officials and local business and explore investment opportunities. A recent delegation that visited Kansas City met with dozens of businessmen in that city.

We also are proud of the Maxon Electronics Corporation in Kansas City. Maxon, a Korean firm that produces electronic components, already employs 200 Missourians and will be moving to new facilities and hiring more employees in the near future.

Mr. President, these types of trade relations are invaluable for expanding our export opportunities abroad. The examples I have cited today relate to only one State. Similar activities are taking place in other States and there are endless opportunities for many others to get involved.

Imposing economic sanctions on South Korea would end these relationships and remove these opportunities. Sanctions would hurt workers in the United States—such as those at the Maxon Corporation in Kansas City—and it would hurt workers in South Korea.

I have seen from personal experience that the Koreans are interested in expanding trade with the United States. And from my conversations with Missouri trade development officials I get the clear message that they are willing to buy more products from the United States. Certainly, we need to work with South Korea to address concerns about markets and currency values, but we should not allow those issues to destroy our trade relationship.

Mr. President, there is no question that the United States should take strong action to encourage the South Korea Government to move toward democratic reforms, but sanctions are not the answer.

The PRESIDING OFFICER. Who yields time?

Mr. MURKOWSKI. Mr. President, I believe the Senator from Rhode Island has asked for 4 minutes. The Senator from Massachusetts, I believe, was also going to require some time. I am probably going to need about 5 minutes myself. We have how much time remaining?

The PRESIDING OFFICER. The Senator has 11½ minutes remaining.

Mr. MURKOWSKI. How much to the other side?

The PRESIDING OFFICER. Two minutes remain to the Senator from Arizona.

Mr. MURKOWSKI. I yield 4 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 4 minutes.

Mr. PELL. Mr. President, South Korea has reached a critical juncture in its history. Either it will make the historic transition from dictatorship to democracy, or it will remain mired in a tragic cycle of crisis and confrontation. When South Korea was awarded the 1988 Olympic games, it promised the world that it would make real progress toward democracy. Now, each day, the Korean peoples' demand for the promised reforms is met with intransigence and tear gas—tear gas that so permeates the air in South Korea's major cities that a recent soccer match had to be stopped short because the gas stung the players eyes and lungs. It is difficult to imagine how the 1988 Olympics could take place in such a poisoned atmosphere.

The United States cannot remain silent at this critical moment in South Korea's history. The American people have an enduring commitment to the freedom of the South Korean people—a commitment demonstrated by the sacrifice of American troops during the Korean war and the continued presence of troops stationed in South Korea. As an ally and friend of the people of South Korea, the United States now has an obligation to reaffirm those principles for which we fought together side by side. We have an obligation to take a stand for democracy over dictatorship and tolerance over torture. We met our obligations when the people of South Korea were threatened from without, and we must meet our obligations now that South Korea threatens to divide itself from within.

And a strong American commitment to the transition to democracy in South Korea will in no way undermine our commitment to defending the South from the very real threat from the North. Nor would a democratic government in South Korea weaken the resolve of the Korean people and make them more vulnerable to the North. Indeed, if the South Korean people are able to freely choose their own government, they will not hesitate to defend it.

A strong signal of the American commitment to democracy in South Korea should also stem the disturbing rise of anti-American sentiment in that country. Already, many South Koreans blame the United States for President Chun's seizure of power in 1980. This perceived association has tarnished the image of America in the eyes of many Koreans—particularly the young. Our troops in South Korea are beginning to be seen as the protectors of the status quo within the country rather than a defense against aggression from without.

This perception must be changed. We must leave no doubt in the minds of the Korean people that the United States stands for democracy and human rights. That is the message we are sending the Korean people today. And that is the message the President, the Congress, and the American people must continue to send to the Korean people during the critical days, weeks, and months that lie ahead.

Mr. President, I yield the floor.

Mr. MURKOWSKI. Mr. President, I am pleased to be an original cosponsor of this resolution along with a number of distinguished Senators on both sides of the aisle—the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. CRANSTON], and the Senator from Indiana [Mr. LUGAR]. In addition to several other distinguished cosponsors, I am pleased to add Senator GRASSLEY.

I had an opportunity as well to be briefed at a breakfast meeting with Gaston Sigur yesterday. I shall not make any comment on the breakfast, what the food was like. The company and the information were certainly stimulating and reassuring.

I think it is worthwhile as we discuss this issue to recall the rather heated debate we held about it in the Foreign Relations Committee. Some of us took different views about the best way to communicate American concern about the situation in Korea. That was a healthy debate. At some points, Senator CRANSTON and I specifically differed on the best method for accomplishing this. But I think it is noteworthy that we have now come together, along with a number of other colleagues.

We are all now prepared to join, in this compromise resolution because we agree that the important thing is to send a broad, bipartisan message to the Korean people of America's support for them and for their security and their freedom and their rapid evolution to democracy.

Mr. President, another noteworthy observation that has occurred in this debate is the matter of sanctions. I believe that the approach that we are taking here is far more likely to help the Koreans overcome the crisis in their country and achieve democracy than such sanctions might. It is evident that we cannot dictate a solution to Korea, but we can give them our support as they strive to work out a compromise solution to this crisis.

There is no doubt, Mr. President, that the political crisis in Korea is serious. Violence in the streets of Seoul is causing pain and anguish to all of us who wish Korea well and who follow the events in Korea.

It is also important to realize that it is a political crisis, not a crisis of security. As long as Korea's military forces and our troops stationed there remain vigilant against the threat from the north—and those of us who have been to Korea have observed the state of vigilance that exists on that parallel—it is felt that the Republic of Korea is secure from exterior forces. This crisis will be resolved by a political compromise, not by force.

It has been stated this morning by various colleagues that we have important interests in Korea. As this resolution notes, we have strategic interests in its stability. We have an economic interest in a reliable and friendly trading partner. But perhaps most important is the fact Americans have a genuine fondness and a special responsibility for this country, which we helped defend and whose success reflects so well on our foreign policy over the years.

The most important message which this resolution extends may be the message that America will stand by Korea in this crisis; we will not take sides or interfere with its internal dialog, but will stand by the country as a whole and urge all parties to show the kind of flexibility and compromise which are essential to a democracy.

Mr. President, I recall having various discussions with the former Korean Ambassador to the United States, Mr. Lew, an extraordinary individual who has since retired. He reminded me on one occasion in no uncertain terms of the success of America's foreign policy as exemplified in the nation of Korea. Thirty-five years ago, we fought, our men died, to ensure that a country be reborn and the seeds of democracy planted. Those seeds have grown through the assistance of the United States and the initiative of the Korean people. As former chairman of the Pacific and East Asian Affairs Subcommittee, now ranking member, I feel the affinity that we have had with our Korean friends has been a real one. It has been a lasting one. As a consequence of that relationship, I think the action taken is appropriate and timely.

Mr. President, it is also vitally important that we send the message that America has confidence that a compromise solution by Koreans can be achieved. The important issue is not individual personalities or particular procedures, but the building of democratic attitudes and institutions.

Koreans want both stability and democracy. They have shown what they can accomplish in the economic, the social, and the cultural realms. I have the utmost confidence that they can do the same thing in achieving the level of political maturity and democracy which they deserve.

At this moment Korea is engaged in an extremely delicate and important political transition. They are trying to break the tragic cycle of political confrontation and achieve both stability and democracy.

Mr. President, I believe they can do it. But they need to know they have our firm support. This bipartisan resolution is evidence of that support.

● Mr. ROCKEFELLER. Mr. President, I rise in support of this resolution.

The extradordinary events of the last two weeks make it increasingly clear that the Republic of Korea faces a critical moment in its 39 year history. The issue is not complex, although it is terribly important—will South Korea move toward democracy or not?

There is a clear and unmistakable demand among South Koreans that their astonishing economic success now be matched by similar progress in political development. And the pressure for democratic reform is based not only on the economic miracle in South Korea. There has also been a social revolution in Korea which assures that demands for political change will not abate.

South Korea has in the last decade and a half moved from a traditional agrarian society to a predominantly young, urban, educated industrial society. Some comparative statistics illustrate the dimension of this social change. In 1970, only 40 percent of the population was considered urban—today it is over 65 percent. Literacy rates have jumped from 71 percent in 1960 to 98 percent today. And perhaps most importantly, 60 percent of South Koreans today are under the age of 25. This new generation of South Koreans, like the successor generation in other modern industrial societies, are placing new and different demands on social and political institutions.

The United States has played a crucial—if not determinative role—in the history of the Republic of Korea. Nearly 55,000 American soldiers died fighting to preserve the independence of South Korea, more than died in the Vietnam war. We continue to play a vital role in deterring North Korean aggression by maintaining 40,000 U.S. troops, as well as air and naval forces, in the Republic of Korea.

The United States has also played a critical role in the economic development of South Korea. In addition to contributing to a stable environment in which economic growth could occur, the United States has provided over $12 billion in economic aid since 1953. Today we provide a major market for South Korean goods: we are their largest trading partner.

For these reasons alone, the United States has a special responsibility in the context of the current political crisis in South Korea. That responsibility must be exercised prudently and with careful judgment. I do not believe that economic sanctions as a means of encouraging democratic reform represent a judicious application of American influence. Trade sanctions would almost certainly be seen at this time as protectionism masquerading as support for democratic reform, thereby weakening the message and contributing to anti-American sentiment.

Nor do I believe that America should remain silent on the issue of democracy in South Korea. Our own values and long-term interest demand that we side squarely with democratic reform and dialog. This amendment accomplishes that by putting the United States Senate clearly on record in support of progressive change in Korea.

President Chun's decision on April 13 to end debate on constitutional reform and the subsequent selection of Roh Tae Woo as his successor has generated widespread opposition—among students, religious leaders, and a heretofore largely silent middle class. The increasingly affluent and well-educated South Korean populace is demanding that they have a voice in the governance of their country.

It is not for America to suggest what form of democratic government best suits South Korea. But it is appropriate for the United States to support democratic values, dialog, reconciliation—rather than confrontation. This was the message that President Reagan sent in a letter to President Chun, it is the message that Under Secretary of State Derwinski and Assistant Secretary of State Sigur took to Seoul earlier this week, and it is the message that passage of this amendment will send to South Korea.

Recent events suggest that the Chun government is at odds internally over how to respond to the growing demand for democracy. Earlier this week, President Chun agreed to meet with one of the two principal opposition leaders, Kim Young Sam. These two longtime opponents had never met before. Following that meeting, the other central opposition figure Kim Dae Jung was released from house arrest. There was hope that confrontation would give way to dialog, that conflict would give way to reconciliation and compromise. But Friday morning, Kim Dae Jung was yet again placed under house arrest and Kim Young Sam detained by police as a large protest rally got underway in Seoul.

Clearly, the United States should be lending every possible element of support to those who argue for moderation and dialog at this critical juncture in South Korea. Further confrontation—on the part of the government as well as the opposition—may well lead to prolonged civil strife in which all parties lose. Not only would South Korea's economic advances be threatened by deepening political instability—but it may invite adventurism on the part of North Korea.

When I was in Seoul in April—and, in fact, I was there on April 13, the very day that President Chun announced that there would be no further discussion about constitutional reform—I met with Cardinal Kim who has become the symbol of the democratic aspirations of the Korean people. The cardinal was very concerned by President Chun's announcement and did not know how the political process would evolve at that point. He did discuss with me, however, how deeply felt the pursuit of democracy was among the Korean people—even though they had never really lived under a democratic government before. Developments in the following 2 months have shown just how widespread the desire to move toward democracy is in Korea.

This resolution puts the United States clearly on the side of democracy in Korea. It is right; it is in our strategic and national interest; it is in Korea's own best interest.●

Mr. GRASSLEY. Mr. President, if the Senator from Iowa could at this time have an audience with the Korean people and the Korean President and have a chance to explain this resolution, I would first say that this resolution is not a punitive statement but a statement of hope on the part of this body for the future of Korea—a future based on the practice of democratic principles for Korea commensurate with the economic evolution of that country.

The economy of Korea has evolved so well that many other countries just have to be jealous of that development. Why should not Korea set the same example to other countries through the same successful evolution of political democracy? Koreans have so much they can be proud of. This resolution asks for political cooperation in Korea and the avoidance of confrontation. It asks for a transition into democracy. It does not dictate a timetable, but it does imply that there be progress.

We want to see the people of Korea participate in a successful political experience now denied them, just like they are participating in, as well as bringing success to, an economic experiment.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska has 2 minutes remaining. The Senator from Arizona has 2 minutes.

Mr. MURKOWSKI. I am sorry. I did not hear the Chair.

The PRESIDING OFFICER. The Senator from Alaska has 2 minutes remaining and the Senator from Arizona has 2 minutes remaining.

Mr. MURKOWSKI. I want there to remain 30 seconds on this side. I yield the Senator from Massachusetts the remaining time.

Mr. DECONCINI. If the Senator will yield, I will yield the Senator some time, too.

Mr. KERRY. I appreciate it.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the Senator from Florida [Mr. GRAHAM] and the Senator from Massachusetts [Mr. KERRY] be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I yield the remainder of my time to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I think all of us in this body recall very well and with excitement the visit of Cory Aquino and we were, all of us, elated, excited by what happened in the course of events in the Philippines. What happened there was that democracy prevailed, democracy prevailed because we gave the Filipinos an opportunity and they gave themselves an opportunity to have an election. I had the privilege of going to the Philippines as a member of the President's commission and I observed what happened.

When I came back, I began to look at the issue of Korea. I met with Kim Dae Jung, Kim Young Sam, with members of the opposition, with business people, and it is clear that while there are many differences between the Philippines and Korea, there is one great similarity.

However, the differences ought to be started. In the Philippines you had social disintegration, military disintegration, economic disintegration. There was a total vacuum of power.

In Korea you do not have any of those things. You have a strong middle class, a strong economy. You have strong police institutions. You have a strong military. So the ability to have change is harder, but the one great similarity is that the people of Korea want democracy. They have never had a developed democracy as they did in the Philippines.

Now, while President Chun Doo Hwan has promised a transition, it is not in fact a democratic transition. All he has promised to do is step down, and he has promised to step down in a way that sets up an electoral process which allows him to handpick his opposition and in effect remain in power without allowing the people the opportunity to choose.

The crisis in Korea today is a crisis over an unwillingness of a President to give up power by allowing the people to make a choice.

I think we are all familiar with the old saying that power corrupts absolutely. I am not sure that is absolutely true. I think that corrupts absolutely is the fear of losing power.

It is the fear of losing power in Korea which is putting President Chun Doo Hwan at odds with the people of his country. It is critical that the United States send a message. We lost those 50,000 lives over there.

We have those 40,000 troops on the border now because we are trying to permit the process of transition to be effective, and if we stand back and say that it is not important for those people to in fact put in place the principles that they emulate, we would be denying ourselves our own best opportunity and we would be turning our backs on our responsibilities.

The PRESIDING OFFICER. The time has expired. The Senator from Alaska has 30 seconds remaining.

Mr. MURKOWSKI. I yield my remaining time to the Senator from Arizona.

Mr. DECONCINI. I need no more time.

Mr. MURKOWSKI. I yield my time back.

The PRESIDING OFFICER. All time is yielded back. The question is on the adoption of the resolution. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Montana [Mr. MELCHER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], the Senator from Colorado [Mr. WRITH], and the Senator from Tennessee [Mr. GORE] are necessarily absent.

I further announce that the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. FOWLER], the Senator from Maryland [Ms. MIKULSKI], and the Senator from North Carolina [Mr. SANFORD] are absent on official business.

I further announce that, if present and voting, the Senator from Montana [Mr. MELCHER] and the Senator from West Virginia [Mr. ROCKEFELLER] would each vote "yea."

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Nebraska [Mr. KARNES], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. STEVENS], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

I further announce that, if present and voting, the Senator from Minnesota [Mr. DURENBERGER] would vote "yea."

The PRESIDING OFFICER (Mr. BREAUX). Are there any other Senators in the Chamber who desire to vote?

The vote was announced—yeas 74, nays 0, as follows:

[Rollcall Vote No. 165 Leg.]

YEAS—74

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Bumpers
Burdick
Byrd
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Evans
Exon
Ford
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Humphrey
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McConnell
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Roth
Rudman
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—26

Biden
Boschwitz
Bradley
Chafee
Chiles
Dodd
Durenberger
Fowler
Garn
Gore
Hecht
Helms
Inouye
Johnston
Karnes
Lugar
McCain
McClure
Melcher
Mikulski
Rockefeller
Sanford
Simon
Stevens
Weicker
Wirth

So the resolution (S. Res. 241) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. FORD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the bill S. 1420, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen the United States trade laws, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the Senator from Nevada [Mr. REID] is recognized to call up an amendment concerning the Critical Materials Council on which there shall be 30 minutes of debate equally divided and controlled.

The Senator from Nevada is recognized.

AMENDMENT NO. 345

(Purpose: To specify additional administrative requirements for the National Critical Materials Council)

Mr. REID. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID] proposes an amendment numbered 345.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of subtitle F of title XXXVIII, insert the following:

Subtitle G—National Critical Materials Council

SEC. 3881. THE NATIONAL FEDERAL PROGRAM PLAN FOR ADVANCED MATERIALS RESEARCH AND DEVELOPMENT.

The National Critical Materials Council shall prepare the national Federal program plan for advanced materials research and development under section 205(a)(1)(A) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1251) and shall submit such plan to Congress not later than 180 days after the date of the enactment of this Act.

SEC. 3882. PERSONNEL MATTERS.

(a) REQUIREMENT TO INCREASE STAFF.—Not later than 30 days after the date of the enactment of this Act, the Executive Director of the National Critical Materials Council shall increase the number of employees of the Council by the equivalent of 5 full-time employees over the number of employees of the Council on the date of the enactment of this Act.

(b) QUALIFICATIONS OF STAFF.—Not less than the equivalent of 4 full-time employees appointed pursuant to subsection (a) shall be permanent professional employees who have expertise in technical fields that are relevant to the responsibilities of the National Critical Materials Council, such as materials science and engineering, environmental matters, minerals and natural resources, ceramic or composite engineering, metallurgy, and geology.

SEC. 3883. AUTHORITY TO ACCEPT SERVICES AND PERSONNEL FROM OTHER FEDERAL AGENCIES.

Section 210(4) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "reimbursable" and inserting in lieu thereof "nonreimbursable".

SEC. 3884. AUTHORIZATION OF APPROPRIATIONS.

Section 211 of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "1990" and inserting in lieu thereof "1992"

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I first ask for the yeas and nays which I believe previously have been ordered.

The PRESIDING OFFICER. The yeas and nays are requested.

Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. REID. Mr. President, I initially wish to extend to the chairman of the Finance Committee, Senator BENTSEN, and his staff, my appreciation for their working with me and my staff on this amendment, and also the same for Senator HOLLINGS and Senator GLENN, Senators who have jurisdiction by virtue of their chairmanship of two other committees. Their staffs have also been most gracious in helping me present this amendment to the Senate.

Mr. President, as Members of Congress, we preside over a budget of about $1 trillion a year. Some $300 billion of that is to establish and maintain a budget for the defense of this Nation. And, of course, that $300 billion a year, includes spending on airplanes, tanks, motor vehicles, rifles, rockets, and other types of ammunition.

There are things, however, Mr. President, other than the standard military articles——

Mr. BYRD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate is not in order. The Senate will please be in order. The Senator from Nevada is entitled to be heard.

Mr. REID. Mr. President, there are things other than the standard military equipment and articles which establish a safe and sound defense for this Nation. We, of course, know about an educated populace and how important it is for a secure nation, a program to take care of the less fortunate, the physically, emotionally and mentally handicapped. A system to allow people to live in dignity in their golden years.

None of these things are possible, however, without establishing the system that I am going to talk about today. We know, without elaborating, how important it is to this country to have a sound energy policy. And for over a decade now, we have worked and worked very hard to establish an energy policy in this country. We still do not have one that is articulated the way that it should be in most people's minds, but we recognize an energy policy is important to those things about which I have spoken today—a sound and secure defense of this country. That is the intent of this amendment, Mr. President.

The intent of this amendment is to establish a program so that we do not become too dependent on foreign sources for critical materials, critical materials that are essential to this Nation's security interests.

The military, of course, of this country is too dependent on the critical minerals and general materials of other countries. My amendment to this Omnibus Trade and Competitiveness Act of 1987 will give this Nation movement toward developing and supporting new technologies—technologies that will contribute billions and billions of dollars to the gross national product of this country.

Yesterday, Mr. President, I talked about chromium. Some 75 percent of the chromium that we need in this country is imported. This is a mineral that is essential to the construction and manufacture of automobiles, aircraft, furnaces, and stainless steel.

Cobalt. Ninety-five percent of the cobalt we use is imported. Cobalt is crucial to the forging of alloys for many different things. It is important for tool building, oil refining; jet engines cannot be made without cobalt.

Manganese is used in many, many of our weapons systems. One hundred percent of manganese is imported. Much of what is imported comes from South Africa.

Platinum, which is vital to chemical processing and petroleum refining, 92 percent of the platinum group metals that we need in this country are imported. The vast majority of these imported metals come from South Africa and the Soviet Union.

Without these minerals, many basic products we all have come to rely upon would simply not be available. We, of course, are vulnerable, very vulnerable, to a complete or partial embargo, civil strife, civil war, strikes, and national disasters that occur in these countries from which we import these minerals.

There are a couple of options available to us, Mr. President. One, of course, would be to stockpile, another to develop substitutes. But whatever we do, whether it is stockpiling or developing substitutes, it would take a coordinated effort at the national level to devise a policy to address this problem.

Within the White House is a council charged with exactly this mission. Unfortunately, for the 3 years plus of its existence, this National Critical Materials Council has done nothing to study, recommend or in any other way further the development of a national critical materials policy.

This amendment, Mr. President, is supported by the American Mining Congress and the National Association of Manufacturers, to name but two of the many different organizations and groups that support this amendment.

The amendment that I am offering today is an amendment requiring the National Critical Materials Council to, in effect, function, to carry out its legal mandate that is established by Public Law 98-373. This amendment makes some minor changes in a law which established a council within the Executive Office of the President. This council, which has been exiled to places unknown, was, however, charged with a crucial task, a task to establish a long-range Federal program for research and development for advanced materials.

No matter how good our research and development might be in the many splendid areas where it is taking place, there needs to be some coordination and it simply is not there.

This public law was signed into law on July 31, 1984. In the nearly 3-years since the President signed this act, the Council was—according to the law—to produce a report providing a long-range assessment of U.S. critical materials needs; to establish a Federal program-plan for advanced materials research and development to be reviewed annually; to evaluate and make recommendations regarding centers for industrial technology; and to establish a materials property data distribution system. To date, not one of these steps have been taken.

It is really no surprise though that the Council has been moribund for nearly 3 years. Not until 16 months after the President signed the National Critical Materials Act into law did he appoint the Council's first three members. But within 2 months of their appointment, two of the members, including the Chairman, resigned. It was not until 9 months after this time—over 2 years after the establishment of the Council—that Secretary of the Interior Hodel was assigned to chair the Council.

Moreover, although the act authorized the Council to hire 12 full time employees as staff, it actually hired only two-an Executive Director and his secretary. The Executive Director had absolutely no expertise in any of the technical disciplines associated with advanced materials.

In fact, he was a public relations man who had worked in various political campaigns.

Critical materials is a broad term which includes more than the minerals about which I have spoken today. Of course, it can best be defined by examples, but generally it includes any material that is critical to this Nation's political and economic security.

Materials crucial to this Nation's defense but available only from countries of questionable reliability, such as South Africa and the Soviet Union, are considered critical.

There are other things that I have not spoke about. Advanced ceramics, which are light as metal. They are just as strong. They are now used in turbines and engines.

The uses for advanced ceramics are really unknown. The horizons are only beginning to be peaked over at this time. I mentioned the light-weight, extremely strong materials that will constitute, it is believed, a $10 billion share of the gross national product by the year 2000. It is considered a critical material.

Superconducting materials. Mr. President, I can remember, in the desert where I was raised, the huge power lines that traveled from the Boulder-Hoover Dam to southern California pass through my desert home.

As we would walk under these huge power lines we heard cracking and poppings. I, at that time, did not know what they were but I have since learned that the noise that came from those large power lines was power that was being dissipated, lost in its travel to southern California.

Superconducting materials is a way of preventing the loss of power as it is conducted through various methods. The superconducting research that has been done to this point is considered in the extreme beginning stages. Much, much more needs to be done. But, again, the horizons are just being viewed and just beginning to be understood.

Superconducting materials are critical and fall within the purview of this.

Basic materials such as steel, aluminum, copper, which are crucial to the economy of my State as well as many other Western States, and provide some $250 billion in annual revenues to American corporations, employ close to 3.5 million people—but they are on the decline.

We have heard stated from these Halls on numerous occasions how our mining industry is faltering. The only healthy mineral mining industry we have now in the United States is gold. Our other mining industries have gone down, down, down. The great copper industries of Arizona are faltering.

This amendment would provide some direction. These materials about which I have spoken are used in a myriad of fundamental industries, from construction, general construction, car manufacturing, to many, many other area. The Federal Government already spends at least $1.5 billion on research and development of even these critical material. But these efforts are dispersed throughout many, many different governmental agencies.

For example, the Department of Energy, the Department of the Interior, Department of Commerce, National Science Foundation, to name only a few.

Legislating action on part of the Critical Materials Council will not lead to new Federal programs or contribute at all to the deficit. On the contrary, coordinating policy within the Federal Government will streamline research and development efforts and lead to budgetary savings.

It makes absolutely no sense to permit the continued inaction of the National Critical Materials Council. While we debate trade remedies and measures to aid competitiveness, our friends in Europe and Japan enjoy the support of their governments in developing policy and coordinating research and development efforts into critical materials. This Nation missed the boat when it came to protecting our competitive advantage in the semiconductor industry and may not be on board in our efforts to become competitive in advance ceramics and superconducting materials. In a world where the United States no longer automatically enjoys a scientific, technological or competitive advantage, we cannot sit back and wait for the free market to work its will.

Of course, a council of 3 with a staff of 12 will not alone make this Nation competitive in the area of critical materials. That, of course, is a job best left to the private sector. But by putting together a plan for coordinating Federal action; by acting as a clearinghouse for information in the area of critical materials; and by serving as a conduit between the Federal Government and the private sector, the Council can contribute to the political and economic security of the Nation.

My amendment will do four things: One, it requires the National Critical Materials Council to prepare the national Federal program plan for advanced materials research and development within 6 months after the enactment of this act. Two, it requires the Council to hire five staff with expertise in disciplines relevant to critical materials. Three, it contains a provision prohibiting OMB from preventing the loaning of staff from agencies to the Council. Four, it extends the authorization of the act to fiscal year 1992.

Within the last month, there was the appointment of an Executive Director with expertise in critical materials. It is my belief that the appointment of this new Director shows a new willingness on the part of the administration to support the activities of the Council.

Passage of my amendment will give a boost to this new additude permeating the administration and show that Congress is still interested in seeing the establishment of a Federal critical materials policy.

We have heard a lot of talk these past few days on the need to make the Nation's economy more competitive. By supporting my amendment, you will support the rejuvenation of a council well placed to promote a competitive critical materials industry, in both the advanced and traditional sectors. I urge my colleagues to support my amendment.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. REID. So we have heard a lot, Mr. President, about competitiveness. This amendment would lead to this country becoming more competitive.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired. Who seeks recognition on the opposition side? Time is equally divided. There is 15 minutes remaining. Do you seek recognition?

Mr. BYRD. Mr. President, under the order was the time agreement in the usual form?

The PRESIDING OFFICER. It is not specified. The limitation is controlled by the author of the amendment. It does not specify.

Mr. BYRD. May I ask unanimous consent that the agreement be in the usual form? If the manager is in favor of the amendment, that gives time in opposition thereto to the minority leader.

Mr. GLENN. The manager is in favor of the bill.

Mr. BYRD. I make the request.

The PRESIDING OFFICER. Without objection, the request is agreed to. Who seeks time?

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. PACKWOOD. This is a Governmental Affairs matter, but I do not think Senator ROTH will be here. I ask unanimous consent that I manage the time on this side, but I would preface it that I am certainly not opposed to it. I will parcel out the time to anybody who may be opposed to it.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Two minutes to the Senator from Idaho.

The PRESIDING OFFICER. Two minutes to the Senator from Idaho.

Mr. SYMMS. Mr. President, I thank my colleagues, and I know my colleagues on the Governmental Affairs Committee worked to bring this before us, and I do not know as I feel strongly one way or the other whether we have this council or not. It may do some good.

I made a comment here a few minutes ago that what we really need is one or two people with a calculator and they can do these numbers and figure out how much critical minerals we need and what the needs of the country will be. Just to add to the bureaucracy, I am not overly enthused about it.

To add to the understanding and the enlightenment and the edification of Americans, that critical minerals are important for an industrial society to be able to survive—I am in favor of that.

Adding to the bureaucracy and more people and bigger council, in my judgment will do very little good. But an understanding of the problem could do some good. So I do not know as it makes too much difference, which way Senators vote on this, and I do not feel strongly enough to really, truly oppose the amendment although I am not enthused about it. But I would just say that one of the things that puts us at risk on critical minerals, much more than whether we have a council here, is the policies that are followed in the southern African Continent. South Africa and the surrounding states are the treasure house of critical minerals in the world and we have pursued policies in southern Africa, unfortunately, that have encouraged the ANC; that have discouraged people who have been supplying those critical minerals to us. In fact, when the sanction bill passed the Congress a year ago on South Africa, since that has happened we have started buying more critical minerals from the Communist countries.

So I think that we should recognize that sometimes we have done things here that have added to this problem, that are bigger than can be solved by a council. Now, if this council comes out and makes recommendations that we should have a more rational policy with respect to Southern Africa and recognizes its value to world strategic safety, maybe it would do some good. So I would just say that I think those are important factors.

I would just like to say one other thing if I still have any time remaining. I would hope that this council would also address the question of what happens to the Government-owned land in the United States. I think very few people are aware of the fact that the U.S. Government owns a third of the land in this country. In many areas it has been put off limits for exploration, for energy, exploration for critical minerals for extraction of those same minerals and energy policies because of so-called wilderness plans and other land plans. So I would hope this council would dig into some of those areas and participate in recommending to those of us in the Congress and to the general public, the importance of not locking up all the critical minerals in the United States of America in the wilderness areas.

Could I have one more minute?

Mr. PACKWOOD. One more minute.

Mr. SYMMS. I thank the Senator from Oregon.

I would hope that this council could offer some rational reason and common sense to our national wilderness policy. I have made the statement many times that when one goes to New York City and you see how big Central Park looks, we have arguments in the West over millions of acres. There was literally an area in the State of Alaska set aside, where mineral exploration and extraction and energy exploration and extraction were set aside, which is about as large as the State of California. It is unbelievable. No people in history have ever done this, where they have literally set their critical minerals off limits and want to put them in wilderness areas, precluding the enterprise of people to be able to develop the resources. I am not overly enthused about this, but I think the Senator from Nevada, who represents a State which joins mine and which has a great interest in mineral and mining matters, has gone to a lot of work on this. Senator GLENN and others support it also. It may be that their recommendation is correct. I may find later on, and I hope I am pleasantly surprised, that this is a good thing for us to be doing. I think that a council such as this, if it is directed in the right direction and gives us the right kind of recommendations, could, in fact, offer some sanity and common sense to the recognition that a free society, an enterprise economy such as we have, must have access to critical minerals if it is going to have a strong economy.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon, who has 8½ minutes remaining.

Mr. PACKWOOD. I yield 2 minutes to the Senator from Ohio.

Mr. GLENN. Mr. President, I understand that the time of the proponents has expired. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. GLENN. I support this amendment. Critical materials to me are a critical matter. There is no doubt about that. What we do with the environment is spelled out in the legislation, and what we do with regard to natural resources.

In the environment, to get back to that, I think most people do not realize that half of our atmosphere is under 18,000 feet. When you fly back and forth across the country in an airliner, you are above the atmosphere. We live in a little shell. Environmental matters should be looked into very seriously.

Ceramics have been mentioned, and engine technology. We only get about 35 to 40 percent of the energy out of gasoline. If we can up that through the use of ceramics through higher temperatures and get 60 to 70 percent, the possibilities will be obvious. That is the reason I do enthusiastically support this.

Metallurgy gets into engines. Pacemakers for your heart, wire, bridge materials—you name it. Across the board, these are important matters. We want to see that we are independent in this country in supplying our own needs as much as possible or do the experimenting needed to replace those materials that we now get from South Africa, the Soviet Union, or whatever.

So I support this.

As I understand it, this Council is already in existence. We are not establishing something brand new. We are saying, in effect, "Get to work. Get some people and do what your mandate said you were to do." Is that correct?

Mr. REID. That is correct.

Mr. GLENN. I support it. I yield back any remaining time.

The PRESIDING OFFICER. The Senator from Oregon has 5 minutes remaining.

Mr. REID. Will the Senator yield?

Mr. PACKWOOD. Is there anybody in opposition to the amendment?

The Senator from New Mexico is asking for some time on another matter.

Mr. GLENN. Have the yeas and nays been ordered on this amendment?

Mr. REID. The yeas and nays have been ordered.

Mr. PACKWOOD. I yield 2 minutes to the Senator from Nevada.

Mr. REID. Mr. President, in response to the question of the Senator from New Mexico and also the comment of my friend from Idaho, there is no question but that it does include copper. Copper was an industry in my State which is now gone. Anaconda moved out. In response to the Senator from Idaho, I think this is his type of legislation, from my knowledge of the Senator's philosophy. We are not spending any more money here. We can have the greatest individual athletes in the world but if they do not have a coach to bring them together, the team does not do well.

I am afraid that might be what is happening in this country. We have research on ceramics going on in different agencies throughout this Government.

I have a friend that I went to high school with, who now works for the Bureau of Mines, and he tells me on a continual, regular basis how uncoordinated we are in relation to the minerals industry.

This Council would be the coach, in effect, to bring all these together so we could become more competive.

The concerns of the Senator from Idaho about wilderness, parklands and all these types of things, they would be taken into consideration, as would the problems relating to South Africa and the Soviet Union.

That would be the function of this Council. I think the Senator from Idaho would be pleased with the original purpose of this legislation. I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Oregon has 1 minute remaining.

Mr. PACKWOOD. I yield 1 minute to the Senator from Ohio.

Mr. GLENN. I have a question, if I might, of the distinguished author of this legislation. We are acquiring five employees over there. Is there any money hooked up with this so we will know how to pay those folks?

Mr. REID. The House appropriated $350,000 this year. As the Senator knows, in the past this money has been authorized. When this legislation was passed, $500,000 was authorized but not appropriated. The legislation says whatever amounts necessary in the out years would be made available. The House has appropriated $350,000, and that is in the budget. This probably would be more than enough to take care of the five more we are talking about.

The bill was passed and signed into law on July 31, 1984. So there has been a savings during that length of time.

I would also mention that I think with this Council in operation there will be a tremendous savings because having served on the Science Committee in the other body there are just all kinds of things going on all through the Government which should be coordinated.

Mr. GLENN. I do not disagree with what you are trying to do. I am a strong proponent of this. I think you legislation helped me and I strongly support it. I will vote for it. I was concerned about the money figure there. I was afraid that we were acquiring something we were not funding.

Mr. PACKWOOD. Mr. President, I will simply make a request which is not on this bill. A fair number of Senators are coming to ask about amendments they want to offer and want them cleared. Many are not in the finance area. They are in commerce, agriculture, or governmental affairs. It would be most helpful if they would take them to the other committees and give me something more than just an oral, "Yes, I have checked with someone on the staff of the committee and they think it will be all right."

Mr. REID. Mr. President, I want to tell others who are waiting with amendments how cooperative the chairman of the Finance Committee has been, and the minority side, and Senator GLENN on this side. I should alert all Senators that it is easy to do, that people have been most cooperative in getting amendments to the floor.

Mr. PACKWOOD. Mr. President, I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired or been yielded back. The yeas and nays have been ordered on the question of agreeing to the amendment of the Senator from Nevada. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Montana [Mr. MELCHER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I further announce that the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. FOWLER], the Senator from Maryland [Ms. MIKULSKI], and the Senator from North Carolina [Mr. SANFORD] are absent on official business.

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Nebraska [Mr. KARNES], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. STEVENS], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

The PRESIDING OFFICER (Mr. GRAHAM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 0, as follows:

[Rollcall Vote No. 166 Leg.]

YEAS—73

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Bumpers
Burdick
Byrd
Cochran

Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Evans
Exon
Ford
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Humphrey
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McConnell
Metzenbaum
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Roth
Rudman
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NOT VOTING—27

Biden
Boschwitz
Bradley
Chafee
Chiles
Dodd
Durenberger
Fowler
Garn
Gore
Hecht
Helms
Inouye
Johnston
Karnes
Kassebaum
Lugar
McCain
McClure
Melcher
Mikulski
Rockefeller
Sanford
Simon
Stevens
Weicker
Wirth

So the amendment (No. 345) was agreed to.

Mr. REID. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAMM and Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. GRAMM. Mr. President, a parliamentary inquiry.

Has it not been the procedure here that we were going to go from side to side on amendments?

Mr. PACKWOOD. Mr. President, we do not have a formal procedure, but we have been trying to do that when there was a Republican or a Democrat prepared to present an amendment.

Mr. BYRD. Mr. President, we have had great trouble getting amendments offered from side to side in an alternating fashion.

I ask unanimous consent that following the amendment by Mr. Exon, the distinguished Senator from Texas be recognized to call up an amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Texas will be recognized after the disposition of the amendment of the Senator from Nebraska.

The Senator from Nebraska is recognized.

AMENDMENT NO. 349

(Purpose: To require that imported food be labeled to specify the country of origin)

Mr. EXON. Mr. President, I thank my friend and colleague from Texas. I did not know that he was waiting to offer an amendment. I appreciate that this matter has been worked out with his graciousness.

Mr. President, I send an amendment to the desk on behalf of myself, Mr. Melcher, Mr. Wallop, Mr. Grassley, Mr. Burdick, Mr. Harkin, Mr. Reid, Mr. Inouye, and Mr. Dole, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. Exon], for himself and others, proposes an amendment numbered 349:

At the appropriate place in the bill add the following:

Section 1. That this Title may be cited as the "Imported Food Labeling Act of 1987".

Sec. 2. The Commissioner of the Food and Drug Administration shall within six months of the date of enactment issue regulations which will provide to the extent practicable for the labeling of food products which are imported or contain a significant amount of imported ingredients. The label shall to the extent practicable reflect the country of origin of the imported product or the imported ingredients.

Sec. 3. The Secretary of Agriculture shall within six months of the date of enactment issue regulations which provide for the labeling of meat, meat products, poultry and poultry products which are imported or contain a significant amount of imported ingredients. The label shall to the extent practicable reflect the country of origin of the imported product or the imported ingredients.

Sec. 4. Nothing in this section shall affect existing laws or regulations which apply to restaurants.

Mr. EXON. Mr. President, I will make some brief remarks in this area. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. EXON. Mr. President, in order to move the Senate along, because I know that a lot of business has to be conducted and we would like to finish at a reasonable hour today, I ask unanimous consent that debate be limited to 15 minutes, with the time equally divided.

The PRESIDING OFFICER. Is there objection?

Mr. PACKWOOD. Objection.

The PRESIDING OFFICER. Objection is heard.

Mr. EXON. I was simply trying to move things along.

Mr. President, this amendment would require food products which contain imported ingredients to be labeled as such. Under this legislation, the Commissioner of the FDA and the Secretary of Agriculture shall, within 6 months after the date of enactment, issue regulations to provide to the extent practicable for the labeling of food products which are imported or contain a significant amount of imported ingredients.

For several months last year, the amount of food imported into the United States exceeded the amount of food exported from the United States. This shocking statistic reversed years of strong agricultural trade balances in favor of the United States. Agricultural trade has been one of the Nation's top international performers. For years, an annual surplus in this sector helped reduce the impact of deficits in the manufacturing sector.

Since 1981 agricultural exports took a dramatic plunge. This combined with poor economic policies and farm programs have sent rural America into depression era conditions. Not only have exports dropped but imports have grown.

This Nation maintains a relatively open border to imported foods. Advocates of unlimited free trade suggests that the growth of imported goods represents consumer preference. I submit, Mr. President, that most Americans are unaware that they are consuming a substantial amount of imported food products. It is not a free choice or a conscious decision based on what information consumers have. To that extent this is a consumer protection bill in that all it indicates or suggests or requires is that it be clearly labeled where practicable where substantial amounts of food is produced that is being sold in our supermarkets today.

For free trade to be equated with consumer preference, consumers need to be given the opportunity to choose. That opportunity depends, of course, on knowledge.

This legislation is not protectionist. It represents the essence of free trade. If this amendment should become law, the American consumer would be given the opportunity to make an informed choice.

The United States produces the finest food products in the world. I am confident that, given an informed choice, Americans will freely exercise their preference for home grown American food products, or if they choose otherwise it will be clearly labeled on the foods that they purchase.

The amendment is simple and fair. Food products which are imported products should be labeled as such.

I thank my many cosponsors on this legislation. I think it is an important step in fairness in information.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska has yielded the floor.

Is there any further debate on the amendment?

The Senator from Oregon.

Mr. PACKWOOD. Mr. President, as I indicated, this is an agricultural amendment. I still have not received clearance from Senator Lugar, the ranking Republican member on the Agriculture Committee. Until I have a chance to talk with his staff, I would have to continue talking on this amendment.

I would be willing to put in a quorum call until they get here or continue to talk, but I cannot let it go to a vote right now. So I would suggest——

Mr. EXON. Mr. President, may we have order? The proposer of the amendment simply cannot hear what is said by the Senator from Oregon.

The PRESIDING OFFICER. The Senate will be in order. Those who have conversations that do not relate to this amendment please exit to the cloakroom.

The Senator from Texas.

Mr. BENTSEN. Mr. President, the ranking member has correctly stated this is not within the jurisdiction of the Finance Committee, but I am delighted to see that the chairman of the Agriculture Committee is here and I would defer to him for his comments on it.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, the amendment that has been proposed by the distinguished Senator from Nebraska is perfectly acceptable to me and perfectly acceptable to our side of the aisle on the Senate Agriculture Committee, I think it is a very good amendment. It is a worthwhile amendment. I think it is one that can be a very helpful amendment.

We do not intend to bring up the agriculture section of the trade bill today. In fact, we will take it up at the time that is best suited for the distinguished leaders of the Finance Committee. But in the absence of the ranking member of the Senate Agriculture Committee, we would not be in a position to bring that up anyway.

But I would hope that perhaps this matter could be cleared on the other side. I would think after we contact the distinguished Senator from Indiana, it perhaps could, and I understand the distinguished Senator from Oregon wants to make sure that it is cleared.

I suspect once it is, it is something that would go unanimously through this body because the distinguished Senator from Nebraska has spent a great deal of time on this amendment. I think Senator EXON has touched base with virtually everybody involved. He has redrafted his amendment to fit concerns that others have raised. We should not have any problem with it.

Mr. PACKWOOD. The only reason again I say to the President that I raise the objection is not on my behalf but on the Agriculture Committee's behalf and whose staff I have not been able to talk with and whose ranking member I cannot get.

We always operate in this body on a matter of comity. I would feel badly if I were on the Agriculture Committee and someone brought up a Finance Committee amendment and wanted the Agriculture Committee chairman to get to it or have a time limit without it ever having been run by our committee.

Until I know Senator LUGAR said go ahead on this, I feel compelled to object to any vote right now, and I will put in a quorum call unless someone else has something else to say.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, if I could withhold on this quorum call in doing that if there is going to be opening time here, I do have a couple points I would like to make about the agriculture section of the trade bill. If I am not detracting from time others need in their amendment, it will take me 4 or 5 minutes to say it.

We are going to have a quorum call anyway and knowing that the other Members of the Senate are eagerly awaiting perhaps with bated breath what is going to be in the agriculture section of the trade bill I might give them a little preview.

Mr. BYRD. Mr. President, if the distinguished Senator does not proceed beyond 5 minutes, I have no problem with that. But I have a conference report that is privileged that I can call up any minute.

Mr. LEAHY. If the distinguished Senator from West Virginia wants to bring up the conference report I will stop this second and let him bring it up.

Mr. BYRD. No. If the Senator wishes to speak, I believe he indicated 4 or 5 minutes, I have no problem with that. Perhaps this matter on the pending amendment could be resolved by then.

What I am saying is if it is going on awhile I would like to get up a conference report.

Mr. LEAHY. Why does the majority leader not bring up the conference report and I will just withhold?

Mr. BYRD. No. I would defer to the Senator if he has only 4 or 5 minutes.

Mr. LEAHY. Mr. President, we will have a section on agriculture competitiveness in the trade bill which will be the Agricultural Competitiveness and Trade Act of 1987. It is going to be codified as title XXI of the Omnibus Trade Act of 1987.

For those who are going to be following this part, I should note that the forerunner to this bill, S. 512, was originally introduce by myself, Senators PRYOR, COCHRAN, MELCHER, and GRASSLEY in cooperation with members of the Finance Committee.

It was then incorporated in the Omnibus Trade Act of 1987. It is primarily included in title XXI of the Omnibus Trade Act, but there are several provisions included in title VI.

The reason for it, and we have in the Senate Agriculture Committee a long explanation of it, but the reason for the act, Mr. President, is there has been a dramatic decline in U.S. agricultural exports since 1981 which has helped create a crisis atmosphere among U.S farmers, processors, and exporters. As markets have disappeared, so has revenue, jobs, land value, investments, and viable farm operations. Dwindling agricultural exports have had adverse effects on the Nation's overall trade balance. The U.S. farmer has few places to turn as markets dry up, stocks rise, and prices fall.

Since 1980, U.S. agricultural exports have declined by more than 37 percent. Our market share for agricultural commodities and products dropped worldwide by 28 percent during this same time period. Even with an expected rise in exports during 1987, the value of agricultural exports would still be 30 percent below the level of fiscal year 1982. This crisis atmosphere exists because of, among other things, the efforts of our competitors through subsidization, trade barriers, marketing boards, State trading organizations and other mechanisms to buy agricultural export success.

At least one major trading partner has flatout lied about the steps that this country has taken. Now, it is obvious that two decades of subsidization have done little but worsen world agricultural trade. Only by reducing or eliminating these trade distorting practices can governments hope to have a long-term positive impact on world agricultural trade.

Mr. President, in the section that we have put in, we are saying several things to our trading partners and to countries that purchase our agricultural products.

First, the decline in U.S. agricultural exports has to be stopped. The United States will act to win back market share and to tear down barriers to trade.

Second, all available means to enhance the exports and revenue from exports of agricultural commodities and products will be employed.

Third, the United States is committed to the international trade negotiations. Through these negotiations, we have a chance to end the debilitating escalation of export subsidization, to end the harmful trade distortions caused by unreasonable trade barriers, and to restore some degree of sanity in the international marketplace.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. DASCHLE. Mr. President, I rise in support of the amendment. I commend the distinguished Senator from Nebraska and ask unanimous consent to be listed as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, not along ago, the distinguished Senator from South Carolina commented that he thought we ought to label imported products as "un-American products." I do not think that he was serious, but I think the point is clear.

With regard to the need for additional consumer information, nothing could be clearer than the importance put upon the country of origin. Today it is commonplace for us to list the number of grams, the number of calories, the amount of fat, the amount of salt.

Mr. BENTSEN. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from South Dakota.

Mr. DASCHLE. One of those items that perhaps has greater import today than at any time in the past is the country of origin, as consumers are beginning to understand that there is a difference with regard to the way products are produced in foreign countries, especially the food that we take into our bodies.

What could be more important as a part of consumer information than the knowledge of where that particular product was grown, whether it is in Mexico, or Southeast Asia, or Africa? I think that particular bit of knowledge is a very important aspect of consumer information.

Obviously, there are times when limitations must be put on an amendment of this kind, and the Senator recognizes that with regard to his provision dealing directly with restaurants. But I think, as we try to devise a practical means by which we can assure greater consumer information, the Senator goes a long way in presenting an amendment that deserves the support of this body.

The foundation responsible for the "made in the U.S.A." campaign recently indicated that, as they have developed this national campaign to encourage people to look for the product made in the U.S.A., they have seen a 25-percent increase in the purchase of products dealing directly with textiles in this country alone in a matter of the last 12 months.

People are willing to buy American products when they know American products exist. They are willing to be selective. They are willing to select those particular products that were made here, that were grown here, that ought to be consumed here.

That is really the intent of this amendment, to give people the opportunity for themselves to judge where that product was made and base some decisions upon the quality of that product based upon the country of origin. It is an excellent amendment. I am proud to be a cosponsor. I certainly urge the Senate's support.

The PRESIDING OFFICER. The Senator from South Dakota has yielded the floor.

Is there any further debate on this amendment? Does anyone wish to be heard on this amendment?

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The suggestion of the absence of a quorum having been made, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, if the distinguished Senator from Nebraska [Mr. EXON] is agreeable, in order to move things along today, and out of concern that the debate on this amendment might be a little longer today than would benefit anyone, and for reasons that are somewhat obscure to me, in a way, but nevertheless facing reality: I ask unanimous consent that there be a time limitation on the amendment by Mr. EXON of not to exceed 20 minutes; time to be divided between Mr. EXON and Mr. LUGAR; that there be no amendments to the amendment and that the debates on the amendment begin at 11 a.m. on Tuesday next.

The PRESIDING OFFICER. Is there any objection? The Senator from Nebraska.

Mr. EXON. Reserving the right to object, I first would like to add Senator SIMPSON and Senator CONRAD as additional cosponsors of the bill. I will not object to the agreement that has been worked out that has just been spelled out by the majority leader. I say that with some regrets because I had hoped that those of us who were here who were working would not have to put aside votes that we should be holding right now. So, I simply say the Senator from Nebraska does this reluctantly. But in the spirit of cooperation, of moving this bill forward, I think little would be gained if I stood here and became involved in a filibuster by some people who, for one reason or another, good or bad, do not want to vote on this today.

The Senator from Nebraska believes that he has the votes to pass this amendment today and it might well be that I will have additional votes on Tuesday next. I hope so. I would have much preferred to have disposed of this matter today.

But since that looks as if it would be impossible and if we went ahead there would be a lot of disappointed individuals, and maybe some hurt feelings, I reluctantly agree with the proposal just laid out by the majority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. Mr. GRAMM of Texas.

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask it be reported.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, was a request put to the Senate?

The PRESIDING OFFICER. Yes. There was no objection. It was so ordered.

Mr. BYRD. I ask unanimous consent that the Senate proceed with the Exon amendment on Tuesday.

Mr. EXON. As the first order of business?

Mr. BYRD. At 9:30.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. I ask unanimous consent that the debate on the Exon amendment begin on Tuesday at the hour of 9:40 a.m. and that the vote occur at 10 o'clock on the amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I thank all Senators and I thank the Senator from Texas.

AMENDMENT NO. 350

(Purpose: To promote the elimination of the trade deficit through the reduction of the Federal budget deficit by requiring the Senate and the House of Representatives to vote on a balanced budget amendment to the Constitution by October 15, 1987)

Mr. GRAMM. Mr. President, without objection, I send an amendment to the desk and ask it be reported.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM], for himself and others, proposes an amendment numbered 350.

The PRESIDING OFFICER. The Senate will come to order. The Senate will come to order. The amendment will be stated.

The assistant legislative clerk read as follows:

At the appropriate place in the bill insert the following new title:

"TITLE—REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"SEC. 01. SHORT TITLE.

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

"SEC. 02. FINDINGS.

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Reduction of the Federal budget deficit is the single most important action that the Congress can take to reduce the United States trade deficit.

"**SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.**

"No later than October 15, 1987, the Senate and the House of Representatives shall each vote to approve or reject a joint resolution to amend the Constitution of the United States to require a balanced Federal budget.".

Mr. BYRD. Mr. President, the conference report on the relief for the homeless bill is a privileged matter and there is a time limitation thereon. I want to accommodate the distinguished Senator from New Mexico and to get that conference report up.

There is a time limitation thereon of 30 minutes plus 10 minutes for the distinguished Senator from New Mexico. I wonder if we could reduce the time on that amendment? I ask unanimous consent that the time on the conference report be reduced 10 minutes, equally divided between the Senator from California [Mr. Cranston] and the Senator from New Mexico [Mr. Domenici].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I have not abused the rights of anyone. The Senator, when he offered his amendment, lost the floor. I have no problem with that and I am sure he will not, either; but I beg his pardon because I am trying to accommodate this Senator whom I promised, on yesterday. Then, as soon as the conference report is disposed of we will return to the amendment of the Senator from Texas. I ask unanimous consent that Mr. Gramm be recognized on his amendment when the conference report is disposed of.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LEAHY. Mr. President, would the Senator from Texas [Mr. Gramm] be willing to let me know if he intends to ask the yeas and nays on his amendment?

Mr. GRAMM. If the amendment passes by voice vote, I might not.

Mr. LEAHY. I intend to ask for the yeas and nays if he is not going to.

Mr. GRAMM. If you would like.

Mr. LEAHY. Mr. President, I ask unanimous consent that it be in order to ask the yeas and nays on the Gramm amendment.

The PRESIDING OFFICER. Is there objection? There being no objection, it is so ordered.

Mr. LEAHY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business at the present time is the Gramm amendment.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. Mr. President, I am very pleased that the Senate is now able to take up the conference report on the Stewart B. McKinney Homelessness Act.

URGENT RELIEF FOR THE HOMELESS—CONFERENCE REPORT

Mr. CRANSTON. Mr. President, I submit a report of the committee of conference on H.R. 558 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on families and children having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the Record of June 19, 1987.)

Mr. CRANSTON. Mr. President, I am very pleased that the Senate is now able to take up the conference agreement on the Stewart B. McKinney Homeless Assistance Act. This legislation will provide real help to tens of thousands of Americans who are suffering homelessness.

Prompt action can save many lives by getting relief out to local communities before winter hits once again.

House and Senate conferees worked intensely for over 6 weeks and have shaped a bill that is responsible and effective. I believe the product is not just a good compromise but a real improvement on the bills that passed each House separately.

The task was not easy—five committees of the Senate and five committees of the House were involved. And, because of the differing jurisdictions an even larger number of subconferences were held.

I deeply appreciate the strong leadership provided on this issue by Senate majority leader, Senator Byrd, and the minority leader, Senator Dole. Many Senators and Congressmen of both parties have produced this agreement. All deserve credit for a job well done.

This conference agreement responds to a nationwide call for efffective action on homelessness. It is a necessary response to a crisis caused by a lack of affordable low-income housing, by unemployment and other employment-related problems, by inadequate services for the mentally ill and by an array of other problems that relate to shortcomings in public policy.

This agreement emphasizes the delivery of assistance to needy people as quickly as possible. It lays the foundation for a national commitment to end homelessness in America.

First, the agreement gives State Governors and the mayors of major cities responsibility for developing coherent homeless assistance strategies tailored to local needs. And it ensures that Federal assistance will leverage larger amounts of State, local, and private resources.

Second, the agreement establishes a flexible, new Supportive Housing Demonstration Program to encourage the development of transitional housing and permanent housing for handicapped homeless persons. Transitional housing will provide decent shelter and support services for homeless persons and help them make an adjustment to independent living. The supportive housing program would also provide special housing with support services designed for persons who cannot make a rapid transition to independent living because of physical or mental disabilities.

Third, the agreement would provide additional assistance for moderate rehabilitation of single room occupancy buildings, which many cities need to provide longer term shelter for homeless elderly people and other individuals with special needs.

Fourth, the agreement would expand the emergency shelter grants program which provides basic shelter and related services to homeless individuals.

Fifth, the agreement establishes the Supplemental Assistance for Facilities to Assist the Homeless Program. This program will make the emergency shelter grants program or the transitional housing program even more adaptable to unusual conditions by providing additional funding where that is needed to make a project workable. The program will also fund particularly innovative projects which could not otherwise be funded by existing Federal programs.

Sixth, the agreement would improve routine and primary health care that is provided to homeless individuals.

Seventh, the agreement would expand alcohol, drug abuse and mental health services available to homeless people.

Eighth, the agreement would provide some additional support for job training for homeless adults and educational services for homeless children.

Ninth, the agreement would reform some nutrition programs so that they can better meet the needs of the elderly.

VETERANS' PROVISIONS

Mr. President, as chairman of the Veterans' Affairs Committee, I am pleased that the conference report on H.R. 558, the proposed Stewart B. McKinney Homeless Assistance Act, contains provisions to authorize appropriations for the Veterans' Job Training Act [VJTA] and to authorize appropriations for the expansion of an innovative project aimed at helping homeless veterans gain employment. These provisions were originally derived, respectively, from legislation in S. 477, the proposed Homeless Veterans Assistance Act of 1987, which the Senate passed March 31, 1987, and from an amendment which the committee's ranking minority member, Mr. MURKOWSKI, and I offered during Senate consideration of H.R. 558.

Mr. President, homelessness is a tragic reality for a growing number of Americans in our Nation. Every dimension of this problem is deeply troubling, and as the chairman of the Subcommittee on Urban and Housing Affairs of the Banking Committee, I have been taking the lead in legislative efforts to help individuals suffering from lack of adequate shelter and to prevent others from joining their ranks. As chairman of the Veterans' Affairs Committee, I am very concerned by reports that veterans account for a disproportionately large part of the homeless population and have thus been very actively pursuing legislation to help address the needs of these veterans, including the needs of so many homeless veterans for help in becoming job ready and finding a job.

VETERANS' JOB TRAINING ACT

Section 901 of the conference agreement would authorize $30 million to be appropriated for VJTA for fiscal years 1987 and 1988—by extending through fiscal years 1987 and 1988 the current fiscal year 1986 authorization of appropriations of $65 million, of which $35 million was appropriated for fiscal year 1986; and postpone by approximately 6 months the deadlines for veterans to apply for VJTA participation, from July 2, 1987, to December 31, 1987, and to enter training, from January 2, 1988, to June 30, 1988.

VJTA promotes training and employment opportunities for long-term jobless Vietnam-era and Korean-conflict veterans through a program of cash incentives to employers to help them defray the costs of employing and providing training to such veterans. The VJTA program was originally established in 1983 with the enactment of the Emergency Veterans' Job Training Act of 1983, Public Law 98-77.

VJTA has provided nearly 49,000 veterans with the opportunity to gain the skills and on-the-job experience needed to help them break away from sustained unemployment and build more productive lives for themselves and their families.

Among the measurable benefits accruing to veterans as a result of their participation in VJTA is increased earning power. A 1985 report, carried out by Centaur Associates, Inc., entitled "Final Report: Evaluation of the Emergency Veterans' Job Training Program," found that veterans, while participating in VJTA, earn $50 more per week than veterans eligible for but who do not participate in the program and, in the year following training, about $2,200 more.

VJTA is highly popular among those employers who have provided job training programs to veterans under VJTA. In general, according to the Centaur report, the supervisers of participating veterans rank the job performance of these veterans from good to excellent and the employers express an interest in hiring other veterans through VJTA. The $30 million that would be authorized to be appropriated for VJTA under this provision would enable approximately 10,000 additional veterans to participate in VJTA training programs.

HOMELESS VETERANS' REINTEGRATION PROJECTS

Section 738 of the conference agreement would enhance the activities of an existing program aimed at helping our Nation's homeless veterans rebuild their lives by authorizing an appropriation of $2 million in fiscal year 1988 for the Jobs for Homeless Veterans Program, an innovative, but small pilot program developed and administered by the Department of Labor.

Under this program, developed by Dr. Daniel R. Clouthier, a consultant to the Department of Labor who for many years has been engaged in efforts to help homeless individuals, representatives of the Veterans' Administration and the Departments of Labor and Health and Human Services have joined together in a number of cities across the Nation to coordinate Federal efforts to provide homeless veterans with the array of job training, job counseling, drug and alcohol treatment, and other vitally needed programs and services necessary to assist many homeless veterans in successfully returning to the work force. In addition, working closely with each of these groups is a veteran who has been at some time in his or her life homeless, who is responsible for seeking out homeless veterans to guide them in availing themselves of the services and resources they are eligible to receive.

Currently, these programs are underway or are planned in the cities of Boston, Denver, New Orleans, San Antonio, Fort Lauderdale, Atlanta, Seattle, Los Angeles, Baltimore, and Detroit, and a number of other cities are showing great interest in launching similar programs. Unfortunately, at present, a total of only $250,000 in funds is available for these programs. Thus, with the enactment of section 738 and the authorized funding, current activities under these programs could be expanded and new programs initiated.

PROVISIONS NOT INCLUDED IN CONFERENCE REPORT

Mr. President, the Senate-passed version of this legislation contained a number of provisions specifically addressing the needs of homeless veterans. These provisions were also passed by the Senate on March 31, in S. 477, the proposed Homeless Veterans' Assistance Act. The House, however, did not include any veterans' program-specific legislation in its original version of H.R. 558. As a consequence, the House conferees asked that, instead of our attempting to resolve the issues dealing with homeless veterans legislation in the conference report on H.R. 558, the House Committee on Veterans' Affairs have the opportunity to consider such legislation in the context of S. 477, thus enabling it to consider the measure in its own hearings and through its normal subcommittee and committee process. Based on the understanding that the House Committee would give the provisions of S. 477 prompt consideration, we acceded to the wishes of our colleagues in the House. Thus, none of the provisions of S. 477 dealing specifically with homeless veterans—which are summarized in the statement of the managers' description of the provisions of title IX of the conference report—are included in the conference report. I look forward to working on these provisions with our counterparts on the House committee.

Mr. President, this conference agreement does not fully meet the enormous need. It does not do all I would like. But it is a serious effort to respond to real suffering.

This is a bipartisan agreement. And I believe it is a sound basis for cooperation between the Congress and the White House.

The Urgent Relief for the Homeless Act is a good beginning. It is a step we should take, and I urge my colleagues to give it overwhelming support.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, the homeless people of America will soon be getting new sources of assistance from their National Government. While several Federal programs have been available to assist the homeless, there has not been a comprehensive Federal effort to target their needs.

Most efforts to help the homeless are based in local churches and other local community efforts.

Our new authorizing legislation, the Stewart B. McKinney Homeless Assistance Act, does not tip that balance. State and local efforts in the States of New York and California alone will spend more money on the homeless than we authorize in this conference agreement. Yet, as a general conferee and cosponsor of the Senate Urgent Relief for the Homeless Act, S. 809, I am proud to have been a part of bringing the Federal Government foursquare into our Nation's efforts to improve the lot of the homeless.

I believe that the Stewart B. McKinney Homeless Assistance Act, the conference agreement, will preserve and enhance this excellent, locally based effort on behalf of our Nation's homeless people. When signed by the President, this legislation will provide a boost to this local effort.

Homeless individuals, and children will begin to see new housing opportunities, more shelters, group homes, and related services. Additional improvements are made in the Food Stamp Program to help the homeless and the poor who are close to becoming homeless. Heath, mental health, education, and job training, will be improved and expanded with new program authorizations totalling $442.7 million for fiscal year 1987. Funds appropriated under this new authorization will be available until expended. Funding for this legislation is on a parallel track in H.R. 1827, the Supplemental Appropriations Act for fiscal year 1987.

The Secretaries of Health and Human Services [HHS], Housing and Urban Development [HUD], Labor, Agriculture, and Education will all have new authority, funding, and responsibility. The Federal Emergency Management Agency [FEMA] is given authorization for its 4 year effort in emergency food and shelter for the homeless which has been funded since 1983 without a formal authorization.

The new Interagency Council on the Homeless has special responsibilities for involving many additional Federal departments and agencies including Defense, Interior, the ACTION Agency, the Veterans' Administration, and the General Services Administration.

In short, we are launching a governmentwide effort to combat suffering by American citizens that is a blight on our national conscience and our international image.

While I am particularly pleased that the Congress has decided to target a significant part of this bill to the homeless with serious mental illness, other features of this bill will go a long way to help local service providers meet the demands placed on them by homeless people. After a brief discussion of the new provisions for the homeless mentally ill, I would like to explain the other salient new features of this legislation:

First, interagency council on the homeless;

Second, housing assistance;

Third, health care for the homeless;

Fourth, education, training, and community services;

Fifth, food assistance;

Sixth, veterans' assistance; and

Seventh, surplus Federal property.

BLOCK GRANT PROGRAM FOR THE HOMELESS MENTALLY ILL

I am especially proud, Mr. President, to have been a member of this conference because we agreed to enact most of the block grant provisions for the homeless mentally ill that I introduced on March 18, 1987, as S. 763, "Services for Homeless Mentally Ill Individuals Act of 1987."

While there were changes made, the essential five-point program to aid the ailing homeless people who are mentally ill is essentially in tact. As I have explained several times before on the floor of the Senate, these five service elements from the Domenici-Simon bill, S. 763 are:

First, outreach;

Second, transitional housing;

Third, psychiatric or psychological treatment;

Fourth, case management; and

Fifth, staff training.

In my original bill, I proposed a single block grant to help local service providers to make these services available. My intent was to create a single block grant payment for all five service elements. Allocations under this block grant would have been distributed by a formula to Governors and to mayors of large cities. The transitional housing and four other key services for the mentally ill homeless would have been in one grant.

As passed by the Senate and the House of Representatives, however, the transitional housing funds are in a separate title from the health and mental health service funds. While the conference provisions will also be in two titles, all five service elements are authorized by this legislation.

I was very pleased that the conference committees accepted these five service elements for the homeless who are mentally ill. The managers for title IV—housing assistance—and the managers for title VI—health care for the homeless—worked hard to provide both transitional housing and the four related service elements—Outreach, psychiatric and psychological services, case management, and staff training. Each set of conferees worked within the scope of their separate conferences. Because of their fine work in linking these two titles, the homeless mentally ill will have a critically needed new set of services—based in some form of transitional housing—available to help meet their many and varied needs.

It will take more effort for local providers to manage two separate grants, but the essential five services will, in fact, be available for the homeless mentally ill at the local level.

I would have preferred a single grant that included transitional housing. I am satisfied, however, that we have made the best of the jurisdictional situation that separates housing and mental health programs. This jurisdictional separation exists in the day-to-day administration of these programs as well as in the authorizing process in Congress.

The conference agreement for title VI—health care for the homeless—includes four service elements—all except transitional housing—in a single block grant for the homeless mentally ill. The Alcohol, Drug Abuse, and Mental Health Administration [ADAMHA] in the U.S. Department of Health and Human Services will have the responsibility for allocating formula grants, with each State receiving a minimum grant of $275,000. The formula for allotment among the States is based upon the ration of the population of each State which lives in urbanized areas to the total population in the United States living in urbanized areas. The homeless are believed to be more prevalent in urban areas by a factor that is several times greater than their prevalence in rural areas.

The conference agreement for title IV—housing assistance—very clearly stresses the need to serve the deinstitutionalized and other mentally ill homeless. Transitional housing, a very essential service element, will be available under a competitive grant from the U.S. Department of Housing and Urban Development [HUD].

There are plenty of assurances in the final act to require the close coordination of transitional housing and mental health services. The definition of transitional housing, for example, "includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental disabilities."

Recipients of the mental health block grant for the homeless are required to provide "supportive and supervisory services" in residential settings. The care managers are also required to help their clients find housing assistance.

This mutually supportive language in the housing assistance and health service titles of the act will help to insure that the homeless mentally ill will receive the support they urgently need. Governors and mayors of large cities, in summary, will receive a block grant from ADAMHA for the mental health services. They can compete for a grant from HUD for the transitional housing services. By so doing, they will be able to take advantage of new Federal assistance for the homeless mentally ill. By combining and coordinating two grants, they will be able to add a new set of crucial services for the homeless mentally ill, as I first proposed in S. 763.

The local match for the mental health services block grant will be 25 percent, and the local match requirement for transitional housing competitive grants will be 50 percent.

The case for using these five service elements has been made over a 4-year period in the Community Support Program at the National Institute of Mental Health [NIMH].

Ten cities spent slightly under $2 million treating the homeless who have serious mental illness. The services elements that I proposed in my original bill are the essence of their findings and conclusions. I am glad to report that the conference agreed to expand this NIMH demonstration program for the homeless mentally ill by adding $10 million in new authority, available through fiscal year 1988. It is our hope that new and more effective treatment methods can be found and disseminated to local service providers.

ADAMHA, in summary, will have $35 million in new authority for the homeless mentally ill block grant in fiscal year 1987. HUD will provide the transitional housing, as I have explained. Other housing assistance is discussed in more detail below. In addition, the National Institute on Alcohol Abuse and Alcoholism—in ADAMHA—is authorized to spend $10 million in fiscal year 1987 and 1988 "to develop and provide alcohol and drug abuse treatment services"—in conjunction with the National Institute on Drug Abuse—for homeless individuals. The Community Support Program in NIMH—also in ADAMHA—is also authorized to spend $10 million in new money in fiscal year 1987 and 1988. Thus, the total new authorization for ADAMHA in this act is $55 million in fiscal year 1987, available until it can be spent.

INTERAGENCY COUNCIL ON THE HOMELESS

Mr. President, in the 99th Congress, Senator GORE joined me in introducing a bill to establish a clearinghouse for the homeless, S. 2603. We wanted to establish a national group with responsibility to oversee the many and diverse activities of the Federal Government on behalf of the homeless. In addition we had several other ideas for integrating public and private efforts.

Today's conference agreement establishes a similar mechanism with primary emphasis on the Federal efforts for the homeless. While the scope is not as broad as the Domenici-Gore bill, this Federal effort is a much needed key for maximizing available resources to help the homeless.

The Interagency Council on the Homeless is established to provide consistent and improved information on the problem of homeless and to better coordinate and improve access to Federal assistance.

The Secretaries of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Labor, and Transportation will form this Council at the national and regional levels. They will be joined by the Federal Emergency Management Agency, General Services Administration, the Postal Service, the Veterans' Administration, and the ACTION Agency.

This Interagency Council on the Homeless will strive to avoid duplication of services, coordinate existing programs, develop new and innovative programs for the homeless, provide annual reports to the Congress, hold conferences on homelessness, and publish a newsletter on the Nation's progress in addressing the issue of homelessness.

This Council will also prepare an annual study on the nature and extent of homelessness. This study will inform us about the effectiveness of the new programs established in this act as well as the ongoing Federal, State, and local resources available to help the homeless. We will gain a better national perspective about the nature of the problem and the proper mix of local, State, and Federal resources to address the many reasons for homelessness.

Within 90 days after enactment, the Federal agencies with programs to serve the homeless will be required to submit information about the number of homeless served, impediments to the use of homeless individuals of each program, and the "efforts made by such agency to increase the opportunities for homeless individuals to obtain shelter, food, and supportive services."

The existing Federal Task Force on the Homeless will be phased out following the first meeting on the Interagency Council on the Homeless.

The Council is authorized at $200,000 for fiscal year 1987 and $2.5 million for fiscal year 1988. Three years after enactment, the Council will cease to exist.

HOUSING ASSISTANCE FOR THE HOMELESS

Our housing effort totals $240 million in new authorizations for fiscal year 1987 and $280 million for 1988. The $240 million for fiscal year 1987 is comprised of the following program: $100 million for emergency shelter grants—$120 million in fiscal year 1988; $80 million for "supportive housing," that is, permanent housing for the handicapped and transitional housing—$100 million in fiscal year 1988; $25 million for "supplemental assistance" grants—$25 million in fiscal year 1988; $35 million to section 8 single room occupancy moderate rehabilitation—$35 million in fiscal year 1988.

The Emergency Shelter Grant Program will allow renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters. Operation and maintenance costs will be allowed, and services may be provided with these funds—up to 15 percent of the grant amount, only if these services are not available from other sources, including other titles of this act.

Grants will be available to governmental or private nonprofit entities in States and metropolitan areas. Funds will be distributed according to the Community Development Block Grant formula and will require a 50-percent local match.

"Supportive housing" is an umbrella concept we agreed to. It includes several types of housing programs from the Senate and House bills. Homeless people with special needs are emphasized, "particularly deinstitutionalized homeless individuals, homeless families with children, and homeless individuals with mental disabilities and other handicapped homeless persons."

The new supportive housing umbrella includes transitional housing "that has as its purpose facilitating the movement of homeless persons to independent living"—within 18 months—and "includes housing primarily designed to serve deinstitutionalized homeless persons, other homeless persons with mental disabilities, and homeless families with children."

Permanent housing for handicapped homeless persons is also included in the supportive housing umbrella. The conference agreement requires that no more than eight handicapped homeless persons could receive community-based, long-term housing and supportive services in a single project. This condition is intended to encourage the establishment of small neighborhood based projects. The home, multifamily housing, condominium, or cooperative project may not be located "on a site contiguous to another site containing such a home."

Of the $80 million authorized in fiscal year 1987 and the $100 million authorized in fiscal year 1988, "not less than $20 million shall be allocated to transitional housing projects that serve homeless families with children" and "not less than $15 million shall be allocated to projects that provide permanent housing for handicapped homeless persons."

Since the first $35 million for each year's appropriation is set aside for homeless families and handicapped homeless persons, the remainder of any annual appropriation will be available for additional transitional housing to meet the "central purpose" of serving "deinstitutionalized homeless persons and other persons with mental disabilities."

There is thus a clear priority in the conference agreement for housing for the mentally ill homeless. While this target group of homeless people can receive both permanent and transitional housing benefits under this act, it is anticipated that most housing for the mentally ill homeless will be transitional housing. Current rules define transitional housing as temporary housing for up to 18 months. The limitation of 8 persons per project does not apply to transitional housing.

To finance these supportive housing projects, the Secretary of HUD is allowed to provide advances not to exceed $200,000 of the aggregate cost of preparing an existing structure. Annual Federal payments for operating costs of transitional housing cannot exceed 75 percent of the total operating costs.

Grants made for supportive housing must be 100 percent repaid "if the project is used as supportive housing for fewer than 10 years following initial occupancy. After 10 years, there is a 10 percentage point "forgiveness" for each year that the project is used as supportive housing.

Like the emergency shelter grants, the supportive housing grants require a 50-percent local match. The Secretary is given 90 days to establish the requirements necessary to implement this grant program.

The third type of housing is a general gap filling type of "supplemental assistance for facilities to assist the homeless." The first purpose of this type of assistance is to "cover the costs in excess of assistance provided under the emergency shelter grant program or the transitional housing program."

This general housing fund is intended to help meet the special needs of "homeless families with children, elderly homeless individuals, or the handicapped"—including the mentally ill. It is also meant to "facilitate the transfer and utilization of public buildings to assist homeless individuals and families."

In addition, supplemental assistance is available to create programs for the homeless that are particularly innovative in meeting the immediate and long-term needs of the homeless. In order to be eligible for this type of assistance, the applicant must show that "reasonable efforts" have been made "to utilize all available local resources and resources available under the other provisions of this title." It must be shown that such resources are not sufficient or not available to carry out the "purpose for which the assistance is being sought."

Like the other housing provisions, a 50-percent match is required, and the grant must be fully repaid if not used for at least 10 years to serve the homeless. Twenty-five million dollars in budget authority is available in each of the fiscal years 1987 and 1988 for this supplemental assistance.

The final type of housing assistance in our agreement is an increase of $35 million in authorization for the section 8 moderate rehabilitation program. Competitive grants will be made available to those applicants "that best demonstrate a need for the assistance" and the "ability to undertake and carry out a program" assisted by these funds.

An applicant must identify the "size and characteristics of the population" that "would occupy single room occupancy dwellings" to be rehabilitated with these funds. Commitments from other public and private sources must be available to the applicant, and an inventory of suitable housing stock for rehabilitation must be identified. Total rehabilitation costs per unit cannot exceed $14,000. Public housing authorities are encouraged to participate.

HEALTH CARE FOR THE HOMELESS

Title VI of the new act provides primary health and community mental health services for the homeless. I have already discussed the mental health program, and would like to briefly summarize the health services.

Competitive grant funds will be available for outpatient health services, including primary care, substance abuse treatment, and case management. A local match of 25 percent is required, and mental health referrals must be made to other providers in the grantee's service area as needed. This program has an authorization of $50 million in fiscal year 1987, and $30 million in fiscal year 1988.

The National Health Service Corps [NHSC] will be allowed to designate homeless populations as an eligible group to have NHSC providers assigned. This is an expansion of the existing law with regard to special populations. This means that available NHSC doctors and nurses will become eligible for assignments to areas with significant numbers of homeless people in order to help meet the medical needs of the homeless.

Each State is required to conduct a study of the extent to which deinstitutionalization policies in each State are contributing to the problem of homelessness. The Secretary of Health and Human Services will compile a report to the Congress within 18 months of enactment.

EDUCATION, TRAINING, AND COMMUNITY SERVICES

State educational agencies will compete for Federal grants to "develop a plan and implement a program of literacy training and basic skills remediation for adult homeless individuals within the State." Authorized levels of funding are $7.5 million in fiscal year 1987 and $10 million in fiscal year 1988.

A small amount of funds are made available to encourage States to "assure that each child of a homeless person and each homeless youth have access to a free, appropriate public education." Five million dollars is authorized in each of fiscal years 1987 and 1988 for this purpose.

Those homeless children education grants will be available to the States in the same proportion as chapter 1 funds as distributed in the Education Consolidation and Improvement Act of 1981, "except that no State shall receive less than $50,000 in any fiscal year."

For job training demonstration projects, the conference agreement establishes a competitive grant program. This program begins in fiscal year 1988. The $12 million authorized will remain available for 3 years.

Demonstration grants will be used for basic skills instruction, remedial education, job searches, job counseling, résumé writing and interviewing skills, and other activities that will lead to employment opportunities. The reintegration of homeless veterans into the labor force is another goal of this job demonstration effort. One-sixth of available appropriations under this section will be allocated to jobless veterans who are homeless.

An additional $40 million is authorized for the Community Services Block Grant Program in each of fiscal year's 1987 and 1988. These funds will be available to expand, under the current formula, comprehensive services not funded out of any other source. Urgent needs of the homeless will be stressed. Case managers will help them to obtain social and maintenance services and income support services.

FOOD ASSISTANCE

Most of the new food stamp provisions in the conference agreement are designed to help the poor who are in danger of becoming homeless. The two largest efforts, for example, are not exclusively for the homeless.

The Temporary Emergency Food Assistance Program [TEFAP] is reauthorized for fiscal year 1988 at $50 million. This program of the Department of Agriculture distributes commodities to food banks for the poor by paying for transportation, food storage, handling, and salaries on a formula basis to the States. There are no prohibitions to delivering these commodities to homeless shelters, although the extent of such activity is not known on a national basis at this time.

The second major food stamp effort is the change in the shelter deduction. This deduction is used in determining net income for food stamp eligibility. By increasing the allowable deduction from $149 per month maximum to $164 per month maximum, this act, in effect, increases the amount of food stamps available to an eligible household. We authorized $36 million in fiscal year 1988 for this purpose.

In addition, the conferees agreed to several changes to improve food stamp services to the homeless. Homeless applicants will be provided with food stamps within 5 days of applying rather than the current 30 day period. Informational activities will be conducted to the homeless to let them know of their eligibility for food stamps. And the definition of a household will be changed to help children obtain access to food stamps when their mother or father moves in with a relative. Current law mandates that blood relations can only be counted as one household regardless of the circumstances.

VETERANS' ASSISTANCE

The major veterans' program accepted by the conferees in this act is a Senate provision authorizing $30 million for the Veteran's Job Training Act [VJTA] for fiscal years 1987 and 1988. Homeless veterans will not have to meet the length-of-employment criterion, and deadlines for VJTA participation are extended by 6 months. Veterans are, of course, eligible for assistance under the other titles of the Stewart B. McKinney Homeless Assistance Act.

The other Senate veterans' provisions were passed by the Senate on March 31, 1987, in S. 477, the "Homeless Veterans' Assistance Act of 1987." This bill is now pending in the House Committee on Veterans' Affairs. Additional assistance for homeless veterans is expected in the near future in this separate act, S. 477.

SURPLUS FEDERAL PROPERTY

Under criteria developed by the Secretary of Health and Human Services and the Administrator of General Services, the Secretary of Housing and Urban Development [HUD] will "collect information about Federal public buildings and other real properties . . . to identify those properties that are suitable for use for facilities to assist the homeless."

Property so identified will remain under the ownership of the Federal Government, but can be made available to service providers under lease agreements. Quarterly reports will be made to the Congress and the Interagency Council on the Homeless. These reports will describe available property, agency responses to identifying property, and "actions to make the property available to assist the homeless."

CONCLUSION

I hope this summary of the conference agreement is useful to my colleagues. I have worked to highlight the major features of a long and complicated conference agreement. I believe that we have reached an excellent compromise and forged a comprehensive approach to help those in our society who are least able to help themselves.

As work on the conference agreement for the fiscal year 1987 supplemental appropriations bill continues, I will work hard to fund as much of our new authorizing legislation as possible. The Senate has appropriated a total of $327.5 million for fiscal year 1987. The House has appropriated $425 million. Whatever the final outcome, the funds, according to the terms of this act, will remain available until they can be spent.

In closing, I want to express special thanks to our fine Senate leadership on both sides of the aisle. Many potentially delaying problems were resolved by the fine staff of Republican Leader DOLE and Majority Leader BYRD.

This has been a complicated and precedent-setting conference procedure. We have been able to overcome many institutional barriers to the parallel activities of enacting a new authorization on one track and a new appropriation on the other. Because the problems of the homeless are so urgent, this procedure reflected the will of the Congress to do as much as possible as early as possible. This has all been for the good of the homeless people of America and those who work hard on a daily basis to assist them.

I am proud to have been an active member of this government-wide effort to improve existing services and provide needed new services for homeless Americans. We have been careful not to dictate the local program requirements, and we have created some incentives for innovation.

I am anxious to see our new legislation enacted and implemented as soon as possible. We have much to do. A coordinated federal effort can have a major impact on the lives of homeless Americans. Passage of this act places the Federal Government among the ranks of those who have committed themselves to making life better for those who are most in need of our help.

Mr. President, in this particular situation, the supplemental appropriations bill is working its way through the Congress and yesterday we completed the conference report. I think some Senators would be interested in knowing how well the supplemental appropriations matches up with the new authorization that we have in this bill.

Mr. President, I ask unanimous consent that a table that explains the $335 million in budget authority in the supplemental appropriations that implements substantial portions of this bill be made part of the RECORD following my statement.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **DOMENICI**. Mr. President, I really did not believe, a few months ago when we started our work in an effort to help the homeless of this country, that we would be here today because obviously there are so many different problems. Some are solvable and some are not solvable. Clearly there are many different ideas, philosophies, and notions, and many, many committees that have jurisdiction. But I have concluded that where there is a will there is a way, even with that kind of complexity.

I compliment the various committees and staff members who have worked diligently for weeks to come up with a conference which resulted from combining, as best as possible, provisions of the House bill and the Senate bill directed at the issue of homelessness.

Mr. President, out there in America, the cornerstone of our national effort is addressing the issue of homelessness at the local level. Literally, thousands of local institutions, charitable and otherwise, local institutions within our city governments and our State governments, are the vanguard of attempting to solve and work with the homeless of the United States.

This bill is not an effort to federalize this problem but, rather, to mesh and mold Federal programs with State and local activities, charitable organizations and religious organizations that are working in this serious problem of homelessness.

It will not be perfect in that respect, and, obviously, there will be some glitches because of the complexity of bureaucracy. But I believe we have minimized that and I believe we have maximized local participation and local initiatives.

I am particularly pleased that many of the provisions of the bill which I introduced some months ago, S. 763—we called it the Domenici-Simon bill—that focused in on that portion of our homeless population that are seriously mentally ill, was carefully considered and mostly accepted.

We now believe that could be as high as 35 percent of the homeless population. They are seriously mentally ill and they need very specific and precise help.

As we know, seriously mentally ill Americans have been released by the thousands from institutions, and the minds and consciences of Americans could be besieged with information about this segment of the population of homeless people seriously mentally ill.

The fact is that we have very few local ways of handling the problem, yet it has all been dropped in the laps of homes, of individuals, of local communities.

Through a lot of effort, we concluded that we had to put in place a matching program with the States that directed them to prepare through their local communities a program for the mentally ill that included Outreach, transitional housing, psychiatric or psychological treatment, case management, and staff training, the cornerstone of this bill which we voted on here in the Senate which I introduced.

This cornerstone remains the focus of our efforts in this bill and the efforts in the Appropriations Committee to fund a major American effort to help our local communities and States cope with the seriously mentally ill problems that are out there among the homeless.

In addition, I want to close by thanking the National Institute of Mental Health for 4 years of research, pilot programs, and their expert advice when it came to preparing the ingredients that were necessary to put together a truly effective program. It will not solve all the problems, but we will help thousands and thousands of seriously mental ill people, young and old. In the meantime, we will learn a lot. We will learn how to do it better and eventually local communities will learn from that, State governments and national governments also learning.

Mr. President, I urge that the Senate adopt overwhelmingly and in a bipartisan manner this conference report which, in a sense, is historic. It concentrates our efforts in the homeless field under one major bill and I think it will have an impact and we will be proud of its effect in years to come. I yield the floor.

EXHIBIT 1

SUPPLEMENTAL APPROPRIATIONS FOR THE HOMELESS—TITLE IV, H.R. 1827

[In millions of dollars]

Program	House bill	Senate bill	Tentative conference
DHUD grants for facilities to assist the homeless:			
Budget authority	71.5		
Outlays			
DHUD emergency shelter grants:			
Budget authority	95.3		50.0
Outlays	71.5		37.5
DHUD transitional housing demonstrations:			
Budget authority	28.6	[1] 80.0	80.0
Outlays	.6	1.6	1.6
DHUD section 8 emergency housing:			
Budget authority		[1] 50.0	
Outlays		1.0	
DHUD sec. 8 moderate rehabilitation:			
Budget authority		[1] 40.0	35.0
Outlays			
DHUD permanent housing for handicapped homeless:			
Budget authority	23.8		
Outlays			
FEMA Emergency Food and Shelter Program:			
Budget authority	47.6		10.0
Outlays	47.6		10.0
HUD supplemental assistance grants:			
Budget authority			15.0
Outlays			NA
HHS grants for outpatient health and mental health services:			
Budget authority	71.5	30.0	46.0
Outlays	40.0	16.8	NA
ADAMHA—Community Support Program demonstrations:			
Budget authority	23.8	75.0	50.6
Outlays	19.1	60.0	NA
Community Services block grant [CSBG] activities:			
Budget authority	42.9	20.0	36.8
Outlays	42.9	20.0	NA
VA medical care (domiciliary care):			
Budget authority	20.0	[1] 20.0	20.0
Outlays	17.1	5.8	5.8
Department of Education Special Program:			
Budget authority		2.5	
Outlays			
Vocational adult education:			
Budget authority		10.0	6.9
Outlays		1.0	NA
State education for homeless youth:			
Budget authority			4.6
Outlays			NA
NOAO offset:			
Budget authority			
Outlays			−18.7
Total:			
Budget authority	[2] 425.0	327.5	335.0
Outlays	238.8	87.5	NA

[1] The Senate adopted a floor amendment offered by Senator Domenici to fund these housing programs for the homeless with a budget offset.

[2] The homeless title was exempted from the 21 percent across-the-board cut adopted during House floor action.

Mr. CRANSTON. Mr. President, I thank the Senator from New Mexico for his very effective work on this measure.

We have only a few seconds left, but I ask unanimous consent that I may yield 2 minutes to the Senator from Massachusetts [Mr. KENNEDY], who did great work in fashioning this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, first, I commend my friend and colleague, the Senator from California [Mr. CRANSTON] for the extraordinary work he did with Senator DOMENICI to ensure that we were going to see this legislation passed. Senator CRANSTON and the rest of us have been working on this now for a number of weeks. I think the final conference report is good legislation.

The fact that the homeless population in our country is growing, I believe, is a blight on our Nation. This is a downpayment by Congress on coming to grips with this problem. We have brought together, I think, a good program that meets some of the very special needs of the homeless. It responds to many of their concerns. This is a start, but I think those of us who worked on this legislation know that it is only a start and we are going to be faced with these common issues for the remainder of this Congress. It is going to take the best efforts of all of us to try to respond to this challenge.

I welcome the chance to join with the others in commending this conference report, and I hope that it will pass overwhelmingly and become the law.

I thank the Senator from California.

I yield whatever time remains to the Senator from Pennsylvania [Mr. HEINZ].

Mr. HEINZ. Mr. President, I want to pay my compliments to the managers of this legislation, Senator CRANSTON and Senator KENNEDY, and, for many reasons, the Senator from New Mexico [Mr. DOMENICI], who, with a really tremendous effort, proved that it was possible not just, as he said, to attack a complex problem, but to achieve two other things.

First, this bill, although it does not address all the problems, is not a band-aid solution. It provides a solution that will help many people make the transition from homelessness to self-sufficiency.

Second, I think we have proved something in this legislation, for which there is a great need but, a great many may say, a limited political constituency. The homeless do not vote or have much connection to voter registration. What we have proved is that the Senate can take an interest and act expeditiously on a very tough problem, even if there are very few votes in it for us. In other words, we have done the right thing by this country and we have done it for the right reasons, not for any reasons of special-interest politics. The passage of this legislation, Mr. President, should make every Senator proud and the country proud of the Senate.

Mr. GLENN. Mr. President, I am pleased to support the conference report on H.R. 558, the Urgent Relief for the Homeless Act. This bill is the product of a number of committees, including the Senate Governmental Affairs Committee, which I chair.

Let me begin by saying how deeply disturbed I am that in this land of plenty, perhaps as many as 3 million men, women, and children regularly want for life's most basic necessities—adequate food, clothing, and shelter. In the Buckeye State of Ohio, the homeless number more than 120,000. And the problem seems to be getting worse.

Who are the homeless? They are the nameless, placeless people we pass every day living on the grates or panhandling on the streets of our cities. They are also individuals largely invisible to us—children from broken homes, teenage runaways, battered and abused wives and mothers, mentally ill persons, and decorated war veterans—all struggling to survive in a system which offers pitifully little help. More often than not, the homeless are innocent victims of circumstances beyond their control, discouraged by a hopelessness we all pray we shall never know.

Despite their diversity, the homeless do have one thing in common—they have not been receiving the assistance that we, as a nation, are capable of and ought to be giving. And no matter where some try to place blame for their condition, the bottom line is that we all share the responsibility of trying to help.

However much this bipartisan bill combats this vexing problem, we must remember it is only a beginning. The causes of homelessness are too long and complex to be quickly neutralized. What is required is a long-term commitment, the kind of effort and viable mechanisms which I firmly believe are created in this legislation, and which we have concentrated on in the governmental affairs portion of the omnibus bill.

In this respect, perhaps one of the most crucial features of this bill, at least in the short run, is the establishment of an independent interagency council on the homeless as contained in title II. The purpose of this body is simple to state, if not accomplish—the effective coordination of the thicket of homeless programs run by a multitude of Federal agencies. The council will also provide technical assistance, through existing Federal offices in the 10 standard regions, to State and local governments along with any other homeless relief groups who seek advice in structuring and developing effective homeless programs. I believe this approach best recognizes the fact that we should take into account the similarities, as well as disparaties, of each region.

Another vital function of the council is the issuance of an annual report to Congress which assesses the nature and extent of homelessness in America. Indeed, at our committee hearing on the homeless, I was struck by the plain fact that we rely only on broad estimates, rather than precise documentation, when attempting to characterize the pervasiveness of this problem in our society. The council's report, besides describing government efforts to combat homelessness, will also contain recommendations on what further can be done on the Federal level to channel our resources more effectively in this fight.

To ensure the council's accountability and to emphasize its limited objective, the conference committee agreed to terminate the council after 3 years. I want to make it clear that we are not merely adding another name of acronym to the alphabet soup of Federal commissions. Additionally, the cost of this council is modest, with an authorization of $200,000 for the remainder of fiscal year 1987 and $2.5 million for fiscal year 1988.

Title III of this bill authorizes the National Emergency Food and Shelter Board already established under Public Law 98-8 for the purpose of determining which public and private nonprofit local groups will receive emergency food, shelter, and supportive service grants. The board, administered with the help of the Federal Emergency Management Agency [FEMA], consists of representatives of six national charitable organizations. What has made this program so successful is that the ultimate decisions on how to allocate grant funds are made at the local level by some nearly 7,000 local voluntary community service boards and local governments. This program, in my judgment, has been of the more widely acclaimed efforts we have undertaken to provide basic and urgent necessities on a timely basis to those who are most in want.

Since this program's inception in 1983, grant money has been used to furnish almost 320 million meals and approximately 88 million nights of lodging nationwide. In my own home State of Ohio, over 50 counties so far have been eligible to participate in this important program in 1987.

The conference report on this title authorizes the $50 million already appropriated in fiscal year 1987 through Public Law 100-6 while providing the additional authorization of $15 million for the remainder of this fiscal year. Also, the conferees agreed to set the authorization level for fiscal year 1988 at $124 million.

The last item within the purview of the Governmental Affairs Committee consists of title V, the identification and use of surplus Federal property. Mr. President, what we have done is to remove a number of administrative and regulatory obstacles that currently prevent many abandoned, surplus, or otherwise underutilized government buildings from being used to provide shelter for the homeless. A targeted inventory of such facilities is created with the intention that suitable buildings be made available by lease to private nonprofit homeless providers or State and local government units.

Another section of title V pertains to the distribution of Federal surplus personal goods, be they boots, blankets, or used buses. I was pleased that the conferees saw fit to retain the language of an amendment I authored which ensures that nonprofit tax-exempt homeless assistance providers are specifically eligible to receive such items when distributed from State surplus property agencies. In addition, I was glad to see that the conference committee included a provision offered by my distinguished colleague and friend, Senator SASSER, which helps facilitate the handling and exchange of surplus personalty between State agencies and homeless providers.

Together, these sections will result in getting more types of goods out sooner to the people that need them the most.

This bipartisan bill to assist the homeless required a great deal of time and effort on the part of many committees and their respective staffs. I know this process, in the interest of expediency, was not always smooth. But I have no doubt that those Senators, members, and staffs involved never waivered from their commitment to producing an effective, practical measure to assist the less fortunate in our society.

Besides thanking my own staff, and that of the committee's ranking member, Senator ROTH, I would like to express appreciation for an effort well-done to our respective committee conferees, Chairman BROOKS and Representative COLLINS of the House Government Operations Committee, and to the Chairman ST GERMAIN and Representative GONZALEZ of the House Banking, Finance, and Urban Affairs Committee. I am proud to have been a part of this historic effort.

● Mr. CHILES. Mr. President, today we are considering final passage of the conference agreement for the Stewart B. McKinney Homeless Assistance Act. As a conferee on this bill, I wish to express my support for the conference agreement.

Not long ago, a young man spent three nights counting homeless people in Miami. He counted 1,300 on the streets and in emergency shelters. The Florida Department of Health and Human Services took an informal survey and concluded that at least 10,000 people are homeless on any given night in our State. In Tampa, about 700 people live on the streets and another 300 live in makeshift housing. This helps to explain why I support the conference agreement before us today.

While the homeless are a serious problem in Florida, they are also a national problem. A lot of the homeless are drug abusers. Perhaps as many as a quarter of them are mentally ill. And now, the most alarming thing is that we are seeing many families with children out on the street.

The Federal Government has taken some steps to help these people. Last year's antidrug bill included giving the homeless employment training and allowing the use of food stamps for meals at soup kitchens. The continuing resolution passed for 1987 contained new funding for emergency shelters and transitional housing. Earlier this year, in response to a particularly severe winter, Congress passed an emergency appropriation for the FEMA emergency food and shelter program.

But we need to do more. The conference agreement before us today is a step in the right direction. The authorizations in this bill pave the way to modify and expand programs to serve the housing, health, educational, job training, and nutritional needs of the homeless.

As chairman of the Budget Committee, I have to say that we will not be able to do everything we want. In these days of severe budget pressures, every dollar spent must be spent wisely and delivered efficiently. Since the inception of this legislation, I have been supportive of the general efforts of all the various committees' efforts in drafting a legislative response to this national problem. However, I have also spoken often of the tradeoffs necessary as we seek to craft a solution. 11As you well know, Congress has just passed a budget resolution which sets a fiscal blueprint for 1988. Budget Committee staff constructed an analysis of the projected outcome of the supplemental appropriations conference, specifically looking at the likely outcome of the homeless provisions.

This analysis indicated that the projected conference agreement, if carried forward to 1988 and fully funded, would exceed the budget resolution assumptions for homeless programs in 1988 by around $250 million in budget authority and $135 million in outlays. Broken out by appropriations subcommittees, this would mean that Labor-HHS would have to make up $82 million in 1988 budget authority and $75 million in 1988 outlays from other programs. HUD-Independent Agencies would have to find $166 million in 1988 budget authority and $60 million in 1988 outlays from other programs in their jurisdiction.

As is the case with every spending decision we make, there are tradeoffs. This is not to say that we should not seek to address the needs of the homeless. On the contrary, I believe we must.●

Mr. KENNEDY. Mr. President, I am pleased to join my colleagues in supporting this legislation to bring emergency assistance and new hope to homeless Americans. Congress has worked hard from the beginning of this session to make this legislation a reality, and I congratulate the many Senators and Representatives who have contributed to it.

That so many Americans are homeless in the bicentennial of the founding of the United States is a national tragedy and a national disgrace. Almost 80 years ago, the White House Conference on Children declared that a "home life is the brightest and finest product of civilization."

Yet today, more Americans are homeless than at any time since the Great Depression. Estimates of the homeless population on an average night in 1984 ranged from 250,000 to as many as 3 million. There is no disagreement about two shocking facts: The number of Americans with no home is growing at an alarming rate, and families with young children are now joining the homeless in increasing numbers.

The U.S. Conference of Mayor's report, "The Continued Growth of Hunger, Homelessness, and Poverty in America's Cities: 1986," found that families represented an average of 28 percent of the homeless population and that the percentage was as high as 76 percent in some major metropolitan areas such as New York City. In addition, three quarters of the cities reported that families comprised the group for whom emergency shelter and other needed services are most glaringly absent. For example, in Boston, an average of 15 families per week become homeless. Although Massachusetts has increased its family shelter capacity by 400 percent over the last 2 years, 50 families per month are still turned away from shelters which are filled to capacity. These unfortunate families, having attempted the full range of personal, private, and public alternatives, are left defenseless, hopeless, and homeless.

Other segments of the homeless population face equally tragic circumstances. The chronically mentally ill, for example, are a significant share of the homeless population and perhaps the most mistreated group in our society. Ironically, a comprehensive system of community based care for the chronically mentally ill, which would include an appropriate place to live for every individual in this group, would cost no more than our current nonsystem of noncare. Alcohol and drug addicts have traditionally been an important segment of the homeless population; the cruel addictions which are contributing factors to their homelessness are particularly difficult to treat without the stability that a home environment provides.

The legislation we are considering today is no more than a beginning—but it is an important beginning. The Labor Committee segments of this Conference Report provide emergency services for homeless families to reduce the misery of homelessness—and they also establish service systems that can help to end homelessness and begin a decent life for important segments of the population.

The Labor Committee legislation provides health services to homeless individuals to assure that the pain of homelessness is not compounded by the pain of untreated illness. Fifty million dollars is allocated for grants to implement this section in fiscal year 1987 and $30 million in fiscal year 1988.

The chronically mentally ill have been estimated to constitute between 30 and 50 percent of all the homeless. The legislation establishes $35 million in formula grants to assist States in establishing comprehensive programs of community-based care for the homeless chronically mentally ill. The evidence is strong that such comprehensive programs can add to the quality of life of the chronically mentally ill and reduce homelessness that is largely a product of the failure to provide an adequate system of community care. Evidence is also strong that the system to be encouraged by this legislation is no more costly than the current system.

In addition to grants to States for this purpose, a $10 million program of project grants through the Federal Community Support Program demonstration is also established. The CSP has made an important contribution to our progress in caring for the chronically mentally ill, and this expanded grant program will establish a needed focus on the homeless.

Another group that accounts for a significant component of the homeless population is alcohol and drug addicts. Although the emergency drug bill increased funds for treatment of drug and alcohol abuse, the homeless segment of this population is one of the most costly to treat; it usually requires residential treatment facilities, and has rarely been a priority for state and local programs. The conference report provides a $10 million demonstration program for this purpose.

One of the most tragic and indefensible results of the growing number of homeless families has been the denial of public education to increasing numbers of children. Because, by definition, homeless children have no permanent residence, it has been easy for a school district to say that homeless children are someone else's responsibility. With no central body to assure that some district takes responsibility, homeless children end up without any educational opportunity. Traveler's Aid International recently conducted an eight-city survey, in which 43 percent of homeless children were not attending school. A survey of 81 shelters in 63 cities found that more than a third of the shelters housed homeless children who were denied access to the public education that should have been theirs by right. The conference report protects these children by enacting a grant program to establish coordinators in State education departments who will assure equal access to a free public school education. The coordinators will assure that every homeless child is assigned a school district, and that services including special programs and transportation are provided to homeless children, just as they are provided to other children.

This provision also prohibits States from enacting laws or engaging in practices which have the purpose or effect of discriminating against homeless children as a condition of funding. It also sets up a small demonstration program to assist school districts wishing to establish a model program of service to homeless children.

Many of the homeless are at a disadvantage in their search for employment and the income necessary to find permanent housing by the lack of basic education. Because they are hard to locate and serve, they have not been a priority for adult literacy programs. The legislation allows States to use Federal adult education funds for homeless people; it requires them to plan and implement a program of assistance and adult literacy for the homeless and provides a small formula grant program to assist States in providing these services.

Finally, this legislation establishes a demonstration program of employment services and training for the homeless. Several projects have indicated that a relatively modest investment can result in employment for homeless individuals. This modest investment can, in turn, allow homeless individuals to gain the income they need to find permanent housing. The $10 million Federal demonstration program provided by this legislation will result in employment for an estimated 20,000 individuals.

No group of Americans needs help more than the homeless. This legislation is a down payment on our commitment, and I urge its prompt enactment.

RELIEF FOR THE HOMELESS ACT

Mr. LEAHY. Mr. President, the nutrition provisions of the Urgent Relief for the Homeless Act are an important component of that comprehensive act designed to reduce homelessness in America.

Millions of Americans are now homeless or sharing temporary living quarters. The number of homeless families with children has rapidly increased. Families with children now comprise 28 percent of the homeless population. The U.S. Conference of Mayors recently reported that homelessness in American cities increased 20 percent last year.

The richest, most powerful Nation in the world should be able to house the homeless, feed the hungry, and care for the poor. I cannot accept the fact that the wealthiest Nation in the world, with the largest surplus food stocks of any nation in recorded history, cannot get this food out to those in need.

Title V of the conference bill, the "Nutrition" title, was reported out of the Agriculture Committee with full bipartisan support. It both reduces homelessness and provides food aid to those that are hungry and homeless.

Three provisions, sections 802, 806, and 809, are designed to reduce homelessness. Sections 807, 808, and 809 seek to get food stamps to hungry families that are already homeless.

Section 802 modifies the definition of food stamp household so that a brother can allow his sister and family to share his home and not have his family's food stamps reduced or terminated. Under the current act, unrelated individuals can live together yet separately apply for food stamps if they buy and prepare food separately. Related individuals with families, however, are often prevented from applying separately.

Current law does, of course, allow these relatives to receive separate food stamp allotments if they stop living together. However, the cruel realities of poverty force many families to move in together and to rely on one another for help with rent, bills, child care and the like. We should not punish these efforts to care for one's own relatives by reductions in food stamp benefits.

The conference bill would modify the definition of a food stamp household to remove the penalties that now exist for families doubling and tripling-up in housing units. The penalties in current law are limited to relatives. Under current law, unrelated people can live with each other and not worry about having their food stamps reduced or terminated by operation of the current household definition. This problem has been exacerbated by the Department's issuance of regulations that fail to take into account the traditional concept of living together, which is reflected in the statutory language.

The Nutrition Subcommittee heard convincing testimony that current rules are directly causing homelessness by inducing people with homes to throw out homeless relatives to keep from having the host family's food stamps cut.

A mayoral commission on homelessness in New York this spring reported that evictions by friends or relatives was an important cause of homelessness. The Commission found that current food stamp rules contributed to this problem by reducing or terminating the food stamps of relatives that double-up in living quarters. A nationwide survey just completed by the U.S. Conference of Mayors found that families with children were the single fastest growing segment of the homeless population. We, therefore, allow parents who have minor children to form separate households without regard to the parent-child or sibling rules. We would retain, of course, the current requirement that people must purchase and prepare food separately from others in order to be considered a separate food stamp household.

This change makes sense because it is commonly expected that parents will buy and cook meals separately with young children even if other relatives are also present. In this context, the committee's bill focuses on the presence of at least one minor child with the parent; the presence of the parent's other children would not prevent the family unit from being recognized as a separate household.

We make sure that these families remain eligible to participate as households by requiring that their status be reexamined at least once every 6 months. The committee expects that this reexamination will not burden the States since it should involve nothing more than a standard recertification, which for most such households comes up at least once every 6 months.

Section 806, a bipartisan proposal put forth on the floor by the Senators from Iowa [Mr. HARKIN] and Minnesota [Mr. BOSCHWITZ] would raise the limit on the excess shelter deduction that food stamp households may take. The excess shelter deduction is only available to households paying a very high proportion of their incomes—more than half of their adjusted incomes—for housing. The excess shelter cost deduction only applies to the extent that shelter expenses exceed 50 percent of net household income.

Low-income households that are paying so much more than this that they are at the excess shelter cap, currently set at $149, are obviously having trouble keeping up with their rent and utility bills while still feeding their families.

The current cap on the excess shelter deduction may force these families on the margin to choose between eating and retaining their homes. We should not be forcing anyone to make that kind of decision.

Section 806 will alleviate the burdens of those families by increasing the cap to $164 per month and by correcting technical errors in the way we have indexed this limit for inflation in the past. By recognizing, at least to a limited degree, these households' high-housing costs, I hope we can keep from forcing these families to join the ranks of the homeless.

I should add that this provision is of special interest to me because of the very high proportion, approximately 70 percent, of households in Vermont that are at the shelter deduction maximum.

In the longer term, I hope our Nutrition Subcommittee will thoroughly examine the excess shelter deduction and the question of whether any cap is still appropriate now that we have enacted gross income limits to exclude higher income households completely without regard to deductions. We also must do everything we can to make sure that the indexes we use for all purposes in the Food Stamp Program reflect the fact that a shrinking supply of low-income housing, due to gentrification, demolitions, condominium conversions, unwillingness to build low-income units, and the like, has caused the shelter costs of food stamp recipients to rise much more rapidly than for the population as a whole.

The other provision that reduces homelessness is section 809. This section requires that new applicants who cannot pay their rent and utilities, and who meet all eligibility requirements, can receive food stamps in 5 days instead of having to wait up to 30 days. The bill also gets food stamps to homeless applicants, who meet all other requirements for food stamps, within 5 days instead of the usual 30 days when they first apply. After this first month of expedited 5-day service they will be placed on the regular program and receive benefits each month for as long as they are eligible.

Most homeless people are already entitled to expedited issuance, issuance of food stamp coupons within 5 calendar days, but testimony before the Nutrition Subcommittee showed that States often do not correctly identify applicants who are eligible for expedited service. The committee was also concerned that households whose incomes and assets are already insufficient to cover 1 month's shelter and utilities not be forced to deplete those scarce resources further by buying food while waiting for their food stamp applications to be processed. These households clearly are at risk of becoming homeless.

In implementing this section and the existing expedited issuance provisions, the Department and the States should not defeat their purposes by unreasonably anticipating income that is not currently available to a household. The purpose of expedited service is to ensure that households have enough to eat right away; public assistance that an applicant family may hope to receive 3 weeks later at the end of the month does not prevent them from going hungry in the meantime.

Expanding expedited service in this way allows us to help households on the verge of homelessness focus their resources on maintaining shelter without increasing the size of allotments or program costs. The Assistant Secretary of Agriculture testified before the Nutrition Subcommittee that there is no indication that expedited issuance increase error rates or improper issuances. Other testimony confirmed that detailed studies done for the Department have found no difference in the rate of incorrect issuances where applications are expedited.

The Congressional Budget Office has reported that this change is expected to cause no increase in program costs based upon the Department's statement that States should be able to process these additional expedited cases without hiring additional staff. The Food Stamp Act's existing procedures for computing shelter costs, which include standardized allowances for telephones and other utilities, should simplify the administration of the new expedited service criteria.

I am pleased to report that the State and local welfare officials that testified before our Nutrition Subcommittee, including the Commissioner of the Welfare Department in my State of Vermont, Ms. Ronnie Celani, recognized the importance of this change and fully supported it. Indeed, one of them stated that her agency has a policy of providing expedited food stamps in less than the 5-day maximum. We applaud these efforts and hope that more States will follow this example and provide expedited service in shorter periods of time, either as a matter of formal State policy or individually in State offices.

Testimony before our subcommittee and others has indicated that States are increasingly delaying or denying benefits for which households are eligible out of fear of quality control sanctions. Although this is a larger problem that I hope the Nutrition Subcommittee will probe in detail in coming months, it is particularly important that States not be threatened with quality control sanctions for cases receiving expedited issuance. We understand that this is the Department's current policy, and that policy should certainly be continued.

These expedited service procedures do not increase program cost since the households do not receive any extra food stamps—they only get the same amount faster. Also, after the first month these households are handled under regular program rules which provide benefits monthly to eligible families.

The "Nutrition" title also provides for 50 percent Federal funding if States want to provide information about the Food Stamp Program to the homeless. We have heard many reports that the homeless are not aware that they can apply for food stamps.

The conference bill, like the one passed by the House, provides Federal matching money for those States that wish to conduct outreach activities designed to reach the homeless. Testimony before the Nutritution Subcommittee showed that 42.6 percent of eligible households not participating in the Food Stamp Program, and 69 percent of nonparticipating elderly households, indicated that lack of information about the program contributed to their not applying for food stamps.

Since we eliminated Federal matching funding for outreach in 1981, no adequate vehicle has existed for informing eligible poor people of the benefits available under the Food Stamp Program. Restoring Federal matching funds for outreach activities will give the States the opportunity to begin taking steps to remedy this problem at a very modest cost: CBO's cost estimate for this provision is only $1 million in fiscal year 1988.

This outreach is to be targeted upon the homeless and potentially homeless. It is expected that States will take their outreach activities to places where hungry, homeless people are likely to be found, such as soup kitchens, food banks, and other emergency food providers, and will involve institutions and organizations serving homeless people in these activities. Naturally, outreach is impossible to precisely target and the committee is certainly aware that other food stamp eligible people may benefit from an outreach campaign. USDA should not deny funding to a State making a good-faith effort to reach the homeless just because other people may benefit from the outreach as well.

The bill does not attempt to prescribe what specific activities States will undertake under this provision: With the States shouldering half of the financial burden, they can be expected to make sound judgments about how best to bring eligible homeless people into the program in their communities.

The conference adopted the Senate's definition of homeless individuals. This definition includes people without a permanent residence and those living in temporary housing arrangements, such as armories, shelters, or church basements. We thus join the other committees in recognizing the hidden homeless as well as people who are actually sleeping on heating grates. The conferees intended no limitation on what States could do by referring to informational activities rather than outreach.

The conference bill's final provision to get food stamps to those already homeless is section 807. The Senate bill had required the Department to promulgate regulations within 30 days to implement existing law excluding vendor payments for emergency and special assistance from income for food stamp purposes. Under current law, these regulations were required to be issued by April 1 of this year. These regulations should have been relatively simple to write, and we expected to see them long before the statutory deadline passed. To our dismay, these regulations still have not been published and the Department has not to allowed exclusions for special and emergency vendor payments without these rules.

At a time when the maximum effort from every level of government is needed to help combat the growing problems of hunger and homelessness, the Department should not pursue policies that undermine intiatives from other levels of government by reducing Federal assistance when State and local aid is provided.

At a minimum, these regulations should exclude the kinds of vendor payments made on behalf of homeless families in welfare hotels, and other vendor payments made on behalf of homeless people, to address special and emergency needs. Payments made to meet the special and emergency needs of the homeless are not at all analogous to the third-party payments made on behalf of welfare recipients who have mismanaged their grants.

With the statutory deadline now past and the Department already under a clear mandate to promulgate these regulations, there seemed little purpose in adding yet another requirement that it do so. Instead, we adopted the House provision that specifically exempts one class of payments to meet the special needs of homeless families in welfare hotels. It is our hope that within the next 2 years, the Department of Health and Human Services, HUD, and other responsible Federal, State, and local agencies will take appropriate action to alleviate the deplorable conditions now suffered by homeless families in New York and throughout the country and that, in any event, the Department's regulations will be out long before that time. I wish to emphasize, however, that the conference's failure to adopt this provision should not be taken as approval of the Department's performance in this area since we passed the Food Security Act.

The "Nutrition" title also extends the authorization for the Temporary Emergency Food Assistance Program [TEFAP] so that agriculture surpluses of flour, rice, cornmeal, cheese, nonfat dry milk, and other foods can be provided to the hungry. Our huge stockpiles of surpluses must be better used to feed the hungry and homeless.

At our committee markup the Senator from Montana [Mr. MELCHER] expressed his concern that not enough surplus flour and cornmeal is being distributed by USDA. I am also concerned about this matter. On the floor, Senator MELCHER offered, and we accepted, an amendment requiring the Secretary to increase distributions of these commodities to the needy. I am pleased that the conference committee agreed to accept this provision with an amendment requiring distribution of surplus cheese as well.

The bill includes some very concrete steps to help the homeless. I want to applaud the members of our committee, from both sides of the aisle, for coming together to produce this important legislation.

While this legislation will clearly make a difference, and an important one, in preventing hunger and homelessness none of us should be under the misconception that this single, limited bill is in itself the full solution. My only regret is that to quickly address the needs of the homeless we were prevented from considering several promising proposals for expanding our efforts to combat hunger and homelessness. It is my hope that our Subcommittee on Nutrition and Investigations will hold more hearings on these problems and produce further legislation later this year. The Senator from Iowa [Mr. HARKIN] has advised me that he plans to hold additional hearings.

The Nutrition Subcommittee's hearing also brought to light a number of other barriers to participation in the Food Stamp Program that affect both homeless people and other needy, eligible persons who are not now receiving food stamps. Many of these might be corrected at relatively little costs to the program but with great benefit to prospective participants. Although we could not address all such issues here, we are committed to studying these problems in detail with the expectation of moving another bill later this year to address these subjects. We are also committed to continued, diligent oversight of the Department to make sure that provisions of the act intended to make food stamp assistance available to all needy persons are zealously enforced.

In conclusion, I would like to thank the majority leader, Mr. BYRD, and the Republican leader, Mr. DOLE, for their roles in pushing ahead with this entire package of homeless initiatives. None of us should deceive ourselves into thinking that we can solve a problem as vast and complex as homelessness overnight. There is much more work to be done in meeting their varied and often difficult needs to get them back on the road leading to meaningful, productive lives. But we should all take pride in having come together to take this important step.

Mr. HATFIELD. Mr. President, today the Senate is placing its stamp of approval upon the final version of the urgently needed Homeless Assistance Act. We have been negotiating this legislation for some time now, and although I regret we were unable to respond before last winter subsided, I am confident the valuable programs authorized in this bill will provide assistance to our homeless men, women, and children. I am especially pleased that the adoption of this legislation coincides with the conference agreement on the fiscal year 1987 supplemental appropriations bill, which includes funding for this year's authorizations.

My colleague from New Mexico, Senator DOMENICI, who has been a strong advocate for the homeless mentally ill, has called this legislation "historic." He is right. Through the bipartisan efforts of both the House and the Senate, Congress has responded to the national emergency confronting some of America's poorest citizens. The Homeless Assistance Act represents an omnibus package of provisions, including housing assistance, emergency food and shelter programs, health care, mental health services and education, training and community services programs. This 2-year authorization will not provide permanent relief to the hundreds of thousands without shelter, but it is a good effort and I hope, a downpayment on congressional support for the homeless.

I am very proud to have been a part of the Senate effort to draft this legislation. It pleases me to see the adoption of the Emergency Community Services Homeless Grant Program, which will allow existing community action agencies and other eligible entities to provide special services to homeless through the some 4,000 outreach centers operated by these agencies. The community services block grant-funded agencies have an excellent record of service to the communities' poor, and additional funding is in keeping with Congress' intent to provide homeless assistance through existing programs.

While the stereotypical homeless individual is rarely a child or youth, estimates place the number of runaway and homeless youth at above 1 million per year. Estimates compiled in my home State of Oregon indicate that at least 1,000 children are served per year by crisis intervention and temporary shelter programs. Former Congresswoman Edith Green, who had a long and distinguished career in the House of Representatives and as a youth advocate in Oregon, felt very strongly that these children had specific needs. At her urging, I included an amendment to the homeless bill to retarget funds for a study of the unique problems facing homeless youth. This study will be funded this year, and it saddens me that Edith did not live long enough to learn the results of the study and congressional response the problem of youth homelessness.

Many Members of Congress are to be congratulated for their diligence in seeing this measure through to fruition. Senator DOMENICI, Senator CRANSTON, Senator HATCH, Senator KENNEDY, and the majority and minority leader provided exceptional leadership on this issue, and I was honored to join them in the effort. Their personal interest provided the necessary direction to the dedicated staff piecing together the final package. Through this legislation and the appropriations which will soon be approved, Congress has made good on its commitment to the homeless.

Mr. DOLE. Mr. President, today marks a turning point in a problem which has been a major frustration for many of us. The great pride that we have in our society was tarnished by the knowledge and sight of thousands of our fellow citizens living on the streets and in city parks, without the benefit of social services that we have established to help those who are the most unfortunate among us.

Last winter as subfreezing temperatures and snow swept across this country, I joined the distinguished majority leader and many of my colleagues on both sides of the aisle in introducing the Urgent Relief for the Homeless Act to provide additional shelters and housing along with making needed social services available to this special class of citizen.

Our hope was that by tailoring existing programs to be more readily accessible by the homeless, this assistance could be provided at an early date and that the increased Federal funds would be spent to help the homeless—and not on establishing new expensive bureaucracies.

CONFERENCE

I believe the Congress did move with appropriate speed to ensure these new provisions would be enacted into law expeditiously. And it was no easy undertaking. Five separate Senate committees had jurisdication over various titles in the bill. In addition, due to this comprehensive approach, two Republican and three Democratic Senators were named to the conference as general conferees to ensure all of the pieces would work in concert with each other.

I would like to express my sincere gratitude to these general conferees, expecially my two Republican colleagues, the senior Senator from Oregon, Senator HATFIELD, and the senior Senator from New Mexico, Senator DOMENICI. The tireless efforts and undivided concern and compassion of these Senators and their staff are chiefly responsible for the superb document which is before us today.

In addition the conferees from the Committees on Governmental Affairs, Banking, Housing and Urban Affairs, Labor and Human Resources, Agriculture, Nutrition and Forestry, and Veterans' Affairs were all able to come to a rapid and successful agreement with their House counterparts.

Mr. President, this has been truly a team effort, and I want to thank all of my colleagues who have devoted their time and energy on this conference report.

BILL SUMMARY

This conference report will provide for the establishment of an Interagency Council on the Homeless, comprised of the Secretaries of Agriculture, Commerce, Defense, Education, Energy, Health and Human Services, Housing and Urban Development, Interior, Labor, and Transportation. In addition the head of several agencies—Federal Emergency Management Agency, General Services Administration, the Postal Service, Veterans' Administration and ACTION—will serve on the Council.

The purpose of the Council will be coordinate services to the homeless, streamline and speed the delivery of services to the homeless and ensure against waste and duplication of these programs, so that the vast majority of money provided by the bill will actually reach and assist the homeless.

The conference report authorizes a total of $443 million in fiscal year 1987 and $654 million in fiscal year 1988. Of the funds authorized in fiscal year 1988, $174 million represents extension of existing programs—the Temporary Emergency Food Assistance Program and FEMA's Emergency Food and Shelter Program.

We also authorize new funds for the Department of Housing and Urban Development Programs of emergency shelter grants, transitional housing, handicapped housing, supplemental assistance, and section 8 housing. Health care services, mental health services, community mental health demonstration projects and alcohol and drug abuse demonstration projects in the Department of Health and Human Services are also increases and directed toward the homeless population.

Several important changes are made to the Food Stamp Program—the basic insurance policy guaranteeing adequate nutrition to all in our society. These changes to the household definition, expedited eligibility, earned income deduction, shelter deduction, vendor payments and information on food stamp availability are intended to prevent individuals from becoming homeless and grant immediate availability to food to those who are already homeless and who are going hungry. As I stated earlier, we also reauthorize a program which I had the privilege to help formulate—the Temporary Emergency Food Assistance Program, or TEFAP.

Finally the bill also provides job training for homeless adults, education for homeless children and directs the Veterans' Administration to provide more assistance to homeless veterans in addition to authorizing additional resources for chronically mentally ill veterans and for the conversion of underutilized space to domiciliary beds.

SUMMARY

Mr. President, I am proud of my colleagues on both sides of the aisle and in both Chambers in the Congress for uniting to address the crisis of the homeless in America. While it might have been easier to simply lift our eyesight above the problem, the results of this legislation will help those who are unable to help themselves, and will truly be a credit to this Congress.

Mr. BYRD. Mr. President, I am pleased that we are able to bring to the Senate floor today the conference report on the Homeless Relief Act. This legislation is now appropriately renamed the Stewart B. McKinney Homeless Assistance Act, in honor of our late colleague in the House who worked on this issue as well as many other issues affecting the welfare of American citizens.

On these warm summer days, it is, perhaps, easy to allow concern for the homeless to slip from the forefront of our thoughts. We do not have daily reports of human beings without shelter from the winter cold. But it is important to remember that they have not gone from the streets of our cities and rural areas; that food lines not only continue to exist, but grow longer; and that winter will come again.

This conference report represents an opportunity to make a concrete difference in the lives of those prople who, without the programs provided in this bill, face the prospect of a winter season without adequate shelter, food, education for their children, medical care, or job training which might improve their outlook for the future.

This legislation has been in the works since the earliest days of the 100th Congress. It recognizes the breadth of assistance necessary to deal with the problems of the homeless. It recognizes that we are not only talking about the deinstitutionalized mentally ill, and drug and alcohol abusers, but also about families—parents and children—who have been forced out of their homes because of difficult employment and economic conditions.

The Congress has not, in providing this assistance, addressed every aspect of this national problem. But I believe the conference report before us today makes a significant contribution to the combined Federal, State, and local efforts to alleviate the desperate circumstances faced by America's homeless.

Others of my colleagues will discuss the specifics of this agreement. I would like to use these few minutes to express my gratitude to the members of the original Democratic Working Group I appointed, who met with those Members on the other side of the aisle and developed the omnibus bill for introduction in the Senate.

The result of that effort was further refined by the work of five authorizing committees—Banking, Governmental Affairs, Agriculture, Labor, and Human Resources, and Veterans' Affairs—who translated the proposal into solid legislative products for Senate floor consideration. The hard work and sincere desire of all these Members, and their staffs, to alleviate the agonizing condition of the homeless in America, deserves commendation. I thank them and all my colleagues—especially Senator CRANSTON—for their attention to this very important issue. Thank you.

The PRESIDING OFFICER. The Senator's time has expired. All time has expired.

The question is on agreeing to the conference report. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Montana [Mr. MELCHER], the Senator from West Virginia

[Mr. Rockefeller], the Senator from Rhode Island [Mr. Simon], and the Senator from Colorado [Mr. Wirth] are necessarily absent.

I further announce that the Senator from Connecticut [Mr. Dodd], the Senator from Georgia [Mr. Fowler], the Senator from Maryland [Ms. Mikulski], and the Senator from North Carolina [Mr. Sanford] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. Gore] and the Senator from West Virginia [Mr. Rockefeller] would each vote "yea."

Mr. SIMPSON. I announce that the Senator from Minnesota [Mr. Boschwitz], the Senator from Rhode Island [Mr. Chafee], the Senator from Minnesota [Mr. Durenberger], the Senator from Utah [Mr. Garn], the Senator from Nevada [Mr. Hecht], the Senator from North Carolina [Mr. Helms[, the Senator from New Hampshire [Mr. Humphrey], the Senator from Nebraska [Mr. Karnes], the Senator from Arizona [Mr. McCain], the Senator from Indiana [Mr. McClure], the Senator from Alaska [Mr. Stevens], and the Senator from Connecticut [Mr. Weicker] are necessarily absent.

I also announce that the Senator from Indiana [Mr. Lugar] is absent on official business.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 65, nays 8, as follows:

[Rollcall Vote No. 167 Leg.]

YEAS—65

Adams
Baucus
Bentsen
Bingaman
Bond
Boren
Breaux
Bumpers
Burdick
Byrd
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Domenici
Evans
Ford
Glenn
Graham
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Matsunaga
McConnell
Metzenbaum
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Thurmond
Trible
Warner
Wilson

NAYS—8

Armstrong
Exon
Gramm
Nickles
Roth
Rudman
Symms
Wallop

NOT VOTING—27

Biden
Boschwitz
Bradley
Chafee
Chiles
Dodd
Durenberger
Fowler
Garn
Gore
Hecht
Helms
Humphrey
Inouye
Johnston
Karnes
Lugar
McCain
McClure
Melcher
Mikulski
Rockefeller
Sanford
Simon
Stevens
Weicker
Wirth

So the conference report was agreed to.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

OMNIBUS TRADE AND COMPETITIVENESS ACT, 1987

The Senate continued with the consideration of S. 1420.

AMENDMENT NO. 350

Mr. GRAMM. Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of the pending amendment: Senators Symms, Grassley, Domenici, McClure, Bond, and Nickles.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Mr. President, the pending amendment is as straightforward and simple an amendment as could be offered. I do not really believe it requires prolonged debate. It simply notes the fact that every serious analyst of our trade deficit problem has concluded that, while there may be many factors affecting the trade deficit, it has but one cause, and that major cause, the dominant factor, is the deficit in the Federal budget.

The deficit in the Federal budget meant last year that the Federal Government was borrowing approximately $200 billion. That Federal borrowing represented competition with those who wanted to build new homes, new farms, new factories, to generate new economic growth. In the process, it produced, as it has since 1981, the highest real interest rates in the world. Those high interest rates have attracted foreign investors from all over the world as the United States has become the investment center of the world.

However, whether individuals in Japan or Germany or Brazil have sought to buy Government bonds or private bonds for these very high real interest rates, in trying to buy dollars to carry out those transactions, they have driven up the value of the dollar on the world market, made imports more attractive to American consumers, made American exports less attractive on the world market, and the result has been a deficit in our trade balance.

I think it is important to note that even Representative Gephardt, who offered and had adopted in the House what many perceive to be the most protectionist measure in the House trade bill, has said that the deficit in the budget is 85 percent of the cause of the deficit in the trade balance.

I should like to read into the Record a couple of comments from Paul Volcker, our highly respected chairman of the Federal Reserve Board. The question was asked of Chairman Volcker in the Banking Committee:

> Chairman Volcker, if Congress has the objective of lowering the trade deficit, bringing down interest rates, creating jobs, and stimulating increases in prosperity and real wages in this country, what do you think would be the most efficient and effective one thing that we in Congress could do to promote all those goals?

Chairman Volcker's answer:

> Reduce the budget deficit.

The second question:

> So one could correctly summarize your view as being that the time of Congress would be better spent trying to lower the deficit in the Federal budget, rather than trying to protect American manufacturers from competition?

Chairman Volcker responds:

> I do not think there is any doubt about that. My fear is that if you don't deal with the budget deficit, everything else you do is going to be counterproductive.

I could continue about the impact of the deficit in the Federal budget on the American economy, on interest rates, on job creation, and on the competitiveness of American products selling on the world market; but we all know that relationship, and we all know that the one thing we could do that would be more important than anything else would be to balance the Federal budget.

So what this amendment does is to set out a clear finding that the deficit in the Federal budget is a major and dominant cause of our trade deficit. It requires that, no later than October 15, 1987, the Senate and the House of Representatives shall each vote to approve or reject the joint resolution to amend the Constitution of the United States to require a balanced Federal budget.

The amendment speaks for itself. I have listed the cosponsors. I think you could add to this the names of all the working men and women of America, 100 million of them.

So I urge my colleagues to vote for this amendment. If you vote against this amendment, what you are saying is, "Not only do I not want a mandate to balance the budget, but I do not even want the Congress to vote on it."

I believe that that is not a tenable position.

I hope that the majority of those who are here working on Saturday—and let us remember that millions of Americans work every Saturday—can cast this vote for them. I urge my colleagues to vote for this amendment.

Mr. SYMMS. Mr. President, will the Senator yield?

Mr. GRAMM. I am happy to yield.

The PRESIDING OFFICER. The Senator from Texas yields to the Senator from Idaho.

Mr. SYMMS. I thank the Senator for yielding.

I say I compliment the Senator for the amendment. I only wish the amendment acutally required that we do this yet this afternoon, but I realize that is a little impractical to do it on a Saturday afternoon, but I think it is that important. I hope that we could vote on it. There are some of us who have early afternoon airplanes to catch. I hope we could vote on it soon.

I wonder if the Senator would want to propound a unanimous-consent request.

Mr. GRAMM. Mr. President, the amendment is straightforward. I hope the debate can be brief.

I think that perhaps we should allow those who oppose it to speak before we propound a unanimous-consent request limiting debate. I would not object to voting from this moment on.

The PRESIDING OFFICER. The Senator from Texas has yielded the floor.

The Senator from Arkansas.

Mr. PRYOR. Mr. President, I wonder if the distinguished Senator from Texas will yield for a question?

Mr. GRAMM. I am happy to yield to the distinguished Senator from Arkansas.

Mr. PRYOR. Mr. President, I wonder if the distinguished Senator from Texas would mind incorporating in this particular amendment he is proposing at this time another sentence requiring the President of the United States to submit to the Congress a balanced budget on or before October 15, 1987?

Mr. GRAMM. Mr. President, the President is now required under the Budget Act and does, in fact, submit each year what would be required to balance the Federal budget. The yeas and nays have been ordered so I do not have the power to amend this amendment, but I would have no objection to that.

Mr. PRYOR. I know that the distinguished Senator from Texas, Mr. President, has researched this issue, but I am also wondering if the President in the last 6 years has submitted a balanced budget to the Congress.

Mr. GRAMM. If I might say to the distinguished Senator from Arkansas, as I understand it, it has long been the law that in the budget resolution the President has to point out how a budget would be written that would be balanced. That has generally been cursive in nature and we have not had the details that would go with that.

The balanced budget amendment would, if adopted by the Congress and sent to the States, probably go into effect in about 1990 or 1991.

So I think a very meaningful addition to this would be to require that if this is adopted that the President submit a budget for an extended period of time through the potential adoption date outlining how he would achieve the results.

I think that would be far more meaningful than simply a statement saying Congress would have to defederalize a variety of programs instead of any kind of concrete proposal.

Mr. GLENN. Mr. President, will the Senator yield for a comment?

Mr. GRAMM. I have the floor. I am happy to yield. I am sorry. I do not have the floor.

Mr. GLENN. Along the lines discussed with the Senator from Arkansas, last year we passed in this body an amendment that I put in that followed up on the 1921 law that requires the President to submit a budget to the Congress and in that law it says that where the budget is anticipated to be out of balance the President will suggest appropriate action. Those are the words down in the fine print. "Appropriate action" is defined as borrowing, taxes, or other.

No President, going clear back to 1921 as far as I know, has really taken that action, other than asking for more borrowing authority; that is, increasing the debt limit which allows him to borrow more money.

We passed it last year but we lost that in conference with the House. I plan on the debt limit bill the next time it comes up to put that in again. I think it would do a lot what the Senator from Texas is talking about.

What our problem it seems to me has been, in response to the Senator from Arkansas, that this administration has suggested action but they have not been realistic. They have cooked figures or unrealistic figures on the projected interest rates, unemployment rates and we have had much objection to that kind of chicanery with the budget on the Republican side as we have had on the Democratic side.

I think there were only 18 Senators on the Republican side that supported the budget when the President sent it up this past year, so it was dead on arrival, as the newspapers reported it, and indeed it was.

I think if a President really took that budgeting seriously that has been in law since 1921 and really said words anticipated to be out of balance, he honestly will try to take appropriate action by either taxes, borrowing, or other, which leaves him a completely open sesame as to anything he wants to do to try to get this thing back into balance and seriously proposes, I will pledge to this President or any other I will work with him to the *n*th degree to make sure we do exactly that, that is, we finally get that back in balance. Gramm-Rudman-Hollings is fine. That is one thing. There is forcing sequestration and all the rest of the things we can talk about all day. We really need the budgeting officer of this country, the President of the United States, by law to do that. We are not budgeters at this end of the avenue. We do not have the staff. We do not have the expertise. But the President is the one who has thousands of people all over Government to be doing budgeting and putting that thing together every year massaging that and submitting it as his best idea. When the figures are cooked, it does not work. It is dead on arrival here.

If he would take that appropriate action as provided for in law which says borrowing, taxes or other, borrowing, and give us a realistic approach to this thing, then I think we really could finally get the budget under control.

I do not think it is going to happen until then.

Mr. GRAMM. If I might respond to the distinguished Senator from——

Mr. MOYNIHAN. Mr. President, may I ask, is it not the procedure of the body for the Presiding Officer to recognize Senators who seek recognition? I do not believe that anyone has been recognized. I am sure the Senator from Texas wishes recognition.

The PRESIDING OFFICER (Mr. LEAHY). The rule is, of course, that Senators must address each other through the Chair.

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. GRAMM. Mr. President, might I say in response to the Senator from Ohio that I think his ideas are excellent, that certainly something along those lines would be helpful.

Also, I am in agreement with the Senator from Arkansas.

What I have before the Senate is a clear recognition of something we all know, that the deficit in the Federal budget, by affecting interest rates and the value of the dollar, is the major cause of the trade deficit and, therefore, is part of any effort to deal with the trade deficit problem, that we ought to be dealing with the budget problem and thereby we commit to vote by October 15 on a balanced budget amendment to the Constitution.

Mr. SYMMS. Mr. President, will the Senator yield for a question?

Mr. GRAMM. I am happy to yield.

Mr. SYMMS. Mr. President, the question I propound to the Senator from Texas would be this. Was it not true that only 4 or 5 months ago, the Senate voted by a 97-to-0 vote to not add anything else to the budget, to the programs, new programs that would add to the deficit? Was that not true?

Mr. GRAMM. If I may respond to the distinguished Senator——

Mr. SYMMS. A few minutes ago we added $500 million.

Mr. GRAMM. We voted on a bill that just passed overwhelmingly by a vote of 97 to 0 that we would not raise the deficit to fund that bill. When we passed the supplemental appropriation bill in the Senate, and it will come back to us and presumably pass, we will have raised the deficit to fund it.

So, on one day we vote 97 to 0 not to raise the deficit and then we vote to do it.

May I say, this is why we need a constitutional prohibition against deficit spending so that Congress will be forced to deal with the deficit problem. As we all know, the problem with laws is that what Congress can make, Congress can unmake.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I think that in many respects the point made by the Senator from Texas is important; that is, that we are here on a trade bill doing what we can to help redress the imbalance of the trade deficit. There are many important provisions in this trade bill, which are being offered to provide for access for American products and to sell more products overseas and to knock down some unfair foreign trade practices.

In addition to that, there is some competitiveness provisions in this bill; worker retraining, and so forth.

One additional cause of our trade deficit, I think most commentators will agree, is the budget deficit. Our fiscal deficit does make U.S. capital more scarce and does tend to increase American capital costs relative to the capital costs of other countries. It is a problem.

I think that the point of Senator GRAMM is important. It is an important contribution.

The difficulty I have with it, frankly, is that it tends to suggest that the fiscal deficit is virtually the sole cause, not entirely the sole cause, but virtually the sole cause of the budget deficit. It probably is not as much the cause as a lot of people like to think.

The fact is that even if the budget deficit were reduced to zero, if other countries do not open up their borders to our products, we are not going to sell more products. The trade deficit will still be there.

Second, even if the budget deficit is reduced to zero and even when other countries provide more access for American products, if we Americans are not more competitive, if we do not spend the time and attention to the quality of the workplace so that management and employees are working better together, if we do not spend time and attention to the quality of products so that we are producing higher quality products, so that "Made in America" is once again a badge of honor and pride, so that our products are being sold more overseas, reduction of the budget deficit is not going to have much effect on our ability or inability to sell those products overseas. In that respect, the amendment is a bit misleading.

So, Mr. President, at this point, I would like to ask the Chair for a division of the amendment of the Senator from Texas. I would like to divide the amendment in two parts. Part A would be section .01 and .02. That would be part A.

Part B of the division, the second part of the division, would be on page 2, beginning on line 8, section .03.

The PRESIDING OFFICER. The Senator from Montana has a right to request that division, and it is so ordered.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BAUCUS. I yield to the Senator without losing my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from West Virginia is recognized.

Mr. BYRD. The amendment is divisible in three parts—in three parts. Would the Senator want to have it divided three ways instead of two?

Mr. BAUCUS. The Senator has divided it in two ways but if the Senator from West Virginia would like to divide it three ways, that is fine with me.

Mr. BYRD. Why do we not leave it the way it is now. Any Senator has a right to ask for the third division, and I may do that.

Mr. SARBANES. Will the Senator yield?

Mr. BAUCUS. I yield to the Senator from Maryland, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, to carry the Senator from Montana's analysis a step further, in fact, you can take steps to improve the trade deficit which would improve the budget deficit position. This amendment is phrased in terms of it all working in one direction, from the budget deficit leading to the trade deficit. There are also ways in which the trade deficit leads to the budget deficit and the Senator was really touching upon that when he talked about the denial of access of our goods into foreign markets and the necessity to improve American competitiveness.

For example, suppose we opened up a foreign market by the elimination of unfair trade practices directed against American exports, which would then enable us to sell more exports, more American goods into that market, therefore employing more American workers in order to produce the goods going into those markets, therefore taking people who were unemployed and drawing support payments from the Treasury and shifting them from the category of being unemployed and drawing from the Treasury into the category of being employed and taxpayers and paying into the Treasury, which would then make a contribution toward addressing the budget deficit problem as a consequence of measures taken to address the trade relationship.

The same thing, of course, applies more broadly on the competitiveness front. If we can improve our competitiveness through a whole host of measures so we are more competitive with better quality products and therefore gain greater access to markets, put more people to work in order to meet those markets, those additional people working make a contribution toward reducing the Federal budget deficit. So, unlike the way the amendment is structured, it is not simply a one-directional problem.

I think the Senator is touching upon that and pointing that out. And I just simply wanted to carry that analysis one step further and support his observation, in which he says, as I understood the Senator, if you address the budget deficit, you may still have a trade deficit. But the fact is if you address the trade deficit, through a number of measures that are contained in this legislation, it may have the consequences of helping to reduce the budget deficit.

So it is not as simply a movement of forces as the amendment of the Senator from Texas has suggested.

I thank the Senator for yielding.

Mr. BAUCUS. Mr. President, I think the Senator from Maryland has made a very valuable contribution. It is clear that, as our country becomes more and more involved with, and is more and more interconnected with, the economies of other countries of the world, some of the earlier, simplistic explanations for the rise of our country's trade deficit are turning myths more into facts; that is, we are becoming better educated as a people, as a country, as to the causes of the increase in the trade deficit.

The Senator from Maryland pointed out, and it is very true, that, in fact, we can sell more products overseas if unfair trade practices of our trading partners are reduced. Therefore, in selling more products overseas, that is more income for Americans. That is more revenue for the Treasury. It is a reduction of the fiscal budget deficit automatically. And that is a very valuable contribution.

I think it is important for all of us to remember that all these points are interconnected. Just as it is true that a reduction of the fiscal deficit will tend to reduce the trade deficit, it is also true that a reduction in the trade deficit, to the degree that other countries are knocking down their trade barriers for our products, our exports are therefore increasing also and will tend to reduce the fiscal deficit. So it works both ways. And I think it is an important point for all of us to keep in mind.

AMENDMENT NO. 351

Mr. BAUCUS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The **PRESIDING OFFICER.** The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 351 to Amendment No. 350.

Mr. BAUCUS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER.** Is there objection? Without objection, it is so ordered.

The amendment is as follows:

On page 1 of the pending amendment, strike all words after "of" on line 7 and insert the following: "1987

SEC. 02 FINDINGS.

The Congress makes the following findings:

(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

(2) The increased value of the dollar reduces the demand abroad for American goods, and services while, together with the influx of foreign capital, stimulating demand for imports.

(3) These consequences of the Federal budget deficits have been the most important factors creating the present serious trade deficit.

(4) Reduction of the Federal budget deficit is the most important action that the Congress can take to reduce the United States trade deficit.

(5) Unfair trade practices engaged in by foreign countries are also a serious cause of the U.S. trade deficit and may thwart the full benefits the United States would receive from reducing the U.S. budget deficit.

(6) The United States must also improve its competitiveness if it is to reduce its trade deficit.

Mr. BAUCUS. Mr. President, let me explain this amendment. Very simply, it is a statement of the discussion that has been proceeding here in the Senate; namely, that our trade deficit is due to several factors. It is due in large part to our fiscal deficit, it is due also to unfair foreign trade practices, and it is due also to some competitiveness problems we have in this country; that is, we have to address the quality of the product and have more R&D in this country and higher education in this country and a whole host of factors.

Mr. President, I think this is really a more accurate statement of the cause of the trade deficit. That is why I offered this perfecting amendment to the first part, to part A of the two parts of the amendment of the Senator from Texas that has now been divided. I think we should vote on this. I think it is an accurate statement of the causes of the trade deficit. I encourage the Senate to support it.

Mr. MOYNIHAN. Mr. President, I have listened with great interest and admiration to the remarks that have been made on both sides of the aisle in the course of this debate.

I would like to associate myself with the views of the Senator from Texas that the primary source of the trade deficit which we are dealing with in this legislation is the sudden, altogether unprecedented appreciation of the value of the dollar in the aftermath of the inauguration of the present administration.

In 1981, there was a current account surplus of $17 billion. And it is inconceivable that the $140 billion deficit of this day came about because, in 5 years' time, American industry collapsed after two centuries of developing. Part of this is a result of genuine incapacity at levels of Government where the problem should have been seen developing.

I mentioned this earlier in my opening remarks on this bill. The economists, the traders, and journalists use the term "strengthen" when the price of one currency rises against another; and they use "weaken" when it falls. They can say apple and orange, and it would communicate the same event. They just have this particular usage.

From that usage it moves to the fact that the dollar has become stronger or weaker and you get the further usage that we have a strong dollar and a weak dollar.

It happens that in the Treasury Department during these years, as in wide circles of the administration, the technical term "strong" was misinterpreted to suggest a vital regathering of institutional strength, of economic salience. It became an evaluative term. Strong is good. Weak is bad.

This was a profound muddle, Mr. President.

As I remarked again on the opening debate not 2 days ago, a member of the Cabinet at this time said, and I just simply quote: "By promoting a strong dollar and a strong America, President Reagan made his mark."

Well, if you think a strong dollar and a strong America are comparable terms, I suppose you will think anything. It is that strong dollar that turned us into a debtor nation in 5 years. It is astonishing how quickly it can happen.

This misunderstanding just reflects the level of competence in Government. If you have Treasury officials who do not understand exchange rates, you get problems. You can lose trade wars and you can lose real wars if you have incompetent people; and we had some pretty incompetent people.

But there is something further, Mr. President, with respect to the underlying cause of the difficulty, which is the deliberately induced deficit.

I do not know how many books and addenda Mr. Stockman has to publish; how many interviews he must give. His paperback has an epilog that plainly states the deficit was deliberate. It was seen to be coming. It was not the original intention, but once Mr. Stockman realized what was going to happen with the adminsitration's economic plans—when he saw a great deficit—he said: "I will put the deficit to work, I will make fiscal policy the instrument of social policy."

It would undo the bloated welfare state, including the agricultural welfare state, he thought.

When he commenced to see this was not happening or could not happen at all, that there just were not enough resouces there, when he learned enough about Government to know there just was not that capacity in the system, he pleaded with his associates in the Executive Office Building and the White House: "Don't do this; stop. We have got to reverse."

Nobody would listen to him and he said it was the most profoundly irresponsible action by an adminsitration in 20th century history.

As much as I admire the desire by many in this body to provide a structural response to this situation we are in, I have to say there is not structure that is proof against ignorance in high places and there is no structure that is proof against conspiracy in high places. We had a conspiracy to create this situation and that conspiracy was compounded by an incapacity to understand what was happening.

Whilst that is in place, I cannot imagine that purely structural responses will have any large consequence.

I must say that, to the contrary, there seems to be a general Gresham's law at work here: as good ideas are driven out by bad ideas, and the bad ideas are driven out by yet worse ideas and the worse ideas are driven out by yet even worse ideas.

I have to say, Mr. President, early in the Carter adminsitration there was this discussion of balanced budget amendments. It was very much in evidence on this floor. It puzzled someone such as I who, as you know, has no great competence in economics at all, but I followed the larger ideas of the century. I followed the work of that extraordinary man, Arthur Burns, whose death we mourn in this Chamber today. The distinguished Presiding Officer spoke about him last evening; Mr. Burns was a citizen of Vermont. I note he was a professor at Columbia.

Arthur Burns was a protege of C. Wesley Mitchell and, in time, succeeded Mitchell as head of the National Bureau of Economic Research, then located at Columbia University.

Now it is Mr. Martin Feldstein. Dr. Feldstein moved it to Cambridge.

The National Bureau of Economic Research begun by Mitchell in the 1920's, in the second decade, set out to understand the business cycle. It was an enormous puzzlement to a civilization, if I can use that term, whose first economic act—of man—was agriculture, a huge innovation. Anthropologists will tell you when it happened. I cannot say. But it involved something fundamental, which is foregoing consumption; or, investment. The very idas of saving seed, which is food, from one agricultural cycle to the next, was an extraordinary idea. It changed the species. We learned the agricultural cycle, 12 months, spring, summer, fall—a time to plant, a time to sow, a time to reap. Indeed, the nature of life on this planet is the nature of the cyclical changes, the round of the Sun and exposure to it that creates the agricultural year.

As long as the race has had a memory, we have had the memory of this agricultural year.

Then came industrialization and a different cycle.

Mr. President, I do not think we fully absorbed how recently this is part of the experience of mankind. In the 19th century it began to happen that the economy would be going on a very good trajectory, much like an extended period of good harvests, and then suddenly collapse as if there were bad harvests.

This was a long cycle. It was not a 12-month cycle. It was not necessarily a repetitive cycle, as the transit of the Earth around the Sun is repetitive. But trying to figure it out was a real puzzlement.

I vaguely remember the first efforts of the English economists who listed the factors that led to the first recession in the 19th century. They listed some 200 factors that were associated with it.

Here in the United States, Mitchell at Columbia, followed by Burns, started learning about the business cycle. I would say to my colleagues, they might now know this because it is a curious fact, but you do not have a recession in the United States until the National Bureau of Economic Research tells you that you have a recession. That is a proven rule. It is literally the fact that what we call a recession is a judgment made by a private organization of scholars.

The obituary notice of Dr. Burns this morning notes that when he became Chairman of the Council of Economic Advisers under President Eisenhower, he took the reporting requirement of the Employment Act of 1946 and started producing the Economic Report of the President—tough stuff, hard data, serious—now going back 30 years or more—trying to trace and trying to understand the business cycle.

Mr. President, we have not learned much about the business cycle.

I will correct myself. We certainly have not learned everything we would like to know about the business cycle. But we have learned one thing: it is not 12 months long.

The great discovery of economists—not just Keynes—of the 20th century was how to take countervailing steps when the economy is about to decline or is declining in this cycle.

Walter Heller, another great economist, died within the past fortnight. I think we might rank him on the Democratic side with Dr. Burns in terms of the formulation of bipartisan economic consensus about what you know and do not know, and what you might be able to do.

Walter Heller, first chairman of the Council with President Kennedy who then stayed on with President Johnson, was trying to deal in Congress. My colleagues may not know this if you were not there and you may not believe it if you were not, but I will tell you that in 1960 the principal economists in this Government and in the profession though our major problem in terms of the political economy was that Congress would not spend money fast enough; that moneys came in on the rise of a business cycle and they got stuck here on the floor of the Senate. We would not approve this and not approve that, and something called fiscal drag—I think Walter Heller's term—took place.

One of the reasons he proposed revenue sharing was because State governments had shown a sufficient propensity to expend. I coin that term, a "propensity of expend." They would get the money out so you would not have tax collections putting a brake on the economy and eventually turning it down.

A little bit later, in the next decade, Arthur Burns returned, and in a famous bit of testimony before a House or Senate committee, one or the other, said, "The economy is not working as it is supposed to. The economists do not have the grasp on it."

In any event, the one thing we have learned is that the business cycle is not 12 months long. We still work on an 18th century budget cycle, acting as the cycle of the seasons of the farmers, a time to reap, a time to sow.

Mr. President, after all the effort that has gone into learning about these matters, if we are to reduce ourselves to the primitive notion that the American economy work on a 12-month schedule, will that not really be the final, irresponsible act of this decade? I mean an original, contrived fiscal crisis, an incapacity to understand followed by a deliberate—in the face of what we know it can only be described as deliberate—determined effort to destroy.

I asked the Budget Director under President Carter when this issue arose, would he take the OMB computer and run, as the saying goes, the 1975 recession with a balanced budget amendment.

My friend from Arkansas might be interested in this.

I asked him would he run the 1975 recession with a balanced budget amendment. He said he would. He said he would be happy to. He was a distinguished scholar in his own right.

A few months later he wrote back and said, "Well, we did it, and the computer all but blew up." As I recall, unemployment went to 17 percent. But as you chased your way down and down and down, to see less and less stimulus of the economy, when the Federal budget needed more and more to put more people back to work, the eventual unstabilizing phenomenon took hold, but not before an absolute calamity.

It is bad enough to have been part of and implicated in all that has gone on in this decade, but now to compound it by an act of folly, defiance of the little bit of learning we have been given as a society? Well, I am glad Arthur Burns and Walter Heller are not around to watch.

Mr. **PRYOR.** Mr. President, will the Senator yield?

Mr. **MOYNIHAN.** Mr. President, the Senator will yield the floor.

Mr. **PRYOR.** If the Senator would yield the floor, I would like to comment.

The **PRESIDING OFFICER** (Mr. DASCHLE). The Chair recognizes the Senator from Arkansas.

Mr. **BYRD.** Will the Senator yield to me first?

Mr. **PRYOR.** I certainly will.

Mr. **BYRD.** I wonder if we can get a time agreement on the Gramm amendment.

Mr. **GRAMM.** Mr. President, I am desirous of reaching a conclusion. All I was asking is that we commit to vote on a balanced budget amendment to the Constitution. I have no objection to the pending substitute to section 1, whether we want to say the budget deficit is causing 90 percent or 10 percent. It is the one cause we clearly have an opportunity to do something about. I am willing to accept the amendment of the Senator from Montana and move to the substitute which would be a vote on section 2. I would be willing to do that in 5 or 10 minutes or now.

Mr. **BYRD.** That would be agreeable with me. I wonder if we could also get a time agreement on the overall.

Mr. **BAUCUS** addressed the Chair.

The **PRESIDING OFFICER.** The Senator from Arkansas has the floor.

Mr. **PRYOR.** Yes. Mr. President, if I could, in commenting on the time agreement issue, I would like to advise the Chair and the leader and my colleagues that I am anticipating offering an amendment—it is one sentence. I would like to read it—which would say:

> At the end of the amendment add the following: "No later than October 1, 1987, the President shall submit to Congress a balanced budget."

I would like to reserve the right to offer that amendment, and I would assume it would come after the disposition of the amendment offered by the Senator from Montana and probably the first section of the amendment.

Mr. GRAMM. If the distinguished majority leader will yield——

The PRESIDING OFFICER. The Senator from Arkansas retains the floor.

Mr. PRYOR. I will be glad to yield.

Mr. GRAMM. Will the Senator from Arkansas yield? The Senator's amendment would not be a substitute for the mandate that we vote on a balanced budget amendment to the Constitution. It would simply be an addition to it.

Mr. PRYOR. I would respond by saying that we would mandate the President 2 weeks, 2 weeks in advance before the Congress votes on the balanced budget amendment. One, it would give us a great insight into the trauma that we may be talking about here, Mr. President. It would also give us a great insight to the priorities of the President and I think would be a great education for us in reaching that October 15 date when the Congress had to ultimately vote on the constitutional amendment.

I might say, Mr. President, while I have the floor—I am not going to speak long—the Senator from New York mentioned 1975. Mr. President, I was Governor of a small and I must say a very poor State in 1975 in the depths of a recession. I cannot tell you how wrenching it was to live within the confines of a balanced budget that the State of Arkansas had, but I will say that we did it. We did not go into debt. Four years later we had a surplus of some $60 million. I do not know of any services we cut off. We had to pinch pennies, we cut corners and all the rest, and we came out of it. I came up here and one of the first measures that I cosigned was the proposal for a balanced budget amendment.

I might also add, Mr. President, if history serves me correctly, during that period of 1979, I imagine our deficit was no more than $40 billion, $50 billion, at the most $60 billion.

Mr. MOYNIHAN. Never that high. Once.

Mr. PRYOR. Well, during that period, Mr. President, it might have been workable to have put this straitjacket into effect, but I do not know if it it workable now. And this would be the purpose of my amendment, to require this mandating by the President to submit a balanced budget and I think it would tie hand and glove with the amendment of the Senator from Texas.

Mr. MOYNIHAN. Will the Senator yield for one question?

Mr. PRYOR. I will be glad to yield.

Mr. MOYNIHAN. As Governor in 1975, as the Senator knows, the Federal Government ran a large deficit as our laws anticipated at this time. Considering the distress in the State of Arkansas in that period, would he care to speculate on how that distress might have been compounded if, for example, unemployment insurance was cut off because the Federal Government was forced to do so in a similar amendment that restrained Arkansas itself? What if there was no unemployment insurance?

Mr. GRAMM. Will the distinguished Senator from Arkansas yield?

Mr. PRYOR. I am actually going to yield the floor.

Mr. MOYNIHAN. Let him answer the question.

Mr. PRYOR. But I will respond to the Senator from New York.

Mr. GRAMM. I think any agreement the Senate has improves the quality of debate, so I ask unanimous-consent that the pending amendment be modified to add the amendment of the distinguished Senator from Arkansas, since there is no debate, so we will not be waiting around here while Members leave who are desirous of voting on a mandate to require a vote on a constitutional amendment to balance the budget.

The PRESIDING OFFICER. Is there objection?

Mr. BYRD. Yes. Mr. President, I reserve the right to object, I would object but I would be very willing to have a vote on the Senator's amendment immediately if it is the will of the Senate. I think we ought to have a vote on his amendment.

Mr. BAUCUS. I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I wonder if we could get a time agreement now on the overall Gramm amendment?

Mr. GRAMM. Will the distinguished majority leader yield?

Mr. BYRD. Yes.

Mr. GRAMM. My unanimous-consent request was not with regard to the amendment of the distinguished Senator from Montana but with regard to another amendment that will be offered by the distinguished Senator from Arkansas. I was simply trying to dispose of that amendment by adding it so that we might, if we are forced to vote on the amendment of Senator BAUCUS, an amendment that I do not in any way object to, then immediately proceed to a vote on the underlying two amendments.

Mr. BYRD. That would be fine. I would like to have a vote on both of those. I think the Senate ought to vote on the amendment that is going to be offered by Mr. PRYOR. I think it would be a good amendment.

Mr. EVANS. Will the majority leader yield?

Mr. BYRD. Do I have the floor?

The PRESIDING OFFICER. The Senator from Arkansas still retains the time. The majority leader reserved the right to object to the request made by the Senator from Texas.

Mr. PRYOR. Mr. President, I yield the floor.

The PRESIDING OFFICER. The majority leader does not object, I assume, so the Senator from Arkansas is still recognized.

Mr. PRYOR. I yield the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, I yield to the distinguished Senator.

Mr. EVANS. I thank the distinguished majority leader. It seems to me that we have a situation here where the distinguished Senator from Texas has in my understanding agreed to accept both of the amendments that have been offered, or at least one of the amendments that has been offered, perhaps both.

Mr. GRAMM. Both.

Mr. EVANS. He indicates that he would accept both amendments. We have had a substantial amount of debate. It seems to me we have veered sharply away from what we have come here to do on this Saturday, which is to work on the trade bill. However, it would take at least half an hour, probably the better part of 45 minutes, to go through two rollcalls, both of which appear to be unnecessary, and if there is going to be the insistence that we go through those two rollcalls, I will object to any time limit and I will have substantial debate to make on this issue.

I think that it deserves substantial debate and perhaps it will take several hours.

Mr. BYRD. Mr. President, taking several hours does not bother me. I have canceled out my Saturday anyhow. I do not mean to offer that as a flippant response. I will be willing to not insist on a rollcall vote on the two provided we can get an overall time agreement on the overall amendment.

Mr. GRAMM. If the distinguished majority leader will yield, we will forego those two rollcalls, to vote on the final amendment, both parts in one vote now.

Mr. BYRD. Well, I am not willing to vote right now on both parts, but I am willing to remove my objection to the unanimous-consent request that the

Gramm amendment be modified in both particulars provided we can get a time agreement on the overall Gramm amendment. That could be 1 hour. It could be 2 hours. We could put it over until Tuesday as far as I am concerned. But I would like to have a time limitation on it.

Mr. GRAMM. Mr. Leader, I am willing to vote now so I am willing to give a time limitation of no time, a minute, 5 minutes, however long we have to provide to move ahead. But what I would like is a vote up or down on the full amendment as amended.

Mr. EVANS. Will the majority leader yield?

Mr. BYRD. Yes.

Mr. EVANS. I think that the idea of accepting both of the amendments, which the author is willing to do, and speed up the process in that fashion is a good idea. I have been seeking the floor and I have some remarks I would like to make on this issue. They would not take an extraordinary amount of time. I would be happy to enter into a short time agreement so that we can get to a final vote on this issue and proceed to whatever comes next.

Mr. BYRD. Mr. President, I ask unanimous consent that the two amendments that have been discussed be included as modifications of the Gramm amendment and the time on the Gramm amendment as amended, if amended, be limited to 1 hour, the remaining time of 1 hour to be equally divided between and controlled by Mr. GRAMM and myself.

Mr. GRAMM. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. GRAMM. Within that time limit, if we adopted both the amendments, then we would have a vote up or down on the full Gramm amendment as amended?

Mr. BYRD. As amended, if amended.

Mr. GRAMM. And there would be no other amendments in order?

Mr. BYRD. I did not say that. I did not say there would not be any other amendments in order. There will be amendments in order, regardless of whether we have a time limit.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The majority leader retains the floor.

Mr. BYRD. I yield to the Senator.

Mr. BAUCUS. Mr. President, reserving the right to object, I say to the majority leader that I will object to the proposed agreement.

I think it is important to first have a clean vote on the first division as amended in the perfecting amendment of the Senator from Montana. I think that is important. So I will not agree to a unanimous-consent agreement unless it incorporates the amendment of the Senator from Arkansas and the amendment of the Senator from Montana.

Mr. BYRD. I yield the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. Does the Senator object?

Mr. BAUCUS. I object.

Mr. GRAMM. Mr. President, what is the regular order? A parliamentary inquiry: What is the regular order?

The PRESIDING OFFICER. The regular order is the amendment by the Senator from Montana to division 1.

Mr. GRAMM. Mr. President, I understand that the regular order of the Senate is the campaign finance bill. Is that correct?

Mr. BYRD. That is correct.

The PRESIDING OFFICER. The Senator is correct.

Mr. GRAMM. Mr. President, I have been very patient here, it seems to me; but I am ready, unless we are going to proceed to an orderly consideration, to insist on the regular order.

So I would simply like to restate that it is my intention to give the Senate a vote on a balanced budget amendment to the Constitution. If we are simply going to delay that by dilatory tactics, then I intend to use my rights as a Member of the Senate to insist on the regular order, which could put us back on the campaign financing bill and take us off the trade bill altogether. I do not want to do that, because we are here on Saturday. Every minute that we are delaying, people who want to vote for this amendment are leaving. I do not think that is in the interest of the Senate. I think we want Senators to express their views. I hope our colleagues will be reasonable and let the process work its will.

Mr. BYRD. Mr. President, while I am very eager to have the Senate act on the campaign financing reform bill, I hope there will be no call for the regular order, because that is precisely what would happen. It would come down, and that would be the end of the day. It is only 10 minutes after 1.

The fact that Senators are leaving is no reflection on me or on the Senate. Senators were notified days ago that we had this business before us and that it was going to require a lot of work, a lot of time; and, of course, a good many Senators have made their own decisions to leave. But there is still a good working quorum. I would hope that we could continue to make progress on the trade bill.

It is not my fault that the Senator from Texas called up his amendment today, but he had a right to do that, and his amendment is listed among the amendments that are on the Democratic Policy Committee stationery. Everybody knows he has that amendment, and he has a right to call it up.

Why do we not vote on the amendment by the Senator from Montana [Mr. BAUCUS]? He has a right to offer an amendment. He has done that.

Mr. GRAMM. Mr. President, will the distinguished majority leader yield?

Mr. BYRD. I yield.

Mr. GRAMM. May I propose that we vote on the amendment of the distinguished Senator from Montana, that we have unanimous consent to accept the amendment of the Senator from Arkansas, and then we have an immediate vote on the amendment, as amended, at that point?

Mr. BYRD. Other Senators have rights, too, and there may be some other amendments that Senators would want to offer.

The Senator from Texas cannot have his cake and eat it, too. He is within his rights to call up his amendment. He did that. It is within the rights of other Senators to ask for a division. That has been done. It is within the rights of other Senators to offer amendments. That is in process.

I think we ought to vote on the amendment by the Senator from Montana. Let us vote on it and get it out of the way. Then, if we want to vote on the amendment by Mr. PRYOR, why not vote on it?

Many of the Senators who have walked away from the Senate today have walked away, I am sure, with good reasons, and I am not going to quarrel with that. But the Senate cannot allow 27 Senators or 37 to dictate that the Senate stop work. We still have a good working quorum. I have seen nothing in the Constitution or in the Senate rules which says that we have to have 75 Senators here or 70 or 65 or 60 or 55 or 53 or 52 before we can do business.

We do not even have to have 51, as long as nobody makes a point of no quorum. We can have voice votes and do business. We have done business here with less than 10 Senators around.

So I hope we will get on with the voting on the amendments by Mr. BAUCUS.

Mr. GRAMM. I am ready for that vote.

Mr. BYRD. Let us do that.

Mr. EVANS. Mr. President, will the majority leader yield, or does he yield the floor?

Mr. BYRD. I yield the floor.

Mr. EVANS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, it would be easiest for us to move ahead, and we would move ahead more rapidly than in any other way, by simply having a division, if we need a division.

The sponsor of the amendment, the Senator from Texas [Mr. GRAMM], has already agreed to accept the amendment of the Senator from Montana.

To go through a rollcall for no real purpose other than to add one more rollcall for those who happen to be absent——

Mr. BYRD. Mr. President, will the Senator yield on that point?

Mr. EVANS. I yield.

Mr. BYRD. That is not the purpose here, to have one more rollcall vote just because Senators are absent. It is because we came in to get work done on the trade bill. If I may intrude on the time and the patience of the Senator, that is not the purpose here—just to get a rollcall vote to show who is absent.

Let us have a division vote, if that is what is troubling the Senator.

Mr. EVANS. I am pleased to have a division vote. I am as interested as the majority leader is in moving ahead.

Rollcall votes which take 25 minutes and which should take 15 minutes, it seems to me, add and add and add to the length of time we stay here without making progress on the trade bill.

I would be perfectly willing to have a division immediately and to proceed on what other amendments are up.

I would like to reserve my right to regain the floor after the division, so that I finally may have some chance to comment on the resolution before us.

The PRESIDING OFFICER. The yeas and nays have been ordered. Does someone move that the yeas and nays be vitiated?

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. GRAMM. There is no oppposition.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Ohio.

Mr. METZENBAUM. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. METZENBAUM. Is it not the fact that the pending amendment would be subject to a point of order in that the Senate cannot by amendment bind this body to any particular action in the future?

The PRESIDING OFFICER. The Chair will point to the body that only division 1 of the amendment is pending.

Mr. METZENBAUM. My inquiry is addressed to division 2, that second part.

The PRESIDING OFFICER. Division 2 would be subject to a point of order.

Mr. METZENBAUM. I thank the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. EVANS. Mr. President, I ask that the yeas and nays be vitiated.

Mr. BAUCUS. Objection.

The PRESIDING OFFICER. The Chair hears an objection.

Mr. BYRD. Mr. President, can we not get on with this bill? I hope that we will have a division vote and then go on to the next amendment.

The PRESIDING OFFICER. Does the Senator propose a unanimous-consent request to that effect?

Mr. BYRD. Yes. I would hope that my friend from Montana will not object to my request that the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the distinguished Senator from Montana.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Montana to the amendment of the Senator from Texas.

[Putting the question.]

The ayes appear to have it. The ayes have it. The amendment is agreed to.

Mr. BYRD. Mr. President, I will ask for the record to show that that was not a division vote, but, rather, a vote viva vocé.

The PRESIDING OFFICER. The question is on division 1 of the amendment, as amended.

[Putting the question.]

AMENDMENT NO. 352

(Purpose: To promote the elimination of the trade deficit through the reduction of the Federal budget deficit by requiring the Senate and the House of Representatives to vote on a balanced budget amendment to the Constitution by April 15, 1988)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read it.

The legislative clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 352.

Mr. GRAMM. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

Mr. METZENBAUM. Objection.

The PRESIDING OFFICER. The Chair hears an objection.

Mr. GRAMM. Mr. President, the regular order.

The PRESIDING OFFICER. The clerk will read the amendment.

Mr. BYRD. Mr. President, any Senator has the right to have an amendment read. It is a short amendment. Surely the Senator will not object to that.

The PRESIDING OFFICER. The clerk will read the amendment.

The legislative clerk read as follows:

At the appropriate place in the bill insert the following new title:

"TITLE—REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"SEC. -01. SHORT TITLE.

"This title may be cited as the 'Trade Deficit and Budget Deficit Reduction Act of 1987'.

"SEC. -02. FINDINGS.

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Unfair trade practices engaged in by foreign countries are also a serious cause of the U.S. trade deficit and may thwart the full benefits the United States would receive from reducing the U.S. budget deficit.

"(5) The United States must also improve its competitiveness if it is to reduce its trade deficit.

"(6) Reduction of the Federal budget deficit is an important action that the Congress can take to reduce the United States trade deficit.

"SEC. -03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.

"No later than October 15, 1987, the Senate and House of Representatives shall each vote to approve or reject a joint resolution to amend the Constitution of the United States to require a balanced Federal budget. No later than October 1, 1987, the President shall submit to the Congress a balanced Federal budget.".

Mr. GRAMM. Mr. President, what we have before us now simply is the addition of the Baucus amendment, the addition of the amendment of the distinguished Senator from Arkansas [Mr. PRYOR] and the primary amendment which was the underlying amendment under debate.

Mr. President, I ask my colleagues to vote for this amendment. It makes it clear that the deficit in the Federal budget is the primary cause of the trade deficit. It also points out that there are additional problems concerning protectionism and concerning competitiveness and it also asks the President to give us some idea as to what great evils would befall the Nation, what hardship would come about if in fact we had a balanced budget.

I remind my colleagues that if in fact we adopt this amendment, if we adopt a balanced budget amendment to the Constitution before October 15, if that goes to the States, we are looking at 1990 or 1991 before it would go into place. That would dovetail with the current Gramm-Rudman-Hollings balanced budget law, and in the process would give us 3 or 4 years to get our house, the fiscal house of the Federal Government, in order.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I raise a point of order that this amendment is not in order.

The PRESIDING OFFICER. The Chair will advise that the amendment is now being copied and the Parliamentarian has asked the Chair for an opportunity to examine the amendment to give a definitive response.

The amendment would purport to require that the body take a certain action on a specified date. That would require an order which is tantamount to a special order and is inappropriate as an amendment to this bill. The point of order is well taken.

The majority leader.

Mr. BYRD. Mr. President, the point of order was well taken. I take it that the amendment falls.

The PRESIDING OFFICER. The amendment falls.

The President will clarify that the substitute as proposed falls.

Mr. SYMMS. Is it still in order to appeal the ruling of the Chair.

Mr. BYRD. Mr. President, if the Senator wants to appeal the ruling of the Chair, I have no objection to that.

Mr. SYMMS. I so appeal.

Mr. BYRD. Wait a minute. I have not yielded for that purpose yet, but I will.

What is the status now, Mr. President, of the Gramm amendment in the event that an appeal of the ruling of the Chair fails?

In other words, will the other divisions then be open to amendment?

The PRESIDING OFFICER. The Chair will respond that division will be before the body if the appeal is sustained. It is only the proposed substitute to that division that is the subject of the point of order and the appeal.

Mr. BYRD. So the proposed substitute then would fall.

The PRESIDING OFFICER. That is correct.

Mr. BYRD. And division 1 would be open to further amendment.

The PRESIDING OFFICER. Those parts of division 1 which have not yet been amended would be open to further amendment.

Mr. BYRD. Would division 2 be open to amendment at this point or not?

The PRESIDING OFFICER. Division 2 is not subject to amendment until division 1 is disposed of.

Mr. BYRD. Mr. President, I thank the Chair.

The Senator from Idaho wants to appeal.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAMM. Parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRAMM. Under rule X, a special order requires a two-thirds vote. The Chair could have ruled on the amendment had it been a freestanding bill that it would have been subject to a two-thirds vote; is that correct?

The PRESIDING OFFICER. The Chair is stating that the particular amendment requiring the Senate to take an action as of a certain date is not in order as a part of this bill.

Mr. GRAMM. The reason being that the bill can be adopted by a majority vote?

The PRESIDING OFFICER. The rules provide that this procedure be taken only as a special order aside from the consideration of a specific piece of legislation.

Mr. GRAMM. Mr. President, I will not appeal the ruling of the Chair. I am sorry that the distinguished Senator from Ohio, through the point of order, denied us the right to bind this Congress by a date certain to vote on a balanced budget amendment to the Constitution. I think there is nothing we could have done that would have been more important in putting America to work and generating economic growth. I am saddened that we were not given that opportunity.

Mr. BYRD. Mr. President, did the point of order go to the entire amendment?

The PRESIDING OFFICER. The point of order went directly to the amendment as it was presented by the Senator from Texas and only that amendment fell.

Mr. BYRD. But not the Gramm amendment?

The PRESIDING OFFICER. The underlying Gramm amendment with the Baucus amendment is the pending order of business.

Mr. BYRD. Mr. President, that same point of order, I believe, would apply to the underlying amendment. If Senators will read rule X it is very brief:

> Any subject may, by a vote of two-thirds of the Senators present, be made a special order of business for consideration and when the time so fixed for its consideration arrives the presiding officer shall lay it before the Senate, unless there be unfinished business—

And so on and so on.

So what the distinguished Senator from Texas is attempting to do is attempting to do by indirection what he cannot do by direction; namely, he is attempting to create a special order in this Senate by setting a particular date for a particular piece of legislation to be brought up or to have been brought up and that requires a two-thirds vote of the Senate.

But I do not intend to make any point of order against his amendment right now. As far as I am concerned, we can proceed with further amendments to the section.

Mr. METZENBAUM. I say to my distinguished colleague, the majority leader, that it would not be appropriate for me to make a point of order with respect to the second portion because there has been a division. But I do want to make it clear, when that time arrives, I will again assert my right to make a point of order.

Mr. WILSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WILSON. Mr. President, do I understand the ruling of the Chair on the point of order raised by the Senator from Ohio is based upon rule X?

The PRESIDING OFFICER. The Chair further states that any proposition which would require the Senate to take an action on a certain date under rule X is not appropriate as a part of an amendment to another bill.

Mr. WILSON. Then do I understand——

The PRESIDING OFFICER. The Chair has not put all of his rationale to rule X.

Mr. WILSON. Do I understand——

The PRESIDING OFFICER. If the Senator will suspend just a moment.

What the Senator is asking to do is analogous to requesting unanimous consent and that can be done by a majority vote.

The Senator may proceed.

Mr. WILSON. Mr. President, I am not certain that I quite follow that logic, but let me put the inquiry another way.

It seemed to me that the point of order being raised by the Senator from Ohio was that this was tantamount to a special order, is that correct?

The PRESIDING OFFICER. The Senator from Ohio will have to present his own motivation or clarification of his intent.

Mr. WILSON. I am not interested in his innermost mental process. I want to know what the stated ground for the point of order was—not that I have no curiosity. I am very curious, in fact.

Mr. METZENBAUM. I will be happy to respond, if the Senator wants me to.

Mr. WILSON. Please.

Mr. METZENBAUM. The rules of the Senate are such that the leadership sets the calendar and we do not set it by coming out here and adding something to a trade bill or any kind of a bill and making it clear that we are going to have to do something someday in the future and, therefore, at a time certain.

That is not how the U.S. Senate proceeds and the rules specifically cover that situation. Rule X covers it, but there are other procedures in the Senate that cover it, as well.

What I am saying here is that this is not the way to proceed in the U.S. Senate. The way to proceed in the U.S. Senate is to get a bill out of the committee, it goes on the calendar, and the majority leader then sets the calendar. That is the way we proceeded when the minority was in control and when the majority was in control.

What the Senator from Texas is attempting to do today is to provide that any one of us can come to the floor on any bill and say that a time certain we are going to take up a certain particular measure. That is just no way to run the U.S. Senate.

So I have raised the point of order. It has nothing at all to do with the Senator from Texas, nor with the particular merits of this matter, which I must say I strongly oppose. But this is not the proper way in which to conduct the affairs of the Senate.

The rules of the Senate provide for regular procedures. I raised the point of order knowing full well in advance that this procedure was not an acceptable one and that it was out of order, and the Chair has so ruled.

Mr. WILSON. Will the Senator from Ohio state whether or not this point of order is predicated on rule X?

Mr. METZENBAUM. I am not saying what my point of order is predicated on. That is the decision for the Parliamentarian to make. I was aware of the fact that this procedure did not conform with the rules of the Senate. It is up to the Parliamentarian to make the determination as to whether or not a particular action is or is not in order. And he has so ruled that it is not.

Mr. WILSON. Mr. President, let me pursue my parliamentary inquiry.

I thought, first, it was the responsibility of the Senator stating the point of order to state the ground for it and for the Presiding Officer to then make a ruling on it. But that, apparently, has not been followed in this instance and the Senator from Ohio has deferred the decision, not only for ruling on the point of order but for the statement of the grounds, to the Chair.

Therefore, I call on the Chair to state the ground. I ask again: Is it under rule X that has to do with special orders? Because my understanding of the Chair's ruling was that, in effect, a point of order had been successfully raised against a special order. Is that correct?

Mr. METZENBAUM. Mr. President, before the response——

The PRESIDING OFFICER. The Senator will suspend for just a moment.

Let me respond first to the Senator from California. The response on the point of order was not predicated on rule X by itself.

Mr. WILSON. May I ask what else it was predicated on.

Mr. METZENBAUM. Mr. President, I would like to raise a point of order even with respect to that inquiry.

The appeal is not debatable and what he is attempting to do by indirection is to appeal a decision of the Chair.

If he wishes to appeal, let him do so. The Chair is under no obligation to state the reason for its actions.

The PRESIDING OFFICER. The Senator from California has the floor.

Mr. WILSON. I thank you, Mr. President. What I am doing is stating a parliamentary inquiry. That is not the same thing as making an appeal.

Mr. President, what I would like to find out are the grounds for the ruling of the Chair, because if it is not based on rule X, I would like to know what it is based on. If it is based on rule X, then I would consider, in that case, it would have been ill conceived because to state that a resolution, be it in the form of an amendment or otherwise, which urges upon this body that we take an action by a certain time, is not the same thing as appointing a time certain.

I know it runs counter to the wishes of many in this body to take action by a time certain on anything. That really is not what is under debate.

I do ask what is the ground, if not rule X's requirement for a two-thirds vote on special order?

The PRESIDING OFFICER. The Chair bases it ruling on the fact that there is no precedent allowing a bare majority of the Senate to dictate that the Senate take an action on a certain day.

Mr. WILSON. Would that apply, then, were we to state in this similar fashion a requirement for action by the Senate within the 100th Congress?

The PRESIDING OFFICER. The same rationale would apply.

Mr. WILSON. So it is the ruling of the Chair that we are precluded, other than by two-thirds vote, from taking any action that would set the time—a completed date for action on a particular matter?

The PRESIDING OFFICER. The Chair has limited its response to the appropriateness of an amendment to a certain bill which can be adopted by a majority vote, directing the Senate to take a specific action by a certain date.

Mr. WILSON. Before I relinquish the floor, I will state I think we are wasting an enormous amount of time in very dilatory tactics and I do not think we can be very proud of the debate we have had. I think we ought to get on with it. I do not object to being here Saturday or any other time. I do not object to debate that requires rollcall votes. But I really do object to the kind of thing that we have seen on the floor.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. Mr. President, the kind of thing we have seen on the floor is an effort to get this Senate to quit work this afternoon at 15 minutes to 2 o'clock. That is what we are seeing on the floor.

I would be happy to ask that the ruling of the Chair be vitiated and that the point of order be withdrawn and let the Senator have his vote on his amendment. If it is agreeable. I would like to see us make progress. We can make progress. The Senator from Texas has an amendment to the trade bill and it is on the list here, and the Senator from Montana had a right to call up his amendment to it. We had all these objections to a rollcall vote saying: "Oh, that will take too much time." So I said: "OK let's have a division vote."

We had a voice vote. Why do we not get on to the next amendment to the Senator's amendment?

Would the Senators be agreeable to vitiating the ruling? Or let the ruling stand? Either way. And just proceed with the vote.

Mr. SARBANES. Mr. President, will the leader yield for me to make a parliamentary inquiry?

Mr. BYRD. Yes, I yield for that purpose.

Mr. SARBANES. If the Chair's ruling were appealed and the Chair's ruling were not sustained, would that establish the precedent that by a majority vote we could set a time certain to vote on a particular measure?

The PRESIDING OFFICER. That would be the effect of not sustaining the ruling of the Chair.

Several Senators addressed the Chair.

Mr. EVANS. I have a parliamentary inquiry. Could the Chair tell me how this is distinguished from the Budget Act which I understand was adopted by a majority vote and which commonly requires the Congress, and future Congresses for that matter, to respond on a date certain to particular requirements?

The PRESIDING OFFICER. There is no requirement under the Budget Act to vote on a time certain.

Mr. GRAMM. Of course, there is.

Mr. EVANS. It seems to me there are a significant number of amendments, sufficient number of amendments. We do not have to——

Mr. GRAMM. Would the Senator yield?

The Budget Act prior to the Emergency Deficit Control Act said the budget would be voted on by May 15 each year the Lord created, and when the Balanced Budget Emergency Deficit Control Act was amended and that amendment was signed into law, it became April 15 of each year that the Lord created.

Mr. EVANS. I thank the Senator. I continue with that inquiry.

If that is the case, how is that distinguished from the current situation in which we find ourselves?

Mr. GRAMM addressed the Chair.

The PRESIDING OFFICER. If the Senator would suspend until the Chair has an adequate time to consult with the Parliamentarian on the question posed by the Senator from Washington?

The Chair informs the Senator from Washington that there is no requirement that the Senate respond on given dates; but that the debate begin by that particular day. In other words, the body may continue beyond the date set out in the Reconciliation Act but that no time certain for final resolution thereof is required in the act.

Mr. EVANS addressed the Chair.

Mr. GRAMM. Will the Senator yield?

Mr. BYRD. Mr. President, I believe I have the floor. I yielded to the Senator for a parliamentary inquiry.

Mr. EVANS. And I wish to continue the parliamentary inquiry, if I might. Let me read section 301(a) of the Budget Act:

> On or before April 15 of each year, the Congress shall complete action on a concurrent resolution on the budget for the fiscal year beginning on October 1st of such year. . . .

Mr. President, it seems to me that that is clear. That requires action by Congress, that it shall complete action. How does that differ from the request of the Senator from Texas, which would require the Congress to vote, the Senate in this case, not the full Congress, by a certain date? It seems to be quite clear that the Budget Act does require completion of action by a certain date and that act was adopted by majority vote when the Budget Act was adopted in 1974.

Mr. BYRD. Mr. President, was the Budget Act acted upon by both Houses?

The PRESIDING OFFICER. The Budget Act was acted upon by both Houses and signed by the President.

The Chair cannot speculate as to the point of order which may or may not have been raised in time with regard to the Budget Act. The Chair can only respond as the rule applies to this particular amendment in requiring a certain date by majority vote.

Mr. EVANS. I shall not pursue this any further. It seems to me we have gotten ourselves into an Alice in Wonderland on Saturday afternoon. I admire the majority leader for his patience. I hope we can get back to the trade bill. It seems to me we have spent the last couple of days doing the work of the Foreign Relations Committee and this afternoon engaging in philosophy on the Budget Act and very little on the budget.

Mr. BYRD. Mr. President, I yield the floor.

AMENDMENT NO. 353

(Purpose: To promote the elimination of the trade deficit through the reduction of the Federal budget deficit by requiring the Senate and the House of Representatives to vote on a balanced budget amendment to the Constitution by October 15, 1987)

Mr. GRAMM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Texas [Mr. GRAMM] proposes an amendment numbered 353.

At the appropriate place in the bill insert the following new title:

"TITLE —REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"**SEC. 01. SHORT TITLE.**

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

"**SEC. 02. FINDINGS.**

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Reduction of the Federal budget deficit is the single most important action that the Congress can take to reduce the United States trade deficit.

"**SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.**

"No later than October 1, 1987, Congress shall complete action on an amendment to the Constitution of the United States to require a balanced Federal budget.".

Mr. GRAMM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. The Chair will inform the Senator from Texas and the body that amendment No. 350, as amended, is pending. The Senator's amendment is incorrectly drafted. Does the Senator want to direct the amendment to the division 1 amendment?

Mr. GRAMM. I do. If the yeas and nays have not been ordered, I would like to amend the amendment.

The PRESIDING OFFICER. Does the Senator wish to substitute this language?

Mr. GRAMM. I wish to substitute this language for division 1.

The PRESIDING OFFICER. The amendment is so modified.

The amendment (No. 353), as modified is as follows:

At the appropriate place in the bill insert the following new title:

"TITLE —REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"**SEC. 01. SHORT TITLE.**

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

"**SEC. 02. FINDINGS.**

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Reduction of the Federal budget deficit is the single most important action that the Congress can take to reduce the United States trade deficit.

"**SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.**

"No later than October 1, 1987, Congress shall complete action on an amendment to the Constitution of the United States to require a balanced Federal budget.".

Mr. GRAMM. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARKIN). Without objection, it is so ordered.

Mr. BYRD. Mr. President, might we get a time limit on the Gramm amendment, as amended, and have the vote today or we can have it go over on the Gramm amendment?

Mr. GRAMM. If the distinguished majority leader will yield, I am willing to vote right now.

Mr. BYRD. Well, would the Senator agree to 10 minutes equally divided?

Mr. GRAMM. I would be delighted.

Mr. BYRD. Ten minutes equally divided on the basic Gramm amendment?

Mr. GRAMM. On the amendment now pending that I just sent to the desk.

Mr. BYRD. But I am talking about the Gramm amendment that is listed here on this list, not the amendment to the amendment.

Mr. GRAMM. Mr. President, the amendment that is pending is a substitute for division 1 which I have sent to the Chair. I would be delighted to have a vote on that amendment now or after 10 minutes equally divided and then I would be willing to let the judgment of the Senate on that amendment stand for all the underlying amendments, which would, of course, fall if this one is adopted, or we could vote on this one and then vote on the amendment, as amended, immediately after that. I would be delighted with that.

Mr. BYRD. On the basic amendment, as amended?

Mr. GRAMM. On the amendment now at the desk.

Mr. BYRD. Vote on it immediately. Then vote on the Gramm amendment, as amended?

Mr. GRAMM. Mr. President, if this amendment is adopted, the other Gramm amendment, with the exception of the language that I have changed with regard to the date certain to vote following the pattern of the Budget Act, will have been adopted as a substitute for division 1. Division 2 is subject to a rule X point of order, according to the ruling that the Chair has already made today. So I would assume the Chair would rule as it did before and that section 2 would fall so that all we would have before us would be the Gramm amendment as amended. I would be delighted to vote now on that amendment, and then I would not require another vote, should it be adopted, since we would simply be voting on it again, it having been adopted as a substitute for the first division.

Mr. BYRD. Mr. President, if the Gramm amendment that is pending is agreed to, that being a substitute, then essentially what we are doing is agreeing to the Gramm substitute to the first division and that takes care of the first division of the entire amendment. So that would be the end of action on the first division of the entire amendment. Am I correct?

The PRESIDING OFFICER. The majority leader is correct.

Mr. BYRD. And then the second division would be open to amendment?

The PRESIDING OFFICER. The majority leader is correct.

Mr. METZENBAUM. Parliamentary inquiry.

Mr. BYRD. I do not yield the floor. I yield for a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. METZENBAUM. If the Gramm amendment that is pending is adopted and that then becomes part 1, part 1 and part 2 are still then before us and no Member of this body loses his or her right to raise a point of order notwithstanding that fact, in connection with the entire matter; is that correct?

The PRESIDING OFFICER. If the Gramm substitute to the first division is adopted, then division 1 of the Gramm amendment would be before the Senate. It would not be amendable.

Mr. METZENBAUM. It would not be.

The PRESIDING OFFICER. It would not be amendable but it would be before the Senate for disposition.

Mr. SARBANES addressed the Chair.

Mr. METZENBAUM. The Chair did not answer my question as to whether or not it would at that point be subject to raising a point of order or whether there would have been a loss of a right to raise a point of order.

The PRESIDING OFFICER. If the Gramm substitute is adopted, then the right of a point of order would not be waived.

Mr. METZENBAUM. Would not be?

The PRESIDING OFFICER. Would not be.

Mr. METZENBAUM. Would not be waived.

Mr. SARBANES addressed the Chair.

Mr. BYRD. Mr. President, I yield to the Senator from Maryland.

Mr. SARBANES. I want to put an inquiry to the Senator from Texas.

As I understand the Gramm substitute to division 1, it embraces three provisions in both divisions 1 and 2 of the originally submitted Gramm amendment. Is that correct?

Mr. GRAMM. That is correct.

Mr. SARBANES. So, in effect, your substitute is not a substitute to division 1 of the original Gramm amendment, but it encompasses material that pertains not only to division 1 of the original Gramm amendment but also the material that was in division 2 of the Gramm amendment. Is that correct?

Mr. GRAMM. To be precise, it is original division 1 and 2 and would mandate by a date certain that Congress vote on and complete action on a balanced budget amendment to the Constitution of the United States.

Mr. SARBANES. So, among other things, what the substitute does is eliminate, in effect, the division, because if the substitute is carried, in effect, you do not need a vote on division 2 because that is embraced within the substitute. Is that correct?

Mr. GRAMM. That is correct.

It is my understanding that the Parliamentarian, based on the first ruling, would rule division 2 out of order, in any case.

Mr. PRYOR addressed the Chair.

Mr. BYRD. Mr. President, I yield to the Senator from Arkansas, without losing my right to the floor.

Mr. PRYOR. I should like to ask the distinguished Senator from Texas if the Gramm substitute now at the desk has included in that substitute the amendment relative to the President submitting a balanced budget to Congress no later than October 1, 1987.

Mr. GRAMM. It does not, though I would be willing to have a unanimous-consent agreement to add that provision, since I do support it.

Mr. PRYOR. I appreciate the Senator from Texas responding.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. BYRD. Mr. President, is the distinguished Senator from Texas willing to enter into a time agreement on his overall amendment?

Mr. GRAMM. I am willing to vote now, I say to the distinguished majority leader.

Mr. BYRD. Is the Senator willing to agree to a time limitation on his overall amendment, to be equally divided?

Mr. GRAMM. The distinguished majority leader has been here many years and knows the rules very well. I want to be certain that I understand the unanimous-consent request.

If, by the unanimous-consent request, the distinguished majority leader means that the current Gramm amendment to division 1 would be voted on at the end of 10 minutes and that the final adoption of that division, as amended, and any disposition of division 2 would be completed, all within 10 minutes, I am in favor of that, and I will accept it, if that is in fact what the distinguished majority leader means. But I am eager to vote on the pending amendment.

Mr. BYRD. Mr. President, I ask unanimous consent that the pending amendment of the distinguished Senator from Texas be considered as adopted and——

What is the number of the Gramm amendment, the basic amendment?

The PRESIDING OFFICER. The basic amendment is amendment No. 350.

Mr. BYRD. No. 350?

The PRESIDING OFFICER. Yes. That is No. 350, as amended by the amendment of the Senator from Montana.

Mr. BYRD. No. 350, as amended?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. And that time on amendment No. 350, as amended, be limited to 10 minutes, to be equally divided between the distinguished Senator from Texas [Mr. GRAMM] and myself.

THREE-MINUTE RECESS

Mr. President, I ask unanimous consent that the Senate stand in recess for 3 minutes.

There being no objection, the Senate recessed at 2:17 p.m., until 2:20 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. HARKIN].

Mr. BYRD. Mr. President, I have made my request. I leave it stand as the request was made.

Mr. GRAMM. Mr. President, reserving the right to object, could I first have the unanimous-consent request stated by the Chair?

The PRESIDING OFFICER. There is pending a unanimous-consent request that the pending substitute be considered as agreed to and that the underlying amendment, amendment No. 350, as amended, have a time limit of 10 minutes to be equally divided between the Senator from Texas and the majority leader.

Mr. GRAMM. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRAMM. Would the amendment, as amended, be amendable during the 10 minutes?

The PRESIDING OFFICER. In response to the Senator from Texas, the Chair will state that division 1 of the amendment would no longer be subject to amendment.

Mr. GRAMM. A second parliamentary inquiry: Would a point of order against division 2 under the unanimous-consent request make the entire amendment subject to a point of order and therefore cause division 1 to fall?

The PRESIDING OFFICER. In response to the Senator's parliamentary inquiry, the Chair will state that it is the opinion of the Chair that division 2 would be considered as a separate division and would stand or fall on its own without regard to the disposition of division 1.

Mr. GRAMM. So that if the unanimous-consent request of the distinguished majority leader were accepted, then we would have before us the original amendment, as amended by the pending amendment. If that amendment would be adopted, we would have a vote on the underlying provision in 10 minutes, equally divided, if a point of order is raised against the second division, and if that division under previously stated parliamentary opinion today did fall, then division 1, as amended, would still stand and, if the underlying amendment, as amended, were adopted, it would be affixed to the trade bill?

The PRESIDING OFFICER. Again the Chair will state that is the opinion of the Chair that the two divisions would be disposed of separately.

Mr. METZENBAUM. Mr. President, will the Senator from Texas be good enough to yield in order that I may ask a clarifying question?

Mr. GRAMM. I am happy to yield.

Mr. METZENBAUM. I thank the Senator.

Is it not the fact that division 1 and division 2, once they have been made a part of the pending amendment, then the issue is whether or not the entire amendment, as amended, including divisions 1 and 2, are subject to a parliamentary point of order? And is it not the fact the entire amendment, as amended, would be subject to a point of order if the point of order is sustainable and is that not in conformity with the query that the Senator from Ohio made at an earlier point, and that is that there would be no waiver with respect to embracing that point of order?

The PRESIDING OFFICER. The Chair will state to the Senator from Ohio that it is the opinion of the Chair that both divisions would have to be acted upon separately and that the disposition of division 1 would in no way waive the Senator's right to raise the point of order on division 2.

Mr. METZENBAUM. That is not the inquiry of the Senator from Ohio. My inquiry goes to the fact we have a pending amendment to the pending bill. If one amendment is adopted and no point of order is raised with respect to it, the entire amendment, as amended, is still subject to a parliamentary rule. Therefore, it appears to the Senator from Ohio that the point of order against the overall amendment, as amended, would be considered in total and that the Chair would not be dividing 1 and 2, notwithstanding the fact that 1 had been adopted.

The PRESIDING OFFICER. To answer the Senator from Ohio, it is the opinion of the Chair that if division 1 is disposed of, then it is disposed of and that no point of order then would lie against division 1. But the Senator would still reserve the right to raise a point of order against division 2.

Mr. METZENBAUM. Mr. President, will the majority leader then be good enough to yield for a question?

Mr. BYRD. I yield.

Mr. METZENBAUM. Do I understand that the majority leader's unanimous-consent request would provide for the acceptance of division 1 thereby precluding the Senator from Ohio from raising this point of order? If that be the case the Senator from Ohio I believe would have to object. I do not mind as long as I have my rights preserved, but it is my understanding according to the Parliamentarian that is the conclusion and I would, therefore, at the appropriate time have to say to the majority leader that I expect to raise my point of order.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The majority leader has the floor.

Mr. PRYOR. Will he yield?

Mr. BYRD. I yield.

Mr. PRYOR. I do not know if the Senator from Ohio objected to the unanimous-consent request. Did the Senator from Ohio object?

Mr. METZENBAUM. Not as of yet because we are still talking.

Mr. PRYOR Right. I thought that is what I heard.

Mr. President, it is my understanding that it is the Chair's ruling that should we adopt the unanimous-consent request offered by the majority leader that would preclude those amendments not at this moment included in the Gramm amendment, as amended, which is the pending issue. I would like if I might to ask unanimous consent that one sentence be added to the amendment, as amended, by Senator GRAMM from Texas.

If I might, I would like to read this.

Mr. BYRD. Mr. President, I yield for that purpose, with the Chair protecting my right to the floor.

The PRESIDING OFFICER. The majority leader has the floor and the majority leader has yielded without losing his right to the floor to the Senator from Arkansas.

Mr. PRYOR. I thank the majority leader. I would say that the language embodied in this amendment is offered by myself and the distinguished Senator from New York, Senator MOYNIHAN. It states: At the end of the amendment add the following:

> No later than September 15, 1987, the President shall submit to the Congress a balanced budget.

As you see, I say to my friend from Texas, I have moved my time when the President would submit to the Congress a balanced budget, because it is my understanding that his amendment, as amended, moved from October 15 to October 1. So now I am moving 2 weeks ahead of that for a balanced budget to be submitted by the President.

Mr. President, I ask unanimous consent that this language be printed. I submit this amendment and I ask unanimous consent that it be included in the Gramm amendment, as amended.

Mr. GRAMM. Mr. President, I would say I would be happy to accept the amendment. I believe more knowledge about the whole budgetary situation, and the benefits and difficulties of balancing the budget, can only enlighten this great deliberative body and make the whole process serve the public interest better.

Mr. PRYOR. I thank the Senator.

Mr. FORD. Mr. President, would the distinguished Senator from Texas yield, subject to the majority leader not losing his right to the floor?

The PRESIDING OFFICER. The Chair would respond that the majority leader has the floor.

Mr. BYRD. I yield for that purpose, retaining my right to the floor.

Mr. FORD. Mr. President, since the Senator from Texas is so amenable and agreeable to accept anything and seems to be most gracious this afternoon, would he accept my amendment for a 2-year budget?

Mr. GRAMM. I have always preferred a 2-year span, I might say to the distinguished Senator from Kentucky, because I have always found that Congress has such a short time horizon. Fiscal responsibility is promised in the outyear.

So I would strenuously support that amendment, though I suspect there is probably one person who is not so generous as I am on this subject.

Mr. FORD. I thank the distinguished Senator. Let me see if I can generate enough interest here and we might do that on this piece of legislation this afternoon. I thank the Senator.

The PRESIDING OFFICER. The Chair would state that a unanimous-consent request remains from the Senator from Arkansas.

Is there objection? Hearing none, it is so ordered. The amendment is so modified by the unanimous consent request.

The amendment, (No. 353), as modified further, is as follows:

At the appropriate place in the bill insert the following new title:

"TITLE .—REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"SEC. 01. SHORT TITLE.

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

"SEC. 02. FINDINGS.

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Reduction of the Federal budget deficit is the single most important action that the Congress can take to reduce the United States trade deficit.

"SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.

"No later than October 1, 1987, Congress should complete action on an amendment to the Constitution of the United States to require a balanced Federal budget.".

"No later than September 15, 1987, the President shall submit to Congress a balanced budget.".

Mr. PRYOR. I thank the Chair.

The PRESIDING OFFICER. There is still pending before the Senate a unanimous-consent request dealing with the underlying amendment, amendment No. 350. Is there objection to the unanimous-consent request?

Mr. MATSUNAGA. Reserving the right to object, Senator METZENBAUM is not on the floor.

I withdraw my reservation.

The PRESIDING OFFICER. Is there objection to the request made by the majority leader? Without objection, it is so ordered.

The time is evenly divided between the Senator from Texas and the majority leader; 10 minutes, equally divided.

Who yields time?

Mr. GRAMM. Mr. President, I would like to remind my colleagues that while we have been through a long and laborious parliamentary procedure—and I always feel, in dealing with the distinguished majority leader, like the frightened rabbit chased by the wily gray fox—we finally have reached to the point where we will have 5 minutes of debate on whether to mandate, on a time-specific basis, that the Congress vote on a balanced budget amendment to the Constitution of the United States.

Concern about the problem in the Constitution of not mandating a balanced budget was first raised by Thomas Jefferson when he returned from France and looked at the document that had been prepared in his absence. He concluded something that now, 200 years later, an increasing number of Americans have recognized, and that is, in the world's greatest political document, there is a problem. The problem is we do not limit the ability of Government to incur debt.

By mandating a balanced budget, we will force the Government to make decisions on a pay-as-you-go basis. We all support that concept. It is like going to Heaven. Everybody wants the balanced budget; they just do not want to do what you have to do in order to achieve it.

We have made some progress with laws trying to move us toward a balanced budget. I am proud of that progress. But a vote on a balanced budget amendment to the Constitution would allow an up or down vote on something the American people strongly support. Members would retain the right to vote yea or nay, but I think this commitment is important. I believe there is no possible action that would do more to lower the trade deficit, bring down interest rates, put America to work, and promote the happiness of the people. And I submit that the end objective of all enlightened Government should be to promote the well-being and happiness of the people. I believe the adoption of this amendment and the subsequent adoption of the balanced budget amendment to the Constitution would do that.

I yield the remainder of my time to the distinguished Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. EVANS. Mr. President, how much time remains?

The PRESIDING OFFICER. Two minutes and fifty seconds.

Mr. EVANS. I thank the Chair.

Mr. President, I join with my colleague from Texas in calling for this vote, but I suspect it comes as no surprise to him, and perhaps to others, that I, at that time, will not only vote against but work against the proposal for a balanced budget amendment to the Constitution.

I will bow to no one in my concern over budget deficits. I agree that they are overwhelmingly the largest reason for the trade deficit we now have. But we cannot resolve our budget deficit by merely passing a balanced budget amendment to the Constitution.

The biggest failure we have had in our Constitution was in prohibition amendments, the 18th and 21st amendments. We put it and we took it out. We found a constitutional amendment will not keep a drunk from drinking and a constitutional amendment on a balanced budget will not keep a spender from spending. It requires more than that.

In fact, it does not require a constitutional amendment. It requires the dedication and the courage and the knowledge of those in this body and the other body and the President to join together to bring that deficit down.

At the time we debate this, I will have much more to say, of course. I believe that it is important to understand that we do not even understand the budget process itself—what a balanced budget is; what a deficit is. We do not keep books in the same fashion State governments or corporations or individuals do.

So I fear very much, if we were to embark on a balanced budget amendment to the Constitution, the end result would be turning over, for years and years to come, the kinds of decisions and the kinds of determinations that would inevitably come out to the courts of the United States. I can think of no worse place for us to have budgetary decisions made and definitions created than in the court system of the United States rather than in Congress.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD. Who has what time remaining?

The PRESIDING OFFICER. The majority leader has 5 minutes and the Senator from Texas has 20 seconds.

Mr. GRAMM. I reserve my 20 seconds.

Mr. BYRD. Mr. President, what we have here this afternoon, really, is a game that really does not amount to a hill of beans in the final analysis. What we are doing in this amendment here is requiring both Houses to approve or reject a joint resolution to amend the Constitution of the United States to require a balanced Federal budget. I have on past occasion voted for a constitutional amendment to require a balanced Federal budget.

That does not get the budget balanced now. It does not get the budget balanced in 4 years or in 3 years. That would require the ratification of three-fourths of the States, if that ever occurs. I will vote for a constitutional amendment for a balanced budget but that does not get rid of the problem. That is an old nostrum that the President is using as he runs around the country bashing the Congress over the head about balancing the budget.

He has never in his years in office offered a balanced budget. He has never sent up to the Congress a balanced budget. He does not intend to do so.

The budget that he sent up this year was relegated to the wastebasket by most of the Senators on the other side of the aisle, to say nothing of those on this side of the aisle. His budget was not balanced. It had increased taxes in it, it had increased revenues in it. It did not meet the Gramm-Rudman requirements, and he only got 18 votes out of 100 Senators for his budget.

Of course he will go around the country telling a big fairy tale about what a constitutional amendment will do and what line-item vetoes will do while all the while the country continues to run up the debt and interest on that debt that will be paid by our grandchildren's grandchildren. It is all a bunch of baloney. The President, of course, is doing this to try to regain some of the macho that he lost by shooting himself in the foot in various ways, in connection with the Iran-Contra arms sales in exchange for hostages.

But we are in the game. We are playing the game here now. I think the distinguished Senator from Ohio stated it correctly when he stated what we are doing here is, by legislation, we are directing the leadership of the Senate and the House to do thus and so by a certain date.

We know that the House is not going to go along with that. Or I should not think they would. As far as I am concerned, I could call up a freestanding amendment at any time. Where it would go I do not know. But anyhow, that is what we are doing here this afternoon.

Of course, as I said before, I do not say this with any reflection on the distinguished Senator from Texas. He has a perfect right to call an amendment and he had enough lists of amendments. But other Senators also have a right to amend the amendment. So that is where we are.

We are supposed to vote shortly on the adoption of the Gramm amendment, No. 350, as amended. I hope we will do that.

Mr. President, how much time do I have left.

The PRESIDING OFFICER. The distinguished majority leader has 1 minute left.

Mr. BYRD. I am ready to yield my time back.

Mr. GRAMM. Mr. President, I have but 20 seconds, so may I say in 6 years in the House of Representatives I worked for an up or down vote on a balanced budget amendment to the Constitution. We finally—with a discharge petition—got it. The leadership offered a phony amendment written the night before. People voted for it and then voted against the real thing.

I think it is important that the American people have a real up or down vote on the No. 1 issue in the country. Writing something in the Constitution does not make it perfect, but it means that we have the force of the world's greatest political document behind it and I always like to have the Constitution on my side.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BYRD. I have 1 minute?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. BYRD. Mr. President, if I have any time remaining I yield it back and I believe we go to a vote, do we not, on division 1?

The PRESIDING OFFICER. The Chair did not hear the distinguished Senator.

Mr. BYRD. Does the Senate now go to a rollcall vote on division 1?

The PRESIDING OFFICER. All time has expired. Therefore, the substitute for division 1 is considered adopted.

The question then occurs on division 1 as amended by that substitute. On this question the yeas and nays were ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from New Mexico [Mr. BINGAMAN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Florida [Mr. CHILES], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Montana [Mr. MELCHER], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

I further announce that the Senator from Connecticut [Mr. DODD], the Senator from Alabama [Mr. FOWLER], the Senator from Maryland [Ms. MIKULSKI], and the Senator from North Carolina [Mr. SANFORD] are absent on official business.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New Mexico [Mr. DOMINICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Utah [Mr. GARN], the Senator from Nevada [Mr. HECHT], the Senator from North Carolina [Mr. HELMS], the Senator from Nebraska [Mr. KARNES], the Senator from Arizona [Mr. MCCAIN], the Senator from Idaho [Mr. MCCLURE], the Senator from Vermont [Mr. STAFFORD], the Senator from Alaska [Mr. STEVENS], and the Senator from Connecticut [Mr. WEICKER] are necessarily absent.

I also announce that the Senator from Indiana [Mr. LUGAR] is absent on official business.

I further announce that, if present and voting, the Senator from Missouri [Mr. BOND] would vote "yea."

The PRESIDING OFFICER (Mr. CONRAD). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 59, nays 11, as follows:

[Rollcall Vote No. 168 Leg.]

YEAS—59

Armstrong
Baucus
Bentsen
Boren
Breaux
Burdick
Cochran
Cohen
Conrad
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dole
Evans
Exon
Ford
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Heinz
Hollings
Humphrey
Kassebaum
Kasten
Kerry
Lautenberg
Leahy
McConnell
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Roth
Rudman
Sasser
Shelby
Simpson
Specter
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Wilson

NAYS—11

Adams
Bumpers
Byrd
Cranston
Glenn
Kennedy
Levin
Matsunaga
Metzenbaum
Riegle
Sarbanes

NOT VOTING—30

Biden
Bingaman
Bond
Boschwitz
Bradley
Chafee
Chiles
Dodd
Domenici
Durenberger
Fowler
Garn
Gore
Hecht
Helms
Inouye
Johnston
Karnes
Lugar
McCain
McClure
Melcher
Mikulski
Rockefeller
Sanford
Simon
Stafford
Stevens
Weicker
Wirth

So the division 1 of Amendment No. 350, as amended, was agreed to.

Mr. GRAMM. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

AMENDMENT NO. 354

Mr. BYRD. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from West Virginia [Mr. BYRD] proposes an amendment numbered 354.

On page 2, line 8, strike out all after "SEC." and insert in lieu thereof the following: "03. Notwithstanding any other provision of this act, no action shall be taken on an amendment to the Constitution to require a balanced budget until the President submits a balanced budget, and until the Senate has adopted S. 2 as amended, if amended.

MORNING BUSINESS

(During the day morning business was transacted and statements were submitted, as follows:)

ADDITIONAL COSPONSORS

S. 931

At the request of Mr. BUMPERS, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of S. 931, a bill to amend the Internal Revenue Code of 1986 to provide preferential treatment for capital gains on small business stock held for more than 4 years, and for other purposes.

S. 1106

At the request of Mr. HATFIELD, the name of the Senator from Connecticut [Mr. WEICKER] was added as a cosponsor of S. 1106, a bill to provide for simultaneous, mutual, and verifiable moratorium on underground nuclear explosions above a low-yield threshold.

S. 1343

At the request of Mr. HATFIELD, the name of the Senator from Vermont [Mr. LEAHY] was added a cosponsor of S. 1343, a bill to require that the use of U.S. Armed Forces to escort, protect, or defend certain reregistered vessels in the Persian Gulf comply with the war power resolution.

SENATE RESOLUTION 241

At the request of Mr. DECONCINI, the names of the Senator from Iowa [Mr. GRASSLEY] and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of Senate Resolution 241, a resolution expressing the sense of the Senate concerning support for the evolution to full democracy in the Republic of Korea.

AMENDMENTS SUBMITTED

OMNIBUS TRADE ACT

PELL (AND OTHERS) AMENDMENT NO. 344

(Ordered to lie on the table.)

Mr. PELL (for himself, Mr. INOUYE, and Mr. SIMON) submitted an amendment intended to be proposed by them to the bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen U.S. trade laws, and for other purposes; as follows:

Since over a decade ago Congress passed the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.);

Since it is the policy of the United States Government to coordinate and plan the increasing use of the metric system;

Since significant achievements have been made in industry toward the use of the metric system, and Federal agencies have removed barriers which support and accommodate metrication to trade, travel, and communications;

Since the principal benefit of accelerating the metric changeover is an improvement in the ability of the Nation to export and compete more favorably in growing world markets;

Since United States trade deficits could be substantially reduced by the introduction of metric available products to our trading partners;

Since corporate policies toward manufacturing and international trade in the use of metrics can expand productivity and increase small business opportunity;

Since the metric changeover should continue to take place in the United States when it is in the best interests of the consumer and the producer; and

Since the Federal government, by law or regulation should not discourage nor prohibit the voluntary process of metric transition: Now, therefore, be it

Declared by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress finds that—

(1) the increasing use of the metric system has benefited the Nation over the last decade; and

(2) conversion to the metric system shall assist in reducing the trade deficit by making United States products more marketable in international trade, there by preserving jobs, and bringing growth opportunities to the United States economy.

(b) The Federal government shall reaffirm the national policy set forth in the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.) and initiate specific programs to speed conversion to the metric system of measurement as a means of reducing the United States trade deficit, including new initiatives in the field of metric education.

McCONNELL AMENDMENT NO. 346

(Ordered to lie on the table.)

Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 1420, supra; as follows:

At the end of the bill, add the following:

SEC. . Section 154 of title 23, United States Code, is amended by adding at the end thereof the following new subsection:

"(i) The provisions of this section shall not apply with respect to any highway having a maximum speed limit of 65 miles per hour which is located outside an urbanized area with a population of at least 50,000 and which is—

"(1) constructed to interstate standards in accordance with section 109(b), or

"(2) a divided, four-lane, fully controlled access highway constructed to design and construction standards which are determined by the Secretary of Transportation to provide a facility adequate for a speed limit of 65 miles per hour.".

REID AMENDMENT NO. 345

Mr. REID proposed an amendment to the bill S. 1420, supra; as follows:

At the end of subtitle F of title XXXVIII, insert the following:

Subtitle G—National Critical Materials Council

SEC. 3881. THE NATIONAL FEDERAL PROGRAM PLAN FOR ADVANCED MATERIALS RESEARCH AND DEVELOPMENT.

The National Critical Materials Council shall prepare the national Federal program plan for advanced materials research and development under section 205(a)(1)(A) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1251) and shall submit such plan to Congress not later than 180 days after the date of the enactment of this Act.

SEC. 3882. PERSONNEL MATTERS.

(a) REQUIREMENT TO INCREASE STAFF.—Not later than 30 days after the date of the enactment of this Act, the Executive Director of the National Critical Materials Council shall increase the number of employees of the Council by the equivalent of 5 full-time employees over the number of employees of the Council on the date of the enactment of this Act.

(b) QUALIFICATIONS OF STAFF.—Not less than the equivalent of 4 full-time employees appointed pursuant to subsection (a) shall be permanent professional employees who have expertise in technical fields that are relevant to the responsibilities of the National Critical Materials Council, such as materials science and engineering, environmental matters, minerals and natural resources, ceramic or composite engineering, metallurgy, and geology.

SEC. 3883. AUTHORITY TO ACCEPT SERVICES AND PERSONNEL FROM OTHER FEDERAL AGENCIES.

Section 210(4) of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "reimbursable" and inserting in lieu thereof "nonreimbursable".

SEC. 3884. AUTHORIZATION OF APPROPRIATIONS.

Section 211 of the National Critical Materials Act of 1984 (Public Law 98-373; 98 Stat. 1254) is amended by striking out "1990" and inserting in lieu thereof "1992".

BINGAMAN (AND DOMENICI) AMENDMENT NO. 347

(Ordered to lie on the table.)

Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by them to the bill S. 1420, supra; as follows:

At the end of Title XII, add the following new section:

SEC. . (1) The Secretary of Commerce is authorized to provide grants to eligible entities for the development of foreign markets for authentic American Indian arts and crafts. Eligible entities under this section include Indian tribes, tribal organizations, tribal enterprises, craft guilds, marketing cooperatives and individual Indian-owned businesses.

(2) Eligible activities under a grant awarded pursuant to this section include, but are not limited to, conduct of market surveys, development of promotional materials, financing of trade missions, participation in international trade fairs, direct marketing and other market development activities, or a combination of such activities.

(3) Grants under this section shall be administered by the Secretary of Commerce under guidelines to be developed by the Secretary. Priority shall be given to projects which support the establishment of long term, stable international markets for American Indian arts and crafts and which are designed to provide the greatest economic benefit to American Indian artisans.

(4) The Secretary shall provide technical assistance and support services to eligible applicants and entities receiving grants under this section to assist them in identifying and entering appropriate foreign markets, complying with foreign and domestic legal and banking requirements regarding the export and import of arts and crafts utilizing import/export financial arrangements, and shall provide such other assistance as may be necessary to support the de-

velopment of export markets for American Indian arts and crafts.

(5) No grant shall be awarded pursuant to this section in support of any activity which includes the sale or marketing of any craft items other than authentic arts and crafts hand made or hand crafted by American Indian artisans and made of the materials indicated in respect to the particular item.

BINGAMAN AMENDMENT NO. 348

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill S. 1420, supra; as follows:

At the end of Title XXII, add the following new section:

SEC. . (1) The Secretary of Labor shall, within 6 months after the date of enactment of this title, commence a study of the feasibility of providing portability for pensions and health benefits for dislocated workers. Such study shall also evaluate the benefits of providing early retirement benefits without penalty for older dislocated workers. A report on the study conducted under this subsection shall be submitted to the Congress not later than 18 months after such date of enactment.

(2) There are authorized to be appropriated such sums as may be necessary to carry out paragraph (1).

EXON (AND OTHERS) AMENDMENT NO. 349

Mr. EXON (for himself, Mr. Melcher, Mr. Wallop, Mr. Grassley, Mr. Burdick, Mr. Harkin, Mr. Reid, Mr. Inouye, Mr. Dole, Mr. Daschle, Mr. Simpson, Mr. Conrad, and Mr. Graham) proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place in the bill add the following:

SECTION 1. That this Title may be cited as the "Imported Food Labeling Act of 1987".

SEC. 2. The Commissioner of the Food and Drug Administration shall within six months of the date of enactment issue regulations which will provide to the extent practicable for the labeling of food products which are imported or contain a significant amount of imported ingredients. The label shall to the extent practicable reflect the country of origin of the imported product or the imported ingredients.

SEC. 3. The Secretary of Agriculture shall within six months of the date of enactment issue regulations which provide for the labeling of meat, meat products, poultry and poultry products which are imported or contain a significant amount of imported ingredients. The label shall to the extent practicable reflect the country of origin of the imported product or the imported ingredients.

SEC. 4. Nothing in this section shall affect existing laws or regulations which apply to restaurants.

GRAMM (AND OTHERS) AMENDMENT NO. 350

Mr. GRAMM (for himself, Mr. Hatch, Mr. Wilson, Mr. Kasten, Mr. Symms, Mr. Grassley, Mr. Domenici, Mr. McClure, Mr. Bond, and Mr. Nickles) proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place in the bill insert the following new title:

TITLE —REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"SEC. 01. SHORT TITLE.

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

SEC. 02. FINDINGS.

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Reduction of the Federal budget deficit is the single most important action that the Congress can take to reduce the United States trade deficit.

"SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.

"No later than October 15, 1987, the Senate and the House of Representatives shall each vote to approve or reject a joint resolution to amend the Constitution of the United States to require a balanced Federal budget.".

BAUCUS AMENDMENT NO. 351

Mr. BAUCUS proposed an amendment to division I of amendment No. 350 proposed by Mr. Gramm to the bill S. 1420, supra; as follows:

On page 1 of the pending amendment, strike all words after "of" on line 7 and insert the following: "1987

SEC. 02. FINDINGS.

The Congress makes the following findings:

(1) Large federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the inflow of foreign capital, stimulating demand for imports.

(3) These consequences of the federal budget deficits have been the most important factors creating the present serious trade deficit.

(4) Reduction of the federal budget deficit is the most important action that the Congress can take to reduce the United States trade deficit.

(5) Unfair trade practices engaged in by foreign countries are also a serious cause of the U.S. trade deficit and may thwart the full benefits the U.S. would receive from reducing the U.S. budget deficit.

(6) The U.S. must also improve its competitiveness if it is to reduce its trade deficit.

GRAMM AMENDMENT NO. 352

Mr. GRAMM (for himself, Mr. Hatch, and Mr. Wilson) proposed an amendment to division I of amendment No. 350 proposed by him to the bill S. 1420, supra; as follows:

At the appropriate place in the bill insert the following new title:

"TITLE —REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"SEC. 01. SHORT TITLE.

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

"SEC. 02. FINDINGS.

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"Reduction of the Federal budget deficit is an important action that the Congress can take to reduce the United States trade deficit.

"SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.

"No later than Oct. 15, 1987, the Senate and the House of Representatives shall each vote to approve or reject a joint resolution to amend the Constitution of the United States to require a balanced Federal budget. No later than October 1, 1987, the President shall submit to the Congress a balanced Federal budget.".

(4) Unfair trade practices engaged in by foreign countries are also a serious cause of the U.S. trade deficit and may thwart the full benefits the U.S. would receive from reducing the U.S. budget deficit.

(5) The U.S. must also improve its competitiveness if it is to reduce its trade deficit.

GRAMM (AND OTHERS) AMENDMENT NO. 353

Mr. GRAMM (for himself, Mr. Hatch, and Mr. Wilson) proposed an amendment to division I of amendment No. 350 proposed by him to the bill S. 1420, supra; as follows:

"TITLE —REDUCING THE TRADE DEFICIT BY ELIMINATING THE FEDERAL BUDGET DEFICIT

"SEC. 01. SHORT TITLE.

"This title may be cited as the "Trade Deficit and Budget Deficit Reduction Act of 1987".

"SEC. 02. FINDINGS.

"The Congress makes the following findings:

"(1) Large Federal budget deficits lead to higher interest rates in the United States, increasing the value of the dollar and encouraging the inflow of foreign capital to fund the deficit.

"(2) The increased value of the dollar reduces the demand abroad for American goods and services while, together with the influx of foreign capital, stimulating demand for imports.

"(3) These consequences of the Federal budget deficit have been the most important factors creating the present serious trade deficit.

"(4) Reduction of the Federal budget deficit is the single most important action that the Congress can take to reduce the United States trade deficit.

"SEC. 03. REQUIRED VOTE ON BALANCED BUDGET AMENDMENT.

"No later than October 1, 1987, Congress should complete action on an amendment to the Constitution of the United States to require a balanced Federal budget.".

BYRD AMENDMENT NO. 354

Mr. BYRD proposed an amendment to division II of amendment No. 350, as amended, proposed by Mr. GRAMM (and others) to the bill S. 1420, supra; as follows:

On page 2, line 8, strike out all after "SEC." and insert in lieu thereof the following:

"03. Notwithstanding any other provision of this act, no action shall be taken on an amendment to the Constitution to require a balanced budget until the President submits a balanced budget, and until the Senate has adopted S. 2 as amended, if amended.

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INTELLIGENCE

Mr. BYRD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Saturday, June 27, 1987 at 10 a.m. to hold a business meeting.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

ADMINISTRATION'S ENVIRONMENTAL POLICIES SAME SONG, SECOND VERSE

● Mr. HARKIN. Mr. President, this Congress can be justifiably proud of the bipartisan way in which it has carried out one of its most sacred trusts—the preservation and protection of America's environment. One of the first actions of this session was the passage of a landmark clean water bill by an overwhelming bipartisan majority. Our efforts, however, have not been joined by the Reagan administration. Indeed, as my distinguished colleagues are aware, the present administration has consistently opposed the enactment of long-term measures to protect the environment whenever they interfere with the short-term profits of the private sector.

Many of us in this body hoped that with the departure of James Watt as Interior Secretary we would see a return to a sane and prudent environmental policy on the part of this administration. But after more than 2 years under Secretary Hodel's leadership, the Interior Department has shown itself to be no more responsible in its management of our natural resources than it was under his predecessor. While Secretary Hodel's rhetoric may be less offensive to some, his policies have been indistinguishable from those of Secretary Watt.

Mr. President, a recent article in the New Republic exposes Secretary Hodel's dismal record in the area of environmental protection. The article details his accommodation of oil and gas leases at the expense of environmental concerns, his gutting of the budget of the Office of Surface Mining, his insensitivity to the problem of acid rain which is destroying our forests and wildlife and his support for unnecessary new nuclear power plants in the Northwest. Our current Secretary of the Interior showed the extent of his appreciation of environmental issues recently when he suggested that the proper response to the depletion of the ozone layer was to promote the wearing of hats and sunglasses.

Mr. President, as we go forward in a bipartisan spirit to confront the pressing issues which threaten our environmental heritage, we should be vigilant that the laws enacted by the Congress are not thwarted or ignored by those constitutionally responsible for enforcing them. To that end, I ask that this article, "Worse Than Watt" be printed in the RECORD.

The article is as follows:

[From the New Republic, July 6, 1987]

WORSE THAN WATT

Secretary of the Interior Donald P. Hodel, once the most unobtrusive of Cabinet officers, shed his obscurity forever last month. He committed an environmental howler that reminded the country of his crackpot predecessor, James Watt. Calling for the Reagan administration to reconsider its proposal of international controls on fluorocarbons that threaten the earth's ozone layer, Hodel argued that the government could simply mount a public awareness campaign advocating "personal protection," such as increased use of hats, sunglasses, and sunscreen lotions. President Reagan's own Environmental Protection Agency ridiculed the suggestion, and it set off a wave of editorial and cartoon attacks against Hodel, heretofore the recipient of scanty but mostly laudatory press attention.

Hodel does not make that kind of mistake very often. He took the job in 1985 preaching conciliation and pledging to work with environmental groups. He does not share Watt's abrasive political style, and gets along relatively well with reporters and with members of Congress. He is a valued Republican fund-raiser, in demand on the lecture circuit, and even touted (at least by his staff) as a possible vice presidential nominee or chairman of the Republican Party.

By all accounts Hodel is an incomparably smoother politician than Watt. Yet he served as undersecretary at Interior from 1981 to '83, and Watt's policies have been Hodel's all along. Hodel just pursues them more with more tact. Usually.

Largely unnoticed by anyone other than environmental groups and interested localities, Hodel has implemented a sweeping program of opening public lands for private use and directing government money away from protection of the environment and toward the benefit of large energy and agribusiness concerns. Hodel's agenda includes the following:

Ozone.—Although nobody regards "personal protection" as a serious option, Hodel's complaints have forced the reconsideration of the one bright spot in Reagan's environmental record: the State Department's and the EPA's determination that the United States lead the way toward the virtual elimination of chlorofluorocarbon (CFC) emissions in ten to 15 years. With international ozone negotiations already under way, the CFC industry went looking for an advocate. They found Hodel more than willing. He managed to get his own people included in the negotiating team, and has created a controversy in the administration over a previously settled policy.

Offshore drilling.—Hodel had reached an agreement with the California congressional delegation that would have restricted offshore drilling to a small part of the California coast. When the oil industry protested, Hodel reneged on the deal.

Alaska wilderness.—Raising the specter of gas lines, Hodel has recommended that 1.5 million acres of the Arctic National Wildlife Refuge be opened for oil exploration and drilling. Environmentalists protest that the refuge is home to several key endangered species. Drilling here might be worth it if the area is really "another Prudhoe Bay," as Assistant Secretary William P. Horn says. However, the Interior Department's own study of the refuge's oil prospects estimates the chance of finding *any* affordably exploitable oil deposits at only one in five.

Strip Mine Reclamation.—During the first years of the Reagan administration, when Hodel was acting, as he says, as "chief operating officer" of Interior, the budget of the Office of Surface Mining, the agency charged with enforcing regulations on strip mines, was cut by more than a third. Nearly half of OSM's employees retired, resigned, or were fired. Today $150 million in fines remain uncollected. In Kentucky, one of the nation's largest coal-producing states, where the violations are rampant, environmentalists charge that there is virtually no regulation at all.

Water Subsidies.—Hodel and the department are backing away from new rules that would reduce the huge government subsidies for irrigation water in the West. Thanks to this welfare handout for rich farmers, water worth more than $100 per acre/foot sells for less than ten dollars per acre/foot. Insane both on grounds of equity and on grounds of efficient use of natural resources, these subsidies also aggravate the surplus of farm products by encouraging planting on lands that would be too expensive to farm without cheap water.

National Parks.—According to a 1986 General Accounting Office report, the Bureau of Land Management has allowed mining on federal lands designated for parks and wilderness areas, and does not enforce federal laws that require miners of federal land to restore it to its previous condition. Hodel has also permitted drilling and strip mining on land directly adjacent to parks, often with adverse effects on the parks themselves. And he has politicized the Park Service, firing or hamstringing conservationists there, and supporting increased commercial use of the parks and tourist gimackery such as airplane flights through the Grand Canyon.

Acid Rain.—In February, a time when U.S.-Canadian relations were strained over environmental and trade issues, Hodel held a press conference at which he characterized the Canadian desire for tighter U.S. controls on acid rain as a plot to make the United States more dependent on Canadian energy. He called Canadian pressure on the acid rain issue "their efforts to make it more costly and difficult to generate electricity in the United States."

Oil Leases.—With oil companies "strapped for cash," Hodel wants to rearrange the oil leasing system so that companies would pay little money up front, in effect discounting the leases. This is only part of an aggressive oil and oil shale leasing program, in which thousands of drilling tracts will be transferred to oil companies, with little effort to see that oil actually be produced on them. Such "area-wide" leasing lowers the amount companies pay far below the actual value of the land; according to the GAO, the new leasing practices saved oil companies about $7 billion for the first ten sales alone. This is, in effect, a wholesale "privatization" program, geared toward getting environmentally sensitive public lands into private hands.

As Watt's deputy, Hodel oversaw the "streamlining" of the federal coal leasing program. In 1982 the Interior Department held the largest sale of public coal ever, in which they sold coal leases in the Powder River area of Wyoming to energy companies at a small fraction of their market value. The incident prompted Congress to shut down the coal leasing program in 1983, and to appoint a commission to investigate it. This was the commission that Watt labeled "a black, a woman, two Jews, and a cripple," a remark that ultimately forced him to resign.

In the late '60s and early '70s, Hodel served as deputy administrator and then administrator of the Bonneville Power Administration, a federal agency that distributes hydroelectric power from the New Deal dams of the Northwest. At BPA he became the chief architect and promoter of the plan for the Washington Public Power Supply System (WPPSS, or Whoops) to build five nuclear power plants, which turned into one of the most spectacular financial fiascos in history. Hodel coerced municipal utilities into signing up for WPPSS (and borrowing money for the plan) by threatening to end BPA's commitment to meet the power demands of their customers. Hodel's BPA publicized wildly overwrought estimates of the region's power needs. Without Whoops, he declared in 1974, "Homes will be cold and dark or factories will close." In fact, the region was running a power surplus by 1983, with only one WPPSS plant on-line.

Hodel now acknowledges that he may have made some mistakes with BPA and Whoops. Yet a similar pattern of incestuous relationships with industry has developed in his management of national resource policies. Last fall a House Appropriations subcommittee reported that the Interior Department is failing to collect as much as a billion dollars a year in royalties from oil and gas companies that produce on federal lands. Even worse are the administration policies that lease mineral-rich lands to energy firms at cut rates, or allow them to lease lands without producing on them.

Hodel still favors the outlandish prophesies of energy doom that served the Northwest so ill when he was at BPA. Attempting to justify the administration proposals for protectionist measures and tax breaks to help shore up American oil companies, as well as his own plans to drill for prohibitively expensive oil in the Alaska wilderness, Hodel predicted that "people will be sitting in gas lines within two to five years." Though Hodel warns of renewed dependence on OPEC, during his time at or near the helm of U.S. energy policy, he has made virtually no effort to conserve or find alternative sources of energy.

The Reagan administration is full of officials who undermine the programs they are appointed to enforce, and of officials who establish closer-than-comfortable relationships with industries they are supposed to police. But the failure of the administration's environmental policy is not just a matter of bad appointees: it is a failure of philosophy. Hodel's idiotic "personal protection" plan was an unwitting comment on Reaganite extremism. Depletion of the ozone layer is one problem that cannot be addressed usefully through private initiative. It is a social problem requiring a societal—that is, a government—solution. If polls are any indication, the environment is one issue on which people who disagree about almost everything else favor an active government approach. Most people understand. Only the Reagan administration doesn't get it.●

MFN FOR ROMANIA

● **Mr. D'AMATO.** Mr. President, I rise to reluctantly support the amendment offered yesterday by my good friends, the senior Senator from Colorado and the junior Senator from Connecticut. Their successful amendment to the trade bill suspends most-favored-nation trading status for Romania.

As a member and former Chairman of the Helsinki Commission, extending MFN for Romania has been a difficult issue for me. I wholeheartedly favor using trade as a tool to promote human rights. Indeed, we have precious few tools to use.

However, in the case of Romania, I feel we have to be careful how we use this tool. I deplore Romania's human rights record; it is far from acceptable. Whereas I do believe that MFN, and the threat to terminate MFN, has brought the Ceausescu government closer to an acceptable human rights policy, it is clear that they have not come far enough. For Romania, MFN has not been an effective carrot; it is time to use it as a stick.

Romania's human rights policy is laudable in other areas, however. Their policy on emigration is one of the best in Eastern Europe. I have appreciated the responsiveness, in particular, to my office on these matters. I look forward to continue this good relationship.

Mr. President, Romania's sense of timing is uncanny. On Thursday, we found out that three Hungarian prisoners, Bela Pall, Laszlo Buzas, and Erno Borbely, who had been in confinement since 1983, were released. On June 6, prisoner-of-conscience Ioan Constanin Ruta was released from prison and reunited with his wife in Minnesota.

To say, however, that Romania's human rights record with the Hungarian minority and with the Christian groups needs much improvement is an understatement. Mr. President, Congress, the administration, and the American people are losing patience. For 12 years we have continued Romania's MFN status.

This Senator, Mr. President, has lost patience.

Although I support this amendment, I believe we should also explore the possibility of only extending for only 6 months MFN for Romania. By reducing the length of time we extend MFN, instead of eliminating MFN, we still can use the stick without losing the carrot.

But allowing the Romanian Government to continue to receive preferential treatment in light of their abhorrent human rights record would be sending the wrong signal. I sincerely hope that Ceausescu's government will take this opportunity to reverse their bad policies on human rights while adding to their fine record on emigration cases. Instead of increasing emigration levels and addressing certain human rights cases as the time for congressional action approaches, I hope this vote will encourage the Romanian Government to develop a more improved and consistent human rights policy.

Mr. President, I will continue to vote to suspend MFN unless there are substantial changes, amounting to real, fundamental improvements in Romania's human rights performance.●

JOHN I. TAYLOR OF THE BOSTON GLOBE

Mr. KENNEDY. Mr. President, earlier this month the Nation lost one of its greatest journalists in the death of John I. Taylor of the Boston Globe.

As a reporter in 1933, John Taylor began an extraordinary career with the Globe that spanned five decades. He devoted his life to bringing the truth to the citizens of Massachusetts and the Nation, and built the Boston Globe into one of the country's most respected newspapers.

But John Taylor was far more than a journalist. Not content to be simply an observer, he became an active participant in some of the most important events his paper covered, such as the desegregation of Boston's schools. His many untiring efforts on behalf of the Boston community endeared him to many of its residents, and Massachusetts is a better place for his loyal service.

Above all, John Taylor remained a newspaperman, and his unswerving commitment to decency, integrity, and truth stands as his greatest monument. In his vigorous support of the first amendment, and his abiding love for Massachusetts, John Taylor was a man who truly made a difference.

I ask unanimous consent that the following articles from the Boston Globe and the Boston Herald, which describe the outstanding contributions of John I. Taylor, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Boston Globe, June 9, 1987]

JOHN I. TAYLOR DEAD AT 75; FORMER PRESIDENT OF GLOBE

(By Edgar J. Driscoll, Jr.)

John I. Taylor, a former president of The Boston Globe who helped transform the newspaper into a major force in American journalism, died yesterday in his home after a long illness.

Mr. Taylor, 75, of Natick, worked at the Globe for half a century, serving the Taylor family-operated newspaper with distinction in a variety of capacities.

In all his roles at the Globe—reporter, head of the promotion department, director, tresurer and president—Mr. Taylor never forgot the newsroom, where he got his start as a reporter in 1933. Indeed, in serving as a corridor diplomat, he was a key liaison between the newsroom and management during his five decades at the newspaper.

In his Harvard 25th anniversary report, Mr. Taylor noted: "I find the privilege of helping to put out a good newspaper one of endless fascination. In an age when the truth is too often cut in half or twisted for propaganda purposes, the constant search for the full news and the publication of that news fairly and objectively is a most rewarding experience."

A quarter century later, in his 50th anniversary report, he wrote: "I have greatly enjoyed 50 years in the newspaper business and consider it a very worthwhile and important place to make a career. I am a First Amendment/free press nut."

"John I. Taylor was one of the best friends and mentors that any young newspaperman could ever hope to have," William O. Taylor, publisher of The Globe and greatgrandson of its founder, said.

"He was for me a confidant, a counselor, a generator of ideas and, above all, a wonderful listener.

"He also happened to be a relative with an endless supply of stories about our family history and the growth of this newspaper. I will miss his cheerful good humor, his steadying influence and his wise counsel. The Globe will miss his unique insight into complex issues and the problems of our society. The community will miss his generosity and thoughtfulness.

"Everyone who knew John I. will miss a truly wonderful human being."

Born John Ingalls Taylor on July 26, 1911, in Dedham, he was the son of John Irving Taylor, owner and president of the Boston Red Sox (1904–11), and Cornelia (Van Ness) Taylor, and the grandson of Charles H. Taylor, who took over the management of the Globe in 1873. He was a graduate of Pomfret School, Pomfret, Conn., and Harvard, Class of 1933. With the exception of three years service in the Navy during World War II, he worked continuously for the Globe from graduation from Harvard until, having served as president of the paper (1963–1975) and then as president of its parent corporation, Affiliated Publications Inc. He retired in 1980.

A tall and friendly man with a wide grin and informal manner, he started out as a reporter on the city news staff and covered a wide variety of stories, including court cases at the federal building and political stories at the State House. He also did rewrite work and worked for a year on the copy deck, editing and writing headlines. In addition, he covered national political conventions and at least one presidential campaign.

In 1941, when the Boston Evening Transcript folded, Mr. Taylor, knowing that the Transcript had an excellent book deparment, convinced the Globe to let him start a weekly book page. It was an immediate success.

After serving with the Navy in World War II, he returned to the Globe and assumed new duties in the promotion department. The department's aim was to attract young readers. He wrote promotional copy and originated slogans for billboards. Programs were devised for high school student participation, including a high school editors' conference twice a year, at which national figures, such as Eleanor Roosevelt, Estes Kefauver and Robert Taft, spoke to as many as 400 high school editors.

The same idea led to a series of high school drama presentations and to the Globe's organizing and funding an annual statewide science fair and an art competition and exhibit. Baseball, football, basketball and hockey clinics followed in which stars of the Red Sox, Celtics and Bruins met and counseled high schoolers. Events were promoted with no commercialism.

Mr. Taylor left the promotion department in 1954 and moved into the office of his cousin, Wm. Davis Taylor, to share in the paper's management. On the death of the paper's publisher, William O. Taylor, the following year, Davis Taylor succeeded his father and John I. became treasurer. The two men shared an office until their retirements. In 1963, when Davis Taylor became chairman of the board, John I. became president. Throughout their careers the cousins were known with affection in Boston and around the country as "the Taylor boys."

"He and I agreed on many things and never agreed on other things, mainly politics," Davis Taylor said yesterday. "He was much more liberal than I am. But we never had a fight. I'm going to miss him like hell."

Working in tandem, the two Taylors laid the groundwork for the greatest, most complex and most innovative undertaking in the Globe's long history. It was the planning, financing and construction of the new multimillion-dollar Globe building on Morrissey Boulevard in Dorchester. In May 1958, the paper was moved from congested Newspaper Row on Washington Street, downtown, to its present site without missing a single edition. The plant has since been expanded many times and a satellite printing facility was opened in Billercia in 1983.

Mr. Taylor did a great deal of work for the Reporters Committee for the Freedom of the Press. For his efforts on the committee's behalf, the Nieman Foundation at Harvard made him an honorary Nieman Fellow in 1982, citing his "outstanding generosity to the cause of press freedom."

Thomas Winship, the Globe's editor from 1965 to 1985, was ever appreciative of Mr. Taylor's interest in what reporters and editors were up to in the newsroom.

"John I., chewing his pipe, walked the newsroom constantly, engaging in first-name conversations with reporters, photographers, editors and secretaries. He loved the news side of the paper and was our best ambassador of good will throughout the building and the city," said Winship yesterday on hearing of Mr. Taylor's death.

His social conscience and commitment to his community made John I. Taylor an outstanding leader in the field of civil rights. He was proud of what he did for the black community, and the feeling was mutual.

In 1975, at the height of the controversy over the court-ordered busing to desegregate Boston's public schools, more than 1,000 members of an antibusing group held a rally outside his Natick home, accusing him of using his position as a director of United Way to assist desegregation. He replied that he was proud to be a member of the board and let it go at that.

In a statement, Otto and Muriel Snowden, co-founders of Freedom House Inc., Roxbury, said yesterday: "In a memorial tribute to a dear friend, a famous poet said: 'Many trees have fallen from my landscape, but this one had radiance.' There's no better way to describe John I. Taylor, our mentor, our benefactor and our dear personal friend.

"Warm, compassionate, totally committed to social justice and equality, he has been a man upon whom we in the black community could always depend for sympathetic understanding and active support. His quiet strength gave substance to the Boston Community Media Council in its efforts to bridge the communications gap between the press and minority interests. He involved himself and The Boston Globe in the struggle to desegregate the Boston schools and there is scarcely a Boston black community organization that has not benefited from his counsel and generosity.

"John I. Taylor, in his own gentle way, has been a giant force for good in Boston. He represents the very best that this city has ever produced in terms of decency, integrity and humanitarianism—truly a rare human being who will be sorely missed."

Said Elma Lewis, head of the Elma Lewis School of Fine Arts, Roxbury: "I am deeply grieved by the loss of my firm friend, John I. Taylor. For the past 20 years he has been an unfagging board member and supporter of the Elma Lewis School of Fine Arts. In fact, he was interested in the entire work of the National Center of Afro-American artists. As late as one month ago, he was planning a visit to the center.

"There is so much joy to remember about John I. I hope our Lord will hold him in the palm of His hand."

Mr. Taylor had served on the board of directors of the American Newspaper Association's Bureau of Advertising and as a vice president of the Greater Boston Chamber of Commerce. He also had served as a director of United Community Services, now United Way of Massachusetts Bay; the Gesell Institute of Child Behavior and the Better Boston Business Bureau; chairman of the endowment campaign of the American Newspaper Publishers Association Foundation; as president of the board of trustees of the Charles River School; and as a trustee of Milton Academy.

He summered in Francestown, N.H., and was a member of the Somerset Club and the Tavern Club.

He leaves his wife, Margaret (Blake); four sons, John I., Jr., of Boulder, Colo., Timothy B., of New Haven; David V.N., of Philadelphia, and Benjamin B. Taylor of Newton, assistant executive editor of the Globe; and eight grandchildren.

A memorial service will be held Thursday, June 11, at 2 p.m. in Emmanuel Church, Back Bay.

[From the Boston Herald, June 9, 1987]

JOHN I. TAYLOR, AT 75, OF NATICK, EX-PRESIDENT OF THE BOSTON GLOBE

John I. Taylor, a former president of the Boston Globe who began his journalism career as a reporter and gained a reputation as a champion of human rights, died yesterday following a lengthy illness. He was 75.

Mr. Taylor, who died at his Natick home, started with the Globe in 1933 and also worked for the Taylor family-operated newspaper as head of the promotion department, director and treasurer.

In his Harvard University 25th anniversary report, Mr. Taylor noted:

"I find the privilege of helping to put out a good newspaper one of endless fascination. In an age when the truth is too often cut in half or twisted for propaganda purposes, the constant search for the full news and the publication of that news fairly and objectively is a most rewarding experience."

A quarter-century later, in his 50th anniversary report, he wrote:

"I have greatly enjoyed 50 years in the newspaper business and consider it a very worthwhile and important place to make a career. I am a First Amendment/free press nut."

William O. Taylor, publisher of the Globe and great-grandson of its founder, said his cousin was a confidant, counselor and generator of ideas.

"He also happened to be a relative with an endless supply of stories about our family history and the growth of this newspaper. I will miss his cheerful good humor, his steadying influence and his wise counsel," William Taylor said.

Born John Ingalls Taylor on July 26, 1911, in Dedham, he was the son of John Irving Taylor, owner and president of the Boston Red Sox from 1904-11, and Cornelia (Van Ness) Taylor, and the grandson of Charles H. Taylor, who took over the management of the Globe in 1873.

In 1975, at the height of the controversy over the court-ordered desegregation of Boston's public schools, more than 1,000 members of an anti-busing group held a rally outside Mr. Taylor's Natick home, accusing him of using his position as a director of United Way to assist desegregation. He replied that he was proud to be a member of the board and let it go at that.

He was a graduate of Pomfret School in Pomfret, Conn., and Harvard College, Class of 1933. With the exception of three years service in the Navy during World War II, he worked continuously for the Globe after graduating from Harvard until, having served as president of the paper from 1963-1975 and then as president of its parent corporation, Affiliated Publications Inc., he retired in 1980.

Mr. Taylor moved into the office of his cousin, William Davis Taylor, in 1954 to share in the paper's management. On the death of the paper's publisher, the first William O. Taylor, the following year, Davis Taylor succeeded his father and John I. became treasurer.

In 1963, when Davis Taylor became chairman of the board, John I. Taylor became president. Throughout their careers the cousins were known with affection in Boston and around the country as "the Taylor boys."

"He and I agreed on many things and never agreed on other things, mainly politics," Davis Taylor said yesterday. "He was much more liberal than I am. But we never had a fight. I'm going to miss him like hell."

Mr. Taylor was made an honorary Nieman Fellow at Harvard in 1982 because of his "outstanding generosity to the cause of press freedom."

Thomas Winship, the Globe's editor from 1965 to 1985, said of Taylor: "He loved the news side of the paper and was our best ambassador of good will throughout the building and the city."

He leaves his wife, Margaret; four sons, John I., Jr., of Boulder, Colo., Timothy B., of New Haven; David V.N., of Philadelphia, and Benjamin B., of Newton, assistant executive editor of the Globe, and eight grandchildren.

A memorial service will be held Thursday in Emmanuel Church in the city's Back Bay section at 2 p.m.

SALT AND THE URGENT SUPPLEMENTAL

Mr. LEAHY. Mr. President, last night, the 3-week long conference committee on the urgent supplemental appropriation for fiscal year 1987 finally concluded.

As a Senator from a State with important farm interests, and as chairman of the Agriculture Committee, I am relieved that at last Congress will reauthorize Commodity Credit Corportation payments. I have been receiving calls almost daily from Vermont farmers suffering because of delayed CCC payments. Senators from all farm States have been hearing from home, too. It was outrageous that the conference lasted so long.

Mr. President, the Senate should be aware that the supplemental conference dragged on not because there were time consuming compromises to be worked out on funding levels. The delay was deliberate and it was because the bill contained language which would have required the United States to comply once again with key numerical limits in the SALT II treaty. Opponents of this arms control provision prolonged the conference, using the pain of farmers to build pressure on SALT supporters to agree to withdraw the SALT provision. Knowing that we supporters of restoring U.S. observance of these SALT limits are in a majority in the Senate, determined SALT opponents used these tactics to prevent a vote. They know that if we can just get the SALT issue to a vote on the floor, we will win. So they filibuster the defense authorization bill, deliberately delay the supplemental conference, and threaten to filibuster any bill where we might offer our SALT amendment. Apparently, any tactic is fair game to prevent the Senate from taking a stand on this arms control issue.

Well, Mr. President, this Senator is just as determined that the Senate will vote on whether the United States should scrap the only limits still on Soviet strategic missiles and bombers aimed at our cities and towns. Many bills are coming up besides the defense authorization bill, which the other side of the aisle is blocking with a filibuster. The Senate is not going to duck this critical arms control issue this year. Senators are going to have to stand up and be counted on whether they agree with President Reagan's decision to stop abiding by the SALT numerical controls.

THE SUPREME COURT NOMINATION

Mr. LEAHY. Mr. President, there has been a lot of discussion in this morning's press about the Supreme Court nomination about to be made by the President of the United States. I would only hold out one suggestion, based on the realities of the calendar. If this was this time next year, then there would be no question that an appointment would have to have competence far outweighing ideology. Because we have 1½ years, there may be some who would be tempted to have ideology outweigh competence.

I would suggest for the good of the Presidency, the good of the Senate, both parties, and the good of the Supreme Court, that competence be the first, second, and third criterias, far outweighing ideology or political considerations. With that, then, I think we will enhance not only the credibility of the Presidency and the Supreme Court, but certainly make it possible for this body to carry out its advise and consent responsibilities in the best of its 200-year tradition.

BICENTENNIAL MINUTE

JUNE 27, 1789: FIRST CONFERENCE COMMITTEE

Mr. DOLE. Mr. President, on a Saturday 198 years ago today, during the first session of the first Congress, Members of the Senate and House were holding their first conference committee meeting.

Conference committees had not been needed in the single-body legislature that had met under the Article of Confederation. But when the Constitution created two Houses of Congress, conferences became necessary to resolve the differences in the bills passed by each Chamber.

On May 29, 1789, the Senate received from the House a "tonnage act," imposing duties on imported goods. The Senate then proceeded to enact some 40 amendments to the House bill, changing duties on a variety of items ranging from tea and playing cards to shoes and gunpowder. On June 15, the House responded by accepting half of the Senate's amendments. The Senate debated again, this time agreeing to drop most of the disputed items, but insisting that eight of its amendments be retained. The House was willing to accept two more of the Senate's amendments, but requested a conference to settle their differences on the other six.

Thus, on June 25, three Senators, Robert Morris, Richard Henry Lee, and Oliver Ellsworth, were appointed to represent the Senate in the first congressional conference committee. On June 27, the conferees reported back to the Senate a series of compromises. The House was willing to recede from its disagreements of most of the disputed items, and the Senate agreed to a few changes. It took three additional days to settle the last of their differences and send the tonnage bill to President George Washington, who signed it on July 20, 1789. Thus ended the first of the countless conferences that have resolved legislative disputes over the past two centuries.

ORDER FOR RECESS UNTIL 9:40 A.M., TUESDAY, JUNE 30, 1987

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until the hour of 9:40 a.m. on Tuesday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS UNTIL 9:40 A.M., TUESDAY, JUNE 30, 1987

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess under the order until 9:40 a.m. on Tuesday.

Mr. GRAMM. Mr. President, will the distinguished Senator yield?

Mr. BYRD. I am glad to yield. I ask unanimous consent that I may yield without losing my right to the floor and that I may have the floor for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRAMM. Will the distinguished Senator yield so I might ask to reconsider the previous vote so it might be laid on the table?

Mr. BYRD. No; I will not yield for that purpose, I am sorry.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

There being no objection, at 3:25 p.m., the Senate recessed until Tuesday, June 30, 1987, at 9:40 a.m.

HOUSE OF REPRESENTATIVES—*Monday, June 29, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O loving God, as we are surrounded by so much that causes anxiety for the future, so too are we surrounded also by so much that is good and full of beauty and truth.

As our eyes see the dangers in a fragile world, may Your spirit fill our hearts with the bountiful gifts of a blessed hope and the assurance of Your eternal promises. We thank You, O God, for Your healing, Your grace, Your hope and peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof. Pursuant to clause 1, rule I, the Journal stands approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills and a joint resolution of the House of the following titles:

H.R. 626. An act to provide for the conveyance of certain public lands in Cherokee, De Kalb, and Etowah Counties, AL, and for other purposes;

H.R. 2166. An act to amend the Small Business Act and the Small Business Investment Act of 1958; and

H.J. Res. 181. Joint resolution commemorating the bicentennial of the Northwest Ordinance of 1787.

The message also announced that the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) entitled "An act to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children."

The message also announced that the Senate had passed bills, joint resolutions, and concurrent resolutions of the following titles, in which the concurrence of the House is requested:

S. 104. An act to recognize the organization known as the National Academies of Practice;

S. 442. An act to amend section 914 of title 17, United States Code, regarding certain protective orders;

S. 836. An act to amend the Department of Energy Organization Act to authorize protective force personnel who guard the strategic petroleum reserve or its storage and related facilities to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the strategic petroleum reserve, and for other purposes;

S. 1430. An act to impose a moratorium on prepayments under section 515 of the Housing Act of 1949;

S.J. Res. 40. Joint resolution to give special recognition to the birth and achievements of Aldo Leopold;

S.J. Res. 44. Joint resolution to designate November 1987, as "National Diabetes Month";

S.J. Res. 48. Joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Awareness Week";

S.J. Res. 51. Joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week";

S.J. Res. 72. Joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week";

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day";

S.J. Res. 103. Joint resolution to designate October 1987, as "Computer Learning Month";

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day";

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week";

S.J. Res. 121. Joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day";

S.J. Res. 122. Joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week";

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month";

S.J. Res. 138. Joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival-'87 Celebration", and to designate July 17, 1987, as "U.S. Olympic Festival-'87 Day";

S.J. Res. 142. Joint resolution to designate the day of October 1, 1987, as "National Medical Research Day";

S.J. Res. 154. Joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week";

S.J. Res. 157. Joint Resolution to designate the month of October 1987, as "Lupus Awareness Month";

S.J. Res. 160. Joint Resolution to designate July 25, 1987, as "Clean Water Day";

S.J. Res. 163. Joint Resolution to designate the month of November 1987, as "National Family Bread Baking Month";

S.J. Res. 165. Expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27, 1987, as "National Sokol Day in the United States";

S. Con. Res. 38. Concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO; and

S. Con. Res. 64. Concurrent Resolution to authorize the printing of "Guide to Records of the United States Senate at the National Archives, 1789-1989: Bicentennial Edition."

The message also announced that pursuant to section 1295, title 46, of the United States Code, the Chair on behalf of the Vice President, appoints Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation; Mr. STEVENS, from the Committee on Commerce, Science, and Transportation; and Mr. MOYNIHAN, at large; to the Board of Visitors of the U.S. Merchant Marine Academy.

The message also announced that pursuant to sections 276h-276k, title 22, of the United States Code, the Chair on behalf of the Vice President, appoints Mr. SANFORD, Ms. MIKULSKI, and Mr. FOWLER, as members of the Senate delegation to the Mexico-United States Interparliamentary Group during the 1st session of the 100th Congress, to be held in Cancun, Mexico, June 26-30, 1987.

The message also announced that pursuant to Public Law 99-660, the Chair announces the selection, made jointly by the Senate majority leader and the Speaker of the House of Representatives, of the following individuals as members of the National Commission on Infant Mortality:

James Thompson, of Illinois; Barbara Matula, of North Carolina; and Dr. William Hollingshead, of Rhode Island—as representatives from State government, and

Lynda Robb, of Virginia; Richard W. Riley, of South Carolina; Dr. Julius Richmond, of Massachusetts; Dr. Herman A. Hein, of Iowa; and Margaret S. Wilson, of Connecticut—as at-large members.

UNITED STATES TANKS—"MADE IN EGYPT?"

(Mr. LANTOS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANTOS. Mr. Speaker, Egypt has been a positive force for stability and peace in the turbulent Middle East. The American people and the American Congress have consistently and generously supported Egypt in dealing with its enormous economic problems.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

As good friends of Egypt, we now have an obligation to prevent a horrendous mistake.

Reports are circulating that Secretary of Defense Weinberger wants to authorize Egypt to produce the top-of-the-line main battle tank of the United States Army—the M1 tank.

This proposed move—if it is allowed to proceed—will not only lead to a drastic misallocation of Egyptian resources but also to the loss of vast numbers of American jobs and to the transfer of some of our most sophisticated and sensitive technology.

The Weinberger plan would add billions to our huge trade deficit at a time when it is critical to bring our trade into balance.

Today, I am calling for comprehensive and immediate hearings on this ill-conceived idea.

What the tens of millions of low-income Egyptians need is an improvement in their quality of life—and not a misguided attempt to build a giant, uneconomical arms industry.

SUPPORT URGED FOR CONFERENCE REPORT ON H.R. 1827, SUPPLEMENTAL APPROPRIATIONS

(Mrs. SMITH of Nebraska asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SMITH of Nebraska. Mr. Speaker, I wish to bring the still pressing delay in funding the CCC to the attention of our distinguished colleagues, to urge them to support the conference report on H.R. 1827.

In addition, I strongly urge the President of the United States to sign this bill as swiftly as possible after it passes the Congress, hopefully this week.

I, along with the other conferees, have worked very hard to come up with a bill that is both acceptable to the Congress and the administration. I especially want to thank and to recognize the tremendous effort put forth by the chairman of the House Appropriations Committee, JAMIE WHITTEN, to get H.R. 1827 passed, and I commend him on his efforts.

Farmers are still expressing considerable frustration at not being able to get CCC payments due them.

In fact, CCC payments have not been made since April 30, nearly 2 months.

The CCC has shut down only five times before this year in its history, but recently it has become increasingly frequent.

In July 1985 it shut down for 7 days.

It shut down three times in fiscal year 1986, for 5 days in February, for 19 days in March, and for 28 days in June and July.

As of July 1, 1987, the CCC having been shut down for so long, will have outstanding commitments totaling around $1.5 billion. I certainly do not hope it goes until August 1, but if so the CCC would be in the arrears nearly $2.5 billion.

The CCC owes payments to the following farm groups, in the order of most outstanding payments owed. Nearly 14,000 dairy farmers and 400 dairy processors are awaiting funds; 111,000 farmers are waiting for their cost share payments from CRP participation.

Storage, handling, transportation and packaging companies are waiting on payments due them for services performed under contract on CCC-owned commodities.

Some farmers are waiting for advanced deficiency payments and diversion payments.

Finally, farmers harvesting 1987 crops are waiting to get commodity loans from the CCC, mostly wheat farmers.

Therefore, I appeal to my distinguished colleagues and to urge them to support H.R. 1827, and for a quick signature from the President on making supplemental appropriations for the fiscal year ending September 30, 1987, for the Department of Agriculture.

INVOKE WAR POWERS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, the Secretary of State tells us, "Damn the torpedoes, the mines or the air-to-air ship missiles, full speed ahead" on the reflagging. I have read the administration's classified report on security arrangements in the Persian Gulf. I'm not sure why they bothered to classify this report. I guess the secret they're trying to keep is that they have no policy in the Persian Gulf. Many Members of this body have expressed their reservations about the lack of any clearly defined mission for U.S. forces in the gulf and the inconsistency of the President's policy in the Middle East. Let me suggest to those Members that if it is their view that the Congress should be involved before decisions are made which could lead us into a war, then there is a vehicle at hand. It is called the war powers resolution; 38 of my colleagues have joined me as cosponsors of a bill which invokes the war powers resolution as soon as United States forces begin to offer protection to reflagged Kuwaiti tankers. Senators HATFIELD, BUMPERS, PELL, MATSUNAGA, and HARKIN have introduced a companion bill in the Senate. It's time for Congress to quit talking, and take an active role. Invoke war powers.

THE GOVERNMENT SHOULD PAY INTEREST ON OVERDUE DEBTS

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROBERTS. Mr. Speaker, I rise today to thank my colleagues Mrs. SMITH of Nebraska and Mr. CONTE of Massachusetts.

As everyone in farm country knows, farmers have not been able to receive overdue farm program checks since the first of May. More than 300 million dollars' worth of delinquent warehouse storage and handling payments have been held up by this delay.

That is not all—conservation reserve program payments, storage payments to producers, dairy program payments, deficiency payments, reserve and wheat loan payments—in other words the entire farm program has been held up.

Why? For the fifth time in 2 years, the CCC's spending authority has been delayed by adding on some 400 amendments to the supplemental appropriations bill.

Every year its the same story, nonfarm interests see a free ride and add hundreds of amendments that have to be delayed and stripped away in conference. And while Congress is busy doing that farmers and ranchers pay the price as interest payments and bills mount up.

You can bet when a farmer misses a payment to the bank, the supply store, or the local elevator, he pays the interest. We have introduced a clean CCC spending bill that has apparently broken this logjam—the supplemental will be up this week. More to the point, I believe all Government departments and agencies should be required to pay interest on overdue debts regardless if the late payment results from delays caused by the Government agency or by congressional inaction. That is a bill we should also explore.

SPECIAL AGRICULTURAL WORKERS OF THE IMMIGRATION REFORM AND CONTROL ACT OF 1986

(Mr. WYDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, today the Immigration and Naturalization Service announced that as of July 1, it will begin to implement the special agricultural worker of the Immigration Reform and Control Act [IRCA] of 1986 the way that Congress intended.

When the Congress passed IRCA, it had built in a mechanism into the law which was intended to provide a stable legal work force for America's farmers—that mechanism of course was the

Special Agricultural Worker Program. But somewhere along the line, congressional intent, and INS' regulatory process took divergent paths.

Instead of allowing SAW applicants in Mexico to make a nonfrivolous claim—and enter this country to work before presenting the majority of documents to adjust their status—INS had required applicants to present a full application at the beginning of the process. This created a paperwork bottleneck that stopped eligible workers from entering this country and created a critical labor shortage in my home State of Oregon.

INS is now about to rectify this problem. For this growing season only, applicants can now go to a consular processing center or to the border point of entry to fill out an application, pay their fee, and enter this country to work for 90 days. There will be no need to wade through the morass of paperwork which had daunted so many people early in this program's implementation. During this 90-day period, workers can gather the rest of the documents needed to begin to legalize their status.

Mr. Speaker, this move can be seen as a monumental gesture in flexibility on the part of INS—I commend them for it—and to use the words of Rob Hukari, an Oregon farmer who leads the Oregon Farm Bureau, "our crops may be saved after all."

SANDINISTAS HAVE SUPPLIED ARMS TO MARXIST GUERRILLAS IN EL SALVADOR

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, after years of denial, President Ortega has finally admitted the Sandinistas supplied arms to the Marxist guerrillas in El Salvador. Ortega was quoted in an interview in a respected Mexico City newspaper that Nicaraguan military officials gave logistical support to the Salvadoran rebels shortly after the Sandinistas took power in 1979. He did not say when such aid stopped.

In May 1983, the House Select Committee on Intelligence issued its report stating the Salvadoran insurgency "depends for its lifeblood—arms, ammunition, financing, logistics, and command-and-control facilities—upon outside assistance from Nicaragua and Cuba. This Nicaraguan-Cuban contribution to the Salvadoran insurgency is longstanding. It began shortly after the overthrow of Somoza in July 1979. It has provided—by land, sea, and air—the great bulk of the military equipment received by the insurgents."

Now that Ortega himself has admitted Sandinista support for the Salvadoran guerrillas, perhaps administration critics will stop asking "where's the evidence?"

DIVIDED SPOUSES COALITION MEETS WITH SECRETARY OF STATE AND SOVIET AMBASSADOR

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, this morning the Divided Spouses Coalition met with Secretary of State George Shultz and, in a separate meeting, Acting Soviet Ambassador Yevgeni Kutovoy. Among the seven spouses represented was Andrea Wine, a friend of mine whose home is Cranbury, NJ.

Andrea Wine is the wife of Victor Faermark, a Soviet citizen currently living in Moscow. Andrea and Victor were married in Moscow on November 21, 1985. It has been over 19 months since their wedding and yet they have been denied the right of living normal lives together. Despite the fact that their marriage was conducted according to Soviet law, despite the fact that the Soviet Union signed the Helsinki accords which makes provisions for individuals from two countries to marry and then be allowed to live in the country of one of the spouses, and despite the fact that repeated requests have been made on the Soviet authorities to allow Victor to emigrate, Mr. Faermark continues to be denied his pleas to join his wife.

Mr. Faermark made his first application for emigration in 1971, while working as a research scientist at a prestigious institute. Following denial of his application on the grounds of secrecy, Mr. Faermark was fired from his position and with much difficulty eventually found a job as an engineer. Since 1968—19 years ago—he has not done any work which could be remotely classified as secret and yet he has been denied emigration over one dozen times.

Mr. Speaker, Secretary Gorbachev himself has stated—as published in 1985 in the French Communist newspaper L'Humanite—that security classification is generally limited to 5 years and that the upper limit is 10 years. Again the question was raised this morning with the Soviet officials at the Embassy, "What is the hold up?"

As a Commissioner on the Commission for Security and Cooperation in Europe, the Helsinki Commission, I am particularly concerned about all the divided spouse cases. Mr. Speaker, marriages between men and women from different countries is specifically addressed in the Helsinki accords and the unambiguous assurances for union in a country in which one is normally a resident are specifically outlined.

As a Member of Congress representing the Fourth District of New Jersey, I have been personally involved in the case of Andrea Wine for some time. In February of this year, I took the opportunity to raise Andrea and Victor's case in Vienna, Austria, during the third review meeting of the Conference on Security and Cooperation in Europe. Upon presenting a letter to Yuri Kashlev, head of the Soviet delegation, I was given the assurance that Andrea and Victor's case would be given renewed attention. Thus far nothing tangible has happened. But we continue to hope.

In April, Mr. Speaker, I sent another letter, this time addressed to Secretary General Gorbachev and signed by the entire New Jersey congressional delegation, via the delegation lead by Speaker JIM WRIGHT. Again, the Soviets gave assurances that this case would be reviewed.

Mr. Speaker, the Soviets continue to deny the right of emigration for thousands every year. In the case of divided spouses the refusals have been repeated and excruciating. Husbands and wives are beginning their marriages—even the first decade of their marriages in some cases—separated by the bureaucratic entanglements of the Soviet system. I urge all my colleagues to bring these cases to the attention of the Soviet authorities at every available opportunity. Mr. Speaker, the Soviets must live up to their obligations outlined in the Helsinki accords and permit these men and women to join their spouses. Granting these requests to be reunited could be such an easy but positive way to demonstrate to the world at least a modicum of respect for elemental human rights.

□ 1215

SEVERANCE PAY FOR JAPANESE—NOTHING FOR AMERICANS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, recently the Pentagon paid $28 million in severance pay to 141 Japanese workers who were working for the Pentagon doing banking activities. The Pentagon said they had to do this because the Japanese jobs had ended. The payments were in accord, they said, with Japanese traditions that workers in Japan are guaranteed lifetime employment.

I want to know the answer to this question: Why does the American tradition that applies to Americans in this country not apply to Japanese working for the American Government? Our workers get no layoff notices, no plant notices, no guarantee, and certainly no lifetime employment contracts. And to further rub it in and to really exemplify how the American workers get screwed literally, the Pentagon said that now they have given the contract to a bank in Houston. This bank in Houston employs Americans, "And Americans will now do this work, and we won't have to worry," the Pentagon said, "because we don't have to pay any severance pay. We can save some money."

After all, they are only hiring Americans, and they do not get any special favors. I ask the Members to think about this ridiculous situation.

A REGRETFUL EXPERIENCE IN THE HOUSE DINING ROOM

(Mr. RAVENEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RAVENEL. Mr. Speaker, folks from home look forward to lunching with their Congressman in the House Dining Room, a pleasant experience to remember; but alas, it is pleasant no more, an embarrassment it has become. Last Friday, with constituents, I visited the Dining Room. We received water and crackers but no butter. After a 22-minute wait in the uncrowded room, I asked the head waiter to please have someone take our order. With this accomplished, a long vigil ensued and we amused ourselves by observing the general inefficiencies of the place. Curiously, some colleagues were getting excellent service. Returning from a vote, I found my friends still not served. Again I interceded with the head waiter and our meal was finally brought, but not what had been ordered by some. Not one to put up with insult to those I represent, which includes me, I took umbrage with such management as I could find, I'll have more to say later, you'll find it interesting. Meantime, if conditions improve down there, thank yours truly.

IDENTIFYING THE BIG SPENDERS IN CONGRESS

(Mr. LUNGREN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUNGREN. Mr. Speaker, evidently the wraps are off, the bare knuckles are out now, and if anybody wanted to read what the attitude of the Democratic Party is versus the President on the Budget Act, all they have to do is pick up today's Post, and there in a way that tries to make it funny the esteemed chairman of the Budget Committee, the Democratic member from Pennsylvania [Mr. Gray] takes the words of the song, "The Great Pretender," turns them around and turns them on the President, and in one line says they are real—that is, the deficits—but to me they are make-believe; they are real, but I feel deceived.

So now we have it. It is considered honorable to call the President of the United States someone involved in deception. I am not going to say anybody is involved in deception here, but we ought to look at the record and see who is spending and who is not spending.

The National Taxpayers Union, which is a nonpartisan organization, rates every single Member of Congress. Where does the esteemed gentleman who criticized the President stand on that? Accordingly to the National Taxpayers Union, he is one of the big spenders in Congress. The Democratic leadership is listed as big spenders in Congress, according to this nonpartisan operation.

Where does the President stand according to positions he has taken on spending bills in the last Congress? Here, according to the National Taxpayers Union, not Democrat and not Republican, he is one of the good guys in trying to bring down spending.

If we are going to argue from here to the 1988 campaign as to whether we ought to spend and spend and tax and tax, at least let our friends on that side of the aisle admit to what they are doing. They want to spend and they want to spend, and they want to tax and they want to tax. That is an honorable position.

There can be two sides to the argument, but at least take the position and back up your deeds with your words, but do not turn it around and accuse the President of the United States of deception. Let us at least argue on facts. Let us at least argue with some degree of honor.

H.R. 1115, THE UNIFORM PRODUCT SAFETY ACT

(Mr. PENNY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PENNY. Mr. Speaker, perhaps one of the most crucial issues that was not addressed in the last session of Congress is product liability reform. Indeed, the White House Conference on Small Business picked this as their No. 1 priority last August when they met here in Washington, as did NFIB members in a recent survey.

I think that no longer can we continue to ignore this problem that affects small businesses in every one of our districts—I think that the time is now for us to move forward with a solution.

H.R. 1115, the Uniform Product Safety Act, heads us in the right direction by reestablishing fault as a uniform criteria of liability. It reforms the doctrine of joint and several liability in a sensible manner; uniform, clear standards would be put in place, and recovery by claimants whose drinking or drugs were major contributing factors to an accident would be prohibited.

No one wants to relieve business of liability when they are truly culpable, and of course we do not wish to leave consumers unprotected. The reforms included in this bill are moderate in nature and are intended only to bring common sense and fairness back into the process.

ETHICS IS SUBJECT OF PROPOSED AMENDMENT

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Mr. Speaker, when the House takes up the legislative appropriations bill this afternoon, the gentleman from Pennsylvania [Mr. Walker] and several others of us will have an amendment which would encourage the House to look carefully at the issue of the integrity of the institution and which would recommend to the leadership of the House in both parties the establishment of an outside committee of eminent Americans to review critically and carefully ethical patterns in the House and the effectiveness of the current House ethics system.

I would urge every Member to look carefully at that amendment, given all of the recent newspaper and magazine stories, and I would hope the Members of the House would vote for such an amendment.

A SALUTE TO AMERICAN CONSTRUCTION WORKERS IN ALASKA

(Mr. YOUNG of Alaska asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. YOUNG of Alaska. Mr. Speaker, American working men and women remain the most productive on Earth. Their dedication and skill is an example for all to follow.

This month marks the 10th anniversary of operations at one the most successful examples of the skill and craftsmanship of the American worker—the Prudhoe Bay oil field and the trans-Alaska pipeline.

I've talked a lot these past few days about the success of Prudhoe and TAPS and their role as the energy lifeline of America. It is now time to salute the reason for that success—working men and women from across this country who contributed to the construction and operation of this mammoth facility.

It is no small job to build a facility with a price tag of $9 billion—but the plumbers, pipefitters, teamsters, carpenters, engineers, building trades people, and roustabouts—all Americans—did an outstanding job. They were supported in their efforts by American workers from across the country.

The Prudhoe Bay oil field and the trans-Alaska pipeline have meant thousands of jobs for Americans. More importantly, the over 5 billion barrels of oil produced from the field have reduced our bill for imported energy by $130 billion. This money has stayed home to fuel our economy and provide opportunity for Americans.

Mr. Speaker, I am confident that the American worker can repeat the success of Prudhoe Bay and the trans-Alaska pipeline. That is why I urge all my colleagues to join me in an effort to open the coastal plain of the Arctic National Wildlife Refuge to oil and gas development.

THE POPE'S ILL-ADVISED VISIT WITH WALDHEIM

(Mr. ECKART asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ECKART. Mr. Speaker, much controversy has been engendered about the meeting of Pope John Paul II and Prime Minister Kurt Waldheim, a man with an egregious Nazi past.

I have admired Pope John Paul's commitment to peace as a Pope of peace and his commitment to human rights as a Pope of human rights and as a Pope committed to the dignity of man. This Pope has taken his message of peace and dignity to troubled parts of the world such as Central America and Eastern Europe, to the disenfranchised and the dispossessed. But as a Catholic, I am disturbed and share the dismay of others around the world that this man of peace would meet with a man of this history. In fact, our own U.S. Government has expressed serious reservations about Waldheim's thoughts of a visit here.

Let sanity prevail. Let reason help us to reach accord. This inflammatory visit between the Pope and Waldheim sets back the hope and voice of the dignity of man many times. For if we fail to feel strongly about human rights and if we desire a world in which human atrocities may never happen again, then to encourage and to allow these kinds of meetings to continue is to recommit the mistakes of the past.

Mr. Speaker, the Pope has served as a beacon, as a light, as a hope and a voice. With this meeting, his light shines a little less bright.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The **SPEAKER** pro tempore (Mr. GRAY of Illinois). Pursuant to the provisions of clause 5, rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, June 30, 1987.

VETERANS' ADMINISTRATION HEALTH CARE AMENDMENTS OF 1987

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2616) to amend title 38, United States Code, to improve health care programs of the Veterans' Administration, as amended.

The Clerk read as follows:

H.R. 2616

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; REFERENCES TO TITLE 38, UNITED STATES CODE.

(a) SHORT TITLE.—This Act may be cited as the "Veterans' Administration Health-Care Amendments of 1987".

(b) REFERENCES TO TITLE 38.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 38, United States Code.

TITLE I—HEALTH CARE PROVISIONS

SEC. 101. ELIGIBILITY FOR MEDICAL SERVICES.

(a) CERTAIN VETERANS WITH SERVICE-CONNECTED DISABILITIES.—Section 612(a) is amended by striking out "may furnish" and inserting in lieu thereof "shall furnish".

(b) OTHER VETERANS.—Paragraph (1) of section 612(f) is amended to read as follows:

"(f)(1)(A) In addition to the medical services provided under subsection (a) of this section, the Administrator shall furnish medical services on an outpatient or ambulatory basis—

"(i) to any veteran who is a former prisoner of war, for any disability; and

"(ii) to any other veteran eligible for hospital care under section 610(a)(1) of this title, for any purpose described in subparagraph (C) of this paragraph.

"(B) Subject to paragraph (4) of this subsection, the Administrator may furnish medical services on an outpatient or ambulatory basis to a veteran eligible for hospital care under section 610 of this title (other than under section 610(a)(1)) for any purpose described in subparagraph (C) of this paragraph.

"(C) Medical services described in this subparagraph are medical services reasonably necessary—

"(i) in preparation for hospital admission;

"(ii) to obviate the need of hospital admission, but in the case of a veteran described in subparagraph (B) of this paragraph, only to the extent that facilities are available; and

"(iii) in the case of a veteran who has been furnished hospital care, nursing home care, or domiciliary care, to complete treatment incident to such care, but only for a period not in excess of 12 months after discharge from such care, unless the Administrator finds that a longer period is required by reason of the disability being treated.".

(c) CONFORMING AMENDMENT.—Section 603(a)(2)(B) is amended by striking out "section 612(f)(1)(A)(ii)" and inserting in lieu thereof "section 612(f)(1)(C)(iii)".

SEC. 102. DOMICILIARY CARE.

Section 610(b) is amended by striking out "domiciliary care to" and all that follows through "(2) a veteran" and inserting in lieu thereof "domiciliary care to a veteran".

SEC. 103. DEFINITION OF NURSING HOME CARE.

Section 101(28) is amended—

(1) by striking out "skilled nursing care" in the first sentence and inserting in lieu thereof "nursing"; and

(2) by striking out the second sentence and inserting in lieu thereof the following: "Such term includes services delivered in skilled, intermediate care, and combined facilities. It does not include domiciliary or residential care.".

SEC. 104. DEFINITION OF VETERANS' ADMINISTRATION FACILITIES.

Section 601(4) is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(C) public or private facilities at which the Administrator provides recreational activities for patients receiving care under section 610 of this title.".

SEC. 105. AUTHORIZED CONTRACT CARE.

Section 603(a) is amended—

(1) by inserting "or receiving nursing home care in a public or private nursing home in the community under section 620 of this title" in paragraph (3) after "in a Veterans' Administration facility";

(2) by striking out "or" at the end of paragraph (6);

(3) by striking out the period at the end of paragraph (7) and inserting in lieu thereof "; and"; and

(4) by adding at the end the following:

"(8) hospitalization of a person for observation and examination to determine eligibility for a benefit under a program administered by the Veterans' Administration.".

SEC. 106. ENTITLEMENT FOR MEDICAL SERVICES FOR PERSONS DISABLED BY TREATMENT OR VOCATIONAL REHABILITATION.

Section 612(a)(1) is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(C) to any person (i) for a disability for which the person is in receipt of compensation under section 351 of this title, or (ii) for a disability for which the person would be entitled to compensation under section 351 of this title but for a suspension pursuant to that section, but only to the extent that such person's continuing eligibility for medical services is provided for in the judgment or settlement described in such section.".

SEC. 107. RELOCATION OF VETERANS READJUSTMENT COUNSELING CENTERS.

(a) RELOCATION.—The Administrator of Veterans' Affairs may not, before the date specified in subsection (b), transfer to a Veterans' Administration health-care facility the location for the provision of readjustment counseling services under section 612A of title 38, United States Code, from any location that on the date of the enactment of this Act is situated apart from Veterans' Administration health-care facilities.

(b) Specified Date.—The date referred to in subsection (a) is the last day of the 120-day period beginning on the later of—

(1) the date on which the report required by paragraph (2) of section 612A(g) of title 38, United States Code, is received by the Committees on Veterans' Affairs of the Senate and House of Representatives; and

(2) the date on which the report required by paragraph (3) of such section is received by those committees.

(c) Justification for Plan.—The report referred to in subsection (b)(2) shall include a detailed explanation and justification for the plan described in such report.

(d) Discretionary Transition.—Section 612A(g)(1) is amended by striking out "shall" in the matter preceding subparagraph (A) and inserting in lieu thereof "may".

SEC. 108. CONTRACT ADULT DAY HEALTH CARE PROGRAM.

(a) Three-Year Extension.—Section 620(f)(3) is amended by striking out "September 30, 1988" and inserting in lieu thereof "September 30, 1991".

(b) Study Requirement.—The Administrator of Veterans' Affairs shall conduct a study of—

(1) the medical efficacy and cost effectiveness of furnishing adult day health care under section 620(f) of title 38, United States Code, as an alternative for nursing home care; and

(2) the comparative advantages and disadvantages of providing such care through facilities that are not under the direct jurisdiction of the Administrator and through facilities that are under the direct jurisdiction of the Administrator.

(c) Reports.—(1) The Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives—

(A) an interim report on the study under subsection (b), to be submitted not later than February 1, 1988; and

(B) a final report on such study, to be submitted not later than February 1, 1991.

(2) Each such report shall include—

(A) the results of the study under subsection (b) to the date the report is submitted; and

(B) any other recommendation that the Administrator considers appropriate for legislative and administrative action with respect to the furnishing of adult day health care under section 620(f) of title 38, United States Code.

SEC. 109. HEALTH CARE AND MEDICAL SERVICES ABROAD.

Section 624(b) is amended by striking out "if the veteran" and all that follows and inserting in lieu thereof "if the veteran—

"(1) is a citizen of the United States sojourning or residing abroad;

"(2) is in the Republic of the Philippines; or

"(3) is sojourning or residing in Canada.".

SEC. 110. REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON CONTRACT CARE.

Section 201(b) of the Veterans' Health Care Amendments of 1979 (Public Law 96-22; 38 U.S.C. 601 note) is repealed.

SEC. 111. PILOT PROGRAM ON CONTRACT COMMUNITY-BASED RESIDENTIAL CARE.

(a) Authority for Program.—The Administrator of Veterans' Affairs shall conduct a pilot program to provide care and treatment and rehabilitative services (by contract or otherwise) in halfway houses, therapeutic communities, psychiatric residential treatment centers, and other community-based treatment facilities to homeless veterans suffering from chronic mental illness disabilities who are eligible for hospital care under section 610(a)(1) of title 38, United States Code.

(b) Criteria for Contract Facilities.—Before furnishing such care and services to any veteran through a contract facility, the Administrator shall approve (in accordance with criteria which the Administrator shall prescribe by regulation) the quality and effectiveness of the program operated by such facility for the purpose for which such veteran is to be furnished such care and services.

(c) Duration of Program.—The authority for the pilot program authorized by this section expires on September 30, 1988.

(d) Report.—Not later than May 1, 1988, the Administrator shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the experience of the Veterans' Administration under the pilot program to that date and the recommendation of the Administrator (together with reasons for such recommendation) as to whether the pilot program should be continued.

(e) Funding.—(1) There is authorized to be appropriated for the pilot program under this section for fiscal year 1988 the sum of $6,000,000.

(2) Of the amounts appropriated for the pilot program for fiscal year 1988, not less than $250,000 shall be expended for management and monitoring of the program to ensure that a high quality of care is provided under the program and to ensure an accurate accounting of funds for the program.

(3) No funds may be obligated or expended for the pilot program under this section other than funds specifically appropriated for such purpose.

(f) Repeal.—(1) Section 620C (as added by section 2 of Public Law 100-6) is repealed.

(2) The table of sections at the beginning of chapter 17 is amended by striking out the item relating to such section.

TITLE II—HEALTH CARE PERSONNEL

SEC. 201. PAY SCALES FOR DEPARTMENT OF MEDICINE AND SURGERY.

(a) Section 4103 Schedule.—The table in subsection (a) of section 4107 is amended to read as follows:

"SECTION 4103 SCHEDULE

"Chief Medical Director, $97,206.

"Deputy Chief Medical Director, $93,248.

"Associate Deputy Chief Medical Director, $89,314.

"Assistant Chief Medical Director, $86,682.

"Medical Director, $73,958 minimum to $83,818 maximum.

"Director, $63,135 minimum to $79,975 maximum.".

(b) Section 4104(1) Positions.—The tables in subsection (b)(1) of section 4107 are amended to read as follows:

"PHYSICIAN AND DENTIST SCHEDULE

"Director grade, $63,135 minimum to $79,975 maximum.

"Executive grade, $58,297 minimum to $75,784 maximum.

"Chief grade, $53,830 minimum to $69,976 maximum.

"Senior grade, $45,763 minimum to $59,488 maximum.

"Intermediate grade, $38,727 minimum to $50,346 maximum.

"Full grade, $32,567 minimum to $42,341 maximum.

"Associate grade, $27,172 minimum to $35,326 maximum.

"NURSE SCHEDULE

"Director grade, $53,830 minimum to $69,976 maximum.

"Assistant Director grade, $45,763 minimum to $59,488 maximum.

"Chief grade, $38,727 minimum to $50,346 maximum.

"Senior grade, $32,567 minimum to $42,341 maximum.

"Intermediate grade, $27,172 minimum to $35,326 maximum.

"Full grade, $22,458 minimum to $29,199 maximum.

"Associate grade, $19,326 minimum to $25,122 maximum.

"Junior grade, $16,521 minimum to $21,480 maximum.

"CLINICAL PODIATRIST AND OPTOMETRIST SCHEDULE

"Chief grade, $53,830 minimum to $69,976 maximum.

"Senior grade, $45,763 minimum to $59,488 maximum.

"Intermediate grade, $38,727 minimum to $50,346 maximum.

"Full grade, $32,567 minimum to $42,341 maximum.

"Associate grade, $27,172 minimum to $35,326 maximum.".

(c) Career Appointees.—Subsection (c)(3) of such section is amended by inserting "and any person appointed under section 4103 of this title who is not eligible for special pay under section 4118 of this title" after "applies".

SEC. 202. MISCELLANEOUS MEDICAL PERSONNEL MATTERS.

(a) Nurses Premium Pay.—Section 4107(e)(3) is amended by striking out "Saturday" and inserting in lieu thereof "Friday".

(b) Pharmacists.—(1) Section 4104 is amended—

(A) by striking out "Pharmacists, psychologists" in paragraph (2) and inserting in lieu thereof "Psychologists"; and

(B) by striking out "Clinical" in paragraph (3) and inserting in lieu thereof "Pharmacists, clinical".

(2) Section 4105(a)(9) is amended by inserting "pharmacist," after "dental technologist,".

(3) Section 4107(f) is amended by inserting "registered pharmacists," in the second sentence after "retain the services of".

SEC. 203. DISCIPLINARY BOARDS FOR MEDICAL PERSONNEL.

(a) Authority of Disciplinary Boards.—Subsection (a) of section 4110 is amended to read as follows:

"(a)(1) The Administrator may appoint boards to be known as disciplinary boards. Each such board shall consist of not less than three nor more than five employees of the Department of Medicine and Surgery who are senior in grade.

"(2) A disciplinary board shall determine charges in a covered disciplinary action (as defined in paragraph (6) of this subsection) brought against a person employed in a position provided in section 4104(1) of this title. A determination by a board shall be made after notice and opportunity for a fair hearing.

"(3) The majority of the members of a disciplinary board shall be employees in the same category of position as the employee who is the subject of the charges.

"(4) The appointment of disciplinary boards shall be made under regulations prescribed by the Administrator.

"(5) In the case of charges arising from performance or conduct of duties during a person's tenure with the Veterans' Administration that are brought against a person employed in a position provided in section 4104(1) of this title in a case that is not a covered disciplinary action, the matter shall be determined in accordance with procedures to be prescribed by the Administrator.

"(6) For the purposes of this subsection, the term 'covered disciplinary action' means a disciplinary action—

"(A) arising from performance or conduct of duties during a person's tenure with the Veterans' Administration; and

"(B) proposing that the person involved be—

"(i) removed,

"(ii) suspended for more than 14 days, or

"(iii) given a demotion involving the loss of grade or pay.".

(b) DETERMINATIONS OF BOARDS.—Subsection (d) of such section is amended by striking out "suitable" and all that follows in the first sentence and inserting in lieu thereof "that the proposed disciplinary action be sustained or modified in accordance with limitations prescribed by the Administrator.".

(c) CONFORMING AMENDMENTS.—(1) Subsection (c) of such section is amended by striking out "The Chief Medical Director" and inserting in lieu thereof "The Administrator".

(2) Subsection (e) of such section is amended to read as follows:

"(e) Any person with respect to whom a decision is made to take disciplinary action under authority delegated under subsection (d) of this section shall have the right to appeal such decision to the Administrator. In the absence of such an appeal such decision shall have the same force and effect as a decision of the Administrator.".

SEC. 204. HEALTH PROFESSIONAL SCHOLARSHIP PROGRAM.

(a) COURSES OF TRAINING.—Section 4142(a)(1) is amended by striking out "or a course" and all that follows in such section and inserting in lieu thereof "or otherwise leading to qualification for employment in a position described in section 4104 of this title;".

(b) LIABILITY FOR REPAYMENT.—Section 4144(b)(4) is amended by striking out "become licensed" and all that follows through "auxiliary, during" and inserting in lieu thereof "meet any applicable licensure or registration requirement within".

SEC. 205. PERSONNEL CEILINGS FOR NONCAREER RESEARCH PERSONNEL.

Section 5010(a) is amended by adding at the end the following new paragraph:

"(6)(A) Temporary research personnel of the Veterans' Administration shall be excluded from any ceiling on full-time equivalent employees of the Veterans' Administration or any other personnel ceiling otherwise applicable to employees of the Veterans' Administration.

"(B) For purposes of subparagraph (A) of this paragraph, the term 'temporary research personnel' means personnel who are employed by the Veterans' Administration in other than a career appointment for work on a research activity and who are not paid by the Veterans' Administration or are paid from funds appropriated to the Veterans' Administration to support such activity.".

SEC. 206. OFFICE OF THE CHIEF MEDICAL DIRECTOR.

(a) ASSISTANTS TO CMD AND DCMD.—Paragraph (3) of subsection (a) of section 4103 is amended to read as follows:

"(3) Two Associate Deputy Chief Medical Directors, who shall be assistants to the Chief Medical Director and the Deputy Chief Medical Director, appointed by the Administrator upon the recommendation of the Chief Medical Director.".

(b) TENURE.—Subsection (b) of such section is amended to read as follows:

"(b)(1) Any appointment under subsection (a) of this section shall be for a period of four years, with reappointment permissible for successive four-year periods. Any such appointment or reappointment may be extended by the Administrator for a period not in excess of three years. Any person appointed or reappointed, designated, or redesignated pursuant to this section, including subsection (c) of this section, or whose appointment or reappointment, designation or redesignation is extended shall be subject to removal for cause in the same manner and under procedures similar to those set forth in section 4110 of this title. The members of the disciplinary boards in such cases may be any persons appointed pursuant to this subsection.

"(2) Any person who relinquished an appointment made pursuant to section 4104(1) of this title in order to accept an appointment under this section and whose appointment, reappointment, or extension of appointment or reappointment under this section is terminated, shall be entitled, upon such termination, to reemployment under section 4104(1) of this title.".

SEC. 207. DISCIPLINARY ACTIONS CONCERNING PROBATIONARY EMPLOYEES.

Subsection (b) of section 4106 is amended to read as follows:

"(b) The first two years of employment of a person appointed under section 4104(1) of this title shall be a probationary period. The record of performance of any such employee may be reviewed at any time during that period by a board appointed under regulations prescribed by the Administrator. Procedures governing the review of employee performance during the probationary period shall be established in regulations prescribed by the Administrator. The board shall recommend to the Chief Medical Director action consistent with the ability of the employee, as determined by the board, to perform efficiently. The Chief Medical Director may accept, reject, or modify any recommendation of the board. If the Chief Medical Director takes action not recommended by the board, a statement of the reasons for such action shall be made part of the record.".

SEC. 208. ON-CALL PAY FOR CERTAIN PERSONNEL.

Section 4107 is amended by adding at the end the following:

"(j) Notwithstanding any other provision of law, a health care employee, or employee providing services incident to health care, who is employed pursuant to title 5 or paragraph (2) or (3) of section 4104 of this title and who is officially scheduled to be on call during a period other than the employee's regular hours of duty or on a holiday designated by law or Executive order shall be paid for each hour of such on-call duty (other than time the employee was actually at work) at a rate equal to 10 percent of the hourly overtime rate for services in excess of the employee's regularly scheduled duty.".

SEC. 209. WAIVER OF LICENSURE REQUIREMENTS FOR CERTAIN PERSONNEL.

Subsection (d) of section 4114 is amended to read as follows:

"(d) The Chief Medical Director may waive for the purpose of an appointment under this section the requirement of section 4105(a) of this title that the licensure or registration, as appropriate, of a physician, dentist, podiatrist, psychologist, optometrist, registered nurse, practical or vocational nurse, or physical therapist be in a State if the person to be appointed—

"(1) is to be employed in a research post or an academic post or where there is otherwise no direct responsibility for the care of patients; or

"(2) is to serve in a country other than the United States and such person's licensure or registration is in the country in which the person is to serve.".

TITLE III—ADMINISTRATION OF HEALTH-CARE SYSTEM

SEC. 301. HOSPITAL COST COLLECTIONS AND TORT CLAIMS.

(a) STATUTE OF LIMITATIONS FOR SUITS TO RECOVER COSTS.—Section 629(b)(2) is amended by adding at the end the following new subparagraph:

"(C) A proceeding under subparagraph (B) of this paragraph may not be brought after the end of the six-year period beginning on the last day on which care or services for which recovery is sought are furnished to the veteran by the Administrator under this chapter.".

(b) TORT CLAIMS.—Section 4116 is amended by adding at the end the following new subsection:

"(f) For purposes of this section, section 2680(h) of title 28 shall not apply to any claim arising out of a negligent or wrongful act or omission of any person described in subsection (a) of this section in furnishing medical care or treatment (including the conduct of clinical studies and investigations) while in the exercise of such person's duties in or for the Department of Medicine and Surgery.".

(c) SETTLEMENT OF TORT CLAIMS.—(1) Subchapter II of chapter 3 is amended by adding at the end the following new section:

"§ 223. Administrative settlement of tort claims

"(a) Notwithstanding the limitations contained in section 2672 of title 28, the Administrator may settle any claim for money damages against the United States cognizable under section 1346(b) or 2672 of title 28 or section 4116 of this title to the extent the authority to do so is delegated to the Administrator by the Attorney General. Such delegation may not exceed the authority delegated by the Attorney General to United States attorneys to settle claims for money damages against the United States.

"(b) For purposes of this subsection, the term 'settle', with respect to a claim, means consider, ascertain, adjust, determine, and dispose of the claim, whether by full or partial allowance or by disallowance.".

(2) The table of sections at the beginning of chapter 3 is amended by inserting after the item relating to section 222 the following new item:

"223. Administrative settlement of tort claims.".

SEC. 302. LIMITATION ON PROPERTY TRANSFERS TO OTHER AGENCIES.

Section 5022(a) is amended by striking out paragraph (2) and inserting the following:

"(2) The Administrator may not transfer any interest in real property owned by the United States and administered by the Veterans' Administration which has an estimated value in excess of $50,000 to another Federal agency or to a State (or any political subdivision of a State) unless such transfer is specifically authorized by law after the date of the enactment of the Veterans' Administration Health-Care Amendments of 1987.

"(3) Amounts realized from the sale of any interest in real property described in paragraph (2) shall be deposited in the fund established under section 5009 of this title.".

SEC. 303. FINANCIAL MANAGEMENT OF CANTEEN SERVICE.

(a) INTEREST-BEARING ACCOUNT.—The second sentence of section 4205 is amended by inserting "or other interest-bearing accounts" after "checking accounts".

(b) RETENTION OF BALANCES IN REVOLVING FUND.—Section 4206 is amended by striking out the second sentence.

SEC. 304. EXEMPTION OF CANTEEN SERVICE FROM PERSONNEL CEILINGS.

(a) IN GENERAL.—Chapter 75 is amended by inserting at the end the following:

"§ 4209. Exemption from personnel ceilings

"Persons who are employed by the service and compensated from the revolving fund established by section 4204 of this title may not be considered to be employees of the Veterans' Administration for the purposes of any personnel ceiling which may otherwise be applied to employees of the Veterans' Administration by the President.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"4209. Exemption from personnel ceilings.".

SEC. 305. RESTORATION OF CERTAIN FUNDS TO THE CANTEEN SERVICE.

(a) RESTORATION.—Section 113(b)(2)(B) of title 38, United States Code, shall apply with respect to a sequestration order issued, or a sequestration law enacted, for any fiscal year after fiscal year 1985.

(b) IMPLEMENTATION.—The Secretary of the Treasury shall take such action as is necessary to implement subsection (a) and shall, not later than 60 days after the date of the enactment of this Act, report to the appropriate committees of Congress on the action taken by the Secretary pursuant to this section.

SEC. 306. PILOT PROGRAM ON HOSPITAL MANAGEMENT EFFICIENCY.

(a) ESTABLISHMENT OF PROGRAM.—The Administrator of Veterans' Affairs shall carry out a pilot program to determine the effect of the authorities provided by this section on the efficiency and economy of the management of Veterans' Administration medical centers.

(b) DESIGNATION OF MEDICAL CENTERS.—The Administrator shall designate five medical centers to participate in the pilot program. The Administrator shall consult with the Committees on Veterans' Affairs of the Senate and House of Representatives before making such designation.

(c) MANAGEMENT EFFICIENCY.—The Director of a medical center designated under subsection (b) may waive or alter such laws and regulations applicable to the management and administration of the medical center (insofar as such laws and regulations apply to such medical center) as may be authorized by the Administrator in order to improve the efficiency and economy of such medical center.

(d) PRESERVATION OF FACILITY BUDGET.—The Administrator shall ensure that a medical center designated under subsection (b) does not incur a reduction in its budget during the period of the pilot program due to any improved efficiency or economy of operation achieved by the director of the medical center attributable to the authority provided such director under this section.

(e) REPORTS.—The Administrator shall submit to Congress an annual report on the pilot program under this section.

(f) DURATION OF PROGRAM.—The pilot program under this section shall expire on September 30, 1990.

SEC. 307. OUTPATIENT CLINIC, SOUTHERN NEW JERSEY.

(a) IN GENERAL.—The Administrator of Veterans' Affairs shall establish and operate, as part of the Department of Medicine and Surgery of the Veterans' Administration, an outpatient clinic in central or southern New Jersey.

(b) EFFECTIVE DATE.—The Administrator shall begin the site location process for such clinic no later than 30 days after enactment of this Act.

SEC. 308. NAME OF MEDICAL CENTER, SHREVEPORT, LOUISIANA.

The Veterans' Administration Medical Center in Shreveport, Louisiana, shall after the date of the enactment of this Act be known and designated as the "Overton Brooks Veterans' Administration Medical Center". Any reference to such medical center in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the Overton Brooks Veterans' Administration Medical Center.

TITLE IV—MISCELLANEOUS

SEC. 401. EFFECTIVE DATE.

Except as otherwise expressly provided, the amendments made by this Act shall take effect on October 1, 1987.

The SPEAKER pro tempore. Is a second demanded?

Mr. SOLOMON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

The Chair now recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2616 was ordered reported unanimously by our committee. The bill contains a wide range of health-care provisions which are clearly described in the report accompanying the bill (H. Rept. 100-191) however, I would like to explain and comment on the major provisions.

The first title of the bill contains general health care provisions. In particular, it would require the VA to provide outpatient care for service-connected disabled veterans for their service-connected disabilities and for all medical conditions of veterans rated 50 percent or more disabled as well as former prisoners of war [POW's]. Other category A veterans would be provided entitlement for outpatient care in preparation for, to obviate the need, for, and as followup to, hospital care.

Mr. Speaker, as you know, last year in public Law 99-272 the Congress substantially changed eligibility by creating three categories which have been named by the VA as categories A, B, and C. The categories were conceptualized by using the traditional priorities for VA care; service connection and ability to defray the costs of care. What has been discovered, or course, is that about 94 percent of the VA patient population is in category A; essentially service-connected and low-income, nonservice-connected veterans.

This change was intended—at least insofar as the House is concerned—to bring some concreteness to the subject of eligibility. The old "within the resources of the VA" eligibility for hospital care provided no planning basis for the VA, the Congress, or veterans. However, the Public Law 99-272 requirement for hospital care allows the normal fluctuation in demand to be flexibly met by the space-available categories B and C.

The provision in H.R. 2616 would simply extend the solidification of eligibility which was begun in Public Law 99-272. An important feature of H.R. 2616 is that less costly outpatient care can be provided with the same statutory foundation as hospital care is now provided. The obvious result should be to allow medical judgment to select the locus as well as the procedure for medical care. That the new requirement for outpatient care is less extensive than that for hospitalization is simply a realization that at this time the VA's capacity for outpatient care is insufficient to absorb the demand for outpatient services. The combination of less cost for outpatient procedures and the statutory option for outpatient care should increase over time the VA's capacity for outpatient care.

Mr. Speaker, another provision of H.R. 2616 involves the Vietnam Veteran Readjustment Counseling Program, often referred to as the Vet Center Program. This provision would prevent the relocation of any storefront Vietnam veteran counseling centers until Congress has had time to analyze and evaluate the impact of the planned relocations. After the VA submits its plan for relocating these vet centers and an evaluation of the vet center effectiveness, as required by existing law, Congress would have 120 days to review the plan before it could be implemented.

To date, the committee, despite written communication with the VA, has not received the April 1, 1987, statutory report of the Administrator's evaluation of the effectiveness of the Vet Center Program in helping to meet the readjustment needs of veterans eligible for vet center counseling services. The absence of the report makes it impossible to understand the VA's intentions regarding the Vet Center Program. In particular, the committee has not been advised of the relationship between the VA's announcement that nine vet centers are to be physically relocated into VA medical centers during the summer and early fall of 1987 and the VA's plans for the National Readjustment Counseling Program.

Another provision in H.R. 2616 is intended to improve the delivery of VA health care services. This is the provision that would extend for three additional years the authority to contract for adult day health care, from September 30, 1988, to September 30, 1991.

This authority was originally authorized in Public Law 98-160 and I continue to view it as a promising alternative to institution-based care for veterans who have some family to care for them during the evening and weekends but need some minor medical supervision during the workday. Alternatives to institution-based care are practical as well as significant in allowing veterans to remain at home among family and friends for as long as it is medically feasible.

Mr. Speaker, this bill would also provide a substitute for section 2 of Public Law 100-6 which provided a contract authority that allowed the VA to furnish community-based residential treatment to chronically mentally ill homeless veterans. H.R. 2616 would replace section 620(c) of title 38 of the United States Code with a 1-year pilot program to provide community-based residential care to homeless chronically mentally ill veterans. The reported bill would also authorize appropriations of $6 million in fiscal year 1988 for the program and would require that not less that $250,000 of such moneys be devoted to management and monitoring of the program. The evidence is very strong that management of noninstitutional mental health care treatments and monitoring of the patients can prevent the occurrence of neglect of former mental patients after they leave mental hospitals. I hope the set-aside money will accomplish just that.

In title II of the reported bill, there are provisions that are intended to improve the VA's ability to recruit nurses and pharmacists. These two health care professions were reported to be in very scarce supply in VA medical centers around the country. It is true, Mr. Speaker, that everywhere in the United States registered nurses are in short supply, but the problem is especially acute in the VA. This provision would require the VA to pay premium pay for work on Saturdays as well as the current Sundays. This would certainly not solve the whole problem of making the VA competitive in the market place, but would allow the VA to do what is currently general practice in non-VA hospitals.

Another provision in title II would move pharmacists into title 38 of the United States Code for pay purposes. Mr. Speaker, we did this same thing for physical therapists, respiratory therapists, and licensed practical and vocatioinal nurses back in the 98th Congress. It did wonders to improve the recruitment of these professionals and I hope that it will do the same thing for pharmacists.

Along with these improvements of the VA's ability to recruit and retain, H.R. 2616 would widen the eligibility for participation in the VA's Health Professional Scholarship Program to medical personnel such as lab technicians, respiratory therapists, and physical therapists. The scholarship program has proved to be a highly successful method for recruiting and retaining health care professionals for the VA. For example, 73 percent of the full-time nursing students who participated in the scholarship program have stayed in the VA after their obligated service period, and as of April 23, 1987, all of the part-time scholarship participants have remained in VA employment.

This bill would prohibit the transfer to another Federal agency, or to a State, of any interest in real property owned by the VA which has a value estimated at more than $50,000 unless the transfer is explicitly authorized under law. Land that is declared excess would be sold at fair market value and funds would be deposited in the revolving fund used to build new parking garages at VA medical facilities. During the 99th Congress, the committee reported H.R. 4623 which included a provision prohibiting the Administrator from declaring certain property excess. The report accompanying H.R. 4623 contained a brief history of the committee's concern over the increasing pressure on the Administrator to declare vacant land excess to VA needs.

Section 306 of H.R. 2616 is similar to a provision on hospital management efficiency which I introduced last year which was passed by the House but rejected in the Senate. This provision would require the VA to conduct a pilot program at five medical centers to determine the feasibility of operating such centers free of certain statutory and regulatory constraints. Given this authority, we believe that more veteran patients can be treated without increasing operating budgets. Any funds that are saved as a result of this test program would remain at the medical centers involved. I am encouraged that the VA has formed a group of high level officials who have been examining the specific limitations and restrictions which may inhibit the management efficiency of medical center directors, which they believe could be lifted without altering the mission of the facilities or in any way adversly affecting veteran beneficiaries.

Mr. Speaker, I want to thank the very able gentleman from Arkansas, the ranking minority member of our subcommittee on hospitals and health care, Mr. HAMMERSCHMIDT, for the leadership he provided in helping draft this bill. I am also grateful to the distinguished ranking minority member of the full committee, Mr. SOLOMON, for his leadership and cooperation in getting the bill to the floor. I'm very grateful to all members of the committee who have worked on the bill, especially members of the subcommittee who attended the hearings and spent so much time on this measure. I do want to mention LANE EVANS who, while not on the subcommittee, contributed much to the discussion of the Vet Center Program.

This is a good bill and I urge all Members of the House to support it.

□ 1230

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 2616. This bill reflects a continuing commitment of the Congress to assure quality health care for deserving veterans. It fine tunes several programs and mandates outpatient care for our most deserving veterans.

Mr. Speaker, our chairman has concisely explained the substantive provision of this significant bill. I want to highlight those provisions which may be of special interest to many veterans, although it cannot be said that they are necessarily more important than the others. I very strongly endorse the bill in its entirety.

Section 101 codifies the current eligibility for VA outpatient care. Those veterans now eligible for outpatient care would be protected from future budget cuts aimed at reducing the number of veterans cared for in the VA's outpatient clinics. The so-called category A, B, and C, eligibility system had worked well for inpatient eligibility. Dire predictions of all the problems that would develop with the new inpatient eligibility system proved to be unfounded, and the time is right for a similar assurance of treatment for outpatients who are our highest priority concern—such as the service connected, the poor, and former POW's.

Section 102 corrects something about which service-connected veterans have properly expressed concern.

Under the current provisions of law on eligibility for domiciliary care, certain veterans are better situated than service-connected veterans. The bill's provision would remove the difference in eligibility so that service-connected veterans are treated the same.

Section 202 extends premium pay for nurses from not only Sunday but to Saturday as well. A shortage of nurses plagues both the VA and the private sector hospitals in some areas, including my own in New York. This provision of H.R. 2616 will help alleviate at least part of this problem for the VA.

Section 306, which would establish a pilot program on hospital management efficiency, is just the kind of experiment the Government ought to be conducting to perhaps cut some Government redtape and better utilize our tax dollars. Decentralized management has advantages which are becoming increasingly well understood, and there is no reason why it should not be tried at the VA on a selective basis.

I recognize the VA already has somewhat of a decentralized style of management, but current VA management must operate within many externally applied legal and regulatory restraints, some of which might be unnecessary. We ought to find out if they are. What we find out could have profound implications for the entire Government. VA hospital directors around the country are very enthusiastic about being involved in this pilot project. The House passed a similar bill last year but the other body declined to go along. This year our committee feels that a good chance exists for final passage.

An important provision of this bill concerns the storefront vet centers of the VA. It prevents the transfer of them to more traditional hospital settings until 120 days after two required reports are received by the Congress from the VA. This will give the Congress necessary time to evaluate and act upon the recommendations contained in the reports. In this connection, it has been and is my judgment that location of such centers ought to be based solely on the best medical judgment of VA officials.

Finally, Mr. Speaker, H.R. 2616 also strengthens the administration of the VA medical system. It gives necessary authority to the Chief Medical Director to more effectively manage the VA hospitals, outpatient clinics and nursing homes.

Mr. Speaker, the bill before us is a good one. It has evolved from a long process of careful study and consideration by all the members of the House Veterans' Affairs Committee. I particularly commend our distinguished chairman, the gentleman from Mississippi [Mr. MONTGOMERY], and the gentleman from Arkansas [Mr. HAMMERSCHMIDT], and the distinguished ranking member of the Subcommittee on Hospitals and Health Care, for their excellent work on it. It is a bill we can all support and be proud of.

Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas [Mr. HAMMERSCHMIDT].

Mr. HAMMERSCHMIDT. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of H.R. 2616.

The Subcommittee on Hospitals and Health Care of the House Veterans' Affairs Committee has held extensive hearings on the VA medical program. Those hearings and committee studies before and after them resulted in the bill before us. It is a good and necessary bill, and deserves the support of the Congress.

Mr. Speaker, the health care program improvement bill is a comprehensive measure ranging from the organization of the Chief Medical Director's Office to eligibility for outpatient care. H.R. 2616 is a compilation of administration proposals, committee proposals, and committee modification of administration proposals.

One of the most significant provisions which merits discussion is section 101 of title I. With the enactment of Public Law 99-272, we removed the uncertainty veterans faced with respect to their eligibility for hospital care. For the first time, we defined the universe of veterans to whom the Veterans' Administration must provide inpatient care. Now, with sufficient experience under Public Law 99-272, we are ready to carry the definition process the next logical step—to outpatient care.

Essentially, the bill before us today would mandate the VA to provide outpatient care to the same veterans to whom it provides care today on a discretionary basis. I certainly support this and urge my colleagues to do likewise.

Mr. Speaker, the other provisions of H.R. 2616 have been well explained by the distinguished chairman of the full House Veterans' affairs committee, and also the chairman of the Subcommittee on Hospitals and Health Care, and by my good friend JERRY SOLOMON. They and all of the other members of our committee are to be commended for their efforts.

Mr. Speaker, I urge passage of this excellent legislation.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. SOLOMON].

Mr. LAGOMARSINO. Mr. Speaker, I want to commend the chairman, the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the gentleman from New York [Mr. SOLOMON] and everybody else who brought this bill to the floor here today.

I think it is an excellent bill, and I particularly want to thank the committee for addressing the issue that is of great concern wherever they are located; namely, the question of storefront veterans' readjustment counseling centers. I have one in my district. It performs an excellent service. The people there have been quite nervous about whether it will continue. I think that when that happens, they spend a lot more time worrying about that than attending to the needs of their clients.

I appreciate the inclusion of this particular matter.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for bringing up those counseling centers. We think there should be more time before we start closing them up. We would like to get more information, and that is what we requested under this legislation, to delay the closing for a year. Maybe some should be closed, but some should be kept open. We really are not closing them. In effect, they would be moved to the hospitals on the hospital grounds. We like the way the program has worked so far and we are going to take a good hard look at it before we start letting the administration just close them up.

Mr. SOLOMON. The gentleman's remarks are well taken.

Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I thank my friend, the gentleman from New York, for yielding

Mr. Speaker, I rise in support of H.R. 2616 as reported out of the Committee on Veterans' Affairs. I believe this legislation will greatly improve the delivery of health care services by the Veterans' Administration and urge my colleagues to vote for its final passage.

Mr. Speaker, H.R. 2616, as amended would in part require the VA to provide outpatient care for service-connected disabled veterans for their service-connected disabilities and for all medical conditions of veterans rated 50 percent or more disabled as well as former prisoners of war. As my colleagues may know, under current law outpatient care to these veterans is discretionary; H.R. 2616 mandates this care.

Moreover, H.R. 2616 would provide the VA Administrator with the authority to pay for emergency hospital care for veterans who have been placed in community nursing homes at VA expense. The bill would also prevent the transfer of storefront vet centers in VA medical facilities before a 120-day period after congressional recipient of two reports from the VA which are required by law. Another provision of H.R. 2616 is a pilot program to provide care and treatment in community-based treatment facilities; that is, halfway houses to homeless veterans suffering from chronic mental illness disabilities and who are eligible for hospital care as category A veterans.

Another provision I would like to take a few minutes to explain to Members is an amendment I offered to the bill which requires the VA to establish and operate an outpatient clinic in central or southern New Jersey. I am pleased that the Veterans' Committee adopted my legislation and I hope the full House of Representatives will also vote to approve it.

The inclusion of this amendment in H.R. 2616 represents a 4-year effort on my part to improve health care delivery to veterans in the central and southern regions of my home State of New Jersey.

Mr. Speaker, the compelling need for a medical facility in central/southern New Jersey area is well documented. In the VA's own study, Ocean County emerged as the No. 1 priority for establishing a satellite outpatient clinic. The VA's minimum threshold requirement to establish such a clinic is 15,000 service-connected visits per year. Mr. Speaker, in Ocean County alone, the VA estimates that a satellite clinic would receive 52,000 visits by service-connected veterans per year. That is more than three times the minimum number of visits that justifies a VA clinic.

Currently, Mr. Speaker, veterans in the southern regions of New Jersey must travel either to the Philadelphia VA hospital or to the Wilmington, DE, hospital. Of the two VA medical centers in the State, both are located in northern New Jersey—at least 1½ hours drive one way. The outpatient clinic in Newark is extremely busy—frequently plagued with staffing shortages and equipment breakdowns. In short, it simply cannot meet the demand for outpatient services in the State.

The Ocean County clinic would treat minor surgery, fill pharmaceutical needs and provide local diagnostic services for veterans in several counties including Ocean, Monmouth, Burlington, Mercer, and Atlantic Counties.

Mr. Speaker, the amendment, which is listed as section 307 of H.R. 2616, will not only go a long way to meet the current unmet demand for VA medical services but also will prepare for the future. The dollars we spend to establish this clinic will provide valuable health care to a most distinguished groups of Americans—our veterans.

I urge my colleagues to vote in favor of H.R. 2616.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. EVANS], a member of our committee and an active chairman of one of our subcommittees.

Mr. EVANS. Mr. Speaker, I thank the chairman for yielding time to me.

Mr. Speaker, I rise in support of this legislation and specifically to highlight the provisions concerning the transition of community-based readjustment counseling centers. Section 107 of this bill prohibits the Veterans' Administration from relocating free standing vet centers to medical facilities until the House Veterans' Affairs Committee has received two required reports on the readjustment needs of veterans and the plan and timetable for relocating vet centers. These reports are expected to provide the information needed to be able to make informed decisions on the relocation of vet centers.

Despite the fact that the VA has not yet provided Congress with the report on readjustment needs, which the agency was required to do by April 1, the VA has adopted a policy of relocating vet centers this year. For the reasons already cited, these relocations are clearly premature, unwise and ill advised and could prove to be needlessly disruptive to the readjustment counseling program.

Section 107 also significantly amends the current vet center transition requirement. Currently, the Administrator is required to provide an orderly transaction of vet centers. Under this legislation, the Administrator is no longer mandated by law to undertake an orderly transition. Instead, the Administrator is given discretionary authority concerning the transition of vet centers.

I would like to thank the chairman of the House Veterans' Affairs Committee, the gentleman from Mississippi [SONNY MONTGOMERY], for his leadership on the vet center relocation issue. The concerns Chairman MONTGOMERY has expressed about these relocations and the actions taken through this legislation are greatly appreciated. I urge my colleagues' support for passage of H.R. 2616, including provisions regarding our vet centers.

Mr. DOWNEY of New York. Mr. Speaker, I would like to take this opportunity to congratulate the Veterans' Affairs Committee on its excellent work in bringing H.R. 2616, the VA health care programs bill, H.R. 2327, the travel benefits bill, and H.R. 1504, the extension of the Veterans' Job Training Act, to the floor of the House for final passage. These three bills deserve our wholehearted support.

These bills are important because they help to retain, and in some cases strengthen, a variety of benefit programs that are essential to the well-being of our Nation's veterans.

We spend a lot of time here in the Congress figuring out where and how we will save the billions of dollars necessary to get our deficit under control. We must certainly do all that we can to curb wasteful spending. But as the Veterans' Affairs Committee has shown, slashing veterans benefits programs is not the answer to our problems. In fact, preserving these programs may be part of the answer.

Take, for example, the Veterans' Job Training Program. H.R. 1504, which seeks to extend that program for another 3 years, will help to ensure that those veterans who can work, but need training first, will be given the opportunity to get a job. By making these men and women independent wage earners, we are helping them to a more productive life, and we are also helping to turn them into tax revenue producers rather than receivers. That makes fiscal, as well as common sense.

I want to thank the committee for its good sense in protecting this program, the travel benefit program, and a variety of health care programs that really do make a difference to veterans. I urge all of my colleagues to give these bills their support.

Mrs. LLOYD. Mr. Speaker, I rise in support of the three veterans bills that are pending before the House today.

Earlier in the year, this House with my full support, formally expressed in House Concurrent Resolution 27, its strong opposition to the administration's VA budget for fiscal 1988 because it would have reduced the VA's capacity to provide health care to eligible veterans.

At that time Chairman MONTGOMERY had estimated that one of the consequences of the administration's $75 million rescission would be a significant reduction—212,000—in outpatient visits to VA medical facilities. One of the bills that we are considering today—H.R. 2616—mandates that certain categories of veterans will continue to receive outpatient care from VA medical facilities as a matter of right. Those categories includes veterans disabled in war, former prisoners of war, and low-income veterans. In order to ensure that no eligible veteran will be denied access to outpatient care, the bill provides provisions that will help the VA to recruit and retain nurses, pharmacists, and other health care professionals to adequately staff its medical facilities.

The second bill that is before us—H.R. 2327—is equally important in protecting the health care benefits of eligible veterans by ensuring that they will be fully reimbursed for their travel expenses to VA medical facilities. This bill, which I was proud to cosponsor in cooperation with the chairman and ranking minority member of the House Veterans' Affairs Committee, responds to recent VA regulations which have severely restricted eligibility for veterans' beneficiary travel payments. These regulations have had the effect of denying VA medical care to veterans—especially those in rural areas—who cannot afford the trip to a hospital even though they may be in urgent need of medical attention. Travel payments are a vital part of the VA health care package, and I hope that all of my colleagues will join me today in supporting the effort to protect this important benefit.

The third bill that is before us—H.R. 1504—is also deserving of our support. This bill would extend a program that has been highly successful in addressing the unemployment problems of Vietnam-era and Korean conflict veterans. Since the Veterans' Job Training Act was enacted in 1983, it has helped more than 50,000 veterans to become productively employed.

It is generally accepted that veterans constitute 26 percent of the total population of dislocated workers in this country today. By extending the Veterans' Job Training Act, which is due to expire on July 2, 1987, we can afford many of these veterans the opportunity to support themselves and their families.

Each of these bills, is an important part of our veterans legislative agenda, and, I am proud to join our colleagues on the Veterans' Affairs Committee in supporting their enactment by the House today.

Mr. GILMAN. Mr. Speaker, I rise in strong support of three pieces of legislation brought before the House today: H.R. 2616, the VA Health Care Act Amendments of 1987; H.R. 2327, the VA Beneficiary Travel Program; and H.R. 1504, the Veterans Employment and Education amendments. I want to commend the gentleman from Mississippi [Mr. MONTGOMERY] for his leadership on the committee, and the gentleman from Mississippi [Mr. DOWDY] and my colleague from New York [Mr. SOLOMON] for their dedicated efforts on behalf of our veterans.

The VA Health Care Act Amendments of 1987 authorizes $6 million for a pilot program to provide community-based treatment to homeless veterans suffering from chronic mental illness. The homeless mentally ill have become one of the greatest problems of present-day society. The problem will not be solved until a comprehensive and integrated system of care for the chronically mentally ill is established. H.R. 2616 requires that the VA furnish outpatient health care to category A veterans seeking care. Extending mandatory treatment for outpatient care will enable veterans to predict the likelihood of receiving care and eliminate the need for costlier inpatient services.

The VA Beneficiary Travel Program requires the Veterans' Administration to pay travel benefits to certain eligible veterans. As a cosponsor of this fine legislation, (H.R. 2327), I want to stress that historically, VA travel benefits in connection with medical treatment have been awarded on a discretionary basis. However, new regulations prescribed in April 1987 have limited eligibility. Studies have shown that the veterans applying for travel benefits are more likely to be unemployed and have incomes below $10,000. Many of our veterans have been unable to use VA health care without travel benefits. These new regulations have placed an unreasonable hardship on our needy veterans.

The Veterans Employment and Education Act amendments (H.R. 1504) authorizes $30 million in fiscal year 1987 and $60 million annually through fiscal year 1990 for the Veterans' Job Training Act [VJTA]. The VJTA was enacted in 1983 in response to the high unemployment among Vietnam-era and Korean veterans. Through the program the VA pays subsidies to employers providing on-the-job training in approved programs. This successful program has helped over 48,000 chronically unemployed veterans return to work. When the program was enacted in 1983, the unemployment rate for Vietnam veterans was 9.1 percent. Today, it stands at 4.2 percent, lower than that of the comparable group of nonveterans.

Mr. Speaker, these measures help alleviate many of the burdens faced by our veterans and the rest of society, such as homelessness and unemployment. Accordingly, I urge my colleagues to join in support of the VA Health Care Act Amendments of 1987, the VA Beneficiary Travel Program, and the Veterans Employment and Education Act amendments. These bills which received the unanimous support of the Veterans' Affairs Committee deserve our solid support.

Ms. SLAUGHTER of New York. Mr. Speaker, I rise today in strong support of H.R. 2616, the Veterans' Administration Health Care Programs Act of 1987. Our veterans have sacrificed a great deal for this Nation. We must now honor the commitment we made to provide them with needed health care.

This bill would provide outpatient care for veterans disabled in war, former prisoners of war, and low-income veterans. It would enable the VA to provide incentives to ensure that quality nurses, pharmacists, and other needed professionals are available to provide that care.

Mr. Speaker, while I rise in support of H.R. 2616, it is my strong hope that passage of this legislation will not be injurious to the Veterans' Outreach Center, Inc., which is located in my District in Rochester, NY. The Veterans' Outreach Center is a not-for-profit, community-based organization, which was established in 1973. The center served as a model for the VA Vet-Center Program which was initiated in 1979. It has helped thousands of Vietnam-era veterans with readjustment problems, utilizing contracts with the Veterans' Administration and the great State of New York. The Veterans' Outreach Center receives additional support from foundations, businesses, and individuals in our community.

The Veterans' Outreach Center and the VA Vet Center have worked cooperatively in our community since 1986, when the VA Vet Center was first established in our community. It is my hope that both initiatives can continue to work together and serve Vietnam-era veterans under the readjustment counseling program.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill (H.R. 2616), as amended.

The question was taken.

Mr. SOLOMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on this bill and also, Mr. Speaker, on the next two bills, H.R. 2327, and H.R. 1504, to be considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

□ 1245

VETERANS' ADMINISTRATION BENEFICIARY TRAVEL PROGRAM

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2327) to amend title 38, United States Code, to ensure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

The Clerk read as follows:

H.R. 2327

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VETERANS' ADMINISTRATION BENEFICIARY TRAVEL PROGRAM.

(a) ENTITLEMENT.—Subsection (a) of section 111 of title 38, United States Code, is amended—

(1) by striking out "may" both places it appears and inserting in lieu thereof "shall"; and

(2) by striking out "person" and inserting in lieu thereof "eligible claimant or beneficiary".

(b) BENEFICIARIES.—Such section is further amended—

(1) by redesignating subsections (b), (c), (d), and (e) as subsections (c), (d), (e), and (f); and

(2) by inserting after subsection (a) the following new subsection (b)(1):

"(b)(1) The following persons are entitled to payment under this section:

"(A) A veteran traveling in connection with treatment of a service-connected disability.

"(B) A veteran with a service-connected disability rated at 50 percent or more for any disability.

"(C) A veteran receiving or eligible to receive pension under section 521 of this title for any disability.

"(D) A veteran whose annual income (determined in accordance with section 503 of this title) does not exceed the maximum annual rate of pension which would be payable to such veteran if such veteran were eligible for pension under section 521 of this title for any disability.

"(E) A veteran for whom ambulance transportation, wheelchair van transportation, or other special mode of transportation is medically indicated and an administrative determination is made that the veteran is unable to bear the cost of such transportation for any disability.

"(F) A veteran who is determined (under regulations prescribed by the Administrator) to be unable to defray the expenses of the travel for which payment under this section is claimed for any disability.

"(G) Such other persons as the Administrator determines by regulation.

"(2) The purposes for which payments for travel shall be made under this section are those specified in regulations of the Veterans' Administration in effect on July 1, 1986 (38 CFR 17.100, 17.102).

"(3) Payment may not be provided to a person under this section—

"(A) to reimburse for the cost of travel by privately owned vehicle in any amount in excess of the cost of such travel by public transportation unless public transportation is not reasonably accessible or would be medically inadvisable; or

"(B) in excess of the actual expense incurred by such person (as certified in writing by such person).".

(c) Conforming Amendments.—Subsection (f) of such section (as redesignated by subsection (b)) is amended—

(1) by striking out "paragraph (3)(C) of this subsection, and, in any event, immediately following the enactment of this subsection and not less often than annually thereafter, and" in the second sentence of paragraph (1) and inserting in lieu thereof "paragraph (2)(C) of this subsection and, in any event, not less often than annually and,";

(2) by striking out paragraph (2);

(3) by redesignating paragraph (3) as paragraph (2); and

(4) by redesignating paragraph (4) as paragraph (3) and striking out "paragraph (3)(C)" in that paragraph and inserting in lieu thereof "paragraph (2)(C)".

(d) Clerical Amendments.—Subsection (c) of such section (as redesignated by subsection (b)) is amended—

(1) in paragraph (1)—

(A) by striking out "the" and inserting in lieu thereof "The"; and

(B) by striking out "subsection (a) hereof;" and inserting in lieu thereof "subsection (a) of this section";

(2) in paragraph (2)—

(A) by striking out "actual" and inserting in lieu thereof "Actual"; and

(B) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(3) in paragraph (3), by striking out "the expense" and inserting in lieu thereof "The expense".

(e) Effective Date.—The amendments made by this section shall apply with respect to travel expenses incurred after the date of the enactment of this Act.

The SPEAKER pro tempore (Mr. Gray of Illinois). Pursuant to the rule, a second is not required on this motion.

The gentleman from Mississippi [Mr. Montgomery] will be recognized for 20 minutes and the gentleman from New York [Mr. Solomon] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. Montgomery].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 2327 would reinstate the beneficiary travel allowance for certain veterans traveling to and from VA medical facilities for care and treatment.

First of all, I would like to commend my distinguished colleague, the gentleman from New York, Mr. Gerald Solomon, the ranking minority member of the committee, for his outstanding leadership in sponsoring this bill. I am a cosponsor, as are 255 Members of the House, including every member of our committee.

In this year's budget, the administration proposed to drastically reduce eligibility for the payment of travel for veterans who seek care in VA hospitals and outpatient clinics.

This action prompted thousands of veterans to call or write Members, protesting the cuts proposed by new regulations issued this past April by the Veterans' Administration.

The bill before us is a reasonable compromise and should be adopted. H.R. 2327 would require the Administrator of Veterans' Affairs to pay beneficiary travel to the following:

First, a veteran for treatment of a service-connected disability.

Second, veterans with service-connected disabilities rated 50 percent or more for treatment of any disability.

Third, a veteran receiving or eligible to receive VA pension benefits.

Fourth, a veteran for whom ambulance transportation, wheelchair van transportation or other special modes of transportation are medically indicated and where the Administrator determines that the veteran is unable to bear the cost of such transportation.

Fifth, such other persons as the Administrator determines by regulation.

Mr. Speaker, one of the great things about our democracy is that when people are unhappy about something, they let us know. I'm sure almost every Member of this Congress has heard from constituents who are unhappy over the administration's action earlier this year to restrict eligibility for the beneficiary travel allowance.

Under the administration's original plan, hardly anybody was left who qualified for the beneficiary travel allowance. Veterans who counted on that allowance to get to and from the hospital or clinic suddenly found themselves without access to the care which they needed. It doesn't make sense to have an excellent health care system, and not give veterans the chance to use it.

This bill is going to send a strong bipartisan message to the administration. This Congress is going to make sure that veterans have reasonable access to VA medical care.

Mr. Speaker, again I want to commend the gentleman from New York [Mr. Solomon] who has done such an outstanding job in bringing before us this very necessary and timely piece of legislation and I urge Members of the House to support the bill.

Mr. SOLOMON. Mr. Speaker, I yield myself such time and I may consume.

Mr. Speaker, as ranking member of the Committee on Veterans' Affairs, I rise in strong support of H.R. 2327 to reinstate beneficiary travel payments in connection with Veterans' Administration health care for many veterans.

With the cosponsorship of our distringuished chairman, the gentleman from Mississippi [Mr. Montgomery], I introduced this legislaltion on May 7, 1987, in response to a draconian cut in the level of veterans' travel benefits, and, due to the urgency of the situation, our chairman saw to it that the legislation moved through the committee quickly and to this body at the earliest opportunity.

Mr. Montgomery has just very ably explained the categories of veterans to which H.R. 2327 would restore travel benefit eligibility.

Mr. Speaker, the committee was compelled to act following a precipitous, and, in my judgment, ill-advised regulation change made by the VA on April 13, 1987.

The former regulation had allowed beneficiary travel payments in connection with VA medical treatment for all service-connected veterans, for VA pensioners and other low-income veterans, and for veterans presenting evidence of inability to pay for travel or necessary ambulance transportation.

By simply saying that, except for compensation and pension examinations and special mode transportation, the VA would not pay for beneficiary travel within a 100-mile radius, the VA eliminated most of those veterans previously eligible.

According to the VA's own statistics, 97 percent of America's 28 million veterans live within 100 miles of a VA medical facility. That's right, 97 percent of veterans live within that 100-mile radius the VA drew.

And for those who lived beyond 100 miles, the VA imposed an $11 deductible. The deductible is calculated by multiplying the mileage rate of 11 cents per mile by the 100 miles.

Thus, an eligible veteran who travels 101 miles to a VA medical center and another 101 miles to return home, will receive travel reimbursement from the VA in the grand sum of 22 cents.

Mr. Speaker, that's an insult to the men and women who put their lives on the line to defend our precious freedoms.

H.R. 2327 gets rid of the 100-mile radius and the onerous deductible.

It makes certain that our veterans who have low incomes and can't afford to travel, or who need treatment for service-connected conditions, will receive the health care to which they're entitled.

Eligibility for VA health care doesn't mean much if veterans can't get to a VA hospital or clinic.

Mr. Speaker, the Government has paid various travel benefits for medical care to eligible veterans since World War I.

The Congress has an obligation to ensure that these benefits remain adequate.

In my view, today they are not, and we must remedy this situation as soon as possible.

Mr. Speaker, the gentleman from Arkansas [Mr. HAMMERSCHMIDT], the committee's former ranking member and still the ranking member of the subcommittee on hospitals and health care, has, along with our chairman, given this legislation his invaluable support.

Their work on behalf of veterans has been tireless.

Their work has been recognized by many richly deserved awards and commendations, and I consider it a privilege to serve on the Veterans' Affairs Committee with them.

Now, it is no secret that I'm a fiscal conservative, and I can assure you that the cost aspects of this legislation have received careful attention.

The Congressional Budget Office estimates that H.R. 2327 would cost $36 million more in 1988 than under the new regulations, but that this would still be a reduction of $24 million from the cost of the old program.

The bill is a fair and equitable approach to travel benefits for deserving veterans.

It has the additional advantage of being easy and straightforward to administer, because the eligibility scheme is similar to the old one, with no mileage restrictions or deductibles to complicate the clerical tasks involved with paying the benefits.

Finally, the purposes for which the benefit could be paid would be exactly the same as they were before the April regulation change.

Mr. Speaker, since I introduced H.R. 2327 on May 7, 1987, it has attracted 256 cosponsors as the result of genuine grassroots support by veterans from across the country.

The cosponsors are Democrats and Republicans, liberals, moderates, and conservatives, and they all agree that the Congress should act on this bipartisan measure.

The committee unanimously reported the bill, and all of the major veterans' organizations support it as well.

I strongly urge every one of my colleagues to vote for H.R. 2327. Our Nation's veterans need and deserve their support!

Mr. Speaker, I yield such time as he may consume to the ranking Republican on the Subcommittee on Hospital and Health Care, the gentleman from Arkansas, Mr. JOHN PAUL HAMMERSCHMIDT, a cosponsor of the legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise in strong support of H.R. 2327—to restore beneficiary travel eligibility to many veterans. As ranking member of the Subcommittee on Hospitals and Health Care, I cosponsor this legislation, which is badly needed by our veterans.

The gentleman from Mississippi, Mr. MONTGOMERY and the gentleman from New York, Mr. SOLOMON, have already explained the provisions and the intent of the legislation, but I want to add that I was dismayed by the severe reduction of benefits.

The VA, which is willing to spend about $55 million on beneficiary travel, but which vehemently opposes spending the additional $34 or $35 million to return the benefit to a reasonable level, has made some astonishing claims to one or more Members of this body in opposition to the beneficiary travel bill, and I am surprised and dismayed by them too. The VA suggests that the beneficiary travel program is "replete with fraud," and that, in effect, we are only opening the doors wider to veterans who are robbing the VA and the taxpayers blind.

Mr. Speaker, if that is true, and I do not for a moment think it is, it is a terrible indictment of the employees and managers in the VA's Department of Medicine and Surgery who have allowed it to happen and who have failed to do anything about it.

But it is a strange way to deal with allegedly dishonest veterans, by denying many honest veterans something they desperately need—the means for access to VA health care.

The committee may need to look into the VA's allegations more and find out why they are made, but these last minute tactics should not be permitted to sway our vote today on H.R. 2327, a bill which stands tall on its own merits, and which is a credit to its author, Mr. JERRY SOLOMON, to our chairman, Mr. SONNY MONTGOMERY, and to every one of its 256 cosponsors.

Mr. Speaker, I urge unanimous passage of this legislation by the House.

Mr. Speaker, as an original sponsor of H.R. 1504 and as an original sponsor of this most worthwhile program, I am pleased that legislation to extend and provide funding for the Veterans Job Training Act has received such strong bipartisan support.

The reauthorization of the VJTA Program will help hard core unemployed Korean and Vietnam-era veterans and will assure that long overdue job training, education and employment opportunities are provided to service-connected disabled veterans. The downturn in the unemployment level of Vietnam veterans that we have witnessed recently can be partially attributed to the ongoing success of the VJTA. After a slow start, the program has been a success.

Lastly, Mr. Speaker, I wish to commend Congressman WAYNE DOWDY, chairman of the Education, Training and Employment Subcommittee; CHRIS SMITH, the ranking member of the subcommittee; Congressman MONTGOMERY, chairman of the committee and Congressman SOLOMON the ranking member of the committee for all of their efforts to strengthen and improve this important program.

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Mr. MONTGOMERY. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. HARRIS], a member of our Committee on Veterans' Affairs.

Mr. HARRIS. I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of this very needed and vital legislation and urge my colleagues to support it. It is well timed and I just want to compliment the chairman and Mr. SOLOMON and all the members of the committee for helping move this legislation along. The motivations that brought it about in my opinion are very cruel and we want to make sure that we uphold the promises that we made to our veterans.

Mr. Speaker I urge strong support from my colleagues.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minuts to the gentleman from Arkansas [Mr. ALEXANDER], one of the great supporters of veterans' programs.

Mr. ALEXANDER. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of this bill. Benefits to assist veterans in need of medical treatment were first made available 70 years ago, in 1917.

The Veterans' Administration Administrator acted within his discretionary authority last April in issuing regulations which denied thousands of veterans of medical travel pay benefits. But, that decision was both unwise and unfair. Because of the hardship and injustice created I have cosponsored this legislation to restore travel assistance for medical assistance.

I want to compliment and thank the Veterans' Affairs Committee for considering and acting on this legislation with speed and with the compassion which has been the trademark of its management of veterans legislation in the past.

By virtue of their military service, U.S. veterans have served our Nation in a way that no other Americans do. They have prepared to fight, and in many cases, have fought to protect the liberty, freedom, and American values we treasure. Our Nation made commitments to these men and women that we must honor, particularly in their time of need for medical treatment.

A study of the veterans' use of the medical travel pay benefit which was mandated by the Congress was completed and released in 1985. Results of this study show that veterans who use the program are:

More likely to be unemployed or retired than are nonusers;

More likely to have been admitted to a VA medical facility in the past 12 months than are nonusers;

More likely to have had more than 20 outpatient visits to a VA medical facility in the last 12 months than are nonusers; and/or

More likely to have to travel greater distances to reach VA medical treatment.

And, veterans who have used the program are more likely to have lower incomes than veterans who do not use the program.

Veterans who are already ill and in need of treatment at a VA medical facility already bear a burden of anxiety that is not beneficial to their health. The VA Administrator's action in denying thousands of them, particularly those who live substantial distances from a VA facility and have travel and transportation difficulties as many of those I represent do, medical travel pay benefits added to the anxiety of our veterans.

That action broke faith with our veterans. It imposed on them a burden of anxiety and economic costs they should not have to bear.

Substantial numbers of Arkansas veterans have told me that without the medical travel pay benefit they will have to forego the VA medical treatment they know they need. Others have told me of their growing worry about their ability to travel to a VA medical facility if they become ill as friends of theirs have.

Our veterans do not need this worry on top of their other concerns. I am proud to have cosponsored this legislation to help relieve them of it. I urge passage of this bill to help restore travel benefits to veterans who have been denied them by the VA Administrator's rule change last April.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from New Jersey [Mr. SMITH], a valuable member of our subcommittee.

Mr. SMITH of New Jersey. I thank the ranking member for yielding to me.

Mr. Speaker, first of all I want to thank the gentleman from New York for his leadership in fashioning this legislative remedy to a very difficult problem, for acting so quickly in recognizing the problem and then putting together a proposal that would accomplish and remedy the problem.

I also want to thank the chairman of the full committee, the gentleman from Mississippi [Mr. MONTGOMERY] for his even-handedness and for his fairness as evidenced by reporting to the full House a bill that has been authored by the ranking minority member, a member of the minority party.

I think that speaks volumes to the fairness of the chairman and I am very pleased again to commend him and to support this bill.

I am glad to be a cosponsor. It is a good bill. I hope it will be acted upon very quickly by the Senate and become law.

Mr. SOLOMON. Mr. Speaker, I yield such time as he might consume to the gentleman from Palm Beach, FL, one of the first Members of this Congress who brought this problem to our attention when the proposal for knocking out travel allowances was published in the Federal Register. He and his staff were helpful in drafting the legislation before us today.

I again commend the gentleman from Palm Beach. I know he has one of the largest veterans populations in all of Florida. His fellow Member, DAN MICA, often reminds us they have 5,000 veterans moving into Florida every month and most of them are moving down to Palm Beach, according to TOM and DAN.

I yield such time as he may consume to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Speaker, I rise today in strong support of H.R. 2327, legislation I am proud to have helped formulate, which restores beneficiary travel benefits to most veterans.

As we all know in April a VA rule went into effect which is so strict as to virtually eliminate the VA's former practice of reimbursing veterans for travel.

In a congressional district as large as mine with over 200,000 veterans this VA rule has produced serious problems.

I believe it is hypocritical for the Veterans' Administration to, on the one hand, be willing to provide health care services for veterans, and yet, on the other, take steps which would impede or even deny access to those very same services.

H.R. 2327 is a responsible bipartisan remedy to this situation.

Although this bill will not totally restore all medical travel reimbursements it will help the truly needy veteran and those who suffer from service-related medical problems.

Mr. Speaker, I want to commend the gentleman from New York [Mr. SOLOMON] for his instantaneous response to this particular problem and also commend the chairman of the committee, Mr. SONNY MONTGOMERY of Mississippi for his leadership in bringing this legislation to the floor.

Mr. Speaker, I urge the House to pass this important legislation.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio [Mr. MCEWEN].

Mr. McEWEN. Mr. Speaker, I rise in strong support of this legislation.

Mr. Speaker, as a cosponsor of the veterans legislation considered today, I rise in strong support of H.R. 2327, the VA Beneficiary Travel Program, H.R. 2616, the VA health care amendments, and H.R. 1504, the Veterans Employment and Education Act amendments.

Each of these bills symbolize our continued commitment to America's veterans. Our chairman, SONNY MONTGOMERY, and our ranking member, GERALD SOLOMON, have again demonstrated their leadership by having the House of Representatives expeditiously consider this important legislation.

Mr. Speaker, H.R. 2327 would reinstate the beneficiary travel payments for certain veterans who travel to and from VA medical facilities for care and treatment. As the chairman of the full committee has indicated, H.R. 2327 would require the VA to reimburse a veteran for treatment of a service-connected disability; veterans with service-connected disabilities rated 50 percent or more for treatment of any disability, and a veteran receiving or eligible to receive VA pension benefits.

Also, H.R. 2327 would provide travel pay for a veteran for whom special modes of transportation are medically required or if the Administrator determines that the veteran is unable to bear the cost of such transportation.

In my view, this legislation is necessary because VA regulations did not provide a reasonable reimbursement plan for veterans which would enable them to obtain their health care. With this proposal, veterans will now have the opportunity and the means to receive their care. I urge my colleague to support H.R. 2327.

Mr. Speaker, the other bill that we are considering, H.R. 2616, the VA Health Care Act amendments, contains several health care provisions that will provide and improve care for former POW's and disabled veterans with service-connected disabilities of 50 percent or more. And H.R. 2616 would also provide a pilot health care program for homeless veterans who suffer from chronic mental illness disabilities.

H.R. 2616 is designed to address the continuing and changing needs of our veterans. Moreover, this bill reaffirms our belief that benefits and services for America's disabled veterans ought to have the highest priority with the Congress and the people of our Nation.

Mr. Speaker, the third measure under discussion is H.R. 1504, the Veterans Job Training Act. This measure continues the already successful program for veterans who are seeking new employment, skills and careers. This job program is working for veterans and businesses across the country. But more importantly, thousands of veterans are realizing their worth in their own communities. The Veterans Job Training Act has fostered and encouraged each of them to reach their full potential.

Mr. Speaker, H.R. 1504 warrants the support of all Members of the House, and I asked my colleagues to join me approving this legislation. Thank you.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to the gentleman from the Virgin Islands [Mr. DE LUGO], a great supporter of veterans' programs.

Mr. DE LUGO. Mr. Speaker, I rise in support of H.R. 2327 to ensure certain individuals' eligibility for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

My district, the U.S. Virgin Islands, is a community consisting of three main islands—St. Thomas, St. John, and St. Croix. The only Veterans' Administration medical center in the entire region is in San Juan, PR. The only means of transportation for those seeking medical attention there is by air.

Recently, the Veterans' Administration put in effect new travel regulations using mileage to determine eligibility for reimbursement. This had a discriminatory and inequitable effect on the veterans population of the Virgin Islands. For the lack of a a few miles, those who reside on St. Thomas and St. John found that they were no longer entitled for travel cost reimbursements. St. Croix residents, however, being outside of the required 100 mile radius, were unaffected. Yet the air fare for veterans in both islands to San Juan was virtually the same. I am told similar problems have also occurred in Hawaii and Alaska.

Thus, this legislation which removes distance as the criteria is a step in the right direction to correcting a situation which could prevent many persons in need of medical care from receiving it.

Therefore, I am proud to be a cosponsor of H.R. 2327 and I commend its sponsor, my colleague Mr. Solomon, from New York, and the honorable chairman of the Veterans' Committee for proposing this bill and expediting its passage. I also wish to thank the chairman of the oversight subcommittee and his excellent staff for their assistance.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for his comments about our committee.

Mr. Speaker, I yield 2 minutes to the distinguished Member of Congress, the gentleman from Texas [Mr. Gonzalez], from the San Antonio area. He has done so much work on protecting the Audie Murphy Veterans' Hospital there.

Mr. GONZALEZ. I thank the very distinguished chairman of this committee not only for this legislation but for everything he has done, especially in the last 6 years to save so much hardship and unnecessary punishment of men who have served not only loyally and patriotically but heroically. In the case of Audie Murphy Hospital which I recall having been instrumental in having President Kennedy designate San Antonio as the site for the hospital, it has been very, very heartrending to see what some of the decrees have done to some of these men with whom I have come into contact personally. This legislation addresses and is responsive to some of the most urgent needs that we find confronting us back home.

I want to thank the chairman again because I have summoned his help and he has been forthcoming.

I want to assure my colleagues that this legislation ought to be passed unanimously because it is very responsive to what our eligible veterans are confronted with, and that is needless hardship and deprivation.

Mr. VENTO. Mr. Speaker, will the gentleman yield to me?

Mr. GONZALEZ. I will be glad to yield to the gentleman from Minnesota [Mr. Vento].

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, I too want to commend the gentlemen, Mr. Montgomery and Mr. Solomon for their legislation. Health care without access is meaningless. Unless we can get the veterans to the facilities and help them, many of these veterans who do seek help in VA hospitals have substantial needs in terms of transportation and in terms of health care. It is only fair that we would provide adequate access through this program. We do not want to diminish the program as a way of starving the health care facilities and providing a waste of space and needed personnel that are available and ready to help, simply for the cost of a taxi ride or mileage which is necessary to get them to the facilities.

So I think it is a commonsense proposal and I hope that we do not face these sorts of tactics in the future with regard to administrative tactics that may make sense in terms of dimes and pennies, but do not make sense in terms of the millions of dollars that we spend in the VA system annually.

I commend the committee and thank the gentleman for yielding.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing the debate I want to just make a couple of comments. One to thank Congressman Ron de Lugo for his remarks. You know, one of the most pleasant changes of pace that I have in this Congress is coming from my position as one of the ranking subcommittee members on the Committee on Foreign Affairs where there is often dog eat dog atmosphere to the Committee on Veterans' Affairs and work with the Members of Congress there in such a bipartisan effort on behalf of the veterans of this Nation, it is just a real pleasure.

The other comment I would like to make is just to thank the staff on both sides of the aisle for all of their input in developing this complex piece of legislation into a measure that will truly help the veterans of this Nation.

So I thank the staff, both Democrat and Republican, and I deeply thank the chairman of the committee, the gentleman from Mississippi [Mr. Montgomery] for his help.

Ms. SNOWE. Mr. Speaker, today the House will consider a bill that is very important to veterans in the State of Maine. H.R. 2327, the veterans beneficiary travel allowance, will restore travel allowance benefits to thousands of veterans who have found themselves without the financial means to travel to veterans medical facilities for care since April 13.

When the Veterans' Administration published final regulations in March to change the travel allowance benefits, veterans in my district and many others found themselves facing the elimination of this important benefit. The new regulations call for the reimbursement of travel expenses when specialized modes of transportation are necessary, in conjunction with compensation and pension examinations, and for travel beyond a 100-mile radius from the nearest VA medical facility.

I believe these regulations are shortsighted and ill-conceived and have forced many veterans to choose between economic hardship and medical treatment. Furthermore, the cost of travel is small compared to that of inpatient care, which is where many of these veterans will end up if they are forced to go without their inpatient visits. The cost will go up even further if they are unable to work due to the lack of adequate health care.

For veterans in my district, the impact has been especially severe. Maine has only one veterans hospital, Togus, in Augusta, ME. Veterans traveling to Togus from Caribou experience a 40-percent reduction in reimbursement under the new regulations, from Bar Harbor, 95 percent, from Machias, 70 percent, and from Presque Isle, a 58-percent reduction.

Under H.R. 2327, benefits would be restored to many veterans including; veterans who need treatment of their service-connected disabilities; veterans who are disabled at least 50 percent; veterans who receive a VA pension; certain low-income veterans; and anyone else the VA determines to be unable to afford transportation.

Veterans came to the defense of this country when it was in need, and I firmly believe that this country must keep the promises it made to these men and women. I urge my colleagues to support H.R. 2327 in order to help keep this promise.

Mr. YOUNG of Florida. Mr. Speaker, I rise in support of H.R. 2327, legislation I have cosponsored that require the Veterans' Administration to resume paying travel benefits to eligible veterans needing medical care.

Federal regulations issued April 13, 1987, would have substantially reduced the number of veterans eligible for travel benefits in connection with medical treatment. This would have severely impacted low-income veterans, many of whom would be unable to use VA health care services without the travel benefit.

H.R. 2327 reinstates the travel benefit for low-income veterans and for veterans being treated for service-connected disabilities, for veterans who have service-connected disabilities rated at 50 percent or more, and for veterans who cannot defray the cost of special-mode transportation such as ambulances and wheelchair vans.

At the direction of Congress, the Veterans' Administration has established one of the finest medical care programs anywhere in the world. This system, however, cannot serve the needs of our Nation's veterans if they are unable to get to the hospitals or clinics to receive the treatment to which they are entitled.

The House will also consider legislation today that reauthorizes the Veterans Jobs Training Act, which in the past 4 years has helped more than 48,000 chronically unemployed veterans return to the our Nation's work force.

H.R. 1504 extends the deadline for veterans to enroll in the jobs program from July 2, 1987, to September 30, 1990, and grants an extension for actual participation in the program from January 2, 1988, to March 30, 1991. Through this program, employers are encouraged to provide valuable on-the-job training to veterans who want to learn important new skills so that they can proudly become self-sufficient members of our communities.

Finally the House today will consider H.R. 2616, the Veterans Health Care Amendments of 1987, which authorizes and extends several new and innovative medical programs.

Among these programs is an Adult Day Health Care Program that provides assistance to our growing population of aging veterans. All too often, chronically ill or dependent veterans are moved from the comfort of their homes and placed in VA institutions because their families cannot meet the needs associated with long-term care. Congress has authorized the Veterans' Administration to reimburse veterans for community-based day health care expenses in non-VA facilities. This enables families to receive assistance with long-term care needs but allows veterans to continue living in their homes, rather than being institutionalized. H.R. 2616 extends for 3 years this adult day health care program through September 30, 1991.

New programs such as these are urgently needed because the Veterans' Administration is experiencing a shortage of nursing home space to care for disabled and elderly veterans. Nowhere is this problem greater than in Florida where more than 5,000 veterans move into our State each month and the demand for VA nursing home beds in expected to triple by the end of this century. As a member of the Appropriations Committee, I have made every effort over the years to ensure that we are providing the resources necessary to meet the needs of our growing veterans population. Just last week, the Appropriations Committee approved my request for the Veterans' Administration appropriations bill to provide $670,000 to fund the final design for a new 120-bed nursing home in Tampa.

Mr. Speaker, the commitment of this Congress to provide for the needs of our Nation's veterans is evident from the breadth of issues we consider today. Legislation before us continues many important programs including those extending travel benefits, job training programs, and health care services. This Member of Congress remains unwavering in his support of our Nation's veterans and I would urge my colleagues to support these three important measures before us today.

Mr. BRENNAN. Mr. Speaker, I rise today as a cosponsor and strong supporter of H.R. 2327.

Health care is one of the most important benefits we provide our veterans for their service to our country. For many individuals, it is precisely because of that service that medical care is required. As the veteran population ages, the need for care grows, and the need for new and different types of treatment expands and becomes more urgent.

Just as our veterans have met their obligation to serve our country, we in Congress have a duty to ensure that our country meets its obligation to our veterans. Meeting that obligation means not only seeing that health care is available but also seeing that our veterans have access to it. What good is medical care to a disabled veteran who is 200 miles from the nearest medical center and is financially unable to make the trip?

By limiting access to medical care, we effectively deny care to those veterans who most need that benefit—the low income, the disabled, and the aging.

Restoring beneficiary travel benefits to a reasonable level is not optional but necessary, not extra but essential. This measure must pass if we are to fulfill our promise to our men and women in uniform. They have earned our respect, our gratitude, and our assistance.

I join my colleagues in support of this measure to restore access and therefore restore medical care to our veterans to whom we are all indebted.

Mr. SOLOMON. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I would like to second the remarks of the gentleman from New York [Mr. SOLOMON] with respect to our committee. It has certainly been a team effort on our committee. It is totally bipartisan. We are proud of our record so far and also proud of the staff that so totally cooperates.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. SMITH of Florida. Mr. Speaker, I rise in support of H.R. 2327, a bill to restore veterans benefits from the VA Travel Program. As my colleagues know, many veterans are forced to travel hundreds and sometimes thousands of miles to reach the proper VA facility for medical treatment.

This legislation is a much needed response to the recent Veterans' Administration regulations which would not reimburse veterans travel to medical facilities under a 100-mile radius. This bill ensures eligibility of certain individuals for compensation for traveling to Veterans' Administration medical facilities. Those eligible include veterans disabled in war, former prisoners of war, and low-income veterans.

This bipartisan legislation provides an economical and fair solution to this problem. It ensures that those who served our country will be able to receive the proper health care to which they are entitled.

In my district alone, I have heard from numerous veterans who will be unable to receive adequate health care due to the VA regulations on travel. A World War II veteran from Hollywood, FL, who has lost his sight must receive a quarterly examination for a heart ailment in a Dade County VA facility. Before these regulations were implemented, this man relied on the VA reimbursement for his transportation costs to the VA hospital. Due to these regulations he will be forced to miss his crucial heart examinations. In addition, I am familiar with a veteran from South Broward who has been confined to a wheelchair for years and is now unable to afford an adequate vehicle to transport him across the Broward-Dade County line for his VA medical treatment, that was previously covered by the VA reimbursement. These stories are not unique to my district but occur all over the Nation.

While I recognize the need for fiscal responsibility, the VA regulations cut at the heart of what is important to this Nation. We have a commitment to all veterans, to provide quality health care, not only to those who live in close proximity to veterans health care facilities.

Mr. ROWLAND of Connecticut. Mr. Speaker, I rise today in strong support of H.R. 2327, a bill to require the Veterans' Administration to restore beneficiary travel benefits for veterans requiring medical care.

As a member of the Veterans Committee and an original cosponsor of this bill, I believe this legislation is a fair and equitable approach to the new VA regulation which restricts eligibility for travel benefits. I strongly believe that the VA should provide the best medical care for veterans. If a disabled or low-income veteran cannot get to a VA medical facility for the medical treatment, eligibility for the medical treatment is pointless.

This legislation will ensure that no service-connected or low-income veteran is left without the means to obtain the medical care to which he or she is entitled. The strong bipartisan support for H.R. 2327 reflects the extent of which deserving veterans are being hurt by the recent cutback in travel reimbursement.

I urge my colleagues to join with me in supporting H.R. 2327. Our Nation's veterans deserve and need our support.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2327.

The question was taken.

Mr. SOLOMON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announce-

ment, further proceedings on this motion will be postponed.

VETERANS' EMPLOYMENT AND EDUCATION AMENDMENTS OF 1987

Mr. MONTGOMERY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1504), to amend the Veterans' Job Training Act, as amended.

The Clerk read as follows:

H.R. 1504

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Employment and Education Amendments of 1987".

SEC. 2. TIME PERIODS FOR APPLICATION AND INITIATION OF TRAINING.

Section 17 of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended to read as follows:

"TIME PERIODS FOR APPLICATION AND INITIATION OF TRAINING

"SEC. 17. Assistance may not be paid to an employer under this Act—

"(1) on behalf of a veteran who initially applies for a program of job training under this Act after September 30, 1990; or

"(2) for any such program which begins after March 30, 1991.".

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 16 of the Veterans' Job Training Act (29 U.S.C. 1721 note) is amended—

(1) by striking out "and" the second place it appears in the first sentence and inserting in lieu thereof a comma;

(2) by inserting after "1986" in the first sentence the following: ", $30,000,000 for fiscal year 1987, and $60,000,000 for each of the fiscal years 1988, 1989, and 1990"; and

(3) by striking out "1988" in the second sentence and inserting in lieu thereof "1992".

SEC. 4. TRAINING AND EMPLOYMENT STUDIES AND REPORTS.

(a) IMPLEMENTATION OF THE VETERANS' JOB TRAINING ACT.—The Administrator of Veterans' Affairs and the Secretary of Labor shall conduct a study of the implementation of the Veterans' Job Training Act and shall transmit to the Congress, within 90 days after the date of the enactment of this Act, a report containing the findings and conclusions of such study, including—

(1) a listing, by regional office and by State, of the number of veterans placed in a program of job training under the Veterans' Job Training Act and the percentage that this number represents of the total number of veterans certified (not including renewal of certifications), by regional office and by State, as eligible for participation under such Act;

(2) a description, by regional office and by State, of the demographic nature (including race, sex, age, educational level, income before placement, and income after placement) of veterans placed in a program of job training under such Act;

(3) a description, by regional office and by State, of the demographic nature (including, race, sex, age, educational level, and income) of veterans certified as eligible for participation under such Act but not placed in a job training program;

(4) an analysis of the reasons that veterans certified as eligible for participation have not been placed in a program of job training under such Act;

(5) a listing, by regional office and by State, of the number of veterans who were certified as eligible for participation under such Act and were not placed in a program of job training under such Act but were later placed in another job training program or employment;

(6) a description, by regional office and by State, of the rate at which veterans have discontinued participation in, without completing, a program or job training under such Act, with a separate rate stated for those who discontinued with 3 months after beginning such a program, those who discontinued within 3 to 6 months after such beginning, and those who discontinued within 6 to 9 months after such beginning;

(7) an analysis of the major reasons for veterans failing to complete such a training program;

(8) a ranking of the twenty-five categories of employers who have most frequently been denied approval under such Act of a program of job training, with such ranking being made on the basis of the number of such denials for each such category; and

(9) a ranking of the twenty-five categories of employment in which veterans have most frequently received employment as a result of a program of job training under such Act, with such ranking being made on the basis of the number of jobs provided in each such category.

(d) DISPLACED WORKERS.—(1) The Administrator of Veterans' Affairs shall conduct a study to determine the following:

(A) The number of veterans who are unemployed as a result of a permanent closure of a plant or other facility or any substantial portion thereof.

(B) The percentage of these veterans who are disabled.

(C) The degree of concentration of these veterans in the different geographical areas of the country.

(D) The types of employment in which these veterans were engaged on a regular basis before their current unemployment.

(2) The Administrator shall, within 180 days of the date of the enactment of this Act, transmit a report to the Congress of the findings and conclusions of the study carried out under this section.

SEC. 5. COUNSELING.

(a) IN GENERAL.—Section 14(a) of the Veteran's Job Training Act is amended—

(1) by striking out "The" and inserting in lieu thereof "(1) The"; and

(2) by adding at the end the following:

"(2) The Administrator shall, after consultation with the Secretary, provide a program of employability training and counseling services designed to assist veterans in finding, applying for, and successfully participating in a suitable program of job training under this Act. As part of providing such services, the Administrator shall coordinate them, to the extent practicable, with the readjustment counseling program described in section 612A of title 38, United States Code. The Administrator shall advise veterans participating under this Act of the availability of such services and encourage them to request such services whenever appropriate.".

(b) FUNDING.—Section 16 of such Act is amended by adding at the end the following: "Not less than 5 percent of any amount appropriated pursuant to this section after June 3, 1987, shall be made available for counseling services under section 14 of this Act, especially with respect to the program established under subsection (a)(2) of such section.".

SEC. 6. CERTAIN PAYMENTS TO STATE AND LOCAL AGENCIES.

Section 1774(a) of title 38, United States Code, is amended—

(1) by striking out "The" in the first sentence and inserting in lieu thereof "(1) Subject to paragraphs (2) through (4) of this subsection, the"; and

(2) by adding at the end the following new paragraphs:

"(2)(A) The Administrator shall, beginning with fiscal year 1988, make payments to State and local agencies, out of amounts available for the payment of readjustment benefits, for reasonable and necessary expenses of salary and travel incurred by employees of such agencies in carrying out contracts entered into under this section.

"(B) The Administrator shall make such a payment to an agency within a reasonable time after the agency has submitted a report pursuant to paragraph (3) of this subsection.

"(C) Subject to paragraph (4) to this subsection, the amount of any such payment made to an agency for any period shall be equal to the amount of reasonable and necessary expenses of salary and travel certified by such agency for such period in accordance with paragraph (3) of this subsection.

"(3)(A) Each State and local agency with which a contract is entered into under this section shall submit a report to the Administrator on a monthly or quarterly basis, as determined by the agency, containing a certification of the reasonable and necessary expenses incurred for salary and travel by such agency under contract for the period covered by the report. Such report shall be submitted in such form and manner as the Administrator shall prescribe.

"(B) The Administrator shall transmit a report to the Congress on a quarterly basis which summarizes—

"(i) the amounts for which certifications were made by State and local agencies in the reports submitted with respect to the quarter for which the report is made; and

"(ii) the amounts of the payments made by the Administrator with respect to such certifications.

"(4) The total amount made available under this section for any fiscal year may not exceed $12,000,000. For any fiscal year in which the total amount that would be made available under this section would exceed $12,000,000 except for the provisions of this paragraph, the Administrator shall provide that each such agency shall receive the same percentage of $12,000,000 as such agency would have received of the total amount that would have been made available without the limitation of this paragraph.".

SEC. 7. COMMISSION ON VETERANS' EDUCATION POLICY.

Section 320(a)(3) of the Veterans' Benefits Improvement and Health-Care Authorization Act of 1986 (Public Law 99-576; 100 Stat. 3248) is amended by inserting "the Assistant Secretary of Defense for Force Management and Personnel" after "paragraph (2)(A).".

The SPEAKER pro tempore. Is a second demanded?

Mr. SOLOMON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes and the gentleman from New York [Mr. SOLOMON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1504 would, among other things, extend the Veterans' Job Training Act which has been very successful in providing jobs for Vietnam and Korean disabled veterans.

In 1983 we enacted Public Law 98-77, establishing a program of job training assistance to relieve unemployment among Korean conflict and Vietnam-era veterans. This program, properly referred to as VJTA, was extended and improved by Public Laws 98-543, 99-108, and 99-238. The goal of VJTA is to address the problem of severe and continuing unemployment among certain groups of veterans, especially those who have been unemployed for extended periods of time.

This program has proven to be effective and the unemployment rate among Vietnam veterans continues to improve. Since the beginning of the program, 48,000 veterans have been placed in jobs and more than 72,000 employers have been approved to participate in the program. Our committee is pleased that many veterans have reentered the labor force, but that is no reason to let this program expire. The fact that others have found work is small comfort to some 380,000 veterans of the Vietnam era who were still looking for jobs in May of this year.

So I commend my colleague from Mississippi [Mr. DOWDY] the chairman of our Subcommittee on Education, Training and Employment and the ranking minority member of the subcommittee, the very able gentleman from New Jersey [Mr. CHRIS SMITH] for getting this measure to the floor quickly.

Due to a schedule conflict, Mr. DOWDY could not be on the floor today and in a few minutes I will yield to a ranking member of the committee, Mr. EVANS of Illinois, who will provide a more detailed explanation of the bill. The gentleman from Illinois has been very active across the board when it comes to programs for Vietnam veterans. I'm grateful for his interest and his good work.

The distinguished ranking minority member of the committee, Mr. SOLOMON, is one of the original sponsors of the Veterans Job Training Act. The gentleman from New York and the distinguished gentleman from Texas [Mr. LEATH], were the original drafters of this program and both have been very active in job training activities for veterans for a number of years. I'm grateful for their work.

Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Illinois [Mr. EVANS].

Mr. EVANS. Mr. Speaker, on June 10 the Committee on Veterans' Affairs voted unanimously to order reported H.R. 1504, amended. This bill, referred to as the "Veterans Employment and Education Amendments of 1987," would amend the Veterans' Job Training Act, popularly known as VJTA, by extending the program and providing additional funding. An amendment offered by the distinguished ranking minority member of the Subcommittee on Education, Training and Employment, Mr. CHRIS SMITH of New Jersey, would allow a veteran to apply for participation in VJTA through September 30, 1990, and begin participation in a training program by March 30, 1991. This bill would also authorize $30 million for fiscal year 1987, and $60 million for each of the fiscal years 1988, 1989, and 1990.

H.R. 1504, amended, would also require two reports. The first would require an in-depth analysis of VJTA to be done by the Administrator of Veterans' Affairs and the Secretary of Labor. This study, which was recommended by the chairman of the Subcommittee on Housing and Memorial Affairs and an outstanding member of our subcommittee, Ms. KAPTUR of Ohio, would give us a better understanding of who is being served by VJTA and how effectively those veterans' are being served.

A second study, recommended by Mr. SMITH of New Jersey, would examine the population of displaced workers. Veterans are over-represented in this group, and this situation greatly concerns us all. This study would provide the Congress with additional information regarding displaced veteran workers and enable us to better assist them.

Another provision of H.R. 1504, as amended, which was proposed by the distinguished gentleman from Massachusetts [Mr. KENNEDY] would set aside 5 percent of the funds appropriated for VJTA to establish a program of employability training and counseling for VJTA participants. During hearings, the subcommittee was told that many veterans do not have basic skills such as writing an effective resume and marketing their strengths and abilities in a job interview. We believe a program of employability training will greatly enhance the ability of these veterans to reenter the work force.

In addition to provisions related to VJTA, H.R. 1504, as reported, would provide for a revised funding process for the State approving agencies. This will ensure adequate funding for these agencies in each State to perform their approval functions related to veterans' education programs.

Finally, the reported bill would include the Assistant Secretary of Defense for Force Management and Personnel as an ex officio member of the Veterans' Education Policy Commission, which was established under Public Law 99-576. Because of the recent enactment of Public Law 100-48, legislation making the Montgomery GI bill a permanent program, the committee feels that the Department of Defense should be represented on this commission.

On behalf of the chairman of the subcommittee, I want to thank the chairman of the full committee, G.V. (SONNY) MONTGOMERY, and the distinguished ranking minority member of the full committee, JERRY SOLOMON, for their leadership and support of this legislation. I also want to thank CHRIS SMITH, the ranking minority member of the Subcommittee on Education, Training and Employment, and all members of the subcommittee, for their cooperation and assistance.

Mr. Speaker, a long-term unemployed veteran who was hired under VJTA told the subcommittee during a recent field hearing in my district, "I feel that I am no longer a tax burden, but a taxpayer now. By paying Federal and State taxes I feel that I can maybe contribute to help train another veteran through this program with my tax dollars." This statement tells us a lot about the positive impact VJTA has had on the nearly 50,000 unemployed Korean conflict and Vietnam-era veterans who have found work as a result of this program. I urge my colleagues to support H.R. 1504, as amended.

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Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I will not take much time because the bill has been fully explained and all of us here today are in agreement that the Veterans Job Training Act should be extended.

I wish to congratulate SONNY MONTGOMERY, chairman of the Veterans' Affairs Committee, WAYNE DOWDY, chairman of the Education, Training, and Employment Subcommittee and CHRIS SMITH, ranking member of that subcommittee, for their fine work in bringing this measure to the floor in a timely manner.

Amendments by CHRIS SMITH, MARCY KAPTUR, and JOE KENNEDY have enhanced the VJTA by extending it an extra year, providing more information for evaluating the program with an eye toward future improvements, and by offering counseling to participants.

Chairman Dowdy's amendments will also improve the funding process for State approving agencies and expand representation on the Commission on Veteran's Education Policy.

This was a difficult program to start up and the results of training and education take time.

However, the results have started to come in and the program is working and working well.

It is working for the veterans, it is working for the employer, and it is working for the country.

As the ranking member of the Veterans' Affairs Committee, and as one of the authors of the original program along with Marvin Leath of Texas, I have a special interest in VJTA.

It has demonstrated its value to the Nation year after year in assisting thousands of veterans to receive education and training and obtain meaningful employment.

VJTA has returned members of our society into productive individuals and in so doing has restored their self-esteem and dignity.

VJTA is still needed by our Korean- and Vietnam-era veterans, and I am proud we are here today to approve and extend the program.

The intent of the Congress that the VJTA should be extended is already clear.

For the remainder of fiscal year 1987, the Senate has approved $20 million in supplemental appropriations, and the House has approved $23.7 million, with the difference to be resolved in conference.

In conclusion, Mr. Speaker, let me say that without the leadership of our chairman, Mr. Montgomery, there would have been no targeting of Korean or Vietnam veterans for training and employment. VJTA should be continued, and I ask all my colleagues to support this valuable veterans program.

Mr. Speaker, I request that the gentleman from New Jersey [Mr. Smith], who is the ranking member of the Subcommittee on Education, Training, and Employment, be recognized to manage the remainder of the bill on our side.

The SPEAKER pro tempore (Mr. Gray of Illinois). The gentleman from New Jersey [Mr. Smith] is recognized.

Mr. SMITH of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the ranking member of the Veterans' Affairs Subcommittee on Education, Training, and Employment, and as original cosponsor of H.R. 1504, I rise in strong support of H.R. 1504 as amended.

H.R. 1504 reauthorizes and amends the Veterans Job Training Act. The VJTA was enacted in 1983, thanks to the leadership of Mr. Leath and Mr. Solomon, to respond to the unemployment of some 883,000 Vietnam- and Korean-era veterans. Under the VJTA program, substantial incentives are provided to employers to hire and train veterans of the Korean- and Vietnam-era who have been unemployed for extended periods of time.

Though the VJTA Program got off to a slow start and has some current difficulties, I believe that the recent performance of the program and perhaps more importantly the potential for substantially mitigated unemployment among our veterans compels us to continue our support of the VJTA. I would remind the House that as of March 9, 1987, the number of veterans placed in jobs was 47,279 and 70,945 employer applications had been approved for participation in the VJTA.

On June 3, the Subcommittee on Education, Training, and Employment, marked up H.R. 1504. I was very pleased that the subcommittee adopted two amendments I offered to strengthen the program. One of these amendments provides a 3-year extension of the VJTA.

Mr. Speaker, in a March 18 hearing the subcommittee received testimony from several veterans' organizations who testified that one of the primary weaknesses of the present VJTA is its on-again, off-again status. These organizations indicated that the uncertainity of the program from one year to the next has hampered efforts to develop the necessary confidence of employers in the program. As a solution, each of these organizations advocated a 3-year extension of the VJTA which is accomplished by this bill.

My amendment which was adopted by the Veterans Committee extends the VJTA for 3 years, allowing an eligible veteran to apply through September 30, 1990, and begin training by March 30, 1991. Moreover, this provision authorizes an additional $60 million for fiscal year 1990 and provide that all funds for the program be available through September 30, 1992.

Mr. Speaker, our subcommittee also heard testimony regarding veterans dislocated due to plant closings and substantial layoffs. I think we have to seriously look to changing the current eligibility requirement for participation in the VJTA to allow displaced veterans to apply immediately. To get a better handle on the scope of the problem and the kind of resources required to meet the need my second amendment to H.R. 1504 directs the VA to conduct an extensive study of the veterans who are unemployed as a result of plant closings and massive layoffs.

In addition to the two amendments I offered, I was very pleased that the subcommittee adopted two amendments offered by Chairman Dowdy, one by Ms. Kaptur, and one by Mr. Kennedy. I believe that these amendments taken collectively strengthen the VJTA Program and go a long way in helping unemployed Korean- and Vietnam-era veterans obtain needed job training and gainful employment.

I salute the leadership of our Chairman, Mr. Montgomery, our ranking member, Mr. Solomon, and the subcommittee chairman, Mr. Dowdy who have all done a tremendous job on this legislation.

Mr. HAMMERSCHMIDT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of New Jersey. I am happy to yield to the gentleman from Arkansas.

Mr. HAMMERSCHMIDT. Mr. Speaker, I want to commend and thank the distinguished ranking member of the subcommittee, the gentleman from New Jersey [Mr. Smith], as well as the subcommittee chairman, the gentleman from Mississippi [Mr. Dowdy] and, of course, the committee chairman, the gentleman from Mississippi [Mr. Montgomery], and the ranking member, the gentleman from New York [Mr. Solomon], for their leadership in bringing the Veterans' Employment and Education Act Amendments of 1987 to the floor. I also recognize that those amendments offered by the gentlewoman from Ohio [Ms. Kaptur] and the gentleman from Massachusetts [Mr. Kennedy] certainly improve the bill, and I urge support for the bill.

Mr. SMITH of New Jersey. Mr. Speaker, we have no further requests for time, and I yield back the balance of my time.

Mr. MONTGOMERY. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Indiana [Mr. Jontz], a very valuable member of the committee. I believe we had hearings on this bill that took place in the gentleman's district.

Mr. JONTZ. Mr. Speaker, I would like to commend the gentleman from Mississippi for his leadership on this very important legislation, and I also commend our subcommittee chairman, the gentleman from Mississippi [Mr. Dowdy] for his leadership on this very important legislation as well.

We did indeed have two field hearings on H.R. 1504 in the Midwest, one in Galesburg, IL, in the district of the gentleman from Illinois [Mr. Evans], and one in Schererville, IN, in the Fifth Congressional District. At that field hearing and then at the hearing in Illinois, we heard testimony from veterans, from employers, and also from veterans organizations about the benefits of the Veterans Job Training Act and the importance of reauthorizing this legislation and passing H.R. 1504.

There are several shortcomings in the law that were brought to our attention, and I am pleased to say that H.R. 1504 does address a number of these shortcomings. Of course, the availability of funding is a crucial point in this legislation, and the legislation does authorize $210 million to continue the program.

The stop-and-start nature of the program, as pointed out by the gentleman from New Jersey [Mr. SMITH], has also been something of a problem in its implementation, and, of course, this legislation does provide for a 3-year authorization through 1990.

The need for better coordination at the State and local level was brought to our attention. I believe that this can be accomplished administratively without the need for additional legislation.

There is also the very important problem of dislocated workers. It is estimated that some 26 percent of the dislocated workers in our country are veterans, and certainly that is a problem in Indiana where we have had devastating effects on our economy because of the demise and the problems of the steel industry. We have a very large number of dislocated workers who are veterans. The amendment that was offered by the gentleman from New Jersey [Mr. SMITH] that will provide for a study of this issue so we can bring forth some ideas perhaps about how we can better address the needs of the displaced workers should help us to make necessary changes in that regard.

Mr. Speaker, there are some 360,000 unemployed veterans in this country. This legislation will go a long way toward helping them and meeting the needs of these very deserving individuals.

Mr. MONTGOMERY. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I want to compliment the gentleman from Indiana [Mr. JONTZ] and the gentleman's logical statement pertaining to this bill.

Mr. Speaker, let me say that the gentleman from New York [Mr. SOLOMON], the distinguished ranking minority member of the committee, is one of the original sponsors, as well as the gentleman from Texas [Mr. LEATH].

Both gentlemen were two of the original drafters of this program, and both have been active in the job training activities for veterans for a number of years.

I am grateful for the work of the gentlemen.

This is an important bill for many unemployed Vietnam and Korean veterans. Veterans will benefit as well as the Nation by extending their worthwhile program, and I urge my colleagues to support the bill.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 1504, as amended.

The question was taken.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

PROHIBITING CONSTRUCTION OF DAMS IN NATIONAL PARKS AND MONUMENTS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1173) to provide for certain restrictions on the use of lands within boundaries of national parks and monuments.

The Clerk read as follows:

H.R. 1173

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RESTRICTION OF DAMS IN PARKS AND MONUMENTS.

(a) No individual, corporation, partnership, Federal or State agency, political subdivision or any other legal entity may commence construction of—

(1) any new dam or other new impoundment within the external boundaries of a national park or monument, except that any such project may be developed by the National Park Service if deemed necessary to meet the requirements for which the park or monument was established and if the project would not degrade the resources within such park or monument; or

(2) any new dam, or other new impoundment which will, after the date of enactment of this Act, inundate land within the external boundaries of a national park or monument.

For purposes of this section: (A) the term "new dam or other new impoundment" means any facility for impoundment or obstruction of water, the construction of which commences after the enactment of this Act; and (B) the term "inundate" shall mean for the formation of a body of water upstream from a dam or impoundment caused by construction or operation of the dam or impoundment which permanently or intermittently covers lands within the boundary of any national park or national monument.

(b) The prohibition contained in this section shall be in addition to, and not in lieu of, any other prohibition or restriction on activities within the boundaries of national parks and monuments.

SEC. 2. YOSEMITE NATIONAL PARK

Notwithstanding any other provision of law, no Federal lands may be used for the expansion of the capacity of any reservoir which is located within the boundaries of Yosemite National Park, unless Congress enacts specific statutory authorization after the date of the enactment of this Act for such expansion.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1173, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. VENTO. Mr. Speaker, H.R. 1173 was introduced by the gentleman from California [Mr. LEHMAN] my good friend and colleague on the committee and is identical to the bill H.R. 4089 which we passed in the 99th Congress but no action was taken by the other body.

The Department of the Interior contends that no dams can be built in national parks or monuments because of a combination of various acts, dating back to the 1916 Organic Act for the park system.

In spite of this assertion, a number of water resources development projects are under study or permit that affect national parks or monuments.

For example, at Yosemite National Park, an application has been made for a permit to develop a hydropower project on the Merced River outside of the park where the pool formed by the dam may inundate portions of the river within the park. A third powerhouse for the Hetch-Hetchy system has been built, with DOI approval, by the city of San Francisco. The operation of this powerhouse will divert flows from several miles of the Tuolumme River within the boundary of Yosemite National Park. In addition, the city of San Francisco has indicated it believes it has the authority to raise the Hetch-Hetchy Dam and further inundate lands within Yosemite, not wholly a California problem.

Voyagers National Park in Minnesota and Olympic National Park in Washington State have also been the focus of new water projects for which preliminary actions by Federal agencies have been contradictory to say the least.

H.R. 1173 would address these problems by prohibiting construction of a new dam within the boundary of any national park or monument and also prohibit construction of any dam that would back water into any park or monument. The bill would specifically prohibit the use of any Federal lands in any way to expand any reservoir within the boundary of Yosemite National Park.

Mr. Speaker, this bill would permit construction of new dams in some units of the National Park System, such as national historical parks or national recreation areas. In my view, these national treasures should be included in this bill but I become persuaded that existing law could be relied upon to prevent tragic losses of our national and cultural heritage through construction of water projects. I hope that will prove to be true, for I, RICK LEHMAN, and many other Members of this body share the view that units of the National Park System are established to protect outstanding values of great national significance which must not be diminished or degraded by some over zealous urge to build some short-term water project.

Mr. Speaker, the new authority proposed in this measure is in addition to existing law, not in place of existing law. This is an important new protection for national parks and monuments.

Mr. Speaker, I wish to commend the gentleman from California [Mr. LEHMAN] for his hard work and persistent efforts to gain passage of this bill and I urge my colleagues to support H.R. 1173.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of H.R. 1173 to prohibit the construction of new dams or other new water impoundments within, or which would inundate, national parks and national monuments. This bill would also prohibit the expansion of any existing reservoir within Yosemite National Park.

Members of this body may recall that legislation (H.R. 4089) to restrict water developments in national parks and monuments was introduced in the last Congress. That bill, which was initially much broader in scope than H.R. 1173, was substantially amended in the committee process before being unanimously approved by the House last September. Since no action was taken in the Senate, the compromise bill was reintroduced as H.R. 1173 this year.

As the vice chairman for parks on the Subcommittee on National Parks and Recreation, I certainly support a general prohibition on the construction of new dams in national parks and monuments. Through their designation, Congress has determined that the natural resources of these areas should be protected and preserved in the future. This legislation is intended to clearly establish congressional intent in this regard.

While the U.S. Department of the Interior asserts that it has the authority to restrict various types of water development within units of the National Park System, the committee took no position regarding these assertions. Rather, it was the committee's intent to maintain existing law on this subject, except for the prohibition on new dams contained in this bill. Section 1(b) of the bill specifically states that this prohibition is in addition to, not in lieu of, any other prohibition on activities within national parks and monuments.

I believe it is important to note that H.R. 1173 in no way affects existing water development projects within, or which inundate, national parks and monuments, other than those projects within Yosemite National Park. The bill is not intended to restrict the operation, maintenance, rehabilitation, improvement or repair or existing dams, including reconstruction for safety of dams needs and emergency repairs. It deals strictly with new dams. I might also point out that this prohibition is intended to apply only to national parks and national monuments which are so designated by the Congress or, in certain cases, established by the President, and not to any other units of the National Park System. Whenever Congress makes such a designation, it may only be changed by an act of Congress.

I want to commend the sponsor of the bill, the gentleman from California [Mr. LEHMAN] for working with the other interested members of the committee in an effort to address their concerns with this legislation. I also want to commend the gentleman from Wyoming [Mr. CHENEY] for his interest in this bill and his efforts and valuable assistance in the last Congress and this Congress to develop a sound piece of legislation. The subcommittee chairman, Mr. VENTO, deserves recognition for working with Members on this side of the aisle to accommodate their concerns before moving this bill forward.

I believe H.R. 1173 is an important bill which will greatly assist in protecting the resources of our Nation's parks and monuments by providing a clear statutory ban on new water developments in these areas.

Therefore, I urge all of my colleagues to approve H.R. 1173.

Mr. Speaker, I yield such time as he may consume to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Speaker, I thank my colleague, the gentleman from California, for yielding time to me. Mr. Speaker, I rise in support of this legislation. The United States has the best National Park System of any nation in the world. In fact, our system has served as a model for many other nations which recognize the benefits of setting aside special places for public enjoyment. While we have led the world in establishing these national reserves, we have also abused their intended purpose by building 108 dams in 18 of our national parks.

The people of the United States believe the parks are as free from dam building as they are from real estate subdivision, or the placement of a new highway. Too often, however, these areas are viewed as convenient and relatively inexpensive places to tap water resources.

Mr. Speaker, I believe that our parks ought to be made off-limits to the development of dams and water impoundments. This legislation accomplishes that goal. I urge my colleagues to join me in support of the bill.

Mr. LAGOMARSINO. Mr. Speaker, I urge my colleagues to vote for the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I might consume.

I just want to point out that the very genesis of our national parks was based on debates that occurred around water projects proposed for Yosemite and proposed for Hetch Hetchy. The fact is that in some of those instances we lost. The fact is that Hetch Hetchy's existence today was created by inundating one of the most spectacular areas in that Sierra Nevada Mountain Range is a testament to that last debate. Today there are proposals to expand the Hetch Hetchy impoundment.

The gentleman from California [Mr. LEHMAN], a member of the committee, a very able member and a member who has pursued and sponsored this measure, has really been a champion of trying to bring us back and sort of shake up this Congress and the Park Service to once again pay attention to these concerns and policies with regard to activities that are going on in and around our national parks.

So I think this bill really will bring us back to the course that initially we began in terms of the protection of these areas and the impact of water projects on these very special park resources.

I think today more than ever with the threats to our parks, we need to pay attention to at least what the National Government is doing between the various agencies within the Department of the Interior and other agencies. This measure before us deserves our support.

So, Mr. Speaker, with this said, I want to yield such time as he may consume to the gentleman from California [Mr. LEHMAN], the sponsor of this measure, and commend the gentleman for the hard work that he had done in crafting the measure before us.

Mr. LEHMAN of California. Mr. Speaker, I rise today in support of H.R. 1173, a bill to protect our national parks and monuments from hydroelectric projects in the future. The bill before this House today sets forth a statement for the 1980's and beyond that the very best of our American landscape will be off-limits for the construction of new dams. It is both necessary and proper that Congress take this step.

I first became interested in our policy with regard to dams in national parks when I learned that a systemwide power study for the city of San Francisco in 1981 recommended raising O'Shaughnessy Dam in a national park which I represent—Yosemite. I learned that the city believed it could do so under a law dating from 1913, known as the Raker Act. I contested this view and in 1985 the Department of the Interior agreed that new congressional authority would be necessary to raise O'Shaughnessy Dam. Still, San Francisco claimed that it had the legal right to raise the dam and flood hundreds of acres more of one of the oldest national parks in America.

In my opinion, the future of Yosemite is too important to be left to the city of San Francisco, to the Department of the Interior or to the courts. It should be settled here in this body where the park was designated in the first place.

The situation at Yosemite led me to explore the problem elsewhere in the Nation. I learned that 18 of our 48 designated parks contain 108 dams, some small but some very large indeed. I then asked the Congressional Research Service just what legal protections exist for the national parks on a general basis and if a new legislative prohibition on new dams would be redundant. CRS's legal review indicated that at best current law on this subject is vague and ambiguous. Questions exist about dams constructed after 1921—when the Federal Power Act prohibited licensing of hydroelectric projects in national parks and monuments—dams constructed without hydroelectric components and dams built by the Government itself.

Last year in the course of hearings and discussions by the House Interior and Insular Affairs Committee, the Department of the Interior declared that it had sufficient power to outlaw new dams in parks under existing law. Then during questions, the Deputy Assistant Secretary of the Interior for Fish, Wildlife, and Parks acknowledged that the Federal Energy Regulatory Commission did not necessarily agree with the Department of the Interior on that point. Furthermore, it became quite clear that the Department of the Interior also believed that Federal reclamation projects should be exempted from any national prohibition on dams in parks.

Mr. Speaker, it is clear to me that we do need legal clarification that in the future, national parks and monuments are not the proper locations for new dam facilities. H.R. 1173 does not turn the clock back on existing facilities. It does not affect water rights. It does not apply to any units of the National Park System except national parks and monuments. The protections contained in H.R. 1173 are in addition to, and not in lieu of, existing protections.

This House agreed last year on the need for new prohibitions on dams in parks and passed an identical. Bill without dissent. In the intervening year, the city of San Francisco withdrew its opposition to the specific provisions of this legislation which prohibit expansion of O'Shaughnessy Dam.

The bill before the House today is a bipartisan bill with cosponsors from both parties and many States. The language in H.R. 1173 was developed with the able direction of our subcommittee chairman, Mr. VENTO and with the counsel of Mr. LAGOMARSINO and Mr. CHENEY. Majority and minority staffs are in large part responsible for the bipartisan support which H.R. 1173 enjoys and I congratulate them for working together for the protection of our national parks.

Mr. Speaker, the 1913 debate over building a dam in Yosemite National Park spoke to the needs and values of a different era. John Muir's cry that damming Hetch Hetchy was tantamount to damming our cathedrals for water tanks went unheeded. Instead, the philosophy of the Director of Reclamation prevailed. As he then said of the proposed Hetch Hetchy facilities:

> I have naturally come to the conclusion that there is nothing more beautiful than a well-built dam with a reservoir behind it.

Mr. Speaker, I confess that I, too, like well-built dams with reservoirs behind them, but not in our national parks and monuments. There is plenty of other property outside the parks for these beneficial facilities.

Our American landscape represents both our past and our future. Our parks represent the best, but often the most fragile and threatened portions of that landscape.

Our national park resources are finite and irreplaceable. I urge my colleague to draw the line today on new dams in national parks, and write the last chapter ending the controversies on the Tuolumne River in Yosemite. I urge unanimous support for H.R. 1173.

Mr. VENTO. Mr. Speaker, I also appreciate the gentleman from California [Mr. LEHMAN] recognizing the hard work of subcommittee staff, both majority and minority, but I also want to recognize the work of his personal staff of this matter. They have been very helpful and cooperative in crafting this proposal.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1173.

The question was taken; and (two-third having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AMENDING THE BOUNDARIES OF STONES RIVER NATIONAL BATTLEFIELD IN TENNESSEE

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1994) to amend the boundaries of Stones River National Battlefield, TN, and for other purposes.

The Clerk read as follows:

H.R. 1994

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STONES RIVER NATIONAL BATTLEFIELD.

(a) EXPANSION OF STONES RIVER NATIONAL BATTLEFIELD.—In furtherance of the Act of March 3, 1927 (44 Stat. 1399), as amended, the boundary of Stones River National Battlefield (hereinafter referred to as "battlefield") is hereby revised to include the lands generally depicted on the map entitled "Boundary Map, Stones River National Battlefield" numbered 327/80,001, and dated March 1987. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior and in the office of the Superintendent of the Stones River National Battlefield.

(b) ACQUISITION OF LANDS.—The Secretary of the Interior (hereinafter referred to as "Secretary") is hereby authorized to acquire lands or interests therein within the boundary of the battlefield by donation, purchase with donated or appropriated funds, or exchange. Any lands or interests in lands owned by the State of Tennessee or any political subdivision thereof may be acquired only by donation. Lands and interests therein acquired pursuant to this Act shall become part of the battlefield, subject to all the laws and regulations applicable thereto.

SEC. 2. AGREEMENT.

The Secretary is authorized to enter into an agreement with the city of Murfreesboro, Tennessee, under which (1) the Secretary shall acquire sufficient interest in land and shall construct thereon a trail linking the battlefield with Fortress Rosecrans, (2) the city shall operate and maintain the trail in accordance with standards approved by the Secretary, and (3) the Secretary shall preserve the existing remnants of Fortress Rosecrans and the city shall operate and maintain the fortress.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the measure presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1994 was introduced by our colleague, the gentleman from Tennessee [Mr. BART GORDON], with the cosponsorship of the entire Tennessee delegation. The legislation provides for the inclusion of approximately 53 acres within the boundaries of the Stones River National Battlefield in Tennessee. The bill also authorizes a cooperative agreement between the National Park Service and the city of Murfreesboro to develop a trail to link the existing national battlefield segments with the nearby historic Civil War Fortress Rosecrans, and to preserve the existing remnants of the fortress.

Stones River National Battlefield is located in middle Tennessee, 30 miles southeast of Nashville. The National Park Service presently administers 330 acres of the 3,700 acre battlefield site, along with an additional 20 acres located in the adjacent national cemetery. The national battlefield preserves and interprets the scene of the Battle of Stones River fought from December 31, 1862, through January 2, 1863, which resulted in 23,000 casualties inflicted on both the Union and Confederate Armies.

The area surrounding the national battlefield is undergoing rapid urbanization, which has already resulted in battlefield properties being lost to development. The 53 acres proposed in H.R. 1994 are the only undeveloped tracts that remain of the over 280 additional acres proposed for the national battlefield in its general management plan 7 years ago.

There is a strong interest within the National Park Service and the city of Murfreesboro in providing for the preservation and interpretation of the historical lands associated with the battle. The cooperative agreement provided for in H.R. 1994 is in keeping with those efforts. The approximately 2.7 mile trail will link several scattered National Park Service administered battlefield tracts with the historic Fortress Rosecrans, which incidently was the largest earthworks constructed in the Civil War. The development of the trail, along with the stabilization of the fortress as provided for in the bill, will provide enhanced interpretive and recreational opportunities to the visitors and residents of the area.

In keeping with the cooperative nature of the agreement, the National Park Service will provide for the one-time capital costs of the trail and fortress stabilization projects and the city will be responsible for their ongoing operation and maintenance costs. Further, the trail's sponsors agree that publicly owned land required for the trail will be donated to the National Park Service and that the city of Murfreesboro will continue in its efforts to secure a bridge for the trail and that the bridge, when acquired, also will be donated to the National Park Service.

Mr. Speaker, I want to commend the sponsor of this measure, Mr. GORDON, for his work he has been persistent and an able advocate for this legislation. Unfortunately, he is not present at this moment because of the announcement today of the Presidential candidacy of Senator AL GORE our colleague from Tennessee. H.R. 1994 speaks well of the efforts put forth by Representative GORDON and the Tennessee delegation on behalf of the Stones River National Battlefield. I support its adoption and urge its passage.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1994. As the subcommittee chairman has explained, this legislation expands the boundary of Stones River National Battlefield in Tennessee to include an additional 53 acres. These acres were recommended for inclusion in the battlefield by the National Park Service in the 1980 general management plan for the park. They represent another portion of the site of the Murfreesboro battle of the Civil War, and will clearly be an asset to the battlefield.

H.R. 1994 also directs the Secretary of the Interior to preserve the existing remnants of Fortress Rosecrans, a large earthen fortress used during the Civil War, and to construct a trail between the battlefield and the fortress. The city of Murfreesboro has agreed to pay any future operation and maintenance expenses for the trail and the fortress.

I was initially concerned with the requirement that the Federal Government assume all of the costs for construction of the trail and preservation of the fortress. My concern stemmed from the fact that the fortress was acquired by the city with Federal land and water conservation funds through the State grants program and that it has been determined by the Park Service to be of only significance. Even though the city had agreed to pay operation and maintenance expenses. I felt that it should pay a portion of the construction and preservation costs, which have been estimated to be close to $1 million. However, since the bill was first considered by the subcommittee, the city has been actively negotiating with the State of Tennessee to acquire a bridge structure which the city would then donate for use as a part of the trail. Such a contribution would reduce the estimated construction costs for the trail by about $150,000—a considerable sum. Therefore, I feel that the city is clearly making a significant effort to assume a portion of the costs associated with the trail and the fortress and I want to commend the city's leaders for their assistance and cooperation.

I do feel it is extremely important, however, that the city be held, through the cooperative agreement with the Park Service, to its agreement to assume all operation and maintenance costs for the trail after its construction and for the fortress following the stabilization work. We must insure that the financial burden does not fall upon the Park Service at some future date and prevent it from carrying out its primary mission and mandate under Congress. In this regard, I commend the subcommittee chairman, Mr. VENTO, for his agreement on this important issue and, the inclusion of language in the bill and the committee report which reflects this points and guards against such a funding situation occurring in the future. I also want to commend the author of the legislation, Representative GORDON, for his efforts on this bill and for working with the interested members of the committee to address their concerns.

Mr. Speaker, I believe H.R. 1994 is a good bill which seeks to preserve an important area in our Nation's history while improving the recreational aspects of the area through utililization of an appropriate Federal/local cost-sharing formula. Therefore, I urge all of my colleagues to approve this bill.

Mr. BONER of Tennessee. Mr. Speaker, I am pleased to speak in support of H.R. 1994, which was introduced by my distinguished colleague from Tennessee, Hon. BART GORDON, and which would amend the boundaries of the Stones River National Battlefield at Murfreesboro, TN.

Mr. Speaker, the War Between the States represents a watershed event in the history of the South, as well as the rest of the Nation. As has often been stated, the war transformed a way of life and significantly altered the direction in which the South developed and its citizens prospered.

Although the war is taught to our children as a tumultous and bloody period in our Nation's history, it is not often when we are able to preserve the actual locations of battles so schoolchildren can visit the battlefield and visualize the clashing Union and Confederate Armies. Stones River is such a site and, perhaps most importantly, within an easy drive of the schools of the metropolitan area of Davidson County, which I have the honor to represent.

Witnesses before the National Parks Subcommittee underscored the historical significance of the Battle at Stones River. Suffice to say that from December 31, 1862, to January 2, 1863, the Union and Confederate armies, with a combined strength of more than 81,000 men, clashed at Stones River in one of the war's bloodiest battles. For 3 days, Union and Conferedate forces fought in the coldness and dampness of the battlefield. For 3 days, these men made repeated assaults against the strongholds of the other. By battle's end, there were thousands of casualties and a Union victory.

Following the Union victory, construction of Fort Rosecrans began and, once completed, the fort housed 55,000 men and horses and was the major supply depot for the Union Army's march to Chattanooga, to Atlanta, and to the sea. As has already been stated in testimony, this fort is one of the largest earthen fortresses in the world.

In 1927, Congress declared a small portion of the battlefield a national military park. The outlying parcels, on which major development took place preceding the battle, were not included. But, then again, most of the land around the battlefield was undeveloped as either commercial or residential property. Thus, for all practical purposes, visitors to the national military park could still tour the surrounding area and learn about the movement of the Union and Confederate Armies as they approached Stones River.

Today, visitors to the battlefield often take notice of the encroachment of commercial and residential development around the battlefield. In particular, some 53 acres around the military park—land on which the armies massed and prepared for battle—are being subjected to pressure from developers. Just as the neighboring metropolitan area of Nashville-Davidson County is growing, so, too, is Murfreesboro. For example, since the National Park Service prepared its general management plan recommendations in 1984, 37 percent of the land available for purchase and preservation around the national military park has been lost to development. H.R. 1994 would bring those lands into the national military park.

In addition, H.R. 1994 includes the historic preservation of Fort Rosecrans and 3-mile recreational trail along Stones River linking the fort with the battlefield.

I am pleased to join BART GORDON and the other members of the Tennessee delegation in support of this measure. Enlarging the national military park and preserving Fort Rosecrans are important not only to the citizens of our State, but also to future generations. The Civil War must always be remembered as a hard-fought battle between men, between individuals who spilled blood to preserve a way of life. Commemorating the locations on which these men fought will allow visitors to appreciate better the sacrifice these men made. What better teaching tool can we provide our children as well as ourselves?

I urge passage of H.R. 1994.

Mr. GORDON. Mr. Speaker, I would like to thank the chairman of the National Parks and Public Lands Subcommittee, BRUCE VENTO, for his guidance and support in bringing H.R. 1994 to the floor today. If it weren't for Chairman VENTO'S recognition of the bill's national importance, it would never have come to the floor in such an expeditious manner with such unanimous support.

Briefly, H.R. 1994 directs the Park Service to stabilize and historically interpret Fortress Rosecrans, the world's largest earthen fortress, and construct a trail connecting Stones River National Battlefield and the fortress while intersecting two outlying parcels of land already included in the park.

My hometown of Murfreesboro, TN, was the site of one of the Civil War's major battles. From December 31, 1862, through January 2, 1863, the Union and Confederate Armies, with the combined strength of more than 81,000 men, clashed in one of the war's bloodiest battles. As a result of the Union's victory in the Battle of Stones River, Union forces were able to construct Fortress Rosecrans.

The Union Army used the fortress as an armament and supply depot for their march south. The fortress was designed to house more than 55,000 troops and maintain a 2- to 3-month supply of food and armaments.

Major developments in the battle took place on the land which lies adjacent to, but is not currently included, in the national military park. In order to preserve the historical integrity of this land and preserve the significance of the battle which led to the Union's eventual victory in the War Between the States, H.R. 1994 expands the boundaries of the existing park by 53 acres and incorporates Fortress Rosecrans into the boundaries of the park.

Mr. Speaker, time is of the essence. Nashville is one of the fastest growing metropolitan areas in the Southeast. Murfreesboro is a suburb of Nashville which is experiencing the same rate of growth.

Three thousand families move to the Murfreesboro area annually. Since 1983, the number of building permits for residential dwellings has tripled. I am proud of this growth. Yet, I am concerned at the same time. We need controlled growth which preserves the historical integrity of the Stones River National Battlefield.

Unfortunately, instead of attempting to acquire all the land that is necessary to preserve the historic value of the Stones River Battle, I am faced with the task of securing land that is still free from development.

In 1980, the Park Service's general management plan targeted 284 acres to be acquired and included in the national park. By 1984 the number of available acres had diminished to 84. Last month the Park Service conducted another land appraisal and informed me that we have lost another 30 acres to development. In all, 231 acres of historically significant land has been subject to development.

H.R. 1994 initiates a unique arrangement between the Park Service and the city of Murfreesboro. In return for the Park Service's technical expertise in stabilizing and preserving Fortress Rosecrans and constructing the trail, the city has agreed to take all management, maintenance, and financial responsibilities after the Park Service has completed their work. It is important to point out that the citizens of Murfreesboro are woking in coordination with the Federal Government to preserve national history.

Mr. Speaker, H.R. 1994 is important to preserving a section of American history. The more than 200,000 visitors who visit Stones River annually would not only be exposed to the historic battlefield, but, additionally, visitors will be able to explore one of the largest earthen forts still partially intact in the United States.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1994.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING AN AFFILIATED STATUS WITH THE NATIONAL PARK SERVICE FOR THE WILDLIFE PRAIRIE PARK, IN THE STATE OF ILLINOIS

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1100) to authorize an affiliated status with the National Park Service for the Wildlife Prairie Park, in the State of Illinois, as amended.

The Clerk read as follows:

H.R. 1100

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

The Secretary of the Interior (hereinafter referred to as the "Secretary") in recognition of the efforts to create Wildlife Prairie Park, is authorized and directed to prepare and make available within two years after the date of enactment of this Act to the Forest Park Foundation for publication and distribution, an interpretive handbook describing that area of approximately one thousand eight hundred acres near Peoria, Illinois, owned by the Forest Park Foundation and designated as the Wildlife Prairie Park. The handbook shall describe the purposes of the Wildlife Prairie Park, the historical, cultural, and ecological values, the methods of site acquisition and development, the management goals and the facilities that exist for public use.

SEC. 2. (a) The Secretary shall, in consultation with interested conservation, professional, and park management organizations and individuals, prepare and submit to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report of criteria for the elements of national significance and other factors necessary for a proposed area to be considered appropriate for inclusion as an affiliated area of the National Park System including an analysis of applicability to Wildlife Prairie Park. In addition the report shall address the responsibilities to be required of the operators of an affiliated area and the responsibilities of the National Park Service to any such designated area.

(b) The report shall be submitted not later than two years from the date of enactment of this Act and shall provide recommendations by the Secretary of the Interior including but not limited to how criteria for national significance and other factors should be made applicable to future proposed affiliated areas, when such areas are considered by the Secretary. The Secretary shall also recommend any criteria or procedures for such considerations by the Congress including recommendations for legislative action.

SEC. 3. There are authorized for appropriation such sums as may be necessary to carry out the purposes of this Act.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. LAGOMARSINO. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this measure.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1100, a bill introduced by the minority leader, the gentleman from Illinois [Mr. MICHEL], authorizes the Secretary of the Interior to provide assistance to Wildlife Prairie Park located near Peoria, IL. I very much want to thank both Mr. BOB MICHEL and the ranking minority member of this subcommittee, the gentleman from California Mr. BOB LAGOMARSINO, for their assistance on this bill. With their help, the bill has been significantly redefined and will provide the National Park Service with direction on future proposed affiliated sites of the National Park System. At present, there are 33 such sites with more proposed but insufficient criteria for evaluating their appropriateness as part of the National Park System.

The bill directs the National Park Service to prepare and submit to the Congress a report of criteria for the elements of national significance and other factors necessary for a proposed area to be considered appropriate as an affiliated area of the National Park System. The report will analyze the suitability of Wildlife Prairie Park as an affiliated area. H.R. 1100 will also provide recommendations from the report to be delivered to the Congress. Finally, the bill directs the National Park Service to prepare an interpretive handbook for Wildlife Prairie Park, including a description of its purposes, its history and management goals.

Wildlife Prairie Park consists of 1,860 acres of land, including forest, meadows and reclaimed strip mined land. The park displays various animals that once lived in Illinois, including bears, bison, deer, woodchucks and an eagle. It also has a pioneer farmstead and various recreational opportunities including the Prairie Puffer miniature railroad, a 55-foot slide, a playground, and several restaurants and meeting facilities, all interesting attractions, and surely a marvelous achievement for the private group, the forest park foundation, that have shaped this recreation activity area.

Mr. Speaker, H.R. 1100 will assist the National Recreation Park Service in the future by developing criteria for future affiliated areas. Mr. Speaker, I recommend that H.R. 1100, as amended, be adopted.

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Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 1100, to direct the Secretary of the Interior to prepare a report on the criteria necessary for affiliated areas and to provide assistance to Wildlife Prairie Park in the State of Illinois.

As introduced by my good friend and colleague, the distinguished minority leader, Representative MICHEL, H.R. 1100 would have provided affiliate status for Wildlife Prairie Park. However, during the subcommittee hearing, numerous questions were raised regarding the National Park Service affiliate status, including concern about the criteria which should be used to evaluate candidate areas for affiliate status. Therefore, the subcommittee, with representative MICHEL's cooperation, made a determination that before any additional affiliate areas are authorized by Congress, a study should be conducted by the Secretary of the Interior on the affiliate issue. A report issued after the study would provide Congress with clear guidance on the criteria and procedures to be used in designating affiliate areas.

A substitute embodying the study proposal was approved by the Subcommittee and the Interior and Insular Affairs Committee and is before us today. As amended, H.R. 1100 provides that the study will also evaluate whether Wildlife Prairie Park meets the recommended criteria for affiliate status. The bill also requires the National Park Service to prepare a handbook on the history and resources of Wildlife Prairie Park recognizing the efforts made in developing the park.

Wildlife Prarie Park is an approximately 1,800-acre park outside of Peoria, IL. It was created through the efforts, dedication, and financial resources of William Rutherford. Mr. Rutherford is certainly to be commended for developing this wonderful park which allows its visitors to enjoy a wide variety of wildlife and other resources in a truly natural environment. Wildlife Prairie Park is operated by a private organization, the Forest Park Foundation, and tells the story of the heritage and life-style of Illinois' past through several educational tools, including pioneer craft demonstrations, school programs, and a pioneer homestead and school furnished to the 1920's era.

I believe H.R. 1100 is a good compromise which will, through the affiliate study, provide Congress with clear guidance regarding future affiliate area designations. It also provides for an evaluation of Wildlife Prairie Park as a candidate for affiliate status, as well as recognition for the outstanding efforts by Mr. Rutherford in creating the park.

I want to especially commend the sponsor of H.R. 1100, Representative MICHEL, for his valuable assistance, efforts and cooperation on this legislation. It has certainly been a pleasure to work with him. I also want to commend the subcommittee chairman, Representative VENTO, for his leadership in addressing the affiliate status issue.

Mr. Speaker, I urge all of my colleagues to support H.R. 1100.

Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. MICHEL] the minority leader.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, as has been alluded to by both the distinguished chairman of the subcommittee and the ranking member, the bill before us today is an amended version of the measure I originally introduced last fall and then reintroduced on February 11 of this year calling upon the Secretary of the Interior through the National Park Service to prepare an interpretive handbook describing Wildlife Prairie Park located just west of my home community of Peoria, IL.

The handbook will describe the original purpose of the park, how it achieves that purpose and the historical, cultural and ecological value that it seeks to preserve.

Wildlife Prairie Park protects and preserves wildlife, plants and prairie meadows indigenous to the area. It is a very unique place that I have visited a number of times. Among those animals that the chairman has made mention of that are in the area we have buffalo, elk, badgers, wolves, foxes and, as the chairman indicated, even a wonderful facility for an American eagle to fly in its own habitat with a lake to do its fishing in its own right.

Early in the year, Bill Mott, the Director of our National Park Service, was kind enough to come up and visit the park. I think it fair to say that he was very impressed by what he saw.

The Park Service handbook can be a boon to the park in its ability to attract visitors from other parts of the country and to attract the type of nationwide recognition that it deserves.

In addition to requiring development of the handbook, the measure we are adopting here today, hopefully will also require the Secretary of the Interior to develop a set of criteria for determining affiliated status within the Park Service, and determine whether Wildlife Prairie Park would qualify for affiliated status under those criteria.

During the subcommittee hearings on this bill there was considerable discussion to the effect that we do not currently have any clearcut standards for determining affiliated areas, so we have thus agreed that we should call on the Park Service to develop such criteria in order to clarify the types of areas that can qualify for affiliated status, and there are currently some of those.

The point was raised, and I think with good reason, that if at one time the Department accepts and the Members of Congress vote to accept affiliated status for a facility, what happens if the financing arrangements go awry. That would be the furthest thing that we would want in our own case out in Illinois, for the Federal Government or any government to take over any financial obligation of what has been conceived and funded primarily by the Forest Foundation. We want to keep it that way, and we think it is built on solid enough grounds to preserve that kind of situation.

But there are good reasons for questions to be asked, and that is why we are calling upon the Department of the Interior to develop the kind of criteria that will be used in the future to be absolutely certain that when we accept something in affiliated status that we are not going to get stuck with some bill later on that we cannot foresee.

So, in conclusion, let me express my personal thanks to the distinguished gentleman from Minnesota, Mr. Bruce Vento, my friend and the chairman of the subcommittee, as well as the gentleman from California, Mr. Bob Lagomarsino, for their willingness to move this bill along and for the cooperative manner in which they have worked with us in fashioning this compromise. It was indeed a good working relationship that we had as Members. I would also extend my thanks to the members of our respective staffs who likewise wanted to do what they thought was right, and what we felt was right, and in the true spirit of compromise that is what we have today.

I urge, Mr. Speaker, Members to adopt this legislation. I am happy for the compromise and hope it will be adopted.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to thank again the Republican leader for his sincere efforts and his thoughtful comments with regards to our work. I only wish that all of the problems I had to deal with were characterized by a willingness to work on issues which has been demonstrated by the minority leader. I am very grateful for it.

This report will really be a service to us to get this national significant standard for affiliated areas on the record from the Park Service, and I know with the gentleman's sponsorship—the minority leader—we can accomplish that. So it will be a real service along the way to also addressing the concerns we had with regard to the Wildlife Prairie Park area.

Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield back the balance of my time.

The **SPEAKER** pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr. Vento] that the House suspend the rules and pass the bill, H.R. 1100, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to authorize the Secretary of the Interior to provide assistance to Wildlife Prairie Park, in the State of Illinois, and for other purposes."

A motion to reconsider was laid on the table.

TRANSFER OF CERTAIN LANDS IN THE STATE OF ARIZONA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1366) to provide for the transfer of certain lands in the State of Arizona, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1366

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Notwithstanding any other provision of law, the Secretary of Agriculture is authorized and directed to convey the property described in section 2 of this Act to the Payson Unified School District No. 10, Arizona, (hereafter, the "School district"), in accordance with this Act.

Sec. 2. The property referred to in section 1 is that parcel of land comprising approximately sixty acres, known as the Payson School Site, in the town of Payson, county of Gila, Arizona.

Sec. 3. (a) Conveyance of the property described in section 2 shall be made upon a request of the governing body of the school district submitted to the Secretary of Agriculture no later than thirty years after the date of enactment of this Act.

(b) Conveyance of title to the property described in section 2, upon a timely request by the school district shall be in consideration for payment to the United States of an amount equal to—

(1) administrative costs associated with the preparation of title and legal description of such property, and the fair market value of such property (as determined by the Secretary of Agriculture on the basis of continued use of the property for school purposes) as of December 1, 1986,

(2) reduced by an amount equal to the total amounts paid to the United States by the school district for use of such property (pursuant to agreements between the school district and the Secretary of Agriculture) subsequent to January 1, 1961 and prior to the date of the request by the school district for conveyance of such property pursuant to this Act (but such reduction shall not be greater than the total amount described in paragraph 1).

Sec. 4. Any conveyance made pursuant to this Act shall be subject to such terms and conditions, consistent with this Act, as the Secretary of Agriculture determines necessary or desirable in the public interest, including but not limited to the treatment of existing easements or rights-of-way for roads and other purposes.

Sec. 5. During the period specified in section 3(a), the Secretary of Agriculture shall permit the school district to continue to occupy and use the property described in section 2 for school purposes upon condition that the school district make annual payments to the United States for such use of the property, but such payments shall not exceed $12,500 in any one year.

Sec. 6. Payments pursuant to section 3 and section 5 shall be considered to have been deposited with the Secretary of Agriculture pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a) and shall be handled in the same manner as amounts so deposited pursuant to such Act.

Sec. 7. (a) Title to any real property conveyed pursuant to this Act shall revert to the United States if the school district attempts to convey or otherwise transfer ownership of any portion of such property to any other party or attempts to encumber such title, or permits the use of any portion of such property for any purpose incompatible with the purposes specified in subsection (b) of this section.

(b) Real property conveyed pursuant to this Act shall be used for a public school.

The **SPEAKER** pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The **SPEAKER** pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The **SPEAKER** pro tempore. The gentleman from Minnesota [Mr. Vento] will be recognized for 20 minutes and the gentleman from Arizona

[Mr. Rhodes] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. Vento].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on H.R. 1366, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I might consume.

Mr. Speaker, H.R. 1366 deals with a 60-acre tract of national forest land in the town of Payson, AZ, currently used as the site for a public school complex.

Lands affected by the bill were first used for public school purposes in 1961, when the school district sought and obtained a special-use permit for 45 acres. The permit was broadened to cover an additional 15 acres in 1965.

The lands are currently the location of a high school and junior high school, athletic facilities, and related school facilities.

According to the school district, the annual payment to the Forest Service for use of the lands has increased from $2,850 in 1978 to $10,845 in 1987, and further significant increases are scheduled for future years. The school district testified they would be hard pressed to find the funds for this purpose without adversely affecting their educational programs.

As introduced, the bill would have transferred the lands to the school district without compensation except for administrative costs, but would have provided for their reversion to the United States if the school district should attempt to convey or otherwise transfer ownership or use the property for any purpose incompatible with public-school purposes.

At our hearing on the bill, the administration testified that they were supportive of transferring the property to the school district, but opposed any transfer that was not based on payment to the United States of the full value of the property.

In response to the objections of the administration, the committee has amended the bill, and it is the amended version we now bring before the House.

Mr. Speaker, the bill as reported would provide the school district with the option of acquiring the property for the present fair market value of the property for school purposes—which the Forest Service testified is about $425,000—plus the administrative costs. That option can be exercised anytime during the next 30 years. Meanwhile, the school district would continue to pay annually for use of the property, but the annual payments would be capped at $12,500—more than they are paying this year, but less than would be the case in the future otherwise. If and when the school district chooses to exercise the option to obtain the property, against the specified price it is to get credit for past payments for use of the land. Finally, after any conveyance, the United States would retain a reversionary interest to assure that the property will remain in the hands of the school district and will not be used for purposes incompatible with its use for a school site.

Mr. Speaker, the reported bill represents a fair compromise. It reflects the interests of the United States in receiving value in return for use or transfer of the valuable asset of the school site. It also reflects the fact that the school district has made a considerable investment in the property and that there are very limited alternatives available for public school purposes in this particular community.

The bill does provide substantial concessions to the school district. The result is that the school district, if it chooses to do so, can obtain the property by payments over time, free of interest. But on the other hand, the reversionary interest which the United States will retain is a protection for the Federal taxpayer and also means that the value of transaction will be less than would otherwise be the case.

Mr. Speaker, I believe the bill as reported is sound and balanced and I urge its passage and appreciate Mr. Rhodes, a member of our committee, for his special assistance with this issue. We achieved a good resolution with his help, Mr. Speaker.

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1366, as introduced by my colleague from Arizona, the Honorable Jon Kyl, who represents the people of Arizona's Fourth Congressional District.

The chairman of the subcommittee, Mr. Vento, has described the details of the bill as we fashioned it during consideration in the Interior Subcommittee on National Parks and Public Lands.

I believe the compromise we have devised, with the help of Mr. Kyl and the Payson School District, is a fair one from the perspectives of the school district and the Federal Government. Under the terms of this bill, the Forest Service will receive full payment of the present use land value of $425,000 over a period of 30 years. At that time, if requested by the school district, the land will be conveyed, with a continuing stipulation that the 60-acre parcel be used for school purposes. Annual payments will be $12,500, and at the time of conveyance, the school district will be credited with all payments made since 1961.

Mr. Speaker, this is a fair and equitable bill. I appreciate the active involvement and timely consideration of this legislation by subcommittee chairman Mr. Vento, and the leadership demonstrated by Mr. Kyl in helping to develop this compromise on behalf of the Payson School District. I also want to thank the chairman of the Interior Committee, Mr. Udall, for quick consideration of the bill in the full committee.

I urge my colleagues to support passage of H.R. 1366.

Mr. Speaker, I yield such time as he may require to the gentleman from California [Mr. Lagomarsino].

Mr. LAGOMARSINO. Mr. Speaker, H.R. 1366 is indeed a compromise which was worked out between the author of the bill and members of the subcommittee and the committee itself. Several Members supported a straight conveyance of this land to the Payson School District with no compensation to the Federal Government. We in the West recognize the tremendous burden Federal land ownership can cause local communities. This is certainly true in Payson where the entire town is surrounded by Federal land, and of course there can be no better use of this land than a public school.

However, Mr. Speaker, in the spirit of compromise, the committee has worked out a proposal explained by Chairman Vento which compensates the Federal Government and yet does not break the budget of the local school district.

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Mr. Speaker, I also want to especially commend the author of the legislation, Mr. Kyl, for introducing the bill and for his diligence in pursuing it and for his agreeing to this compromise.

I want to also commend the gentleman from Arizona [Mr. Rhodes] for his hard work on this measure as well. It is a compromise but I think it is a good one. As the chairman [Mr. Vento] certainly can take credit for bringing this compromise along, as well as the chairman of the full committee, Mr. Udall.

Mr. Speaker, I urge my colleagues to support it.

Mr. RHODES. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. Kyl] my friend and colleague and sponsor of the bill.

Mr. KYL. Mr. Speaker, this is an important day for the people of Payson, AZ. Our consideration of this legislation today confirms to them that the Federal Government cares about the difficult situation thay have found themselves in, and wants to help.

I want to express a special thanks to Chairman Vento and his staff, particularly Stan Sloss, for their interest in the school district's problem and their willingess to work with us for a reasonable compromise.

I also want to pay a special thanks to my colleague, Representative Jay Rhodes, and his staff, Jim Huska, for their tireless efforts to secure early action on this bill. I think it is a fair assessment to say that without his personal interest and support, we couldn't have gotten this far, this fast.

And of course, I want to thank my colleagues, Ron Marlenee, Bob Lagomarsino, and Manuel Lujan for their support in committee. I can tell them that it did not go unnoticed by the people in Payson.

Mr. Speaker, we have before us today a compromise bill that is supported by all parties—Chairman Vento, and Payson School District, and, of course, by myself.

It is my understanding that the Forest Service still may have some concerns, but this compromise bill is much more beneficial to the Government than the bill originally introduced.

What we have tried to address in this piece of legislation is the problem of rapidly increasing special use permit fees paid by the Payson School District.

The school district has occupied 60 acres of Forest Service land since 1961, and it has paid a special use permit fee for the use of the land since 1972.

That arrangement worked well until this year, when the school district learned that the special use permit fee would skyrocket.

In 1986, the payment by the school district to the Forest Service amounted to $3,528. Because the Forest Service ties the fee to the value of the land, and the land is in an area where values are increasing rapidly, the fee more than tripled to $10,845 this year. It is set to increase to $16,268 in 1988, and $21,690 in 1989. That will represent roughly a 515-percent increase from the 1986 level.

The Payson School District just cannot afford that sort of increase. The people of Payson, and Gila County, already bear one of the highest property tax rates in the State, and will face the highest rate beginning this summer. The town is plagued with high unemployment—about 20 percent—due, in large part, to the depression in the copper industry. About 60 percent of the population is retired.

It will come as a shock to my colleagues, but in Gila County, AZ, only 3 percent of the land is privately owned and on the tax rolls; and in the Payson area of northern Gila County, private ownership is only one-half of 1 percent. It is not hard to see how difficult it is to support education through property taxation and how devastating even a small permit fee increase can be. That's the cause of the problem addressed by this legislation.

The people of Payson aren't looking for a handout. They work hard, they pay their taxes, and they're willing to pay for the education of their children.

Despite the already high taxes, the high unemployment rate, and the large retired population, however, they have voted for three bond issues over the past 3 years for a total of $10.3 million for the construction of new school facilities. They have already made a substantial investment in building and land improvements on the Forest Service land.

But, because of the uniquely small property tax base, they simply can't afford to assume any additional debt for the purchase of the land. Without the alternative before us today, the increased special use permit fee will have to be paid out of the school district's capital outlay budget, which will adversely affect the quality of education of Payson's youth.

I originally proposed an outright conveyance of the land to the school district. There were some concerns about an outright "gift" of the land, so we worked with Chairman Vento to find an acceptable alternative. The substitute adopted by the Public Lands Subcommittee, with my support and the support of the school district, represents a fair middle ground.

The legislation would allow the Forest Service to charge the school district no more than $12,500 annually for the special use permit. At any time during the next 30 years, the school district may apply for conveyance of the land in return for a payment, which is established in the legislation. That payment amounts to the value of the land as determined in last year's Forest Service appraisal—$425,000—plus administrative costs for preparation of title and legal description. From that will be subtracted all payments made by the school district on the special use permit, including those made since 1961. The past payments amount to approximately $56,691. Each $12,500 payment made by the district will also be credited to the acquisition price.

To protect the interest of U.S. taxpayers and ensure that the land continues to be used for school purposes, we've agreed to include a reverter clause.

Mr. Speaker, before I finish, I have to give credit to a few other individuals for their efforts on this legislation. Marriane Morrison, the president of the Payson School Board, Betty Mack, the school district's business manager, and Dave Wilson, from the Payson town manager's office, all appeared before the committee and put forth a great effort to help the people of Payson come out as winners.

I also want to thank Larry Soehlig with the Tonto National Forest in Arizona. Larry told us up front that the Forest Service had concerns about the proposal, but he afforded us every courtesy and every bit of assistance that was appropriate.

Mr. Speaker, I urge the passage of this bill.

Mr. RHODES. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. Gray of Illinois). The question is on the motion offered by the gentleman from Minnesota [Mr. Vento] that the House suspend the rules and pass the bill, H.R. 1366, as amended.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ARMS CONTROL AND DISARMAMENT AMENDMENTS ACT OF 1987

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2689) to amend the Arms Control and Disarmament Act to authorize appropriations for the fiscal years 1988 and 1989 for the Arms Control and Disarmament Agency, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2689

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arms Control and Disarmament Amendments Act of 1987".

SEC. 2. AUTHORIZATIONS OF APPROPRIATIONS.

(a) Authorizations.—Section 49(a) of the Arms Control and Disarmament Act (22 U.S.C. 2589(a)) is amended—

(1) by striking out paragraphs (1) and (2) and inserting in lieu theoreof the following:

"(1) $28,800,000 for the fiscal year 1988 and $29,800,000 for the fiscal year 1989; and"; and

(2) by redesignating paragraph (3) as paragraph (2).

(b) Funding for External Research.—Section 49(a) of that Act is further amended by striking out the next to the last sentence and inserting in lieu thereof the following: "Of the amounts authorized to be appropriated by this subsection of each of the fiscal years 1988 and 1989, not more than $2,000,000 may be used for external research but not less than $1,300,000 shall be used for external research to assist the Bureau of Verification and Intelligence in making assessments of possible new systems, devices, and capabilities for verification of arms control.".

SEC. 3. STANDING CONSULTATIVE COMMISSION.

(a) Findings.—The Congress finds that—

(1) the Standing Consultative Commission was established by the United States and the Soviet Union under Article XIII of the Treaty on the Limitation of Anti-Ballistic Missile Systems as a framework for considering and resolving questions concerning compliance with arms control obligations; and

(2) the United States should raise and attempt to resolve issues relating to compliance by the United States and the Soviet Union with arms control agreements in the Standing Consultative Commission.

(b) Annual Reports.—Title III of the Arms Control and Disarmament Act (22 U.S.C. 2571-2577) is amended by adding at the end the following:

"SEC. 38. ANNUAL REPORTS ON STANDING CONSULTATIVE COMMISSION ACTIVITIES.

"The President shall submit, not later than January 31 of each year, to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate a report prepared by the United States Commission on the activities of the Standing Consultative Commission (established under Article XIII of the Treaty on the Limitation of Anti-Ballistic Missile Systems). Such annual report shall include detailed information on all issues raised by either side and the response of the other side with regard to such issues. Such annual report shall be classified as appropriate, but shall be accompanied by an unclassified annex containing such information with respect to the activities of the Commission as can be made public consistent with the need for confidentiality of Commission proceedings and the national security of the United States.".

(c) Study and Report.—The Director of the Arms Control and Disarmament Agency shall conduct a study to determine how the Standing Consultative Commission could be used more effectively to resolve arms control compliance issues. The Director shall report the results of this study to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate within 6 months after the date of enactment of this Act.

SEC. 4. COMPLIANCE REPORTS.

Section 52 of the Arms Control and Disarmament Act (22 U.S.C. 2591) is amended—

(1) in paragraph (1)—

(A) by inserting ", the Soviet Union, and other nations" after "adherence of the United States"; and

(B) by inserting "the Soviet Union and" after "compliance by"; and

(2) by striking out "and" at the end of paragraph (2) and by redesignating paragraph (3) as paragraph (5);

(3) by inserting the following after paragraph (2):

"(3) the section of the report dealing with Soviet adherence shall include information on actions taken by the Soviet Union with regard to the size, structure, and disposition of its military forces in order to comply with arms control agreements;

"(4) the section of the report dealing with adherence by other nations shall include information on actions taken by each such nation with regard to the size, structure, and disposition of its military forces in order to comply with arms control agreements; and"; and

(4) in paragraph (5), as so redesignated by this section, by inserting "the Soviet Union and" after "problems of compliance by".

SEC. 5. ACDA INSPECTOR GENERAL.

(a) Establishment.—Title IV of the Arms Control and Disarmament Act (22 U.S.C. 2581-2591) is amended by adding at the end the following:

"SEC. 53. ACDA INSPECTOR GENERAL.

"(a) Establishment and Duties.—There shall be an Office of the Inspector General at the Agency headed by the Inspector General of the Agency who shall have the duties, responsibilities, and authorities specified in the Inspector General Act of 1978.

"(b) Duality of Appointment.—An individual appointed to the position of Inspector General of the Department of State shall, by virtue of such appointment, also hold the position of Inspector General of the Agency.

"(c) Utilization of Staff.—The Inspector General of the Agency shall utilize personnel of the Office of the Inspector General of the Department of State in performing the duties of the Inspector General of the Agency, and shall not appoint any individuals to positions within the Agency.

"(d) References.—For purposes of this section, references in the Inspector General Act of 1978 to the establishment involved, to the head of the establishment, and to an Inspector General shall be deemed to be references to the Agency, the Director of the Agency, and Inspector General of the Agency, respectively, except to the extent inconsistent with this section.".

(b) Survey of ACDA Classified Information Security.—Not later than 90 days after the date of enactment of this Act, the Inspector General of the United States Arms Control and Disarmament Agency—

(1) shall conduct a survey of physical, personnel, document, and communications security programs, procedures, and practices at the Agency for the protection of classified information; and

(2) shall submit a report on the results of that survey, together with such recommendations for improvement of classified information security at the Agency as the Inspector General considers appropriate, to the Director of the Agency and to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objecton.

The SPEAKER pro tempore. The gentleman from Florida [Mr. Fascell] will be recognized for 20 minutes and the gentleman from Michigan [Mr. Broomfield] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. Fascell].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. FASCELL. Mr. Speaker, H.R. 2689 is a 2-year authorization bill for the Arms Control and Disarmament Agency [ACDA]. Specifically, H.R. 2689 authorizes $28.8 million for fiscal year 1988 which $3.8 million less than the executive branch request for ACDA funding. The authorization for fiscal year 1989 is $29.08 million which reflects the Congressional Budget Office deflator number that adjusts for the anticipated impact of inflation for fiscal year 1989. H.R. 2689 reflects a true bipartisan consensus of the Committee on Foreign Affairs in support of ACDA's role in assisting in the development and implementation of our country's arms control policies.

On June 15, 1987, the Subcommittee on Arms Control, International Security and Science heard from the Director of Agency, Ken Adelman, on behalf of the executive branch request for ACDA funding. The subcommittee concentrated its hearing on the moneys requested for the Geneva negotiations, the adequacy of the Agency's operating budget in Washington, and the progress that has been achieved between the United States and the Soviet Union toward conclusion of an Intermediate-Range Nuclear Forces [INF] agreement.

Upon conclusion of receiving Mr. Adelman's testimony, the subcommittee proceeded to markup draft legislation and unanimously approved H.R. 2689. On June 16, I was joined by every member of the subcommittee in introducing H.R. 2689. On June 25, the Committee on Foreign Affairs met in open session and adopted an amendment to H.R. 2689 which provides that the inspector general of the Department of State will serve simultaneously in the position of inspector general for ACDA. Upon the adoption of this amendment, the committee approved H.R. 2689 by unanimous voice vote.

Mr. Speaker, the Arms Control and Disarmament Agency [ACDA] was created by the Congress in 1961 to: coordinate United States arms control policy; negotiate arms control agreements with other governments; conduct and coordinate U.S. Government-sponsored research related to problems of arms control and disarmament; and coordinate and disseminate public information on conventional arms control and disarmament matters. In carrying out these functions, ACDA has consistently enjoyed the solid bipartisan support of Congress.

H.R. 2689 continues to reflect a solid bipartisan consensus between both the majority and minority with respect to the present and future direction of ACDA. It is the belief of the Committee on Foreign Affairs that ACDA has a major role to play in assisting in the information of present and future United States arms control policies and in providing administrative support for ongoing arms control negotiations. In this regard, H.R. 2689 contains several important initiatives that are designed to enhance and strengthen this small but important agency. These initiatives include:

The adoption of an initiative proposed by our colleague who is the ranking minority member of the committee, Mr. Broomfield, that earmarks $1.3 million in external research funding to assist the Bureau of Verification and Intelligence in making assessments with respect to possible new systems, devices, and capabilities for the verification of arms control agreements. These funds will be used to develop verification technology which could be used to verify arms control agreements in such areas as chemical weapons, nuclear testing, and strategic and offensive and defensive weapons systems.

The adoption of a sense of the Congress resolution, in section 3, that expresses our belief that every effort should be made to address and resolve United States-Soviet compliance issues within the Standing Consultative Commission [SSC].

Section 3 also includes two other important reporting requirements. The first requires the President to submit a report by the SCC on the activities of the Commission. This report shall include detailed information on major issues raised by either side and the response of the other with regard to such issues. The second reflects the concern of our colleague, Ms. SNOWE. It requires the Director of ACDA to conduct a study to determine how the SCC could be used more effectively to resolve compliance issues.

Section 4 amends the Pell report on United States-Soviet compliance to lend it more balance. The section of the report on Soviet adherence will now include information on actions taken by the Soviet Union with regard to the size, structure, and disposition of its military forces in order to comply with existing arms control agreements. The report will also include information on actions taken by other nations with regard to the size, structure, and disposition of their military forces in order to comply with existing arms control agreements. As a result of these changes, Congress will receive information on Soviet compliance as well as noncompliance with arms control agreements.

Finally, section 5 establishes an inspector general for ACDA, with powers provided by the Inspector General's Act of 1978. The State Department inspector general will serve as the inspector general for ACDA but will not receive any additional compensation beyond what he receives solely as the State Department inspector general. In this new capacity, the inspector general will conduct an onetime only survey of security programs, procedures, and practices in ACDA and report his findings and recommendations to the Director of the Agency.

Mr. Speaker, in closing, I would say the committee strongly believes that each of these initiatives will serve to enhance ACDA's role in the development and implementation of our Nation's arms control policies. The committee also believes that each of these inititatives will serve to increase our confidence in the Arms Control Agency and improve the prospects for new arms control agreements in the future. Mr. Speaker, I encourage the bipartisan adoption of H.R. 2689.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to join Chairman FASCELL in support of H.R. 2689, the Arms Control Agency authorization bill for fiscal years 1988 and 1989.

This bill is the bipartisan product of the Foreign Affairs Committee, which approved it unanimously.

H.R. 2689 funds the Arms Control Agency at slightly less than a fiscal year 1987 freeze level.

There are three legislative initiatives in the bill of particular interest.

First, the bill increases emphasis on arms control verification research and development.

Second, it seeks better ways to use the Standing Consultative Commission to resolve arms control compliance issues.

Finally, it creates an inspector general for the Arms Control and Disarmament Agency, and requires him to conduct a classified information security survey of the agency.

The inspector general's security survey will determine where security procedures at ACDA can be improved.

Chairman FASCELL and I also have requested a GAO study of ACDA's security procedures and certain specific cases to help determine if any further congressional action may be needed.

I urge all of my colleagues to support this bill. It is a bipartisan effort to provide the Arms Control Agency the funding it needs at a critical time in the arms control process.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. I thank the gentleman for yielding.

Mr. Speaker, I want to commend the chairman, Mr. FASCELL, and the ranking member of the Committee on Foreign Affairs, Mr. BROOMFIELD, for including in the bill an inspector general survey of classified information security at the Arms Control and Disarmament Agency.

ACDA must work to protect the Nation's secrets. There has been a lot of concern about this just in the last several weeks and I think it is very important if ACDA is going to be able to carry out its function that it retain the trust and the credibility that it has had up to this point. So I do want to commend the chairman and ranking member for adding this to the bill and also for the proposal in the bill for an inspector general. I think that will go a long way.

I urge my colleagues to support this bill.

Ms. SNOWE. Mr. Speaker, I wish to speak in support of the Arms Control and Disarmament Agency authorization bill, H.R. 2689. I'd like to commend Chairman FASCELL of the Foreign Affairs Committee and the Arms Control Subcommittee, and the ranking member, Mr. BROOMFIELD, for their work in writing a responsible ACDA reauthorization which is so bipartisan that it is sponsored by the entire membership of the Arms Control Subcommittee.

This bill contains a provision which I authored addressing a critical flaw in the arms control process; namely, the inability of the Standing Consultative Commission to play an effective role in resolving compliance disputes. Soviet noncompliance with the ABM and SALT II Treaties has eroded public and congressional support both for these treaties themselves and for the arms control process in general.

The House of Representatives has voted unanimously to recognize the Krasnoyarsk radar site in Siberia as a violation of the ABM Treaty. Even a Soviet general, Boris Surikov, has admitted that the location of the radar site constitutes what he called a technical violation of the treaty. Yet the SCC has spent 224 hours discussing Krasnoyarsk without reaching a resolution, and the site is now nearing completion.

The SCC has been similarly ineffective in resolving critical SALT II compliance issues, spending 385 hours on the subject of Soviet encryption of missile telemetry, and 270 hours on the illegal testing and deployment of the SS-25 ICBM, without resolving either of these areas of noncompliance.

To help us address this problem, the provision which I authored would require ACDA to conduct a study to determine how the SCC could be used more effectively to resolve arms control compliance issues. This study, which should also include recommendations on possible alternative methods for resolving compliance questions, will be due within 6 months of enactment. I also plan to request a similar report from the Congressional Research Service.

In the meantime, Chairman FASCELL has assured me that the Arms Control Subcommittee will be holding hearings on this issue. It is my intent to use the information we obtain through these hearings, together with the ACDA and CRS studies, to develop initiatives to improve the effectiveness of the SCC and the arms control compliance process.

Improving arms control compliance is a bipartisan concern. Once again, I would like to thank Chairman FASCELL and Mr. BROOMFIELD for their cooperation, and I look forward to working with them and my other colleagues on the subcommittee and the full committee, to find ways in which we can strengthen the compliance process.

I urge the passage of the bill.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. FASCELL. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and pass the bill, H.R. 2689, as amended.

The question was taken, and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

EXPRESSING INSISTENCE OF THE CONGRESS ON THE EXTRADITION OF MOHAMMED HAMADEI TO THE UNITED STATES FOR TRIAL

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 94) expressing the insistence of the Congress on the extradition of Mohammed Hamadei to the United States for trial in connection with the murder of Navy diver Robert Stethem and the opposition of the Congress to any trade of Mohammed Hamadei for West German nationals being held hostage, as amended.

The Clerk read as follows:

H. CON. RES. 94

Whereas on June 14, 1985, Trans World Airlines Flight 847 departed Athens International Airport enroute to Rome, Italy, with 153 passengers and crew members on board who were predominantly American;

Whereas two hijackers, identified by the Department of Justice as Mohammed Hamadei and Hasan 'Izz-al-din, according to the indictment filed in the United States District Court for the District of Columbia, commandeered the aircraft and pistol whipped the flight crew;

Whereas the aircraft flew between Beirut and Algiers several times over the next two days while the hijackers retained control of the plane;

Whereas the indictment states that the hijackers bound Navy diver Robert Stethem with an electric cord, beat him until he was unconscious, and after the aircraft's second landing in Beirut, shot him in the head in cold blood, and dumped his body onto the tarmac in Beirut;

Whereas Mohammed Hamadei has been charged by the United States with murder, hijacking, hostage-taking, and other crimes, and was indicted on these charges in the United States District Court for the District of Columbia in November, 1985;

Whereas the United States has requested the Federal Republic of Germany to extradite Mohammed Hamadei under the extradition treaty between the United States and the Federal Republic of Germany;

Whereas the Federal Republic of Germany is bound under this extradition treaty to extradite to the United States persons charged with offenses under United States law if it is not going to prosecute such persons for the same offenses for which extradition is sought; and

Whereas it has been almost six months since the United States requested the extradition of Mohammed Hamadei: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that—

(1) the President should continue to express to the Government of the Federal Republic of Germany in the strongest possible terms that the United States expects that Government to comply with both the letter and the spirit of its treaty obligations by prosecuting Mohammed Hamadei on all charges, including especially those arising from the hijacking of Trans World Airlines Flight 847 and the murder of United States Navy diver Robert Stethem;

(2) refusal of extradition by the Federal Republic of Germany at this time does not exclude the United States from reinstating its extradition request should circumstances so warrant; and

(3) any action by the Government of the Federal Republic of Germany that directly or indirectly involves the exchange of Mohammed Hamadei for German nationals being held hostage by terrorists shall be unacceptable to the Congress and will have unforeseen consequences for the relationship between our two countries.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

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Mr. FASCELL. Mr. Speaker, I rise in support of House Concurrent Resolution 94, expressing the sense of Congress that the Federal Republic of Germany act expeditiously to carry out a vigorous and complete prosecution of all possible charges against Mohammed Hamadei, including especially those arising from the hijacking of Trans World Airlines flight 847 and the murder of United States Navy diver Robert Stethem.

Mr. Speaker, this resolution reaffirms the assurances given to the United States by the Government of the Federal Republic of Germany with regard to Mohammed Hamadei. The tragic circumstances involved in the murder of a member of the United States military necessitated our strong desire that the Federal Republic of Germany agree to the United States request to extradite Hamadei. However, under the 1978 United States-Federal Republic of Germany Extradition Treaty, West Germany could deny extradition, which in fact they have done, if they agree to prosecute Hamadei on all charges for which extradition was sought.

Under the 1970 Hague Convention for the suppression of unlawful seizure of aircraft, the 1971 Montreal Convention for the suppression of unlawful acts against the safety of civil aviation, and the 1979 convention against the taking of hostages, West Germany has an obligation to prosecute Hamadei on all possible charges if it chooses not to extradite to the United States. The West German Government is in fact meeting their international obligations and have assured us that they will promptly prosecute Hamadei, and if convicted, punish him to the fullest extent of German law.

However, House Concurrent Resolution 94 makes clear that if circumstances change, that is, West Germany seeks to grant clemency or other concessions involving Hamadei, then the U.S. Government will reinstate its extradition request so that Hamadei will be tried here in the United States for these egregious crimes.

In closing, Mr. Speaker, I would like to commend the distinguished gentleman from Maryland [Mr. DYSON] for introducing this important resolution and for his diligence in helping to bring it before the House. I urge the adoption of the resolution.

Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. DYSON], who will speak in regard to this matter.

Mr. DYSON. Mr. Speaker, let me say to the chairman and the ranking minority member and to the entire Committee on Foreign Affairs that, speaking for me and for the Stethem family, we are very pleased with the fast and expeditious way your committee has acted on this resolution. Both the Stethem family and myself felt betrayed by the position taken by the Government of the Federal Republic of Germany regarding the extradition of Mohammad Ali Hamadei. I think they feel much more relieved today knowing the House of Representatives is taking such prompt action on this resolution.

Mr. Speaker, let me say to the chairman of the committee that it has been a pleasure to work with him and with the ranking minority member and all the committee members, and on behalf of myself and the Stethem family, I thank them very much.

Mr. Speaker, we meet today to consider a resolution with extremely important ramifications to our fight against terrorism, as well as our relationship with our friends in the Federal Republic of Germany. Again, let me say that I thank the distinguished chairman and members of the Committee on Foreign Affairs for their prompt and timely consideration of this important resolution. They have provided this Chamber with a resolution that we can all support and one that will inform our friends that we demand nothing less than full justice and total prosecution for terrorists who terrorize the civilized world.

Mr. Speaker, today, I am extremely pleased that we are addressing this issue; however, I am also very disappointed that our West German ally has decided not to extradite the terrorist, Mohammad Ali Hamadei, to the United States. The thought that this man, Hamadei, may escape full prosecution under the law for the murder of my constituent, Navy diver Robert Stethem, outrages me.

We are all aware that West Germany faces the same situation that we face here at home. They also have citizens who have been taken hostage by terrorists in Lebanon. These terrorist who attack our citizens have made no secret of the fact that they wish to trade their hostages for Hamadei's freedom. This is a serious concern of all Americans and West Germans, and one which we must not ignore.

We cannot condone, nor can we permit such an exchange. I would set a dangerous precedent for relationships between the Western democracies and it would send a message to terrorists around the globe. That message would be: "Don't worry about receiving justice for your atrocities." This is wrong and we must stop it. House Concurrent Resolution 94 is the vehicle to prevent any such miscarriage of justice.

Mr. Speaker, House Concurrent Resolution 94 with over 50 cosponsors calls for the Federal Republic of Germany to comply with the letter and spirit of its treaty obligations with our Nation by prosecuting Mohammad Hamadei on all charges, most especially those arising from the 1985 hijacking of TWA flight 847 and the brutal murder of my constituent, Robert Stethem.

In addition, this resolution explicitly states, that the current refusal of extradition by the Bonn government does not preclude the United States from reinstating its extradition request if circumstances warrant another request. Finally, the resolution informs the West German Government that any direct or indirect, exchange of Hamadei for German nationals being held hostage will have unforeseen consequences for the relationship between our two nations.

This resolution, I believe, is vital to remind the civilized world and the terrorists who continue to attack it, that we have not forgotten the events that occurred in June 1985, nor, Mr. Speaker, will we ever forget. During those horrifying days following the hijacking of a routine flight from Athens to Rome, our Nation and the world watched in horror and repulsion as we learned of the murderous acts committed by the hijackers. The passengers were terrorized and abused; the flight crew was pistol-whipped; and finally, in an act of pure viciousness, Robert Stethem, a U.S. Navy diver from Waldorf, MD, was tied up so that he could not defend himself or block the horrible beating which followed. He was beaten so badly that he was disfigured. And then, in a final act of brutal savagery, the hijackers murdered Robert Stethem in cold blood and threw his body to the tarmac of the Beirut Airport. We all lived through the agony of those ruthless actions and it is something we cannot, and should never, forget. For that was a crime against more than those aboard the airplane and our country, I believe it was a crime against humanity itself.

Mr. Speaker, each of us realizes that we should not make Robert Stethem larger in death than he was in life. He was an ordinary man doing an extraordinary job in the U.S. Navy. He could have come from anywhere in the country, but he did not. He came from my congressional district. As his elected Representative, it is my duty, indeed my honor, today to stand before this body and ask that this resolution be passed, not only for Robert and his family, not only for my congressional district, my State or my country. This resolution, Mr. Speaker, is for the citizens of the world.

Mohammed Ali Hamadei has been indicted by our Government on the charge of murder. This was a terrible act; it would be anywhere on the face of the Earth. I ask for nothing more than justice, and House Concurrent Resolution 94 is a step in that direction.

Again, Mr. Speaker, let me thank the chairman of the Foreign Affairs Committee and his very capable staff with whom I worked on this resolution. I thank also my colleagues on the other side, I am very much indebted to them, and I know that the Stethem family will be pleased to know that this resolution has been passed today.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BROOMFIELD asked and was given permission to revise and extend his remarks.)

Mr. BROOMFIELD. Mr. Speaker, the minority strongly supports the House Concurrent Resolution 94.

The terrorists responsible for the cold-blooded slaughter of American citizens and U.S. Navy diver Robert Stethem aboard hijacked TWA flight 847 have thus far escaped justice.

Our Government has reliable information that Mr. Mohammed Hamadei bears responsibility for the murder.

I am extremely disappointed that the Government of West Germany has not responded favorably to President Reagan's request for extradition.

The resolution clearly expresses the Congressional intent by stating "that the United States expects the West German Government to comply with both the letter and spirit of its treaty obligations by extraditing Mohammed Hamadei to the United States as quickly as possible."

The United States should try Mr. Hamadei for Mr. Stethem's murder under American criminal laws, and in American courts. He should be prosecuted to the fullest extent of the law.

This resolution makes clear that our West German allies should send Mr. Hamadei to the United States for trial, and—above all—must understand that Mr. Hamadei cannot be set free as part of a hostage deal.

I urge adoption of the resolution to let West Germany know that any German failure to cooperate with the United States on the Hamadei case is a grave mistake.

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to add that the cooperation on this resolution has been excellent, and I am very pleased to remind my colleagues that the concepts of this resolution were thoroughly approved by our own Government so that the United States is speaking in a unified voice with one of our strongest allies to say that we understand and appreciate that our interest in wanting to prosecute this individual and provide prosecution by the U.S. Government has been reflected by our very strong position in this resolution. I am pleased to note that it has total bipartisan support, including the support of the Executive.

So I close these remarks by commending the gentleman from Maryland [Mr. DYSON] for initiating this effort and giving us an opportunity to speak on this subject with a unified voice.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN].

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Speaker, I am pleased to join my colleagues on the Foreign Affairs Committee in rising in support of House Concurrent Resolution 94, which expresses the sense of the House with respect to the Hamadei case.

As Members of this House know, more than 6 months ago West German authorities arrested Mohammed Hamadei on charges of carrying explosives on an airliner. It became apparent that he was the person suspected of having participated in the TWA 847 hijacking and the murder of Navy diver Robert Stethem, as charged in an indictment filed in the U.S. District Court for the District of Columbia.

When Hamadei was arrested, the United States requested his extradition on a variety of charges; and the Federal Republic of Germany has only recently told us that he will be tried on murder and hijacking charges in Germany, with the full weight of German law applied, and with no exchanges or mitigation of sentence. It should be noted that Hamadei will be tried under a statute which calls for a mandatory sentence of life imprisonment.

Mr. Speaker, it is regrettable that the German Government felt it necessary not to extradite Hamadei to the United States, although it is the pressures brought to bear on it by the relatives of hostages taken in Lebanon are readily understandable. I fully expect that the German Government will uphold the undertakings made at its Cabinet level to the United States; for not to do so would immeasurably discredit the Federal Republic of Germany and its legal system.

Mr. Speaker, the gentleman from Maryland [Mr. DYSON], the sponsor of the legislation, and the late Robert Stethem's Representative, is to be commended for his efforts in guiding this measure to the floor at this time and I urge my colleagues to fully support this measure.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 94, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the concurrent resolution, as amended, was agreed to.

The title of the concurrent resolution was amended so as to read: "Concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany act expeditiously to carry out a vigorous and complete prosecution of all possible charges against Mohammed Hamadei, including especially those arising from the hijacking of TransWorld Airlines flight 847 and the murder of U.S. Navy diver Robert Stethem."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 2689, the Arms Control and Disarmanent Agency Act authorization, and also on House Concurrent Resolution 94, the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

REGARDING THE PROMOTION OF DEMOCRACY AND SECURITY IN KOREA

Mr. FASCELL. Mr. Speaker, I move to suspend the rules and agree to the conconcurrent resolution (H. Con. Res. 141) regarding the promotion of democracy and security in the Republic of Korea, as amended,

The Clerk read as follows:

H. CON. RES. 141

Whereas the American people have a deep commitment to the security of the Republic of Korea;

Whereas the United States has demonstrated its commitment to the defense of the people of the Republic of Korea by our sacrifices during the Korean war, by our ongoing defense treaty relationship (including the stationing of 40,000 United States troops in the Republic of Korea), and by our provision of more than $12 billion in economic and military assistance since 1953;

Whereas the Democratic People's Republic of Korea (hereafter in this resolution referred to as "North Korea") has demonstrated unrelenting hostility towards its neighboring country, the Republic of Korea, including the forward deployment of large numbers of troops of offensive formations near the demilitarized zone separating the two countries;

Whereas North Korea is a one-party Communist dictatorship, in which there is a comprehensive denial of fundamental human rights, including freedom of speech, freedom of assembly, freedom of the press, freedom of religion, and freedom of the people to select their political leaders;

Whereas the United States has a vital interest in preserving peace on the Korean peninsula and in preventing an invasion of the Republic of Korea by North Korea;

Whereas the security of the Republic of Korea is best ensured by deterring an attack by the forces of North Korea;

Whereas one element of deterrence is the internal stability of the Republic of Korea, a stability that can best be assured by government respect for internationally recognized human rights and by the establishment of democratic institutions and political processes that reflect the popular will and are broadly commensurate with the remarkable strides in economic develoment and educational progress that the Republic of Korea has made;

Whereas the shared interests of the United States and the Republic of Korea in securing democracy and human rights in the Republic of Korea would best be served by the peaceful establishment of genuine democratic institutions;

Whereas the Government of the Republic of Korea places restrictions on the fundamental rights of freedom of speech and freedom of the press, as well as the right of individuals to engage in political activity, and has resorted to the incarceration and, in some cases, the torture of its political opponents;

Whereas internationally recognized human rights standards, as enunciated in such instruments as the Universal Declaration of Human Rights, include the rights to freedom of expression, peaceful assembly, and association;

Whereas President Chun has pledged to take the historic step of stepping down at the end of his term in February 1988, thereby permitting the first peaceful and constitutionally legitimate transfer of power in the history of the Republic of Korea;

Whereas a peaceful, democratic transition of governmental power is an important first step toward genuine democracy for the Republic of Korea;

Whereas this transfer of power is scheduled to occur at a time when international attention will be focused on the Korean Peninsula because of the 1988 Summer Olympics to be held in Seoul;

Whereas on April 13, 1987, President Chun announced that the discussions on constitutional reform would be suspended until after the Summer Olympics in September 1988 and that elections will be held under the existing electoral system, which is widely perceived in Korea as being undemocratic and susceptible to manipulation by the Government;

Whereas President Chun has himself acknowledged that there is a need for some reforms prior to the forthcoming election, including the establishment of local autonomy and reform of the press law;

Whereas large numbers of citizens of the Republic of Korea have expressed dissatisfaction with the severe limits imposed by the government on freedom of expression and other freedoms essential for a democratic political process and deeply desire the establishment of a genuine democracy in their country;

Whereas Korean opposition leaders have publicly denounced the use of violence in their quest for democratization;

Whereas the necessary condition for achievement of a genuine democracy is an electoral system designed to give the people of the Republic of Korea confidence that the outcome of the elections reflect their will;

Whereas an agreement between the government and the opposition is the best way to achieve the kind of national consensus necessary to facilitate the establishment of an enduring, democratic political system in the Republic of Korea;

Whereas the prospects for reaching a consensus between the government and the opposition on the establishment of a genuinely democratic system have been significantly impeded by the lack of trust which has precluded compromise between the parties; and

Whereas the bipartisan support in the United States for democratization in the Republic of Korea should not be interpreted as an endorsement of any political party or opposition group: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring),

SECTION 1. UNITED STATES COMMITMENT TO SECURITY AND DEMOCRACY ON THE KOREAN PENINSULA.

The Congress—

(1) reaffirms the commitment of the American people to the security of the Republic of Korea and the development of genuine democracy for the Korean people;

(2) believes the North Korean Government should cease its clandestine and reckless attempts to subvert the Republic of Korea;

(3) believes the North Korean Government should agree to measures that will reduce tensions on the Korean peninsula, including a more cooperative approach to the dialog between the North and South,

the genuine demilitarization of the Demilitarized Zone, the mutual and equitable reduction of military forces, family visitation and family reunification, and trade;

(4) believes the North Korean Government should take steps to reduce its international isolation by favorably considering the cross recognition of the two Korean Governments and dual membership in the United Nations and by permitting human rights monitoring groups to function within the country; and

(5) believes the North Korean Government should take steps to cease its systematic abuse of fundamental human and political rights, its deprivation of individual freedom, its use of torture, and its detention of political prisoners.

SEC. 2. DISCUSSIONS ON POLITICAL FUTURE OF THE REPUBLIC OF KOREA.

The Congress—

(1) regrets the decision announced by President Chun to suspend the discussions on constitutional reform and to hold elections under the existing electoral system;

(2) calls upon both the government and the opposition to enter into a good-faith dialogue, as soon as possible, on the political future of the Republic of Korea;

(3) believes that one of the principal objectives of a dialogue between the government and the opposition should be the institution of an electoral system in the Republic of Korea which ensures that the results of an election reflect the will of the Korean people; and

(4) calls upon all elements in the Republic of Korea to renounce the use of violence for political purposes.

SEC. 3. STEPS TO GENERATE TRUST AND MOVE TOWARD DEMOCRACY IN THE REPUBLIC OF KOREA.

(a) STEPS TOWARD DEMOCRATIZATION.—It is the sense of the Congress that the Government of the Republic of Korea should take concrete and meaningful steps toward democratization, while simultaneously moving to establish a climate of trust which would facilitate the establishment of a meaningful dialogue with the opposition. Such steps should include—

(1) instituting freedom of the press (including television and radio), freedom of assembly, and freedom of expression;

(2) ensuring freedom for political parties to organize and to participate fully in the political process;

(3) establishing a genuinely independent judiciary, respecting due process of law, and taking effective steps to end the use of torture (including prosecuting those individuals charged with committing torture);

(4) releasing all prisoners of conscience and restoring full political and civil rights for all citizens of the Republic of Korea; and

(5) taking steps to "civilianize" politics in the Republic of Korea, so that the government has the benefit of the full range of the talents and resources of the Korean people.

(b) RECENT PROPOSALS FOR POLITICAL REFORM.—The Congress welcomes the proposals made by Democratic Justice Party Chairman Roh Tae Woo for political reforms in Korea, including direct presidential elections, the release of prisoners of conscience, and the restoration of their political rights. The Congress hopes that these proposals will facilitate a genuine dialogue leading to a consensus among the Korean people on the political future of their country.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida [Mr. FASCELL] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 141, concerning the promotion of democracy and security in the Republic of Korea. This resolution was considered by the Committee on Foreign Affairs last week and received overwhelming bipartisan support. I am confident that it will receive equally broad support today.

The dramatic events of the last few weeks in South Korea demonstrate vividly the Korean people's deeply held aspirations for democracy and greater freedom. We need to convey clear and consistent support for democratization in Korea. This resolution—which is fully supported by the administration—does just that. It addresses the underlying causes for the present turmoil in Korea and calls upon the Chun government to take steps to ease the present tensions and establish a more conciliatory climate.

We are all pleased that last week President Chun and opposition leader Kim Young Sam met for the first time and that the other leading opposition leader, Kim Dae Jung, was released from 11 weeks of house arrest. We are hopeful that Mr. Kim's release will be followed by the restoration of his full political rights and the release from prison of all political prisoners. We are also hopeful that a genuine dialog between the ruling party and the opposition will be established and result in agreement on an electoral system that will truly represent the will of the Korean people.

Today's announcement of the ruling party's recommendation to President Chun that direct presidental elections be held is a significant and welcome development. The party chairman, Roh Tae Woo, also recommended that the political rights of Kim Dae Jung be restored, political prisoners be released, and restrictions on freedom of the press be eased. If President Chun accepts these recommendations—which have been long standing demands of the opposition—the Korean people will have the opportunity to determine freely and peacefully their own political future. We are greatly pleased by this announcement, for only a democratically elected and representative government, one that is respectful of the human rights of all Koreans, can ensure long-term stability and prosperity in South Korea.

Mr. Speaker, I would like to commend the original sponsor of the resolution, Mr. FEIGHAN, for his diligence in promoting democratic reform and respect for human rights in Korea and for working closely with the subcommittee chairmen and the ranking minority members to craft a resolution that could garner such broad support.

I also commend the chairman of the Subcommittee on Human Rights and International Organizations, Mr. YATRON, and the ranking minority member, Mr. SOLOMON, and the chairman and ranking minority member of the Subcommittee on Asia and Pacific Affairs, Mr. SOLARZ and Mr. LEACH, for their leadership and the excellent bipartisan cooperation that has been exhibited on this important resolution. I urge its unanimous adoption.

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Mr. FASCELL. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I wanted to thank the gentleman from Florida [Mr. FASCELL], the very distinguished chairman of the Committee on Foreign Affairs, for the gentleman's leadership in bringing this resolution to the floor.

I also want to pay tribute to the gentleman from Ohio [Mr. FEIGHAN], our very good friend who had originally introduced this resolution some months ago.

I should also take note of the gentlemen on the other side of the aisle who worked very closely with us in redrafting this resolution to faithfully reflect the concerns of Members on both sides of the aisle.

I have in mind in particular the gentleman from New York [Mr. SOLOMON], who served with great distinction over three decades ago in a conflict on the Korean peninsula, and who has taken a very special interest in the problems of that country ever since.

I should also mention the gentleman from California [Mr. LAGOMARSINO], who also played a helpful role in shaping the text of this resolution, and of course, the gentleman from Michigan [Mr. BROOMFIELD], the very distinguished ranking minority member on the Committee on Foreign Affairs.

This resolution, House Concurrent Resolution 141, reaffirms the commitment of the United States to the security of the Republic of Korea.

At the same time, it also calls upon the government and the democratic opposition in South Korea to enter into a dialog in a spirit of good faith, in an effort to resolve the problems that currently confront that country.

Most importantly of all, the resolution affirms the very strong sense of the House of Representatives, and of the Congress of the United States, that this is the time in the history of the Republic of Korea for a transition from dictatorship to democracy.

Over the course of the last 25 years, South Korea has experienced what can only be characterized as a veritable economic miracle.

During that period of time the per capita income of the average Korean has gone from $100 to over $2,000 a year.

In the last year South Korea experienced a 12½ percent real growth. From an economic point of view, South Korea has been the envy of developing countries all over the world. It is a nation which enjoys universal literacy, that has more college students per capita than any nation in the world other than the United States.

Yet precisely because of this enormous economic and educational growth, and the emergence of a large middle class, the people of South Korea want the benefits of full freedom. And this is why over the course of the last few weeks, tens of thousands of Koreans, led by students who are considered the conscience of the country, but also supported by the middle class, have called upon their government to permit the establishment of genuine democracy.

This resolution calls for the establishment of freedom of the press, for the release of all political prisoners, for the cessation of torture of detainees, for the creation of a truly independent judiciary, and for the establishment of a political system in South Korea which will reflect the will and wishes of the Korean people.

I think that all of the Members recognize that South Korea is a country in which the United States has very significant strategic interests. Forty thousand American troops stand watch just south of the demilitarized zone as a tangible manifestation of our historical commitment to the defense and security of South Korea.

We have a mutual security treaty with South Korea. Should South Koreans once again be the victims of aggression, if there were another war on the Korean peninsula, our forces would inevitably, instantaneously be involved.

As a consequence, we have a stake in the political stability of South Korea. Just north of that country, North Korea has 750,000 well-armed and well-trained troops deployed just north of the demilitarized zone—troops that could, if there should be widespread instability in South Korea, launch another war against the South in an effort to reunify the Korean Peninsula.

The dictator of North Korea, Kim Il-sung has made no secret of his ambition to reunify the Korean Peninsula under the control of the Communists.

It is by no means inconceivable that he might decide that the time has come to make his move. We have a great stake in the political stability of South Korea, but this resolution expresses the view that at this point in time in the history of South Korea, the way to establish political stability is not through a continuation of repression, but through the establishment of democracy.

I am pleased to say that during the course of the last few weeks, the administration has spoken in favor of democracy in that country, endorsed the concept of dialog, and sent a special emissary there to meet with the leaders of the government and also with the leaders of the opposition. During that period of time, I am also pleased to say that the administration has enjoyed the strong support of the Congress. I think that we are witnessing in Korea today a classic example of how our country is always most effective abroad when we are unified at home.

In the last 24 hours, the chairman of the ruling Democratic Justice Party, Mr. Roh Tae Woo, in an historic announcement, called for direct presidential elections and the release of political prisoners, as a way of bringing about a dialog with the opposition and a new national consensus in his country.

I want to point out to the Members that the resolution before the House today has a section which welcomes the proposals by Chairman Roh and expresses the hope that they will in fact serve as a basis and as a vehicle for establishing a genuine national consensus in South Korea which can lay the groundwork for an enduring political stability in that country and for continued economic growth and prosperity.

Let me also say that thanks in particular to the efforts of our very good friend, the gentleman from New York [Mr. SOLOMON], this resolution includes strong language pointing to the absence of, and an abuse of human rights in North Korea, and also urges the Government of North Korea to take steps to defuse tensions on the Korean Peninsula.

So I would say in conclusion, Mr. Speaker, that this resolution, which was adopted by the Foreign Affairs Committee by a vote of 26 to nothing, and which is now before the House, gives us an opportunity to send a message and a signal, first to the government of South Korea, and second to the people of South Korea, that the United States—the administration and the Congress, conservatives and liberals, Republicans and Democrats—is united in the view that what that country needs is the establishment of genuine democracy.

We are on the verge of an historic transition in South Korea from dictatorship to democracy. It is due in my judgment, first and foremost, to the courage of the Korean people, who have taken seriously the most fundamental values upon which our country was founded over two centuries ago.

It is also a tribute to the courageous leadership of opposition leaders, like Kim Dae-Jung and Kim Young Sam, who for over a decade have held aloof the torch of liberty. It is a tribute to government leaders, like Roh Tae Woo, who have the statesmanship and vision to recognize that with the future of their nation hanging in the balance, the best way to save it is to move toward democracy. And it is due, finally, to the fact that here in the United States on this critical and potentially controversial issue, we are once again united.

Let this be a precedent and an example that we can extend to other areas of the world where we can join hands in speaking up for our fundamental interests abroad, based on a recognition that the best way to protect our strategic interests is to promote our political values.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. BROOMFIELD. Mr. Speaker, I would like to make two requests.

First of all, following my short statement, I would like to yield the balance of my time for management to the gentleman from Iowa [Mr. LEACH], who is the ranking minority member on the Subcommittee for the Far East.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BROOMFIELD. Mr. Speaker, I would also like to say at the outset that I compliment the gentleman from New York [Mr. SOLARZ] for his excellent statement on this concurrent resolution, which was approved unanimously by our Foreign Affairs Committee.

Mr. Speaker, the minority supports passage of House Concurrent Resolution 141.

When I first arrived in Congress in January 1957, the memory of the Korean war was fresh in the minds of the American people.

The United States stood tall against communism and fought for the freedom of South Korea.

The resolution before us reaffirms the historical American commitment to South Korea's freedom.

We could never accept the loss of freedom for the people of South

Korea, for which our soldiers fought a generation ago.

After the war, South Korea has built a strong economy, which is the envy of the Pacific basin and most of the world.

We are confident that South Korea will show the same strength of commitment to its vibrant democracy that it has shown to its strong economy.

The statements and actions of the leadership of the ruling Democratic Justice Party in the past few days are very encouraging, and may represent a breakthrough necessary to advance democrary in South Korea.

Party Chairman Roh's offer to move to direct Presidential elections is a positive and hopeful step. I join the administration in urging both sides to continue the discussion in good faith to move the democratic process forward.

Mr. Speaker, I urge adoption of the resolution.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. LEACH of Iowa. Mr. Speaker, I will be very brief.

I would like to stress four points. First, the administration and Congress are in philosophical lockstep on this issue. Unlike many foreign affairs debates that have been in this forum in recent weeks and months, Congress and the administration, Republicans, Democrats, conservatives, and liberals, have a very similar perspective.

The views that are reflected in this resolution have been echoed by administration spokesmen in the Pentagon as well as in the State Department.

The second point is that the American commitment to the security of South Korea is not in doubt. There is a very profound understanding in this body and in this country of the challenge and the contrast of North Korea. Thousands of Americans, like our good friend, the gentleman from New York [Mr. SOLOMON], fought in a war on that peninsula and no one in this body wants to see the sacrifices that this country and the South Koreans themselves sustained go in vain.

The third point is, and it has been stressed I think very wisely by the gentleman from New York [Mr. SOLARZ], that even as we have considered this legislation in the committee structure and are bringing it to the floor today, events in South Korea are developing. The news this morning that the chairman of the ruling party has called for direct elections and for the release of political prisoners is a helpful and a very hopeful sign.

In conclusion, Mr. Speaker, this resolution walks a very careful line between recognizing that it is up to the Koreans to solve their own problems in a Korean way and identifying the United States of America through this particular representative body with the democratic aspirations of a people that we have a very close and a very long and very warm relationship with.

Mr. FASCELL. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. FEIGHAN], who is the original sponsor of the resolution.

Mr. FEIGHAN. Mr. Speaker, let me begin by thanking and commending the chairman of the Foreign Affairs Committee for bringing this resolution to the floor as expeditiously as he has, and particularly I want to thank the chairman of the Asian Affairs Subcommittee, the gentleman from New York [Mr. SOLARZ], who has done a remarkable job in fashioning the resolution before us today that I think is delivering a very clear and very important message from the U.S. Congress.

I thank as well the gentleman from Iowa [Mr. LEACH], as well as the ranking minority member of the Human Rights Subcommittee, the gentleman from New York [Mr. SOLOMON], for their assistance in this legislation.

Mr. Speaker, those of us who joined opposition leader Kim Dae-Jung in his flight home to South Korea a little more than 2 years ago have not been surprised that the authoritarian practices of Chun Doo-Hwan have precipitated the widespread outpouring of protest in South Korea we have seen over the past 3 weeks. Nor have we been surprised by the wavering, inconsistent signals being sent by the Reagan administration to the Chun government—sometimes nudging South Korea in the direction of democracy, sometimes not.

Today, there is a sense of great optimism in the air about the chances for democracy in South Korea. South Korea's ruling party chairman, Roh Tae Woo, has announced sweeping concessions to the South Korean people—including promises to restore Kim Dae-Jung's political rights and for direct presidential elections. This is very good news—to be supported and encouraged.

Although I want to stress that there may be cause for optimism, it is still too early for celebration. We must take care not to turn a blind eye to the past abuses and shortcomings of the Chung dictatorship over the past 7 years.

We must remember that this is the Government that has placed its leading dissident, Kim Dae-Jung, under house arrest over 50 times in the past 2 years. This is the Government which has jailed thousands of students, laborers, and opposition leaders without regard to due process of law—stripped them, beat them, kicked them, used electric shock on them—in order to force confessions. This is the Government which murdered a university student last January while questioning him—not even about his own political activities, but about the activities of a friend. This is the Government which last April decided to forbid discussion of changing the current electoral system, so that it could easily place its hand-picked successor into power at the end of this year.

It appears, however, that President Chun may, at last, have heard his people's cries for democracy. I do not personally know Roh Tae Woo, but I am certain that he is an honorable man who intends to see that these concessions are implemented. But concessions in the past have been elusive at best. We must remember the outcome of the three concessions that President Chun supposedly made only last week. President Chun had his first face-to-face meeting with opposition leader Kim Young-Sam, but by the end of last week, Chun's police had placed Kim Young-Sam under arrest. Last week, President Chun agreed to free Kim Dae-Jung from his 11-week-old house arrest, but the release lasted only for 1 day and was then slammed back down. It was also reported last week that President Chun would release 300 demonstrators arrested during the previous 2 weeks of demonstrations—but instead he swept more than 3,000 demonstrators off their streets and into their jails.

It seems that the Reagan administration also may, at least, have heard the South Korean people's cries for support as well. Although the administration has been a solid supporter of Chun Doo-Hwan in the past, recently it has begun to press Chun toward democracy. Last week, Ambassador Lilley met with Kim Young-Sam and Gaston Sigur met with Kim Dae-Jung. In addition, the State Department has endorsed this piece of legislation. Let us hope that these efforts on behalf of the administration have not come too late and that they will be continued.

In passing House Concurrent Resolution 141, we will be calling for President Chun to follow through on many of the steps announced by Mr. ROH this morning. We will be calling for an electoral system that the Chun government cannot manipulate. We will be calling for the release of political prisoners and the restoration of their rights. We will be calling for freedom of the press, of expression, and of assembly—making clear that South Korean citizens who call for democracy should not be gassed, jailed, or beaten and that South Korean newspapers should be able to publish their news free from censorship. We will be calling for President Chun to distance the South Korean military from South Korean politics, making clear that another military coup or the imposition of martial law are not acceptable. And we will be calling for an end to torture.

The United States has a clear and simple choice in South Korea: to support democracy or to support dictatorship. The South Korean people have been crying out for American support of their struggle for democracy. The United States must come down squarely—without hesitation—on the side of democracy. The very security of South Korea depends upon the its becoming a true democracy. We must show President Chun and the people of South Korea that the American people and their elected officials care about human rights as well as our security interests. We must show the South Korean people that we support their struggle for democracy. I hope that my colleagues on both sides of the aisle will support House Concurrent Resolution 141 today and will continue to support the South Korean people in their determined struggle for democracy throughout this critical year.

☐ 1455

Mr. LEACH of Iowa. Mr. Chairman, first let me compliment the gentleman from Ohio [Mr. FEIGHAN], whose leadership in this issue has been so impressive.

Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. SOLOMON], a distinguished Korean war veteran and the ranking minority member of the Subcommittee on Human Rights and International Organizations.

Mr. SOLOMON. I thank the gentleman for yielding time to me.

Mr. Speaker, at the outset, in addition to all of the other Members who have been committed, like the gentleman from Iowa [Mr. LEACH] and our good chairman and our good ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], and the gentleman from New York [Mr. SOLARZ], we would like also to give great credit to my counterpart, the chairman of the Human Rights Subcommittee, the gentleman from Pennsylvania, [Mr. GUS YATRON]. I see him in the well now. I was looking for him. Without his efforts I do not think that we could have crafted the resolution that we have here today.

Mr. Speaker, let me also say that Mr. SOLARZ, my good friend, stole my speech. Again, we could change a few names, and I could have given the same. I commend him for his remarks and for the effort that has gone into this resolution.

Second, let me just break this unanimity of great friendship that we have here for just a moment and criticize a little bit the previous speaker in the well, who brought up a lot of old issues when we really are trying to put together a unanimous support for this resolution, and I think that we have it.

But, Mr. Speaker, we should give credit to the administration for the way in which they have diplomatically handled this issue. They have worked through diplomatic channels and have I think brought about a resolve to a very, very serious problem that exists.

Mr. Speaker, at this point I would like to make several important observations about this resolution.

First, given the new realities of the political situation in the Republic of Korea, as announced yesterday in a dramatic and significant address by Roh Tae Woo, this resolution now takes the form of a congratulatory message. The political leaders in South Korea, Government and opposition alike, will soon be sitting down to discuss the very issues raised in this resolution. We wish them well as they begin their talks—and we express our hope and confidence that the outcome of their talks will be successful.

Second, it is very significant that this resolution takes full cognizance of North Korea and the massive threat to the security of the ROK that the north poses. Whatever the shortcomings of the South Korean political system may be, they pale in comparison with those in the north. Moreover, this resolution reaffirms the fidelity of the United States to our security commitments with the ROK—security commitments rooted in a mutual defense treaty in which the United States pledges to continue to stand with South Korea against any and all foreign invaders: North Koreans, the Soviets, the Chinese Communists, whomever.

The Republic of Korea has been one of our strongest and closest allies. Last week marked the 37th anniversary of the North Korean attack that tested the willingness of the United States and our other allies to make good the policy of containing Communist expansion. Together we stood with the South Koreans to meet that challenge. Who knows how the subsequent history of our world would have been different had we not done so? In fighting side by side with the South Koreans to save their liberties, they were helping us preserve our liberties.

Another observation that needs to be made concerns the role of President Chun and the economic progress South Korea has made under his leadership. He has presided over the greatest period of sustained economic progress that the ROK has ever seen. Few, if any countries, have ever seen such phenomenal progress in so short a time. It is a measure of that growth and the stature South Korea has achieved as a nation that Seoul was selected to host the 1988 Olympics.

And as this resolution makes note, President Chun has made a vital contribution to the political life of South Korea by promoting the concept of a constitutional transfer of executive authority. In any other developing country, a head of state would be condemning himself to an intolerable lameduck status by announcing, as President Chun did, when he would be stepping down from office. To even think in terms of such limits on personal power is unthinkable in most countries.

Finally, Mr. Speaker, a word about this weekend's events. I believe that Roh Tae Woo, as leader of the ruling party, is to be commended for breaking the logjam in Korean politics. His leadership, leadership that includes a willingness to renounce personal ambitions, has provided the breakthrough we all have been hoping for. The impasse could only be broken when someone—from either side—was willing to step back and give moderation a chance. I trust that the opposition will respond in kind, and the initial indications have been encouraging.

Mr. Speaker, I hope that these comments will enable the Members to place this resolution in the proper perspective, particularly in view of the events this weekend.

☐ 1500

Mr. FASCELL. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from Pennsylvania [Mr. YATRON], the chairman of the Subcommittee on Human Rights and International Operations.

Mr. YATRON. Mr. Speaker, I first want to commend the sponsor of House Concurrent Resolution 141, Mr. FEIGHAN, for not only taking the lead on this initiative but for his unwavering commitment to human rights and democracy in Korea.

Needless to say, the chairman of the Asian and Pacific Affairs Subcommittee, Mr. SOLARZ, has been a major catalyst in crafting and expediting this resolution. With the exception of some past and present dictators, his work in behalf of human rights is always welcomed. I would also note the valuable contributions of Mr. LEACH and Mr. SOLOMON with respect to this resolution as well as their indepth understanding of United States policy interests in Korea.

Mr. Speaker, House Concurrent Resolution 141 is a bipartisan expression of United States support for democracy and security in the Republic of Korea. This resolution is based on thorough hearings held by the two subcommittees in May as well as extensive consultations with the administration and principle members from both sides of the aisle. It is very important to note that this resolution is supported by the administration. In fact, this resolution enhances the effectiveness of U.S. policy.

Mr. Speaker, this resolution does not endorse any political party, opposition group, or platform. And it does not dictate to Korea how it should run its Government.

This resolution in a bipartisan and diplomatic manner reaffirms our commitment to the security of the Republic of Korea. It calls upon the Government to resolve its differences with the opposition through good-faith dialog and calls for steps to be taken which will establish the framework for democracy and free elections in Korea.

Mr. Speaker, when I last visited Seoul I was once again impressed by the respect that the Korean people have for the United States and our adherence to democratic values.

But I was dismayed in the position that the Government took with respect to democracy for their own country. The view of the Government was that the realization of democracy and free elections in the south would be exploited by North Korean subversion. Nothing could be further from the truth. In fact, coupled with our significant security commitment to the Republic of Korea, it is very clear that the best defense against communism is the political stability that results from democracy. The present regime is neither democratic nor fully stable.

Mr. Speaker, South Korea's ruling party's recommendations for direct Presidential elections and other political reforms are a dramatic and welcomed development for the forces of democracy.

While it is essential that we send a signal of encouragement to the Korean Government regarding these recommendations, we need to keep in mind that they are only recommendations. President Chun has not yet formally accepted this reform package. At this stage in South Korea's fragile political development President Chun is at the crossroads. He can opt for the path of democracy in which case his place in history will be secured or he can resist change thereby inviting greater political instability and endangering the security of his country.

Once again, this resolution does have bipartisan support and I urge my colleagues to support it.

Mr. LEACH of Iowa. Mr. Speaker, may I inquire how much time the minority has remaining?

The SPEAKER pro tempore (Mr. GRAY of Illinois). The gentleman from Iowa [Mr. LEACH] has 11 minutes remaining.

Mr. LEACH of Iowa. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I very strongly support House Concurrent Resolution 141 and the decision to consider today. In light of the recent violent events in Korea, it is most important for the U.S. Congress to join the administration in signalling our commitment to democracy and security in the Republic of Korea. As you know, those two key principles, democracy and security, are very closely linked together. Without full democracy and freedom, Korea's internal situation will destabilize, thereby decreasing security and deterrence.

I am very encouraged by the recent actions taken by the leader of South Korea's ruling party, Mr. Roh Tae Woo. In a very positive move to reduce tensions and redress the inequalities in the Korean political system, Mr. Roh recommends that the Government agree to the opposition's longstanding demand for direct elections. Roh also recommends the restoration of political rights for opposition leader Kim Dae Jong, thereby allowing him to legally run for President; the release of many political prisoners; the easing of press restrictions; and cooperation with the opposition to further democratize the Presidential election law and make it freer.

I am further encouraged by the recommendation that this new system be implemented before President Chun's term ends, allowing the next President to be elected under this new system welcomed by the opposition. These important steps clearly signal that the South Korean leaders are serious about democracy and correcting the present political problems.

These recent actions by Chun's party and the recommendations contained in this resolution provide the means to achieve a peaceful, just end to this latest crisis and will stabilize the internal situation. The Korean people and we must not forget that the Communists just north of the DMZ are ready and willing to take full advantage of the problems in the south. In light of the recent, massive arms build up in the north and its closer relationship with the Soviets exemplified by the new landing and overflight rights granted to the Soviets, it is paramount that the crisis in the south soon be resolved in such a way that freedom, democracy, human rights, and deterrence come out as the big winners. I also commend my colleague Congressman JERRY SOLOMON for including a short description of the disgraceful human rights and undemocratic record of the north, lest we ignore that appalling situation when focusing our attention on the southern half of the peninsula.

Mr. Speaker, like the administration, and I strongly commend the administration for the careful, responsible way it has handled this important and sensitive issue—I support this important signal from Congress and urge the rest of my colleagues to do the same.

Mr. LEACH of Iowa. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I rise in support of this well-crafted resolution which I believe sends the right, measured, signal to the South Korean Government in its troubled times.

When this measure was considered in full committee last week, I noted that "the Korean Government has exhibited, if not a great flexibility, a willingness to reverse course and enter into discussions with its political adversaries." Over the weekend we were enormously pleased to learn that the Korean Government has reached an accommodation with the opposition which hopefully will reopen the dialog with the opposition and hopefully will result in an end to Korean censorship, the freeing of political prisoners, and, most importantly, direct elections for the Presidency.

The Korean Government's willingness to reach this accommodation is a true sign of its maturity as a democracy and its wisdom; as these steps are carried out they will enormously increase the already high regard in which the people and Government of Korea are held by the people of the United States.

I think that it is appropriate to point out the efforts the administration has made to promote reconciliation. The work of the Assistant Secretary of State, Gaston Sigur, who met with one of the chief government critics, Kim Dae Jung, before his house arrest was lifted, is certainly to be commended.

Accordingly, I invite my colleagues to support this resolution.

PARLIAMENTARY INQUIRY

Mr. SOLOMON. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. SOLOMON. Mr. Speaker, I would ask for a clarification. I have here several resolutions. Could someone explain the parliamentary procedure that took place in the beginning, I think I might have missed it, whereby there are I think three amendments added to this resolution, and if so, could someone explain the last amendment to the resolution?

The SPEAKER pro tempore. The Chair would state that the distinguished chairman of the Foreign Affairs Committee in his motion moved to suspend the rules and pass the bill with amendments that are pending at the desk.

Mr. SOLOMON. Mr. Speaker, I have no objection, but I think the House ought to know.

Mr. SOLARZ. If the gentleman will yield, the resolution now before us includes the text of the resolution as it was reported out by the Foreign Affairs Committee, which includes the amendments proposed by the gentleman from New York together with whatever amendment which can be found on the last page of the resolution, on page 8, entitled "Recent Proposals for Political Reform" which embodies the language welcoming the proposals made by Mr. Roh.

So the gentleman from New York and our colleagues should know that this resolution includes his amendments on North Korea, together with the language on the recent proposals by Mr. Roh calling for direct Presidential elections.

The SPEAKER pro tempore. The Chair would state that the gentleman from Iowa [Mr. LEACH] is the only one that has time remaining.

Mr. LEACH of Iowa. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. LEWIS], a member of the Republican leadership.

Mr. LEWIS of California. Mr. Speaker, I thank my colleague for yielding me this time.

Mr. Speaker, I rise to say that it is most important that this resolution go forward with broad bipartisan support. I want to express my appreciation to the gentleman from Florida [Mr. FASCELL], chairman of the committee, and the other leaders on both sides of the aisle of this committee for bringing the resolution to us.

It seems to me that it is very clear that the United States has learned much about its responsibility to lead in the world. It does go without saying that a great power such as this country should not and cannot impose its will upon other sovereign nations.

Having said that, it seems to me that there is a confluence of fortuitous developments that causes our voice to have a significant impact in this case in South Korea.

There is no question that we have learned much about the role we should play in supporting freedom.

The developments in the Philippines said a lot to all of us, and in turn has helped lead to this bipartisan support for encouraging freedom in South Korea. President Chun's departure in the near future, along with recent statements by Roh Tae Woo are very significant additives to the profile for progressive and positive change.

The reality that the Olympic games loom somewhat out there in the distance has an impact upon this process.

All said, let us recognize that those of us who believe in democracy, who believe in freedom in the world, should be willing to come together and be heard on behalf of freedom. We should encourage such developments, and I am most pleased to add my voice to that effort on the part of the Congress today.

Mr. LEACH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me conclude with a very brief observation. Now and again we have accentuated the divisions between the Congress and the Executive in foreign policy. This is a classic case in which the Executive has led extraordinarily well.

When we look at Asian affairs, both in the Pentagon and in the State Department, particularly at the Assistant Secretary level with people like Mr. Sigur, I think it should be stressed that the administration does have the confidence of Congress. I raise that just because from time to time we accentuate so many differences.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. LEACH of Iowa. I am happy to yield to the gentleman from New York.

Mr. SOLOMON. Mr. Speaker, along with those thoughts I would just like to, for all of those Members that might be listening back in their offices, say that there is unanimity of support for this resolution, and I hope that everyone coming to the floor that may not have participated in the debate will be able to support it to show both our support for the Korean Government and for urging them to move to a democracy as we all want them to do.

Mr. LEACH of Iowa. Mr. Speaker, I thank the gentleman from New York.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the concurrent resolution, House Conference Resolution 141, as amended.

The question was taken.

Mr. FASCELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1515

VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER

Mr. WAXMAN. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 50) concerning the encouragement and support for international negotiations, pursuant to section 156 of the Clean Air Act, by the President to develop a protocol to the Vienna Convention for the Protection of the Ozone Layer setting forth standards and regulations to protect the stratosphere from the adverse effects of chlorofluorocarbons.

The Clerk read as follows:

H. CON. RES. 50

Whereas although the stratospheric ozone layer is an exceedingly valuable resource for the present and future population of the world, that layer has been, is being, and will continue to be, adversely affected or depleted by the long-lived chlorine molecules which stem from the worldwide release of chlorofluorocarbons into the atmosphere;

Whereas this stratospheric ozone layer depletion, by permitting greater quantities of harmful ultraviolet radiation to reach the Earth surface, will pose significant (even if currently difficult to quantify fully) unacceptable risks on human health and the environment throughout the world;

Whereas there is an urgent need to foster and encourage the development of safe, effective, and nontoxic substitutes in a reasonable time for fully halogenated chlorofluorocarbons used in aerosols, refrigeration, air conditioning, rigid foam insulation, flexible upholstery foam, fire extinguishers, cleaning solvents, and other purposes and to expand opportunities for the recovery and recycling of such ozone depleting chemicals;

Whereas the United States and other countries have already taken formal precautionary measures for reducing emissions of chlorofluorocarbons by imposing a unilateral ban on the use of chlorofluorocarbons as aerosol propellants, but believes that international action is urgently needed;

Whereas section 156 of the Clean Air Act directs the President to enter into international agreements to develop standards and regulations which protect the stratosphere;

Whereas the Vienna Convention for the Protection of the Ozone Layer, signed in March 1985 under the auspices of the United Nations Environment Program and ratified, consistent with such section 156 of the Clean Air Act, by the United States in August 1986, was an important first international step in protecting the stratospheric ozone layer;

Whereas the United States is now engaged in international negotiations under the auspices of the United Nations Environment Progam on a protocol to the convention which would provide for global regulatory controls on ozone-depleting chemicals;

Whereas any international agreement negotiated by the United States must accomplish two important goals—the protection of the public health and the environment and the protection of American jobs: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That—

(1) The Congress supports the President in seeking appropriate global measures, pursuant to section 156 of the Clean Air Act, to protect human health and the environment against adverse effects resulting from the release of chlorofluorocarbons that can significantly deplete the ozone layer through the development and adoption of a protocol to the Vienna Convention for the Protection of the Ozone Layer, signed in March 1985.

(2) The Congress further urges the President to negotiate as part of such protocol an immediate reduction in the use of chlorofluorocarbons in the European Community and in the other nations.

(3) The Congress further urges the President to negotiate as part of such protocol, as expeditiously as practicable, a worldwide program for the development of safe, effective, and nontoxic nonozone depleting chemicals and for the elimination, in a reasonable time, of fully halogenated chlorofluorocarbons that may deplete the ozone layer.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Pursuant to the rule, a second is not required on this motion.

The gentlemen from California [Mr. WAXMAN] will be recognized for 20 minutes and the gentleman from Ohio [Mr. WYLIE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. WAXMAN. Mr. Speaker, I yield myself such time as I may consume.

Mr. WAXMAN. Mr. Speaker, today, I am pleased to bring to the floor, House Concurrent Resolution 50, a resolution in support of a strong U.S. position in international negotiations for the protection of the Earth's ozone layer. I commend Congressman DINGELL and Congressman LENT for authoring this important resolution.

Six months ago a resolution such as this would have seemed unnecessary. The United States had adopted a strong stance at international meetings on protection of the ozone layer, calling for an immediate freeze in global CFC production at 1986 levels and a dramatic phasedown of up to 95 percent.

But support for ozone protection has been eroded within the Reagan administration in a campaign by the White House Domestic Policy Council that culminated in May with Interior Secretary Donald Hodel reportedly calling for the United States to abandon ozone protection and rely instead on hats, sunglasses, and sunscreen lotions.

It is true that in a recent letter Secretary Hodel claims that he was misquoted, and it was all a misunderstanding. I have to say that I am not very reassured by the direct quote attributed to Mr. Hodel in the May 29 Wall Street Journal where his comment on the health threat of ozone depletion was: "People who don't stand out in the Sun—it doesn't effect them."

Mr. Hodel might be surprised to learn that most of us want to live on a planet where it is safe to go outside.

Nevertheless, I am encouraged to hear Mr. Hodel distancing himself from this indefensible position. But, this does not mean that we can relax with the understanding that a strong sensible policy for protection of the ozone layer is secure in this administration.

Regardless of whether Secretary Hodel was misquoted, there is no doubt that strong forces within the administration have opposed a responsible ozone protection policy on the basis of the absurd point of view attributed to the Interior Secretary.

In essence, the argument is that people get skin cancer because of voluntary exposure to the Sun and should be responsible for protecting themselves from the increased ultraviolet radiation accompanying ozone depletion.

To show both that this view is held by senior officials within the administration, and that there are fundamental flaws to this line of reasoning, I would like to read some passages from an April 6 letter written by Professor Margaret Kripke of the University of Texas, who is chairman of the EPA Science Advisory Board's Subcommittee on Stratospheric Ozone. Dr. Kripke addressed this letter to a senior OMB official, Dr. David Gibbons, after a briefing she provided for him and other Administration officials active in the Domestic Policy Council's effort to undermine the U.S. position on ozone protection.

Dr. Kripke makes the following points:

> I am troubled by the point of view that you related indicating that skin cancer is a self-inflicted disease, and therefore, we need not protect people against increased (ultraviolet) radiation because they should be responsible for protecting themselves.
>
> The majority of the skin cancer patients we see cannot be characterized as belonging to the leisure or sun-worshipping sets. Most of our patients with skin cancer are farmers, rancher, oil field workers, and people who work on off-shore oil rigs. I feel that I am doing our patients a great disservice (if I leave) uncontested the impression that skin cancer is a problem limited to suntan seekers.

It seems to me that the excerpts form this letter, attest to both the existence of the sunglasses and hats mentality within the administration, and the foolhardiness of that approach.

EPA has predicted that ozone depletion will result in millions of cases of skin cancer, eye cataracts, immune system suppression and other serious health and environmental effects. The hats and sunglasses response would do nothing to address the many serious, perhaps even disasterous, environmental effects, like a major disruption in the oceans' food chain. With regard to human health I point to Dr. Kripke's knowing criticisms of this callous formula.

We will have only one chance to protect the fragile ozone layer which shields our planet from dangerous ultraviolet radition. We must do all that we can to see that we get a worthwhile result from the years of delicate international negotiatons for ozone protection.

And, if an acceptable multilateral accord cannot be reached, we must not let the effort for protection of the ozone layer die because of the positions of a few irresponsible nations. This is not the legacy that the American people wish to leave for the Earth's future generations.

If some countries will not go along, the United States should proceed with like minded countries with a program such as that provided for in H.R. 2036. Introduced by Mr. BATES, this bill tracks the former official administration position on ozone protection calling for a 95-percent reduction in CFC's.

Our action today will send a strong siginal to the President that the Congress will not stand by while the administration abandons the Earth's ozone layer. Once again, I commend Congressman DINGELL and LENT for their sponsorship of this resolution, and I urge my colleagues to support this measure and let the White House known that hats and sunglasses are no solution to this serious environmental problem.

Mr. Speaker, I reserve the balance of my time.

Mr. WHITTAKER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, protection of the stratospheric ozone layer will be one of the most important environmental issues addressed by this Congress. Scientists now predict that the continued depletion of the outer ozone layer could cause as many as 800,000 additional deaths from skin cancer and over 1 million cataracts over the next century. It could also have impacts more difficult to quantify, such as suppression of the body's immune system, as well as damage to crops, marine biology, and wildlife.

At this very moment, Mr. Speaker, administration officials are meeting in Brussels to flesh out important details on a draft international protocol to protect the stratospheric ozone layer. A diplomatic meeting in Montreal this September has been scheduled for the signing of this protocol. House Concurrent Resolution 50 provides our support and encouragement to the administration as it negotiates this important international agreement. At this time I would like to ask permission to insert in the RECORD a "Dear Colleague" on the resolution from Congressman JOHN DINGELL, chairman of the Energy and Commerce Committee, and Congressman NORMAN LENT, ranking minority member of the committee.

The need for this agreement, Mr. Speaker, is evident in the very nature of the stratospheric ozone problem. Ozone depletion is a global problem resulting from the emissions of ozone depleting chemicals throughout the world. Action by any one country alone, such as the United States, will not necessarily ensure the protection of the outer stratospheric ozone layer.

Unilateral action by the United States would, however, be harmful to American industry in international trade. Instead of protecting American jobs, we would be placing our export industries at a serious economic disadvantage in competing for foreign export markets. Instead of ensuring a meaningful freeze on stratospheric ozone-depleting chemicals, we would be encouraging CFC-producing industries to relocate to countries without CFC controls.

Mr. Speaker, not only must we have this agreement, we must express to the administration the need to ensure the broadest possible participation in the agreement. In 1978, when we banned CFC-containing aerosols, only eight smaller-producing countries followed suit. This is, obviously, not a formula for success. Too many countries have remained ominously silent during recent negotiations in Vienna and Geneva. If we are going to be truly successful in protecting stratospheric ozone, we must, as our first step, ensure the greatest international participation. This may translate to a more moderate first step than many would like. Our first goal must be to achieve a worldwide consensus that there is a problem and that we must unite and act together to solve it.

The signing of a draft protocol is now less than 3 months away. These intervening months will be a critical period for the resolution of this issue. I hope this resolution will give the rest of the world confidence that the United States stands solidly behind its commitment to protect the outer ozone layer through international action.

At his point in the RECORD I include the following letter:

COMMITTEE ON ENERGY
AND COMMERCE,
Washington, DC, February 19, 1987.

DEAR COLLEAGUE: Today, we introduced H. Con. Res. 50 providing encouragement and support for the efforts of the President in negotiating under the auspices of the United Nations Environment Program an international protocol for global controls to protect the stratospheric ozone from the adverse effects of chlorofluorocarbons. The protocol is a natural compliment to the Vienna Convention for the Protection of the Ozone Layer signed in March 1985 and ratified by the United States in August 1986.

Protocol negotiations began in Geneva, Switzerland last December. They will be continued in Vienna, Austria next week. A global protocol is needed. It is supported by industry and the environmental community.

The resolution stresses the importance of preserving the ozone layer and the need to develop safe, effective, and nontoxic substitutes in a reasonable time for fully halogenated chlorofluorocarbons. These substances are now used in many U.S. industries, including the communications, home building, fire prevention, computer, air conditioning, motor vehicle, and refrigeration industries. It encourages recovery and recycling of chlorofluorocarbons which would be just as effective as elimination of CFCs in favor of substitutes. It points out the U.S. has unilaterally banned the use of these substances in aerosol propellants, but European and other countries have not followed our lead.

We do not favor unilateral action by the U.S. (either administrative or legislative), because this is a worldwide environmental problem, not just a U.S. problem and because Russia, the European Community Countries, and Japan produce, use, and export more CFCs than the U.S. and they export products utilizing CFCs. Unilateral action would disadvantage the U.S. economically, and not achieve the worldwide control needed environmentally. With patience and perseverance, the U.S., Canada, the Nordic countries, and other nations, plus strong public support, should succeed in adopting a protocol during the 100th Congress.

The resolution stresses two important goals: The protection of the public health and the environment and the protection of American jobs.

We hope you can support it by adding your name to H. Con. Res. 50. If you want to cosponsor it, please call either Mr. Mike Mason (6-3718) or Ms. Charley Witkins (5-2927).

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman,
Committee on Energy and Commerce.
NORMAN E. LENT,
Ranking Minority Member,
Committee on Energy and Commerce.

Mr. Speaker, I further would like to comment since the subject was brought up with regard to a letter or comments made by Secretary Hodel because Secretary Hodel has corresponded with the Congress and this committee and I would like to quote what he has said to clarify his remarks. Now this is a direct quote:

> I have not suggested and do not believe that the complex issues concerning effects of stratospheric ozone depletion should be or could be solved by some simplistic approach such as sunglasses, hats and lotions.
>
> In essence, the basic issue is whether the President merely will be presented with a proposal which simply authorizes negotiating "the best possible" international agreement on the subject, or whether he should have the opportunity to establish for our negotiators meaningful guidelines which indicate such things as how many countries must sign, what percentage of global CFC production and/or use must come under the agreement, which chemicals must be included, and the like in order for an agreement to be acceptable to the United States. Certainly, unilateral action by the United States would do little to address the problem and would be to our disadvantage.

Mr. DINGELL. Mr. Speaker, I rise today in support of House Concurrent Resolution 50 which I introduced along with my distinguished colleague, Congressman NORM LENT. The resolution enjoys the support of 47 cosponsors, including the able Member from New Mexico, Congressman BILL RICHARDSON, who is a leader in the effort to prevent the depletion of the ozone layer. I greatly cherish his important support.

At this point, I insert a "Dear Colleague" which explains the purpose of the resolution and some of its provisions:

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, February 19, 1987.

DEAR COLLEAGUE: Today, we introduced H. Con. Res. 50 providing encouragement and support for the efforts of the President in negotiating under the auspices of the United Nations Environment Program an international protocol for global controls to protect the stratospheric ozone from the adverse effects of chlorofluorocarbons. The protocol is a natural compliment to the Vienna Convention for the Protection of the Ozone Layer signed in March 1985 and ratified by the United States in August 1986.

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The resolution stresses the importance of preserving the ozone layer and the need to develop safe, effective, and nontoxic substitutes in a reasonable time for fully halogenated chlorofluorocarbons. These substances are now used in many U.S. industries, including the communications, home building, fire prevention, computer, air conditioning, motor vehicle, and refrigeration industries. It encourages recovery and recycling the chlorofluorocarbons which would be just as effective as elimination of CFC's in favor of substitutes. It points out that the U.S. has unilaterally banned the use of these substances in aerosol propellants, but European and other countries have not followed our lead.

We do not favor unilateral action by the U.S. (either administrative or legislative), because this is a worldwide environmental problem, not just a U.S. problem and because Russia, the European Community Countries, and Japan produce, use, and export more CFC's than the U.S. and they export products utilizing CFC's. Unilateral action would disadvantage the U.S economically, and not achieve the worldwide control needed environmentally. With patience and perseverance, the U.S., Canada, the Nordic countries, and other nations, plus strong public support, should succeed in adopting a protocol during the 100th Congress.

The resolution stresses two important goals: The protection of the public health and the environment and the protection of American jobs.

We hope you can support it by adding your name to H. Con. Res. 50. If you want to cosponsor it, please call either Mr. Mike Mason (6-3718) or Ms. Charley Watkins (5-2927).

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman,
Committee on Energy and Commerce.
NORMAN F. LENT,
Ranking Minority Member,
Committee on Energy and Commerce.

Mr. Speaker, House Concurrent Resolution 50 was reported unanimously by our committee and thereafter I entered into an exchange of correspondence with the Committee on Foreign Affairs which shared jurisdiction over the resolution. The exchange is printed in our committee's report on the resolution (see H. Rept. 100-176, pt. 1, pp. 3-5). I particularly appreciate the cooperation we received from that committee.

I also want to commend Subcommittee Chairman WAXMAN for guiding this resolution through the committee and the floor today.

Mr. Speaker, many in the administration and elsewhere believe that the world's ozone layer is threatened with depletion. The extent of the problem, the reasons for it, and the causes of the potential depletion are not fully understood. But there is sufficient scientific information available to warrant concern and the taking of precautions. But it is a global concern, not just one for the United States.

The following is a discussion of the scientific issues by a U.N. scientific working group:

AD HOC WORKING GROUP OF LEGAL AND TECHNICAL EXPERTS FOR THE PREPARATION OF A PROTOCOL ON CHLOROFLUOROCARBONS TO THE VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER (VIENNA GROUP), THIRD SESSION GENEVA, 27-30 APRIL 1987

CONCLUSIONS OF THE SCIENTIFIC WORKING GROUP

1. Both the total column content and the vertical, latitudinal, and seasonal distribution of atmospheric ozone respond to the total chlorine and total bromine loadings of the stratosphere.

2. Factors governing the relative efficiency of the compounds to deplete ozone are recognized to be:

(1) Rate of release of the compound into the atmosphere;

(2) Rate of removal of the compound in the troposphere and its persistence in the stratosphere;

(3) Efficiency of the compound in destroying ozone in the stratosphere.

Combining factors (2) and (3) results in a quantity known as the Ozone Depleting Potential (ODP).

3. There are four classes of ozone-depleting substances. Table I lists the specific chemicals included in each class, recommended values for the ozone-depleting potential of each chemical, and their approximate 1985 global production rates. Group (a) contains fully halogenated chlorine compounds with an ODP value near unity; group (b) consists of fully halogenated bromine compounds with an ODP value greater than unity; group (c) contains partially halogenated chlorine compounds with ODP values substantially less than unity that were in widespread commercial use in 1985; group (d) contains partially halogenated compounds not produced in commercial quantities in 1985 but which have potentially large applications in the future as substitutes for group (a) because they have ODP values significantly less than unity.

TABLE I

Group	Chemical	Recommended ODP	Approximate 1985 global production rates [1] (million kg/yr)
(a)	CFC-11	1.0	340
	CFC-12	1.0	440
	CFC-113 [2]	.8	160
	CFC-114 [3]	1.0	(4)
	CFC-115 [3]	.6	(4)
(b)	Halon-1301 [3]	10	10
	Halon-1211 [3]	3	10
(c)	CFC-22 [2]	.05	210
	Methyl Chloroform	.1	550
(d)	CFC-123 [3]	<.05	0
	CFC-132 [3]	<.05	0
	CFC-134a	0	0

[1] Approximate global production rates include estimates of production for the CMA-reporting companies [for CFC-11 and 12 only], the USSR, and some developing countries. Note that total production of each compound is not emitted in the year of production.

[2] Some chemicals, notably CFC-22 and to a lesser extent CFC-113, are also used as chemical intermediates. Therefore, not all of these chemicals produced are released to the atmosphere.

[3] ODP values are preliminary estimates subject to further scientific review.

[4] Very low.

4. Inspection of Table I, in agreement with the priorities established in Vienna at the Second Session of the Vienna Group, 23-27 February 1987, shows that at present CFCs 11 and 12 combined are the largest contributors to the predicted depletion of ozone (i.e.~70%). This Table also indicates that current production of CFC-113 contributes about 12% to the predicted depletion of ozone. It is clear that a protocol which allowed substitution of CFCs 11 and 12 by other fully halogenated CFCs, e.g. CFC-114 or CFC-115, would not protect ozone due to the large ODP values and long lifetimes of these substances. Although at current levels of production, a percentage reduction of CFC-11 and CFC-12 will reduce the risk of ozone depletion more than an equivalent percentage reduction in the production of other compounds listed in Table I, the high growth rates in production of these other compounds will be a source of concern if these growth rates continue over long periods of time. Therefore, from a scientific perspective, the Protocol should consider all of the fully halogenated chemicals which are very long-lived, as a group for the purpose of regulation.

5. Chemical compounds that have low ODP values, such as those in class (d) of paragraph 3 and CFC-22, have significant value as substitutes. A special case is CFC-115 which is used in CFC-502 as an azeotropic mixture with CFC-22. CFC-502 has an ODP value of 0.3.

6. The ODP values for Halons 1211 and 1301, CFC-114, and CFC-115 are not as well established as the values for the other chemical compounds in Table 1. Hence, the recommended ODP values for these chemical compounds should be considered provisional. The Scientific Working Group requests that UNEP arrange expeditiously for improved calculations of these ODP values. In addition, UNEP should quantify the ODP values of alternative CFC formulations for judging their acceptability.

7. The ODP values for the Halons pose a special case because they depend synergistically upon the stratospheric chlorine abundance. The values recommended in Table 1 are based on estimated 1987 abundances of stratospheric chlorine (~2.5 ppbv). Higher stratospheric chlorine abundance would result in higher values for the ODP values of Halons 1211 and 1301.

8. An additional atmospheric property of the CFCs is their potential to contribute to the greenhouse warming. The Scientific Working Group requests that UNEP quantify this property as a guide for judging the acceptability of alternative CFC formulations. For example, CFC-22 not only has a low ODP value relative to that of CFC-11 and CFC-12, but also has a limited greenhouse effect. In contrast, the greenhouse potential of CFC-115 is greater than that of CFC-11 and CFC-12.

9. The Scientific Working Group underscores not only the importance of considering predicted total column ozone changes in selecting a control strategy, but also the changes in the vertical and latitudinal distribution of ozone. Current theory predicts that even when there are only small changes in column ozone, there is still significant change in the vertical distribution of ozone, which would modify the atmospheric temperature profile. Similarly, while a calculated global average of ozone depletion is a useful guide for policy considerations, analyses with two-dimensional models indicate that column ozone depletions greater than the global average will occur at high latitudes and that smaller rates of depletion will occur close to the equator. These analyses also suggest significant seasonal changes in levels of depletion.

10. The Scientific Working Group reviewed the UNEP Report of the *Ad Hoc* Meeting to Compare Model Assessments of the Ozone Layer held in Würzburg, FRG, on 9-10 April 1987. In general, the Scientific Working Group endorsed the conclusions of that report. During the discussion of the appropriateness of the CFC scenarios used at the Wurzburg meeting, a represenative of the US EPA described the rationale for the choices. In addition, the US EPA representative stated that, in his opinion, the future growth rates of the Halons and the growth rates of all chemicals in the developing countries were probably underestimated. Representatives of the European CFC Industry questioned both the projected growth rates and the fraction of current production consumed in developing countries. The predicted ozone response to CFC's is sensitive to the scenario assumptions adopted for carbon dioxide, methane, and nitrous oxide. Those adopted at the Wurzburg meeting are simply the current rates of growth of these gases. If the growth rates of CH_4 or CO_2 are lower than assumed the predicted depletion of total ozone by CFCs would be greater. On the other hand, if the growth rates of CH_4 or CO_2 are higher than assumed, the predicted depletion of total ozone by CFCs would be lower. In all of the scenarios examined at this meeting, including a true global freeze of the emissions of all chlorine and bromine containing chemicals, all models examined predicted a depletion of at least 1 percent in global column ozone.

11. The recommendations made by the Scientific Working Group at the Second Session of the Vienna Group were endorsed, principally the need for continued scientific research, long-term measurements, and major scientific assessments every four years. The Vienna Convention provides a mechanism for initiating interim reviews as dictated by major changes in scientific knowledge. The most recent major review was published by WMO and UNEP in early 1986. Therefore, the Scientific Working Group recommends that the next major scientific review be published in early 1990.

Mr. Speaker, late last year the United States and other nations convened, under the auspices of the United Nations, to develop a protocol to the International Convention ratified by the United States last year. Those negotiations are continuing today in Brussels and, hopefully, will be completed next September with a fiscal protocol that all nations will approve.

At this point, I insert my remarks before the Subcommittee on Health and the Environment and my correspondence with the administration and others about this protocol and the negotiations:

STATEMENT OF HON. JOHN D. DINGELL, CHAIRMAN, ENERGY AND COMMERCE COMMITTEE AT THE SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT MARKUP OF HOUSE CONCURRENT RESOLUTION 50, JUNE 4, 1987

Mr. Chairman, I commend you for scheduling this markup today on House Concurrent Resolution 50 which Congressman NORM LENT and I introduced on February 19. The resolution has more than forty cosponsors, including many from the full Committee and this Subcommittee.

The markup is timely because the United States and other nations are in a crucial stage of negotiations under the auspices of the United Nations Environment Program aiming for the finalization and signing of an international protocol to the Vienna Convention for the Protection of the Ozone

Layer. That Convention was signed in March 1985 and last August it was ratified by the United States. A new round of talks among some key countries will occur this month in Brussels. As we all know, the President's Domestic Policy Council is considering a series of draft protocol documents developed in April at Geneva and options for this next round.

Both Congressman Lent and I have long advocated such a global protocol and opposed unilateral action. Indeed, when we introduced H. Con. Res. 50, we wrote to our colleagues as follows:

"We do not favor unilateral action by the U.S. (either administrative or legislative), because this is a worldwide environmental problem, not just a U.S. problem and because Russia, the European Community Countries, and Japan produce, use, and export more CFCs than the U.S. and they export products utilizing CFCs. Unilateral action would disadvantage the U.S. economically, and not achieve the worldwide control needed environmentally. With patience and perseverance, the U.S., Canada, the Nordic countries, and other nations, plus strong public support, should succeed in adopting a protocol during the 100th Congress."

Thus, you can imagine that I was disturbed about media reports last week that the Secretary of the Interior was suggesting alternatives to the protocol or, at a minimum, deferring its finalization in September. I thought that idea would be detrimental to the Lent-Dingell view shared by many of our colleagues and I told him so in the letter attached to my statement. A letter to Administrator Thomas about the Geneva documents and U.S. options is also attached. I was also delighted when you, Mr. Chairman, talked to me on Monday about scheduling this markup.

A global protocol is needed. Such a protocol has industry and environmental support. Chlorine based chlorofluorocarbons (CFCs) threaten to deplete the world's ozone layer, according to some leading scientists. Such depletion could have significant adverse health and environmental consequences. There are models predicting increased cancers and cataracts projected over 100 years with such depletion. I understand that the modeling has an uncertainty estimation of 20 percent and we should be cautious, as observed by Dr. Margaret Kripke of the University of Texas System Cancer Center in a recent letter to me, that we not scare people with these uncertain predictions. But the predictions are of concern and they provide us with a warning that should be heeded.

H. Con. Res. 50 and my letters to the Administration stress two important protocol goals: The protection of the public health and the environment and the protection of American industries, particularly user industries, and jobs.

In 1978, the U.S. unilaterally banned the use of CFCs as nonessential aerosol propellants. That effort, according to the Environmental Protection Agency, "achieved the greatest reduction in CFC use." Canada and several other nations with little or no CFC production followed our lead. But 70 percent of the CFC production originates in other countries, such as Japan, Russia, and European Economic Community countries. It is a worldwide problem, not a problem of a few nations or the U.S. alone.

Many of these nations, like Japan, have not even joined the basic 1985 Convention. CFC-113, which is used as a solvent and is heavily used in the electronics industry, is a growth product in Japan. But that nation, in the negotiations, has been dragging its feet in supporting any protocol, let alone one that would curb the use of CFC-113. Incidentally, the Committee and Subcommittee staff, majority and minority, have closely followed the negotiations in Geneva and Vienna as U.S. government official observers.

To begin bargaining, last December the U.S. offered a draft protocol calling for a 95 percent reduction of CFCs with no time frame specified, although some suggest it would be 10–15 years. It is on the table, but few nations have supported it. Instead, a much less ambitious protocol is being considered. But even that does not enjoy more than unofficial, general support among the leading nations.

H. Con. Res. 50 calls for a protocol that gains the broadest support from all nations, not just the U.S., Canada, Norway, Sweden, Finland, and a few others. That support should include the developing countries like South Korea, Malaysia, Brazil, Argentina, Kenya, Nigeria, and Egypt, without granting them undue concessions for a limited time.

The resolution calls for an immediate reduction in the use of CFCs which translates into a freeze by the end of this decade at 1986 levels of production and imports. I believe that this alone will cause some shift toward substitutes and an increase in recovery and recycling. It will also undoubtedly increase costs to consumers of products using or containing CFCs.

The resolution calls for the development of safe, effective, and nontoxic-nonozone depleting substitutes. This is important because current CFCs are considered nontoxic, nonflammable, very stable, and effective. Their fault lies in their ozone-depleting potential. Clearly, we do not want to resolve this fault and create new problems from a safety, environmental, or other viewpoint with new substitutes. This should not, however, be construed by the producer or user industries as a signal to go slow. Clearly, these industries have a duty to develop such substitutes without delay.

The resolution calls for the elimination of fully halogenated CFCs that may deplete the ozone layer within a reasonable, but unspecified, time. As we noted in introducing the resolution, included in the word "elimination" is the idea of recycling and recovery, because substitutes for some CFCs are not even a gleam in any manufacturer's or user's eye. For example, I do not hear talk of a substitute for CFC-113.

Important to all of this is a periodic assessment of the science, the technology, and the environment on a worldwide basis. Such assessments should consider the results of a freeze and reduction steps not only in the case of developed countries, but also in the case of developing countries. Experience may show that further reductions are not needed or that the proper substitutes do not yet exist. In short, the resolution provides needed flexibility.

The Lent-Dingell objective is to encourage and support protocol negotiations and finalization, which includes adequate trade provisions, that protect the world health and environment, American jobs and the U.S. industries that provide those jobs. Adoption of this resolution today should bolster that effort in the Administration and at Brussels and Montreal. I urge its adoption.

Committee on Energy and Commerce,
Washington, DC, June 1, 1987.

Hon. Lee M. Thomas,
Administrator, Environmental Protection Agency, Washington, DC.

Dear Mr. Thomas: Enclosed for your information is a letter I have sent to Secretary Hodel concerning recent remarks attributed to him by the Washington Post relative to the stratospheric ozone issue and the related international protocol.

As noted in that letter, I have not received a reply to my letters of March 4 and 13, 1987. Those replies are long overdue. Before the last meeting in Geneva, your staff said the replies were at the Office of Management and Budget. That was in April. It is now June. I request that they be provided within 10 days after receipt of this letter.

As I indicated to Secretary Hodel, I continue to believe that an international protocol is essential and that its development and finalization should not be delayed by the Administration at the Secretary's suggestion or at the suggestion of some in the Senate.

As I indicated in my prior unanswered letters, I continue to question the basis for the U.S. proposal for a 95 percent reduction of CFCs at some unspecified time. However, I agree that it is our basic negotiating position and I do not object to your strategy and that of Ambassador Benedick of not disavowing it at this time. Nevertheless, as the enclosed "Report of the Ad Hoc Sub-Working Group on Control Measures" shows, the U.S. position was really not "on the table" in the last Geneva meeting.

That report outlines a proposal presented by the Executive Director of the United Nations Environmental Program, Dr. Mostafa K. Tolba. But the delegations made it clear on April 30 that the "control proposals in the current draft" of article II of the draft protocol were those of Dr. Tolba and not the delegations.

Indeed, as to the substance to be included in the agreement, Dr. Tolba's report shows there still is no true consensus. The report states:

"Dr. Tolba noted the new areas of agreement reached which included [a *general* (as added by Japan)] consensus on the need to freeze CFCs 11, 12, and 113 and also, should scientific evidence confirm the need, to include *possibly* CFCs 114 and should scientific evidence confirm the need also CFCs 115 to be included in the list of potential ozone depleting substances to be regulated." (Italics supplied.)

As to the Halons, they are still in legal limbo as to whether the Convention intended to consider bromine containing substances in addition to chlorine containing substances.

As the Washington Post editorial of May 15 states, "a lot of bargaining remains ahead."

As I understand it, you, Ambassador Benedick, and the Domestic Policy Council (DPC) are reviewing the latest Geneva proposals in preparation for a smaller meeting later this month in Brussels headed by Dr. Tolba. As to the DPC deliberations, I make the following comments:

First, I cannot reiterate too strongly the need for an international protocol as soon as possible that protects *both* (a) worldwide public health and the environment and (b) American industry (especially U.S. user industries) and American jobs. Congressman Lent (the Ranking Republican on our Committee) and I have indicated that we do not support unilateral legislation jointly referred to in our Committee and three other House Committees because it is inconsistent with objectives (a) and (b). The threat of enactment of such legislation is not real in the House, unless of course, the Administration were to abandon the protocol effort you and Ambassador Benedick lead.

The protocol must cover all CFCs listed by the U.S. in the November 1986 draft and, hopefully, the Halons.

Second, the protocol must be structured to attract the widest group of countries as possible in order to carry out objectives (a) and (b) above. A protocol that counts Norway, Sweden, Canada, Denmark, Finland, the U.S., and some other countries as signatories, but does not include Japan, Russia, and the European Community countries is really not going to carry out objectives (a) and (b). None of those countries have shown support for the U.S. draft protocol of last November.

Some, like Japan, have not adopted the basic Conventions, although the Japanese delegation in Geneva indicated that Japan will consider the protocol and Convention together.

Third, the protocol *must* attract as signatories the developing (or so-called "low consuming") countries without granting them undue special exceptions or exemptions. Until the last meeting, the participation by these countries was not great either in numbers or in discussion. At the last Geneva meeting, our staff reports that several of these countries became more vocal and were seeking *concessions* that I believe may *not* necessarily be sound or acceptable to the U.S. in meeting objectives (a) and (b) above. It is essential that many of those countries *participate* (noting that some, like South Korea, Brazil, and Egypt, are not small), but I am concerned that too little attention has been paid by the U.S. to their demands. Their proposal (which expands on a Canadian proposal for these countries), as I understand it, is as follows:

Article on the special situation of low consuming countries

1. States signing the protocol whose per capita consumption in (1986) was less than (0.1 kg/capita/yr) (0.20 kg/capita/yr) will be exempt from controls for a period of (5) (10) yrs after the coming into force of this Protocol.

2. Following the (5) (10) yrs exemption period, those countries exempted by paragraph 1 will be subject to controls in a manner parallel to other members of the Protocol.

3. Protocol members will make all possible efforts to assist those countries exempted to make expeditious use of environmentally safe alternative chemicals and technologies.

I, at least, want to know the impact of these and related provisions on objectives (a) and (b).

Fourth, the timing of various control measures is extremely important to the achievement of objectives (a) and (b). Dr. Tolba reported that there was "agreement" of an "undertaking of regular review of the control measures in 1990 and every four years thereafter based on scientific, technical, economic and environmental assessment, each to be carried [out] one year in advance of the respective review."

These assessments are welcome and essential. However, to be effective there must be sufficient time between actions to evaluate the results or effects of those actions, particularly in the case of the economic and technical assessments. Even in the case of the science and environment, changed data may be sparse in a short period. I question whether the time (now being considered) between signing, a freeze, and each further reduction is adequate for these assessments. *Remember objectives (a) and (b) above.* Many actions or combinations of actions by industry worldwide *may* achieve the environmental objectives (based on sound science) without ever going to the ultimate elimination of all or some substances, or even a 95 or 50 percent reduction thereof. Most importantly, it is important that the substitutes are safe, non-toxic, technologically workable and will not cause a new environmental problem.

In my view, the timing set forth in the attached "Article II: Control Measures" does not work or appear to meet the above objectives (a) and (b).

I also question whether the panel should be composed only of "scientific experts" since the review mandate covers more than science.

Fifth, the protocol should provide, as a minimum, a freeze on combined annual production and imports based on *1986* levels. I understand that this is proposed to occur within two years after the protocol comes into effect which, of course, cannot occur until the basic Convention also comes into effect. Whether the time is two years or a lesser time, I have no great concern except to observe that some time will be needed in the U.S. and elsewhere to establish implementation controls.

Sixth, the proposed protocol being considered also calls for a reduction of 20 percent from the freeze level within "[4] years after entry into force" of the protocol which is effectively [2] years after the freeze starts.

As to the time, I refer you to my remarks under "Fourth." This is a clear example of a timing problem. Will the assessment panel meet one year before this step and will it have sufficient experience and results from the freeze to provide sound advice?

As to the 20 percent reduction, I am not opposed. I do, however, have concerns about the impact of that reduction that might be lessened if I had the responses to my letters. The May 13 testimony of EPA's Director of the Office of Program Development, Ms. Eileen Claussen, indicates some uncertainties about such reductions. She testified that EPA has a "preliminary analysis of the costs and benefits of possible measures." I underscore the words "preliminary" and "possible." EPA has not sought (through the Federal Register or otherwise) public comment thereon or even released all the underlying data and contractor studies. (See the enclosed letter from DuPont to EPA urging that EPA "seek adequate review by representatives" of the market segments.) The testimony summarizes the "Initial Results" (which abounds with qualifiers) as follows:

"Based on this extensive analysis of the current uses of CFCs, we believe that substantial low cost reductions are available using currently available technologies. While our data are not conclusive, and some of the reductions *might not be realized,* our initial analyses suggest that reductions up to 30 percent of current use *might* be possible without chemical substances and at a cost of about 0.15 dollars per kilogram. Let me emphasize that these reductions *do not* assume that new technologies or new chemical substitutes become immediately available." (Italics supplied.)

Ms. Claussen also said that EPA convened a panel to "explore questions of technical and economic feasibility as well as safety of new compounds that are less harmful to stratospheric ozone." Before quoting her statement of the panel's findings, I must ask the meaning of the words "less harmful." They imply some harm, but not as great as the present CFCs. That is not reassuring or comforting. Parenthetically, I observe that attached to Ms. Claussen's statement are tables that appear to show that control options for, among many others, "Dry Cleaning" establishments using CFCs are: "Replace seals," "Carbon absorption," "Aqueous cleaning," "Perchlorethylene," and "Methyl Chloroform." In the case of Perchloroethylene, I observe that I wrote to you on April 23 enclosing a letter from the Michigan Institute of Laundering and Dry Cleaning, Inc., which states that "perc" is a solvent used in "almost 90% of the plants operating in Michigan and there are almost 1,400 licensed plants in our state." The Institute said that EPA's Cancer Assessment Group wants to establish perc as a category "B" or "probable" human carcinogen to be regulated under sections 111 or 112 the Clean Air Act. In Michigan, CFC 113 is not the preferred substance, but if perc is so classified the resulting controls might require these plants to go to an alternative, like CFC 113. If CFC 113 is unavailable for any reason (including cost), what is the substitute? Incidentally, dry cleaners are also targets for control of hydrocarbons in California and other ozone nonattainment areas. Is there coordination?

As to the panel's conclusions, Ms. Claussen states:

"The panel concluded that it is the absence of a market for higher priced chemicals—not technical or environmental barriers—that is slowing the commercialization of new, less harmful chemicals. *The panel stated that it felt that only worldwide governmental regulations could provide sufficient incentives to commercialize the new chemicals.* If regulation of the existing chemicals increased their price sufficiently, the panel projected that some of the new chemicals could be marketed within six years.

"The panel also concluded that the most promising new chemicals—CFC134a and CFC-123—can be produced using a variety of technologies that are available throughout the world. They rejected the possibility that a monopoly would develop and predicted that these new chemicals will be competitively produced and priced. *A representative from E.I. DuPont de Nemours & Co., Inc. stated that at full-scale commercialization, the company would offer CFC134a at a price between two dollars per pound and four dollars per pound. The price of CFC-12 is approximately 70 cents per pound.*

"Representatives from the automobile and refrigeration industries expressed a preference for a "drop-in" chemical such as CFC134a, even if it were priced several times higher than existing CFCs, because these chemicals are a small component of equipment cost and would require less changes in refrigeration equipment. However, representatives of the rigid foam insulation industry expressed *concern* that they could not afford major price increases for CFC-11. CFC-11 is priced at 60 cents per pound and its potential alternative, CFC-123, is estimated by DuPont to cost *$1.25 per pound to $2.50 per pound* once full-scale commercialization is achieved. The panel identified the most promising substitutes, the likely range of costs, and the time necessary for commercial production." (Italics supplied.)

The panel also uses the term "less harmful." Its conclusions do not appear to address the issue of at what level of control substitutes for any substance will begin to surface.

My concern is that with a freeze alone, CFC-113 use will likely continue to grow (albeit at a higher cost), while the "squeeze" will be on CFC-11 and CFC-12. It is not clear what impact (in terms of availability and costs) that will have on users of those substances, including service people who refill existing refrigeration or home and mobile air condition units.

I do not hear much talk of a substitute for CFC-113 which is also a growth substance in Japan.

In responding to my earlier letters, please provide copies of *all* EPA memoranda by any EPA office that discusses the impacts of a freeze and other reductions from the standpoint of encouraging substitutes.

Seventh, as to the proposal for a (30 percent) reduction within [6] [8] years after the entry into force of the protocol, my above comments about assessments and timing apply with even greater force, particularly since I do not know whether such a further reduction is needed, or its impacts, taking into consideration objectives (a) and (b) above. At this time (and without your replies to my earlier letters), I cannot indicate support for this further reduction or, for that matter, opposition. I am skeptical for now.

I strongly disagree, however, with the idea that it should go into effect automatically unless a (majority) or (two-thirds majority) of the parties to the protocol decided against such effectiveness. My staff has suggested an alternative approach for your consideration:

Step 1—This reduction must (after the full assessment review) be voted upon at the established time and place after entry into force of the protocol by a (majority) (two-thirds majority) vote of the parties. If a vote is taken and it is not affirmatively approved by such vote, it is not adopted.

Step 2—If the parties do not meet or vote as required by Step 1, then not later than three years thereafter the reduction will take place, unless a (majority) (two-thirds majority) of the parties vote not to impose the reduction.

Eighth, as I have indicated before, one of the most important and essential elements of a protocol that meets objectives (a) and (b) above is the article on trade and the related provision on the reduction formula. The two documents developed at the last Geneva meeting are enclosed. They differ significantly from the U.S. drafts and there are many blanks and bracketed provisons which cause many uncertainties. Each contains exceptions (all of which are bracketed) for lesser developed nations that concern me greatly. The only sure success at Geneva in this area is the general assurance that the trade provisions are not believed inconsistent with GATT.

Due to the large remaining uncertainties, it is not now possible to evaluate these provisions. I expect the U.S. Trade Representative and the Secretary of Commerce to take the lead on these provisions at the DPC, in Brussels, and in Montreal. I also request that they be part of the briefing requested below. I stress that my support for the final protocol may ultimately hinge on the adequacy of these provisions.

Before closing, I commend you for your efforts and those of Ambassador Benedict and the others on the Administration team at Geneva. I urge success, but I am concerned that there is little time to achieve it. As to the Brussels meeting in late June, I understand that Dr. Tolba wants it small. While I do not think he should dictate the size of delegations. I do not insist on observers from my Committee attending that meeting *if* no other congressional and nongovernmental observers are *also* not included, and *if* a briefing is provided by the U.S. delegation to our Committee observers *immediately* before *and* following the return from Brussels.

Also enclosed is a May 25 article from the *Washington Post* entitled "New Theory for Polar 'Ozone Hole'." I request that the Administration's scientific experts, particularly the National Oceanic and Atmospheric Administration, discuss the impact of this theory, its status, and the extent of agreement or disagreement, as well as other theories and the status of the science.

With best wishes.

Sincerely,

John D. Dingell,
Chairman.

Committee on Energy and Commerce,
Washington, DC, June 1, 1987.

Hon. Donald P. Hodel,
Secretary, Department of the Interior,
Washington, DC.

Dear Mr. Secretary: I was pleased to see the May 30, 1987 edition of the Washington Post quoting an unnamed White House official as discounting the "seriousness" of a suggestion reported by the Post on May 29 (which was attributable to you) of a public relations program calling for "personal protection" against possible increases in ultraviolet radiation, including the "wide use of hats, sunglasses, and sun-screening lotions." I understand you suggested this program as an alternative to pursuing, at this time, an international protocol, because you did not want the President to be "boxed into a position of having no option to choose from other than regulation."

I consider such as alternative to be detrimental to resolving a serious problem. It causes unwelcome ridicule and it could harm efforts (which I strongly support as indicated by my introduction with the Ranking Republican of this Committee, Congressman Norman Lent, of H. Con. Res. 50) to negotiate and finalize by next fall an international protocol on stratospheric ozone. I might add that I thought suggestions by some legislators (at recent Senate hearings on the progress of the negotiations) that the U.S. seek to defer the signing of the protocol until the results of the next scientific expedition late this summer to the South Pole are available (possibly late in the fall) to be equally harmful to this important effort. In both instances, Administrator Thomas properly responded that the Administration should continue on course toward a final protocol in Montreal, Canada next September. I commend him for what I consider the proper view, but I observe that little time is left.

As to the details of the protocol, that is properly a matter of concern to all as noted in my enclosed letter to Administrator Thomas and in my earlier letters of March 4, 6, 13, and April 23 to the Administration—none of which have yet been answered. The Post article of May 29 also quotes Ambassador Benedick as stating that his "negotiation position was authorized last November" and it is hard for him to "imagine that people weren't aware of it." He knows, as I pointed out in my letter of March 13 to Mr. Thomas (copy to you), that the "November position" was authorized by low-level officials in the Administration (outside of EPA and the State Department), that the technical support for that position was lacking, and that the February trade proposal did not receive any such authorization. If the position was "discussed before the Domestic Policy Council last summer," he never informed our Committee of that discussion when we held hearings in March.

Nevertheless, all agencies have been fully aware of the negotiations since March at the latest. Looking to alternatives or seeking to delay the June or September negotiations in order for the White House Science Advisor, the Interior Department and others to gain more information is not sound from any standpoint.

Clearly, the science is still uncertain. Much still needs to be learned. A skin cancer scare should not be and is not the driving force for a protocol. Indeed, Dr. Margaret L. Kripke of the University of Texas System Cancer Center who is Chairman of EPA's Science Advisory Board's Subcommittee on Stratospheric Ozone discussed this issue in correspondence with me which I provided to your staff. She said:

"Before responding to your specific questions, I would like to comment on a statement you made in your letter on page 2. Speaking of the increasing incidence of skin cancer, you state '. . . it is not clear that the ozone layer is the sole or primary cause.' I would take that statement further and say that there is at present no evidence that a decrease in the ozone layer is responsible for the recent increase in the incidence of skin cancers. There have been several erroneous statements in the press recently, linking the increases in skin cancer to ozone depletion. It is important to note that basal and squamous cell cancers (common skin cancers) develop over a period of decades, and even if the Nimbus-7 measurements prove to be correct, these decreases in global ozone are too recent to account for the rising incidence of skin cancer over the past twenty years. The implication in the editorial by Kopf et al, that increased UV radiation has resulted from decreased stratospheric ozone has no scientific basis at the present time (page 3 of your letter)."

Incidentally, she also wrote to the Office of Management and Budget. I strongly suggest that you and the White House Science Advisor read her letter which is enclosed for your convenience.

Despite this, I believe there is a sufficient scientific consensus (as evidenced by the United Nations negotiations, the enclosed "Conclusions of the Scientific Working Group" and other documents) to warrant a protocol to the existing Convention which the U.S. signed. Although the predictions of possible cancers from ozone layer decrease are for the distant future (which leaves some considerable uncertainty), they cannot be ignored or downplayed. We cannot afford to delay. We need to be cautious.

I share with the Washington Post editoral of May 15, 1987, the belief that a "lot of bargaining remains ahead," but an "enormously important achievement now seems to be within the Administration's grasp, and no one should be allowed to spoil it." The details are clearly not resolved, as are the question of adequate participation by producer and non-producing countries, like Russia, Japan, the European Community countries, and many of the developing nations. Your input within the Administration in the "bargaining" and in later implementing regulations can, undoubtedly, be helpful and constructive. But your comments of a few days ago were not. They only encourage some to press for legislating unilaterally when such legislation does not appear to have much support, particularly in the House, and will not resolve the worldwide problem. Again, I urge an international protocol, hopefully in September, and urge you to abandon alternatives and to work toward that end.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

THE UNIVERSITY OF TEXAS
SYSTEM CANCER CENTER,
Houston, TX, April 6, 1987.

DR. DAVID GIBBONS,
Deputy Associate Director for Natural Resources, Office of Management and Budget, Washington, DC.

DEAR DR. GIBBONS: It was a pleasure to meet you last Friday and to have an opportunity to discuss some of the issues relating to the potential effects of increased ultraviolet radiation. I found the meeting quite interesting because it gave me an added perspective on the complexities surrounding this topic. I also ended up with a great deal of respect for your incisiveness and ability to focus on the essential issues in the midst of a deluge of information. For this reason, I am troubled by the point of view you related indicating that skin cancer is a self-inflicted disease, and therefore, we need not protect people against increased UVB radiation because they should be responsible for protecting themselves.

I have thought about this issue a great deal in the past few days, and I feel that my response to this portion of the discussion was quite inadequate, considering the serious implications of this perception. I must admit, that coming from a cancer hospital and research institute, I was caught unprepared for this line of reasoning. I suppose this is because we are inevitably faced with the responsibility of dealing with the results of increased UVB exposure, regardless of its cause, and we do not have the option of ignoring people whose cancers are self-inflicted.

Whether the attitude you expressed is your personal view or merely one that has been expressed publicly by others, I think it deserves to be addressed in a more substantive manner than I was able to do last Friday. Therefore, I would like to try and pinpoint the reasons for my discomfiture with this analysis of the situation.

First, the majority of the skin cancer patients we see at the M.D. Anderson Hospital and Tumor Institute cannot be characterized as belonging to the leisure or sun-worshiping sets. Most of our patients with skin cancer are farmers, ranchers, oil field workers, and people who work on off-shore oil rigs. It is true that we see the more serious cases of skin cancer because we treat many people who have failed to be cured by surgery. However, I feel that I am doing our patients a great disservice by leaving uncontested the impression that skin cancer is a problem limited to the suntan seekers. This is clearly not the case; however, I am unaware of any recent study that attempts to characterize the skin cancer population as to what proportion of cases might have resulted from voluntary or recreational sunlight exposure.

Second, if we take the cold, economic point of view, skin cancer has an economic impact regardless of how it is acquired. It costs us in loss of human productivity and in medical expenses, irrespective of whether it is self-inflicted or inadvertently acquired.

Third, part of the increased exposure of our population to UVB results from the demographic trend of people moving southward. This was viewed as being purely voluntary in our discussion last Friday and attributed to people retiring in the South because of the pleasant climate. It is important to realize that this is not the only reason for the demographic shift in population, and it may not even be the major reason. My impression is that the southward movement also resulted from a depressed economic situation in the manufacturing centers of the northeastern United States in the 1970's, and that the migration was augmented by the high price of heating fuel during a few very cold winters. If these impressions are correct, the view that people are moving southward voluntarily because they want to enjoy the sunshine is not a fair assessment of the situation. Many people have moved because of economic necessity, rather than because they want to play golf year round.

Finally, there is a scientific issue that needs to be addressed. We are assuming that the increase in the incidence of skin cancers over the past few decades is due to a voluntary increase in exposure to UVB radiation. This increase is clearly not due to measurable reductions in ozone concentrations, and therefore is generally attributed to voluntary changes in behavior that lead to more sunlight exposure, e.g., clothing styles, tanning, recreational activities. Although this is the simplest explanation and quite logical, it is not an explanation based on scientific evidence, nor is it the only possible explanation. Consider, for example, the hypothesis that some other agent that is increasing in our environment increases the susceptibility of the skin to UVB-induced cancers. For example, suppose some bath soaps contain ingredients that remove dead skin, thereby permitting the penetration of more UVB. The increasing emphasis on personal hygiene and resulting increase in bathing practices could also account for the increasing incidence of skin cancer, without invoking a voluntary increase in exposure to UVB radiation. Thus, there is possibility that voluntary behavioral changes are not the only cause of the increasing incidence of the common skin cancers, and other explanations need to be considered before condemning people for having "self-inflicted" skin cancers. This is an unproven assumption that may be incorrect. Furthermore, with malignant melanoma, we do not know whether increased exposure to UVB radiation in adult life can increase the risk of this more serious form of skin cancer. Recent evidence suggests that sunlight exposure during early childhood may be determining factor in the relationship between UVB exposure and malignant melanoma.

I regret that I was unable to marshall these arguments on the spot last week, which would have given the audience an opportunity to respond. However, I think that these arguments are important, and I hope you will consider them, nonetheless. If you wish additional discussion or clarification of these or any related issues, please do not hesitate to call on me.

Sincerely,

MARGARET L. KRIPKE,
Ph.D.

THE SECRETARY OF THE INTERIOR,
Washington, June 8, 1987.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As the Energy and Commerce Committee takes action on H. Con. Res. 50, concerning international negotiations on protection of stratospheric ozone, I wanted the Committee to be aware that recent statements in the press regarding my position on this subject are totally false. I never have suggested that wearing sunglasses and hats is an alternative to regulating the use of CFC's and Halons. While I indeed have serious reservations about the proposed international protocol, it is only because I am concerned about its effectiveness, not about the need for one.

Enclosed is a copy of my recent letter to Senator Timothy Wirth, that he entered into the Congressional Record last Friday, which clarifies my thinking on this important public policy issue.

Sincerely,

DONALD PAUL HODEL.

THE SECRETARY OF THE INTERIOR,
Washington, June 4, 1987.

Hon. TIMOTHY E. WIRTH,
U.S. Senate,
Washington, DC.

DEAR SENATOR WIRTH: Thank you for inquiring about my position regarding chlorofluorocarbons (CFCs) and stratospheric ozone, and thank you very much for questioning whether statements attributed to me in press reports were true. They were not.

I have not suggested and do not believe that the complex issues concerning effects of stratospheric ozone depletion should be or could be solved by some simplistic approach such as sunglasses, hats and lotions.

In essence, the basic issue is whether the President merely will be presented with a proposal which simply authorizes negotiating "the best possible" international agreement on the subject, or whether he should have the opportunity to establish for our negotiators meaningful guidelines which indicate such things as how many countries must sign, what percentage of global CFC production and/or use must come under the agreement, which chemicals must be included, and the like in order for an agreement to be acceptable to the United States. Certainly, unilateral action by the United States would do little to address the problem and would be to our disadvantage.

This issue currently is before the President's Domestic Policy Council (DPC). Let me elaborate on some of its aspects.

The purpose of DPC consideration is to be sure that, upon the considered advice of his entire Cabinet, the President, rather than just one or two agencies or departments, is afforded the opportunity to pass judgment of the position to be taken by the United States Government during international negotiations concerning possible limitations on global production and use of CFCs and similar chemicals. This is a complex issue of potentially great significance to the American people, their health, their lifestyle, their environment and their economy. It is the DPC's responsibility to subject available scientific information to thoughtful review and to present to the President an array of responsible options concerning the negotiating position of our government.

Contrary to certain press reports, I have not yet decided for myself what options are worthy of consideration by the President, much less what the preferred option should be. Data and analysis on the multi-faceted aspects of the issue still are being developed on an inter-agency staff basis for DPC consideration. Once such information is available, the DPC members, including myself, will be in a position to reflect on a preferred array of options and then discuss our views with the President.

I am quite disturbed by those who carelessly or deliberately provided the misinformation concerning my views which resulted in the erroneous press reports regarding this matter. The potential impact of CFCs and similar chemicals upon stratospheric ozone and the potential consequences of such impacts, and of possible measures to avoid or mitigate such impacts, upon the lives of millions of Americans, not to mention other countries' citizens, are very serious issues which deserve thoughtful evaluation at the highest levels of our government. The manner in which the matter has been characterized by those, who, it appears, are determined to confine the President's options to those only of their crafting, has the unfortunate tendency to trivialize legitimate concerns and to inhibit informed analysis and policy making.

I believe the threshold question to be dealt with is: what is our objective? Are we attempting to deal with a potentially serious health problem, or is the proposed strategy of limiting production and use of CFCs also aimed at other types of potential problems? The essential thrust of the answer so far has been that our primary concern is potential adverse impact on people's health, specifically, skin cancer. Once that threshold question is finally resolved, we must tackle the who, what, when and how questions.

First, if the scientific theories are accurate, then the problem is one that we as a Nation must seek to solve through international cooperation. We must convince a substantial portion of the rest of the world that this is a problem which must be dealt with and solved on a global basis. A negotiating objective of obtaining agreement from "as many nations as possible" could be meaningless if, in our zeal to reach an agreement, we enter a pact which, for example, does not bind those nations which now and prospectively are likely to be significant producers and/or users of CFCs and similar chemicals. My information is that, at the last set of international negotiations in Geneva, which were conducted under the auspices of the United Nations Environment Program (UNEP), less than one-third of the United Nations member countries were represented, and several emerging industrial nations, such as South Korea, Taiwan, the People's Republic of China, India, Singapore, and Pakistan, were not present. The Soviet Union was the only Eastern Bloc nation present. In my view, it would be foolhardy for the United States to limit domestic production and use of CFCs, only to be confronted with global ozone depletion caused by other nations' continuing to enjoy unfettered CFC production and use.

It should be noted that United States leadership on this issue has brought increasing support from other countries, but the President should be given the opportunity to consider to what extent that leadership might cease to be effective if the United States alone, or in concert with only relatively few other producing and consuming countries, entered into a CFC limitation program. The President should be able to consider what constitutes sufficient, assured participation by other nations before any agreement receives our government's approval.

Secondly, we must have a well-thought-out proposal which, while designed to protect American interests, will gain acceptance by other countries, with de minimis exceptions, if any. No longer can the United States merely make assertions and arm-twist the world community into agreement and compliance. Our facts, data, and analysis must be credible, so that our arguments will be convincing. We should base our proposals on a realistic understanding of when CFC substitutes will be available in commercial quantities, the cost of our society to adapt to them, and whether they will be safe from a health and environmental standpoint.

If the theories which underlie our concerns about CFCs are accurate, then the burden is on those who would not insist on all chlorine-emitting CFCs, as distinguished from just a few, being subjected to international limitations. You will note from the enclosed copy of the "Chairman's Text," which emerged from the Geneva negotiations, that only three CFCs were agreed upon, two (indicated by parentheses) were discussed but not agreed upon, and halons (believed to be powerful emitters of ozone-depletion chlorine) were not included at all. I am advised that it is unclear whether Japan will agree to limitations on CFC 113, which is used as an effective cleansing agent for computer chips.

It is important to determine whether and to what extent an international agreement in some way will give "credit" to the United States for its 1978 unilateral ban on "non-essential aerosol sprays containing CFCs. Since, as mentioned above, substantially all the countries of the world, developed and developing should be bound by the agreement, the President has to determine whether to accept the suggestions of some that developing countries be excused from the same level of restrictions as are being proposed for the United States.

Certainly, any international agreement should assure that compliance by each signatory is mutual and verifiable. We also need to know whether this Nation, which is committed to the concept of free international trade, will support, as has been suggested by some, trade sanctions against countries which do not adhere to the obligations imposed by an international agreement.

Thirdly, we must have an acceptable mechanism for future decisionmaking. No plan should be put forward which, regardless of good intentions today, in effect precludes basing the international regulatory actions of the future on serious scientific review. To create today regulatory "targets" which are to obtain five to twelve years from now, based on the modelling of today which admittedly is plagued by uncertainties and which certainly will change after the proposed "freeze" has been in effect for two years, is highly questionable policy. It seems logical to me that there should be adequate time between the proposed "freeze" and the scientific review contemplated by the "Chairman's Text" to enable signatories to ascertain and to evaluate new scientific, technological and medical information before the decision is made to move forward to the next targeted reduction; otherwise, the "scientific review" could be meaningless.

Moreover, any international agreement which provides for future regulatory decisions by vote of signatories should be designed so as not to leave the United States wholly subject to the voting power of other nations whose economic and political objectives may be entirely inconsistent with our own. Before we agree to an international protocol, perhaps it would make sense to have a pretty good idea as to how the domestic regulatory mechanism would allocate among U.S. producers and users of CFCs and similar chemicals the burden of contributing to internationally agreed-upon "freezes" or reductions in their production and use.

The foregoing are but some of the major facets of this complex issue. Neither the Domestic Policy Council nor the President has had an opportunity to address them, notwithstanding the fact that there is divergence of opinion among interested departments and agencies as to the nature and scope of an agreement that will be in the best interests of the people of the United States. Yet, it is reported that those involved in the negotiating process already have scheduled signing of the international agreement at a planned September meeting in Montreal. The President should not be presented with a fait accompli. The Nation and he deserve better.

I believe that, with well-documented information, a scientifically based review process and creative thinking, this issue can be dealt with by the world community in a rational way for the good of all.

Thank you for the opportunity to respond to your interest.

Sincerely,

DONALD PAUL HODEL.

AD HOC WORKING GROUP OF LEGAL AND TECHNICAL EXPERTS FOR THE PREPARATION OF A PROTOCOL ON CHLOROFLUOROCARBONS TO THE VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER (VIENNA GROUP), THIRD SESSION, GENEVA, APRIL 27-30, 1987

(Text prepared by a small sub-working group of head of delegations)

ARTICLE II: CONTROL MEASURES

1. Each party, under the jurisdiction of which CFC 12, CFC 113, (CFC 114, CFC 115) are produced shall ensure that within (2) years after the entry into force of this Protocol the (combined annual production and imports) (combined adjusted annual production) of these substances do not exceed their 1986 level.

2. Each party, under the jurisdiction of which substances referred to in paragraph 1 are not produced at the time of the entry into force of this Protocol, shall ensure that within (2) years from the entry into force of this Protocol, (its combined annual production and imports) (its combined adjusted annual production) do not exceed the levels of imports in 1986.

3. Each party shall ensure, that within (4) years after the entry into force of this Protocol levels of substances referred to in paragraph 1 attained in accordance with paragraphs 1 and 2 will be reduced by 20 per-cent.

4. Each party shall ensure that within (6) (a), (8) (b) years after the entry into force of this Protocol, the 1986 levels of substances referred to in paragraphs 1 and 2 will be further reduced (by 30 per cent), (a) (if the majority of the parties so decide, (b) (unless parties by a two-third majority otherwise decide), in the light of assessments referred to in Article III, such decision should be taken not later than (2) (4) years after entry into force.

5. Parties shall decide by (two-third majority) (a majority vote) whether substances should be added to or removed from the reduction schedule; whether further reductions of 1986 levels should be undertaken (with the objective of eventual elimination of these substances).

These decisions shall be based on the assessments referred to in Article III.

NOTE

A second paragraph reading as followings has to be added to Article III. Beginning 1990, and every four years thereafter, the parties shall review the control measures provided for in Article II. At least one year before each of these reviews, the parties shall convene a panel of scientific experts, with composition and terms of reference determined by the parties, to review advances in scientific understanding of modification of the ozone layer, and the potential health, environmental and climatic effects of such modification.

OPENING STATEMENT BY HON. JOHN D. DINGELL, CHAIRMAN, COMMITTEE ON ENERGY AND COMMERCE AT HEARING BY SUBCOMMITTEE ON HEALTH AND THE ENVIRONMENT ON STRATOSPHERIC OZONE PROTECTION, MARCH 9, 1987

Mr. Chairman, once again I commend you for scheduling a timely hearing concerning a matter of utmost international concern, namely, stratospheric ozone protection.

In a March 2 letter, the Environmental Protection Agency (EPA) said that while scientific "uncertainties remain," the current evidence supports the 1974 theory that chlorofluro-carbons (CFCs) "have the potential to decrease stratospheric ozone."

In 1978, the U.S. unilaterally banned the use of CFCs as nonessential aerosol propellents. That effort, according to EPA, "achieved the greatest reduction in CFC use." Canada and several other nations with little or no CFC production followed our lead. But seventy percent of the CFC production originates in other countries, such as Japan, Russia, and the European Economic Community countries. It is a worldwide problem, not a problem of the U.S. alone, or of a few nations.

Congress recognized the importance of addressing this problem in enacting Part B of the Clean Air Act. That Part directs the President to negotiate international agreements for "standards and regulations" to protect the stratosphere. It also provides that in the case of rulemaking, EPA shall take into account the feasibility and the costs of achieving control.

In 1985, the Vienna Convention for the Protection of the Ozone Layer was concluded. But only 29 nations signed it and only a handful have ratified or accepted it as of last December.

Nonetheless, late last year, international negotiations were started for an implementing protocol. A second round ended last month in Vienna, Austria and a third round is scheduled in late April. The negotiations have shown slow progress, which is not unexpected given the complexities and uncertainties, as to those uncertainties, EPA, in its March 2 letter, said:

". . . This issue is unique in at least two important respects. *First,* even though current models do not suggest ozone depletion is likely in the near term, *because of their long atmospheric lifetimes,* if CFCs and Halons are allowed to increase, such depletion, and resulting increases in skin cancers, appears likely. *Second,* if ozone depletion occurs before we take action, the levels of depletion would continue to increase for a decade or more, even if we were able to dramatically reduce CFC consumption.

"Thus, while we agree with the CFC Alliance that no imminent harm is likely, this does not mean that near-term action isn't required. In fact, the CFC Alliance has recently stated their support for global action limiting CFC use. While views may differ on the timing and stringency of action, a growing consensus exists that, at a minimum, some limits should be placed on future CFC use."

On January 2, 1987, I wrote Secretary Shultz and Administrator Thomas about these negotiations and indicated my support. On February 19, Congressman Lent and I introduced H.Con. Res. 50 stressing that support, while expressly opposing unilateral action by the U.S., either administratively or legislatively. Already, more than a dozen of our colleagues have joined us cosponsors.

My support for a protocol, however, is not without limits. Indeed, I am deeply concerned that our chief negotiator, Ambassador Richard Benedick, and his EPA staff support, are negotiating almost on a "seat-of-the-pants" basis. I am concerned that they lack adequate technical and policy support within the Administration and that they may be trying to bow too far toward those seeking very stringent reductions *now.*

CFCs are manufactured by only a few firms worldwide. In the U.S., there are five: Dupont, Allied Chemical, Kaiser Aluminum & Chemical, Penwalt, and Racon, Inc. But there are thousands of user firms. CFCs are used as insulation for energy conservation purposes in buildings and applicances, and in industrial equipment, transportation, and refrigeration equipment. They are used in the air conditioning of homes and autos, for retail food refrigeration, in hospitals, by frozen food manufacturers, in electronics, for foam for furniture and carpet underlay, for metal cleaning, and in fire extinguishers. I understand that even the military relies heavily on Halons which are also part of these negotiations. I question whether many of these users are aware of these negotiations, let alone the U.S. proposals for CFC/Halon reductions.

Last January I asked EPA and the State Department for the analysis supporting the November 25 U.S. draft protocol offered in Geneva. The U.S. was calling for significant CFC reductions. I wanted to know the impact on users.

No analysis was provided with the March 2 reply. Apparently, it does not exist. Instead, they said studies have been "initiated" at EPA that should "provide a better quantitative basis for estimating costs, time frame, and potential reductions." When completed, they will be able to provide "more than an illustration of the quantity and timetable for phased reductions."

Only a few days ago in Vienna, Ambassador Benedick apparently did not object to a draft bracketed protocol calling for a reduction in CFCs of a range of 10-50 percent in an unspecified number of years. I want to learn today about the basis for his support of this reduction range. Again, I ask what will be the impact on the U.S. user industries and American jobs? Are the reductions feasible? What are the costs to the users? What is the timeframe? When will safe, non-toxic substitutes be available?

In the area of trade, the U.S. offered a trade proposal last month which has many good features. But I understand it was developed, with no input or review by U.S. Trade Representative Yeutter or Secretary Baldrige. Indeed, I understand neither of these trade experts have concerned themselves with these matters. That is troublesome, particularly when one realizes that many countries may not sign the Convention agreement or this protocol. Under the U.S. trade proposal, we would have to ban or restrict imports of their products containing CFCs.

These countries could be Taiwan or South Korea with which we have considerable trade. Is the Administration, for example, ready to ban the South Korean-made Hyundai cars containing CFCs, given that nation's strategic importance to Southeast Asia? From a parochial standpoint, I might welcome such a ban. But is that realistic? We need to explore these trade matters today, as well as the impact of a Halon reduction on our defense needs.

As H. Con. Res. 50 states:

The U.S. must accomplish *two* important goals in these negotiations—the protection of the public health and the environment and the protection of American jobs.

I want to be satisfied that *both* goals are met. Thank you Mr. Chairman.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, April 23, 1987.

Hon. HENRY A. WAXMAN,
Chairman, Subcommittee on Health and the Environment, Washington, DC.

DEAR HENRY: I am sure you recall the testimony of Dr. Darrel Rigel at the March 9, 1987 hearing of the Subcommittee on Health and the Environment on the stratospheric ozone. While I was unable to be present during that testimony, I did have an opportunity to review it later and, as a result, had a number of concerns about his statements and the documents he provided to the Subcommittee.

Enclosed is a letter (with attachments) that I sent to the Science Advisory Board at the Environmental Protection Agency (EPA) about Dr. Rigel's testimony. Also enclosed is a reply by Dr. Margaret L. Kripke of the University of Texas System Cancer Center which I am sure you will find quite enlightening and helpful. Dr. Kripke is Chairman of the SAB's Subcommittee on Stratospheric Ozone. In particular, I call your attention to Dr. Kripke's first reply which states:

"Before responding to your specific questions, I would like to comment on a statement you made in your letter on page 2. Speaking of the increasing incidence of skin cancer, you state '. . . it is not clear that the ozone layer is the sole or primary cause.' I would take that statement further and say that there is at present no evidence that a decrease in the ozone layer is responsible for the recent increase in the incidence of skin cancers. There have been several erroneous statements in the press recently, linking the increases in skin cancer to ozone depletion. It is important to note that basal and squamous cell cancers (common skin cancers) develop over a period of decades, and even if the Nimbus-7 measurements prove to be correct, these decreases in global ozone are too recent to acccount for the rising incidence of skin cancer over the past twenty years. The implication in the editorial by Kopf et al, that increased UV radiation has resulted from decreased stratospheric ozone has no scientific basis at the present time (page 3 of your letter)."

Also enclosed is a copy of a letter that she sent to an official at the Office of Management and Budget. I call your attention to page 3 of that letter in which she states:

"Finally, there is a scientific issue that needs to be addressed. We are assuming that the increase in the incidence of skin cancers over the past few decades is due to a voluntary increase in exposure to UVB radiation. This increase is clearly not due to measurable reductions in ozone concentrations, and therefore is generally attributed to voluntary changes in behavior that lead to more sunlight exposure, e.g., clothing styles, tanning, recreational activities. Although this is the simplest explanation and quite logical, it is not an explanation based on scientific evidence, nor is it the only possible explanation. Consider, for example, the hypothesis that some other agent that is increasing in our environment increases the susceptibility of the skin to UVB-induced cancers. For example, suppose some bath soaps contain ingredients that remove dead skin, thereby permitting the penetration of more UVB. The increasing emphasis on personal hygiene and resulting increase in bathing practices could also account for the increasing incidence of skin cancer, without invoking a voluntary increase in exposure UVB radiation. Thus, there is a possibility that voluntary behavioral changes are not the only cause of the increasing incidence of the common skin cancers, and other explanations need to be considered before condemning people for having "self-inflicted" skin cancers. This is an unproven assumption that may be incorrect. Furthermore, with malignant melanoma, we do not know whether increased exposure to UVB radiation in adult life can increase the risk of this more serious form of skin cancer. Recent evidence suggests that sunlight exposure during early childhood may be the determining factor in the relationship between UVB exposure and malignant melanoma."

Additionally, I enclose a copy of Dr. Kripke's Subcommittee report of March 23.

Also, enclosed is a copy of a letter from the Defense Department that is also helpful.

I request that all of these documents be included in the printed record of the Subcommittee's hearing. I am also providing a copy thereof to all Committee Members and to Administrator Thomas and Ambassador Benedick.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, March 18, 1987.
Hon. MORTON LIPPMANN,
Chairman, CASAC, Science Advisory Board, Environmental Protection Agency, Washington, DC.

DEAR DR. LIPPMANN: Earlier this year I wrote to the Environmental Protection Agency (EPA) concerning various issues relative to stratospheric ozone protection, including the status of the relevant health issues. In its March 2, 1987 reply, EPA said it had drafted a five-volume assessment of the risks of stratospheric modification and that the Science Advisory Board (SAB) had conducted a "preliminary review."

I request the results of that review and an indication of when a final review document will be available.

One of the health areas of particular concern to me is the cancer threat. The EPA letter included the following comments about this issue:

"Preliminary data from Nimbus-7 suggest that a significant decrease in global ozone levels may have occurred during the past several years. These data have not yet been published, and the data require additional review and verification. If verified, further analysis would be required to determine if chlorine is responsible for the reported decrease in ozone levels or whether the decrease reflects short-term natural variations.

"Decreases in total column ozone would increase the penetration of biologically damaging Ultraviolet-B (UV-B) radiation (i.e., 290-320 namometers) and, thus, the amount reaching the earth's surface.

"Laboratory and epidemiologic studies have linked exposure to UV-B radiation and development of squamous cell and basal cell skin cancers. While uncertainty exists concerning the appropriate action spectrum (i.e., the relative biological effectiveness of different wavelengths of light) and the best measure of exposure, a range of estimates was developed linking possible future ozone depletion with increased incidence of these skin cancers (these cancers are also referred to as nonmelanoma skin cancers).

"Studies predict that for every 1 percent increase in UV-B radiation (which corresponds to less than a 1 percent decrease in ozone), nonmelanoma skin cancer cases will increase on the order of 1 to 3 percent. The mortality rate for these forms of cancer has been estimated at 1 percent or less of total cases.

"The relationship between cutanous malignant melanoma and UV-B radiation is a complex one. Different historical forms exist, and laboratory experiments have not succeeded in transforming melanocytes with UV-B radiation. However, recent studies suggest that UV-B radiation plays an important role in causing melanoma. Uncertainties in action spectrum, dose measurement, and other factors necessitate the use of a range of dose-response estimates. Considering such uncertainties, recent studies predict that for each 1 percent change in UV-B, the incidence of melanoma could increase by slightly less than 1 percent."

A few days ago the Subcommittee on Health and the Environment received testimony from Dr. Darrel Rigel who is a physician and cancer researcher at New York University Medical Center. Enclosed is a copy of his statement and attachment, as well as the transcript pages of the hearing where he entered into colloquy. I am concerned that his testimony suggests a more serious problem than that expressed by EPA, although it is not clear that the ozone layer is the sole or primary cause. I am also concerned that Congress, through such testimony, does not inadvertently scare people.

For example, Dr. Rigel states that the "rate of skin cancer in the U.S. is increasing at a near epidemic pace and that the rate of malignant melanoma is increasing faster than any other cancer in the U.S. except for lung cancer in women." Enclosed with his statement is a 1982 editorial which states that the "reason for this rapid rise in the incidence and death rate of malignant melanoma in our country is presently unknown." The article lists "several factors" that "may be involved." The third factor, which the article calls "more speculative" is the "fact that people in the United States are exposed to an ever-increasing array of carcinogens in their environment." One of his examples of this speculation is "increased ultraviolet radiation due to decreased stratospheric ozone."

I request that you review Dr. Rigel's remarks and indicate where, if at all, he appears to disagree with, or go beyond, the EPA findings as provided to the SAB and the SAB review results. Please identify those areas and indicate whether or not in each instance the SAB agrees or disagrees with Dr. Rigel or EPA.

Please also explain whether or not you believe, based on the best information available to the SAB, skin cancer in the U.S. is "increasing at a near epidemic pace." Please explain the base-line for this statement and indicate the various factors causing this increase.

Dr. Rigel included with his testimony a December 9, 1986 news release of the American Academy of Dermatology. That release states:

"But melanoma is not the only form of skin cancer to pose a threat to the health of the American people. Other carcinomas, basal cell and squamous cell, are also on the rise. The American Cancer Society has estimated that upward of 450,000 Americans may suffer a skin cancer in any year. Other sources contend that this is much too conservative a figure.

"The approximately 1,000 Academy members who volunteered their time in the 1986 campaign found 3,049 basal cell carcinomas, 398 squamous cell carcinomas and 10,336 other sun-caused lesions.

Dermatologists attribute this increase in skin cancer to the American attitude that the bronzed look is a healthy, attractive look. Increased *leisure time and affluence* all encourage summer and winter vacations with sometimes inevitable sunburns. *And it is over-exposure to the sun which is a prime cause of skin cancer. The best defense against skin cancer requires only some simple precautions such as using suncreen lotions with a Sun Protection Factor of 15 and minimizing skin exposure during peak sun hours."* (italic supplied)

I do not understand from the Academy's statement that it is urging or condemning sunbathing which is certainly an attraction at such tourist areas as those in California, Arizona, Florida, South Carolina, Virginia, Maryland and Massachusetts. The Academy is warning, I assume, that over-exposure could be dangerous and wisely urges precautions.

1. Please explain to what extent this radiation exposure problem is a greater threat in some countries (or even in some parts of the United States) or to some races of people than others.

2. Please explain what information is known (or not known) as to the relative contribution of UV-B radiation (or UV-A) to the cancer-causing effects of exposure to sunlight.

3. Please explain the extent of information available to suggest that the increase in skin cancer (i.e., either melanoma or non-melanoma, or both) is due to increased or over-exposure (deliberate or inadvertent) to: (a) sunlight, (b) UV-B radiation, or (c) both.

4. Please explain the extent of information about the effectiveness of "sunscreen lotions" mentioned by the Academy against melanoma and non-melanoma cancers and against the specific effects of UV-B radiation. Do they block out sunlight and UV-B fully or partially?

I also welcome any other comments you may wish to make and I hope that you will feel free to discuss these matters with the Academy and Dr. Rigel as you deem appropriate.

I request your reply to the above matters by April 10, 1987.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

THE UNIVERSITY OF TEXAS SYSTEM
CANCER CENTER, M.D. ANDERSON
HOSPITAL AND TUMOR INSTITUTE,
Houston, TX, April 7, 1987.

Hon. JOHN DINGELL,
Chairman, U.S. House of Representatives, Committee on Energy and Commerce, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN DINGELL: I am responding to your letter of March 18, 1987, that was addressed in error to Dr. Morton Lippmann. In this letter you requested a copy of the review of the EPA's Risk Assessment Document on Stratospheric Modification prepared by the Stratospheric Ozone Subcommittee of the EPA's Science Advisory Board. My subcommittee's report was submitted to the EPA on March 23, 1987, and a copy was forwarded to Mr. David Finnegan on March 26.

The questions your raise concerning UV radiation and skin cancer are extremely important ones, and I have tried to respond to each point in your letter in order on the accompanying pages. In addition, I have enclosed a copy of a letter to Dr. David Gibbons pertaining to a point you raised concerning the causes underlying the recent increases in skin cancer incidence. The American Academy of Dermatology has emphasized the role of voluntary increases in sunlight exposure as contributing to the increasing incidence of skin cancers, in an attempt to enhance public awareness of the dangers of excessive sunlight exposure and to encourage prevention of skin cancer. Unfortunately, this point has been seized upon by some groups as indicating that skin cancer, being a "self-inflicted" condition, need not be given serious attention in the context of ozone depletion. For the reasons detailed in my letter to Dr. Gibbons, I find this a dangerous and unacceptable line of reasoning, and I wanted you to be aware of this attitude and of my reaction to it.

If I can be of any further assistance to you or your committee on this important issue or other issues relevant to the potential affects of ozone depletion, please feel free to contact me.

Sincerely,

MARGARET L. KRIPKE, Ph.D.,
Chairman, EPA Science Advisory Board, Subcommittee on Stratospheric Ozone.

[Response: Letter to Dr. Morton Lippmann]

MARCH 18, 1987.

1. Is a decrease in ozone responsible for the increasing incidence of skin cancer?

Before responding to your specific questions, I would like to comment on a statement you made in your letter on page 2. Speaking of the increasing incidence of skin cancer, you state ". . . it is not clear that the ozone layer is the sole or primary cause." I would take that statement further and say that there is at present no evidence that a decrease in the ozone layer is responsible for the recent increase in the incidence of skin cancers. There have been several erroneous statements in the press recently, linking the increases in skin cancer to ozone depletion. It is important to note that basal and squamous cell cancers (common skin cancers) develop over a period of decades, and even if the Nimbus-7 measurements prove to be correct, these decreases in global ozone are too recent to account for the rising incidence of skin cancer over the past twenty years. The implication in the editorial by Kopf et al, that increased UV radiation has resulted from decreased stratospheric ozone has no scientific basis at the present time (page 3 of your letter).

2. Testimony of Dr. Darrell S. Rigel.

Concerning Dr. Rigel's testimony, both the EPA Risk Assessment and the SAB subcommittee agree that there is increasing evidence linking melanoma and UVB radiation (p. 73, lines 1674-1684). The 1,000% increase in melanoma mentioned on p. 74 (lines 1685-1702) is probably reasonable, but this is a rather dramatic way of representing an increase from 1 case per 100,000 people per year to 10 cases per 100,000 people per year. Whether the EPA's estimates of the increases in skin cancer are too low or not (p. 74, lines 1688-1702) depends on the rate of increase in CFC emissions world wide, which is very difficult to predict.

On page 75, line 1711, Dr. Rigel states that there will be a "rapid" increase in skin cancer. I believe this term is a bit misleading in the context of ozone depletion. We are looking at a period of several decades before decreases in ozone concentration could be detected with a high degree of certainty, and another 40 year latency period before the increase in UBV would manifest itself in a higher incidence of skin cancers. I would not consider this rapid in the context of human diseases, although the term clearly is a relative one.

On page 76, line 1766, Dr. Rigel implies that given sufficient exposure to UV radiation, everyone in this country would develop skin cancer. Neither the Risk Assessment Document nor the SAB Subcommittee agrees with this conclusion. Dr. Rigel has neglected to take into account in his calculation the fact that Americans are not all equally susceptible to the development of sunlight-associated skin cancers, and that darkly pigmented persons are quite resistant. Further, in lines 1775-1780, Dr. Rigel implies that the increases in skin cancer are occurring world wide. Although this is well documented in Australia (not Austria, as written on line 1778), it must be pointed out that sunlight-associated skin cancers are largely restricted to light-skinned Caucasians, and that other ethnic groups are not at the same risk. Clearly, this is an important point to consider in attempting to reach an international agreement on limiting CFC production.

Concerning Dr. Rigel's written comments, there are no points on which he disagrees with the Risk Assessment Document or the SAB Subcommittee.

3. Is skin cancer an epidemic?

Your question as to whether skin cancer in the U.S. is "increasing at a near epidemic pace" is a difficult one. It is certainly true that both the common skin cancers and melanomas have been increasing rapidly for several decades. The Risk Assessment Document indicates that common skin cancers increased by 15 to 20% during the 6-year period from 1971-1977. However, data on the incidence of these skin cancers is very limited, due to the fact that these cancers are not included in most cancer registries. For melanoma, the incidence data are much more extensive, and it is clear that there has been a dramatic increase in this disease, beginning around the turn of the century. Whether or not it is appropriate to refer to these increases as an epidemic is a matter of opinion. According to Webster's Dictionary, an epidemic is a condition that is "excessively prevalent" in a population. A more illuminating definition was provided by Kenneth Maxcy, an infectious disease epidemiologist, who stated that the term epidemic is more commonly used to designate a sudden or unusual disturbance in the incidence of a disease. He continues,

"How great the increase in incidence must be before it is regarded as an epidemic is a matter of judgement and is influenced by psychological attitudes. The greater the fear of a disease and the more unusual its occurrence in a community, the smaller the increase need be to justify the use of this decriptive term." [1]

My personal view is that the term is somewhat alarmist and conjures up pictures of bubonic plague, and is best left for describing infectious diseases. However, as Dr. Maxcy stated, it is really a matter of opinion as to what constitutes an epidemic.

4. To what exent is UVB exposure a greater threat in some countries or regions of the United States?

As your question implies, not all individuals are equally susceptible to skin cancer induction by UV radiation. For the common skin cancers, lightskinned Caucasians are at a much higher risk than other ethnic groups. The more pigment present in the skin, the less susceptible the individual is to UV-induced skin cancers. This correlation also holds for malignant melanoma, but it is not quite as striking as for the common skin cancers. The second factor determining geographical differences in the incidence of skin cancer is the amount of UVB radiation that reaches the earth's surface. Therefore, the incidence of both melanoma and common skin cancers is highest in Australia, where there is a highly susceptible population living in an area of high sunlight exposure. However, Australian Aborigines rarely develop skin cancers because of their dark pigmentation. In the United States, skin cancer incidence tends to be highest in the southern states, but this trend is perturbed slightly by the non-uniform distribution of ethnic groups throughout the country and by differences in individual habits of sun exposure.

5. What is the relative contribution of UVB (or UVA) radiation to the cancer-causing effects of sunlight?

It is generally accepted that wavelengths in the UVB region of the solar spectrum are the most active in inducing skin cancers. This conclusion is based on several different lines of evidence, including the results from animal studies, human epidemiology, studies with mammalian cells in culture, and a genetic disease, xeroderma pigmentosum, characterized by an inability of the cells to repair UVB-induced DNA damage and an extremely high incidence of sunlight-related skin cancers, including melanoma. UVA radiation has been shown to cause squamous cell cancers of the skin in some strains of mice, but very high doses are required, relative to the doses of UVB that produce such cancers. There is no known cancer-inducing effect of visible light. In the context of ozone depletion, it is the change in UVB radiation that is important. This is because ozone has very little shielding effect on UVA or visible light; only the UVB rays are strongly absorbed by ozone. Thus, depletion of ozone will have a much greater effect on the penetration of UVB rays than on UVA and visible wavelengths.

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[1] Maxcy, K. In, "Bacterial and Mycotic Infections of Man", pp. 727-747, R. Dubos, ed., J. B. Lippincott Company, 1958.

6. What is causing the increases in skin cancer incidence?

It is generally assumed that increases in exposure to the UVB rays in sunlight are responsible, at least in part, for the increasing incidence of the common skin cancers. Many people have speculated that this is also true for melanoma, though this is less certain than for the common skin cancers. Although this is the most logical explanation based on what we know about the causes of these skin cancers, there is little direct scientific evidence supporting this speculation. It is possible that other, as yet unidentified, agents are also increasing in our environment that increase one's susceptibility to sunlight-induced skin cancer. An interesting case in point is a report that papilloma viruses have been isolated from skin cancers that occur on sun-exposed body sites in immunosuppressed patients, who have a very high incidence of skin cancer. This result raises the possibility that there may be agents other than UV radiation present in our environment that can increase the incidence of UV-associated skin cancers. To my knowledge, the extent to which other environmental agents could be responsible for the increasing incidence of skin cancers has not been determined. There is presently no way of determining whether the increase in skin cancers has resulted from deliberate suntanning activity.

7. What is the effect of sunscreen lotions?

Sunscreen lotions contain one or more chemical agents that absorb UVB radiation and prevent the absorbed rays from damaging the skin. Some of the chemicals used also absorb UVA radiation, although the activity is mainly directed at the UVB rays. Not all UVB rays are equally absorbed by these chemcials, and some of the rays get through to the skin, even under conditions of optimal use. Thus, protection is only partial. The number on the sunscreen tells you how long you can stay out in the sun before you get a sunburn. For example, if you generally burn after 10 minutes in full sunlight, an SPF 15 sunscreen permits you to stay out 15 times as long (150 minutes) before you develop the same sunburn. Although these sunscreens are highly effective in preventing sunburn and degenerative changes in the skin, they have not yet been shown to prevent skin cancer of any kind in humans.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, January 2, 1987.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State, Washington, DC.

Hon. LEE M. THOMAS,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR SECRETARY SHULTZ AND ADMINISTRATOR THOMAS: I commend your agencies and representatives for their effective efforts last month in Geneva, Switzerland, to obtain a protocol to the Ozone Layer Convention of 1985 which would apply world wide. I believe a protocol is the right approach. I understand it is also supported by industry and enviromentalists in the United States, although I note that the European CFC Producers in an October 1986 statement are not as supportive of a protocol as the U.S. industry. I am disappointed to learn that a number of countries were not represented at Geneva and that some Nations, like the European Economic Community and Japan, are less supportive of the protocol approach. Hopefully, with patience and education, these countries will also agree to a meaningful protocol that includes adequate trade provisions, particularly in light of the recently announced trade deficit of $19.1 billion for November 1986.

There are, however, several matters that concern me regarding this effort that are discussed in the attached "Enclosure." I request your reply by February 13, 1987. I am sending a copy of this letter and enclosure to the Defense Department (DOD), the Department of Energy (DOE), and the National Oceanic and Atmospheric Administration (NOAA) which also are concerned with these matters and asking them by this letter to cooperate with your agencies in preparing a response.

I am also in receipt of Assistant Secretary of State J. Edward Fox's December 23 reply to my letters concerning the participation of the Committee staff as observers to the Geneva negotiations and in all meetings of the U.S. delegation. I appreciate Mr. Fox's comment that the U.S. delegation undertook to "consult closely and continuously with observers as the discussions proceed and the U.S. position evolves." I applaud that and request that it continue. However, on at least two occasions, one here in Washington, D. C. and one in Geneva, the Congressional staff observers were excluded from delegation meetings. That was not consistent with my request. Subsequent to the second occasion, the head of the U.S. delegation, Mr. Richard Benedick, did seek to avoid such further instances. Thus, I presume that the matter has been resolved in favor of opening all such future meetings to our staff.

Please keep our Committee apprised of all matters relating to the development of this protocol in a timely fashion.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE ENCLOSURE FOR THE DEPARTMENT OF STATE AND ENVIRONMENTAL PROTECTION AGENCY

(Re: Ozone Layer Protocol and Related Matters)

JANUARY 2, 1987.

1. Please provide a table showing all CFC producing countries, the estimated annual production, and the annual exports by such countries of that production. Please include in the table the identity of each firm producing (by country) the CFCs and, if known, the specific CFCs being produced. Please also indicate which producing and nonproducing countries do not ban the use of aerosols.

2.(a) Please provide a reasonably comprehensive statement of the status of the scientific understanding available today about the risks to human health and the environment, particularly the stratospheric ozone, from continued or expanded global emissions of fully-halogenoted alkanes, including a discussion of the life of the compounds. Please identify the relevant compounds and the problems they offer.

(b) The U.S. statement of November 5, 1986 expressing the "U.S. Views" for a protocol said:

"Considerable evidence exists, both in theory and from models, linking these chemicals to depletion of ozone. However, remaining scientific uncertainties prevent any conclusive statement concerning safe levels of emissions."

In replying to (a) above, please summarize that "evidence" and the "uncertainties" and explain the status of efforts worldwide and in the U.S. to resolve the uncertainties.

(c) In its policy statement of September 16, 1986, the Alliance for Responsible CFC Policy said:

"Based on the theory, current scientific understanding, and reasonable assumptions about future emissions of substances that may modify the ozone layer, no significant modification of the ozone layer is expected during the next few decades, therefore, there is no imminent threat to human health and the environment from current CFC use or emission."

A reading of a more recent research report by the World Resources Institute seems to take a different view, while recognizing that the "urgency of the issue has fluctuated widely." What are your views on this issue of imminent threat and urgency, taking into consideration the long atmosphere lifetimes of the compounds? Do you agree with the Alliance?

(d) The December 5, 1986 edition of The Christian Science Monitor indicates that some scientists, such as one from Cornell and two from NASA, have questioned some conclusions, including a recent EPA study. One observes that "chemical process can't explain all the facts" such as "seasonal ozone redistribution." The other challenges a recent EPA study on the "rise in skin cancer rates" if CFCs are not curbed. Please comment on those challenges and indicate their significance. Was the EPA study released prior to peer review as the Cornell scientist states? If yes, please explain why. What is the status of the study?

3. Enclosed is a document prepared, but not used and thus I understand it has no official standing, by scientific advisors at Geneva. Nevertheless, it appears helpful. Please review it and if you desire, provide a revised version or make comments on it where you think they are warranted for any reason.

4. The U.S. "Views" of last November called for a "prudent protocol" which, as a "first step," should require a "near-term freeze on the emissions of all fully-halogenated alkanes (i.e., CFR 11, 12, 113, and Halon 1211 and 1301) at or near current levels." Such levels are established in the draft protocol as those that do "not exceed" each Party's "1986 level."

(a) Please explain why the above CFCs were included in the freeze and indicate the current uses and user industries of each. The enclosed paper also lists CFC 22 as a substance meeting the criteria for potential impact on the ozone. Why is that substance and CFC 114 not on the U.S. list?

(b) What is the Defense Department's view on including the Halons in the protocol? Why should they be included?

(c) Please explain the term "emissions" and explain how the U.S. expects it would be applied meaningfully in the U.S. and in other countries, particularly in nonproducing countries. The Novermber 25 draft U.S. protocol refers to annual "bulk" exports and imports. Please explain how this term works in the case of motor vehicles with air-conditioners imported to the U.S. from such countries as Sweden, Japan, and West Germany? Would they be counted by the U.S. or these other Nations?

(d) As noted in the Geneva meeting, "no country disputed need to control CFC 11 and 12, and many want to include 113 (Japan opposed)." To what extent is Japan a producer of CFC 113 and is that production now on line? Why is Japan opposed to a protocol that covers CFC 113? Is Japan phasing out other solvents in favor of CFC 113 and going to tighten systems? Is that occurring in the U.S.?

(e) Will the U.S. proposed freeze at 1986 production, not capacity, levels allow some countries without a ban on aerosols to have an advantage over other countries, like the U.S. which has a ban? With such a freeze, could those countries later adopt an aerosol ban and increase production of other CFCs, like 113, and still be within the freeze? If yes, please explain why that approach is sound from health and environment, trade and competition standpoints.

5. The European CFC producers' October 1986 statement indicate that as a "first step" a protocol "might include" a "global limit to the production of CFCs 11 and 12." As the State Department's telegram points out, the European Communities offered a proposal to freeze CFCs 11 and 12 at 1986 production, not capacity, levels. The Alliance's policy statement indicates that it "supports international resolution of the issue" without saying what substances should be covered or what limits should be established, although the related press release calls for a global limit on the future rate of growth of full halogenated CFC production capacity which leaves a great deal of "wiggle-room" I believe. Would the U.S. agree to a protocol that only places limits on CFC 11 and 12 at current production levels and relies on future actions to provide for more limits and substances in order to have some agreement?

6. The November 5, 1986 U.S. Views also calls for a "long-term schedule phase-out of emissions of these chemicals." The "phase-out" would have such "characteristics" as to:

(d) provide adequate time for shifting away from ozone-depleting chemicals to avoid social and economic disruption, while at the same time give a strong incentive for the rapid development and employment of emission controls, recycling, and benign substitute chemicals (i.e., a technology-forcing approach);

(e) take into full consideration scientific uncertainties and promote future improvements in understanding by instituting a requirement for reassessing the goal and timing of emission limits if changes in science suggest such action is warranted;

(f) address all fully-halogenated alkanes, so that the principal anthopogenic sources of atmosphere chlorine and bromine are included;

(g) allow flexibility for industrial planning by allowing trade-offs among these chemicals based on their relative ozone-depleting effects;

(h) allow flexibility for limited continued use of those chemicals which are of highest social value and for which no substitutes presently exist; and

(i) create incentives to participate in the protocol by regulating relevant trade between parties and non-parties.

The draft protocol of November 25, 1986 calls for global reductions of 20, 50, and 95 percent from the 1986 levels over an unspecified period following the effective date of the protocol which could be several years after its adoption. I understand that these percentages (which depending on the reasonableness of the related timeframes) are suggestions by the U.S. and not firm. On the other hand, the World Resources Institute press release of November 30, 1986 states that CFC emissions "could be reduced by one third in the U.S. and worldwide by using 'safe' CFCs, banning aerosols, and recycling CFCs."

A December 4, 1986 contract report to EPA on CFC substitutes which "has not been peer reviewed" discusses the new substitutes being considered today. Some of that discussion follows:

MOBILE AIR CONDITIONING

FC-134a appears to be a good candidate for substitution of CFC-12 as the refrigerant in mobile air conditioning, *providing that further toxicity studies do not show negative results. Other possible problems are oil compatability and time for implementation.*

CFC-22 may be used as a mobile air conditioning refrigerant. *However, a 60 percent higher operating pressure would require significant redesign and retooling of the currently used air conditioning systems. A major problem is the difficulty in containing CFC-2.* With present materials, permeation is about five times greater than CFC-12. *Without substantial reduction of permeation, refrigerant losses would require annual recharging for every vehicle, and excessive CFC-22 emissions would reduce some of the progress made toward reducing stratospheric ozone depleting emissions.*

CFC-114 (currently produced in small quantities) also may be used as a substitute mobile air conditioning refrigerant. Permeation would be reduced for this low pressure system. *However, CFC-114 still has a significant ozone depletion factor.* Compared to current CFC-12 systems, emissions of ozone depleting substances would be reduced by 60 percent after implementation of CFC-114. *However, complete redesign and retooling must be made for this low pressure refrigerant.* Alternatively, low vapor pressure hydrocarbons with zero ozone depletion factor could be used in this system, if the problem of flammability of hydrocarbons were resolved.

* * * * *

HOME APPLIANCES

CFC-502 may be a good candidate for substitution of CFC-12 in home appliances. It has been used satisfactorily in both low and medium temperature retail food store refrigeration systems. *However, redesign for higher pressures, including a compressor much smaller than food store applications, would be necessary.* CFC-22 also has been used satisfactorily in medium temperature retail food store applications.

The CFC-22/CFC-142b mixture may be a very good candidate for substitution of CFC-12 in refrigerator/freezers. The addition of CFC-142b lowers the operating pressure required for pure CFC-22 and increases oil solubility in the refrigerant.

FC-134a also may be a good candidate for substitution of CFC-12 if it becomes commercially available. *Also, development work must overcome the problem with electrodeposition of copper.* FC-134a causes electrodeposition of copper and copper salts from the motor windings on the internal surfaces of the expansion capillary and on the bearings of the motor and compressor.

* * * * *

Thus, there are more potential candidates for refrigerants for home appliances than for mobile air conditioning. However, additional development work specific to this application is necessary to insure that any given substitute with indeed be acceptable.

FLEXIBLE FOAM BLOWING AGENTS

From a technical and safety standpoint, CFC-123 appears to be a good substitute CFC blowing agent for flexible polyurethane foams. *The major impediment to its implementation is its cost and availability.* These factors are not yet well-defined. Economic evaluations are hindered until a practical commercial process for CFC-123 is developed.

CFC-133a has *less potential* that CFC-123 as a flexible foam blowing agent, due to its recognized toxicity and uncertainty regarding compatibility with differing feed formulations.

In comparison with CFC-123, there is much *greater uncertainty* associated with CFC-141b application as a substitute blowing agent. Questions regarding inplant safety hazards and solvent affinity toward the foam product cannot be adequately resolved with presently available information.

RIGID POLYURETHANE FOAM BLOWING AGENTS

An attractive alternative CFC to CFC-11 as a rigid urethane blowing agent may be CFC-123. The processing and product characteristics of this alternative closely resemble those of CFC-11, yet the estimated ozone depletion factor of CFC-123 is 91 percent lower than that of CFC-11. *The main trade-off with using CFC-123 is production of foams which have a lower insulating efficiency.* The other alternatives, CFC-141b and CFC-133a, may not be suitable blowing agents because of their *toxicity* and their strong solvent action. An additional drawback to CFC-133a is its low boiling point which could *compromise foam quality.*

* * * * *

SOLVENT APPLICATIONS

Both CFC-123 and CFC-132b appear to be very good substitutes in several applications for CFC-113 to reduce stratospheric ozone depletion. *However, it is not certain that they would be acceptable in all or most applications.* Since the ozone depletion potentials are only one third less than methyl chloroform and the projected costs are relatively high, both CFC-123 and CFC-132b currently appear to be *high-cost substitutes* for reducing stratospheric chlorine from methyl chloroform emissions.

As to costs of the potential substitutes, the draft report states:

"The inexpensive source of chlorocarbons and hydrogen fluoride allows the very inexpensive manufacture of current commercial CFCs via the Swarts reactions. Common CFCs are priced in the range of $1.50 to $2.00 per kilogram. It *would be very difficult to produce the newer CFCs with a specific structure at competitive prices.* Bulk prices for newer CFC when fully commercialized are expected to be in the range of $2.55 to $10.20 per kilogram, although CFC-124 may be as high as $15.00 per kilogram (see Section 8)."

The draft report and the U.S protocol do not appear to address another concern about how the *user* industry and the small business service industry, *and the small business service industry,* particularly in case of home and commercial refrigeration/air conditioners and motor vehicle air conditioners, will be able to continue to service those systems over their lifetime, once reductions begin. Those vehicles and units were built and installed with CFCs now being considered for global reduction. Some require recharging, although the draft report says that is "very infrequent" for home appliances which, may or may not include home central air conditioners which often do require recharging. It is not clear that the substitutes would be compatible or suitable for existing installed systems, particularly mobile systems. Many such systems have long lifetimes.

(a) Please explain to what extent you disagree or agree with the above comments about the availability of substitutes. What analysis was made by the U.S. of the availability of substitutes and their costs within the timeframes and percentages contemplated in the November 25 draft? Do the proposed reductions suggested in the draft consider the availability of present CFCs for existing units?

(b) Is there any reason to believe that producers in other countries with existing patents will develop substitutes sooner than U.S. firms? I note that the draft report states that the "patents are based upon laboratory scale results, and do not imply that each process could be commercialized on a large scale." In the case of CFCs-123, 124, 132b, 133a, 134a and 141b, the draft report states that "development work at DuPont has been stopped." My undertanding is that DuPont is not the only U.S. firm trying to develop substitutes. What is the status of this effort by any firm? To what extent do these substitutes present possible problems for the user industries, such as safety and fuel economy problems, for the motor vehicle industry? Are those problems being examined by the applicable agencies?

(c) I note that a Wall Street Journal article of December 2, 1986 states that "U.S. chemical producers clearly aren't rushing to develop substitutes" and DuPont is not planning "heavy spending" on CFC 134a "until regulatory action or consumer demand justify it." The World Resources Institute states that without a "stiff tax, chemical companies may be unwilling to invest" in substitutes. I presume this would be a U.S. tax only. How will the U.S. draft protocol encourage on a global basis acceptable and reasonable substitutes for the user industries? Do you agree that a tax is needed?

(d) World Resources urges "short-term reductions of one third" to promote substitutes and a total phase out in "perhaps a decade." The Natural Resource Defense Counsel seeks 30% reduction by the end of 1988, 85% by 1992, and a phaseout in ten years. The draft EPA report does not appear to support such short timeframes. It states:

"In the absence of future regulations, the newer CFCs do not appear cost effective compared to current CFCs. Up to five years of additional development work may still be required, depending on remaining process problems. Thus, it is anticipated that commercialization of new CFC chemicals would require about four to 10 years, depending on the status of current process development work, the remaining process problems, and the strength of the driving forces to proceed."

Lead time and technology problems, if any, including safety, for the user industries to adopt to such substitutes is not discussed in the U.S. Views.

What are your views on the time required to develop suitable substitutes and for the user industries to be able to adopt them (a) after a protocol is developed and (b) after the protocol is effective? What is the justification for a "technology-forcing approach" in this case and what is the implication of that approach for the user industries? What is the likelihood that a protocol will reflect the recommendations of the World Resource Institute or the NRDC?

(e) To what extent is recycling and the use of closed systems, especially in the case of solvents, expected to result in considerable reductions? To what extent are these used by the CFC 113 users in this country?

(f) During discussions of the draft protocol with observers present, Mr. Benedick explained that the draft protocol provides for adjustments in the stringency, timing, and scope of the control measures if the substitutes are not developed and/or the users cannot accommodate the substitutes within the time set in the protocol. However, our staff pointed out that the draft (Article IV: 3) allows such adjustments only in "light of scientific review." Mr. Benedick agreed that the draft needed revision to reflect his statements. Please make that revision.

7. The December 2 Wall Street Journal article states that an "estimated 70% of the world's CFC use occurs outside the U.S." and greater demand is "projected in future years" by developing nations. The article states that "EPA is also under a court-ordered May deadline to decide on added CFC regulations." Please provide a copy of that order. What is the status of that decision effort in light of the on-going United Nations negotiations and the above estimates? How will CFC regulations in the U.S. significantly impact the global picture of emissions? What will be the impact on U.S. industries competing with other nations with no corresponding regulations? Would the regulations, if any, be issued under section 157 of the Clean Air Act? What substances will be considered for regulation?

8. Please describe the Soviet and Nordic proposals and explain any concerns about them. What is being done to encourage more nations to participate in the next negotiations? Please describe your efforts to further examine the trade issues concerning CFCs. What are those issues?

9. I am in receipt of a November 26, 1986 release by the Department of Energy (DOE) of a December seminar to describe DOE's "state-of-the-art reports on carbon dioxide research and the greenhouse effect." Senator Chafee, in recent Senate hearings, said ozone "depletion and the greenhouse effect can no longer be treated solely as important scientific questions." The World Resource Institute is also concerned about the greenhouse problem. What is the science today regarding the greenhouse effect and what is the status of the research? What is the relationship of this to the ozone issue? What is being done about this problem in the U.S. and worldwide? If the problem relates to the burning of fossil fuels in the U.S. and elsewhere, what are the alternatives since halting such burning by our factories, homes, and utilities does not appear likely?

I am also providing a copy of this letter to the World Resources Institute, the NRDC, and the Alliance. I welcome their comments on the matters discussed herein. In the case of the Alliance, I urge that the Alliance provide copies thereof to its members and encourage all the members, but particularly the users of CFCs, to submit comments on these matters directly to the Committee within the next 60 days with specific attention to the quality, trade, energy, technological, competitive, safety, economic, and other problems users may identify with the development of substitutes and the lead times required for users and the need for incentives of any kind to stimulate the development of substitutes and/or recycling or other measures to prevent or greatly reduce emissions.

SCIENTIFIC ADVICE REGARDING COMPOUNDS TO BE INCLUDED IN THE PROTOCOL

I. DEFINITIONS

Suggest that compounds be listed by individual chemical formula rather than generic labels in order to avoid any ambiguity in scope of chemicals to be included in the protocol.

For example, there should then be no confusion as to whether CF2BrC1 (i.e., Halon 1211) is a fully halogenated chlorofluorocarbon.

II. CRITERIA FOR CONSIDERATION OF PRIORITY ORDER OF COMPOUNDS THAT HAVE THE POTENTIAL OF DESTROYING STRATOSPHERIC OZONE

1. Rate of release of the compound into the atmosphere.

2. Fraction of the compound released at ground level that reaches the stratosphere.

3. Efficiency of the compound to destroy ozone once in the stratosphere.

III. PRELIMINARY CONCLUSIONS

Based on our knowledge of the three factors above, the compounds that deserve consideration for inclusion in the protocol are in the following approximate order of importance:

First priority: CFC13 (11), CF2C12 (12), and C2F3C13 (113).

Reason:

High emission rates;

High fraction reaching the stratosphere;

High efficiency to destroy ozone.

Second priority: CF3Br (1301) and CF2C1Br (1211).

Reason:

Low current emission rates but with potential for rapid growth;

High fraction reaching the stratosphere (unity or close to unity);

Very high efficiency to destroy ozone (bromine is about a factor of ten more efficient than chlorine per atom).

Third priority: CF2C1H (22) and CH3CC13 (methyl chloroform).

Reason:

Even with significant emission rates, only a small fraction (⅕-1⁄20) of the ground-level release reaches the stratosphere (removal in the troposphere due to the hydrogen content of the compound);

Medorately high efficiency to destroy ozone once in the stratosphere.

The details are given in Table I and II

TABLE I.—SIMPLE APPROXIMATE CALCULATION OF IMPACT OF COMPOUNDS ON OZONE USING THREE CRITERIA OUTLINED

Categories	Compound	Emissions [1]	Fraction Reaching Stratosphere	Efficiency		Total
				# Atoms	E	
I	CFC13 (11)	300	1	3	1	900
	CF2C12 (12)	400	1	2	1	800
	C2F3C12 (113)	150	1	3	1	450
II	CF3Br (1301)	[2] 1–10	1	1	10	10–100

TABLE I.—SIMPLE APPROXIMATE CALCULATION OF IMPACT OF COMPOUNDS ON OZONE USING THREE CRITERIA OUTLINED—Continued

Categories	Compound	Emissions[1]	Fraction Reaching Stratosphere	Efficiency		Total
				# Atoms	E	
III	CF2C1Br (1211)	[2] 1-10	~0.5	1	10	5-50
	CF2C1H (22)	[3] 50-200	0.2	1	1	10-40
	CH3CC13	500	0.1	3	1	150

[1] Millions of kilograms—annual global production.
[2] Estimated range of current production.
[3] Science team guess.

TABLE II.—ESTIMATES OF ATMOSPHERIC LIFETIMES

		Years
I	CFC13 (11)	75
	CF2C12 (12)	110
	C2F3C13 (113)	90
II	CF3Br (1301)	110
	CF2C1Br (1211)	25
III	CF2C1H (22)	20
	CH3CC13	6

ADDITIONAL COMMENTS

(a) Any source of chlorine or bromine to the stratosphere is thought to eventually lead to some ozone depletion.

(b) If the release of compounds such as CFC13 or CF2C12 do cause ozone to be depleted significantly, then the full recovery of the atmospheric system after complete termination of emissions will take many decades or centuries due to the long atmospheric lifetimes of these compounds. However, in contrast, once releases of CH3CC13 or CF2C1H are terminated, the recovery is much quicker (e.g., decades) due to the shorter atmospheric lifetimes.

(c) CC14 was not explicitly considered since our understanding of the emission rates is inadequate—most is not released to the atmosphere but rather is used to produce F11 and F12.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, March 2, 1987.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing in response to your letter dated January 2, 1987 on stratospheric ozone. EPA received your questions on January 13. I appreciate your interest in the issue of stratospheric ozone protection and enclose our response to your questions. This response incorporates comments by the Department of State, the Department of Energy, the Department of Defense, the Department of Commerce and the Council on Environmental Quality.

Sincerely,

LEE M. THOMAS.

QUESTIONS AND ANSWERS

Question 1: Please provide a table showing all CFC-producing countries, the estimated annual production, and the annual exports by such countries of that production. Please include in the table the identity of each firm producing the CFCs (by country) and, if known, the specific CFCs being produced. Please also indicate which producing and nonproducing countries do not ban the use of aerosols.

Response: There is no single comprehensive source from which to respond to your question. The major sources of information are described below and are followed by tables summarizing the available data.

CMA data. The most complete data on production of CFC-11 and CFC-12 are reported annually by the Fluorocarbon Program Panel of the Chemical Manufacturers Association (CMA). These production data are reported to the CMA by 21 companies in North America, South America, Western Europe, Japan, Australia, Africa, and India. No estimates are included for the USSR, Eastern European countries, and the People's Republic of China. A copy of the latest CMA data is attached (following the tables presented in response to Question 1).

The CMA data are only for CFC-11 and CFC-12. Annual data are reported for 1931 to the present. They are separated by the end-use categories of (1) hermetically sealed refrigeration; (2) non-hermetically sealed refrigeration; (3) blowing agents for closed cell foam; (4) open cell foams, aerosol propellants, and all other uses. For the years 1976 to the present, this last category is subdivided into (a) open cell foams; (b) aerosol propellants; and (c) other uses. Estimates of CFC emissions are calculated with release algorithms for each end use.

USITC data. The United States International Trade Commission (USITC) reports monthly and annual U.S. production and sales of CFC-11, CFC-12, and CFC-22.

UNEP-sponsored data collection. The United Nations Environment Programme (UNEP) has solicited CFC production data from all nations in anticipation of its information gathering mandate under the Vienna Convention for Protection of the Ozone Layer. Many countries formally presented their data in papers at a UNEP workshop on CFC demand and control technologies that was held in Rome, Italy, in May 1986.

Other sources. Based on reviews of the trade literature and contracts with industry officials, researchers at the RAND Corporation and other organizations have prepared estimates of CFC production and release.

The following tables summaries information from all of these sources. Note that definitions vary as noted in footnotes and, for many nations information on exports and restrictions on aerosol use was not available.

CMA REPORTING COMPANIES

	1985 production (mill kg)
CFC-11	[a] 326.814
CFC-12	[a] 376.339

UNITED STATES

	1985 production (mill kg)
CFC-11	[a] 73.76
CFC-12	[a] 127.89
CFC-22	[a] 99.20
CFC-113	[b] 73.20

Imports of CFC-11 and CFC-12 in 1985: 7.08 (~95% CFC-11, 5% CFC-12)[c].

Exports of fluorinated hydrocarbons in 1985: 13.42 (~75-95% CFC-11 and CFC-12)[c]

Restrictions

Ban on CFCs as non-essential aerosol propellants implemented in 1978.

Producers

Allied Chemical Corporation (CFC-11, -12, -22, -113).

E.I. duPont de Nemours & Co., Inc. (CFC -11, -12, -22, -113.)

Kaiser Aluminum & Chemical Corp. (CFC-11, -12, -22).

Pennwalt Corp. (CFC-11, -12, -22).

Racon, Inc. (CFC-11, -12, -22).

EEC AND MEMBER NATIONS

	1984 sales (mill kg)	1984 exports out of EEC (mil kg)
CFC-11	[d]126.4	[d]48.5
CFC-12	[d]91.3	[d]55.0
CFC-113	[d]32.5	[e]12.9

To protect trade confidentiality, EEC member nations generally do not release national production data. EEC member nations are: Belgium, Denmark, France, Federal Republic of Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, and the United Kingdom. (The above table does not include estimates for Spain and Portugal which joined the EEC in 1986.)

Restrictions[f]

All EEC members: Capacity cap on CFC-11 and CFC-12 based on 1980 levels 30% cutback on aerosol use from 1976 level Voluntary engineering codes of practice.

Belgium: ban on non-essential aerosols.

Denmark: de facto ban on CFCs for aerosols and solvents.

Netherlands: aerosol warning label required.

Portugal: ban on CFC-11, -12 production; and import quota.

Producers[g]

France: Atochem, S.A.

Greece: Societe des Industries Chimiques du Nord de la Grece, S.A.

Italy: Montefluos S.p.A.

Netherlands: Akzo Chemie, B.V.; Du Pont de Nemours, N.V.

Spain: Hoescht Iberica; Ugimica S.A.; Kali-Chemie Iberia, SA.

United Kingdom: Imperial Chemical Industries PLC; I.S.C. Chemicals Ltd.; African Explosives & Chemicals Industries, Ltd.

West Germany: Hoescht AG; Kali-Chemie Aktiengesellschaft.

PRODUCERS IN OTHER NATIONS (With Reported Production Data)

AUSTRALIA

	1984 production (mil kg)
CFC-11	[j]6.0
CFC-12	[j]6.0
CFC-113	[j]1.0

Negligible imports and exports[j].

Restrictions

Voluntary aerosol reductions: 66% decrease from 1974.

Producers

Pacific Chemical Industries Pty. Ltd.
Australian Fluorine Chemical Pty., Ltd.

BRAZIL

	1984 production (mil kg)
CFC-11	[f]4.7
CFC-12	[f]12.3

1983 Imports of all CFCs: 0.065[f].
1983 Exports of all CFCs: 57.8[f].

Restriction

Capacity cap.

Producers

Du Pont do Brasil S.A.
Hoeschst do Brasil Quimica e Farmaceutica S.A.

CHINA

Production of all CFCs: 18.0.

JAPAN

	1985 production (mill kg)	1985 exports (mill kg)
CFC-11	[n]27.8	[n]2.7
CFC-12	[n]34.7	[n]2.3
CFC-113	[b]35.0	

Producers

Asahi Glass Co., Ltd.
Daikin Kogyo Co., Ltd.
Du Pont Mitsui Fluorochemicals Co., Ltd.
Showa Denko, K.K.

Restrictions

Voluntary reductions in aerosol use and production capacity cap on CFC-11 and -12.

ARGENTINA

Producers

Ducilio S.A. (DuPont).

CANADA

	1984 consumption (mill kg)
CFC-11 and CFC-12	[i]14.0
CFC-113	[i]2.0

Restrictions

Aerosol ban.

Producers

Allied Chemical Inc.
Du Pont Canada, Inc.

INDIA

Producers

Navin Fluorine Industries.

MEXICO

	1983 consumption (mill kg)	1983 imports (mill kg)
All CFCs	[p]5.2	
CFC-11		[p]0.003
CFC-12		[p]0.038
CFC-22		[p]0.0048

Producers

Quimobasicos, S.A.
Halocarburos, S.A.

U.S.S.R.

Current production capacity of CFC-11 and CFC-12: 60.0.

VENEZUELA

Producers

Produven.

NONPRODUCING COUNTRIES (RESPONSE TO UNEP DATA REQUEST)

Austria: non-producer; net use of all CFCs: 5.2[m].

Cyprus: non-producer; net use of all CFCs: 0.5[f].

Egypt: non-producer; net use of all CFCs: (1985): 2.9[f].

Honduras: non-producer; net use of all CFCs: >0.159.[f].

Kuwait: non-producer; net use of all CFCs: 1.0[o].

Liberia: non-producer.

Malaysia: non-producer; use of CFC-11, CFC-12, and CFC-22: 1.4[k]; Use of CFC-113: 0.4 to 0.5[k].

Monaco: non-producer.

Norway: non-producer; 1984 use of CFC-11: 0.37[h]; 1984 use of CFC-12: 0.36[h]; 1984 use of CFC-113: 0.18[h]; restrictions: aerosol ban.

Saudi Arabia: non-producer; 1983 use of all hydrogenated hydrocarbons: 4.3[f].

Sweden: non-producer; 1984 use of CFC-11: 1.57[h]; 1984 use of CFC-12: 2.04[h]; 1984 use of CFC-113: 0.64[h]; restrictions: aerosol ban.

Switzerland: non-producer.

Thailand: non-producer; net use of all CFCs: ~2.0[f].

Turkey: non-producer.

NOTES

[a] United States International Trade Commission (1986), "Preliminary Report on U.S. Production of Selected Synthetic Organic Chemicals (Including Synthetic Plastics and Resin Materials) July thru September, October thru December, and Cumulative Totals 1985," USITC, Washington, DC, February 20, 1986.

[b] Hammitt, J.K., K.A. Wolf, W.E. Mooz, T.H. Quinn, and A. Bamezai (1986), *Product Uses and Market Trends for Potential Ozone-Depleting Substances, 1985-2000*, R-3386-EPA, The RAND Corporation, Santa Monica, CA.

[c] Miles, C.M., and R.M. Whitfield (1986), "Reply to the RAND Corporation's Response to DRI's Review of RAND's Working Draft, 'Projected Use, Emissions, and Banks of Potential Ozone-Depleting Substances'," Data Resources, Inc., presented at U.S. Environmental Protection Agency, "Protecting the Ozone Layer: Workshop on Demand and Control Technologies," Washington, DC, March 6-7, 1986.

[d] Bevington, C.F.P. (1986), *Projections of Production Capacity, Production and Use of CFCs in the Context of EEC Regulations*, prepared by Metra Consulting Group, Ltd., for the EEC and submitted for Topic 2 of UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[e] Bevington (see note d). Includes CFC-113 and CFC-114 (~85% CFC-113; 15% CFC-114).

[f] United Nations Environment Programme (1986), *Background Factual Papers on Current Production Capacity, Use, Emissions, Trade and Current Regulation of CFCs Separately by Country and/or Region. Topic 1—Overview*, prepared for UNEP Workshop on Chlorofluorocarbons, Rome, Italy, May 1986.

[g] EEC producers are listed in Bevington, C.F.P. (1986), *Chlorofluorocarbons: Production, Use, Trade, and Current Regulations in the European Economic Community*, prepared by Metra Consulting Group, Ltd., for the EEC and submitted for Topic 3 of UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986. To protect trade confidentiality, national data are unavailable.

[h] Ostman, A., P. Bohm, and I. Kokeritz (1986), *Current Use of CFCs in Sweden and Norway*, prepared for the Swedish Environment Protection Board and submitted for Topic 1 of the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[i] Computed from data in Sheffield, A. (1986), *Canadian Overview of CFC Demand Projections to the Year 2005*, prepared by Environment Canada and submitted for Topic 2 of the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[j] Department of Arts, Heritage and Environment, Australia (1986), *Australian Submission to UNEP Workshop on Chlorofluorocarbons*, submitted for Topic 1 of the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[k] Department of Environment, Malaysia (1986), *County Report, Chlorofluorocarbon Chemicals in Malaysia*, submitted for Topic 1 of the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[l] Zhijia, W. (1986), *Country Paper for Topic 1*, prepared by the National Environmental Protection Agency of the People's Republic of China for Topic 1 of the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[m] Austria (1986), *Current Use of CFC's in Austria*, prepared by the Austrian Delegation for Topic 1 of the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[n] Kurosawa, K., and K. Imazeki (1986), *Draft Report of the Second Part of the Workshop on the Control of Chlorofluorocarbons*, UNEP/WG.148/3/L.1/Corr. 1, 11 September 1986.

[p] Perez, A.R.A. (1986), *National Panorama of Chlorofluorocarbons*, prepared by Secretaria de Desarrollo Urbano y Ecologia for the UNEP Chlorofluorocarbon Workshop, Rome, Italy, May 1986.

[q] Chemical Manufacturers Association (1986), *Production, Sales, and Calculated Release of CFC-11 and CFC-12 through 1985*, CMA, Washington, DC.

Question 2 (a) and (b): (a) Please provide a reasonably comprehensive statement of the status of the scientific understanding available today about the risks to human health and the environment, particularly the stratospheric ozone, from continued or expanded global emissions of fully-halogenated alkanes, including a discussion of the life of the compounds. Please identify the relevant compounds and the problems they pose.

(b) The U.S. statement of November 5, 1986, expressing the "U.S. Views" for a protocol said:

"Considerable evidence exists, both in theory and from models, linking these chemicals to depletion of ozone. However, remaining scientific uncertainties prevent any conclusive statement concerning safe levels of emissions."

In replying to (a), above, please summarize that "evidence" and the "uncertainties" and explain the status of efforts worldwide and in the U.S. to resolve the uncertainties.

Response: EPA has recently drafted a five-volume assessment of the risks of stratospheric modification. The document, which has received preliminary review by the Agency's Science Advisory Board, represents a synopsis of current understanding of how atmospheric composition may change, the effects this change is likely to have on ozone abundance and its vertical distribution, and the impacts of these changes in ozone on skin cancer, cataracts, suppression of the immune system, materials, plants, and aquatic systems. It also examines relat-

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[*] The apparent discrepency between producers and exports appears in the primary data supplied by Brazil to UNEP.

ed changes in climate and the potential impacts of climate change on sea level rise, agriculture, human health, water resources, and forests. Included in the assessment is a review of the recent discovery of substantial seasonal losses of ozone over Antarctica and the fact that the causes of this phenomenon have not yet been determined. Despite significant improvement in our understanding of these issues, substantial uncertainties remain. This risk assessment identifies and discusses these uncertainties and, where possible, estimates quantitatively their potential significance. The summary findings are attached.

SUMMARY FINDINGS OF "AN ASSESSMENT OF THE RISKS OF STRATOSPHERIC MODIFICATION"[1]

1. Considerable research has taken place since 1974 when the theory linking chlorine from chlorofluorocarbons (CFCs) and depletion of ozone was first developed. While uncertainties remain, the evidence to date continues to support the original theory that CFCs have the potential to decrease stratospheric ozone.

2. Atmospheric measurements show that the chemical composition of the atmosphere—including gases that affect ozone—has been changing. Recently measured annual rates of growth in global atmospheric concentrations of trace gases that influence ozone include: CFC-11: 5 percent; CFC-12: 5 percent; CFC-113: 10 percent; carbon tetrachloride: 1 percent; methyl chloroform: 7 percent; nitrous oxide: 0.2 percent; carbon monoxide: 1 to 2 percent; carbon dioxide: 0.5 percent; and methane: 1 percent. More limited measurements of Halon 1211 show recent annual increases of 23 percent in atmospheric concentrations.

3. CFCs, Halons, methyl chloroform, and carbon tetrachloride release chlorine or bromine into the stratosphere where they act as catalysts to deplete ozone. In contrast, carbon dioxide and methane either add to the total column of ozone or slow the rate of depletion. The effect of increases in nitrous oxide varies depending on the relative level of chlorine.

4. Future changes in emissions of these gases will significantly affect total column ozone. CFCs, methyl chloroform, carbon tetrachloride, and Halons are industrially produced. Emissions of methane, carbon dioxide and nitrous oxide occur from both human activity and the natural biosphere. Because all these gases (with the exception of methane and methyl chloroform) have atmospheric lifetimes of many decades to over a century, emissions today will influence ozone levels for a very long period of time.

5. In order to assess risks, scenarios of atmospheric change were evaluated using models. For CFCs, methyl chloroform, carbontetrachloride, and Halons, "what-if scenarios" were developed based on analyses of the demand for goods using these chemicals (e.g., refrigerators, computers, automobile air conditioners) and the historic relationship between economic activity and the use of these chemicals. To reflect the large uncertainties inherent in these scenarios, particularly with respect to technological innovation and the possibility that industry and consumers will voluntarily limit their future use of these chemicals due to concern about ozone depletion, a wide range of scenarios was examined. The scenarios range from a voluntary 80 percent phase-down in the use of CFCs by 2010 to an average annual growth in use of 5 percent per year from 1985 to 2050. For ozone-modifying gases other than CFCs, scenarios were based on recently measured trends, with uncertainties being evaluated by considering a range of future emissions and concentrations.

6. One- and two-dimensional atmospheric chemistry models were used to assess the potential effects of possible future changes in atmospheric concentrations of ozone-modifying gases on stratospheric ozone. These models attempt to replicate factors that influence the creation and destruction of ozone. While the models replicate many of the characteristics of the atmosphere accurately, they are inconsistent with measured values of other constituents, thus lowering our confidence in their ability to predict future ozone changes accurately.

7. Based on the results from these models, the cause of future changes in ozone will be highly dependent on future emissions of ozone-modifying gases. One-dimensional models project that if the use of CFCs remain constant and other trace gas concentrations continues to grow, total column ozone levels would at first decrease slightly and would subsequently increase. If the use of CFCs continue to grow at past rates and other gases also increase at recent rates, substantial total column ozone depletion would occur by the middle of the next century. If the use of CFCs stays at current levels and the growth in the concentrations of other trace gases decreases over time, depletion will also occur.

8. In all scenarios examined, substantial changes are expected in the vertical distribution of ozone. Ozone decreases are generally expected at higher altitudes in all scenarios in which CFC concentrations increase. Ozone increases are expected at lower altitudes in many scenarios examined due to increased concentrations of methane.

9. Two-dimensional (2-D) models provide information on possible changes in ozone by season and by latitude. Results form one 2-D model perdict global average depletion could be substantially higher than estimates from a one-dimensional (1-D) model for the same scenario. Moreover, the 2-D model suggests that ozone depletion substantially above the global average would occur at higher latitudes (above 40 degrees), and depletion in the spring would be greater than the annual average. Uncertainties in the representation of the transport of chemical species used in 2-D models introduce uncertainty in the estimate of the magnitude of the latitudinal gradient of ozone depletion, but all 2-D models project a significant gradient.

10. Measurements of ozone levels are another valuable tool for assessing the risks of ozone modification. Based on analysis of data from a global network of ground-based monitoring stations, ozone levels have decreased at mid-latitudes in the upper and lower stratosphere and increased in the troposphere. Total column ozone has remained more or less stable. These trends are roughly consistent with current 2-D model predictions.

11. Recent evidence indicates that since the late 1970s, substantial decreases in ozone have occurred over and near Antarctica during its springtime. These losses have been verified by different measurement techniques, and different theories have been suggested to explain the cause of the seasonal loss in ozone. Insufficient data exist to state whether chlorine and bromine are responsible for the observed depletion, or whether some other factor is the cause (e.g., dynamics or changes in solar flux that alters NOx). Furthermore, even if manmade chemicals are the cause of the phenomenon, stratospheric conditions surrounding Antarctica are different from the stratospheric conditions for the rest of the world, so that it cannot be assumed that similar depletion would occur elsewhere. Models did not predict the Antarctic depletion, however. Consequently, the change in Antarctica does indicate that ozone abundance is more sensitive (to yet unknown factors) than previously believed.

12. Preliminary data from Nimbus-7 suggest that a significant decrease in global ozone levels may have occurred during the past several years. These data have not yet been published, and the data require additional review and verification. If verified, further analysis would be required to determine if chlorine is responsible for the reported decrease in ozone levels or whether the decrease reflects short-term natural variations.

13. Decreases in total column ozone would increase the penetration of biologically damaging Ultraviolet-B (UV-B) radiation (i.e., 290-320 namometers) and, thus, the amount reach the earth's surface.

14. Laboratory and epidemiologic studies have linked exposure to UV-B radiation and development of squamous cell and basal cell skin cancers. While uncertainty exists concerning the appropriate action spectrum (i.e., the relative biological effectiveness of different wavelengths of light) and the best measure of exposure, a range of estimates was developed linking possible future ozone depletion with increased incidence of these skin cancers (these cancers are also referred to as nonmelanoma skin cancers.

15. Studies predict that for every 1 percent increase in UV-B radiation (which corresponds to less than a 1 percent decrease in ozone), nonmelanoma skin cancer cases will increase on the order of 1 to 3 percent. The mortality rate for these forms of cancer has been estimated at 1 percent or less of total cases.

16. The relationship between cutaneous malignant melanoma and UV-B radiation is a complex one. Different historical forms exist, and laboratory experiments have not succeeded in transforming melanocytes with UV-B radiation. However, recent studies suggest that UV-B radiation plays an important role in causing melanoma. Uncertainties in action spectrum, dose measurement, and other factors necessitates the use of a range of dose-response estimates. Considering such uncertainties, recent studies predict that for each 1 percent change in UV-B, the incidence of melanoma could increase by slightly less than 1 percent.

17. Studies have demonstrated that UV-B radiation can suppress the immune response system in animals and possibly in humans as well. While UV-B-induced immune suppression has been linked to chronic reinfection with herpes virus and leishmaniasis, its possible impact on other diseases has not been studied.

18. Increases in exposure to UV-B radiation are likely to increase the incidence of cataracts and could adversely affect the retina.

19. While studies generally show adverse impacts on plants from increased UV-B exposure, difficulties in experimental design, the limited number of species and cultivars tested, and the complex interactions between plants and their environments prevent firm conclusions from being made for

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[1] January 1987 draft. This summary of findings will be further revised to reflect comments by the Science Advisory Board.

the purpose of quantifying risks. Field studies on soybeans suggest that yield reductions could occur in some cultivars of soybeans, while evidence from laboratory studies suggests two out of three cultivars are sensitive to UV-B.

20. Aquatic organisms, particularly phytoplankton, zooplankton, and the larvae of many fishes, appear to be susceptible to harm from increased exposure to UV-B radiation because they spend at least part of their time at or near surface waters. However, additional research is needed to better understand the ability of these organisms to mitigate adverse effects and any possible implications of changes in community composition as more susceptible organisms decrease in number. Finally, the implications of possible effects on the aquatic food chain require additional study.

21. Research has only recently been initiated into the effects of UV-B on the formation of troposheric ozone and the weathering of polymer materials. An initial chamber and model study shows that tropospheric ozone levels could increase, resulting in additional urban areas being in non-compliance with National Air Quality Standards. The increase in UV-B would also produce ozone peaks that would be reached earlier in the same day, exposing large populations to unhealthy levels. The same study also predicts substantial increase in hydrogen peroxide levels, an acid rain precursor. However, because only one study has been done, the results must be viewed with caution. Additional theoretical and empirical work will be needed to verify these projections. It also appears likely that the higher UV-B would cause accelerated weathering of polymers, necessitating polymer reformulation or the use of stabilizers in some products.

22. In addition to altering ozone levels, increases in trace gas concentrations are likely to produce changes in climate. While some of the trace gases discussed above deplete ozone, and others result in higher ozone levels, all are greenhouse gases that contribute to global warming. Based on a range of potential future rates of growth of greenhouse gases, current models estimate that by 2075 equilibrium global temperatures may increase by 2° to 11.5° C. The National Academy of Sciences has recommended that the range of uncertainty for these types of equilibrium estimates be set at plus and minus 50 percent.

23. Understanding of the possible health and environmental impacts of climate change is very limited. Studies predict that sea level could rise by 10-20 centimeters by 2025, and by 55-190 centimeters by 2075. Such increases could damage wetlands, erode coastlines, and increase damage from storms. Changes in hydrology, along with warmer temperatures, could affect forests and agriculture. In most situations, inadequate information exists to quantify the risks related to climate change.

24. To perform the computations necessary to evaluate the risks associated with stratospheric modification, an integrating model was developed to evaluate the joint implications of scenarios or estimates for: (1) potential future use of CFCs; (2) ozone change as a consequence of CFC use and emissions; (3) changes in UV-B radiation associated with ozone change; and (4) changes in skin cancer cases and cataracts associated with changes in UV-B radiation. The integrating model did not incorporate many potential impacts of stratospheric modification that could not be quantified.

25. A wide range of scenarios of potential CFC use and trace gas concentration growth was evaluated. Across this range of scenarios, ozone change by 2075 could vary from as high as over 50 percent ozone depletion to approximately 3 percent increased ozone abundance. This range of ozone change implies a change in the number of skin cancer cases among people alive today and born through 2075, ranging from an increase of over 200 million to a decrease on the order of 4.5 million. The overwhelming majority (over 95 percent) of the increases and decreases in skin cancer cases that are projected to occur under these scenarios would be basal cell and squamous cell cancers (i.e., nonmelanoma skin cancer). Mortality impacts are estimated to be on the order of 1.5-2.0 percent of the changes in total cases, and the estimated impacts are primarily associated with people born in the future. The statistical uncertainty of these estimates is on the order of plus and minus 50 percent. Additional uncertainties exist, some of which cannot be quantified. The greatest single uncertainty about future risks is driven by the rate at which CFC use grows or declines. This uncertainty is reflected in the assessment by examining a wide range of "what-if-scenarios" of future CFC use.

The potential effects of trace gases are presented in the following simplified table:

Compounds	Stratospheric ozone	Global temperature
Chlorofluorocarbons	Depletes	Increases.
Halons (bromine)	do	Do.
Methane (CII_4)	Counters depletion: Adds ozone (Troposphere).	Do.
Nitrous oxide (N_2O)	Counters depletion in high chlorine cases.	Do.
Carbon Dioxide (CO_2)	Adds ozone	Do.

(b) The Agency's draft risk assessment evaluates the usefulness and uncertainties of atmospheric models. The relevant section is follows:

Models of the atmosphere that incorporate current scientific understanding of chemistry and physics project significant changes in global ozone (total column and/or column organization) and increases in global tropospheric surface temperature if trace gas concentrations grow significantly. Uncertainties about magnitudes remain large.

Models that incorporate current scientific understanding are used as the primary tool to project the potential consequences of future changes in abundances of trace gases. These models can be partly tested by historically observed changes, and, in the case of climate, with paleoclimatic and extraterrestrial environments. While current models accurately represent some aspects of the atmosphere, they fail to replicate other characteristics. This section summarizes the currently available evidence on how changing atmospheric abundance could modify total column ozone, alter column distribution, and change global climate.

13. Both theory and models of stratospheric processes project that increases in chlorine and bromine will decrease ozone, while increases in carbon dioxide and methane will increase ozone or reduce depletion. The effect of nitrous oxide on ozone depends on complex interactions and is scenario specific. While considerable uncertainties exist about relative rates of future growth, if CFC use increases substantially above current levels, total column ozone depletion is likely.

13a. Photochemical theory continues to support the conclusion that chlorine, nitrogen, bromine, and hydrogen can catalytically destroy ozone in the stratosphere.

13b. One-dimensional models currently predict a 5-9 percent depletion for the steady-state concentrations of chlorine that would result from constant emission of CFCs at 1977 levels (and assuming no change in other gases). While useful for intercomparing models, these values cannot be used to assess the risks of depletion in an atmosphere because other gases affecting ozone levels are, in fact, also changing.

13c. One-dimensional (1-D) models predict average global column ozone will decrease for a scenario in which CFCs and other trace gases (i.e., CO_2, N_2O, and CH_4) continue to rise at approximately historically based rates. For a scenario in which the use of CFCs grows at 3 percent annually, these models project a depletion greater than 25 percent by 2075 if the other trace gases continue to grow at rates approximating their recent historical growth.

13d. In contrast, for a scenario in which CFC use remains constant but other trace gases continue to grow at historic rates, 1-D models indicate that ozone levels would first slightly decrease and then begin to increase over time.

13e. For the same scenario (i.e., no growth in emissions of depleting substances and growth of other substances at historic rates), several two-dimensional (2-D) models predict that ozone depletion will occur at higher latitudes (only one of these 2-D model calculations simulating this depletion includes CO_2 cooling, and none include changes in dynamics that such cooling is likely to cause). Two-dimensional models vary in their projections of latitudinal depletion gradients depending on whether they include the effects of CO_2 and how they treat transport and methane. Only a limited number of time-dependent 2-D simulations have been undertaken, and 2-D model intercomparison has not yet been completed.

13f. Two-dimensional (2-D) models predict greater average global depletion than 1-D models for the same trace gas scenarios. Two-dimensional models also project depletion higher than global averages at latitudes greater than 40°N or S, especially in the spring. These models predict less than the global average nearer the equator. The latitudinal projections of 2-D models are sensitive to the data and method used to parameterize transport. Differences in transport probably account for differences in latitudinal gradient of depletion between different 2-D models.

14. Current Theory and Models fail to reproduce accurately all observational measurements of the atmosphere and processes that influence stratospheric change.

14a. While reproducing many characteristics of the current atmosphere, current models fail to reproduce some measurement. For example, ozone levels at 40 kilometers are underestimated in current models. Other problems exist in the way these models replicate existing observations.

14b. While including representations of most atmospheric processes that influence stratospheric composition, current models fail to include all of those processes in a realistic manner. Transport processes in 2-D models, for example, are represented in a simplified manner based on inadequate data and incomplete understanding of the possible complications of movement in the atmosphere.

14c. The inability of models to reproduce accurately measurements of the abundance of some species in the current atmosphere lowers our confidence in their ability to predict future changes. Because of these shortcomings, current models could be either over- or underpredicting future depletion.

15. Uncertainly analyses have been conducted that consider a range of possible values for certain chemical and physical inputs. These analyses indicate that for these uncertainties, depletion is likely to occur if the use of CFCs grows.

15a. Uncertainty analyses conducted with 1-D models predict depletion for a variety of CFC levels. These analyses indicate that when model results are screened to eliminate cases in which the modeled atmosphere conflicts with actual observations of the atmosphere, the probability of a depletion is symmetrical around the mean. The possibility that the best estimates of kinetics could change as a result of laboratory measurements is ever present. Such changes could raise or lower estimates of depletion. While not yet accepted by the NASA panel on kinetics, a preliminary study of one such reaction, $C_{10}+HO_2 \rightarrow 03+HC_1$ would, if correct, reduce depletion estimates. Similarly, a class of heterogenous reactions that could increase depletion estimates are currently omitted from models.

15b. Uncertainty analyses using different sets of kinetics and cross sections have not been tested in 2-D models. However, different 2-D models have used different approaches for transporting species. This provides a useful test of the sensitivity of model predictions to the uncertainty of the transport parameters. Models with different treatment of transport predict that depletion will increase with distance from the equator, though the magnitude differs between models.

15c. Some uncertainties have not been tested in current models (transport coefficients, for example). In addition, the possibility exists that missing or misrepresented factors or processes (for example, due to global warming) may exist and lead to a greater or lesser change in ozone than indicated by existing uncertainty analyses.

16. Ozone monitoring shows changes roughly consistent with model predictions. However, substantial measured seasonal reductions have occurred in Antarctica that are not consistent with model predictions.

16a. Measurements by Umkehr readings show 3 percent depletion at mid-latitudes in the upper atmosphere, while balloons show 1.3 percent depletion in the lower stratosphere and a 12 percent increase in the lower troposphere. Uncertainty exists about the accuracy of all of these observations. These results, however, are roughly consistent with the expectations generated by 1-D and 2-D models. The ground-based measurement system is limited at high latitudes and in the southern hemisphere.

16b. Recent data from Nimbus 7 appear to show a decrease in global ozone, especially at both poles. However, the decrease in the Arctic from 1978 to 1984 appears to have occurred only in the last two years of that time series. These data are preliminary and have not yet been thoroughly reviewed. Concern about calibration problems of the satellite makes determination of the magnitude of ozone change difficult. However, the latitudinal variations in ozone change seem to indicate that this phenomenon is occurring and that the readings are not just the result of instrument drift.

16c. If these decreases in global ozone levels are verified, a second issue that must be addressed is whether the changes can be attributed to man-made chemicals. Other possible explanations include natural variations caused by solar cycles or other processes. Until further analysis is performed to determine whether depletion is actually occurring, whether it is long term or cyclical, and whether it can be attributed to man-made chemicals, it is impossible to determine with any certainty the implications of these results. However, losses of even some part of the magnitude of the preliminary NIMBUS 7 data are not consistent with current model projections and would be a cause for concern.

16d. Measurements taken in the Antarctic during spring show that the gradual depletion that occurred in the mid-1970s over and near Antarctica has given way to a steep non-linear depletion from 1979 to 1985—the Antarctic "ozone hole." Not only has the ozone minimum decreased, but the ozone maximum outside Antarctica (between 50°S and 70°S) also appears to be declining. The average annual depletion of all areas south of 60°S has been estimated to be more than 6 percent since the mid-1970s.

16e. Current models did not predict this seasonal loss of ozone in Antarctica. Several hypotheses have been put forward to explain the loss, including chemical explanations in which the gases are of a man-made source (bromine and chlorine), chemical explanations in which natural sources cause the change (NO_x, solar cycle), or an explanation that claims the phenomenon is entirely due to a change in climate dynamics. Until more is understood about the cause of the ozone hole, it is impossible to determine whether the hole is a precursor of atmospheric behavior that will occur in other regions of the world and would therefore lead to modifications to current models. The Antarctic ozone declines, however, do show that the atmosphere is more sensitive to some set of factors (yet unknown) than previously thought.

17. Additional information for assessing risks could be obtained by improving two-dimensional models.

17a. More time-dependent simulations using 2-D models are needed to better understand the significance of uncertainties in trace gas projections.

17b. Radiative codes need to be added to 2-D models to reflect more accurately this potentially significant factor affecting the creation and destruction of ozone.

17c. Uncertainty analyses focusing on kinetics, cross sections, and transport should be undertaken.

17d. Greater efforts are needed by the scientific community to understand the range of possible changes from factors like heterogenous chemistry and dynamical change, rather than focusing primarily on best-case models. Model intercomparisons of a wider range of realistic time-dependent scenarios and uncertainties are needed.

Question 2(c):

In its policy statement on September 15, 1986, the Alliance for Responsible CFC Policy said:

"Based on the theory, current scientific understanding, and reasonable assumptions about future admissions of substances that may modify the ozone layer, no significant modification of the ozone layer is expected during the next few decades, therefore, there is no imminent threat to human health and the environment from current CFC use or emission."

A reading of a more recent research report by World Resources Institute seems to take a different view, while recognizing that the "urgency of the issue has fluctuated widely." What are your views on this issue of imminent threat and urgency, taking into consideration the long atmospheric lifetimes of the compounds? Do you agree with the Alliance?

Response:

Given the unique nature of the issue, we believe that international action in the near term is required to address this problem of stratospheric ozone protection. This issue is unique in at least two important respects. First, even though current models do not suggest ozone depletion is likely in the near term, because of their long atmospheric lifetimes, if CFCs and Halons are allowed to increase, such depletion, and resulting increases in skin cancers, appears likely. Second, if ozone depletion occurs before we take action, the levels of depletion would continue to increase for a decade or more, even if we were able to dramatically reduce CFC consumption.

Thus, while we agree with the CFC Alliance that no imminent harm is likely, this does not mean that near-term action isn't required. In fact, the CFC Alliance has recently stated their support for global action limiting CFC use. While views may differ on the timing and stringency of action, a growing consensus exists that, at a minimum, some limits should be placed on future CFC use.

Question 2(d):

The December 5, 1986, edition of The Christian Science Monitor indicates that some scientists (specifically, a scientist from Cornell and two others from NASA) have questioned some conclusions, including a recent EPA study. One observes that "chemical process can't explain all the facts," such as "seasonal ozone redistribution." The other challenges a recent EPA study on the "rise in skin cancer rates" if CFCs are not curbed. Please comment on those challenges and indicate their significance. Was the EPA study released prior to peer review as the Cornell scientist states? If yes, explain why. What is the status of the study?

Response:

The above-mentioned article discusses the Antarctic ozone hole and correctly states that we do not yet understand whether the seasonal losses are due to dynamic or chemical factors and whether such factors are unique to that region of the world. In the EPA risk assessment we have not assumed that the Antarctic phenomenon is due to CFCs. Instead, we base all estimates on current atmospheric models, which do not link CFCs to ozone depletion in Antarctica.

The risk assessment document was made available to the public for comment at the same time it was submitted to the Science Advisory Board (SAB) for its review. Prior to release, individual chapters had been extensively reviewed by experts in relevant fields. This process is commonly followed. Thus, the assertion by the Cornell scientist is incorrect. The SAB panel has generally accepted the revised executive summary of the document and is preparing its report to the EPA Administrator.

Question 3:

Enclosed is a document prepared, but not used, and thus I understand it has no official standing, by scientific advisors at Geneva. Nevertheless, it appears helpful. Please review it and if you desire, provide a revised version or make comments on it where you think they are warranted for any reasons.

Response:

The document is very useful and outlines well elements that should be taken into account in considering which compounds should be included in the protocol. However, we recommend the following revision to the scientific advisors memo:

Halon 1211 and Halon 1301 should be included in the First Priority because recent EPA analysis has revealed significantly higher emission rates than previously reported. Because Halon accounts for a significant portion of stratospheric ozone depletion, exclusion of these chemicals from regulation would mean that greater reductions of CFC-11, CFC-12, and CFC-113 would be necessary to achieve the same level of stratospheric ozone protection. Furthermore, emissions can be reduced from testing, training, accidental discharge, and leaks at reasonable cost, while their use in essential fire protection is continued.

Table 1, enclosed with your letter, "Simple *Approximate* Calculation of Impact of Compounds on Ozone Using Three Criteria Outlined" (emphasis theirs), is based on preliminary estimates of relative ozone depletion "efficiency," which are subject to revision and updating. In particular, the table appears to significantly overstate the ozone-depleting efficiency of Halon 1211 and to slightly understate the ozone-depleting efficiency of Halon 1301. Note also that there is considerable uncertainty about the actual global production of Halons 1211 and Halon 1301.

Question 4(a):

The "U.S. Views" of last November called for a "prudent protocol" which, as a "first step," should require a "near-term" freeze on the emissions of all fully halogenated alkanes (i.e., CFC-11, -12, -113, and Halon 1211 and 1301) "at or near current levels." Such levels are established in the draft protocol as those that do "not exceed" each Party's 1986 level." Please explain why the above CFCs were included in the freeze and indicate the current uses and user industries of each. The enclosed paper also lists CFC-22 as a substance meeting the criteria for potential impact on the ozone. Why are that substance and CFC-114 not on the U.S. list?

Response:

CFC-11, -12, and -113 are fully halogenated alkanes and therefore are very stable with long atmospheric lifetimes (50-110 years). They all have high potential to modify the stratospheric ozone. (CFC-11 is assigned a potential depletion factor of 1.00, as basis. The factors for CFC-12 and CFC-113 are 0.86 and 0.80, respectively.) CFC-22 is not fully halogenated, and most of it is decomposed in the lower atmosphere (troposphere). The potential depletion factor for CFC-22 is only 0.05 and is expected to have relatively little effect on the stratospheric ozone. It also can be used as a substitute for CFC-12 in several important use categories. Therefore, CFC-22 is excluded from the current U.S. list.

On the other hand, CFC-114 is fully halogenated and stable and could modify the stratospheric ozone (its potential depletion factor is not estimated but is expected to be less than those of CFC-11 and CFC-12). The 1985 production of CFC-114 is estimated at 9 thousand metric tons. The 1985 production of CFCs -11, -12, -22, and -113 is estimated at 96, 153, 116, and 68 thousand metric tons, respectively, and they account for over 90 percent of all the CFCs produced in the United States. Because of its limited production, CFC-114 was not included on the initial list. However, we have now decided to add CFC-114 to the U.S. list to preclude the possibility of expanded future use as a substitute for other CFCs.

Halons 1211 and 1301 are produced in relatively smaller quantities (2.7 and 5.4 metric tons, respectively). However, they are fully halogenated and very stable in the atmosphere. Due to their bromine content, the halons have much higher potential to deplete the stratospheric ozone than the CFCs. The potential depletion factors for Halons 1211 and 1301 are estimated to be approximately 2.5 and 11.5, respectively, compared with 1.00 for CFC-11.

The following table provides the current uses and user industries for the CFC/Halons.

USES AND USERS OF CFC/HALONS

CFC/Halon	Uses	Users (industries)
CFC-11	Foam-blowing agent	Rigid foam insulations for buildings, industrial equipment, transportation, and refrigeration equipment. Also foam for packing and furniture.
		Flexible foam for automobiles, furniture, carpet underlay, etc.
	Refrigerant	Industrial chillers.
	Aerosol propellant	Essential aerosol applications (certain uses by DOD, electronics industry and pesticidal uses).
CFC-12	Foam-blowing agent	Rigid polyurethane foam for building, refrigeration, and industrial insulation.
		Rigid polystyrene foam for stock food trays, egg cartons, and single service items (cups, fast food containers).
	Refrigerant	Automotive air conditioning.
		Auto air conditioning repair/service shops.
		Retail food refrigeration.
	Sterilant gas (ethylene oxide).	Hospitals.
	Carrier	Medical equipment manufacturers.
		Spices/pharmaceutical industries.
	Food-freezing agent	Frozen food (vegetables, certain seafood) manufacturers.
CFC-113	Solvent	Metal cleaning industries.
		Electronics industry.
		Limited dry cleaning (specialty material such as fur, leather).
Halon 1211	Fire extinguishing	Hand-held fire extinguisher for home, office uses.
		Portable fire extinguisher for industrial uses.
Hanlon 1301	Fire extinguishing	Stationary fire extinguishing systems for protecting computer facilities, archives (libraries, etc.) and military apparatus.

Question 4(b):

What is the Defense Department's view on including the Halons in the protocol? Why should they be included?

Response:

The EPA is aware of DOD's unique requirements with regard to the use of Halons for fire protection. The Agency will consider these special circumstances, including national security or unique operational readiness situations of the armed services when the various regulatory options are evaluated.

Most DOD CFC uses (i.e., refrigeration, solvents, foams, and sterilants) are not different from their civilian counterparts and can thus employ whatever emission control devices and/or product substitutes the civilian sector focuses on to stay within possible regulatory limits. If necessary, special consideration of vital military uses could be made where no viable control or substitutes could be employed (e.g., uses of CFCs as solvents to remove nerve agents or for critical aerospace or electronic production processes, etc.).

Halons may be one such special case. Halons are widely deployed within the military for fire protection in critical environments and around high value assets. The protection of personnel and equipment needed for operational readiness, computer and command and control facilities, and "one-of-a-kind" trainers are all essential for maintaining national security. However, EPA feels that DOD should make every attempt to reduce its emissions in the near term, and it may prove desirable to ultimately restrict the deployment of Halon-based extinguishing systems. In the near term DOD agencies could be encouraged to minimize unneeded full-system tests (and thus releases) of Halon-containing room fire-extinguishing systems, to limit "live" fire-fighting training exercises with Halon portable extinguishers when alternative methods are available, and to generally limit the unnecessary discharge of Halon fire-extinguishing agents to the atmosphere. DOD agencies could employ the prudent use of Halon agents to protect life, high-value electronic components, or to fight aircraft fires during the near term.

As part of DOD's long-term actions on this issue, each armed service could review their planned weapons and support systems and identify Halon uses that may be modified and/or substituted for as soon as possible. In addition, R&D and logistical support investigations should be undertaken to identify controls and/or product replacements that can be deployed in existing Halon-agent-based systems.

EPA has held informal working level discussions with most of the armed services and with DOD officials. A DOD-sponsored meeting of all the service representatives was held in mid-February. At these informal discussions and in the DOD-sponsored meeting, EPA representatives continued to state the above rationale on military uses of Halons and requested that the services support data collection and analysis in support of the national CFC policy.

Question 4(c):

Please explain the term "emissions" and explain how the U.S. expects it would be applied meaningfully in the U.S. and in other countries, particularly in non-producing countries? The November 25 draft U.S. protocol refers to annual "bulk" exports and imports. Please explain how this term works in the case of motor vehicles with air conditioners imported to the U.S. from such countries as Sweden, Japan, and West Germany? Would they be counted by the U.S., or by these other Nations?

Response:

The U.S. position calls for national emissions limits based on "adjusted production" (i.e., domestic production, minus bulk exports to parties, plus bulk imports, minus amount destroyed or encapsulated). Under this formula, imports contained in products would be counted against the limit of the producing country even if the products were exported. Moreover, the "plus imports" factor in the equation also accommodates the needs of current non-producing CFC importing nations.

The U.S. believes that the adjusted production formula, in addition to more equitably allocating obligations to protect the ozone layer, would protect domestic industry from inequitable competition form non-joining nations, and would permit business and consumer flexibility and promote technological innovation.

The CFCs used to fill air conditioners in motor vehicles would be counted by the producing nation even if the vehicles were shipped to the U.S. or elsewhere.

Question 4(d):

As noted in the Geneva meeting, "no country disputed the need to control CFC-11 and 12, and many want to include 113

(Japan opposed)." To what extent is Japan a producer of CFC-113? and Is all that production now on line? Why is Japan opposed to a protocol that covers CFC—113? Is Japan phasing out other solvents in favor of CFC-113 and going to tighter systems? Is that occurring in the U.S.?

Response:

A Japanese official of MITI notes that the production of CFC-113 in Japan was 51.53 million kilograms in 1986, and that all planned production capacity is now on line.

The official notes that trends in Japan favor increased use of CFC-113. Concern has been growing over possible health hazards of trichloroethylene, for which CFC-113 is a substitute solvent. In addition, demand for solvents as a whole has been increasing. Both trends will increase the demand for CFC-113. Emissions of CFC-113, notes the official, are partially controlled by recycling systems, but current technology cannot achieve 100 percent control.

In the U.S., anecdotal evidence suggests that U.S. firms are increasing their use of CFC-113, relative to other solvents, but no hard evidence is available to assess this trend.

Question 4(e):

Will the U.S.-proposed freeze at 1986 production (not capacity) levels allow some countries without a ban on aerosols to have an advantage over other countries, like the U.S., which has a ban? With such a freeze, could those countries later adopt an aerosol ban and increase production of other CFCs, like 113, and still be within the freeze? If yes, please explain why that approach is sound from health and environment and trade and competition standpoints?

Response:

While the U.S. banned in 1978 the use of CFC's as nonessential aerosol propellants, other developed nations have also taken steps to limit CFC use in aerosol and non-aerosol applications. The EEC has adopted a capacity cap on CFC-11 and CFC-12, reduced aerosol use by 30 percent since 1976, and formulated engineering codes of practice to limit CFC emissions. Several EEC nations have taken further steps: Belgium and Denmark have banned CFCs as aerosol propellants; the Netherlands requires a warning label on CFC-propelled aerosols; and Portugal has banned CFC production and established CFC import quotas. Other countries that have banned CFC use in aerosols are Canada, Sweden, and Norway. Since 1974, Australia, a CFC-producing nation, has reduced the use of CFC's in aerosols by 66 percent, and Japan has voluntarily reduced its use of CFC's in aerosols and put a capacity cap on CFC-11 and -12. Brazil, which also produces CFC's, has implemented a capacity cap. It is clear, however, that the U.S. aerosol ban, which forced immediate reductions in CFC use, has achieved the greatest reduction in CFC use. One might argue that a freeze at current production levels would not give the U.S. credit for past efforts, and might therefore put it at a disadvantage.

The U.S. per capita production and consumption of CFC's, however, is now roughly equal with that of the EEC, and is much higher than that of Japan. In 1985, U.S. production of CFC-11 and CFC-12 was 0.84 kg per capita, while consumption was 0.83 kg per capita. In 1984, EEC production of CFC-11 and CFC-12 was 1.18 kg per capita and consumption was 0.80 kg per capita. Japanese production of CFC-11 and CFC-12 was 0.52 kg per capita in 1985. Data for Japanese imports are unavailable. Assuming negligible imports, per capita consumption would have been 0.48 kg per capita.

Thus arguments can be made on both sides concerning the equity and appropriateness of a production freeze. From the health and environmental perspective, the source of emissions reductions are irrelevant—CFC emissions from both aerosols and non-aerosols are rapidly dispersed throughout the global atmosphere.

The U.S. is seeking to structure a CFC control protocol that minimizes disruptions to international trade and prevents nations that do not join the protocol from reaping an unfair trade advantage while guaranteeing fair access to foreign markets for U.S. producers.

In past negotiations, the U.S. sought a worldwide ban on CFC use in aerosols on the grounds that such use was not essential. This effort became embroiled in further debate over which uses are nonessential.

Question 5:

The European CFC producers' October 1986 statement indicate that as a "first step" a protocol "might include" a "global limit to the production of CFCs 11 and 12." As the State Department's telegram points out, the European Communities offered a proposal to freeze CFC's-11 and -12 at 1986 production, not capacity, levels. The Alliance's policy statement indicates that it "supports international resolution of the issue" without saying what substances should be covered or what limits should be established—although the related press release calls for a global limit on the future rate of growth of fully halogenated CFC production capacity, which leaves a great deal of "wiggle room," I believe. Would the U.S. agree to a protocol that only places limits on CFC-11 and CFC-12 at current production levels and relies on future actions to provide for more limits and substances in order to have some agreement?

Response:

U.S. agreement on a protocol depends on the effectiveness of the combination of protocol elements, including:

Chemical Coverage;

Stringency (initially and over time);

International Participation;

Incentives for Development and Use of Alternatives;

Procedures for Revision Based on Scientific Assessments;

Enforceability.

Thus, given these many factors and the nature of the negotiating procedure, it is not possible to answer whether a protocol including only CFC-11 and CFC-12 would be acceptable to the United States.

However, we do recognize the substantial disadvantages of such a limited agreement. First, CFC-11 and CFC-12 represent only a portion of the chemicals suspected to deplete stratospheric ozone. Second, neglect of the other chemicals may invite chemical substitution of the unregulated CFC's for CFC-11 and CFC-12, substantially weakening the overall effectiveness of stratospheric ozone protection. Third, efforts to cost-effectively protect stratospheric ozone would be hampered if control measures were limited to only these two chemicals while neglecting reductions of the other chemical emissios that could be achieved at lower cost. Fourth, control of only CFC-11 and CFC-12 may result in very stringent controls in countries that are experiencing growth in the use of these chemicals, while allowing other countries to increase use of exempted chemicals that are also suspected of depleting stratospheric ozone.

Question 6(a):

Please explain to what extent you disagree or agree with the above comments about the availability of substitutes. What analysis was made by the U.S. of the availability of substitutes and their costs within the timeframes and percentages contemplated in the November 25 Draft? Do the proposed reductions suggested in the Draft consider the availability of present CFCs for existing units?

Response:

EPA is not familiar with the complete basis of the World Resources Institute press release of November 30, 1986, which suggests that emissions "could be reduced by one third in the U.S. and world-wide by using 'safe' CFC's, banning aerosols, and recycling CFCs."

EPA believes that current control technologies, expanded use of CFC-22 and blends, expanded recapture and recycling, product substitutes, and improved servicing practices could substantially reduce current emissions of CFC-11, -12, -113, and -114 and Halons 1211 and 1301. These reductions would not depend on technological innovations, major capital investments, or the successful development of new chemical substitutes.

EPA has initiated studies that should provide a better quantitative basis for estimating costs, timeframe, and potential reductions. At their completion, we will be able to provide more than an illustration of the quantity and timetable for phased reductions.

The EPA draft report on chemical substitutes does contain extensive discussion of the problems of possible toxicity, oil compatibility, and other commercialization requirements for new chemicals. EPA will continue to report the prospects of new chemicals and to work with industry to reduce the uncertainty about the appropriateness of new chemicals. Note that the DuPont policy statement on this issue states that they believe chemical substitutes might be available 5 years after an economic or regulatory incentive exists. EPA is expanding its research into chemical substitutes, working both on the production and user sides to expedite its understanding of these issues.

EPA agrees with your concern for the CFC user and service industries and for consumers who own refrigeration equipment that may need recharging during its remaining useful life. Automobile air conditioners are a particularly large source of emissions from leaks and intentional discharge during service and disposal. Sealed units, such as refrigerators, freezers, and dehumidifiers, have less emissions because they are able to use sealed motor-compressor units and rigid tubing.

EPA is specifically investigating the stock of existing appliances and the likely service requirements. In addition, EPA is investigating the full range of options, such as preventive maintenance, improved service procedures, and refrigerant recovery at product disposal, which would minimize emissions.

Question 6(b):

Is there any reason to believe that producers in other countries with existing patents will develop substitutes sooner than U.S. firms? I note that the draft report states that the "patents are based upon laboratory scale results, and do not imply that each process could be commercialized on a large scale." In the case of CFC's -123, -124, -132b, -133a, -134a, and -141b, the draft report states that "development work at DuPont has been stopped." My understanding is that DuPont is not the only U.S. firm trying to develop substitutes. What is the status of this effort by any firm? To what extent do these substitutes present possible problems for the user industries, such as safety and fuel economy problems for the motor vehicle industry? Are those problems being examined by the applicable agencies?

Response:

Because product development by U.S. corporations is confidentially conducted, we have only limited information on existing patents and chemicals that have not been patented. We know even less about chemical development in Japan or other foreign countries. We do, however, believe that the major producers in the U.S. have recently expanded efforts relating to chemical substitutes.

The EPA draft report you cite in your letter discusses problems of energy efficiency and safety, such as toxicity and flammability. These concerns can only be completely answered by continued commercialization efforts. EPA is working with researchers, government laboratories and test facilities, chemical manufacturers, and users to accelerate this research and development process.

Question 6(c):

I note that a Wall Street Journal article of December 2, 1986, states that "U.S. chemical producers clearly aren't rushing to develop substitutes" and DuPont is not planning "heavy spending" on CFC-134a "until regulatory action or consumer demand justify it." The World Resources Institute states that without a "stiff tax, chemical companies may be unwilling to invest" in substitutes. I presume this would be a U.S. tax only. How will the U.S. draft protocol encourage on a global basis acceptable and reasonable substitutes for the user industries? Do you agree that a tax is needed?

Response:

The EPA is evaluating regulatory alternatives with the aim of providing adequate incentives for companies to develop chemical substitutes and control technologies for chlorofluorocarbons. It is essential that firms be provided both with a certain market for chemical substitutes or control technologies and with adequate time for research, development, and testing.

The Agency is currently evaluating for implementing a global control protocol in terms of effectiveness, efficiency, fairness, enforceability, flexibility, administrative simplicity, and ease of transition. Regulatory fees are among the options under consideration.

Question 6(d):

World Resources urges "short-term reductions of one third" to promote substitutes and a total phase-out in "perhaps a decade." The National Resource Defense Council (NRDC) seeks 30 percent reduction by the end of 1988, 85 percent by 1992, and a phase-out in 10 years. The draft EPA report does not appear to support such short timeframes. It states:

"In the absence of future regulations, the newer CFC's do not appear cost effective compared to current CFC's. Up to five years of additional development work may still be required, depending on remaining process problems. Thus, it is anticipated that commercialization of new CFC chemicals would require about 4 to 10 years, depending on the status of current process development work, the remaining process problems, and the strength of the driving forces to proceed."

Leadtime and technology problems, if any, including safety, for the user industries to adapt to such substitutes is not discussed in the U.S. Views.

What are your views on the time required to develop suitable substitutes and for the user industries to be able to adopt them (a) after a protocol is developed and (b) after the protocol is effective? What is the justification for a "technology-forcing approach" in this case? What is the implication of that approach for the user industries? What is the likelihood that a protocol will reflect the recommendation of the World Resource Institute or the NRDC?

Response:

At the suggestion of both industry and environmental groups, the Agency has convened a panel of experts to evaluate chemical substitutes for chlorofluorocarbons. Based on DuPont's policy statement and the draft report by Radian, 4-10 years seems likely for the development and use of chemical substitutes. This period depends, however, on the degree of incentive for such substitutes and assumes that no toxicological problems are encountered. The timing is not likely to be delayed by the several years between signing and date of effect of a protocol. Once an agreement is reach, the resulting change in marketing conditions has been signaled, and industry is likely to begin evaluating and acting on its responses. The timing and costs of these substitutes, along with possible emission reductions using currently available technologies, will be considered in evaluating any scheduled reduction in CFCD emissions.

Various groups, including the World Resources Institute, the Natural Resources Defense Council, and industry association, have offered proposals for stratospheric ozone protections. All these proposals are currently under consideration.

Question 6(e):

To what extent is recycling and the use of closed systems, especially in the case of solvents, expected to result in considerable reductions? To what extent are these used by CFC-113 users in this country?

Response:

A considerable reduction in solvents (CFC-113) emissions can be achieved by recycling and use of currently available engineering controls, such as covers, drainage requirements, refrigerated chillers, carbon adsorption, and increase in the fireboard ratio (free height above the solvent vapor ozone to cross section of the vapor degreaser).

Due to thousands of vapor degreasers in use in the U.S. today, it is difficult to estimate exactly how many CFC-113 users currently use the recovery/recycle controls. Based on limited available data, it is estimated that perhaps one-third to one-half of CFC-113 users use one or more (in combination) of the controls identified above. As a result, substantial reductions might be possible in this industrial use category.

Question 6(f):

During discussions of the draft protocol with observers present, Mr. Benedick explained that the draft protocol provides for adjustments in the stringency, timing, and scope of the control measures if the substitutes are not developed and/or the users cannot accommodate to the substitutes within the time set in the protocol. However, our staff pointed out that the draft (Article IV:3) allows such adjustments only in "light of scientific review." Mr. Benedick agreed that the draft needed revision to reflect his statements. Please make that revision.

Response:

As Richard Benedick agreed during the meeting to which you refer, future adjustments in control measures should take into account not only scientific but also technical and economic information. Our delegation will seek to have the protocol text call for assessment and adjustment in light of new scientific, technical, and economic information.

Question 7 (a):

The December 2 Wall Street Journal article states that an "estimated 70 percent of the world CFC use occurs outside the U.S." and greater demand is "projected in future years" by developing nations. The article states that "EPA is also under a court-ordered May deadline to decide on added CFC regulations." Please provide a copy of that order.

Response:

Order enclosed. Please note that the Court Order requires a proposal by May 1, 1987, and a final rule by November 1, 1987.

Question 7 (b):

What is the status of the decision effort in light of the ongoing United Nations negotiations and the above estimates?

Response:

The Agency is moving forward to meet the deadline and is developing options and analytic support for the May proposal.

Question 7 (c):

How will CFC regulations in the U.S. significantly impact the global picture of emissions?

Response:

The United States produces 30 percent of the CFCs. Any U.S. action will take into consideration the need for global action and the potential impact of unilateral action on achieving that goal.

Question 7 (d):

What will be the impact on U.S. industries competing with other nations with no corresponding regulations?

Response:

The U.S. objective is to protect stratospheric ozone. Participation of other countries with significant emissions is necessary because the United States contributes only a third of total global emissions of ozone-depleting substances.

Regulations that affect businesses in some countries but not others create advantages to the extent that CFC regulations cause prices of products based on CFCs in protocol nations to rise against prices in non-protocol nations. Regulations might cause some decline in protocol nation exports and a rise in imports from non-protocol countries. Producers might take advantage of the shift in comparative advantage. They could find it profitable to increase production or to locate new facilities in non-protocol countries to take advantage of lower cost CFCs or the lack of emission limits and thereby vitiate the beneficial effect of regulation in protocol nations. Multinational CFC producers already have production facilities in several countries to take advantage of differences in production costs and regional markets. U.S. companies have operations in Australia, Spain, and Venezuela; West Germany's Hoechst has facilities in Spain and Brazil, and Kali-Chemie, in Spain; and Imperial Chemical Industries of England is affiliated with African producers.

The following five economic conditions are among those necessary for this type of economic advantage to exist:

Trade in CFC-based products;

Significant CFC price differences between countries;

High CFC cost per unit of product, no close economic substitute;

Low additional transportation cost to get inputs to non-protocol countries production facilities and finished products to markets;

No countervailing trade barriers.

The industries most likely to shift operations to non-protocol countries would be those for which CFC costs are an important part of total costs and for which transport costs are small enough that they could relocate without losing access to their markets. Access to markets depends on transportation cost, convenience, and trade barriers.

Table 1 presents a rough ranking of the importance of CFC costs to total product cost, transport cost, and the efficiency of trade barriers. The chart shows that a non-protocol country could only gain trade advantage from CFC controls if comparative economic conditions are right and the quota nations fail to protect against imports. The ranking of trade barrier efficiency is based on the relative ease of identifying and controlling CFC chemicals and products.

Because most CFC products are easily indentifiable, they can be taxed, placed under import quotas, and/or excluded or subjected to nontariff barriers. The ranking displayed in Table 1 obviously depends upon wheather the United States is able to coordinate environmental and trade policy.

TABLE 1.—PRELIMINARY EVALUATION OF RISKS FROM TRADE OF CFC PRODUCTS [1]

CFC use	CFC cost intensity	CFC detection	Transport cost [2]	Trade regulation	Overall trade risk
Aerosols	Medium	Easy	Low	Existing	None.
Bulk rigid foam.	Low	do	Very high	Easy	Small.
Bulk flexible foam.	do	Difficult	High	Difficult	None.
Flexible foam products.	Varies	do	Medium	do	Medium.
Rigid foam products.	Very low	do	Varies	do	None.
Refrigeration.	do	Easy	Medium	Easy	Small.
Mobile A-C.	do	do	Very low	do	Do.
Solvent	Medium	do	Low	do	Do.
Electronic components.	Varies	Difficult	do	Difficult	Unknown.

[1] This table shows relative risk to U.S. industries being put at a competitive disadvantage to industries of other nations with no corresponding regulations.

[2] The additional cost of transporting CFC products that are a part of finished goods like automobiles and trucks may be negligible. Most flexible and rigid foam is manufactured near the location of use because it is bulky and expensive to ship.

[3] Flexible foam might be a small element of the imported product (e.g., foam in car seats or furniture) and may be hard to distinguish from flexible foam that is blown with other chemicals.

Electronic component manufacture may face the most signficant risk of production moving offshore to non-members as a result of CFC regulation, if CFC solvent is a significant cost in component manufacture. Under these circumstances, manufacturers would be vulnerable because transportation costs are minor for small, light products. Such products may not contain CFCs in their final form, making detection for trade restrictions difficult.

CFC is an essential part of many products imported to the United States. Consider a partial list of products:

Products containing CFC's: Automobile (air-conditioners), refrigerators, air-conditioners, dehumidifiers, packaging, insulation, CFC solvents, Halon fire extinguishers.

Products in which CFC's are used in manufacture: Furniture, carpets, footwear, clothing, automobiles (interiors), electronics.

Because of the potential trade disadvantage to which U.S. (or other protocol parties) could be put vis-a-vis non-parties, the U.S.-proposed protocol text included a provision banning bulk imports from non-parties. As a result of discussions of an ad hoc trade issues group, we also intend to propose (in Vienna) restricting the import from non-parties of products *containing* the controlled chemicals.

Question 7(e):

Would the regulations, if any, be issued under Section 157 of the Clean Air Act?

Response:

Yes. EPA is evaluating its upcoming regulatory decisions based on Section 157 of the Clean Air Act, but will also consider other provisions and statutes to the extent they may be relevant.

Question 7(f):

What substances will be considered for regulation?

Response:

While EPA is considering regulation of all chemicals suspected to deplete stratospheric ozone, the U.S. advocates international control of CFC-11, CFC-12, CFC-113, CFC-114, Halon 1211, and Halon 1301. Because we believe that these substances represent a more significant risk to the environment, our efforts have focused on them.

Question 8(a):

Please describe the Soviet and Nordic proposals and explain any concerns about them.

Response:

At the December 1986 negotiating session the Nordic countries (Norway, Finland, and Sweden) actively supported the U.S. phased reduction approach. Their proposal is to make a one sentence revision of the U.S. proposed text, so as to: (a) have the first step of the control schedule be a 25% reduction instead of a freeze in emissions; (b) exempt parties from this first step if their emissions are below 0.2 kg/capita. While we agree with the idea of an exemption for low users, the 0.2 kg/capita level may be too high to adequately protect the ozone layer. We also believe that, if set at an appropriate level, the exemption should apply for all reduction steps, not just the first.

The proposal by the USSR would have the Parties: (a) establish a global limit on production of CFC-11 and -12; (b) set national consumption limits, allocated on the basis of population, to divide up the global production ceiling; (c) take measures to develop technologies for emissions reduction.

We have three main concerns with the Soviet proposal. First, it is too narrow in scope; the ozone layer is not just at risk from CFC-11 and -12, but from other chemicals as well. We believe the protocol should also include CFC-113, -14, Halon 1211, and Halon 1301. Second, we believe that Soviet provision to exempt all developing countries is too broad to adequately protect the ozone layer. We are more inclined toward an exemption for countries with an adjusted production below a certain per capita level. Third, we are concerned that an allocation system based on population would be needlessly complex, particularly when emissions are being phased out in the long run (thus obviating the need to allocate "rights to pollute"). Furthermore, setting national consumption limits using such a system could be controversial and thus make it exceedingly difficult to reach agreement among the parties.

Question 8(b):

What is being done to encourage more nations to participate in the next negotiations?

Response:

Since the December session, we have been very active in encouraging more nations to participate in the negotiations. We have also undertaken considerable efforts to increase awareness of the potential threat to the ozone layer and to increase understanding for the U.S. position at the negotiations. A list describing the actions we have taken is attached.

ARTICLE II: CONTROL MEASURES

1. The Parties recognize that it is essential to establish an agreed limit for the permissible annual volume of world-wide production of CFCs [11, 12].

2. The Parties consider it essential to establish maximum permissible volumes of annual consumption of CFCs for each of the State Parties to the Protocol, on the basis of the agreed limit for the annual volume of world-wide production of CFCs and the population of each country.

3. The provisions concerning the establishment of maximum permissible volumes of annual consumption of CFCs shall not extend to the developing countries, bearing in mind their special circumstances and requirements.

4. Each Party undertakes not to exceed, up to the years 2000, the maximum permissible volume of annual consumption of CFCs agreed for it. The transition to the established maximum permissible volumes of consumptions shall be effected over a period of three years from the entry into force of the Protocol.

5. The Parties shall take measures to devise alternative technologies by the year 2000 with a view to reducing atmospheric emissions of CFCs and other substances capable of affecting the ozone layer, and shall co-operate in the development and realization of the best possible technologies.

6. The provisions of the present article shall in no way affect the right of the Parties to adopt more stringent measures than those set out in paragraphs 1-4.

Proposal from Norway, Sweden and Finland as substitute for paragraph 1 and 2 in article II, U.S. protocol proposal: "Any party whose emissions of fully halogenated alkanes in 1986 exceed 0,20 kg/capita shall reduce their emissions in relation to the 1986-level by at least 25% as soon as possible and at the latest by 1991". Paragraph 3, 4 and 5 in the same article become paragraph 2, 3 and 4.

EPA/STATE DEPARTMENT INTERNATIONAL INITIATIVES ON STRATOSPHERIC OZONE NEGOTIATIONS

The following steps have been taken jointly by EPA and the State Department, following the December 1-5, 1986 negotiation session in Geneva, to build international support for early conclusion of an effective protocol to protect the ozone layer from potentially harmful chemicals.

1. Ozone layer issues raised by U.S. during U.S.-Soviet bilateral environmental meeting in Washington, Dec. 13-17, and agreement obtained to hold early consultations on science of ozone depletion in Moscow.

2. Engaged UNEP—by cable, telecons with U.S. Permanent Representative to UNEP in Nairobi, and during Washington visit by senior UNEP official—to urge adherence to original negotiating timetable, and that

UNEP increase its staff support for the preparatory work to help ensure success.

3. EPA Administrator Thomas called U.K. Environment Minister Waldegrave to seek his help in keeping to the negotiating schedule, and to explore ways of elevating the importance of the issue in Europe. Agreement was reached that early visits by U.S. experts could help expand awareness and understanding.

4. Cable sent to EC capitals asking U.S. Mission EC and embassies to approach EC leadership to urge that steps be taken to ensure that EC negotiatiors come to Vienna with flexibility to negotiate across range of issues. U.S. Ambassador to EC met with EC Commissioner.

5. Issue has been placed on agenda of U.S.-EC bilateral discussion scheduled for Washington in late March.

6. Assistant Secretary of State Negroponte and Deputy U.S. Trade Representative Smith discussed ozone protocol with senior Japanese officials during separate visits to Tokyo. This followed cables requesting such consultations.

7. Issue also raised in Washington with Japanese Embassy officials, leading to invition for U.S. team to visit Tokyo in March.

8. USIA "Worldnet" capability used for January 27 interactive briefing by State Department negotiator and NASA scientist for European experts and reporters in six capitals, with second briefing scheduled for February 11.

9. Consultation held with Canadian delegation, Jan. 29 in Washington, to exchange information and views about second negotiating session.

10. Ambassadors Negroponte and Benedick discussed ozone layer issue with Brazilian Minister of Environment.

11. Scientific team, involving representatives from NASA, NOAA and EPA, and including a prominent Norwegian modeler, was sent to Moscow for Feb. 3–8 discussions.

12. Second team, with similar composition plus the principal U.S. negotiator, was sent to Brussels, Paris and London, Feb. 2–5, to meet with senior policy makers from those countries plus the European Community (in advance of Feb. 13 meeeting of EC Council). Meetings arranged by U.S. Embassies based on joint EPA and State requests.

13. Nordic nations advised that Feb. 3–6 meeting of ECE Working Group on Nitrogen Oxide Protocol (Geneva) can serve as forums for discussing status of ozone negotiations, and that EPA member of U.S. delegation will be prepared to participate in separate *ad hoc* meetings of interested parties.

Question 8(c):

Please describe your efforts to further examine the trade issues concerning CFCs. What are those issues?

Response:

Since the December negotiating session, we have been holding regular meetings of an informal "trade issues" workgroup, comprised of representatives from State, Commerce, USTR, and EPA. The primary issues which this group has been addressing are:

1. What are the trade implications of various methods for calculating emissions (e.g., production, adjusted production)?

2. What are the legal implications of various proposals for controlling trade in the protocol? Are they consistent with the GATT, other international law, U.S. law?

3. How should trade be controlled to protect parties from being put at a competitive disadvantage vis a vis non-parties? What are the practical considerations of restricting imports from non-parties of bulk, products containing, or made with, the chemicals controlled by the protocol?

4. Should exports of technology for, and direct investment in, facilities for producing the chemicals controlled by the protocol in the territory of non-parties be restricted by the protocol? What are the practical and legal considerations of doing so?

These issues were discussed at a meeting held at the State Department on February 5, which was attended by a member of your staff, Mr. David Finnigan, other Congressional staff, and representatives from industry and environmental groups.

Question 9:

I am in receipt of a November 26, 1986, release by the Department of Energy (DOE) of a December seminar to describe DOE's "state-of-the-art reports on carbon dioxide research and the greenhouse effect." Senator Chaffee, in recent Senate hearings, said ozone "depletion and the greenhouse effect can no longer be treated solely as important scientific questions." The World Resource Institute is also concerned about the greenhouse problem. What is the science today regarding the greenhouse effect? What is the status of the research? What is the relationship of this to the ozone issue? What is being done about this problem in the U.S. and worldwide? If the problem relates to the burning of fossil fuels in the U.S. and elsewhere, what are the alternative, since halting such burning by our factories, homes, and utilities does not appear likely?

Response:

Recent national and international scientific organizations have summarized the scientific consensus concerning the greenhouse effect (e.g., NAS 1979, 1983; WMO 1985).

Because some of the same trace gases influence both stratospheric ozone and global warming, the two issues have sometimes been linked. In addition, changes in the vertical distribution of ozone have a direct radiative forcing effect.

Several studies are currently underway regarding the greenhouse effect and possible societal responses. At the request of several Senators EPA is conducting assessments of the *effects* of global climate change and strategies to stabilize the concentrations of greenhouse gases. The National Climate Program Office coordinates federal research regarding climate change. The Department of Energy is continuing research on CO_2 and climate, vegetation response and their effect on society and has recently released a several volume series of "State-of-the-Art" reports. In addition, related efforts by NOAA, NASA, and NSF seek to improve understanding of a greenhouse warming in the context of overall climate variability. International efforts are coordinated by the World Meteorological Organization's World Climate Research Programme. Other nations are also conducting studies on this issue.

As stated above, strategies to stabilize greenhouse gases will be evaluated in a future EPA report. Because carbon dioxide is now thought to contribute slightly less than half of the total projected greenhouse warming by the mid-21st century, the EPA report will also consider other trace gases, such as methane, nitrous oxide, and chlorofluorocarbons, as well. Options to limit greenhouse warming include setting limits on fossil fuel consumption, which can be achieved through energy-efficient nuclear or solar power, as well as limits on other trace gases.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, March 4, 1987.

Hon. LEE M. THOMAS,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR MR. THOMAS: Thank you for your March 2, 1987 reply to my January 2 letter relative to the United States' consideration of worldwide protective measures for the stratospheric ozone. Your reply is quite helpful. Nevertheless, there are a number of matters that continue to concern me, especially as the U.S. continues on its negotiation course for a global protocol and as your agency prepares to respond in May to the Court Order of May 17, 1986 in *Natural Resources Defense Council, Inc.* v. *Lee Thomas, Administrator, U.S. Environmental Protection Agency,* Civ. Action No. 84-3587.

The Committee staff, like your staff, have just returned from the second round of negotiations in Vienna and report that there appears to be further progress, albeit slow progress, toward development of a protocol. That is good news and the State Department and your agency deserve congratulations for these efforts. However, the potential contents of that protocol are still of some concern, in light of some of the answers provided by your agency and the State Department in response to my letter.

As I indicated in my letter of February 19, 1987 to Secretary Shultz and you, I am concerned that the protocol is *not* receiving adequate attention at a high enough level in the Administration. One area of concern is the trade area. A strong and effective trade provision is important. But to be workable and effective, it must be consistent with other U.S. policies and trade practices, unless there is some basis for deviation. I do not have a feeling that there has been a coordinated development of such a provision for this protocol.

I am also concerned that the Environmental Protection Agency (EPA) has not received sufficient input from the user industries that could be severely affected by any significant reduction requirements or the trade provisions of the protocol.

As you know, I am a firm supporter of these international negotiations and the need for a reasonable and effective protocol that achieves the goals of health and environmental protection and the protection of American jobs. However, I am not satisfied that the current approach fully meets both objectives.

I understand that the U.S. is planning to meet in early April with some countries that may share the U.S. objectives and that the third round will be in Vienna in late April. I urge that this time be well used to resolve these concerns.

Enclosed are some specific questions that address some of my concerns. I request your response at least 10 days prior to the start of the third round of negotiations.

Incidentally, your reply to my question 7(a) states that the "Court Order requires a proposal by May 1 1987, and a final rule by November 1, 1987," However, the actual wording of the Order does not seem to support that statement. It states:

2. Not later than May 1, 1987, the Administrator of EPA shall sign a Federal Register notice proposing regulatory action on CFCs or representing a basis for a proposed decision to take no action.

3. Not later than November 1, 1987, the Administrator of EPA shall sign a Federal Register notice promulgating regulations or announcing a final decision to take no action.

A "no action" decision at either time is not a rule.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

COMMITTEE ON ENERGY AND COMMERCE ENCLOSURE FOR THE ENVIRONMENTAL PROTECTION AGENCY

(Re: Ozone Layer Protocol and Related Matters)

MARCH 4, 1987.

TRADE MATTERS

In reply to question 8(c), the Environmental Protection Agency's (EPA) letter of March 2, 1987 indicates that consideration of the trade issues began last December when EPA began to hold "regular meetings of an informal" working group. The letter lists four primary issues addressed and states that they were "discussed" at a February 5 meeting attended by House and Senate staff and others.

On February 19, 1987, I wrote to Secretary Shultz and you and said that the Committee staff returned from that meeting with the view that the "working group" had "little appreciation for this issue or its impact on U.S. industries and jobs." Subsequently, at Vienna, the U.S. delegation presented a new trade document which was not available on February 5 and which, on its face, appeared reasonable and appropriate. That document, with some changes, was adopted as a working paper for "all delegations to consider" (see enclosure).

According to the enclosed United Nations document, the 1985 Convention was signed by 29 countries, but only five countries (Canada, Finland, Norway, Sweden, and the U.S.) have ratified it. While I know it is Ambassador Benedick's hope and expectation that many nations will ultimately sign and ratify the convention and a protocol, this cannot be a certainty. Presumably, that is one of the reasons for an "Article on Control of Trade" in the proposed protocol.

That draft article concerns me. For example, it provides for a ban or restriction on "imports of products containing substances controlled by this protocol from any state not party to this protocol (unless such state is in full compliance with Article . . . and this Article." The protocol parties must provide a list of such products and "standards for applying such measures uniformly."

Under this provision, a country like South Korea, which last model year imported to the U.S. over 100,000 cars and plans to import more than double that amount this model year, could find that the U.S. must ban or restrict such importation of any cars with CFCs. While I might applaud that result from a purely parochial Michigan viewpoint, what are policy implications for the U.S. of such action beyond the narrow confines of the objectives of this protocol? Is it likely that the U.S. would want to impose such a ban or restriction, taking into consideration other interests in that country? What happens if the South Korean manufacturers import the cars with the air condition units disassembled and uncharged with CFCs and arrange for their assembly and charge in the U.S., as is done today by several foreign manufacturers?

I am also concerned about the exception which appears throughout this draft article on trade. It appears to allow a nonparty to avoid the obligations of the protocol and continue to enjoy trade with the parties, merely because that party is in partial compliance with the protocol. That does not appear fair, nor does it seem consistent with the objectives of the protocol.

I am also unclear what it means to "restrict" imports. What measures could constitute a restriction? Are we contemplating tariffs or some other restriction? Further, the draft article calls for "standards" for applying measures "uniformly by all parties." Does that also mean that all products commonly produced by one or more parties would be restricted in a uniform manner by all parties?

Is the article adequate from the standpoint of U.S. industry and jobs, How will it impact on U.S. firms that have dealings with non-party countries, including developing countries?

I request your comments and your assurances that the Secretaries of Commerce, State, and Defense, and the U.S. Trade Representative fully support this draft article on trade.

HALON'S AND THE DEFENSE DEPARTMENT

In question 4(b), I asked for the Defense Department's view on including Halons in the protocol. I did not get a direct reply. Instead, EPA states an awareness of the DOD's "unique requirements with regard to the use of Halons for fire protection" and adds:

"The agency will *consider* these special circumstances, including national security or unique operational readiness situations of the armed services *when the various regulatory options are evaluated.*

* * * * *

"*Halons may be one such special case. Halons are widely deployed within the military for fire protection in critical environments and around high value assets.* The protection of personnel and equipment needed for operational readiness, computer and command and control facilities, and "one-of-a-kind" trainers are all essential for maintaining national security. However, *EPA feels* that DOD should make every attempt to reduce its emissions in the near term, *and it may prove desirable to ultimately restrict the deployment of Halon-based extinguishing systems.* In the near term, DOD agencies *could be encouraged* to minimize unneeded full-system tests (and thus releases) of Halon-containing room fire-extinguishing systems, to limit "live" fire-fighting training exercises with Halon portable extinguishers when alternative methods are available, and to generally limit the *unnecessay* discharge of Halon fire-extinguishing agents to the atmosphere. DOD agencies *could employ* the prudent use of Halon agents to protect life, high-value electronic components, or to fight aircraft fires during the near term.

"As part of DOD's long-term actions on this issue, each armed service *could review* their planned weapons and support systems and *identify* Halon uses that *may be modified and /or substituted* for as soon as possible. In addition, R&D and logistical support investigations should be undertaken to identify controls and/or product replacements that can be deployed in existing Halon-agent-based systems.

"EPA has held informal working level discussions with most of the armed services and with DOD officials. A DOD-sponsored meeting of all the service representatives was held in mid-February. At *these informal discussions and in the DOD-sponsored meeting, EPA representatives continued to state the above rationale on military uses of Halons and requested that the services support data collection and analysis in support of the national CFC policy.*"

The above response clearly indicates EPA's views on what the DOD "could" or "should" do, but there is no evidence that the Secretary of Defense and Service Secretaries agree. I welcome the EPA view, but I specifically sought the DOD view also. I reiterate that request.

(a) What are the DOD's unique requirements?

(b) What is the "national CFC policy"?

(c) In the above reply and elsewhere in the March 2 reply (*e.g.*, question 6(c)), EPA refers to regulatory actions or options. What "regulatory options" does EPA contemplate? Will they require legislation? How can these options provide special exceptions for DOD needs unless the final protocol provides such as escape? Is such as escape desirable?

(d) Please provide the date of the meeting and the indentity of the persons attending. What did DOD say at that meeting?

(e) The above EPA reply lists several EPA suggestions. Does the DOD agree with them?

I stress that I share EPA's view that Halons probably should be included in the protocol in some form. But it appears that EPA also is seeking reductions in the use of these Halons and I have an uneasy feeling that EPA (and maybe the DOD) is not informed about the consequences of the reductions. That is a concern.

AVAILABILITY OF SUBSTITUTES

On several occasions, I expressed concern that any reduction of CFCs in the protocol take into consideration the vast number of user industries in the U.S. so as to avoid adverse impacts, including loss of American jobs. My question 6 cited an EPA contracted study that indicated that early development of substitutes that are technically and economically feasible for these users was probably quite optimistic. I asked for the U.S. analysis of the "availability of substitutes and their costs within the time frames and percentages contemplated in the November 25 draft." I did not get that analysis. Instead, EPA said:

"EPA believes that current control technologies, expanded use of CFC-22 and blends, expanded recapture and recycling, product substitutes, and improved servicing practices could substantially reduce current emissions of CFC-11, -12, -113, and -114 and Halons 1211 and 1301. These reductions would not depend on technological innovations, major capital investments, or the successful development of new chemical substitutes.

"*EPA has initiated studies that should provide a better quantitative basis for estimating costs, timeframe, and potential reductions. At their completion, we will be able to provide more than an illustration of the quantity and timetable for phased reductions.*

"The EPA draft report on chemical substitutes does contain extensive discussion of the problems of posssible toxicity, oil compatibility, and other commercialization requirements for new chemicals. EPA will continue to report the prospects of new chemicals and to work with industry to reduce the uncertainty about the appropriateness of new chemicals. Note that the DuPont policy statement on this issue states that they believe chemical substitutes *might* be available 5 years after an economic or regulatory incentive exists. EPA is expanding its research into chemical substitutes, working both on the production and user sides to expedite its understanding of these issues."

This reply is not reassuring particularly when I read that EPA has just "initiated" the studies that "should" provide better data. The Chairman of the UN conference, Ambassador Winfried Lang, is reported by the New York Times as envisioning a 20 percent reduction of output within three years of signing. The draft protocol calls for reductions of between 10–50 percent in some unspecified period of time.

(a) What is the basis for believing that safe, non-toxic, and technically effective substitutes can be developed and used by all the affected users within the time frames being discussed and supported by Ambassador Benedick? Is the U.S. basing its negotiations on the above DuPont comment which appears quite speculative, is dependent on some unspecified incentives that apparently do not now exist, and fails to discuss the time required by the users to adapt to any such substitutes? What time is required for users to accommodate substitutes, assuming they are adequate?

(b) In a February 20 letter to the Committee, a consultant for the Dow Chemical Company said:

"Uses of CFC's for foam blowing are of great concern to our company, both directly, as a foam producer, and indirectly as a supplier of urethane and thermoplastic foam raw materials. *In general, there are no commercially available substitutes for CFC-11 and CFC-12 in major foam blowing applications, and many of these products could be virtually eliminated by restrictive regulations on the CFC's use for this purpose.* Additionally, blowing agent costs represent a very significant part of foam production costs, so that proposals for CFC taxation and/or substitution by higher priced substitutes would adversely affect foam cost competitiveness. *Further, in closed-cell foams such as those rigid urethane and polystyrene foams used for building insulation, most of the CFC blowing agent remains in the foam for many years and contributes substantially to the foams' insulating efficiency. This severely limits the possibility of CFC recovery and recycling as an alternative technology for such foams.*

* * * * *

"Dow is a major user of CFC-12 for the production of insulating grades of styrenic foams. This CFC has become the blowing agent of choice since it is low in toxicity and flammability and high in its contribution to the thermal insulating properties of the final foam product. *No other material available today offers such a combination of favorable properties.* It is possible that alternative CRC blowing agents could become available, in which case the principal effect would be the likely increased cost of the final foam product.

"Dow is not the only producer of foamed polystyrene insulating products. If the rest of the world were to have to convert to alternative blowing agents, we would remain competitive. If, however, the U.S. was to take a unilateral regulatory action in this respect, it is clear that U.S. industry would soon become noncompetitive on a cost/performance basis.

"A reasonable conversion time for this use is dependent on the availability of suitable alternatives. *When, and if, such materials become commercially available, it would probably take two to three years to convert our worldwide production sites to a new system.* It is not likely to be an easy task, for foam blowing is part art and part science. Based on a five-year projection for commercialization of alternative CFC's, a time frame of *six to eight years* for blowing agent substitution is not unreasonable.

"It is interesting to consider the energy aspects of the use of urethane and styrenic foams. As you know, the potential ozone depletion issue and the greenhouse effects issue cannot be completely separated from each other. *Insulating foams have contributed much to the maintenance of a high quality of life and reduced consumption of energy, which today primarily involves fossil fuel combustion as the energy source.* It is clear that the reduction in insulation capacity for refrigeration and buildings will increase demand for energy. This will result in increased fossil fuel use and increased CO_2 production with its involvement in the greenhouse effect issue. Clearly, we live in an imperfect world. *Everything we do involves some kind of trade-off and we encourage the consideration of all aspects and ramifications of any regulatory policies before they are implemented.*"

Dow's consultant said:

If severe restrictions are imposed on CFC's-11, -12 and -113, it would severely affect our markets for carbon tetrachloride and perchloroethylene. This would likely result in closing some production units around the world with the number remaining being dependent on the extent of CFC-11, -12, and -113 production allowed, and U.S. industry's ability to compete for the remaining market.

A *secondary effect* on a loss of CFC production would be the reduced demand for chlorine and the consequent loss of sodium hydroxide capacity. Sodium hydroxide (caustic) is an unavoidable co-product produced in soaps/detergents, fabric production, food processing, oil production, etc. *If CFC-11 and CFC-12 were to be banned, there would be between two and three billion pounds of caustic that would not be produced on a global basis.* Clearly, any imbalance in demand for chlorine and caustic that might result from CFC control would cause chlorine producers some real problems in addition to the obvious loss of precursor sales. The magnitude of the problem would depend on the degree of imbalance which is dependent on the extent to which present CFC's survive or new "soft" CFC's that also require chlorine become viable alternatives.

(c) Realizing that Dow has a vast economic stake in these matters as do many industries, to what extent has EPA and the Department of Energy (DOE), with its energy conservation duties, considered the matters raised by Dow? Does EPA and DOE disagree with Dow? Does the present U.S. position reflect these concerns that I assume are not unique to Dow?

(d) The EPA reply also said:

"EPA agrees with your concern for the CFC user and service industries and for consumers who own refrigeration equipment that may need recharging during its remaining useful life. Automobile air conditioners are a particularly large source of emissions from leaks and intentional discharge during service and disposal. Sealed units, such as refrigerators, freezers, and dehumidifers, have less emissions because they are able to use sealed motor-compressor units and rigid tubing.

"EPA is specifically investigating the stock of existing appliances and the likely service requirements. In addition, EPA is investigating the full range of options, such as preventive maintenance, improved service procedures, and refrigerant recovery at product disposal, which would minimize emissions."

When will this EPA investigation be completed and the results available for U.S. consideration in the negotiations?

OTHER MATTERS

In reply to question 4(c), EPA said that "CFCs used to fill air conditioners in motor vehicles would be counted by the producing nation even if the vehicles were shipped to the U.S. or elsewhere." Is that true where, as already noted, foreign manufacturers ship the vehicles to the U.S. and charge the air conditioner with the CFCs in the U.S.? If that practice was expanded, what would be the impact on the U.S.?

VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER CONCLUDED AT VIENNA ON 22 MARCH 1985

[UNEP Secretariat information as of December 1986]

State	Signatures	Ratification	Acceptance
Austria	Sept. 16, 1985		
Argentina	March 22, 1985		
Belgium	do		
Burkina Faso	Dec. 12, 1985		
Bylorussian SSR	March 22, 1985		June 20, 1986.
Canada	do	June 4, 1986	
Chile	do		
Denmark	do		
Egypt	do		
Finland		Sept. 26, 1986	
France	do		
Germany, Fed. Rep. of.	do		
Greece	do		
Italy	do		
Luxembourg	April 17, 1985		
Mexico	April 1, 1985		
Morocco	Feb. 7, 1986		
Netherlands	March 22, 1985		
New Zealand	March 21, 1986		
Norway	March 22, 1985	Sept. 23, 1986	
Peru	do		
Sweden	do	Oct. 1986	
Switzerland	do		
Ukrainian SSR	do		June 18, 1986.
Union of Soviet Socialist Republics.	do		June 18, 1986.
United States of America.	do	Aug. 27, 1986	
United Kingdom of Great Britain and Northern Ireland.	May 20, 1985		
European Economic Community.	March 22, 1985		

These are some of my concerns with the EPA reply and the vagueness of the U.S. negotiating position concerning this protocol. Now is the time to resolve these matters, not at the time of signing the protocol or thereafter. I strongly urge that the U.S. do so and advise this Committee of the U.S. position on these matters.

AD HOC WORKING GROUP OF LEGAL AND TECHNICAL EXPERTS FOR THE PREPARATION OF A PROTOCOL ON CHLOROFLUOROCARBONS TO THE VIENNA CONVENTION FOR THE PROTECTION OF THE OZONE LAYER (VIENNA GROUP), SECOND SESSION, VIENNA 23–27 FEBRUARY 1987

(Draft report of the ad hoc working group on the work of its second session)

REPORT OF THE SUB-GROUP ON TRADE ISSUES

The Sub-Group on Trade Issues considered the compatibility of including measures for controlling trade between parties to the Protocol, and trade between parties and non-parties, with the rule of international trade, especially the GATT. The Sub-Group provisionally concluded that, provided it was clearly demonstrated that the measures were not arbitrary or unjustifiable, any discrimination in the treatment between parties and non-parties would be permissible under the exceptions provided by Article XX paragraph (b) of the GATT (concerning conservation of exhaustible natural resources). However, there was the impression that discrimination would not arise at all, when trade restrictions regarding non-parties would not apply in case these non-parties were able to demonstrate that they complied fully with the control measures provided for in the protocol. Reference was also made to certain precedents, namely the Covention on International Trade in Endangered Species of Wild Flora and Fauna and the London Dumping Convention Resolution 29 (10) on Export of Waste for Disposal at Sea. Possible implications of the Protocol's trade measures in the light of UNCTAD guidelines concerning transfer of technology were also discussed. The Sub-Group concluded that it would be important for all delegations to consider these trade issues prior to the next session.

The Sub-Group has provided the following text, which they consider would be a useful aid to further deliberation on the subject by all delegations before the next session of the Working Group:

Article on control of trade

1. Within ( ) years after entry into force of this Protocol, each Party shall ban the import of the controlled substances in bulk from any state not party to this protocol (, unless such state is in full complicance with Article ( ) and this Article and has submitted information to that effect as specified in Article ( )).

2. Within ( ) years after entry into force of this Protocol, each Party shall (restrict) (ban) imports of products containing substances controlled by this Protocol from any state not party to this Protocol (unless such state is in full compliance with Article ( ) and this Article, and has submitted information to that effect as specified in Article ( )). At least one year prior to the time such measures take effect, the Parties shall elaborate in an annex a list of the products to be (restricted) (banned) and standards for applying such measures uniformly by all Parties.

3. The Parties shall jointly study the feasibility of restricting or banning imports of products produced with substances controlled by this Protocol from any state not party to this Protocol (, unless such state is in full compliance with Article( ) and this Article and has submitted information to that effect as specified in Article ( )).

4. Within ( ) years after entry into force of this Protocol, each Party shall (ban) (restrict) (discourage) the export of technologies (to non-parties) for the production and use of the controlled substances (,unless such state is in full compliance with Article ( ) and this Article and has submitted information to that effect as specified in Article ( )).

5. The Parties shall not provide (to non-parties) bilateral or multilateral subsidies, aid, credits, guarantees, or insurance programs for the export of products, equipment, plants, or technology for the production or use of the controlled substances (, unless such state is in full compliance with Article ( ) and this Article and has submitted information to that effect as specified in Article ( )).

(6. The provisions of paragraphs 4 and 6 shall not apply to products, equipment, plants or technologies which contribute to the protection of the ozone layer.)

COMMITTEE ON ENERGY
AND COMMERCE,
Washington, DC, March 6, 1987.

Hon. GEORGE P. SHULTZ,
Secretary, Department of State, Washington, DC.
Hon. MALCOLM BALDRIDGE,
Secretary, Department of Commerce, Washington, DC.
Hon. CLAYTON YEUTTER,
U.S. Trade Representative, Washington, DC.
Hon. CASPAR W. WEINBERGER,
Secretary, Department of Defense, The Pentagon, Washington, DC.
Hon. JOHN S. HERRINGTON,
Secretary, Department of Energy, Washington, DC.

DEAR MESSRS. SECRETARIES AND MR. AMBASSADOR: Enclosed is a letter I have today sent to the Administrator of the Environmental Protection Agency (EPA) concerning the continuing negotiations for a protocol to the Vienna Convention for the Protection of the Ozone Layer. Please note the questions regarding trade, military, and energy conservation matters within your areas of expertise. I request your response to those matters in addition to those of EPA.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

COMMITTEE ON ENERGY
AND COMMERCE,
Washington, DC, March 13, 1987.

Hon. LEE M. THOMAS,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR MR. THOMAS: Since writing to you last week about the Administration's efforts to develop an international protocol concerning the production and use of CFCs, I had the opportunity to hear your remarks and those of Ambassador Richard Benedick at the March 9 hearing of the Subcommittee on Health and the Environment. I was certainly pleased to hear the positive attitude of you both toward, obtaining a protocol soon, possibly as early as next September. Both you and Ambassador Benedick testified in strong support of such a document and in opposition to any unilateral action by the United States. I commend you for that view.

My staff and I also had the opportunity to explain to Ambassador Benedick, in greater detail, the concerns I expressed to you in my letter of March 4. He indicated that while he is the U.S. negotiator, he relies heavily on the Environmental Protection Agency (EPA) staff for the technical advice. I applaud that, as they are quite capable. However, I am concerned, as I have indicated, that there has been inadequate technical input by user industries to the development of the protocol. For example, there was, as I understand the matter, no opportunity for the user industries (or environmental groups and the manufacturers of CFCs) to review and comment on the U.S. proposed protocol of last November or the more recent trade proposal, both of which were largely developed by EPA. The workshops of last summer and fall did not provide a real opportunity to comment on any concrete proposal and its impacts. Indeed, no document was available at that time.

Also, since writing to you I have received the enclosed document from one user industry, the motor vehicle industry. The document is positive toward CFC reductions, but it clearly shows that there are significant technological and other uncertainties that must be resolved. These will take time. One, however, cannot extrapolate from this industry's comments and assume that the time it requires will be the same for other user industries. (See attached letter from General Electric about the lack of substitutes.) As the witness for the Society for the Plastics Industry, Inc., noted at the March 9 hearing, even after a substitute is found, users may require costly capital changes. The problems are undoubtedly different from industry to industry.

I also understand that, in the case of halons, they are apparently important in regard to fires involving oil facilities, like oil rigs and pipelines, as well as for military purposes. I wonder if the Departments of Transportation and Interior, as well as the oil industry, have been consulted by EPA. Possibly EPA should also talk to the firm of Red Adair regarding its use of halons.

To the Administration's great credit, you have included as part of the U.S. delegation industry and environmental observers. However, the industry people have generally represented the CFC manufacturer side of industry. I suggest that some user industry representation may also be helpful to you and Mr. Benedick.

I understand that in conducting negotiations with the Japanese regarding communications matters, the U.S. relied heavily on the technical expertise of an industry working group. It strikes me that possibly a similar group of technical user industry advisors could be quite helpful to Mr. Benedick and yourself, particularly since there are so many user industries involved. As good as your staff is, they cannot possibly be knowledgeable about the "real world" problems of these various user industries in converting to substitutes, assuming they exist. I offer this idea as a suggestion, not as a request. However, I continue to stress my uneasiness about the adequacy of user industry input into this process. There is significant environmental and CFC manufacturer input, but scant user industry input as far as I can tell.

Since the hearing, Ambassador Benedick kindly provided a copy of the November 28, 1986 "Action Memorandum" from Mr. John A. Negroponte to Mr. Allen Wallis. It indicates Mr. Wallis' approval of Mr. Negroponte's recommendation to negotiate a protocol. It states that "Subsequent authority will be sought to conclude any international agreement resulting from these agreements." The draft protocol text was apparently attached to the "Action Memorandum." The attached undated legal memorandum indicates that the protocol was "still in an evolutionary stage" and that the U.S. will propose "measures regulating the trade of ozonedepleting chemicals and technologies." It does not, however, discuss the scope of any trade proposal or its impact. It includes the following parenthetical:

"There is currently no definitive U.S. position with respect to additional trade controls."

The "Clearance" was as follows: "Commerce: MTKelly, USTRA:A Porges/R Reinstein." None of these people are the top officials of the Commerce Department or the U.S. Trade Representative Office. I can only conclude that these important matters have *not* received much attention at high levels of the Administration. It is little comfort to me that new authority will be "sought to conclude" an agreement, because at that time I suspect it will be difficult and embarrassing to try to revese or significantly change a negotiated protocol.

There is another matter that I have just gained better knowledge about which greatly concerns me—that is EPA's concurrent rulemaking efforts.

Last week at the Health Subcommittee hearings you entered into the following colloquy:

"Mr. Waxman. Well, Dr. Watson from NASA testified this morning that if we assume that CFCs are the cause of Antarctic depletion, then we should seek control of CFCs with even greater urgency. I guess the question is, if we reach the conclusion that CFCs are the cause of this hole in the Antarctic, do we have a greater, more urgent problem than the one that we were dealing with as we saw it, trying to get a phasedown of the CFCs?

"Mr. Thomas. I think both the information that Dr. Solomon presented this morning and Dr. Watson's comments, as well as those of the other panel members, not only concerning the Antarctic, but other areas where they have observed potential depletion, lends a sense of both support and urgency to the kind of task we have ahead of us.

"Mr. Waxman. *Well, do you think we need to push harder for CFC control than we have been doing, both domestically and internationally, in light of this new information?*

"Mr. Thomas. *I don't think there is any question that we have got to have CFC control.* I think that's exactly what the U.S. position is. *I personally feel like international control, particularly based on the history of controls in this area, and what happens internationally when we take unilateral action, is essential, and I think we are making good progress internationally.* It is not an easy process, but I have seen significant movement over the last six months towards an international agreement." (Italics supplied.)

I fully agree with your reply. However, in your March 5, 1987 reply to Subcommittee Chairman Waxman, you said:

"EPA's risk management process involves using the best scientific information available as the starting point for evaluating the range of *possible regulatory alternatives.* With the review of the risk assessment by the Science Advisory Board, we believe that we have successfully set the framework for evaluating regulatory options.

"We have initiated a range of studies examining technical options for reducing emissions of CFCs and Halons. These studies should provide the engineering and cost information needed to evaluate the likely cost and effectiveness of different options. They will provide the data base for preparing an impact analysis of any *proposed regulation.*

"*Within EPA we are developing a proposed rule on what, if any, further domestic controls are needed to protect stratospheric ozone.* I will continue to review the available data and weigh the various options. *This will lead to a decision on the content of our proposed rule.*" (Italics supplied.)

Enclosed is a February 11 memorandum from *Common Ground's* Center for Policy Negotiation, Inc., which states that it has been asked by EPA "to convene and facilitate a meeting to provide a sounding board in elaborating regulatory options for stratospheric ozone depletion." The memorandum, which was sent to several industry and environmental people, states that the "Issues" to be considered "by EPA include:"

1. Whether EPA should propose a specific regulation or a broad set of possible control options.

2. Which chemicals should be controlled.

3. How stringent should be the level of controls.

4. What should be the timing of any controls.

5. What measures, if any, should be adopted to address competitiveness of U.S. firms abroad and in the U.S.

6. What are the advantages and disadvantages of regulatory options and their various design permutations currently under consideration, including:

a. Fees:

i. *Flat* fee to meet a regulatory goal that is set in advance and revised later if goal is not met.

ii. *Escalating* fee by preset amount to meet a regulatory goal that is set in advance; rate of increase is revised later if goal is not met.

iii. *Contingent* fee set low initially, but rises by specified amounts if goal is not met.

b. Permits.

i. To Whom: users or producers?

ii. Eligibility: grandfathering, new entrants?

iii. Basis of Allocation: grandfathering, auction, lottery?

iv. Permit interval and renewal procedure?

v. Future value and exchange of permits?

c. Process and Product Regulations:

i. Best available technology?

ii. Product standards?

iii. Product restrictions?

iv. Specific Procedures?

Despite the fact that the law requires EPA to "take into account the feasibility and costs of achieving" control by regulation, there is no evidence that these factors are even being addressed in this process. There is no discussion of the problems of conversion to the user industries, including the financial implications and timing of any capital changes for relatively small businesses. Also, there is no discussion about the impact on existing facilities in cars and homes and elsewhere that may need recharging with current CFCs. Your letter to me agrees that this is a concern.

Apparently a meeting took place on February 18 headed by this organization, which is presumably under contract with EPA, as shown in the enclosed memorandum. It clearly states that:

"The purpose of the meeting was to discuss regulatory options under consideration by EPA for its scheduled May 1, 1987 Notice of Proposed Rulemaking (NPR) on stratospheric ozone depletion."

I can understand that under the court order, EPA should, of course, be prepared and should consider the regulatory option, but a review of these documents indicates that the view of the EPA staff does not seem to coincide with the views that you and Ambassador Benedick expressed to the Subcommittee about the need for international action, not unilateral action, either legislative or regulatory. The documents *fail* to indicate even a remote interest in the question of a decision of "no action" (because of the international negotiations and the global nature of the problem) which is clearly an option under the court's order. That greatly troubles me.

The State Department's Action Memorandum makes it quite clear that unilateral "U.S. action in advance of international agreement could *undercut* the global control effort." It stresses that an "important goal in seeking an early and effective international agreement (in addition to the goal of more effective protection of the ozone level) is to *avoid disadvantage* to U.S. industry *as a result of unilateral U.S. regulatory action* required by the Clean Air Act." (Italics supplied.)

I realize that your agency tends to be prone toward a regulatory approach, but I continue to believe that your stated views about the global nature of this problem should prevail, consistent with the provisions of section 156 of the Clean Air Act. Clearly, sections 156 and 157 should be read together. That is one of the thrusts of H. Con. Res. 50 which is now cosponsored by over 25 Members. Another is that the goal is to protect both the public health and the environment and American jobs.

I request your explanation of EPA's rulemaking and protocol activities and the extent to which those activities are being coordinated with your protocol efforts.

I would add that my investigation of the matter does not convince me that the use of *Common Ground* suffices for gaining adequate input from the user industry or others prior to rulemaking. The discussions are too general. EPA staff has not provided specific proposals, only generalities. Industry, environmentalists and others who attend are in the dark.

I also understand that EPA is thinking about asking the court to delay the May 1 date. I would like to know why. I would also like to know the implications of that request. Does it suggest that at the end of the time EPA will propose a rule regardless of the status of the protocol negotiations?

I note that the February 18 document states (at page 8) that "EPA representatives agreed that they could prepare brief summaries and analyses of how various programs could work, highlighting specific questions." Please provide copies of them, as well as the legal basis for establishing (by rule) a fee provision.

The enclosed March 3 memorandum of the Plastics Industry expresses specific concerns about the EPA regulatory effort. It also states the EPA is "planning a technical conference and trade fair for the fall of discussion about industry alternatives (assuming industry underwrites it for $45,000). They indicated that they are aware of vendors who have products under development are just about ready to market equipment to help reduce CFCs." Please explain the plans for this conference and fair and why industry must underwrite it. Also please provide the basis for this information about vendors and identify them.

I request your reply to the above matters and my earlier letter before April 10, 1987.

With best wishes.

Sincerely,

John D. Dingell,
Chairman.

Meeting on Stratospheric Ozone Depletion Regulations, February 18, 1987

I. INTRODUCTION

On February 18, 1987, individuals representing numerous diverse interests concerned with the stratospheric ozone depletion problem met in Washington, D.C. under the auspices of the Center for Policy Negotiation (CPN), Boston, Massachusetts. The purpose of the meeting was to discuss regulatory options under consideration by EPA for its scheduled May 1, 1987 Notice of Proposed Rulemaking (NPR) on stratospheric ozone depletion. Represented at the meeting were EPA, environmental groups, Congressional staffers and producers and users of chlorofluorocarbons (CFCs) and halons. User groups included air conditioning and refrigeration manufacturers and service organizations, freezer users, automotive manufacturers, rigid and flexible foam manufacturers, electronic equipment manufacturers, and fire suppression equipment manufacturers.

II. MEETING IN CONTEXT

At the outset of the meeting, CPN representatives noted that the group was convened to promote discussion among diverse interests on issues which needed to be addressed by EPA in its rulemaking process. The discussions were intended to benefit all participants. EPA, charged with drafting the regulations, was likely to be a primary beneficiary of the discussions.

The Director of EPA's rulemaking activity noted that EPA was interested in promoting open and objective discussion on key issues and encouraged all parties to be as forthcoming as possible in discussing their concerns and insights.

The proposed agenda included a presentation by EPA on ceretain background information, a discussion of potential overall proposals for chemical coverage, timing and stringency and a discussion of various regulatory options for achieving the overall proposals, including ways of addressing trade effects. After discussion, the group endorsed the agenda, as amended, to address trade issues prior to any discussion of regulatory options.

III. BACKGROUND INFORMATION

It was noted that EPA is under a court approved schedule to issue a NPR or a decision not to propose regulations by May 1, 1987. EPA representatives provided information on three (3) areas in which the Agency has been focusing:

A. Risk assessment

It was noted that EPA had developed a draft risk assessment which was to be revised based on comments by the Science Advisory Board (SAB) and the public. A final risk assessment was due to be available in mid to late 1987 while an interim SAB report was scheduled to be submitted to the Administrator before May 1, 1987.

B. Domestic activities

EPA is actively seeking to assist in establishment of a strong market for new products and processes, compilation of reliable estimates for future CFC and Halon prices, promotion of confidence in the safety of substitute products and processes, and encouragement of commitments to finance research and testing. In this regard EPA is engaged in a number of programs designed to cooperate with industry and experts in new technology and chemical substitutes. Slides presented by EPA on these programs are attached (Enclosure 1).

C. Modeling

In preparing for its domestic rulemaking, as well as for the international negotiations, EPA has been engaged in a number of modeling projects. A presentation of the latest one dimensional modeling results showed the projected effects on ozone depletion of a number of worldwide options, including a 95% phaseout of CFCs 11, 12 and 113 and Halons 1211 and 1301. In the 95% phaseout scenario, it was assumed, for illustrative purposes, that the phaseout would occur in approximately fourteen (14) years and that there would be approximately 80% compliance on average throughout the world (because of some countries' failure to sign a protocol or, if a signatory, to effectively enforce it). The one dimensional model results showed the effects of varying chemical coverage and stringency as well as comparing, for example, unilateral U.S. phaseout action with a worldwide freeze. It was noted that one dimensional models represent the average worldwide ozone depletion and, further, that the results could vary directionally by a factor of two (2).

It was noted that EPA intends to rely on two dimensional modeling, which projects effects on ozone depletion as a function of latitude and time of the year. One projection was displayed to the group to show an example of the types of results one obtains with such models. These models currently are undergoing peer review. (Slides presented by EPA are attached as Enclosure 2.)

It was noted that the one dimensional modeling results do not show significant differences in results in the near-term (through at least 2010) for any of the options. This prompted some members of the group to suggest that the least burdensome regulatory approach was appropriate, pending further analysis of atmospheric effects.

IV. DISCUSSION OF OVERALL PROPOSAL FOR CHEMICAL COVERAGE, STRINGENCY AND TIMING

A. Stringency

It was noted that the boundaries of the international negotiations are the U.S. and European Community (EC) negotiating positions:

The U.S. position consists of an immediate freeze and a long-term phaseout of CFC-11, -12, and -113 and Halons 1211 and 1301.

The EC position consists of a freeze on CFC-11, 12 and maybe 113.

The first area of discussion concerned the EPA approach to domestic regulation in the absence of international consensus. There appeared to be widespread agreement among CFC producers and users that a proposal for unilateral U.S. action consistent with its international negotiating position could cause other nations to believe that they could potentially avoid taking any comprehensive action. Unilateral U.S. action to phaseout emissions coupled with no or minimal action on the part of other countries could cause significant adverse competitive effects on U.S. companies, particularly those associated with electronics and autos. Furthermore, relying on import restrictions to address the effects would not improve the competitiveness of U.S. products in countries which were not part of an international protocol, and might prompt reciprocal trade restrictions by competing countries in which the U.S. does business. Worse, import restrictions could have an adverse effect in the U.S. economy and employment.

On the other hand, it was suggested that a strong U.S. position on the domestic regulation may prompt other countries to seriously consider equally strong actions. It was noted by one EPA representative that the countries involved in the negotiations view ozone depletion as a very serious problem and are treating the negotiations very deliberately. He believes that an effort to be innovative during the negotiations will lead to the problem solving that is necessary to obtain a sound, equitable agreement. Thus, he believes that the U.S. will not risk losing any negotiating leverage if EPA's proposed domestic regulation calls for a phaseout. A commitment to utilize trade measures against non-signatories could lead negotiating countries to consider all sides of the economic consequences of acting or not acting.

The uncertainties of the science also were cited as justifying deferral of regulations calling for a phaseout. While it was conceded that EPA is ordinarily called upon to act in the face of some uncertainty, the scientific uncertainty in this case, coupled with the uncertainty in the international negotiations, might justify no more than a proposed U.S. freeze at this point.

Finally it was noted that even if other countries agree to a protocol, enforcement of the agreement in some countries may present additional issues. The U.S. domestic regulations also may need to address lack of enforcement.

B. Chemical coverage

The group focused on the scope of chemical coverage. Representatives of the electronics industry raised issues regarding phaseout of CFC 113. If only the U.S. adopts a phaseout of CFC 113, it is likely to have substantial adverse competitive effects on the U.S. electronics industry. Increased costs would result from instituting advanced CFC emission controls and methods of recapture, which, to date, have not been considered economically efficient. The non-CFC substitutes under consideration present other environmental issues, such as VOC emission control and toxic waste disposal, and also pose concerns related to worker safety around toxic chemicals. Addressing these concerns will necessitate significant expenditures by the industry. Finally, the use of CFC 113 affects not only the price of electronics equipment, but its quality. Phasing out CFC 113, therefore, would raise the costs of U.S. manufactured equipment while, in the eyes of potential purchasers, reducing its quality.

It was noted that the electronics industry is in the process of responding to a survey administered by the American Electronics Association. This survey is designed to compile information on CFC 113 use by the industry, available means of controlling CFC emissions, available chemical substitutes and economic effects of phasing out CFC 113.

It was the sense of the producer and user representatives that EPA's regulations should be made contingent upon international discussions and actions or at least that the proposed regulations should retain enough flexibility to not restrict the international negotiations while at the same time placing the U.S. is a position to adopt a final domestic regulation which is responsive to the international discussions. EPA representative agreed that the proposed regulation could be made contingent or flexible.

C. Time frame

The group then focused on the time frame for regulatory action. A number of industry representatives stated that any regulatory program must allow sufficient time for the development of chemical substitutes or control technologies. The possibility was raised of exempting certain chemicals for specific uses.

It was noted that the process of phasing out current use, developing suitable alternative chemicals and introducing such alternatives on a large scale could take from 10 to 20 years. One of the producers noted that it would take a minimum of 5 years to develop a suitable alternative CFC, such as CFC 134A and introduce it in sufficient quantities. The user groups noted that it would then be incumbent upon them to test the chemicals for safety and effectiveness in a variety of applications and environments before introducing the chemicals into a product line. In many cases, such as refrigeration, air conditioning and insulation, new chemicals may require new equipment designs and/or introduction of compatible process agents, such as lubricating oil in the case of mobile air conditioners. This design process must follow the initial testing of the CFC substitute.

In order to speed up the process and to accomplish certain steps in parallel instead of in series, EPA offered to participate in joint testing programs with industry. EPA representatives noted that large quantities of potential substitute CFCs appear to be available for such testing programs. In response to concerns raised about the difficulty in securing revisions to Department of Defense (DOD) specifications or contract requirements, EPA representatives stated that they would offer to work with DOD to facilitate the revision process. They noted that DOD recently has shown some responsiveness to revising specifications for halons.

Finally, it was suggested that EPA consider the useful life of products currently in use and likely to be placed into use before any phaseout requirement takes effect. Large commercial refrigeration systems have a useful life of 30 to 40 years. Automobiles have a useful life of at least 10 years. Items of equipment, such as these, lose CFCs during operation, servicing and disposal. Because they are designed to use certain CFCs, they ordinarily must be serviced with the same CFCs. Thus, phasing out CFC looses on in-use products will require significant actions by the service sector and by those who finally dispose of these products.

In summary, the morning discussion highlighted the concerns about unilateral EPA action, raised significant issues about the feasibility of phasing out CFCs in certain user groups and demonstrated industry's perspective about the length of time necessary to achieve realistic reductions in CFC emissions.

V. DISCUSSION OF REGULATORY OPTIONS

The afternoon session focused on regulatory options currently under consideration by EPA to implement the overall program. The group was asked to consider emission fees, marketable permits and process and product regulations as potential "instruments" for achieving a certain overall objective. For convenience of analysis, the group was asked to use as reference points two (2) overall objectives: the EC position (freeze) or the U.S. position (95% phaseout of CFC emissions). Finally, the group was asked to consider for each alternative such issues as:

1. necessary steps for implementation;
2. available compliance measures;
3. trade problems;
4. influence on other countries taking action;
5. investments in chemical substitutes;
6. perceptions of fairness and equity;
7. financial costs; and
8. development of long-term technology

A. Emission fees

The group first discussed emission fees. It was noted that requiring the five (5) major producers of CFCs to pay a fee offered the most administratively efficient means of meeting the overall objective. EPA and some individual groups also noted that fees on production, which simply drive up the price of CFCs, would keep the government out of the business of deciding which uses would be permitted and/or how each user group should meet its reduction requirements (in the case of a phaseout) or use targets (in the case of freeze). Thus, industry would make those decisions based on the need for various products and the costs of buying the CFCs or developing alternative chemicals on control measures. This appeared, in theory, to be the most equitable regulatory option.

It was stressed by some members of industry that fees on production would have highly differential effects on various user groups and even on some companies within the same user group. Companies highly dependent on CFCs, with no promising alternatives or control technologies on the horizon, would simply be forced to pay the higher cost of the chemicals. To the extent that such companies were in a marginal competitive or profit situation, the consequences could force them to fail. In this sense, it was believed that fees on production are not equitable. EPA noted that its authority to establish fees was uncertain and that, if it has such authority, it could only place revenues from the fee into the general treasury. Thus, EPA could not, as some participants suggested, "rebate" costs associated with the fees to users who, for example, demonstrate destruction or permanent encapsulation of CFCs.

It was noted that placing fees on emissions may be a more efficient method of meeting an overall objective, since allocation of fees could take into account economic margins, competitive factors and available chemical substitutes and control measures of various user groups. However, it was acknowledged that it might not be feasible to implement and enforce such a program.

Setting the fee, even if it were only placed on producers, would be a difficult administrative problem, since EPA could not be certain what level of fee would achieve its overall objective. Thus, EPA might anticipate fluctuation of fees depending on the response of the market place. It was noted that the prospect of fluctuating fees might inhibit investment in chemical substitutes and/or technology since producers and users could never be certain of the floor price of CFCs and thus could not judge the economic benefits of alternatives.

One representative of the electronics industry noted that, although fees are often discussed, they rarely are ever considered seriously as a regulatory program.

B. Marketable permits

Fees were then contrasted with marketable permits and product and process regulations. The discussion of permits focused on production permits and user permits. Production permits assigned or auctioned to producers would limit CFC production and force the produced CFCs to be sold to those who could pay the expected high prices. The profits from the higher prices would be placed in the hands of producers who would, thus, be provided with a windfall. Discussion of permits allocated or auctioned to users revealed some of the difficulties in implementing such a program. Most user groups do not have sufficient information about current use to calculate the basis for allocating user permits. In addition, auctioning off such permits would require serious consideration of eligibility rules to prevent a non-user from seizing the market. Finally, the feasibility of enforcing the proper use of permits (proving title, etc.) is questionable.

Of great concern to certain user groups was the need to be assured of process product availability. Permits were not seen as an effective way of addressing this concern. Often, decisions about how much of a certain process product is needed are made on short notice. Should use permits not be available when the product is needed or if producers have reached the level of their production permits, than a user group could find themselves without chemicals compatible with their designs rendering them unable to produce their products. With emission fees, users would at least know in a given year, that the CFCs could be purchased at a specific price.

It was difficult to assess how the group viewed the effect of regulatory options on investment in alternatives. The overall objective appeared to be the paramount consideration, not the instrument for achieving the objective. Thus, how the industrial community perceives the availability of CFCs or the regulatory requirements on CFC emissions, will have the biggest influence on investment. Of course, increased prices of CFCs will lead to investment in more economical stubstitutes in most applications. However, stability and certainty in prices is very important in influencing investments.

C. Process and product regulation

Process and product regulations were not discussed in great detail. However, it was noted that such requirements might be based on the most extensive evaluation of feasibility and economics and, in that regard, have a better chance of achieving the equity desired by many participants. Whether such requirements could achieve the overall goal was not addressed. However, it was pointed out that objective evaluations of "feasibility" and overall economic effect are not always compatible with achieving a pre-determined reduction in total loadings of emissions.

VI. NEXT STEPS

Some participants stated that it might be useful to convene this group again after the upcoming meeting in Vienna. They found it useful to hear the viewpoints of diverse interests. One EPA representative agreed that it might be useful, but only if the meeting was devoted to more specific discussion of various alternatives. EPA representatives agreed that they could prepare brief summaries and analyses of how various programs could work, highlighting specific questions. These products could form the basis of follow-up discussions by the group. The week of March 9 was mentioned as a potential meeting date.

Some EPA representatives noted that it may be more effective for them to meet with individual user groups, perhaps increasing the number of representatives in the groups. Considerations of time and Agency resources may make this a more productive way for the Agency to obtain comments of specific segments of industry and the technical information necessary to the rulemaking effort. Some of the industry participants expressed interest in this approach.

A decision on next steps in this process was deferred pending further deliberations by EPA and the rest of the meeting participants. The Center will be in contact with participants to discuss this item in the coming days.

UPDATE OF DOMESTIC ACTIVITIES: NEW TECHNOLOGY PROJECTS

(Reported by Stephen O. Andersen)

(Graphs and tables mentioned in article not reproduced in the RECORD.)

NECESSARY CONDITIONS FOR INNOVATIVE INVESTMENT

Prospect of strong market for proposed product/process;

Reliable estimate of future CFC and Halon prices;

Confidence in the safety of proposed product/process;

Financial and research commitment.

PROSPECT OF STRONG MARKET FOR NEW PRODUCT/PROCESS

Predictable regulation of existing technology;

General knowledge of competing new technology;

Public acceptance and preference for new technology;

Aggressiveness of new product promotion.

RELIABLE ESTIMATE OF FUTURE CFC AND HALON PRICES

A. Type of proposed regulation:

Regulatory fee is most predictable;

Bat or production limit least predictable;

Complicated by innovative trading schemes.

B. Demand for CFC and Halon Uses:

Value-in-use;

Public response to environmental concern.

CONFIDENCE IN THE SAFETY OF PROPOSED PRODUCT/PROCESS

Toxicity (occupational and consumer);

Flammability;

Other necessary qualities.

FINANCIAL AND RESEARCH COMMUNITY COMMITMENT

Recognition of investment opportunity;

Corporate priority and timetable;

Ability to focus work on correct challenges.

EPA PROJECTS TO ADDRESS THESE CHALLENGES

1. Encourage new and emerging chemicals and products:

New chemicals expert panel;

Chemical user workshop;

Innovative technology fair.

2. Utilize best available expertise:

Draft EPA analysis for review;

Industry plant tours.

3. Cooperate with industry in research efforts:

Halon work group;

Alternate chemicals;

Other?

THE SOCIETY OF THE
PLASTICS INDUSTRY, INC.,
Washington, DC.

MEMORANDUM

To: Buddy Cockrell, Fran Lichtenburg, George Sievert, Margaret Shallcross, and Frank Farfone.

From: Margaret Rogers, Federal Government Affairs.

Date: March 3, 1987.

Subject: Meeting on March 10 at 2 PM at SPI; March 11, 10:30 AM at EPA to Discuss Chlorofluorocarbons.

While we probably will want to challenge EPA's final actions on CFCs, the EPA plan as very specifically stated to me on March 2 is to provide for phased-out reduction of CFCs, probably over a 10-12 year timeframe, if there is no change in the current scientific knowledge. This regulatory plan will be accelerated or decelerated based on any changes in the science. EPA made it clear that in their regulatory, scheme, a price increase in the chemicals is inevitable to force the elimination of their use. A basic increase in CFC prices will occur through a fee or permit charge requirement to be established by EPA; also, by virtue of a limitation on production one could reasonably expect producers to increase prices. Again, the ultimate goal is to eliminate CFC-made products except for those for which the market will pay a premium.

When I discussed the existing questions about the science related to stratospheric ozone depletion, EPA said there is absolutely enough evidence to support the theory that chlorine destroys ozone; therefore, because the risks are so great of a dramatic increase in the number of skin cancers and damage to crops the Agency must act. It is their strong feeling that delay will be more costly to all concerned; therefore, it is in everyone's best interest to begin the regulatory process now to allow for a gradual adjustment to a CFC-less world. They reiterated that while they will begin the control process soon, the science will be reassessed periodically and regulatory controls will be increased or decreased according to new information. They added that it is unlikely that current scientific conclusions will be reversed quickly.

EPA staff said they will make decisions based on information we provide on the following questions.

I. What are the options for each CFC use in the plastics industry? For example, are chemical substitutes available? For those substitutes available, what are the technical advantages and disadvantages of their use?

GENERAL ELECTRIC,
MAJOR APPLIANCE BUSINESS GROUP,
Louisville, KY, March 5, 1987.

Hon. JOHN D. DINGELL,
Chairman, Committee on Energy and Commerce, U.S. House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN DINGELL: This is in response to your request of the Alliance for Responsible CFC Policy that its members respond to questions you raised in your January 2, 1987 letter to Secretary Shultz and EPA Administrator Thomas.

The Major Appliance Business Group of General Electric Company manufactures and/or sells refrigerators, freezers, and room air conditioners that utilize chlorofluorocarbons (CFCs) to provide the essential functions of these products. The uses and functions are as follows:

Product	CFC	Use	Function
Refrigerator	CFC–12	Refrigerant	To provide refrigerated storage space for fresh and frozen food.
	CFC–11	Blowing agent	Provide high insulation values in the walls of the cabinet.
Freezer	CFC–12	Refrigerant	To provide refrigerated storage space for frozen food.
	CFC–11	Blowing agent	Provide high insulation values in the walls of cabinet.
Room air conditioner.	CFC–22	Refrigerant	To provide a cooling medium to condition living areas of homes, offices and hotels/motels.

The EPA report cited on pages 5 and 6 of your request does not, in our opinion, adequately address the issues of chemical substitution in these product applications. First, there is no chemical substitute for any of the CFCs in our applications, there are only some potential substitutes. To amplify further, we know of no chemical that can be substituted without extensive and thorough application evaluation. Our systems have been specially designed for the specific CFC used in each application.

II. What is the useful life of your equipment?

III. What percent CFC cost is your product cost?

IV. What would the impact be if within the following number of years current CFC prices increase?

	5 years	10 years	15 years
50 percent			
100 percent			
500 percent			

V. What CFC emission recovery techniques are potentially feasible; where can we best cut emissions, for example, CFC capture at point of production? Potential for recycle of CFCs?

VI. What is feasibility of product destruction at end useful life? (EPA staff suggested this as a possibility for a CFC credit system based on CFCs retained in product.)

EPA stressed that industry's effort with the biggest payoff would be to come up with solutions; for example, we may want to commission a paper on possible control options from substitutes to emissions recovery. They cited as an example costs of building a hood over a plant versus installing equipment for a new blowing agent.

EPA has estimated that while the plastic foam industry uses approximately 30% of the CFCs produced in the United States, that is a weighted 15% based on the ozone depletion value of the CFCs used by our industry.

EPA has also offered to work with us to develop chemical specifications to help us encourage chemical substitute development.

EPA is planning a technical conference and trade fair for the Fall for discussion about industry alternatives (assuming industry underwrites it for $45,000). They indicated that they are aware of vendors who have products under development are just about ready to market equipment to help reduce CFCs.

MOTOR VEHICLE MANUFACTURERS ASSOCIATION OF THE UNITED STATES STATEMENT ON THE RELEASE OF CHLOROFLUOROCARBONS TO THE ATMOSPHERE

(Revised March 2, 1987)

IMPACT

MVMA member companies use chlorofluorocarbons (CFC's) in automobile air conditioning systems, the manufacture of urethane foams, parts degreasing and several other industrial aplications. Suitable substitutes have not yet been proven for all of these applications, which both meet industry's needs and avoid potential environmental, health, or safety related risks of their own.

Member companies have estimated that developing replacements for mobile air conditioning refrigerants, coupled with the time required for necessary redesign of the systems, would take 5 to 10 years to implement depending on the success in resolving existing technical unknowns. Substitutes for most other CFC uses should also be available in about the same time frame.

It is also likely that CFC replacements will cost more than those currently in use. Unilateral action by the United States to restrict the use of CFC's is inadvisable for both scientific and economic reasons. If restrictions were placed solely on products manufactured in the U.S., the ability of member companies to compete with imports and in world markets could be adversely affected.

MVMA POSITION

Because of the increasing amount of reported evidence of a link between the release of CFC's into the atmosphere and ozone depletion, MVMA member companies have investigated and are continuing to investigate the use of potential substitutes for CFC's in all applications. Methods of reducing the release of CFC's into the atmosphere, when automobile air conditioners are operated and serviced or cars are scrapped, are also under continuing investigation, because these activities account for a large portion of CFC emissions from automobiles.

If restrictions are imposed on CFC production or use, a phase-in period would be required to allow adequate time for substitute development and implementation in order to avoid severe economic disruptions. New materials promoted as substitutes for currently used CFC's should have minimal ozone depletion and atmospheric warming characteristics. Such materials should not be merely interim substitutes, because that would represent significant throw-away costs. The United States should not apply restrictions to only domestic manufacturers and products. International regulation should be pursued. Any U.S. regulation of chlorofluorocarbons should apply equally to domestic and imported products.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, June 3, 1987.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington DC.

DEAR MR. CHAIRMAN: I am writing in response to your letters of March 4 and March 13. In those letters you asked several questions concerning CFCs and the U.S. position in the ongoing negotiations on protection of the ozone layer. Enclosed is our response to your questions. The answers also reflect the comments of the Department of State and the United States Trade Representative in response to your March 6 letters to these agencies.

Thank you for your continuing interest in these important issues.

Sincerely,

LEE M. THOMAS.

ISSUES RAISED IN COVER LETTER

ISSUE

One area of concern is the trade area. A strong and effective trade provision is important. But to be workable and effective, it must be consistent with other U.S. policies and trade practices, unless there is some basis for deviation. I do not have a feeling that there has been a coordinated development of such a provision for this protocol.

RESPONSE

EPA, Department of State, Office of U.S. Trade Representative and Department of Commerce and other agencies have expanded their efforts to analyze trade issues related to action to limit ozone-modifying chemicals. These activities are described in response to question 2 below.

ISSUE

I am also concerned that the Environmental Protection Agency (EPA) has not received sufficient input from the user industries that could be severely affected by any significant reduction requirements or the trade provisions of the protocol.

RESPONSE

EPA has maintained an extensive effort to obtain input from user industries. We fully recognize the need to understand the impact of any reductions and trade measures on user industries. To assist us in evaluating options we have held numerous meetings over the past year with representatives of all key industries. A partial list of these meetings is shown in Exhibit 1. We have also initiated a series of technical studies analyzing the engineering feasibility and cost impacts of possible controls. These studies have been and will be reviewed by relevant industry groups (see Exhibit 2). Finally, we are discussing joint research projects with key user industries interested in evaluating the use of chemical substitutes in their applications.

EXHIBIT 1

PARTIAL LIST OF MEETINGS WITH INDUSTRY TO DISCUSS STRATOSPHERIC OZONE PROTECTION ACTIVITIES

Major domestic workshops

March 6-7, 1986: EPA Workshop (over 130 attendees).

June 16-20, 1986: EPA/UNEP Effects Conference (over 300 attendees).

July 23-24, 1986: EPA Workshop (over 130 attendees).

October 14, 1986: State Dept/EPA meeting (over 25 attendees).

February 18, 1987: Facilitated Regulatory options review (30 attendees).

April 2, 1987: Facilitated Regulatory Options Meeting (10 attendees).

April 6, 1987: Facilitated Trade Issues Meeting (10 attendees).

Working meetings with industry representatives (partial list—end of 1986 and—1987 to date).

September 4, 1986: Chemical Manufacturers Assoc. representative.

October 16, 1986: Meeting with chemical producer.

October 20, 1986: Meeting with air conditioning, refrigeration representatives.

October 29, 1986: Halon industry representatives (20 attending).

November 3, 1986: Meeting with Motor Vehicle Manufacturers Association (8 attendees).

November 4, 1986: Meeting with Electronics Association (4 attendees).

November 6, 1986: Halon industry representatives (30 attending).

November 14, 1986: Meeting with Chemical Producers (6 attendees).

December 3-5, 1986: National Fire Protection Association Halon 1301 Technical Committee (40 attending).

December 8, 1986: Briefing for Frozen Food Institute.

December 8, 1986: Briefing for Single Service Institute.

December 8, 1986: Briefing with National Association of Manufacturers.

January 17-18, 1987: Fire Suppression System Association annual meeting (300+ attending).

January 29, 1987: American chemical Society Flourine meeting (500+ attending).

February 4-5, 1987: Rigid Foam industry representatives (10 attending).

February 11, 1987: Thomas breakfast meeting with electronics industry (50 representatives).

February 19-20, 1987: Experts Panel-Chemical Substitutes (15 experts from 5 nations).

February 20, 1987: Halon industry (15 representatives).

March 3, 1987: 25 group heads from ASRAE.

March 10, 1987: Representatives from plastics industry (15 attendees).

March 11, 1987: Motor Vehicle Manufactures Association (12 representatives).

March 17, 1987: Automobile Importers Associations (20 representatives).

March 26, 1987: Halon manufacturers representatives (10 attending).

April 8-9, 1987: Meetings with Motor Vehicle Manufacturers.

EXHIBIT 2

LIST OF TECHNICAL ENGINEERING COST STUDIES

Completed and on-going studies, Contractor:

1. Evaluation of Potential Ozone Depleting Substance Emissions and Controls:

A. Flexible Polyurethane Foam Industry, Radian.

B. Rigid Foam Industry, Radian.

C. Retail Food Store Refrigeration, Radian.

D. Mobile Air-Conditioning Industry, Radian.

E. Industrial Solvents Use, Radian/ICF.

F. Halons, Banks and Emissions, Industrial Economics, Inc.

G. Sterilant Gas, Radian/MRI.

H. Liquid Food Freezing, Radian.

2. Control Technology Overview Report, CFC-11 Emissions from Flexible Polyurethane Foam Manufacturing, Radian.

3. Control Technology Overview Report Emissions from Rigid Foam Manufacturing, Radian.

4. Chlorofluorocarbon Chemical Substitutes, Radian and Consultants.

5. Emission Controls and Potential Alternatives for CFC-113 and Methylchloroform in Solvent Cleaning Operations, MRI.

6. Analysis of Costs of Control Options—A Computer Database (Draws from above studies), ICF.

Other studies

7. Social Cost of Technical Control Options to Reduce Emissions of Potential Ozone Depleters in the United States, Rand.

8. Product Uses and Market Trends for Potential Ozone Depleting Substances 1985-2000, Rand.

Issue: Incidentally, your reply to my question 7(a) states that the "Court Order requires a proposal by May 1, 1987, and a final rule by November 1, 1987." However, the actual wording of the Order does not seem to support that statement. It states:

2. Not later than May 1, 1987, the Administrator of EPA shall sign a Federal Register notice proposing regulatory action of CFCs or presenting a basis for a proposed decision to take no action.

3. Not later than November 1, 1987, the Administrator of EPA shall sign a Federal Register notice promulgating regulation or announcing a final decision to take no action.

A "no action" decision at either time is not a rule.

Response: We agree that the district court order setting forth the CFC decisionmaking schedule does not necessarily require the Agency to adopt regulations. The court order requires that by November 1, 1987, EPA either promulgate regulations controlling CFCs or announce a final decision to take no action. Also, as you may know, we have moved the district court to extend the deadlines for proposed and final action to December 1, 1987 and August 1, 1988, respectively.

QUESTIONS RAISED IN ATTACHMENT

Trade

Question 1: Re the draft article's ban or restriction on "imports of products containing substances controlled by this protocol from any state not party to this protocol * * *":

(a) What are the policy implications for the U.S. (of restricting imports of Korean automobiles with CFCs) beyond the narrow confines of this protocol?

(b) Is it likely that the U.S. would want to impose such a ban or restriction, taking into consideration other interests in that country (Korea)? (c) What happens if the South Korean manufacturers import the cars . . . and arrange for (air conditioning) assembly and charge in the U.S., as is done by several foreign manufacturers?

Response: (a) Import restrictions for environmental or health reasons are allowable under the GATT and therefore restrictions pursuant to the international protocol would be a legitimate policy option for the U.S. These trade provisions have been developed in close cooperation with the State Department, and wider foreign policy implications have been taken into account.

With respect to South Korea specifically, we would anticipate that rather than becoming a major irritant in bilateral relations, the restrictions could produce positive results. Given the importance of the U.S. market to both Hyundai and Daewoo (the two Korean companies currently exporting automobiles to the U.S. market), we believe that U.S. restrictions would create a strong incentive for the Korean manufacturers to limit their use of CFSs in order to maintain access to the U.S. market. Such an outcome would be positive both from the perspective of bilateral relations and U.S. and global environmental policy and would be consistent with one of the major objectives of the protocol itself, i.e., to provide an incentive for non-parties to limit their use of CFCs.

(b) We do not believe that the imposition of restrictions on imports of Korean automobiles would be detrimental to U.S. interests in Korea. As described above, we do not believe that such restrictions would result in a closure of the U.S. market to such imports but rather in the Korean manufacturers modifying their product to suit the requirements of the U.S. market.

(c) If Korean manufacturers were to arrange for the assembly and charging of automobile air conditioners in the U.S. (a production option which is also currently available to them), the use of CFCs in the air conditioning systems charged in the U.S. would be subject to the availability of CFCs in the U.S. market. We would anticipate that, under the protocol, the availability of CFCs would decrease and that, as a result, both domestic automobile manufacturers and foreign manufacturers charging air conditioners in the U.S. would have an incentive to develop alternative technologies or chemical substitutes for such operations. Such a development would clearly advance the objectives of the protocol.

Question 2: "I am also concerned about the exception which appears throughout this draft article on trade. It appears to allow a nonparty to avoid the obligations of the protocol and continue to enjoy trade with parties, merely because that party is in partial compliance with the protocol. That does not appear fair, nor does it seem consistent with the objectives of the protocol?"

Response: As noted, the draft protocol proposed in brackets a possible exception to the import restrictions for certain non-party countries. This language was originally suggested in order to ensure consistency of this article with the GATT. However, subsequent analysis has revealed that this exception was not needed in order to ensure consistency with the GATT and that, as you note, it has some disadvantages. Consequently, at the recent negotiating session, the U.S. delegation called for deleting this provision. Although we were not able to do so, we did succeed in having the exception narrowed and having it isolated as a separate (bracketed) paragraph.

Question 3: What measures could constitute a "restriction" on imports? Are we contemplating tariffs or some other restrictions?

Response: We are currently assessing a variety of mechanisms to control imports, including tariffs, imports fees, testing, certification and inspection requirements, and quotas. As part of this review, we are attempting to identify whether certain mechanisms are better suited than others for controlling imports of particular products. Our analysis on this question will continue during the next several months.

Question 4: The draft article calls for "standards" for applying measures "uniformly by all parties." Does that also mean that all products commonly produced by one or more parties would be restricted in a uniform manner by all parties?

Response: Paragraph III of the Trade Article calls for the parties to develop, within a specified time after entry into force, in an annex, standards for applying the restrictions in this paragraph uniformly by all parties. We view this to mean that the annex would set the parameters for Parties' application of the restrictions in this paragraph; i.e., we envision this to be a set of limits banning or reducing imports on agreed products, by common agreed levels, but the restrictions may leave to the Parties the mechanism by which these reductions are achieved, rather than a set of rules. We will attempt to clarify this point during the next negotiating session.

Question 5: "Is the article adequate from the standpoint of U.S. industry and jobs? How will it impact on U.S. firms that have dealings with non-party countries, including developing countries?"

Response: Because the United States is a small importer of CFC bulk chemicals (only 3 percent of domestic consumption) the ban of such imports from nonparties as called for in paragraph 1 of Article on Control of Trade, would have a minimal effect on U.S. domestic industries and jobs. To the extent there is an effect at all, U.S. industries may marginally increase production and job creation.

With regard to the restriction or banning of imports of products containing CFCs (such as automobiles, air conditioners, refrigerators) the effect of import restrictions or bans should have a greater effect than for CFC bulk chemicals, if only because imports of these products represent a larger share of the U.S. market. Import restrictions or bans of these products should have a positive effect on domestic producers, by preventing an unfair advantage to importers in competition with domestic producers. At the same time, domestic prices of these products may rise. The major producers of these products are in the OECD countries, which are likely to sign the protocol. Exports from these countries to the U.S., therefore, would not be restricted as would those from non-parties to the protocol.

Regarding dealings by U.S. firms with non-party countries, including developing countries, U.S. firms would be subject to the protocol's ban on import of CFC bulk chemicals from non-parties as well as the restriction or ban of products containing CFCs (eg, automobiles, furniture). This would require (a) firms which currently import finished products or component parts from nonparties to purchase from domestic suppliers or from countries which are parties to the protocol, or (b) the nonparty supplier to modify their products to suit the new requirements of the U.S. market.

It is important to note that a primary purpose for restricting imports from nonparties is to create an incentive for them to join the protocol. The greater the number of parties to the protocol, the more global production of CFC-related products that will be covered under the international agreement. This would minimize the effects of the agreement on US industries and consumers relative to those in other countries.

Halons and the Defense Department

(The response below is being directed by the Department of Defense to Representative Dingell. It is followed by a comment by EPA.)

Question 6: DOD Comment on "draft article on trade": The draft article on trade establishment provisions for interacting with countries which do not sign the international protocol. These provisions are not inconsistent with DoD policy. DoD will defer to the Departments of State and Commerce for the specific language contained in the draft protocol.

Question (a): What are the DoD's unique requirements?

DOD response: Fire fighting systems for shipboard operations, aircraft systems, tank personnel carrier systems, hardened aircraft shelters; Command, control and communication systems, computer centers, telephone switching stations; One of a kind trainers, aircraft simulators.

Question (b): What is the "national CFC policy"?

DOD response: EPA is in the process of formulating a national CFC policy. The agency is gathering information for manufacturers, distributors and users of CFCs. At this time, DOD is gathering use data on Halons for EPA.

Question (c): In the above reply and elsewhere in the March 2 reply (e.g., question 6(C)), EPA refers to regulatory actions or options. What "regulatory options" does EPA contemplate? Will they require legislation? How can these options provide special exceptions for DoD needs unless the final protocol provides such an escape? Is such escape desirable?

DOD response: DOD is cooperating with EPA in their ongoing efforts to develop regulatory options.

DOD and EPA are discussing options for including Halons in the international protocol. These options explore ways to grandfather Halons for existing and future military mission-critical uses until suitable substitutes are found. We prefer that each location on site specific use of Halons not undergo a lengthy permit process (like RCRA Part B permits), since mission readiness would be impaired.

Question (d): Please provide the date of the meeting and the identity of the persons attending. What did DoD say at that meeting?

DOD response: Date, February 12, 1987; location, Pentagon:

Attendees, Organization:

Dr. Stephen O. Anderson, EPA.

Dr. Michael J. Ryan, ICF (EPA contractor).
Ms. Laura K. Greninger, Army-DAENZCE.
Mr. Carl Zillig, Navy-CNO (OP45).
Mr. James P. Wright, Navy-NAVFACHQ.
Ms. Barbara Sparks, Navy-NAVFAC.
Mr. Bruce Unkel, Navy-NAVSEA.
Mr. Robert Darwin, Navy-NAVSEA.
Mr. John Merold, Navy-NAVSEA.
Mr. William M. Stem, Navy-NAVSEA.
Mr. Gordon LeQuire, Navy-NAVAIR.
Mr. Dan Quagliarello, Navy-NAVAIR.
Mr. Tom Scarano, Navy-NAVSBA.
Ms. Laurie Huber, Marines-HQMC (LFL).
Lt. Col. Steve TerMaath, Air Force-SAF/MIQ.
Maj. Marti U. Bischoff, Air Force-HQUSAF/LEYSF.
Maj. Edward W. Artiglia, Air Force-HQAF/SGP.
Mr. William D. Goins, Air Force-HQUSAF/LEEV.
Fred Walker, Air Force-HQUSAF/LEEEV.
Mr. J.D. Williams, Air Force-HQUSAF/LEEEV.

Meeting summary

EPA presented an overview of the role of chlorofluorocarbons on stratospheric ozone depletion with the discussion focusing on Halons. EPA representatives requested information from the military services on the use and releases of Halons.

Question (e): The above EPA reply lists several EPA suggestions. Does the DOD agree with them?

DOD response: The Department of Defense supports efforts to protect the environment and EPA's efforts to prevent stratospheric ozone depletion. DOD will incorporate appropriate substitutes for Halons in fire protection systems when they are able to meet mission-critical applications. To the same degree as industry, DOD will take steps to decrease the non-firefighting releases of Halons in the future.

At the present time, DOD has mission-critical uses for Halon to protect personnel and equipment. DOD and EPA are cooperating to ensure that regulatory options relating to fire protection would not jeopardize the survival of military personnel or the operation of critical equipment.

EPA and State Department's comments on Halons question: EPA's goal is to ensure that any future regulatory action on Halon emission reduction to protect stratospheric ozone is also equitable to all users and recognizes military mission-critical requirements. EPA has discussed control suggestions with DOD that were flexible to allow the evolution of an effective, military mission compatible policy.

EPA and DOD have common concerns in the control of Halons. Both want an effective and timely policy and a set of procedures to limit halon releases if necessary to protect the ozone layer. DOD does not want regulatory controls relative to fire protection which hinder the operation of critical equipment or impair mission readiness. DOD prefers that all critical halon based systems be "grandfathered." EPA is considering DOD's position and is exploring the possibility that specific emission control procedures be implemented. DOD and EPA will continue discussions related to a program to minimize future halon emissions. It should also be noted that the protocol would not provide for a total ban on any chemical but for an overall limit on a group of chemicals. Within its limit, each country would decide how to allocate use—whether by market forces, special permits, or whatever. Special exceptions could thus be provided by EPA for DOD needs if required, without a need for a specific escape provision in the protocol.

Availability of substitutes

Question 7(a): What is the basis for believing that safe, non-toxic, and technically effective substitutes can be developed and used by all the affected users within the time frames being discussed and supported by Ambassador Benedick? Is the U.S. basing its negotiations on the above DuPont comment which appears quite speculative, is dependent on some unspecified incentives that apparently do not now exist, and fails to discuss the time required by the users to adapt to any such substitutes? What time is required for users to accommodate substitutes, assuming they are adequate?

Response: As indicated in an earlier response, based on our ongoing analysis, EPA believes that current control technologies, and use of currently available product and chemical substitutes, will allow sufficient emissions reductions to achieve the quantities of reductions now being discussed for the next 6 to 8 years.

While our data are not conclusive, and some of the reductions might not be realized, our initial analyses suggest that reductions of up to 30% of current use might be possible without chemical substitutes and at a cost of about $0.15 dollars per kilogram.

Our preliminary cost analyses also suggest that a freeze at 1986 production levels on CFC-11 and -12 would result in cumulative costs between 1990 and 2000 of around $200 million.

While DuPont claims that CFC-123 and 134a can reach the market in 5 years if financial incentives exist, our analysis is not solely based on their comments. Our draft contractor study indicates that:

CFC-123 appears to be a good substitute for CFC-11 with much lower ozone depletion potential.

CFC-143a appears to be an excellent substitute for CFC-12 and has no ozone depletion potential.

Many countries and companies have 134a and 123 patents. CFC-123 is already available in limited quantities in the U.S. and Japan.

First and second tier toxicology testing seems very encouraging for the above-mentioned chemicals. However, it could possibly take a minimum of 3 years before we really know.

Costs of chemical substitutes are expected to be higher than CFC-11 and 12. We believe sufficient time will be available to develop and implement alternatives for long-term reductions.

We also have convened an international substitute panel that includes a toxicologist, marketing experts and industrial and academic chemists from many countries. They are currently reviewing CFC-123, 124, 132b, 134a and 141b. The discussions indicate that keys to substitute availability are: toxicology testing, use testing, and adequate incentives for firms to make R&D investments.

Our investigations so far indicate that small quantities of some of the above chemicals will soon be available to carry out final toxicity, performance and thermodynamic properties evaluations for key user industries. We are bringing together representatives from user industries with the expert panel on substitutes and are working with some major user groups to facilitate testing of CFC-134a.

Question 7(b)(c): Realizing that Dow has a vast economic stake in these matters as do many industries, to what extent has EPA and the Department of Energy (DOE), with its energy conservation duties, considered the matters raised by Dow? Do EPA and DOE disagree with Dow? Does the present U.S. positicn reflect these concerns that I assume are not unique to Dow?

Response: We have not done an analysis of caustic and chlorine imbalance. However, a cursory analysis indicates that some demand for chlorine would continue in production of alternative CFCs because, except for CFC-134a, all CFCs are partially halogenated.

Our analysis also indicates that tetracholoroethylene is required in CFCs and Dow is a major producer of chlorinated hydrocarbons including tetrachloroethlyene.

We have taken the possibility of increased energy costs and health and safety tradeoffs into account in developing control feasibility and cost estimates.

Question (d): EPA is specifically investigating the stock of existing appliances and the likely service requirements. In addition, EPA is investigating the full range of options, such as preventive maintenance, improved service procedures, and refrigerant recovery at product disposal, which would minimize emissions.

When will this EPA investigation be completed and the results available for U.S. consideration in the negotiations?

Response: We intend to have the analysis completed by July 1, 1987. These factors have been considered in calculating the emission reduction potential of specific control options discussed in question 7 above.

Other matters

Question 8: In reply to Question 4(c), EPA said that "CFCs used to fill air conditioners in motor vehicles would be counted by the producing nation even if the vehicles were shipped to the U.S. or elsewhere." Is that true where, as already noted, foreign manufacturers ship the vehicles to the U.S. and charge the air conditioner with the CFCs in the U.S.? If the practice was expended, what would be the the impact on the U.S.?

Response: See Question 1—above.

RESPONSE TO MARCH 13 LETTER

QUESTION 1

I request your explanation of EPA's rulemaking and protocol activities and the extent to which those activities are being coordinated with your protocol activities?

RESPONSE TO QUESTION 1

We believe that given the global nature of this issue, a global solution to protecting the ozone layer is required. At the same time, under Section 157(b) of the Clean Air Act, we are required to evaluate the need for additional domestic regulation to protect the ozone layer. We are currently involved in activities which support both the international negotiations and domestic rulemaking activities.

Most of these activities (e.g., analysis of chemical substitutes, engineering and cost studies, and implementation issues) essential either in the context of implementing an international agreement or, failing that, in the event that domestic unilateral action proves necessary. This point was specifically made at the February 18th meeting you cite. Participants were told at the beginning of the day that the discussion of regulatory alternatives did not signal that the U.S. intended to take unilateral action, and would also be useful in implementing an international agreement.

You also raise the issue of the extent to which costs and feasibility are being considered as part of EPA's review of regulatory alternatives as required by section 157(b). One of the primary evaluation criteria we are using in analyzing regulatory options is cost. We are concerned not only about costs to users and consumers and across industry groups, but also about the degree to which actions might cause the premature retirement of capital equipment and their effect on the development of chemical substitutes. A key concern raised repeatedly by industry groups is that they need adequate time to move away from the current family of CFCs.

You also question the degree to which EPA has involved user industries in conducting its analysis. In a response to a prior letter, we enclosed exhibits listing the extensive contracts between EPA staff and users and on-going studies of the costs and feasibility of controls. We intend to continue these contracts and are working closely with several user groups to improve their members' understanding of the issue and to enhance our understanding of the impacts of regulatory alternatives.

For example, as a follow-up to the February 14th meeting, we held a second facilitated meeting of producers, users, and environmentalists which focussed on specific design options for permit and fee systems. As the process continues we intend to work with user groups in further refining and analyzing these regulatory approaches which could be used either to implement unilateral action or to implement a global protocol. We recently held a similar facilitated meeting which related to trade issues.

QUESTION 2

I understand that EPA is thinking about asking the court to delay the May 1 date. I would like to know why. I would also like to know the implications of that request. Does it suggest that at the end of the time EPA will propose a rule regardless of the status of the protocol regulation?

RESPONSE TO QUESTION 2

Under the original court order, by May 1, 1987, EPA was to either propose regulations or present a basis for a proposed decision to take no regulatory action. EPA is continuing to work toward making that decision, but the task of analyzing relevant implementation issues has proven complex and difficult. As a result, EPA has asked for an extension of the deadline. If the Court grants such an extension, EPA will still have the discretion to propose either regulations or a decision to take no action.

QUESTION 3

I note that the February 18 document states (at page 8) that "EPA representatives agreed that they could prepare brief summaries and analyses of how various programs could work, highlighting specific questions." Please provide copies of them, as well as the legal basis for establishing (by rule) a fee provision.

RESPONSE TO QUESTION 3

We have attached as appendix A the materials distributed prior to the facilitated meeting on April 2 relating to fees and permits. In response to requests from representatives from industry, we now intend to explore working with specific user groups to develop materials for them to send to their members to assist in future evaluations.

Section 157(b) states that EPA "shall propose regulations for the control of any substance, practice, process, or activity (or any combination thereof) . . . ." We believe that this broadly-worded provision gives EPA wide latitude to develop effective and efficient regulatory approaches for achieving the goals of this section of the Act. EPA is currently exploring whether a system of fees would be an appropriate means to achieve the regulatory goals. Any revenue raised from a fee would be incidental to its goal to protecting the ozone layer and human health and welfare.

QUESTION 4

Please explain the plans for this conference and fair [technical conference and trade fair on CFC control innovations] and why industry must underwrite it. Also please provide the basis for this information about vendors [who have products under development] and identify them.

RESPONSE TO QUESTION 4

EPA is proposing a technology fair for innovative products and processes that could reduce emissions of chlorofluorocarbons and halons. We asked the Alliance for Responsible CFC Policy to co-sponsor the fair because of its stated interest in encouraging emission reductions and the development of chemical substitutes. We thought that the Alliance's early involvement and support would further ensure widespread interest and participation. The Alliance has recently informed us that the group is not interested in assisting with funding through its members are likely to participate. We intended to continuing planning for this effort and view it as an important vehicle for informing industry of possible methods for reducing CFC and halon emissions.

The fair will be held in Washington in early fall and will feature nationally prominent speakers, workshops, product displays, and poster sessions. Some of the likely topics include: CFC-134a and other possible chemical substitutes, solvent recovery services, refrigeration alternatives, refrigerant leak detectors, CFC refrigerant recovery machines, foam/suspension, building insulation systems, sterilant gas recycle-central service, halon full-discharge test alternatives, fast food packaging alternatives, and GAO/MILSPEC procedure and practice.

The trade fair is appropriate for focussing attention on CFC and Halon emission reductions because of the size of the chemical markets, the number of user firms, the complexity of emerging technologies, the timing of possible regulation, and the opportunity for exchange of ideas.

COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, April 23, 1987.

Hon. LEE M. THOMAS,
Administrator, Environmental Protection Agency, Washington, DC.

DEAR MR. THOMAS: Next week the international negotiations begin again in Geneva to develop a protocol concerning the production and use of CFCs. On March 4 and 13, I wrote to you about these matters and requested a reply before those negotiations resumed. Obviously, the Environmental Protection Agency (EPA) has not complied with that request, although your staff advises that the responses may still come this week. I understand that the issues I raised apparently resulted in more attention being paid to these matters within the Administration. Hopefully, that will have a good result from a public health, environmental, and American jobs standpoint.

Enclosed is letter I sent to Subcommittee Chairman Waxman concerning my correspondence with the Science Advisory Board (SAB) relative to the testimony of Dr. Darrell S. Rigel at the Subcommittee's March hearing. I believe that the SAB response is helpful and important. I call it to your attention and that of Ambassador Benedick and welcome your comments, particularly if you disagree in anyway with the SAB response.

Enclosed is a draft copy of a memorandum in support of a joint motion to modify the May 17, 1986 consent decree mentioned in my earlier correspondence. As I understand the matter, the parties are considering the motion in order to delay the "trigger" dates in the original consent order.

The memorandum makes it clear that EPA is not prepared from any standpoint to propose any unilateral regulations that could be defended and that EPA believes that an international protocol is the wisest course. As you know, I fully agree with the need for such a protocol. But I am surprised that you are even contemplating any unilateral rule in light of your earlier testimony. I never understood that to be the Administration's position. Indeed, I believe that such an extension is of questionable value and a "no action" decision is fully justified at this time. As you know, such a decision would not preclude EPA from issuing a rule under the Clean Air Act in the future should it be warranted unilaterally or to implement a protocol. Simply stated, EPA does not require any court-approved consent decree to address the issue when it is ripe.

I am also concerned about some of the content of the draft memorandum, particularly the suggestion that EPA is "investigating the use of market-based regularity approaches, including permits and fees." Indeed, I am concerned that EPA not mislead the court into believing that EPA now has statutory authority for such an approach. As my staff observed to your General Counsel, the issue of EPA's authority to impose fees and to use such fees is under investigation by the Oversight and Investigations Subcommittee of this Committee and the General Accounting Office (GAO). The draft memorandum fails to even mention that rather important detail. My staff has noted this problem in a discussion with your General Counsel.

The memorandum makes reference to "EPA's technical and economic analyses" and states that these analyses "have identified over 70 different industrial and commercial uses of CFCs and Halons." As you know, I have asked for those "analyses" and none have been provided, except an April 13, 1987 document entitled "Preliminary Analysis of Costs and Benefits of Stratospheric Ozone Protection." When my staff asked for the basis for that document, they were pointed to the listed "Contractor Studies." My staff asked for them, but was told that four are all in draft form. (I have asked for those "drafts," but have not received any.) The fifth by Rand contains the note: "work mainly obsolete." I would like to know the basis for that note from EPA and Rand.

The memorandum also mentioned that EPA is "conducting a series of studies on outstanding trade issues." I am glad to learn that. However, I request more details about those studies, including when initiated, the identity of the contractors and their expertise, the statement of work, when the studies will be completed and results made public, and the costs.

I respect your decision and judgment to seek an extension. I am not urging abandonment of the idea, but I question the wisdom of that approach. I am also quite concerned that there has been no opportunity for public discussion of the idea.

I request your reply to the above matters early next month. I also request that you keep this Committee fully and currently informed about EPA actions and efforts during the period of this extension to 1988, including any plans for negotiations for further extensions.

With best wishes.

Sincerely,

JOHN D. DINGELL,
Chairman.

ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, June 15, 1987.

Hon. JOHN D. DINGELL,
Chairman, Subcommittee on Oversight and Investigations, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing in response to your letter of April 23, 1987. In that letter, you requested that we provide you with information on the basis for the cost estimates which were contained in an April 13, 1987 briefing documents. We have enclosed for your review two of the draft documents which were used in developing the data base for estimating the cost of controls. These documents deal specifically with the use of chlorofluorocarbons in foam blowing. They are initial drafts and are currently being revised in response to comments received from the peer review process. We will pass along the final reports when they are completed.

Many other uses of CFCs and Halons were examined as part of our cost analysis. In fact, information on over 81 major applications involving over 600 possible control options was developed as part of the data base from which the April 13 briefing document was prepared. This information was contained in two additional documents which you had requested earlier. We are now in the final stages of having the initial documentation of these two documents completed. This work, which will be contained in one report, will cover possible controls, their costs and their applicability. We hope to have this documentation available for review within the next few weeks, and we will send you a copy of this report when it becomes available.

You also requested an explanation of a note contained on a "Rand" report to the effect that the work was mainly obsolete. The reason for the note is that this particular report is now several years old and did not contain detailed cost and engineering analysis.

In your April 23 letter, you also requested more details on EPA-sponsored studies of outstanding trade issues. Specifically, you requested information on the scope of the studies and the contractors producing them. EPA staff began to analyze trade issues related to stratospheric ozone protection in 1986. Our analysis included the preparation of staff papers for discussion at the Leesburg UNEP conference. Since then, our contractor, ICF Inc., has provided trade-related data collection and analysis in briefings, memoranda, draft papers, etc. ICF trade experts include project leader Jody Holtzman as well as senior trade specialists John Reilly, Lance Graef, and Susan Presti. These experts have previously worked as staff for the Department of Commerce and the U.S. Trade Representative, or have been involved in international trade and investment business. As part of ICF's international trade practice they have provided private and public sector clients with economic, financial, and strategic analyses; trade policy assessment; and litigation support. They have made numerous appearances before the U.S. Trade Commission, the Department of Commerce, the U.S. Trade Representative, and the U.S. Court of International Trade.

The studies in progress analyze trade data on CFC chemicals and on products containing or made with CFCs, analysis of the U.S. proposal for a limit based on adjusted production and alternative measures, the U.S. Tariff Schedule and the proposal for intenationally harmonized data reporting, estimates of base year trade amounts, assessment of trade restriction mechanisms which the U.S. may impose on CFC-related chemical and product imports, and issues of trade restriction implementation and enforcement. In addition they are investigating possible economic impacts (beneficial or harmful) from trade restrictions. This work is scheduled for completion in September 1987 and will be available shortly thereafter. This effort has been funded under several contracts for approximately $100,000.

With regard to the CFC schedule suit mentioned in your letter, as you know, we have moved the District Court to extend the deadline for a proposed decision on domestic regulation of CFCs. Our motion requests an extension from May, 1, 1987 to December 1, 1987.

Sincerely,

LEE M. THOMAS.

Mr. Speaker, this resolution clearly supports the ongoing negotiations, but not in an unfettered fashion, the House does not seek to dictate the terms of the protocol. That is the administration's responsibility. The goals should be "protection of public health and the environment and American jobs."

To achieve both goals, as I indicated in my June 1 letter to the Environmental Protection Agency, the negotiators need to obtain the signature and ratification of all the CFC producing nations and most, if not all, of the CFC user nations. Eleven, or even nineteen, signatures are inadequate, if they do not include Japan, Russia, and all of the European Community nations, as well as many developing nations. Without them, the protocol would be tantamount to unilateral action for the U.S. That is clearly unacceptable. We need international action as this resolution advocates. Unilateral action by the United States either by regulation or by legislation, is the wrong approach.

Despite our committee's extensive correspondence and oversight, there are still aspects of the U.S. position, such as that dealing with trade and trade sanctions, particularly as to products, that still seem unclear and vague. Hopefully, the U.S. position will be clarified before September, as Ambassador Benedick, who is quite able, needs direction and control.

A protocol is surely needed and soon, but not at any cost. The goals supported by this resolution can and should be achieved through a reasonable, but sound and effective protocol that enjoys wide support not only in the Senate, but also in the House.

I urge adoption of the resolution.

Mr. YATRON. Mr. Speaker, I rise in support of House Concurrent Resolution 50.

This measure sends a powerful message that Congress strongly supports the negotiation of an international agreement to reduce the production of ozone-depleting chemicals. Such an agreement is essential to protect mankind from the serious health effects which can result from ozone loss. It is also imperative for the protection of U.S. jobs and to ensure American industry is not placed at a competitive disadvantage through unilateral action.

As chairman of the House Foreign Affairs Subcommittee on Human Rights and International Organizations, which has jurisdiction over this issue, I have been closely monitoring the negotiations and I have conducted hearings on ozone depletion. The negotiations are at a critical stage, and an agreement to reduce ozone-depleting compounds is within reach.

However, recent disclosures that some high-level administration officials favor alternatives, including the recommendation to wear sunglasses, skin lotion and hats, can create the perception that the United States is retreating from its strong commitment to negotiate a meaningful and effective agreement.

The passage of House Concurrent Resolution 50 will signal to the administration strong congressional support for its efforts to negotiate an international agreement to reduce ozone pollutants and protect American jobs. It will also serve to illustrate to the world that America is united in this endeavor.

I urge my colleagues to vote in favor of House Concurrent Resolution 50.

Mr. WHITTAKER. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

Mr. WAXMAN. Mr. Speaker, I have no further requests for time and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion of the gentleman from California [Mr. WAXMAN] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 50.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

TRUTH IN SAVINGS ACT

Mr. ST GERMAIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 176) to provide for the uniform disclosure of the rates of interest which are payable on savings accounts, and for other purposes, as amended.

The Clerk read as follows:

H.R. 176

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Truth in Savings Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress hereby finds that economic stability would be enhanced, competition between depository institutions would be improved, and the ability of the consumer to make informed decisions regarding deposit accounts would be strengthened if there was uniformity in the disclosure of terms and conditions on which interest is paid and fees are assessed in connection with such accounts.

(b) Purpose.—It is the purpose of this Act to require the clear and uniform disclosure of—

(1) the rates of interest which are payable on deposit accounts by depository institutions; and

(2) the fees that are assessable against deposit accounts.

so that consumers can make a meaningful comparison between the competing claims of depository institutions with regard to deposit accounts.

SEC. 3. DISCLOSURE OF INTEREST RATES AND TERMS OF ACCOUNTS.

(a) In General.—Except as provided in subsection (b), each advertisement, announcement, or solicitation initiated by any depository institution relating to any demand or interest-bearing account which includes any reference to a specific rate of interest payable on amounts deposited in such account, or to a specific yield or rate of earnings on amounts so deposited, shall state the following information, to the extent applicable, in a clear and conspicuous manner:

(1) The annual percentage yield (which shall be noted in greater prominence than any other stated rate).

(2) The period during which such annual percentage yield is in effect.

(3) All minimum account balance and time requirements which must be met in order to earn the advertised yield (and, in the case of accounts for which more than 1 yield is stated, each annual percentage yield and the account minimum balance requirement associated with each such yield shall be in close proximity and have equal prominence).

(4) The minimum amount of the initial deposit which is required to open the account in order to obtain the yield advertised, if such minimum amount is greater than the minimum balance necessary to earn the advertised yield.

(5) The annual rates of simple interest.

(6) A statement that regular fees or other conditions could reduce the yield.

(7) A statement that an interest penalty is required for early withdrawal.

(8) In the case of a certificate of deposit or other account for which the stated date of maturity is less than 1 year, a statement of the effective percentage yield on the date of maturity.

(b) Broadcast and Electronic Media and Outdoor Advertising Exception.—The Board may, by regulation, exempt advertisements, announcements, or solicitations made by any broadcast or electronic medium or outdoor advertising display not on the premises of the depository institution from any disclosure requirements described in paragraph (4), (5), or (6) of subsection (a) if the Board finds that any such disclosure would be unnecessarily burdensome.

(c) Misleading Description of Free or No-Cost Accounts Prohibited.—No advertisement, announcement, or solicitation made by any depository institution may refer to or describe an account as a free or no-cost account if—

(1) in order to avoid fees or service charges for any period—

(A) a minimum balance must be maintained in the account during such period; or

(B) the number of transactions during such period may not exceed a maximum number; or

(2) any regular service or transaction fee is imposed.

(d) Misleading or Inaccurate Advertisements, Etc., Prohibited.—No depository institution shall make any advertisement, announcement, or solicitation relating to a deposit account that is inaccurate or misleading or that misrepresents its deposit contracts.

SEC. 4. ACCOUNT SCHEDULE.

(a) In General.—Each depository institution shall maintain a schedule of fees, charges, interest rates, and terms and conditions applicable to each class of accounts offered by the depository institution, in accordance with the requirements of this section and regulations which the Board shall prescribe. The Board shall specify, in regulations, which fees, charges, penalties, terms, conditions, and account restrictions must be included in a schedule required under this subsection. A depository institution need not include in such schedule any information not specified in such regulation.

(b) Information on Fees and Charges.—The schedule required under subsection (a) with respect to any account shall contain the following information:

(1) A description of all fees, periodic service charges, and penalties which may be charged or assessed against the account (or against the account holder in connection with such account), the amount of any such fees, charge, or penalty (or the method by which such amount will be calculated), and the conditions under which any such amount will be assessed.

(2) All minimum balance requirements that affect fees, charges, and penalties, including a clear description of how each such minimum balance is calculated.

(3) Any minimum amount required with respect to the initial deposit in order to open the account.

(c) Information on Interest Rates.—The schedule required under subsection (a) with respect to any account shall include the following information:

(1) Any annual percentage yield.

(2) The period during which any such annual percentage yield will be in effect.

(3) Any annual rate of simple interest.

(4) the frequency with which interest will be compounded and credited.

(5) A clear description of the method used to determine the balance on which interest is paid.

(6) In the case of a certificate of deposit or other account for which the stated date of maturity is less than 1 year, a statement of the effective percentage yield on the date of maturity.

(7) The information described in paragraphs (1) through (4) with respect to any period after the end of the period referred to in paragraph (2) (or the method for computing any information described in any such paragraph), if applicable.

(8) Any minimum balance which must be maintained to earn the rates and obtain the yields disclosed pursuant to this subsection and a clear description of how any such minimum balance is calculated.

(9) A clear description of any minimum time requirement which must be met in order to obtain the yields disclosed pursuant to this subsection and any information described in paragraph (1), (2), (3), or (4) that will apply if any time requirement is not met.

(10) A statement, if applicable, that any interest which has accrued but has not been credited to an account at the time of a withdrawal from the account will not be paid by the depository institution or credited to the account by reason of such withdrawal.

(11) Any provision or requirement relating to nonpayment of interest, including any charge or penalty for early withdrawal, and the conditions under which any such charge or penalty may be assessed.

(d) Other Information.—The schedule required under subsection (a) shall include such other disclosures as the Board may determine to be necessary to allow consumers to understand and compare accounts, including frequency of interest rate adjustments, account restrictions, and renewal policies for time accounts.

(e) Style and Format.—Schedules required under subsection (a) shall be written in clear and plain language and be presented in a format designed to allow consumers to readily understand the terms of the accounts offered.

SEC. 5. DISCLOSURE REQUIREMENTS FOR CERTAIN ACCOUNTS.

The Board shall require, in regulations which the Board shall prescribe, such modifications in the disclosure requirements under this Act relating to annual percentage yield as may be necessary to carry out the purposes of this Act in the case of—

(1) accounts with respect to which determination of annual percentage yield is based on an annual rate of interest that is guaranteed for a period of less than 1 year;

(2) variable rate accounts;

(3) accounts which, pursuant to law, do not guarantee payment of a stated rate; and

(4) multiple rate accounts.

SEC. 6. DISTRIBUTION OF SCHEDULES.

(a) In General.—A schedule required under section 4 for an appropriate account shall be—

(1) included in any regularly scheduled mailing to holders of that account which occurs not more than 90 days after the effective date of the initial regulations prescribed by the Board under this Act, unless the depository institution has provided, before such effective date, a disclosure which meets the requirements of section 4;

(2) made available to any person upon request; and

(3) provided to any potential customer before an account is opened or a service is rendered.

(b) Distribution in Case of Certain Initial Deposits.—If—

(1) a depositor is not physically present at an office of a depository institution at the time an initial deposit is accepted with respect to an account established by or for such person; and

(2) the schedule required under section 4(a) has not been furnished previously to such depositor,

the depository institution shall mail the schedule to the depositor at the address shown on the records of the depository institution for such account no later than 10 days after the date of the initial deposit.

(c) Distribution of Notice of Certain Changes.—If—

(1) any change is made in any term or condition which is required to be disclosed in the schedule required under section 4(a) with respect to any account; and

(2) the change may reduce the yield or adversely affect any holder of the account,

all account holders who may be affected by such change shall be notified and provided with a description of the change by mail at least 30 days before the change takes effect.

(d) Distribution in Case of Accounts Established by More Than 1 Individual or by a Group.—If an account is established by more than 1 INDIVIDUAL OR FOR A PERSON OTHER THAN AN INDIVIDUAL, ANY DISTRIBUTION DESCRIBED IN THIS SECTION WITH RESPECT TO SUCH ACCOUNT MEETS THE REQUIREMENTS OF THIS SECTION IF THE DISTRIBUTION IS MADE TO 1 OF THE INDIVIDUALS WHO ESTABLISHED THE ACCOUNT OR 1 INDIVIDUAL REPRESENTATIVE OF THE PERSON ON WHOSE BEHALF SUCH ACCOUNT WAS ESTABLISHED.

SEC. 7. PAYMENT OF INTEREST.

(a) Calculated on Full Amount of Principal.—The amount of interest accruing on an interest-bearing account at any depository institution shall be calculated by such institution on the full amount of principal in the account for the stated calculation period at the rate or rates of interest disclosed pursuant to this Act.

(b) No Particular Method of Compounding Interest Required.—Subsection (a) shall not be construed as prohibiting or requiring the use of any particular method of compounding or crediting of interest.

SEC. 8. REGULATIONS.

(a) In General.—Not later than 1 year after the date of the enactment of this Act, the Board, after consultation with each agency referred to in section 9(a) and public notice and opportunity for comment, shall prescribe regulations to carry out the purpose and provisions of this Act. The regulations so prescribed may contain such classifications, differentiations, or other provisions, and may provide for such adjustments and exceptions for any class of accounts as, in the judgment of the Board, are necessary or proper to carry out the purposes of this Act, to prevent circumvention or evasion of the requirements of this Act, or to facilitate compliance with the requirements of this Act.

(b) Model Forms and Clauses.—

(1) In general.—The Board shall publish model forms and clauses for common disclosures to facilitate compliance with this Act. In devising such forms, the Board shall consider the use by depository institutions of data processing or similar automated machines.

(2) Use of forms and clauses deemed in compliance.—Nothing in this Act may be construed to require a depository institution to use any such model form or clause prescribed by the Board under this subsection. A depository institution shall be deemed to be in compliance with the disclosure provisions of this Act if the depository institution—

(A) uses any appropriate model form or clause as published by the Board; or

(B) uses any each model form or clause and changes it by—

(i) deleting any information which is not required by this Act; or

(ii) rearranging the format,

if in making such deletion or rearranging the format, the depository institution does not affect the substance, clarity, or meaningful sequence of the disclosure.

(3) Public notice and opportunity for comment.—Model disclosure forms and clauses shall be adopted by the Board after duly given notice in the Federal Register and an opportunity for public comment in accordance with section 553 of title 5, United States Code.

SEC. 9. ADMINISTRATIVE ENFORCEMENT.

(a) In General.—Compliance with the requirements imposed under this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, by the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), by the Board; and

(C) depository institutions described in clause (i), (ii), or (iii) of section 19(b)(1)(A) of the Federal Reserve Act (other than member banks of the Federal Reserve System) by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 5(d) of the Home Owners' Loan Act of 1933, section 407 of the National Housing Act, and sections 6(i) and 17 of the Federal Home Loan Bank Act, by the Federal Home Loan Bank Board (acting directly or through the Federal Savings and Loan Insurance Corporation) in the case of depository institutions described in clause (v) or (vi) of section 19(b)(1)(A) of the Federal Reserve Act; and

(3) the Federal Credit Union Act, by the National Credit Union Administration Board in the case of depository institutions described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) Additional Enforcement Powers.—

(1) Violation of this act treated as violation of other acts.—For purposes of the exercise by an agency referred to in subsection (a) of such agency's powers under any Act referred to in such subsection, a violation of a requirement imposed under this Act shall be deemed to be a violation of a requirement imposed under that Act.

(2) Enforcement authority under other acts.—In addition to the powers of any agency referred to in subsection (a) under any provision of law specifically referred to in such subsection, each such agency may exercise, for purposes of enforcing compliance with any requirement imposed under this Act, any other authority conferred on such agency by law.

(c) Regulations by Agencies Other Than the Board.—The authority of the Board to issue regulations under this Act does not impair the authority of any other agency referred to in subsection (a) to make rules regarding its own procedures in enforcing compliance with the requirements imposed under this Act.

SEC. 10. CIVIL LIABILITY.

(a) Civil Liability.—Except as otherwise provided in this section, any depository institution which fails to comply with any requirement imposed under this Act or any regulation prescribed under this Act with respect to any person is liable to such person in an amount equal to the sum of—

(1) any actual damage sustained by such person as a result of the failure;

(2)(A) in the case of an individual action, such additional amount as the court may allow, except that the liability under this subparagraph shall not be less than $100 nor greater than $1,000; or

(B) in the case of a class action, such amount as the court may allow, except that—

(i) as to each member of the class, no minimum recovery shall be applicable; and

(ii) the total recovery under this subparagraph in any class action or series of class actions arising out of the same failure to comply by the same depository institution shall not be more than the lesser of $500,000 or 1 percent of the net worth of the depository institution involved; and

(3) in the case of any successful action to enforce any liability under paragraph (1) or (2), the costs of the action, together with a reasonable attorney's fee as determined by the court.

(b) Class Action Awards.—In determining the amount of any award in any class action, the court shall consider, among other relevant factors—

(1) the amount of any actual damages awarded;

(2) the frequency and persistence of failures of compliance;

(3) the resources of the depository institution;

(4) the number of persons adversely affected; and

(5) the extent to which the failure of compliance was intentional.

(c) Bona Fide Errors.—

(1) General rule.—A depository institution may not be held liable in any action brought under this section for a violation of this Act if the depository institution demonstrates by a preponderance of the evidence that the violation was not international and resulted from a bona fide error, notwithstanding the maintenance of procedures reasonably adapted to avoid any such error.

(2) Examples.—Examples of a bona fide error include clerical, calculation, computer malfunction and programming, and printing errors, except that an error of legal judgment with respect to a depository institution's obligation under this Act is not a bona fide error.

(d) Jurisdiction.—Any action under this section may be brought in any United States district court, or in any other court of competent jurisdiction, within one year after the date of the occurrence of the violation involved.

(e) Reliance on Board Rulings.—No provision of this section imposing any liability shall apply to any act done or omitted in good faith in conformity with any rule, regulation, or interpretation thereof by the Board, notwithstanding the fact that after such act or omission has occurred, such rule, regulation, or interpretation is amended, rescinded, or determined by judicial or other authority to be invalid for any reason.

(f) Notification of and adjustment for errors.—A depository institution shall not be liable under this section or section 9 for any failure to comply with any requirement imposed under this Act with respect to any account if—

(1) before—

(A) the end of the 60-day period beginning on the date on which the depository institution discovered the failure to comply;

(B) any action is instituted against the depository institution by the account holder under this section with respect to such failure to comply; and

(C) any written notice of such failure to comply is received by the depository institution from the account holder.

the depository institution notifies the account holder of the failure of such institution to comply with such requirement; and

(2) the depository institution makes such adjustments as may be necessary with respect to such account to ensure that—

(A) the account holder will not be liable for any amount in excess of the amount actually disclosed with respect to any fee or charge;

(B) the account holder will not be liable for any fee or charge imposed under any condition not actually disclosed; and

(C) interest on amounts in such account will accrue at the annual percentage yield, and under the conditions, actually disclosed (and credit will be provided for interest already accrued at a different annual percentage yield and under different conditions than the yield or conditions disclosed).

(g) Multiple Interests in 1 Account.—If more than 1 person holds an interest in any account—

(1) the minimum and maximum amounts of liability under subsection (a)(2)(A) for any failure to comply with the requirements of this Act shall apply with respect to such accounts; and

(2) the court shall determine the manner in which the amount of any such liability with respect to such account shall be distributed among such persons.

(h) Continuing Failure to Disclose.—

(1) Certain continuing failures treated as 1 violation.—Except as provided in paragraph (2), the continuing failure of any depository institution to disclose any particular term required to be disclosed under this Act with respect to a particular account shall be treated as a single violation for purposes of determining the amount of any liability of such institution under subsection (a) for such failure to disclose.

(2) Subsequent Failure to Disclose.—The continuing failure of any depository institution to disclose any particular term required to be disclosed under this Act with respect to a particular account after judgment has been rendered in favor of the account holder in connection with a prior failure to disclose such term with respect to such account shall be treated as a subsequent violation for purposes of determining liability under subsection (a).

(3) Coordination with section 9.—This subsection shall not limit or otherwise affect the enforcement power under section 9 of any agency referred to in subsection (a) of such section.

SEC. 11. CREDIT UNIONS.

(a) In General.—No regulation prescribed by the Board under this Act shall apply directly with respect to any depository institution described in clause (iv) of section 19(b)(1)(A) of the Federal Reserve Act.

(b) Regulations Prescribed by the NCUA.—Within 90 days of the effective date of any regulation prescribed by the Board under the Act, the National Credit Union Administration Board shall prescribe a regulation substantially similar to the regulation prescribed by the Board taking into account the unique nature of credit unions and the limitations under which they may pay dividends on member accounts.

SEC. 12. EFFECT ON STATE LAW.

This Act does not annul, alter, or affect the laws of any State relating to the disclosure of information in connection with terms of deposit accounts, except to the extent that those laws are inconsistent with the provisions of this Act, and then only to the extent of the inconsistency.

SEC. 13. DEFINITIONS.

For the purposes of this Act—

(1) Depository institution.—The term "depository institution" has the meaning given such term in clauses (i) through (vi) of section 19(b)(1)(A) of the Federal Reserve Act.

(2) Board.—The term "Board" means the Board of Governors of the Federal Reserve System.

(3) Account.—The term "account" means any account offered to 1 or more individuals or an unincorporated nonbusiness association of individuals by a depository institution into which a customer deposits funds, including demand accounts, time accounts, negotiable order or withdrawal accounts, and share draft accounts.

(4) Interest.—The term "interest" includes individends paid with respect to share draft accounts which are accounts within the meaning of paragraph (3).

(5) Multiple rate account.—The term "multiple rate account" means any account that has 2 or more annual rates of simple interest which take effect in succeeding periods and which are known at the time of disclosure.

(6) Annual percentage yield.—The term "annual percentage yield" shall be equal to the total amount of interest that would be received on a $100 deposit under the terms described in paragraphs (3) and (4) of section 4(c) over a year, expressed as a percentage calculated by a method which shall be prescribed by the Board in regulations.

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Rhode Island [Mr. St Germain] will be recognized for 20 minutes and the gentleman from Ohio [Mr. Wylie] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Rhode Island [Mr. St Germain].

Mr. ST GERMAIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today's consideration of H.R. 176, the Truth in Savings Act, marks the second time that the full House of Representatives has considered this legislation. Just last year, the Truth in Savings Act passed on October 7, 1986, by voice vote under suspension. Unfortunately, the Senate failed to act on this legislation. The process started early again in the 100th Congress, with testimony from the Consumer Federation of America, the AFL-CIO, and the American Association of Retired Persons. While banking groups were invited to testify, they chose only to submit statements for the record. It is my hope that this Congress will be the time for truth in savings legislation to become public law.

Requiring simple, straightforward disclosure in the advertising of interest rates is a justifiable goal—both consumers and depository institutions must be on an even footing here. Truth in savings, and similar legislation, must prevail if we are to preserve the free flow of information for the market system to work.

The purpose of the Truth in Savings Act is to require clear and uniform disclosure of interest rates and fees in order to provide consumers a meaningful way to compare deposit instruments. The act requires uniformity in the disclosure of the terms and conditions on which interest is paid and fees are assessed relating to demand or interest bearing account advertisements.

Depository institutions are also required to disclose a schedule of fees and the terms and conditions applicable to each class of accounts offered by the depository institution. Administrative enforcement and civil liability provisions are also provided for in the act. However, banks would not be held liable if the bank makes the necessary adjustments to rectify the problem.

This year's bill H.R. 176 is practically identical to the bill which passed last year and improves it in one important respect by addressing the issue of "investable balance." During the consideration of truth-in-savings legislation this year, it first came to our attention that some banking institutions, were paying less than full interest on the full amount of the savings account. Instead, they would deduct from the principal, before applying interest, a sum equivalent to the reserves that the banks maintain behind their accounts. It was uncovered that amounts ranging from 3 to 12 percent of the account were being deducted before banks applied interest. I find this practice outrageous.

The bill now requires that institutions must pay interest on the full amount of principal in the account, for the stated calculation period at the rate of interest disclosed pursuant to the act. Thus, the legislation that was good to begin with, is even better now that it addresses a newly discovered problem in the area.

Let me now thank Congressman Lehman, a committee member and the chief architect of Truth in Savings, for his efforts since the 98th Congress on this bill, and the ranking minority member on the committee, Congressman Wylie.

□ 1530

Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am extremely concerned about protecting the consumer in today's complex world of financial services and support this legislation. With the complete elimination in March 1986 of Government-imposed interest rate ceilings on savings accounts at financial institutions, a myriad of competing market-rate savings instruments have been created which provide the benefits of higher yields to savers. This resulting array of competing accounts makes clear and uniform disclosure of terms and conditions a vital consumer protection.

The bill before us requires all depository institutions to advertise their savings instruments in a uniform manner. H.R. 176 provides for uniform disclosure of interest rates, annual percentage yields, and full disclosure of the terms and conditions which affect the yield on various interest-bearing accounts offered by financial institutions.

To many of my colleagues, this issue may sound familiar. As the chairman of the committee stated, the House passed truth-in-savings legislation, almost identical to H.R. 176, last October just prior to adjournment. The bill passed during the 99th Congress also contained a second title which required additional disclosures for credit card applications. The legislation we are considering today does not contain the credit card language. H.R. 176 is a straightforward truth in savings bill.

Again, I urge my colleagues to support this measure. H.R. 176 will provide consumers with the necessary tools to comparison shop.

Mr. ST GERMAIN. Mr. Speaker, I yield 7 minutes to the chief sponsor of the legislation before us, the gentleman from California [Mr. LEHMAN].

Mr. LEHMAN of California. Mr. Speaker, as the lead sponsor of H.R. 176, the Truth in Savings Act of 1987, let me first of all acknowledge the support and cooperation of my good friend and chairman of the House Banking Committee, FERNAND ST GERMAIN, the ranking minority member, CHALMERS WYLIE, the gentleman from New York, Mr. WORTLEY, and their respective staffs. All have been very cooperative with my efforts to perfect and ultimately get House approval of this important consumer banking legislation.

H.R. 176 accomplishes three important things. First it requries that advertisements by financial institutions which mention specific rates or yields do so in a clear and uniform manner and state the annual precentage yield in greatest prominence.

Second, the legislation requires that consumers and customers be provided with an accurate and reasonable disclosure of the annual percentage yield; simple interest rate; term for which the annual percentage yield in effect; minimum deposit, balance, and time requirements; a description of fees; and a description of the other terms and conditions which can affect the yield on interest-bearing deposit accounts. These disclosure requirements are clearly enumerated in the bill.

Third, the legislation, as reported by the House Banking Committee, addresses the so-called investable balance issue, a practice in which depository institutions do not calculate the interest on the full amount of funds deposited in that account. This unfortunate practice was brought to the attention of the Banking Committee at hearings held on H.R. 176 on May 20, and I was joined by Chairman ST GERMAIN in amending the bill to address the problem.

Mr. Speaker, I first introduced truth-in-savings legislation in the 98th Congress in an effort to end the misleading and confusing advertising practices by many financial institutions. These institutions often advertised misleading "teaser" rates or confusing multiple and variable rates, and provided very little, if any, disclosure of the pertinent terms and conditions which consumers needed to know in comparison shopping for their savings accounts. Subsequent hearings clearly indicated the need to revise and provide for a more comprehensive approach.

During the previous Congress, I introduced H.R. 2282, which the House approved last October as title I of H.R. 5613, the Truth in Savings and Credit Card Applications Act. The legislation we are considering today is a perfected version of last year's truth-in-savings bill, and it continues to enjoy broad-based, bipartisan support.

Hearings held a month ago continue to point out the need for this legislation, and as acknowledgment of the support and need for truth-in-savings disclosures, voluntary truth-in-savings programs patterned after this legislation have been implemented by two large financial services trade associations.

While H.R. 176 reflects over 3 years of congressional hearings, discussions and refinement, let me take this opportunity to once again make several points of technical clarification.

First, the advertising disclosure requirements are triggered if a specific interest rate or yield is mentioned in the advertising. The bill also provides a partial exemption of these disclosures for outdoor billboard and electronic media advertising if the Federal Reserve Board finds the disclosures as burdensome.

Second, with regard to the account schedules provided in section 4 of the bill, the legislation does not mandate that a financial institution be required to maintain a comprehensive, master disclosure schedule. It is the intent of the act to allow institutions to offer either a master schedule or separate disclosure schedules for each type or class of account offered.

With regard to the new section 7 which addresses the isssue of "investable balance," it is clear that the act does not prohibit nor require the use of any particular method of compounding or crediting of interest. Furthermore, section 7 does not mandate any specific method of computing the balance on which interest is paid. Financial institutions presently have a number of different methods by which balance is calculated; section 7 does not mandate the use of any one of these methods nor does it expressly prohibit the use of any of these balance calculation methods.

I would also like to make it clear that section 7 is not intended to adversely affect the manner in which credit unions calculate dividends paid on shares; the legislation provides that credit unions, because of their inherent differences with other financial institutions, will comply with the intent of this act through "substantially similar" regulations promulgated by its regulatory agency, the National Credit Union Administration.

Finally, there has been some concern that the act does not apply to all similar instruments offered by nondepository institutions. First, this issue posed a germaneness problem for the House Banking Committee which does not have jurisdiction over all of these other financial services purveyors. Second, similar instruments, especially those offered by securities firms, come under stringent advertising and disclosure requirements which are heavily regulated and enforced by the Securities and Exchange Commission. These advertising regulations are more restrictive and a proposed new rulemaking would standardize the computation of mutual fund performance data in advertisements and disclosures. Clearly, in the absence of similar advertising registration requirements and performance rulemaking and standardization among the banking regulatory agencies, some legislative relief to provide uniform and clear disclosure by financial institutions is appropriate.

H.R. 176 mandates clear and uniform disclosure of the yield, rate, and those terms and conditions which can affect the yield on interest-bearing accounts offered by financial institutions. In this increasingly competitive and confusing financial services marketplace, disclosure is the most effective tool and resource which both institutions and consumers can rely on.

Truth in savings is a disclosure concept whose time has come. I urge my colleagues to join me in suspending the rules and approving H.R. 176.

Mr. WYLE. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. WORTLEY].

Mr. WORTLEY. Mr. Speaker, I rise today in strong support of the Truth in Savings Act, and I urge my colleagues to vote "aye" on this important consumer legislation.

Today's financial market can be as confusing as a carnival fun house, but not as fun. Consumers are bombarded with advertisements and statements from depository institutions, each promising to deliver the best return on a deposit. Yet deciphering these various offers can require the skills of an accountant. Healthy competition between institutions is hampered when consumers are lost in a confusing fog of terms and numbers.

Mr. Speaker, this legislation would place some very basic and commonsense disclosure standards into law for banks, thrifts and credit unions. As a cosponsor of this bill in both this Congress and the last, and as a member of the House Banking Committee, I wish to commend Mr. LEHMAN from California whose efforts to enact this legislation have been continuous and effective.

The timing of this legislation could not be better. Passage of this bill will compliment legislation to prohibit lengthy check-hold periods. Such check-hold legislation has been recently approved by the conference committee on recapitalization of the savings and loan insurance fund, and it will almost surely be enacted into law. Both the check-hold and truth-in-savings measures are necessary and have long been priority items for consumer advocates.

The intent of the Truth in Savings Act is to allow the average consumer to understand what the bottomline is before hard-earned money is deposited at a financial institution. Savings accounts, certificates of deposit and interest-bearing checking accounts are included in this bill's scope. All too often, misleading advertisements have been circulated causing consumers to enter into financial arrangements that they had no real understanding of and later regretted. The elderly, many of whom depend a great deal on the interest earned by their savings, are particularly at risk. This legislation will force depository institutions to rely more on offering quality accounts instead of just fancy advertising.

Under this bill, each advertisement, announcement or solicitation made by a depository institution regrading an interest-bearing account must clearly state such factors as the annual percentage yield and the annual interest rate, any minimum balance and time of deposit requirements, any penalties for early withdrawal or other circumstances, and any other conditions that could reduce the yield.

The bill specifically prohibits misleading or inaccurate advertising, and tough civil penalties will be applied for any violations under this legislation. Depository institutions would also be required to maintain an updated schedule of fees, charges, interest rates, and terms of accounts.

The terms of this legislation would have to be in effect and overseen by the Federal Reserve within 1 year of enactment. This measure does not preempt States from enacting additional disclosure requirements in this area unless such State laws are inconsistent with this bill's provisions.

Mr. Speaker, this is good legislation for the consumer and the free market. I wholeheartedly urge its adoption.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I rise in strong support today of H.R. 176, the truth in savings bill. This bill was passed by the House last year but was unfortunately not acted upon in the other body. I hope that the other body will respond swiftly and it can then be sent to the President for his signature.

A basic tenet of our American economic system is that consumers should be able to choose freely between competing products. For banking services as well, that tenet should hold. The American consumer rightfully demands enough information to make a reasoned choice.

It is in that spirit that this legislation was considered by the House Banking Committee. This bill provides for reasonable requirements for disclosure by financial institutions in their advertisements and mailings of the terms of their savings accounts.

For example, a consumer needs to know the annual percentage rate, the minimum balance requirements, early withdrawal penalties, and other basic information about the terms of any new account they may open. This kind of uniform disclosure will allow consumers to make the kinds of informed choices that will be best for them and for our economy.

The legislation does not require that interest on all accounts be calculated the same way. It does not discourage any types of accounts from being offered. The bill does just what its title proclaims: it requires Truth in Savings accounts. The requirements in this bill provide standard, necessary information to the consumer without being burdensome for the financial institutions.

Mr. Speaker, I urge my colleagues to support this bill and hope that the Senate will quickly follow our example.

Mr. GILMAN. Mr. Speaker, I rise in strong support of H.R. 176, the Truth in Savings Act, and I thank and commend the gentleman from California [Mr. LEHMAN] and the gentleman from Ohio [Mr. WYLIE] for the leadership they have provided in bringing this measure before us today.

Mr. Speaker, H.R. 176 is similar to legislation adopted by the House last year, which I was also pleased to support. Unfortunately, the other body did not act on this important matter, and consequently we must again consider Truth in Savings legislation. The aim of H.R. 176 is worthy and noncontroversial: To provide uniform disclosure by depository institutions on interest rates payable on savings accounts, terms of other accounts, and fees. In other words, people who have accounts in depository institutions will more clearly know just what their agreement with that institution is, and the penalties involved with violations of that agreement.

H.R. 176 strengthens the ability of consumers to make informed decisions with regard to interest rates and fees assessable against deposit accounts. Yet H.R. 176 will also have a positive effect on the economy in general by improving competition among depository institutions, and enhancing economic stability.

Mr. Speaker, this bipartisan legislation simply compels depository institutions to be honest and forthright about the terms of their accounts. Consumers, U.S. competitiveness, and the economy will benefit from this important measure. Accordingly, I urge my colleagues to join in support of H.R. 176 and to work for its speedy adoption.

Mr. BRENNAN. Mr. Speaker, I rise in full support of the Truth in Savings Act.

Mr. Speaker, to determine which bank offers the best return on your investment, you often need the analysis of a Philadelphia lawyer.

While banking is a fact of life for all of us, opening a checking or savings account can be thoroughly confusing for the average person. The vast numbers and ever-changing types of accounts can make comparison shopping nearly overwhelming. In addition, minimum balance requirements and extra fees are hidden in the fine print, or even omitted in order to lure customers.

This measure, by requiring financial institutions to provide standard information about their interest rates, fees, and minimum balances, for every savings plan they offer, allows consumers to choose intelligently the kind of savings program most appropriate for their personal needs.

This bill is modelled on the successful truth in lending law that has assisted borrows in understanding mortgage and credit terms, and is endorsed by national senior citizen and consumer groups.

Ultimately, the truth in savings bill is about openness and accountability in financial practices. An elderly person guarding a retirement nest egg, every couple saving up for their first home, every teenager putting away summer earnings toward their college education, will benefit from the simple provisions of the truth in savings bill.

☐ 1545

Mr. WYLIE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. ST GERMAIN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GRAY of Illinois). The question is on the motion offered by the gentleman from Rhode Island [Mr. ST GERMAIN] that the House suspend the rules and pass the bill, H.R. 176, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter on H.R. 176, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

GENERAL LEAVE

Mr. FAZIO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous matter on the bill, H.R. 2714, and that I may be permitted to include extraneous and tabular matter and charts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1988

Mr. FAZIO. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2714) making appropriations for the legislative branch for the fiscal year ending September 30, 1988, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited not to exceed 1 hour, the time to be equally divided and controlled by the gentleman from California [Mr. LEWIS] and myself.

The SPEAKER pro tempore (Mr. GRAY of Illinois). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. FAZIO].

The motion was agreed to.

□ 1550

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 2714, with Mr. HUGHES in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from California [Mr. FAZIO] will be recognized for 30 minutes and the gentleman from California [Mr. LEWIS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is a pleasure to present H.R. 2714, the legislative branch appropriations for fiscal year 1988, to the House. The bill and report, House Report No. 100-173, were filed on June 18, 1987.

I will not go over every detail; the report and bill have been available to the Members for several days. But I will summarize the bill.

Before I begin, I want to thank each member of the Legislative Subcommittee on Appropriations: Mr. OBEY, Wisconsin; Mr. ALEXANDER, Arkansas; Mr. MURTHA, Pennsylvania; Mr. TRAXLER, Michigan; Mrs. BOGGS, Louisiana; Mr. LEWIS, California, ranking subcommittee; Mr. CONTE, Massachusetts, ranking full committee; Mr. MYERS, Indiana; Mr. PORTER, Illinois; Mr. WHITTEN, full committee chairman.

Mr. LEWIS in particular, the ranking minority and my colleague from California has participated in all of our hearings and deliberations and has been a full partner in the writing of this bill.

Also, I appreciate working with and the help of members of the Committee on House Administration, primarily: Chairman FRANK ANNUNZIO; and BILL FRENZEL, ranking minority.

Also, CHARLIE ROSE and BILL THOMAS. The Chairman and ranking minority of the Office Systems Subcommittee; JOE GAYDOS and BOB BADHAM, chairman and ranking minority on the Accounts Subcommittee; and LEON PANETTA, PAT ROBERTS, chairman and ranking member on the Personnel and Police Subcommittee.

Mr. Chairman, there is $1.44 billion, $1,442,077,500, in the bill for the operations of the legislative branch for fiscal year 1988. These funds do not include the activities of the Senate, which will be inserted when the bill is considered in the other body. Also, we do not include certain permanent appropriations.

The bill has $880.6 million for congressional operations and $561.5 million for other agencies.

We have reduced the budget by 9.5 percent—over $150 million. The President's budget asked for a 16.5-percent increase. The committee has allowed only 5.5 percent.

We have scrupulously adhered to the assumptions of the budget resolution which called for a freeze—except for mandatory salary and retirement system adjustments.

The bill is $443 million under the tentative budget authority target. It is $424 million under the outlay target.

If the CBO baseline assumptions for Senate items are factored out, the bill is $19 million under the budget authority target and just equal to the tentative outlay target.

As presented to the House, the bill contains $75.5 million more than the current fiscal 1987 appropriation, including supplementals pending in H.R. 1827. That is a 5.5-percent increase over the current level, and barely pays for unavoidable cost or contract increases.

For example, there are increases made necessary by mandatory salary increases and related costs, mostly the new retirement program of $55.5 million—inflation and price increases to maintain current services—supplies, equipment, printing, books, rent—of $8.3 million—and workload, mail, dual format for depositories, two new positions, of $15.8 million—some of these increases have been offset by reductions in equipment and renovation funds.

Through actions in the bill and by the agencies of the legislative branch. We have reduced overall employment by 55 jobs. Only 5 essential jobs of the 216 new jobs requested have been allowed—and three of these are fully reimbursed by fees.

Mr. Chairman, the bill consists of three titles. Title I is congressional operations, consisting of: House, $529.6 million; joint items, $123 million; OTA, $16.4 million; CBO, $18.1 million; Architect of the Capitol, $88.7 million; CRS, $43 million; and congressional printing, $90.7 million.

Title II consists of: Botanic Garden, $2.3 million; Library of Congress, $197.5 million; Library Building and Grounds, $7 million; Copyright Royalty Tribunal, $133 thousand; Superintendent of Documents, $19.8 million; and GAO, $334.8 million.

Title III contains various provisions to facilitate operations. Included is a provision to study the duties of the Architect of the Capitol and House Offices to see if any of these functions should be transferred.

We have developed some interesting comparisons:

Since 1978 the legislative appropriation has grown at an annual rate of 5.3 percent. The executive budget has grown at an annual rate of 8.3 percent. The executive budget has grown at an annual rate of 8.3 percent. The CPI has grown at an annual rate of 6.2 percent. That is, the legislative branch has declined in real terms since 1978, while the Federal budget continues to grow in real terms.

And, since 1987 the legislative appropriation has increased by 5.5 percent—while the overall executive branch budget submitted by the President calls for a 8.6-percent increase—also, Federal revenues are projected to increase by 8.8 percent. It is clear the legislative branch is contributing to the reduction in the Federal deficit.

In summary, this is a very tight, austere budget.

It meets the tentative budget resolution targets. We have tried to protect core legislative functions. Members can be assured we have trimed the maximum, but the House will have the funds needed for essential operations. There is no need to apologize for this bill, or to make meat ax reductions.

I urge an "aye" vote for the bill.

Mr. Chairman, I also wish to enter into the RECORD a letter from the chairman of the Committee on House Administration which outlines the scope of section 307. That committee, with a letter from Chairman FRANK ANNUNZIO, requested that section 307 be included in the legislative bill.

COMMITTEE ON HOUSE ADMINISTRATION,
Washington, DC, June 26, 1987.
Hon. VIC FAZIO,
Chairman, Subcommittee on Legislative Branch Appropriations, Washington, DC.

DEAR MR. CHAIRMAN: In response to your inquiry about the scope of section 307 of H.R. 2714, the section is specifically intended to cover essential support activities or functions which, if undertaken by either the House or Senate, would be exempt from taxation.

The section merely provides a means for determining which functions of the House or Senate, when performed by others at the direction of either body, are not subject to taxation.

To ensure that the enactment of the section does not create any administrative difficulties, the earliest date of application of the section is intended to be January 1, 1987.

With every best wish, I am
Sincerely,
FRANK ANNUNZIO,
Chairman.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, let me open my remarks by expressing my deep appreciation to Chairman FAZIO for the courtesy he has shown me not only throughout this legislative process, but over the years in our work on this bill. I, too, would like to echo the gentleman's comments to the Members on both sides of the aisle who have worked with us on this committee.

This is the bill whereby we appropriate the funds to run the legislative branch of Government. Having said that, it is a bill whereby we fund our own work effort around here and therefore one that is an easy target for those who want to take on the legislative branch, the Congress or who indeed in some cases love to demagogue the work of the Congress almost for the sake of it; but having said that, our job in the Appropriations Committee and as I view it in this subcommittee is to attempt to evaluate the areas of Government where we have responsibility and to fight over and yes to compromise over in our effort to keep the cost of Government down.

□ 1600

In that process we do not agree all the time. We do go about a procedure whereby we eventually reach compromise, and that compromise is before you today.

Having said that, I personally would suggest to the House that it is highly appropriate that as a subcommittee report comes to the floor that individual Members with expertise or with specific interests in the work of the subcommittee should feel free and it is appropriate for them to criticize the elements that make up our bill, to make suggestions by way of amendment or otherwise as to how we might make further savings. We will spend a good deal of our time on the floor today discussing just such judgments on the part of individual Members.

Let me say this, that while there will be amendments presented—for example, I am sure that there will be an amendment presented to cut the amount of money that is appropriated for our mail—indeed, such an amendment would be very helpful as a symbol to suggest that we as a body ought to restrain ourselves in our mail expense—but the fact is, whether such an amendment passes or does not pass, it will be up to the Members to restrain themselves, and should they not, and the appropriations turn out to be not adequate, we are going to pay our bills in the final analysis anyway.

So while it serves as an effective symbol, it does not necessarily make the difference in terms of how much money the legislative branch actually spends by the end of the 1988 fiscal year.

Let me mention by way of pointing out the importance of this subcommittee report some of those elements for which we are responsible. The legislative branch has responsibilities in approximately 150 Government departments and agencies, almost 1,000 Federal assistance programs. We are responsible for the oversight of important items such as our foreign affairs. We look to making certain that our health and education and welfare programs are working effectively. It is our job to pay for the process of developing public policy, of providing overview and oversight for those programs which we finally legislate by way of policy change.

Indeed, it is a big responsibility in an economy, I might say, that has some $4 trillion in goods and services produced a year. It is a responsibility that deals with an overall Government budget in terms of outlays that some guesstimate as high as $1 trillion. And yet this bill for the House's side of it involves approximately $1,442,077,500. Two-thirds of that is actual House expenditure, some $880 million. While that is a lot of money, when you look to the actual numbers, it represents less than one-tenth of 1 percent of the outlay cost of our Government in the same fiscal year.

Taken from another perspective, we are a nation of almost 250 million people—243 million people. This bill would set out a cost for running our legislative responsibilities of approximately $3.63 per citizen, a cost for running your Government—the legislative branch thereof—something less than the cost of a first-run movie by the way.

The House of Representatives is that body which makes or breaks our Government insofar as the public is concerned. I am very much myself involved in questions that relate to the credibility of that institution. Within the process of offering amendments today it is my intention to present an amendment that deals specifically with the credibility of the House. That amendment would be called the panning amendment.

Some years back, when the rhetoric of the House extended itself a good deal, rhetoric that focused upon some of the partisan differences in the House, I think that there was an overreaction or maybe an overflexing of the power by then-Speaker, Tip O'Neill, who chose to flex his muscles, and indeed began this process whereby we pan the activities of the House using our television cameras during special orders.

I must say that during the discussion of my amendment I would hope that we would focus upon the impact that this ongoing policy is having upon the credibility of the institution. It seems to me if we are going to continue panning the House that would demonstrate that there are few Members on the floor during certain periods, that we would pan during the entire workings of the House. At this moment, indeed, if we were panning, the public would know that there are relatively few Members present. But as a matter of fact, there are Members in their offices watching our proceedings on television while they are carrying on their day-to-day constituent business. There are Members in committees carrying out the work of the House. If we are going to pan, let us pan during the entire proceedings.

My amendment would suggest that that is not likely and maybe we should rethink what this application of the rules is doing to the credibility of our institution. Maybe it is time we rethought where we have been in terms of selected pressures on free speech.

Mr. Chairman, I reserve the balance of my time.

Mr. FAZIO. Mr. Chairman, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. Mr. Chairman, I rise in strong support of the legislative branch appropriations bill for fiscal year 1988, as reported out of committee. This bill is a fiscally responsible piece of legislation which will limit the potential for growth in legislative branch expenditures. It is the bipartisan product of a very rational and systematic process of reviewing in detail every budget request from the entities comprising the legislative branch. The bill, as skillfully crafted by the Subcommittee on Legislative Branch Appropriations, prudently balances the demand for fiscal restraint in the expenditure of public funds with the critical need for the legislative branch to discharge its constitutional responsibilities in an effective manner. Consequently, I commend the chairman of the subcommittee, Mr. FAZIO, the ranking minority member, Mr. LEWIS, and the members of the subcommittee for their hard and thoughtful work.

The recommended total appropriation of $1,442,077,500 for fiscal year 1988 is only $75,499,300 more than the amount already appropriated in fiscal year 1987, including the pending supplemental appropriations in H.R. 1827. This total proposed amount for fiscal year 1988 reflects an increase of only 5.5 percent over fiscal year 1987. Furthermore, this recommended amount for fiscal year 1988 is $150,847,500 less than the sum total of all the budget requests from the respective legislative branch entities. In effect, the total of all the requests was cut by 9.5 percent. Thus, the recommended total appropriation for fiscal year 1988 is very reasonable and it certainly cannot be considered as excessive in any way.

Concerning the bill's justification, the committee report indicates that—

> Except for the normal merit and longevity pay increases, increases necessitated by the requirements of recent legislation affecting the new Federal employee's retirement system and the civil service retirement system, and some increases for a few high priority items, the bill freezes legislative branch activities at the 1987 level.

In fact, approximately $55.5 million of the increase over fiscal year 1987, representing 74 percent of such increase, is necessitated by the mandatory pay increases and related costs. However, as the committee report further indicates, in several instances the recommended funding will produce a reduced level of operations from fiscal year 1987. Thus, the justification for the major portion of the increase is not unreasonable but rather it is consistent with the need throughout the Federal Government to fund mandatory pay increases and to meet the statutory obligations established by recent Federal retirement legislation. The bill facilitates the carrying out of a very sound personnel goal of maintaining a high level of competence within the legislative branch.

My colleagues should, also note that the total legislative branch budget increase in the pending bill is only 5.5 percent, whereas the proposed growth in the overall Federal budget proposed by the President is 8.6 percent. In other words, the subcommittee has presented to the House a true product of fiscal restraint and prudence.

In terms of understanding the relationship of the pending appropriations bill with the legislative branch budgets approved over the past several years, the committee report is again very instructive. Since 1978, the year in which legislative branch operations stabilized, the legislative branch budget has declined in real terms, as the report indicates:

> The average growth since 1978 has been about 5.3 percent per year, while price levels as measured by the consumer price index have increased by 6.2 percent annually. Congressional operations, title I of the bill (and adding the current budget estimates for the Senate) also have been restrained, growing at only 5.9 percent annually, which is less than the CPI, and has resulted in a decline in real terms. During the same period, the executive branch has averaged an 8.3 percent annual rate of growth, an increase in real dollars at an annual rate almost 57 percent higher than the legislative budget.

Finally, I strongly urge my colleagues to support this bill as reported out of committee. It is a very responsible allocation of Federal funds. In particular, I would recommend against supporting any indiscriminate across-the-board cut. Approval of such a cut would seriously negate the careful judgments made by the Appropriations Subcommittee during its meticulous budget review process. In fact, the adoption of such an amendment would inpair the process itself and it would lead to unforeseen consequences. It would be a defeat for the House's effort to apportion its funds in a fiscally responsible manner.

Mr. LEWIS of California. Mr. Chairman, I yield 6 minutes to the gentleman from Califorina [Mr. LUNGREN].

(Mr. LUNGREN asked and was given permission to revise and extend his remarks.)

Mr. LUNGREN. Mr. Chairman, at the very end of this bill I intend to offer an amendment, which I call the pay-for-performance amendment. I suspect that there may be a point of order made against it. I hope there would not be, but in anticipation of that and the limited debate time that I will have at that time, I would like to at least begin the discussion of that amendment at this time.

It seems to me as we had the controversy over the pay raise for Members of Congress some time ago that much of the discussion was misdirected. I am not convinced that the American people think that we ought not to be paid, or that we ought not to be given a raise. That is, they are not concerned about the dollars that Members of Congress get, so much as the fact that they are paid at all if they do not do their jobs.

It seems to me that the minimal thing that we ought to be required to do is to put our budgetary house in order. I am not talking about passing the budget. Many people think that that is really spending. That is not spending in this House. The real spending in this House takes place in the appropriation bills.

There are actually 13 major appropriation bills. Those are supposed to be voted upon, passed to the President and signed by the President, before a new fiscal year begins.

What we have done over the last number of years in increasing fashion is fail to pass those bills separately and instead send at the end of the fiscal year immediately preceding the new one a gargantuan bill called the CR—continuing resolution—to the President. We then play a game of legislative chicken in which we say, "Mr. President, if you don't sign this bill, with all of its defects, the entire spending of the Federal Government will stop and you'll be responsible for throwing the orphans out on the street, not allowing the widows to get their checks, not allowing our men and women in the Armed Forces to be paid," and so forth.

□ 1610

So it seems to me what we have to do is set up some incentives to make sure that Congress does that work.

My amendment would do it in this way: It would say that the balance of the major 13 appropriation bills all have to be passed, conferenced and sent to the President before we can bring up the legislative appropriation bill. That means we could not have pay for our staff people until after we had done the job that people elected us to do.

The second thing it would do, in order to require this procedure for the pay for Members of Congress, is it would recognize that the pay for Members of Congress is not subject to a separate appropriation bill on an annual basis. There is a permanent, indefinite authorization and appropriation for that, which is OK under most circumstances. But it seems to me if we have not done our elementary work, if we have not passed out those major appropriation bills that the American people expect us to, gone to the President with them, seen if he would veto them, done the spending people expect us to do, that automatic authorization of appropriations for our salaries would be null and void.

It would mean one of several things: First, either we would not get paid; second, we would get paid through voting a separate bill, a separate bill saying this is the vote for our pay; or third, and what I would want us to do is have the 13 major appropriation bills which the American people expect us to pass every year finally completed.

This proposal is fairly simple. One State of the Union has something like this, the State of Missouri, the Show Me State. The Show Me State says to their legislators, you cannot bring up the legislative appropriation bill until you have passed all of the other major appropriation bills to fund the State government. We ought to do at least that here on the floor of the House.

I think I was the single Member who appeared in favor of pay raises for Members of Congress before the appropriate subcommittee. I believed that the pay raise was appropriate, but I cannot justify back home to my constituents the fact that we do not do our work.

It seems to me we ought to be paid for our performance. It is a small incentive to require us to do that simple work that I think the American people expect us to do.

It will take some of the leverage out of our hands that we presently have with any President, which is to say to him "swallow this gargantuan CR or have nothing." But it seems to me it is the way that most legislatures should work, and it is the way we should work.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I want to tell my friend how much I appreciate the courage he has shown on the issue of pay for top level Federal workers, judges, and Members of Congress.

I would point out that, although at times I wonder why I take the time to do this, I also appeared before the same committee in support of the President's recommendations. I would be more than happy to reserve a point of order so that the gentleman may extemporize more on this issue on the debate on the amendment, knowing how sincerely he feels about this issue. Whether I agree with him or not, I certainly respect his position.

Mr. LUNGREN. The last thing I would like to point out is the most recent Nobel Prize winner for economics is James Buchanan. James Buchanan has analyzed the political process and its impact on the economy and determined that the public choice theory gives us an understanding of how things work.

If we do not institutionalize incentives to save money for the taxpayer, those incentives built into the institution that maximize spending without any fiscal restraint will prevail. It happens again and again and again. Members of Congress, because of the way the system works, love to be Santa Claus; we rarely want those people to pay for what we give them. This would at least require us to do the work necessary so those questions could be brought out and in a very real sense it puts our individual incentive, that is that we get paid and our staffs get paid, behind requiring us to do our job and to do it on time.

I hope Members will seriously consider my amendment when it comes up at the end of the bill.

Mr. FAZIO. Mr. Chairman, I yield 5 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would like to take the next 5 minutes to just briefly discuss the nature of an effort that the gentlewoman from Connecticut [Mrs. JOHNSON] and I will be leading today on the House floor.

Last week several of us, in a bipartisan group, offered amendments to two out of the three appropriation bills that we considered. We did so as part of an effort to reduce further the level of Federal spending in 1988 by about $6 to $7 billion.

The reason why we chose to do so was because of our dissatisfaction with the budget resolution adopted by the Congress which called for $7 billion of what I regard as generally phony savings, given the refinancing of REA loans. What I want to do is see that we put in place a spending plan that will, this year and in the years ahead, give us at least $36 billion of sustainable, repeatable deficit reduction.

The way we decided to proceed last week on the two out of the three appropriation bills, and will proceed this week and in the weeks to come on the remaining appropriation bills, is to offer amendments to cut in half the increase that is implicit in each spending bill. For example, the bill that is before us today, the legislative branch appropriation bill, provides for a 5½-percent increase in 1988 over what we have already appropriated in 1987, including the supplemental appropriation which will soon I think become law. In any event, there is a 5½-percent increase in the appropriation bill before us today compared to what we are spending in 1987.

In developing the strategy that I have outlined, I worked closely with the chairman of the subcommittee, the ranking Republican, the members of their staff. I just want to take a moment before I go any further to simply acknowledge to the gentleman from California, VIC FAZIO, and the gentleman from California, JERRY LEWIS, and their staffs my appreciation for their cooperation and the positive approach they have taken to this issue.

The bill before us has been described already by those gentlemen, and I do not differ with their description. This is not a bill that is riddled with fat. To my knowledge there are no new positions that are included in this bill. The increases for operating our offices and Members of Congress, the increase for operating our committees on which we serve is, as far as I can tell, below, not above, the rate of inflation. There are costs that we have to incur, there are upfront costs for the Federal Employees Retirement System, for the purchase of phones and furniture, costs which we used to incur by leasing equipment and not paying for it, not purchasing it.

Last week when amendments were offered to two out of the three appropriation bills to trim spending, those cuts were offered in an across-the-board cut manner. I am not altogether comfortable with across-the-board cuts. The effort the gentlewoman from Connecticut and I will be leading today calls for offering three separate amendments, not an across-the-board cut for the whole bill, but three separate amendments. If adopted, in the aggregate they will cut by one-half the spending increase that is implicit in this legislation.

Should all of those amendments be adopted, should each of the three amendments be adopted, we will offer no across-the-board cut. Should none of those amendments be adopted we will offer a single 2.75-percent cut in discretionary spending, an across-the-board cut. My hope is that we do not have to offer such an amendment.

The three areas we will focus on today are: First, the postage that my colleagues and I as Members of this body use for mailing to our constituents, the privilege of the frank. The increase in this bill approaches 50 percent in real increase from 1987 to 1988. Our amendment would cut that back by $10 million.

Second, there is an increase in this budget, in this appropriation bill, for the Architect of the Capitol. The magnitude of that increase is 10.4 percent in 1988, 10.4 percent. The amendment we will offer will bring down, not eliminate that increase, but bring down that increase to 7.3 percent, not 10.4 percent.

The third amendment I want to mention is for the budget of the General Accounting Office. In this bill before us, the GAO receives an increase of 7½ to 8 percent. We will offer an amendment providing for 70 percent of that increase. In essence, GAO would receive under our amendment an increase of 5.5 percent for 1988.

Those are the three amendments we hope to offer, ours is not an across-the-board approach, but if you will a rifle shot, or three rifle shots, to try to target those areas in this bill that seem to be receiving inordinate increases in spending.

Mr. Chairman, I would close by saying that this is a time for us, an opportunity for us, to practice leadership by example. We can lead by our example, and I would urge adoption of the three amendments that the gentlewoman from Connecticut [Mrs. JOHNSON] and I will offer later today.

Mr. LEWIS of California. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, last week when we debated the District of Columbia appropriation bill I was privileged to offer on the floor, and the gentleman from California [Mr. DIXON], the chairman of the subcommittee, permitted to be considered on the floor an amendment deploring the pattern of corruption in the District of Columbia government. The chairman made a point at that time, and I think it was an excellent point, when he said that:

> * * * every Member here and every elected official at the State, local, or national level deplores corruption wherever it occurs, whether it occurs at 1600 Pennsylvania Avenue or in this Chamber, at the city hall downtown, or at the city hall in Pennsylvania.
>
> If the gentleman wants to expand it by naming groups of people, why do we not go on record as a sense of Congress in deploring corruption in government wherever it occurs in the United States, and it will cover everyone.

As the gentleman said, and he is on the floor right now, as I said at that time, the scope of his barrel was narrowed to the District of Columbia government, and I offered it to that which was germane. But today when we get to the question of the ethics of the House I intend to offer a similar amendment in the course of our deliberations today which would read, "It is the sense of the House of Representatives that the ongoing pattern of questionable ethical conduct within the House is deplorable, and that a special bipartisan commission should be convened for the purpose of investigating this pattern of corruption and for the purpose of suggesting reforms."

I would hope that in a similar way we could debate this amendment today, and hopefully approve it as well, because we do have a problem out there in the country. Poll after poll is showing us that the American people think very little of this body. As individuals they think fairly highly of us, as individual Members of Congress from a district, but as a unit of government we rank pretty low, and in large part America is reflecting on the fact that newspaper article after newspaper article tells them of problems within the House with regard to how we behave ethically.

One of the problems we have is the fact then that we cannot discuss that. The way in which we deal in the House, the collegial atmosphere we have developed here prevents us from coming to the floor and even discussing those things that may be on the front page of the paper that day. One cannot even come in and read the front page of a newspaper from that day that raises questions about ethical conduct within this body. And if in fact the issue does get raised, it is referred to the Ethics Committee where because of the rules and the way that they have to operate, they go behind closed doors to resolve these matters.

Let me say here that I have a very deep appreciation for how difficult it is to do the job done by the members of the Ethics Committee. In no way am I reflecting in this amendment on the job that they do. It is a very difficult role. We make a prosecutor out of them, and we make a protector of all of the House out of them, and we give them all kinds of problems. Yet we do not give them very much backing.

But the difficulty is that we do not have a way then of dealing with these matters out in the open in the same way that we are now dealing with the Iran-Contra affair, in open hearings where we resolve these matters. What I am suggesting in my amendment is what we ought to look at is the creation of a special bipartisan commission that would investigate the problem we have here and would suggest reforms for us to make.

My assumption is that whatever reforms would be suggested would automatically end up back at the Ethics Committee. In other words, this would end up strengthening what they are able to do.

But for the moment we are left without the ability to do anything, and I think that is wrong, particularly since day after day we find these problems before us.

□ 1625

So I would hope that the House would approve this amendment. It is simply a first step. It is simply a sense of the Congress. All it says is that we find what has been happening is deplorable and it says we ought to do something and the first thing we ought to do is have a special bipartisan commission of people outside this Congress who an look at us honestly.

I would hope at the appropriate time when the amendment is offered it will be considered and that it would be adopted by the House.

I yield back the balance of my time.

Mr. LEWIS of California. Mr. Chairman, I yield 5 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in support of the amendments being offered by the gentleman from Delaware [Mr. CARTER] and myself.

I would like to begin by commending the committee for what has been a very careful and very thoughtful and very tough job of reviewing this budget, and for their courtesy and generosity in providing time to those of us who were interested in the approach we are taking today, to inform us of their decisions and why they have made them. I know they have made tough decisions and I appreciate and respect that.

Consequently, I rise with some amount of regret. If we had budgeted this carefully, been this rigorous and this disciplined over the last 4 or 5 years in all budget categories, we probably would not be faced today with the catastrophic problem of the budget deficit which plagues our every step, which dogs all that we try to do.

I would remind you that in today's Washington Post there was an article, "The Ways and Means Committee Panel Lists 200 Optional Tax Increases."

Those tax increases are going to effect our constituents day in and day out. You cannot raise $18 billion in new taxes and not have it come out of the pockets of the people of America. So I believe it our obligation to fulfill the promises that were made that revenue increases would be coupled with spending cuts. I would remind you in Washington that we use the term "spending cuts" very peculiarly. We do not cut spending, we merely control the rate of growth of increase.

In this budget we are not recommending cuts. We are trying to reduce the rate of growth in the budget from 5½ to 2.7 percent. In the course of cutting by half the rate of increase in this budget and doing that in every bill that comes before the House, we will succeed in honestly coupling spending reductions that have outyear implications, that will save us money not only this year, but next year and the year after, but with revenue increases that will dig in our pockets this year, next year, and the year after.

We owe no less to our constituents. The three amendments that we will be proposing today will make narrow cuts in the rate of growth in spending in this budget in order to guarantee to our constituents that as they pay new taxes, we are also constraining spending. Our goal must be to, in fact, and not just in fancy, achieve the $36 billion deficit reduction that we have committed ourselves to through the budget resolution and that we all know is very necessary to assure continued growth in our economy.

When the President returned from Vienna, the most serious message he brought back to us was that the world community is losing confidence in America, losing confidence in our ability to manage Government spending, and they know that if we cannot reduce the deficit we will see a recession and that recession will not only devastate America but it will devastate the international community, which deeply depends on the health of our economy, and the world trading system on which our own prosperity depends.

So this small sacrifice that we ask of you today, not a catastrophe for this budget, not a body blow, but, yes, a reduction in the rate of spending increase which will impose some difficulties upon the agencies affected—and I do not deny that—but it is a small sacrifice to make for the well-being of our Nation.

I ask you to join with my colleague from Delaware and me as we consider spending bill after spending bill to reduce by half the rate of growth in spending. Only thereby can we honestly couple spending controls with the revenue increases which are necessary if we are to reduce the deficit and preserve our economy.

Mr. FAZIO. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. ALEXANDER], a member of the subcommittee.

Mr. ALEXANDER. Mr. Chairman, I rise to compliment the chairman and the ranking Republican minority member for their work to produce this bill and also rise in opposition to those proferred amendments that would attempt to strike from the funding levels in some of the agencies that have been set by the committee after careful bipartisan consideration.

There is no way that we can review and summarize all of the testimony of all of the witnesses of all the agencies that appeared before the subcommittee during the time allotted for debate. But just to cite one example is the GAO, an object of one of the proposed cuts would be the General Accounting Office. The General Accounting Office is a vital arm of the U.S. Congress, an investigative arm which performs, I think, an invaluable service. I know of no agency in the Government that cuts expenses when possible more frugally than the General Accounting Office.

We have taken that performance into consideration in recommending the level of funding that is contained in this bill.

That is simply one example of the kind of effort that has taken place in providing the recommended levels of funding that are contained in this bill.

The committee has reported a lean bill. It has been approached in a bipartisan manner by the members of the committee on both sides of the aisle and I think it is an excellent bill. I commend the work of the ranking member and the chairman of the committee.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. I thank the gentleman.

Mr. Chairman, I rise simply to remind my colleagues that we will be given an opportunity to consider an amendment which would indicate the House's concern over current ethical standards and would indicate that it would be useful for the House leadership to consider the possibility of appointing a committee of distinguished Americans and asking them as outsiders to apply to the House a serious and tough and rigorous examination.

For those of my colleagues who are interested in why some of us feel this bill is necessary, I would encourage them to read the report of the Committee on Standards of Official Conduct of the House of Representatives of April 9, 1987.

Our colleagues on that committee did an extraordinarily exhaustive job. The report itself runs to over 1,400 pages.

I summarized in two pages example after example where they found about the member reported in that report said he had "consistently understated by more than $1 million on his financial disclosure statement."

The committee concludes, "The sale of one place was incorrectly reported." In another case the committee said, "The statement contained in each purchase agreement was not correct." In another case the committee said the Representative "violated House rule XLIII, clause 4, in connection with acceptance of transportation."

Again, having a staffer call the Federal Home Loan Bank Board in behalf of an institution. After hearing every explanation to excuse him, the Ethics Committee went on to "admonish all Members against such situations an inference might be drawn suggesting improper action."

Again and again the committee found clearly that in this one case there are problems. My point to my colleagues is simple: There are now over 10 institutions where the public media is raising questions about ethics in the House.

Our committee colleagues on the Standards of Official Conduct have an extraordinarily hard job. I think we owe it to the House and to ourselves and to our colleagues to call upon a panel of outstanding Americans who would not be encumbered by the comradery of the House, but would not be restricted by the accepted procedures of the House, but could look clearly and rigorously at behavior in the House and could then advise us and our constituents on how we should act so that we can be truly worthy of this 200th anniversary of the Constitution.

Mr. GAYDOS. Mr. Chairman, once again the Members of this body will witness the spectacle of an amendment to the legislative branch appropriations bill, which would reduce the appropriation by an across-the-board cut. While such amendments are popular with their proponents because they can tell the folks back home that they have voted to hold the line on Government spending, I believe that an across-the-board cut to the legislative branch appropriation is arbitrary, and in the long run, damaging to our ability to legislate effectively.

I empathize with the dilemma of our colleagues on the Appropriations Committee. When the across the board cut mandated by Gramm-Rudman had to be applied to funds for committees "studies and investigations," it was the Accounts Subcommittee of House Administration, which I have the honor to chair, that had to break the bad news to the committees. Those cuts had to be applied across the board by law, a process which defied logic and in which I took no pleasure at all.

The result of those cuts on the committees of the House were devastating. In February and March of this year, chairman after committee chairman testified before the Accounts Subcommittee concerning legislative or oversight initiatives which they were forced to curtail as a result of those across-the-board cuts. I have labeled this effect as pennywise and pound foolish, because across-the-board cuts which saved a few million dollars in legislative branch expenditures, prevented our committees from properly overseeing billions and billions of taxpayers dollars spent by the executive branch agencies. You can't correct the problem of $600 toilet seats or mismanagement of the environmental cleanup effort if the committees of jurisdiction do not have the resources necessary to do their jobs properly.

In 1987, sequestration was not required and there were sufficient funds available in the appropriation to grant modest increases for committees "studies and investigations." But, these increases were not granted across the board. Instead, the Subcommittee on Accounts engaged in the meticulous process of reviewing each committee's request and allocating available funds in a manner which we believe reflected genuine need, based on projected workload, rate of previous increases, and other rational and coherent factors.

In the same manner, the Subcommittee on Legislative Branch Appropriations has given us a bill for fiscal year 1988 which reflects months of careful and painstaking deliberation, line item by line item. The overall increase is 5.5 percent over last year, and the amount for House operations is only 3 percent over last year. The Appropriations Committee cut the requested increase by 9.5 percent. A full three-quarters of the proposed increase is nondiscretionary because it covers mandatory pay increases and related costs. Another 11 percent of the recommended increase is to offset the cost of inflation in certain accounts. So I ask my colleagues, where is the fat in this bill? And, even if one were to concede that there is fat in the bill, the across-the-board approach cuts meat and bone, as well as fat. As a result, certain programs will be funded below last year's post-Gramm-Rudman level.

The across-the-board cutters are not concerned with being pennywise and pound foolish. They do not participate in the line-item-by-line-item review process which was so laboriously applied to produce this bill. Part of that process included extensive hearings on each line item. Instead of applying a scalpel to trim alleged fat, they would have us apply a meat cleaver of across-the-board cuts to the legislative branch. I urge my colleagues to vote no on this amendment so that our Members, committees, and legislative agencies can continue to do the job that the taxpayers have elected us to do.

Mr. PORTER. Mr. Chairman, I rise in strong support for the fiscal year 1988 legislative branch appropriations bill. This legislation represents the good work of my chairman, Mr. FAZIO, Mr. LEWIS our ranking member, and the rest of our committee.

One important aspect of this bill is the language which deals with the Library of Congress. The Library recently entered into an agreement with the Oxford University Press [OUP] to establish within the Library the Center for American English.

Notwithstanding the irony of a foreign firm establishing a research project within the Library of Congress called the Center for American English, there is real concern that this agreement amounts to the subsidization of a foreign commercial competitor of U.S. companies.

Appropriately, the committee included bill and report language expressing its concern and forbidding the Library from providing study facilities for business enterprises until guidelines are approved. It should be clarified that this restriction applies prospectively and not to current Library of Congress agreements where staff is already in place.

Mr. Chairman, this bill also includes important report language which urges the GAO to continue its ongoing study into the increasing amount of Department of Defense Special Access Programs, or black funds. These programs are cloaked in a veil of secrecy which threatens the oversight function of the Appropriations Committee and Congress.

The CHAIRMAN. The Chair will advise the gentleman from California [Mr. FAZIO] he has 14 minutes remaining and the gentleman from California [Mr. LEWIS] has 4 minutes remaining.

Mr. FAZIO. Mr. Chairman, I yield myself such time as I may consume.

I would like to indicate personally my appreciation to Mr. CARPER and Mrs. JOHNSON and other members of their bipartisan task force who have worked with the subcommittee and its staff on this bill.

I think their comments are indicative of the fact that they have been convinced that this bill is drafted very tightly and that it provides no room for cuts that are merely symbolic or cosmetic. We have brought to the floor what we think is the absolute minimum required for the operations of the House of Representatives and the other agencies of the legislative branch.

I realize some amendments will be offered that I believe will be offered in good faith. I will have to oppose those. There will be other amendments offered that I think are far more in the political realm. This bill often is a battleground for competition that seems to go well beyond the actual funds in the budget of the legislative branch agencies.

So I do anticipate some floor debate that will be somewhat peripheral to the essential appropriations process. But we will also deal with those in an up-front manner indicating this bill is not the appropriate place to take up matters that go far beyond the appropriations needed for the legislative branch.

At this time, Mr. Chairman, I have no further requests for time.

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

By way of closing the general remarks regarding this bill, I want to express my appreciation, following comments already made by members of the committee, to Mr. CARPER and particularly to Mrs. JOHNSON on this side for their diligent work in terms of the Appropriations Committee's process, their efforts to help us evaluate where we can find savings.

Having said that, Mr. Chairman, I would like to say that this bill is some $150 million—$150 million below the budget request.

It is a bill that we have worked very tenaciously to reduce in program after program.

There are elements of the bill where there have been increased costs, which the chairman already referred to, that are impossible to control, the pay raises which have been mentioned before for example.

I specifically wanted in concluding remarks, to mention there is a significant piece of our bill, $100 million some, that comes to us directly as an automatic appropriation or assumed appropriation from the Committee on House Administration. Those are the requests for funding from our committees. While a little less than half of that comes from the statutory personnel that is allowed the committees, a great portion of that automatic appropriation comes from the ever exploding numbers we have in the investigative personnel account connected with the committees.

It seems to me that in the past, while this has become an historical precedent, we have made a mistake in the past. Indeed, those personnel of the committees ought to come under the traditional appropriations review process. If we had an opportunity to interview those committee chairmen as well as the ranking members regarding their requests for added personnel, I think we would find ourselves with a more uniform pattern among the committees.

To have 1 committee with 50 personnel and another 150 personnel when the responsibilities or work load is similar to say the least causes one to scratch his head.

Indeed, this bill is a significant effort to keep under control the cost of carrying on the work of the House.

I appreciate the Members' indulgence in our work and we appreciate their support.

The CHAIRMAN. All time has expired.

The Clerk will read.

The Clerk read as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Legislative Branch for the fiscal year ending September 30, 1988, and for other purposes, namely:

TITLE I—CONGRESSIONAL OPERATIONS

HOUSE OF REPRESENTATIVES

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For payment to Lucie C. McKinney, widow of Stewart B. McKinney, late a Representative from the State of Connecticut, $89,500.

MILEAGE OF MEMBERS

For mileage of Members, as authorized by law, $210,000.

HOUSE LEADERSHIP OFFICES

For salaries and expenses, as authorized by law, $3,456,000, including: Office of the Speaker, $798,000, including $18,000 for official expenses of the Speaker; Office of the Majority Floor Leader, $708,000, including $10,000 for official expenses of the Majority Leader; Office of the Minority Floor Leader, $789,000, including $10,000 for official expenses of the Minority Leader; Office of the Majority Whip, $621,000, including $5,000 for official expenses of the Majority Whip and not to exceed $149,950 for the Chief Deputy Majority Whip; Office of the Minority Whip, $540,000, including $5,000 for official expenses of the Minority Whip and not to exceed $79,150 for the Chief Deputy Minority Whip.

MEMBERS' CLERK HIRE

For staff employed by each Member in the discharge of his official and representative duties, $175,199,000.

□ 1640

AMENDMENTS OFFERED BY MR. DIO GUARDI

Mr. DIOGUARDI. Mr. Chairman, I offer three amendments, and I ask unanimous consent that they be considered en bloc.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. DIOGUARDI: Page 3, line 3, strike "$175,199,000" and insert "$172,770,000".

Page 3, line 7, strike "$50,062,000" and insert "$48,720,000".

Page 3, line 18, strike "$52,418,000" and insert "$50,297,000".

The CHAIRMAN. Is there objection to the request of the gentleman from New York that the amendments be considered en bloc?

There was no objection.

Mr. DIOGUARDI. Mr. Chairman, basically these amendments are a modest attempt to rein in the spending here in the House. When we talk about the legislative appropriation bill, the only constituency we have is really here in the House, and I think it is time that we provided the leadership that is so necessary today in this country to show that spending must be restrained.

We are in the process of putting together a total appropriations this year of over $1 trillion. The national debt at this point stands somewhere at $2.2 trillion, and, Mr. Chairman, that is on a Mickey Mouse cash basis of accounting. If we applied the rules that the Securities and Exchange Commission applies to the private sector for those private companies that sell stock to the public, the estimate is that the real debt in this country is more like $6 trillion.

So I think it is time that we started with a modest attempt—and this is not a draconian attempt by any means—to show that we can provide the leadership here in Congress to the rest of the country.

We are talking in these three amendments, Mr. Chairman, about a total of $5,992,000. We are talking about approximately $6 million. In framing this freeze, we have considered here not only the fiscal year 1987 appropriations bill, but we have also added in the emergency supplemental appropriations, so we are talking about very modest amounts.

Let us take a look at the private sector. We have seen so many examples where private companies, in order to restore profitability, have cut their managerial and administrative staffs by 10, 20, and 30 percent. And do the Members know what has happened? They became more efficient; they became more profitable. What does the management consultant, Peter Drucker, say about that? He said, "When it comes to people, less is more."

In other words, what we need is a qualitative approach to the way we do business here in the House. The simple fact is that we are looking at huge budget deficits for as far as the eye can see, and we must set spending priorities, especially where we can control them right here. Unfortunately, I think we are sending the wrong message to the public, that in looking at this legislative appropriation for clerk hire and committees, we are taking care of ourselves.

Let us look at some of the facts: First, since World War II the personal staffs of Congressmen and Senators have grown fivefold and sixfold respectively; second, committee staffs in the House have grown an obscene twelvefold in the same period; third, more people are employed in the U.S. Congress than in any other legislative branch in the world; and fourth, the U.S. Congress employs 31,000 people—I repeat, 31,000 people—to run this bureaucracy. That is 10 times the number of the second most heavily staffed legislative body, and that is the Canadian Parliament.

Finally, since 1981, Mr. Chairman, housing programs have been cut by close to 65 percent, yet incredibly committee funding has risen more than 50 percent.

When are we going to get smart and say to ourselves, "Let's provide the leadership for the rest of the country"? There are so many things that need funding, and yet we continue to escalate the largest bureaucracy in the world, which is this legislative branch.

There is no doubt in most cases that the moneys that we spend are used properly, but what I am talking about here is symbolism, and symbolism is big. The amounts of money are small; we are talking about $6 million. Congress will not shut down if we freeze the spending on our staffs. Last year's Gramm-Rudman cuts showed that the Union can survive with less congressional staff, and in fact those cuts may have done more to improve congressional efficiency than any other action we have taken in the last 40 years, Mr. Chairman.

So in conclusion, I would like to say that we have an opportunity here to deal with a constituency that is right here in this House with each Congressman.

Mr. Chairman, I believe that we can do the job with a decibel less than what we have right now when it comes to clerk hire, congressional staffing, and contingency funds, and I hope the Members agree with me.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the gentleman from New York [Mr. DioGuardi] has properly made the point that his amendment is symbolic, and I can understand the power of the symbols that we use here. Sometimes we use these symbols for good purposes and sometimes for ill purposes. That is part of the political system. I think it is fair to say that most Members of Congress have at one time or another run against government, the institution of which they are a part.

I think most of us find that is good politics at home. As, I believe, the gentleman from Georgia [Mr. Gingrich] or the gentleman from Pennsylvania [Mr. Walker] indicated, as an institution collectively we do not always rank as high as we do as individuals, even though we are, I believe, many times more than the sum of our parts.

It is important to oppose this amendment for several reasons, purely on a factual basis. First of all, as it relates to clerk hire, the latest figures we have show the number of staff available to Members of Congress is less than the number who worked here in 1980. In other words, since that time, over the last 7 years, we have maintained at a steady state in staffing our Members offices. Despite increasing burdens, broader issues, more challenges that we as individual Members face on behalf of our districts and in dealing with the actions here on the House floor, we have had no increase in that time. You will find few other areas of Government, including the executive branch and entities around the White House, that have that kind of record.

I would like to point out as well that the funds for committee staff investigations and the funds for special and select committees are very tightly budgeted in this bill. For the calendar year 1987, the funding resolution adopted by the House provided an authorization of $47.9 million, a growth of about 8.5 percent. This committee has reduced that to 4.2 percent. We believe that is a very modest increase. It is half of what this House has already agreed to.

We also focused on some additional considerations. We realize that to be competitive we have to pay our staff an adequate salary. We anticipate a 3-percent cost-of-living adjustment. Also, workload is up. The Judiciary Committee has before it several impeachment inquiries regarding members of the judiciary.

The workload of the Ethics Committee is unpredictable and is constantly having to be adjusted to meet new challenges. The Iran Committee was not even included in the funding resolution of 1987, but it may well extend into the next fiscal year. And, of course, there are other investigative activities that typically increase in an election year due to the increased legislative workload.

So it is clear that this is a tightly drafted bill, one that ought not to be adjusted simply, as I indicated, for symbolic purposes. I think the committee deserves support in the sense that we have provided growth for our committees of only about 3.5 percent, much less than the 5.5-percent increase that our tentative budget resolution target assumed and that this bill provides.

Also, it is very important to note that since 1978 we have had a reduction of 2.6 percent in the number of employees available to the standing committees. I think that is a sign of good management on the part of those committees. I should not want to penalize them further for their voluntary participation in what is, I think, a very stringent budget.

Mr. LEWIS of California. Mr. Chairman, I move to strike the last word.

Mr. DioGUARDI. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I am happy to yield to the gentleman from New York.

Mr. DioGUARDI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to comment on the remarks of the gentleman from California [Mr. Fazio]. It seems incredible to me that in proposing a legislative appropriations of hundreds of millions of dollars we cannot find the fortitude and the leadership to deal with a freeze in this area. We are talking about a total of $6 million in the three amendments being offered.

We had to borrow last year about $150 billion—and that is with a "b," by the way—and that was to pay the interest on the national debt. We do not have that money. We literally have got to go out and borrow the money. That means that next year we have an additional $150 billion in bonds now earning interest, so it is kind of paying interest on interest.

The estimates are that without Gramm-Rudman—and it is now questionable as to whether we are going to meet the Gramm-Rudman targets—by 1992 the interest on the national debt would be some 40 percent. That is bankruptcy in anybody's business, whether it is here in the House, whether it is your household budget, or whether you are running a business.

Interest is the most regressive tax in the world. Why? It comes literally out of the mouths of poor people. When we pay interest, we pay interest to people who can afford to buy Treasury bonds and Treasury bills. Do we know who those people are today? The Japanese and the West Germans. They are literally decapitalizing this country under our noses.

Mr. Chairman, I cannot believe that the gentleman cannot find the fortitude to show the leadership to freeze the appropriations. It may be symbolic but at least it would show the public that we mean to balance the books and eliminate annual deficits.

Mr. LEWIS of California. Mr. Chairman, reclaiming my time, I might say in response to my colleague's amendments that I agree with part of his amendments, but I am not sure I agree with the entire block, although if I had the kind of authority I would wish for around here, I certainly would move in the direction of much of that which the gentleman is recommending.

In part, our problem is frustration with a process that is well established. Much of the expenditure the gentleman has mentioned by way of his amendments comes to us by way of the House Administration Committee for automatic assumptions of appropriation. That would not suggest, however, that the committee as well as the House has not tried to restrain itself.

The gentleman indicated that from the day he and I arrived on the floor in 1979 we began holding back on increases in numbers of personnel, particularly in our personal staffs. Indeed we may note in the report that the agencies of the legislative branch requested funding for 216 new positions for fiscal year 1988. Five have been allowed. Further, the recommendations are included in the bill, and the actions of the agencies will result in some 55 positions under the staffing level currently authorized in fiscal year 1987.

We are attempting to go in the right direction. But indeed I share with the gentleman his frustration about this process. We started from the wrong plateau in 1979. For many, many years particularly our committee staffs were at levels that should not in my judgment have been allowed. Nonetheless, we should deal with the process where we find ourselves in the beginning. In this case I feel the subcommittee chairman has been most diligent in attempting to hold back those in the House and outside the House who would expand our spending, particularly our personnel spending.

Mr. BROWN of Colorado. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to commend the gentleman from New York [Mr. DioGuardi] for his excellent amendment. I intend to support it. I think it is important. It goes far beyond the savings in dollars that he proposes.

As the gentleman has pointed out, this House has had an increase in spending over the last several decades that is of monumental proportions. It is not just the personal staffs, but there has been an explosion in committee staffs. At times there has been some committees where we have seen a drop in the workload and we have seen an explosion in personal staffs. Let us put a label on it. This is not just legislative work. What this has become is a patronage function that ill serves this House and ill serves this country.

The reason this amendment is so important is not just that it freezes outlays in the legislative area for these kinds of salaries; it is because it sets and example for this Nation. It says to this country that we are willing to do our part to hold expeditures in this area to what they were in the prior year. As a matter of fact, the proposal of the gentleman from New York is a very modest one, because he not only takes into account what was appropriated last year but he takes into account the supplemental as well.

□ 1655

This is not a cut. This simply says we are going to go 1 year without increasing spending in this area. To me that seems like a responsible effort, but understand what it means beyond that.

It means that this House has the gumption and the courage to set an example; and that example, if we follow up in the rest of the Federal budget, can make a major difference toward turning this country around and toward restoring through progress and prosperity.

Mr. DioGUARDI. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. Mr. Chairman, I yield to the gentleman from New York [Mr. DioGuardi].

Mr. DioGUARDI. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we all know that the budget process does not work in the House. There have been so many attempts to amend it, and that same process is creeping into the appropriations process here.

I spent 22 years in the private sector dealing with budgets and financial matters, and the only question I hear asked in the House here when it comes to budgeting and appropriations is, what did we spend last year.

We seem to take a very simplistic, quantitative approach, not a qualitative approach, to what we need. We seem to build our budgets from the fifth story down, not the ground up. It is time that we change that.

A group of my constituents from my district came down, and they biked from Westchester County to raise the public awareness level about the homeless. We have 3,000 homeless people in my district.

We must set our priorities, so the moneys in this body are spent where they are really needed.

I cannot believe the gentleman from California [Mr. Fazio] can resist a reduction of $6 million at a time when the homeless population is growing, at a time when, since 1981 housing programs have been cut by close to 65 percent, and yet incredibly, committee funding has risen by more than 50 percent. That to me is ridiculous.

We all know what this card is. It looks like an ordinary credit card. Many people back home do not know what this card is.

It is a card that we use in our voting terminals here in the House to vote. This has become the most expensive credit card in the world. This card has no limit.

If we, or our spouses, get a card from our vendors, like American Express, Diners Club, Master Charge, and they tell us that we have reached our $2,000 or $5,000 limit, we know that economic reality has arrived.

But not so with this card. Last year we reached $2 trillion in national debt; and what did we do? We kept raising the limit, the debt ceiling, and said, pass it on to the kids, let them pay for it.

There is a credit-card mentality in this country, and it should stop right now, because this is the only constituency for this bill, the Members of Congress.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Colorado. Mr. Chairman, I yield to the gentleman from California [Mr. Fazio].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, its only constituency is right here in this institution; and as one of the three co-equal branches of Government that our Founding Fathers established in the checks and balances of the Federal decisionmaking process, it is important that we protect the legislative branch from incursions, from reductions that will severely limit our ability to exercise those checks and balances.

We are talking about an institution that has, with respect to clerk hire, that is employees on the office staffs of individual Members, less now than we had in 1980, and in terms of committee staff, less than we had in 1978.

As far as freezing budgets, the Legislative Subcommittee, working with others, particularly the Committee on House Administration, has attempted to work in the same direction. If you want to use the term freeze, we certainly have done that.

We have not allowed for the kind of growth in staff that occurred in the 1960's and the 1970's. Those days are over.

Mr. GAYDOS. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Serving in the position of chairman of the Subcommittee on Accounts on the Committee on House Administration, in the last 3 years we have brought before the House in a bipartisam nature, both the majority and the minority, and I want to emphasize that, we have brought before the House our legislation each year; and when we had the mandatory cuts from Gramm-Rudman, there was no question, a 9.1-percent cut.

We had the committees repeatedly since then complain to us that we stripped them of their personnel, their ability to do certain things.

We have an awful lot of sensitive items that each of these standing committees, and the select and the special committees, had to perform.

We had one committee, and I will not mention any committee by name, but we had one committee that laid off immediately a certain number of employees, in the neighborhood of 14. Nobody commended them for it. They just had to lay them off.

For instance, we had an emergency occur, and it occurs regularly throughout the session. Take the nature of an impeachment where no money is in there, and the committees have to constrain themselves in the handling of that impeachment, because there is no money available.

Sometimes we catch it in the supplemental, and sometimes we do not.

I can assure the gentleman that in the past, and on a bipartisan basis, the Subcommittee on Accounts has been very careful in analyzing all of the needs; and the record is very clear.

When we had a cut, it was cut. When the increases were there, they were very reasonable. Everything must be justified, so in taking a position on the floor against the amendment, I want to commend the committee for being fair, yet frugal, because it did not give an awful lot of leeway there.

If we are going to work within what is there, I think it is a reasonable amount, and I do not think there is any fat in there.

If there were, on a bipartisan basis, I am sure, it would be excised immediately.

Mr. Chairman, this amendment would reduce the recommended appropriation for "standing committees, special and select." The appropriation recommended by the Subcommittee on Legislative Branch Appropriations will provide sufficient funds for the standing, special, and select committees of the House to conduct studies and investigations necessary to discharge their legitimate legislative and oversight responsibilities.

However, Members should be advised that this appropriation cannot be expended in fiscal year 1988 without a specific authorization for each committee. Such authorizations are made through the adoption by the House of committee expense resolutions pursuant to House rule XI, clause 5. Thus, the real control of expenditures in this appropriation account occurs during the policymaking act, which is the adoption of an authorization to expend funds in the form of a specific allocation among the committees.

The subcommittee on accounts, which I am privileged to chair, is the place where this policymaking process begins. Over the 3 years that I have chaired this subcommittee it has presented to the House in each year a bipartisan committee expense resolution. In fact, each omnibus committee expense resolution has been adopted by overwhelming margins on the House floor: in 1985, 254–158; in 1986, 385–11; in 1987, 280–117. These voting margins for the past 3 years clearly indicate that the House has supported these authorizations which allocate funds and provide for their immediate disbursement. I can assure the proponent of this amendment that I shall make every effort, as in the past, to bring a bipartisan committee expense resolution again to the floor during fiscal year 1988.

This amendment, on the other hand, would impair the authorizing system and unnecessarily interfere with a rational and fiscally responsible committee budget review process that has worked exceptionally well. The subcommittee needs the reasonable amount recommended by the Legislative Branch Appropriations Subcommittee. It should be noted that in the past 2 years, the subcommittee has kept its authorization within the available appropriation. If this appropriation is enacted, the subcommittee will be able to continue to adhere to this fiscally sound policy.

Just as the Legislative Branch Appropriations Subcommittee reviews all the budgets submitted from the various legislative branch entities, the Subcommittee on Accounts reviews all the budgets submitted by the standing and select committees of the House with the exception of the committees on appropriations and budget. It reviews a total of 26 budgets. In 1987, in making its determinations, the subcommittee did not use any set mathematical formula. Instead, it evaluated each budget proposal on its own merits. Proposed spending levels in each of the respective budget categories and anticipated workloads were examined very carefully. Increased funding was based on such factors as the pay comparability increase, merit raises, increased travel plans, and the need for additional personnel.

The final product, presented to the House for consideration, directed most of the large dollar increases to major legislative standing committees which had justified substantial workloads for 1987 to the subcommittee. Some examples are as follows:

First, the Ways and Means Committee was granted an increase. This committee is one of our most important committees with its major responsibilities over the Tax Code, international trade laws, Social Security, Medicare, SSI, and unemployment compensation. In 1987, this committee is undertaking some of the most important pieces of legislation in the 100th Congress—comprehensive trade reform, welfare reform, and legislation involving Medicare catastrophic insurance. Thus, the large increase was justified. It should also be noted that in 1985, this committee was granted a 22-percent increase as it prepared tax reform legislation.

Second, the Committee on Armed Services was given an increase. Historically, this committee has not received a comparatively large increase despite its broad jurisdiction over all military programs.

The staffing level has been way below other committees with major legislative jurisdictions. In 1987, this committee presented a solid justification that it needed additional staff positions to support the committee's increased workload in all areas but specifically in the areas of investigations, military procurement, analysis of defense issues in general, and national security policy.

Third, the Committee on Foreign Affairs was authorized at a higher level than in 1986 due to a strong justification provided to our subcommittee.

Foreign affairs policy issues are among the most important issues facing this Congress and the country. This committee is channeling and focusing its efforts in the areas of arms control, international terrorism, and human rights. Additional funds were needed to support intensified studies and investigations in these areas.

Fourth, the Judiciary Committee was awarded an increase based on the demonstration of an increased workload for 1987. In addition to several major reauthorizations, the committee will be devoting considerable time and resources to overseeing the implementation of significant legislation enacted during recent Congresses, such as the Immigration Reform and Control Act of 1986, the Omnibus Drug Enforcement, Education, and Control Act of 1986, and the administration of the comprehensive Crime Control Act. In addition, the Subcommittee on Accounts approved a special $300,000 authorization in a supplemental expense resolution to enable this committee to conduct an impeachment investigation of a Federal judge.

However, I must add that not every committee was granted a large increase. Some small committees and all the select committees were held to low percentage increases to account only for COLA's and inflation. Additionally, the subcommittee held the funding for HIS to the 1986 level in order that the Committee on House Administration might have the opportunity to make a review of the activities, functions, and direction of HIS.

The key point is that if this amendment is adopted, it will restrict the subcommittee's flexibility in making judgments on budgetary needs that are definitely uncertain at this time. Additionally, it may further impair the subcommittee's ability to respond to the need for special investigations of an institutional nature such as impeachment investigations as may arise from time to time.

In conclusion, I would urge my colleagues to reject this amendment. This amendment affects an appropriation account that is different from the other House appropriation accounts in that the authorization for its allocation and disbursement is made yearly through the adoption by the House of committee expense resolutions. Any vote on the expenditure of funds in this appropriation account should be made at that time when the committee budget review and policymaking process is completed. In this particular appropriation account, the time to establish and control spending levels is during the consideration of the committee expense resolution as reported by the Committee on House Administration. To limit the funds today before the process has begun and before we know the specific needs of the committees would impair a very workable and fiscally responsible committee budget review process. This is the one appropriation account that you have the opportunity to control every year when the authorization for the allocation and availability of funds is set. Let us not, today, unwisely and unnecessarily restrict our options. I urge the rejection of this amendment.

Mr. DIOGUARDI. Mr. Chairman, will the gentleman yield?

Mr. GAYDOS. Mr. Chairman, I yield to the gentleman from New York.

Mr. DIOGUARDI. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from California mentioned levels that are the same going back to 1979 in one instance, and 1977 in the other.

The gentleman is talking about permanent staff. Investigative staffs have grown out of hand here. It is difficult to draw the line when these people are used on investigative staffs and in other areas.

We do not keep time reports the way we do in the private sector. I spent 22 years in an organization where I had to account for every hour of my time, so it could be properly charged to certain kinds of activities.

If we did an audit, we would find that we have got people crossing all over the place, and I am not calling for an audit.

All I am calling for is an acknowledgment that leadership begins in the House. We have people without roofs over their heads.

Mr. GAYDOS. Mr. Chairman, reclaiming my time, from 1985 to 1986, we cut the standing staffs by over 100 individuals, so it is not a record of increase upon increase.

I suggest that the facts show a 25-percent workload increase. All these things were thrust before our committee.

I just want to make the point to my friend, and I do not question his motives in offering this amendment, but I want to make the point to the gentleman that there is a second consideration in this particular area. The House Administration Committee, through the Accounts Committee combs this, very closely analyzes all requests coming in. In fact, there is another appropriation made. It is actually an appropriation.

So I would suggest to my good friend that he is cutting in the wrong areas, particularly since when we come back on the floor, and the whole House votes on it, it is always done on a bipartisan basis.

Mr. BILIRAKIS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise today in strong support of the DioGuardi amendment to reduce committee staff funding to the fiscal year 1987 level. Although this amendment does not offer a panacea to the runaway spending that this body often embraces, it is a needed step in the right direction.

In addition, as we consider this bill today, I find it ironic that the House always seems to find time to approve its own legislative branch appropriation while we consistently avoid, delay, and fail to approve many regular appropriation bills before the end of the fiscal year. Although we are presently moving many appropriation bills, this is certainly an exception rather than a rule. Continuing resolutions have become a fact of life.

In this regard, I remember back to other fiscal years when we brought the Government grinding to a halt while Congress drafted a continuing resolution to fund most Federal departments and programs. I have always found this event to be a pathetic exercise and I have always found it offensive that Congress continued to operate, to keep its lights on and its elevators running while we told the rest of the Government to go home and raised fears in the senior citizen community as to the issuance of Social Security checks.

The point of my discourse is that I think the legislative appropriation bill should take a back seat to the people of our Nation. I think we should exercise restraint in our spending—as embodied in the DioGuardi amendment—and I think we in Congress should discharge our duties to the Nation before making certain that our own funds are secure.

On this latter point, I have introduced a resolution (H. Res. 73) which requires that the 12 other regular appropriation bills be considered and approved by the House and Senate before it would be in order to consider the legislative branch appropriation bill.

It would not be germane for me, under the prevailing rules of the House, to offer my resolution as an amendment to this appropriation bill. However, I would invite my colleagues to join in my resolution or at least think about the irony that we commit today. Today, in this appropriation bill, we take care of ourselves, our branch of government, the Congress. Why should we always be first in line? Or even fourth in line as we are today? Why shouldn't we face bankruptcy at the end of the fiscal year along with everyone else?

Maybe that won't happen this year. I hope it won't. But it is undeniable that it has been the practice in the past.

I say let's show our commitment to fiscal restraint by supporting the DioGuardi amendment and further, let's change the rules of the House and demonstrate that Congress is willing to wait for its own funds until it has finished the business of this Nation.

Mr. LEWIS of California. Mr. Chairman will the gentleman yield?

Mr. BILIRAKIS. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague from Florida yielding.

I must say that my colleague makes a very important and worthwhile point. I hesitate to suggest that the reason for this bill being handled in such an efficient manner in terms of our schedule is because of the dynamic leadership on both the majority and the minority side of this committee.

On the other hand, and more seriously, this bill does reflect but one-tenth of 1 percent of our total appropriations process and because it does not have a lot of the emotion attached to it that health and welfare programs or defense might have, it is a lot easier to get through the budget process.

The gentleman's point, being a good one here, also speaks to the budget process itself, which indeed is undermining the expediting of the appropriations work that should be the fundamental work of this House.

I might say further that within this amendment is one piece of it that each Member can address himself to, if he or she will; that is that within the package is approximately $406,000 for each Member's office allowance for his own personnel that he has the privilege of administering individually. If he would, I would suggest to the gentleman from New York and to the gentleman from Florida, each Member can restrain himself, in spite of the fact that we have appropriated 11 percent less than the total amount requested in the budget for this category; nonetheless, each Member could restrain himself and save a lot of money, whether this amendment should pass or should not pass.

Mr. DioGUARDI. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. Certainly, I yield to the gentleman from New York.

Mr. DioGUARDI. Mr. Chairman, I appreciate the comments of the gentleman from Florida and his support for the bill.

I just would like to reiterate that we are talking about a body that now employs 31,000 people.

Now, I cannot believe that if we really studied how those people are put to work and used around here that we could not find a way because of the deficits we have today to make it run more efficiently.

When we talk about reducing this authorization, I know how important this body is. I am not trying to damage the work that is done by this important body, but we have got to take into consideration what is going on in the world today and we have other priorities as well to think of.

The CHAIRMAN. The time of the gentleman from Florida has expired.

Mr. BILIRAKIS. Mr. Chairman, I yield to the gentleman from New York [Mr. DioGuardi] if he has not finished his statement.

Mr. DioGUARDI. Well, Mr. Chairman, just in conclusion, it just seems to me that when we look around at society and we see the problems that we have with housing and the homeless and the environment, that in prioritizing, and it seems we do not do a good enough job of prioritizing, that is why we need Gramm-Rudman and that is why we still need it. We need some kind of discipline imposed upon this body, because we are not good at strategic planning. The only strategic plan I have seen since I came here 3 years ago was Gramm-Rudman, a very simple 5-year ratchet-down device to get the deficit down to zero annually by 1991. We are not doing that.

So it seems to me we have got to look at all those priorities and this should be at the bottom of the totem pole when it comes to the other priorities, like the homeless.

Mr. BILIRAKIS. Hard choices must be made, Mr. Chairman, before future generations of Americans are further burdened by the epic proportions that this deficit has been allowed to reach. I believe that the DioGuardi amendment and my bill, House Resolution 73, will force Congress to more seriously weigh the results of its spending habits.

The CHAIRMAN. The question is on the amendments offered by the gentleman from New York [Mr. DioGuardi].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. DioGUARDI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 155, noes 224, not voting 54, as follows:

[Roll No. 224]

AYES—155

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bilbray
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
DioGuardi
Dreier
Duncan
Edwards (OK)
Emerson
Erdreich
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Leath (TX)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Nielson
Oxley
Packard
Pashayan
Penny
Petri
Pickle
Porter
Ravenel
Regula
Rhodes
Ridge
Ritter
Roberts
Rogers
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Robert (NH)
Snowe
Solomon
Spence
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (FL)

NOES—224

Ackerman
Alexander
Anderson
Andrews
Annunzio
Applegate
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Bevill
Biaggi
Boggs
Boland
Bonior (MI)
Bonker
Borski
Boucher
Boxer
Brennan
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coughlin
Coyne
Darden
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gibbons
Gilman
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hertel
Horton
Howard
Hoyer
Huckaby
Hughes
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Mineta
Moakley
Mollohan
Montgomery
Morella
Morrison (CT)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Parris
Patterson
Pease
Pelosi
Perkins
Pickett
Price (IL)
Price (NC)
Quillen
Rangel
Ray
Richardson
Rinaldo
Robinson
Rodino
Roe
Rose
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Solarz
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Torres
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wyden
Yates
Yatron
Young (AK)

NOT VOTING—54

Akaka
Anthony
Aspin
Berman
Boner (TN)
Bosco
Brooks
Brown (CA)
Clarke
Crockett
Daniel
Davis (MI)
Dornan (CA)
Dowdy
Flippo
Florio
Ford (TN)
Frenzel
Gejdenson
Gephardt
Gordon
Grant
Hefner
Hochbrueckner
Holloway
Hubbard
Kemp
Kennelly
Leland
Livingston
Manton
Miller (CA)
Miller (OH)
Moody
Murtha
Nagle
Obey
Panetta
Pepper
Pursell
Rahall
Roemer
Rostenkowski
Roth
Schulze
Smith (FL)
Smith, Denny (OR)
Smith, Robert (OR)
Tauzin
Thomas (GA)
Torricelli
Towns
Watkins
Wolpe

☐ 1720

The Clerk announced the following pairs:

On this vote:

Mr. Frenzel for, with Mrs. Kennelly against.

Mr. Holloway for, with Mr. Anthony against.

Mr. Denny Smith for, with Mr. Leland against.

Mrs. BENTLEY, Ms. SLAUGHTER of New York, and Mr. APPLEGATE changed their votes from "aye" to "no."

So the amendments were rejected.

The result of the vote was announced as above recorded.

Mr. GINGRICH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise this afternoon to discuss an amendment which will be offered in a few minutes by the gentleman from Pennsylvania [Mr. WALKER]. The amendment suggests that the House is concerned about the quality of the ethical standards and that the House is interested in the joint leadership of both parties appointing a commission of six distinguished Americans from outside the House to look at the ethical standards of the House and the process of ethics in the House and to report back.

I am rising at this time to discuss the prospects of such an amendment, to explain why such an amendment seems appropriate at the present time.

I appreciate very much the advice and counsel of appropriate officials of the House in walking through how to discuss a very difficult issue, because it is important that the House both have the freedom to discuss and at the same time remain a workable legislative body.

□ 1735

I would suggest every Member, if they would look, in this 200th anniversary of the Constitution, at The Federalist Papers, as edited by Clinton Rossiter and look at the introduction where Rossiter talks very honestly at the end about the great lesson of the American Constitution and he says:

> Not every great political theorist has cared much for free and popular. Of those who have cared, not everyone has been candid enough to expose its diseases, or hopeful enough to counsel a broad scheme of prevention. The Federalist is a famous work in political science because it does just that, because it mixes candor and hope, realism and idealism, in a message to all friends of liberty wherever they ply their honorable trade. And the message of The Federalist reads "No happiness without liberty, no liberty without self-government, no self-government without constitutionalism, no constitutionalism without morality—and none of these great goods without stability and order."

I would encourage every one of my colleagues to look carefully at the report of the Committee on Standards of Official Conduct, House of Representatives, April 9, 1987, Investigation of Financial Transactions Participated In and Gifts of Transportation Accepted By Representative FERNAND J. ST GERMAIN." I cite this report because it is the one report of this Congress which is debatable and discussable on the House floor.

This report is 1,405 pages long. It is detailed, it gives a record of one particular set of problems. It is worth every Member looking at because there are at least 10 similar allegations in the news media. When you boil down the report as I did in two pages, it lists in this particular case, item after item of clear concern. "Consistently understated," "incorrectly reported," "was not correct," "violating House rule," "admonishes all Members to avoid situations," "inaccurately reported income," "never disclosed the transaction" and so forth, eight times in this particular report.

Let me suggest to my colleagues that as you read the various newspaper and magazine articles, as you look at the assertions it is clear that the Walker amendment to bring in outside reputable people is an important step in the right direction to establish the kind of rules which any other body of this importance would establish not because any single member of the Ethics Committee has failed, but because the very nature of comity in the House makes it difficult, virtually impossible, except in the most extreme situations, for members of a legislative body such as ours to truly police ourselves.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

(By unanimous consent, Mr. GINGRICH was allowed to proceed for 2 additional minutes.)

Mr. GINGRICH. Let me just suggest, all of us recognize that we face in the Nation a fundamental crisis of ethics, whether it is Wall Street, Marine guards, the executive branch, the legislative branch, the trade in illegal drugs or a range of behaviors which threaten this Nation.

All of us recognize that the rules of the game are changing, that things people could once do and run for President they could no longer do, that activities that were once accepted as part of the trade are no longer accepted and the challenge to this House is simple: Are we going to slowly and methodically over the next couple of years be worthy of being the 100th Congress, be worthy of the 200th anniversary of the Constitution, are we going to reach out to America at large and ask for the best advice and counsel we can get, or are we going to hide from the reality that as ethical standards change in the Nation, they have to change in the House and that we have some things we have to clean up and some standards we have to set.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding, because I do think it is important that the Members understand that the amendment to which he refers is a sense of the House amendment, that it does not in fact put any disciplinary authority in such a bipartisan commission, but in fact they would have investigative power and they would have the main power of suggesting reforms to the House.

In other words, what we are doing is laying the groundwork to allow ourselves to do something about an ethical morass.

I thank the gentleman very much for his presentation.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from California [Mr. PASHAYAN].

Mr. PASHAYAN. I thank the gentleman for yielding.

The bill, the amendment as it is drafted, as I understand it—and the gentleman knows that he and I are good friends and we have worked on things together and we look forward to working together on things in the near future. Mr. Chairman, I should like to ask the gentleman, since the amendment seems to be ambiguous, could the gentleman enlighten me and other Members as to the constitution of this commission, who will appoint, who will be the members? I should like to have some detail on that.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. I will be glad to yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding.

I think it is important to tell the gentleman exactly what our understanding is. We are in the process of drafting authorization legislation that would go to those points. The commission that we envision would be a six-member commission, three appointed by the Speaker and three appointed by the minority leader from distinguished citizens outside the country—or from outside the Congress and that they would be individuals then who would pick their own chairman and we would empower them with certain powers.

The CHAIRMAN. The time of the gentleman from Georgia [Mr. GINGRICH] has again expired.

(On request of Mr. WALKER and by unanimous consent Mr. GINGRICH was allowed to proceed for 2 additional minutes.)

Mr. GINGRICH. I continue to yield to the gentleman from Pennsylvania.

Mr. WALKER. And the concept behind this is they would provide the House with a range of information that it needs to ultimately make the decisions on its own. It would not be a decisionmaking commission.

Six members, three appointed by the Speaker and three appointed by the minority leader.

I thank the gentleman.

Mr. PASHAYAN. Could these members be Members of this august body?

Mr. **WALKER.** The concept that we have is we are going to try to reach beyond the problem of collegiality. One of the things that we think has made a problem for our people on the Ethics Committee who work so hard and make very difficult determinations is the fact that they operate in a process here which depend upon collegiality and comity.

What we would hope is we can bring in the outside experts that would allow us to see ourselves as others see us and would make recommendations based upon that kind of standard.

So it would be our hope that the people we would bring in would in fact be true outsiders.

Mr. **GINGRICH.** If I may reclaim my time to conclude: All I say to my colleagues is it is very important that we begin the process. Obviously the minority leader and the Speaker would have to work out the details; obviously they would want to come back and recommend to the House; obviously they would want to come back for authorizing authority in more detail. But this afternoon we have an opportunity to send a signal that we are aware that there are severe problems, that we believe those problems need a serious and rigorous examination and that we are committed to getting the best talent and the most honorable people in America to give us advice so that the 100th Congress can truly be worthy of the kind of Congress the Founding Fathers wished their country had.

Mr. **FAZIO.** Mr. Chairman, I ask unanimous consent that the remainder of the bill, except for lines 1 and 2 on page 32 be considered as read, printed in the RECORD and open to amendment at any point.

The **CHAIRMAN.** Is there objection to the request of the gentleman from California?

There was no objection.

The text of the remainder of the bill is as follows:

COMMITTEE EMPLOYEES

For professional and clerical employees of standing committees, including the Committee on Appropriations and the Committee on the Budget, $50,062,000.

COMMITTEE ON THE BUDGET (STUDIES)

For salaries, expenses, and studies by the Committee on the Budget, and temporary personal services for such committee to be expended in accordance with sections 101(c), 606, 703, and 901(e) of the Congressional Budget Act of 1974, and to be available for reimbursement to agencies for services performed, $329,000.

CONTINGENT EXPENSES OF THE HOUSE

STANDING COMMITTEES, SPECIAL AND SELECT

For salaries and expenses of standing committees, special and select, authorized by the House, $52,418,000.

ALLOWANCES AND EXPENSES

(INCLUDING TRANSFER OF FUNDS)

For allowances and expenses as authorized by House resolution or law, $189,047,000, including: Official Expenses of Members, $81,523,000; supplies, materials, administrative costs and Federal tort claims, $20,119,000; furniture and furnishings, $1,005,000; stenographic reporting of committee hearings, $550,000; reemployed annuitants reimbursements, $1,118,000; Government contributions to employees' life insurance fund, retirement funds, Social Security fund, Medicare fund, health benefits fund, and worker's and unemployment compensation, $84,110,000; and miscellaneous items including, but not limited to, purchase, exchange, maintenance, repair and operation of House motor vehicles, restaurants, interparliamentary receptions and gratuities to heirs of deceased employees of the House, $622,000: *Provided,* That effective upon enactment of this Act, an amount not to exceed $132,000 shall be made available by transfer from the appropriation for "House office buildings, 1987, No year" for deposit in the account established by section 208 of the First Supplemental Civil Functions Appropriations Act, 1941 (40 U.S.C. 174k(b)).

Such amounts as are deemed necessary for the payment of allowances and expenses under this head may be transferred between the various categories within this appropriation, "Allowances and expenses", upon the approval of the Committee on Appropriations of the House of Representatives.

COMMITTEE ON APPROPRIATIONS (STUDIES AND INVESTIGATIONS)

For salaries and expenses, studies and examinations of executive agencies, by the Committee on Appropriations, and temporary personal services for such committee, to be expended in accordance with section 202(b) of the Legislative Reorganization Act, 1946, and to be available for reimbursement to agencies for services performed, $4,300,000.

SALARIES, OFFICERS AND EMPLOYEES

For compensation and expenses of officers and employees, as authorized by law, $54,529,000, including: Office of the Clerk, $14,917,000; Office of the Sergeant at Arms, including overtime, as authorized by law, $21,180,000; Office of the Doorkeeper, including overtime, as authorized by law, $7,915,000; Office of the Postmaster, $2,517,000, including $48,124 for employment of substitute messengers and extra services of regular employees when required at the salary rate of not to exceed $16,766 per annum each; Office of the Chaplain, $75,000; Office of the Parliamentarian, including the Parliamentarian and $2,000 for preparing the Digest of Rules, $716,000; for salaries and expenses of the Office for the Bicentennial of the House of Representatives, $243,000; for salaries and expenses of the Office of the Law Revision Counsel of the House, $870,000; for salaries and expenses of the Office of the Legislative Counsel of the House, $3,025,000; six minority employees, $447,000; the House Democratic Steering Committee and Caucus, $721,000; the House Republican Conference, $721,000; and other authorized employees, $1,182,000.

Such amounts as are deemed necessary for the payment of salaries of officers and employees under this head may be transferred between the various offices and activities within this appropriation, "Salaries, officers and employees", upon the approval of the Committee on Appropriations of the House of Representatives.

ADMINISTRATIVE PROVISIONS

SEC. 101. Of the amounts appropriated in fiscal year 1988 for the House of Representatives under the headings "Committee employees", "Standing committees, special and select", "Salaries, officers and employees", "Allowances and expenses", "House leadership offices", and "Members' clerk hire", such amounts as are deemed necessary for the payment of salaries and expenses may be transferred among the aforementioned accounts upon approval of the Committee on Appropriations of the House of Representatives.

SEC. 102. (a) One additional employee is authorized for each of the following:

(1) the House Democratic Steering and Policy Committee; and

(2) the House Republican Conference.

(b) The annual rate of pay for the positions established under subsection (a) shall not exceed 60 percent of the annual rate of pay payable from time to time for level V of the Executive Schedule under section 5316 of title 5, United States Code.

JOINT ITEMS

For joint committees, as follows:

CONTINGENT EXPENSES OF THE SENATE

JOINT ECONOMIC COMMITTEE

For salaries and expenses of the Joint Economic Committee, $3,197,000.

JOINT COMMITTEE ON PRINTING

For salaries and expenses of the Joint Committee on Printing, $1,071,000.

CONTINGENT EXPENSES OF THE HOUSE

JOINT COMMITTEE ON TAXATION

For salaries and expenses of the Joint Committee on Taxation, $4,359,000, to be disbursed by the Clerk of the House.

For other joint items, as follows:

OFFICE OF THE ATTENDING PHYSICIAN

For medical supplies, equipment, and contingent expenses of the emergency rooms, and for the Attending Physician and his assistants, including (1) an allowance of $1,000 per month to the Attending Physician; (2) an allowance of $600 per month to one Senior Medical Officer while on duty in the Attending Physician's office; (3) an allowance of $200 per month each to two medical officers while on duty in the Attending Physician's office; (4) an allowance of $200 per month each to not to exceed twelve assistants on the basis heretofore provided for such assistance; and (5) $963,600 for reimbursement to the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician, such amount shall be advanced and credited to the applicable appropriation or appropriations from which such salaries, allowances, and other expenses are payable and shall be available for all the purposes thereof, $1,543,000, to be disbursed by the Clerk of the House.

CAPITOL POLICE

GENERAL EXPENSES

For purchasing and supplying uniforms; the purchase, maintenance, and repair of police motor vehicles, including two-way police radio equipment; contingent expenses, including advance payment for travel for training or other purposes, and expenses associated with the relocation of instructor personnel to and from the Federal Law Enforcement Training Center as approved by the Chairman of the Capitol Police Board, and including $85 per month for extra services performed for the Capitol Police Board by such member of the staff of the Sergeant at Arms of the Senate or the House as may be designated by the Chairman of the Board, $1,752,000, to be disbursed by the Clerk of the House: *Provided,* That the funds used to maintain the petty cash fund referred to as "Petty Cash II" which is to provide for the prevention and detection of crime shall not exceed $4,000: *Provided further,* That the funds used to maintain the petty cash fund referred to as "Petty Cash III" which is to provide for the advance of travel expenses attendant to protective assignments shall not exceed $4,000: *Provided further,* That, notwithstanding any other provision of law, the cost involved in providing basic training for members of the Capitol Police at the Federal Law Enforcement Training Center for fiscal year 1988 shall be paid by the Secretary of the Treasury from funds available to the Treasury Department.

Official Mail Costs

For expenses necessary for official mail costs, $110,000,000, to be disbursed by the Clerk of the House, to be available immediately upon enactment of this Act: *Provided,* That funds appropriated for such purpose for the fiscal year ending September 30, 1987, shall remain available until expended.

Capitol Guide Service

For salaries and expenses of the Capitol Guide Service, $1,040,000, to be disbursed by the Secretary of the Senate: *Provided,* That none of these funds shall be used to employ more than twenty-eight individuals: *Provided further,* That the Capitol Guide Board is authorized, during emergencies, to employ not more than two additional individuals for not more than one hundred twenty days each, and not more than ten additional individuals for not more than six months each, for the Capitol Guide Service.

Statements of Appropriations

For the preparation, under the direction of the Committees on Appropriations of the Senate and House of Representatives, of the statements for the first session of the One-hundredth Congress, showing appropriations made, indefinite appropriations, and contracts authorized, together with a chronological history of the regular appropriation bills as required by law, $20,000, to be paid to the persons designated by the chairman of such committees to supervise the work.

OFFICE OF TECHNOLOGY ASSESSMENT

Salaries and Expenses

For salaries and expenses necessary to carry out the provisions of the Technology Assessment Act of 1972 (Public Law 92-484), including reception and representation expenses (not to exceed $3,000 from the Trust Fund), and rental of space in the District of Columbia, and those necessary to carry out the duties of the Director of the Office of Technology Assessment under section 1886 of the Social Security Act as amended by section 601 of the Social Security Amendments of 1983 (Public Law 98-21), and those necessary to carry out the duties of the Director of the Office of Technology Assessment under part B of title XVIII of the Social Security Act as amended by section 9305 of the Consolidated Omnibus Reconciliation Act of 1985 (Public Law 99-272), $16,435,000: *Provided,* That none of the funds in the Act shall be available for salaries or expenses of any employee of the Office of Technology Assessment in excess of 143 staff employees: *Provided further,* That no part of this appropriation shall be available for assessments or activities not initiated and approved in accordance with section 3(d) of Public Law 92-484, except that funds shall be available for the assessment required by Public Law 96-151: *Provided further,* That none of the funds in this Act shall be available for salaries or expenses of employees of the Office of Technology Assessment in connection with any reimbursable study for which funds are provided from sources other than appropriations made under this Act, or be available for any other administrative expenses incurred by the Office of Technology Assessment in carrying out such a study, except that funds shall be available for and reimbursement can be accepted for salaries or expenses of the Office of Technology Assessment in connection with the assessment required by section 101(b) of Public Law 99-190.

CONGRESSIONAL BUDGET OFFICE

Salaries and Expenses

For salaries and expenses necessary to carry out the provisions of the Congressional Budget Act of 1974 (Public Law 93-344), $18,148,000: *Provided,* That none of these funds shall be available for the purchase or hire of a passenger motor vehicle: *Provided further,* That none of the funds in this Act shall be available for salaries or expenses of any employee of the Congressional Budget Office in excess of 226 staff employees: *Provided further,* That any sale or lease of property, supplies, or services to the Congressional Budget Office shall be deemed to be a sale or lease of such property, supplies, or services to the Congress subject to section 903 of Public Law 98-63.

ARCHITECT OF THE CAPITOL

Office of the Architect of the Capitol

SALARIES

For the Architect of the Capitol; the Assistant Architect of the Capitol; the Executive Assistant; and other personal services; at rates of pay provided by law, $6,123,000.

TRAVEL

Appropriations under the control of the Architect of the Capitol shall be available for expenses of travel on official business not to exceed in the aggregate under all funds the sum of $10,000.

CONTINGENT EXPENSES

To enable the Architect of the Capitol to make surveys and studies, and to meet unforeseen expenses in connection with activities under his care, $50,000.

Capitol Buildings and Grounds

CAPITOL BUILDINGS

For all necessary expenses for the maintenance, care and operation of the Capitol Building and electrical substations of the Senate and House Office Buildings, under the jurisdiction of the Architect of the Capitol, including furnishings and office equipment; not to exceed $1,000 for official reception and representation expenses, to be expended as the Architect of the Capitol may approve; purchase or exchange, maintenance and operation of a passenger motor vehicle; for expenses of attendance, when specifically authorized by the Architect of the Capitol, at meetings or conventions in connection with subjects related to work under the Architect of the Capitol, $13,024,000, of which $360,000 shall remain available until expended.

CAPITOL GROUNDS

For all necessary expenses for care and improvement of grounds surrounding the Capitol, the Senate and House Office Buildings, and the Capitol Power Plant, $3,308,000.

House Office Buildings

For all necessary expenses for the maintenance, care and operation of the House Office Buildings, including the position of Superintendent of Garages as authorized by law, $31,563,000, of which $8,010,000 shall remain available until expended.

Capitol Power Plant

For all necessary expenses for the maintenance, care and operation of the Capitol Power Plant; for lighting, heating, and power (including the purchase of electrical energy) for the Capitol, Senate and House Office Buildings, Congressional Library Buildings, and the grounds about the same, Botanic Garden, Senate garage, and for air conditioning refrigeration not supplied from plants in any of such buildings; for heating the Government Printing Office and Washington City Post Office and heating and chilled water for air conditioning for the Supreme Court Building, Union Station complex and the Folger Shakespeare Library, expenses for which shall be advanced or reimbursed upon request of the Architect of the Capitol and amounts so received shall be deposited into the Treasury to the credit of this appropriation; $25,400,000: *Provided,* That not to exceed $1,950,000 of the funds credited or to be reimbursed to this appropriation as herein provided shall be available for obligation during fiscal year 1988.

Administrative Provisions

Sec. 103. Notwithstanding any other provisions of law, the Architect of the Capitol is hereby authorized to (1) develop a pilot program to determine the economic feasibility and efficiency of centralizing certain maintenance functions, to assign and reassign, without increase or decrease in basic salary or wages, any person on the employment rolls of the Office of the Architect of the Capitol, for personal services in any buildings, facilities, or grounds under his jurisdiction for which appropriations have been made and are available; (2) maintain appropriate cost and productivity records for the program; and (3) report to appropriate authorities, including the Committees on Appropriations, on the results of the program, together with recommendations for continuation or expansion of the program.

Sec. 104. The Architect of the Capitol, under the direction of the Joint Committee on the Library, is authorized to accept donations to restore and display the Statue of Freedom model.

LIBRARY OF CONGRESS

Congressional Research Service

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of section 203 of the Legislative Reorganization Act of 1946, as amended by section 321 of the Legislative Reorganization Act of 1970 (2 U.S.C. 166) and to revise and extend the Annotated Constitution of the United States of America, $43,000,000: *Provided,* That no part of this appropriation may be used to pay any salary or expense in connection with any publication, or preparation of material therefor (except the Digest of Public General Bills), to be issued by the Library of Congress unless such publication has obtained prior approval of either the Committee on House Administration or the Senate Committee on Rules and Administration: *Provided further,* That, notwithstanding any other provisions of law, the compensation of the Director of the Congressional Research Service, Library of Congress, shall be at an annual rate which is equal to the annual rate of basic pay for positions at level IV of the Executive Schedule under section 5315 of title 5, United States Code.

GOVERNMENT PRINTING OFFICE

CONGRESSIONAL PRINTING AND BINDING

For authorized printing and binding for the Congress; for printing and binding for the Architect of the Capitol; expenses necessary for preparing the semimonthly and session index to the Congressional Record, as authorized by law (44 U.S.C. 902); printing and binding of Government publications authorized by law to be distributed to Members of Congress; and for printing, binding, and distribution of Government publications authorized by law to be distributed without charge to the recipient, $70,900,000: *Provided,* That funds remaining from the unexpended balances from obligations made under prior year appropriations for this account shall be available for the purposes of the printing and binding account for the same fiscal year: *Provided further,* That this appropriation shall not be available for printing and binding part 2 of the annual report of the Secretary of Agriculture (known as the Yearbook of Agriculture) nor for copies of the permanent edition of the Congressional Record for individual Representatives, Resident Commissioners or Delegates authorized under 44 U.S.C. 906: *Provided further,* That, to the extent that funds remain from the unexpended balance of fiscal year 1984 and fiscal year 1985 funds obligated for the printing and binding costs of publications produced for the Bicentennial of the Congress, such remaining funds shall be available for the current year printing and binding cost of publications produced for the Bicentennial: *Provided further,* That this appropriation shall be available for the payment of obligations incurred under the appropriations for similar purposes for preceding fiscal years.

This title may be cited as the "Congressional Operations Appropriation Act, 1988".

TITLE II—OTHER AGENCIES

BOTANIC GARDEN

SALARIES AND EXPENSES

For all necessary expenses for the maintenance, care and operation of the Botanic Garden and the nurseries, buildings, grounds, and collections; purchase and exchange, maintenance, repair, and operation of a passenger motor vehicle; all under the direction of the Joint Committee on the Library, $2,295,000.

LIBRARY OF CONGRESS

SALARIES AND EXPENSES

For necessary expenses of the Library of Congress, not otherwise provided for, including the Speaker's Civic Achievement Awards Program, subject to authorization, development and maintenance of the Union Catalogs; custody, care and maintenance of the Library Buildings; special clothing; cleaning, laundering and repair of uniforms; preservation of motion pictures in the custody of the Library; operation and maintenance of the American Folklife Center in the Library; preparation and distribution of catalog cards and other publications of the Library; and expenses of the Library of Congress Trust Fund Board not properly chargeable to the income of any trust fund held by the Board, $147,635,000, of which not more than $5,000,000 shall be derived from collections credited to this appropriation during fiscal year 1988 under the Act of June 28, 1902, as amended (2 U.S.C. 150): *Provided,* That the total amount available for obligation shall be reduced by the amount by which collections are less than the $5,000,000: *Provided further,* That, of the total amount appropriated, $4,944,000 is to remain available until expended for acquisition of books, periodicals, and newspapers, and all other materials including subscriptions for bibliographic services for the Library, including $40,000 to be available solely for the purchase, when specifically approved by the Librarian, of special and unique materials for additions to the collections.

COPYRIGHT OFFICE

SALARIES AND EXPENSES

For necessary expenses of the Copyright Office, including publication of the decisions of the United States courts involving copyrights, $19,431,000, of which not more than $7,000,000 shall be derived from collections credited to this appropriation during fiscal year 1988 under 17 U.S.C. 708(c), and not more than $931,000 shall be derived from collections during fiscal year 1988 under 17 U.S.C. 111(d)(3) and 116(c)(1): *Provided,* That the total amount available for obligation shall be reduced by the amount by which collections are less than the $7,931,000.

BOOKS FOR THE BLIND AND PHYSICALLY HANDICAPPED

SALARIES AND EXPENSES

For salaries and expenses to carry out the provisions of the Act approved March 3, 1931, as amended (2 U.S.C. 135a), $37,390,000.

FURNITURE AND FURNISHINGS

For necessary expenses for the purchase and repair of furniture, furnishings, office and library equipment, $6,010,000, of which $4,781,000 shall be available until expended only for the purchase and supply of furniture, shelving, furnishings, and related costs necessary for the renovation and restoration of the Thomas Jefferson and John Adams Library Buildings.

ADMINISTRATIVE PROVISIONS

SEC. 201. Appropriations in this Act available to the Library of Congress shall be available, in an amount not to exceed $101,390 of which $23,900 is for the Congressional Research Service, when specifically authorized by the Librarian, for expenses of attendance at meetings concerned with the function or activity for which the appropriation is made.

SEC. 202. (a) No part of the funds appropriated in this Act shall be used by the Library of Congress to administer any flexible or compressed work schedule which—

(1) applies to any manager or supervisor in a position the grade or level of which is equal to or higher than GS-15; and

(2) grants the manager or supervisor the right to not be at work for all or a portion of a workday because of time worked by the manager or supervisor on another workday.

(b) For purposes of this section, the term "manager or supervisor" means any management official or supervisor, as such terms are defined in section 7103(a) (10) and (11) of title 5, United States Code.

SEC. 203. Appropriated funds received by the Library of Congress from other Federal agencies to cover general and administrative overhead costs generated by performing reimbursable work for other agencies under the authority of 31 U.S.C. 1535 and 1536 shall not be used to employ more than 65 employees.

SEC. 204. No funds shall be expended by the Library of Congress for the purpose of providing long-term special study facilities for profit or non-profit business enterprises until guidelines for such use are approved by the Joint Committee on the Library.

ARCHITECT OF THE CAPITOL

LIBRARY BUILDINGS AND GROUNDS

STRUCTURAL AND MECHANICAL CARE

For all necessary expenses for the mechanical and structural maintenance, care and operation of the Library buildings and grounds, $6,965,000, of which $365,000 shall remain available until expended.

COPYRIGHT ROYALTY TRIBUNAL

SALARIES AND EXPENSES

For necessary expenses of the Copyright Royalty Tribunal, $666,000, of which $533,000 shall be derived by collections from the appropriation "Payments to Copyright Owners" for the reasonable costs incurred in proceedings involving distribution of royalty fees as provided by 17 U.S.C. 807.

GOVERNMENT PRINTING OFFICE

OFFICE OF SUPERINTENDENT OF DOCUMENTS

SALARIES AND EXPENSES

For necessary expenses of the Office of Superintendent of Documents, including compensation of all employees in accordance with the provisions of 44 U.S.C. 305; travel expenses (not to exceed $117,000); price lists and bibliographies; repairs to buildings, elevators, and machinery; and supplying publications to the Depository Library and International Exchange Programs, $25,300,000, of which $5,500,000 representing excess receipts from the sale of publications shall be derived from the Government Printing Office revolving fund: *Provided,* That $300,000 of this appropriation shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended (31 U.S.C. 1512), with the approval of the Public Printer, only to the extent necessary to provide for expenses (excluding permanent personal services) for workload increases not anticipated in the budget estimates and which cannot be provided for by normal budgetary adjustments.

GOVERNMENT PRINTING OFFICE REVOLVING FUND

The Government Printing Office is hereby authorized to make such expenditures, within the limits of funds available and in accord with the law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs and purposes set forth in the budget for the current fiscal year for the "Government Printing Office revolving fund": *Provided,* That not to exceed $5,000 may be expended on the certification of the Public Printer in connection with official representation and reception expenses: *Provided further,* That during the current fiscal year the revolving fund shall be available for the hire of eight passenger motor vehicles: *Provided further,* That expenditures in connection with travel expenses of the advisory councils to the Public Printer shall be deemed necessary to carry out the provisions of title 44, United States Code: *Provided further,* That the revolving fund shall be available for services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18: *Provided further,* That the revolving fund shall be available to acquire needed land, located in Northwest D.C., which is adjacent to the present Government Printing Office, and is bounded by Massachusetts Avenue and the southern property line of the Government Printing Office, between North Capitol Street and First Street. The land to be purchased is identified as Parcels 45-D, 45-E, 45-F, and 47-A in Square 625, and includes the alleys adjacent to these parcels, and G Street, N.W. from North Capitol Street to First Street: *Provided further,* That the revolving fund and the funds provided under the paragraph entitled "Office of Superintendent of Documents, Salaries and expenses" together may not be available for the full-time equivalent employment of more than 5,237 workyears.

ADMINISTRATIVE PROVISION

SEC. 205. Funds authorized to be expended by the Government Printing Office for fiscal year 1988, not to exceed $27,500, shall be available without regard to the 25 per centum limitation of section 322 of the Economy Act of June 30, 1932, as amended, for the repair, alteration, and improvement of rented premises.

GENERAL ACCOUNTING OFFICE

SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including not to exceed $5,000 to be expended on the certification of the Comptroller General of the United States in connection with official representation and reception expenses; services as authorized by 5 U.S.C. 3109 but at rates for individuals not to exceed the per diem rate equivalent to the rate for grade GS-18; hire of one passenger motor vehicle; advance payments in foreign countries in accordance with 31 U.S.C. 3324; benefits comparable to those payable under sections 901(5), 901(6) and 901(8) of the Foreign Service Act of 1980 (22 U.S.C. 4081(5), 4081(6) and 4081(8), respectively); and under regulations prescribed by the Comptroller General of the United States, rental of living quarters in foreign countries and travel benefits comparable with those which are now or hereafter may be granted single employees of the Agency for International Development, including single Foreign Service personnel assigned to A.I.D. projects, by the Administrator of the Agency for International Development—or his designee—under the authority of section 636(b) of the Foreign Assistance Act of 1961 (22 U.S.C. 2396(b)); $334,777,000: *Provided,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the Joint Financial Management Improvement Program (JFMIP) shall be available to finance an appropriate share of JFMIP costs as determined by the JFMIP, including but not limited to the salary of the Executive Director and secretarial support: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the National Intergovernmental Audit Forum or a Regional Intergovernmental Audit Forum shall be available to finance an appropriate share of Forum costs as determined by the Forum, including necessary travel expenses of non-Federal participants. Payments hereunder to either the Forum or the JFMIP may be credited as reimbursements to any appropriation from which costs involved are initially financed: *Provided further,* That this appropriation and appropriations for administrative expenses of any other department or agency which is a member of the American Consortium on International Public Administration (ACIPA) shall be available to finance an appropriate share of ACIPA costs as determined by the ACIPA, including any expenses attributable to membership of ACIPA in the International Institute of Administrative Sciences: *Provided further,* That this appropriation shall be available to finance a portion, not to exceed $50,000, of the costs of the Governmental Accounting Standards Board: *Provided further,* That $50,000 of this appropriation shall be available for the expenses of planning the triennial Congress of the International Organization of Supreme Audit Institutions (INTOSAI) to be hosted by the U.S. General Accounting Office in Washington, D.C., in 1992, to the extent that such expenses cannot be met from the trust authorized below: *Provided further,* That the General Accounting Office is authorized to solicit and accept contributions (including contributions from INTOSAI), to be held in trust, which shall be available without fiscal year limitation for the planning, administration, and such other expenses as the Comptroller General deems necessary to act as the sponsor of the aforementioned triennial Congress of INTOSAI. Monies in the trust not to exceed $10,000 shall be available upon the request of the Comptroller General to be expended for the purposes of the trust.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of the funds appropriated in this Act shall be used for the maintenance or care of private vehicles, except for emergency assistance and cleaning as may be provided under regulations relating to parking facilities for the House of Representatives issued by the Committee on House Administration.

SEC. 302. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 303. Whenever any office or position not specifically established by the Legislative Pay Act of 1929 is appropriated for herein or whenever the rate of compensation or designation of any position appropriated for herein is different from that specifically established for such position by such Act, the rate of compensation and the designation of the position, or either, appropriated for or provided herein, shall be the permanent law with respect thereto: *Provided,* That the provisions herein for the various items of official expenses of Members, officers, and committees of the Senate and House, and clerk hire for Senators and Members shall be the permanent law with respect thereto.

SEC. 304. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 305. (a) The Architect of the Capitol, in consultation with the heads of the agencies of the legislative branch, shall develop an overall plan for satisfying the telecommunications requirements of such agencies, using a common system architecture for maximum interconnection capability and engineering compatibility. The plan shall be subject to joint approval by the Committee on House Administration of the House of Representatives and the Committee on Rules and Administration of the Senate, and, upon approval, shall be communicated to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate. No part of any appropriation in this Act or any other Act shall be used for acquisition of any new or expanded telecommunications system for an agency of the legislative branch, unless, as determined by the Architect of the Capitol, the acquisition is in conformance with the plan, as approved.

(b) As used in this section—

(1) the term "agency of the legislative branch" means, the office of the Architect of the Capitol, the Botanic Garden, the General Accounting Office, the Government Printing Office, the Library of Congress, the Office of Technology Assessment, and the Congressional Budget Office; and

(2) the term "telecommunications system" means an electronic system for voice, data, or image communication, including any associated cable and switching equipment.

SEC. 306. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), the term "program, project, and activity" shall be synonymous with each appropriation account in this Act, except that the accounts under the general heading "House of Representatives" shall be considered one "program, project, and activity", and the accounts under the general heading "Senate" shall be considered one "program, project, and activity".

SEC. 307. (a) Notwithstanding section 105 of title 4, United States Code, or any other provision of law, no person shall be required to pay, collect, or account for any sales or use tax, or any personal property tax, with respect to an essential support activity or function conducted by a nongovernmental person in the Capitol, the House Office Buildings, the Senate Office Buildings, the Capitol Grounds, or any other location under the control of the Congress.

(b) As used in this section—

(1) the term "essential support activity or function" means a support activity or function so designated by the Committee on House Administration of the House of Representatives or the Committee on Rules and Administration of the Senate, acting jointly or separately, as appropriate;

(2) the term "personal property tax" means a tax of a State, a subdivision of a State, or any other authority of a State, that is levied on, levied with respect to, or measured by, the value of personal property;

(3) the term "sales or use tax" means a tax of a State, a subdivision of a State, or any other authority of a State, that is levied on, levied with respect to, or measured by, sales, receipts from sales, or purchases, or storage or use of personal property; and

(4) the term "State" means a State of the United States, the District of Columbia, or a territory or possession of the United States.

(c) This section shall apply to any sale, receipt, purchase, storage, use, or valuation taking place before, on, or after the date on which this section is enacted.

SEC. 308. The Architect of the Capitol and such officers of the House as are designated by the Speaker shall undertake a detailed review of all functions, services, programs, and activities now performed by the Architect of the Capitol and officers of the House pursuant to law or regulation. Such review shall emphasize the rules and laws now governing their activities and the funds and personnel employed to carry out those activities with a view toward reassigning such activities to the Architect of the Capitol or the appropriate House officer. Necessary management and audit staff from the General Accounting Office shall be used in the determination of what transfers should be made in fiscal year 1988 with a preliminary report to be submitted to the House Committee on Appropriations, the Committee on House Administration, and the House Office Building Commission by the close of business December 31, 1987. A final report shall be submitted by February 15, 1988, and the necessary transfers of funds and personnel shall be undertaken on a timely schedule thereafter. The House Committee on Appropriations shall have authority to transfer such funds as may be necessary between the accounts of the Architect of the Capitol and House officers or the contingent fund as needed to accomplish such actions as recommended in the report and as approved by the House Office Building Commission. This section shall be effective upon enactment.

The CHAIRMAN. Are there points of order directed to any provisions of the bill?

Hearing none, are there any amendments to the bill?

AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Lewis of California: On page 31, after line 25 insert the following new section:

Sec. 309. None of the funds appropriated or otherwise made available under this Act may be obligated or extended to implement, administer, or conduct a system for closed circuit viewing or for audio or visual broadcasting of floor proceeding of the House of Representatives pursuant to clause 9 of Rule I of the Rules of the House of Representatives which treats the coverage of special orders differently than the coverage of other floor proceedings.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman and my colleagues, the amendment that we are considering at this moment in the bill I have dubbed as the "Sala Burton/Stewart McKinney Memorial Panning Reform Amendment." The title to this amendment is not one that was developed lightly. Mr. Chairman and Members, it seems to me we ought to focus for a moment on a policy of the House that should be revisited.

My colleagues, you will recall that it was a few years ago at a time during the process of special orders that the debate of the House raised itself to an unusual and tense level of partisan rhetoric. From time to time in the House we find ourselves in confrontation, in a partisan way, almost for the sake of partisanship.

As a result of that, the then Speaker, Tip O'Neill, I believe decided to flex his authority in a direction that went beyond that which is good for the House. Essentially, we began a process known as panning and panning is to use our television cameras to pan the House during special orders when, oft times we are discussing very important items of the House and yet there are relatively few Members of the House present on the floor. They are either in committee or they are indeed in their offices using their televisions to observe the work on the floor and clearing their other legislative business.

Mr. Chairman, if we are going to have that sort of panning in the House, indeed it would logically be argued that one should pan during the entire session of the House, for under normal work conditions we may be carrying on very important legislative business and still Members will be in their committees or they will be in their offices, et cetera, and at a time of critical debate nonetheless, there may be few Members, relatively, on the floor.

We know that is the way the work of the House goes forward.

The point that I want to make is first that such panning draws a negative kind of attention and misunderstanding to the work of the House. It may very well serve to undermine the exercise of free speech of a person in special orders with whom you may disagree. But indeed to pan the House without a further explanation does attack the credibility of the workings on the floor.

□ 1750

That reality was never brought to mind in more crystal clear fashion than recently when we found ourselves working in the House on a memorial in which during special orders we were paying tribute to two of our past colleagues who had served us long and well—Sala Burton and Stewart McKinney. Having passed away, they were being addressed by way of memorial tribute during special orders. To go back and look at that tape and see the panning of the House, which would imply that few or almost no Members cared, when indeed endless numbers of Members participated in those memorial services, with panning it would indicate otherwise. It not only affects the credibility of our House, indeed it greatly affects the credibility of the words that were given that day on their behalf.

Mr. Chairman, I might mention the words of one of my colleagues speaking on the floor in behalf of Sala Burton. The gentleman is standing on the floor at this moment. The gentleman from New York [Mr. Weiss], speaking to the House, indicated: "I think that the entire event from the beginning of moving from the Capitol steps out to Andrews, and then three planes full of people, Members of the House and others, former Members included, and staff people, and the memorial service itself, were a tremendous tribute in recognition of what Sala meant to all of us."

And panning at that moment, there were but few Members on the floor, and in the panning it undermined the trust of the comment of the gentleman from New York [Mr. Weiss] that her services to the House meant so much to all of us.

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. LEWIS of California. I am happy to yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I thank my friend for yielding to me, and I must tell him that I appreciate the fact that he is offering this amendment because he thinks that it is a serious problem that he is addressing and one that he wants to remedy.

But I would suggest that using the names of two of our most respected and beloved deceased Members to try to score legislative points hardly seems appropriate.

The CHAIRMAN. The time of the gentleman from California [Mr. Lewis] has expired.

(On request of Mr. Weiss, and by unanimous consent, Mr. Lewis of California was allowed to proceed for 2 additional minutes.)

Mr. WEISS. Mr. Chairman, will the gentleman continue to yield to me?

Mr. LEWIS of California. I am happy to yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I do not think it is appropriate, I think that the record of the respect in which our dear departed colleagues, Burton and McKinney, were held was reflected not just by the statement by me which the gentleman quoted but by the participation of so many Members, both there on the floor and in the funeral service themselves, with the long trip, the bus ride and the airplane trip that we took.

I would like to suggest to the gentleman that if he really wants to address the question on the merits, he ought to address it on the merits. My recollection is that the reason that this process or procedure of panning was adopted was because there were Members standing on the floor in the well alone, knowing that there was nobody else in the House, who made outrageous statements and charges and then challenged anybody in the hall to refute them, and when there was nobody to refute them because there was nobody in the House, they said, "See? Nobody wants to refute my statement."

Mr. LEWIS of California. Mr. Chairman, I will reclaim my time.

Mr. Chairman, I think the point that should be made here is that panning the House has been, on the one hand, an attempt to undermine the exercise of free speech on those Members who may feel frustrated by the fact that they do not have the sort of platform or voice they would like in the House. That is in part what special orders are about.

But special orders are more than that. We do important work during special orders. Ofttimes we have made bipartisan efforts to raise public attention to questions like human rights in Cuba and like the question of change that is taking place presently in Korea. We have had panning going on that undermines the credibility of those decisions.

The CHAIRMAN. The time of the gentleman from California [Mr. LEWIS] has expired.

(By unanimous consent, Mr. LEWIS of California was allowed to proceed for 1 additional minute.)

Mr. LEWIS of California. Mr. Chairman, to have panning going on that would undermine the credibility of that special order work was only highlighted for me when I watched the process during those memorial services. These two individuals who served the country so well were friends of mine. To see them being memorialized on the floor, with the panning that was going on, undermined the credibility of that process, and it only makes the point that we ought to revisit our rules and change them so we can assure ourselves of the best possible credibility of the House as we do our work.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have a number of very important issues to touch on tonight before we conclude this bill, so I hope that this amendment and the other amendments can be wrapped up as expeditiously as possible.

I think the most important issue we are dealing with here is the essential responsibility of monitoring the rules of the House as they relate to television under the auspices of the Speaker. When that very momentous decision was made to bring television into the Chamber, it was decided that the Speaker would have responsibility for regulatory control.

The gentleman from California makes the point about what may have appeared to be an insensitivity on our part in regard to memorializing our departed colleagues. I think in his new leadership role the gentleman is in a good position to bring up this issue in a bipartisan leadership meeting. Then it can be decided, perhaps based on the outcome of those discussions, what further modifications would be required. I know that our Speaker is sensitive to the mood of the House and may well decide that some modest adjustment in policy, particularly for eulogies, might be in order. But I do not believe the Members of this body at this point are prepared to override the rules of the House by legislating on this matter in the appropriation bill.

Mr. Chairman, I would hope that we would not need to debate this much longer. I think the gentleman has made a good point. I hope that we do not go to a rollcall vote.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I just want to say to the gentleman from California that I think he makes a good point because this amendment, as I understand it, goes way beyond what he is saying it does. It goes way beyond expanding it to tributes; it is going to all special orders.

I think one of the things that the rule the Speaker put in has done that is very important is that it saved this House a lot of money. I think the special orders have been tighter, they have been more bipartisan, and we have not seen the accusations being made against Members. That is really what we wanted to do. It is very costly if we run the cameras all night long and let everybody pretend like they have a forum. If they know they are going to be panned, then people put more time and purpose in them, and they certainly can go forward with them.

I think the gentleman from California makes a good point. If the gentleman would like to bring this to the leadership and say, "Let's do this on tributes," I think most of us would be in agreement. But I think changing it radically and hiding it behind tributes is a real way to open the Treasury. I think there has been a great difference in the cost of running these cameras before and after the Speaker's very fiscally conservative move.

So I thank the gentleman from California for pointing that out. I think we really ought to be very clear about what this amendment does. It is much broader based than that, and I think it allows Members to do all sorts of campaign and partisan rhetoric without notifying others, and that can be very unfair.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to my friend, the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate my colleague's yielding.

I would like to follow up by way of making a point. Indeed the gentlewoman suggests that because panning is going on Members prepare better for special orders. That argues for having panning during the regular session, for often we have important bills on the floor, for instance a bill that has to do with military construction, spending hundreds of millions of dollars, and there will be five Members on the floor.

Would the gentlewoman not suggest that her argument includes that?

Mrs. SCHROEDER. Mr. Chairman, if the gentleman wants to bring that up, that is fine, too, but that is not the gentleman's amendment. He is not talking about panning the whole time. He keeps hiding this amendment under other papers.

Mr. LEWIS of California. Mr. Chairman, has the gentleman yielded to me, or is it my time?

Mr. FAZIO. Mr. Chairman, it is my time, and I am happy to yield to both the gentleman from California and the gentlewoman from Colorado.

Mr. LEWIS of California. Mr. Chairman, let me point out that is my amendment. My amendment would do that. It would suggest that these moneys would not be expended unless there was panning during the general session. It would do that.

Mrs. SCHROEDER. Mr. Chairman, if the gentleman will yield further, I think we ought to look at the whole thing. I think we ought to look at the cost savings. I think it is very important to tell the taxpayers that there is a great difference between when we are in session and when we are doing special orders, and I think if we decide to pan during in session, that may be possible. We may decide not even to film during special orders. Maybe we should not do that but should only do it when we are on the record. I think these are very critical things, and in a way the gentleman is misportraying it when he is trying to play on the sympathies of Members about two Members that are deceased and that we felt very strongly about.

So I would say to the gentleman that his amendment does not deal with what he said it does.

Mr. LEWIS of California. Mr. Chairman, I must say that I am startled by this feeling.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, one of the points about special orders is that Members on both sides of the aisle are not always represented. I recall a time when my friend, the gentlewoman from Colorado, and I were mistaken and there was a certain degree of red baiting going on. Of course, we were not here to defend ourselves, nor were there about a hundred other Members who had their personal veracity attacked. So I think that is one reason why special orders to the public ought to be termed as exactly what they are.

Mrs. SCHROEDER. Absolutely.

Mr. HYDE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. HYDE. Mr. Chairman, it is presumptuous to tell this body what it ought to do as a body. Nevertheless, it seems to me in this instance it is clear that at least we ought to not demean each other. The panning of the room during special orders demeans this body. It demeans the Member in the well who is saying something that at least to him or to her is important, and to quantify and qualify special orders in this body as outrageous or as red baiting or as political is not the point.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I will yield in due course. It is free speech, and that is what this building is all about, brick by brick—free speech. For us to insult each other on a bipartisan basis is stupid. It is foolish. We are criticized by enough people for enough good reasons that we ought not to do that to ourselves.

Special orders are free speech by elected Members of this body, reaching the public out there, conveying a message. Now, if the message is improper, all a Member has to do is avail himself of the same opportunity. But to pan this Chamber and to show that Members are not here, which is what was done in political pique, demeans the process, it puts down the Member, and it ought not to be done.

The other body—and you should pardon the expression—does not do it, but, of course, we do it. It is small, it is pejorative, and it demeans free speech. I suggest that we ought not do that to ourselves. It is that simple.

To restrict normal process to tributes is hypocritical. If the gentlewoman wants to talk about some subject that is dear to her heart, she is entitled to do it, and as Voltaire said, to the death we will defend her right to do it. But she should not be demeaned and put down by panning the room to show that people are not here. They may well be listening on their office television sets. It creates a distorted view, and we are doing it to ourselves. Let the rest of the world do it to us. We should not do it to ourselves.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentlewoman from Colorado, who thinks free speech is too expensive, if I understand what she says.

Mrs. SCHROEDER. No; the gentleman from Illinois is misconstruing the gentlewoman's views. The gentlewoman is not saying that free speech is too expensive, and I think the gentleman knows my credentials on free speech are very strong.

Mr. HYDE. Mr. Chairman, if the gentlewoman will forgive me, why then did she say that the cost of special orders is prohibitive and we should tighten them up?

☐ 1805

Mrs. SCHROEDER. Mr. Chairman, if the gentleman who pretends to be a fiscal conservative other places, it is interesting how you shift.

Mr. HYDE. I am a spendthrift when it comes to free speech, I admit that.

Mrs. SCHROEDER. There are two things going on here: No. 1, the regular order of business; and No. 2, there are special orders. Those are two very different things in this House.

Mr. HYDE. It is part of this process, a hallowed, special, sacred part of this process.

Mrs. SCHROEDER. The gentleman is talking about demeaning other Members, and what the gentlewoman from Ohio was talking about, and what I was talking about, and the gentleman from New York was talking about, Members were using those special orders, not notifying other Members that they were going to take that Member's name in vain and stand up here making allegations and saying answer, answer.

Mr. HYDE. Mr. Chairman, reclaiming my time, that is an abuse of freedom of speech, and it ought to be censured by the Committee on Standards of Official Conduct.

I would suggest that the gentlewoman from Colorado [Mrs. SCHROEDER] and the gentlewoman from Ohio [Ms. OAKAR] bring those charges, because no Member should have their motives assailed. That is in the House rules.

Do not shut out free speech, because of being offended by excesses that another Member said.

Mrs. SCHROEDER. We are not shutting off free speech, not stopping special orders.

Mr. HYDE. Just demeaning it by showing no resistance.

Mrs. SCHROEDER. We are saying it is important to show that it is not the regular business of the House, so the people at home understand the difference between the regular business and the irregular business.

Mr. HYDE. I suggest that the trailer says that "special orders are now going on."

Everyone that can read sees that. Even deaf people can see that, special orders.

I suggest we lower this body by that petty, political gesture; and we all know, as well as I know, that is what it is.

I suggest we ought to elevate free speech to the dignity that it ought to have in this body.

Mr. GRANDY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I was not going to speak on this amendment, and I do not intend to take the full 5 minutes, because I am sure that both members on the Legislative Subcommittee know far more than I do about this.

I do know something about television, and its seems to me we have a technological solution here for what is becoming a political debate.

I would ask both my colleagues on the Appropriations Committee, if we are talking about panning, whether it is during special orders or during legislative business, and the concern is that people who are watching this program are feeling that Members in this body are derelict in their duties, because they are not sitting in their seats. Is it not possible to attach to that trailer a disclaimer that says as much, that the body of the House is being panned, and no Member is sitting there, and that disclaimer says something to the effect, the House is now in special orders, and legislative business is concluded?

Can we not also say in that disclaimer that Members keep in touch with activity on the floor by watching the monitors in their offices, so that at least America knows that we are paying attention?

Is that so difficult to do? Is that so terribly expensive?

Assuming that, the gentleman from Illinois brought this up, a lot of deaf people and people who watch this program can read, would that not go at least a partial way to alleviating the concerns that we are at least responsible for?

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. GRANDY. Mr. Chairman, I yield to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding.

I appreciate the gentleman's point. It is a very sensitive issue.

Many of the Members are employed in far more valuable activities rather than sitting here watching other Members express that Member's first amendment rights during the time set aside for special orders after the conclusion of legislative business. That is the kind of suggestion that may well be considered by the Speaker.

The level of interest in this issue tonight ought to bring about some bipartisan leadership discussions along these lines. I do not know that has taken place.

I would hope after this debate this evening, it may well take place.

Mr. GRANDY. Mr. Chairman, is it importune to request at this time some kind of a commitment to discuss this?

Mr. FAZIO. Mr. Chairman, if the gentleman would yield further, I am not in a position to speak for my Speaker, my leadership.

I do think that the Speaker and the leadership are listening to some points that have been made today, certainly as it relates to eulogies; and I would appreciate that the Speaker and the leadership would be responsive to this legitimate concern when brought to their attention with bipartisan support.

Mr. GRANDY. I hope they are in their office watching, but I would like to get the comments of the gentleman from California on our side who originally proposed this amendment.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. GRANDY. Mr. Chairman, I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman for yielding.

I would hope that we could get a commitment from the leadership from the other side of the aisle regarding the suggestion of the gentleman for which I am grateful.

The gentleman is raising the fundamental point of this amendment.

The amendment would provide discretion for the Speaker to pan during the entire session, regular session, as well as not being a right to free speech during special orders.

We know what the numbers are around here. We are attempting to suggest to the House, specifically the leadership, it is time to revisit what we have done with these rules and come to some reasonable accommodation.

It is not my point to attempt to win one vote over another at this very sensitive time in this bill. Nonetheless, the point needs to be made.

Mr. COUGHLIN. Mr. Speaker, I move to strike the requisite number of words, and I rise in support of the amendment.

I rise in support of the amendment out of respect for this institution, and we all have a great deal of respect for this institution.

I have been serving going on 20 years, and many of the Members have been serving longer than I have; but I hope at least the debate will have the effect of perhaps examining the fact that by panning the House Chamber when it is empty, we do demean the institution and demean the Members.

Out of respect for the institution, we know where the numbers are on this side, but I would hope there would be some review of the proposals that have been made and the panning of the House so that perhaps we can bring greater respect and not less to the institution.

Mr. WEISS. Mr. Chairman, will the gentleman yield to me?

Mr. COUGHLIN. I am happy to yield to the gentleman from New York.

Mr. WEISS. Mr. Chairman, I think we all agree that it would have been preferable had the occasion not arisen which warranted the panning provision; but the gentleman will recall that in fact it was done because Members were being demeaned by people who were standing in the well launching political and personal attacks on other Members and then saying that nobody in this Chamber would dare to contradict what they were saying when there was no one else present in the House. That is what was being done. It was not an effort to stifle free speech, but to protect the Members from that kind of foolish conduct that the panning procedure was adopted.

Mr. COUGHLIN. Well, Mr. Chairman, let me reclaim my time if I might.

Mr. WEISS. Of course.

Mr. COUGHLIN. I think there is no desire by any Member to use this to impugn other Members or in any way to challenge other Members, but I think that the right of free speech is important and I think that this House is an important institution.

I hope out of respect for the institution we will try to do something about that.

Mr. WEISS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I think that we all would have preferred that the panning provision never had to be adopted, but I hope that when the leadership considers this issue, they will provide sufficient safeguards so that we do not have a return to that situation when Members who were not present were being gratuitously attacked and their characters were being assassinated. That is what called forth the panning to begin with.

It seems to me that people on the other side of the aisle ought not to be suggesting that the Democrats took away their right of free speech. What happened is that the leadership protected the rights of Members on all sides from being attacked unfairly when they were not present to defend themselves.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I think one of the other interesting things is that they are trying to page or play these arguments as being against free speech.

I am also perplexed because they are saying that free speech means you only focus on the speaker. In a way, free speech would show the whole Chamber and what is going on. I mean, that is the freest of the free and that shows what is really happening in the government process.

So I think we are switching arguments back and forth here. Nobody is talking of stopping anyone's speech. The question is whether you have the viewers at home understand who is here and who is not here and what process it is, whether it is regular business or whether it is special orders. That is what it is all about.

I think you could make a good argument that that is more free speech than anything else.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. WEISS. I am pleased to yield to my friend, the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentleman yielding on that point.

The point is, this amendment will allow for panning if it is done during the regular session as well as during special orders. If you believe in that sort of free speech, let us have it be available for the entire session.

I am frankly disconcerted by the way the gentlewoman selectively supports free speech.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield.

Mr. WEISS. I am pleased to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. No, no. It is that we have several different issues tabled. We have one of pan all the time. We have one of pan none of the time. We have one of pan some of the time. We have another one of pan only when you do not have tributes going on.

Mr. LEWIS of California. The gentlewoman is suggesting that I have opened a Pandora's box here.

The CHAIRMAN. The gentleman from New York has the time.

Mr. WEISS. Mr. Chairman, I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. The gentleman is correct. The gentleman is exactly right. I am saying, look, we have opened a Pandora's box. I think it makes an incredible amount of sense to have a bipartisan group sit down and discuss this, rather than here we are debating it with a lot of people having looked at it for the first time.

I think everyone in this body is concerned about free speech. We have been very concerned about the TV. We want to be as open as we can. We believe government is not a fungus. It can thrive in the sunshine. We are all there.

The question is how do you best portray it? That is really the issue.

So why not have a group look at it and bring it to us?

I think the gentleman from California [Mr. FAZIO] is absolutely correct in doing that, because I think tonight to select one amendment over another, over this or over that, is a little bit premature. We have not had that full debate and at this point, as I last counted, there have been seven different proposals that have come forward.

So I think we really ought to discuss that all and look at all seven of them.

I compliment the gentleman from California for bringing it up. I think it is a good issue and we should bring it up, but I am not sure it should come to a solution tonight.

I think we really need to air all the different views from all different sides that we are hearing as to how we best portray this House and how people can best understand what is really going on here, which is really difficult.

Mr. LUNGREN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I am not going to say that I am not going to take the 5 minutes, because the debate has raised a number of issues.

One of the things that bothers me is that we are reconstructing history. There is the suggestion that the Speaker did this in order to protect Members because Members were being challenged on the floor as if they were here when they were not here to defend themselves.

In fact, it is a myth that has been created. There is not one example that that did occur.

With respect to the words that were stated at that time, they were quotes of Members from the RECORD.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. Not at this time. The gentlewoman had her opportunity to speak.

Mrs. SCHROEDER. Well, the gentleman has said that what we are saying is not true.

The CHAIRMAN. The gentleman from California has the time.

Mr. LUNGREN. Well, Mr. Chairman, it happened to be a controversial time dealing with an effort by some Members of the Congress to present statements that had been made by Members of the other side of the aisle, articulating their overall foreign policy. They were quoting words that other Members had stated at previous times. I understand that was controversial. It was upsetting, but that was the context. It was not an effort in which Members looked to the other side as if they were here.

Also during that period of time Members had sent letters to those Members who would be quoted notifying them ahead of time; but that is beside the point.

The point here is, what are we going to do? I, for the life of me, believe that televising this place is one of the best things we ever did. Perhaps that is because I come from a State that is very far from here and very few of my constituents, particularly young people, have the opportunity to come and see this place. They have to fly or drive across the country, go to the Member's office, pick up a card and then stand in the galleries or sit in the galleries. Television allows them to do that.

We do not say when you sit in the galleries that you cannot look at whether anybody is here, that you can only look at who is speaking.

My point is that if you are going to pan in an effort to show people what happens here, pan during the whole time, show what happens here, and then let us explain to our constituents that many Members happen to be meeting constituents, in their offices watching this debate, in committees and so forth. That is the right thing to do. That is what this amendment says. It says that whatever the procedures are during the regular order of the House will be the same procedures during the special orders. That is all it says; so that if you think it is important for people to see when you are speaking on the floor that nobody is here during special orders, you also ought to think it important when you are speaking on the floor during regular order and nobody is here.

□ 1820

We had eight suspension calendar bills this morning. Virtually nobody was here. If you were watching on television you would not know that, because we only allow television to show the person speaking, the person in the chair, the people at the leadership tables. That is only showing part of the story.

My constituents by and large cannot be here. The folks in the galleries can see that nobody is here. Why cannot people who cannot afford to take the time to fly here see that same thing? All that we are saying is, "Don't make special rules for special orders; make the same rule apply so that no matter who is in the gallery, they're going to see the same thing they'd see if they were home watching on television."

It is honesty. It is showing people what is happening in this House.

Why do we fear that? It took us long enough to come to the television era. Why should we fear to show people that maybe only few Members are here? That is a fact.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. I thank the gentleman for yielding.

Mr. Chairman, I totally agree with the gentleman. I am delighted that the television era is here. I have no problem with showing the whole process. Where I have problems with the gentleman is that he really misconstrued how we got here.

Mr. LUNGREN. No, I did not.

Mrs. SCHROEDER. He said that a lot of people were notified. They were not. I do not know about the gentlemen, but the Congresswomen all got mixed up, and there were Members down here accusing Congresswomen who had sons that were trying to protect them from the draft that were not even married, there were people down here who were doing all sorts of allegations.

Mr. LUNGREN. If the gentlewoman is saying that this House is fallible, I will stipulate to that. I have yet to find an infallible Member of Congress, including myself or the gentlewoman in the well. Members do make mistakes. But to suggest that Members were standing down there and pointing to somebody and saying, "Why aren't you answering?" is just a fiction. It is a fiction that has been created, and now it is returning here. It is not the case.

Mrs. SCHROEDER. The gentleman is absolutely wrong. It is the case, and I think the gentleman is trying to misconstrue. It did happen, and we have documentation.

Mr. LUNGREN. If the gentlewoman wants to go back and review the tapes, as some have, she will see that that is not true. Some people thought that that was happening; it did not happen.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Chairman, I might suggest that the gentleman is making a very important point. I would like to follow that by saying that the panning policy when first instituted in the House was not discussed by the bipartisan group which has been instituted to review an established policy regarding television in the House. It seems to me that if the leadership was willing to consider going back to the table and revisiting the purpose of this policy and what we are doing to the institution—I am personally convinced that the Speaker wants to help establish the credibility of this House as much as any Member. We ought to revisit this policy. Indeed, if I could get a commitment to do that, I would seriously consider not taking this matter to a recorded vote.

The CHAIRMAN. The time of the gentleman from California [Mr. LUNGREN] has expired.

(By unanimous consent, Mr. LUNGREN was allowed to proceed for 1 additional minute.)

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I would be very happy to assure my friend, a member of the leadership, that this question can be discussed at the next bipartisan leadership meeting if that is his intent.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I wonder if I could get a commitment from the leadership that they would take this and call for an early meeting of the leadership on both sides of the aisle to revisit the policy with a purpose of helping using television to establish the credibility of the entire body, not just a selected time portion of the body.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I have had discussions with several members of our leadership who seem to be at this very moment inclined to try to establish an opportunity to discuss this. I certainly would be happy to shake my head affirmatively as I see others shake their head affirmatively, if the gentleman would accept that commitment so that we can get on to other matters.

Mr. THOMAS of California. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. THOMAS of California. Mr. Chairman, I have no interest in prolonging this debate. However, I do happen to be the only Member on this side of the aisle who belongs to the Speaker's television committee.

The CHAIRMAN. The time of the gentleman from California [Mr. LUNGREN] has expired.

(By unanimous consent, Mr. LUNGREN was allowed to proceed for 2 additional minutes.)

Mr. THOMAS of California. Mr. Chairman, will the gentleman yield?

Mr. LUNGREN. I yield to the gentleman from California.

Mr. THOMAS of California. Mr. Chairman, I will say that it has been one of my more pleasant duties in this body when I was appointed to the Speaker's television committee three sessions ago, because it has never met. The television rules were changed unilaterally by the Democrat leadership without consultation of the bipartisan committee for purposes of attempting to even the score politically. I was told that.

When I said, "Why didn't we meet to talk about it," they said, "There was no need to meet. We had decided on what we were going to do anyway."

Now I tell the gentlewoman from Colorado that we do not need to assign it to a group, we simply have to allow the structure that is already in place to function. The problem is that our opponents do it when it is to their political advantage, and they bypass it when it is not. So let us not elevate this to a free-speech discussion, because it is not. It is an ability to use a tool. Our side found out how to use the tool; they decided to take that advantage away.

Now let us talk about being honest and deal in the House, in the Committee of the Whole House on the State of the Union, and in special orders, with exactly the same camera techniques. That is the amendment from the gentleman from California.

I simply think that we ought to vote it up or down. We do not need any more meetings or nonmeetings to decide the policy. I think that this House either ought to grow up or face the fact that we are going to continue to play politics even with the television.

Mr. LUNGREN. Mr. Chairman, on my remaining time I might just say that this is the truth-in-packaging amendment. We either wrap the whole thing in the same cloth, or we just wrap part of it, as we do now. If special orders are recognized, if they are included in the RECORD, as they have been for years and years and years, why treat them differently. If people in my home area cannot get here, why when they watch television should they not get the impression that the House does a lot of its work without people on the floor, but when someone has a special order, they pan and show that nobody is here, and therefore that person is not to be seriously considered. That is what it really is all about.

Mr. ALEXANDER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, during the last previous 6 years I had the job of supervising the Democrats' special order period. During that wonderful time of the day when most of us would be out away from the Capitol having dinner or attending receptions, I was here on the floor, sometimes to late in the wee hours of the evening. I probably spent more time on this floor on our side of the aisle than anyone, with the possible exception of the gentleman from Texas [Mr. GONZALEZ]. I was grateful that he was here to assume some of my responsibilities for me so I could go out and have dinner on some evenings.

For those Members who are new here, I would observe that the reason that the rule was changed by our former Speaker, the gentleman from Massachusetts, Mr. O'Neill, was because the procedure for special orders was abused by Members from the other side of the aisle. That is my opinion; I do not expect the gentleman to agree with me.

There were two Members particularly that come to mind that were using the occasion of special orders to attack Members on my side of the aisle at times when they were not present to defend themselves. Sometimes they even made scurrilous references to Democratic Members. It amounted to what I would characterize as character assassination.

While we all come here with the obligation to speak our minds and to represent our various points of view, and that is our job, it is not our prerogative to attack the character or the political motives or the sincerity of any other Member. That practice was being done on the other side of the aisle, and that is the reason that the rule was changed by the former Speaker. The order to permit television panning of the House shows the people of this great Nation who were watching the debate who is present on the floor and paying attention to the charges that were being leveled by Members on the other side of the aisle. The TV panning tends to restrain the abuse and should be continued.

Mr. DELLUMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it may shock my colleagues on this side of the aisle, but I also believe that worst case makes bad law. That is what this situation results from, worst case. My colleague from Arkansas pointed out the worst case. I am one of those Members whose credibility and integrity were impugned on the floor of this Congress, was challenged by a Member of this body, a person whom I would love to debate anywhere, anytime, under any circumstances, because I would blow that person away.

I am not playing to the audience. I just want to make my point.

But that person challenged when no one was on the floor. That person challenged when this gentleman was not on the floor. So it was indeed worst case.

Worst case makes bad law. This gentleman was not the only person whose integrity and credibility in this body were challenged.

□ 1830

I believe that the person that challenged is not strong enough to challenge on the floor in front of 433 other Members and America, but was able to do it when no one was on the floor. And that is worst case.

So worst case makes bad law. The Speaker decided: Pan the group.

I agree with the gentleman, I think that that is demeaning. I think it does reduce us to a petty body.

But let us go back to the original point. There was a demeaning, petty set of circumstances that gave rise to another demeaning petty set of circumstances. So I agree with the gentlemen on this side of the aisle, that panning should go out the window. But I am not sure this amendment is the way to deal with it, because it is not just panning. What it is also is how you use, how you use this body after the close of business.

I think when the gentleman from Illinois [Mr. Hyde] said that if a person moves forward and impugns the integrity that they ought to be called before the Ethics Committee and several Members on this side applauded, I did as well, I think that is a good suggestion.

So I think what the gentleman has raised with this amendment is an issue that does need to be dealt with, but I do not think it goes away by voting for or against the gentleman's amendment.

What I would suggest to my distinguished colleague from California is let us make a commitment here that leadership on both sides of this aisle come together to look at how special orders are treated and the question of panning can be dealt with in its totality in the universal nature of the issues that are realities at this moment. It is not just the panning.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, my colleague helps me do something that I desperately would like to accomplish, and that is this amendment was not designed to polarize in a partisan sense the House, but rather to revisit where we have been and maybe get to the heart of the impact of what we have done.

The gentleman makes the point that indeed the worst of law can be made by the worst case, and we are talking here about the fundamentals of free speech, the ability of people to go to a park or indeed if they are elected to come to the floor to express their view as their position as the House allows them to so express that view. To want to undermine or ridicule that expression should not be our purpose, and the gentleman has said that very well.

Mr. DELLUMS. Exactly.

Mr. LEWIS of California. Mr. Chairman, I would hope that we could revisit this issue by way of the Speaker calling many of the leadership together from both sides and see if we cannot change where we have been. But it was important that we make this point today, and the gentleman has helped us to make it.

Mr. DELLUMS. If I may reclaim my time, I appreciate the gentleman's remarks. I certainly as one Member of this body am not part of the leadership of this body but I am a significant Member in this body on this side of the aisle, and I would join the subcommittee chairman, with his credibility and his integrity on the line, and that of other Members who have said that the leadership will sit down to deal with this, because I do not think it is just a question of panning. I think it is the question of how we use and or abuse this process.

I join this gentleman and any other gentleman in this body to make sure that this institution functions with dignity and functions with respect. I have tried diligently to treat every single Member of this body, even people who are arch adversaries, with dignity and respect. Sometimes they have not come back the same way, and in this instance they did not come back the same way.

Mr. LEWIS of California. Will the gentleman yield just for a moment further?

The CHAIRMAN. The time of the gentleman from California [Mr. Dellums] has expired.

(On request of Mr. Lewis of California and by unanimous consent, Mr. Dellums was allowed to proceed for 1 additonal minute.)

Mr. DELLUMS. I yield to the gentleman from California in the hopes that we can resolve this matter expeditiously.

Mr. LEWIS of California. I thank my colleague for yielding, and again I want to compliment the gentleman on his point. My real point here is to try to appeal to the Speaker, for I know he is concerned about the integrity of this House and its credibility.

Please, Mr. Chairman, bring us together and make some sense out of this rule. Today I think we will see a bipartisan expression of concern about this issue. We have gone too far in undermining the credibility of the House and of free speech in this House.

I thank my colleague.

Mr. DELLUMS. I thank my colleague very much.

Mr. GINGRICH. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I want to say a couple of things for the record here.

First of all, I say to my good friend from California that we will remember I believe in 1984 that I was one of those who refused to use the gentleman's name and in fact it was a Democrat who used the gentleman's name in a special order. I would not use this name.

Second, anyone who wants to go back and read the colloquy with the past Speaker, Mr. O'Neill, will discover that letters were mailed to every person named during the special orders which made the past Speaker very angry, and in fact it was conceded on the floor during a point of personal privilege which lasted for an hour that it was the House mail room which had lost the letter. But letters were mailed to every single Member named.

Third, someone referred to redbaiting. In fact, the report which was later published as the Gregorski Papers, which were used by Jeane Kirkpatrick as the basis for much of her speech about San Francisco Democrats, the entire report was essentially quoting Member after Member, what they said would happen in foreign policy and what in fact happened. It was the words of the Members themselves. It was not any particular reference except that they were wrong, that what they said would happen did not happen.

Fourth, arguments about courage are silly. The two Members on our side who most frequently use special orders are the two Members on our side who are the most willing to engage in debate during the day. We do not object. We are quite happy if any of our colleagues want to come down and debate during special orders or during the day. That is foolish.

Fifth, panning does not make any difference to those of us who think one of our major jobs is to reach America. We have proven that for 3 years. If you want to pan, fine, we will keep speaking and 300,000 people will keep watching. That does not bother us.

It does seem to me from the standpoint of the House we should either pan all of the time and say, hey, this is a large, complex, extended organism, one room of which is the House Chamber, or we should not pan at all. I can live with either one. I just think it is demeaning the House and it is silly.

Finally, two things that were said that I think every Member should think about. Someone said there is more important business. Is there? The day Patrick Henry gave his great speech in Williamsburg, was the more important business the PAC reception, was the more important business earning the honorarium, was the more important business the committee meeting down the hall? I do not know. But it does seem to me that the genius of the House is that every Member, no matter what faction, no matter what ideology, no matter what region, every Member has the right to be heard, no matter how foolish all of us, including this gentleman from Georgia, can be, all of us have the right to be heard, all of us should be heard.

Finally, someone said after the close of business. Let me say to all of my colleagues, America and the free world are going through extraordinary changes. Words have meaning. Certainly my colleague from Atlantic knows that words changed his life, and the gentleman from California, who so eloquently has led us on occasion to think through things we would not otherwise have thought, knows words have not only changed his life, they have changed the world. I am not sure there is a more important business than the right of every minority faction, whether right or left, whether Republican or Democrat, whether black or white, Asian or Indian, American or anything, to come down here and to speak.

So all I am suggesting to the Speaker in that bipartisan panel is decide what best serves the decorum of the House, the world, the people and the spirit of the Founding Fathers, and do it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. LEWIS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. LEWIS of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 166, noes 213, not voting 54, as follows:

[Roll No. 225]

AYES—166

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dreier
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Fish
Gallegly
Gallo
Gekas
Gilman
Gingrich
Goodling
Gradison
Grandy
Green
Gregg
Gunderson
Hammerschmidt
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jeffords
Johnson (CT)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Myers
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Quillen
Ravenel
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spence
Stangeland
Stratton
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wylie
Young (AK)
Young (FL)

NOES—213

Ackerman
Alexander
Anderson
Andrews
Applegate
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Bruce
Bryant
Bustamante
Byron
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Collins
Conyers
Cooper
Coyne
Daniel
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gibbons
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Howard
Hoyer
Huckaby
Hughes
Hutto
Jacobs
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Luken, Thomas
MacKay
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McHugh
McMillen (MD)
Mfume
Mica
Mineta
Moakley
Mollohan
Montgomery
Morrison (CT)
Mrazek
Murphy
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Patterson
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Rangel
Richardson
Robinson
Rodino
Roe
Rose
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Torres
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wyden
Yates
Yatron

NOT VOTING—54

Akaka
Annunzio
Anthony
Aspin
Berman
Boner (TN)
Brooks
Brown (CA)
Burton
Clarke
Crockett
Davis (MI)
Dornan (CA)
Dowdy
Flake
Flippo
Florio
Ford (TN)
Frenzel
Gejdenson
Gephardt
Gordon
Grant
Hochbrueckner
Holloway
Hubbard
Kemp
Kennelly
Leland
Livingston
Manton
Miller (CA)
Miller (OH)
Moody
Murtha
Nagle
Obey
Panetta
Pepper
Pursell
Rahall
Ray
Roemer
Rostenkowski
Schulze
Smith (FL)
Smith, Robert (OR)
Tauzin
Thomas (GA)
Torricelli
Towns
Watkins
Waxman
Wolpe

☐ 1845

The Clerk announced the following pairs:

On this vote:

Mr. Burton of Indiana for, with Mrs. Kennelly against.

Mr. Holloway for, with Mr. Anthony against.

Mr. Robert F. Smith for, with Mr. Leland against.

Mr. Schulze for, with Mr. Towns against.

Mr. Dornan of California for, with Mr. Akaka against.

Mr. BOEHLERT changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: On page 7, after line 2, insert the following new section:

SEC. 103. It is the sense of the House of Representatives that the ongoing pattern of questionable ethical conduct within the House is deplorable, and that a special bipartisan commission should be convened for the purpose of investigating this pattern of corruption, and for the purpose of suggesting reforms.

Mr. FAZIO. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto be limited to 1 hour to be equally divided and controlled between the gentleman from Pennsylvania [Mr. WALKER] and myself.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

Mr. MARLENEE. Mr. Chairman, reserving the right to object, what time did we start the first vote today?

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. MARLENEE. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

I think the bill was taken up at 3:30 p.m. I think we had a vote somewhere around 5, 5:30, if I am correct.

Mr. MARLENEE. As long as we are going to have to be here on the floor of the House and we do not know for how long and this is the way the schedule runs, we might as well make it worthwhile.

Mr. Chairman, I object.

Mr. WALKER. Mr. Chairman, will the gentleman yield under his reservation?

Mr. MARLENEE. Further reserving the right to object, I yield to the gentleman from Pennsylvania.

Mr. WALKER. I thank the gentleman for yielding. I would hope the gentleman would not do that. We in fact did come to an agreement here. It would be very worthwhile, I think, in terms of moving ahead. We have a number of other amendments. I think we are going to be here plenty late anyhow voting. It seems to me on this amendment it would make a lot of sense to go with an hour's worth of debate and at least give it some time limit. We may not even need the hour.

Mr. MARLENEE. Mr. Chairman, regaining my time, we seem to run this place in a state of confusion. I am not very constrained to withdraw my objection, but I will.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. The gentleman's request is that debate be limited to 1 hour on this amendment and all amendments thereto, the time to be controlled, one-half hour by the gentleman from Pennsylvania [Mr. Walker] and one-half hour by the gentleman from California [Mr. Fazio].

Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Walker] for one-half hour.

PARLIAMENTARY INQUIRY

Mr. LEWIS of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. LEWIS of California. I was under the impression and I presume that the limitation on debate was upon this amendment.

The CHAIRMAN. This amendment and all amendments thereto.

Mr. LEWIS of California. All amendments thereto? I thank the Chairman.

The CHAIRMAN. The gentleman from Pennsylvania is recognized for 30 minutes.

Mr. WALKER. Mr. Chairman, I yield myself 5 minutes.

□ 1900

Mr. Chairman, let us understand from the outset what this amendment is. It is a sense-of-the-House amendment, and so, therefore, it is expressing our opinion. It has no legislative content beyond expressing our opinion.

It says that we are concerned and find deplorable an ongoing pattern of questionable ethical conduct in the House, which I think most Members can relate to.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I will ask the gentleman to please allow me to finish my statement. We do have a limitation of time here, so I want to be a little careful with the time.

It says that that pattern is deplorable, and I would hope that most Members can agree that we should deplore the pattern of unethical behavior.

Finally—and I suppose this is what creates some controversy in some people's minds—what it does is suggest that we should have a special bipartisan commission that would be convened for the purpose of investigating the pattern of corruption that has envoloped the House, and for the purpose of suggesting reforms. I can understand that some people would be concerned about that particular provision.

Once again, I say that this amendment does nothing to set that up. It simply expresses our opinion that that ought to be done.

Now, why? Why go to that kind of a process as we deplore that which has become a problem of ethical conduct in the House? Well, first, let me say that it has absolutely nothing to do with any kind of reference to the Ethics Committee and the work that it does. This is an attempt to say to the Ethics Committee that we understand how difficult their job is, that working in the collegial atmosphere as they do in this body, it is difficult for us to give them an assignment to the prosecutor and defender of the House, and with all the other things that go on. We say, "It is very difficult for you to operate behind closed doors exclusively, as we say you must, and then to also assure the public that the House is acting on ethical questions."

But the fact is that that process has led to some very, very difficult preceptions with regard to the public, that the public, too, is concerned about this body and feels very strongly that ethical misconduct in this institution has in fact lowered its esteem.

I think we should be concerned about that. In the 200th anniversary of our Constitution, I think we should be concerned about the fact that many of the American people regard this House as an ethical morass, and I would hope that what we would do is say that we should determine ways and means of clearing it up.

So what this amendment suggests is that we reach outside to a commission that would be made up of distinguished citizens, six distinguished citizens, and that they would come in and investigate the problem.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. As I told the other gentleman, if you would allow me to finish my statement, it would be very much appreciated.

Mr. Chairman, this commission would come in and investigate the problem we would be facing. These are not individual cases, I might say. That is the assignment of the Ethics Committee. We are not looking for a body that would investigate individual cases. I am looking for a commission that would look at the pattern of the problem around here and say, OK, here is what has gone wrong, and here is what we should do to correct it." It seems that would be something of value for this House to do at this time.

We in this body have an obligation that goes far beyond our own individual service. We have an obligation to be a body that is looked at with respect by the entire country. The laws that we make will only be respected if we are worthy of respect.

It seems to me that one of the things that we can do to assure the public that we are indeed worthy of respect is to try to correct that which has so apparently gone wrong. That is what we are attempting to do with the amendment. I would hope that the Members could approve this amendment saying that we know we have a problem, we want to do something about that problem, and let us move forward and do something that will be meaningful in terms of addressing the problem for the future.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. Walker] has expired.

Mr. WALKER. Mr. Chairman, I yield myself 1 additional minute.

Mr. PASHAYAN. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. PASHAYAN. Mr. Chairman, I thank the gentleman very much for yielding.

I appreciate the gentleman's remarks pointing out that this is the 200th anniversary of our Constitution, and I should think that especially in light of the 200th anniversary, as the gentleman suggests, we should be paying particular attention to the Constitution. I should like to read a portion of the Constitution that says that "each House may punish its Members for disorderly behavior," and so forth. It says that each House shall do that.

Does the gentleman really feel that we should delegate that authority?

Mr. WALKER. No, the gentleman has not evidently listened to what I said.

There is nothing in this amendment that suggests we are going to delegate that. We are going to have a commission that is going to tell us how we can get around to the business of doing that job of punishment. The fact is that we do have a standard around here at the present time which basically says, as the old movie Love Story says, "Love means never having to say I'm sorry," but in the House right now I am afraid that we have a standard that says, "Ethics means only having to say I'm sorry."

I would suggest that it is high time that we have some people come in and tell us how we can in fact do the job of punishing the Members for that which is totally unethical behavior. So this is perfectly in line with the provisions of the Constitution. I am as familiar with that as the gentleman is.

Mr. FAZIO. Mr. Chairman, I yield 30 seconds to my friend, the gentleman from Indiana [Mr. Jacobs].

Mr. JACOBS. Mr. Chairman, let the record show that the last time the House created an outside commission to advise it, it recommended a $120,000 per annum pay raise for each Member of Congress.

Mr. Chairman, I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, I yield 5 minutes to my friend, the gentleman from California [Mr. DIXON], a member of the Appropriations Committee and the chairman of the Committee on Standards of Official Conduct.

Mr. DIXON. Mr. Chairman, I recognize the spirit in which this amendment is brought to the floor, particularly as it relates to the gentleman from Pennsylvania and the gentleman from Georgia, saying that it is not directed at the Ethics Committee or the Committee on Standards of Official Conduct.

Let me take just a moment to thank those Members who serve on that committee. I would point out to the body that it is the only bipartisan committee in the House by the fact that there are six Republicans and six Democrats on that committee.

I would further point out that I have served on the committee for some 5 years and have acted for some 3 years as the chairman of that committee. In some sense, it is a thankless job, and in some sense it is certainly a very worthwhile job when you feel you are not only protecting this institution, which is very important, but protecting the rights of Members.

I would point out further that in the 5 years that I have served on that committee all of the committee reports adopted have been by a unanimous vote. That means that the six Democrats and the six Republicans have voted for the report. There is one exception to that. One member of the committee felt at one time that he was just too close to a Member of the House, so that he could not vote for the report. We have seen grown men cry on that committee and struggle intellectually to try to do the right thing for the Member and, most importantly, the institution.

Now, the House Rules and the Ethics in Government Act were passed in 1978, and it could not foresee every factual situation that could occur in perpetuity in this House. For the last 2 years we have been dealing with some very difficult areas of financial disclosure and when there has in fact been the violation of a rule.

The gentleman from Georgia stood in this well some 25 or 35 minutes ago and waved a 1,400-page document, a thorough analysis of one alleged misconduct. We examined that document, and if you have the time to read it, you will find that there were extenuating and mitigating circumstances.

Most importantly, what the pursuers of this amendment are disagreeing with, when you listen to them carefully, is not that there has been any coverup on the committee, not that there has not been full disclosure, but they have disagreed with the bottom-line decision that was made and the action either taken by the committee or the lack of action taken by the committee. Now, that is their right to do so. It is certainly their right as nonmembers of the committee or as one who has not digested all of the facts to disagree with the bottom line.

But no one is saying that the committee has not done its jobs, that it has not done an investigation or it has in some way caused a coverup or it has not made a full disclosure, but, rather, they are doing what the gentleman from Georgia did here some half hour ago when he took a 1,400-page document and tried to summarize it on one piece of paper in a minute and a half.

This committee labors long hours to try to come to the appropriate finding based on the facts. I have listened to the critics of the committee, and they are talking about Members of this Congress. Generally they fall into three general groups: one is a group of a few that have been named as subjects of some criminal investigation, and certainly those Members are entitled to their day in court and an adjudication of their case in court before this committee acts.

The second is some general gossip that has been raised to the point of publication in some magazine, and in most of those cases the committee has reviewed it and decided that they were not worthy of investigation.

The CHAIRMAN. The time of the gentleman from California [Mr. DIXON] has expired.

Mr. FAZIO. Mr. Chairman, I yield 3 additional minutes to the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, where we have the largest disagreement is where the committee has published a report or taken some action and these Members disagree.

Mr. Chairman, let me address myself to the amendment itself. It says that it is the sense of this House that the ongoing pattern of questionable ethical conduct within the House is deplorable.

There is no ongoing pattern of questionable ethical conduct. Yes, there have been a few Members who have been questioned about their financial disclosure or some potential violation of a House rule, but that does not make a pattern. There are 435 people here, so there is no proof or no showing that there is a pattern.

Second, it says that there should be a bipartisan commission for the purpose of investigating this pattern of corruption. There has been no showing of any corruption. We have clearly pointed out to this body where there has been a violation of a House rule, but that is not to say that the Member is corrupt.

And so I say to the Members, Mr. Chairman, that there has been no showing of any pattern here of unethical conduct.

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Certainly there has been no showing of a pattern of corruption, and this House has the capability, the leadership and the capacity to draw on any resources we want.

If we want to modify our rules as they relate to the Committee on Standards of Official Conduct, so be it, but do not vote for something like this that sounds like motherhood.

You displace yourself if you think that there has been a pattern of unethical conduct. You displace yourself when you think that this House is corrupt; it it not.

I hope we have the courage to vote it down.

Mr. WALKER. Mr. Chairman, I yield myself 1 minute.

I disagree with the gentleman from California [Mr. DIXON], the chairman of the Committee on Standards of Official Conduct. I was not going to use this, but let me read a few things.

We have had understatement of income on financial disclosure statements, use of campaign funds for personal use, charges of bribery, improper use of the congressional payroll, improper use of the voting card, hiring ghost employees, to give the Members the short list.

That is in fact a pattern this House wants to address.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield to the gentleman from California.

Mr. DIXON. Mr. Chairman, I thank the gentleman for yielding.

I do not know the cases that the gentleman is referring to. I saw some material that the gentleman released today at a press conference, but I do not know when those occurred and over what period they occurred.

I do know currently, and for the last 5 years, and I can state that there is no pattern.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his opinion, but the gentleman's opinion is totally different from my opinion, and the opinion of many of the American people.

Mr. GINGRICH. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Mr. Chairman, I yield 3 minutes to the gentleman from Georgia.

Mr. GINGRICH. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I have sympathy for the problems of the committee; but when recently I asked the committee, based on some rumors, was it true that at the time that the gentleman from Virginia [Mr. DANIEL] was reprimanded, there were 23 other Members involved in the same behavior, none of whom I will cite. The committee said, "We will not discuss that."

In answer to a letter of mine, the committee would answer no questions and had no comment.

The gentleman from Oregon, a former Member, was quoted as saying, the committee had cleared him because the committee had taken no action. The New York Times said the committee cleared the gentleman from Rhode Island and used the term "exonerated."

The gentleman said that the gentleman disagreed with the ongoing pattern of unethical conduct, and that there has been no showing of a pattern of corruption.

My understanding of the House rules is, because of the rules of comity, we cannot in fact on the House floor prove any pattern of corruption, because it is not discussed on the House floor.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. GINGRICH. Mr. Chairman, I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I thank the gentleman for yielding.

We go by the rules of evidence. I am not a lawyer, but it would seem to me, in order to protect the rights of each individual Member, the committee is not in a position to make evidence or the lack thereof available to any Member of the body that should ask for it until it has concluded and made public its findings.

That is why this is a sensitive position. Only certain Members sit on this committee, and there is a great deal of mutual trust; and it is bipartisan in nature. It is only proper that the committee not willy-nilly provide information to any Member who asks for it.

We probably have tighter procedures now than ever before in our history, not just to protect the rights of individual Members, but those procedures are also designed to protect the entire legislative branch of government and the public in general.

Mr. GINGRICH. I might just say that we are suggesting when there are 10 Members currently being mentioned in the national media for specific allegations, allegations, that to suggest that 6 outside eminent Americans review the process is not too strong a reaction.

That is all we are asking for, not giving them any power except review and recommendation.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from New Hampshire [Mr. SMITH].

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of this resolution. I think in listening to the comments of the gentleman from California [Mr. DIXON] the chairman of the Committee on Standards of Official Conduct, I think perhaps there may be some information misconstrued here.

I do not know why any Member of this House would object to having some very competent, qualified individuals take a look from the outside in terms of how we govern ourselves in terms of ethical conduct. I do not think anybody should be afraid of that.

If we are afraid of that, the House of Representatives might be in more trouble than it appears.

I have a couple of statistics about what the perception of the American people is about how we are conducting ourselves here in these types of incidents.

This is from the ABC-Washington Post poll.

As recently as 1985, 73 percent of all people polled agreed that to win elections, most candidates for Congress make promises they have no intention of keeping.

Seventy-one percent believe that Congressmen would lie if they felt the truth would hurt them politically.

Seventy percent felt that Members of Congress cared more about special interests than they cared about their constituents. Sixty-four percent felt that most Members of Congress care more about keeping power than they do about the best interests of America.

Frankly, in addition, only 20 percent of the American public rate Congressmen as being ethical. That concerns me.

I gave up a career in business to come here. No Member is maintaining that everybody is perfect.

I think if we are afraid to take a look at the way we deal with this issue in this Congress, we are making a very, very serious mistake.

James Madison in The Federalist Papers foresaw this, He was very clear about it. He said:

> The aim of every political constitution is, or ought to be, first to obtain for rulers men who possess the most wisdom to discern and the most virtue to pursue the common good of society, and in the next place to take the most effectual precautions for keeping them virtuous whilst they continue to hold their public trust.

So Madison in The Federalist Papers addressed this issue. I think so say that the Ethics Committee of the House of Representatives, comprised of 12 members, bipartisan—nobody is accusing anybody of anything else on this issue, it is not a personal attack against the members of the committee. What we are saying is why not look into the procedures in terms of how we deal with ethics in this body.

The point is, if we were doing that good a job in here, this perception would not be the case. Why does that perception prevail? Yet, 98 percent of us win reelection. It seems inconsistent.

Well, the problem with that is that Members do a pretty good job through other things we will be discussing later on in this bill, like the Frank and others, to keep their constituents pretty well informed about how good a job they are doing.

But the point is ethics, in my opinion, is like being pregnant. You either are or you are not. You are not a little bit pregnant. You are not a little bit ethical. That is really the essence of this point.

I object and frankly I am very disgusted when I see this kind of polling data coming out from the American people on Members of this body. It is not to say it is everybody. Of course, it is not everybody. Let us hope not.

We are not even saying it is the individuals who some have alluded to in this debate. What we are saying is that we have a system that because of its nature, we are doing it basically in secret. The Contra hearings are out in the open. We are going to hear from Ollie North next week. We have heard from dozens of witnesses. It is all over America, everything about that scandal, all about Watergate was all over the front pages of the newspapers. But what happens when we get in here? We get a report that is done in private and what is written is what we want to have written and what is seen is what we want to have seen and nobody else does anything, not even the Members of the body.

Mr. PETRI. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Hampshire. Yes, I am glad to yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, the gentleman is suggesting the appointment of a commission to reform or to make recommendations as to the procedures of this House. But how is changing the procedures under which we operate going to change the characters of the Members who are elected by the public?

Mr. SMITH of New Hampshire. Well, if I could reclaim my time, I would answer the gentleman by saying that I think the individuals who are not Members of Congress, who are respected individuals, both political parties, would come on this commission and look in at the way we are doing business. They are not going to go in and look at the chairman's decision on any particular individual. That is not the point of this case.

The CHAIRMAN. The time of the gentleman from New Hampshire has expired.

Mr. FAZIO. Mr. Chairman, I yield 2 additional minutes to the gentleman, if the gentleman will yield.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. SMITH of New Hampshire. I am glad to yield to the chairman, the gentleman from California.

Mr. DIXON. Mr. Chairman, the gentleman makes the point perfectly. It is not the procedure that the proponents of this resolution are talking about. They are disagreeing with the finding that we made. No one has raised anything about there is something wrong with our procedure. We have not heard anyone discuss that.

What they are really discussing is a disagreement with the 12 Members, 6 Republicans and 6 Democrats, as to the bottom line that we came out with. That is their right; but it certainly is not appropriate for this body to say that there is an ongoing pattern of questionable ethical conduct and corruption. It is their right to say that.

Perhaps the gentleman ought to examine what they are saying. They are not talking about something procedurally. Ask them what they want to do procedurally.

We have the capacity in this House to do that. We can draw on any expert at any university anyplace in this world without this resolution.

Mr. SMITH of New Hampshire. But the point is, Mr. Chairman, with all due respect, we are not doing that.

Mr. DIXON. That is the point.

Mr. SMITH of New Hampshire. We are not doing that, Mr. Chairman. There are 71 percent of the American people who say differently.

Mr. DIXON. Because there is no issue about our procedure. Does the gentleman not understand what they are saying? Thay are disagreeing with the bottom line. They are not saying they want procedural reform.

Mr. SMITH of New Hampshire. They want procedural reform. I do not think the gentleman can say that.

Mr. DIXON. The gentleman had better check them again. If they want procedural authority, they would not come in with this resolution. They would not have had a press conference this morning. They had a press conference for procedural reform.

Mr. SMITH of New Hampshire. That was me. I was a member of the press conference.

Mr. DIXON. Then the gentleman is kidding himself.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. WALKER. Mr. Chairman, are we going to divide the time back and forth? This gentleman thinks there may be a problem here if we use up all of our time and leave time to the other side. If the other side is not going to use time, that is one thing, but this gentleman is not prepared to use all of his time only to leave the whole debate at the end to the other side.

The CHAIRMAN. The Chair will indicate that the gentleman from Pennsylvania has 15 minutes remaining. The gentleman from California [Mr. FAZIO] has 21 minutes.

Does the gentleman from California desire to yield any time?

Mr. FAZIO. Mr. Chairman, I would like to maintain my time at this time. There are seemingly few people on our side who wish to debate this issue, but since there seem to be more on the other side of the aisle, I would be more than happy to let my friend, the gentleman from Pennsylvania, allocate his time. We will then close with those Members who wish to conclude.

The CHAIRMAN. The gentleman from California has 19 minutes remaining.

Mr. WALKER. If the gentleman has no more Members to speak, then he has an obligation to use the time.

Mr. FAZIO. I have very few Members at this point. At this point I do not intend to yield back my time, but neither do I want to seek Members out who may want to comment.

The CHAIRMAN. The Chair will recite that according to the Chair's calculations, the gentleman from Pennsylvania does have 17 minutes remaining and the gentleman from California has 19 minutes remaining, so the time is relatively evenly divided.

Mr. WALKER. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. DIOGUARDI].

Mr. DIOGUARDI. Mr. Chairman, I want to commend the gentleman from New Hampshire for his comments and just say, Mr. Chairman, whether you define the issue as procedures or the bottom line, as the gentleman cites, the real problem is that the public is not buying what we are doing here.

Mr. DIXON. Mr. Chairman, will the gentleman yield?

Mr. DIOGUARDI. I will not. I just want to get through with my statement.

Why is it that we have a perception in the public that we do not have peer review here in the House? Why is it that there is so much being written and there are so many polls taken that show us in a bad light? Now, it seems to me if we are going to have accountability——

Mr. DIXON. Mr. Chairman, will the gentleman yield to let me respond?

Mr. DIOGUARDI. No, I will not.

If we are going to have accountability here in the House, it involves more than numbers. It involves being accountable for our actions as well.

I think what is being proposed here is a simple mechanism to get real peer review. Maybe our real peers are not other Congressmen. Maybe there is too much collegiality here in the House. Maybe it is time that we looked at what some of the other esteemed professions who get rated very high in public opinion polls do, such as doctors, engineers and CPA's. They have real peer review.

As a matter of fact, there are some professions that are not required to have public oversight boards who have private corporations and private partnerships, but nevertheless impose on themselves that very high standard so that the public can feel that there is credibility in what they do.

So I think there is ample cause to be looking at this issue because the public in my mind has issued a verdict that something is not right here on Capitol Hill.

I commend the gentleman from New Hampshire for his comments.

Mr. FAZIO. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. PASHAYAN].

Mr. PASHAYAN. Mr. Chairman, I have a question of my friend, the gentleman from New York. I think that he has raised a very interesting point, peer review. "Peer" means "equal." It seems to me that the people best able to judge their peers are people in like circumstances, and that means Member to Member. What this amendment attempts to do is to delegate to a group of people who are not Members—that is, not peers—some authority to pass some kind of a judgment or to make suggestions on how to pass judgment. I do not think that that is "peer" at all.

I should like to ask a question of my friend as to whether he agrees with me.

Mr. DIOGUARDI. If the gentleman will yield, I think if we are going to look at the real peers that we have, it is the people who vote to get us here. It seems to me that if we are going to establish credibility with the public, at some point we have to get back to a vehicle where the public feels that they have something to say about setting the ethical behavior, or at least monitoring ethical behavior here in the House.

Mr. PASHAYAN. Would the gentleman agree that the people are supreme in this country?

Mr. DIOGUARDI. I would say that we all answer to the people ultimately, yes.

Mr. PASHAYAN. Well, then, how can we be peers to the people? We are under the people.

Mr. DIOGUARDI. Well, the point is that in terms of citizens' involvement it would seem to me that there may be too much collegiality here in the House, and there is not enough introspection going on with respect to ethical review.

Mr. PASHAYAN. I am talking about peer, whether the gentleman agrees if somebody is superior or supreme, as he says the people are, how then could they be our peers.

Mr. DioGUARDI. That is not the issue.

Mr. PASHAYAN. I am just asking about the gentleman's statement on peerage.

Mr. DioGUARDI. We are here, not playing on the words, we are——

Mr. PASHAYAN. I am not playing on the words. I am talking about concept.

Mr. DioGUARDI. All we are trying to do is to get a vehicle that will allow the public at large to view this body with credibility.

Mr. PASHAYAN. That is the gentleman's opinion, but it is not a peer group.

Mr. DioGUARDI. Well, the gentleman can define it the way he wants. Right now the public I think deserves better than the current procedure in the House.

Mr. PASHAYAN. I shall rely on Webster's.

Mr. WALKER. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, the distinguished chairman of the committee was earlier saying that over the last 5 years things have been this way and that way. I remember back 9 years. I came here as a freshman at a time when we had a Member who was serving who had been convicted on 29 counts of stealing $70,000. He was out on appeal, but he was convicted. Under American law he was guilty. And he was voting on the laws. So you had a convicted felon waiting to be sentenced who was voting.

I had promised for three campaigns as a reform candidate back home in Georgia that I would move on ethics issues, that Congress had problems. In the first session of my first term as a Member for the first time in 50 years we voted an expulsion. It was a difficult and a complicated debate, it was an emotional debate. The Member was not expelled. He ultimately lost his appeals and he went to jail.

Later in that same term Abscam broke out. It was a bipartisan problem. We had a distinguished gentleman on our side who was caught in Abscam. For the first time in the history of the House Republican Conference, we expelled a Member for corruption. It was a deep, bitter, emotional moment.

Later that same year, for the first time in American history, we expelled a Member for corruption. Never before had a Member lost the right to serve in this House for corruption. We have expelled Members for acts that were regarded as treason by Yankees, but there had never been an expulsion for corruption, and in 1980 there was, because the Abscam scandal was so large, affected so many Members, was so clear, the evidence on videotape was so overwhelming, that it was unavoidable.

The question tonight is simple. I understand the pride and hard work, and I think that every Member whom I have known who served on the Ethics Committee has worked hard. They have sweated blood over it. It is a terribly, terribly hard thing to do to judge your colleagues.

But I would appeal to every Member of this House, pull out the collection of clippings which are currently available, and ask yourself, are you proud of the current record? Are you comfortable going home and saying, "We're doing great. We have a clear standard, and our Members are inside that standard, and those who get outside get whacked back into the standard."

Look at all the current clippings. Look at the last 6 or 8 weeks of clippings, and ask yourself, "Do I feel good saying to my children and grandchildren, 'That's the kind of Congress America needs. That is the kind of ethical standard America needs.' "

All that I would suggest is that we have proposed the least dangerous step, not any significant change. All we have said is six eminent Americans—three chosen by the Speaker and three by the minority leader—should look at the process of ethics and should look at the current standard of ethics, and should report back to the House so that the House can then decide whether it should take firmer steps, set clearer lines, draw tighter standards, report in a slightly different way to itself. That is all we are saying.

If you are comfortable with the current press coverage, you are comfortable with the current allegations, you are comfortable with the current problems, you should vote no. This is not your amendment. But if you would like to be able to go home someday and tell your children and grandchildren that in the 100th Congress you tried to make sure that eminent and respectable Americans from the outside, our true peers—because this is a House of Representatives, it is not a House of princes of power—our true peers, could look at us and report, then I would hope that you would vote "yes."

Mr. FAZIO. Mr. Chairman, I yield such time as he may consume to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, is the gentleman from Georgia talking about the executive branch or about this branch when he makes those charges?

Mr. FAZIO. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DIXON].

Mr. DIXON. Mr. Chairman, just three things that the former speaker said. I believe that we came to the House at the same time, sworn in in January 1979, so every experience that he had here, I have shared with him.

More importantly, I suggest that the measure and the standard is not what press clippings are saying. No one who is elected to Congress is ever comfortable with the press clippings. That is not the issue around here, if you feel comfortable with press clippings. The issue is whether you feel that there has been a pattern of questionable ethical conduct and that there has been a pattern of corruption. That is what the resolution says. It does not say, "Do you feel comfortable with the press clippings?" So let us keep our eyes on what is occurring here.

This is an idea to generate some more press clippings, and that is not the standard that we should judge this House by.

Mr. WALKER. Mr. Chairman, may I inquire how much time is remaining?

The CHAIRMAN. The gentleman from Pennsylvania [Mr. WALKER] has 10 minutes remaining and the gentleman from California [Mr. FAZIO] has 16 minutes remaining.

Mr. WALKER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I think that the gentleman from Illinois just helped make a point. If this were the executive branch of government that we were talking about and the kinds of things that have been in the press recently, we would not only have a special prosecutor looking into the matter, we would have the matter before a congressional committee, we would probably have formed a select committee to have the matter on television every afternoon, we would be going at it full force, and so on. The fact is that around here the process though when charges are made in this body, it goes behind closed doors too often not to ever be heard of again.

That is exactly the point. We hold one standard for ethical conduct in the executive branch; we hold ourselves to a totally different ethical standard here.

What we are saying is that it is high time to bring some people in and have them say to this House what the proper ethical standard is that we ought to be adopting.

I disagree vehemently with the characterization a little while ago that we are not interested in procedures in how we take this on. That is absolutely wrong. We are interested only in the process, only in the procedures. That is the reason for the formation of the special commission.

Mr. FAZIO. Mr. Chairman, I yield 4 minutes to the gentleman from Florida [Mr. BENNETT], a former chairman of this committee.

Mr. BENNETT. Mr. Chairman, some years ago I was of the opinion, and still am, that there are things that some Members of the Congress have done that ought to be looked at by their peers in Congress to see whether they are proper things to do.

I did not have in mind and Congress did not have in mind that we were going to have a separate judicial system. After all, every Member of Congress is subject, like every other American citizen, to be tried for any crime or any corruption that he may be a party to. He is not exempt from being tried in criminal court for anything that he may do that is contrary to law.

The thing that I tried to bring about was a committee which would look into the gray areas of our performance, things that we probably should not be doing, not criminal matters, but things that were improper in upholding the high standards of this House.

□ 1940

We created a committee and it was perfected by other Members in the subsequent Congress.

I have served twice as chairman of the committee. I think it is a good thing to have such a committee, but I think there is no possible way in which we are going to keep down criticism of this House. There is no way to do that.

There are people who design to throw mud at Members of Congress for the purpose of electing specific people, or because it makes good advertisement for whatever they have in mind doing. And so I myself must say I come up today in opposition to the amendment primarily because I think it is a condemnation of Congress which Congress does not warrant.

This is not a corrupt body. Nobody that has brain one would say that it is. It is not.

That does not mean that we might not have the reputation for being corrupt or incompetent. The press might well make us look that way. But you know it is not true.

I had not prepared myself to talk on this matter, but I really think, and I will conclude on this, I consider myself so fortunate that I have served here now almost 40 years. What a wonderful thing my constituents allowed me to serve in this wonderful institution, the House of Representatives. I am so touched by the fact that they have allowed me to do that.

But this House has never been corrupt while I have been here, never; never been bordering on it. There have been individual people. That is true in the ministry, that is true in the artistry fields, it is true in mechanics, it is true in big business. There are corrupt people in all measures of life.

But as a matter of fact, probably we are the least corrupt of any similar group of 435 people in the United States. Why? Because every 2 years we have to be inspected by people who want to beat us as we come here, and every nuance of our lives is inspected, every foible, every mistake. We are all full of mistakes. Nobody is perfect. There was only one person perfect.

Mr. Chairman, I will conclude by saying may I plead with you, do not condemn Congress as a corrupt body. It would be a lie to do that. This is an honest body. I do not know of anybody that is in this House that is corrupt. There may be some that are. They will follow the course of going through the Ethics Committee. It will be found out.

So I would just say to you think seriously before casting an affirmative vote for an amendment which would condemn this body as being corrupt when as a matter of fact it is one of the finest institutions America has ever brought forth.

Mr. WALKER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, let me say to the gentleman from Florida [Mr. Bennett], there are a lot of fine people that work in the District of Columbia government too, and just last Friday this body in its appropriation bill condemned the District of Columbia government as being corrupt. Are we going to have a different standard for the District of Columbia government than we do here?

The gentleman from California [Mr. Dixon] will indicate that we modified the amendment. We modified the amendment to just refer to individuals. I would tell the gentleman that is exactly, that is exactly what is in this amendment. This amendment does not call the House corrupt, it says there is a pattern of corruption within the House, so that is in fact a very great difference.

The fact is if my colleagues do not believe that there is a pattern of corruption within the House they can feel very comfortable voting against this amendment and I think they should. The fact is that I do not think they will find very many people that would agree.

Mr. FAZIO. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. Dingell].

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Chairman, I have served in this House now for 32 years. Before that my dad served for 23 years. I have never seen an amendment offered in this body which was less representative of the facts.

The gentleman in his amendment charges the House with an ongoing pattern of ethical conduct which he says is deplorable. I want to tell the gentleman about a few things.

I have heard some comments about how the House has no supervisory mechanism. Clearly a Member who would make that kind of a statement has never taken the trouble to inform himself what goes on inside of this body.

Each Member has to submit reports on his campaign expenditures to the Federal Election Commission. A failure to file them, or to file them properly, or to file them truthfully, is a criminal act. They are reviewed by the agency and they are reviewed by every lobbyist in this town. They are reviewed by the Department of Justice and they are reviewed by the executive branch.

Each Member annually must file a statement of his assets, earnings, income, expenditures, and he must do the same thing with regard to his wife and his children.

Every 2 years a Member of this body has to go through an election in which every question affecting his personal and professional conduct is held up to public scrutiny.

Somebody said there is no device where people can review the behavior of a Member. A Member's campaign is the public review of that which he does during his service.

This is an honorable body, it is an honorable body of honorable men. Its behavior is the most public and publicly scrutinized behavior of any group in our society.

I would tell my colleague who is the author of this amendment that I will be waiting outside this Chamber, or I will yield to him inside this Chamber for purposes of his identifying any wrongdoing or any pattern of deplorable ethical conduct if he can lay finger upon it.

Mr. WALKER. Will the gentleman yield?

Mr. DINGELL. I will tell the gentleman that the Ethics Committee is available upstairs. Its chairman is on the floor right now. So if the gentleman is aware of improper behavior, he can identify that improper behavior.

The CHAIRMAN. The Chair would ask the gentleman to suspend so that the Chair might caution the Members that it would not be proper and would be in violation of the rules for any characterization to be made of any individual Member.

Mr. DINGELL. Mr. Chairman, I will convene the press outside so that the gentleman can feel free to identify any wrongdoing of which he is aware.

Let me simply observe to my colleague this: The gentleman from Pennsylvania [Mr. Walker] appears to have evidence of great wrongdoing which he cites in his amendment. I will challenge the gentleman to tell us whether he has scrutinized the behavior, whether he has made any reports to the Attorney General's office, whether he has made any reports of misbehavior to the Ethics Committee, whether he has made any reports of misbehavior to the Federal Elections Commission or any of the other bodies charged with enforcing the law insofar as behavior of Members of the House.

The CHAIRMAN. The Chair will state that the gentleman from Pennsylvania [Mr. Walker] has 8 minutes remaining and the gentleman from California [Mr. Fazio] has 9 minutes remaining.

Mr. WALKER. Mr. Chairman, it is my understanding that we have an agreement we will both use 2 or 3 minutes to close debate and yield back the balance of the time.

Mr. FAZIO. The gentleman is correct.

Mr. WALKER. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, we have had an emotional debate here. I hope Members will go back and read what the resolution says, because what it says is that there is a pattern of questionable ethical conduct within the House and that we in fact deplore that.

Do we want to do less than deplore that which we know is going on?

Before I read to the gentleman a list of things that have already been found by the committee in many instances, the understatement of income on financial disclosure statements, and so on, a very serious matter that the committee itself said would constitute a violation of the rules. We know of hiring of ghost employees, improper use of voting cards, improper use of congressional payroll. Those are things where the committee has found this pattern.

What we are saying is it is time to begin saying flatly that we deplore it. But what we are also saying is that it is difficult for this House in its collegial atmosphere to do something about really reforming ourselves in ways that reflect well on ourselves.

So what we have suggested in the amendment is a special bipartisan commission to be convened to investigate the pattern, not the individual cases, to investigate the pattern and tell us how we ought to reform ourselves to better meet a standard that the public expects of us.

I think that is asking the minimum amount, not the maximum, and for all of the emotion it seems to me what we are really saying here is that we need to clean up our act. That is fine.

To say that this House is a corrupt institution as such, I do not believe that. The Constitution did not establish a corrupt body. But we do in fact have some problems within this body that need to be corrected, and what we are suggesting is it is time to make those corrections.

So I would urge the House to adopt the amendment and say let us correct what has gone wrong.

Mr. FAZIO. Mr. Chairman, I apologize to the gentleman from Pennsylvania, but since our discussing closing debate I have learned that the gentleman from South Carolina [Mr. Spence] wanted to speak.

Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. Spence] and then I will conclude in a minute or two, if that is acceptable to my friend, the gentleman from Pennsylvania.

Mr. SPENCE. Mr. Chairman, I guess I have been a member of the official committee we are talking about longer than anyone on either side. I have served as ranking member under four or five different chairmen. As has been pointed out, it is the only committee we have which is bipartisan.

I wanted to say this about this committee and the ones I have served with over the years, the members and the chairmen, it has been bipartisan, it has not been partisan. I would not have remained on the committee had it been partisan. I hate to see partisanship involved.

The committee has a very difficult job. It has to serve as judge, jury, prosecutor, grand jury, you name it. That is difficult.

We have the problem of protecting the image of this House and also the image of the personalities of this House whose names could be destroyed by leaking the mere fact that they were being talked about before this committee in executive session. We have to operate in executive session.

Many cases which have been talked about have not been decided yet. The jury is still out. I do not know what is going to happen in these matters.

I am proud of our record looking back over the years, Abscam, the Korean cases, cases involving individual Members. There has been a long record, not just these recent cases.

The CHAIRMAN. The time of the gentleman from South Carolina [Mr. Spence] has expired.

Mr. FAZIO. Mr. Chairman, I yield 2 additional minutes to the gentleman from South Carolina.

Mr. SPENCE. Mr. Chairman, I do think that our procedure could be improved upon. We have tried to do it before. There is a way to do it. The leadership could get together, agree on a committee to propose rule changes. We might need two committees instead of one. We have talked about that so that we could divide up the responsibilities, one to act as a grand jury and one as a regular jury.

But this amendment is not the way to do it. This is like saying you are against sin, which we all are, and branding ourselves, and beating ourselves on the chest before the whole world, and then calling in somebody else, who we do not define, to do our job for us.

We need to clean up our own House if we are going to be respected. I want us to be respected. This is not the way to go about it.

☐ 1955

Mr. FAZIO. Mr. Chairman, I have nothing more to add.

Mr. Chairman, I yield back the balance of my time.

Mr. WALKER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. Walker].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 77, noes 297, not voting 59, as follows:

[Roll No. 226]

AYES—77

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bentley
Bereuter
Boulter
Brown (CO)
Coble
Courter
Dannemeyer
DioGuardi
Dreier
Fawell
Fields
Gallo
Gekas
Gingrich
Goodling
Gradison
Grandy
Gregg
Gunderson
Hastert
Hefley
Herger
Hiler
Hunter
Inhofe
Ireland
Johnson (CT)
Kolbe
Konnyu
Kyl
Lagomarsino
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lujan
Lukens, Donald
Mack
Martin (IL)
McCandless
McEwen
McMillan (NC)
Michel
Moorhead
Murphy
Nielson
Oxley
Packard
Rinaldo
Saiki
Saxton
Schaefer
Schulze
Shaw
Shumway
Skeen
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stump
Sweeney
Swindall
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Young (FL)

NOES—297

Ackerman
Akaka
Alexander
Anderson
Andrews
Applegate
Atkins
AuCoin
Badham
Barnard
Bateman
Bates
Beilenson
Bennett
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Bonior (MI)
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clay
Clinger
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crane
Daniel
Darden
Daub
Davis (IL)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallegly
Garcia
Gaydos
Gibbons
Gilman
Glickman
Gonzalez
Gray (IL)
Gray (PA)
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt

Hansen
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hopkins
Horton
Houghton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Madigan
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade

McGrath
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rangel
Ravenel
Regula
Rhodes
Richardson
Ridge
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo

Savage
Sawyer
Scheuer
Schneider
Schroeder
Schuette
Schumer
Sensenbrenner
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tauke
Taylor
Torres
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—59

Annunzio
Anthony
Aspin
Berman
Boner (TN)
Bonker
Brooks
Brown (CA)
Bunning
Burton
Cardin
Clarke
Coats
Crockett
Davis (MI)
Dornan (CA)
Dowdy
Flake
Flippo
Florio

Ford (TN)
Frenzel
Gejdenson
Gephardt
Gordon
Grant
Hochbrueckner
Holloway
Hubbard
Jones (NC)
Kemp
Kennelly
Leland
Livingston
Lungren
Manton
Martin (NY)
Miller (CA)
Miller (OH)
Moody

Murtha
Nagle
Obey
Pepper
Pursell
Rahall
Ray
Roemer
Rogers
Rostenkowski
Smith (FL)
Smith, Robert (OR)
Stratton
Tauzin
Thomas (GA)
Torricelli
Towns
Watkins
Wolpe

☐ 2010

The Clerk announced the following pair:

On this vote:

Mr. Rogers for, with Mr. Torricelli against.

Messrs. STANGELAND, McCOLLUM, and BILIRAKIS changed their votes from "aye" to "no."

Mr. RINALDO changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. CARPER

Mr. CARPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARPER: Page 15, after line 13, insert the following new section:

SEC. 105. Each of the amounts provided under the heading Architect of the Capitol, beginning on line 11, page 12, through line 19, page 14, and on page 21, lines 10 through 16, shall be reduced by 2.8 percent.

Mr. CARPER. Mr. Chairman, this is the first of three amendments that the gentlewoman from Connecticut [Mrs. JOHNSON] and I will offer to this bill.

As I said earlier during the general debate on the legislation, our intent is to decrease or to cut by one-half the increase in spending in this particular appropriation bill. The increase in spending in the overall bill is about 5½ percent. The effect of the adoption of our three amendments in the aggregate would be to cut by one-half the 5½-percent growth in this appropriation bill over 1987 to 2.75 percent.

The first of the three areas I would like to cover is that introduced by this particular amendment, and that is the budget of the Architect of the Capitol. The work of the Architect of the Capitol is important work. We acknowledge as much because in fiscal year 1987, this fiscal year, we have appropriated almost $80 million to the Architect. With that money the Architect provides maintenance on the Capitol structure in which we are gathered tonight, on the Capitol Grounds, on the House office buildings, on the Capitol Power Plant, and the Library building and grounds.

I recognize the importance of the Architect of the Capitol. On the other hand, in a year when we are freezing and cutting many parts of our budget, including many aspects of this particular bill; in a year in which we are limiting the growth of our own legislative offices to roughly 3 percent; in a year when we are talking about limiting the growth of committee funding to about 3 percent, it is difficult for me in my own mind to justify an increase of 10½ percent for the Architect of the Capitol.

This amendment before us tonight provides for 70 percent of that recommended increase. This amendment provides for an increase in 1988 of 7½ percent. That is over two times the increase that each one of us will have to operate our own congressional offices.

This amendment is crafted in a way whereby the Architect may use his discretion to determine where the cuts may be made. For example, I do not know if it make sense for us to spend roughly $200,000 to repaint the dome of the Capitol. I am willing to let the Architect make that decision.

I do not know that it makes sense to spend a little over one-half of a million dollars to install voice fire alarm system and a smoke detection system here in the Capitol and in our House office buildings. I would leave that to the discretion of the Architect.

I do not know that we need to spend $50,000 for new sidewalks on the House side of the Capitol. I would leave to the Architect that decision.

This amendment does not micromanage. It gives to the Architect the discretion for making those fine decisions.

Again this bill before us today calls for a 10½-percent increase in the funding for the Architect, in addition to the $78 million the Architect is already receiving. That is an increase three times that allocated to us as Members of Congress. I believe 10½ percent is too much. If this amendment is adopted, 7.3 percent would be made in order.

Mr. Chairman, I yield back the balance of my time.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Given the rather esoteric nature of the internal makeup of the Architect's budget, I would hope that we could have a relatively short debate on this amendment. I will try to be brief.

I think it is important for the Members to know that we are, first, attempting to direct the Architect's activities. We have seen some criticism of the Architect recently, and I think to a great degree it is warranted. The last thing we ought to be doing at this point is, as the gentleman says he is doing in his amendment, giving the Architect discretion as to where he spends money. I think it is important that we continue to exercise line-item control to indicate where we think funds should be spent.

But I agree that we have to be cautious about spending in this area. In fact, we rejected over $9 million in requests made to us by the Architect and approved over $7 million—that is less than half—with respect to the buildings and grounds aspects of the Architect's budget. Of that amount, over $4 million—$4.7 million, to be exact—is for salaries, cost of living, merit, benefits, the new retirement program, health and life insurance, and related mandatory items. We are only allowing a few essential projects to move forward.

First of all, we are allowing smoke detectors and fire alarms in Cannon, Rayburn, and the Capitol. Second, we are continuing the Longworth fire safety program and improving our electrical and telephone wiring.

We have also allowed funding to complete the energy conservation program, which we are told will save us millions of dollars in energy costs. We have funded the repair of our coal furnaces at the powerplant, and we are repainting the Capitol dome. That is something that needs to be done, something that we thought should be done in light of the 200th birthday of the Constitution and the convening of the first Congress.

We are trying to keep the Capitol and office buildings in decent shape, but this budget does not allow even for inflation in many areas such as paint and soap and even toilet paper. We are not allowing any increase for annual maintenance.

This amendment will—and I want to underscore this—will cause further deterioration to the physical plant. We are allowing some anyway, but this will cause further deterioration and perhaps subject the public, our staff, and our guests to danger from fire and other types of potential catastrophe.

Mr. Chairman, I urge the Members to defeat this amendment.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I urge my colleagues to support this amendment as well. These are difficult times, and we have to take seriously increasing a budget 10 percent. We ought to consider this modest proposal that will allow a 70-percent funding of a function that allows many discretionary items.

I appreciate the comments of the chairman of the committee in regard to all of the projects that he and his committee denied the Architect of the Capitol the resources to accomplish. Nonetheless, there are many discretionary expenditures in this proposal which could be modified and deferred to another year and thereby enable the House to take upon itself the responsibility to reduce the rate of growth of spending and thereby to achieve a deficit reduction goal that many of us share.

☐ 2025

We cannot reduce the deficit, particularly with new taxes, if the new taxes are not coupled to expenditure reductions.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield to the gentlewoman from Louisiana.

Mrs. BOGGS. Mr. Chairman, I thank the gentlewoman for yielding.

The gentlewoman, of course, is making a good statement about taxes and budget deficit reduction; but the gentlewoman has also made a statement about discretionary funding for certain items.

I think that the gentlewoman does not understand that each of these items was examined in very, very specific ways by the members of the committee; and there is no way that we can cut when we are trying to put in fire safety.

There is no way that we can cut when we are putting in new telephone wiring that will save us a great deal of money in the long run.

There is no way that we can possibly avoid taking care of the coal furnaces and the coal powerplant. If the gentlewoman would specify some area which the gentlewoman has examined which the gentlewoman thinks that moneys could be cut, certainly this committee would be happy to hear them.

I know of no items that the gentlewoman from Connecticut and the gentleman from Delaware [Mr. CARPER] are suggesting that are discretionary at all.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I recognize the care with which this committee made their decisions, and the long-range implications of, for instance, voice fire alarm systems.

We have lived in these buildings for decades, and we can do without voice fire alarm systems for another year or two years, if necessary.

We are not recommending that this budget have no increase, but we are recommending that a 10-percent increase be reduced to 7 percent.

I personally am very strongly opposed to the $150,000 study about whether we ought to have more elevators in the Cannon and Longworth Buildings, because even if we come to the conclusion that we need more elevators, they are enormously expensive to install; and with a $200 billion deficit, I would oppose it, so I am not saying that there are wasteful projects on the whole in this budget.

I agree that in the long run fire alarm projects are worthy, but what I am saying is that if we, the Congress, reduces the rate of increase in every budget by one-half, we will be able to propose to the American people $18 billion in real cuts without asset sales, to be coupled with $18 billion in revenues, to accomplish $36 billion in deficit reduction.

Since our economic future depends on that deficit reduction, I think it is mightly important, and this is the kind of modest reduction of conservative action that must be taken, if we are going to accomplish that long-term goal. It is not a body blow to the maintenance of the Cannon and Longworth Buildings and the Rayburn Building.

It is painful in the sense that we cannot do some things which are nice and necessary, but the larger issue of coupling revenue increases with expenditure reductions is so important to the discipline of this body, to our presence, to the respect with which the international community views us. Remember, we are the ones in the International Monetary Fund that are requiring that every debtor nation in the world take serious steps, and so we have got to demonstrate that we have the discipline to control the rate of spending growth, and couple that with revenue policies.

The CHAIRMAN. The time of the gentlewoman from Connecticut [Mrs. JOHNSON] has expired.

(On request of Mr. TAUKE, and by unanimous consent, Mrs. JOHNSON of Connecticut was allowed to proceed for 3 additional minutes.)

Mr. TAUKE. Mr. Chairman, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. Mr. Chairman, I yield to the gentleman from Iowa.

Mr. TAUKE. Mr. Chairman, I thank the gentlewoman for yielding.

First, I want to commend the gentleman from Delaware [Mr. CARPER] and the gentlewoman from Connecticut [Mrs. JOHNSON] for this amendment.

Let me clarify a couple of things. First, this amendment does not call for a freeze in spending, does it?

Mrs. JOHNSON of Connecticut. No.

Mr. TAUKE. It does not call for a cut in spending, does it?

Mrs. JOHNSON of Connecticut. No; it does not.

Mr. TAUKE. It calls for a 7.3-percent increase in spending over last year?

Mrs. JOHNSON of Connecticut. Correct.

Mr. TAUKE. This is less than over a 10-percent increase called for by the members of the Committee on Appropriations in the account for the Architect of the Capitol, is that correct?

Mrs. JOHNSON of Connecticut. That is correct.

Mr. TAUKE. I might just say, Mr. Chairman, in my humble view, that the Architect of the Capitol is not doing such a wonderful job in the delivery of services, so we ought to throw more money at that particular office, but perhaps that really is beside the point, because we are talking about here whether or not this account can get by for a year with only a 7.3-percent increase in spending.

Mr. Chairman, if the gentlewoman will yield further, as you know, we have been offering on a bipartisan basis a number of amendments to cut spending across the board.

Now, this amendment is part of three specific amendments which if adopted would negate the necessity for an across-the-board reduction. Is that correct?

Mrs. JOHNSON of Connecticut. That is correct.

Mr. TAUKE. So if Members want to avoid the across-the-board reduction to bring this appropriations level down, then what they should do is support the specific reductions that are contained in this amendment and the two that will follow.

This amendment calls for limiting the increase to only 7.3 percent.

Mrs. JOHNSON of Connecticut. That is correct.

Mr. TAUKE. Mr. Chairman, I thank the gentlewoman.

Mr. LEWIS of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise reluctantly to oppose this amendment.

Frankly, I have a great appreciation for the work that is being done by the gentleman and the gentlewoman involved in the review of this subcommittee's work. Indeed, this has been a tough year for us as well. In the category we are dealing with here, we did appropriate some $7 million, not quite that, but close to $7 million under the request of the Architect.

We too, share in the endless complaints about the work of the Architect. We, too, share in the complaints about the way your offices are being cared for.

We, too, are concerned about the grounds of the place and, indeed, I am very concerned about the length of time that has gone by when we failed to put in appropriate wiring and fire control devices in buildings like the Longworth Building.

Indeed, it is time to get tough; but frankly, in this category, generally with the Architect this year and in our subcommittee bill, we have been tough.

I would suggest once again that we should be reminded that our expenditures are easy to target. It is very easy to say, "Let's put it off until tomorrow."

In this case, I urge the House to recognize that the subcommittee has tried to do its work. Indeed, we have drawn a line that reflects that which we think is of the greatest need in terms of the Architect's reponsibilities.

Mr. FAZIO. Mr. Chairman, will my friend yield?

Mr. LEWIS of California. I am happy to yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I appreciate the gentleman yielding.

I would like to reminded the Members that we brought a freeze budget out last year. The fact that a lot of these architectural improvements are deferrals from prior years is the result of the fact that we had brought out tight budgets year after year. We have rejected more than half of the requests made by the Architect this year. Some of these seem to be beyond the point where it would be responsible for us to defer them still another year, particularly in light of the birthday of the Congress. We thought after a decade we needed to have the dome painted, for example.

We still have PCB's in some of our transformers. We did not add additional funds for this project because we are not satisfied that the Architect yet has a plan to carry out that clean up, but they must be cleaned up and next year I hope we can include the funds that will allow us to be safe from that problem, all of us, tourists as well as those who work here.

We have many problems in this building and the other House buildings that go straight to the maintenance funds that are being attacked by this amendment. This amendment has been described as allowing the Architect to make decisions about where he spends the money.

Although I will insist the architect receive the approval of the Committee in deciding on how to allocate this reduction, I agree with the criticism. The gentleman from Iowa [Mr. TAUKE] indicated that earlier. I would make sure, though, that we direct exactly where these dollars should be spent and not give him the additional discretion.

Mr. LEWIS of California. I mentioned, Mr. Chairman, that in this category in dealing with the Architect's budget, the subcommittee cut the architectural requests in total across the board some $18.8 million. We have been very tough on the Architect.

I must say that within our subcommittee we battled and eventually came to a compromise.

I appreciate the gentlewomen's position here.

Mrs. JOHNSON of Connecticut. Mr. Chairman, will the gentleman yield?

Mr. LEWIS of California. I yield to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. Mr. Chairman, the point has been made a number of times that the gentleman believes the Architect needs the direction of line items control and that our amendment would cut his budget too broadly.

I would just remind the gentleman that in conference and at other times we have the power to realign those cuts and make them more specific as we choose.

Mr. FAZIO. Mr. Chairman, will the gentleman yield on that point?

Mr. LEWIS of California. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, we will not have the ability in conference to deal with House items. We make final decisions right here on the floor. There is no further improvement that could be made, because the Senate will not adjust the funding for House office buildings.

Mrs. JOHNSON of Connecticut. My mistake, Mr. Chairman. I withdraw that comment.

Mr. LEWIS of California. That is OK, the gentlewoman looks good.

Mrs. JOHNSON of Connecticut. But I would add that it is trusting the Architect with only very little authority to give him this small measure of discretion.

Mr. SHAW. Mr. Chairman, I move to strike the requisite number of words. I rise in support of the amendment.

Mr. Chairman, I would like to compliment the chairman and the ranking member of the Appropriations Committee for cutting the Architect's request down substantially.

You know, tonight if we were looking here for a modest increase to buy some scrubbing brushes and brooms, I think all of us who have to live in these filthy buildings would support it. Even the front of the Capitol does not get hosed down on weekends, it looks like. There is always mud on the steps and the place really looks rotten; but I would suggest that if you look carefully at that budget that you are going to find that it is not more cleaning people. It is not more scrubbing brushes and it is not more brooms that is causing the increase.

I think we need only to look out the front door, where I understand we spent $400,000 on flower pots. Look at the west side of the Capitol, if we want to take the word of the Architect.

Now, it is very nice to find that the Architect is right now coming in $27 million below the budget on the West Front reconstruction of the Capitol, but I would like to remind this committee that it was the Architect who came in with such a bloated figure and he came in with only one thing in mind, and that is so we could create an extension on the Capitol, which we soundly defeated and went ahead with the reconstruction.

We in the Congress have to depend upon the people in the administration and the Architect, as they are in management and they are in a better position to make judgments; but we also must remember the history. In this situation, history tells us that the Architect comes in with a very large budget, which I am not sure he even believes himself.

While I am on this matter, I would like to ask either the ranking member or the chairman of the committee exactly what will happen to the funds that are saved on the reconstruction of the west front of the Capitol. Will they come back to the Treasury or will they go to other projects on the Capitol grounds?

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I am glad to yield to my friend, the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the position the gentleman is taking. I would remind the gentleman that the Architect does serve at the pleasure of the President of the United States.

I have had some serious questions about some of the ways the money has been administered within the responsibility of the Architect. That is why we have been so tough on him in this bill.

But remember, this is our house. For God's sake, I hope we will recognize that our house is not in very good shape. Indeed, unless we get a handle on the way we are caring for the place, the way we are securing the place, the way we are protecting it in terms of fire, we could be in deep trouble. I do not want to be in the position of saying, "I told you so," after the fact.

Mr. SHAW. Well, Mr. Chairman, if I might reclaim my time, I do have a question that is out there that perhaps someone could answer.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I am happy to yield to the gentleman from California.

Mr. FAZIO. Well, Mr. Chairman, it would remain available until expended and there is nothing else that it could be spent on unless approved by the Congress.

Mr. SHAW. Nothing else, except the reconstruction on the west front?

Mr. FAZIO. That is correct.

Mr. SHAW. So he cannot recycle the money and go buy another piece of property over on one side of the Capitol or the other?

Mr. FAZIO. Not with the Architect avoiding coming to Congress. If we were to appropriately agree to some other allocation in a normal legal manner under our regular procedures, then yes; but otherwise, no.

Mr. SHAW. Mr. Chairman, I thank the gentleman for that information.

Mr. Chairman, just in closing, I would like to say that I agree with both gentlemen from California. This is our House. This is a symbol of democracy for the country and we should not cut short, but that does not mean we should not watch the Architect and watch expenditures, because I think that is very important.

I would like to commend both gentlemen for the work they do, even though I am going to vote to cut it further. I think the work they have done on this particular amendment and this particular bill is commendable.

□ 2040

Mr. TRAXLER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, without going into the merits of the amendment, just let me correct some misimpressions. I would not want everyone to go away thinking that a gentleman who holds one of the most distinguished positions in America as far as architects are concerned is an incompetent. The committee chairman and the ranking minority member have explained some of the differences and the reservations that they may have about certain aspects of his job performance. It would be totally inappropriate in my judgment to leave Members with the view that the current Architect is without virtue and competency, because he indeed is.

Look, the west front was a decision that was made by this body. The Architect had a different recommendation. This body rejected that and the Senate rejected it, and we decided to proceed with the renovation project.

No one has any plans for the west front. There is no way of knowing—there was no way of knowing at the moment that this body and the Senate approved the renovation funds as to what those final costs would be. We had no way of knowing. That appropriation was the best educated guess that the finest engineering consultants could give us. There was not an overplenishment there, simply an honest and let me say good-fortune error, a misjudgment that no one could have made any differently. If there was an error, it was on the side of prudence, because that wall out there is 2 feet thick and it is some 200 years old in places.

Mr. SHAW. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I am delighted to yield to the gentleman from Florida.

Mr. SHAW. Mr. Chairman, I would like to remind the gentleman that the experts were telling us around $47 million. The Architect told us that it was going to cost $69 million, so he would have come in triple of where we are.

I do not mean to beat up on the Architect. He has fine credentials. He was high in his professional organization before he came here. But I am saying when you are talking about dollars, you have to watch him.

Mr. TRAXLER. Would the gentleman also agree that the Architect cannot buy property, that only the Congress through statute and appropriated funds can do that?

Mr. SHAW. I thought so, until he bought a piece of property across from the Democrat club a couple of years ago.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from Ohio.

Mr. PEASE. Mr. Chairman, I do not want to get onto tangential matters, but when you are talking about the competence of the Architect, no one wants to charge him with incompetence. But I ask, is the Architect responsible for the deplorable maintenance of the building of the U.S. Congress?

Mr. TRAXLER. In my judgment the Architect has the responsibility for maintaining the buildings in the appropriate fashion, and the committee, both the chairman and the ranking minority member, have brought that to his attention. They have done a commendable job in that regard. Some of the moneys that are involved in this are maintenance funds as well.

Mr. PEASE. If the gentleman will yield further, I find it hard to vote for an increase in the funds for the Architect of the Capitol when one has to be literally ashamed to bring constituents into our office buildings and our Capitol.

Mr. TRAXLER. Is the gentleman suggesting that the way that you clean up the area is to cut the Architect's budget?

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I yield to the gentleman from California.

Mr. FAZIO. I thank the gentleman for yielding.

Mr. Chairman, I think that the gentleman brings up an important point. I have been quoted in very critical terms about the Architect's operation and cleaning up, particularly the Speakers' lobby and other areas on the House side.

In this bill, section 308 requires a study of the role of the Architect as well as the House officers as to their responsibilities. With GAO's involvement, we will sort this out and hopefully have a better job of keeping the buildings clean in a more accountable way, and one that may even save some money. But I would urge the gentleman not to take his frustrations out on this bill and this budget.

Mrs. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. TRAXLER. I am pleased to yield to the distinguished gentlewoman, a member of the committee.

Mrs. BOGGS. I thank the gentleman for yielding.

Mr. Chairman, I would like to join my remarks with those of the gentleman in the well, to praise the Architect of the Capitol for the good work that he has done in the most proficient manner in which he is so well schooled.

The extension of the west front is certainly one of the areas in which we should be very proud. The renovation and restoration of the Library of Congress building is another area of which we should be very proud. And the replenishment of the statue, the Bartholdi statue, which was accomplished in house at a very small amount compared to the estimates that had been received from outside sources is something of which we should all be very proud.

So I thank the gentleman for pointing out the good aspects and the splendid architectural reputation of the Architect of the Capitol.

Mr. TRAXLER. I thank the gentlewoman for her remarks, and I am in complete agreement with them.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware [Mr. CARPER].

The question was taken; and the chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. CARPER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 214, noes 161, not voting 58, as follows:

[Roll No. 227]

AYES—214

Andrews
Archer
Armey
AuCoin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Bennett
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Byron
Callahan
Campbell
Carper
Chandler
Cheney
Clinger
Coats
Coble
Coleman (MO)
Combest
Conte
Cooper
Courter
Craig
Crane
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
DeLay
DeWine
Dicks
DioGuardi
Dorgan (ND)
Dreier
Duncan
Dyson
Eckart
Edwards (OK)
Emerson
English
Erdreich
Fawell
Feighan
Fields
Fish
Gallegly
Gallo
Gekas
Gilman
Gingrich
Glickman
Goodling
Gradison
Grandy
Gray (PA)
Gregg
Guarini

Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Hefner
Henry
Herger
Hiler
Hopkins
Horton
Houghton
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Kanjorski
Kasich
Kennedy
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Lent
Lewis (FL)
Lightfoot
Lloyd
Lott
Lujan
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Martin (IL)
McCandless
McCollum
McCurdy
McEwen
McGrath
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Michel
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison (WA)
Neal
Nichols
Nielson
Olin
Oxley
Packard
Parris

Pashayan
Patterson
Pease
Penny
Petri
Price (NC)
Ravenel
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roth
Roukema
Rowland (CT)
Rowland (GA)
Saiki
Sawyer
Saxton
Schaefer
Schneider
Schroeder
Schuette
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sisisky
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Spence
Spratt
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Upton
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Weber
Weldon
Whittaker
Wolf
Wortley
Wyden
Wylie
Yatron
Young (FL)

NOES—161

Ackerman
Akaka
Alexander
Anderson
Applegate
Atkins
Badham
Beilenson
Bevill
Biaggi
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Bruce
Bryant
Bustamante
Carr
Chapman
Chappell
Clay
Coelho
Coleman (TX)
Collins
Conyers
Coughlin
Coyne
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dingell
Dixon
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Edwards (CA)
Espy
Evans
Fascell
Fazio
Foglietta
Foley
Ford (MI)
Frank

Frost
Garcia
Gaydos
Gibbons
Gonzalez
Gray (IL)
Green
Hall (OH)
Hatcher
Hayes (IL)
Hayes (LA)
Hertel
Howard
Hoyer
Jeffords
Jones (TN)
Jontz
Kaptur
Kastenmeier
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Leath (TX)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lowery (CA)
Lowry (WA)
Luken, Thomas
Markey
Marlenee
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDade
McHugh
Mica
Mineta
Moakley
Mollohan
Morrison (CT)
Mrazek
Murphy
Myers
Natcher
Nelson

Nowak
Oakar
Oberstar
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pelosi
Perkins
Pickett
Pickle
Porter
Price (IL)
Quillen
Rangel
Regula
Richardson
Rodino
Roe
Rose
Roybal
Russo
Sabo
Savage
Scheuer
Schulze
Schumer
Sikorski
Skaggs
Skeen
Smith (IA)
Solarz
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Synar
Torres
Traficant
Traxler
Udall
Vento
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Yates
Young (AK)

NOT VOTING—58

Annunzio
Anthony
Aspin
Berman
Boner (TN)
Brooks
Brown (CA)
Bunning
Burton
Cardin
Clarke
Crockett
Davis (MI)
Dornan (CA)
Dowdy
Flake
Flippo
Florio
Ford (TN)
Frenzel

Gejdenson
Gephardt
Gordon
Grant
Hawkins
Hochbrueckner
Holloway
Hubbard
Jones (NC)
Kemp
Kennelly
Leland
Livingston
Manton
Martin (NY)
Miller (CA)
Miller (OH)
Moody
Murtha
Nagle

Obey
Pepper
Pursell
Rahall
Ray
Rhodes
Roemer
Rogers
Rostenkowski
Smith (FL)
Smith, Robert (OR)
Stratton
Swift
Tauzin
Torricelli
Towns
Watkins
Wolpe

□ 2050

The Clerk announced the following pairs:

On this vote:

Mr. Frenzel for, with Mr. Hawkins against.

Mr. Holloway for, with Mr. Leland against.

Mr. PORTER changed his vote from "aye" to "no."

Messrs. DUNCAN, WALGREN, OLIN, DICKS, and HEFNER changed their votes from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any other amendments to the bill not precluded by clause 2 (a) or (c) of rule XXI?

AMENDMENT OFFERED BY MR. SHAW

Mr. SHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SHAW: Page 3, line 23, after "Members", insert the following: "(including expenses of printing of extraneous matter inserted in the portion of the Congressional Record entitled "Extensions of Remarks" for which a cost estimate of the Public Printer is required (other than printing done under general leave requested by the floor manager of a measure))".

□ 2105

Mr. FAZIO. Mr. Chairman, I reserve a point of order against the amendment.

Mr. SHAW. Mr. Chairman, I shall not take my 5 minutes. The amendment that I offer clarifies a certain portion of the code, it clarifies that Members may pay for the printing of extraneous matters printed in the CONGRESSIONAL RECORD from their own office expense accounts. It does not mandate that Members pay for this printing.

Mr. Chairman, the current exemptions are retained. What I am speaking of, and what this amendment is, it purely goes to the printing of extraneous matters into the CONGRESSIONAL RECORD.

As all the Members know, we have paid tens of thousands of dollars on many, many occasions for the printing in the CONGRESSIONAL RECORD of accounts and extraneous material, none of which happened here in the House and none of which is the original work of the Member proposing the matter to be included in the RECORD.

The CONGRESSIONAL RECORD itself costs the taxpayers $500 per page.

I firmly believe that if any Member wants a long list of stuff put in the CONGRESSIONAL RECORD exceeding two full pages, that he should do so and do so by paying it out of his own office account, not paying for it out of the funds that are available to all the Members of Congress.

Out of comity we have in many occasions not taken objection. However, I believe that we are going to find that more and more objection is going to be made to the payment of the price for the material that is put in the RECORD and therefore this gives the Member an alternative to pay for it out of his own private funds.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, should the point of order not be sustained, I would offer an amendment to the amendment of the gentleman which would provide further that estimates of the cost of printing extraneous material in the CONGRESSIONAL RECORD shall cover only the actual incremental costs of such printing.

Now there has been some discussion about my offering of the collection of the Boland amendment debates over a 5-year period and the method of reporting the estimates of the cost of that is totally erroneous. The actual cost, for example, is only $10,700, although under the present system of taking the annual operating cost and prorating that, in effect, by days, it presents to the Congress and to the American people an erroneous impression. I think it is time for Members of Congress and the American people to get the exact cost of added extraneous material to be published in the CONGRESSIONAL RECORD and it is my intention to offer this amendment to the amendment of the gentleman in the event it is not held subject to a point of order.

Mr. SHAW. Mr. Chairman, I yield back the balance of my time.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California [Mr. FAZIO] intend to press his point of order?

Mr. FAZIO. Yes, Mr. Chairman, I do.

The CHAIRMAN. The gentleman will state the basis for his point of order.

Mr. FAZIO. Mr. Chairman, I make a point of order against the amendment because it provides an appropriation for an unauthorized program and therefore violates clause 2 of rule XXI. Clause 2 of rule XXI states in pertinent part, "No appropriations shall be reported in any general appropriation bill or be in order as an amendment thereto for any expenditure not previously authorized by law." And there is no authorization for this way of funding our printing.

The amendment therefore violates clause 2 of rule XXI and I ask for the Chair's ruling.

The CHAIRMAN. Does the gentleman from Florida [Mr. SHAW] wish to be heard on the point of order?

Mr. SHAW. Mr. Chairman, I would concede the point of order and would ask unanimous consent to withdraw the amendment.

Mr. Chairman, I would like to say that I hope the Committee on House Administration would look into this matter. I think it is something of great importance and I think it also would come up with great savings in printing should the Members have to, in most cases, come up with the money out of their own House accounts. I, therefore, would suggest they would not spend that money.

Mr. ALEXANDER. Mr. Chairman, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. I thank the gentleman for yielding.

Mr. Chairman, would the gentleman like to see a reform of the present system so that the actual added cost of publication of inserted extraneous material should be reported?

Mr. SHAW. I think it should be done on a very exact basis, particularly if it is coming out of the individual House account.

The gentleman from Arkansas has obviously looked into the matter and has a different opinion than the existing rules of the House.

Mr. ALEXANDER. Under the rules, of course, that is optional that Members may take the printing out of their own account or they may have it paid for under the regular account. But I agree with the gentleman that a different method of estimating the cost of printing should be reformed because under the present system it causes a great deal of confusion.

Mr. SHAW. I would say to the gentleman when we are talking about taxpayers' dollars, we ought to be as exact as we possibly can be.

Mr. ALEXANDER. Mr. Chairman, the question of the cost of inserting extraneous material for publication in the CONGRESSIONAL RECORD is an important one, I support the idea of reforming cost estimates regarding insertions of extraneous material into the RECORD. The estimates should cover only the actual incremental cost of such printing. I offer the amendment: "To provide that estimates of cost of printing extraneous material in the CONGRESSIONAL RECORD shall include only the actual incremental cost of such printing."

There has been great confusion about cost estimates of inserting material into the RECORD. For example, my recent insertion of the Boland amendment collection was originally estimated at $197,382, but the true added printing costs of the insertion's material turned out to be $10,400. I have explained my reasons for the insertion in my remarks made while introducing the Boland collection on June 15, but here I will focus on the question of cost estimates.

It is a disservice to Members of Congress and to the American people to continue the current procedure of estimates. This problem would be solved if the practice is reformed to cover only the actual incremental cost of printing extraneous material.

Currently, the figures are based on fixed, annual estimated operating costs prorated over an entire year. Government Printing Office officials have said they would have been working anyway during the time they printed the Boland amendment collection.

The cost estimate of the collection's cost was partly based on the erroneous notion that there would be substantial typsetting costs. In reality, the pages were electronically retrieved from previous copies of the RECORD, and there were no typsetting costs incurred in doing that. On that score alone, the estimate was off by roughly $24,000.

The GPO Public Printer has said in a letter to me that "since this material had been printed before, we were able to save the cost of keyboarding those 402 pages" that were inserted. "The actual added cost," the GPO Printer said, "of paper for the 402 pages which appeared in the daily CONGRESSIONAL RECORD is approximately $10,400."

Reform of the method of assigning cost estimates is essential to avoid confusing the public in the future. In the case of the Boland amendment collection, some of the discussion of my action focused on the question of the inflated cost estimate. Most thoughtful Americans would have preferred that the discussion focus on the substance of my decision: My effort to make it possible for the American people to judge the credibility and legality of the President's defense that the Boland amendment does not apply to him or to the National Security Council.

Many analysts of American public affairs endorsed the insertion even before it was established that the initial reports of the $197,000 figure is misleading. The Washington Post, for example, contended in an editorial that the original estimate "is said by some to be high and likely to be recalculated downward. But even if the original figure holds, we think it's as wise an expenditure of funds of the CONGRESSIONAL RECORD as we've heard of in some time. The volume will be an invaluable source book in the angry debate over the genesis and development of United States-Nicaragua policy, a debate that could surely profit from the introduction of more facts and better history."

In another example of favorable commentary on the collection, the Arkansas Gazette said that administration apologists "will bash United States Representative BILL ALEXANDER to their heart's content" over the insertion, but "what they clearly don't want to recognize is the finding of researchers at the Library of Congress, who compiled the 3½-year history of debate over Contra aid, that the Boland amendment does indeed apply to President Reagan and his National Security Council."

The Boland collection will be a valuable contribution to the study of American constitutional law. For example, University of Arkansas Law Prof. Rodney A. Smolla wrote me a letter saying, "The criticism you have received in some quarters based on the printing cost is utterly frivolous. It is a small price to pay for facilitating an informed and intelligent debate over one of the most important policy and constitutional issues of the decade * * *. Your action was a credit to our State."

In the end, my efforts on this issue has won considerable approval from many people in Arkansas, after some initial confusion caused by the focus on inflated cost estimates. I would hope that my colleagues and people throughout the country will come to understand the facts about the cost estimates. However, it is sad that a substantial portion of the original debate focused on the distracting issue of cost. Many people who read the original national press reports may never take the time to focus on the true issue: the legislative intent of Congress in passing the Boland amendment.

Mr. Chairman, if we could reform the cost estimates involved in insertions into the CONGRESSIONAL RECORD, we would no longer suffer from confusion such as we had after the Boland collection. In the era of the Iran-Contra scandals, we have had enough misinformation about the great public issues facing the Nation. We should not confuse the American people further by continuing a practice that gives them erroneous information about what it costs to provide them with a historic debate concerning our system of law and our Constitution.

The CHAIRMAN (Mr. HUGHES). The Chair wishes to advise the committee that the gentleman from Florida [Mr. SHAW] has conceded the point of order and has asked unanimous consent to withdraw the amendment.

Is there objection to the request of the gentleman from Florida?

There was no objection.

The CHAIRMAN. Are there other amendments to the bill not precluded by clauses 2 (a) or (c) of rule XXI?

AMENDMENT OFFERED BY MR. CARPER

Mr. CARPER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CARPER: Page 25, line 10, strike "$334,777,000" and insert "$327,636,000".

Mr. CARPER. I thank the chairman.

Mr. Chairman, this is the second of three amendments the gentlewoman from Connecticut [Mrs. JOHNSON] and I will be offering this evening. This one effects the budget of the General Accounting Office. In 1987, we will have appropriated $311 million to the General Accounting Office. I will say that again: This year we have appropriated $311 million to the General Accounting Office.

I realize there are some Members of this body who are not particularly appreciative or fond of the job the General Accounting Office does for us and for our country. For those who may feel that way, I beg to differ. I personally believe the GAO does a good job. We ask much of them and I think they generally respond with a solid effort.

Last Friday I spoke with the Comptroller General, Mr. Bowsher, and explained to him what I am trying to do. While he objected to this specific amendment, he certainly acknowledged the need for reducing the deficit. To the extent that we could do it on the spending side, I believe it is fair to say he gave that his blessing. He told me that thanks to the work of the General Accounting Office over the last year that over $15 billion of taxpayers' money will have been saved. That is a substantial saving, nothing that we want to sniff at.

If we accept that savings as a fact, it means that the over 5,000 employees of the General Accounting Office have contributed a very substantial way toward reducing our deficit. With that in mind I do not believe it makes sense to reward that kind of effort by cutting the budget of that agency. The Appropriations Committee does not propose to cut the budget of GAO in 1988.

The Appropriations Committee has proposed roughly 8-percent increase in the budget of GAO. The amendment Mrs. JOHNSON and I will be offering here today also provides an increase in the budget of GAO, an increase equal to 70 percent, 70 percent of that recommended by the committee itself.

The increase that is made possible by this amendment is an increase of 5½ percent in 1988 over 1987 appropriations. If this amendment is approved, GAO will still receive the $311 million. In addition to that they will receive almost another $20 million, a 5.5-percent increase; not a 7.5, not an 8-percent increase as envisioned by this committee, but a substantial increase nonetheless.

I might say in conclusion, colleagues, 5½ percent is two times the increase that you and I will have to fund the operation of each of our individual congressional offices next year. Five and a half percent increase is two times the increase that we will have to make our committees function properly throughout 1988. Again, this is not a cut, this is an increase. This is not an increase of 8 percent, this is an increase of roughly 5.5 percent.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr CARPER. I would be happy to yield to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. I thank the gentleman for yielding.

Mr. Chairman, unless I am mistaken in the last amendment that the gentleman carried having to do with the Architect of the Capitol, he decreased his percentage of increase provided by the subcommittee from 10.4 to 7.3 percent. The gentleman indicates GAO's increase is 7.6 percent. The cut of the gentleman obviously would cause GAO's adjustment to be considerably below that of the Architect of the Capitol. Frankly, I enjoyed the gentleman's concern and I do share the gentleman's concern about the Architect. But the GAO does a very fine job for the House.

I think most Members think their work is a credit to the House.

Mr. CARPER. Reclaiming my time, I too believe that GAO's work is a credit to the House. The question is not are we going to be cutting them? The question is not how much of a cut? The question is how much of an increase.

I suggest a 7.5-percent or 8-percent increase when we have a deficit of the magnitude we do may be a bit steep. I am hopeful that the House will see fit to provide an increase, but an increase of 5.5 percent for GAO in 1988.

Mr. LEWIS of California. The gentleman must be aware, we did cut GAO's request by some $44 million.

Mr. CARPER. Yes, I am.

Mr. Chairman, I yield back the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I move to strike the last word. I rise in support of this amendment. I will be very brief, because I understand my colleagues' concern about the lateness of the hour.

This amendment must be seen in the context we just passed, of that amendment and the one to come. Together they will make the very modest reductions in this section of the budget which, when combined with equally modest actions in other sections, will enable us to provide genuine spending reductions which, coupled with revenue increases, will achieve the deficit reduction goal that so many of us have supported, of $36 billion.

Mr. Chairman, I urge my colleagues to support the Carper-Johnson amendment.

Mr. FAZIO. Mr. Chairman, I move to strike the requisite number of words and I rise in opposition to the amendment.

Mr. Chairman, very briefly I want to make very clear that this committee has provided that $23 million increase in the face of requests for over $70 million. We did so because in looking very closely at the details of the GAO budget, we concluded they had some extraordinary expenditures that could not be ignored.

For example, they have $4.7 million in increased office rental to the General Services Administration. There is no way they can ignore that. They are under a requirement to pay it; no flexibility.

We have a new retirement system. I have said this earlier. It is important for the Members to realize that Treasury is no longer providing for our overall retirement payments. Each agency is having to match contributions of their employees under the FERS system.

So we have a sizable amount of money that has to be provided for pay, retirement, and other kinds of cost of living-related items. They are fixed, related to the number of employees on the job.

This agency has increased responsibilities under Gramm-Rudman. We all rely on it more in times of deficit spending to find more waste and other opportunities to make savings.

I would simply conclude by saying that this is a reasonable increase. It is a little bit more than most other agencies get and therefore it has been singled out by Mrs. JOHNSON and Mr. CARPER.

But this overall budget is very tight. We have allowed increases of this magnitude only when warranted on the detailed justification.

We did not bring a bill to the floor so that it could be cut for cosmetic or symbolic reasons.

Mr. Chairman, I urge a "no" vote on this amendment and support for the committee which has kept faith with the Members.

Mr. DINGELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the savings of this amendment will be far less to the Government and the people of the United States than the cost of its adoption.

Let us take a look at what it is that the General Accounting Office does. It performs audits of expenditures in the Government. It performs the duty of advising the Government of the economic conditions and how well the country is going to comply with the original goals under Gramm-Rudman, a very important function.

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It performs performance audits on the behavior of Federal agencies. It provides opinions with regard to what is being done by Federal agencies, whether it is efficient, whether it is a proper expenditure of money in conformity with law. It makes determinations as to whether expenditures of public money are in accordance with law and whether those expenditures are in accordance with the appropriation acts of this Congress. It gives judgment to congressional committees about the behavior of Federal agencies in carrying out the laws. It also performs audits on expenditures. It ferrets out waste, fraud, and abuse.

The cuts here, because of the way the law works, will go through and not impair the extraordinary expenditures that are required by law and with which the appropriation is expected to deal by increasing funds so that the functioning of the agency will be unimpaired.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I am delighted to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I would like to associate myself with the gentleman's remarks.

Indeed our report would indicate the savings and collections as a result of GAO's work amounted in the 1986 year to some $18 billion. To cut the Architect because many are unhappy with the work is one thing, but to reduce this agency way below the percentage that is given to the Architect seems to me to belie the purpose for which the legislative branch is appropriating funds in the first place.

Mr. Chairman, I appreciate the gentleman's comments.

Mr. DINGELL. Mr. Chairman, the gentleman has said it better than I could say it. We cut this and we are forfeiting a chance to retrieve some additional portions of the $18 billion which we will need to retrieve this forthcoming year with regard to waste, fraud, and abuse.

Mr. PARRIS. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Virginia.

(Mr. PARRIS asked and was given permission to revise and extend his remarks.)

Mr. PARRIS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I, too, wish to associate myself with the remarks of the gentleman from Michigan [Mr. DINGELL].

Mr. SIKORSKI. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I am happy to yield to the gentleman from Minnesota.

(Mr. SIKORSKI asked and was given permission to revise and extend his remarks.)

Mr. SIKORSKI. Mr. Chairman, I rise in opposition to the amendment, and I wish to associate myself with the remarks of the gentleman from Michigan [Mr. DINGELL].

Mr. BARNARD. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Georgia.

Mr. BARNARD. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, let me say that if the gentleman from Texas [Mr. BROOKS], the chairman of the Government Operations Committee, were on the floor tonight, I am sure he would support everything the gentleman has said.

I want to say that it is a knee-jerk reaction sometimes to want to cut spending, but we are cutting a very vital ingredient in the operations of Government by cutting the GAO. I support the stand of the gentleman from Michigan [Mr. DINGELL].

Mr. MICA. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the gentleman from Florida.

Mr. MICA. Mr. Chairman, I just wish to associate myself with the comments of the gentleman from Michigan [Mr. DINGELL] and say that some of the most vital investigations we have done with regard to the Moscow Embassy, the Marine guards, and health care in the United States today has come through the GAO. We are cutting off our own nose to save a few dollars here. We have saved billions of dollars due to their work.

Mr. DINGELL. Mr. Chairman, the gentleman is correct. If this amendment is adopted, the House is chargeable with having burnt next year's seed corn because that is what this amendment is the equivalent of. What we are doing is essentially wasting money from an essential expenditure which is very much in the public interest.

Mr. Chairman, I urge that the amendment be rejected as wasteful, as curtailing the ability of the Government to actually supervise its own efficiency and the propriety of the expenditure of the taxpayers' funds.

Mr. TAUKE. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. Chairman, I fear that the representation that was given of the amendment is simply incorrect. The amendment allows for a 5½-percent increase in expenditures over the current year. That is more than the increase the Members of the House are receiving for their budgets, more of an increase than the committees are getting, including the oversight committees, more than they are receiving for their budgets. This does not cut any staff people. It allows for 5,100 staff people in the General Accounting Office.

I just wish that I could have the dollars that would come to me if all of the times I have been told that this is a saving amendment, that if we just spend a little, we will get more back, would indeed come true. Of course, we are being told here again that if we will just spend a little more, then we will save some in the outyears.

Mr. Chairman, the 5½-percent increase that is allowed under this amendment is a reasonable expenditure to save in the outyears, but somewhere along the line we have to say that the increases that are being recommended go above and beyond what is reasonable. We, in looking at this appropriation, have concluded that this increase of 8 percent is a little above and beyond what is reasonable given our current fiscal circumstances.

Mr. Chairman, I urge the Members to support this amendment in order to save dollars now, recognizing that we are still giving a 5½-percent increase to an agency that performs a needed service.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. TAUKE. I yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I just want to correct the record. We are not funding them with 5,100 employees. We have already in this bill not allowed them to fill almost 60 positions. I believe it is 58 positions.

Mr. TAUKE. I am sorry. Then it is 5,042 positions.

Mr. FAZIO. They will have to absorb a number of mandatory costs whether we adopt this amendment or not.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware [Mr. CARPER].

The amendment was rejected.

The CHAIRMAN. Are there any other amendments to the bill not precluded by clause 2 (a) or (c) of rule XXI?

AMENDMENT OFFERED BY MR. LUNGREN

Mr. LUNGREN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LUNGREN: Page 31, after line 25, insert the following new sections:

SEC. 309. Subsection (c) of section 130 of the joint resolution entited "Joint resolution making continuing appropriations for the fiscal year 1982, and for other purposes" (approved October 1, 1981; Public Law 97-51) is anmended by striking out "Effective" and by inserting in lieu thereof "(1) Except to the extent provided by paragraph (2), effective" and by inserting at the end thereof the following new paragraph:

"(2) If all general appropriation bills for any fiscal year have not been presented to the President for signature under section 7 of Article I of the Constitution before the beginning of that fiscal year, then the appropriation contained in paragraph (1) shall not be effective with respect to such fiscal year.".

SEC. 310. It shall not be in order in either the House of Representatives or the Senate to consider the general appropriation bill making appropriations for the legislative branch for any fiscal year unless and until all other general appropriation bills for such fiscal year have been presented to the President for signature under section 7 of Article I of the Constitution.

Mr. LUNGREN (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. FAZIO. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from California [Mr. FAZIO] reserves a point of order on the amendment, and the gentleman from California [Mr. LUNGREN] is recognized for 5 minutes in support of his amendment.

Mr. LUNGREN. Mr. Chairman, this amendment is basically a simple proposition. I call it the paper performance amendment. It basically says that if those of us in the Congress do not do our job of getting all the appropriation bills done on time, that is, before the beginning of the fiscal year, then we should not be voting on the legislative appropriation measure. In other words, it says that as elected Representatives, we should take care of the people's business before taking care of our own.

The amendment is in two parts. The first part says that if we do not complete the 12 major appropriation bills, go through conference, and send them to the President before the fiscal year begins, the automatic appropriation that exists now in legislation for Members' salaries will not be effective for that fiscal year.

I have supported on this floor and in committee increases in pay for Members of Congress. I have taken a lot of heat for that, but I happen to think that we ought to be paid what we are paid now, and I think that increases are appropriate. What I find is that people back home are not so much opposed to increases for Members as they are that we get paid when they think we are not doing our job. The record of the Congress over the last number of Congresses with respect to doing the appropriations business in appropriation bills is horrendous, and it gets worse and worse. We go to continuing resolutions and we try all sorts of things to get out of this. We try Gramm-Rudman fixes and all sorts of things, and nothing works.

This says that the automatic appropriation we have that pays our salaries will not be effective if we do not first pass the 12 major appropriation bills. Additionally, it says that the legislative appropriations cannot be the first, the second, the third, the fourth, or any of those other bills in consideration; it has to come after the first 12.

The State of Missouri has that provision now. The Show Me State says that all the other appropriation bills have to be completed; then the legislative appropriation bill is in order. This does not cut a thing. It is not aimed at pay raises. It does not make fun of Members of Congress for asking for a living wage. It does say that we ought to have some sort of mechanism that forces us in our own interest and in the interest of our staff to do the business of passing the appropriation bills when it is supposed to be done.

Mr. Chairman, this is not anything more controversial than saying that we are exposing ourselves to the same realities that our constituents face in their everyday lives. If those whom we represent do not do their basic work, they do not get paid.

I am not one who tries to poke fun at the Congress. I am proud of this institution, but I am afraid that in some ways we have not acted in accordance with our own rules and in accordance with the mechanism we have established for doing the people's business, and we have brought disdain upon ourselves. It seems to me that with a famous economist such as the recent Nobel Prize winner coming up with the ideal of public choice, we realize that you have to establish incentives within a governmental system so that Members who represent their constituencies will act in ways they want to act; in other words, to say you have to build the incentives for fiscal responsibility that Members take to heart, this is the simplest, most direct way I can find.

Mr. Chairman, I have been informed by the chairman of the subcommittee that a point of order lies against this amendment. I would hope that he would not press that point of order. I do not bring this up just to discuss it tonight, but I do this because it cannot be raised in any other way.

We went through a crisis of sorts over the pay raise. Some did not want to talk about it. I felt it was important to talk about it. Nevertheless we are going to come to another crisis when it comes up again. I think we have to take steps to show our constituents that we are serious about doing their business, and when we cannot get out the 12 major appropriation bills to appropriate the funds to do the people's business through their Government every year, it is very difficult to go home and say we are doing the job.

Continuing resolutions are no longer an exception; they are the rule. Nobody likes them, but we do it every year. Maybe this small step will help us move in the right direction so we might be able to do the people's business and not be embarrassed when we go home and talk about the fact that we do receive a rate of pay for the work we do here.

POINT OF ORDER

The CHAIRMAN. Does the gentleman from California [Mr. FAZIO] intend to press his point of order on the amendment?

Mr. FAZIO. I do, Mr. Chairman.

The CHAIRMAN. The gentleman from California [Mr. FAZIO] will state his point of order and the basis for his point of order.

Mr. FAZIO. Mr. Chairman, this amendment violates the Rules of the House in several instances, as follows:

First, it goes beyond the bill under consideration, amending the continuing resolution, and as such is not germane. This is a violation of rule XVI, clause 7.

Second, the amendment constitutes legislation on an appropriations bill and as such is in violation of clause 2 of rule XXI.

Third, in effect, this amendment amends the Rules of the House, a subject which is under the jurisdiction of the Committee on Rules.

For these reasons, I respectfully request the point of order be sustained.

The CHAIRMAN. Does the gentleman from California [Mr. LUNGREN] desire to be heard on the point of order?

Mr. LUNGREN. Mr. Chairman, I would have to concede that this is legislation on an appropriation bill. Unfortunately, this is the only manner in which this subject seems to be able to be raised.

I would hope that at some point in time we could look at this mechanism or something similar to it so we can get our house in order and get Members on a track where they can explain what it is we do here and so they do not have to be embarrassed about saying, yes, Members deserve a rate of pay commensurate with the work they do.

It seems to me that the concern of some people is that they do not think the work we do is commensurate with the rate of pay we are receiving.

Mr. FAZIO. Mr. Chairman, if I may be heard briefly, let me just say that the gentleman knows how much respect I have for him. I know that he has publicly advocated pay raises, and I am always ready to work with the gentleman on any matter.

The CHAIRMAN (Mr. Hughes). The Chair is prepared to rule.

The gentleman from California [Mr. Lungren] has conceded the point of order raised by the chairman of the subcommittee, the gentleman from California [Mr. Fazio], and the point of order is sustained.

AMENDMENT OFFERED BY MR. SMITH OF NEW HAMPSHIRE

Mr. SMITH of New Hampshire. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Smith of New Hampshire: On page 9, line 14, strike "$110,000,000" and insert in lieu thereof "$91,423,000".

Mr. SMITH of New Hampshire. Mr. Chairman, this is a freeze amendment. It is quite simple. It freezes the official mail costs for Members. It saves $18.5 million by reducing the amount in the bill by $110 million to last year's level of $91.4 million. The increase in this bill is 20 percent over all other aspects of the bill.

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It is pretty easy to see where the priorities are around here, 20-percent increases versus much smaller increases in other aspects of the bill.

The question we face here is whether we want our constituents to support such an increase, whether they will support such an increase when we just ask them to fork over $19½ billion in new taxes.

This is a small way to give some of that money back to the taxpayers, and I believe that the amendment is totally justified.

Let us look at some of the statistics. In 1984 Congress sent out 924 million pieces of mail, and I emphasize sent out; but they only received 224 million, so do not come back and say to me that we simply have to respond to our constituents' mail.

We are doing that to the tune of about five times greater. In 1985, Congress sent out 584 million pieces of mail, but only received 225 million pieces.

In 1986 Congress sent out 751 million pieces of mail and received 180 million.

Moreover, it is estimated that we will send out over 700 million pieces of mail in 1987, and perhaps as many as 1 billion pieces of mail in 1988.

From 1974 to 1984, in that decade, congressional mail multiplied four times as fast as the entire volume of mail in the United States of America, four times as much as the entire volume of mail in America.

Total mail volume in the United States increased by 47 percent, while congressional mail increased 193 percent in the United States.

If my amendment is not adopted, mail costs will have increased from $47 million in 1978 to $110 million for 1988.

It will have more than doubled in less than a decade. How much do you need? How much do you want? How much do you want to take from the American people after adding $19.4 billion in new taxes on them this year in the budget with a projection of adding another $40 or $50 billion more in taxes by the time we get through the next 3 years.

In short, I am asking Members of Congress in this body to sacrifice a couple of mailings a year in order to save some money. That is all I am asking. Seventy-five percent of what we mail, 75 percent, goes out for newsletters, mail that we initiate, not mail that we are responding to.

At a time when we find ourselves forced to even sometimes do it, and many times just talk about it, cut defense, cut Medicare, cut Social Security and all the things we talk about, the environment, you name it, we have no problems with that, but increasing the funds, 20-percent increase, I say to the American people, a 20-percent increase in our own mail fund.

I will point out in conclusion, I have been here 2½ years; and I have had eight mailings, eight newsletters, far below what we are required to do, and I am back, so maybe I should not have to worry about it so much.

With that, I let my case rest, Mr. Chairman, and yield back the balance of my time.

Mr. FORD of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is unfortunate that the gentleman from New Hampshire who has just spoken did not take a moment to talk with the minority Members, if the gentleman does not trust the majority Members who have jurisdiction over this mailing.

The numbers the gentleman sent out in the gentleman's Dear Colleague letter were woefully inflated, so extraordinary that we thought the gentleman would clearly straighten them out by the time this got to the floor.

The gentleman went up from 500 million which is 300 million above the truth, to 900 million; and we have no notion at all about how we would ever get a figure of that kind.

The plain fact is that the numbers the gentleman just gave us are just not true.

Let us talk about the 20-percent increase. What causes an increase in the mail generated in to and out of the House?

We have done an exact count by years going back to 1972, and what the majority and the minority leadership were involved in in this exercise. We went through this with the gentleman who was then with us who is now in the other body, and went over it, up and down; and the leadership on both sides was convinced that they were barking up the wrong tree with the approach that they were taking.

In 1972, the House of Representatives received 14,600,000 pieces of mail. Does that sound like a lot?

In 1985, that had gone up to 225 million pieces of mail, incoming mail every calendar year.

In 1985, we received 225 million pieces of mail, and the gentleman in the gentleman's "Dear Colleague" letter to the Members said that we sent out 584 million pieces in response.

The truth of the matter is that we sent out 354 million pieces. Let us see how the House has been performing on mail going out compared to mail coming in.

In 1972 when computers were new around here, we received 14,600,000 pieces, but the House mailed 231 million pieces of mail.

You see almost 10 times as much as came in.

By 1985, we received 225 million pieces of mail and did not even send back twice as much mail as came in; so that means that instead of every incoming piece of mail generating 8 or 9 pieces, it was only generating 1½ pieces.

If you look constantly—and I will be glad to put these figures in the Record when we go into the full House, so everybody can see year by year—a very interesting thing has been happening. There has been a very constant but persistent and uninterrupted increase in the incoming mail.

There has been at the same time an increase in the outgoing mail, but the percentage of the outgoing mail against the incoming mail has improved consistently year after year, not gone down, so if you are talking about the Members generating mail unduly, you are on the wrong track. We are not responding as voluminously as we did 10 and 15 years ago to a much smaller amount of mail.

Now, the really sad part about the gentleman's amendment is that I suppose if you asked him what he really is doing, and the gentleman from Delaware [Mr. Carper] as well, who is joining, as I understand with this, they will tell you that they want to reduce the deficit.

Well, let me tell you that the gentleman's amendment does not reduce the deficit one penny, and let me explain why. A good many Members seem to forget that the U.S. Postal Service is under the unified budget on budget and if you go back and look, and I will put this in the RECORD when the House rises, in the GAO report that was given in response to the inquiry of the gentleman from Texas in 1985, it will point out that under the law the amount of money that the Post Office is entitled to for handling franked mail is whatever we appropriate, not what they send the bill to us for, but whatever we appropriate. That is all they get. There is no deficit in our account. We do not owe them anything. We could appropriate $25 million, and they are paid, except that that agency then has to eat the difference.

So all you do with the gentleman's amendment is look like you are cutting costs for the Members' mailing, but you shift them to everybody else that is using the mail by giving it to the Post Office to make up the deficit and you do not change the net numbers on the deficit. It is a total loss. You take $15 million off this bill, looking like you have done something. You can go home and crow about that if you want to, but you have just increased the deficit in another on budget agency, the Post Office, by exactly the same amount of money.

And if indeed we do not appropriate enough money to pay for the mail that we use, there is a shortfall and the Post Office cannot come to us for that shortfall. It has to turn to all the other rate payers. Next year sometime you will be staring at your constituents when they tell you, "Is it true that we are going to have a 25 cent stamp?"

Well, if you vote for this amendment, you tell them yes, because every time we had a chance we dumped some more cost on the rate payers and the Post Office.

Mr. ARMEY. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the amendment.

Mr. SMITH of New Hampshire. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from New Hampshire.

Mr. SMITH of New Hampshire. Mr. Chairman, I thank the gentleman for yielding. I will be very brief.

In response to the chairman, I would point out that the chairman has said now that the increase in postage is going to be because of my amendment. Let that go down for the record.

The truth of the matter is if the Postal Service has to eat the cost of mailing, Mr. Chairman, with all due respect, it is because we did not exercise frugality in this body in terms of cutting back on the unnecessary and unsolicited mailings.

One final point regarding the statistics which the gentleman questioned that he had a problem with the U.S. Postal Service, because that is where the statistics came from.

Mr. FORD of Michigan. Mr. Chairman, will the gentleman yield to me for a very brief response?

Mr. ARMEY. Mr. Chairman, I yield very briefly to the gentleman from Michigan.

Mr. FORD of Michigan. Mr. Chairman, if you want to know how much mail is coming into the House of Representatives, you do not have to go outside. Just go down to the post office. They have the records showing how much you and I and everybody else mailed in the House last year. They will total it up for you. They will total up how much mail come in and was delivered to you. You do not have to ask the post office department. They do not run the post office in the House of Representatives. The House Postmaster does. That is where our numbers come from.

Mr. Chairman, I include the following material earlier referred to:

Calendar year	Incoming mail volume	Outgoing mail volume	Cost
1985	225,000,000	354,291,751	$45,308,146
1984	200,000,000	540,341,000	62,788,000
1983	153,000,000	335,650,314	40,306,625
1982	145,000,000	505,533,050	59,894,236
1981	161,000,000	262,281,213	29,686,213
1980	120,000,000	400,129,816	43,421,682
1979	113,000,000	239,734,399	27,729,087
1978	100,000,000	334,065,000	35,109,000
1977	52,700,000	353,475,752	42,784,950
1976	51,560,000	294,869,543	38,340,515
1975	47,718,903	212,890,050	24.508.846
1974	41,905,750	223,617,840	21,781,570
1973	40,600,000	207,001,419	18,709,109
1972	14,600,000	230,282,524	18,422,602
1986	180,000,000	(1)	(1)
1987	(1)	(1)	(1)

[1] Not available.

COMPTROLLER GENERAL
OF THE UNITED STATES,
Washington, DC, May 2, 1986.

HON. DON NICKLES,
U.S. Senate,

DEAR SENATOR NICKLES: This letter is in response to the inquiry dated March 10, 1986, signed by you and Senators Phil Gramm, Dan Quayle, and Pete Wilson, as to whether the Antideficiency Act (31 U.S.C. § 1341-1351) is violated when the cost as billed by the Postal Service of delivering congressionally franked mail exceeds the amount appropriated in a given fiscal year. In this respect, you point out that the amount appropriated for congressionally franked mail for fiscal year 1986, after reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177), is $95.7 million while the estimated cost of handling congressional mail during the fiscal year is $146 million.

The Antideficiency Act prohibits an officer or employee of the Government from making or authorizing an expenditure or obligation in excess of the amount available in an appropriation or fund for the expenditure or obligation. It also prohibits commitments for the payment of money in advance of an appropriation unless otherwise authorized by law. 31 U.S.C. § 1341. For the reasons which are explained in greater detail in the enclosed Office of General Counsel staff discussion paper, we conclude that no violation of 31 U.S.C. § 1341 is incurred when the cost of handling franked mail exceeds the amount appropriated by the Congress to pay the Postal Service for handling the franked mail. This practice is authorized by 39 U.S.C. § 3216(c) which makes the lump-sum appropriation made to the legislative branch for payment to the Postal Service full payment for all matter mailed under the frank. Furthermore, absent later appropriations for additional costs incurred by the Postal Service for delivery of franked mail, the Postal Service is entitled to receive no more than the amount already appropriated by the Congress for fiscal year 1986 for payment for handling franked mail, as reduced by any sequestrations under Public Law 99-177.

Sincerely yours,

MILTON J. SOCOLAR,
(For Comptroller General
of the United States).

OFFICE OF GENERAL COUNSEL STAFF DISCUSSION PAPER

The evolution of the congressional franking privilege is discussed in the following passage from the report of the Senate Post Office and Civil Service Committee prepared in connection with Congressional franking reform:

BACKGROUND

"History

The word 'frank' is derived from the Latin francus which means 'free.' The franking privilege denotes the right of a governmental official to send matter through the public mails free of postage. This privilege, as it applies to Members of Congress, is older than the Declaration of Independence itself, having been enacted by the Continental Congress on November 8, 1775. On October 18, 1782, the franking privilege was extended to letters, packets and dispatches to and from Members of the Continental Congress.

Franking Laws 1789 to Present

The First Congress enacted in 1789 practically the same laws as were in existence under the Continental Congress. In 1792, the law was changed to specifically include the Vice President, Members of the House and Senate, and assistants.

During the 1800's the franking privilege enjoyed by the Congress was alternatively broadened and limited depending upon the mood of the citizen. In 1845, legislation was passed conferring the right of the Secretary of the Senate and Clerk of the House of Representatives to use the franking privilege.

Due to alleged excessive abuses, the franking privileges for Congressmen were discontinued for a few years in the mid-nineteenth century.

Little was done until 1957 when the uniform date was established for termination of the right to use the frank by former Congressmen [on] June 30 following the expiration of their term of office. * * * The privilege, with but the one exception, has continually been in effect for nearly 200 years.

Justification

The reasons underlying the franking policy are fundamentally sound. Free transmission of letters on governmental business is directly connected to the well-being of the people because of the nature of the legislative function. The franking privilege serves as an aid and auxiliary in informing the populace since most Members of Congress would be unable to afford correspondence with their constituency in the absence of the privilege. It may also be stated that the use of franked mail for official business also provides an efficient means of posting since the Postal Service is not required to stamp and cancel franked mail." S. Rep. No. 93-461, 93d Cong., 1st Sess. 2 (1973).

The current statutory authority for Members of the Congress and others to use the franking privilege is set forth generally in chapter 32 of title 39, U.S.C. and 2 U.S.C. § 31b-4 (1982).

While use of the franking privilege means that costs are not paid by those entitled to use the frank, the costs obviously must be borne by someone. Until 1953 all costs connected with the frank were borne by Post Office Department appropriations. These appropriations were funded by postal revenues and when these were inadequate, the deficit was made up out of the general fund of the Treasury. In 1953 the Congress first authorized lump-sum appropriations to pay the postage on mail sent under the frank. Act of August 15, 1953, ch. 511, § 2, 67 Stat. 614. Since the use of the frank itself was not limited, the practice initially followed was for the Post Office Department to request payment in the appropriation request submitted for the fiscal year following the fiscal year to which the billing applied. Congress then appropriated amounts it deemed sufficient based upon its determination of the propriety of the billing.[1] The amount appropriated was also immediately made available for payment to the Post Office rather than awaiting the beginning of the fiscal year of the act in which it was contained in order to make the funds available as soon as possible. This practice continues today.

In 1970, the United States Postal Service was established and the Post Office Department was abolished by the Postal Reorganization Act. Pub. L. No. 91-375, Aug. 12, 1970, 84 Stat. 719. The Postal Service at its first opportunity requested that Congress change the timing of payments to the Postal Service for its handling of franked mail. The Postal Service desired to shorten the time elapsed between when it handled the franked mail and when it received payment related to handling the franked mail. Thus it requested an end to the practice of requesting payment in the fiscal year appropriation following the fiscal year during which the service was rendered and upon which the request was based. Under the proposed new system, quarterly billings would be made based upon estimated volume. These estimated billings would be adjusted at the end of the fiscal year based upon actual volume.

Appropriations would thereafter be requested in advance based upon Postal Service estimates similar to the way Government agencies request operating appropriations. While the billings would be reconciled with actual volume of franked mail handled upon close of the final quarter, actual payments could not exceed appropriations. To address the problem of shortfalls caused by Postal Service under estimates in its initial budget request, or changes in the method employed by the Postal Service to determine its billing to the Congress, the Congress also adopted the practice of adjusting the final quarter's billing through use of the next fiscal year's appropriations. However, no requirement was imposed upon the Congress to appropriate funds to cover the adjusted billings and no effort was made to limit the use of the franking privilege.[2] In fiscal year 1982, the Postal Service began monthly billings for franked mail based upon one-twelfth of the amount of the appropriation for "Official Mail Costs" made for the fiscal year. The Postal Service also provides quarterly reports to show actual usage and to revise its estimate of actual yearly costs. Total billings may not exceed the amount appropriated. Any shortfalls are to be considered during the following fiscal year's appropriation request.[3] This is the current procedure.

DISCUSSION

At the time that the Postal Service proposed the change to the payment procedure to decrease the time between its rendering the service and receiving payment, Congress amended 39 U.S.C. § 3216 to provide:

"§ 3216. Reimbursement for franked mailings

(a) The equivalent of—

(1) postage on, and fees and charges in connection with, mail matter sent through the mails—

(A) under the franking privilege * * * by the Vice President, Members of and Members-elect to Congress, the Secretary of the Senate, the Sergeant at Arms of the Senate, each of the elected officers of the House of Representatives (other than a member of the house), the Legislative Counsels of the House of Representatives and the Senate, the Law Revision Counsel of the House of Representatives, and the Senate Legal Counsel; and

(B) by the survivors of a Member of Congress under section 3218 of this title; and

(2) those portions of fees and charges to be paid for handling and delivery by the Postal Service of Mailgrams considered as franked mail under section 3219 of this title; shall be paid by a lump-sum appropriation to the legislative branch for that purpose and then paid to the Postal Service as postal revenue. * * *

(c) Payment under subsection (a) * * * of this section shall be deemed payment for all matter mailed under the frank and for all fees and charges due the Postal Service in connection therewith."

Subsection (c) of this provision was new and for the first time expressly stated what had been implied since 1953—that regardless of the cost incurred by the Postal Service in handling franked mail, the amount the Congress appropriated to the Postal Service would be considered payment in full for that service.

Accordingly, exercise of the franking privilege without regard to amounts appropriated for payment to the Postal Service for this service is authorized by law and thus not a violation of 31 U.S.C. § 1341.[4] Members, therefore, are authorized to use the franking privilege and the Postal Service is required to handle franked mail regardless of the amount appropriated by the Congress for "Official Mail Costs." Should the actual costs of handling franked mailed exceed the amount appropriated (as reduced by any sequestrations under Public Law 99-177), no violation of 31 U.S.C. § 1341 would occur since the amount appropriated is as a matter of law deemed full payment for all matter sent under the frank. Therefore, if the amount billed exceeds the amount appropriated, the Postal Service should be paid only the amount appropriated, the Postal Service should be paid only the amount appropriated as reduced by sequestration unless additional funds are provided by a supplemental appropriation.

Mr. ARMEY. Well, Mr. Chairman, if I might use my remaining time, I rise in support of the gentleman's amendment.

I understand the difficulty we have here with the manner in which this is accounted for, but it seems to me if I listened to the gentleman from Michigan correctly that he has suggested if we fail to pass this amendment, we then face the opportunity to go home and tell our constituents that in the interest of making our best public relations statement to them, where we do in fact and where our constituents do in fact recognize that we do, define our public image through our own written franked mail, that we were unwilling to reduce the monies budgeted for that purpose and that we are unwilling to cut back on that incumbency advantage in the election process.

One of the great American political tradition is when you are unhappy with what you are getting from Washington, you have an opportunity to go to the polling place and kick the rascals out; but when the taxpayers find the rascals conducting their campaigns, as it were, with the taxpayers' dollars and are unwilling to cut that, it seems to me to be under the Code of Election Reform.

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[1] See H.R. Rep. No. 1557, 87th Cong., 2d Sess., accompanying the Legislative Branch Appropriations Bill for 1963, 8 (1962); *Legislative Branch Appropriations for 1962 Hearings before the Subcommittee of the Committee on Appropriations House of Representatives,* 86th Cong., 2d Sess. 273-274 (1961); H.R. Rep. No. 1607, 86th Cong., 2d Sess., accompanying the Legislative Branch Appropriations Bill, 1961, 4-5 (1960); and *Legislative Branch Appropriations for 1961 hearings before the Subcommittee of the Committee on Appropriations House of Representatives,* 86th Cong., 2d Sess. 293-296 (1960).

[2] See H.R. Rep. No. 92-937, 92d Cong., 2d Sess., accompanying the Legislative Branch Appropriations Bill, 1973, 10-11 (1972); *Legislative Branch Appropriations for 1973, hearings before a Subcommittee of the Committee on Appropriations House of Representatives,* 92d, Cong., 2d Sess. 840-845 (1972); *Legislative Branch Appropriations, 1973, Hearings before the Senate Appropriations Committee,* 92d Cong., 2d Sess., 449-460 (1972). Rule XLVI of the House of Representatives limiting use of the frank by Members of the House under 39 U.S.C. § 3210(d) (relating to mass mailings) was adopted by the House on March 2, 1977 (H. Res. 287, 95th Cong., 123 Cong. Rec. 5952-5953) and currently constitutes the only limitation upon the amount of the use of the frank that we are aware of.

[3] See *Legislative Branch Appropriations for 1982 Hearings before a Subcommittee of the Committee on Appropriations House of Representatives,* 97th Cong., 1st Sess. 345-346 (1981).

[4] We note that the appropriation for "Official Mail Costs" in the annual Legislative Branch Appropriations Act is deemed postal revenue by virtue of 39 U.S.C. § 3216(a). Postal revenue is required by law to be deposited to the Postal Service Fund, 39 U.S.C. § 2003(b)(1), and immediately appropriated to the Postal Service, 39 U.S.C. § 2401(a). Since the fund is a no-year revolving fund, it is available to pay all expenses incurred by the Postal Service in carrying out its authorized functions no matter when they are incurred. Thus the appropriation for "Official Mail Costs" once paid to the fund is available for payment of expenses of the Postal Service no matter when they were incurred.

We also note that 39 U.S.C. § 410(a) provides that Federal laws "dealing with public or Federal contracts, property, works, officers, employees, budgets, or funds" do not apply to the exercise of powers by the Postal Services unless as provided by 39 U.S.C. The Antideficiency Act is not one of the laws listed in 39 U.S.C. § 410(b). No other provision of title 39, U.S.C. expressly makes the Antideficiency Act applicable to the Postal Service.

Thus it is clear that the Antideficiency Act is inapplicable to the Postal Service when billing Congress for handling franked mail.

Now, in addition to that, according to the gentleman from Michigan, we have the opportunity to tell our constituents that we are unwilling to vote to reduce our excessive use of the mail. We all know that it is done but are willing to allow excessive mailing by some Members to be part of the reason why the taxpayers will pay an increased postage rate to write to us in order to protest what it is we do here?

I think the gentleman is asking for a responsible reduction in expenditures.

The fact of the matter is that $10 million of this money is carryover from the nonelection year to the election year.

I believe that we can in the interests of a fair contribution to the budget reduction process allow that carryover to go back to the taxpayers and perhaps achieve a reduction in postage use.

I ask the Members to vote yes on the amendment. Let us show our taxpayers, our voters and our constituents, that we are willing to carry our fair share of the burden, rather than to see them have an increase in postage rates borne at least in part out of our lack of willingness to exercise restraint.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I appreciate the gentleman yielding.

I just want to say once again for the record that frankly I think it would be helpful to develop this symbol in the House that would discourage Members from just going to the maximum. Such a symbol might serve to discourage Members not to go to the maximum extreme in terms of their own mailing habits.

□ 2150

Last year the Members did restrain themselves. We have a pattern for some reason, which I can understand, of more spending on mail during an election year. I am not sure that that has to be the pattern. Nonetheless, the debate is very interesting, and we appreciate all of us having a chance to participate in it at this wonderful hour.

Mr. ARMEY. Mr. Chairman, if I might make a final statement, again I think that this is a point where the Appropriations Committee bears an unfair burden of the legislative process. We really need to go to authorizing committees, and should do that later too.

AMENDMENT OFFERED BY MR. CARPER TO THE AMENDMENT OFFERED BY MR. SMITH OF NEW HAMPSHIRE

Mr. CARPER. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows

Amendment offered by Mr. CARPER to the amendment offered by Mr. SMITH of New Hampshire: Strike "$91,423,000" and insert "$100,000,000".

Mr. CARPER. Mr. Chairman, I will not take my 5 minutes. I just want to briefly explain the amendment.

Mr. Chairman, this year we have appropriated to us by this bill $80 million to handle our postage costs—$80 million. With the amendment to the amendment offered by the gentleman from New Hampshire [Mr. SMITH] we will enable ourselves to increase mailing costs in 1988 by 36 percent. With my amendment to Mr. SMITH's amendment we will permit ourselves to increase mailing costs by 36 percent in 1988. Without either of our amendments we will basically be increasing or providing for an increase in mailing costs as much as 50 percent—50 percent.

I think that 50 percent is a bit high. I think that 36 percent is a bit high, but it is a darn site better than 50 percent.

I urge the adoption of my amendment to Mr. SMITH's amendment.

Mr. SMITH of New Hampshire. Mr. Chairman, I rise in opposition to the amendment to the amendment.

Mr. Chairman, the gentleman from Delaware has been a leader here all day in cost-saving measures, and I command him for his leadership in that area. I respect the intent of his amendment, but I must reluctantly speak against it, because I believe that in this particular category the American people would like to see us set an example, and we are not doing that.

This particular section of the bill which asks for a 20-percent increase—a 20-percent increase—is just too much, and I think that we ought to show some restraint around here, and the best way to do that and to set some example is to say that we are willing to accept a freeze, accept a freeze to mail to the very constituents who are asking us to cut the budget and to balance the budget and to reduce the debt.

I might point out that in so doing we are not going to be cutting back on answering their mail. We are cutting back on the unsolicited mail that they are not asking us to send to them anyway. So I will reluctantly oppose the amendment.

Mr. FAZIO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, if I could have the attention of the Members, perhaps we can get through this point.

No one could have defended the existing postal system that we have been working under better than Chairman FORD. I simply would say that if the Carper amendment is adopted, and I can reluctantly support that, I think that we will have reached the equilibrium that Members seek.

There is no question that we have got to continue to be tight-fisted personally in each office and institutionally as the House in how we handle our mail. Through jawboning in the last year we have reduced our mailing costs by 36 percent. I think that that is something that the House should be proud of. We met our Gramm-Rudman target even though we faced a supplemental increase of some $50 million. In the face of Gramm-Rudman we rejected the supplemental increase and we lived within the budget imposed on us after the Gramm-Rudman cuts, $95 million. We should be proud of that.

To keep our focus on continually reducing our mailing costs, I am willing to accept a reduction that I do not think is appropriate but which clearly is the will of the body. So I recommend we agree with the amendment to the amendment by the gentleman from Delaware.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Delaware [Mr. CARPER] to the amendment offered by the gentleman from New Hampshire [Mr. SMITH].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Hampshire [Mr. SMITH], as amended.

The amendment, as amended, was agreed to.

AMENDMENTS OFFERED BY MR. SWINDALL

Mr. SWINDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SWINDALL: Page 13, line 24, strike "$31,563,000" and insert in lieu thereof "$31,482,264."

Mr. SWINDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. SWINDALL. Mr. Chairman, I have a second amendment, and I ask unanimous consent that my amendments be considered en bloc.

The CHAIRMAN. The Clerk will report the second amendment.

The Clerk read as follows:

Amendment offered by Mr. SWINDALL: Page 31, after line 25, add the following new section: "SEC. . No funds appropriated in this Act may be used to hire new staff to operate the elevators in the Cannon and Rayburn House Office Building."

Mr. SWINDALL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia that the amendments be considered en bloc?

There was no objection.

Mr. SWINDALL. Mr. Chairman, these amendments are really simple and very straightforward. They seek to delete $80,736 that would otherwise be appropriated to fund six automatic elevator operator positions.

Mr. Chairman, these amendments are certainly not new. In fact, they have a long and less than illustrious history in this House. They date back to 1983, when the gentleman from Colorado [Mr. Brown] sought to eliminate all 14 automatic elevator operators, and each year we have sought, time after time, to eliminate all 14.

I have good news for my brethren in the House. This year we are not going to try to eliminate all 14, but rather we are going to try to eliminate the salaries of 6, which would affect only 10 positions.

Mr. Chairman, the reason for this very significant change is, last year number of individuals raised a consideration that those particular elevators that are operated by automatic elevator operators located in the Longworth Building really have a unique problem because the Longworth Building's elevators are antiquated and in fact need that type of assistance. So this year we have eliminated any type of language that would require those particular operators to be eliminated.

What this does do is eliminate six positions, part-time, 30 hours a week; each are $13,456. I would anticipate that the same arguments this year would be made that have been made in the past, specifically that we are dealing here first with handicapped individuals. I would simply counter by saying that there has been more than a 90-percent attrition level in these particular positions each and every year, so clearly if there are any handicapped individuals, those individuals would not have been leaving as part of that 90 percent.

Second, I would say that if we would like to find positions for such individuals, we ought to find productive positions, rather than these type of positions that really do not offer anything other than, I suppose at best, a fairly costly convenience.

So, Mr. Chairman, I ask my colleagues, given the major change that has been made in this bill, to support this particular amendment, because I think again that it would be fairly symbolic to the American people if we were willing to reduce our own budget by virtually $80,000 so as not to fund positions that are unquestionably totally unnecessary.

Mr. FAZIO. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, first of all let me indicate to the Members that we have already——

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I just want to comment that regardless of rumors to the contrary, the level of temperature in the air is not a result of the Architect turning off the air-conditioner.

Mr. FAZIO. I appreciate the gentleman's point.

Mr. Chairman, we have already eliminated 103 operators in our elevator system. We are down to a very limited number. They earn $13,000 a year. Most of them are senior citizens or handicapped individuals. We have only a few requirements left. We will not be adding any more. Members understand the requirement to get to the floor very quickly when we have votes.

□ 2200

Mr. SWINDALL. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Georgia.

Mr. SWINDALL. Mr. Chairman, just very briefly, as the gentleman will recall from the previous votes, this would not require any individuals to be fired, simply not rehired. That is a very critical part of this language.

Mr. FAZIO. I appreciate that, if the gentleman will allow me to complete my remarks. The gentleman is a humanitarian and I appreciate his sensitivity.

But we do need these few people, 8 in the House office buildings, 15 in the Capitol, only 23, we do need them to maintain our business place.

I urge a no vote on the amendment.

Mr. GLICKMAN. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I am happy to yield to the gentleman from Kansas.

Mr. GLICKMAN. Mr. Chairman, I want to say that I offered this amendment, I would say to my friend from Georgia, in 1977. But we have been successful in reducing by 90 percent the number of elevator operators, and truthfully, we have hundreds of thousands of tourists that come to our building every year.

Mr. FAZIO. Actually, its more like 2½ million visitors.

Mr. GLICKMAN. We have gotten this done, and we have made an incredible amount of progress, largely through the efforts of the gentleman from California [Mr. Fazio], and the gentleman from California [Mr. Lewis], and we have not gotten it down to an adequate number of people that can take care of us during rollcall votes, and the hundreds of thousands of tourists.

So, as one who has championed the gentleman's cause in 1977, I would say we have saved the taxpayers of this country an incredible amount of money by reducing this by 90 percent, and I think the people of this country, particularly our constituents, like to know that they are going to be handled satisfactorily when they come in our buildings.

So I would say I have accomplished what I wanted to, and I would urge support for the gentleman from California [Mr. Fazio].

Mr. FAZIO. I urge my colleagues to join with the gentleman from Kansas [Mr. Glickman] in declaring victory and defeating this amendment.

The CHAIRMAN. The question is on the amendments offered by the gentleman from Georgia [Mr. Swindall].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SWINDALL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 141, noes 235, answered "present" 1, not voting 56, as follows:

[Roll No. 228]

AYES—141

Andrews
Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bilirakis
Bliley
Boulter
Brown (CO)
Buechner
Bunning
Byron
Callahan
Carper
Chandler
Chapman
Cheney
Coats
Coble
Coleman (MO)
Combest
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
DioGuardi
Dreier
Duncan
Dyson
Emerson
Erdreich
Fawell
Fields
Gallegly
Gilman
Gingrich
Goodling
Gradison
Grandy
Gregg
Hall (TX)
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Huckaby
Hunter
Hyde
Inhofe
Ireland
Johnson (SD)
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Lancaster
Latta
Leach (IA)
Lewis (FL)
Lightfoot
Lloyd
Lukens, Donald
Lungren
Mack
MacKay
Marlenee
Martin (IL)
Martin (NY)
McCandless
McEwen
McGrath
McMillan (NC)
Michel
Miller (WA)
Moorhead
Morella
Morrison (WA)
Nelson
Nielson
Olin
Oxley
Packard
Pease
Petri
Price (NC)
Regula
Rinaldo
Rogers
Roth
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
St Germain
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tallon
Tauke
Taylor

Thomas (CA)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Wolf
Wylie
Young (FL)

NOES—235

Ackerman
Akaka
Alexander
Anderson
Anthony
Applegate
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Boehlert
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Broomfield
Bruce
Bryant
Bustamante
Campbell
Carr
Chappell
Clay
Clinger
Coelho
Coleman (TX)
Collins
Conte
Cooper
Coughlin
Courter
Coyne
Daniel
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
English
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gekas
Gibbons
Glickman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hamilton
Hammerschmidt
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Horton
Howard
Hoyer
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Madigan
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCollum
McCurdy
McDade
McHugh
McMillen (MD)
Meyers
Mfume
Mica
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Myers
Natcher
Neal
Nichols
Nowak
Oakar
Oberstar
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Price (IL)
Rahall
Rangel
Ravenel
Richardson
Ridge
Ritter
Roberts
Robinson
Rodino
Roe
Rose
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (IA)
Smith (NJ)
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Waxman
Weiss
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wortley
Wyden
Yates
Yatron
Young (AK)

ANSWERED "PRESENT"—1

Biaggi

NOT VOTING—56

Annunzio
Aspin
Berman
Boner (TN)
Brooks
Brown (CA)
Burton
Cardin
Clarke
Conyers
Crockett
Darden
Davis (MI)
Dornan (CA)
Dowdy
Fish
Flake
Flippo
Florio
Ford (TN)
Frenzel
Gejdenson
Gephardt
Grant
Hall (OH)
Hawkins
Hochbrueckner
Holloway
Hubbard
Jones (NC)
Kemp
Kennelly
Leland
Livingston
Lott
Manton
Markey
Miller (CA)
Miller (OH)
Murtha
Nagle
Obey
Pepper
Pursell
Quillen
Ray
Rhodes
Roemer
Rostenkowski
Smith (FL)
Smith, Robert (OR)
Stratton
Tauzin
Torricelli
Watkins
Wolpe

□ 2215

So the amendments were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. Are there any other amendments to the bill not precluded by clause 2 of rule XXI?

Mr. DARDEN. Mr. Chairman, I was in the Chamber and I respectfully object to the proceedings. I was in the Chamber and it was my intention to vote. I was on my feet while the Chairman was in the process.

The CHAIRMAN. I am sorry to say to the gentleman I did not see the gentleman.

Mr. DARDEN. I respectfully object. I want to be heard on this matter.

The CHAIRMAN. The vote is final at this point. The gentleman may want to make a statement for the record.

Are there any other amendments to the bill not precluded by clause 2 of rule XXI?

Mr. DARDEN. Mr. Chairman, I was in the Chamber. My card was in the machine. I was attempting to cast my vote in this matter and I respectfully object to the vote in that the Chair failed to recognize me. A number of times I specified I was trying to vote. I was present and I respectfully object to the fact that the Chair would not allow my vote to be recorded. It would make no objection to the outcome.

The CHAIRMAN. The Chair can only say to the gentleman that he was obviously where the Chair did not see the gentleman. The Chair does not know when a Member's card goes into the machine, as the gentleman knows. Unless the gentleman was in the well, the Chair would have no way of knowing the gentleman had his card in the machine.

Mr. DARDEN. Mr. Chairman, I ask unanimous consent I be recorded as voting on this issue and that my vote in this matter was "aye."

The CHAIRMAN. The Chair does not have the authority to correct a vote once it has been cast.

Mr. DARDEN. I submit there is no correction because I know what I did and I was here.

The CHAIRMAN. The gentleman may make a statement for the RECORD.

Are there any further amendments to the bill?

The Clerk will read.

The Clerk read as follows:

This Act may be cited as the "Legislative Branch Appropriations Act, 1988".

(By unanimous consent Mr. FOLEY was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. FOLEY. Mr. Chairman, I take the floor simply to inform the Members on the schedule for tomorrow. At the conclusion of this bill we will have completed business for today, except for some unanimous-consent requests.

Tomorrow the House will meet at noon and we will have recorded votes on H.R. 2616, the Veterans' Administration Health Care Program; H.R. 1504, the Veterans' Job Training Act; House Concurrent Resolution 141, the promotion of democracy in South Korea; and H.R. 2327, the Veterans' Administration beneficiary travel benefits.

The House will then consider the conference report on the supplemental appropriation. There are 137 items in disagreement. There will be 2 hours of general debate on the conference report.

Following action on the supplemental appropriation conference report, the House will consider the conference report on the homeless bill.

Members should anticipate the possibility of not this late a session, but something that might run over 6 in the evening. A further program will be announced later.

I thank the Chair.

The CHAIRMAN. Are there any further amendments to the bill?

Mr. FAZIO. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose and the Speaker, having resumed the Chair, Mr. HUGHES, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2714) making appropriations for the legislative branch for the fiscal year ending September 30, 1988, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes appeared to have it.

RECORDED VOTE

Mr. WALKER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device and there were—ayes 228, noes 150, answered "present" 1, not voting 54, as follows:

[Roll No. 229]

AYES—228

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bevill
Biaggi
Bilbray
Boggs
Boland
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Bruce
Bryant
Bustamante
Campbell
Carper
Carr
Chapman
Chappell
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Cooper
Coughlin
Coyne
Daniel
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
English
Espy
Evans
Fascell
Fazio
Feighan
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gibbons
Gilman
Gonzalez
Gordon
Gray (IL)
Gray (PA)
Green
Guarini
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Horton
Howard
Hoyer
Huckaby
Hughes
Hutto
Hyde
Jenkins
Johnson (CT)
Johnson (SD)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lipinski
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McGrath
McHugh
McMillen (MD)
Mfume
Mica
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Mrazek
Murphy
Myers
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Quillen
Rahall
Rangel
Richardson
Rodino
Roe
Rogers
Rose
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slaughter (NY)
Smith (IA)
Smith (NJ)
Snowe
Solarz
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Towns
Traficant
Udall
Vento
Visclosky
Walgren
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolf
Yates
Yatron
Young (AK)

NOES—150

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bereuter
Bilirakis
Bliley
Boehlert
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Byron
Callahan
Chandler
Cheney
Clinger
Coats
Coble
Combest
Courter
Craig
Crane
Dannemeyer
Daub
Davis (IL)
DeLay
DeWine
Dickinson
DioGuardi
Dreier
Dyson
Edwards (OK)
Emerson
Erdreich
Fawell
Fields
Gallegly
Gallo
Gekas
Gingrich
Glickman
Goodling
Gradison
Grandy
Gregg
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hefley
Henry
Herger
Hiler
Hopkins
Houghton
Hunter
Inhofe
Ireland
Jacobs
Jeffords
Kasich
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lewis (FL)
Lightfoot
Lloyd
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
McEwen
McMillan (NC)
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morrison (WA)
Nielson
Oxley
Packard
Petri
Ravenel
Regula
Ridge
Rinaldo
Ritter
Roberts
Robinson
Roth
Rowland (CT)
Saiki
Saxton
Schaefer
Schneider
Schuette
Schulze
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Slattery
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Upton
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Weldon
Whittaker
Williams
Wortley
Wyden
Wylie
Young (FL)

ANSWERED "PRESENT"—1

Darden

NOT VOTING—54

Annunzio
Aspin
Berman
Boner (TN)
Brooks
Brown (CA)
Burton
Cardin
Clarke
Conyers
Crockett
Davis (MI)
Dornan (CA)
Dowdy
Fish
Flake
Flippo
Florio
Ford (TN)
Frenzel
Gejdenson
Gephardt
Grant
Hall (OH)
Hawkins
Hochbrueckner
Holloway
Hubbard
Jones (NC)
Kemp
Kennelly
Leland
Livingston
Lott
Manton
Markey
Miller (CA)
Miller (OH)
Murtha
Nagle
Obey
Pursell
Ray
Rhodes
Roemer
Rostenkowski
Smith (FL)
Smith, Robert (OR)
Stratton
Tauzin
Torricelli
Traxler
Watkins
Wolpe

□ 2230

The Clerk announced the following pairs:

On this vote:

Mr. Ray of Georgia for, with Mr. Roemer against.

Mr. Leland for, with Mr. Dornan of California against.

Mrs. Kennelly for, with Mr. Burton of Indiana against.

Mr. Hawkins for, with Mr. Robert F. Smith against.

Mr. Holloway for, with Mr. Frenzel against.

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2763, COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS, 1988

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-196) on the resolution (H. Res. 215) waiving certain points of order against consideration of the bill (H.R. 2763) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONSIDERATION OF H.R. 2783, HOUSING AND URBAN DEVELOPMENT-INDEPENDENT AGENCIES APPROPRIATION, 1988

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-197) on the resolution (H. Res. 216) waiving certain points of order against consideration of the bill (H.R. 2783) making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1988, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION WAIVING CERTAIN POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 1827, SUPPLEMENTAL APPROPRIATIONS, 1987

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 100-198) on the resolution (H. Res. 217) waiving certain points of order against the conference report on the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes, which was referred to the House Calendar and ordered to be printed.

NATIONAL PODIATRIC MEDICINE WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 75) to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. RAHALL). Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but I would like this body to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from West Virginia [Mr. STAGGERS], who is the chief sponsor of House Joint Resolution 114, which is comparable to Senate Joint Resolution 75, designating the week of August 2, 1987 through August 8, 1987 as "National Podiatric Medicine Week."

□ 2245

Mr. STAGGERS. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I am pleased to speak on behalf of Senate Joint Resolution 75, the companion measure to House Joint Resolution 114 of which I am the sponsor in the House and which has garnered the majority number of cosponsors to be considered on this floor. The joint resolution would designate the week of August 2, 1987 as "National Podiatric Medicine Week."

In this era of comprehensive medicine the importance of good foot care cannot be overlooked. Every year thousands of Americans suffer from foot-related diseases and injuries and thus depend upon the guardians of the Nation's foot health—doctors of podiatric medicine.

Mr. Speaker, I have a model of a foot before me, and too often we forget about our feet, unless they are suffering from some sort of illness, from a twist, from a sprain, from a break. As the Speaker just told me minutes ago, when you have been on your feet a long time during the day, as we have, your feet begin to hurt, and we should not forget those protectors of our feet.

The professional society which represents the Nation's podiatrists is the American Podiatric Medical Association and they are celebrating their 75th anniversary this year. The passage of this joint resolution would be a fitting tribute to their efforts to reduce the painful number of American bunions, corns and blisters.

This is a bill, even those of you with fallen arches can support. And as it marches toward enactment, 500 million American feet will walk with the comforting knowledge that professional foot-care is available to them through the services of the Nation's dedicated podistrists.

Mrs. MORELLA. Mr. Speaker, further reserving the right to object, I would like to thank the gentleman from West Virginia [Mr. STAGGERS] for his comments.

As a politician who campaigned door to door, I can understand the value of healthy feet.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. RAHALL). Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 75

Whereas the American Podiatric Medical Association celebrates its 75th anniversary in 1987;

Whereas foot-related diseases and injuries continue to plague countless Americans, millions of whom seek and require professional care each year;

Whereas basic podiatric medical research offers significant promises for the prevention and relief of numerous foot health complaints;

Whereas doctors of podiatric medicine, as the guardians of the Nation's foot health, are committed along with their medical colleagues to cost effective, high quality, comprehensive patient care; and

Whereas the American Podiatric Medical Association will hold its 75th annual meeting in Washington, D.C., during the week beginning August 2, 1987: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of August 2, 1987, through August 8, 1987, is designated as "National Podiatric Medicine Week". The President is requested to issue a proclamation calling on the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL ALZHEIMER'S DISEASE MONTH

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 15) designating the month of November 1987 as "National Alzheimer's Disease Month," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the Members to know that the minority has no objection to the legislation now being considered.

Mr. LOWERY of California. Mr. Speaker, 80 years have elapsed since a German neurologist named Alzheimer first described the effects of a progressive form of dementia on a 51-year-old patient. Since that time, scientists have come to learn that Alzheimer's Disease is not simply a normal consequence of aging, but rather a deadly neurological disorder that slowly but steadily robs its victims of their ability to function, both mentally and physically.

Although 60,000 Americans between the ages of 40 and 60 have Alzheimer's, the majority of its 2½ million victims are older than 65. It kills 120,000 Americans a year, and among the elderly, it is the fourth leading cause of death and the major source of serious intellectual impairment. Estimates indicate that up to half the Nation's nursing home patients suffer from Alzheimer's and that more than $34 billion is spent each year on caring for all its victims.

As our population ages, the number of Americans afflicted with this disorder will increase and the costs of caring for them will grow dramatically. Within the next 10 years, one out of every three families will be touched by Alzheimer's Disease.

And tragically, no one knows what causes it. However, we are getting closer.

Ten years ago, funding for Alzheimer's research totaled less than $4 million. In 1987, $68 million has been dedicated to the search for a cure. This past February, the Nation received a very promising return on its investment.

Recent research has uncovered important clues about the cause of Alzheimer's Disease. Scientists have identified genetic patterns that accompany an inherited form of the disease. The patterns, called genetic markers, tell scientists aproximately where to look in the maze of genetic material for the gene or genes that may cause the inherited form of Alzheimer's. Other research findings implicate an abnormal protein called amyloid as a potential factor in causing the disease.

This recent flurry of "break-through" reports on genetic factors linked to Alzheimer's disease is rooted in 15 years of research by Dr. George Glenner, a world renowned scientist, who hails from the University of California at San Diego. I commend Dr. Glenner for his diligent research, and applaud the tireless commitment of he and his wife, Joy, to caring for Alzheimer's patients and their families.

Mr. Speaker, we have come a long way in our battle against Alzheimer's disease, but there are many more battles to be fought before the war is won. Sadly, for the victims and families of Alzheimer's, each day is a battle. By declaring November 1987 as "National Alzheimer's Disease Month," it is our hope that those who suffer from Alzheimer's will be comforted, that scientists will be encouraged by Congress' continued commitment to research, and that all Americans will lend their support to eliminating this tragic disease.

I am proud to have sponsored the House version of this worthy resolution, along with my good friend from South Carolina, BUTLER DERRICK, and I thank all my colleagues who joined us as cosponsors. Mr. Speaker, I urge passage of Senate Joint Resolution 15.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 15

Whereas more than two and one-half million Americans are affected by Alzheimer's disease, which is a surprisingly common disorder that destroys certain vital cells of the brain;

Whereas Alzheimer's disease is the fourth leading cause of death among older Americans;

Whereas Alzheimer's disease is responsible for 50 per centum of all nursing home admissions, at an annual cost of more than $25,000,000,000;

Whereas in one-third of all American families one parent will succumb to this disease;

Whereas Alzheimer's disease is not a normal consequence of aging; and

Whereas an increase in the national awareness of the problem of Alzheimer's disease and recognition of national organizations such as the Alzheimer's Disease and Related Disorders Association may stimulate the interest and concern of the American people, which may lead, in turn, to increased research and eventually to the discovery of a cure for Alzheimer's disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of American in Congress assembled, That the month of November 1987 is designated as "National Alzheimer's Disease Month". The President is requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EMERGENCY MEDICAL SERVICES WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 134) designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the House to know the minority has no objection to the legislation now being considered.

Mr. MANTON. Mr. Speaker, I would like to thank the subcommittee chairman, Mr. DYMALLY, for bringing House Joint Resolution 134 to the floor and I would also like to thank the cosponsors of the legislation for their support.

House Joint Resolution 134, which I introduced, establishes the week of September 20-26, 1987, as "Emergency Medical Services Week." This week recognizes the invaluable contributions and dedication of Emergency Medical Services teams across the Nation. EMS teams include emergency medical physicians, nurses, technicians, paramedics, educators, and administrators. In 1985, these committed professionals treated more than 12 million people for life-threatening injuries and illnesses.

The medical community's knowledge and expertise in the field of emergency medicine increases every year. Organizations such as the American College of Emergency Physicians, the National Council of State EMS Training Coordinators and the National Association of Emergency Medical Technicians, help emergency personnel to remain current with the latest developments in emergency medicine. Furthermore, EMS teams work together to improve and adapt their skills as new methods of emergency treatment are developed.

Emergency personnel are a special part of the medical community who are trained to expect the unexpected, who may be called upon to treat any illness or injury and any number of patients. They must make rapid decisions on appropriate treatment and the need for hospitalization, often while working under hazardous conditions. Over the past 20 years, EMS teams have greatly improved their effectivness. In fact, EMS teams have cut in half the death rate for medical emergencies from accident or disease over the past two decades.

During the observance of "Emergency Medical Services Week," communities around the Nation will have the opportunity to honor their local EMS teams and recognize their contributions to the community. Emergency Medical Services Week will also provide a special opportunity for the providers of emergency services to educate Americans about accident prevention and how to best respond to an emergency situation.

In 1983, 1984, and 1986, the Congress voted to recognize the vital public service EMS teams provide. This year we should once again honor EMS teams by proclaiming the third week in September 1987 as emergency Medical Services Week. I urge my colleagues to join me in supporting this important resolution.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 134

Whereas the members of emergency medical services teams devote their lives to saving the lives of others;

Whereas emergency medical services teams consist of emergency physicians, nurses, emergency medical technicians, paramedics, educators, and administrators;

Whereas the people of the United States benefit daily from the knowledge and skill of these trained individuals;

Whereas advances in emergency medical care increase the number of lives saved every year;

Whereas the professional organizations of providers of emergency medical services promote research to improve emergency medical care;

Whereas the members of emergency medical services teams work together to improve and adapt their skills as new methods of emergency treatment are developed;

Whereas the members of emergency medical services teams encourage national standardization of training and testing of emergency medical personnel, and reciprocal recognition of training and credentials by the States;

Whereas the designation of "Emergency Medical Services Week" will serve to educate the people of the United States about accident prevention and what to do when confronted with a medical emergency; and

Whereas it is appropriate to recognize the value and the accomplishments of emergency medical services teams by designating "Emergency Medical Services Week": Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 20, 1987, through September 26, 1987, is designated as "Emergency Medical Services Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL CZECH AMERICAN HERITAGE WEEK

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S.J. Res. 51) to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week," and ask for its immediate consideration.

The Clerk read the title of the Senate Joint Resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 51

Whereas since the immigration of the first documented Czech settler, Augustine Herman, to New Amsterdam in 1633, Czechs and Americans of Czech descent have played a vital role as contributors to United States rural and urban life;

Whereas Czech immigrants, seeking religious, economic, and political freedom, have throughout the years contributed significantly to the arts, sports, education, and commerce;

Whereas Czech immigrants, fleeing the communist regime in 1948 and the 1968 Soviet led invasion of Czechoslovakia, represent the latest in the tradition of Czech immigrants seeking political freedom in the United States, and are particularly noteworthy for their impressive contributions in literature and other intellectual and professional pursuits;

Whereas in the 19th century Czech immigrants established hundreds of gymnastic clubs, known as '"sokols", throughout the United States, and this dedication and aptitude for sports continues and is well embodied in the accomplishments of the recent Czech immigrant, Martina Navratilova, the number one ranked women's tennis player in the world for the past five consecutive years; and

Whereas the state of Nebraska has the largest percentage of Czech descendants per capita, and the town of Wilber, Nebraska, known as the Czech capital of the United States, celebrates its 26th Annual National Czech Festival on August 1-2, 1987: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on July 27, 1987, and ending on August 2, 1987, is designated as "National Czech American Heritage Week", and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such period with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL LITERACY DAY

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 117) designating July 2, 1987, as "National Literacy Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mrs. MORELLA. Mr. Speaker, reserving the right to object, I do not object, but would like the House to know that the minority has no objection to the legislation now being considered.

Mr. Speaker, I yield to the chairman of the subcommittee, the gentleman from California [Mr. Dymally].

Mr. DYMALLY. Mr. Speaker, I would like to take this opportunity to express my support of Senate Joint Resolution 117—a bill designating July 2, 1987, as "National Literacy Day."

Approximately 27 million adults in this country cannot read. This deficiency is estimated to cost the United States $225 billion annually.

Unfortunately, an end to the problem is not within immediate reach. A million children between the ages of 12 and 17 cannot read above a 3rd grade-level, 13 percent of all 17-year-olds are functionally illiterate, and 15 percent of urban high school graduates read at less than 6th grade-level. Sadly, illiterate children grow up to become illiterate adults.

At a time when we are hoping to revive our competitive position as an approach to the budget and trade deficits, it is more important to pay closer attention to one of the fundamental causes of our diminishing competitiveness.

It is no secret that the inability to read directly affects one's ability to function effectively and profitably in today's society.

Currently, all governmental assistance reaches only 5 percent of the illiterate population. Mr. Speaker, an improvement is critical.

The proclamation made by S.J. Res. 117 is a positive first step in calling greater attention to the illiteracy problem. It would also be an appropriate commendation of the volunteers who have been working to improve the literacy capability of our Nation.

Mr. Speaker, I urge my colleagues to join me in supporting and adopting this measure.

Mrs. MORELLA. Further reserving the right to object, I fully support Senate Joint Resolution 117 (H.J. Res. 251) designating July 2, 1987, as "National Literacy Day."

The information purported in this resolution is an eye opener and truly frightening. Though we are all aware of the existence of illiteracy in our country, the severity of the problem and the effects on society are not so well publicized. We look at illiteracy in other parts of the world but do not focus fully on our need to eradicate this condition in America.

I am fortunate, as a professor of English, to have had students with an interest and a good background in our language. However, I know that some graduate and professional schools have remedial courses in English to help their students overcome basic problems.

A democracy can never flourish if there is illiteracy. We exercise our right to be well informed by defending the first amendment freedom of the press. What good is that if there are 35 million Americans who read at a level which is less than what is necessary to exist in our society and 27 million adults who cannot read at all. There is no place for illiteracy if we want a well-informed constituency.

Mr. Speaker, 85 percent of the juveniles who appear in criminal court are functionally illiterate and there is 47 percent illiteracy rate among our Nation's black young people. Of our Nation's heads of households, half read below the eighth grade level and one-third of mothers on welfare are functionally illiterate.

I reach out to these people who, because of illiteracy, are ridiculed and relegated to a life which does not reflect what this Nation stands for—opportunity and a better life.

I earnestly hope that our benefits in the 100th Congress will help to publicize the need for literacy.

Mr. FLORIO. Mr. Speaker, I would like to thank the chairman of the subcommittee on Census and Population, Mr. Dymally, for bringing this resolution to the floor today. I introduced House Joint Resolution 251, the House companion to Senate Joint Resolution 117, to designate July 2, 1987 as National Literacy Day. Last year, the Congress approved my resolution and the President reaffirmed its importance by signing the proclamation designating July 2 as National Literacy Day. I hope to continue calling attention to the large numbers of Americans that cannot function in our society because they are illiterate.

Mr. Speaker, studies indicate that 27 million Americans cannot read a newspaper, cannot fill out a job application, cannot maintain a checkbook or understand the warning label on a bottle of medicine. In short, our Nation has 27 million people that form a class of functional illiterates that are uneducated, untrainable, and economically dependent. And these numbers are growing every year. The Department of Education estimates that, every year, 2.3 million more illiterates, including high school dropouts, unlettered passalong graduates and immigrants, are added to our society.

We are paying a high price in our Nation for this unforunate deficiency. As chairman of the House Subcommittee on Commerce, Consumer Protection and Competitiveness, I am concerned that our Nation's competitiveness is being eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate. There is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money that is allocated to child welfare costs and unemployment compensation.

Social and economic discrimination problems are propounded because illiteracy is highest among blacks and Hispanics. The high percentage of illiterate juveniles in criminal court indicate that illiteracy fosters crime. Of concern to our Nation's strength is the fact that illiteracy directly impacts our military capability. Millions of dollars of damage is still done to expensive equipment because many men and women in the service are unable to read and comprehend even the simplified manuals.

The total costs related to our Nation's literacy are estimated to exceed $225 billion annually. Chronic unemployment is a further problem that illiterate individuals in our Nation need to deal with. Up to 75 percent of the unemployed lack the basic skills to get a job or be trained for a job.

Disturbingly, Federal funding for literacy programs has not been sufficient to address a problem reaching mass proportions. Federal, State, municipal, and private literacy programs have only been able to reach 5 percent of the total illiterate population. The annual amount of money spent by our Federal Government for this problem amounts to $17 per person for a total of $352 million. The Department of Education estimates that only 2 million people are reached annually by these programs.

The total cost of illiteracy to our Nation cannot be measured accurately. However, our Nation is paying dearly in lost productivity and human misery. We hear of sad stories or people suffering tragedies because they could not read: the industrial worker killed because he could not read a warning sign; the mother who gave her sick child pink detergent instead of stomach medicine because she could not decipher medicine labels; the mother who thought she was signing a routine field trip permission slip for her daughter only to discover that whe had relegated her daughter to a home for the retarded.

It is for these reasons that we call attention to the problem of illiteracy in our Nation by designating July 2, 1987 as National Literacy Day. We must begin to recognize this problem in order to find solutions and obliterate illiteracy. I would like to, at this point, commend the thousands of volunteers in our Nation, including Caryl Mackin-Wagner of Focus on Literacy of New Jersey, that are working tirelessly to help illiterate individuals in their communities. Thirty-three States have formed literacy councils and activities by volunteer organizations, colleges and schools are increasing.

I urge the support of my colleagues in this worthwhile effort.

Mrs. MORELLA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. Res. 117

Whereas literacy is a necessary tool for survival in our society;

Whereas 35,000,000 Americans today read at a level which is less than necessary for full survival needs;

Whereas there are 27,000,000 adults in the United States who cannot read, whose resources are left untapped, and who are unable to offer their full contribution to society;

Whereas illiteracy is growing rapidly, as 2,300,000 persons, including 1,200,000 legal and illegal immigrants, 1,000,000 high school dropouts, and 100,000 refugees, are added to the pool of illiterates annually;

Whereas the annual cost of illiteracy to the United States in terms of welfare expenditures, crime, prison expenses, lost revenues, and industrial and military accidents has been estimated at $225,000,000,000;

Whereas the competitiveness of the United States is eroded by the presence in the workplace of millions of Americans who are functionally or technologically illiterate;

Whereas there is a direct correlation between the number of illiterate adults unable to perform at the standard necessary for available employment and the money allocated to child welfare and unemployment compensation;

Whereas the percentage of illiterates in proportion to population size is higher for blacks and Hispanics, resulting in increased economic and social discrimination against these minorities;

Whereas the prison population represents the single highest concentration of adult illiteracy;

Whereas 1,000,000 children in the United States between the ages of 12 and 17 cannot read above a 3rd grade level, 13 percent of all 17-year-olds are functionally illiterate, and 15 percent of graduates of urban high schools read at less than a 6th grade level;

Whereas 85 percent of the juveniles who appear in criminal court are functionally illiterate;

Whereas the 47 percent illiteracy rate among black youths is expected to increase to 50 percent by 1990;

Whereas one-half of all heads of households cannot read past the 8th grade level and one-third of all mothers on welfare are functionally illiterate;

Whereas the cycle of illiteracy continues because the children of illiterate parents are often illiterate themselves because of the lack of support they receive from their home environment;

Whereas Federal, State, municipal, and private literacy programs have only been able to reach 5 percent of the total illiterate population;

Whereas it is vital to call attention to the problem of illiteracy, to understand the severity of the problem and its detrimental effects on our society, and to reach those who are illiterate and unaware of the free services and help available to them; and

Whereas it is also necessary to recognize and thank the thousands of volunteers who are working to promote literacy and provide support to the millions of illiterates in need of assistance: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That July 2, 1987, is designated as "National Literacy Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the various joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

MOTHERS OF POLITICAL PRISONERS IN NICARAGUA

(Mr. RHODES asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RHODES. Mr. Speaker, the State Department last month issued a circular entitled "Mothers of Political Prisoners," dealing with the "January 22 Movement of Mothers of Political Prisoners" in Nicaragua.

This is an organization of exceptionally courageous people whose sons or husbands are held in political confinement by the Sandinista government, held without being charged, tried, convicted or sentenced of any crime, even the questionable "crime" of speaking out against the state, much less of participating in open or armed resistance against the state. These wonderful, brave people run exceptional risk in order to achieve freedom for their loved ones and liberty for their nation. The article details the repression they have been subjected to as a result of their actions.

Our colleagues, the gentleman from New York [Mr. Scheuer], the gentlelady from Louisiana [Mrs. Boggs], and I have visited with members of the January 22 movement, and they have suffered adversely from speaking with us.

Mr. Speaker, I am submitting this article for the Record, in hopes that Members can take note that there is a resistance to the Sandinistas that is not armed, is spontaneous, and is one that all Americans can embrace and support. Freedom is their goal, and we should help them achieve it.

Mothers of Political Prisoners

Mothers of political prisoners in Nicaragua who joined forces 4 months ago in an effort to bring the plight of relatives incarcerated for violating security laws to the attention of the public have themselves become the targets of reprisal by Nicaragua's Sandinista regime.

Several activist mothers have asserted that they have been detained and interrogated by members of Nicaragua's State Security (DGSE) police. They also said that family members have been harassed, abused, and arrested and that their imprisoned sons, husbands, and brothers have received harsher treatment. The mothers, however, are strong in their resolve to organize for more humane treatment and general amnesty for political prisoners.

The group, which calls itself the "January 22 Movement of Mothers of Political Prisoners," estimates that 10,000 political prisoners are being detained, including prisoners convicted of collaborating with resistance forces and some 2,000 former National Guardsmen. The Ministry of Interior claims a total prison population of 9,691, according to the New York Times.

Approximately 1,500 mothers belong to the movement, although some say that as many as 4,000 women have joined.

The movement seeks to obtain a general decree of amnesty for all political prisoners, to obtain personal and legal assistance for the political prisoners, and to abolish the Anti-Somocista People's Tribunals (TPAs). The roundly condemned and highly political TPAs have a conviction rate of over 90 percent.

"It is most sensible to organize the mothers to achieve these objectives," said Enrique Sotelo Borgen, an opposition lawyer and member of the National Assembly representing the Conservative Party, who is advising the group, "because this is a regime of terror and in this regime it is the men who run the greatest risks. The majority of the prisoners are poor campesinos [peasants] who lack legal defense." He noted that they want to give at least some protection to the families as well.

Founders of the movement, who met while waiting in line at Managua's two largest prisons to visit inmate relatives, approached Sotelo and others for assistance in organizing the group. The Social Christian Party has taken a position of support for the movement.

"We began to organize because we realized only then could we secure the release of our families," said a former Sandinista militant and one of the movement's founders. "We were motivated to organize. In this country anyone who speaks against the revolution is called a counter-revolutionary. We feel we have a moral responsibility to criticize what we see going on, and the government does not like this."

Chester Alberto Guevara, liaison between the Social Christian Party and the movement, explained that while the group has the protection of the party, not all the women are members of the party.

Affiliation with the movement is not risk-free. "All of these women have been the subject of repression because of affiliation," said Abel Reyes, a legal assistant working with the group.

"Even before the group was formed, we suffered repression," said Silvia Aleman Mejia, one of the group's organizers. "We would go to CPDH [Permanent Commission on Human Rights], submit our statement, and our prisoner relatives would suffer the consequences. We have always run a risk, but because our loved ones are in jail, we are willing to take that risk. We're not doing it for our own relatives, but for everyone in the country who suffers."

According to a complaint filed in a Managua court last week, reported the New York Times, security agents visited Ms. Aleman at her home in Ticuantepe on March 21. She said in her complaint that the agents came "to threaten and intimidate me into stopping my participation in the activities of the January 22 Movement of Mothers of Political Prisoners, or else I would be arrested," the Times reported. "They also told me that in compliance with higher orders, they were warning me not to attend meetings of the committee." She said.

One activist mother who requested that her name not be used, said, "The day after we organized, the State Security occupied my house and took me to El Chipote [prison] for 8 hours. Four State Security agents entered my house. They wanted to find out if this group really existed, and if I belonged to a political party."

Another activist mother who also requested anonymity said she was detained and interrogated at El Chipote for 5 hours. "Some of us were stripped at El Chipote," she said. "While I was there, various people came in. They called on me to make a statement, took photos in various positions, and fingerprinted me."

On March 31, eight State Security agents and their police dogs entered the home of activist Concepcion Salazar Gonzalez, claiming they were searching for "counterrevolutionary documents." The security police struck her pregnant daughter and arrested her younger son, Fanor de los Angeles Salazar, 21. Her eldest son, Domingo Gamali Salazar Fornos, had been arrested in June 1986 and sentenced to 11 years, allegedly for being a member of the Nicaraguan Democratic Resistance Force (FDN), a charge she vehemently denies.

Ms. Salazar was taken into custody and interrogated at El Chipote prison where guards tried to make her sign a document attesting that both her sons were members of the FDN. According to Ms. Salazar, the guards told her she would never see her sons again if she did not sign the paper. They also threatened to torture her sons if she continued her activities in the mothers movement, she said.

Her son's whereabouts were unknown between March 11 and 31, at which time she received word from him. "You see, we must continue to fight," she said. "He is not dead."

The mothers' first effort came in January of this year when they drafted a letter to the Secretaries General of the United Nations and the Organization of American States to seek help for the human rights abuses occurring in the Nicaraguan prison system. The movement currently is drafting its charter; however, it has not been granted the formal legal status required of all nongovernmental organizations.

Although still in its embryonic stage, the movement already has sponsored two assemblies, which drew between 600 and 800 people despite government efforts to quell the demonstrations. The government succeeded in disbanding a third assembly on March 8 by blocking road access to the Social Christian Party headquarters where it was to be held.

"We plan to organize other events and lease a large house where we can meet and house people overnight, but our priority is to continue to fight for general amnesty," said Sotelo.

"The only chance we have is to be organized," added the former militant member of the movement.

Several of the mothers told Times reporter Stephen Kinzer that their sons had been singled out for harsher treatment in jail because news of the movement's activities had reached guards. Kinzer also reported that the movement is preparing a list of cases, which will include "names of some of the prison authorities who take cruel reprisals in the jails."

Some of the prisoners have organized work and hunger strikes to protest prison policies and treatment, according to the mothers. They said that 16 prisoners went on a hunger strike last January to protest State Security's policy of housing common criminals with Sandinista ties with political prisoners to harass and spy on them. "There are many prisoners who refuse to work. They lose visitation rights and are denied food. There also is a group of prisoners who refuse to work because they are not given enough food or water," said one mother.

Another activist mother said her son refused to work "because he was accused of being a murderer, a thief, and against the revolution, and he didn't want to give credence to those accusations."

NICARAGUAN FOREIGN MINISTER AWARDED LENIN PRIZE

(Mr. INHOFE asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. INHOFE. Mr. Speaker, since 1979, this body has debated the intentions of the Sandinista party in Nicaragua. Are they Soviet-backed Communists promoting revolution in their democratic neighbors, or are they revolutionary progressives seeking peace and a free system of government?

Recent debates have been marked by increased recognition of the Communist ideology and Soviet and Cuban ties of the Sandinistas. However, several Members and groups such as Witnesses for Peace continue to overlook the very close relationship between the Sandinista commandantes and the Soviet Union.

I would like to bring to the attention of these people two Soviet reports on the event of Nicaraguan Foreign Minister Miguel D'Escoto being awarded the international Lenin Prize. In his remarks, D'Escoto praised the Soviet Union as the "the personification of ethical and moral norms in international relations." Apparently, he has no qualms about Soviet tactics in, for instance, Afghanistan.

Mr. Speaker, I am submitting these two reports for the RECORD, and I urge my colleagues to recognize the Sandinistas for what they are and support the Nicaraguan resistance.

NICARAGUAN FOREIGN MINISTER ON LENIN PRIZE AWARD

[From the "Novosti" newscast]

Soviet journalists accredited in Nicaragua have met with Miguel D'Escoto, eminent state figure and foreign minister of the Republic, on the occasion of his being awarded the International Lenin Prize for strengthening peace among peoples.

[Begin video recording of D'Escoto in Spanish with superimposed Russian translation] I will say frankly that my first reaction was a feeling of a sort of embarassment: Am I worthy of such a high award? But when I felt pride, for my people. You see, the Nicaraguan people are waging a heroic battle for peace in the most difficult conditions. This prize makes us Nicaraguans come into even closer contact with Lenin, that great personality of your state and of all mankind who was the passionate champion of peace. For this reason I am really happy to accept this high award, which is conferred on the Nicaraguan people in my person. I believe that the Soviet Union is a great torch which emits hope for the preservation of peace on our planet. Always in the vanguard of the overall struggle for peace, the Soviet Union has become the personification of ethical and moral norms in international relations. I admire the revolutionary principles and consistency of the foreign policy of the Communist Party of the fraternal Soviet Union, which provides food for deep thought for political and state figures and for philosophers in their search for paths to a new way of thinking in the stuggle for the preservation of peace.

NICARAGUA'S D'ESCOTO ACCEPTS LENIN PRIZE IN MOSCOW

D'Escoto Brockman, a state figure from the Republic of Nicaragua, has been awarded the International Lenin Prize for Strengthening Peace Among Nations for his outstanding services in the struggle to preserve and strengthen peace. A festive meeting of representatives of the public, at which the diplomat and the winner's gold prize were handed to the Nicaraguan minister of foreign affairs, took place in the Kremlin today.

D'Escoto is active in promoting a foreign policy course which corresponds to the interests of all progressive states, noted Academician Blokhin, chairman of the committee for International Lenin Prizes.

Soviet people are coming out resolutely in favor of the defense of the sovereign rights of the states of Latin America, against any kind of attempts to dictate others' conditions on them or to sow enmity and mistrust between them. This was noted by Chakovskiy, chairman of the Soviet Committee for Solidarity with Latin American Peoples, and by Zaytsev, deputy director of the Latin America Institute of the USSR Academy of Sciences.

D'Escoto expressed his gratitude for the award and noted the International Lenin Prize is a recognition of the selfless struggle of the Nicaraguan people in defense of those principles, the respect for which is necessary so that peace between people will reign on earth. The heads of the diplomatic missions of a number of states accredited in the USSR were present at the meeting.

THE AVIATION TRUST FUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, I have been troubled for quite some time about the huge surplus that has accumulated in the aviation trust fund and has been allowed to grow regardless of the improvements that need to be made in our aviation infrastructure. To collect taxes from those who use aviation under the pretense that those moneys will be used to make much-needed repairs and improvements is a slap in the face of the flying public. I have introduced legislation that would suspend the collection of aviation taxes until the moneys in the trust fund are spent for their explicit purpose. A few months ago, the leading business journal in my district, the Wichita Business Journal, published an editorial in support of my bill and I include this in the RECORD.

[From the Wichita Business Journal, March 9, 1987]

GLICKMAN ON THE RIGHT TRACK ON AIRPORT FUND

A bill introduced by Rep. Dan Glickman, D-Wichita, to suspend the collection of airport and airway federal excise taxes is a piece of legislation long overdue for congressional action.

Unfortunately, if the past track record is any indication, it is likely Congress will delay taking action on the bill. It will take a considerable amount of pressure on members of Congress to get the suspension enacted.

Until the bill becomes law, it is the air traveling public that will continue to be ripped off.

The fund is supposed to be used for airport safety and improvements. There are dozens of projects to improve the safety of the country's airways for which the funds could be used, such as improvement of runways, the air traffic control system and hazardous weather warning equipment.

The airport and airways trust fund monies are collected from taxes on airline tickets, airline aviation, and aviation fuel and tires. Everytime anyone flies in this country, more money goes into the trust fund, which now totals a whopping $9 billion and is expected to reach $12 billion by 1991, according to General Accounting Office estimates.

Glickman's bill would invoke a suspension of the collection of the trust fund's taxes as long as the fund exceeds $1 billion. The effect of his proposal would be that the taxes would be immediately suspended until the fund drops down to the $1-billion level.

The reason the fund has grown to such a huge amount is, in Glickman's words, "gimmickry" on the part of the federal government. The funds are not being spent in order to make the federal deficit look better. Glickman is right in calling this a "perversion of the trust fund."

Besides the obvious violation of the intent of the legislation creating the trust fund, the policy of collecting the funds and not spending them puts a further damper on general aviation.

Glickman points out that suspending the collection of the $10 million a month that goes into the fund "from those who use aviation in America could be a significant shot in the arm to general aviation." Instead of money going to taxes, it could be spent on the purchase of new aircraft.

The Kansas congressional delegation should unite behind Glickman's efforts, and consumer groups should apply pressure on Congress to stop the hypocrisy in the handling of the airport trust fund.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

[Mrs. BENTLEY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. RAHALL (at the request of Mr. FOLEY) for today until 10 p.m. on account of official business.

Mr. OBEY (at the request of Mr. FOLEY) for today on account of illness.

Mr. AKAKA (at the request of himself) for today, on account of business in his district.

Mr. LELAND (at the request of Mr. FOLEY) for today, on account of official business.

Mr. WOLPE (at the request of Mr. FOLEY) for today, on account of official business.

Mr. MURTHA (at the request of Mr. FOLEY) for today, on account of official business.

Mr. BOB SMITH of Oregon (at the request of Mr. MICHEL) for today, on account of attendance at a funeral.

Mr. MILLER of Ohio (at the request of Mr. MICHEL) for today and the balance of the week, on account of personal reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special order heretofore entered, was granted to:

(The following Member (at the request of Mrs. MORELLA) to revise and extend his remarks and include extraneous material:)

Mr. MOLINARI, for 60 minutes, on June 30.

(The following Members (at the request of Mr. DYMALLY) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MAZZOLI, for 5 minutes, on June 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mrs. MORELLA) and to include extraneous matter:)

Mrs. SAIKI.
Mr. SAXTON.
Mr. FAWELL.
Mr. GILMAN, in two instances.
Mr. CRANE.
Mr. MICHEL.
Mr. CLINGER.
Mr. GEKAS, in two instances.
Mr. WHITTAKER.
Mr. LUJAN.
Mr. BEREUTER, in two instances.
Mr. HANSEN.

(The following Members (at the request of Mr. DYMALLY) and to include extraneous matter:)

Mr. DYMALLY.
Mr. BENNETT.
Mr. ANDERSON, in 10 instances.
Mr. GONZALEZ, in 10 instances.
Mr. BROWN of California, in 10 instances.
Mr. ANNUNZIO, in six instances.
Mr. JONES of Tennessee, in 10 instances.
Mr. BONER of Tennessee, in 10 instances.
Mr. TORRES, in two instances.

Mr. SKELTON.
Mr. LIPINSKI.
Mr. MONTGOMERY.
Mr. FLORIO.
Mr. RANGEL.
Mr. SCHUMER.
Mr. DOWNEY of New York.
Mr. LANTOS.
Mr. THOMAS A. LUKEN.
Mr. KLECZKA.
Mr. TRAFICANT, in three instances.
Mr. MAVROULES.
Ms. OAKAR.
Mr. SLATTERY.

SENATE BILLS, JOINT RESOLUTIONS, AND CONCURRENT RESOLUTIONS REFERRED

Bills, joint resolutions, and concurrent resolutions of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 104. An act to recognize the organization known as the National Academies of Practice; to the Committee on the Judiciary.

S. 442. An act to amend section 914 of title 17, United States Code, regarding certain protective orders; to the Committee on the Judiciary.

S. 836. An act to amend the Department of Energy Organization Act to authorize protective force personnel who guard the strategic petroleum reserve or its storage and related facilities to carry firearms while discharging their official duties and in certain instances to make arrests without warrant; to establish the offense of trespass on property of the strategic petroleum reserve, and for other purposes; to the Committees on Energy and Commerce, and the Judiciary.

S.J. Res. 40. Joint resolution to give special recognition to the birth and achievements of Aldo Leopold; to the Committees on Post Office and Civil Service and Interior and Insular Affairs.

S.J. Res. 44. Joint resolution to designate November 1987, as "National Diabetes Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 48. Joint resolution designating the week of September 14, 1987, through September 20, 1987, as "Benign Essential Blepharospasm Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 51. Joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 72. Joint resolution to designate the week of October 11, 1987, through October 17, 1987, as "National Job Skills Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 87. Joint resolution to designate November 17, 1987, as "National Community Education Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 103. Joint resolution to designate October, 1987, as "Computer Learning Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 108. Joint resolution to designate October 6, 1987, as "German-American Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 109. Joint resolution to designate the week beginning October 4, 1987, as "National School Yearbook Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 121. Joint resolution designating August 11, 1987, as "National Neighborhood Crime Watch Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 122. Joint resolution to designate the period commencing on October 18, 1987, and ending on October 24, 1987, as "Gaucher's Disease Awareness Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 135. Joint resolution to designate October 1987 as "Polish American Heritage Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 138. Joint resolution to designate the period commencing on July 13, 1987, and ending on July 26, 1987, as "U.S. Olympic Festival-'87 Celebration", and to designate July 17, 1987, as "U.S. Olympic Festival-'87 Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 142. Joint resolution to designate the day of October 1, 1987, as "National Medical Research Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 154. Joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week"; to the Committee on Post Office and Civil Service.

S.J. Res. 157. Joint resolution to designate the month of October 1987, as "Lupus Awareness Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 160. Joint resolution to designate July 25, 1987, as "Clean Water Day"; to the Committee on Post Office and Civil Service.

S.J. Res. 163. Joint resolution to designate the month of November, 1987, as "National Family Bread Baking Month"; to the Committee on Post Office and Civil Service.

S.J. Res. 165. Joint resolution expressing the sense of the Senate and the House of Representatives that the President is authorized and requested to issue a proclamation declaring June 27th, 1987 as "National Sokol Day in the United States"; to the Committee on Post Office and Civil Service.

S. Con. Res. 38. Concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, Colorado; to the Committee on House Administration.

S. Con. Res. 64. Concurrent resolution to authorize the printing of "Guide to Records of the United States Senate at the National Archives, 1789-1989: Bicentennial Edition"; to the Committee on House Administration.

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 626. An act to provide for the conveyance of certain public lands in Cherokee, De Kalb, and Etowah Counties, Alabama, and for other purposes.

H.J. Res. 181. Joint resolution commemorating the bicentennial of the Northwest Ordinance of 1787.

ADJOURNMENT

Mr. DYMALLY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Tuesday, June 30, 1987, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1675. A letter from the Chairman, Federal Home Loan Bank Board, transmitting the Board's annual report for the calendar year 1986, pursuant to 12 U.S.C. 1437(b); to the Committee on Banking, Finance and Urban Affairs.

1676. A letter from the Secretary of Education, transmitting a draft of proposed legislation to improve and simplify education programs for Indian children and adults, and for other purposes, pursuant to 31 U.S.C. 1110; to the Committee on Education and Labor.

1677. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed letter(s) of offer to Pakistan for defense articles and services estimated to cost $78 million (Transmittal No. 87-21), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

1678. A letter from the Director of Benefits, Farm Credit Banks of Texas, transmitting the annual report for the plan year ended December 31, 1985, for the farm credit banks of Texas pension plan, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1679. A letter from the Secretary of Transportation, transmitting the 1986 report on the valuation of the U.S. Coast Guard military retirement system, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

1680. A letter from the Secretary of the Interior, transmitting the Department's report on the activities carried out under the Federal Coal Management Program during fiscal year 1986, pursuant to 30 U.S.C. 208-2; to the Committee on Interior and Insular Affairs.

1681. A letter from the Chairman, U.S. Sentencing Commission, transmitting a supplementary report to be read in conjunction with the sentencing guidelines and policy statements previously forwarded (Ex. Com. No. 1199), pursuant to 28 U.S.C. 994(o); to the Committee on the Judiciary.

1682. A letter from the Interagency Task Force, transmitting the 1986 annual report of the National Acid Precipitation Assessment Program, pursuant to 42 U.S.C. 8903(e); to the Committee on Science, Space, and Technology.

1683. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to withdraw and reserve for the Department of the Air Force certain Federal lands within Lincoln County, NV, and for other purposes, jointly, to the Committees on Armed Services and Interior and Insular Affairs.

1684. A letter from the Secretary of the Interior, transmitting the report and recommendations concerning the future management of the 1.5-million-acre coastal plain of the Arctic National Wildlife Refuge, Alaska; constitutes the final record of decision; additional comments received during the Council on Environmental Quality's waiting period will be provided separately, pursuant to Public Law 96-487, section 1002(h); jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

[Pursuant to the order of the House on June 26, 1987, the following conference report was filed on June 27, 1987]

Mr. WHITTEN: Committee of conference. Conference Report on H.R. 1827 (Rept. 100-195). Ordered to be printed.

Mr. DERRICK: Committee on Rules. House Resolution 215. Resolution waiving certain points of order against consideration of H.R. 2763, a bill making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-196). Referred to the House Calendar.

Mr. MOAKLEY: Committee on Rules. House Resolution 216. Resolution waiving certain points of order against consideration of H.R. 2783, a bill making appropriations for the Department of Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1988, and for other purposes (Rept. 100-197). Referred to the House Calendar.

Mr. BEILENSON: Committee on Rules. House Resolution 217. Resolution waiving certain points of order against the conference report on H.R. 1827, a bill making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes (Rept. 100-198). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HUCKABY (for himself and Mr. Lott):

H.R. 2820. A bill to amend the Internal Revenue Code of 1986 to clarify the State income tax treatment of Members of Congress and their families; to the Committee on Ways and Means.

By Mr. McCANDLESS:

H.R. 2821. A bill to expedite certain California land exchanges between the Secretary of the Interior and the Nature Conservancy; to the Committee on Interior and Insular Affairs.

By Mr. OBERSTAR (for himself, Mr. Staggers, Mr. Frank, and Mr. Owens of New York):

H.R. 2822. A bill to amend the Railroad Retirement Act of 1974 to provide survivors' annuities to certain employees' survivors not currently eligible for such annuities, and to provide for reductions in annuities otherwise due to persons likely to become such survivors and employers; to the Committee on Energy and Commerce.

By Mr. OBERSTAR (for himself, Mr. Frank, Mr. Staggers, and Mr. Hertel):

H.R. 2823. A bill to amend the Railroad Retirement Act of 1974 to provide benefits for certain disabled spouses of railroad employees and for certain spouses of disabled railroad employees; to the Committee on Energy and Commerce.

H.R. 2824. A bill to amend the Railroad Retirement Act of 1974 to modify the "years of service" credit for military service; to the Committee on Energy and Commerce.

By Mr. OBERSTAR (for himself and Mr. Frank):

H.R. 2825. A bill to amend the Railroad Retirement Act of 1974 to provide eligibility for annuities to divorced wives, not currently eligible, who would be eligible for a benefit under section 202(b) of the Social Security Act if their former husbands railroad service were included in employment for the purposes of the Social Security Act; to the Committee on Energy and Commerce.

By Mr. OBERSTAR (for himself, Mr. Staggers, Mr. Frank, and Mr. Hertel):

H.R. 2826. A bill to amend the Railroad Unemployment Insurance Act to provide that unemployment benefits and sickness benefits of railroad employees will not be reduced by reason of the receipt of certain unrelated social insurance benefits; to the Committee on Energy and Commerce.

By Mr. OBERSTAR (for himself, Mr. Frank, and Mr. Staggers):

H.R. 2827. A bill to amend the Railroad Retirement Act of 1974 to provide that any worker with 25 years of service or more shall have a current connection for certain purposes; to the Committee on Energy and Commerce.

By Mr. SWIFT:

H.R. 2828. A bill to establish certain reemployment rights from employees who have lost employment as a consequence of the divestiture of the Bell system, and for other purposes; jointly, to the Committees on Education and Labor and Energy and Commerce.

By Mr. OBERSTAR (for himself and Mr. Frank):

H.R. 2829. A bill to amend the Railroad Retirement Act of 1974 to increase the earnings limit for recipients of certain disability annuities; to the Committee on Energy and Commerce.

H.R. 2830. A bill to amend the Railroad Retirement Act of 1974 to provide for a trial work period in disability situations similar to that provided under the Social Security system; to the Committee on Energy and Commerce.

H.R. 2831. A bill to amend the Railroad Retirement Act of 1974 to eliminate the "last employer" rule, and certain related rules, as they affect the portion of certain annuities commonly referred to as "tier I" and to provide that certain deductions for work be made from such portion; to the Committee on Energy and Commerce.

By Mr. RICHARDSON (for himself, Mr. Hawkins, Mr. Akaka, Mr. Anderson, Mrs. Bentley, Mr. Blaz, Mr. Boner of Tennessee, Mr. Bryant, Mr. Campbell, Mr. Clay, Mr. Conyers, Mr. Crockett, Mr. DeFazio, Mr. Dellums, Mr. de Lugo, Mr. Dornan of California, Mr. Dyson, Mr. Evans, Mr. Feighan, Mr. Foglietta, Mr. Ford of Tennessee, Mr. Frost, Mr. Fuster, Mr. Garcia, Mr. Gordon, Mr. Gray of Illinois, Mr. Hansen, Mr. Hatcher, Mr. Hayes of Illinois, Mr. Houghton, Mr. Howard, Mr. Johnson of South Dakota, Mr. Jontz, Mr. Kildee, Mr. Lagomarsino, Mr. Leland, Mr. McCloskey, Mr. Marlenee, Mr. Matsui, Mr. Mfume, Mr. Murphy, Mr. Perkins, Mr. Fields, Mr. Rodino, Mr. Roe, Mr. Savage, Mr. Schaefer, Mr. Solarz, Mr. Staggers, Mr. Sunia, Mr. Tallon, Mr. Torres, Mr. Towns, Mr. Traficant, Mr. Traxler, Mr. Valentine, Mr. Watkins, Mr. Wise, Mr. Wolpe, Ms. Pelosi, Mr. Regula, Mr. Stokes, Mr. Martinez, Mr. Kolter, Mr. Dymally, Mr. Smith of Florida, Mr. Florio, Mr. Scheuer, Mr. Madigan, Mr. Hastert, Mr. Neal, Mr. Wortley, and Mr. Mrazek):

H.R. 2832. A bill to authorize and request the President to call and conduct a White House Conference on Child Abuse to be held not earlier than 1989 and not later than 1991, and for other purposes; to the Committee on Education and Labor.

By Mr. SAXTON:

H.R. 2833. A bill to amend title XVIII of the Social Security Act to assist Medicare beneficiaries in understanding their enrollment in health maintenance organizations and competitive medical plans; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SCHUMER (for himself and Mr. Sensenbrenner):

H.R. 2834. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to assist States and local governments to improve the accuracy, timeliness, and completeness of criminal justice information; to the Committee on the Judiciary.

By Mr. SUNDQUIST:

H.R. 2835. A bill to direct the Secretary of Agriculture to release certain restrictions on a parcel of land located in Henderson, TN; to the Committee on Agriculture.

By Mr. BEREUTER:

H.R. 2836. A bill to require the Commodity Credit Corporation to pay an interest penalty for late payment of amounts required to be paid or loaned to any person; jointly, to the Committees on Agriculture and Government Operations.

By Mr. THOMAS A. LUKEN (for himself, Mr. Whittaker, Mr. Sikorski, Mr. Ritter, Mr. Hall of Ohio, Mr. Traficant, Mr. Obey, Mr. Yatron, Mrs. Roukema, and Mr. Gilman):

H.R. 2837. A bill to amend the Toxic Substances Control Act to assist States in responding to the threat to human health posed by exposure to radon; to the Committee on Energy and Commerce.

By Ms. BENTLEY:

H.R. 2838. A bill to clarify merchant seamen citizenship requirements for U.S. flag vessels; to the Committee on Merchant Marine and Fisheries.

By Mr. HANSEN:

H.R. 2839. A bill to correct historical and geographical oversights in the establishment and development of the Utah component of the Confederated Tribes of the Goshute Reservation, to unify the land base of the Goshute Reservation, to simplify the boundaries of the Goshute Reservation, and for other purposes; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII.

By Mr. HALL of Texas, introduced a bill (H.R. 2840) to waive the statute of limitations to award the Congressional Medal of Honor to Ensign George Gay; which was referred to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 17: Mr. Morrison of Connecticut.

H.R. 18: Mr. Visclosky.

H.R. 39: Mr. Ackerman and Mr. Evans.

H.R. 80: Mr. Clarke, Mr. Evans, and Mr. LaFalce.

H.R. 306: Mr. Swindall.

H.R. 321: Mr. Hayes of Illinois.

H.R. 332: Mr. de Lugo.

H.R. 341: Mr. Badham, Mr. Burton of Indiana, Mr. Davis of Illinois, Mr. Hall of Texas, Mr. Henry, Mr. Inhofe, Mr. Lagomarsino, Mr. Moorhead, Mr. Parris, Mr. Porter, and Mr. Martinez.

H.R. 630: Mr. Applegate.

H.R. 637: Mr. Mineta.

H.R. 898: Mr. Lewis of Georgia.

H.R. 911: Mr. Rahall, Mr. Roth, Mr. Crockett, Mr. McDade, Mr. Bruce, Mr. Wilson, and Mrs. Patterson.

H.R. 933: Mr. Eckart, Mr. Lehman of California, Mr. Mrazek, Mr. Walgren, Mrs. Boxer, Mr. Swindall, and Mr. Durbin.

H.R. 1090: Mr. Richardson.

H.R. 1154: Mr. Bryant, Mr. Dingell, Mr. Leath of Texas, Mr. Regula, Mr. Robinson, Mrs. Roukema, Miss Schneider, and Ms. Snowe.

H.R. 1313: Mr. Johnson of South Dakota, Mr. Obey, Mr. DeLay, Mr. Spence, Mr. Marlenee, Mr. Packard, Mr. Vento, and Mrs. Patterson.

H.R. 1327: Mr. Rahall, Mr. St Germain, and Ms. Kaptur.

H.R. 1328: Mr. Hochbrueckner.

H.R. 1516: Mr. Courter, Mr. Miller of Washington, Mr. Henry, Mr. Skaggs, Mr. Levine of California, Mr. Dornan of California, Mr. Panetta, Mr. Berman, and Mr. Dixon.

H.R. 1662: Mr. Richardson.

H.R. 1729: Mr. Barnard and Mr. Broomfield.

H.R. 1776: Mr. Hunter.

H.R. 1782: Mr. DeWine.

H.R. 1794: Mr. Martinez and Mr. Garcia.

H.R. 1936: Mr. Stump.

H.R. 1942: Mr. Howard, Mrs. Boxer, Mr. Wilson, Mr. Rangel, Ms. Kaptur, Mr. Lewis of Georgia, Mr. Edwards of California, Mr. Gilman, Mr. Eckart, Mr. Hayes of Illinois, and Mr. Ford of Tennessee.

H.R. 1987: Mr. Dorgan of North Dakota, Mr. Ford of Michigan, Mr. Sweeney, Mr. McGrath, Mr. Bliley, Mr. Stokes, Mr. Hammerschmidt, Mr. Kennedy, Mr. McEwen, Mrs. Martin of Illinois, Mr. Clarke, Mr. Skelton, Mr. Feighan, and Mr. Badham.

H.R. 2041: Mr. Martinez, Mr. Morrison of Connecticut, Mr. Leach of Iowa, Mr. Markey, Mr. Studds, Mr. Ackerman, Mr. Frank, Mr. Mrazek, Mr. Towns, and Mr. Leland.

H.R. 2114: Mr. Boehlert and Mr. Lancaster.

H.R. 2146: Mr. Russo.

H.R. 2220: Mr. Garcia and Mr. Borski.

H.R. 2221: Mr. Garcia and Mr. Borski.

H.R. 2241: Mr. Burton of Indiana, Mr. Kyl, Mr. Rahall, Mr. Schuette, Mr. Denny Smith, Mr. Walker, and Mr. Packard.

H.R. 2249: Mr. Kildee and Mr. Boucher.

H.R. 2556: Mr. Wortley and Mr. Hubbard.

H.R. 2579: Mr. Frost.

H.R. 2580: Mr. Lagomarsino.

H.R. 2607: Mr. Tallon and Mr. Kolter.

H.R. 2609: Mr. Rinaldo, Mr. Stokes, and Mr. Buechner.

H.R. 2644: Mr. Boehlert.

H.R. 2662: Mr. Roberts.

H.R. 2666: Mr. Martin of New York, Mrs. Johnson of Connecticut, Mr. Akaka, Mr. Gallo, Mr. Bates, Mr. Florio, Mr. de Lugo, and Mr. Fuster.

H.R. 2707: Mr. Olin, Mr. Fuster, Mr. Garcia, Mr. Watkins, Mr. Young of Alaska, Mr. English, Mr. Dyson, and Mr. Studds.

H.R. 2717: Mr. Udall, Mr. Studds, Mr. Boland, Mr. Ford of Tennessee, Mr. Martinez, Mrs. Kennelly, and Mr. Levin of Michigan.

H.J. Res. 52: Mr. Skaggs, and Ms. Slaughter, of New York.

H.J. Res. 55: Mr. Coelho, Mr. DeWine, Mr. LaFalce, Mr. Moorhead, Mr. Sundquist, Mr. Nelson of Florida, Mr. Hefner, Mr. Borski, Mr. Kanjorski, and Mr. Donnelly.

H.J. Res. 114: Mr. Borski, Mr. Weiss, Mr. Gejdenson, and Mr. Ray.

H.J. Res. 191: Mr. Conte, Mr. Huckaby, Mr. Lancaster, Mr. Levine of California, Mr. Lungren, Mr. Spence, Mr. McEwen, Ms. Oakar, Mr. Anderson, Mr. Carper, Mr. Bliley, Mr. Boucher, and Mr. Martinez.

H.J. Res. 206: Mr. Bustamante, Mr. Gallo, Mr. McEwen, Mr. Harris, Mr. Boucher, and Mrs. Boxer.

H.J. Res. 255: Mr. Carper, Mr. Dowdy of Mississippi, Mr. Wheat, Mr. Hammerschmidt, Mr. Flippo, Mr. Lagomarsino, Mr. Sisisky, Mr. Hunter, Mr. Dicks, and Mr. Thomas A. Luken.

H.J. Res. 268: Mr. Brennan, Mr. Lowry of Washington, Mr. McDade, Mr. Garcia, Mr. Cardin, and Mr. Guarini.

H.J. Res. 282: Mr. Henry, Mr. Fawell, Mr. Eckart, Mr. Stokes, Mr. Beilenson, Mr. Lipinski, Mrs. Johnson of Connecticut, Mr. Dyson, Mr. Boner of Tennessee, Mr. Stallings, Mr. Udall, Mr. Cardin, Mr. Badham, Mr. McCollum, Mr. Matsui, Mr. Jontz, Mr. Feighan, Mr. Akaka, Mr. Frost, and Ms. Slaughter of New York.

H.J. Res. 291: Mr. Martinez, Mr. Weiss, and Mr. Garcia.

H.J. Res. 295: Mr. Wise.

H.J. Res. 309: Mr. Gingrich.

H.J. Res. 313: Ms. Oakar, Mr. Martinez, Mr. Lantos, and Mr. Frost.

H. Con. Res. 5: Mr. Stokes.

H. Res. 110: Mr. Buechner.

H. Res. 141: Mr. Kennedy.

H. Res. 210: Mr. Frenzel, Mr. Sundquist, Mr. Ray, Mr. Lightfoot, Mr. Lagomarsino, Mr. Brown of Colorado, Mr. Rowland of Connecticut, Mr. Slaughter of Virginia, and Mr. Davis of Illinois.

EXTENSIONS OF REMARKS

SECRETARY OF STATE FINALLY MAKES A SPEECH ON DRUGS—DELIVERS IT TO HIS STAFF

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. RANGEL. Mr. Speaker, one of the most important fronts in the war on drugs is international narcotics control. Former Supreme Court Chief Justice Warren Burger told me over a year ago that he considered drug trafficking and abuse to be a greater threat to the security of our Nation than communism. I share this belief and have worked as the chairman of the Select Committee on Narcotics Abuse and Control to elevate the narcotics control issue to a higher level of U.S. foreign policy priority.

The select committee has repeatedly asked Secretary of State Shultz to testify before the committee to outline his objectives in international narcotics control and to explain exactly where cooperation on international narcotics control fits in with the Department's overall foreign policy objectives. Instead of appearing himself, he has sent witnesses from the Department's Bureau of International Narcotics Matters [INM]. Although these witnesses have been fine, dedicated, and knowledgeable men and women, they have been narcotics policy specialists and could not, therefore, tell us exactly where in the State Department hierarchy of priorities narcotics control could be found.

I have been extremely concerned about this because I frequently read press reports of the Secretary's statements or see him on TV newscasts and talk shows discussing a wide variety of international issues. But I never see him using these opportunities to make public statements on international narcotics control.

I finally received in the mail this week a copy of a speech made by Secretary of State Shultz, entitled "Narcotics: A Global Threat." Hoping to see that the Secretary had finally made this issue a public priority, I started reading the speech, only to discover that it was an address he had delivered to a Washington meeting of the State Department's staff of narcotics coordinators who manage the Department's narcotics control programs abroad.

Even though this was an internal State Department address, I would like to share this statement with you, so we all may learn just what the Secretary's policy is with respect to narcotics control. First, I would like to make a few observations on the content of his remarks.

The Secretary correctly states that the President signed the Anti-Drug Abuse Act of 1986 into law last fall. This historic legislation, which increased Federal antinarcotics efforts by $1.7 billion, was the product of a strong bipartisan effort in the Congress. The President signed the bill several days before the fall elections in an impressive White House ceremony with a lot of media present.

The Secretary then correctly states that the drug bill increased the State Department's international narcotics control budget to $118 million, nearly double its fiscal year 1986 budget. A very important and relevant point that the Secretary failed to mention was that 6 weeks later the President submitted to Congress his fiscal year 1988 budget proposal which drastically cut Federal antidrug programs by $950 million, including a $20 million, or 16-percent reduction for international narcotics control activities by the State Department.

The Secretary then outlines the recommendations he made to a meeting of U.S. Ambassadors to narcotics producing and trafficking countries. One of those items was "to raise the issue of congressional budget cuts—for foreign aid—in their appearances before American audiences. I asked our ambassadors to make the point repeatedly that false economizing undermines our campaign against drugs."

False economizing does undermine our campaign against drugs—a point well taken and well stated. I wish the Secretary or any of the Ambassadors would make that point to the President.

The select committee has visited all the major illicit narcotics producing countries in the world. We have found that the illegal drug trade is often the single most important threat to the stability and, indeed, the very survival of fragile democracies, particularly in our own hemisphere. Unless our foreign policy begins to place a higher priority on helping these countries combat the threat of narcotics, the day may come when we no longer have to worry about how much foreign aid we give them.

With these thoughts in mind, I submit to you Secretary Shultz' address on international narcotics control:

NARCOTICS: A GLOBAL THREAT

(By Secretary Shultz)

I'm delighted to be able to speak to you this morning. This is an issue of importance. It's one that I've been struggling with as a government official since I was Director of the Budget, and I remember way back in those days. I do feel that somehow we are finally beginning to get somewhere. I feel that more now than I did way back then, and there are many reasons for that.

I'd have to say one of the reasons is the very effective work that our First Lady Nancy Reagan has been doing, because while I'm going to focus here in my remarks on the overseas elements of our program, we all know that it has to be a two-way proposition—we have to be getting at the use of drugs. Nancy has really led the way with her efforts, and the "Just Say No" is catching on. I feel as though this battle can be won, so that's very encouraging for all of us, I think.

I have the opportunity to speak today to our Foreign Service community about an international issue which has so much impact on our everyday lives. Narcotics control is a special job, performance by special poeple. It benefits all of us, and it makes our world a better, safer place to live. Drug abuse is both a moral insult and a national security threat.

In my meetings with leaders of democratic nations, I hear that drug trafficking and abuse are undermining democracy and social institutions. Elected leaders fear that drug traffickers can and will buy elections. Democracy is at stake.

In the United States, drugs are killing our athletes, corrupting our values, and threatening our society. Front page news photos of stockbrokers being led away in handcuffs, charged with trading cocaine for insider information on stocks, drives home the point—drugs are a threat to every sector of our society. No one is safe.

From the boardroom to the locker room, from the classroom to the operating room, someone you may not know, but who could make a difference in your life, may be on drugs. He invests your money. He pilots an airplane. He teaches your children. He performs surgery. He is your child's best friend. He is your son.

In the crucial narcotics control jobs you hold overseas, fighting the business of drugs is something you do every day. Many of you go into opium or coca fields and see the acres and acres of crops that will be processed into the heroin or cocaine that end up on our streets. Many of you work with officials whose motives are not beyond reproach. (See how diplomatic I'm being.) Many of you see, day after day, the toll that drug production, trafficking, and abuse take on developing societies.

We see it at home, too. Drug availability is unacceptably high. Drugs are our number one foreign import. Narcotic profits fuel a huge criminal network reaching into our country from the jungles of Bolivia and Colombia, Laos and Burma. The network involves peasants from Peru, hill tribe farmers from Thailand, chemists from Hong Kong, shipowners from Panama. It has ensnared students on our campuses, jobless young people, Hollywood stars, housewives and halfbacks, rich and poor alike.

Even the producing countries are seeing their citizens fall victim to addiction, just like Americans and Europeans. Lima and Bangkok and Karachi have as many victims now as New York and London, Rome and Detroit. Many of the victims are only children.

Just the other day, I read a news story about a 9-year-old Nigerian boy who was being used as a mule by heroin smugglers. When he was arrested, no one came forward to claim him. He was carrying $3-million-worth of heroin. Like so many other children enmeshed in the narcotics network, he has become a victim.

Someone told a story the other day about a school teacher in The Bahamas who asked the children in her class what they wanted to be when they grew up. Twenty percent

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

said drug traffickers. This isn't a chapter from a Dickens novel. It's real life, 1987.

I've said on many occasions that narcotics trafficking is the modern-day version of piracy. And it's getting worse, when lawless, greedy drug traffickers try to hold entire countries hostage. They are joining forces with terrorists and guerrillas to pillage and plunder whole societies, destroying the values and institutions of decent people. They have killed scores of judges in Colombia. They tracked down Ambassador Parejo, Colombia's former Justice Minister, in Budapest but failed to silence his eloquence in defense of human values. Traffickers have killed one of our drug agents, murdered journalists, threatened the wives and children of courageous officials.

But the traffickers have discovered that they can no longer get away with murder. The countries under assault are fighting back. International law is being rewritten to arrest the traffickers, separate them from their wealth, and put them in prison. Colombia's extradition of Carlos Lehder to the United States proved to Latin American traffickers that no one—not even a kingpin of the Medellin cocaine cartel—can escape justice when nations work together in defending their people.

We have no illusions. The real war against drugs, an international struggle, is just beginning. The stakes are high, and the challenges are great. This terrible threat is not insurmountable. Right is on our side, and also realistic effort is on our side.

The worldwide supply of drugs is vast. The toll of addicts grows daily. Drug dealing is too profitable. Many officials have been corrupted, but millions of good people everywhere have had enough. Today 20 countries are eradicating narcotics crops. The United States actively assists 14 of them with funding, equipment, and personnel channeled through State's INM Bureau.

More countries are looking to their neighbors for help, and joint vigilance is the watchword. Regional cooperation is beginning to bear fruit.

The United Nations, the Organization of American States (OAS), ASEAN [Association of South East Asian Nations], SAARC [South Asian Association of Regional Cooperation], and the EEC [European Economic Community] have all taken on drug control as a grave international issue. The newly organized OAS antinarcotics commission just met here in Washington. We look to the OAS to organize concrete actions to reduce both the supply and demand for drugs in our hemisphere.

Next month, the UN International Conference on Drug Abuse and Illicit Trafficking will be held in Vienna. This will be a historical gathering of ministerial-level officials from all over the world to study concrete actions for dealing with a worsening global problem. The United Nations is also drafting a new convention against narcotics trafficking that will strengthen international efforts to halt this corrupting trade. Both the conference and the convention are examples of the fine work the United Nations can do and proof that mutual interests can be secured by international cooperation. Both projects are based on the growing realization that no single country can defend itself against narcotics alone.

Regional defense is another area of progress in drug control. The Andean nations of Colombia, Peru, Ecuador, Bolivia, and Venezuela signed the Lara Bonilla treaty last year, pledging to work together against trafficking and to adopt more effective antinarcotics legislation.

In Asia, countries like Burma and Thailand, India and Pakistan have joined the United States and Mexico in frankly discussing the narcotics problem as a serious bilateral issue which affects nations sharing common borders. Let me assure you that as we look overseas for international cooperation against drugs, we're looking for it at home, too. We must put our own house in order. Last November, President Reagan called 21 of our ambassadors home to tell them how the United States is dealing with our drug problem. The national strategy incorporates law enforcement, treatment and rehabilitation, research, prevention, and international cooperation—in other words, a comprehensive program.

The United States has set ambitious goals to get rid of drugs in our schools, our workplaces, our transportation system, our public housing—in other words, to get rid of drugs in our country.

Last fall, the President signed the Anti-Drug Abuse Act of 1986, the most comprehensive antidrug legislation on the books. Title IV of the act expands the Department's international narcotics cooperation program, and the Bureau of International Narcotic Matters received a budget of $118 million for its work this year, nearly double what it received in 1985.

And I must say, when you attract some money, Ann [Ann Wrobleski, Assistant Secretary for International Narcotic Matters], you attract a lot of attention. And all the other bureaus are coming around saying, we're working on drugs, and we can use a little of your money, but you don't give a dime out unless you get your money's worth, do you?

As diplomats, we have a special role to play as part of the national and international strategy. When I met with our ambassadors at the White House a few months ago, I made specific recommendations for action. I asked them:

First, to stress the U.S. commitment to fighting narcotics in their meetings with foreign officials, and I do that, too;

Second, to use the range of available tools, such as extradition treaties, mutual legal assistance treaties to combat narcotics trafficking;

Third, to support the work in the United Nations, particularly the upcoming world conference and draft convention;

Fourth, to encourage other nations to support the UN Fund for Drug Abuse Control;

Fifth, to establish a dialogue among ambassadors to explore regional cooperation on the narcotics issue, sharing information and expertise;

Sixth, to encourage other countries to learn from the American drug experience. I told them that we learned the hard way, but we can help other countries to avoid the same mistakes we made; and

Seventh, I urge all of them to raise the issue of congressional budget cuts in their appearances before American audiences. I asked our ambassadors to make the point repeatedly that false economizing undermines our campaign against drugs.

Without essential MAP [Military Assistance Program] and IMET [International Military Education and Training] funding, adequate development assistance and ESF [Economic Support Fund] funding, our efforts to control narcotics production and trafficking can be rendered meaningless. U.S. foreign assistance helps strengthen democracies. Strong countries can better resist drug traffickers and offer alternatives to their citizens. In the long run, America benefits, as does the rest of the world, from our foreign assistance programs.

In his speech on September 14, President Reagan said:

"When we all come together united, striving for this cause, then those who are killing America and terrorizing it with slow but sure chemical destruction will see that they are up against the mightiest force for good that we know. Then they will have no dark alleys to hide in."

You are a part of this "mightiest force for good." It's hard work. You're on the front lines, day after day, facing discouragement and fighting an uphill battle. But your work is deeply appreciated by the Department of State and by the entire U.S. Government. You are helping to build a climate of outspoken intolerance, as Mrs. Reagan urged in her September speech, against those who live outside the law. We're all depending on you and your work, because you are making the world a better place to raise our children and the generations to follow.

FIRST ANNIVERSARY OF THE SAN GABBRIEL/POMONA REGIONAL CENTER

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. TORRES. Mr. Speaker, I rise today to recognize the San Gabriel/Pomona Regional Center. This center, which is located in West Covina, CA, will be celebrating its first anniversary on July 17, 1987.

The San Gabriel Valley/Pomona Regional Center has an active case load of 4,500 developmentally disabled children and adults. The term developmentally disabled encompasses many different disabilities including mental retardation, cerebral palsy, autism, and epilepsy.

The 140-member staff of the center serves as a link between persons who are developmentally disabled and the many agencies and professional specialists that provide services to them. The center's staff works with these agencies and specialists in order to design individualized and specialized care for each client. They seek to foster as much independence as each client is capable of achieving.

The center is governed by a 16-member volunteer board of directors. The board is composed of 11 parents, 4 citizens interested in developmental disabilities, and 1 client.

In the past year, the regional center has made significant strides in serving the developmentally disabled population in the San Gabriel/Pomona area. I commend them for their exemplary effort to improve the quality of life for their clients. I am certain that the productivity and dedication that we have seen demonstrated at the San Gabriel/Pomona Regional Center will continue in their second year of service.

VA EMPLOYEES VOICE STRONG SUPPORT FOR THEIR MEDICAL COMPUTER SYSTEM

HON. G.V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. MONTGOMERY. Mr. Speaker, a controversy over the effectiveness and cost of the Veterans' Administration's medical computer system, known as the Decentralized Hospital Computer Program (DHCP) system, has arisen in the Congress. As chairman of the Committee on Veterans' Affairs, I have scheduled many oversight hearings on this important medical computer system over the past several years and the reports on its effectiveness and costs have been uniformly very positive.

Since our hearing of April 8, 1987, on this important subject, I have received many letters from veterans and Veterans' Administration employees in support of the DHCP.

I would like to share with my colleagues a copy of a letter which I received from Mr. Mel A. Gores, director of the VA Medical Center at Bath, NY, which demonstrates how the VA employees feel about "their" medical computer system. The letter follows:

VA MEDICAL CENTER,
Bath, NY, May 5, 1987.

Hon. G.V. (SONNY) MONTGOMERY,
Chairman, Committee on Veterans' Affairs, House of Representatives, Washington, DC.

DEAR CONGRESSMAN: I am writing to express my concern with some of the actions of your committee regarding the funding for the Veterans Administration Decentralized Hospital Computer Program (DHCP) and the effect upon the system procurements of this fiscal year as well as the impact upon the future directions of data processing within the VA.

As the Director of a VA Medical Center I have first hand experience assessing the effectiveness of many programs which were intended to promote the ability to efficiently manage the delivery of health care to the veteran. The positive impact of DHCP has already been felt at this and other Medical Centers, and this impact has been significant.

The timely implementation of DHCP has permitted our staff to handle a three-fold increase in Ambulatory Care and Outpatient workload over the level of just four years previous. Likewise, it has allowed them to also deal with the rise in Pharmacy and Laboratory workload that such an increase in patient traffic causes. These large increases in workload have been dealt with effectively without any increases in the numbers of personnel involved. These increases in productivity have been achieved without any increases being experienced in the time necessary to process patients during admission or clinic contacts, to report laboratory test results or to process a prescription.

The advent of DHCP has also had a positive effect upon the availability of information to the clinical staff. Our physician, nursing and professional staff have come to rely upon having the computerized history and medication information available to them as it allows them to more effectively manage the treatment programs they choose for their individual patients. The important ability provided by DHCP to quickly analyze the continually changing makeup of our patient population and their lengths of stay has allowed our facility to better incorporate our clinical staff into the overall management of our utilization review, quality assurance and resource management activities by identifying those areas of concern as they relate to their own patients.

When your committee is deciding what limitations, restrictions or rescissions may be placed upon the VA funds for DHCP this fiscal year, you should bear in mind that the gains I have just described are based upon the present system which is designed around the needs of the VA. To stop the progress made so far and effectively stagnate the expansion of similar automation benefits to the rest of the VA organization would be extremely unwise and costly in the long run. I strongly urge that your committee not prohibit in any way the planned DHCP procurements this year, nor in future years, as it is a successfully conceived and managed program with many benefits.

Your attention to this grave matter is greatly appreciated.

Sincerely,

MEL A. GORES,
Medical Center Director.

A TRIBUTE TO BETTY AND JIM WOODFORD

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. SAXTON. Mr. Speaker, Thoreau said, "We need the tonic of wilderness, we can never have enough of nature." And, no one has done more to protect our natural resources than Betty and Jim Woodford, to whom I give tribute.

Betty and Jim have made a great contribution to the New Jersey Pine Barrens for 30 years, where they own and maintain the Woodford Cedar Run Wildlife Refuge in Medford, NJ. Betty and Jim are well-respected members of their community, for they sacrifice their time to preserve and protect the wilderness we all appreciate. Furthermore, they rehabilitate injured and homeless animals. Migratory bird species are charted by Betty and Jim for the National Fish and Wildlife Service, as both Woodfords are certified bird banders.

Woodford Cedar Run Wildlife Refuge is more than just a home for native and endangered wildlife, its environment and natural habitat; it is a forum from which the public is educated through lectures, field trips, audiovisual aids, articles, and publications. Many people have enjoyed touring the 150-acre site, because they are able to see animals, such as ducks, opossums, skunks, squirrels, rabbits, hawks, owls, fox, deer, and raccoons kept as naturally as possible. All wildlife have large and comfortable cages. Some cages have no tops, but rather big trees which tower over the cages. The animals are safe to wander, for the land of the refuge is private, so all wildlife is fully protected. Also, there is an intensive, year-round bird feeding program for all birds, especially those that live in the handmade birdhouses.

Without question, the Woodford Cedar Run Wildlife Refuge is one of the finest in existence. This is a particularly special honor considering the fact that the refuge is a nonprofit project, totally dependent on funds, gifts and awards.

The Woodford Cedar Run Wildlife Refuge has distinguished itself by serving the community in a truly humanitarian manner. I am indeed confident the refuge will continue its excellent service to the community, animals, and people alike.

Mr. Speaker, it is with great pride that my wife, Helen, joins me in celebrating with Betty and Jim Woodford, the 30th anniversary of Cedar Run Wildlife Refuge and the work which they do for all of us, the people of the United States who love our country and the land in which we live.

A BAD IDEA THEN, A BAD IDEA NOW

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. FAWELL. Mr. Speaker, the Education and Labor Committee, of which I am a member, recently approved H.R. 1122, the Economic Dislocation and Worker Adjustment Assistance Act, by a vote of 23 to 11. I voted against favorably reporting this legislation.

This so-called plant closing notification bill does much more than require employees to give advance notice for plant closings and mass layoffs. The real impact of this legislation was clearly stated in a recent editorial which appeared in the Atlanta Journal/Constitution.

The text of the editorial follows:

[From the Atlanta Journal/Constitution June 13, 1987]

A BAD IDEA THEN, A BAD IDEA NOW

A bad idea that has been hanging around in Congress since Rep. William Ford (D-Mich.) introduced it in 1973 looks likely to pass the House and, with Democrats in control of the Senate, to enjoy more favor there than it has had before. This is just the sort of legislation Democrats find it difficult to shun—and ought to shun for their own good, not to mention everyone else's.

Ford's bill would require companies that are planning plant closings or layoffs that would result in the loss of more than 50 jobs to give public notice of their intention 90 days before acting.

The professed aim is to inhibit closings and layoffs. The effect, however, is likely to be just the opposite.

On philosophical grounds alone, the plan is a questionable intrusion into the workings of the economy. As a practical matter, it would run up the costs and hassles of layoffs and plant closings in ways that would make managers quicker rather than slower to jump to such actions.

Where unions are involved, a thousand roadblocks would be thrown in the way of carrying out the actions. Even where there is no union, employee lawsuits seeking to stop the moves would be likely. Certainly, in the 90-day period employees would be less rather than more productive, an additional cost.

No business closes operations or orders major layoffs just for the sport of it. With the costs of the Ford legislation in prospect, employers who come to believe a closing or major layoff is likely to be necessary would be best advised to act on the possibility quickly, while they still have some assets to burn, rather than waiting to see if the operation might be pulled out of its tailspin.

The House Education and Labor Committee has voted 23 to 11 to recommend passage. If Democrats in the House or in the Senate can't restrain themselves from this humanely intended but unwise impulse, President Reagan shouldn't hesitate to veto.

TRIBUTE TO ARTHUR F. MARTINS

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. ATKINS. Mr. Speaker, it's my privilege today to give some well-deserved recognition to Arthur F. Martins, who recently retired from the Framingham, MA, Police Department after serving as its chief for over 25 years. Chief Martins has been a public servant in the best sense of that phrase, and leaves his community with a lasting legacy of competent, modern police protection.

Chief Martins is a Massachusetts native, born in 1922 and moving to Framingham in 1930. He attended public schools there, and after serving in the U.S. Air Force from 1942 to 1945, returned to Massachusetts and joined the State police. He left the State police to return to Framingham in 1953, joining that police force, as a patrolman. By 1961, Martins had become the police chief—a position he held until his retirement in April of this year.

How can you measure a police chief's accomplishments? You can look at the detective bureau that was created, the juvenile bureau, the fingerprint technology, the continuing interest in the newest techniques and training for the force. You can look at the exemplary record of the police force in Framingham. But finally, you can recognize that every resident of the town rested just a little bit easier at night because of Chief Martins.

On Tuesday, June 30, Chief Martins' friends, admirers, and supporters will pay tribute to him at a dinner. There will be hundreds of people there, to honor this extraordinary man and his wife, Bridget. But the real monument to his work—to a life dedicated to making his town a safer place to live—are the streets of Framingham, and every patrolman who carries with him the lessons in public service this man taught them. They are all living testimony to his accomplishments and his contributions. I'm proud to have this opportunity to bring his exemplary record to the attention of my colleagues.

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall vote No. 217 on Thursday, June 25. Had I been present on the House floor, I would have voted "no" on the Upton amendment to the Interior Department appropriations bill.

ARMY CHANGE OF COMMAND CEREMONY REMARKS

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. SKELTON. Mr. Speaker, Monday, on the historic Summerall Field at Fort Myer, VA, the stewardship of the U.S. Army changed hands. With Secretary of the Army John O. Marsh, Jr., presiding, Gen. John A. Wickham, Jr., retired as Chief of Staff and Gen. Carl Vuono became the new steward of the Army.

The ceremony was a fitting one, paying tribute to General Wickham and his wife Ann. In the new Chief of Staff, our Nation has a man of great ability and vision. I know that all Members join me in wishing General and Mrs. Wickham well in the days ahead, and I know that this body joins me in extending congratulations and good wishes to General Vuono and his wife Pat.

The remarks of the principals are set forth hereafter:

REMARKS OF SECRETARY OF THE ARMY MARSH

Today the Army changes command. An exemplary officer with extraordinary ability steps down.

General Wickham will be succeeded by a new Chief, also a soldier of talent and dedication.

General Wickham, we bid you and each member of your family a farewell filled with pride and thanks. Our country is in your debt.

General Vuono, to you and Pat and your children we extend good wishes and the support of this great Army.

General Wickham, for 37 years you have dedicated your talents, your intellect to the service of your country and the Army.

Your personal courage has been demonstrated on the battlefield. Your ribbons are symbols of bravery and suffering.

You shall leave legacies of doctrine, weapons systems and force structure but your greatest legacy shall be the stamp of your character upon the Army. Your character has been reflected in the quality of your leadership, and the quality of your leadership was reflected in the quality of the Army and the experience of each soldier.

It has impacted on the way they perform their duty. Their pursuit of excellence, their sense of service to our country, and their goals for the future.

In the ranks of the Army are soldiers who some day shall lead this Army. Some shall be the Army's Sergeants, and Sergeants Major. Officers who shall be brigade and division commanders and some who one day shall wear the stars of the Chief of Staff.

Others shall leave the Army for civilian pursuits but because of their Army experience they leave with pride and purpose. Because of your leadership they shall take with them a set of values that shall enrich their lives as craftsmen, teachers, physicians, public officials. They are the leaders of the next century.

Their future service to the Nation, General Wickham, shall be your greatest legacy.

Thank you for your service to our Country.

ADDRESS OF GENERAL WICKHAM

Secretary and Mrs. Marsh, General and Mrs. Vuono, civilian aides to the Secretary of the Army, distinguished guests, and soldiers of the total Army here today:

There is much symbolism today in this ceremony and the soldiers arrayed before us. The total Army is represented in the formation. The National Guard and the Army Reserve, and many Army civilians are in our midst. Such as Joe Cribbins; we see the role of the NCO Corps as signified by the command sergeant major and the other fine NCOs standing before us; and, we see the continuity of leadership and the role of civilian authority in our great country as signified by the passing of the colors from me to Secretary Marsh to General Vuono. We are truly blessed.

After 41 years in the Army, the time has come to hang up my uniform and retire from active duty. For my beloved wife, Ann, and me, this is a day of emotions. But also one of thankfulness for our many blessings. Truly our cup runneth over.

Secretary Marsh, thank you for your generous remarks today and particularly for the vibrant leadership you have blessed the Army with over the past six years. You and I have travelled a long way since 1973 when we first served in the Office of the Secretary of Defense. You are the longest serving Secretary in the Army's history and, in my view, are the greatest. Thank you, my very good friend, for your unwavering support and the opportunity to serve at your side.

Thanks also to Jim Ambrose, the Under Secretary of the Army, Max Thurman, the Vice Chief of Staff, and Art Brown, the Director of the Army staff. They, and the entire Army staff, have been superb.

General Vuono, over the many years we have known each other, you have had my full trust and been a source of seasoned advice. The Army is blessed to have a man of your character. Breadth of experience, and capacity for positive leadership. With Pat at your side, the total Army family will be led by a very special first family. I am proud to turn over the Army flag to a man with the vision necessary to ready the Army for the next century.

I am thankful for the lifelong support and love of my best friend, my wife, Ann, and for the support of my children. Lindsey, now married to Infantry Captain Bill Harner and mother of our first grandson; my oldest son, John, now in law school; and, our youngest son, Matthew, who is a hydrologist with the State of Arizona. Without their encouragement and love, my service really would not have been possible, particularly after being wounded in Vietnam. Thanks also to friends and family who have come long distances for this occasion.

My family's gift to me continues to be their willingness to let me serve. My wife's gift to the Army has been her commitment to strengthen the values and support of

Army families. She has served in her own right.

The Army has been good to me. Its given me and the family room to grow. To "be all that we could be." Three people have had great impact on me: SFC Putman, my first platoon sergeant, who taught me about positive leadership, technical competence, and caring for soldiers; General Harold K. Johnson, a former Chief of Staff who I once worked for, taught me about character, about "the personal in personnel," and caring for families; and finally, General Creighton Abrams, another former Chief of Staff, who taught me about the warrior ethic, openmindedness, and innovation. I am thankful for their influence on me.

We as a people have much to be thankful for. We have peace, opportunity, and the freedoms laid out in our Constitution. We are blessed with today's Army that contributes significantly to deterrence and protects American interests around the world.

The Army is a strategic force, and its capability has been strengthened greatly in recent years. We have the best people ever. Better equipment, superb training, and far better support capabilities than ever before. Although we are a small Army given the extent of assigned missions. We are a good Army. Probably the best Army in the world, and we are moving toward greatness.

Of course, the difference between a good Army and a great one is simply the quality of people and the quality of leadership. I have tried to nurture a climate of command with leadership that cares, mentors, and allows our soldiers, as well as their families, the freedom to grow so that they can capitalize on their God-given talents.

We are developing "standard bearers" who can reach out to our soldiers, civilians, and family members, touch their souls and turn them on so that they can "be all they can be." Standard bearers are like soldiers of an earlier era who carried unit standards in battle for all to guide on. Today, they are the leaders of character for all seasons who provide role models of personal and professional standards of excellence.

Our challenge has always been to provide ethical, caring leadership that sparks the Army's greatest strength—its people and their spirit.

Finally, let me leave you with two messages. One is a message to all in the Army who will face the challenges and dangers of the future. The other message is to all those in our country who ultimately support us.

As a young man, I memorized the sentry's order to "take charge of this post and all Government property in view." My message to the total Army is:

If you like the progress that has occurred and what you see throughout the Army today. Then "take charge" of this progress and apply it responsibly to the betterment of the Army for the future.

If soldiers and leaders like the modern equipment and facilities in their hands today, then insist that our soldiers care for it as if they owned it. That's what stewardship means.

If our leaders like our doctrine for combat, then they must assure that our training, our readiness, our tactics and our operational art breathe reality into it.

If our soldiers and our leaders feel encouraged by the mentoring climate of command, emphasis on values, and the ethical and caring leadership in the Army. Then they must see to it that this climate lives on to touch future young men and women entrusted to our care.

If you like the fact that successful Army safety programs are saving lives, limbs and equipment, then you must continue to develop a "sixth sense" of safety in our soldiers.

If soldiers and families like our family programs, you must insist they be continued; you must make them work to the benefit of the Army, and you must volunteer to help when needed.

And if soldiers and officers like the quality of our NCO Corps, then you must continue to give NCOs the authority, responsibility and schooling to lead.

My second message is for all Americans and the Congress who support everyone in uniform and their families. The Army today has completed only one-third of its equipment modernization. Moreover, the programs which support our soldiers and their families are fragile. These programs must be sustained. As a people, we must resist the perennial siren call which urges doing less for defense today. Because we did enough yesterday, and we can take peace for granted tomorrow.

Unfortunately, the lessons for history tell us otherwise. The pace of technology and the broad spectrum of threats facing our interests around the world require keeping up our defenses and keeping in uniform dedicated, patriotic, strong men and women.

The soldiers standing before us are perfect examples. They are the finest that America has to offer. When the bugle sounds. They will answer the call. They will safeguard liberty, and they will keep us and our children free. As I retire as Chief of Staff, U.S. Army, I am most proud of our soldiers, their spirit, and their patriotism. I salute you.

Address By General Vuono

Secretary Marsh, General and Mrs. Wickham, distinguished guests, representatives of all services on parade, friends, and fellow soldiers.

I am deeply honored to accept the stewardship of the Army from General John Wickham. His career and his tenure as Army Chief of Staff, represent lasting contributions to our Army and our Nation.

General Wickham has provided inspired leadership to all of us. Among his many accomplishments, several stand out:

The army has made great strides with our sister services in improving our joint combat capabilities.

There has been a steady transformation of the Army toward a force better able to respond across the spectrum of potential conflict.

And we have seen unprecedented improvements in programs to care for our soldiers and their families, those of us who have seen his vision unfold, know it to be timely, encompassing and right on the mark.

I pledge that we will continue to build upon the momentum achieved in General Wickham's tenure in all areas critical to our Army.

John and Ann Wickham have been great role models for all of us and special friends to Pat and me.

On behalf of the soldiers, civilians and their families throughout the Army, Pat and I wish them good fortune and God speed.

For those of us who follow, the foundation on which to build is a solid one.

We have a superb Army—of outstanding young men and women. We must continue to attract, equip, train and retain them; and provide them with competent professional, officer and noncommissioned officer leaders.

Those leaders must have a single focus—to train soldiers for battle, so they are ready if called upon by our Nation.

The Army flag, passed to me a short while ago, is heavy with the reminders of our purpose; heavy too with the remembers of the non-negotiable standards of our profession.

Many share in the formidable responsibility for setting and maintaining those standards:

The combined arms of the total Army: Active Forces, Army Reserve, and Army National Guard All represented on this field.

Our sister services, their representatives also before us today. And our superb civilian force.

All of this team share a central purpose "to provide for the common defense."

I am proud of today's total Army and applaud the great work that has gone before. I am dedicated to and enthusiastic about pursuing together a shared vision for the United States Army.

CRIMINAL JUSTICE INFORMATION IMPROVEMENT ACT OF 1987

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. SCHUMER. Mr. Speaker, today I am introducing the Criminal Justice Information Improvement Act of 1987. The purpose of this bill is to provide grants to State and local governments to improve the quality of the records maintained by their law enforcement authorities. These include arrest records, criminal history information, and data on stolen vehicles. Although these records are maintained by the States, they are shared with other States, the Federal Government, and private employers through the FBI's National Crime Information Clearinghouse [NCIC].

This bill is the result of over 2 years of negotiations with a variety of groups interested in the issue of data quality. It has the support of law enforcement agencies, SEARCH, and the ACLU.

At hearings held by the Subcommittee on Civil and Constitutional Rights, chaired by Congressman DON EDWARDS, the importance of data quality, and the contribution that this bill will make toward improving data quality, was clearly recognized. The testimony stressed that high quality data promotes the effectiveness of law enforcement programs, ensures fairness to criminal record subjects, and protects citizens' privacy and other constitutional rights, improves services to noncriminal justice agencies, including Federal personnel security efforts, and promotes the accuracy and completeness of criminal justice statistical research efforts.

The need for this bill is confirmed by a number of studies that have demonstrated widespread problems with data quality. In 1982, the Congressional Office of Technology Assessment reported that in its survey of 41 States only 65 percent of arrest records included information on final dispositions. A 1984 study by SEARCH confirmed this finding.

In addition, OTA audits of Federal and State criminal history records found that approximately 20 percent of them contained erroneous information.

This problem, however, goes beyond mere statistics. Inaccurate or incomplete data has very real consequences. Testimony presented at the subcommittee's hearing described these consequences. One tragic incident was described by Patrick J. Doyle, director of criminal justice systems for the State of Florida.

> Several years ago, a Connecticut police officer was killed after stopping a car driven by a man who had been wanted for more than ten years. The officer was able to obtain the man's driver's license without incident. The driver took no action immediately because he had been checked on numerous occasions in the past without incident. The officer, in the meantime, took an unusually long time on the radio because after the wanted check, which indicated "no want," the officer's sergeant called to arrange a meeting after the traffic stop. The time required to handle the second radio message caused the driver to believe that he had been discovered. When the officer attempted to return the license, the driver shot and killed the officer. The driver did, in fact, have a wanted record on file. However, no match was possible because the date of birth had been entered incorrectly.

There are also numerous examples of individuals being detained or incarcerated because they were mistakenly believed to be wanted for crimes. Testimony presented by Jerry Berman of the ACLU described a couple of these incidents:

> Terry Dean Rogin was arrested on five separate occasions in Michigan and Texas after he lost his billfold in Detroit and a year later a person using Mr. Rogin's identification was linked to two murders and robberies in Los Angeles. Following his first arrest, Michigan police unsuccessfully sought to persuade the Los Angeles Police Department to amend the NCIC entry.

The bill I am introducing is intended to help prevent a recurrence of these situations. It authorizes the Department of Justice's Bureau of Justice Statistics to make grants, totaling $5 million per year for 5 years, to State and local law enforcement agencies for particular actions aimed at improving criminal justice information. Grants may be used to fund 12 specific activities that have been demonstrated to result in the improvement of data quality. In addition, recipients must meet the data quality goals they are required to establish in their applications if they are to receive continued funding. Finally, recipients must contribute at least 25 percent of the cost of the funded program.

Mr. Speaker, ensuring the most accurate, timely, and complete criminal justice record information has been a Federal goal for well over a decade. In addition, by 1981, 49 States have enacted legislation requiring State and local criminal justice agencies to implement procedures to promote accuracy and completeness in criminal history data. Some States have, in fact, undertaken very substantial programs to improve data quality. However, despite these noble goals and the efforts made to date, we still have a long way to go before we reach the standard of accuracy the public has a right to expect. My bill is an attempt to help achieve that standard.

1987 CHICAGO MERCANTILE EXCHANGE MAYORAL SCHOLARSHIP WINNERS

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. LIPINSKI. Mr. Speaker, in order for our businesses and government to work together to move ahead and meet the demands of tomorrow, it is necessary that more attention be given to the work of our students. I believe our students, who are the future leaders and essential components of our business and government system, deserve increased recognition. To assist in this effort, I have initiated the Fifth Congressional District Mercantile Exchange Mayoral Scholarship Award Program.

While only in its second year, this program has proven to be both innovative and successful. On Tuesday, May 19, a luncheon to honor this year's five outstanding high school students was held. They were recognized for being instrumental in promoting academic excellence in their respective schools. Each recipient received a $500 scholarship award.

Mr. Speaker, the following students have been selected as the 1987 Chicago Mercantile Exchange Mayoral Scholarship winners: Mr. Clarence J. Murzyn, Jr., Curie Metropolitan High School of the Arts; Mr. Pedro Morales, Farragut Career Academy High School; Ms. Maribel Navarrete, Benito Juarez High School; Ms. Renata Grzegorzak, Thomas Kelly High School; and Ms. Tracey Swiatek, John F. Kennedy High School.

INVOKE WAR POWERS

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. DEFAZIO. Mr. Speaker, the United States is in the 37th year of a constitutional crisis. President Harry Truman precipitated the crisis when he introduced U.S. troops into the Korean conflict without congressional authorization. His administration advanced the bizarre theory that "the President, as Commander in Chief of the Armed Forces of the United States, has full control over the use thereof." Though previous Presidents have engaged in military adventures without congressional authorization, none have claimed an inherent power to make war in the absence of that authorization.

The framers of the Constitution, by granting the power "to declare war [and] grant letters of marque and reprisal" to Congress, clearly intended that the power to initiate war, whether declared or undeclared, would reside in the legislative branch of government. The sole exception lies in the President's right to repel sudden attacks on the United States. The President is named the Commander in Chief and as such, his authority is limited to the conduct of wars authorized by Congress. James Madison spoke for virtually all of his colleagues when he wrote, in a letter to Thomas Jefferson:

> The constitution supposes, what the History of all Governments demonstrates, that the Executive is the branch of power most interested in war and most prone to it. It has accordingly with studied care, vested the question of war in the Legislature."

Until the 20th century, Presidents acknowledged and respected the constitutional allocation of war powers. President Buchanan, to cite one example, stated in a message to Congress:

> The Executive government of this country in its intercourse with foreign nations is limited to the employment of diplomacy alone. When this fails it can proceed no further. It cannot legitimately resort to force without the direct authority of Congress, except in resisting and repelling hostile attacks.

During the first 40 years of this century, unauthorized Presidential use of military force became more prevalent. However, at no time did any President assert that to great lengths to characterize his incursions into Latin America as "neutral interpositions", intended to protect American lives and property, and requiring no congressional authorization.

The constitutional crisis came to a head with the Vietnam war and the passage of the Gulf of Tonkin resolution. Congress handed the President a blanket grant of warmaking authority and in so doing, failed to fulfill its constitutional responsibilities. Only two Members of Congress voted against the resolution, Senator Wayne Morse of Oregon and Senator Earnest Gruening of Alaska. It is worth quoting Wayne Morse's remarks:

> I believe history will record that we have made a great mistake by subverting and circumventing the Constitution of the United States * * * by means of this resolution. As I argued earlier today at some length, we are in effect giving the President * * * warmaking powers in the absence of a declaration of war. I believe that to be a historic mistake.

History has certainly vindicated the Senator from Oregon.

The War Powers Resolution, passed in 1973 over President Nixon's veto, was a response not only to the excesses of the Executive during the Vietnam war, but also to the near-total abdication of responsibility during that period on the part of the Congress. The bill was intended to "insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations."

Unfortunately, Presidential compliance with the consulting and reporting requirements of the law has been nonexistent. The judicial response has been equally disappointing. President Reagan's predilection for the unauthorized use of military force and his plans in the Persian Gulf make it imperative that Congress act to restore the constitutional system of checks and balances.

In the House report accompanying the War Powers Resolution of 1973, the word "hostilities" was defined as encompassing "a state of confrontation in which no shots have been fired but where there is a clear and present danger of armed conflict." The words "imminent hostilities" denote "a situation in which there is a clear potential either for such a state of confrontation or for actual armed conflict." There can be little doubt that President Reagan's decision to use United States naval forces to protect reflagged Kuwaiti tankers will greatly increase the likelihood of a United States-Iranian military confrontation.

The President has failed to properly consult with Congress regarding his plans. Consultation does not mean informing Congress after the fact. He apparently has no intention of abiding by the reporting requirements of the War Powers Resolution, despite the obvious risks inherent in his use of U.S. naval forces in the gulf. Congress has a responsibility to act. If it does not, it acquiesces in the continued erosion of its war making power.

Besides being an arrogation of power, the President's decision to expedite the reflagging of 11 Kuwaiti tankers is bad policy. It can be read as an abrupt shift in the United States' long-standing policy of neutrality in the Iran-Iraq war. Kuwait is not neutral in the war. It supports Iraq financially and is its principal conduit for war materiel. Iraq has apparently gone so far as to mount attacks against Iran from Kuwaiti territory, triggering Iranian complaints at the United Nations.

It is my view that the reflagging brings the United States perilously close to a state of active belligerency in the Iran-Iraq war. It could well provoke an attack on a United States naval vessel or an American response. Unfortunately, the administration does not seem to have considered the possible strategic consequences of an American attack against Iran.

Iran, not Kuwait or Iraq, is the strategic prize in the Persian Gulf the Soviets have sought for 200 years. A single, retaliatory strike against an Iranian target could strengthen extreme anti-American elements in Iran during the post-Khomeini period. A more massive and prolonged retaliation could encourage an Iranian accomodation with the Soviet Union or even embolden the Soviet Union to recapture Iranian territory it occupied at the end of World War II. It is my view that the risks inherent in a tilt toward Iraq far outweigh the possible benefits.

The President's policy in the Persian Gulf is ill-defined and poorly conceived. Furthermore, the reflagging plan carries clear risks both to U.S. interests in the region and to U.S. military personnel. It represents yet another usurpation of congressional war powers. If we in Congress wish to have a role in formulating policy in this vital region, and if we are seriously interested in restoring the balance between the executive and the legislative branches of government, we must take action which will force the President to comply with the letter and the spirit of the law. The best tool we have to do that is the War Powers Resolution and I call on my colleagues to use it.

A TRIBUTE TO JESSE L. CARTER

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Mr. Jesse L. Carter, a very special resident of my 17th Congressional District. He is being honored for his enormous contributions to the Most Worshipful Benevolent Grand Lodge AF&A Masons of Ohio as a past grand master. I am greatly pleased to be able to stand on the floor of the U.S. House of Representatives and salute this outstanding human being.

In 1955, Mr. Carter elevated himself to the position of master mason in Emanuel Lodge No. 64, and eventually clawed his way to becoming worshipful master in 1964. After 9 years of diligent work and numerous contributions as a member of the Benevolent Grand Lodge, he was elected grand secretary in 1970 and served for 7 years. After 2 years training as deputy grand master, he was elected grand master in 1980 and spent 3 exhaustive years leading the Benevolent Grand Lodge into becoming the outstanding organization that it is today. His slavish devotion and decades of labor were recognized by the Grand Masonic Congress when they selected him "Master Mason of the Year" in 1980.

Mr. Carter was born in Youngstown, OH and graduated from the Rayen School in 1948, and that same year began his employment with the Republic Steel Corp. His red-blooded patriotism moved him to fight in the Korean war, and he was honorably discharged when the war ended in 1953. In 1960, Mr. Carter helped tear down the walls of segregation and injustice in Youngstown when he became the first black person appointed to the Youngstown Fire Department. He skillfully maneuvered his way to his present position as administrative assistant to the Youngstown Fire Chief. He is married to the former Corey M. Mosley, and is the father of two wonderful sons—Jesse L. Carter, Jr. and Phillip J. Carter.

Although Mr. Carter is active in countless organizations, the Benevolent Grand Lodge remains his first love. He currently serves as a member of the Past Grand Masters Council, whereby he can impart his knowledge and sagacity to the grand lodge and present grand master as their adviser and wise man. Mr. Carter is truly deserving of the recognition being bestowed on him. Thus, it is with thanks and special pleasure that I join with the residents of the 17th Congressional District in paying tribute to the dynamic leadership ability and very admirable character of Mr. Jesse L. Carter.

OIL IMPORTS THREATEN NATIONAL SECURITY

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. PICKLE. Mr. Speaker, I want to bring to the attention of my colleagues a column in last week's Washington Post entitled, "We Can't Count on Oil From the Gulf."

This article makes an excellent case for the need to address our growing dependence on foreign sources of oil.

It seems ironic that or Nation is willing to spend billions of taxpayer dollars to protect oil production in the Persian Gulf and yet any effort to protect our domestic production brings strong objections from the Administration and some of my colleagues in Congress.

Why is it that our country appears willing to risk going to war to protect Persian Gulf production but will do nothing to slow or reverse the dramatic decline in our own oil production?

This current national policy makes no sense whatsoever.

I ask that the following article be included in the RECORD:

[From the Washington Post, June 24, 1987]

WE CAN'T COUNT ON OIL FROM THE GULF

(By Lloyd Bentsen)

Opponents of the Energy Security Act say it would give U.S. presidents too much power and that the legislation, which would cap our growing dependence on imported oil, addresses a nonexistent national security threat.

They should pay more attention to events in the Persian Gulf.

This legislation is incorporated in the trade bill reported by the Senate Finance Committee in May which the Senate is debating this week. It does not expand authority U.S. presidents have had for more than three decades, under section 232(b) of the Trade Expansion Act. If enacted, in fact, it may well mean that no U.S. president would be called on to use far more awesome powers to protect our national security interests. The Persian Gulf situation gives us a whiff of what those powers entail:

With the stroke of a pen, the president may soon "reflag" 11 Kuwaiti tankers as U.S. merchant vessels. This action, which would put us squarely on the side of Kuwaiti ally Iraq in the Iran-Iraq war, is being contemplated at the insistence of the emir of Kuwait, who threatens otherwise to turn to the Soviet Union for assistance.

In the wake of the attack on the U.S.S. Stark, the president has increased the presence of U.S. air and naval forces in the Persian Gulf.

The president has ordered U.S. forces to man their battle stations while convoying ships in the Persian Gulf.

The president's powers under the Energy Security Act would be puny by comparison with these actions and others he may be forced to take if we fail to limit our dependence on Persian Gulf oil.

The legislation would work this way. Each year the president would be required to prepare a three-year projection of U.S. energy supply and demand patterns. If in any of those years the level of imports threatens to exceed 50 percent of the oil consumed in this country, the president must draw up a program for holding dependence below that level.

The legislation requires the president, in preparing this program, to use authority U.S. presidents were granted more than 30 years ago.

Sens. Robert Packwood and Bill Bradley [op-ed, June 22] argue that the Energy Security Act "fails to distinguish among sources of foreign oil. Clearly," they say, "oil from the Persian Gulf is less secure than oil from our neighbors in Mexico, Canada and Venezuela."

The shocking truth is that our imports have already climbed so high that we could not meet our present need for imported oil even if we bought every barrel produced by Mexico, Canada and Venezuela.

Since this is the case, what happens as our need for imports increases in the years ahead?

The fact is that as our dependence on foreign oil grows, the vast bulk of that new oil must come from the Persian Gulf and the Persian Gulf alone.

Our dependence on foreign oil is today at about the same level it was in 1973, when the first Arab oil embargo hit. When our dependence rises to 50 percent, our vulnerability to another oil embargo will be substantially higher. A repetition of the 1973 embargo would cut real income in the United States by more than $700 billion over five years, cause our inflation rate to double and increase unemployment by 25 percent.

Opponents assert that the Energy Security Act would be used by presidents to run roughshod over environmental laws and to impose gasoline rationing.

Both these claims are wrong. In the more than 30 years of its existence, section 232(b) has never been used to suspend environmental regulations. It would make no sense for a president to respond to this legislation by selling oil and gas leases on environmentally sensitive lands such as the Arctic National Wildlife Refuge. It would take more than a decade for these lands to come into production, while he would have three years or less to show results.

As to gasoline rationing, a Draconian step to allocate limited supplies of fuel, opponents have it backward. Rationing would be much more likely if the Energy Security Act were defeated and our dependence on uncertain foreign imports were allowed to soar past the 50-percent mark.

Opponents have an obligation to propose an alternative for protecting their constituents from increasing vulnerability to a foreign oil cutoff as our dependence on imports rises.

As of now, though, the only alternative to the Energy Security Act is continued reliance on a market dominated by OPEC and a return to gunboat diplomacy.

(*The Writer is a Democratic senator from Texas.*)

STATE RADON PROGRAM DEVELOPMENT ACT OF 1987

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. THOMAS A. LUKEN. Mr. Speaker, today I am introducing legislation to provide Federal technical and financial assistance to States to establish or expand programs to respond to radon pollution.

At a time when many of the environmental hazards we confront are manmade, it is somewhat ironic that much of the Nation's radon pollution is a natural phenomenon produced by soil and rock. Nevertheless, this colorless and odorless gas poses a serious health threat when it enters homes, schools, and offices through cracks, pipe seals or other avenues, and attaches itself to the lungs of the thousands of Americans exposed to it. The Environmental Protection Agency has cited radon gas as the No. 1 enviornmental cancer risk. EPA estimates that radon causes up to 20,000 lung cancer deaths annually. Researchers have identified homes in which radiation levels from radon are the equivalent of having a Three Mile Island accident occur in the neighborhood once a week, and whose water supply is contaminated to a level equal in effect to smoking seven packs of cigarettes a day.

In 1986, Congress enacted the Radon Gas and Indoor Air Quality Research Act, recognizing the need to determine the scope and effects of radon pollution. Several agencies and States have also allocated resources to this problem. Unfortunately, the EPA, which indisputably should be a leader in assessing radon pollution, spent only slightly more in 1986 than the State of New Jersey to abate this problem. State-by-State radon pollution measurements found by recent research suggests to me that current efforts are grossly inadequate. Moreover, considering that 5 to 10 million homes may have hazardous levels of radon gas—it is clear that we cannot afford to allow this situation to be lost in a bureaucratic shuffle, fall victim to a shortsighted budget-cutting drive, or be given low priority bureaucrats who lack sufficient funding or impetus from the Congress.

Currently, while at least 20 States have acknowledged serious radon problems, none has the resources necessary to respond effectively to the situations in their States. New Jersey, Pennsylvania, and a handful of other States which have very serious problems have responded with limited State programs, but these would benefit from short-term grants. The dosimeters which detect radon pollution are not costly, and many of the hazards encountered can be abated by solutions which are neither elaborate nor expensive actions as simple as locating and patching leaks in pipes and walls, or improving ventilation systems. But localized problems are not being solved as they should be because efforts are not coordinated.

My bill, the State Radon Program Development Act of 1987, and companion legislation introduced into the other body by Senators MITCHELL and CHAFEE, seek to establish the framework necessary for the EPA to provide the assistance that States need to abate radon pollution. Under this legislation, $3 million is authorized annually for EPA to design and implement training programs to teach State and local officials proper radon detection, monitoring, and mitigation techniques; help the States to establish or augment their own programs to deal with current radon pollution; establish a national clearinghouse on radon-related information; and certify radon measurement devices and demonstrate such technology. The EPA will also administer a $10 million grant fund for each of fiscal years 1988, 1989, 1990 which will provide assistance to States in their efforts to build effective radon-related programs. Under this latter provision, grants will be available for certain activities including radon surveys, development of educational materials, purchase of laboratory equipment and measurement devices. Federal assistance will be limited to 75 percent of the cost of the State program in the first year, 60 percent in the second year, and 50 percent in the third year. No State shall receive more than 10 percent of Federal funds available in any fiscal year.

Finally, while we have some data that indicate hazardous levels of radon contamination in schools, we do not now know how prevalent this problem is because the necessary research has not been undertaken. This legislation provides an additional $1.5 million to EPA to conduct a statistically significant survey of school buildings in the country to determine the level of radon contamination in schools.

Mr. Speaker, I strongly believe that this legislation responsibly addresses the Nation's No. 1 environmental cancer risk. I urge my colleagues to join me and support this important legislation.

TRIBUTE TO THE WORLD AFFAIRS OF NORTHERN CALIFORNIA ON ITS 40TH ANNIVERSARY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. LANTOS. Mr. Speaker, I would like to call to your attention and to the attention of this House the outstanding accomplishments and public service of the World Affairs Council of Northern California, which is celebrating its 46th anniversary this year.

For 40 years the nonprofit, nonpartisian World Affairs Council of Northern California has brought facts and information about the most important issues in world affairs to average citizens in the bay area and northern California. The council's conferences, study groups, seminars, lectures, and publications have proven invaluable in promoting public education and the study of international issues in northern California.

The council regularly hosts American and foreign experts on international issues, policymakers, and diplomats who are closely involved in today's crucial issues. The council's list of distinguished speakers includes names like Philippine President, Corazon Aquino, former United States President Jimmy Carter, South African archbishop and Nobel prize laureate, Desmond Tutu, Chinese Premier, Zhao Ziyang, and French President, Francois Mitterand.

Speakers who appear under auspices of the council and the 6,500 items in the council's library are available to citizens of all ages. In addition to serving the adults of northern California, the council makes its resources available to teachers in order to enrich the international education of bay area students.

Mr. Speaker, it is essential that our foreign policy be firmly grounded in the will of the people, and the people must be fully and fairly informed. For 40 years the World Affairs Council of Northern California has worked to be certain that the people of the bay area are informed and knowledgeable in international affairs.

Mr. Speaker, I would like to thank the council for 40 years of service to the people of northern California, and I congratulate the council, its leadership, and its members as they celebrate this anniversary.

A TRIBUTE TO DORIS LAVERNE MYERS

HON. JAMES A TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to Ms. Doris Laverne Myers, a very special resident of my 17th Congressional District. Grandma Myers, as she is known to all who love her, is a wonderful human being and will be celebrating her 88th birthday on July 30, 1899. It is with great pride that I take the floor of the House of Representatives to salute this warm and beautiful person.

Grandma Myers was born in Youngstown, OH, on July 30, 1987. She has lived in the Mahoning Valley all of her life, and currently resides in Kinsman in Trumbull County. She has the love and devotion of her entire family, which includes three children—Helen, Allan, and Carol, 10 grandchildren, and 18 great-grandchildren. Unfortunately, her husband, Mr. Allan Rowe Myers, died in 1959. It should be noted that as the owner of Clover Farm Store in Kinsman for 44 years, Mr. Myers was an industrious and very successful person.

Grandma Myers was extremely active in the literary organization called the "Bay View Club" and in the Eastern Star Lodge of the Masonic Temple. One of the happiest moments of Grandma Myers' life happened in 1982 when she was chosen the Senior Queen of Kinsman. She is well known throughout the Kinsman area for her avid interest in baseball.

I have met Grandma Myers and consider her to be one of the kindest persons that I have ever met in my life. It is my deepest and most sincere desire that her next 88 years are as happy as her first 88. Thus, it is with thanks and special pleasure that I join with the residents of the 17th Congressional District in recognizing the truly admirable character and outstanding accomplishments of Ms. Doris Laverne Myers.

LIZ CARPENTER'S REFLECTIONS FROM THE GRASSROOTS

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. PICKLE. Mr. Speaker, in 1942, Liz Carpenter came to Washington, DC, to be a newspaperwoman. She spent many years covering the Capitol and has become a part of this city and it a part of her. Liz Carpenter has written a book "Ruffles," about her years in the White House as Lady Bird Johnson's press secretary and more recently has written "Getting Better All the Time."

Through these books Liz Carpenter shares her experiences and her charming, unique wit. She always amuses and educates an audience with one of her speeches. She gave one such speech to the National Press Club, June 25, 1987. Mr. Speaker, Texas is proud of Liz Carpenter and I am glad to share her speech to the Press Club with my colleagues and ask that it be printed in the RECORD.

Dear old friends, colleagues of the press: How great thou art! How great it is to return after ten years and to find you are still here in the town where "try to remember" has become the national anthem. Like Rip Van Winkle, I rub my eyes in wonder at Washington today. Like George Bush, I wonder where I am and where I have been all this time.

It is gratifying that so many of you haven't forgotten me. But how many of you really remember what a President was doing August 8, 1986. Forgetting, of course, is a bad thing . . . remembering to forget is good politics.

It seems like only ten years ago, the speed limit was 55. Today it's 65 and so am I. I'm observing the limit, but I warn you I'm accelerated. I am picking up speed, but at my age, that's about all. Well we are all into aging. That sex symbol, Paul Newman is 62. Ben Bradlee is 66. Why am I so glad to know that?

If I have any claim to this podium, it is because this National Press Building has been a big part of my life for forty years. From FDR to Jimmy Carter, I had the pleasure of watching Washington through eight Presidents, and a whole convey of Vice Presidents and a gaggle of Attorneys General. I am a pre-television, pre-word processor, pre-pill, pad and pencil reporter.

When I came here that summer of '42, Franklin Roosevelt was President and Eleanor was making news and newspaper jobs for women. I was 22 when I first walked into this building . . . journalism degree in hand, virtue intact. I still have my journalism degree. I was a brunette then, and so naive I thought the "body politic" was a candidate's wife.

I made the rounds looking for a job, wide-eyed at the mastheads on the doors. The New York Herald Tribune, Look magazine, Bascom Timmons News Bureau, they had leaped out at me from the pages of my journalism textbook and here they were in real life. I had been given a trip to Washington as a graduation present so I wouldn't marry some yankee soldier stationed in Texas. (We still had yankee soldiers in World War II), and I didn't. I married the boy from back home, also a reporter, and we were swept up into covering this magnificant marble Capitol. "Grandaddy and grandchild of all the main streets of America, in which evil men do good things and good men do evil in a way of government so delicately balanced that only Americans can understand it and other they are baffled." Remember? That was the description our fellow reporter, Allan Drury, gave in his novel that we all wished we had written.

Reporting is a marvelously romantic profession and here in this building, we worked, launched a family, a career, and life. Of course, we had Potomac Fever! This is heady stuff. Uncle Sam in all his glory and a press pass to every thought and action. Every few years when things got dull, there were new faces, new Presidents and first families to cover and analyze.

I had become a reporter in spite of the advice of my first editor. Why is it we never encourage anyone to go into our profession? I remember his warning, "You don't want to be a newspaperwoman. It's the most underpaid and oversexed profession in the world." Of course, he never did anything to disprove it. Later, he went on to work at the Miami Herald.

So here I am back in town, stunned by headlines of shenanigans on Wall Street, Washington, the pulpit. What happened? Oh, in the past, we always had probes and investigations but it was friendlier like a good gynecologist. Come to think of it, that's what politics is coming to.

In the good old days, hanky panky was—

A midnight leap into the Tidal Basin;

A Congressman losing his pacemaker at the Marriott;

Drew Pearson and Joe McCarthy in a fist fight at the Sulgrave Club;

Harry Truman firing General MacArthur;

President Eisenhower removing the squirrels from the White House lawn so they wouldn't tear up his golf tee;

Arthur Schlesinger jumping into Bobby Kennedy's swimming pool with his clothes on;

LBJ showing his scar;

Watergate and the overgrown little boys tiptoeing around Foggy Bottom to bug the other gang;

Ham Jordan tossing amaretto and cream down the cleavage of an ambassador's wife.

But today, news has gone hog wild and you get the blame for telling it.

Today, I had hoped to bring some jokes and gag lines, but all the cutesy Gary Hart quips and puns about Iranamuck have been said. There's nothing left. Time was when I knew every nuance, every player, every quip around the press table, but I am no longer "au courant." I would like to report what they are saying and thinking in the middle of the Bible Belt where I come from, (not below the Bible Belt where pious people seem to be straying).

In my own Lake Woebegone, my hometown of Salado, Texas (population 1,380 when everyone is home), we called a town meeting and even named it "understanding evil." Our local psychiatrist says someone needs to, now that evil is so stylish. It seems like a compassionate approach to a timely subject to help us know what's going on.

At the first meeting, we studied the problem of cocaine and Wall Street. Our local banker said, "Well, I've been wondering why Dow Jones is so high and now I know."

At the second meeting, we tried to understand the White House and the Contras. The Democratic chairman claimed he had seen it coming. "What do you expect from a crowd with so many Reagans and Regans and Bakers and Bakkers they can't decide how to pronounce them or spell them. Hell, we've just got it straight that Iran and Iraq are two different countries." Or are they? I haven't read today's papers.

At the third meeting, we tried to understand about Jim and Tammy Faye. Our local minister was in charge, and was he embarrassed. He just bowed his head in prayer, "Lord, forgive us that it would be a preacher who made 'Love Lifted Me' a porno song."

In our moment of truth, we realized "Bringing in the Sheaves" has a whole new meaning on the national level!

Actually, we grassrooters should be paying more attention. But in Texas where chapter 11 is a way of life, we have been too busy learning how to be broke.

And I have been busy aging and reflecting on life. It began on my Medicare birthday. Yes, a funny thing happened on my way to, hopefully, heaven. My back went out and I couldn't get out of bed, so I began to think—what did it all mean, what did I learn in taking up space on this Earth for sixty-five years.

And that set me doing what any of you could and should do, i.e. write an accounting of life as you have known it. Write it for your descendants if no one else so they won't keep making the same mistakes, and, of course, so they can know you.

As my fellow Texan, Bill Moyers, points out "You can't ignore the rear view mirror, every story is the consequence of events often unremembered but always inescapable. But alas, what is happening this hour seems to be our sole criterion for judgment and action."

He is amazed to find some young people who ask, "Who is this follow Churchill you are always quoting?"

So it is with individuals. We are shaped by our genes, our roots, our education and experiences, by being tested on the trial fields of life. Ask yourself, what has life taught me and you find you're in debt to a wide circle of people and experiences.

I am so lucky. Life has always led me where things are happening, where people are exhilarating, where actions and laughter come quickly. When I took time out to ponder it, I had a book. At 65, I am proud to say, I mastered a word processor, graduating from the Underwood upright which had served me so well through my newspaper days, and I began to write: "Today I am sixty-five years old. That seems like a lot to my grandchildren. They look at my white hair and think 'old,' maybe everyone does. But for me, it seems like nothing at all. I am still the same person I have always been, the child wading in the creek, writing school songs, attending the university, going to Washington as a cub reporter, covering the Hill and the White House, then working in the White House, and finally coming home to lead a new kind of life as a widow."

I began to ask myself the question: "What is home? Roots, trappings, family, work, love. What is home for me? Five houses take shape, walls come alive, porches and rooms reach out to touch me, from the house where I was born to my last lap house, my happy hour house overlooking Austin. This Press Building is very personal to me, part home, echoing another time, another me. I never pass this Press Building cornerstone, laid by Calvin Coolidge, with what was undoubtedly a very short speech, that I don't think of his last day in office. He strolled outside the grounds of White House with a friend who asked in whimsy, "Who lives there?" Coolidge replied, "no one." But in truth, we all do. It is that sense of possessiveness which we all have about Washington whether we sit in the seat of the mighty or watch from the grassroots.

I recommend this exercise of reflectioning for everyone. We witness in our life span so much history and there is more time to reflect on it. Most of us will live sixty years after we are twenty. Some of us will even get to hear Willard Scott say happy birthday when we reach 100. He barely bothers with the 90 year olds any more.

We have just begun to probe what this new gift of time offers. Obviously there is more time to learn and, as John Gardner points out, it's what you learn after you know it all that counts. We learn how to change careers and interests several times. We learn how much friendship really counts, how to widen our circle of friends by being one. We seize new ways to serve. Like Van Gogh, I do not think we were put on this Earth to be merely honest or simply happy. We were put here to realize great things for humanity. This provides a sense of purpose so necessary to happiness. Then, we learn how humor is essential for perspective about ourselves. And we learn to avoid congenital complainers.

Age is very liberating. Grey hair is a license to say what you think. And what is happening beyond the mesmerizing Potomac? What is taking shape at this very moment? I am here to tell you:

(1) An almost superhuman effort is underway to save education. We simply have to redefine national defense to include education. The States are awash with emergency committees to put our priorities where they belong, off the sports field and into well financed classrooms. Otherwise we lose our world markets.

(2) There is a real antagonism towards soaring costs of political campaigns. Voters are drained by fundraisers and disgusted by the failure to put a lid on campaign costs which breed payoffs, and place a price on acts of public service.

(3) There is a graying of the peace movement. You hear it in the songs: "And May We Have Peace on Earth and May It Begin With Me." "We Are the World, We Are the Children." We are also supposed to be the responsible adults.

The Contra hearings have won a lot of TV armchair peacemakers. The spectacle of hired gun runners, war profiteers, Swiss bank accounts and munitions makers is terrorizing. If Robert Sherwood hadn't used the title "Idiot's Delight" for his anti-war play, we could use it now. Back in Salado, even our local rifle association knows guns and missiles kill people, whether they are made in the USA or the USSR.

When I came to this town, there were 70 foreign nations represented here. Now there are about 160. Yet even as the world grows more crowded we have not found the way to make it more peaceful. It has been said the cold war set America's political maturity back two generations by creating an unreasoning fear of the Soviets which fuels the arms race. No one can know for sure whether this is so. Looking back, it was pretty silly not to let Khrushchev go to Disneyland. It may be just as silly not to believe Gorbachev is for real. Yet, the only person brave enought to say it was Gregory Peck.

Out there in the grassroots, these are the stories waiting to be covered. Never have throughtful journalists been so needed.

I assure you that dismay over national events has not created apathy. People are looking for answers and optimistic that we shall find them.

What saves us in a time of unthinkable shenanigans? What saves us when the system falters, the leaders go awry?

I used to think the only enemies of democracy were poverty and ignorance. But age and experience have taught me it is also the poverty of the rich and the ignorance of the learned who know the rules and wink at them. One thing our political history proves is that despite the headlines, behind the headlines, there are values that endure, people who don't follow the latest trends. The great movements for justice did not come from Washington but from the grassroots, scattered voices banding together to form coalitions for civil rights, equality for women, a humane environment, peace. Indeed the very reason pollsters were born was to search out the early signals that are alive in this country.

So we keep on trying. What keeps us spellbound, ever hopeful, as citizens and as reporters in this free democracy with its free press, are the surprise endings.

Fifty years ago, we had a terrible depression who would have thought it would be the aristocratic country squire from Hyde Park to give us a social conscience and put government and the country to work?

We survived a massive war and who would have imagined it would be the cocky high school graduate haberdasher from Independence wise enough to lift Europe out of the ashes of that war?

And in the aftermath, that it would be the military man who would check the excesses of the Pentagon's military industrial complex?

It was the wealthy swashbuckling Boston Lancelot who rallied us to ask what we could do for our country, and enobled public service as a career.

No Harvard or Stanford graduate gave us our agenda for education. It came from the Johnson City graduate of a small State teachers college, the same Texan who put civil rights into law and action.

It was the commie hunter from California who made us recognize Red China.

The Michigan football center who opened up access lines to government.

The Christian Southern Baptist who brought the Jews and Arabs to the altar of the peace table.

Maybe, just maybe, it will be the jingoistic hawk, who will bring us into an arms control treaty and lay down the swift sword. Wouldn't it be nice if the world announced a universal peace party and everyone RSVP'd.

Yes, surprise endings to the continuing story of trials and failures, of scandals and shortcomings, in this ever trying unfinished democracy of ours.

Andy, I want to present the first copy of my book to the National Press Club Library, so I can keep on being part of this building. The title of my new book is getting better all the time. Look at that cover girl. I'll let you in on a secret. The hair is real but the wrinkles aren't. They were airbrushed in to make me look more mature.

In closing, I offer you and everyone this toast:

here's to your ability
to have the agility
to take your virility
into your senility.

(Liz Carpenter is a journalist and author of "Getting Better All the Time," to be published by Simon and Schuster, July 14, 1987. Her book "Ruffles and Flourishes," 1970) concerns her years in the White House as press secretary to Lady Bird Johnson. She is a senior consultant for Hill and Knowlton, Inc.)

LEGISLATION CALLING FOR A WHITE HOUSE CONFERENCE ON CHILD ABUSE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. RICHARDSON. Mr. Speaker, I rise today, along with 72 of my colleagues, to introduce legislation calling for a White House Conference on Child Abuse. I am pleased to say that this important legislation enjoys the support of the National Education Association, American Federation of Teachers, and many other child advocacy groups.

Every 4 hours in this country a child dies from being abused. Child abuse is a growing cancer in our society—we must move swiftly to stop this menacing disease. Last year alone, deaths related to child abuse increased by 23 percent. Since 1976, substantiated reports of child sexual abuse have increased over 650 percent. The House Select Committee on Children, Youth, and Families reports that from the period 1981 to 1985 child abuse increased nationally by 55 percent.

The Department of Health and Human Services estimates there are a million cases of abuse and neglect each year. Two thousand of these children will die this year from being beaten, raped or otherwise mistreated. About 60,000 children are seriously injured. Another 6,000 end up with permanent brain damage. Most will be permanently scarred.

While there are many noble efforts underway nationally to heighten public awareness of this growing crisis, it is still far from the forefront of our consciousness—a White House conference will be an important first step toward focusing attention and developing solutions to a problem which is plaguing our young people.

The effects of child abuse are overwhelming. Some victims of child abuse have been found to exhibit physical trauma and are more likely than the general child population to suffer from psychological problems. It is argued that child abuse may manifest itself in both short- and long-term problems such as emotional learning disorders, poor school performance, and in suicidal and delinquent behavior. It is also argued that children who are abused are more likely than nonabused children to become abusers, creating a cycle of abuse through generations of families. These outcomes represent both social and economic costs for society as well as for children.

A White House conference brings public attention to an issue like no other forum. There are thousands of children out there that have been abused but have buried their experience, either out of fear or out of an inability to face the insurmountable pain associated with the experience. This conference will show that America cares about these children. The Conference will not only open our eyes, but will bring together the best and brightest thinkers on child abuse to develop solid legislative initiatives to combat child abuse.

I would like to thank the chairman of the full Committee of Jurisdiction, Mr. HAWKINS, for his support in this effort. I urge my colleagues to cosponsor this critical legislation.

CONGRATULATIONS, CHUTI TIU, AMERICA'S 1987 JUNIOR MISS

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. KLECZKA. Mr. Speaker, it is with great joy and pride that I acknowledge Ms. Chuti Tiu, winner of the America's Junior Miss Pageant on June 20, 1987.

Ms. Tiu is a resident of West Allis, WI, in the Fourth Congressional District, which I represent. Chuti is not only a beautiful young lady, but she is most deserving of this accolade, having worked hard and long to develop her extraordinary talents and scholastic abilities. I had the pleasure to meet Ms. Tiu in February of this year when she traveled to Washington as a participant in the Presidential Classroom Program. It is hard to imagine a more qualified representative of the best in America's young women.

The Fourth District congratulates you, Chuti, on this outstanding accomplishment. You have made us all proud.

A TRIBUTE TO THE CARELINK PROGRAM AND ST. ELIZABETH'S HOSPITAL MEDICAL CENTER OF YOUNGSTOWN, OH

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. TRAFICANT. Mr. Speaker, today I rise in order to pay tribute to the CareLink Progam and St. Elizabeth's Hospital Medical Center. This is a new nationwide program for adults over the age of 62. It was developed by Catholic hospitals to assist people in times of illness and to help them maintain good health as well. Membership is free and the potential benefits are enormous. Every health care facility associated with this outstanding program offers these benefits.

St. Elizabeth's CareLink program offers an excellent example of the advantages open to its members. Some of these benefits include free insurance counseling, meal discounts at St. Elizabeth's cafeteria, and a physician referral service. Additional services such as a health education program, an informational newsletter, and a notary public service are offered. A reduced parking rate, gift shop discounts, and free hearing tests are also available. This wide array of benefits justifies CareLink's claim as a "Fellowship of Caring."

This program and St. Elizabeth's Hospital Medical Center illustrate two institutions that care about people not only as patients, but as human beings as well. It is easy to attain membership in this program, and the potential advantages that CareLink offers are numerous. I am proud to have a health care facility such as St. Elizabeth's Hospital associated with this program, and it is with special thanks that I pay tribute to these two fine organizations.

GERMAN TRIAL FOR HIJACKER NOT NECESSARILY A SETBACK

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. BEREUTER. Mr. Speaker, many of my colleagues have expressed outrage at the decision of the West German Government not to extradite known terrorist, Mohammed Hamadi, to the United States for trial. Hamadi is accused of killing U.S. Navy diver Robert Stethem during the hijacking of TWA flight 847. On June 22, 1987, the Omaha World Herald published a very thoughful editorial on this subject which I commend to my colleagues' attention. The editorial follows:

GERMAN TRIAL FOR HIJACKER NOT NECESSARILY A SETBACK

The United States wouldn't necessarily lose if West Germany, instead of the United States, conducted the trial of Mohammed Ali Hamadi, the Lebanese Shia Moslem charged with the slaying of a passenger on the hijacked TWA airliner in 1985.

U.S. Attorney General Edwin Meese has urged Bonn to extradite Hamadi to the United States. Americans have good reason for wanting to have the trial here or alternatively, for wanting the West Germans to prosecute Hamadi energetically. The man Hamadi is accused of killing was a U.S. Navy diver, Robert Stethem.

The West Germans have dithered, perhaps because of their concern over the safety of two West German hostages in Beirut, who, their kidnappers have said, will die if Hamadi is extradited. In the past few days, however, West Germany has indicated that it is serious about putting Hamadi on trial.

Trying Hamadi in the United States could demonstrate that the United States is willing to take risk to bring terrorist to justice. But that has been demonstrated before. A West German trial could demonstrate that the Germans also are willing to do their part. That, in the long run, could be just as important as another demonstration of American determination.

Such an argument has been advanced by Martin Kramer, a visiting fellow at the Washington Institute for Near East Policy, in an article written for the Washington Post. If the West Germans put Hamadi on trial, Kramer wrote, Bonn would have to take extra precautions to prevent terrorism during the trial. "The West Germans would come to see this as their war, too," Kramer wrote. That he said, is "an American political goal of the first order."

In the past two years, terrorists have been captured and put on trial in France, Britain and Italy. These nations have demonstrated little tolerance for terrorist acts within their borders. If the West Germans bring Hamadi to trial and do a good job of it, the result could be another significant chapter in the war against terrorism.

TRIBUTE TO ALAN T. DICK, EAGLE SCOUT

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. GEKAS. Mr. Speaker, Saturday, July 11, 1987, will be remembered as a very special day in the life of one young man from my district. Alan T. Dick, son of Ted and Mary Dick of Liverpool, PA, has earned Boy Scouts' highest award—the Eagle Scout, which he will receive before family and friends at a ceremony in his honor.

Alan, a member of troop 222 of the United Church of Christ, Liverpool, earned his distinguished Eagle Award after sponsoring a walkathon in which $732 was raised for Jerry Lewis' Muscular Distrophy Telethon. Alan conducted the first ever walkathon in honor of Michael Huffman, a local man inflicted with this disease.

Alan joined the Cub Scouts in January 1979 and moved on to Boy Scouts in October 1982. He is also a brotherhood member of the Order of the Arrow.

A member of the Newport High School football and baseball teams, Alan also distinguished himself as an 11th grade honors student. In his community, Alan belonged to the Teener Team last year. He is presently a member of the Millerstown and Hunter Valley Sportsmen's Club as well as a youth group member at the Lutheran Church of the Good Shepherd.

I would ask my colleagues in the U.S. Congress to join me in extending congratulations to Alan Dick for earning this worthy and special award. I wish him great success in his future endeavors.

NEW MEXICO SPE PICKS ENGINEER OF THE YEAR

HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. LUJAN. Mr. Speaker, today I'd like to recognize the New Mexico Society of Professional Engineers and, in particular, the society's selection of Robert E. Witter, PE, as its 1987 "Engineer of the Year." Bob Witter is a constitutent of mine who lives in Albuquerque. He is president of Robert Witter & Associates, Inc., an Albuquerque-based engineering consulting firm. The honor was bestowed on Bob during the NMSPE's annual meeting held in early June in Cloudcroft, NM.

Mr. Witter holds both a Bachelor of Science and a Master of Science in Electrical Engineering from New Mexico State University, Las Cruces. He was formerly employed by Plains Electric Generation and Transmission Cooperative, Inc., in Albuquerque and by Continental Divide Electric Cooperative, Grants. Bob is a member of the National Society of Professional Engineers, the New Mexico Society of Professional Engineers, the Institute of Electrical and Electronics Engineers [IEEE], the American Academy of Forensic Sciences and a charter member of the National Academy of Forensic Engineers. Bob is a registered professional engineer in the States of New Mexico, Arizona, Colorado, Texas, and California.

He and his wife, Joyce, live in Albuquerque with their three daughters, Larissa, Robin, and Cara.

IN OPPOSITION OF PLAN TO PRODUCE M-1'S IN EGYPT

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. MAVROULES. Mr. Speaker, in these days of ill-advised weapons sales to Iran and escalating tensions in the Persian Gulf, it is inconceivable that the administration would now allow Egypt to produce the M-1 tank.

In no way do I mean to equate our good friend Egypt with Iran, however sending to Egypt the means to produce what may be the finest, most sophisticated tank in the world could well escalate hostilities in the region and present some major problems for Mr. Mubarak. Unfortunately, this questionable move could severely damage our friendship with the Egyptians; A friendship and trust for which President Carter worked so hard at Camp David.

The lack of quality control in Egypt when it comes to producing weapons systems is well known. The multitude of American jobs that will be lost by producing the M-1's in Egypt rather than the United States is disheartening.

The timing and strategic purpose of this plan raise many questions.

How will our friends in Israel react to such an increase in Egyptian firepower on land?

Is Libya such a grave threat that we have to send the best tanks in the world to Egypt?

But more specifically, should we be sending such sensitive technology abroad, especially to the Middle East? What happens if, God forbid, moderate elements are forcibly displaced in Egypt?

These are all questions to consider.

We in Congress should take time to carefully study some of the possible ramifications of this plan. Keeping in mind the times in which we live and the unpredictability of the Middle East, it would seem that a good measure of caution would be in our best interests regarding the implementation of this proposal.

A TRIBUTE TO NICOLE JOHNSON

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. HALL of Texas. Mr. Speaker, Nicole Johnson, a talented and motivated fifth grader from Tyler, TX, has won the Daughters of the American Revolution National Essay Contest.

Nicole won the local contest sponsored by the Mary Tyler Chapter of the Daughters of the American Revolution, and went on to win the State, the South Central Division and the National competition for fifth graders.

Nicole wrote her essay as if she were Thomas FitzSimons, a Pennsylvania delegate to the Constitutional Convention, writing a letter to Mr. Robert Johnson, editor of the New England Daily Journal, explaining why the constitution should be ratified.

Mr. Speaker, in this year that we are celebrating the bicentennial of the Constitution, I want to share this moving narrative with the Congress.

I urge the ratification of the proposed Constitution to our United States. For four months now, debates have heated the domains of Independence Hall in Philadelphia. The result has been a new plan of government: A supreme law of our land—The United States Constitution.

The government established by the Articles of Confederation has not been strong enough to govern our new nation. For example, it lacks an executive branch and a system of national courts. Our present government cannot regulate trade between the states or tax their citizens. It has been little more than an assembly of the representatives from our 13 states.

In 1780, after the Revolutionary War, our nation entered a period of unstable commercial and political times. Gradually conditions have become worse, especially since 1783. Each state seems to be acting like an independent country; it runs its own affairs exactly as it sees fit, with little concern for the needs of our Republic. The states are circulating their own currencies, most of which have little value. Some neighboring states are taxing each other's goods.

There are many reasons we need a new plan of government. Great Britain has refused to reopen the channels of trade that the colonies had depended on for their economic well-being. The state legislatures have refused to pay the debts they had taken on during the war. Some states have even passed laws that allow debtors to get out of paying their obligations. The worst thing, however, is that some men are thinking of fighting again in order to settle and solve our problems. I refer to the rebellion just a few months ago in Massachusetts. Fortunately, the militia put down Shay's Rebellion.

George Washington and I have often asked ourselves if we, as colonies, rebelled in vain against the tyranny of King George. The other representatives feel as we do. We agree that now is the time to put an end to the troubles that seen to beset us, and bring peace and order by forming a new national government. This government of the people, for the people, and by the people will command respect at home and abroad.

Please take a close look at some of the respected delegates who have helped write this proposed new law of our land: George Washington, "first in war, first in peace, and first in the hearts of our countrymen;" Benjamin Franklin, who inspired us all merely with his presence; Alexander Hamilton, who can express his views so strongly no one can resist; and James Madison, whom we call "The Father of the Constitution" because of his splendid speeches, negotiations and compromises. These voices and many others are too important to be ignored.

All of the delegates have considered past experience. They have gone all the way back on English history since King John approved the Magna Carta in 1215, and all of our own history since the first assembly of representatives met in Jamestown in 1619.

The proposed constitutional government has emerged from hundreds of years of trial and error.

The new constitution is strong enough to meet any obligation. It is safe enough to respect the liberties of our people. It will unify our nation, and provide a sound foundation for our future. Our nation will grow and prosper under this new plan of government.

I had the pleasure of escorting Nicole and her mother, Mrs. Aron Louis Johnson, through the Capitol and have them as my guest in the Congressional Dining Room. Also, in the great tradition of Tyler, the rose capital of the world, I presented her a bouquet of roses which had been provided by Tyler rose growers.

Mr. Speaker, I am pleased that as we adjourn today, we do so in appreciation of Nicole Johnson.

TRIBUTE TO FRED W. ALVAREZ

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. RICHARDSON. Mr. Speaker, as a Representative of New Mexico and former chairman of the congressional Hispanic caucus, I wish to bring to the attention of my colleagues the achievements of a native of my State, Mr. Fred W. Alvarez, who was recently confirmed by the Senate as Assistant Secretary of Labor. In my opinion, the administration could not have chosen a person better qualified to serve in that position.

A native of Las Cruces, NM, Mr. Alvarez attended the New Mexico Military Institute, and received degrees from Stanford College in 1972, and Stanford University Law School in 1975. After his graduation from law school, he clerked for Chief Justice LaFel E. Oman of the New Mexico Supreme Court before returning to California to practice with the National Labor Relations Board as a trial attorney. He then practiced with the Sutin, Thayer, and Browne law firm in Albuquerque, specializing in equal employment and labor relations law, before becoming a commissioner of the Equal Employment Opportunity Commmission where he has served for the past 3 years.

With this appointment, Mr. Alvarez becomes one of the highest ranking Hispanics in the Reagan administration. I believe that Mr. Alvarez, with his experience in labor law and equal opportunity employment issues, will contribute significantly to the labor department and will bring to it a proven commitment to fairness in employment for all Americans.

I applaud Mr. Alvarez for his outstanding record and look forward to his service with the Department of Labor.

The material follows:

U.S. DEPARTMENT OF LABOR,
OFFICE OF INFORMATION,
Dallas, TX.

NEW MEXICO NATIVE CONFIRMED BY SENATE TO HIGH-LEVEL LABOR DEPARTMENT POST

Labor Secretary William E. Brock today hailed the swift Senate confirmation of Fred W. Alvarez as assistant secretary of labor for employment standards.

Alvarez, 37, an attorney, is a native of Las Cruces, N.M. He was a commissioner of the Equal Employment Opportunity Commission for three years before President Reagan nominated him for the sub-Cabinet post. He now becomes one of the highest ranking Hispanics in the Administration.

Brock said Alvarez "brings to the Department of Labor solid administrative and enforcement experience and a strong commitment to equity and decency in employment for all Americans."

In his new position, Alvarez will head the Labor Department's largest agency, the Employment Standards Administration, which has over 4,000 employees. It includes the Wage and Hour Division, the Office of Federal Contract Compliance Programs and the Office of Workers' Compensation Programs.

Alvarez has a well established labor law background. Before joining the EEOC, he was in private practice in Albuquerque specializing in equal employment and labor relations law. Prior to that he was a trial attorney with the National Labor Relations Board's regional offices in Oakland and San Francisco. He started his professional career as a law clerk to Chief Justice LaFel E. Oman of the New Mexico Supreme Court.

A 1966 graduate of the New Mexico Military Institute, Alvarez received a B.A. degree with honors in economics from Stanford University in 1972 and a law degree from Stanford in 1975.

He was admitted to the California and New Mexico state bars and has served as a faculty member for the Council on Legal Educational Opportunities and as a member of the Stanford Law School Board of Visitors.

He is a member of the American Bar Association's Section of Employment and Labor Law.

Alvarez succeeds Deputy Under Secretary Susan R. Meisinger, who is returning to private industry. She will be vice president of government affairs for the American Society for Personnel Administration. Meisinger served as deputy under secretary of the agency since February 1984.

ORTEGA SHOWS HIS COLORS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. BEREUTER. Mr. Speaker, recently, the Omaha World Herald published a thoughtful editorial concerning Nicaraguan President Daniel Ortega's recent admission that Nicaragua had supplied arms to the rebels who are trying to overthrow the Government of El Salvador. I commend to my colleagues' attention the Herald's admonition that the United States remain wary of Sandinista-Soviet connections.

ORTEGA SHOWS HIS COLORS

Nicaraguan President Daniel Ortega has a habit of departing from the script that some of his North American supporters have held out for him to read.

If he followed the script, he might come off as a populist Christian reformer who is dedicated to improving his country's literacy rate and medical care, a sort of social democrat who has no interest in exporting his revolution to other Central American countries or building stronger ties with Moscow.

Ortega must have jolted some of his U.S. supporters two years ago when he visited Mikhail Gorbachev in Moscow just after a congressional debate on contra aid—a debate during which Congress was assured that it was silly for Americans to be concerned about a Managua-Moscow link. The same year, his image as a populist reformer was damaged when he and his wife, who were in New York to attend a meeting of the United Nations, used a Diners Club credit card to purchase $3,500 worth of fashion eyeglasses from an optician on Manhattan's Upper East Side.

Recently, moreover, if Ortega's remarks in an interview were correctly reported by a Mexican newspaper, Ortega admitted for the first time that Nicaraguan army officers supplied arms to the rebels who are trying to overthrow the government of El Salvador. His remarks may very well have been demoralizing to Americans who ridiculed the State Department when it raised similar concerns.

It is becoming clearer that Ortega's regime is a jerry-built social-fascist system with some aspects of Cuban communism thrown in. It is not a Stalinist regime of the Eastern European model. Much of the economic activity is still controlled by the private sector. Elections have been held, although some of the political parties were openly handicapped by state interference.

At the same time, it would be inaccurate to portray Ortega and his fellow Sandinistas as just a group of reformers who are in trouble with the U.S. government only because their motives are misunderstood by a Red-baiting U.S. president. Each time Ortega departs from the script, he reinforces the reasons for the U.S. government to be concerned about his Soviet links and the possibility that the Sandinistas would try to export their revolution to surrounding countries.

VOTER HALL OF FAME

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. GEKAS. Mr. Speaker, the right to vote as one pleases and the knowledge that the vote will count—and be counted—form the cornerstone of our democratic system of government. Our society is set apart from totalitarian societies in which individual freedom is subservient to and limited by the wishes of a dictatorial individual or party.

Because our constitutional system of government rests on the premise that the people elect their own government, the American electoral process functions not only to determine winners, but also to confer legitimacy upon them and to hold them accountable to the public they have been selected to serve temporarily.

The great Commonwealth of Pennsylvania has established a "Voter Hall of Fame" to honor citizens with exemplary voting records. Membership to the "Hall of Fame" is open to all Pennsylvania registered voters who have voted consecutively in every November election for which they were eligible for at least 50 years. Candidates must also agree to encourage the registration of new voters.

Mr. Speaker, today I would like to recognize the constituents from my congressional district who have earned a place in the Pennsylvania

Voter Hall of Fame. Those inducted into the Hall of Fame include: Myrl A. Griffith, Harrisburg; Richard C. Guise, Harrisburg; Charles O. Long, Harrisburg; Marion M. Ober, Harrisburg; and Anna P. Talmadge, Harrisburg.

I am pleased to recognize these citizens for exercising our most precious freedom faithfully, year after year, in elections for Government representatives on the local, State, and national levels. They deserve our praise and recognition.

A TEST FOR GLASNOST

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. MICHEL. Mr. Speaker, the respected Christian Science Monitor recently carried a story raising interesting questions about the idea of glasnost, or openness, in the Soviet Union.

The front page story told of an "apparently unprecedented disclosure" in which Nikolai Shmelyov, described by the Monitor as "a senior staff member of the Institute of U.S.A. and Canada Studies" stated, during a "closed-door lecture to Soviet academics" that 17 million people passed through Stalin's labor camps and 5 million families were deported during Stalin's collectivization of agriculture.

This report, it seems to me, is a test of Mr. Gorbachev's seriousness when it comes to glasnost. If he is serious, he will allow Soviet media to disclose all of the facts that are now known in the West and previously undisclosed facts from Soviet sources about the Communist regime's atrocities in the 1930's and 1940's.

Glasnost can be taken even more seriously if there is a concerted effort by the Soviet courts to bring to justice anyone in the Soviet Union who in any way may have participated in or benefited from the atrocities committed by the party during that time. It is simply historically incorrect to blame it all on Stalin. He had henchmen just as Hitler had and some of them are in positions of party power right now. Glasnost demands that names be named, facts be made public, and let Soviet citizens judge for themselves.

The same principle holds true for the captive people of the Soviet Union. If glasnost means anything it must mean official recognition on the part of the present rulers of the Soviet Union that their party was responsible for the deportation and murder of millions of innocent human beings in Latvia, Lithuania, Estonia, and Ukraine, to mention just a few nations or regions savagely repressed by the Communist Party, U.S.S.R.

I would very much like to see Mr. Gorbachev openly state the true facts of just who was responsible for what happened in the Soviet Union in the 1930's and 1940's. If—as is usually the case—Mr. Gorbachev answers by saying the West also has much to answer for, I say: Let's present the facts to a candid world. Let the world judge just which system has visited more misery upon its own people.

The first step in such a process could be to count the number of books published in the United States that deal with historic errors, crimes and injustices in the Western world. The Soviet Union can then allow the same number of books to be published in the Soviet Union, but these books will disclose the history of the Soviet errors, crimes, and injustices since 1917. Surely nothing could be more fair than that.

At this point I wish to insert in the record "Top Soviet Denounces Stalin's Gulags," from the Christian Science Monitor, June 16, 1987.

TOP SOVIET DENOUNCES STALIN'S GULAGS

[In a closed meeting, A soviet analyst revealed that Stalin sent 17 million to labor camps. The disclosure seems to be part of a Gorbachev push to reduce rigid Stalinist economic control.]

(By Paul Quinn-Judge)

In an apparently unprecedented disclosure, a prominent soviet economist has said that 17 million people passed through Joseph Stalin's labor camps and 5 million families were deported during Stalin's collectivization of agriculture.

Nikolai Shmelyov, a senior staff member of the Institute of USA and Canada Studies, gave the figures during a closed-door lecture to Soviet academics last week. The Monitor obtained a tape of Mr. Shmelyov's remarks, given at a research institute attached to the Communist Party Central Committee.

Although Stalin died in 1953 and his cult of personality was denounced three years later, no official figures have ever been given for the numbers of people imprisoned in camps (gulags) or killed during his rule. Such discussion of the topic is extraordinary. (In a rare public demonstration, Latvians yesterday protested Stalin's deportation of thousands of their countrymen.)

Mr. Shmelyov presented the data to support an attack on what reform-minded economists call the "administrative system"—the inefficient approach to economic management and planning that is expected to come under attack at the next party plenum. The plenum is scheduled for late this month.

Shmelyov's lecture, which follows hard on the heels of a controversial article by him on economic policy in the monthly Novy Mir, indicates that activist academics and writers are intensifying their campaign in support of Mikhail Gorbachev's reforms.

Shmelyov and other leading economists are essentially calling for the de-Stalinization of Soviet economic planning. They are calling for the return to a more flexible—and they assert more Marxist—form of economic planning based on the policies pursued by Vladimir Lenin during the period of the New Economic Policy, which lasted from 1921 to 1928.

Stalin's "immoral system of management" had a catastrophic effect on agriculture, industry, and the war effort, Shmelyov said. Without Stalin's brutal collectivization, without the labor-camp system, and without "the badly waged, and nearly lost Finnish war [1939-40], then I am deeply convinced that there would never have been a second World War, at least on our territory," he said. The death of 20 million soviet citizens during World War II could also arguably be viewed as an indirect result of Stalin's methods, he theorized.

The figure of 17 million labor-camp inmates was "unofficially known to many," Shmelyov said. And he criticized unnamed "recent theoreticians" who had tried to justify Stalin's mass repressions in the 1930s on the grounds of economic efficiency.

"What did the 17 million people who passed through the system produce? Two canals, the expediency of one of which is very dubious. Tree-cutting, which could have been achieved much more cheaply by hired labor. And gold on the Kolyma River," in Magadan, in the far northeast of the Soviet Union, Shmelyov said.

The population handbook for Magadan region in 1939 gave a figure of 3.3 million, Shmelyov noted. The handbook for 1959—some three years after the closure of most labor camps—showed a population of 300,000. But the 300,000 people, working with the same technology, produced 1½ times as much gold, he said.

Shmelyov was equally scathing about other measures imposed by Stalin. The collectivization of agriculture had created a "monstrous machine" that led to the deportation of 5 million peasant families—accused of being rich farmers. Grain production dropped 40 percent after collectivization, he said.

The revelations will be welcomed by supporters of radical reform, who have argued recently that the classic system of centralized planning is not only inefficient and unproductive, but has little to do with real planning.

But the information will be deeply resented by others. During a recent visit to Magadan, a group of Western journalists pressed the party chief for a figure of the labor-camp population under Stalin. The official, Alexander Bogdanov, responded angrily that "this period is over, this page of history is closed. I don't see why we have to keep talking about it."

Shmelyov's estimates of the camp population are as high as many Western figures. A number of Western sources estimate that there was an average of 7 million to 8 million people in the camps in any given year between 1937 and Stalin's death. There have also been estimated that the death rate in Kolyma—with nine-month winters, permafrost, and temperatures that dropped as low as minus 76 degrees F.—may have reached 30 percent.

ANTISEMITISM IN NICARAGUA

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. CRANE. Mr. Speaker, as the debate over Nicaragua heats up, and the Nation focuses on aid to the Nicaraguan Freedom Fighters, I would like to call your attention to the occurrence of a specific form of religious persecution in Nicaragua—Sandinista anti-Semitism—which threatens to spread itself beyond the borders of Nicaragua.

Once, the Jewish community in Nicaragua was a flourishing and successful community. Today, however, it no longer exists, a direct result of orchestrated anti-Semitic terror and intimidation perpetrated by the Sandinista government, under the direct orders of the three Sandinista stooges, the Ortega brothers and Interior Minister, Commandante Tomas Borge. Though the Jewish community was the smallest religious group in Nicaragua, it was also the most persecuted religious group, at the height of the Sandinista revolution and when the Sandinistas came to power.

It is interesting to note that the National Jewish Coalition held several press conferences in 1986 with former Nicaraguan Jews who were subject to Sandinista anti-Semitism and forced to flee their homes and their country. Yet, the major media repeatedly failed to cover these press conferences, and thus, the egregious, Nazi-like crimes and tactics of the Nicaraguan Sandinista government went unreported to the rest of the world.

As the leading nation in the free world, it is both the duty and responsibility of the United States to do all that it can to expose this unacceptable state of human rights violations and attempt to eradicate this situation. In view of this, I would like to include the attached article, "Persecution in Nicaragua," by Debbie K. Schlussel, which appeared in the January 1987 issue of the Michigan Review. This article goes into depth about the extreme persecution of the Nicaraguan Jewish community by the Sandinista government and the motivations behind this.

[From The Michigan Review, January, 1987]

PERSECUTION IN NICARAGUA

(by Debbie Schlussel)

This is the story of how a nation and its ruling regime persecuted its Jewish population to such an extreme that the entire Jewish community was driven from the land. This oppressive government is neither Inquisition Spain, nor Czarist Russia, nor even Nazi Germany. Rather, the totalitarian state described here is none other than Sandinista Nicaragua, the current chic cause of the Left.

The totalitarian regime of Nicaragua's "elected" president Comandante Daniel Ortega has committed many atrocities in carrying out its strict policy of religious suppression. Any sign of religious expression is not tolerated by the Sandinista dictatorship, and is swiftly obliterated. The Sandinistas represent a specific threat to the many Central American Jews. Before the Sandinista revolution, anti-Semitism in Nicaragua was virtually non-existent. However, as the Sandinistas gained strength, so, too, did anti-Semitism.

The story of Sandinista anti-Semitism is one which most Americans remain unaware. Until recently, the media have failed, perhaps deliberately, to even mention it, lest they shatter the mythical saintly image of the Sandinistas.

The Nicaraguan government began its campaign of anti-Semitism in the quasi-official government newspaper Nuevo Diario. Jews were blamed for the crucifixion of Christ, using the "myth" of the chosen people to massacre Palestinians, and using financial power to gain control of the United States. The articles referred to Judaism as the "theology of death" and "Synagogues of Satan," and rehearsed old canards similar to those of the Klu Klux Klan and Lyndon La Rouche that "world money, the banks and finance are in the hands of descendants of Jews, the eternal protectors of Zion."

Flagrant anti-Semitic acts—the firebombing and burning down of the Managua Synagogue during Sabbath prayer services, with its congregants trapped inside by the Sandinista soldiers, the confiscation of Jewish property, the arbitrary detention and arrest of Jews—were committed by the Sandinistas as their revolution was at its height and once they were in power. The Sandinistas soldiers, after they set the Managua Synagogue afire, shouted, "Death to the Jews! What Hitler started, we will finish!"

Meanwhile, laws were enacted that enabled the government to confiscate Jewish property on the spurious grounds that the owners had either abandoned it or were unable to manage it. Oscar Kellerman, a member of Nicaragua's former Jewish community, tells of the effects of the new laws, "They told us to get out, and they confiscated our property when we left. But when you are told that you either lose your property or your life, there is really no choice!" Since then, Jews have tried to regain their property and return to their homes, but the Nicaraguan government has directed the courts not to act on any request by a Jew seeking to return to Nicaragua. Yet, the government claims that Jews are always welcome there.

Elena Gorn, 32, who lives in Hollywood, Florida, stated that her father-in-law, Abraham Gorn, the recognized leader of the Nicaraguan Jews, was arrested shortly after the Sandinista takeover on what she felt were trumped-up tax charges. Mr. Gorn, then 75, was ordered to sweep the streets while jailers taunted him with anti-Semitic jokes. After a week, according to Ms. Gorn, he was released. Yet, a month later, police officers raided his house and told him that the house, his businesses, and all his possessions were being confiscated. He left the house with only a robe over his pajamas and sought asylum at the Costa Rican embassy. He now lives in Costa Rica.

The Anti-Defamation League (A.D.L.) of B'nai B'rith, the President of the United States, the State Department, and many in Congress have documented and proven consistent Sandinista acts of anti-Semitism. Yet, leftist ideologies such as one Rabbi Balfour Brickner of the Stephen Wise Free Synagogue, no proven authority on foreign affairs or anti-Semitism, continues to deny that Sandinista anti-Semitism has ever existed. Perhaps Brickner's extreme liberal bias has blinded him from the facts of Sandinista anti-Semitism, and has caused him to make these most fanciful claims. How does Brickner know that anti-Semitism was never sponsored by the Sandinista regime? That's easy—the Sandinistas told him so!

Rabbi Brickner is correct when he says the Managua Synagogue remains intact. Since the firebombing, the synagogue has been seized, repaired, and converted into a center for Sandinista youth. The building is now covered with Palestinian Liberation Organization (PLO) posters and smeared with anti-Semitic graffiti.

Now, Jews elsewhere in the region have reason to worry as the Sandinistas try to spread their revolution to other countries. The April 1985 capture of Mauricio Palacio, a Sandinista-trained terrorist, in Costa Rica, must have sent chills up the spines of the Jews there. The terrorist told police of an elaborate plan to kidnap the leaders of the Costa Rican Jewish community.

Many Nicaraguan Jews, who found refuge in the U.S., believe that the Sandinista campaign to eradicate its Jewish population was staged in order to repay a long-standing debt to the PLO. The Sandinistas have a history of involvement with the PLO. The PLO maintains a fully accredited "embassy" in Managua with a ranking representative who holds the title of "ambassador." Currently, there are three Sandinista-run bars in Managua that cater exclusively to PLO members.

During a ceremony marking the Sandinista takeover, Nicaraguan Interior Minister Tomas Borge declared, "We say to our brother (Yasser) Arafat that Nicaragua is his land and that the PLO cause is the cause of the Sandinistas." Arafat replied, "The links between us are not new. Your comrades did not come to our country just to train, but also to fight. Your enemies are our enemies." To demonstrate the joint efforts of the PLO and Sandinistas against Israel, a bomb exploded in the Israeli embassy in San Salvador. The People's Revolutionary Army claimed responsibility and said the bombing was in "solidarity with the Palestinian people."

Arafat's statement was not mere rhetoric. The Sandinistas are proud to have fought in the Middle East with the PLO. They have made a martyr out of Patrick Arguello Ryan. Arguello, who was killed leading the PLO hijacking of four airplanes in 1970, has a Nicaraguan power station named after him. Many of the current Sandinistas are trained in PLO camps. As a Sandinista spokesman told a Kuwaiti newspaper, al-Watan, in 1979, "In the early 1970s, Nicaraguan and Palestinian blood was spilled together in Amman and in other places during the "Black September battles.'"

In Ann Arbor, fantastically naive praise and excessive kudos are bestowed upon the Sandinistas by quite a few of the University's faculty, who use their lectures as vehicles for spreading disinformation about the current state of human and civil rights (there are none) in Nicaragua. Specifically, lecturers Hugh McGuinness and Tom Will use their class, "Biology 101. Biology and Human Affairs," as a forum for their political opinions on this issue, as well as others. Furthermore, the coursepack for this course presents a radical viewpoint, fueled by partial facts, distortions, and even outright lies. In a unit supposedly dealing with farming and agriculture, one article, entitled "Nicaragua: Give Change a Chance," distorts the issue of Sandinista anti-Semitism. This article was written by Medea Benjamin, Joseph Collins, Kevin Danaher, and Frances Moore Lappe for the Institute for Food and Development Policy, in 1984. While this article is an anachronism, there are several other defects inherent in its arguments concerning Nicaraguan anti-Semitism.

First, the article's authors state, "We have found no evidence of people being persecuted for their religious beliefs." Perhaps this is because by 1984, virtually all Nicaraguan Jews had been forced to flee from the existing terrorism. There were none left for Benjamin et al to interview. Indeed, the article quotes Roland Najlis, referred to in the article as a Nicara Jew, as saying that the Jews "emigrated" because "they were Somocistas. . . None were expelled from the country for being Jewish." The article fails to mention that Najlis, while of Jewish birth, told the New York Times that he is an atheist, and thus has not encountered any persecution for practicing religion.

Another factor to consider is that Najlis' statements are taken from Agenda, the magazine of the New Jewish Agenda, a far-left "progressive" Jewish organization. This group often advocates positions at variance with the rest of the Jewish community. The New Jewish Agenda delegation to Nicaragua refused to acknowledge most of the claims of the Nicaraguan Jews who fled, for unapparent reasons. However, the delegation's report does recognize some of the incidents as fact.

The Sandinistas represent a real threat to all Central American Jews. What will happen if the Sandinistas forcefully spread their ideology beyond Nicaragua's borders?

What will become of the Jews of Costa Rica, Honduras, Guatemala, and El Salvador? All Americans have an interest in convincing their elected officials that Sandinista aggression must be recognized and halted. Americans cannot sit idly by as Central American Jews face the threat of official anti-Semitism, exile, and even annihilation!

TRIBUTE TO THE HONORABLE CHARLES SCHUMER

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Ms. OAKAR. Mr. Speaker, an outstanding article appeared in today's Wall Street Journal about my colleague CHARLES SCHUMER. It highlights his many talents and I'd like to share it with you.

The article follows:

[From the Wall Street Journal, June 29, 1987]

BACKBENCHERS LIKE SCHUMER LEAP TO THE FORE IN HOUSE WHERE SENIORITY IS SOVEREIGN NO MORE

(By Jeffrey H. Birnbaum)

WASHINGTON.—In some circles in Japan, Rep. Charles Schumer is known as "Hurricane Schumer."

That's because the 36-year-old lawmaker is responsible for a provision in the trade bill that would prevent Japanese-owned companies from underwriting U.S. government securities unless Japan opens its government securities markets to U.S.-owned concerns.

It is remarkable that the New York City Democrat, who only arrived in Congress in 1981, is known at all. Not long ago, congressmen who had served perhaps half-a-dozen or more two-year terms would still find it tough to get anything important done in a House ruled by seniority.

Rep. Schumer's success on this securities provision and other important pieces of legislation illustrates a fact of the modern House of Representatives: that backbenchers with drive can wield real power. Once largely ruled by a small number of old barons, the House today is a more wide-open, multifaceted place where a younger member with energy and aggressiveness can make a mark.

"It makes no difference what your seniority is nowadays; it's a question of how much you want to be involved," says Rep. Tony Coelho of California, who is already the third-ranking Democrat in the House though he was first elected just two years before Mr. Schumer. "You don't have to wait around to have influence. Entrepreneurs do very well."

To be sure, some exceptionally aggressive and talented young lawmakers were able to accomplish things relatively soon even when seniority made that difficult. Sam Rayburn, who became speaker, and Richard Nixon, for example, both managed to make names for themselves at very early stages in their House careers. But they were the exceptions for their time.

These days, younger members like Rep. Schumer are a force to be reckoned with.

Procedural changes after the Watergate scandal in 1973 removed the stranglehold on power once held by senior lawmakers; chairmanships are now elective positions. But more than formal rules have opened the door for junior members. For one thing, television has given a voice in policy making to almost any member. For another the complexity of issues confronting Congress has allowed innovative members to carve out their own niches within the formal committee structure.

"It is now the norm of the institution for a back bencher to make a difference," concludes Norman Ornstein, a congressional expert at the American Enterprise Institute, a Washington think tank.

Mr. Schumer is only one of a long list of influential Democratic lawmakers who came to the House in the 1980s. Others include Rep. Buddy MacKay of Florida, who plays an important role on budget matters, Rep. Mel Levine of California on Persian Gulf security, Rep. Dave McCurdy of Oklahoma on aid to the Contras, Rep. Barney Frank of Massachusetts on judicial questions, and Rep. John Spratt of South Carolina on military questions.

TOUGHER FOR REPUBLICANS

Though it is tougher for House Republicans, since they are in the minority, some junior GOP members have made a splash, including Rep. Connie Mack of Florida on the budget, Rep. Steven Bartlett of Texas on housing matters, and Rep. Michael DeWine of Ohio on the Iran-Contra investigating committee.

Rep. Schumer has played pivotal roles in a diverse array of legislation. From his seat on the usually sleepy House Banking Committee, he began his drive to open Japan's securities markets as well as a separate movement to reduce credit-card interest charges. In addition, he helped save most of the state-and-local tax deductions from tax-revision's knife last year, and he also got involved in the last Congress's landmark immigration-law overhaul.

His secret for success is a combination of seemingly limitless energy and a knack for dealing directly both with his colleagues and with the news media. "I have never seen anyone like that guy," says Republican Sen. Alan Simpson of Wyoming, who worked closely with Rep. Schumer on the immigration bill. "I don't know whether he ever slows down; there is an audible hum about him."

For Rep. Schumer's detractors, the hum is sometimes shrill. Some of his colleagues say privately that the lawmaker from Brooklyn can be too pushy. Some resent his careful cultivation of the press and his frequent citations in newspapers and appearances on television. "He gets a little persistent and a little overbearing sometimes," says Rep. Butler Derrick (D., S.C.). "But he can diffuse that with his humor."

Rep. Schumer believes that persistence pays. Lawmakers, particularly junior ones like himself, he asserts, must use all the resources available to get their points across. "You need to work extremely hard to make legislation go," he says.

HOURS SPENT ON LOBBYING

Hard work on hot issues is Rep. Schumer's forte. When he identified the government-securities market as an issue, for example, he and his allies spent many hours lobbying every Democratic member of the Banking Committee in the House and the Banking Committee in the Senate—until they had enough votes to attach the measure to the trade bill. The success of that effort led to his recent visit to Japan, where he was treated like a visiting dignitary and dubbed "Hurricane."

The Harvard-educated congressman also has learned that legislation needn't always be enacted to have an effect. Soon after he began to publicize his credit-card legislation on television news shows, several big New York banks announced that they were lowering their interest-rate charges on credit cards.

Rep. Schumer's clout has been augmented—and his image softened—by his association with three, more senior Democrats who share a Capitol Hill town house with him when Congress is in session. "We tend to give him some guidance so he doesn't end up going off the edge," says Rep. Leon Panetta of California, one of the three.

The house mates have made potent legislative combinations. Reps. Schumer and Panetta developed compromises that led to the enactment of last year's sweeping immigration law. Rep. Schumer enlisted the aid of another house mate, Rep. Marty Russo of Illinois, to save most of the deductions for state and local taxes in last year's tax overhaul. The third house mate, Rep. George Miller of California, serves with Rep. Schumer on the high-profile House Budget Committee and gave Rep. Schumer the idea for the credit-card legislation.

Rep. Schumer's activities have gained him respect among his colleagues and piqued the interest of outsiders. Some politicians have talked to him about running for mayor of New York City. But Rep. Schumer says he likes it in the House. "There aren't just five big issues, there are 500," says the exuberant Rep. Schumer. "There's a need here for lots of people to be involved."

A COUP D'ETAT FOR THE TELECOMMUNICATIONS TROIKA?

HON. JIM SLATTERY

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. SLATTERY. Mr. Speaker, there haven't been many revolutionary causes around the Congress lately, but one may be brewing in Washington's scorching summer heat. A foreign dictator won't cause this one. Instead, regulatory problems created by U.S. District Court Judge Harold Greene's decision on several motions to modify the AT&T consent decree may serve as catalyst for this revolution.

The timing and the content of Judge Greene's actions are certainly critical issues. However, some of us in Congress are beginning to ask a more fundamental question that goes beyond the specific outcome of Judge Greene's expected decision: Who's in charge of implementing congressionally mandated telecommunications policy?

I'm concerned that after all the dust settles following Judge Greene's decision, we won't have clearly articulated policy for regulators to follow. What we'll have is a continuation of the telecommunications troika—and not a single-minded one at that—consisting of the court, the Department of Justice and the FCC. This costly, confusing, and sometimes contradictory regulatory regime should be seriously reexamined.

No one at the time of the AT&T divestiture expected the Federal courts and the Justice Department [DOJ] to continue such an active role in regulating the telecommunications business. The Bell companies filed over 100 MFJ waivers during the last 5 years, requesting clarification of decree provisions. No one, not the Justice Department, nor the judge, nor the Congress anticipated this kind of micromanagement of the industry.

Over the past several years, the courts and the DOJ have addressed a variety of telecommunications policy questions. Can a Bell company provide time and weather information; can cellular providers offer voice storage and retrieval services; can a Bell company provide private inter-LATA services for a Government customer? The list could go on. These are important national telecommunications policy questions and, under the current regulatory regime, the appropriate Government entity to determine these matters is unclear.

The potential for future jurisdictional problems are as great or greater. Let's say the judge grants certain portions of the motions to allow the Bell companies to enter new lines of business. What new regulations will the court attach? How will these new regulations mesh with FCC guidelines? The answers are unclear. Judge Greene's actions may answer some questions only at the expense of creating a host of new ones!

Congress must decide if the current system of shared Federal telephone regulation is in the public interest. Congress established the Federal Communications Commission in 1934 to be the expert agency to deal with these matters. The Commission has this expertise; the Federal courts do not. The Commission can take a broad view of the needs and requirements of the entire telecommunications industry and its consumers; the Federal courts cannot. Congress created the Commission and the Commission is subject to legislative oversight; the Federal courts are not.

Evidence almost 10 years old was the basis for Judge Greene's apparent rejection of the FCC's competence to regulate the telecommunications industry—evidence presented when the industry structure was radically different and when the FCC itself agreed it was unable to competently regulate the predivestiture AT&T Co. Times have changed, the industry structure has changed, and the FCC has changed. We should not allow 10-year-old facts frustrate Congress' desire for coherent regulations.

As the events of the next several months unfold, I hope my colleagues consider these broader questions in determining legislation related to the AT&T consent decree. To modify an adage, what we have here is a situation where too many cooks may be spoiling the regulatory broth—or at least confusing things so much that no one's really in charge. Congress needs to take charge. One expert Government agency should implement our policies, not a telecommunications troika.

INFORMING CONSUMERS ABOUT HOME EQUITY LOANS

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. PRICE of North Carolina. Mr. Speaker, I will soon introduce legislation which will provide consumers with better information about home equity loans. Home equity loans pose unique disclosure problems for current truth-in-lending law and my bill will ensure that home equity loans are subject to disclosures similar to those of other mortgage products so that consumers have the ability to make prudent credit decisions. It will also include provisions to stop misleading advertising which has been used by some financial institutions in promoting this new type of credit. I am submitting for the RECORD a recent Newsweek article by Jane Bryant Quinn which documents the rising popularity of home equity loans, outlines their potential benefits and dangers, and suggests some guidelines that will help consumers make more informed decisions.

YOUR GUIDE TO HOME EQUITIES

(By Jane Bryant Quinn)

Should you or shouldn't you open a home-equity line of credit? At first glance, it looks like the deal of the decade: low interest rates, low monthly payments, flexible terms, tax deductions. A lot of borrowers truly cannot do any better.

Yet, in one of those ironies typical of banking, home-equity credit lines are perfect only for people who don't really need them—and pure poison for people who do.

In a nutshell, this loan is a second mortgage against your house. But you don't borrow all the money at once. Instead, the bank gives you a large line of credit—the amount depending on your income, the size of your first mortgage and the value of your house.

To take out a loan against your credit line, you merely write a check or put down a special credit card. Repayment schedules are incredibly loose, often lasting 20 years or more. Many borrowers will simply carry their loans until the house is sold and repay the principal then.

SIZE OF THE PRINT

Much of the advertising for home-equity lines of credit has also been incredibly loose, with the relevance of the information inversely proportional to the size of the print. Here's what a borrower needs to know:

1. The true cost. Most lenders charge closing costs just as they would on any other mortgage, although that varies by state. There may be origination fees of 1 to 3 percent and annual fees of $15 to $100. All these charges run up the effective interest rate, says Prof. Richard Morse of Kansas State University (chart)—so much so that other types of loans may actually be cheaper. The best home-equity lines carry no, or low, upfront fees.

2. How much money you need right now. Most borrowers open the largest credit line possible, on the assumption that it can't hurt. But it can hurt, in two ways:

First, your closing costs depend on the size of the credit line; the larger the line, the more you pay. If you then borrow only a small amount of money, your effective interest rate snowballs. Take, for example, a $10,000 loan against a $75,000 credit line at Chemical Bank. In New York (where fees are high), the five-year interest rate would be 19.5 percent, Morse says. Second, on your credit history, the total amount of your credit line is treated as an outstanding loan, even if you haven't borrowed against it. That could keep you from getting a lower-cost loan somewhere else.

3. Whether you can handle a big variable-rate loan. A majority of credit lines float with the prime lending rate—running from .5 to 3 percentage points higher. If interest rates rise, so do your payments.

As a practical matter, the cost of a rate rise might be small. On a $15,000 loan, a jump from 10 to 15 percent might add only $44 to your monthly payments (if you're repaying on a 10-year schedule). You'll be squeezed a little harder, however, if your first mortgage also carries a variable rate. And you'll hate it, if inflation goes to 20 percent.

To protect you from payment shock, a few lenders are putting caps on their rates. Some promise that you'll pay no more than an extra 2 to 5 percentage points over five years; some rates stop rising at 16 to 20 percent. And then there's Marine Midland in New York. Under its "cap," you can be charged an extra 4 percentage points a year—not much inflation protection there.

Here and there, you'll see credit lines with fixed interest rates. A Wells Fargo Credit Corp., headquarters in Scottsdale, Ariz., you might pay 12.75 percent plus closing costs. But the guarantee lasts only for five years. After that, you have to worry about rising rates all over again.

4. How fast you repay. Lenders love all borrowers who repay slowly—because it means you'll pay them more. For the first five to 10 years, you may have to pony up only the interest owed. After that, the principal falls due and you'll probably have to refinance (watch the bankers rub their hands in glee). When loans are amortized, your minimum payments might cover only a few dollars of principal every month, creating a nearly perpetual debt. To avoid these costs, you must make larger payments than required.

I love good home-equity lines for borrowers who: repay quickly; have cash reserves to eliminate the loan if interest rates get too high; substitute home-equity borrowing for more expensive credit cards; have incomes secure enough to cover rising payments. "Money is money," says David Wyss of Data Resources, Inc. "Borrow as cheaply as you can."

But I hate them for borrowers who: can afford only the minimum payments (because they're living beyond their means); are adding to debt rather than substituting one form of borrowing for another; have uncertain earnings; spend more than 35 percent of their income repaying loans.

The squeezed middle class will be the most tempted by credit lines, even though the tax deductions are more limited than the ads imply (check this out before borrowing). What they like most is the idea of stretching out consumer debt over 20 years. But look at it this way: if you can't pay off your regular credit cards, everyone gets mad. If you can't repay your credit line, they foreclose.

THE REAL COST OF CREDIT

The true interest rate on home-equity loans is higher than you think, counting fees and closing costs. Here's what you might pay for $10,000 borrowed against a $25,000 line of credit, assuming current rates. Fees vary, depending on your state.

Lender	Starter rate (percent)	Normal rate (percent)	Upfront cost	Effective rate [1]	
				6 years (percent)	10 years (percent)
Merrill Lynch	None	10.25	$885	15.1	13.2
Beneficial	None	11.25	$640	14.4	13.1
Chemical Bank	None	10.25	$905	14.4	12.6

Lender	Starter rate (percent)	Normal rate (percent)	Upfront cost	Effective rate [1] 6 years (percent)	10 years (percent)
Wells Fargo	6.63	9.88	$792	14.5	12.8

[1] Including annual fees.

INTRODUCTION OF GOSHUTE BILL

HON. JAMES V. HANSEN

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Monday, June 29, 1987

Mr. HANSEN. Mr. Speaker, this bill which I introduce today corrects perplexing land problems affecting a small Indian tribe located in my district along the west-central border of Utah. The members of the Confederated Tribes of the Goshute Reservation have lived for more than 80 years within a designated area beset with various boundary problems and uncertainties. While these difficulties have been recognized for some time, no congressional action has yet been taken to resolve them. This bill is virtually identical to one which I introduced late last term. Time constraints made passage impossible at that time, but I am confident that the House of Representatives will be able to consider this matter and take action during this first session of this term. Passage will constitute an important first step toward ending the problems which these people have faced for several generations.

The Goshute Reservation, which consists of approximatley 95,000 acres, straddles the Utah-Nevada border about 40 miles south of the city of Wendover. When established by executive orders shortly after the turn of the century, the reservation's legal description contained an error which created a strip of land running through the middle of the reservation approximately one-quarter mile wide and 8 miles long. Technically, this strip, today, is owned by the United States and is administered by the Bureau of Land Management. The bill would change the status of the strip to be reservation land held in trust by the United States for the tribe.

Among the other provisions of the bill are sections which will place the tribal cemetery—now owned privately by the tribe—in trust status along with surrounding BLM land. Other sections will combine surface and subsurface interests where such are now split between tribal and Federal ownership.

I believe that this bill is noncontroversial and will meet with the support of the tribe, the non-Indians in the area, and affected government agencies. Last year, I met personally with members of the tribal government and with members of the neighboring non-Indian community. Their concerns and interests have been carefully noted and are reflected in the draft of the bill which I introduce today. Through the process of meeting with the public and receiving their comments, I believe I have been able to eliminate the possibility of local objections to the bill.

In addition, I have worked closely with representatives of the Department of the Interior in the Bureau of Indian Affairs and the Bureau of Land Management and have accepted their suggestions to improve the bill. I have also incorporated the suggestions of the various agencies of the State of Utah which are interested in the bill.

I hope that this bill will see prompt action by the House of Representatives to make passage possible before we adjourn this year.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Any changes in committee scheduling will be indicated by placement of an asterisk to the left of the name of the unit conducting such meetings.

Meetings scheduled for Tuesday, June 30, 1987, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 1

9:30 a.m.

Banking, Housing, and Urban Affairs
Housing and Urban Affairs Subcommittee
To hold hearings on the declining affordability of home ownership and special problems of first time homebuyers.
SD-538

Labor and Human Resources
Business meeting, to consider pending calendar business.
SD-430

10:00 a.m.

Agriculture, Nutrition, and Forestry
Business meeting, to consider S. 305, to improve the administration of the commodity distribution program of the Department of Agriculture, and to extend the eligibility forms of assistance for school lunch programs, S. 64, to provide for paid advertising for Florida-grown strawberries under marketing orders, and other pending calendar business.
SR-332

Environment and Public Works
Environmental Protection Subcommittee
Business meeting, to mark up proposed legislation to provide for more effective clean air quality standards.
SD-406

Joint Economic
To continue hearings to review the current status of the national economy.
SD-562

2:00 p.m.

Judiciary
Constitution Subcommittee
To resume hearings on S. 558, to revise the procedures for the enforcement of fair housing under title VIII of the Civil Rights Act of 1968.
SD-226

JULY 2

9:30 a.m.

Joint Economic
To hold hearings on the employment/unemployment statistics for June.
SD-628

10:00 a.m.

Joint Economic
To continue hearings to review the current status of the national economy.
SD-628

JULY 7

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.

Commerce, Science, and Transportation
To hold hearings on the nomination of T. Allan McArtor, of Tennessee, to be Administrator of the Federal Aviation Administration, Department of Transportation.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 8

9:30 a.m.

Commerce, Science, and Transportation
To hold hearings on the nominations of Gerald J. McKiernan, of Connecticut, to be an Assistant Secretary of Commerce, G. Wayne Vance, of Virginia, to be General Counsel of the Department of Transportation, and Dale A. Petroskey, of Michigan, to be an Assistant Secretary of Transportation.
SR-253

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 9

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

10:00 a.m.

Energy and Natural Resources

To hold hearings on the nomination of Martha O. Hesse, of Illinois, to be a Member of the Federal Energy Regulatory Commission.

SD-366

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 10

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

JULY 13

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 14

9:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for military assistance programs.

SD-138

9:30 a.m.

Commerce, Science, and Transportation

Business meeting, to consider pending calendar business.

SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

10:00 a.m.

Energy and Natural Resources

Mineral Resources Development and Production Subcommittee

To hold hearings on S. 1006, Geothermal Steam Act Amendments of 1987.

SD-366

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 735, to revise certain provisions of the Land and Water Conservation Fund Act of 1965.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 15

9:30 a.m.

Commerce, Science, and Transportation

Surface Transportation Subcommittee

To hold hearings on S. 747, to establish a motor carrier administration in the Department of Transportation, and S. 861, to require certain actions by the Secretary of Transportation regarding certain drivers of motor vehicles and motor carriers.

SR-253

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 16

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

Ocean Policy Study Subcommittee

To hold joint hearings on global climate change.

SR-253

Energy and Natural Resources

To hold hearings on proposals to resolve certain problems relating to the storage of high-level radioactive waste, including S. 1007, S. 1141, S. 1211, and S. 1266.

SD-366

Veterans' Affairs

Business meeting, to consider S. 6, Veterans' Health Care Improvement Act, S. 9, Service-Disabled Veterans' Benefits Improvement Act, S. 917, to authorize a headstone allowance for prepurchased grave markers and to modify eligibility requirements to the plot allowance, S. 1090, Veterans Administration Insurance Amendments, and related proposals, and proposed legislation providing for disability payments based on nuclear-detonation radiation exposure.

SR-418

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

JULY 17

9:30 a.m.

Commerce, Science, and Transportation

Communications Subcommittee

To hold hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

Energy and Natural Resources

Research and Development Subcommittee

To hold oversight hearings on environmental and safety issues at the Department of Energy's defense materials production reactors.

SD-366

JULY 20

2:00 p.m.

Commerce, Science, and Transportation

Communications Subcommittee

To resume hearings on S. 1277, to revise certain provisions of the Communications Act of 1974 regarding the responsibilities of broadcasting licensees.

SR-253

JULY 21

9:00 a.m.

Office of Technology Assesment

The Board, to meet to consider pending business.

EF-100, Capitol

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

SR-325

2:00 p.m.

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 7, to provide for protection of the public lands in the California desert.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 22

9:30 a.m.

Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Environment and Public Works
Water Resources, Transportation, and Infrastructure Subcommittee
To hold hearings to review infrastructure issues.
SD-406

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.

Commerce, Science, and Transportation
To hold hearings on the nominations of Darrell M. Trent, of Kansas, Robert D. Orr, of Indiana, and Charles Luna, of Texas, each to be a Member of the Board of Directors of the National Railroad Passenger Corporation.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 23

9:30 a.m.

Commerce, Science, and Transportation
Business meeting, to consider pending calendar business.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.

Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To resume hearings on S. 7, to provide for protection of the public lands in the California desert.
SD-366

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 24

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
SR-325

JULY 27

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 28

9:00 a.m.

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for export financing programs.
S-126, Capitol

9:30 a.m.

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on proposed legislation to create an independent Federal Aviation Administration.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 29

9:30 a.m.

Commerce, Science, and Transportation
To hold oversight hearings in conjunction with the National Ocean Policy Study to examine plastic pollution in the marine environment.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 30

9:00 a.m.

Appropriations
Foreign Operations Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.
S-126, Capitol

9:30 a.m.

Commerce, Science, and Transportation
Aviation Subcommittee
To hold hearings on S. 582 and S. 876, bills to provide for improved air transportation to small communities.
SR-253

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

JULY 31

9:30 a.m.

Commerce, Science, and Transportation
Communications Subcommittee
To hold hearings on S. 889, to provide for fair marketing practices for certain encrypted satellite communications.
SR-253

AUGUST 3

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To resume hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition
To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.
2172 Rayburn Building

AUGUST 4

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 5

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 6

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

AUGUST 7

9:00 a.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1988 for foreign assistance programs.

SD-192

9:30 a.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

2:00 p.m.

Select on Secret Military Assistance to Iran and the Nicaraguan Opposition

To continue joint hearings with the House Select Committee to Investigate Covert Arms Transactions with Iran on matters relating to the Iran/Contra affair.

2172 Rayburn Building

CANCELLATIONS

JUNE 30

10:00 a.m.

Banking, Housing, and Urban Affairs

Securities Subcommittee

To resume hearings on S. 1380, to provide a statutory definition of insider trading under the Federal securities laws.

SD-538

SENATE—*Tuesday, June 30, 1987*

(Legislative day of Tuesday, June 23, 1987)

The Senate met at 9:40 a.m., on the expiration of the recess, and was called to order by the Honorable Kent Conrad, a Senator from the State of North Dakota.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

O Lord, Thou hast searched me, and known me. Thou knowest my downsitting and mine uprising; thou understandest my thought afaroff.—Psalm 139:1-2.

Omniscient God, our Father in Heaven, the prophet Samuel reminds us that "* * * the Lord seeth not as man seeth; for man looketh on the outward appearance, but the Lord looketh on the heart." (I Samuel 16: 7). As the Senate struggles with difficult decisions, may they be aware of this penetrating gaze of God upon them inwardly. Help us all to see, Lord, that You are aware of our motivation—that why we do what we do is as important as what we do. You know that it is possible for us to do good things for wrong reasons or wrong things for right reasons and You see behind the deed to the motive. Give us Your wisdom, Mighty God, that the will of the Senate will correspond to Your way and that Your will be done on Earth as it is in Heaven. In Jesus' name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The **PRESIDING OFFICER**. The clerk will please read a communication to the Senate from the President pro tempore [Mr. Stennis].

The legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
Washington, DC, June 30, 1987.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable Kent Conrad, a Senator from the State of North Dakota, to perform the duties of the Chair.

John C. Stennis,
President pro tempore.

Mr. **CONRAD** thereupon assumed the chair as Acting President pro tempore.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

Pending:

(1) Exon Amendment No. 349, to require that imported food be labeled to specify the country of origin.

(2) Division II of Gramm Amendment No. 350, that the Senate and House shall each vote to approve or reject a joint resolution to amend the Constitution of the United States to require a balanced Federal budget no later than October 15, 1987.

(3) Byrd Amendment No. 354 (to Division II of Gramm Amendment No. 350), in the nature of a substitute, to provide that no action shall be taken on an amendment to the Constitution to require a balanced budget until the President submits a balanced budget, and until the Senate has adopted S. 2, Senatorial Election Campaign Act of 1987, as amended, if amended.

AMENDMENT NO. 349

The **ACTING PRESIDENT** pro tempore. Under the previous order, the Senate will now resume consideration of the Exon amendment No. 349. Time for debate on this amendment shall be limited to 20 minutes, to be equally divided and controlled by the Senator from Nebraska and the Senator from Indiana.

Who yields time?

Mr. **EXON**. I yield myself whatever time may be needed.

The **PRESIDING OFFICER**. The Senator from Nebraska.

Mr. **EXON**. Mr. President, due to a meeting at the White House where the Senate leadership has been called down, I will be asking, after the conclusion of the debate this morning under the time agreement, that the Senate stand in recess until 11 o'clock. We have no scheduled time for morning business this morning but, at this time, before we begin debate, out of the time reserved for the Senator from Nebraska, I yield 2 minutes to the Senator from Wisconsin.

Mr. **PROXMIRE**. Mr. President, I thank my good friend from Nebraska.

WHAT WE MUST DO TO STOP NUCLEAR WAR

Mr. **PROXMIRE**. Mr. President, how do we diminish the prospects of nuclear war?

First, we push for agreements with the Soviet Union to limit nuclear weapons to weapons that provide the most credible deterrence.

Second, we strive to agree to eliminate on both sides the least-stable, hair-trigger, use-it-or-lose-it weapons.

Third, we work to negotiate a mutual absolute minimum on the number of persons empowered to fire any nuclear weapons under any circumstances.

Fourth, we negotiate a reasonable balance for both superpowers in conventional armaments; that is, the same number of planes, tanks, ships, and so forth, of the same general class, also the same number of troops under arms.

Fifth, we provide for an active and aggressive United States-Russian consultative commission, authorized to investigate promptly and fully any alleged violation by either superpower of any agreement. The consultative commission should be required to make a publicly released report on its findings.

Then we take the really important steps.

Sixth, we promote a comprehensive program of cultural, scientific, educational, athletic, commercial, agricultural relations with the Soviet Union with widespread visits between the Soviet people and the American people involving very large numbers on both sides.

Seventh, we make a very vigorous effort to involve the Soviets in joint projects, such as the trip to Mars, and joint economic assistance to Third World countries.

Eighth, we press hard for publicly televised debates with the broadest possible audiences in both countries probing issues that both divide and unite our countries.

Ninth, we challenge the Soviet Union to permit the exchange of the largest possible number of teachers on such subjects as the literature of both countries, the economy of both countries, the theater in both countries, the political structure and opportunities in both countries.

Tenth, we offer a series of cash prizes for the citizens of each of the two superpowers who make the biggest contribution each month to peace and understanding between the Soviet Union and the United States.

Everything we desire in life: Freedom, opportunity, material well-being, cultural enrichment and, indeed, life itself depends on peace between the two superpowers. Americans are determined to live in freedom with free economic institutions. We are determined to preserve our freedom to own private property. We must save our freedom to speak and criticize, to worship and travel and work wherever, whenever and however we wish. Russian citizens have lived for 70 years in a Communist system. We Americans understand that that system does not permit any

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

of our important freedoms. It provides nothing like our widespread economic opportunity. Secretary Gorbachev and his Politburo comrades, of course, maintain their system is superior. We believe it is in virtually every way inferior, demonstrably inferior.

This Senator firmly contends that the kind of close association between the people of the Soviet Union and the people of America that I have just discussed over a period of years will move the Soviet Union much closer to freedom. I am sure the Soviet leaders would tell us that their system would prevail if it were subject to free and open exchange of thousands of citizens and debate.

Why not challenge the Soviets to help build a peaceful world by taking part in this kind of friendly, cooperative competition. What have we got to lose? And consider what we have to win: First and above all we win a more peaceful world. The hatred, the fear, the hostility on both sides caused by ignorance and distrust would surely diminish. Warm, human friendliness between Russians and Americans would certainly grow as our associations developed. We know we could teach the Soviets the immense fruits and benefits of free, open competition in economic endeavors and in discussion and argument. They undoubtedly believe they could teach us a great deal about the human benefits of cooperation and joint endeavors.

It is hard for this Senator to understand why any American who loves this country, why any American who has pride in our institutions and faith in the power and strength of freedom could object to such a proposal or, indeed, resist the opportunity to challenge the Soviet Union, the country that is our great potential military and ideological adversary to compete peacefully but vigorously for the hearts and minds of the people on both sides.

OUTGOING FEDERAL HOME LOAN BANK BOARD: CHAIRMAN EDWIN GRAY

Mr. PROXMIRE. Mr. President, today is the last day that Edwin Gray will serve as Chairman of the Federal Home Loan Bank Board.

This is certainly not a happy time for the Federal Home Loan Bank Board or its Chairman. He confronted an industry in a state of revolutionary change. He confronted a record number of failures. Some sections of the country have been battered economically, and their thrifts have reflected the trouble. In Ohio and Maryland, State-governed, privately insured thrifts collapsed, threatening the viability of federally insured thrifts. Yet during his 4-year term, Ed Gray has navigated through these storms and shoals.

While he was a controversial leader who made some bitter enemies, I stand here to commend his record. In fact, I think the ability of a regulator to make decisions unpopular with industry is an honorable badge of independence.

Perhaps his first important step was the abolishment of a scam some thrifts used to grow beyond their capital means. It was known as a 5-year rolling average. Thrifts are and were required to keep a cushion of capital to protect against losses. Under the 5-year rolling average, however, that cushion needn't be in place at any given time, but simply on balance over a period of years. With it, we witnessed thrifts extending bad loans and growing to a threatening size. Ed Gray wisely dropped this method, and adopted a strict capital rule, even tightening it over a period of years from 3 percent of assets, to 6 percent of assets.

His most bitter—and most important—battle has been waged against direct investments. Thrifts were created to make home loans. Deregulation on the State and Federal levels, however, has spawned what outgoing Federal Reserve Chairman Paul Volcker has termed "kamikaze" bankers. By using federally insured deposits to make speculative direct investments, some thrifts gamble for big profits. Some, in fact, do earn fast, fat bucks, and these executives vocally defend direct investments against the likes of Ed Gray. But Gray has spent years picking up the wreckage from those who lost depositors' money on direct investments.

Gray instituted a tough rule limiting direct investments to those thrifts with 6-percent capital, and then limited those direct investments to about three-times capital.

Ed Gray didn't win every fight. One unsuccessful offensive was launched against brokered deposits. This is where a broker packages investments of individual deposits in multimillion deals, and offers to the highest interest-paying thrift. The package is structured to take advantage of thrift insurance that covers each individual whose money is part of the package up to $100,000. Usually, brokers place the deposits with thrifts desparately thirsty for cash. From Ed Gray's position as the head of the Federal Savings and Loan Insurance Corporation, this simply directed deposits into the very institutions who would soon fail and whose depositors he would soon have to pay off. From a public policy standpoint, brokered deposits also sucked money from communities.

In a sense, he did snatch victory from defeat here; when the courts threw out his rule, he turned to the net worth requirement to protect thrifts.

Managing the carnage left by kamikaze thrift executives has been a major chore. Because thrifts were once a conservatively run lot, and failures were few, the examination and supervision staff was modest. With record failures, however, Gray beefed up the staff. He doubled the examination force, and tripled the supervisory staff.

As Ed Gray leaves Washington, Congress is on the verge of handing him a final victory—recapitalization of the Federal Savings and Loan Insurance Corporation. Once again, he waged an unpopular battle. Gray has championed a plan to tap the surplus of the 12 district Federal home loan banks into a loan of $15 billion. This plan has angered many thrift executives who, understandably, don't want to be saddled with this debt. Nevertheless, he convinced many of us in Congress of the plan's merits. I endorsed this plan with one important caveat—that Congress approve the first 2 years of the plan, authorizing a $7.5 billion recapitalization figure. I am confident that Congress will soon complete work and institute the plan.

Ed Gray has not solved all of the problems of the industry, and his successor inherits an enormous challenge. But I think Congress owes Ed Gray a debt of gratitude for his valiant efforts.

Mr. President, I thank my friend from Nebraska. I yield the floor.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

(The Senate resumed consideration of the bill.)

Mr. EXON. Mr. President, I yield myself such time as might be necessary.

ORDER FOR RECESS UNTIL 11 A.M.

Mr. EXON. Mr. President, I ask unanimous consent that, at 10 a.m. or upon the yielding back of any time under the time agreement, the Senate stand in recess until 11 a.m. today and that the vote on the amendment occur at 11 a.m. rather than as previously scheduled at 10 a.m. for the reasons that I outlined in my opening statement.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered.

Mr. EXON. I reserve the balance of my time.

The PRESIDENT pro tempore. The Senator from Indiana.

Mr. LUGAR. Mr. President, I yield myself such time as I may require.

Mr. President, first of all, I would like to thank the distinguished Senator from Nebraska for his courtesy in agreeing to a consideration of this amendment today. I also thank Senator PACKWOOD, Senator BENTSEN, and the distinguished majority leader, Senator BYRD, and the distinguished Republican leader, Senator DOLE, for their assistance in this.

The chairman of the Agriculture Committee, Senator LEAHY, and I feel very strongly that the best trade legislation, the most effective legislation is that which has the widest support. This is particularly true in agriculture where we now have a special track in the GATT talks in Geneva and the entire world is watching very closely what Congress will do in the way of agricultural trade legislation.

When we passed the agriculture title for this bill out of committee it was by unanimous vote and I hope we can keep this record of strong support for agricultural legislation in the trade bill.

When the distinguished Senator from Nebraska sent a "Dear Colleague" about the labeling issue on May 20, I read the letter with great interest and instructed staff to look into this idea.

Our conclusion can be summed up in two points:

First of all, anything that helps the consumer to better understand what he or she is buying is a good thing and we ought to work to that end.

Second, our food production and distribution process is so large and so complex that the actual implementation of this idea of labeling food with imported ingredients must be carefully thought out.

I would like to list some of the specific points or questions that have been raised in our study of this particular amendment that relate to the effects it might have on producers and consumers here in the United States.

First of all, the amendment says that labeling should occur where the product has "A significant amount of imported ingredients." "Significant" could mean many things to many people and the amendment has no further explanation of this term.

In short, the amendment is hopelessly vague on the critical point at issue to begin with. "Significant," without definition, allows enormous ground for interpretation.

Second, imported products can go through several stages of processing and through several processors before they get to the consumer. For example, tomatoes might be imported by one company, sold in lots to several others, processed into paste or sauce by others, sold on to food processors who make the final product, then sold to retailers and then to the consumers. Along the way, the imported ingredient could be mixed with home-grown products. Which of these would be required to be reported if the product has imported ingredients?

How will the FDA and USDA be able to certify the imported content of a product? For example, how would the Government know if canned tuna fish came from American or Canadian or Mexican waters or international waters?

Let's take the situation of fruit juices. You might buy frozen orange juice made from concentrate produced in huge batches by a manufacturer. Sometimes that company uses Florida oranges, sometimes Brazilian, sometimes Israeli oranges, and so forth? Would he be required to keep each batch of concentrate separate so he could put the proper labeling on the can?

This amendment would seem to require a considerable amount of extra recordkeeping and this will cost something and that cost will be passed on to the consumer. Do we have any studies as to how much the labeling of imported ingredients might add to the cost of groceries?

We also have a lot of products—cocoa, coffee, spices, flavorings, and so forth—that we don't produce at all here in the United States. All of these are imported and everyone knows that. Would these still require an imported ingredient label as well?

A pound of coffee could come from several countries—Brazil, Uganda, Kenya, Colombia, for example. Would the label list each of these countries or could it just say that the ingredients are imported?

We are all familiar with the trade disputes the United States has with the European Community and other trading partners over import barriers. Each side sees the other as sometimes using technical regulations such as labeling, processing standards, and so forth, to block the other's exports. This year USDA reports that export of American processed foods—high-value products—will be at record levels in both volume and value. Have we done any checking to make sure this labeling requirement won't be used against us by other countries and thereby hurt our own sales overseas? The last thing we ought to be doing in the trade bill is passing legislation which will end up hurting our own exports.

Would fresh produce—bananas, oranges, lemons, nuts, berries, and so forth—have to be labeled and would the grocer or broker have to label them individually or in lots? Would there be any standards for this kind of labeling and who would decide what those standards are?

There are tens of thousands of small- and medium-sized grocers and food processors across the United States. Have we done any thinking about how these people and their customers are affected by this type of legislation?

Mr. President, I could go on with many other questions to ask or points to raise. I would only suggest that this is the type of issue—and there are dozens of them related to or proposed in this bill—that need careful consideration and thought which is more than we can do in a few minutes of debate here on the Senate floor.

For this kind of legislation, we ought to sit down at length with farmers and growers, consumer groups, producers, importers, grocers, and the Government regulators who have experience in this area and hear what they have to say. To my knowledge, no such hearings have been held on this subject, not by my committee which would normally have some jurisdiction in this matter.

The idea behind this amendment is a good one, as I have said, but I assume the amendment has support because of its good intentions and because the wording is so general that many people will have many interpretations about how it will be carried out. But good intentions and uncertain interpretations are not a good formula for trade legislation. I would hope we could do better than this.

Mr. President, I oppose the amendment, and I would add further, parenthetically, from my visit with Helmut Kohl in Germany yesterday on this very specific subject, it is pertinent to the GATT situation and the whole problem of retaliation. The distinguished German Chancellor said that he would go from the meeting we had yesterday and oppose the oils and fats tax because he knows there will be retaliation in the event American agriculture is injured. But he said:

> Correspondingly, in your trade bill, please desist from all sorts of things which lead to the potential for retaliation as you are involved in exporting and so are we.

I think that is a good point and, Mr. President, I hope as we get into the minutia of the trade bill, and I regard this as minutia, that we do not succumb to what are meant to be good intentions but turn out to be very bad law. I hope the Senators will reject the amendment.

I yield the floor.

Mr. COHEN. I congratulate the Senator from Nebraska on offering this most important amendment and wish to be added as cosponsor. American consumers have a right to know if their food comes from U.S. farms, which must adhere to strict USDA and EPA guidelines on pesticide and herbicide usage, or if it comes from countries that have no understanding of the terms "tolerance levels and action levels" and little concern for the health of their consuming public.

I was astounded to learn last year that the Food and Drug Administration inspects less than 1 percent of the fresh fruits and vegetables imported into the United States for illegal pesticide residues. In that vein, is it your intention that the term "food products" as used in your amendment includes all fresh fruits and vegetables?

Mr. EXON. The Senator is correct.

Mr. COHEN. I thank the Senator for that clarification and urge my colleagues to support the amendment.

Mr. EXON. I yield 2 minutes of my time to the Senator from Wyoming.

Mr. SIMPSON. Mr. President, I thank the Senator from Nebraska. I have very much admired his work over a long period of time in this area.

This amendment requires a country of origin label on foods which are imported or contain a significant amount of imported ingredients.

I have been a long-time supporter of this kind of activity. Maybe we can get it done yet. It is long past due. It is fair, it is simple, it in no way restricts the flow of imports. It is not protectionist. I have no desire to be involved in that. We just want to see food treated the same as clothing or the same as manufactured goods.

It provides the American consumer with the means to make an informed choice. That is what we are up to.

It was interesting, in a consumer survey commissioned by the American Sheep Producers Council, to note that one-third of supermarket shoppers thought that the USDA inspection certificates on the meat meant that the products were raised in the United States. It does not mean that at all. The USDA inspects both domestic and foreign meats.

Some tell us that this amendment is not fair; that it treats foreign goods differently from domestic agricultural products. Well, I cannot speak for my fellow cosponsors, Mr. President, but I see nothing wrong, then, with labeling our own foods as USA raised. You could do that. That is not offensive. It is not GATT restrictive.

We in Wyoming are just beginning to market our own special beef. We are proud and eager to say it was raised right there in Wyoming and we have a label that identifies it as such, offering both "Wyoming lean" and Wyoming choice." I do urge my colleagues to support this amendment. Let us give consumers an opportunity to make the choice. It is long overdue and it is very fair.

Let us just remember that in labeling in international trade, what is good for blouses is good for beef.

Thank you very much.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska.

Mr. EXON. How much time is there remaining in the time that was reserved both for the Senator from Nebraska and Indiana.

The ACTING PRESIDENT pro tempore. Eight seconds for the Senator from Indiana. The Senator from Nebraska has 2 minutes and 4 seconds.

Mr. EXON. How much time? Eight seconds?

Mr. President, I ask unanimous consent that a statement in support of the legislation from the American Agriculture Movement be placed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

AMERICAN AGRICULTURE
MOVEMENT, INC.,
Washington, DC, June 29, 1987.

Hon. JAMES EXON,
Senate Hart Office Building,
Washington, DC.

DEAR SENATOR EXON: The American Agriculture Movement appreciates your effort to enact labeling legislation for agriculture imports. AAM has long supported the labeling of imports as to the country of origin for the protection of producers and consumers alike.

We believe that if American consumers have the right to choose the country of origin for their clothing, automobiles and literally hundreds of other consumer products, it is equally important to be able to choose, or at least know, what country the food they buy is from.

U.S. producers are also under strict production standards, unlike many other producing nations around the world. In many cases American consumers buy foreign agricultural products that do not meet the herbicide and pesticide restrictions imposed upon U.S. products.

Legislation requiring the labeling of imports would be a major step toward ensuring safe food for U.S. consumers and a fair playing field for our producers.

Again we would like to thank you for your continued effort and hard work for all Americans.

Sincerely,

DAVID SENTER,
National Director.

Mr. EXON. Mr. President, I have listened with interest to my colleague from Indiana. The reason that he gives for opposing this amendment are the same old reasons that we heard for a long, long time from people that do not want to do anything until we have studied it further.

Last year, Mr. President, I think it is safe to say that for the first time in a long, long time we had, over a period of about 90 days more food was imported into the United States than was exported. That is some kind of a new record.

This bill has nothing whatsoever to do with stopping the importation. It simply says that when you have a substantial amount of foreign-produced food, that the consumer has a right to know that.

It is interesting to note that there is criticism that this is vague.

In the original piece of legislation we had more than 10 percent that had to be labeled. We knocked that out because we felt, and I think it is a very good suggestion, that it is up to the Secretary of Agriculture and the Commissioner of Food and Drug Administration to make the determination of what is proper and reasonable. If they do not want to do the job, then this bill is going to be meaningless.

Mr. President, I am pleased to continue debate on the Food Labeling Act of 1987. The amendment before the Senate would require food products which are imported or contain a significant amount of imported ingredients be labeled as such. Under this legislation, the commissioner of the FDA and the Secretary of Agriculture shall, within 6 months after the date of enactment, issue regulations to provide to the extent practicable for the labeling of food products which are imported or contain a significant amount of imported ingredients.

The amendment presents the Senate a simple question: Should the American consumer have the right to know what he or she consumes? Customs regulations cover the labeling of food coming into the United States at the border. However, at the retail level, there are considerable gaps in the labeling rules. For example, if an imported component of a food product goes through a "substantial transformation," the imported portion generally does not have to be labeled as imported.

Mr. President, I recognize that there will be certain "hard cases" where it would be extremely difficult, if not impossible to label certain products by true country of origin. The legislation before the Senate is carefully drafted to give the Commissioner of the FDA and the Secretary of Agriculture, sufficient discretion to accommodate these special cases.

The purpose of this amendment is simply to provide the consumer with sufficient information. Imported clothing is labeled to reflect the country of origin, certainly, imported food should also be labeled to reflect the country of origin. If American consumers have the right to know what they are putting on their bodies, they should have the right to know what they are putting into their bodies.

Mr. President, the United States maintains a relatively open border to imported foods. Food imports have increased dramatically in the last several years and the United States last year. Advocates of unlimited free trade suggest that the growth of imported foods represents consumer preference. I submit, Mr. President, that most Americans are unaware that they are consuming imported food products. Without meaningful labeling requirements, it is impossible for consumers to express their preference. Therefore, the consumption of imported food is not a free choice or a conscious decision.

For free trade to be equated with consumer preference, consumers need to be given the opportunity to choose. That opportunity depends on knowledge.

This legislation represents the essence of free trade. If this amendment should become law, American consumers would be given the opportunity to make informed choices about the food they consume.

Mr. President, the United States produces the finest food products in the world. I am confident that given an informed choice, that Americans will freely exercise their preference for home grown American food products.

The amendment is simple and fair. Foods which are imported or contain imported ingredients should be labeled as such.

I thank the cosponsors of this amendment for their support and urge the Senate to adopt this amendment.

Mr. President, I ask unanimous consent that Mr. Graham of Florida and Mr. Cohen of Maine be added as cosponsors to the pending amendment.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Who yields time?

Mr. EXON. Mr. President, how much time does the Senator from Nebraska have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 47 seconds remaining.

Mr. EXON. Mr. President, I would be prepared to yield back the remainder of my time if the Senator from Indiana will agree to yield back his time, and then have the recess as previously agreed to.

Mr. WILSON addressed the Chair.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. EXON. Mr. President, I will be glad to yield time to the Senator from California if he is in support of the amendment.

Mr. WILSON. Mr. President, I ask both my colleague from Nebraska and my colleague from Indiana if they would withhold an objection to a unanimous consent request. The subject of the request would be to ask for 5 minutes to address the question and not favoring either side but simply to shed additional light. I think this is a very important subject and there has not been a great amount of time devoted to it this morning.

The ACTING PRESIDENT pro tempore. All time has now expired.

Mr. WILSON. Mr. President, I ask unanimous consent that we not recess until 11 a.m., but that, instead, 5 minutes be granted to me for the purpose of discussing this subject.

Mr. EXON. Mr. President, I object.

The ACTING PRESIDENT pro tempore. The Senator from Nebraska objects.

RECESS UNTIL 11 A.M.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now stand in recess until 11 a.m.

Thereupon, at 10:01 a.m., the Senate recessed until 11 a.m.; whereupon, the Senate reassembles when called to order by the Presiding Officer [Mr. Fowler].

The PRESIDING OFFICER. The Senate will come to order.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. Mr. President, I ask we proceed with the vote that was previously scheduled. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. HEINZ (when his name was called). Mr. President, on this vote, I have a conflict of interest. I therefore vote "Present."

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. Biden], the Senator from Tennessee [Mr. Gore], the Senator from Hawaii [Mr. Inouye], and the Senator from Illinois [Mr. Simon] are necessarily absent.

I also announce that the Senator from Louisiana [Mr. Johnston] is absent because of death in the family.

Mr. SIMPSON. I announce that the Senator from Mississippi [Mr. Cochran] and the Senator from Alaska [Mr. Murkowski], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 73, nays 19, as follows:

[Rollcall Vote No. 169 Leg.]

YEAS—73

Adams
Armstrong
Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chiles
Cohen
Conrad
Danforth
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hecht
Heflin
Hollings
Humphrey
Karnes
Kassebaum
Kasten
Kennedy
Leahy
Levin
Matsunaga
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Pell
Pressler
Pryor
Reid
Riegle
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NAYS—19

Bradley
Chafee
Cranston
D'Amato
Dixon
Evans
Hatch
Hatfield
Helms
Kerry
Lautenberg
Lugar
McCain
Packwood
Proxmire
Quayle
Roth
Rudman
Weicker

ANSWERED "PRESENT"—1

Mr. Heinz

NOT VOTING—7

Biden
Cochran
Gore
Inouye
Johnston
Murkowski
Simon

So the amendment (No. 349) was agreed to.

Mr. BYRD. Mr. President, first, let me say I thank the distinguished Republican leader, and other Senators on both sides for their patience and understanding in our delaying this particular vote. Let me also add that the distinguished Senator from Tennessee would have been here earlier but he had plane problems and his second plane was also late in landing, but basically I should say, and I think this is plain to everyone, the Senate has lost no time in delaying this vote.

As I explained to the Republican leader, I meant to do nothing else before the conference luncheons, because we have a parliamentary situation which I want to explain to my conference before I proceed in any way today. So the Senate lost no time by virtue of delaying the announcement of this vote because it was my intention to get recognition and put the Senate into recess in any event even if the vote had ended 20 or 30 minutes ago.

Mr. President, before I move to recess the Senate, without losing my rights to the floor, I would like to yield to the distinguished Senator from Texas and the distinguished Senator from Oregon [Mr. Packwood] for the purpose only of their responding to my question, and I do not yield for any other purpose or to any one else.

I ask unanimous consent that I retain my recognition and right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I yield to both Senators for whatever colloquy they may wish to engage in. I would like to ask them about the prospects for final action on this bill.

Is there a possibility that the Senate can complete the bill by the close of business tomorrow evening? If not, or if so, what are the other necessities with respect to amendments? What amendments are likely to be controversial? What is the likelihood of perhaps getting into those fairly early this afternoon? What are the possibilities of entering into time agreements thereon?

So I ask them for guidance so that we will all know before we go to our respective conferences.

Mr. BENTSEN. Mr. President, from what I have been able to find out so far there is an excellent chance that the time agreement will be arrived at on the plant closing amendment and hopefully that can be brought up this afternoon. That is a controversial one. It will take time. I would guess they would want 3 or 4 hours on the debate.

The other one on section 201, which Senator PACKWOOD is very much interested in, that obviously will be one that will take some discussion. We have not arrived at the time agreement on that. That will be one of the major amendments.

On the one on national security on oil, which I have a substantial interest in, we have not arrived at a time agreement on that one, but I would think we could. That will be another one of the major amendments.

Senator JOHNSTON, who was called out of town to a funeral—a member of his family I think died—will get back here at 10:30 tonight. He wants very much to be a part of the discussion on the national security on oil amendment and he would request that that not be brought up until tomorrow.

First, they are working on the adversarial trade amendment. I understand they have made substantial headway and there is a good chance that they will arrive at an agreement there and be ready to offer that amendment. Possibly that could be done this afternoon.

Government Operations, with its amendment on some reorganization for USTR and the Department of Commerce, will be one that will take some time for debate. Of course, that does not come under the Finance Committee, but it will take some time and will be one of the major amendments.

Then, if we can get two or three of those amendments disposed of, we have cleared out a lot of the more minor amendments and we have negotiated through a lot of them. I think a great many of them will not be offered. I think there is an outside chance of finishing tomorrow night if we get those time limitations moved and pushed, which I would hope we would. If we cannot do that, then I think when we come back, Mr. Leader, subject to your wishes and those of the minority leader, we have to push right on through and finish up even if it meant, then, that we had to go Friday, Saturday. Because the Finance Committee is in the position of having reconciliation facing it. The debt limit has been sent over. The House Ways and Means Committee will start hearings the day we get back, on Tuesday, and we have to get off this floor, those of us on the Finance Committee, and get back to holding our hearings and trying to arrive at what we bring up in the way of some of the cuts in appropriations and, in addition, the taxes.

Mr. BYRD. Mr. President, I thank the Senator from Texas.

Mr. PACKWOOD. Mr. Leader, if we could get an agreement this afternoon on plant closure and an agreement tonight on adversarial trade or what the press calls son of Gephardt, get a time limit on it, and get those two out of the way today, even if we had to go to 11 or 12 tonight, those two would be a big step forward. Then we have both oil security—I think the Senator is right, that is going to be a 3- or 4-hour debate. Whether or not we do oil security and 201 and the Government affairs shifting of it to the USTR—Department of Trade argument tomorrow—I do not know. We could only do it if we have nothing else intervening tomorrow, if we do not get back onto some other subject. If we are going to get on to some other subject that takes any time then I agree with the Senator from Texas that then I do not see how we can do it by tomorrow night.

Mr. BYRD. I thank both of the distinguished managers of the bill. It seems to me they have pretty clearly drawn the picture of where we are and what the possibilities are and I think they look fairly good and we ought to do everything we can possibly do to press forward and accelerate the pace and stay in late and hopefully get these time agreements. At least, if we cannot finish this bill by tomorrow night, we can see the end of the tunnel and possibly have agreement by tomorrow night that will see us finishing it very soon upon our return.

Mr. BENTSEN. That is right.

RECESS UNTIL 2 P.M.

Mr. BYRD. Mr. President, I am going to ask unanimous consent, and failing that I would move—I ask unanimous consent that the Senate stand in recess now until the hour of 2 o'clock p.m. today.

The PRESIDING OFFICER. Is there an objection? Without objection, it is so ordered.

Thereupon, at 12:03 p.m., the Senate recessed until 2:05 p.m., whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BINGAMAN].

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 5 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, there is a need to get on with the trade bill, and I think a good many of the lesser amendments have been disposed of and some may never be called up. There are major amendments to the trade bill that should be called up, and once they are disposed of, as the distinguished Senator from Texas [Mr. BENTSEN] and the distinguished Senator from Oregon [Mr. PACKWOOD] indicated just before the recess, there is a possibility, tenuous and slender though it is, of finishing this trade bill tomorrow night.

That may not be possible, however, because of the circumstances of which I am going to speak just a bit further in a moment.

But at least we ought to be able to dispose of some of the major amendments and a few of the lesser ones and hopefully get a time agreement. When we get back on Tuesday next, following the Independence Day break, the Senate can complete action on this trade bill early that week.

What are the circumstances I spoke of a moment ago that might prevent us from finishing the action on the trade bill by tomorrow night? For some reason or another, there is a feeling around here that "If it is my amendment, I want to wait until all 100 Senators are here before I call it up. Nobody can make me call it up, and I know that. So the world is my oyster, and I have it in my hand, and so I can just wait until we get all 100 Senators."

Well, some of us may be dead by that time. [Laughter.]

I do not know when we are going to have 100 Senators here ever again, with all these Senators running for President. I may make my own announcement soon and get the heck out of here, and be relieved of all this pressure. [Laughter.]

I say that facetiously and at the same time I say it somewhat seriously. I know how important an amendment is to every Senator who wants to call it up. He wants everybody to be here who will vote with him, and I want that, too, but Mr. President, we have to get on with this trade bill.

And the Senator from Texas, who is managing this bill, has already laid out the scenario here. He has more than the trade bill facing him on his platter. He has to take this to conference. In addition to that he has the major portion of the reconciliation bill. He has to handle it in the Finance Committee. Finance Committee members are not only tied up on this bill, they are also soon going to have to give their attention to the revenue-raising aspect of the instructions that were in the budget conference report which was adopted last week.

Time is running out.

Consequently, in order to get on with the trade bill, both managers have indicated we ought to stay in late tonight to 11 o'clock or thereabout in order to get as much done as possible. Tomorrow afternoon or evening we may have the supplemental appropriations conference report. That could, of course, wait until next Tuesday. We have already a good many weeks now. I suppose we could wait 5 more days to take that up on Tuesday when we get back, and, incidentally, there will be votes early on that Tuesday when we come back, I say to the distinguished Republican leader.

Someone has raised the question as to whether or not there will be votes before 2 o'clock on that Tuesday. We will have votes early because the trade bill will still be before us if we do not finish tomorrow night, and I hope we will be in a position to get started early on that Tuesday, July 7, on our return and continue to work on the trade bill.

Mr. President, I ask unanimous consent that I may proceed for an additional 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, we are now in a situation in which there is no time for debate. We are right where we were Saturday when we went out of session abruptly. I am in a position to offer a motion to recommit this trade bill with instructions to report it back with all the amendments that have been adopted with certain exceptions, forthwith. There will be no debate on such motion under that time agreement. There is no time left for debate. There was overall only 10 minutes. That is gone. I am now borrowing time by unanimous consent.

I am in a position to move to recommit the trade bill and have it reported back forthwith, with all of the amendments that have been adopted thus far with the exception of the constitutional amendment on a balanced budget. There is some feeling on this side that to order a vote on a constitutional amendment for a balanced budget, by a certain date, is equivocal to cloture by a majority vote.

It is ordering the joint leadership in both Houses to do thus and so before a certain date with respect to a certain amendment. That is a little unheard of.

Frankly, to be honest about it, I may call up a constitutional amendment, in all likelihood a freestanding resolution at some point, but I am not sure that I will abide by this instruction. In the first place, it will be in conference, and it probably will not make it through conference.

If there were any efficaciousness in adopting a constitutional amendment on the balanced budget that would be fine, but this is all basically a lot of PR. We have a law now that requires a balanced budget. That is the Byrd amendment—named for former Senator Harry Byrd. That is in the law now.

The President has never sent up a balanced budget.

But, Mr. President, in order to preserve the rights of all Senators as of the status quo, so that we can return to this matter at a later point if we desire to, sometimes these things have a way of going away. I could move to recommit with instructions to report back with all amendments that have been adopted thus far with the exception of the amendment by Mr. GRAMM, which he had a perfect right to offer. I could also include the DOD authorization bill, which we have not been able to get up before the Senate but this is a quick way to get it up by a majority vote this afternoon, and, in addition to that, the Grove City bill which is on the calendar could be included on this trade bill.

If there are degrees by which we can intensify and make more emphatic the ridiculosity of adding all of this matter on a trade bill matter which is irrelevant to it, nongermane to it—this is one way to do it. Just to show how silly we can really get. We can add requirements for constitutional amendments to the trade bill, we can add the Grove City bill, we can add the DOD bill.

In the meantime, we are getting nothing done on the trade bill.

I do not want to add such burden to the trade bill so I am going to ask unanimous consent that the rights of all Senators be reserved with respect to the time agreement on amendment No. 350, which was offered by Mr. GRAMM: that everything remain in status quo with respect to that amendment, and the time agreement thereon; and that we just set the whole thing aside for the time being.

I will not move that amendment back to the center of the stage until such time as I have fully informed the distinguished Senator from Texas [Mr. GRAMM] and the distinguished Republican leader or his designee. I will not take advantage or seek to take advantage in any way. But I want it clear what we do: we would put this matter aside for now and go on with the trade bill. Senators can then call up meaningful amendments to the trade bill.

I ask unanimous consent that the Senate proceed with the trade bill and that amendment No. 350, with its divisions, and with the time agreement in relation thereto, be preserved in status quo until such future time as I might notify the Senator from Texas and the Republican leader, and at which time the rights of all Senators would be preserved at that moment precisely as they stand at this moment.

I make a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. BYRD. If the request is granted, Mr. President, at such time as the matter which is now pending before the Senate is brought back, it would be brought back, status quo ante, no debate thereon, and the pending question then before the Senate would be the Byrd amendment to division 2 of Senate amendment 350 to the trade bill. There would be no time for debate thereon, no time for debate. The motion to recommit with instructions—there would be no time for debate on that. Such motion would be in order, the instruction would be amendable in two degrees, with no time for debate; just offered and vote. Is that the situation which obtains now? And would that be the situation which, if this consent agreement is entered into, would obtain at that time?

The PRESIDING OFFICER. That is the situation that obtains now and that is the situation if the unanimous-consent agreement were agreed to.

Mr. GRAMM. Would the distinguished majority leader yield so I could propose a parliamentary inquiry and then I would make a brief statement, and I ask the distinguished majority leader for 4 minutes.

Mr. BYRD. I yield to the distinguished Senator from Texas for a parliamentary inquiry and a statement.

Mr. GRAMM. I thank the distinguished majority leader for yielding.

My parliamentary inquiry, Mr. President, is, while there would be no time remaining for debate on the pending amendment, that any Member who sought in a timely fashion to be recognized to make a point of order would be within his rights and, if recognized by the Chair at that point, could make a point of order before any disposition of that amendment to the second part of the pending Gramm amendment.

Mr. BYRD. Mr. President, may I speak to that parliamentary inquiry first, before the Chair responds?

The PRESIDING OFFICER (Mr. DECONCINI). The majority leader.

Mr. BYRD. Mr. President, the status quo is that such a point of order made to section 2 of 350, would right now cause section 2 to fall. But, that point of order—the Senator from Texas would never get to it because I would seek recognition, I would move to recommit with instructions to report back, and I would line up the three in accordance with the rules here. The Senator from Texas or any other Senator would not be able to make the point of order as long as this motion to recommit with instructions were entered prior thereto. That is the situation now and that would be the situation upon the return of this matter to pending status before the Senate.

In the meantime, no Senator could come in and make a point of order against section 2 of amendment No. 350 while the matter is not before the Senate.

The **PRESIDING OFFICER**. The ruling that the Senator from Texas wants is whether or not a point of order may be made during this course of votes that are going to come up.

Mr. **GRAMM**. Perhaps, Mr. President, I should ask——

The **PRESIDING OFFICER**. Will the Senator restate his question?

Mr. **GRAMM**. I will restate it and then I would like an opinion on the majority leader's opinion. First, if we simply were in the process of proceeding to a vote on the amendment of the distinguished majority leader on which no time remains in the debate, and a Senator at that point stood and asked for recognition and made a point of order against the underlying amendment, would that Senator, at that point, be within his rights to raise such a point of order?

The **PRESIDING OFFICER**. The Senator would be within his rights to raise such a point of order.

Mr. **BYRD**. Would the Senator allow me?

Mr. **GRAMM**. Yes, sir.

The **PRESIDING OFFICER**. The Chair recognized the majority leader.

Mr. **BYRD**. He would be within his rights if he got recognition. That is the catch. This Senator is going to seek recognition and under the customs and traditions of the Senate, the majority leader gets that recognition if he seeks it. When Mr. DOLE was majority leader I never got into a contest with him in seeking recognition. I knew what the customs and the precedents are, and I expected him to get recognition.

Now the Senator may want to pursue with the Chair as to whether or not his point of order may be raised once the majority leader makes a motion to recommit.

The **PRESIDING OFFICER**. Is the majority leader asking for such a point of order? Is the majority leader asking for such a rule on such a parliamentary procedure?

Mr. **BYRD**. Perhaps that is the next question of the Senator.

Mr. **GRAMM**. I wish I could get the majority leader to help me figure all this out.

I think it is clear that if the distinguished majority leader seeks the floor he will get the floor rather than the Senator from Texas. I concede that, Mr. President. If we were moving to the vote on the pending amendment, however, there would be a point of order. If the majority leader did not seek recognition to make a motion to recommit, then any Senator could seek and get recognition to raise a point of order at that point.

The **PRESIDING OFFICER**. The Senator is correct.

Mr. **GRAMM**. A parliamentary inquiry. Clearly, prior to final passage of S. 1420, under that status quo unanimous-consent request, any position that we move into with this unanimous-consent request would have to occur prior to final passage of the bill; is that correct, Mr. President?

The **PRESIDING OFFICER**. That depends on the specific language of the agreement.

Mr. **BYRD**. Mr. President, may I respond?

The **PRESIDING OFFICER**. The majority leader.

Mr. **BYRD**. The amendment No. 350 has not been disposed of. Some further action on the pending amendment by the majority leader to section 2 would have to be taken. I do not say what it would have to be. But that amendment has not yet been disposed of.

Mr. **GRAMM**. One final parliamentary inquiry, if the distinguished majority leader would yield. In any case, division 1 of the so-called Gramm amendment is part of the trade bill at this point and would be part of the trade bill at the point that this all comes back. If the bill is adopted after being recommitted without that being stripped off, it would be part of it. Is that correct?

The **PRESIDING OFFICER**. Division 1 has been adopted. Subject to reconsideration, it is part of the trade bill.

Mr. **GRAMM**. If the distinguished majority leader will further yield, and I will be brief and I appreciate his kindness.

Mr. President, balancing the Federal budget is not an insignificant action with regard to our trade deficit. In fact, I would be so bold as to say that 90 percent of the economists in the country would argue that the deficit in the Federal budget requiring the Federal Government to borrow over 50 cents out of every dollar saved in the American economy is the primary and dominant cause of the trade deficit.

I would have to take exception to the distinguished majority leader's categorization that this amendment is an extraneous amendment. I would view the Armed Services authorization bill, as important as it is, as extraneous to the trade bill. I would view campaign financing, as important as that is, as being extraneous to the trade bill. But I do not view a commitment on a balanced budget amendment to the Constitution as extraneous to the trade bill. In fact, I think if our objective is to lower the trade deficit, then that vote, if successful, and if ratified by the States, would do more to lower the trade deficit of the United States than all that is being done by every other part of this bill combined.

That is why I offered it. I thought it was relevant to this issue. I do not accept the assertion that it is extraneous and that, therefore, we can bring in a whole bunch of other things if we are in fact going to deal in extraneous matters. In fact, all of these labor provisions—plant closings, which we are on the verge of debating here—are not only not relevant to the trade bill but clearly their adoption will increase the trade deficit.

So I think it is the things that we are moving to debate that are extraneous, not the things that we debated on Saturday. I thank the distinguished majority leader for his kindness.

Mr. **BYRD**. Mr. President, I thank the distinguished Senator. I think there may be different viewpoints from both sides on what has been debated here. First of all, I think a very arguable and strong case can be made that division 1 of amendment 350 is not yet part of this bill because of the time agreement that I offered. Every time agreement that we enter into, practically, waives some standing rule of the Senate or some standing precedent. The agreement that I entered still allows for a vote on the overall amendment 350 which includes section 1 of the Senator's amendment. Just as we often vote on amendments to a bill, the amendments do not become acts of this legislature until the bill is passed. Amendments are only parts of a bill. Section 1 is only part of amendment No. 350.

I know that this is a contentious, controversial argument, but it is at least arguable and inasmuch as I am the one who proposed the unanimous consent request, I know what my intent was. But that is an argument that can wait until another day.

Does the distinguished Republican leader wish to speak?

Mr. **DOLE**. I think we have a good accommodation here to get back on the trade amendments. That is my primary goal, to get back on the trade bill and try to complete it.

I do want to clarify one point, maybe addressing the majority leader or the Chair.

Before the final disposition, we will come back to this status quo agreement?

Mr. **BYRD**. I think we have to because we have not yet disposed of amendment No. 350.

The **PRESIDING OFFICER**. Will the Senator restate his inquiry?

Mr. **DOLE**. Before final disposition of the trade bill we will come back and deal with this unanimous consent agreement that is being proposed at this time?

The **PRESIDING OFFICER**. The amendment proposed would have to be disposed of before completion of the measure.

The Chair will state that this would give the majority leader the right to bring that amendment back upon notice.

Mr. DOLE. In any event, whether the majority leader sought to bring it back or not, it would have to be disposed of before final disposition of the bill?

The PRESIDING OFFICER. The Senator is correct. Any amendment proposed to the measure would have to be disposed of before final passage.

Mr. BYRD. Therefore, Senate amendment No. 350, not having been disposed of, still has to be disposed of one way or another before the Senate passes the bill.

The PRESIDING OFFICER. The Senator is correct.

Mr. CONRAD. Will the majority leader yield for a question?

The majority leader indicated that on the matter of the supplemental appropriations there will possibly be a delay until next week. Is it still the intention of the majority leader that we do everything possible to get the supplemental passed before we leave here for the Independence Day break, given the extreme urgency of the need for the payments to begin flowing since CCC has been out of money from before May 1?

Mr. BYRD. I would hope that would be the case and I would also hope we could get a time agreement on that supplemental appropriations conference report. Right now my interest is in getting on with this trade bill, not letting anything interfere with the deliberations on it. I will endeavor to get a time agreement on the supplemental appropriations conference report, before the Senate goes out.

Mr. DANFORTH. Will the majority leader yield for a question?

Mr. BYRD. I am happy to yield.

Mr. DANFORTH. Mr. Leader, I first want to state my appreciation for your efforts over a long period of time to try to bring this bill to the floor and try to get it disposed of. I appreciate the difficulties that the Senate faces now.

There are a number of major issues that we have not touched yet and the bill has been on the floor since last Thursday—issues such as plant closings, section 201, trade reorganization, the oil issue, and there may be some more. I wonder if the time is approaching when we could seek time agreements on all or some of those components?

I think the sooner we get to work on some of these major issues, the better the likelihood that the ice would break and, somehow, we would be able to cruise through the situation. So my inquiry of the majority leader is, could there be some effort to arrange time agreements on these, at least these five major issues, and maybe some others?

Mr. BYRD. Mr. President, the Senator from Missouri makes a very good suggestion. I shall do everything I possibly can to see, working through the staff and other Senators and working through the managers, if we can reach some time agreements in relation to these major questions. As both managers indicated today, if we can get on to these major questions, some of the smaller staff perhaps will not even be called up. So let me assure the Senator it is a good suggestion.

I hope that the leadership on both sides, the distinguished Republican leader and the managers on both sides, could all work together and try to reach some time agreements on these major pieces of legislation.

Mr. QUAYLE. Mr. President, would the majority leader yield on that?

Mr. BYRD. Yes.

Mr. QUAYLE. I have an amendment I shall offer to strike the provisions dealing with mandatory plant closing authorization. I had the intention, after talking to some of the members of the committee, to offer this last Friday. At the request of some Senators, they asked if I would offer it this week, so I said, OK, I would not offer it last Friday but I intended to offer it this week. This week is now here and, in view of the exchange between the majority leader and the Senator from Missouri, I am prepared to move to strike that provision, strike it all out. It is not in the House bill, it is obviously veto bait and should not be in the bill.

I am willing to agree to a 4-hour time agreement. That is cutting it down on this side. I have asked Senators on this side to cut it down because a lot of people want to speak. I am willing to agree to 4 hours equally divided, then vote on the Hatch-Quayle motion to strike.

I wonder if we might start the process to get that unanimous-consent agreement and begin to move on one of the real major stumbling blocks in this trade bill. I think the sooner we go on one of these very sticky issues-and there is a major disagreement on this one—we would be better off.

I say I am ready to go; if the majority leader can help us to facilitate the coordination of this, hopefully, we could get it up in the next hour and be ready to vote on it this evening. I think one of the best ways to deal with this kind of situation is have a unanimous-consent agreement. I am prepared to work, I believe some of us have worked on this side and I would ask the majority leader to help us get that up and facilitate that this afternoon if that would be appropriate.

Mr. BYRD. Mr. President, I would like to see that done. That is the way I would like to see us proceed. The Senator can proceed anytime he wishes, of course, with his amendment. That is his right. That may be one way to get things moving. Whether we can get a 4-hour time agreement on that today, I do not know. I certainly have no objection to it. But once we get on an amendment, sometimes it moves and sometimes a time agreement can be gotten on it after a while.

If we do get a time agreement, that would at least be progress.

The Senator is correct; I shall attempt to do whatever I can. I have heard some rumorings that we might not be able to get a time agreement and a vote on that today over here.

Mr. QUAYLE. If we cannot vote on it today, maybe we can vote on it—I intend to have a vote this week. I put it off last week at the request of some Senators. I was told too many people would be off last week and they said no, so I said it is going to be this week. Everybody knows the merits and demerits of this issue. I would say once we go, we have to go ahead. The chairman and the ranking member have indicated to me that they have no opposition to my moving ahead. I just want to inform the majority leader that we are prepared to go.

The majority leader is right, we could in fact go ahead and move to strike some of the language in there. Senator METZENBAUM has indicated he would want to modify that. I have no problem with this. He has the right to modify it anyway. Once we move ahead, I could move to strike that modification because I do not think that would change the substance of the debate. Either the mandatory plant closing authorization language is going to be in the bill or it is not. It is not a difficult one to wrestle with, but it is one that is going to take a long time. It is also one of those sticky wickets that is attached to this bill.

I thank the majority leader for his willingness to help me out. I will make some calls on this and see if we cannot proceed. Maybe we cannot get a time agreement, but it is my felling that once we are on it, once we get into debate, maybe the majority leader and others can work into some sort of agreement to vote on this.

Mr. BYRD. It often works out that way. The Senator certainly has the right to proceed any time he wants on his amendment. We cannot allow ourselves to fall into a situation where, as happened last week, we cannot call up an amendment because somebody is absent and we are asked to wait until he is here. Now we come to a new day and a new week. Now I hope we do not meet with the same argument that we do not want to call it up this week because so and so is absent. If we wait, as I say, until all 100 Senators are here, the snow may be flying before the Senator ever gets his amendment up.

One thing he does control is his own decision as to when he wants to call his amendment up. Sometimes, when one calls an amendment up, things begin to come together.

There are other important amendments. I understand the Senator from

South Carolina [Mr. HOLLINGS] has an amendment he wants to call up.

Mr. SYMMS. Mr. President, will the majority leader yield?

Mr. GRAMM. Does the Senator have the ruling yet?

Mr. BYRD. May we get the Chair to put the request?

Mr. SYMMS. Has the request yet been made on the Gramm amendment?

Mr. BYRD. I have made the request.

Mr. SYMMS. Has it been approved by the Chair?

Mr. BYRD. It has not been approved by the Senate.

Mr. SYMMS. When the Senator propounds the unanimous-consent agreement, would it be that any time a Senator comes in, he can demand regular order and we would go back to the Gramm amendment?

Mr. BYRD. The demand for regular order will bring down the campaign reform bill. I have given my assurance that we will not go back to Amendment No. 350 until I have informed the Senator from Texas [Mr. GRAMM] and the Republican leader. That will not be done and I would resist any effort to bring that back until I have fulfilled my commitment.

After all, this is an order of the Senate and I would expect all to live by it.

Mr. SYMMS. I thank the majority leader.

Mr. BYRD. I thank the Senator.

The PRESIDING OFFICER. The unanimous-consent request of the majority leader is before the Senate. Is there objection? Without objection, it is so ordered.

AMENDMENT NO. 356

(Purpose: To require that annual appropriations to reimburse the Commodity Credit Corporation for net realized losses be made by means of a current, indefinite appropriation)

Mr. McCONNELL. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Kentucky [Mr. McCONNELL], for himself, Mr. KARNES, Mr. BOND, Mr. LUGAR, and Mr. BOREN proposes an amendment numbered 356.

Mr. McCONNELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 562, between lines 18 and 19, insert the following new section:

SEC. . ANNUAL APPROPRIATIONS TO REIMBURSE THE COMMODITY CREDIT CORPORATION FOR NET REALIZED LOSSES.

(a) IN GENERAL.—The first sentence of section 2 of Public Law 87-155 (15 U.S.C. 713a-11) is amended by striking out ", commencing with the fiscal year ending June 30, 1961" and inserting in lieu thereof "by means of a current, indefinite appropriation".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply beginning with fiscal year 1988.

Mr. McCONNELL. Mr. President, last Wednesday, I, along with Senator KARNES and Senator BOND, introduced S. 1414 in response to an emergency situation in American agriculture. I am certain that all of my colleagues are aware of the fact that no farmers have received any farm program payments since May 1 of this year. The supplemental appropriation, which contained moneys to allow the Commodity Credit Corporation to cover its losses and to resume funding checks, was reported out of conference on Friday. Farmers, if Congress and the President act quickly, will be receiving their checks soon.

While farmers may get some relief soon, there is still a need to address the underlying cause of this situation. Our Nation's farmers deserve a guarantee that they will not be forced to wait for their Federal farm program payments, a guarantee which this amendment provides.

What happens under our current method of funding CCC? Perhaps a specific example from my home State will illustrate the seriousness and absurdity of the problem. As of last Friday, the Commodity Credit Corporation owed a Kentucky grain dealer over $192,000 for storage payments. This same dealer was forced by congressional inactivity to borrow $200,000 to conduct normal business.

Furthermore, if the dealer wanted to purchase CCC-owned soybeans stored in his warehouse, he is required to pay for the beans within 5 days of signing the contract. Failure on the part of the dealer to make this payment timely nullifies the contract between CCC and the grain dealer. It is more than a little ironic that the same Government which has a binding contract with this individual has failed to live up to its contractual obligation. The Government will not even consider paying the interest on money owed to the individual.

This is but one of the many examples. There are farmers all over the country who are in desperate need of their farm program payments. These people have entered into contracts with the Federal Government. Form CCC-477, a document farmers must sign to participate in farm programs, reads as follows:

> The operator agrees to comply with provisions of the contract. CCC agrees that benefits shall be made according to terms and conditions of this contract.

I stress to my colleagues that, in this one passage, the word "contract" is used twice. If a farmer certifies and complies, he is eligible for, and has a legally binding contract for, a farm program payment. Thousands of businessmen and women signed these contracts with the Federal Government, agreeing to certain conditions, making certain concessions. They have found themselves waiting for over 6 weeks for the money obligated to them. I find this situation reprehensible.

Time after time, five times in the last 2 years, in fact, the Federal Government has stopped issuing Federal farm program payment checks, failing to meet its contractural agreement. It is outrageous that this has become a regular occurrence. And the irony of the situation is that there is no valid reason that CCC has been forced to stop issuing payments. No valid reason.

CCC is funded through an account at the Treasury, and is given by statute $25 billion in borrowing authority. When CCC bumps up against that ceiling, the Congress must appropriate funds to cover CCC's losses incurred through the operation of our farm programs. This demonstrates the fundamental problem which my amendment strives to correct—the flawed manner in which Congress funds our farm programs.

The proposal I am offering today on behalf of myself, the distinguished ranking member of the Agriculture Committee, Mr. LUGAR, my colleague from Missouri, Senator BOND, and my colleague from Nebraska, Senator KARNES specifies the manner in which appropriations are made for the CCC. Currently, as we all know, when the CCC requires an appropriation, Congress must pass a bill giving it the necessary funds. We are having that experience right now, as the resident of the chair previously pointed out. There is nothing in the law which specifies that this is the manner in which this appropriation should be made, so we could change that. The code merely give Congress the authority to make such an appropriation. S. 1414 specifies what is known as a "current, indefinite" appropriation for the CCC. The CCC receives funds as needed throughout the year. The officers of the corporation are required to make regular reports to the Appropriations Committees. These committees retain oversight authority over the operations of CCC. But, with our amendment, a separate bill will not be required every time CCC needs money.

This is a simple matter of common sense. I would note as well that the Subcommittee of Agriculture, Rural Development and Related Agencies has recommended this method of funding CCC in its appropriations bill for the past 2 years. Unfortunately the other body has refused to agree to such a method of funding CCC. The mere fact that the House has chosen not to do this in the past it seems to me, Mr. President, is not a good argument for not sending this over to them once again. It seems to me it is particularly timely. We probably are going to be debating the supplemental. That has been our problem over the last month or 2 months. Our farmers are wondering where the checks are that they have been obligated to receive. The Federal Government has a contract with our farmers to send these payments. This amendment will not exacerbate the deficit. It simply will make a procedural change that would make it possible for us to handle this business in a sensible way.

I fully anticipate that some of my colleagues might object to such a change. The fact is that the CCC moneys are committed each year when a farmer signs a contract. The supplemental appropriations for CCC are pro forma. Private businesses do not spend weeks deliberating when a bill needs to be paid, and neither should the Federal Government.

I will be quite frank with my colleagues. The truth is, these supplemental appropriations for CCC are Christmas trees which inevitably get loaded up with all sorts of pork and policy ornaments. The current CCC supplemental is a case in point. The major sticking point in the House-Senate conference on this supplemental has been arms control provisions. Farmers are being asked to go out and borrow money, pay interest on the borrowed money, because conferees are debating the merits of arms control proposals.

I do not want to be mistaken. I favor debating these issues. I think it is important for us to weigh the merits of all facets of our foreign policy. But not in the context of a supplemental appropriation, and not at the expense of our Nation's farmers. I cannot understand holding our farmers hostage to an academic debate on foreign policy. I think it is wrong, and that is why I have introduced legislation to ensure that farmers never have to be subjected to this situation again.

This legislation is important. American farmers deserve fair and responsible treatment, treatment which they are not currently receiving.

So I hope that this amendment will be agreed to. We are not certain yet whether it has been cleared on the other side but it makes elementary good sense and I hope it will be agreed to and quite possibly not even require a rollcall vote.

I yield now to my distinguished colleague from Nebraska, Senator KARNES.

Mr. KARNES. Mr. President, I rise today as an original cosponsor of the amendment proposed by Senators McCONNELL, BOND, LUGAR, and myself. It is directed to relieve the plight of farmers who hold a yearly vigil waiting for Commodity Credit Corporation funds from an account that seems to dry up every summer. Since coming to the U.S. Senate in March of this year, I have worked to develop legislation which will make government work better and be more responsive to the needs of my fellow American farmers. This bill will do precisely that, for I believe it will restore the faith of farmers across the country in their government's ability to keep its end of the bargain with the timely payment of Commodity Credit Corporation funds.

The farmers of America are looking forward to their CCC payments resuming this week. I hope we may take up the conference report on the supplemental very soon and get the bill to the President for signature. That will take care of this year. But, Mr. President what about next year, and the year after that? Shall we replay this scenario every year, with the farmers of this country wondering how long CCC payments will be delayed again for reasons having nothing to do with the farm policy of the United States?

This situation is particularly frustrating because Congress seems to have failed to learn from its mistakes of the past. This problem is not new. This is only the latest episode in a sad history of interrupted payments and congressionally forced interruptions in farm operations. The Commodity Credit Corporation exhausted its funding authority last year as well as in previous years—each time causing instability and financial hardship to citizens who, in good faith, entered into contracts and agreements with the U.S. Government.

Mr. President, what option is available to the USDA when CCC funds run out? The only alternative available to USDA is to shut down ASCS offices, stopping all farmer transactions with the Federal Government through those vital ASCS offices when the CCC runs out of moneys in approximately 30 days. Mr. President, this would have been an unmitigated disaster to agriculture. This year, we have come too close to that result, and we should learn a lesson from this chapter in the CCC debate. I ask my colleagues in the Senate to join with me and care enough about our farmers to act to avoid this issue in the future. We have an opportunity to do something about the matter now, while the issue is still fresh in our minds.

Mr. President, the time has come to bring this shoddy and unresponsible way of doing business with our own farm citizens to a halt. There is no good reason to ask our farmers to leave their farming operations to the whims of the congressional appropriations process year after year.

The amendment that my distinguished colleagues from Kentucky, Missouri, and Indiana and I have proposed is designed to prevent this problem from recurring next year.

Mindful of the desire of Congress for program oversight, the provision would change the status of the CCC account to that of a current, indefinite appropriation subject to the annual approval of the Appropriations Committees. This would allow for the CCC account to remain viable throughout the fiscal year without sacrificing the ability of Congress to review CCC operations and make changes where necessary.

Changing the status of the CCC account to that of a current, indefinite appropriation would serve American agriculture more effectively than the current direct appropriation process.

Administration budget proposals in past years have routinely requested a permanent, indefinite appropriation for the Commodity Credit Corporation and Congress has routinely rejected this proposal. However, the Senate Appropriations Committee has recommended the use of a current, indefinite appropriation for fiscal years 1986 and 1987 with the provision that it receive frequent reports of the CCC's financial position and its use of the current, indefinite authority. I agree with the Senate Appropriations Committee's past position on this issue and feel that their recommendations have been wise and should have been adopted.

Let us do unto others—our American farm families—what we would expect if we were in their shoes. I ask my colleagues to join in this effort to improve the stability and reliability of the CCC, for the benefit of farmers who participate in good faith, in Federal farm programs. The farmers of America are waiting to see what we do. The issue is ripe. The time is now. As we consider trade legislation today, designed to help our economy by revising our approach to imports and exports, I feel it is appropriate to pass language that can help a large part of our economy without engaging in protectionist activity of any kind or spending any new money. We are making a mechanical alteration to make the CCC, which does not control the volume of business it must handle, fit the mission it is meant to perform.

I would like to thank and commend my good friends and colleagues, Senator McCONNELL and Senator BOND for their participation in proposing this amendment. Also, I would like to thank my good friend from Indiana, Senator LUGAR, for his valuable support. Clearly, they recognize as I do that this legislation is necessary to force the Federal Government to fulfill its legislatively prescribed obligations to the Nation's farm program farmers. I would imagine that many of my colleagues have received an education from our farmers in the past weeks. Their telephone calls to my office, with their reasonable—and sometimes emotional—pleas for certainty in the CCC program have had a lasting effect on my thinking. It is hard to explain the delay to my constituents when I neither accept nor support the reasons for that delay, and I don't want to. I know that many others in this body have the same problem, and this is their chance to let their farm constituents know where they stand. I urge our colleagues in the Senate to consider this language and join us in cosponsoring or voting for this amendment to ensure that we do more than complain about the CCC problem—that we actually do something about it.

I yield the floor.

Mr. McCONNELL. Mr. President, I commend the Senator from Nebraska for his statement and his good work on behalf of this proposal.

Mr. President, I ask unanimous consent that the name of the Senator from Oklahoma [Mr. NICKLES] be added as a cosponsor.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

Mr. McCONNELL. Mr. President, I yield to the Senator from Missouri [Mr. BOND].

The **PRESIDING OFFICER.** The Senator from Missouri.

Mr. BOND. Mr. President, I thank my neighbor and distinguished colleague, the Senator from Kentucky. I would also like to commend the other sponsors of this amendment.

I think it is extremely important that we adopt this amendment, which would allow farmers to collect farm program payments which have been owed them by the Federal Government.

As I talked with farmers in Missouri yesterday, I found that they not only were well aware of the fact that the CCC had run out of money on May 1, but also, many of them told me they had not received payments that were owed to them in April. So, in effect, what we have is a 90-day delay by the Federal Government in paying funds that have been committed under contract with farmers in my State and in many States throughout this Nation.

The CCC is currently more than $1.4 billion in arrears, and this total increases by more than $35 million every day. Earlier in May, when the CCC ran out of money, the total owed in my State was more than $6 million. The payments that are owed to various farmers and farm families ranged from a mere $100 to $100,000. Many of these farmers are being forced to pay interest on debts that are outstanding as a result of the Government's failure to fulfill its contractual obligations. In some cases, they are forced to borrow additional funds for operating expenses and living needs. We have heard instance after instance where an entire farm community, whose citizens are depending upon and expecting payments, is unable to meet obligations that go far beyond the farmers and extend to many of the people supporting and supplying agriculture.

Although this appropriations bill, H.R. 1827, was passed out of the conference committee last Friday, now is the time to initiate action to prevent this delay from happening again.

The amendment I speak on behalf of today is important in that it initiates the steps necessary to ensure that farmers will not be subject to delays in the future. It eliminates the need for future emergency legislation.

As I pointed out, this problem has happened in the past; and should it happen again, CCC will no longer require an emergency appropriation. They would merely have to report to the Appropriations Committee the need for the additional funds.

As has been referred to before, this body and specifically the Appropriations Committee, has gone on record urging a change in the current situation. The Senate Appropriations Committee report drafted on September 11, 1986, said:

> It is obvious that an indefinite appropriation would have served the farmers of America more effectively and would have prevented the disruption of local ASCS offices caused by repeated shutdowns and delayed appropriations. Uncertainties in the farm programs and wide-ranging estimates of the potential costs of CCC operations in fiscal year 1987 indicate that multiple supplemental appropriations bills may be required next year as estimates are periodically adjusted.

The CCC would still be required to report, but it would not have to come back for the endless supplemental appropriations bills.

Never before has the American farmer been subject to such a long delay in receiving Federal payments. Outside of a 3-week delay in 1986, previous supplemental appropriations were passed in a matter of days.

We have a lesson before us which we cannot afford to repeat. We cannot break faith with the American farmer as we have done over the last 2 months. This is not just a farm State issue. All Americans expect the Federal Government to fulfill its contractual obligations. However, in this instance, farmers are the ones being held hostage by the inability of this Congress to pass quickly significant legislation.

As we continue the painful transition toward a more market-oriented agriculture, I think our Nation's farmers must be able to rely on the Federal Government to meet its obligations.

Failure to retain this confidence could eventually undermine the recovery of our agricultural sector.

I join with my colleagues in urging the support of this body for this very important amendment.

Mr. LEAHY. Mr. President, I understand the concerns of the Senator from Missouri and others who spoke to this. But I am also concerned it is being put on this bill.

I realize the frustration Senators feel as do their constituents with the fact that the CCC money is not yet out and even though we have finished the supplemental appropriations, I understand there is a possibility we may not even get to it this week, and it is only going to increase the frustration and give a stronger impetus to legislation of this nature.

I wished, as I am sure others wished, that we had done the supplemental appropriations bill on schedule. I think a lot of us wish it could have come up here. We worked hard enough at it in committee, I believe. I wish it could be up here. I wish we could have been voting on it today or Saturday afternoon. The fact is we are not.

While the amendment is an attempt to solve a problem we seem to have every year concerning the Commodity Credit Corporation operating for a full year, this may not be the place for it.

It seems every year the Commodity Credit Corporation runs out of operating funds and has to get a supplemental appropriation to continue its operations and we have to do something to solve that problem.

We are debating a trade bill. The amendment proposed is not particularly relevant to this piece of legislation. I could think of about five other pieces of farm legislation I would like to put in here, too. Not only that, the amendment has far-reaching implications, both budgetary and the future operations of the Commodity Credit Corporation.

So I would have to oppose, as only one Senator, this amendment at this time. We are studying some proposals as this in the Agriculture Committee. I think it deserves more scrutiny than we can give it in a vote in a few minutes here on the floor of the Senate.

For example, I do not know what the full impact is of the provision of the amendment that calls for additional permanent appropriation for the CCC. I do not know what this does to the budget. Nor do I know what it might do to the pressure that we are going to find in having to cut back the overall agricultural appropriation in the budget now under just the budget resolution that we face here in the U.S. Senate.

So I wish the amendment could be withdrawn. I wish we could give the Agriculture Committee an opportunity to study this proposal to find out whether such a proposal would bring other budgetary pressure on other agriculture parts of the budget. If not, then I intend to vote against it.

Now, I understand the frustration. We do not have the supplemental appropriations bill up yet.

I asked the people this morning in the Agriculture Committee what they would do if we passed a supplemental appropriations bill. They said the second they knew that was going to be signed into law by the President the checks were signed and in fact in many instances were back in the States. In answer to a question I believe from the Senator from Missouri they were saying that the checks were in the farmers' folders—I am not sure how they got there, but they are in the farmers' folders ready to go, if we just get a bill through. This bill, incidentally, or this amendment, would not get that money out. The supplemental appropriations would.

So I understand the Senator's frustration. I would like to see something——

Mr. McCONNELL. Mr. President, will the Senator yield?

Mr. LEAHY. In just a moment I will. I would like to see something better than what we are doing now. I think this is the wrong bill to do it on.

I yield.

Mr. McCONNELL. I say to my distinguished friend from Vermont, who I enjoyed working with on the Agriculture Committee the last few years, CBO says this has no impact on the deficit at all. It is budget-deficit neutral. It has no impact on that problem whatsoever.

Second, to the extent that the Senator refers to the supplemental that is really not the issue. We know that once the supplemental is approved that takes care of the problem for now.

What we would like here is a permanent fix. We would like to deal with this problem prospectively.

Also, as my friend knows, this has passed the Senate in the past. This is not a new idea. Others have worked on it, both on and off the Appropriations Committee.

The PRESIDING OFFICER (Mr. GRAHAM). Does the Senator have a question to the Senator from Vermont?

Mr. McCONNELL. I thought I was making an observation.

The PRESIDING OFFICER. I thought the Senator yielded for a question.

Mr. LEAHY. I yielded so he could ask a question.

Mr. McCONNELL. I wish to make an observation. It takes 30 seconds longer.

The PRESIDING OFFICER. The Senator from Vermont has the floor. He yielded for a question.

Mr. LEAHY. If the Senator from Kentucky wishes to make an observation, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont yields the floor.

The Senator from Kentucky is recognized.

Mr. McCONNELL. I thank the Chair.

The proposal of the Senator from Kentucky, the Senator from Missouri, and the Senator from Nebraska has no impact whatsoever on the deficit.

Second, bringing up a supplemental, I say to my friend from Vermont, is largely irrelevant. We understand that the supplemental will solve the problem for the moment. What we would like to do is come up with a permanent solution.

Third, this Senate has previously endorsed this approach to solving the problem. It is not a new idea. We would love to say it was. We think we ought to send it over once again.

With regard to the trade bill, as we all know there have been other amendments offered that some would feel are not entirely germane to the trade bill. That is a standard we do not have to meet in this body. It is one that most of us do not meet frequently.

This is an important bill. This is a current problem.

Out on the American farm we see absolutely no harm that will come to anyone by passing this deficit-neutral bill, by adding this deficit-neutral amendment to this most important bill.

I think it is a signal to the farmers of America we think their problem is an important one and we would like to solve it on a permanent basis so they do not have to go through this time and time again. They have gone through it five times in the last couple of years. It is an outrage. It is a contractual obligation on the part of the Federal Government. The farmers of America signed up for the program. It is an obligation we have to meet in a timely fashion. This will fix that problem.

I really see no reason why the U.S. Senate should not go on record today to add this to this important trade bill and send it on over to the House of Representatives. If they refuse to accept it as they have in the past, let the other body answer to the farmers of America.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky has yielded the floor.

Mr. LEAHY. Mr. President, I have just read the amendment and it is in somewhat different form than I had originally understood it was going to be.

I agree it does not have a budgetary effect. That was my primary concern.

I would still rather see it on something other than the trade bill.

My primary concern was the budgetary effect because we were already under restraint which was going to require us to cut into some prime programs, something that may well affect the constituents of the Senators from Kentucky, Missouri, or Vermont.

We are having enough pressure in finding just which ones must bear that burden anyway. I did not want to add something else that may require even further burdens on our constituents as we try to keep within the budgetary levels.

This apparently does not have an immediate budgetary effect, and so while I think that I would not want to guarantee its long life through the conference committee on a trade bill, I am not going to object to it because it is not going to affect those budgetary considerations we have to make.

Again, I would urge that we would be able to get the supplemental appropriation up as soon as possible to take care at least of this year's problem as soon as possible.

The PRESIDING OFFICER. Is there further debate?

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senator from Wisconsin [Mr. KASTEN] and the Senator from North Dakota [Mr. CONRAD] be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate? Who seeks recognition? The Senator from North Dakota.

Mr. CONRAD. Mr. President, if I might, we have just gone through the trauma of trying to assure our farmers that they are going to get the payments that they expect.

Mr. LEAHY. Excuse me. Will the Senator yield for one unanimous-consent request?

Mr. CONRAD. I yield.

Mr. LEAHY. Mr. President, I ask unanimous consent that this amendment, upon the disposition of it, be placed within the agricultural title of the trade bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from North Dakota.

Mr. CONRAD. I thank the Chair.

I just want to remind the other Members that we have just gone through the trauma of trying to assure the farmers and elevators who receive the payments that the Federal Government has promised that they would receive.

We all know what has happened. The CCC has been out of money since May 1 and that has caused real hardship in some cases.

I have a farmer in my State who will go bankrupt unless he receives his CCC payments in the next 10 days. That is the hard reality.

Frankly, I think we ought to use this vehicle to assure ourselves in the future that the problem is taken care of.

I would applaud the Senator from Kentucky and the other cosponsors for bringing forward this measure. I am pleased to join them as a cosponsor. I think it is time to solve this problem for the future. We should not have to go through this again.

We all know that the House side may not accept it. We are not responsible for what happens on that side, we are responsible for what happens on this side and it seems to me that this is the perfect opportunity to solve the problem for the future, at least to the extent that we can.

I would urge that those on both sides of the aisle who are managing this bill allow this measure to go forward. It makes sense. It solves the problem and we will not have to revisit this issue in the future.

I yield the floor.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota has yielded the floor. The Chair recognizes the Senator from Kentucky.

Mr. McCONNELL. I want to thank my friend from North Dakota for his support. I understand he is representing a large number of farmers who have this problem, as have we all.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further debate?

There being no further debate, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Delaware [Mr. BIDEN], the Senator from Tennessee [Mr. GORE], the Senator from Hawaii [Mr. INOUYE] are absent on official business.

I also announce that the Senator from Louisiana [Mr. JOHNSTON] is absent because of death in the family.

I further announce that if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea".

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 80, nays 15, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—80

Baucus
Bentsen
Bingaman
Bond
Boren
Boschwitz
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Fowler
Garn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Helms
Hollings
Karnes
Kassebaum
Kasten
Kennedy
Leahy
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Mikulski
Mitchell
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—15

Adams
Armstrong
Bradley
DeConcini
Glenn
Hatfield
Heinz
Humphrey
Kerry
Lautenberg
Levin
Metzenbaum
Moynihan
Roth
Stevens

NOT VOTING—5

Biden
Gore
Inouye
Johnston
Murkowski

So the amendment (No. 356) was agreed to.

Mr. McCONNELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 357

(Purpose: To strengthen U.S. trade law)

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from South Carolina (Mr. HOLLINGS), for himself, Mr. HEINZ, Mr. EXON, Mr. THURMOND, and Mr. SANFORD, proposes an amendment numbered 357.

At the appropriate place in the bill, insert the following:

DEFINITIONS OF UNITED STATES PRICE AND FOREIGN MARKET VALUE

SEC. . (a) Section 773(a)(4)(B) of the Tariff Act of 1930 (19 U.S.C. 1677b(a)(4)(B)) is amended by inserting immediately before the semicolon the following: ", except that in no event shall the administering authority deduct indirect selling expenses from foreign market value in order to offset expenses deducted from an exporter's sale price under section 772(e)".

(b) Section 772(e)(1) of the Tariff Act of 1930 (19 U.S.C. 1677a(e)(1)) is amended by inserting immediately after "selling" the following: "and profits from selling".

(c) These provisions shall apply to imports from countries which are signatories to the GATT International Anti-Dumping Code.

Mr. President, I allowed the reading of the amendment in full because this amendment is in conformance with the International Anti-Dumping Code. Many amendments that have come up have focused on the budget, the deficit, campaign reform, the sense of the Senate about the weather, you name it; but this is germane, indeed essential to the trade bill being considered by the U.S. Senate. It tackles head on the market takeover strategy by which our adversaries take advantage of the United States by relying on an administrative ruling not in conformance with the code.

Mr. President, for an understanding of the issue involved in the exporter sales price offset and profit deduction amendment, one only need realize that this is a dumping problem caused by a foreign manufacturer operating through its U.S. subsidiary to capture market share and eliminate competition. This is a case of foreign manufacturers' subsidiaries. It does not involve buyers, retailers, wholesalers or trading companies unrelated to the manufacturer. For an arm's-length transaction between a buyer and a seller, the free-on-board [FOB] price at the manufacturer's plant controls. And the problem is to have that same FOB at the plant price control when the manufacturer operates through a foreign subsidiary. Purchase price is the price paid by either the domestic or foreign purchaser that is unrelated to the manufacturer. Exporter sales price is the trade parlance for the purchase price when an article is sold in the United States through a manufacturer's subsidiary.

In dumping cases, the manufacturer's subsidiary receives the article from his manufacturer at a reduced or dumped price and then sells at the regular price in the United States, using the dumping differential for sales promotion and market takeover. A Tokyo manufacturer selling to an independent buyer or trading company in Tokyo sells for a purchase price. That purchase price to an unrelated or independent buyer in the United States must be at the same price for a Japanese buyer at the plant in Tokyo. If the purchase price at the plant for the United States importer is less than the purchase price in Japan, then a dumping duty is exacted to equalize the price in the United States with that in Japan. All of this is clear and easily understood. The confusion comes when you start using the language of the trade art, exporter sales price. An understanding of exporter sales price is obtained when you realize subsidiaries are involved—not direct purchasers.

Let's say the factor in Japan sells a dollar item: That is, one sold by the Japanese manufacturer in Japan for $1 and to an unrelated United States buyer for $1. No dumping here. But then the Japanese manufacturer sells that same article to its own subsidiary in the United States for 75 cents. The U.S. subsidiary applies this 25 cents advantage to sales promotion for market takeover. One can reasonably assume 24 cents promotional and sales cost and 1 cent profit. The Japanese subsidiary in the United States selling to an independent buyer in the United States for $1 claims no dumping is involved. But dumping is involved to the tune of 25 cents.

This amount has been used for advertising and sales promotion to capture market share and was prohibited by the Tariff Act of 1930. But in 1976, the Department of the Treasury, by administrative ruling, allowed the sales and promotional costs of a Japanese subsidiary in the United States to be offset against the FOB plant price in Japan; that is, the exporter sales price offset involved in this amendment. In 1979, paragraphs 5 and 6 of article II of the GATT Anti-Dumping Code specifically called for the deduction of profit from the exporter sales price.

However, in January 1980, the Department of Commerce, in assuming the administration of the 1979 Trade Act, continued the Treasury allowance of an exporter sale price offset and also the inclusion of profits in determining sales price. Both sales cost and profit should be deducted to determine the exporter sales price. Both are deducted under the provisions of GATT, the Trade Act of 1979 and by those countries signatories to the International Code Against Dumping. That is, all countries except the United States. It must be remembered, however, that the deduction of sales cost and profit is not reciprocal in Japan because there are not any dumping cases in Japan. Japan prohibits the article from entering in the first instance through licensing and many other devious devices.

In 1983, Smith-Corona took the Department of Commerce to court on the inclusion of sales costs and profits in determining the exporter sales price. Smith-Corona lost. The court held that even though the statute prohibiting the inclusion was clear, report language filed by the Congress at the time of enactment gave the Secretary of Commerce a mandate to be fair. The court found that the Secretary was trying to be fair and had not abused his discretion.

This administrative offset amounts to about a 20-percent advantage to the foreign manufacturer's subsidiary in the United States. It has been contended that my amendment should include language that the statute apply only to those countries which have practices consistent therewith. That would exclude Japan because Japan's practice is not inconsistent. As stated earlier, it has no dumping practice. Japan is a signatory to the GATT International Anti-Dumping Code and cannot complain when we provide that the statute shall apply to imports from countries which are signatories to the GATT International Anti-Dumping Code. Our principal trading partners who utilize antidumping cases to prevent unfair import injury are signatories to GATT and follow the practice of this amendment. Thus, there is no basis for retaliation upon the adoption of this amendment. More importantly, U.S. industries would receive the same degree of protection which our principal trading partners give to their own industries. Thus, the amendment is reciprocal in nature.

As a result of the present administration practices, the United States is providing a shield for Japanese dumping which has two effects: First, it finances out of the United States Treasury the market penetration dumping practice of Japanese industry; second, it provides a sanctuary for Japanese dumping into the United States market which our trading partners, the EC, Canada, and Australia, refuse to provide. Thus, more product is exported to the United States at dumping prices free from dumping duties.

In conclusion, we have here a clear-cut case where my amendment, instead of violating GATT will bring our antidumping practices into conformity with GATT. It will grant reciprocity to our industries. It will remove one more hidden protection of Japanese unfair competition in the United States market which this administration, for mysterious reasons, is reluctant to eliminate.

In essence, what our amendment provides is in conformance with the General Agreement on Tariffs and Trade, in conformance with the International Anti-Dumping Code, and in conformance with the Tariff Act of 1979. The amendment appears rather complicated. But simply put, what we are trying to do is to determine, a fair market value in order to facilitate a ruling on whether there is dumping.

By way of example, let me cite a typical hypothetical case involving Japan and the United States. A Japanese manufacturer delivers, let us say, a television set to a trading company in Japan FOB at that plant in Japan for $1. The distributor in the United States is unrelated; that is, it is a regular distributor neither owned nor operated nor controlled by a Japanese manufacturer. A distributor in the United States, be he retailer, wholesaler, independent buyer or otherwise, buys that article in Japan at $1. There is no dumping.

This is all legitimate and common practice. In contrast, dumping cases occur through a complex and devious use of a subsidiary. What the Japan manufacturer does, in essence, is set up a subsidiary that he owns and controls here in the United States for the purpose of seizing market share. Then he takes that same article that the manufacturer sells in Japan to a nonrelated buyer or trading company for a dollar, he delivers that to his subsidiary for 75 cents, and the subsidiary charges $1. Of the extra 25 cents, let us say, 10 cents goes to promotion and sales and 15 cents for profit. The 15 cents is added on and the 10 cents is deducted from both sides, and he claims he is paying a dollar just like the ordinary, arms-length buyer in Japan. But of course that is not the case because that is a 25-percent predatory advantage to a subsidiary being established by the manufacturer in the receiving country.

There is no question that this ruse is being employed by our trading partners. It was thought to be covered in the 1930 act. It is definitely covered in the 1979 Trade Act, and in the International Anti-Dumping Code. Signatories to the International Anti-Dumping Code—Australia, Austria, Brazil, Canada, Czechoslovakia, Egypt, EEC, Finland, Hungary, India, Japan, Norway, Pakistan, Poland, Romania, Singapore, Spain, Sweden, Switzerland, United Kingdom, United States, Yugoslavia, Korea—all have the practice that I have described whereby in determining the subsidiary's true price, when he sells it to a related party they deduct his sales costs, his promotional costs, and of course his profit to see whether or not he has gotten it for a lesser amount FOB than Japan.

In 1976, our Department of Treasury met with a Japanese television manufacturer and said we were not going to insist on a stringent administration of our antidumping statute, and thereupon they disallowed the promotional and sales costs by a very distorted rationale that there were also promotional and sales costs back in Japan. In Japan they do not have the subsidiaries. Of course, they deliver directly to the user or to a trading company.

This does not involve retailers, wholesalers, individual buyers, trading companies. This only involves subsidiaries. And therein lies the fallacy of the Treasury ruling that was, in turn, adopted in 1981 by the Department of Commerce when they took over administration of the International Antidumping Act provisions from Treasury. Our International Trade Administration adopted the same procedure despite the 1979 Trading Act, which forbade it. A case was brought by Smith-Corona. The court held against Smith-Corona on the premise that while the statute was clear, the Congress in its enactment of the statute language that said in the administration of the particular law the Secretary should tend to be as fair as he possibly can in the administration. Therefore, what the Secretary was doing was fair, and they could not call it an abuse of discretion.

This abuse occurs in about 50 percent of anti-dumping cases, Mr. President, and allows up to a 20-percent dumping advantage by those countries using the administrative procedure of the International Trade Administration. This is a major hindrance to American production and competition.

We politicians are forever strutting about telling American manufacturer and producer, "Be more competitive; be more productive," and yet herein, the Government itself is the one that refuses to compete. The Government itself refuses to compete, because it has given a distorted interpretation to the 1979 Trade Act and the International Anti-Dumping Code.

I want to make this point categorically clear. That is why I included the affirmative language in the face of the amendment that "these provisions shall apply to imports from countries which are signatories to the GATT International Anti-Dumping Code."

Now, Commerce has been in negotiation on this particular aspect because they want to continue to favor the importers at the expenses of American production. To that end, they have recommended some rather tricky language. They say let this apply to nations where they have the same practices. Well, Japan does not have any anti-dumping cases, because Japan does not allow imports in the first place. First, you do not have an American subsidiary being set up in Japan. Second, you would have to get a license to get the particular article in the trade or commerce in Japan. Third, once you got the license, they would impose an array of inspection practices. They have so many devious devices that while they are signatories to the International Anti-Dumping Code, they really do not have any practices with respect to antidumping. Accordingly, they can accurately state that they do not have any trading practices inconsistent with the United States under the code.

So that is why we could not agree to that. We wanted to get together as best we could, and we hope we get a very strong vote on this because if we do not, the only reason is that I have not explained it adequately. I realize this is an extremely complex issue.

I am ready to proceed with the debate on the amendment. I have various law journal articles on this particular point which testify to the tremendous advantage given to trading partners who use the administrative rulings of the International Trade Administration. It is quite obvious, if I am a manufacturer and I want to capture market share, and by selling at less than cost to my subsidiary, then the subsidiary can come up to the regular market value. What happens is that by having the offset of the expenses, the United States is financing the takeover of its own markets. I do not know how is state it more clearly than that. We are actually financing the takeover of our markets and in the same breath chastising American production saying, "You have got to be more productive; get off the golf course and quit floating your golden parachutes." Well, we know about the golf courses and the golden parachutes. But do not be deceived into thinking that they are the normal experience of American industry. They are abberations.

Mr. President, I continually hear that we have got to get America's industry "more export-minded."

Someone once said that a problem well stated was a problem half solved. The problem is not that our industry is not export minded. The problem is right here in the Nation's Capital with our Government. Indeed, so exported minded is American industry that it does not worry about selling its product. It just exports the entire industry. Florida has experienced that. South Carolina has experienced that.

I spent 4 good years as Governor trying my dead-level best to attract whatever industry I could from whatever source, and said: "Here is a State, my home State, the land of opportunity, with people willing to work, the most productive and with the best skills." We built up technical skills unequaled by any State in America. So, yes, we have the skills and the productivity.

Now I see these same industries which came from Germany to South Carolina are moving on to Mexico. You can't say that they were not export minded. They are German industries and know all about exports. They exported the industry across the line to Mexico to take advantage of the $1.85 wage there.

I brought Pratt and Reid to Liberty, SC. Do not tell me about being export minded. They just exported the entire industry out of the United States.

Mr. President, we are the problem. It is the Government, the National Government in Washington, that has a dim and naive understanding of international competition.

We are continually warned about starting a trade war. I remind my distinguished colleagues that the first bill in the first Congress, on July 4, 1789, by Madison, was a bill imposing a tariff of 50 percent on over 70 different articles. They had heard suggestions by the economist David Ricardo in England, that what we should do is trade with what we produce best, and, in turn, England will trade back to America that which it does best, and there will be no barriers and no tariffs and we will have free trade.

Alexander Hamilton, in that first Congress, said in his report on manufacturers, "We are not going to remain a colony." We had 96 percent of our people on the farm, and the finished products were being made in England. Of course, it was to England's benefit for America to remain a colony and not have that industrial capacity. Hamilton said: "No way. We are going to build up our own industrial backbone and, rather than remain a colony, we are going to become a world power." And we did it with tariffs. We started a constructive trade war.

We continued it in the days just before the Civil War, when it was suggested to President Lincoln, for the intercontinental railroad, that we buy the steel from England. President Lincoln said: "No way. What we will do is build the steel mills here, and then we will have not only the railroad but the steel production capacity."

Again, in 1933, under the Agricultural Adjustment Act, we put in import quotas to protect the support prices of American agriculture. We put in support prices and protectionism.

Farmers helped elect me. We have a lot of farmers in South Carolina, and we are proud of it.

They are constantly saying, "Free trade, we don't want it." We started protectionism with them. We put in subsidies over 50 years ago, the Export-Import Bank, so we could export our wheat to Russia at a subsidized price.

We are not bashing Japan. On the contrary, I respect Japan. Japan is a success. How do you argue with success. She has come from being completely conquered and vanquished, powerless, to being the richest nation in the world. The per capita income in Japan today is $18,000 compared to the per capita income of the United States—the World War II victor—of $17,700. They have 25 percent of the world's financial holdings.

We used to talk about trade and talk about banks. Six of the largest banks in the world today are Japanese.

So do not go crying to Japan about, "Play fair," like a bunch of crybabies. Money talks, and if you really want results, what you need to do is what Franklin Roosevelt did in the Depression days. In order to keep the banks open, he closed the doors. In order to save the farms, he plowed under the crops. In order to remove a barrier, we have to raise a barrier and then remove them both. You do it to compete. Competition is fundamental to America.

The cry is "protectionism." No, it is not protectionism. Protectionism—that is a fundamental role of Government. We have an Army to protect us from the enemies without. We have the FBI to protect us from the enemies within. We have the Environmental Protection Agency to protect the air we breathe and the water we drink. Unemployment compensation to protect us from the loss of a job. Social Security to protect us from the ravages of old age. You can go down the list on and on.

But come in this Chamber and say, "Let's protect and give a fair chance to American production," and we get a barrage of empty shibboleths about free trade from the multinational banks and the State Department.

Mr. President, this amendment is clear-cut. I will be glad to explain it over and over again. We are proposing to do what all our trading partners are doing: what is required by GATT, what is in conformance with the 1979 Trade Act and in conformance, of course, with the International Anti-Dumping Code. We are trying to get in step and say, "Mr. Subsidiary, you are using this predatory practice to seize market share in the United States, and the charade is over. We are going to deduct your costs and your profits because that is what you are using as a predatory practice for market takeover.

These practices violate the Anti-Dumping Code, and there should be a dumping duty to offset them.

There is a technicality involved in the administration, because they call it an offset. What it means is that under the Commerce interpretation, whatever the cost that subsidiary says it has in promotion and sales and profit, they allow back in Japan, in the determination of dumping, the same amount.

So as you read it, it takes care of that offset or eliminates the offset which in common day parlance is a deduction of the the sales and promotional costs. The second section, of course, says to deduct the profits as well.

Mr. President, I would be glad to answer any questions. I am delighted to be joined by such distinguished colleagues as the Senators from Pennsylvania and Nebraska; my senior colleagues, Senator THURMOND; and the Senator from North Carolina, Senator SANFORD.

I yield at this time to the Senator from Oregon, or Pennsylvania.

The PRESIDING OFFICER. The Senator from South Carolina has yielded the floor.

The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I rise in support of the Hollings amendment, and I do so because the amendment offered by the distinguished Senator from South Carolina makes a very necessary change in our unfair trade laws that if uncorrected will continue to leave this country at a disadvantage with respect to dumping cases where two related parties are involved.

I will not for the moment spend a great deal of time on the intricacies of this amendment, but I think we should try to observe as we consider amendments to this legislation several important considerations.

One question we should ask is whether or not the amendments are GATT legal, and in this case since many of our trading partners who belong to GATT not only do the same thing but believe that it is, in fact, GATT authorized, GATT legality is not an issue in the case of the amendment before us.

The second question we might ask is whether or not, were we to enact a given amendment, that would subject the United States to some kind of unfortunate mirror image maneuver or retaliation by the other side.

Here our trading partners, as I mentioned a moment ago, for the most part already have identical provisions to what the Senator from South Carolina is proposing.

Finally, as one might expect, and to many people it is the bottom line, we should ask whether or not an amendment is going to prejudice or help U.S. workers, U.S. companies, and indeed the country. Here we are basically talking about the enforcement of our laws against unfair trade, which in this instance deal with dumping, selling at a concessionary price in a market such as ours. There is broad agreement that such dumping is prejudicial and needs to be corrected.

Indeed, in the 1978 Toyko round negotiations this country and the other signatories went to some lengths to negotiate and to agree upon the Antidumping Code. The significance of the Antidumping Code which was agreed to by all our major trading partners is not only to proscribe and outlaw dumping but to go on record very forcefully that dumping is a practice subject to compensatory action.

Now, it needs to be understood, and I expect most of my collegues do, that there is nothing punitive about taking action against dumping. The fact that we employ an antidumping duty upon imports that are being sold below fair market value or below whole market price is not under our law a way of getting even. It is simply a means of redressing the harm that is being created by the concessionary price.

We have over the years been subjected to a barrage of dumped merchandise in this country, and back in the seventies and before that, we were ineffective in taking action against those kinds of unfair trading practices. It has been very injurious in the case of the steel industry with whith I have a good deal of familiarity, obviously because of my home State interest in Pennsylvania; but also in television picture tubes where there was massive dumping practiced by one country; and in many industries which have been literally put out of business because our antidumping laws were not up to the mark. I suppose that reflected an attitude in this country going back many years that as we came out of the aftermath of World War II, we saw a very weak free world and a very wealthy United States that accounted for 60 percent of the free world gross national product, and we felt that almost anything that encouraged not just free trade, which we all support, but the buildup of our former allies and other countries in the aftermath of the war would be to the advantage of our country.

So we treated practices such as subsidies, such as barriers to our exports, such as dumping with benign neglect, and while one might argue that those policies were appropriate to the time I do not know of anybody who argues today that those are the right policies.

What the Senator from South Carolina is doing with his amendment is to eliminate what is the resale profit deduction and the so-called ESP offset, the exporter sales price offset.

While the amendments are technical in nature, their impact on the correct determination of dumping margins cannot be overemphasized. Dumping margins of as much as 20 percent ad valorem or more can be hidden by the agency's present practices. Indeed, U.S. companies would generally be better off if the Commerce Department would use the transfer price for purposes of determining the amount of price discrimination being practiced. Such a result is sadly ironic when it is remembered that Congress added the exporter's sales price provision in the 1921 act because of the concern that related parties could hide dumping margins. No greater indication of the need for statutory change is needed than the recognition that counsel representing foreign companies have acknowledged in printed articles that structuring transactions under exporter's sales price can result in more favorable determinations for foreign companies accused of dumping.

The first part of the amendment would prohibit the use of the so-called ESP offset. In drafting the antidumping law in 1919-21, Congress provided that when an exporter sells through a related party in the United States, the administering authority is to estimate what the price to an unrelated importer would have been by taking the resale price of the related importer and deducting all of the costs and expenses involved in reselling. These statutorily required adjustments have been eliminated through the offset which deducts selling expenses in the home market up to the amount of the reselling expenses required to be deducted. The result is a significant reduction in dumping margins—10–15 percentage points being a conservative estimate.

The second amendment would clarify the intent of the existing provisions of exporter's sales price by stating explicitly that a reasonable profit on resale is to be deducted. The present statutory language of commission while necessarily covering resale profits back in 1921 when related party transactions were viewed as consignment sales, has been interpreted by the administering authority as not covering profits where consignment sales are not at issue. Yet, the failure to deduct reasonable resale profits is necessary to prevent understating the actual extent of dumping taking place. For example, when a foreign producer sells to an unrelated importer and the importer resells the product, the importer will make a profit on the transaction or not long survive. Under purchase price, of course, the agency looks at the price to the unrelated importer and the amount of profit on resale is irrelevant. However, in an exporter's sales price situation, the agency looks at the importer's resale price. If only the expenses incurred in reselling the product are deducted from the resale price, the estimate of the price to the importer—estimated arm's length—would be too high by the amount of the profit that should be earned on the resale.

This simple concept is specifically codified in the GATT Antidumping Code and has been followed by our trading partners for decades. For example, the European Community, Australia, and Canada all deduct profit in exporter's sales price situations. No country has the equivalent of the offset.

The United States can simply no longer permit domestic industries to be shut down and American workers to lose their jobs through disparate interpretation of internationally recognized rights. The administering authority has acknowledged that our trading partners practice that which these amendments would require and that such practices are plainly permissible under the GATT Antidumping Code. The Court of International Trade has indicated the apparent inconsistency of U.S. law being administered in a manner that provides U.S. industries less protection than their foreign counterparts. It is time for the Congress to act. While the administering authority talks of apples and oranges and unitary corporate entities as justifications for its present practices, U.S. companies and U.S. workers are losing the protection all our trading partners have agreed is warranted under the Antidumping Code.

So, I hope, Mr. President, that the Senate will support and adopt the amendment of the Senator from South Carolina. It is GATT legal. It does not subject us to any retaliation. It will help our industries and, furthermore, it is fair for all concerned.

I yield the floor.

The PRESIDING OFFICER (Mr. WIRTH). The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I want to put this in its proper perspective. I am fully aware this amendment is going to pass. It is out-and-out Japanese bashing because there is no other way to get at them in this particular situation. Let me make a for instance, as to how this works.

Sony Corp., Sony of Japan, makes televisions and in Japan may sell them directly through their own subsidiary. Let us say it costs them $150 to make and they sell it for $200. They have in the United States, Sony USA, which is a subsidiary of Sony. They bring the television set over here, sell it to their subsidiary for $150 and the subsidiary sells it for $200. It is the same price at this moment as the Japan home market. But it costs the subsidiary $35 in sales personnel costs, advertising, and whatnot. So you are allowed to deduct those prices in figuring the $165 price that you sell it at because there were costs you have had.

You sell it for $200 but you had $35 in costs. The Commerce Department has been following the practice in terms of comparing prices in saying "OK, in Japan, when Sony of Japan makes the set for $150 and sells it for $200, they also have costs of sales in Japan even though they do not sell it through a subsidiary that has their own sales people in advertising. They have advertising costs. They have sales costs. They compete with the other Japanese television sets."

So, the Commerce Department, in comparing whether or not Sony was dumping this set, subtracts the cost that they estimate Sony of Japan had in selling the set in Japan. Because, if they do not, you compare a $200 price in Japan against a presumed price of $165 here because you do subtract out the selling costs here and they say you have dumped it, $35 a set, you are dumping and you bring dumping charges against them.

But you cannot do it if the Department of Commerce subtracts $35 in sales costs in Japan. You have $165 costs in each place and no dumping.

The reason I say this is aimed specifically at Japan—and I must take exception to one set of facts that my good friend from South Carolina mentioned. Our European trading partners use a system similar to what the Senator from South Carolina is advocating. Japan does not. So, when I suggested to him that: Why do we not do this, this tit-for-tat system, if you want, just for those countries that use it on us—which is mainly the Common Market—he was not agreeable to that because that would not get at Japan. They do not do it. They do not bring dumping cases.

My good friend from South Carolina said, "Who cares? Who cares?" He said: "They don't let anything in."

Well, Mr. President, Japan is one of our largest customers in the world. Last year they were second in the purchase of manufacturing goods; second only to Canada. Japan purchases more manufacturing goods from us than France and Germany put together. They are our largest customers for agricultural products.

All of us have had experiences with business people unable to get into the Japanese market. But having said that, and we all have had those experiences, they are a major purchaser of American manufactured goods and the leading purchaser of American agricultural products. So they would have ample opportunity, if they wanted to, to bring dumping cases and especially against our manufactured products, but they do not.

The only way to get at Japan—and very frankly, this is an amendment that has been proffered about this year by Timkin Roller Bearing and Zenith—is to do this presumed dumping and prohibit the deduction by the Department of Commerce of the estimated cost of sales in Japan.

I mean, that is what it is. I understand it and Japan-bashing has become the sport. I am not going to ask for a rollcall on this amendment because I am fully aware that there are ample votes to pass it, but the only reason it is being offered is because Japan does not bring dumping actions but it is not because there are no American goods in Japan. They are one of the largest customers of our goods in the world. The only reason we have such an immense trade deficit with them is that they have been devilishly good at selling their products in the United States. We have not done a bad job of selling there. They have simply outsold us here.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. My distinguished friend—with that rationale, he could sell the Brooklyn Bridge. Let me explain. We are not talking about the costs in sales of a manufacturer in Japan. The costs in sales of a manufacturer in Japan are the same to the American buyer as it is to the Japanese buyer. That is FOB, free on board, at the plant. That is understood.

Yes; there are costs in sales. Let us assume the truth of that particular statement, for a direct buyer. We are talking, in addition thereto, of subsidiaries other than direct sales; the subsidiary or the manufacturer actually located in the United States of America.

It is not customers and how much we buy and the volume of trade and finance system. Oh, no. We are talking about subsidiaries of that particular manufacturer. There is no dispute—let's say that the manufacturer has costs of promotion and everything else for whatever he sells directly in Japan, or for whatever he sells to the presiding officer in America. That is understood. That is fine.

The problem is when he comes and sets up a subsidiary. He does not make a direct sale but rather begins to distribute through that subsidiary at a less than fair price, less than what he would charge an unrelated buyer in Japan; less than what he would charge an unrelated buyer from America in Japan—because the place of fixing the value, the particular value of the article, is FOB at the plant in Japan.

Trading partners? I am talking about signatories. The amendment says on section (c), on the face of the amendment:

> These provisions shall apply to imports from countries which are signatories to the GATT International Antidumping Code.

Korea is a signatory, Yugoslavia, the United States, the United Kingdom, Switzerland, Sweden, Spain, Singapore, Romania, Poland, Pakistan, Norway, Japan is a signatory to it.

So, if they signed it and agreed to it, they have no argument against us. I am just saying get in lock step with everyone else under the International Antidumping Code.

Hungary, Finland, European Economic Community—all of Europe—Egypt, Czechoslovakia, Canada, Brazil, Austria, Australia—go right on down. They have been taking advantage of it.

We sell agricultural products in Japan but let us not claim that we are selling through a subsidiary. These are all direct sales. We are not addressing in this amendment direct sales between Japan and the United States or the United States and a purchaser unrelated to the manufacturer—a United States purchaser and the Japanese manufacturer.

So therein the difference. This amendment is not out to "get Japan." It is out to tell Japan: Quit dumping to the tune of 20 percent. Where we have an offset of duties to the tune of 20 percent charged and going into the Federal Treasury, indirectly, then what we are doing, financially: The U.S. Treasury is financing the antidumping and predatory practice. That should stop or else, for Heaven's sake, let us all hold our peace on this floor of the Senate and quite chastising American industry about being productive and being competitive.

It is us, the political entity here in Washington, that is not allowing Americans to produce and to compete.

Competitors: We have always been, we always will be. It is inherent in the capitalistic system, mentality, animus, environment. It is ludicrous for politicians to tell tales about golf courses and golden parachutes.

I can tell you right now, American industry is hustling, competing. America's textile industry, for example, in my backyard, has invested $8 billion over 5 years. It has increased its productivity 5 percent each year for the past 10 years. It is far more productive than the Japanese textile industry. I have been in plants around the world. We are far more productive than Daewoo in Pusan, Korea. I have been there. The question is not a lack of productivity. It is a lack of enforcement of the Antidumping Code here in the United States. That is what this amendment seeks to redress.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. PACKWOOD. Will the Senator from New Mexico yield? I am prepared to accept this amendment if the Senator wants to get it out of the way without a vote.

Mr. HOLLINGS. I will be delighted if you accept the amendment.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. As I understand it, there is no time agreement on this amendment? I have a parliamentary inquiry.

The PRESIDING OFFICER. That is correct.

Mr. DOMENICI. I want to speak for 15 minutes. I want to be sure I can. I could speak now, obviously.

Mr. BENTSEN. On this amendment or otherwise?

Mr. DOMENICI. I ask unanimous consent that I be recognized after a disposition of the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. The amendment offered by Senator HOLLINGS has to do with the way in which antidumping duties are calculated when the U.S. importer of the dumped goods is related to the foreign manufacturer of the goods.

Because these laws are so technical, we have been trying to work out amendments that Senators want to offer to the antidumping and countervailing duty laws with the administration. We have also had other criteria for clearing these amendments. They should be GATT consistent and they should be administerable for the Commerce Department or the International Trade Commission.

Secretary Baldrige has expressed to me his reservations about the amendment offered by Senator HOLLINGS. But I am persuaded by the fact that the practices adopted by this amendment are already part of the European Community's methods for calculating antidumping duties. If the Europeans treat our exporters this way, we should treat their exporters the same way. Furthermore, the amendment is consistent with the GATT.

While Senator HOLLINGS' amendment is not acceptable to the administration, the administration agrees that it is GATT consistent and administerable. If the President objects, he should get the Europeans to drop their practice and then come back to us and tell us they have done so.

In this particular situation, we have not. I know Secretary Baldrige has some misgivings about the amendment. But I am also fully aware that the Europeans are doing this and have been doing this for some time. It puts us in somewhat of a disadvantageous position. I am persuaded by the amendment and I support the amendment. I would say that if the administration feels that strongly about it, that they try to get the Europeans to follow correctly. If they can accomplish that, then they can come back to us. Let us see if we can do this.

The PRESIDING OFFICER. Is there further debate on the amendment offered by the Senator from South Carolina? If not, the question is on agreeing to the amendment of the Senator from South Carolina.

The amendment (No. 357) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BENTSEN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to thank my good friend, the ranking Republican, for accommodating me as he did in allowing me to speak now.

Mr. President, I have listened with interest to the statements of many here on the floor about how bad the American economy is, how perilous our future is, and how this bill is going to magically and suddenly transform all that.

Mr. President, the American economy is actually very sound at the moment. Our future is certainly risky, but it is also exciting and potentially very promising. I will have more to say about that in a few minutes.

But most of all, the American people should not believe that this bill will do very much to cure the economy or the reasons for the trade problem in any meaningful way. Probably, Mr. President, the most meaningful thing that we could have done for the trade deficit was to pass a budget that could be enforced and that clearly would reduce the deficit substantially each year in good times, provide adequately for national defense, and provide adequately for international commitments to other countries who are attempting to maintain some kind of order as they move toward democracy and freedom.

We have not done that, but we have now turned to debating some other remedies.

Mr. President, this may come as a surprise but I am not an advocate of the general proposition that this economy needs curing. We have one of the strongest economies that has ever been known to man. The American people can just listen to this number. They make up 4.5 percent of the world's population. When I came to the Senate the most current numbers were that we were 6 percent of the world's population. We are only 4.5 percent now.

Yet, Mr. President, this 4.5 percent of the world's people produce 40 percent of the gross national product of the whole industrialized world. Our share of the industrialized world's output, in spite of all the trade deficit talk and other things, is the same today as it was in 1979 when our trade deficit was $27 billion.

Since the Second World War, the American population has increased by almost 100 percent. This means that the population in our country has almost doubled in 40 years. This was a challenge—it may not be in the future according to some demographers—a challenge for any economic system to absorb all these people. Yet somehow we succeeded.

The number of Americans that are holding jobs has more than doubled in the last 40 years. In 1945, we had 55 million jobs in America. Today we have 114 million.

Mr. President, Americans are a varied lot, yet we found a place for all of these new people in our economy and in our society. This is not—and I repeat, not—a Republican achievement, it is not a Democratic achievement. This is an American achievement. The question is not, Why are we so weak economically in the face of all the foreign competition? In the mind of this Senator, the question is, Why and how is this little group of people known as Americans so strong?

There is no single answer, but part of the answer certainly has to be our people, our traditions, the traditions of both competition and fairness, and our political and economic institutions which are dedicated to offering more access to more economic opportunity than any society in the world, at least any open society with significant immigration.

This is what this trade debate is about, whether the Government institutions and practices we have set up in this country to settle trade-related grievances actually work. Do these institutions as they are currently constructed provide our industries and our workers a fair opportunity for redress against the unfair trade practices of other countries? Does our trade framework provide an adequate opportunity for American industry to adjust to changing competitive circumstances in a rapidly changing world?

The economic world is changing, Mr. President. The nature of economic activity is changing. The way we assign values to economic activity is changing, and changing rapidly.

We live in a global economy. This is a truism. Product and service markets no longer honor national boundaries. The rate at which we are becoming more global is accelerating because of the enormous innovations in communications, transportation, and, last but not least, the mobility of capital. We are rapidly moving toward a knowledge-oriented and knowledge-dominated economy. We appear to be at the threshold of advances in basic science and technology. We appear to be only a decade or less away from a productivity revolution. We have seen it in basic industry, and this revolution will soon come to the service industries. That may come as a surprise, but the next revolution will indeed be a productivity revolution on the service side of the American economy and the other economies related to us in the global sphere.

When that occurs this will have an enormous positive impact on real income as well as change in our very basic way of life. We are in a competing and developing country and we are competing. We are competing with developed countries and undeveloped countries and developing countries.

Right now we are competing in one of the truly dangerous areas. Who is going to take the lead in these areas? Still, even with this competition there is great potential for growth in the United States and in the future.

It would be better, Mr. President, if we were not entering this era of change with all this debt that we have spoken about, but we are. Other countries have their problems. We have a debt problem. Some other countries have large surpluses to invest in capital and technology and we do not. But many of these other countries have problems such as a shrinking pool of workers, and their own domestic kinds of problems.

So far be it from America as a standout kind of country in the free industrialized society of nations as a country with problems as we enter this decade of change, this decade of innovation in science and technology.

Our challenge is to maintain a robust economy so that we can pay off the debt and still maintain our standard of living.

Frankly, Mr. President, I believe we can. The need for economic growth is every bit as important today as it has been for the last 5 years. I frankly think continued economic growth is doable.

There are some who would have us hark back to the good old days. Some say those good old days were the days when manufacturing jobs were plentiful and economic times were supposed to be prosperous. I submit to you. Mr. President, that such a bygone era never really existed. Indeed, to the extent that such ideal times exist, I might surprise you, but they are right now.

The American job machine has received a bum rap. This economy has been in transition to a more service-oriented economy since the end of the Second World War. The so-called service economy is not new. The proportion of the labor force employed in manufacturing peaked in the United States in 1945 and has been declining steadily ever since. Service industries commanded a majority of our workers—and this might come as a surprise—even in 1945.

The growth in the importance of service industries is not unique to the United States. The relative share of the labor force in manufacturing jobs is declining in every other industrialized country and in each of those countries, service employment is rising. The United States actually has maintained a higher, not lower, proportion of its manufacturing jobs than any other major industrialized country except Japan—and they are going down, not up, in terms of this proportion.

Mr. President, all of the industrialized countries are undergoing the same change, but the fact is that our great American job machine is doing a better job of providing economic opportunity to a broad base of the American people than any other country provides to its people or for its people. Let me explain.

Not only is the rate of growth in jobs dramatically higher in the United States than in any other country, but America employs a far higher percentage of her population than any other industrial country. Not only is the unemployment rate in the United States lower than any other industrial nation except Japan, but the share of the unemployed who have been out of work for longer periods is dramatically lower than all our free industrial partners except Japan.

The unemployment rate for youth, which we hear much about in America today, is lower—not higher—in the United States than any other country except Germany.

Listen to this fact: The unemployment rate for minorities in the United States is lower than the unemployment rate in Europe as a whole. The unemployment rate in America today for minorities is lower than the unemployment rate as a whole in these European countries. This means, in terms of sheer employability, it is better to be a Hispanic in California than a typical worker in any of the capitals of Europe. Today, we see more participation in the labor force and are employing a higher percentage of the minority population than at any time since 1972, when the data for minority employment was first collected.

Mr. President, I understand that we can never stop seeking higher goals. I come from a State with an enormously large minority population. The true fact is as I just stated. These are startling statistics, but they are also aggregate statistics. So let me suggest what has changed and what is bringing us all to the floor, what has created all the excitement about competition and trade and productivity. This growth has been much more regionalized than in the past. The Northeast has been growing at two to three times the national average while other parts of the United States, including parts of the Southwest, including much of the oil patch in America, have been in near recession.

My own State of New Mexico has a 9-percent unemployment rate. Yet even within my State, you see one part with unemployment very low and two parts with unemployment very high. I am worried about that. Each of us has similar problems. But, Mr. President, the aggregate statistics which I just gave about the job machine in America are true in every respect—numbers of people employed, percentage of minority employed, and percentage of minority unemployed, employment among the youth and unemployment among the youth. These are American statistics. The job machine has been working.

This trade bill was born out of that regional growth and lack of growth; and frustration, not with the overall growth in the economy, but with how unevenly this growth has been distributed.

This bill includes a number of provisions specifically relating to trade and technology about which I care very deeply. But I must tell my colleagues that these provisions are a very small share of the total of 1,100-plus pages that we have before us. This bill is not essentially a trade bill. Trade is only the top of the iceberg. This bill is really an ocean of new programs and agencies, ideas that might never float unless we sail them out here under the flag of "competitiveness."

This bill is a jobs bill, and not a private-sector jobs bill. This bill creates, at the minimum, 600 new positions in the Federal Government within the bureaucracy. And that is the conservative number. If I wanted to give the opposite and use the most dramatic, I would say that it has the potential for 1,500 new jobs within the Federal Government. It depends on how you read the language.

This bill is good for another group. It is a blanket consulting contract. This bill authorizes, Mr. President, a minimum of 165 new reports, studies, and evaluations—mandated; 165. This bill will be a boon, no question about it, to the labor market in Metropolitan Washington, DC. I assure you of that.

Some have called this bill protectionist. I do not know about that, but I can assure my colleagues that it protects the Federal Government. This bill authorizes 87 new agencies, offices, and commissions. Mr. President, this bill, in its very structure, says more about the fact that we do not understand the Federal Government's role in this issue of American competitiveness than I could if I stood here all day. We seem to want to measure our ability to help in this area in the number of pages that we can put in a bill, the number of agencies we can create, the number of reports, studies, and evaluations that we can mandate.

Mr. President, I have worked long and hard on this issue of competitiveness and there is a very fundamental problem that I see, at least, with our competitiveness. It is the timely transfer of our basic science to the American technology in the private sector. We still get, Mr. President, and we should be proud of it, the lion's share of the Nobel prizes for science in this country.

But when it comes to applying that science for the good of our industry, we have so many barriers and regulations as to make it impossible. It is for this reason that I am absolutely astounded that while there are provisions which deal with technology transfer in this bill, there is literally hardly a mention of the national laboratory system of the United States. Our national laboratories are the single most significant resource of science and technology in this country. Rather than creating new commissions and committees to study this issue, we should change some of the laws and regulations governing the national laboratories to use them for the resources that they are, and we should make some clear commitments with reference to those laboratories and encourage that they get involved in this aspect of the lagtime between science and application, which is clearly something about which we ought to be concerned.

In conclusion, Mr. President, I must say I do not find this is a bill that addressed these problems. The distinguished chairman of the Finance Committee, Senator **Bentsen**, and the distinguished ranking member, Senator **Packwood**, have both done an extraordinary job on their title. This is essentially the guts of the bill. It is probably what we should have taken up all by itself. It has to do with the institutions that we have set in place to referee trade problems. Nonetheless, we have done precisely what the noted professor from Harvard University, Professor Reich, predicted in testimony before the Appropriations Committee here about 6 weeks ago: We have taken this coat hanger, this bare skeleton of changes in our trade laws, and we have hung all sorts of new clothes on it—new jobs, new commissions, new regulations, all sorts of new things, all in the name of competitiveness. When Professor Reich came before the committee, he was dramatic. The only thing he did not have was a clothes hanger, but he used the analogy and visualized with his own hands, and said competitiveness will enter the halls of the Rayburn Building through one door and go through all the House buildings and over to the Senate, and it will go through all the office buildings of the U.S. Senate and it will end up on the floor and that clothes hanger will be so loaded with clothes that there is absolutely no relationship between the problem that the clothes hanger started with and the solutions. I think that is precisely what we have done here.

Mr. President, I would like to make a few more practical suggestions. First, the appropriation process will already be complete by the time most of these authorizations become law, if they ever do. Consequently, only a very small part of this bill will, hopefully, ever be funded and only a small part of it really addresses trade, and even a smaller part offers any hope of dealing with our technology problems. At best, the conferees will have to rewrite this bill in conference. The worst, it will simply be put forward in the name of competitiveness as another bill for the President to veto. I hope the latter is not the case. We can ill afford to lose the time.

Mr. President, obviously, I am not to be counted among the pessimists as we look at America's future. Frankly, I believe that the past is prolog and when it comes to the American job machine, ingenuity, our share of the productivity of the world, our people, and our industry being able to adjust to changing times, I am an optimist. History since the Second World War is on my side. There is no question that science is going to increase our knowledge base exponentially in the next two decades. We will probably learn more in the next 20 years in the fields of science than we have learned in the history of mankind and we will probably make more scientific breakthroughs in the next 20 years than we have made in the last 100. The only thing that worries me is that we will have the science, we will make the breakthroughs, and then we will not get the application of the science to the marketplace of America, to American industries through their front door into their manufacturing capability and capacity and into paychecks for American workers. I truly believe we ought to address that issue in some very meaningful and specific way. I do not think we have done so in this bill.

Mr. President, I thank the Senate for its courtesy and I yield the floor.

AMENDMENT NO. 355

(Purpose: To prohibit the importation of products of the Toshiba Corporation and Kongsberg Vaapenfabrik)

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I have an amendment at the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY] proposes an amendment numbered 355:

SEC. . PROHIBITION ON THE IMPORTATION OF PRODUCTS OF THE TOSHIBA CORPORATION AND KONGSBERG VAAPENFABRIK.

(a) FINDINGS.—The Congress finds that—

(1) the Soviet Union and its allies are actively engaged in the acquisition of national security sensitive goods and technology from the West by both legal and illegal means, based on careful assessment of military requirements and targeted diversion of militarily critical technologies wherever possible;

(2) the Soviet Union has surreptitiously acquired advanced milling machinery capable of quieting the operation of their submarine propellers and increasing the speed of their aircraft carrier propellers with significant adverse impact on United States national security interests;

(3) the sale of such machinery is restricted by regulations of the Coordinating Committee on Multilateral Export Controls (hereafter in this subsection referred to as "COCOM");

(4) the Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik manufacture such machinery;

(5) the Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik sold such machinery to the Soviet Union;

(6) the Soviet Union through the surreptitious acquisition of such machinery has been able to significantly reduce the noise level of their submarines and increase the speed of their aircraft carriers;

(7) the Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik have seriously compromised Untied States national security by selling such machinery;

(8) in order to protect United States national security, the United States must take steps to ensure the compliance of foreign companies with COCOM controls, including the imposition of sanctions against violators of controls commensurate with the severity of the violation; and

(9) such sanctions should include denial of United States Government procurement and the United States market to COCOM violators.

(b) PROHIBITIONS.—

(1) No product which is manufactured by—

(A) the Toshiba Corporation,

(B) any of the direct affiliates or subsidiaries of the Toshiba Corporation, including Toshiba Machine Company, Incorporated, or

(C) Kongsberg Vaapenfabrik, may be imported into the United States.

(2) The Secretary of Defense may not enter into a contract or subcontract with—

(A) the Toshiba Machine Corporation, including the Toshiba Machine Company, Incorporated, and its affiliates and subsidiaries, or

(B) Kongsberg Vaapenfabrik.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the provisions of this section shall apply to products imported, and to contracts and subcontracts executed, after the date of enactment of this Act.

(2) EXCEPTIONS.—The provisions of this section shall not apply to products imported as spare parts or for routine servicing and maintenance of products previously supplied.

(3) TRANSITION RULE.—The provisions of this section shall not apply to any product imported pursuant to a contract, executed before April 30, 1987.

The PRESIDING OFFICER (Mr. ADAMS). The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise today in regard to the incident involving Japan's Toshiba Machine Co. and Norway's Kongsberg Co. Everyone has heard a great deal of rhetoric regarding both fair trade and free trade and how our Nation is to find the proper combination of the two. The recent disclosures concerning the sale of sensitive propeller technology to the Soviet Union by the Toshiba and Kongsberg companies add a new dimension to this debate.

To many Americans this situation is only the latest slap in the face with regard to foreign trade abuses. Toshiba Machine and Kongsberg apparently acted independently from their respective governments. Yet, Japan and Norway can not sidestep allied governments in enforcing existing trade agreements and regulations.

Several steps should be taken to correct this situation and prevent it from recurring. First, we must demand retribution from Toshiba and Kongsberg for the illegal diversion. Such action is desperately needed if the United States expects to have its rhetoric taken seriously. Second, we must ensure that the existing Cocom rules are strictly and vigorously enforced by other nations and if the rules are ineffective, we must change them. Our trading partners should know that they must enforce these agreements or face stiff consequences.

While Norway and Japan have initiated strong measures in this matter, one wonders if ultimately, outside of the official apologies and embarrassment, there will be little in the way of more strict enforcement policies. If this is the case, then the United States must be prepared to enact harsh measures. The United States can no longer subsidize and provide for the defense of nations who are willing to allow their industries to compromise it for profit. Certainly this incident was preventable. Had Norwegian or Japanese officials enforced Cocom regulations as vigorously as the United States has, then this incident would have never occurred. The necessary actions should be taken to impress upon other Cocom countries and foreign traders that the penalties for such behavior in the future will far outweigh the profits.

Cocom, the Coordinating Committee on Multilateral Export Controls, is the international coordinating agency charged with seeing that sensitive technology export controls are abided by. The United States has traditionally been a far more aggressive enforcer of these controls than other Cocom members. This has been particularly true during the Reagan administration. In fact, United States controls have been so effective that the Soviets have been forced to forego their preference of acquiring United States-made high-technology defense technology. As a result, the Soviets have turned to buying defense technology from other Western nations that either loosely enforce or virtually ignore Cocom regulations, including Norway and Japan.

It is difficult, if not impossible, to believe that Japanese authorities were not aware that Japanese firms were selling sensitive technology to the Soviet Union. In fact, Japanese officials were warned by Secretary of Defense Weinberger as early as April 1982 that the diversion of technology covered by Cocom had to cease. Obviously the Japanese did not heed his warning.

My amendment would prohibit the importation of any product which is manufactured by the Toshiba Corp., or by any of its direct affiliates or subsidiaries, including the Toshiba Machine Co., Inc. and Kongsberg Vaapenfabrik. It would, however, not apply to any product imported pursuant to a contract executed before April 30, 1987.

My amendment would also prohibit the Secretary of Defense from entering into a contract or subcontract with the Toshiba Machine Co. and its affiliates and subsidiaries or Kongsberg Vaapenfabrik.

The extent and seriousness of these violations are evident to everyone.

AUCTION OF MILITARY TECHNOLOGY

As Senators are aware, we previously enjoyed a critical advantage in that our submarines were quieter than those deployed by the Soviets. This vital edge has been sacrificed for profit by a Japanese company, Toshiba Machine Co., and by a state formed Norwegian firm, Kongsberg Vaapenfabrik.

How serious is this damage? We have lost a deterrent against a possible Soviet submarine-launched nuclear attack. Previously, we could detect Soviet submarine movement from many miles away. The threat of super-quiet Soviet subs that can cruise anywhere off our coastline and fire smart cruise missiles is a chilling thought.

We must strengthen our export control laws and emphasize to our allies in Japan, Norway, and elsewhere the critical importance of prohibiting trade with the Soviets that can advance their military technology.

Mr. President, I ask unanimous consent that several press articles compiled on this subject be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Detroit News, Apr. 28, 1987]

TOSHIBA AIDED SOVIETS WITH SUB TECHNOLOGY

(By John E. Peterson)

WASHINGTON.—Japan's Toshiba Corp. sold the Soviet Union high-tech machines to produce "silent propeller" submarines able to penetrate the outer ring of U.S. coastal defenses, Capitol Hill and administration sources said Monday.

Disclosure of the sale prompted congressional demands for immediate sanctions against Toshiba and could worsen already tense U.S.-Japanese relations as Japanese Prime Minister Yasuhiro Nakasone begins an official Washington visit Thursday.

Toshiba is a diverse company; in electronics, it is a familiar label on TVs, VCRs and other products sold in the United States.

The sources said Toshiba sold the Soviet Union four huge computerized milling machines in 1985 that allowed the Soviet navy to equip its most advanced submarines with noiseless propeller blades.

They said the specially contoured blades allowed Soviet submarines to move virtually undetected to points off the U.S. mainland where their nuclear-tipped missiles were within a few minutes flight of major seaboard cities.

Previously, the U.S. Navy was able to easily track Soviet subs from the time they left bases in the Arctic Ocean and northeastern Pacific by locking on to the sounds of their relatively noisy propellers.

"Last year, our sophisticated underwater sonar detectors began picking up silent-prop Soviet submarines offshore that we hadn't managed to track," a Defense Department source said. "It was apparent the Soviets had managed to leapfrog into a technology they weren't capable of producing on their own."

"The situation was like The Hunt for Red October," the best-selling novel about the maiden voyage of a Soviet silent-propulsion submarine, the source said. "Unfortunately, that was fiction; this is fact."

A Defense Department source said the recently convicted Walker spy family provided the Soviets with the listening frequency of U.S. submarine detectors, which pinpointed the excessive noise of Soviet sub propellers.

"Once they had that information," he said, "(the Soviets) were able to go on a shopping expedition in the West for the machine tools needed to produce a quieter blade."

Former Navy Secretary John Lehman, in a farewell speech at the National Press Club last month, said the new generation of Soviet submarine poses the biggest single threat to the Navy because of secrets the Soviets learned from the Walker spy ring.

"The Soviets have closed the gap," to the point "their new submarines are virtually as quiet as the subs we were building just a few years ago," Lehman said. He attributed the Soviet gains "in no small measure to the years of compromise of our antisubmarine warfare tactics and weapons systems . . ."

Documents circulating in national security offices and on Capitol Hill show that Toshiba routed the machines to the Soviet Union through Kongsberg, a state-owned Norwegian defense contractor. The sales price of the four machines, which were described as "room-sized," was not revealed.

But the documents indicate the sale violated export-control rules laid down by -the Coordinating Committee on Trade (CoCom), a Paris-based agency set up by the United States, other NATO members and Japan to monitor technology sales to the Soviet Union. "There's no doubt this was an unequivocal violation of CoCom regulations," one of the documents states.

We have no idea about violating any export-control rules," a spokesman for Toshiba America said.

Spokesmen for the Norwegian and Japanese embassies in Washington confirm the sale took place and is currently under investigation by authorities in both nations and the United States.

"Kongsberg was a part of it," said Per Aasen, a press counselor at the Norwegian Embassy. "We don't have too much information on it at this point. It's under investigation by police authorities in Norway. They are in direct contact with American investigators and are cooperating closely with them."

A Japanese Embassay spokesman added: "This affair is under investigation in our country. We don't know what finally will be the outcome, but if any violations are found, we will take appropriate actions against Toshiba. However, we believe we have been faithfully implementing CoCom rules."

A senior staff official on the Senate Banking Committee, which oversees export controls, said that as a result of the sale, the Defense Department earlier this year sought to impose sanctions against Toshiba consumer products on U.S. military bases at home and overseas.

State Department officials reportedly urged against any such action that could damage bilateral relations between Japan and the United States.

"It's absolutely outrageous that the State Department would intervene in this matter, given the gravity of the threat to our national security caused by this sale," the official said. "There's no doubt it alters the strategic balance."

Spokesmen for State Department officials involved in export controls did not return telephone requests for information Monday.

Rep. John Dingell of Michigan, Chairman of the House Energy and Commerce Committee, called on President Reagan to vigorously pursue the matter when he meets with Nakasone on Thursday.

"He has no excuse not to," the Trenton Democrat said. "This is something, which not inconceivably, could shift the balance of power and threaten the ability of the U.S. to defend its coasts against Russian missile attack submarines."

Dingell last week sent a letter to Reagan warning that the U.S. policy of allowing Japan to produce U.S. military equipment at home rather than purchase it directly from American contracts was resulting in the wholesale transfer of sensitive technology to civilian industry in Japan. It is not known if Toshiba's technology in this case came from the United States.

Sen. Donald Riegle, D-Mich., a ranking member of the Senate Banking Committee, said Reagan "should take the strongest action against both Toshiba and Kongsberg if CoCom rules this sale was a violation.

TOSHIBA CORP.

Toshiba Corp. is Japan's largest electronic conglomerate, selling more than 5,000 consumer and industrial products ranging from VCR's and television sets to computerized machine tools and nuclear power plant equipment. Toshiba America is subsidiary

Employees: more than 120,000 employees world-wide with nearly 70,000 of them located abroad.

1985 assets: More than $17.5 billion.

Gross profit: $1.2 billion in Japan alone in 1984.

CEO: Shoici Saba, chairman.

Toshiba America: Headquartered in New York City, currently has 13 subsidiaries in the United States, manufacturing such consumer goods as vacuum cleaners, TV sets, microwave ovens, stereos, VCRs and CB radios.

[From Business Week, May 18, 1987]

A LEAK THAT COULD SINK THE U.S. LEAD IN SUBMARINES

It could prove one of the most damaging breaches of Western controls on military technology in years. In 1983 and 1984, Norway's state-owned armaments company and one of Japan's largest machine-tool makers, Toshiba Machine Co., sold the Soviet Union the technology to make ultraquiet submarine propellers. Unlike the often obscure impact of other high-tech leaks, this breach may already be changing the rules of undersea warfare.

The governments of both Norway and Japan are scrambling to discover what happened. On the basis of evidence so far, Norway's Kongsberg Vappenfabrik (KV) and Toshiba Machine cooperated in delivering four computer-assisted machine tools to the Soviet Union for $17 million. Irate U.S. congressmen charge that Soviet technicians were actually allowed to visit a Toshiba Machine plant to test the devices and that Norwegian and Japanese specialists installed the equipment at a naval shipyard on the Baltic Sea near Leningrad. "The whole package was illegal," says Tore Johnsen, a Norwegian police official investigating KV's involvement.

EXECUTIVE ACTION

Norwegian and Japanese officials are taking stern measures against the companies involved. On May 5, Norway indicted one unidentified executive on charges of violating export-control laws, and three more indictments are likely. Japan filed similar charges on Apr. 28 against Toshiba Machine, which is 50%-owned by Toshiba Corp., the multinational electronics giant. Two days later Tokyo police hit 14 Toshiba offices and factories in a raid for documents.

The strategic damage inflicted by the deal could be great. The latest classes of Soviet submarines—the Akula and Sierra hunter-killers—are so quiet that they are much harder to detect. "These are the ones they [the Navy] are really worried about," says retired Rear Admiral Robert J. Hanks of the Institute for Foreign Policy Analysis in Washington. "If they've got this equipment in operation and they've got the software, it's entirely possible they're making new screws [propellers] for the new boats."

Representative Duncan Hunter (R-Calif.), a member of the House Armed Services Committee, says the new propellers could allow the Soviet submarines to get so close to American shores that their missiles could reach the U.S. within 10 minutes. Says Hunter: "This is outrageous behavior by Toshiba."

The Pentagon apparently believes the Soviets have not had enough time to actually put the technology to use, but a spokesman says acquisition of the new technique represents "a tremendous jump" in quieting propellers.

Traditionally, the Soviet undersea fleet has made so much noise that it was easy for the U.S. Navy to track. But the revelations about Moscow's quiter submarines are giving ammunition to critics who argue that the Navy is lagging. Author Norman Polmar, an expert on the Soviet Navy, says flatly: "They are better than we are."

Moscow has reached this point in spite of export controls agreed to by 15 nations, including the U.S., Norway, and Japan. These limits, enforced by the Paris-based Coordinating Committee (COCOM), allow the sale of only those machine tools that can turn a maximum of two axes and make propellers of up to 10 ft. in diameter. But the Japanese and Norwegian machines, aided by powerful software, can control nine axes and produce sophisticated curves in propellers up to 40 ft. across. That's what reduces the noise they generate.

The contract with Moscow's V/O Techmashimport was signed by trading company, C. Itoh & Co. in April 1981. C. Itoh then arranged for KV's computer control systems to be placed on four Toshiba milling machines. Ky says it shipped its devices to Toshiba Machine in 1983 and 1984, believing they were within COCOM restrictions. "We were under the impression that we were delivering a version approved for the Eastern bloc countries," says a KV spokesman. The machines were then sent from Japan to the Soviet Union.

The key question: At what point was the equipment upgraded to violate COCOM limits? Citing falsified export documents, Norwegian police say lower-level KV employees knowingly violated the restrictions. Japan's Ministry of International Trade & Industry (MITI) suspects that Toshiba Machine falsified export documents and provided the restricted software. "At the end of June, 1984, it is strongly suspected that Toshiba offered a program or programs supposedly intended for use with the machine tools," MITI says.

Thus both companies are targets for U.S. ire. Hunter wants to bar imports from either KV or the entire Toshiba group. The Norwegians fear an important first sale of missiles for U.S. Navy helicopters now may be in jeopardy. Toshiba's efforts to crack the U.S. defense market also could be endangered. Whatever the two companies gained by helping the Soviets could be overshadowed by new problems in the U.S.

[From the New York Times, June 19, 1987]

MORE TOSHIBA TOOLS SAID TO REACH SOVIET

(By David E. Sanger)

Federal officials said yesterday that they now believe that the Toshiba Machine Company sent a second illegal shipment of four giant propeller milling machines to the Soviet Union in April and May 1984. This is the first evidence of a long-term business relationship between the Russians and the giant Japanese manufacturer of machine tools.

The disclosure suggests that investigators combing through the records of Toshiba and C. Itoh & Company, a major Japanese trading firm also implicated in a 1983 shipment of milling machines to the Russians, are discovering additional cases in which Japan's customs officials were deceived about the true nature of equipment exported to the Soviet bloc. But no one involved in the investigation could say yesterday how many transactions between Toshiba Machine and the Russians had occurred.

The existence of the second set of shipments was disclosed in Japanese press reports late Wednesday night. The reports were attributed to officials of Japan's Ministry of International Trade and Industry. American officials investigating the diversion of the first four machines to a military shipyard in Leningrad confirmed yesterday that they had received "informal word" from Japanese authorities of additional shipments.

"What this suggests is that the whole thing is worse than we first thought," said one State Department official who has been working to head off pressure in Congress for major retaliatory action against Japan. "This doesn't make it any easier."

The additional shipment means that the Soviet Union has obtained at least eight Toshiba milling machines.

The machines are used to make complex propellers for Soviet submarines, viewed by Pentagon officials as a major setback for American military forces. The new equipment has apparently made it far easier for Soviet subs to elude detection in recent months. Noise from propellers is a key factor in tracking undersea movements of the Soviet Navy.

The second shipment of propellers appears to raise new questions for investigators and lawmakers, from how many more shipments may be discovered to who else, in addition to nine people now indicted or arrested in Japan, may be involved.

The discovery also appears to reopen the question of how the Toshiba Corporation, Toshiba Machine's corporate parent, could have avoided noticing a prolonged set of illegal transactions between its subsidiary and the Russians.

Executives of the Toshiba Corporation have said they knew nothing of the illegal trade. As a result, they argue, it would be unfair for the United States to bar imports of Toshiba products, a move urged by many people in Congress.

Details about the second shipment are sketchy. According to the Jiji News Service, however, the machine tools involved are four pieces of milling equipment listed by Toshiba as model MF-4522. In Elk Park, Ill., an executive at Toshiba Machines' American office said yesterday that the model is a "special purpose machine" that is not sold in the United States. He said he had no details about its specifications.

Government officials said they believe the machine has five independent axes—each axis allowing the tools' cutting heads to carve in a different plane—or two more axes than are permitted under the export rules adopted by the Western allies and Japan. The 1983 shipment involved four machines with nine independent axes. In both shipments, Toshiba reportedly falsified exports license applications to indicate that the machines had only two axes, which would make them legal to ship.

Government officials and Japanese press reports also said the second shipment included numerical controllers, the computers that guide the milling machines and were also made by Toshiba. In the 1983 diversion, Kongsberg Vaapenfabrikk, a state-owned Norwegian company, supplied the numerical controllers, but Kongsberg does not appear to be involved in the later deal.

The second shipment could reportedly fabricate propellers up to 4.5 meters wide, or more than 13 feet.

It appears unlikely that the second shipment will result in any additional charges against Toshiba Machine or C. Itoh executives involved in the deal. Japan's statute of limitations for most export control violations is three years, meaning that it expired last month for acts committed in the 1984 diversion. Officials of the trade ministry indicated in Tokyo yesterday that they expected no further action against Toshiba.

In a related development yesterday, the Prime Minister of Norway Gro Harlem Brundtland, sent a message to President Reagan assuring him of the Oslo Government's "firm determination to draw the appropriate conclusions from the Toshiba-Kongsberg case, so that similar violations can be avoided in the future."

[From the New York Times, June 22, 1987]

SUBMARINED BY JAPAN AND NORWAY

Western security has been undercut by the avarice of two companies, Toshiba of Japan and Kongsberg Vaapenfabrikk of Norway, and by their Governments lackadaisical supervision of militarily sensitive exports. Under false pretenses, the companies shipped machinery to the Soviet Union that will enable the Russians to fabricate quieter submarine propellers. Soviet submarines will now become much harder to detect, all so that Toshiba and Kongsberg could turn some exta profit.

Both Norway and Japan concede the seriousness of the diversion. Neither seems yet to appreciate the sentiment building in Congress for sterner reprisal than the diplomatic tut-tuts being uttered by the Administration. The House last week voted 415 to 1 to demand compensation. In the Senate, Jake Garn suggests that "We ought to really hurt Toshiba." Norway and Japan would be smart to volunteer some more substantial remedy than the wrist slaps so far given to their errant companies.

No technology can be kept a Western monopoly forever, but there's every reason to try slowing the rate of seepage of militarily useful technology. Under rules set by their coordinating committee, Cocom, NATO countries and Japan therefore restrict export of such products. Though Cocom rules are administered seriously by the United States, France and Britain, other countries have lax enforcement and mild penalties.

Kongsberg and Toshiba evidently believe they had little to fear in their conspiracy to sell propeller-milling equipment to the Soviet Union. Toshiba provided the milling machines. Kongsberg the numerical-control computer and software to drive them. Both companies lied to their export control authorities about the sophistication of the machines. The Defense Department believes the Russians supplied the design of the propellers to Kongsberg, which wrote the software. The Norwegian Embassy asserts software was provided only for the computer's operating system.

Soviet submarines have long been so noisy that come could be detected an ocean away. Perhaps because of the hemorrhage of Navy secrets passed on by the Walker spy ring, recent designs have become considerably quieter, almost as quiet as American submarines. Propellers are only one source of noise, and it's not clear whether Soviet submarines have already benefited from the Kongsberg-Toshiba machines, sold in 1983 and 1984.

But even if the Russians still lack the sophisticated testing and quality controls to make best use of the equipment, they have gained substantially. The Navy estimates it will take $1 billion or more for advanced electronics to undo the damage.

The Administration hopes the incident will prompt more vigorous export controls by its allies. It resists the idea of sanctions lest they cause resentment instead of cooperation. But tighter export control is the least to be expected of Norway and Japan. They argue that payment of compensation is inappropriate between sovereign nations, and that their own security was also harmed. But why should only Americna taxpayers bear the cost of the Kongsberg-Toshiba treachery? Something more is needed than apologies and hand-wringing.

RUN SILENT, RUN TO MOSCOW—CONGRESS PROTESTS THE SALE OF HIGH-TECH SECRETS TO THE SOVIETS

(By Gordon Bock)

Don't get mad, get even. That was the cry on Capitol Hill last week, as Congress considered retaliation against two foreign companies that illicitly sold to the Soviet Union important high-tech equipment used in building submarines and aircraft carriers. The targets looming in the congressional periscope: Toshiba Machine, which is 50.1% owned by the Japanese conglomerate Toshiba Corp., and Kongsberg Vapenfabrikk, a state-owned computer and weaponmaker in Norway. Several lawmakers even suggested that Toshiba and Kongsberg be barred from selling products in the American market. "I'm talking about retribution," said Republican Senator Jake Garn of Utah.

The uproar grew out of an international scandal that has slowly been surfacing for more than six months. Concerned by apparent advances in Moscow's military technology, the Pentagon last year launched a probe to find out why the newest Soviet submarines were so much quieter and thus less vulnerable to enemy detection than their predecessors. Investigators discovered that between 1981 and 1984 Toshiba Machine and Kongsberg had falsified export documents and secretly supplied the Soviets with computer-controlled lathes used to manufacture state-of-the-art propellers for submarines and aircraft carriers. The props are particularly valuable on Soviet subs because the blades enable the vessels to slip more quietly through the sea.

The machinery shipments represent perhaps the most egregious violation yet of regulations established by the 16-nation Coordinating Committee on Export Controls, the body that oversees the sale of Western high-technology products to the Soviets and their allies. After Washington protested in March to the Japanese and Norwegian governments, Tokyo and Oslo took action. Two Toshiba Machine executives thought to have been involved in the improper deal were arrested and charged with violating Japanese export laws. In addition, Toshiba Machine was prohibited from selling any goods to 14 Communist countries for one year. Though not directly implicated in the scandal, Toshiba Machine President Kazuo Iimura and three other top executives resigned. Norway, meanwhile, closed Kongsberg's trading arm and charged its sales manager with providing false information to the country's export authorities.

As stern as these actions sound, they are apparently not enough to satisfy Congress. The House of Representatives voted 415 to 1 last week to require the State Department to "enter into discussions with Japan and Norway regarding compensation for damage to United States national security." The next day members of a Senate subcommittee on international finance raised the possibility of a long-term ban on U.S. imports of Toshiba and Kongsberg products. That would be an especially devastating blow to Toshiba (1986 revenues: $22.8 billion), which exported $1.6 billion in TV sets, VCRs and other goods to the U.S. last year.

The White House may be more conciliatory than Congress. Though a senior State Department official says Japan and Norway "took their time waking up to the problem," he contends that both countries have since responded vigorously. President Reagan probably does not want a fresh trade confrontation with Tokyo; just two weeks ago he lifted some of the tariffs he had imposed on Japanese imports after the semiconductor dispute.

Whatever action is taken, the Navy may still face a serious problem. Though the U.S. has only 96 attack submarines, in contrast to the Soviets' 265, the American fleet used to be considered stronger by virtue of superior technology. Now that the new Soviet subs are equipped with quieter propellers, that superiority is threatened. As a result, the Navy may convince Congress that the number of U.S. subs must be increased sharply. Because the newest submarines under development—known as the Seawolf class—will cost more than $1 billion each, it is the U.S. that could pay the highest price for Toshiba's and Kongsberg's dealings.

CHRONOLOGY OF EVENTS RELATING TO TOSHIBA-KONGSBERG SALE

Mr. SHELBY. Mr. President, I would like to take a few minutes to relate to my colleagues the lengthy chronology of events that led to this diversion of technology.

I think it important that everyone know why the Soviets can now move through the oceans virtually undetected, when just a few years ago the United States Navy was easily able to track Soviet submarines by locking on to the sounds of their noisy propellers. Last year it became apparent to the Navy that the Soviets had made a huge leap forward in technology—a leap forward that they were not capable of making on their own.

How did this come about?

The Soviets first received information from the espionage ring led by convicted spy John Walker and his family. They provided the Russians with the listening frequency of United States submarines detectors, which poinpoint the excessive noise of Soviet sub propellers.

Once the Soviets knew what they were doing wrong with their propeller technology, all they needed was a way to fix it. They went shopping and found the Toshiba Corp. and Kongsberg all too willing to help them out for profit.

This is how it was basically done.

In 1980, a Soviet foreign trade organization, Tekmashimport, contacted a Japanese trading firm, Wako Koeki. They wanted to purchase Western automated propeller manufacturing equipment for one of its clients. The Japanese trading firm looked around and surveyed Japanese machine tool manufacturers to determine which one could produce specialty equipment and would supply it to the Soviet Union, in other words, would conspire to sell something to them that they could not sell in ordinary commerce.

The Toshiba Machine Co., which is a majority-owned subsidiary of Toshiba Corp., agreed to provide the equipment and negotiations began.

Toshiba insisted that its standard export broker, C. Itoh, be used to avoid raising suspicions of Japanese licensing authorities. In other words, at the beginning of this, they said let us use the ordinary trading company we have been dealing with so it will not arouse the suspicions of the authorities. They knew what they were doing to begin with.

To further disguise the true nature of the sale, the Japanese firms enlisted the aid of Kongsbert Trade, a division of the Norwegian firm of Kongsberg Vaapenfabrik. Kongsberg Trade had no trouble agreeing to provide the computer equipment necessary to run the machines and the propeller design and production software.

In 1981, five contracts were negotiated to effect the sale.

The first two contracts were signed in April 1981 in Moscow. The first contract was between the Soviet trade organization and C. Itoh and the second between Tekmashimport, the Soviet trade organization, and Kongsberg Trade.

Under the terms of the contract, C. Itoh, the Japanese trading company, acting as the agent of Toshiba Machine, agreed to supply four, state of the art, propeller milling machines made by Toshiba, and to supply service and spare parts for 5 years from the date of installation.

Kongsberg, the Norwegian company, agreed to supply the CAD/CAM systems, including the computer, spare parts for the computer numerical controllers, and service for 5 years.

In a third contract between Kongsberg Trade and Toshiba Machine, Kongsberg agreed to supply the numerical controllers to Toshiba Machine for installation in the MBP-110's, Toshiba Machine's milling machine, before shipment by C. Itoh to the Soviet Union.

The fourth and the fifth contracts committed Kongsberg Trade, the Norwegian company, and Toshiba, the Japanese company, to pay another Japanese trading firm, Wako Koeki, a finder's fee for orchestrating the arrangements here.

To cover up their treachery here both of these companies, Toshiba, the

Japanese company, and Kongsberg, the Norwegian company, submitted a false end certificate stating the equipment was destined for a civilian facility located in Leningrad, along with the degraded technical specification for the milling machines and numerical controllers they went to.

In 1983 and 1984 the four marine propeller milling machines and propeller software were diverted to a Soviet Navy propeller production facility in Leningrad where they are operating today.

The equipment was diverted and installed in the Baltic shipyard beginning in 1983 and completed in 1984.

The companies, that is Kongsberg and Toshiba, continued to service and upgrade the machines and software as late as June 1984.

The administration became aware of this situation sometime last year. However, it did not become public knowledge to the people of the United States until a Detroit newspaper broke the story on April 27. This has, in turn, led to a public concern and a public outcry.

I offer this amendment because I believe that it has merit and it is the right message to send out and the right thing to do to Toshiba and Kongsberg.

You will probably hear that this is too strong, that why should we do this, why do we not impose sanctions; why do we not let the administration, led by the President, impose sanctions?

I submit to you, have you watched the administration in dealing with trade in the last few years?

I think if we do not send the strongest message, and that is to bar Kongsberg and Toshiba from doing business in the United States, we are patting them on the hand. We are doing very little. It is a slap on the wrist and then it is business as ever.

You are probably also going to hear if we pass this amendment, the Shelby amendment, what is going to happen to some of the Toshiba dealers in the United States and the people that deal with it.

I believe that national security and perhaps international security of the Western World is a lot more important, and that is why I am offering this amendment. It is the right thing. It is the right message at the right time, Mr. President, and I would urge my colleagues to support the amendment.

The PRESIDING OFFICER. Who yields time? Who seeks recognition?

Mr. HEINZ. Mr. President, earlier today the chairman of the Banking Committee, Senator PROXMIRE, and I joined Senator GARN, our ranking member, in introducing legislation to address this very same problem, namely, the absolutely egregious activity of two companies, Toshiba of Japan, and Kongsberg of Norway, in selling sensitive technology to the Soviet Union.

Mr. President, I do not think there is any quarrel among the Members of this body that what took place as a result of this sale, and the Senator from Alabama has accurately stated the chronology and the seriousness of the sale, that what took place is a total outrage.

What Toshiba and Kongsberg did was to ransom the security of the United States for $17 million. This Senator cannot help but observe that once upon a time the price for betrayal was only 30 pieces of silver. Now it is the national security of the United States, and we have been betrayed by the Toshiba Co. and its ally, Kongsberg, and very strong measures are warranted indeed.

We held a hearing on this issue in front of the Banking Committee within the last 10 days, and indeed it is out of that testimony—which was unrefuted by all of the agencies involved, the Commerce Department, the Defense Department, the State Department—that Senator GARN, Senator PROXMIRE, and I developed what we believe is very strong legislation.

The first question we need to address, I think, is should the sanctions be mandatory on Kongsberg and on Toshiba. The answer in this Senator's judgment, and it is in the case of the other sponsors of this legislation as well, is absolutely "yes." There should be mandatory sanctions. They should be real. They should hurt, and there should be no wiggle room out of those sanctions by the administration or anybody else.

The second question is if we are going to legislate, do we simply want to legislate in a way that deals only with this specific case, that is to say, Toshiba and Kongsberg? And in that regard, Mr. President, I think the answer is "no." We do not want just to have mandatory sanctions on Toshiba and Kongsberg, but we want to have mandatory sanctions ready to go as part of the law if, God help us, another company or group of companies acting jointly come along and sell our most sensitive high technology to the Eastern bloc.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HEINZ. Mr. President, as I was saying a moment ago, I was recounting some of the questions we should ask ourselves about the kind of sanctions, the tough action we should take in response to the outrageous conduct of Toshiba and Kongsberg. I had indicated that there is no doubt that whatever we do should be mandatory, and I began to indicate that a second criterion ought to be having a process and procedure so that if any other company or companies take the same kind of action—mandatory action would be swift and sure.

A third issue that I think we need to consider is to what extent do we want to throw the book, and then some, at any company. It is hard to imagine a punishment that is strong enough, and yet it is also imaginable to conceive of a procedure that leaves us without any leverage. If, for example, we were to ban the sale of everything and anything that a company that violated our Cocom regulations might sell in the United States, we might well cause that particular firm to pay absolutely no further attention, either to our concerns or to Cocom, and that firm might have a very strong incentive to, in effect, be a renegade company.

Therefore, one of the concerns I have about any approach that might, in effect, be a permanent ban—as I understand the Senator from Alabama's approach to be, I might add—is that it not only is punitive, and properly so, but it leaves us and it leaves, I suggest, Cocom, in which we are the most important player, without leverage that will ensure at some point a reason for further good behavior.

So, I think we need not just a punishment that fits the crime, but we want to structure whatever it is we do in a way that avoids recidivism. Therefore, I think we have to use some judgment as to how much is enough, how far is far enough. At least to this Senator's judgment and taste, a permanent ban on any company is not smart. It is not in our interest to have a permanent ban because any incentive to cooperate in the future is clearly over. And that is not smart for our national security. It may make us feel good, but the question is, is it going to work well? It is my judgment that that would not be the case.

Another consideration in taking strong action, denying our market or denying—as is properly a part of the Senator from Alabama's amendment—access to U.S. Government procurement, is what should we do in the case of U.S. companies who may be dependent on the importation of components from a company like Toshiba.

Now, you can take a very hard line and say it is more important to make a statement about our national security that is so unambiguous that there should be virtually no exception, except say, for the sanctity of contracts previously entered into, that any departure from a hard and fast rule that says nothing is ever coming in is to be too soft.

Mr. President, I think that, too, is a question of judgment. But in the case where an American manufacturer who is an unrelated party to the offender—in this case Toshiba or Kongsberg—and has been totally innocent, as indeed such an unrelated party would probably be, and is an American firm employing Americans, manufacturing products either for sale in this country or for sale abroad, whose only crime would be to use a component that was designed into the product that they manufacture and sell that was produced by one of the offending companies, I believe it would be going too far to make it impossible for that company to obtain that component. That would be shooting ourselves in the foot, as well as the other fellow between the eyes.

I do not object to taking careful aim at the offenders and pulling the trigger. They deserve it. But if we are going to shoot ourselves in the foot or in the kneecap at the same time, I say we go too far. What we need is a steady aim and we want to aim at the right target.

I have reservations—strong ones, I must say, Mr. President—about an approach, the effect of which would be not just to hurt the offenders but to hurt unrelated, innocent, American companies, employers and employees who are not part of the problem. It is for that reason that I hope my colleague, the Senator from Utah, will, at the appropriate point, offer the legislation that we introduced earlier today as a substitute for the amendment before us.

I think anybody who has carefully looked at what has been crafted will see that it is tough, that it is going to send a shot that will be heard round the world, and that people understand that we are determined to take strong action against anybody who jeopardize our national security. Above all it will make sure that in the corporate boardrooms where the directors, the officers of companies, may not want to know too much about what is going on in their subsidiaries, that they understand, once and for all, that they are responsible—the entire corporation is responsible for the action of one of its subsidiaries.

It cannot be said too often that the amount of money involved in this sale, $17 million, is in many ways a fly speck in the flow of international trade and commerce; yet the damage done by that $17 million sale into Toshiba and Kongsberg is many, many times larger than that $17 million.

The issue is what are we going to do about crime based on greed. The answer, and I think we have a good answer, is to make crime so unprofitable that companies will upgrade their technological security systems from the factory floor to the executive suite.

I think that the legislation that Senator GARN and I introduced, and which he may offer as an amendment here sends an absolutely clear message that whatever the economic gain in an illegal transaction, the eventual costs in the normal course of trade, because of the strong sanctions that we propose, will far, far outweigh any such action.

So, Mr. President, I yield the floor.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. GARN. Mr. President, this is a very important subject and I would like to commend the distinguished Senator from Alabama for his interest in the subject. We disagree only how we approach the problem.

Let me take a few minutes of the Senate's time to go into a little background of the general problem, not just the specific problem we are facing with Toshiba and Kongsberg.

When I first came to the Senate nearly 13 years ago, I knew very little about exporting. I knew a very little bit about the Export Administration Act. In fact, I think it is probably fair to say that I had only read about it in the newspaper and it was something that was of interest to me. I came to the Senate in 1975, and I continued to hear about diversions over the years, over a long period of time, ever since the end of World War II there were diversions of technology to the Soviet Union that greatly increased our necessity to spend defense dollars.

All of us have known for many, many years how difficult it is to increase defense spending, and our budget situation has become much more difficult over the last 3 or 4 years, and defense has had to take its share of those cuts in order to try and come up with a more reasonable budget.

It is almost impossible, I suppose, to calculate how much money we spent in our defense budget, not only this year but over the last three or four decades, defending against our own technology. But it is a very, very significant amount. It has to be in the tens of billions of dollars.

When I look at the defense budget this year and see the argument between the House and the Senate and the compromise in the House Budget Committee, I personally believe, this Senator believes that that is an inadequate defense budget in terms of the Soviet threat. Yet, whether we pick $292 or $296 or $299 billion for defense spending, if we had been able to control the diversions of sensitive technology and equipment to the Soviet Union, I think it would be fair to state that, the $290-some-odd billion that we are going to appropriate this year would be absolutely adequate to defend this country. But it is a sad commentary when we allow so many diversions that we have to spend money to defend against our own technology.

I do not think there is any doubt whatsoever that the soviet Union has the scientific genius to eventually, in many of these areas, come up with a technology comparable to ours. But time is very important. In arms races, one side has an advantage for a while and then that is superseded by something more advanced.

When the Soviets are forced to take a number of years to develop something, that is a great advantage to the defense of this country and it also causes them to spend a great deal of money. The Soviets have difficulties in their budget too, because they spend a great deal more on defense as a percentage of their national budget and their gross national product. That spending robs from their standard of living and their domestic economy. We relieve the necessity for them to spend even more on defense when they can use our stolen technology.

Every once in a while, we hear about the diversion of something particularly important and everybody gets all excited, the press talks about it, Congressmen and Senators get excited. We say we are going to do something about it.

The countries involved that are our allies say yes: we are going to strengthen Cocom; we are going to tighten the rules; and we are going to stop these diversions. But after 12 years, I am convinced that most of it is talk. We have not been successful in closing down the sieve, particularly with our allies.

In most of the Export Administration Act amendments that Senator PROXMIRE, Senator HEINZ, and I have been involved in for a long, long time, we normally do a pretty good job in controlling East-West trade. Every time we talk about West-West or otherwise trade with our allies, they are supposed to all be trustworthy and we do not have controls as tight as East-West trade. Yet that is where most of the diversions occur.

In West-West trade they occur through our allies, not through our enemies and not through direct trade.

We have had computers, we have had a lot of very high technology information and equipment go to the Soviet Union. This is the latest one and perhaps the most damaging to this country. We have had a lot of revelations about spies lately and about how much damage they have done to this country, particularly the Walker's and others who were involved in the Navy supply situation, Navy spies. I am aware of the importance of Navy technology because I used to be an antisubmarine pilot. I was a Navy pilot a long time ago, when I was young and had a lot more hair than I do now. I was trained to look for submarines. I spent a good deal of time in the Presiding Officer's State in Whidbey Island, WA, in an antisubmarine squadron, and used to fly over Aniak Bay and the Straits of Juan de Fuca and look through various devices and listen to sonobuoys to hear the submarine screws and the magnetic anomaly detection gear. Even in those days, 30 years ago, one of the distinct advantages we had was in antisubmarine warfare. We were better at it than the Soviet Union was and we were also much better at making our submarines quiet.

When you look for submarines under the water, the best way to find them is with noise, and propellers make more noise than anything else: more than the equipment on board the submarine; and more than people moving around in it. Those screws have to cavitate in the water and so they make noise.

We have had equipment that produces propellers for submarines that make ours much quieter. So, having listened to both, I can tell you we had a very distinct advantage in finding Soviet submarines.

As one of the legs of our strategic triad, there is no doubt that the submarine part of it, submarine-launched ballistic missiles on board, is a very great deterrent to the Soviet Union ever attacking this country.

Conversely, it is greatly helpful to us as a defensive matter to be able to track and know where their submarines are.

The reason I take this much time is that I want everyone to understand what Toshiba and Kongsberg have done.

For a measly $17 million sale, not profit but sale, they sold a milling machine—a nine point milling machine—that makes submarine propellers much, much quieter. This was diverted to the Soviet Union through these companies deliberately, and as a result, our country is facing a greater threat.

After this was disclosed, the chairman of the Senate Banking Committee, Senator PROXMIRE, very wisely decided to hold hearings.

As irritated as I was, and Senator SHELBY and Senator HEINZ, Senator PROXMIRE, and others were, I suppose we all became much more angry when we listened to the hearings. We found out the very day of the hearings there was another disclosure of an official sale of five point milling machines through the same companies to the Soviet Union, which enables them to make propellers for aircraft carriers to make them faster. The Soviets can improve the speed for their aircraft carriers now and in the future.

So it was a rather heated hearing. When I heard our State Department talk about how much Japan had done, I was absolutely amazed. Do you know what Japan did? They have indicted some of the people involved, as they should be, provided under their law. Do you know what they did to Toshiba Machine Tools? They put a ban on their sales to the Soviet bloc countries for 1 year.

We have all heard about slapping people with wet noodles. That is not even a wet noodle. It is absolutely meaningless.

Here is our ally, Japan, that we provide a protective shield over by maintaining troops there, provide air cover for their country, and provide ships throughout the Pacific. They put less than 1 percent of their gross national product into the defense of their country and we provide the shield so that they can build this incredible industrial machine and take jobs out of this country, and then when one of their companies sells equipment to the Soviet Union that endangers both our countries, they say, "Well, we are really going to slap you. We are going to keep you from selling to the Soviet bloc countries for 1 year."

That is nothing. It is insulting to this Senator that the Japanese Government would not go further than that, a lot further.

That is what prompted discussions of punitive legislation. I do not like punitive legislation. I think my record will show that I believe in free and fair trade. I am not for protectionist legislation. I do not like the Gephardt amendment. A good part of this trade bill is objectionable to me because I believe it will cause more problems than it solves. It will possibly create a trade war. However, I am not talking about protectionist legislation here. I am talking about punishment for a country and companies within that country who have cost us tens of billions of dollars and endangered our country and theirs. So it is totally divorced from the issue of trade protectionism. It is deliberately designed to try and punish those companies and to send a message to others around the world that we are finally tired of talking about it. We wish to penalize them where it really hurts, in their pocketbook. This takes profits away from them. Furthermore, we want to design legislation that will go further not only to punish, but to set up sanctions and procedures that will tell any companies in the future that these penalties are in place and this is what they can expect.

So once again, the Senator from Alabama is on the right track and I do not disagree with his anger with what has taken place. He is absolutely right. The entire Banking Committee is upset with what has taken place.

It is only a matter of degree and how we approach this problem. The Senator from Alabama wishes to propose a permanent ban on Toshiba and Kongsberg from selling any products in the United States. My emotional feeling is very much in support of that. I too, would like to send the strongest possible message.

But when you start to look at it, permanent is a long, long time. Then we spread beyond the issue of punishing the parent companies because there are a lot of people who work in the United States who have jobs, whether it is Toshiba dealers in this country, whether it is Radio Shack who sells some of their products et cetera. So then you have a dilemma. You want to punish, you are angry, you are upset. How do you do it?

Well, there is one way to attempt to ban permanently, to go far beyond the machine tool company which both of us want to do and get their retail sales of consumer products in this country. I think that is the best and strongest possible message we can send. If they cannot sell TV sets in this country from 2 to 5 years and copying machines and all of that, that is a very strong message. That is not a wet noodle. That is really slapping them not just on the hands but on the top of the head, between the eyes with a 6-by-6, and maybe even a little stronger than that.

But I do not want to just try and punish retroactively something that has taken place; I want to set up some procedures that will stay as a permanent part of the Export Administration Act that we are going to put these procedures into law in the Export Administration Act so these companies will know up front. "If we are going to divert sensitive, technical equipment to the Soviet Union and we get caught, we are going to be banned from selling our products in the United States for from 2 to 5 years."

I think that may be the most powerful message we can send. If we cannot put the horse back in the barn, we can punish. But I do not want this to happen again. After [12½] years, I am tired of coming to this floor and talking about another diversion and have the administration say what assurances we have that it will not happen again. But it does happen again and it happens again and again and again, and it hurts this country.

I wish that the Senator from Alabama and I could have gotten together on my joint bill. Unfortunately, we were not able to and yet we have the same goal. There is no difference of opinion, no argument about what we want to do. It is a matter of how we do it.

AMENDMENT NO. 359 TO AMENDMENT NO. 355

(Purpose:—To amend the Export Administration Act of 1979 and the Export Administration Amendments Act of 1985)

Mr. GARN. Mr. President, at this time I send an amendment to the desk in the form of a perfecting amendment to the Shelby amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Utah [Mr. GARN], for himself, Mr. HEINZ, Mr. PROXMIRE, Mr. HELMS, Mr. D'AMATO, Mr. DIXON, Mr. GLENN, Mr. MCCAIN, Mr. DECONCINI, Mr. HATCH, and Mr. SYMMS proposes an amendment numbered 359 to amendment No. 355.

Mr. GARN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 1 line 3 strike all after "Sec." and insert:

1. SHORT TITLE.

This section may be cited as the "Multilateral Export Control Sanctions Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that:

(1) The General Agreement on Tariffs and Trade recognizes that national security concerns may serve as a legitimate basis for constricting free and open trade. Title XXI states: "Nothing in this Agreement shall be construed . . . to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests . . .".

(2) The Soviet Union and its allies are actively engaged in acquisition of national security sensitive goods and technology from the West by both legal and illegal means, based on careful assessment of military requirements and targeted diversion of militarily critical technologies wherever possible.

(3) The Soviets have acquired advanced milling machinery capable of quieting the operation of their submarine propellers and increasing the speed of their aircraft carrier propellers, with significant adverse impact on United States and Western national security interests.

(4) This diversion was achieved with the cooperation of responsible officials of Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik Trading Company, both major industrial companies in countries that participate in the cooperative arrangement of governments known as the Coordinating Committee (COCOM).

(5) United States security is undermined without the cooperation of COCOM governments and companies in defending the security of the West.

(6) It is the responsibility of all participating governments to put strong national security export control laws in place and vigorously to pursue careful licensing of exports and strict enforcement of the law.

(7) Recent revelations about the Soviet acquisition of advanced milling technology indicates that the COCOM system is only as strong as the national laws and enforcement on which it is based, and the dedication of companies outside the United States to goals of the export control regime.

(8) In order to protect United States national security, the United States must take steps to ensure the compliance of foreign companies with COCOM controls, including the imposition of sanctions against violators of controls commensurate with the severity of the violation.

(9) Sanctions for technology diversion should include denial of United States Government procurement and the United States market to COCOM violators, such sanctions to be mandatory in the case of serious, adverse impact on the strategic balance of forces between the United States and its Western allies and the Soviet Union.

(10) The United States should also take steps to improve the functioning of the COCOM system including review of national laws, licensing programs, and enforcement efforts with a view toward upgrading, harmonizing, and improving the effectiveness of these measures.

SEC. 3. MANDATORY SANCTIONS AGAINST TOSHIBA AND KONGSBERG.

(a) SANCTIONS IMPOSED.—The President shall impose the sanctions described in subsection (b) for a period not less than 2 years and not to exceed 5 years, and shall notify the Congress of such action, against the Toshiba Corporation and Kongsberg Vaapenfabrik, and any other firm or individual in any case where—

(1) enforcement actions by foreign authorities, intelligence information, required reporting by the Secretary of Defense on diversions, or other sources of information indicate has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee between January 1, 1980, and the date of enactment of this Act, and

(2) that violation has resulted in substantial enhancement of Soviet and East bloc capabilities in submarine or antisubmarine warfare, ballistic or antiballistic missile technology, strategic aircraft, command, control, communications and intelligence, or other critical technologies as determined by the President, on the advice of the National Security Council, to represent a serious adverse impact on the strategic balance of forces.

(b) SANCTIONS DEFINED.—The required trade sanctions shall apply to the parent, affiliate, subsidiary, and successor companies of the Toshiba Corporation and Kongsberg Vaapenfabrik and other foreign persons covered by subsection (a), and shall include, except as provided in subsection (c)—

(1) debarment from contracting with any department, agency, or instrumentality of the United States Government, and

(2) prohibition of importation into the United States of all goods produced by that individual, firm, or firms.

(c) EXEMPTION.—The President is not required to apply sanctions under this subsection—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including exercise of options for production quantities to satisfy United States operational military requirements;

(B) if the President determines that the firm or individual in question is a sole source supplier of essential defense articles or services and where no alternative supplier can be identified; or

(C) if the President determines that such goods and services are essential to the national security under defense coproduction agreements; or

(2) to imports shipped under contracts signed before May 1, 1987; to spare parts and component parts, but not finished products, essential to United States production; to routine servicing and maintenance of products already supplied; or to information and technology.

(d) PRESIDENT'S AUTHORITY TO LIMIT SANCTIONS.—The President may, after consultation with the Congress, limit the scope of sanctions with regard to coverage of parent, affiliate, subsidiary, and successor companies of the foreign person determined to have violated COCOM regulations if the President determines that—

(1) the parent, affiliate, or subsidiary has not, on the basis of available evidence, itself violated the COCOM controls for which sanctions are being applied directly or through a course of conduct;

(2) the government with jurisdiction over the firm or individual in question has reached substantial agreement with the United States Government on a program of improved cooperation with United States national security export control efforts as enunciated in section 5 (u) of the Export Administration Act of 1979;

(3) the firm or individual in question, and its parent, affiliate, and subsidiary companies, have instituted improvements in internal controls sufficient to detect and prevent violations of the export control regime implemented in subparagraph (B); and

(4) the impact of the sanctions imposed on the firm or individual, its parent, affiliates, and subsidiaries, is proportionate to the increased defense expenditures imposed on the United States.

In any case, the parent company may not be excluded from sanctions unless the company agrees to suitable compensation, as determined by the President.

(e) REPORTS TO THE CONGRESS.—The President shall report to the Congress not later than 6 months after the date of enactment of this Act on sanctions applied against Toshiba Corporation and Kongsberg Vaapenfabrik, and semiannually on the status of other sanctions applied under this section, including any Presidential determinations to waive sanctions on grounds of national security and to limit the scope of sanctions in the case of parent, affiliate, and subsidiary companies of the individual or firm in question.

SEC. 4. MANDATORY SANCTIONS.

Section 5 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(t) MANDATORY SANCTIONS.—(1) The President shall impose the sanctions described in paragraph (2) for a period not less than 2 years and not to exceed 5 years, and shall notify the Congress of such action, in any case where—

"(A) enforcement actions by foreign authorities, intelligence information, required reporting by the Secretary of Defense on diversions, or other sources of information indicate that any foreign person has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee, and

"(B) that violation has resulted in substantial enhancement of Soviet and East bloc capabilities in submarine or antisubmarine warfare, ballistic or antiballistic missile technology, strategic aircraft, command, control, communications and intelligence, or other critical technologies as determined by the President, on the advice of the National Security Council, to represent a serious adverse impact on the strategic balance of forces.

"(2) The required trade sanctions shall apply to the foreign person, as well as to any parent, affiliate, subsidiary, and successor companies, and shall include, except as provided in paragraph (3)—

"(A) debarment from contracting with any department, agency, or instrumentality of the United States Government, and

"(B) prohibition of importation into the United States of all goods produced by that individual, firm, or firms.

"(3) The President is not required to apply sanctions under this subsection—

"(A) in the case of procurement of defense articles or defense services—

"(i) under existing contracts or subcontracts, including exercise of options for production quantities to satisfy United States operational military requirements;

"(ii) if the President determines that the firm or individual in question is a sole source supplier of essential defense articles or services and where no alternative supplier can be identified; or

"(iii) if the President determines that such goods and services are essential to the national security under defense coproduction agreements; or

"(B) to imports shipped under contracts signed prior to the date of congressional notification of sanctions; to spare parts and component parts, but not finished products, essential to United States production; to routine servicing and maintenance of products already supplied; or to information and technology.

"(4) The President may, after consultation with the Congress, limit the scope of sanctions with regard to coverage of parent, affiliate, subsidiary, and successor companies of the foreign person determined to have violated COCOM regulations if the President determines that—

"(A) the parent, affiliate, or subsidiary has not, on the basis of available evidence, itself violated the COCOM controls for which sanctions are being applied directly or through a course of conduct;

"(B) the government with jurisdiction over the firm or individual in question has reached substantial agreement with the United States Government on a program of improved cooperation with United States national security export control efforts as enunciated in subsection (u);

"(C) the firm or individual in question, and its parent, affiliate, and subsidiary companies, have instituted improvements in internal controls sufficient to detect and prevent violations of the export control regime implemented in subparagraph (A); and

"(D) the impact of the sanctions imposed on the firm or individual, its parent, affiliates, and subsidiaries, is proportionate to the increased defense expenditures imposed on the United States.

In any case, the parent company may not be excluded from sanctions unless the company agrees to suitable compensation, as determined by the President and as provided in subsection (v).

"(5) The President shall report to the Congress semiannually on the status of sanctions applied under this section including any Presidential determinations to waive sanctions on grounds of national security and to limit the scope of sanctions in the case of parent, affiliate, and subsidiary companies of the individual or firm in question.".

SEC. 5. DISCRETIONARY SANCTIONS AUTHORITY.

(a) In cases of diversion that are not determined by the President to seriously affect the strategic balance with the Soviet Union and East bloc, the President shall have discretion to impose a ban on both United States Government procurement and United States imports from the firm or individual determined to have violated COCOM national security controls for a period not to exceed 5 years.

(b) Section 233(b) of the Trade Expansion Act of 1962 is amended by striking out all after the phrase "subsection (a) of this section," and inserting in lieu thereof: "any foreign firm or individual determined by the President, based on enforcement actions by foreign authorities, intelligence information, or other sources, to have violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee may be debarred by the President from importation into the United States of any or all goods produced by the firm or individual in question, as well as parent and subsidiary companies for not to exceed 5 years.".

(c) Section 11(c) of the Export Administration Act of 1979 (50 U.S.C. 2410(c)) is amended by adding the following:

"(5) Any foreign firm or individual determined by the President, based on enforcement actions by foreign authorities, intelligence information, or other sources, to have violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee may be debarred by the President from contracting with any department, agency, or instrumentality of the United States Government for not to exceed 5 years for any or all products and services produced by the firm or individual in question, as well as parent, affiliate, and subsidiary companies".

SEC. 6. ANNUAL REPORT OF DEFENSE IMPACT.

Section 14 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(f) ANNUAL REPORT OF THE PRESIDENT.—The President shall submit an annual report to the Congress estimating the additional defense expenditures of the United States arising from illegal technology transfers, focusing on estimated defense costs arising from illegal technology transfers that resulted in a serious adverse impact on the strategic balance of forces. These estimates shall be based on assessment by the intelligence community of any technology transfers that resulted in such serious adverse impact. This report may have a classified annex covering any information of a sensitive nature.".

SEC. 7. IMPROVED MULTILATERAL COOPERATION.

Section 5 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(u) IMPROVED MULTILATERAL COOPERATION.—(1) The President shall seek, in negotiations with members of the Coordinating Committee and with other countries, improved cooperation with United States national security export control efforts, including achievement of the following standards of cooperation:

"(A) High quality review of license applications, including detailed technical analysis of items proposed for export, and end-user verifications;

"(B) Publication of control lists and education of the exporting public to the need for national security export controls;

"(C) Coordination of licensing and enforcement efforts;

"(D) Uniform interpretation of controls established by the Coordinating Committee;

"(E) National laws reflective of the seriousness of violations of national security export controls, including the application of criminal penalties in cases of willful violation of controls and substantial statute of limitations;

"(F) Implementation of improved channels for sharing information on violations of multilateral export controls;

"(G) Implementation of a standard destination control statement that would be required on all shipping documents accompanying controlled items, which would include, among other things, identification of the controlled item and the specific destination of the item; and

"(H) Effective enforcement cooperation at the working level, including techniques to prevent the diversion of controlled items, the roles and responsibilities of enforcement agencies, and cooperation among national agencies and departments.

"(2) Liberalization of export licensing to a COCOM member country should take into account progress by such government in instituting the improvements referred to in paragraph (1).".

SEC. 8. COMPENSATION FOR COCOM VIOLATIONS.

Section 5 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(v) COMPENSATION FOR DIVERSION OF MILITARILY CRITICAL TECHNOLOGIES TO CONTROLLED COUNTRIES.—In cases in which mandatory sanctions have been applied against a firm or individual for diversion of technology that has caused a serious adverse impact on the strategic balance of forces between the United States and the Soviet Union and East bloc, the President shall initiate discussions with the firm or individual and its national government regarding compensation on the part of the company in an amount proportionate to the costs of research and development and procurement of new defensive systems by the United States and her allies to counteract the effect of the technological advance achieved by the Soviet Union as a result of the diversion.

"(2) The President shall report to the Congress that such discussions are being undertaken at the time of initiation and shall report the outcome of those discussions.".

Mr. GARN. Mr. President, this is not just an effort by myself. This is a joint effort by my cosponsors and I: Senators HEINZ, Senator PROXMIRE, Senator HELMS, Senator D'AMATO, Senator DIXON, Senator GLENN, Senator MCCAIN, Senator DECONCINI, and Senator HATCH.

This amendment is identical to the Multilateral Export Control Sanction Act of 1987 that I and these same colleagues introduced.

We do have broad bipartisan support for this perfecting amendment by members of the Banking Committee on both sides of the aisle, Republican and Democrat, as well as noncommittee members.

I would suspect that had we had more time we would have more cosponsors. We intended to get this amendment up earlier today, but we were not able to simply because legislative counsel was not able to get it drafted.

Mr. President, this legislation will help protect United States national security by penalizing companies which divert advanced technology to the Soviet Union and the Eastern bloc.

We have been aware of Soviet attempts to acquire Western technologies for some time now. When the Soviets successfully divert technology it erodes our most precious advantage vis-a-vis the Soviets—our ingenuity and technology. The Western world will never match the Soviets tank-for-tank or bullet-for-bullet, but we have remained strong because of our ability to counter quantity with quality. Technology diversions require the United States to increase defense spending to counter the newly improved Soviet systems. We cannot afford to continue to pay for our allies lack of concern with export controls.

I have been involved with efforts to deal with the diversion of technology for over a decade now. And although we have upgraded both the status and the facilities of Cocom, strengthened bilateral and multilateral cooperation, and encouraged countries outside the Western alliance to develop export controls, we have failed to get our allies to cooperate. Our allies have not consistently shared our desires to enforce multilateral export controls and have refused to take the question of enforcement seriously, up until this point.

The sale of sophisticated machine tool and associated technology to the Soviet Union by companies located in two of America's closest allies, Japan and Norway, is the latest example of insufficient allied export controls. This legislation is a considered approach to dealing not only with the present case of technology transfer, but also gives the President more authority to deal with cases of this type in the future.

The recent revelations of the sale of advanced milling machinery to the Soviet Union by Toshiba Machine Co. and Kongsberg Vaapenfabrikk have indicated the severity of this technology diversion. This equipment helped the Soviets quiet the operation of Soviet submarine propellers and increase the speed of their aircraft carriers. There is no doubt that the strategic balance forces has been affected.

The Multilateral Export Control Sanctions Act of 1987 offered now as a perfecting amendment will address the Toshiba-Kongsberg case directly. Specifically, the legislation would require mandatory sanctions to be applied against these two companies —this is in the first section of the legislation, where it would specifically name those two companies, retroactively to 1980—to prohibit imports for not less than 2 years and not more than 5 years. The sanctions would cover the parent, affiliate and subsidiary companies involved with the technology diversion. The sanctions would include denial of U.S. Government procurement and the commercial U.S. market.

The President could waive the sanctions when a determination has been made that the article is essential defense procurement: such as existing contracts, sole source suppliers when no alternative source can be identified and if such goods are essential to the national security under defense coproductions agreements; or commercial imports under prior contract, spare parts essential to U.S. production, routine servicing, information, and technology.

A lot of that has to do with the fact that our people currently own Toshiba products so obviously, we would not want to ban spare parts so all of the people using this equipment would not be able to fix their existing Toshiba equipment.

I believe that we need to deal with this situation now and this is a sensible approach. I urge my colleagues to support this approach.

I ask unanimous consent that Senator SYMMS be added as an original cosponsor of the bill and the amendment now being offered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GARN. Mr. President, I wish again to suggest that we have cut the amendment into two sections, one to punish Toshiba and Kongsberg, and a second section with all of the same sanctions and all of the same provisions so that it will apply to the future. One of the reasons that I think is important to have the bill in sections is that there are some who would argue that either a permanent ban or a 2-to-5-year ban applied retroactively may be unconstitutional. I am not an attorney, I do not attempt to judge that. However, the way this amendment has been written by my colleagues and me is so that they can be severed if the retroactive mandatory sanction on Toshiba and Kongsberg are deemed unconstitutional. The remainder of the bill may be constitutional because it is prospective and could then still be effective.

Mr. President, I yield the floor at this time.

Mr. PROXMIRE. Mr. President, I rise to join Senator GARN and several of my other colleagues in supporting the Multilateral Export Control Sanctions Act of 1987. This legislation is needed to help safeguard America's national security as well as that of our allies. Why? Let me explain.

The United States and its Western allies must work together to prevent the acquisition by the Soviets of militarily critical technologies developed in the West. This is important not only to the mutual military security of the Western nations but also to the efforts each member of the alliance is making to control government spending. If the Soviets acquire critical Western technologies and use them to enhance their military capabilities, then it means we and our allies must spend more to counter such improvements.

We have known for some time that the Soviets are making significant efforts to obtain goods and technologies developed in the West because their own inefficient, tightly controlled, planned economy is not able to keep up with the pace of innovation in free-world economies.

In recent years, the Banking Committee, which I chair and which has jurisdiction over export control legislation, has learned of the massive, well-managed technology acquisition program being run by the Soviets. Testimony before our committee has revealed that the Soviets use not only export diversions, but also spying and theft, to obtain items on their military shopping list. In response to such revelatons the United States has, in recent years, tightened up its own export control program and has worked within the Coordination Committee on Multilateral Export Controls [Cocom] to persuade our allies to do the same. Cocom membership consists of the NATO countries except for Iceland, and Japan.

Recent revelations about sales to the Soviets by Japanese and Norwegian companies demonstrate how important it is for the Western allies to work together in this area. A Japanese company, the Toshiba Machine Co. and a state-formed Norweigian firm, Kongsberg Vaapenfabrik, worked together to export to the Soviet Union equipment which their governments, working with the United States and other Western nations in Cocom, had agreed the Soviets should not have. Sales from these companies of about $20 million worth of computer-controlled machine tools are enabling the Soviets to fabricate new propeller blades for their submarines that will give them the ability to evade present United States sonar technology. This represents a huge technological and military advance for the Soviets and represents a very serious national security loss for our country and the Western alliance countries including Norway and Japan.

These actions by companies from Japan and Norway to obtain rather small short-term profits will cost American taxpayers, and taxpayers of other allied countries, plently. The case also demonstrates, in a most graphic manner, why we and our allies need export controls and why each government must police its own companies to ensure that multilaterally agreed upon controls are enforced.

I think, however, that the case demonstrates that the United States must go beyond cajoling other governments to control the actions of their companies. Companies from Cocom countries must be put on notice that they will have to choose between illicit trade with the Soviets, that threatens the security of the United States and its allied nations, and access to the United States market. That is exactly what this legislation does. It provides that the President must impose trade sanctions, that is denial of import privileges, on such companies for a period of not less than 2 years and not more than 5 years. He would also be compelled to debar any such company from contracting with any U.S. Government department or agency. Why should a foreign company such as Toshiba profit from helping the Soviets advance their military capabilities and then profit again from new United States defense spending needed to counter the Soviet advances? The ban on contracts will ensure that does not happen. In diversion cases, that the President determines do not seriously affect the strategic balance between the Soviet Union and the West, the President will still have discretionary authority to impose import bans or deny contracts. This legislation provides the President with authority that is essential if we are to stop deliberate diversions.

There is nothing in this new legislation that violates U.S. obligations under the General Agreement on Tariffs and Trade [GATT]. That international agreement, which is aimed at removing import barriers to trade, specifically provides in article XXI entitled "Security Exemptions" that "Nothing in this Agreement shall be construed * * * to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests." So international law provides for the specific type of action set forth in this legislation.

Finally, I note that section 7 of the amendment provides that the President should initiate discussions with the diverting firm or individual and its National Government regarding compensation on the part of the company in an amount commensurate with the costs of new defense systems needed to counteract Soviet advances made possible by the diversions. This is an important provision in order to bring home to foreign governments and companies that the United States and the Western alliance as a whole does face increased spending costs because of diversions. The companies, who deliberately violate laws of Cocom countries to increase profits, and not taxpayers, should bear the costs of countering new Soviet advances made possible by such illegal corporate actions.

I urge my colleagues in the Senate to support this legislation. It is needed to drive home to our friends and allies in Japan, Norway, and elsewhere the critical importance of stopping any trade with the Soviets that can advance their military technology.

Mr. GLENN. Mr. President, I rise in support of the amendment offered by my distinguished colleague from Utah. As a member of the Armed Services Committee, I am dismayed by the recent revelations surrounding the sale of security-sensitive machine tools and computer software to the Soviet Union by Toshiba Machine Co. and Kongsberg Vaapenfabrikk. This sale dealt a serious blow to one of this Nation's leading edges over the Soviet military: Our ability to detect Russian submarines. In effect, Toshiba and Kongsberg have placed the Western alliance at great risk for the sake of bolstering sagging company sales.

Toshiba blatantly violated the regulations of the Coordinating Committee for Multilateral Export Controls for Western nations, otherwise known as Cocom, when it sold eight sophisticated machine tools to the Soviet Union for approximately $5 million each. Kongsberg made $2 million when it provided the Soviets with the necessary computer and software to operate the Japanese equipment. Even if the Russians still lack the sophisticated testing and quality controls to make the best use of the equipment, they have gained substantially. For the cost of a few million dollars, they have forced our Navy to spend $1 billion or more for the advanced electronics to undo the damage.

In the wake of this incident, the Norwegian Government has taken some significant steps to punish Kongsberg and to tighten its export control laws. However, many of these control measures are still just proposals and will not be able to be completed until autumn. I am satisfied that Norway recognizes the severity of the situation and will eventually act accordingly.

The Japanese Government, however, has chosen to slap Toshiba's wrist. The main penalty to be imposed on that company is a ban on exports to 14 Communist countries for 1 year. I find this blase attitude toward export security violations to be as infuriating as the violations themselves. If our allies will not take the actions needed to discourage and punish this type of corporate irresponsibility, then it falls on this Government to take strong measures.

I believe that the amendment of the Senator from Utah is a fair approach to this problem. It balances strong mandatory sanctions with a recognition of U.S. economic and military needs. Most importantly, this amendment will send a message to those who would violate Cocom regulations that it will not be business as usual for them in the United States; a heavy price will be paid by companies that undermine Western security. I urge my colleague to adopt this amendment.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I rise in support of the proposal by the Senator from Alabama. I must confess I am not an expert on the sequence of events that led to the selling of highly classified technology to the Soviet Union. However, I read the story in the New York Times with absolute awe and dismay.

The thing that was interesting to me was, when I first started reading about it, I thought perhaps this shipment had been made through sheer inadvertence. But as I read, I found not only was it not inadvertent, it was very deliberate, apparently with full knowledge of the highly sensitive nature of what had been shipped. It was shipped through a circuitous route so it would not be discovered. And this was done for one purpose: greed for a big, fat profit.

Admittedly the United States has always had a substantial lead in antisubmarine warfare. This is true for a host of reasons. I am one who had always felt that research projects for the Defense Department are very important and that, if we do enough research, we should not try always to equal the Soviet Union in production of every plane, tank, and gun. If you want to play the numbers game, you can get in big trouble, because that can be very deceptive. But the one thing that has always given all of us some comfort is we always felt we had some technical superiority over the Soviet Union in almost all weaponry. Most of us remember that 2 years ago, the National Academy of Sciences said that in 16 major technology areas, the United States led in 14; was tied in 1, and the Soviets could have a very small lead in the other.

Let me ask my colleagues, if the National Academy of Sciences had reported to the President of the United States and the Congress the very opposite figures, that the Soviet Union led us in 14 categories instead of the reverse, I promise you, everybody would have gone out of here with their hands in the air, screaming, "The sky is falling."

That is one of the reasons I have supported most of the research projects—not all but most—that I have been asked to vote on since I have been in the Senate. I want to maintain that lead in research. I think it is important that we maintain the lead.

It is one thing for our enemies to do us in, but it is something else for our allies to do us in. And here is Japan, whom we have considered to be a very trusted military ally, at least to the extent they are capable of being an ally with their limited military apparatus. Then I read in the New York Times that when you combine the

Walker case with what Toshiba did here, you have very seriously narrowed this big lead that we had in technology in our submarine forces.

It has been no secret in this city and across the country—indeed, in the world—that the Soviets wanted desperately to start closing that research gap on submarine warfare. They knew the gap existed but had not the technology to do anything about it. So for somebody to come along like Toshiba and this Norwegian corporation and scheme and connive to literally undermine the U.S. Government and our military posture in the world is unforgivable.

A lot of people are in prison in this country right now for doing a lot less than Toshiba did here.

So while the amendment of the Senator from Alabama is harsh, what is a harsh enough penalty for friends who betray you? I am not castigating the Japanese Government. I think the Japanese Government probably is appalled at what happened. So this amendment is not directed at the Government of Japan; it is directed at the Toshiba Co., because it is the culprit. If we were in wartime and you could locate the culprits you would try them for high treason. But it is not wartime and all we do here is punish them economically.

I can tell you what has happened. This has had a devastating effect on the ability of our submarine forces to carry out the kinds of missions we have assigned to them and I can tell you, "You ain't seen nothing yet," because the Soviets have not really had an opportunity to start applying the technology they have gotten through this underhanded, devious, scheming, conniving plan that was entered into by all these corporations to make a few bucks and jeopardize the security of the United States. So I intend to support the Sentor from Alabama. His amendment is tough and that is what is called for here.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina is recognized.

Mr. HELMS. Mr. President, I imagine that just about everything has been said that needs to be said. I will be brief. There have been several allusions to a New York Times editorial on this subject. I fully agree with the Times. I do not always, but in this case they are exactly right. The Times pointed out that Kongsberg and Toshiba engaged in treachery against the free world alliance. No question about that. It was a betrayal of the security of everybody—Japanese, Europeans, Americans.

With particular regard to Kongsberg, I understand and am reliably informed, Mr. President, that that company is being investigated by international police agencies for as many as 10 other major Cocom violations including the alleged sale of nuclear technology to the Soviet Union.

Now, somewhere along the line, Mr. President, depending on how the amendments to the amendment shake down, if a certain point is not made, I intend to offer an amendment, a perfecting amendment, on the question of compensation.

The same editors of the New York Times asked a question that cannot be evaded or avoided, and that is, Why should only the American taxpayers bear the cost of the Kongsberg/Toshiba treachery? And I say why, indeed.

So briefly, the language that I propose to offer, if it is not covered otherwise by another Senator, would demand compensation for the net loss to U.S. security from guilty parties only, not NATO, not the Japanese taxpayers, but from the guilty parties. If a Cocom violation is found, DOD assesses the damage and the Attorney General can sue for compensation for and on behalf of the American taxpayer.

So the amendment that I am proposing to offer subsequently does not ask for one nickle more than the actual damages sustained to military preparedness.

Mr. President, I ask unanimous consent that the following material be printed in the RECORD: First, an editorial from the June 22 New York Times; second, the text of my proposed amendment; and third, a "Dear Colleague" letter that I intend to send out a little later today.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, June 22, 1987]

SUBMARINED BY JAPAN AND NORWAY

Western security has been undercut by the avarice of two companies, Toshiba of Japan and Kongsberg Vaapenfabrikk of Norway, and by their Governments' lackadaisical supervision of militarily sensitive exports. Under false pretenses, the companies shipped machinery to the Soviet Union that will enable Russians to fabricate quieter submarine propellers. Soviet submarines will now become much harder to detect, all so that Toshiba and Kongsberg could turn some extra profit.

Both Norway and Japan concede the seriousness of the diversion. Neither seems yet to appreciate the sentiment building in Congress for sterner reprisal than the diplomatic tut-tuts being uttered by the Administration. The House last week voted 415 to 1 to demand compensation. In the Senate, Jake Garn suggests that "We ought to really hurt Toshiba." Norway and Japan would be smart to volunteer some more substantial remedy than the wrist slaps so far given to their errant companies.

No technology can be kept a Western monopoly forever, but there's every reason to try slowing the rate of seepage of militarily useful technology. Under rules set by their coordinating committee, Cocom, NATO countries and Japan therefore restrict export of such products. Though Cocom rules are administered seriously by the United States, France and Britain, other countries have lax enforcement and mild penalties.

Kongsberg and Toshiba evidently believed they had little to fear in their conspiracy to sell propeller-milling equipment to the Soviet Union. Toshiba provided the milling machines, Kongsberg the numerical-control computer and software to drive them. Both companies lied to their export control authorities about the sophistication of the machines. The Defense Department believes the Russians supplied the design of the propellers to Kongsberg, which wrote the software. The Norwegian Embassy asserts software was provided only for the computer's operating system.

Soviet submarines have long been so noisy that some could be detected an ocean away. Perhaps because of the hemorrhage of Navy secrets passed on by the Walker spy ring, recent designs have become considerably quieter, almost as quiet as American submarines. Propellers are only one source of noise, and it's not clear whether Soviet submarines have already benefited from the Kongsberg-Toshiba machines sold in 1983 and 1984.

But even if the Russians still lack the sophisticated testing and quality controls to make best use of the equipment, they have gained substantially. The Navy estimates it will take $1 billion or more for advanced electronics to undo the damage.

The Administration hopes the incident will prompt more vigorous export controls by its allies. It resists the idea of sanctions lest they cause resentment instead of cooperation. But tighter export control is the least to be expected of Norway and Japan. They argue that payment of compensation is inappropriate between sovereign nations, and that their own security was also harmed. But why should only American taxpayers bear the cost of the Kongsberg-Toshiba treachery? Something more is needed than apologies and hand-wringing.

AMENDMENT INTENDED TO BE PROPOSED BY MR. HELMS

At the end of section 1022, add the following:

( ) CIVIL DAMAGES FOR NATIONAL SECURITY VIOLATIONS.—Section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended by adding at the end thereof the following:

"(j) DAMAGES FOR CERTAIN VIOLATIONS.—(1) In any case in which a person violates a regulation issued to control exports for national security purposes (including any regulation issued by another country pursuant to the agreement of the group known as the 'Coordinating Committee'), the Secretary shall notify the Secretary of Defense of the violation.

"(2) Upon receipt of notice under paragraph (1), the Secretary of Defense shall determine whether the violation has resulted in a reduction in the military preparedness of the United States. If the Secretary of Defense determines that there has been such a loss, the Secretary shall so notify the Attorney General who shall bring an action for damages in any appropriate district court of the United States against the person who violated such regulation and any person that is owned or controlled by the person who violated the regulation and any person who owns and controls the person who violated such regulation.

"(3) The total amount awarded in any such case shall be determined by the court in light of the facts and circumstances, but shall not exceed the amount of the net loss to the national security of the United States. An action under this subsection shall be commenced not later than 3 years after occurrence of the violation, or one year after the violation is discovered, whichever is later.".

U.S. SENATE,
Washington, DC, June 30, 1987.

DEAR COLLEAGUE: "But why should only American taxpayers bear the cost of the Kongsberg/Toshiba treachery?" The editors of the New York Times are right. This involves both treachery and the need to repay the American taxpayers. First, this is indeed treachery. Knowing precisely what they were doing and motivated by greed alone, officials of the Norwegian Government owned arms producer Kongsberg and the Japanese firm Toshiba sold equipment and technology to the Soviet Union, which significantly alters the balance in anti-submarine warfare. Diversion of strategic technology to the Soviet Union is a crime in Norway and Japan. One Kongsberg and two Toshiba officials have been charged. Many others will apparently escape due to the running of the statute of limitations. Unfortunately, we now know that this was not an isolated incident for either Kongsberg or Toshiba.

As the June 27 account of The Economist notes, prior to this betrayal of the Western Alliance, NATO's anti submarine warfare specialists could pick up the sounds of Soviet submarines from 200 miles away, or roughly the distance from Washington to New York. Now the distance is down to ten miles, and in millions of square miles of open ocean, it is more than enough to allow Soviet ballistic missile submarines to slip away.

The Soviet Union has 265 attack submarines designed to hunt down and destroy our deterrent force. We have only 96. In the past, we have been able to rely on our superior technology to compensate, but no more.

But the second point is this; who will pay the costs of treachery? To regain the lead will be expensive. It should not be the American taxpayer. Indemnification is owed by the guilty parties who caused the damages.

I intend to join Senators Garn, Proxmire, Heinz and others in supporting a floor amendment to the trade bill, S. 1420, which would punish the criminal activity represented by this instance and act as a deterrent to similar cases of technology diversion in the future. I also intend to ask for a recorded vote on a second degree perfecting amendment making the American taxpayer whole. A copy of my amendment is attached.

Briefly, under the terms of my amendment, if the Secretary of Commerce detects of violation of COCOM, he is to inform the Secretary of Defense. DOD assesses the actual damage to American military preparedness, and the Attorney General sues in Federal District Court. Damages are limited to the actual damages sustained only. My amendment would be a perfecting supplement and not a substitute for the Garn, Proxmire, Heinz, Helms legislation.

My amendment has two purposes. First, it ensures that the American taxpayer does not get stuck with the bill for treachery. Second, it also ensures that, in the future, those who might wish to follow the lead of Kongsberg and Toshiba will be deterred by the certain knowledge that they could be liable for any damages sustained.

If you wish additional information on this amendment, phone contact Bill Triplett on the Senate Foreign Relations Committee (4-3941).

Sincerely,

JESSE HELMS.

Mr. DIXON. Mr. President, I am a cosponsor of the legislation offered by my colleague from Utah, Senator GARN. At the outset, I would like to congratulate him for his outstanding work in pulling this important amendment together.

As a member of the Armed Services Committee, I am acutely aware of just how seriously the sale of advanced milling machinery and computer software by the Toshiba and Kongsberg Co.'s has damaged our national security. Frankly, it is impossible to overstate the damage these two companies have done just to make another sale. Toshiba, I understand, made approximately $17 million on the 1983 sale of four milling machines. It will cost the American taxpayer many billions of dollars to regain the edge in submarine technology that sale threw away.

This obvious disregard for the efforts of our country to provide security for the ability of both of these companies to freely trade truly makes me angry. They both knowingly circumvented the export control system. Toshiba used a different, more innocuous, export company to handle the transaction to lessen any suspicion by the proper authorities of any improprieties. Toshiba's disclosure documents for the sale were falsified. The milling machines sold, they claimed, were not capable of the kind of advanced work needed to fashion these supersilent propellers. Engineers from both companies personally helped to install the machines in the shipyard where the propellers were made. Neither Toshiba or Kongsberg exhibited any concern, at any point during this transaction, for the best interests of the free world.

It is vitally important that these companies be made to pay a price for the damage they have done to the security of the United States and the rest of the free world. While simple retribution may be satisfying, however, it cannot be the sole, or even most important, objective.

I think it is vitally important that we learn the proper lessons from this disaster. It is important to note that none of this technology was American. This case, therefore, gives us a chilling reminder that we cannot afford to go it alone.

Controls, to be effective, must be multilateral. It makes no difference how tough the United States control regime is if other manufacturers of high technology are willing to make sales to the Soviets, or if they turn a blind eye to evasions of Cocom controls or their own export controls.

The prime objective of our export control strategy is to prevent this kind of technology transfer from happening. Our goal, therefore, should be to use this incident to prevent our national security from being weakened again.

We must use this case to strengthen the existing multilateral export control system. The Soviets have the machines—we cannot take them back. But, we can work to prevent them from using world trade again, to make similar dents in our national defense.

This case also makes it clear that our priority shouldn't be adding items to the control list. The reason the Banking Committee is acting to reduce the number of items being controlled is that we already control too much to make good enforcement sense. Rather, this case points out that our priority must be to effectively enforce, together with our allies, the controls we have.

The United States no longer has a monopoly on high technology. We have to work with our allies on a joint control regime, one that is creditable and workable. If we are to prevent future diversions of this type, we must work jointly with our allies on a control regime that protects international security. Without that kind of joint action, the Soviets will be able to get whatever technology they need.

The multilateral export control sanctions amendment sends a message to our allies that we simply cannot afford lax enforcement of multilateral export controls. Cocom country companies who violate the Cocom agreement will be subject to sanctions. Our action will make it clear to the Cocom member governments, at the highest levels, that our national security and theirs requires better cooperation and better enforcement of our multilateral export controls.

Under this amendment, any violations by Cocom country companies that seriously impact on the strategic balance, including subs, missiles, and command control, will be subject to mandatory sanctions. Sanctions will:

Deny these companies the opportunity to compete for U.S. Government contracts or to sell products in the U.S. market for a period of 2 to 5 years; and

Include parents, affiliates and subsidiaries of violating companies.

The scope of sanctions may be limited if certain conditions are met. These conditions are designed to provide additional incentives for Cocom governments to improve enforcement of the multilateral export control agreement and their own internal export control arrangements.

Mr. President, we suffered a grave loss because of the actions of the Toshiba and Kongsberg Co.'s. As I stated before, there is nothing we can now do to retrieve the technology transferred to the Soviets. But, through this amendment, we can help improve the international system for preventing future damage to our national security and the security of the entire free world. I urge my colleagues to support this needed action.

Mr. HELMS. I thank the Chair and I yield the floor.

The PRESIDING OFFICER. The Senator yields the floor.

Mr. SHELBY addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I rise to oppose the amendment offered by the Senator from Utah, and I do this because I believe that the amendment is not strong enough. I thought sincerely that the amendment which I initially offered to the trade bill was strong. It did do the thing that some of us want to do, and that is to send a message that means something to Toshiba and to Kongsberg and tell them by doing this that we are not going to import your products in the United States. I think that is the right example.

It was said by the senior Senator from Arkansas earlier that there are people in jail in the United States who have done a lot less damage to themselves, to their community, and to this country than Toshiba and Kongsberg did by a large degree. What have they done? I do not want to take the time of the Senate to go into detail, but they have fraudulently sold some of the highest, most important submarine technology to the Soviet Union knowing what they did. And why did they do it? To make money. That is why they did it—not one time but, as I was saying earlier, in five contracts. And they did it all in a surreptitious manner. They tried to hide it, but it came out. And what better way is there to send a message to people, not just Toshiba, not just Kongsberg, but anybody else trading with the West that is going to continue to sell our high technology in the same fraudulent way, to undermine our national security?

I mentioned earlier what the Walker family did—the spy ring. You know this. They did irreparable damage to the United States. The Soviet Union learned a lot by the spy ring, the Walker family. They learned, as I said earlier, that their submarines made too much noise, that they could be easily detected. So they went about looking all over the world to buy technology to produce quiet submarines, and they found it. They found willing partners in Kongsberg, the Norwegian company, and Toshiba, and they tried to hide this. The Senator from Utah has detailed this, too. They tried to hide it, but you can only hide it so long.

What better way is there to send a message? Is it going to be by the way offered in my amendment, that is, to ban Kongsberg and Toshiba from doing business in this country, other than to service what they have and for contracts that have been entered into? I say yes. That is the things to do because they have done this country and the American taxpayer, those who pay the defense bills, billions of dollars worth of damage, not counting what else could happen.

I want to address some of my remarks to the amendment offered by the Senator from Utah.

In this amendment—and I hope that I do have the basic copy. It is what was furnished to us by staff earlier—the Senator talks about sanctions—not banning them, sanctions of 2 to 5 years. Let me share with you what the Senator says in his amendment—not mine, not the amendment of the Senator from Alabama but the amendment of the Senator from Utah. It says, "Mandatory sanctions." The President shall impose the sanctions . . . for a period not less than 2 years and not to exceed 5 years, and shall notify the Congress of such action in any case where," and so forth, "enforcement actions by foreign authorities, intelligence information," and so forth.

Five years, 2 to 5 years it says, mandatory sanctions. But does this also give the President under section 4(5) the authority to waive these mandatory sanctions? I do not know why we should give discretion to the President to waive something. You remember recently when the President said he was going to impose sanctions on the Japanese because of unfair trade practices. How long did they last? Not long. Were they real substantial? Did they have real substance? I submit to you, no. And then some of the sanctions were lifted in Venice recently.

I say it ought to be the United States that sends the message. It ought to be the Senate, because we know it will be carried out if it is in the law.

I believe the amendment offered by the Senator from Utah to my amendment gives too much discretion to the President. He has the authority, as I read it, to waive mandatory sanctions under section 4(5), and in application would only discretionary sanctions come into existence, and if they are discretionary sanctions I do not believe they would last long and they would have much effect.

But my amendment would have a lot of effect. Should only the President be allowed to impose sanctions? I leave that up to you, but I say no. Is the sanction period of 2 to 5 years long enough for the deed of Toshiba and the damage that has been done? Should we be concerned, first of all, for the security of this country and the people who do it or should we be worried about the Toshiba dealers?

I am sure they are all good business people and work hard in the country, in my home State and everywhere else.

I say that we have to put our country first. We should not worry about whether Toshiba does business in this country, ever. I think they ought to be banned.

I also believe that section 3 of the amendment offered by the distinguished Senator from Utah appears to be deluding. The coordination between sections 3 and 4, I believe, is lacking, as two different trigger mechanisms are present.

I ask the question: Is "substantial enhancement" the same as "to seriously affect the strategic balance"? Two different phrases, probably two different meanings.

Does section 3.2 here require debarment and prohibition of imports? I do not know this.

I raise these questions because the amendment I offered, to which the Senator from Utah has offered an amendment, is loud and clear and is unmistakable as to what it would do. I believe that the amendment should be adopted at the proper time.

The PRESIDING OFFICER. Does the Senator yield the floor?

Mr. SHELBY. I suggest the absence of a quorum.

Mr. GARN addressed the Chair.

The PRESIDING OFFICER. The suggestion of the absence of a quorum has been made. Does the Senator withhold that?

Mr. SHELBY. I withhold that.

Mr. GARN. I thank the Senator from Alabama.

Mr. President, I reiterate that we certainly have the same goals. The difference is primarily in two areas, as the Senator from Alabama has pointed out, in time.

As much as emotionally I would like to say let us ban forever or permanently, that is a long, long time. I suggest that that would probably put both companies out of business, and they could reform themselves into companies and start doing the same thing over again, because we are specifically naming only those companies.

I also repeat that, although I am not an attorney, let alone a constitutional attorney, there are some who claim that retroactive bans are unconstitutional. If that were the case, the amendment of the Senator from Alabama would be null and void, and we would have no controls and no penalties whatsoever.

That is why my cosponsors and I put in the section that names Kongsberg and Toshiba separately. So it is severable, and all the provisions we put in for the sanctions would still exist prospectively. We could end up with nothing if we went with the amendment of the Senator from Alabama, and we would end up with a very tough law if we adopt this perfecting amendment.

The Senator from Alabama continues to talk about the Garn amendment. I emphasize that this is the Garn-Heinz-Proxmire-Dixon-McCain-Glenn-Helms-D'Amato-Hatch-Symms amendment; a bipartisan effort, both sides of the aisle, members of the Banking Committee, nonmembers of the Banking Committee.

The Senator accurately points out that the President does have some discretion, and that is by design. The President has no discretion in enacting sanctions from 2 to 5 years on Toshiba-Kongsberg. He has no choice. But he can have some exceptions: defense procurement, existing contracts, sole source suppliers, and coproduction agreements.

There happens to be coproduction agreements with Kongsberg at this time. They are manufacturing parts for F-16 fighters for NATO. There is also the potential of a Penguin missile procurement.

So, while we would like to punish, do we cut off equipment they are supplying us? We are trying to cut off equipment they supply the Soviet Union, not our own defense establishment. Plus, there are joint agreements with our NATO allies as well.

In section 3, we have "mandatory sanctions against Toshiba and Kongsberg."

We also give the President the authority to make exceptions on spare parts essential to U.S. commercial production, routine services, information and technology. The Senator from Alabama does much the same with commercial products. I read from his amendment:

> The provisions of this section shall not apply to products imported as spare parts or for routine servicing and maintenance of products previously supplied.

We do not disagree on that.

I would not like the impression left that the amendment of the Senator from Alabama is entirely discretionary. There are provisions that provide exceptions:

> Except as provided in paragraphs (2) and (3), the provisions of this section shall apply to products imported, and to contracts and subcontracts executed, after the date of enactment of this act.

So does the amendment by my cosponsors and me apply contract sanctions provisions. There is a transition rule.

It really is a matter of degree. Emotionally, I do not disagree with the Senator from Alabama. I would like to kick them out of the country permanently. I think what we are trying to do is to do something that will have the impact we want. It will scare them to death. I would rather use another term, but I will not do so on the floor of the Senate.

We also want to have provisions that will say this to any other company that is unnamed and we do not know. They are going to look back and say: "The United States Congress passed a law that says if we get caught doing this, we're going to be penalized for 2 to 5 years from all sales in the United States."

I think that is necessary, not just to punish but to prevent. That is why I hope my colleagues will support the perfecting amendment, so that we prevent as well as punish, and that is an area that the Senator from Alabama does not deal with, other than as a signal that we have dealt with Kongsberg and Toshiba.

I would rather have it in law, in a permanent change, in the Export Administration Act, so that there is no doubt in anybody's mind that we are sending a strong signal. We are putting it into the law of this country that if they do this, they will be penalized very hard in their profits and in their pocketbook.

I yield the floor.

THE SOVIET'S SILENT SUBMARINES

Mr. DECONCINI. Mr. President, I rise to join Senator GARN and Senator PROXMIRE in introducing this legislation. My colleagues have drafted carefully worded language which allows the President the necessary flexibility to consider American jobs and the national security while telling the Japanese and Norwegians they have seriously violated American and allied security interests. This dangerous transfer of technology from the Japanese and Norwegians to the Soviets is the most harmful shipment of sensitive equipment in many years. It is a shameful outrage. It is a betrayal of our close allies. It is life-threatening to American crews aboard our submarines. This cannot go unpunished.

What do we do, Mr. President? How should the United States react to the transfer of technologies to the Soviets by Toshiba of Japan and Kongsberg Trade of Norway? Mandatory sanctions and stiff penalties are required. But we must also look to prevent this from happening again and seek to implement a strict policy of prohibiting these blatant export violations in the future. This legislation attempts to address this long-term solution through the tightening of regulations of the Coordinating Committee for Export Control. This 16-nation watchdog group monitors trade with the East bloc.

I would just conclude by saying that this $17 million sale to the Soviets has allowed the Soviets the ability to produce "quiet propellers" for their submarines. These illegal sales directly threaten U.S. submarines, increase the difficulty of detection, and greatly multiply the costs of U.S. research and development to protect our vessels. Most of all, our sailors are exposed to silent Soviet submarines. Japan, Norway, the United States and our other allies must now act together to diminish the costs of this transfer. This should be a lesson to our allies, Mr. President. The United States appears to be shouldering the burden of defending the Persian Gulf. Now, we are required to protect increasingly endangered submarines. Our allies should share this cost. I commend my colleagues for their diligent work in this area. I would also like to say to our allies that the United States expects and depends upon a mutual sharing of security requirements to defend democracy. It seems to be in short supply these days.

Mr. DURENBERGER. Mr. President, I rise in support of the amendment offered by Senators GARN and HEINZ that would impose tough trade sanctions on foreign companies that have violated export controls which have resulted in the enhancement of Soviet and East bloc military capabilities. I believe this amendment is more responsible than the amendment that would have blanketly barred all imports from Japanese and Norwegian companies that recently were found to have sold to the Soviet Union milling and machine tool equipment and computer controls to operate those machines.

Mr. President, all of us are deeply concerned by the compromise of our national security resulting from the sale of machine tools, milling equipment, and computer controls by the Toshiba Corp. of Japan and by Kongsberg Vaapenfrabrik. But let us not forget the fact that these sales have also compromised the national security of two of our most important allies, Japan and Norway. It will take years for the United States and its allies to recover from these sales.

There is no doubt in my mind that the sale of this equipment has significantly enhanced the ability of the Soviet Union to operate fleets of submarines that are barely audible and detectable by the U.S. Navy and the navies of our allies.

Yet, despite this security compromise, I would not support a total ban on the sales from these two companies. Some of the equipment sold by Toshiba and Kongsberg is state-of-the-art high technology that is needed by the U.S. Department of Defense to enhance our national security. Barring all sales by these companies could significantly hurt our ability to maintain our technological superiority vis-a-vis the Soviet Union.

The amendment offered by Senators GARN and HEINZ is a responsible way to address the current and any future violations of export control laws. It would impose mandatory trade sanctions for a period of 2 to 5 years for companies that violate the export control laws by selling militarily sensitive equipment to the Soviet Union and other East bloc countries.

However, this amendment does not preclude purchases from these companies that would enhance our national secuirty. This would allow the President to purchase defense articles from such companies where the foreign firm is the sole source supplier or if the President determines that the purchase of such goods are essential to our national security.

Moreover, this amendment would limit the scope of any sanctions if the foreign government agrees to implement an improved export control system that will more effectively prevent violations of the export control laws. In addition, sanctions could be waived if a violator of the export control laws has instituted improvements in internal controls sufficient to detect and prevent violations of the export control laws.

Mr. President, there is no excuse for the sales that occurred by these two companies. However, the Governments of both Japan and Norway have begun to take significant steps to penalize the offending companies.

Criminal investigations have already been initiated in Japan and in Norway. The Norwegian Government has closed down the division that sold this equipment to the Soviet Union and has terminated all of the employees associated with this division.

Japan has barred the Toshiba division that sold this equipment to the Soviet Union from exporting to 14 East bloc countries. And the Japanese company that was involved in the transfer has been barred from—temporarily barred from—exporting to Communist countries.

The Government of Norway has already announced legislative proposals that would strengthen its export control laws by stiffening penalties and surveillance and extending the statute of limitations in such cases. I am assured that these proposals will soon become law in Norway.

Mr. President, the Norwegians have made a commitment to working more closely with the United States in developing a new generation of sophisticated antisubmarine sensing devices. Japanese electronic components will be vital to such an undertaking. We must cooperate with our allies in this important area and recognize that the compromise of our security is as devastating to Japan and Norway as it is to us.

Let us hope that this breach of Western security will not be repeated and that we will work with our allies to overcome this devastating event.

The PRESIDING OFFICER. Who seeks recognition?

Mr. SHELBY. Mr. President, I move to table the Garn amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Alabama to table the amendment of the Senator from Utah [Mr. GARN]. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

I also announce that the Senator from Louisiana [Mr. JOHNSTON] is absent because of death in the family.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "nay."

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced, yeas 19 nays 78, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—19

Armstrong
Bingaman
Breaux
Bumpers
Byrd
Chiles
Conrad
Ford
Gramm
Heflin
Hollings
Pressler
Quayle
Riegle
Roth
Shelby
Stennis
Symms
Weicker

NAYS—78

Adams
Baucus
Bentsen
Biden
Bond
Boren
Boschwitz
Bradley
Burdick
Chafee
Cochran
Cohen
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Fowler
Garn
Glenn
Graham
Grassley
Harkin
Hatch
Hatfield
Hecht
Heinz
Helms
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Proxmire
Pryor
Reid
Rockefeller
Rudman
Sanford
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stevens
Thurmond
Trible
Wallop
Warner
Wilson
Wirth

NOT VOTING—3

Gore
Johnston
Murkowski

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. There being no further debate, the question is on agreeing to the Garn amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Tennessee [Mr. GORE] is necessarily absent.

I also announce that the Senator from Louisiana [Mr. JOHNSTON] is absent because of death in family.

I further announce that, if present and voting, the Senator from Tennessee [Mr. GORE] would vote "yea."

Mr. SIMPSON. I announce that the Senator from Alaska [Mr. MURKOWSKI] is necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. MURKOWSKI] would vote "yea."

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 92, nays 5, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—92

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Fowler
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Nunn
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NAYS—5

Evans
Ford
Hatfield
Riegle
Shelby

NOT VOTING—3

Gore
Johnston
Murkowski

So the amendment (No. 359) was agreed to.

Mr. GARN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PRYOR. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. Mr. President, I understand that the distinguished Senator who is presiding at the moment has an amendment. He will be relieved from the duties of the chair temporarily if he does want to call up his amendment.

I am also informed that the plant closure amendment may be nearing some resolution as far as a time agreement. Does the Republican manager have information in that regard?

Mr. PACKWOOD. I do not have that information.

Mr. BYRD. I was told a moment ago by a Senator who should be pretty authoritative that he thought they were nearing a time agreement.

If the Senator from Louisiana [Mr. BREAUX] is planning to call up his amendment, I suggest that we have a window for about an hour in which Senators can have a bowl of soup and a few crackers, and continue with work on the bill. I believe both managers have indicated earlier today, and the Senator from Oregon [Mr. PACKWOOD] indicated, they could work until about 11 o'clock tonight and then be in a position to begin early tomorrow, continuing tomorrow making real headway. When managers talk like that, I think we ought to do what we can to help them.

So we will be working into the evening. There will be no rollcall votes for an hour.

Any rollcall votes that are ordered, we will stack for 8:15.

(Mr. SHELBY assumed the chair.)

Mr. PRYOR. Mr. President, if I may say to the majority leader and respectfully request, it is my understanding that the Senator from North Carolina [Mr. HELMS] has an amendment that may well be accepted. That could be one we could dispose of.

Mr. BYRD. Yes, Mr. President; I hope that Senators would call up their amendments and we could have a voice vote and possibly adoption of an amendment, but rollcall votes, we will stack for, I should say, 8:30.

AMENDMENT NO. 360

(Purpose: To compensate United States taxpayers for damages to national security caused by violators of national security export controls)

Mr. HELMS. Mr. President, I have an amendment at the desk. I ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 360 to the Shelby Amendment No. 355.

At the end of the amendment, add the following:

( ) CIVIL DAMAGES FOR NATIONAL SECURITY VIOLATIONS.—Section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended by adding at the end thereof the following:

"(j) DAMAGES FOR CERTAIN VIOLATIONS.—(1) In any case in which a person violates a regulation issued to control exports for national security purposes (including any regulation issued by another country pursuant to the agreement of the group known as the 'Coordinating Committee'), the Secretary shall notify the Secretary of Defense of the violation.

"(2) Upon receipt of notice under paragraph (1), the Secretary of Defense shall determine whether the violation has resulted in a reduction in the military preparedness of the United States. If the Secretary of Defense determines that there has been such a loss, the Secretary shall so notify the Attorney General who shall bring an action for damages in any appropriate district court of the United States against the person who violated such regulation and any person that is owned and controlled by the person who violated the regulation and any person who owns and controls the person who violated such regulation.

"(3) The total amount awarded in any case shall be determined by the court in light of the facts and circumstances, but shall not exceed the amount of the net loss to the national security of the United States. An action under this subsection shall be commenced not later than 3 years after occurrence of the violation, or one year after the violation is discovered, whichever is later.".

Mr. HELMS. Mr. President, as the editors of the New York Times pointed out, Kongsberg and Toshiba were engaged in treachery against the Free World Alliance. It was a betrayal of the security of all of us, Japanese, European, and American. With particular regard to Kongsberg, I am reliably informed that the company is currently being investigated by international police agencies in connection with as many as 10 other major Cocom violations including the alleged sale of nuclear technology to the Soviet Union.

The pending amendment is a perfecting amendment on the question of compensation. As the editor of the New York Times put it: "Why should only the American taxpayer bear the cost of the Kongsberg/Toshiba treachery?" Why, indeed?

Briefly, Mr. President, my amendment demands compensation from guilty parties only. If a Cocom violation is found, DOD assesses the damages and the Attorney General can sue for full compensation for the American taxpayers—every dime of the actual damages sustained to military preparedness.

The underlying Garn-Heinz amendment calls for negotiations on compensation. My perfecting amendment, now pending, strengthens the hand of our negotiators. It serves as a further deterrent to future violations because foreign companies will know they have to pay the damages they cause.

Mr. President, I understand that the amendment is going to be accepted. In the interest of saving the time of the Senate, I ask the managers if they are ready to accept the amendment.

Mr. HEINZ. Mr. President, will the Senator yield?

Mr. HELMS. Certainly, Mr. President.

Mr. HEINZ. As I understand this amendment, Mr. President, it would authorize—indeed, direct—the Secretary of Defense to seek compensatory damages from the party in the case of Toshiba and Kongsberg. I assume that would mean that the Secretary would go to court, name Toshiba and Kongsberg, and attempt to recover damages. The burden of proof would be on the Secretary to demonstrate that we had suffered costs. He would seek to recover those costs.

As I further understand the amendment, this procedure would be in accord with all the normal safeguards of due process. Do I understand the Senator's amendment correctly?

Mr. HELMS. The Senator is entirely correct, except it would be the Attorney General, not the Secretary.

Mr. HEINZ. Mr. President, it sounds to me as if the amendment is meritorious on its face. It seems to me this is a good amendment and it will further enhance the credibility of U.S. policy by making it very unattractive for people to do things that are going to be both dangerous and costly. From what I have heard of the amendment, I think it is meritorious.

Mr. HELMS. I thank the Senator.

Mr. PACKWOOD. Mr. President, the amendment is acceptable to this side. I think it is a fine amendment. I hope we adopt it.

Mr. PRYOR. Mr. President, the amendment is acceptable to this side.

The PRESIDING OFFICER. Is there further debate on the amendment?

If not, the question is on agreeing to the amendment.

The amendment (No. 360) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. I thank the Chair.

AMENDMENT NO. 355

Mr. PACKWOOD. Mr. President, have we acted on the Shelby amendment yet?

The PRESIDING OFFICER. The Shelby amendment, as amended, is now pending.

Who seeks recognition? If there is no further debate, the question is on agreeing to the amendment of the Senator from Alabama [Mr. SHELBY].

The amendment (No. 355), as amended, was agreed to.

Mr. GARN. I move to reconsider the vote by which the amendment was agreed to.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ORDER OF BUSINESS

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. METZENBAUM. Mr. President, I wonder if the Senator from Louisiana would yield.

Mr. BREAUX. I yield.

Mr. METZENBAUM. There has been some discussion in connection with the plan for the plant closing portion of the bill yet this evening. We are close to an understanding—Senator QUAYLE and I, Senator KENNEDY, Senator HATCH, and others—close to where we would debate that issue yet tonight; that there would be one vote in connection with it. That would be a motion to strike by the Senator from Indiana. To all Members who may have an interest in the subject and are wondering whether we will make progress on it, I say there may be a unanimous-consent agreement very shortly.

Mr. QUAYLE. Will the Senator from Louisiana yield so I may respond to the Senator from Ohio?

Mr. BREAUX. I yield.

Mr. QUAYLE. As the Senator from Ohio knows, we have just received the new modified version of the plant closing legislation. I think this is probably titled Metzenbaum 4. There has been Metzenbaum 1, and Metzenbaum 2, and then Metzenbaum No. 3, that was going to be the modification. Now, through all of this, we now have Metzenbaum 4, which I think is the final one.

We are just getting it xeroxed now, Mr. President. When we get that, we are going to have to converse with some people on our side, but we hope to be able to work something out. We should. But we are going to have a little bit of time to look at this thing because we did just get the thing and they are out there xeroxing it.

To enter into a unanimous-consent agreement quickly would not do it justice. There are too many people on our side who have asked me all day, "What is the latest?" I have said, "Well, when I get the latest, you will be the first to know." Now that we think we have the latest and we do have the latest, we are going to run our traps and we will do that as expeditiously as possible.

Mr. PRYOR. Would the Senator from Louisiana yield to me so I may propound a question of the Senator from Ohio?

Mr. BREAUX. I yield.

Mr. PRYOR. Are we talking about considering the motion to strike offered by Senator QUAYLE this evening. There are a lot of Members who are very curious about this evening.

Mr. METZENBAUM. The answer is yes.

Mr. PRYOR. We are talking about that vote coming tonight?

Mr. METZENBAUM. Yes. In other words, let me put it in the simplest possible terms. If we can come to an understanding, and I think we will be able to because the proposal I have given to the Senator from Indiana are all amendments that make the bill more acceptable, more tractable to some who have objected to it—assuming that is the case, that would then be accepted by unanimous consent. Then the Senator from Indiana would move to strike the entire section that includes the amendment as amended.

The answer is yes, we hope to dispose of that this evening. That would close out, then, in all probability that entire issue as far as the body is concerned.

Mr. PRYOR. Will the Senator from Ohio even venture about what time a vote like that might occur?

Mr. METZENBAUM. Assuming the Senator from Indiana moves as rapidly as possible—and I am not pressing him because it is not his fault; he just got the proposed language—I would say somewhere between 10 and 11. I do not know if the Senator from Indiana would agree with that.

Mr. QUAYLE. That is fairly optimistic. I really do not know. I would say it would probably almost certainly be after 11. Assuming we can get a unanimous consent and figure out exactly what we are willing to enter into as far as the time—it was originally 4 hours—maybe about 3 hours, with the new changes. Whether it will be back to 4 hours I do not know. Those are the parameters we discussed. There are about five or six Senators who have been talking to me throughout this process. I said, "Do not worry; I will go back to you when I get the final version." It is going to take a little bit of time to do that. At that time you are looking, I might tell the Senator from Arkansas, at probably around, I would guess, a 4-hour time agreement. I know we are going to need at least 2 hours on our side. I do know what they will need on the other side.

Mr. METZENBAUM. I do not think we will need a full 2 hours on this side, but there is much more to say on the other side so we would be willing to agree to some time less than that.

Mr. PRYOR. If I might just make an observation to the Senator from Ohio, the majority leader a few moments ago announced that there would be a window between now and 8:30 where there would be no votes.

Mr. METZENBAUM. That would be no problem.

Mr. PRYOR. We have just accepted an amendment offered by the Senator from North Carolina, passed the Shelby amendment, and it is conceivable—I cannot speak for all parties—that the Breaux amendment may or may not take a rollcall vote. So let us say if we finish the Breaux amendment in the next 10 or 15 minutes, we are just going to be sitting around.

Mr. METZENBAUM. We never want to see that happen.

Mr. PRYOR. I do not know if that is exactly real good or not, but I do not think we have any control over it at that point. But we do have a window.

Mr. METZENBAUM. I express my appreciation to the Senator from Louisiana for the longest 1 minute I have experienced.

Mr. PRYOR. We are talking about plant closings and giving sufficient notice. I think sometimes around here we need sufficient notice before we are going to close.

AMENDMENT NO. 361

The PRESIDING OFFICER. The Senator from Louisiana.

Mr. BREAUX. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Louisiana (Mr. BREAUX) proposes an amendment No. 361.

Mr. BREAUX. Mr. President, I ask unanimous consent that the amendment be considered as read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new title:

TITLE XLVI—FOREIGN SHIPPING PRACTICES

SHORT TITLE

SEC. 4601. This title may be cited as the "Foreign Shipping Practices Act of 1987".

AMENDMENTS

SEC. 4602. (a) The Shipping Act of 1984 (Public Law 98-237; 98 Stat. 67) is amended by adding at the end the following:

"SEC. 23. FOREIGN LAWS AND PRACTICES.

"(a) DEFINITIONS.—For purposes of this section—

"(1) 'foreign carrier' means an ocean common carrier whose vessels are all documented under the laws of a country other than the United States;

"(2) 'martime services' means port-to-port carriage of cargo by the vessels operated by ocean common carriers;

"(3) 'maritime-related services' means intermodal operations, terminal operations, cargo solicitation, forwarding and agency services, non-vessel-operating common carrier operations, and all other activities and services integral to total transportation systems of ocean common carriers and their foreign domiciled affiliates on their own and others' behalf;

"(4) United States carrier' means an ocean common carrier which operates vessels documented under the laws of the United States; and

"(5) 'United States oceanborne trade' means the carriage of cargo between the United States and a foreign country by an common ocean carrier.

"(b) AUTHORITY TO CONDUCT INVESTIGATIONS.—The Commission shall investigate whether any laws, rules, regulations, policies or practices of foreign governments, or any practices of foreign carriers or other persons providing maritime or maritime-related services in a foreign country result in the existence of conditions for United States carriers in United States oceanborne trades that do not exist for foreign carriers of that country in the United States under the laws of the United States or as a result of acts of United States carriers or other persons providing maritime or maritime-related services in the United States.

"(c) INVESTIGATIONS.—(1) Investigations under subsection (b) of this section may be initiated by the Commission on its own motion or upon the petition of any person, including any common carrier, shipper, shippers' association, ocean freight forwarder or marine terminal operator, or any branch, department, agency, or other component of the government of the United States.

"(2) The Commission shall complete any such investigation within 120 days after it is initiated, except that the Commission may extend such 120-day period for an additional 90 days if the Commission is unable to obtain sufficient information to determine whether a condition specified in subsection (b) of this section exists. Any notice providing such an extension shall clearly state the reasons for such extension.

"(d) Information Requests.—(1) In order to further the purposes of subsection (b) of this section, the Commission may, by order, require any person (including any common carrier, shipper, shippers' association, ocean freight forwarder, or marine terminal operator, or any officer, receiver, trustee, lessee, agent or employee thereof) to file with the Commission any periodic or special report, answers to questions, documentary material, or other information which the Commission considers necessary or appropriate. The Commission may require that the response to any such order shall be made under oath. Such response shall be furnished in the form and within the time prescribed by the Commission.

"(2) Notwithstanding any other provision of law, the Commission may, in its discretion, determine that any information submitted to it in response to a request under this subsection, in response to a subpoena under section 12 of this Act, or otherwise shall not be disclosed to the public.

"(e) Action Against Foreign Carriers.—(1) Whenever, after notice and opportunity for comment, the Commission determines that the conditions specified in subsection (b) of this section exist, the Commission shall take such action as it considers necessary and appropriate against any foreign carrier who is a contributing cause to, or whose government is a contributing cause to, such conditions, in order to offset such conditions. Such action may include—

"(A) limitations on sailings to and from United States ports or on the amount or type of cargo carried;

"(b) suspension, in whole or in part, of any or all tariffs filed with the Commission, including the right of an ocean common carrier to use any or all tariffs of conferences in United States trades of which it is a member for such period as the Commission specifies; and

"(C) suspension, in whole or in part, of the right of an ocean common carrier to operate under any agreement filed with the Commission, including agreements authorizing preferential treatment at terminals, preferential terminal leases, space chartering or pooling of cargo or revenues with other ocean common carriers.

"(2) The Commission may consult with, seek the cooperation of, or make recommendations to other appropriate government agencies prior to taking any action under this subsection.

"(3) Before an order under this subsection becomes effective or a request is made under subsection (f) of this section, the order shall be submitted immediately to the President who may, within 10 days after receiving such order, disapprove the order if the President finds that disapproval is required for reasons of the national defense or the foreign policy of the United States.

"(f) Actions Upon Request of the Commission.—Whenever the conditions specified in subsection (b) of this section are found by the Commission to exist, upon the request of the Commission—

"(1) the collector of customs at any port or place of destination in the United States shall refuse the clearance required by section 4197 of the Revised Statutes (46 App. U.S.C. 91) to any vessel of a foreign carrier that is identified by the Commission under subsection (e) of this section; and

"(2) the Secretary of the department in which the Coast Guard is operating shall deny entry of any vessel of a foreign carrier that is identified by the Commission under subsection (e) of this section to any port or place in the United States or the navigable waters of the United States, or shall detain any such vessel at the port or place in the United States from which it is about to depart for any other port or place in the United States.

"(g) Report.—The Commission shall include in its annual report to Congress—

"(1) a list of the twenty foreign countries which generated the largest volume of oceanborne liner cargo for the most recent calendar year in bilateral trade with the United States;

"(2) an analysis of conditions described in subsection (b) of this section being investigated or existing in such foreign countries;

"(3) any actions being taken by the Commission to offset such conditions; and

"(4) any recommendations for additional legislation to offset such conditions.".

(b) The table of contents of the Shipping Act of 1984 is amended by adding at the end the following:

"Sec. 23. Foreign laws and practices.".

At the end of page 19, add the following:

TITLE XLVI—FOREIGN SHIPPING PRACTICES

Sec. 4601. Short title.
Sec. 4602. Amendments.

Mr. **BREAUX.** Mr. President, beyond dispute our international ocean liner trades are the most open in the world. They are accessible to the flags of all nations on a "come one, come all basis"; and our laws ensure that all vessels, regardless of their national registry, have an opportunity to compete freely and fairly for cargo.

Ironically, this freedom has meant that today a great majority of the liner cargo which moves in our maritime trades moves on foreign bottoms. In 1980, for example, 72.9 percent of the cargo in those trades moved on foreign-flags; and by 1985, that percentage increased to 79 percent. There are, however, those who would say that this disproportionate share is simply the result of the free marketplace at work. In other words, that foreign-flag vessels are simply better competitors.

Mr. President, such a view is naive in the extreme. There is nothing free at all about the way the international maritime trade market is treated by our foreign competitors. Numerous laws and practices of our trading partners that give their national flags an artificial competitive advantage in our bilateral trades have been well documented. In fact, the U.S. Maritime Administration, the Department of State, and the President's Special Trade Representative have all identified burdensome practices and barriers to United States operations in Taiwan, Japan, Korea, Bangladesh, India, Pakistan, Turkey, Colombia, Venezuela, Argentina, Australia, Brazil, Canada, the Dominican Republic, Egypt, France, Germany, Ghana, Indonesia, Italy, Mexico, Philippines, Singapore, Sweden, and Yugoslavia. I have here a report that specifically lists such practices by each of these nations and I would like to have it inserted into the Record at the end of my statement.

Mr. President, my amendment would amend the shipping act of 1984, to give the Federal Maritime Commission [FMC] more flexibility to deal with burdensome maritime and maritime-related practices which our liner vessels encounter in foreign countries.

Currently, the primary means the Federal Maritime Commission has to combat these practices of our trading partners is section 19, of the Merchant Marine Act of 1920. That act empowers the FMC to make rules to counter conditions unfavorable to shipping when those conditions result from either the actions of a foreign government or a foreign shipping line or its agent. While the Commission has recently undertaken section 19 investigations into cargo reservation systems established by Argentina, Brazil, Venezuela, and the Philippines, section 19 has resulted in a final order only once. In fact, the report documenting the various burdensome practices of our foreign trading partners that I have included as part of my statement bears clear testimony to the fact that the section 19 process is inadequate and ineffective. Finally, and perhaps most importantly, the Chairman of the Federal Maritime Commission testified before my subcommittee that the provisions of my amendment would enable the Commission to respond to these practices more expeditiously and effectively than it is currently able under section 19.

Mr. President, more specifically, the measure I am proposing would direct the Commission to investigate whether conditions exist for U.S. carriers in the U.S. ocean-borne trades that do not exist for foreign carriers in this country. The Commission would investigate, and take action against, conditions which disadvantage U.S. carriers in such trades as compared to the treatment of foreign carriers in the United States.

In order to neutralize those disadvantages identified by the Commission's investigations, the amendment would further empower the Commission to take one or more of the following retaliatory steps:

Limit the sailings of offending foreign operators to or from U.S. ports or on the amount or type of cargo carried;

Suspension, in whole or in part, of any or all tariffs filed with the Commission, including the right of a foreign carrier to use any or all tariffs of conferences in U.S. trades of which it is a member;

Suspension, in whole or in part, of the right of a foreign common carrier to operate under any agreement filed with the Commission, including agreements authorizing preferential treatment at terminals, preferential terminal leases, space chartering, or pooling of cargo or revenues with other ocean common carriers; and

Request the appropriate agencies (Customs Service and the Coast Guard) to refuse port clearance and deny port entry to the relevant offending foreign-flag vessels.

Mr. President, I believe this is generally a noncontroversial provision garnering widespread support among the various United States Maritime interests. The legislation is the product of extensive hearings by the Commerce Committee's Subcommittee on Merchant Marine and reflects the recommendations of the administration to:

First, provide for judicial review of Federal Maritime Commission actions and orders;

Second, provide for Presidential discretion in implementing Commission actions and orders; and

Third, recognize that the Commission may consult with other affected Federal agencies.

Furthermore, it is intended that cargo reservation for U.S. carriers shall not be utilized or accepted as a remedy for a condition under this amendment. And, lastly, Mr. President, this amendment is not intended to expand the remedial powers or jurisdiction of the Commission beyond that in current law, but rather to authorize the Commission to exercise its current authority and powers in a more timely and effective manner upon identification of conditions in foreign countries that adversely impact U.S. ocean-borne trade. In this case, as in other cases, the Commission would be required by law to ensure that its proposed actions are consistent with international agreements and obligations of the United States and with other applicable law.

Mr. President, I ask unanimous consent to have printed in the Record a section-by-section analysis and other material in connection with this amendment.

There being no objection, the material was ordered to be printed in the Record, as follows:

SECTION-BY-SECTION ANALYSIS (AMENDING THE SHIPPING ACT, 1984)

Sec. 4602(a)—Defines terms used in the amendment.

Sec. 4602(b)—Directs the Commission to investigate whether conditions exist for United States carriers in the United States oceanborne trade that do not exist for foreign carriers in this country. The Commission would investigate, and take action against, conditions which disadvantage United States carriers in the conduct of the United States oceanborne trade as compared to the treatment of foreign carriers in the United States. Such a disadvantage would result from the denial of opportunities to, or imposition of burdens upon, United States carriers that affect their ability to participate in the United States oceanborne trade, and that are not denied to or imposed upon foreign carriers in the United States. If a discrepancy benefits United States carriers or has no effect on United States carriers' ability to compete effectively for the United States oceanborne trade, the conditions giving rise to that discrepancy should not be considered "conditions" for purposes of this amendment and should not be pursued by the Commission.

Sec. 4602(c)—Investigations under subsection (b) could be initiated by the Federal Maritime Commission (FMC) on its own motion, or upon the petition of any person.

Sec. 4602(c)(2)—Investigations under subsection (b) must be completed with 120 days of its initiation, but the FMC may extend that period another 90 days if it is unable to obtain sufficient information to determine whether the existence of conditions specified in subsection (b) exist.

Sec. 4602(d)—Empowers the FMC to require any person to file reports, answer questions, etc. to further the purposes of subsection (b).

Sec. 4602(d)(2)—Gives the FMC discretion to withhold from public disclosure any information it obtains relevant to conditions addressed by this legislation.

Sec. 4602(e)—Requires the FMC to give notice and opportunity for comment before imposing operating conditions on any foreign carrier to offset the existence of conditions on U.S.-flag vessels specified in subsection (b). The Commission should provide whatever opportunity for comment is necessary under the circumstances, given minimum due process requirements and consistent with the overall purpose of this amendment in providing a swift process for remedying the conditions specified in subsection (b). Generally, it is expected that the Commission would provide notice of its initiation of an investigation and some opportunity for interested or affected persons to comment.

FMC actions may include:

Limitations on sailings to and from United States ports or on the amount or type of cargo carried;

Suspension, in whole or in part, of any or all tariffs filed with the Commission, including the right of an ocean common carrier to use any of all tariffs of conferences in United States trades of which it is a member for any period that the Commission specifies; and

Suspension, in whole or in part, of the right of an ocean common carrier to operate under way agreement filed with the Commission, including agreements authorizing preferential treatment at terminals, preferential terminal leases, space chartering, or pooling of cargo or revenues with other ocean common carriers.

Sec. 4602(e)(2)—Gives the FMC discretion to consult with other Government agencies before taking action.

Sec. 4602(e)(3)—Provides a Presidential veto on national defense or foreign policy grounds of any proposed FMC order under the bill.

Sec. 4602(f)—Whenever the FMC finds that the conditions specified in subsection (b) exist, it may request the appropriate agencies to refuse port clearance and deny port entry to the relevant foreign-flag vessels.

Sec. 4602(g)—Requires an annual report to Congress.

ADVERSE PRACTICES AND BARRIERS TO TRANSPORTATION IN U.S.-FLAG LINER SERVICES IDENTIFIED BY U.S. MARITIME ADMINISTRATION

TAIWAN

Trucking operations.—Taiwan prohibits U.S. carriers from owning and operating trucking services for the purposes of picking up and dropping off containers as part of their ocean transportation service.

Container terminal operations.—Except where there is two-thirds Taiwanese ownership, U.S. carriers are prohibited from operating their own terminals. Taiwan carriers are allowed to operate container terminals in Taiwan as well as in the United States.

Shipping agency services.—U.S. carriers are prohibited from providing agency services, except on their own behalf. Again, Taiwan carriers are permitted to provide these services in the U.S. and in Taiwan.

Domestic cargo participation.—U.S. carriers are denied participation in Taiwan's domestic trade. U.S. carrier access to the domestic trade, as part of their international operations, would assist in the repositioning of containers and balancing container capacity utilization.

Importation of transfer of dockside equipment and container chassis.—Foreign carriers are restricted from importing or transferring dockside equipment and container chassis into Taiwan, except for certain equipment that may be imported only upon payment of exorbitant import duties and taxes. Dockside equipment must be leased from harbor bureaus, and it is the bureau's prerogative to determine the brand, type, and rental rate of the equipment supplied.

Taiwan liner trades.—Taiwan subjects its liner trade with the U.S. to substantial discriminatory allocation and reservation of cargo to Taiwan-flag vessels. In its cross-trades, cargo-sharing and discriminatory practices restrict U.S. carriers' competitive access to cargo.

Remittance of earnings.—U.S. carriers are unfairly restricted in remitting earnings from their Taiwan operations. There are no comparable controls on foreign exchange in the United States.

JAPAN

High-cube containers.—U.S. carriers are restricted by Japanese laws and policies in the land movement of high-cube containers. The Japanese have been slow to lift restrictions on the use of these more efficient containers; however, in June 1986, Japan announced a series of measures to reduce these restrictions. Progress has been made recently. Our carriers now are waiting for these steps to be fully implemented—with the expectation that the problems they have been experiencing will be alleviated.

Tobacco transport.—For several years, U.S. carriers have sought to break into the U.S. tobacco trade with Japan, which has been monopolized by Japanese carriers. After subjecting U.S. carriers to 3 years of trial shipments, Japan Tobacco, Inc.

(Japan's tobacco monopoly) suddenly selected a Taiwan carrier, Yangming, to serve this trade without a test requirement.

Port service problems.—The practice by Japanese ports of "no cargo-handling on Sunday" has resulted in increased cost to U.S. and foreign carriers. It is not the practice for the world's major ports to close down their loading/unloading operations on Sundays.

Auto carriers.—U.S. flag operators have only recently broken into the Japan/U.S. auto trade to carry fully assembled cars. Japanese car exports, however, are expected to decline as Japanese car manufacturers establish more assembly plants in the U.S. Consequently, U.S.-flag carriers should receive a share of the knocked down set movements.

KOREA

Korean foreign shipowners' association.—Foreign flag carriers, including U.S. operators, have been denied approval to form an association to represent their collective shipping interest in Korea.

Negative list.—U.S. carriers are seeking removal of ocean shipping from the negative list of those sectors in which foreign investment is prohibited. The inclusion of ocean shipping on the negative list, which is maintained by the Ministry of Finance, is a major impediment to U.S. carrier operations in Korea.

Terminal operating restrictions.—U.S. carriers are prohibited from owning/operating their own terminal facilities and are denied equal access to common user facilities. U.S. carriers seek the same preferential berth arrangements, which with the Busan Container Terminal Operating Company (BCTOC), that are accorded Korean-flag carriers.

Shipping agency restrictions.—The Korean Maritime and Port Administration (KMPA) requires that all foreign shipowners appoint a 100-percent Korean-owned agent. The impact of KMPA's agency requirement is that all sales, marketing, contracting, warehousing, maintenance, and repair must be carried out by a Korean-owned agent. Korean-flag carriers, however, act as their own agents in the United States.

Trucking operations.—U.S.-flag carriers are prohibited from owning and operating their own trucking operations—even as part of their ocean freight services.

BANGLADESH

Cargo waiver system.—U.S. carriers are required to obtain waivers for the carriage of FOB-nominated export cargo. The waiver system, which is intended to increase the share of Bangladesh origin cargoes to the Bangladesh national line, descriminates against U.S.-flag carriers.

INDIA

Cargo reservation.—U.S. carriers will face vastly reduced prospects in the U.S./India trade if the government of India carries out plans to submit cargo reservation legislation to Parliament and the legislation is enacted.

Shipping tax.—U.S. carriers are subject to a 5½ percent gross receipt tax on exports from India and on imports to India. U.S. carriers view this tax as unfair, since it does not take into account the profit-or-loss position of a carrier serving India. U.S. carriers are pressing for a reduction in the tax.

PAKISTAN

Shipping tax.—U.S. carriers are seeking an exemption from Pakistan's 8% gross receipt tax on shipping—one of the highest in the world. Although Pakistan has temporarily suspended the shipping tax prospectively for an indefinite period, and retroactively to March 1986, no formal bilateral agreement has been concluded.

ADVERSE PRACTICES AND BARRIERS TO TRANSPORTATION IN U.S.-FLAG LINER SERVICES IDENTIFIED BY DEPARTMENT OF STATE

TURKEY AND PAKISTAN

Shipping taxes.—Turkey and Pakistan have for some years levied taxes on the revenues of U.S. carriers while their own carriers were not comparably liable here.

COLOMBIA

Cargo reservation.—Colombia refused to admit an American-owned carrier into the bilateral trade in order to carry cargo financed by the Export-Import Bank.

VENEZUELA

Cargo reservation.—Venezuela recently objected to the entry of an additional U.S. carrier in the bilateral trade.

KOREA

A major Korean shippers' organization refused to ship with American-Flag carriers transshipping in a third country because of alleged documentary problems relating to U.S. quota regulations.

BANGLADESH

Bangladesh tightened restrictions last spring on foreign flag carriers of FOB-nominated cargoes.

PROBLEMS ENCOUNTERED IN MARINE TRANSPORTATION INDUSTRIES IDENTIFIED BY TRADE REPRESENTATIVE

ARGENTINA

Discriminatory bilateral agreements.—Discriminatory bilateral agreements with Brazil, Chile, Colombia, Lebanon, Peru, Venezuela, and U.S.S.R. Two U.S. lines have permission to cover southbound movement of government controlled cargo.

Governmental incentives.—Governmental incentives favor national vessel use by Argentine exporters, regulations include reduced port charges, rebates of wharfage fees, elimination of consular fees, export port charges, export credit may be up to 5 percent of freight transported under the national flag. Tax rebates for manufactured exports are calculated at F.O.B. when shipped in foreign bottoms and at C.I.F. when shipped in Argentine bottoms.

Commercial cargo reservation.—Government and private purchases and sales and government financed imports are reserved for national vessels, unless exemption authorized by the Director of the Merchant Marine.

AUSTRALIA

Governmental cargo reservation.—40 percent of certain government cargo on certain goods must be carried in domestic bottoms.

Coastal trade restrictions.—Foreign vessels must be licensed for coastal trade. In practice such licenses are almost never granted.

BRAZIL

Limitations on container shipments.—Government of Brazil prohibits transhipments of containers in its trade; prohibits use of non-ISO size containers in its trades, thus discriminating against major foreign carriers.

Governmental incentives.—Governmental incentives favor national vessel use by shippers. Stamp tax levied on freight carried in foreign bottoms. Brazilian vessels exempt from light dues and receive reduced pilotage fees at 40 percent at Santos and 30 percent at Rio de Janiero.

Governmental cargo reservation.—Imports purchased by public authorities or bought with government assistance must be carried in national vessels.

CANADA

Preferential duties.—Government applies a preferential duty rate on any cargo moving directly from the United Kingdom and Singapore to Canada. These cargoes which move via a third country do not receive the preferential duty. This puts foreign carriers at a disadvantage because of vessel deployment.

COLOMBIA

Discriminatory bilateral agreements.—Discriminatory bilateral agreements, 50/50 clauses with Argentina, Uruguay, and U.S., equal access agreements with Colombia national line and 2 U.S. lines.

Commercial cargo reservation.—Minimum 50 percent of cargo transported on established routes must be carried on domestic bottoms.

DOMINICAN REPUBLIC

Commercial cargo reservation.—National law reserved 40 percent of commercial cargo, 50 percent of "Exonerated cargo" and 60 percent of government cargo for national flag lines. Law applies to bulk and liner trades.

EGYPT

Discriminatory bilateral agreements.—Discriminatory bilateral agreements with Ceylon, Indonesia, Libya, Pakistan, Romania, U.S.S.R., East Germany, Hungary, and Yugoslavia.

Commercial cargo reservation.—30 percent of imports and exports must be carried on domestic bottoms.

FRANCE

Commercial cargo reservation.—All national defense goods, 40 percent of coal tonnage, 66 percent of petroleum tonnage, and all bananas must be carried on national flag bottoms. Monopoly traffic between metropolitan France and Tunisia and Algeria.

Limitations on containers.—Government previously threatened to disallow use of refrigerated containers because they did not meet Agreement of Transport of Perishables (ATP) standards, which actually exempts deep sea containers.

Export insurance.—Purchase of export insurance from national backed Export Insurance Company requires shipper to use national flag vessels if the insurance covers the cost of the freight.

GERMANY

Government cargo reservation.—Foreign aid cargoes must be carried on national flag bottoms.

GHANA

Commercial cargo reservation.—Minimum 25 percent of national timber must be carried on national flag bottoms.

INDIA

Discriminatory bilateral agreements.—Discriminatory bilateral agreements with Iran, Poland, Romania, U.S.S.R., Czechoslovakia, Hungary, East Germany, and Peru.

Discriminatory port charges.—Reductions in port charges for national vessels.

INDONESIA

Commercial cargo reservation.—45 percent of all cargo must be carried on national flag bottoms. And 50/50 clauses with Singapore and U.S.S.R.

ITALY

Discriminatory treatment.—Agent must maintain in escrow monies to cover all obligations of each ship and certify such before ship departs. Same practice is not required of national lines. This results in tie up of monies for approximately 90 days.

JAPAN

Restrictions on containers.—Government restricts the use of "High Cube" containers even though the height of these containers of a low chassis is not greater than the standard container on a flat bed truck.

Discriminatory treatment.—U.S. companies may not act as their own operating agents or perform their own trucking in Japan. While Japanese carriers may do so in the U.S.

Tobacco shipments.—Shipment of leaf tobacco is directed to Japanese flag vessels by the Japan Tobacco and Salt Public Corporation.

KOREA

Commercial cargo reservation.—Unilateral protective measures used by countries to reserve a substantial portion of their own trade for their own ships.

Discriminatory treatment.—U.S. carriers are not allowed to own assets such as trucks, chassis, or facilities in Korea, nor can U.S. carriers own any type of agency. Korean operators are free to own any of these in the U.S.

MEXICO

Directing cargo to national carriers.—July 1979 container decree sets up multimodal transport—Operator made up of National Ocean and Inland Carriers (100 percent national owned). This MTO carries out all contracts with shippers and carriers to handle inland carriage of cargo. This provides opportunity for directing cargo for national carrier.

Limitations on competiton.—Container decree regulates the movement of all containers moving in Mexico. Consequently, routing of cargo by the carrier is restricted, and as such, the carrier may not be able to compete effectively.

PAKISTAN

Commercial cargo reservation.—50 percent of U.S. and World Bank aid cargoes must be carried on national flag bottoms.

Discriminatory bilateral agreements.—Bilateral agreements with Egypt, India, and Poland.

PHILIPPINES

Commercial cargo reservation.—Government decrees interpreted and employed in a discriminatory manner to direct non-government supported and purchased goods to national flag line.

Discriminatory treatment.—National flag lines pay no billing tax, all other lines pay 2.5 percent.

SINGAPORE

Discriminatory bilateral agreements.—Discriminatory bilateral agreement between shipping associations with Indonesia.

SWEDEN

Discriminatory treatment.—Carriers whose line-haul vessels call directly at Swedish ports are exempted from paying light dues.

TAIWAN

Commercial cargo reservation.—Government preference laws cover 100 percent of government financed programs and cargoes of government monopolies including liquor and tobacco.

TURKEY

Commercial cargo reservation.—Preference given to national flag vessels. All imports must be carried on Turkish vessels, unless specific permission is given to do otherwise.

VENEZUELA

Commercial cargo reservation.—Merchant Marine Law stipulates that all preferential cargo must be carried on domestic bottoms. "Preferential cargo" is defined as cargo destined for government use financed by the government, subject to import licensing, or arriving under any import duty exoneration. Effective result of policies is that Venezuela is attempting to reserve 50 percent of all cargo moving in its bilateral trade.

YUGOSLAVIA

Commercial cargo reservation.—CIF cargoes are reserved for national flag carriers and a 20 percent rebate on the freight is given to their use.

Mr. INOUYE. Mr. President, as I understand it, this amendment is predicated on the universally acknowledged fact that U.S. shipping laws ensure that our ocean liner trades are the most open in the world. Ocean carriers are free to enter our trades, and are assured of a nondiscriminatory opportunity to compete for commercial cargo.

Our laws guarantee free and fair trade in ocean liner transportation service.

Regrettably, this guarantee is not reciprocal. Such restrictive practices as closed conferences and the UNCTAD Code are the rule in other ocean liner trades throughout the world. So far, however, our carriers have been able to live with these kinds of anticompetition restrictions.

But, there are also laws and regulations of many of our bilateral trading partners which do adversely affect our carriers, and their ability to compete.

This amendment is aimed at that situation. It does not attempt to dictate the laws and policies of our trading partners. In fact, wherever a law imposes a restriction on our carriers, this amendment accepts the rationale for that restriction at face value. It simply asks our trading partners to do the same, if the Federal Maritime Commission places a restriction on their carriers as a consequence. That, I believe, is only fair and equitable, and should give none of our trading partners a reason to complain.

Mr. PACKWOOD. Mr. President, I am authorized, on behalf of Senator DANFORTH, to indicate that he accepts the amendment.

Mr. PRYOR. Mr. President, on this side, I have not been specifically authorized to accept this amendment; but I think that if there were objection to it, we would see some of the Commerce Committee members here. Therefore, at this time, we accept the amendment.

Mr. BREAUX. Mr. President, I assure the distinguished Senator from Arkansas, a member of the Finance Committee, that we have discussed our amendment with Senator BENTSEN, and he is aware of it and acquiesces in the amendment.

I say to my colleagues that I will not seek a recorded vote on this amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 361) was agreed to.

Mr. PRYOR. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. PACKWOOD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I had indicated there would be no rollcall votes before 8:30. There seems to be some difficulty in getting amendments up. I shall suggest the absence of a quorum and if there is not some indication that there will be an amendment up within 10 minutes, I shall make this a live quorum. We will get all Senators to the floor and see if we can get some business started.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AGREEMENT OF THE KOREAN GOVERNMENT TO HOLD DIRECT PRESIDENTIAL ELECTIONS

Mr. KENNEDY. Mr. President, just moments ago, South Korean President Chun finished an historic address to the Korean people.

A peaceful revolution is taking place in Korea. Over the past 3 weeks, we have watched a series of dramatic developments in that nation. Day after day, tens of thousands of people poured into the streets, demanding democracy. With the fall of the dictator in the Philippine fresh in mind, the spirit of democracy was ignited in Korea, kindling the flame of freedom in the hearts of workers, nuns and priests, businessmen and women, teachers and students.

For a brief time, the government shut its eyes to the demonstrations in the streets and closed its ears to the people. Now, as in the case of the Philippines, democracy is an idea that has come to Korea. The irresistible force of democracy has made the immovable object of dictatorship move, and President Chun has agreed that democracy shall come to Korea.

As the cloud of tear gas thickened over Seoul in past weeks, the world reacted in support of the people of Korea. The administration deserves credit for its effective diplomacy, and Congress deserves credit for its effective legislative action, that left no doubt about our support for the movement to democracy in Korea.

President Chun and the chairman of the ruling party, Roh Tae Woo, deserve credit for their dramatic decision in acquiescing to virtually all of the people's demands—including the holding direct Presidential elections. They have said yes to a free press, yes to respect for human rights, yes to the release of political prisoners, yes to political party activity, yes to increased local autonomy and even yes to the long overdue restoration of the civil and political rights of Kim Dae Jung.

Most of all, the people of Korea deserve credit for their courage in resisting the government's intransigence, for their determination in sustaining their peaceful protest, and for their tireless dedication in demanding a just and democratic Korea.

The economic miracle of South Korea is now about to be joined by the political miracle of South Korea. Long may Korean democracy last—and may the Olympic Games of 1988 be a fitting tribute to the great people of a great nation that is America's friend and ally in the quest for justice, human rights, and peace among all nations.

Mr. President, I suggest the absence of a quorum.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

The Senate continued with the consideration of the bill.

Mr. BYRD. Mr. President, there will be a live quorum unless a Senator gets here before it reaches the end of the alphabet and say he has an amendment.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MELCHER addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. MELCHER. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 362

(Purpose: To express the sense of Congress regarding domestically produced wheat gluten)

Mr. MELCHER. Mr. President, I send an amendment to the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The bill clerk read as follows:

The Senator from Montana [Mr. Melcher], for himself, Mr. Exon, and Mr. Karnes, proposes an amendment numbered 362.

Mr. MELCHER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . WHEAT GLUTEN.

(a) Findings.—Congress finds that—

(1) wheat gluten is a value-added wheat product that provides both high protein and culinary baking value;

(2) wheat gluten consumption is increasing with the heightened demand for whole grain and variety breads:

(3) import duties imposed on wheat gluten by foreign countries are significantly higher than those of the United States with the United States imposing a duty of 8.3 percent, the European Community imposing a duty of 50 percent, Japan imposing a duty of 25 percent, and Argentina imposing a duty of 35 percent;

(4) the existence of differing import duties results in a distortion of normal trade patterns for wheat gluten and appears to be resulting in an unusually high volume of wheat gluten being imported into the United States; and

(5) the abnormally high volume of imported wheat gluten is having an adverse economic impact on the United States wheat gluten industry.

(b) Declaration.—Congress declares that—

(1) the General Agreement on Tariffs and Trade (hereinafter referred to in this subsection as the "GATT") negotiation process should be utilized to achieve a significant reduction in the high tariffs imposed on wheat gluten by other countries;

(2) the Secretary of Agriculture should receive and give favorable consideration to industry proposals that involve the utilization of the agricultural export enhancement program established under section 1127 of the Food Security Act of 1985 (7 U.S.C. 1736v) and the targeted export assistance program established under section 1124 of such Act (7 U.S.C. 1736s);

(3) the Secretary of Agriculture should promote the use of wheat gluten to enhance wheat flour offered through various foreign food assistance programs to the maximum extent possible; and

(4) if the GATT negotiations are not successful in equalizing the import duties among participating countries, the President should aggressively take all appropriate steps to defend the domestic wheat gluten industry, including appropriate action under section 301 of the Trade Act of 1974 (19 U.S.C. 2411).

SEC. . REPORT ON WHEAT GLUTEN.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall, using available funds, submit a report detailing the impact of the current international tariff structure on the United States wheat gluten industry to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

Mr. MELCHER. Mr. President, this amendment deals with wheat gluten. One of the great things we do in this country is produce wheat. We produce it in abundance. We produce much more than we can consume within the United States each year. In effect, about two-thirds of wheat crop every year is produced for foreign export. We seek those export markets. Sometimes we are successful—during the past several years, we have been unsuccessful—in getting enough foreign markets to utilize the abundant wheat crops we produce.

Wheat is not just a kernel of grain. Wheat is composed of various parts of the wheat kernel. One of the important parts is wheat gluten. So we have the capability of providing for others in the world a great amount of wheat gluten simply because we produce so much wheat over and above what we utilize in our own country.

In the export market, we have a difficult time even with our neighbor to the north. Canada imposes high tariffs on United States wheat gluten. We do have a tariff. It is 8 percent. But a common tariff of other countries is as high as 25 percent, and we are not permitted access to markets in other countries that could well use this product of the United States.

This amendment I am offering on behalf of myself and Senator Exon and Senator Karnes simply states that it is the sense of Congress that in the coming GATT round in Uruguay, these matters should be considered, and we should have some understanding that the U.S.-produced wheat gluten will have access to other markets. The consideration of that is only fairness. It is good for our wheat producers to have it considered and to have access to foreign markets, and it is very good for other countries.

We produce wheat competitively in the United States. I doubt whether any other country could produce anywhere near the amount of wheat we do as efficiently and competitively and effectively as U.S. wheat farmers.

We buy and import so much of everything under the Sun that we can think of from other countries, and we allow easy access to our markets. Even on this particular product, wheat gluten, we have a very low tariff, lower than that of other countries.

If we are to maintain that access to our markets which is available to other countries—in this case, wheat gluten, and in many cases, many other products—it is only fair and reasonable that they should allow our products to come into their country.

That is what this sense of Congress amendment is, dealing with wheat gluten. It is a timely and needed addition to this trade bill.

I yield the floor.

Mr. EXON. Mr. President, I thank my good friend and colleague from Montana, who has just offered this amendment, of which I am pleased to be a cosponsor. It is a very good amendment.

Basically, the idea for this came out of the wheatgrowers of the State of Nebraska. The Nebraska wheatgrowers came up with this suggestion, and it has been fostered and added to by wheat producers in the other parts of our Great Plains where we grow most of our wheat.

I do not believe extensive debate is necessary on this matter. This is an important sense-of-the-Congress resolution that I think will be unanimously or nearly unanimously adopted by the Senate.

Here it is a quarter to 9 on Tuesday evening, and we are finally getting around to the wheat gluten amendment. We were prepared to offer this amendment on Saturday last, trying to save some time at that juncture, to move this along; but we decided that we had better put it off until some time this week. Here we are at a quarter to 9 in the evening, moving amendments that I think will take very little time. Therefore, I think it is not important that this Senator go into any great discussion of this matter. Suffice it to say that I strongly support the amendment offered by my colleague from Montana.

Wheat gluten is a high-protein component of wheat. Its use in certain bread doughs has increased from 2 to 3 percent of total ingredients in 1970 to about 12 percent today. Total domestic production of wheat gluten is estimated at 60 million pounds annually, utilizing approximately 10 million bushels of wheat each year.

Worldwide production and consumption of wheat gluten has increased substantially during the last several years. Unfortunately, vast differences in the treatment of wheat gluten by a number of our trading partners nearly preclude—I underline the word "preclude"—U.S. wheat gluten producers from "getting a piece of the action." That situation can have a direct bearing on American wheat farmers, who are in serious trouble today.

This amendment expresses the sense of the Congress that the GATT negotiation process should be used to achieve a significant reduction in the high tariffs imposed on wheat gluten by other countries. If those negotiations are not successful, the President is urged to take all appropriate steps to defend the domestic wheat gluten industry. The amendment urges the Secretary of Agriculture to receive and give favorable consideration to export enhancement and targeted export assistance proposals for wheat gluten. It also urges the Secretary to use wheat gluten to enhance the nutritional value of flour offered through foreign food assistance programs. Finally, the amendment directs the Secretary to submit a report detailing the impact of the current international tariff structure on our domestic wheat gluten industry.

Much has been said about the need to foster development of value-added agricultural commodities during the last few years. This amendment recognizes the significance of an important value-added commodity and moves us toward a more level playing field where wheat gluten is concerned.

I am not enthusiastic about the chances for GATT assistance on this, but I think it is time the United states, its trade representatives, and our GATT negotiators get tough with regard to wheat gluten; because there is no more dramatic proof positive that we are getting the short end of the deck when it comes to the understanding that we need in the world market on wheat gluten.

Therefore, as a cosponsor of this measure, I urge my colleagues to approve this amendment.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. MELCHER. Mr. President, I think we have adequately described what we are seeking to do in this proposal. I think that the Secretary of Agriculture be required to report back in 120 days will keep the attention of Congress focused on this subject.

It is a significant proposal. Yet we are only making it in the form of a sense-of-the-Congress resolution to start the ball rolling.

Mr. President, I ask unanimous consent that Senator BURDICK be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MELCHER. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BENTSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KARNES. Mr. President, I rise today in support of an amendment to the agriculture title of the trade bill designed to be: First, free trade oriented; second, demand oriented; and third, supportive of development of a domestic industry manufacturing a value-added agricultural product, specifically the wheat gluten product.

Wheat gluten is a product containing 75 to 80 percent protein which also serves as a binder for culinary baking purposes. The demand for wheat gluten is increasing due to an increase in consumer consumption of whole grain and variety breads which require gluten to simply hold them together. In addition, gluten is used to enhance the protein level of flour produced from low protein wheat.

Despite the increased demand for wheat gluten, the domestic industry is experiencing difficulty in expanding because of the influx of wheat gluten from importers. Currently, the United States imports 60 percent of its wheat gluten. High import duties in other countries account for the overabundance of wheat gluten in the United States. Specific examples of import duties for wheat gluten are: The United States, 8.3 percent; European Community, 50 percent variable duty; Argentina, 35 percent; and Japan, 25 percent.

Obviously, there is greater economic advantage to exporting countries to ship their wheat gluten to the United States. However, this presents a problem for the domestic wheat gluten industry.

The amendment presented today is designed to state a sense-of-Congress concerning this matter and to require USDA to conduct a study and to report to Congress the impact the current international tariff structure has on the United States gluten industry.

The results of this study will indicate if it is the import duty structure that is principally responsible for the effect of the large volume of wheat gluten on the market. Once the results have been compiled then steps can be initiated to assure that the wheat gluten industry can compete on equal terms with other countries.

More specifically, development of a wheat gluten industry in my State of Nebraska can have significant economic benefits from many different perspectives. One example, is the ethanol industry.

Progress is slow but the Nebraska plants are considered to be economically viable operations in ethanol; however, the margin is very thin and the industry is quite volatile. The continued development of the wheat gluten industry in my State would allow these same plants to produce two products from wheat and provide their business with a greater degree of economic stability. In the situation I am describing, the heart or protein portion of wheat would be processed into gluten and the hull or starch portion would be processed into ethanol. Not only would this process provide financial stability but it would also create jobs as well as consume larger quantities of wheat.

The sense of Congress' portion of this amendment will state clearly Congress' support of the General Agreement on Trade and Tariff [GATT] to achieve significant reduction in the high tariff levels imposed on wheat gluten by other countries.

The second and third provision of this resolution calls for USDA to receive and give favorable consideration to industry proposals to utilize the Export Enhancement Program and the Targeted Export Assistance Program. In addition, these provisions would recommend the utilization of wheat gluten to the maximum extent practicable to enhance wheat flour offered through various foreign food assistance programs. These provisions are designed to be supportive of the industry's development during the GATT negotiations in order to enable it to respond to the opportunity for greater domestic demand when import duties are reduced in other countries and trading patterns resume a more normal flow. In the event the GATT negotiations are not successful, the fourth provision calls for the administration to utilize all appropriate remedies to deal with the adverse economic impacts imposed on the domestic wheat gluten industry because of these high import duties.

The second part of the amendment directs USDA to conduct a study, using available funds, and to report to Congress the impact the current international tariff structure has on the United States wheat gluten industry. The purpose of this study is to document the exact impacts of these high import duties to provide a basis on which to develop additional measures which are correct in their scope to assure this industry is afforded a reasonable opportunity to compete.

Mr. President, I believe the steps outlined will provide an orderly sequence for the development of the wheat gluten industry. The United States has a comparative advantage in world wheat gluten production, we should utilize it. I would point out to my colleagues that this amendment does not cost any money and I ask your support in the expeditious adoption of this amendment.

Mr. President, I yield the floor and I thank the manager of the bill for allowing me the time to speak.

The PRESIDING OFFICER (Mr. DIXON). Is there further debate on this amendment?

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment of the Senator from Montana [Mr. MELCHER].

The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Georgia [Mr. FOWLER], the Senator from Tennessee [Mr. GORE], and the Senator from Georgia [Mr. NUNN] are necessarily absent.

I also announce that the Senator from Louisiana [Mr. JOHNSTON], is absent because of death in the family.

I further announce that if present and voting, the Senator from Tennessee [Mr. GORE] would vote "Yea".

Mr. SIMPSON. I announce that the Senator from Missouri [Mr. BOND] and the Senator from Alaska [Mr. MURKOWSKI], are necessarily absent.

The PRESIDING OFFICER. (Mr. DIXON). Are there any other Senators in the Chamber desiring to vote?

The result was announced, yeas 94, nays 0, as follows:

[Roll Call Vote No. 173 Leg.]

YEAS—94

Adams
Armstrong
Baucus
Bentsen
Biden
Bingaman
Boren
Boschwitz
Bradley
Breaux
Bumpers
Burdick
Byrd
Chafee
Chiles
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Evans
Exon
Ford
Garn
Glenn
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Hecht
Heflin
Heinz
Helms
Hollings
Humphrey
Inouye
Karnes
Kassebaum
Kasten
Kennedy
Kerry
Lautenberg
Leahy
Levin
Lugar
Matsunaga
McCain
McClure
McConnell
Melcher
Metzenbaum
Mikulski
Mitchell
Moynihan
Nickles
Packwood
Pell
Pressler
Proxmire
Pryor
Quayle
Reid
Riegle
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Shelby
Simon
Simpson
Specter
Stafford
Stennis
Stevens
Symms
Thurmond
Trible
Wallop
Warner
Weicker
Wilson
Wirth

NOT VOTING—6

Bond
Fowler
Gore
Johnston
Murkowski
Nunn

So the amendment (No. 362) was agreed to.

Mr. BYRD. Mr. President, the Senate has now waited for 3½ hours hoping that the plant closing amendment would be called up. The Senate is still waiting. It seems that each side wants to weigh the thing carefully and see where its vote is and decide if it is good, and the other side says, well, let me recheck my vote. I suppose we could wait until next Tuesday on it. But who knows about next Tuesday? We may have fewer Senators here next Tuesday than we have tonight. And who could count on next Wednesday? Who knows what a day will bring forth?

I would like to inquire as to whether or not the plant closing amendment is going to be called up tonight?

Mr. KENNEDY. Mr. President, would the leader be kind enough to yield?

Mr. BYRD. Yes, I yield.

Mr. KENNEDY. As the leader remembers and I think the membership will remember, at the time we were laying down the trade bill, Senator METZENBAUM and I were prepared to write into that legislation the basic alternative, what we might call the adjusted committee report. There was objection at that time. We were quite prepared to write that in, so there was a sense of finality and if there were going to be those who would change it, the burden would fall on them. There was objection to that particular proceeding. At that time, we were quite prepared to write in the alternative and then the membership could have an opportunity to look at it and make adjustments or changes, the way we would normally proceed. But that process was objected to. So we have to come to this provision from the point of view of an amendment or amendments and strike and so on.

We have indicated to our good friends from Indiana and Utah what we were quite prepared to do. They have been reviewing that. We were quite prepared to enter into an agreement this evening and to vote at a convenient hour for the membership. The issues are important and people have strong views, but they are not overly complex or difficult to understand. We were quite prepared to move toward that.

I want to say that I respect the good faith of my friend from Indiana and my friend from Utah on this issue, but it is important. I do not think it would take a lot of time. We were quite prepared to move ahead this evening. There was consultation by other Members. So I say to the leadership we want to cooperate.

I do not think we are the only ones left. Both the Senator from Ohio and I indicated that if we reached the point where we had finished all the other items in the trade bill by tomorrow evening, we were quite prepared at that time to offer this amendment and to conclude the action on the legislation. If that is not going to be the judgment of the Senate as a whole, then we—and there were going to be other amendments—if we were going to continue this over until after the recess, we would be compelled to follow that strategy with as much notice to the membership as possible and as short a period of time as we could possibly agree to, so the Members will know and we will not delay consideration by the Senate. My good friend, the Senator from Ohio [Mr. METZENBAUM], has been the leader in this. I would welcome whatever comments he has, at least from those who support the legislation, what we might do.

Mr. QUAYLE. Would the majority leader yield?

Mr. BYRD. Mr. President, I yield. We have a good colloquy going. I shall sit down.

Mr. QUAYLE. Mr. President, where we are is essentially where the Senator from Massachusetts has outlined. The majority leader is quite correct about going back and forth and seeing who has the votes, what is the best time. Everybody wants to make sure that we get that one vote because we think this is going to be one of those issues that will be resolved by one or two votes.

I can certainly understand the dilemma of the majority leader trying to move this legislation along. We were prepared last Friday, I believe it was, to move ahead to accept the modification that Senator METZENBAUM has agreed to on the amendment and then offer to strike. At that time, they said, "No, we do not want to do it Friday, we obviously do not want to do it Saturday." The tentative understanding was we would do it Tuesday afternoon.

I indicated all along we would have 4 hours that we needed at least 2 hours. That convinced many of my colleagues on this side to cut down their statements because there were strong feelings about it. Throughout the day, as we were deciding whether we were going to bring this up today, vote on it today, who was here and who was not here, we did not want to vote tomorrow but now there are enough people back so we can vote today or tonight, my problem has been to try to figure out what the modified amendment is going to be. It has changed a number of times today.

As a matter of fact, it changed during the course, while I was grabbing a salad in the dining room. When I went down to get something to eat, I thought we would probably be able to work something out tonight to have a unanimous-consent agreement to go ahead and vote. One of my staff came down during the latter part of dinner and said another major amendment had been added to this bill or subtracted from this bill. It is a subtraction sort of process. We go in and say, "What don't you like about this: A, B, C, or D?" Then, "Fine, I will give you A, B, C, or D." And move on. Quite frankly, Mr. President, we have just not had time to assess where all this is. To be put in a situation of going tonight and a very short time of debate would not be practical at all. We have not had time to digest this. It is a very important issue. We all know it is going to be decided with a very few votes.

I think the best course of action is if we do not want to vote tomorrow, put it off until after the recess. I know that does not fall on good times as far as the majority leader is concerned, but as far as the party involved that I represent, that is basically where we are and where I think we ought to go ahead and proceed.

Mr. BYRD. Mr. President, I sense that the plant closings amendment is not going to be called up tonight. I think we ought to just quit keeping everybody here talking about that. What about the next big amendment?

Mr. President, we are hoping that we can reach a time agreement on section 201, the oil import provision.

Mr. President, I need a little help.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. I say I need a little help. Mr. President, does any Senator have an amendment that we can call up now? Any Senator have an amendment that we can call up now?

Mr. EXON. Will the majority leader yield for a question?

Mr. BYRD. Yes, I yield to the distinguished Senator.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. EXON. I thank the majority leader. I thank the Chair. While we are busily engaged here trying to find something to do, I might ask the leader if it is possible at this time to begin a discussion at least on what we are likely to do with the supplemental appropriations conference report that was passed by the House of Representatives this evening. I do not know whether or not it is over here yet. Those of us very much concerned about the Commodity Credit Corporation part of that conference report are particularly interested in getting a time agreement if we possibly could, either consider that this evening if it gets over here, if it is the will of the majority leader, or hopefully if it is the will of the majority leader we might get a time agreement to take that up before we go out tomorrow night. It is vitally important that that legislation be passed, and I am wondering if it would be out of order if we might enter into a discussion at this time about whether or not we can get that brought up tomorrow on the floor of the Senate, get a time agreement on it so that we can move briskly ahead.

Mr. BYRD. Yes. Mr. President, I would ask all those Senators who are interested in getting a vote on this supplemental appropriations conference report before we go out tomorrow to get me an agreement, get a time agreement for me. The less time the better as far as I am concerned. Two hours?

I understand there are some amendments in disagreement.

Mr. STENNIS. Yes, that is true. We have completed it as far as we can possibly go and I think that it will be a good chance within a reasonable time to complete the bill. But it will take some time to work the papers and get them over here. I do not think we can do it tonight, but we can be ready to start in the morning.

Mr. BYRD. The papers are not here.

Mr. EXON. Would it be out of order for us to see if we can get a time agreement on that, even preceding the bill coming over from the House of Representatives?

Mr. BYRD. It would be perfectly all right, and I would ask the Senator from Nebraska and other Senators who are very interested in this supplemental conference report to get together and give me a time agreement. We do not have the papers now. We cannot take it up without the papers. The conference report is over here. We have to have the papers before we can proceed so we cannot do it tonight, but Senators have time to try to put together a time agreement.

Mr. EXON. Both the chairman, I note, and the ranking member of the Appropriations Committee are now on the floor.

May I inquire of the ranking member, the distinguished Senator from Oregon, whether or not he is in a position to discuss entering into some kind of a time agreement on this subject?

Mr. BYRD. Mr. President, I have the floor. I am simply asking Senators who are interested to get themselves together and help us put together a time agreement on that conference report and on the amendments in disagreement between the two Houses. They can do that. We do not have the papers. The Senator from Montana [Mr. BAUCUS], the Senator from Nebraska, and others have asked me about this. I hope that they will work with their colleagues on the other side of the aisle to try to get a time agreement.

Mr. STENNIS. Mr. President, will the Senator yield for just one moment, please?

Mr. BYRD. Yes.

Mr. STENNIS. I think without a doubt we can be ready to get an agreement—we will have to wait and see how many major matters are in contest—on a reasonable time. We have the former chairman who might like to say a word about it.

Mr. HATFIELD. Will the Senator yield?

Mr. BYRD. Yes, I yield.

Mr. HATFIELD. I thank the majority leader for yielding.

Mr. President, there are about 305 of the Senate amendments that the House adopted in conference but they took back 132 in disagreement, one in true disagreement, the other technical. I believe there will be about 50 amendments we will have to take action on in the report, and until we have an opportunity to see what those 50 amendments are I think it would be a little difficult at this time to enter into a time agreement.

Mr. BYRD. Now, Mr. President, the distinguished Republican leader is on the floor. I wonder if we can talk seriously about a time agreement on remaining amendments on the trade bill. If we are not going to do business on this trade bill, we might as well get some other bill up.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. BYRD. I yield to the distinguished Republican leader.

Mr. DOLE. Mr. President, I say to the majority leader I think we would be prepared—we are not certain which version of the plant closing amendment is available, number 3, 4 or 5, but we are prepared I think to move on a major amendment. That is one.

I am not certain we have the most recent language. As I understood earlier, the distinguished Senator from Ohio would modify what is in the bill and then the Senator from Indiana would have a motion to strike. That is one area that I think we might be able to move on. I do not know about a section 201 amendment. That is another major amendment.

Mr. PACKWOOD. We would be prepared to go on section 502, the oil security amendment, and prepared to talk about section 201, but there is not unanimous consent for a time agreement on 201. On oil security, we would. We cannot get a time agreement on 201.

Mr. BENTSEN. We cannot get a time agreement on oil security.

Mr. DOLE. I say the majority leader that I do not see any time agreements. Maybe the best way is to get one of them up. Sometimes that works.

The PRESIDING OFFICER. The majority leader.

Mr. BYRD. I think Senators are still counting their votes, wondering whether Senators, who are here tonight will not be here tomorrow and when those who will not be here tomorrow will be back again on Tuesday.

So, Mr. President, does any Senator wish to lay down an amendment tonight?

Does Senator Wilson have an amendment?

Mr. WILSON. No.

Mr. BYRD. The Senator has been waiting patiently, and I am ready to reward him. [Laughter.]

Mr. DOLE. Does the majority leader mean to lay it down, to be pending in the morning?

Mr. BYRD. I was hoping that we could work on it tonight. The ranking manager, Mr. Packwood, said earlier today that we should stay until about 11 o'clock tonight and get some work done. We are not getting anything done.

Mr. PACKWOOD. It is about 11 o'clock. [Laughter.]

Mr. BYRD. We are not getting any work done. We still have an hour and 10 minutes.

Mr. DOLE. Tell him he made a mistake.

Mr. PACKWOOD. I thought we were on standard time. [Laughter.]

The PRESIDING OFFICER. Does anybody have anything to say to the majority leader?

ORDER FOR RECESS UNTIL 9 A.M. TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9 o'clock tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CONSIDERATION OF OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987 ON TOMORROW

Mr. BYRD. Mr. President, I ask unanimous consent that at 9 o'clock tomorrow morning, following the Chaplain's prayer, the Senate resume consideration of the trade bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

OMNIBUS TRADE AND COMPETITIVENESS ACT OF 1987

The Senate continued with the consideration of S. 1420.

Mr. BYRD. Mr. President, now may we have an amendment to lay down tonight, to begin on in the morning?

Mr. DOLE. Mr. President, will the majority leader yield?

Mr. BYRD. I yield.

Mr. DOLE. Will the Senator from California bring it up now?

Mr. BYRD. How much of a time agreement?

Mr. WILSON. Twenty minutes.

Mr. BYRD. Twenty minutes equally divided?

Mr. DOLE. On each side.

Mr. BYRD. Make it 30 minutes, equally divided.

Mr. WILSON. That is fine.

Mr. BYRD. Mr. President, I ask unanimous consent that there be a time limitation on the amendment of 30 minutes, equally divided, in accordance with the usual form.

Mr. BAUCUS. Mr. President, may we ask the contents of the Wilson amendment before we agree to a time limitation?

Mr. WILSON. It is a sense-of-the-Senate resolution having to do with market access on specific agricultural commodities, including citrus, beef.

The PRESIDING OFFICER. Is there objection to the majority leader's request for a unanimous-consent agreement for 30 minutes equally divided on the amendment of the Senator from California? The Chair hears none, and it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess, under the order, until 9 o'clock tomorrow morning.

Mr. DOLE. Mr. President, will the Senator withhold that?

Mr. BYRD. I withhold the request.

Mr. DOLE. May I make an inquiry?

The PRESIDING OFFICER. The Senate will be in order.

Mr. DOLE. We will try to get a time agreement on the supplemental. Will it be the majority leader's intention to turn to that after this amendment?

Mr. BYRD. It is my intention to turn to it sometime tomorrow. If we get the supplemental up tomorrow morning, everybody will say school is out until next Tuesday.

I have learned here in the last few days that we are not going to get any business done until each side weighs its votes carefuly, checks to see if all the Presidential contenders are here or what Senators are not here, and then maybe they will. Each side waits on the other, and all the time the month is going by. We are going into July. Soon we will be in August, and the vacation time will be eroding.

Mr. DOLE. I thank the majority leader. I do not believe the Senator from California has laid down the amendment yet, but he can do that.

Mr. BYRD. If he does not lay it down tonight, I will lay it down for him.

The PRESIDING OFFICER. The Senator from California is recognized.

AMENDMENT NO. 363

(Purpose: To express the sense of Congress regarding the trade barriers and high tariffs Japan places on competitive agricultural exports from the United States)

Mr. WILSON. Mr. President, I send an amendment to the desk and ask for its consideration as the pending business tomorrow morning.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follows:

The Senator from California [Mr. Wilson], for himself and Mr. Pryor, Mr. McClure, Mr. Chiles, Mr. Cochran, Mr. Nickles, Mr. McCain, and Mr. Johnston, proposes an amendment numbered 363.

Mr. WILSON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 516, between lines 6 and 7, insert the following new section:

SEC. . JAPANESE BARRIERS AND TARIFFS ON UNITED STATES AGRICULTURAL EXPORTS.

(a) FINDINGS.—Congress finds that—

(1) the United States trade imbalance with Japan reached a record $58,600,000,000 in 1986;

(2) the Japanese do not allow the importation of any American rice, which has become a source of friction between the two longtime allies;

(3) Japan's strict quota on rice causes the price of rice in Japan to remain 10 times higher than the price at which California rice could be shipped to Japan;

(4) the Japanese impose unreasonably high tariffs on American exports of beef and citrus making those products non-competitive in the Japanese market;

(5) there is a huge demand for products such as fresh vegetables, citrus, beef, nuts, and value-added agricultural products in Japan;

(6) the United States, as the largest supplier of agricultural goods to Japan, is in a position to supply those products;

(7) the United States has invoked GATT dispute settlement against Japanese import quotas on 12 categories, including peanuts, processed cheese, dry beans, non-citrus fruit juice, preserved or prepared beef, fruit purees and paste, and other commodities and products;

(8) Secretary of Agriculture Lyng and United States Representative Yeutter recently visited Japan and returned without major progress on the export of American agricultural commodities and the products thereof to Japan; and

(9) an advisory panel sanctioned by the Japanese Government has called for abolishing import curbs on agricultural products in view of the upcoming Uruguay Round of the General Agreement on Tariffs and Trade.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Japan should—

(1) liberalize the trade policies of Japan by lowering high tariffs and removing quotas on competitive agricultural exports of the United States; and

(2) perform the actions referred to in paragraph (1) in a prompt and timely manner to avoid any damage to the close relations between Japan and the United States.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. WILSON. I yield.

Mr. BYRD. Mr. President, I thank the distinguished Senator from California for laying down the amendment.

There will be no further rollcall votes tonight.

Mr. President, I ask unanimous consent that with respect to the amendment by Mr. WILSON, no amendment be in order to that amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that no motions to commit either with or without instructions be in order to the amendment by Mr. WILSON.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GRAMM BALANCED BUDGET AMENDMENT

Mr. LEVIN. Mr. President, on Saturday, I voted against the Gramm amendment which will require the Congress to have completed action on a balanced budget constitutional amendment by October 1, 1987.

This amendment represents an unfortunate combination of engaging in the most serious legislative activity possible—amending the Constitution—and of legislating in an uncertain and vague fashion.

First, procedurally, it is not clear whether this amendment is subject to a point of order. Passing it by a majority vote would arguably violate rule X of the Senate rules. There should be firmer ground upon which to embark on amending the fundamental law of the land, the Constitution.

Second, what does the amendment really mean when it requires that the "Congress" shall "complete action" on "an" amendment to the Constitution to balance the budget? When Senator GRAMM introduced the final version of his amendment, he suggested that the form had been changed to follow the pattern of the Budget Act, and thereby avoid procedural objections. However, the final version of his amendment was significantly different in substance, as well, and this point was not adequately debated. Under the original version of the Gramm amendment, the requirements of the amendment could have been met by the House of Representatives voting on constitutional amendment A and the Senate voting on constitutional amendment B. However, the final version of the Gramm amendment explicitly sought to follow the pattern in the Budget Act. When the Budget Act refers to "Congress" completing action, it is in the context of Congress having completed action on the same version of legislation, whether that be the concurrent budget resolution or the reconciliation bill.

Third, I am deeply troubled by the precedent which the Gramm amendment sets. It would allow a simple majority of the Senate to set the timing for the consideration of legislation, whereas a two-thirds vote would be required to do something similar under rule X, regarding special orders, and rule XX, regarding cloture.

Finally, it does not make any sense at all to mandate that the Congress complete action on an amendment to the Constitution when the Congress does not have before it a specific constitutional amendment. Of course, Congress has occasionally imposed such requirements on it when dealing with ordinary legislation. However, amending the Constitution—the soul of our body politic—is not an ordinary activity and a constitutional amendment should not be treated as ordinary legislation.

For all of these reasons, I opposed the Gramm amendment.

TITLE V, ENERGY SECURITY PROVISIONS— S. 1420, TRADE BILL

Mr. PELL. Mr. President, I am pleased to join with my distinguished colleagues, the senior Senator from New Jersey [Mr. BRADLEY], and the junior Senator from Oregon [Mr. PACKWOOD], in this bipartisan effort to strike section 502, the energy security provisions in title V of S. 1420, the omnibus trade legislation.

Last February, I, along with 15 of my colleagues in the Senate, introduced Senate Resolution 97 opposing the imposition of import fees on crude oil and petroleum products. That strong bipartisan effort led to the formation of a broad-based coalition of business, industry and consumer groups united in opposition to any oil import fee. Clearly that strong effort in February helped greatly in uniting support in opposition to oil import fees and the energy security provisions under section 502 of S. 1420.

In my opinion, there is no question that section 502 of the trade legislation is a backdoor aproach to the imposition of an oil import fee—all of which is aimed primarily at deficit reduction and protection of the domestic petroleum industry, rather than the very real concern over energy vulnerability. I believe it is clearly not in our national interest to suggest that oil imports from our most friendly and secure suppliers of oil—Canada, Mexico, Venezuela and Indonesia—are a threat to our national security.

In this regard, I would call the attention of my colleagues to a June 24, 1987, letter which I received from His Excellency Valentin Hernandez, Ambassador of the Republic of Venezuela, on the matter of oil exports.

Ambassador Hernandez comments at length on the security of supply issue, and emphasizes that Venezuela itself has 900,000 barrels per day of excess crude oil production capacity which could be quickly brought on stream as one additional secure source of petroleum supply.

I ask that the letter from Ambassador Valentin Hernandez be printed in the RECORD.

Mr. President, if indeed energy security is our concern under the provisions of section 502, then our attention should be focused on oil imports from the Persian Gulf area—oil imports which count for approximately 6 percent of all oil consumed in the United States today, not a vulnerable 50 percent as suggested in the trade legislation.

Equally important in the question of energy dependence, our national attention should focus on adequate supplies of oil for the Strategic Petroleum Reserve as well as the sadly neglected area of energy conservation. Indeed, a return to a strong commitment to conservation including weatherization and auto efficiency standards would go a long way in responding to energy vulnerability from the Persian Gulf.

Without question, the energy security provisions, section 502, in title V of the trade legislation should be deleted from S. 1420. In addition to the many questions that can be raised over the issue of energy dependence, section 502 of S. 1420 requires the use of broad authority under section 232 of the Trade Expansion Act by the executive branch with little opportunity for careful congressional or public review of the Presidential recommendations to limit oil imports.

In sum, I am delighted to join my distinguished colleagues in opposition to the energy security provisions of S. 1420. The provisions essentially would protect the oil industry through the imposition of a tax that would impose an unfair and discriminatory burden on consumers, business and industry in the Northeast as well as certain States along the east coast and upper Midwest.

I will continue my strong efforts to address our real concerns over energy vulnerability. But I will continue to oppose measures which would impose an unfair burden on consumers and business in Rhode Island, and other oil consuming States.

The letter referred to follows:

Embajada de Venezuela,
Washington, DC, June 24, 1987.

Hon. Claiborne Pell,
Chairman, Committee on Foreign Relations, U.S. Senate, Washington, DC.

Dear Mr. Chairman: This is not the first time this year that I have the honor to address you on an issue in which we share common concerns. As you are undoubtedly aware, the Republic of Venezuela closely monitors congressional debates regarding proposals to tax imported oil. Representatives of my country and our oil industry have held meeting with the Members and staff of the Foreign Relations Committee, as well as that of other congressional committees, on several occasions to discuss our concerns. We believe that an amendment to the Senate Trade Bill which was recently adopted by the Finance Committee could eventually lead to a limitation on oil imports through the imposition of an oil import tax or import quotas. This amendment is generally identified as the "oil import threshold legislation."

As you are aware, Venezuela would be severely affected if the United States is Venezuela's most significant export market and currently represents approximately 50% of our total oil export earnings. Presently, over 90 percent of Venezuela's export and foreign exchange earnings are derived from our worldwide crude oil and petroleum product sales. Oil accounts for approximately 60 percent of all government revenues and over 25 percent of the nominal gross domestic product.

Furthermore, Venezuela today has the fourth largest foreign debt among Latin American developing countries, surpassed only by Brazil, Mexico and Argentina. Of Venezuela's total foreign debt, approximately $10 billion is owned to United States banks. Venezuela's capacity to continue to develop economically and socially, to purchase merchandise and services from abroad, and to service its foreign debt are directly dependent upon the level of income it derives from petroleum exports.

Market conditions resulting from the oil price collapse of 1986 were obviously detrimental to United States oil producers. The situation was not different in Venezuela as export revenues decreased 44 percent in 1986 to $7.2 billion from $12.9 billion the previous year. In a country as heavily dependent on oil export revenues as Venezuela, the negative impact of such a reduction is indeed significant, and it has already resulted in reduced imports, increased inflation, unemployment and related social pressures, as well as in domestic political uneasiness regarding the management of our external debt situation.

In addition to the perception that the oil import threshold legislation will result in the imposition of an oil import fee, we believe strongly that such legislation fails to consider the variety of factors which comprise energy security. Indeed, the study recently undertaken by President's Reagan's Energy Security Task Force plainly states that the use of oil import levels as the sole indicator of the United States' energy security is an oversimplification. The report concluded that, in assessing United States energy security, a variety of factors must be considered including the source of oil imports, the stocks that have been accumulated in the United States and elsewhere, and the excess production capacity that exists in the world.

In this context, at the risk of being somewhat repetitive, I feel it is necessary for me to reiterate that the combination of our enormous oil resource base in the Western Hemisphere, the proven technical and managerial capacity of the Venezuelan oil industry, the proven historical track record of Venezuela as a stable and secure source of supply to the United States, the Venezuelan decision to invest in down-stream activities in this country, and the historical and political affinity of our two nations committed to individual freedom and democracy in all of the Americas, should be taken into account by the U.S. Government in considering its overall energy policy and, in particular, its energy-security related policies. In addition, today Venezuela alone has 900,000 barrels per day of excess crude oil production capacity which, in case of crisis, could be brought on stream in a matter of weeks, and we also possess similar flexibility in our refining capabilities.

Mr. Chairman, the fact that United States oil production will continue to decline regardless of price level is well-documented. No matter what policies are implemented, the United States will have to rely on imported oil to help meet its total energy requirements. Oil import restrictions deny this fact, and penalize oil exporting nations, especially the United States' geographical neighbors and political allies, such as Venezuela, Canada and Mexico, which together account for nearly 38% of total U.S. petroleum imports. As you know, a substantial portion of Venezuela's petroleum exports are consumed in Rhode Island and other New England States.

During this and past Congresses, you have raised important points with respect to the oil import tax issue. Specifically, you have cited the disproportionate effect of such a tax on the consumers of the Northeastern and Midwestern United States, and on friendly oil producers such as Venezuela. It is our hope that, in assessing its long-term energy security, the United States Congress fully recognizes Venezuela's oil resources, reserves, and technical abilities, as well as the long-term history of bilateral cooperation between our nations, and that no measure be adopted that could jeopardize Venezuela's ability to continue to supply significant quantities of oil to the United States in the future. The Republic of Venezuela appreciates your efforts in this regard, and as an ally and close friend of the United States, we wanted to make known our views to you on this issue of extreme importance and significance to our country.

Sincerely,

Valentín Hernández,
Ambassador.

Mr. SPECTER. Mr. President, I voted in favor of the Exon amendment because I believe that labeling is appropriate. As a matter of fairness to all parties, it is desirable to identify the source of a product. In that way the consumer knows what he or she is purchasing and the seller makes an accurate representation as to the source of the product which is being sold.

I am concercned that this amendment may not have sufficient specificity to put sellers on notice as to the precise labeling which is required and that some modification may be necessary where a product is a blend from many sources. For example, a chocolate manufacturer may use cocoa beans from many sources. Similarly, a coffee company blends coffee from many different nations and domestic processed food manufacturers utilize spices from all over the world.

There is also a concern as to what the cost would be for such a labeling requirement, and it is in neither the consumer's or producer's interest to make the requirement so complex as to add substantially to the cost of the product.

These are concerns which can appropriately be considered in conference. It is my hope and expectation that the conferees will take such concerns into consideration because I believe that many Senators have concerns similar to the ones which I am expressing.

The labeling requirement is sound, but consideration should be given to practical problems which will be faced by producers and the costs involved in reaching an appropriate balance which will give consumers needed information without imposing excessive restrictions on producers.

THE CALENDAR

Mr. BYRD. Mr. President, I ask the distinguished acting Republican leader if calendar order No. 212 and No. 213

have been cleared on his side of the aisle?

Mr. DOMENICI. Let me respond to the distinguished majority leader by indicating that they have.

Mr. BYRD. Very well. I thank the acting Republican leader.

I ask unanimous consent that the Senate proceed to the consideration of Calendar Order No. 212 and 213 seriatim.

The PRESIDING OFFICER. Without objection, it is so ordered.

DESIGNATION OF A METROPOLITAN STATISTICAL AREA

The bill (S. 1447) to designate Morgan and Lawrence Counties in Alabama as a single metropolitan statistical area, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the counties of Morgan and Lawrence in Alabama shall be considered for designation as a single metropolitan statistical area by the Director of the Office of Management and Budget without regard to the portion of the Bankhead National Forest located within Lawrence County.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOMENICI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENSION OF GOVERNING INTERNATIONAL FISHERIES AGREEMENT

The bill (H.R. 2480) to extend temporarily the governing international fishery agreement between the United States and the Republic of Korea, and for other purposes, was considered.

Mr. HOLLINGS. Mr. President, today I rise in support of H.R. 2480, a bill to extend temporarily the governing international fishery agreement [GIFA] between the United States and the Republic of Korea.

It is especially important to enact this bill quickly. The current GIFA expires on July 1, and the Congress has had insufficient time to consider and approve the revised GIFA, which was proposed by the President and sent to the Congress last week. Under the Magnuson Fishery Conservation and Management Act, joint fishery ventures between American harvesting vessels and foreign processing ships may not be carried out in the United States exclusive economic zone unless a GIFA with the affected foreign government is in effect. Without the temporary extension provided for under H.R. 2480, until a new GIFA is in place, the United States fishing interests now pursuing joint ventures with the Korean vessels in the North Pacific could suffer substantial economic harm.

The revised Korean GIFA was sent to the Senate by President Reagan on June 25. The extention of the existing GIFA under H.R. 2480 will enable United States-Korean joint ventures to proceed without interruption until no later than November 1. This will provide ample time for the House and Senate to consider the merits of the proposed new agreement, which will take effect earlier than November 1, if the 60-day legislative review period defined in the Magnuson Act elapses beforehand without congressional disapproval.

There are also two other sections in the bill. Section 2 corrects a technical citation error in the Magnuson Act, which occurred as a result of an amendment last year. Section 3 is an amendment to the National Sea Grant College Program Act that confirms the legal status of the 1-year congressional and executive branch fellowships that have been awarded under the Sea Grant Act since 1978. This explicit statutory recognition should remove any doubt regarding the Congress' intent that these useful and productive fellowships be an integral element of the Sea Grant Program.

I urge my colleagues to approve H.R. 2480.

Mr. MURKOWSKI. Mr. President, I rise to support H.R. 2480, granting an extension to our current Governing International Fisheries Agreement with the Republic of Korea.

On Saturday, this body sent a broad, bipartisan message to the people of Korea. That message stressed our support for them as they work out a solution to the current political crisis in their country. The Senate wisely chose to demonstrate our confidence in Korea's ability to resolve its own problems, instead of attempting to dictate solutions for them. I am pleased to see that as of this morning both the Government and its opponents are showing increasing signs of compromise and flexibility on issues such as elections, just as we urged.

As I commented at that time, the United States not only has strategic interests in the stability of the Republic of Korea, we also have an economic interest in maintaining our good relations with Korea as a reliable and friendly trading partner.

Our relationship in the area of fisheries is a case in point. As time has passed, that relationship has been a dynamic one. At one time, Korea's own fleet caught almost all the United States fish its industry used. More recently, we've seen direct fisheries decreasing while more and more fish is caught by American fishermen working in cooperative joint ventures with Korean companies. I fuly expect our relationship to continue evolving, and consider that a healthy process. I look forward to the day when all United States fish is both caught and processed by the domestic industry, but in the meantime, we can only benefit from maintaining healthy, positive ties with Korea.

I do not imply the relationship has been free of any difficulties; even good friends invariably have differences from time to time. In that regard, I encourage this body to scrutinize close the language and implications of the new agreement with Korea sent to us by the President recently.

But that is not the matter before use today. What concerns us now is whether we should continue our present relationship while we consider the specifics of a new agreement.

Mr. President, I urge my distinguished colleagues to give their support to this measure. Let us move to better our relationship, not abandon it.

The bill (H.R. 2480) was ordered to a third reading, read the third time, and passed.

Mr. BYRD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. DOMENICI. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STONES RIVER NATIONAL BATTLEFIELD

Mr. BYRD. Mr. President, there is a bill at the desk, H.R. 1994. I ask unanimous consent that that bill be read the first time.

The PRESIDING OFFICER. Without objection, the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1994) to amend the boundaries of Stones River National Battlefield, Tennessee, and for other purposes.

Mr. BYRD. Mr. President, I ask that the bill be read the second time.

Mr. DOMENICI. I object.

The PRESIDING OFFICER. Objection is heard.

The bill will be held over for a second reading on the next legislative day.

APPOINTMENT

The PRESIDING OFFICER. The Chair announces on behalf of the Republican leader, pursuant to Public Law 99-660, his appointment of the Senator from Minnesota [Mr. DURENBERGER] as a member of the National Commission to Prevent Infant Mortality.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I will ask the distinguished acting leader if he has any statement or any further business he would wish to transact.

Mr. DOMENICI. Mr. President, we have nothing further on this side.

We thank the distinguished majority leader for his courtesy.

Mr. BYRD. Mr. President, I thank the distinguished Senator.

Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BYRD. Has there been any morning business today?

The PRESIDING OFFICER. There has not.

MORNING BUSINESS

Mr. BYRD. Mr. President, in order to allow Senators to have their bills and resolutions introduced which they could not do otherwise, I ask unanimous consent that there be 1 minute for morning business and that Senators may be permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

ARMS CONTROL TALKS

Mr. SPECTER. Mr. President, I believe my colleagues in the Senate and others may be interested in some observations on the arms control talks in Geneva from the recent visit of the U.S. Senate Observer Group, consisting of Senators PELL, JOHNSTON, MOYNIHAN, and myself, on June 20 to June 23, 1987. We received briefings from U.S. negotiators headed by Ambassador Max Kampelman for the United States and had conversations with the Soviet delegation headed by Deputy Foreign Minister Vorontsov.

Ambassador Maynard Glickman, who is in charge of the U.S. INF team, presented an impressive report and it appears that substantial progress toward an INF treaty has been made. If the negotiators find it possible to agree to global zero, with the elimination of the last 100 warheads on each side, it would appear that a very good result would have been achieved.

Ambassador Ronald F. Lehman, who heads the U.S. team on strategic arms reductions, summarized his group's extensive activities in a report which holds realistic promise for a START treaty in 1988. The possibilities for a START treaty are tied into the complex issues on the negotiations for a treaty on weapons in space. It appears at this time that there is linkage between these two efforts, but it is conceivable that a START treaty could be reached, within the general parameters of a 50-percent reduction in strategic missiles as discussed at Reykjavik, without a comprehensive treaty on defense in space; but there are many issues involved in those negotiations and considerable work remains to be done.

It was my general impression that significant progress has been made and is being made in the negotiations and that both sides see a window of opportunity during President Reagan's term of office, which may not be presented again for several years. In a press briefing on June 22, the Senate delegation expressed a consensus that a treaty or treaties would have to be presented to the U.S. Senate on or about February 1988 in order to provide the Senate with an opportunity to complete the necessary ratification proceedings in 1988.

As has been reported elsewhere, the U.S. representatives restated their concern that their negotiating position not be undercut by congressional action which would foreclose the outstanding issue on the interpretation of the ABM Treaty and would favor the narrow or restricted interpretation of the treaty. That issue has delayed the Senate's consideration of the Department of Defense authorization bill since cloture on the motion to proceed has failed. Discussions were undertaken among U.S. negotiators in Geneva and the Senate delegation on possible compromises which would allow the Congress to proceed on the defense authorization and appropriation bills without foreclosing the issue on ABM Treaty interpretation and without undercutting the bargaining position of our U.S. negotiators in Geneva; and those efforts are proceeding.

For this Senator, these discussions with U.S. negotiators provided substantial additional insight on the background and interpretation of the ABM Treaty and on the importance of having Congress defer any vote on the narrow versus broad interpretation of the treaty.

Some historical perspective presented by Ambassador Henry F. Cooper, deputy negotiator of the Defense and Space Group, provided significant insight on:

First, early questioning of the narrow interpretation of the ABM Treaty prior to the strategic defense initiative and any motivation by the administration to modify the treaty's interpretation to conform to policy preferences;

Second, the Soviets' view of the ABM Treaty as being highly significant on the way the parties to the treaty themselves viewed the narrow versus broad issue; and

Third, the Soviet concerns on SDI as it relates to U.S.-U.S.S.R. current bargaining positions.

My own study of the ABM Treaty was prompted by my participation in the Senate Observer Group from February 26 to March 2, 1987, when I heard Ambassador Kampelman and other U.S. negotiators express the concern that their negotiating position would be undercut by congressional action limiting SDI tests to the narrow interpretation. My study, as stated on the Senate floor on May 13, 19, and 20, 1987, suggests significant ambiguity in the negotiating record with a title in the ratification proceedings in favor of the narrow interpretation, albeit not conclusive. As I see it, we need to carefully review the issue of subsequent practices of the parties after Judge Sofaer files his report which is expected shortly and makes important documents available for Senate study.

Many have questioned statements by the administration in favor of the broad interpretation of the treaty on the ground that it suits the administration's convenience at a time when the administration wanted to engage in tests beyond the narrow interpretation of the ABM Treaty. This skepticism was sharply expressed on June 16, 1987, by many journalists who attended the symposium sponsored by the Aspen Institute and ACDA at the Wye Plantation in Maryland. Following presentations by Mr. John Rhinelander and myself, journalists expressed incredulity at the coincidence of the administration's interests in unrestrained testing of SDI with a new interpretation of the treaty.

Information made available by Ambassador Cooper in Geneva suggests that the broad interpretation is not a recent invention to suit the administration's purposes. Ambassador Cooper points to questioning of the narrow interpretation of the ABM Treaty by personnel at the Rand Corp. in 1977 in a published exchange with Mr. Ray Garthoff, a U.S. negotiator on the ABM Treaty, and later in correspondence with the Defense Department in early 1985.

In 1977 Abraham Becker wrote in a letter published in International Security (1977) at pp. 106-07 that he, like others, had concluded that future systems were not fully or even partly banned by the treaty. Because article II on definitions was limited to traditional components, article V's ban on testing mobile systems did not apply to any "that does not employ the canonical ABM triad."

I ask unanimous consent that Mr. Becker's letter and Mr. Garthoff's reply which appeared in the same volume be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CORRESPONDENCE ON NEGOTIATING WITH THE RUSSIANS

To the Editors:

In his interesting article, "Negotiating with the Russians: Some Lessons from SALT" (Spring 1977, p. 18), Raymond Garthoff alludes to "the important provisions of the [ABM] Treaty and associated Agreed Interpretation *banning* 'futuristic' anti-ballistic systems (Article III and Agreed Interpretation E)" (my emphasis). Garthoff presumably refers to a deployment ban, and in this he supports a position previously advanced by others, some of whom were also closely associated with the negotiations—for example, John Rhinelander (in Mason Willrich and John B. Rhinelander, eds., *SALT: The Moscow Agreements and Beyond*, New York; The Free Press, 1974, p. 128). The authority of such sources cannot be taken lightly, but to an outside observer the assertion seems dubious. Inasmuch as a review of the Treaty (mandated by Article XIV) is due at the end of this year, the point may be worth reexamining.

Agreed Interpretation E declares its purpose to be "to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty." However, implementation of the goal is conditional: ". . . in the event ABM systems based on other physical principles . . . are created in the future, specific limitations on such systems and their components would be *subject to discussion* in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty" (my emphasis). I am not a lawyer, but "subject to discussion" seems to me to impose no obligation other than, perhaps, to "discuss." Again with the same disclaimer, I read the references to Articles XIII and XIV as pointing to the framework and machinery for discussion and possible amendment but not as imposing a *requirement* for amendment.

Rereading this apparently loop-hole-ridden addendum to the Treaty text, one is puzzled to find Garthoff labeling this "an explicit ban" and congratulating the American side for its firmness and persistence. Inevitably, the question arises: why wasn't the ban in fact made explicit? Garthoff blames American delay in introducing the proposal for the fact that there was a "need to spell out the explicit ban in an Agreed Interpretation rather than in a provision of the text itself." Evidently, the Soviets were never enthusiastic about the idea, but initially there was strong opposition on the American side as well. "Firmness on our objective and flexibility in the means led to acceptance of our position," Garthoff declares. In this combination, only the "flexibility in the means" is easily discernible. The weak language of agreed Interpretation E suggests, in fact, an implicit agreement by both sides to retain their options on the objective.

One might ask why agreed Interpretation E was necessary at all. Does not the introductory phrase of Article III—"Each Party undertakes not to deploy ABM systems or their components except that"—rule out any deployments other than those permitted by the two following paragraphs? Why then is special provision necessary for the contingency of exotic systems? The answer appears to be that the Treaty's core limitations in Article III relate to a specific form of ABM technology. Thus, there was a need to adapt the limitations of Article III to possible future systems using alternative technologies.

However, this raises the more general problem that Article II, Paragraph 1, defines ABM systems for the purposes of the Treaty as consisting of ABM interceptor missiles, ABM interceptor missile launchers, and ABM radars. Presumably, Article V—which bans developing, testing, or deploying anything other than fixed, land-based, single-shot ABMs—also refers to such systems. There would, therefore, appear to be no prohibitions against developing, testing, or deploying any system—sea-based, air-based, space-based, or land-based; single-shot, semi-automatic, or automatic—that does not employ the canonical ABM triad. The only bar to such an interpretation consists of one word in Article II, Paragraph 1—"currently." That is, the language introducing subparagraphs (a) through (c)

"For the purposes of this Treaty, an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory, currently consisting of:" would be read to mean that the ABM traid is only the "current" content of a more general and durable definition: "an ABM system is a system to counter strategic ballistic missiles or their elements in flight trajectory." But, to repeat, this hangs entirely on the single word, "currently." Moreover, the argument is undercut by the fact that Agreed Interpretation E was regarded as necessary to complement Article III.

To be fair, it could also be argued that if Article V were not seen as invariant under technological change, it would have been referred to along with Article III as the context of Agreed Interpretation E. However, all this is exegesis, and there is the distinct possibility that one or the other of the Parties could, at some point, dismiss the claim of a deployment ban as but one more Unilateral Statement.

The acceptance of the U.S. position by the Soviet side resulted in "a major arms control achievement," Garthoff concludes. Assuming that a ban on unconventional ABM systems would be such an achievement, it is difficult to accept the claim that this was clearly accomplished in the Treaty.—Abraham S. Becker, Santa Monica, California

Mr. Garthoff replies:

Mr. Becker has raised an important point, and I appreciate the opportunity to address it. He notes that he is not a lawyer, nor am I; the SALT Delegation did, however, have a very capable legal adviser, Mr. John Rhinelander (formerly a Deputy Legal Adviser of the Department of State, and later General Counsel of HEW) who carefully considered and advised the Delegation on the point at issue as the negotiations developed, and the matter was also reviewed by counsel in several agencies in Washington.

Mr. Becker rightly notes the intricate and complex nature of the relevant provisions, but he has been led astray by three compounding errors. First, the language of Article III of the ABM Treaty, and the "implementation" language of Agreed Interpretation E, is not "conditional" with respect to the ban on deployment of any ABM systems or their components except those specifically authorized in Article III. What agreed Interpretation E says is that specific limitations, meaning any such limitations other than a complete ban, would be conditional on discussion and agreed amendment in accordance with Article XIII and XIV. Without that discussion and agreement on an amendmnt, a flat ban on deployment stands.

Secondly, Mr. Becker incorrectly interprets Article V as not applying to futuristic types of systems including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars. The reason for his erroneous interpretation is that he curiously assumes that "the only bar to such an interpretation consists of one word." The same could be said of each of the Ten Commandments. One word can indeed make a critical difference, and the word "currently" was deliberately inserted into a previously adopted text of Article II at the time agreement was reached on the future systems ban in order to have the very effect of closing a loophole to the ban on futures in both Articles III and V (and several others). The wording of the key introductory sentence of article III was also agreed on at that time and for that purpose.

While admittedly the results has a Rube Goldberg air to it, the interlocking effects of the final wording of Articles II and III and Agreed Interpretation E was intentionally devised and clearly understood—by both Delegations—to ban future "ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars" unless specific limitations short of a ban were agreed on under the amendment procedures. The negotiating history fully supports the interpretation given by the Delegation, Mr. Rhinelander, and myself.

References to the possibility of discussion and amendment in accordance with Articles XIII and XIV was not essential, and with strict application of Occam's Razor would not be justified; obviously amendments can be made to any part of the Treaty. It was included, frankly, as a sop to those who had reservations about the desirability of banning such future systems and wanted at least an explicit reminder that the matter could be reopened later.

Although Mr. Becker does not raise the point, it may be of interest to observe that the "capable of substituting for" language was crafted to allow, for example, laser adjuncts to other components for missile detection or ABM missile guidance but to bar lasers as interceptors or as substitutes for radars. John Rhinelander discusses this point in the reference cited by Mr. Becker.

I sympathize with Mr. Becker's query as to why the ban wasn't made more explicit and stated more simply and clearly. As I have asserted above, the negotiating record is clear and makes quite unlikely any contention by either side that the ban on future systems is unilateral or conditional or absent. Let me plead now, for the sympathy of Mr. Becker and other readers. Negotiation on this particular point extended over a period of six months, and agreement was reached only in February 1972. With many other issues remaining unresolved at that time, the Delegations were more intent upon their solution than upon burdening the reluctant bureaucracies to consider a whole new approach—particularly since earlier instances had occurred where substantive issues were reopened in Washington on less excuse (and in this very case, owing to reclamas from the Pentagon it had been 46 days from the day the President first issued instructions for the Delegation to obtain a ban on future ABM systems before the Delegation was in fact authorized to raise the subject with the Soviet Delegation). I, too, with Mr. Becker would have preferred a simpler and clearer direct statement in the Treaty, but I remain proud of the firmness, persistence and (I will now add) ingenuity of the Delegation in obtaining a major arms control achievement with important precedential value for qualitative arms control limitations, as well as considerable intrinsic significance. I hope he will agree.

Mr. SPECTER. The concerns of Mr. Becker were supplemented by William R. Harris, Esq., of the Rand Corp. in a letter to Deputy Undersecretary of Defense T.K. Jones on February 7, 1985. I ask unanimous consent that

that letter be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

RAND CORP.,
Santa Monica, CA, February 7, 1985.

Mr. T.K. JONES,
Deputy Undersecretary of Defense Strategic and Theater Nuclear Forces, The Pentagon, Washington, DC.

DEAR MR. JONES: On January 23, 1985 you requested my assistance as an international lawyer in explicating alternative interpretations of the rights and duties relating to ABM system development under the ABM Treaty of 1972.

Preceding the initial five year review of the ABM Treaty in 1977, my Rand colleague, Dr. Abraham S. Becker, addressed the issue of whether the final text of the ABM Treaty and annexes, taken together, provided freedom to develop and test ABM systems based on "other physical principles." Subsequent to my advice on this matter, Dr. Becker concluded that the Treaty did not necessarily ban such development despite the purposes of certain negotiators to do just that. The texts of the published and unpublished exchanges of 1977 between Drs. Becker and Garthoff are reproduced for background information [See Enclosure 1].

Since the exchanges of 1977, public documents of both the Carter and Reagan administrations acknowledge the permissibility of developing and testing ABM components based on "other physical principles" for fixed, land-based ABM systems. So long as these systems are not deployed, their development and testing is consistent with the more limited ban (in Article V) on sea-based, air-based, space-based, or mobile land-based ABM systems.

The residual issue is whether it is in accord with international law for the United States to develop and test ABM systems and components which apply "other physical principles" and which are designed for mobile land-based, air-based, sea-based, or space-based platforms. My review of the ABM treaty instruments and the uniform interpretation of them on this point, between signing and ratification, indicate the permissibility of developing and testing "other physical principles" ABM systems irrespective of the designed basing mode.

Certain negotiators sought to obtain agreement at the working level of the SALT I delegation for the purpose of banning development of ABM systems or components based on "other physical principles" (with the exception of fixed land-based systems).

The first question is whether these negotiators executed a mutually binding commitment in 1971-72, for the purpose of banning future ABM system development for other than fixed, land based systems, through oral exchanges among SALT delegates with authority to bind the parties (per Vienna Convention Article 7). I am not aware of any binding commitment on this issue, one that meets the Article 7 standard for a commitment intended to bind a Party, rather than an informal understanding at the working level.

If there was not a binding commitment preceding the May 26, 1972 signing of the Treaty, the text of the ABM Treaty together with all annexes—including the critically important Agreed Interpretation E [reprinted by ACDA in 1982 as Agreed Statement D] will be controlling.

The second question is whether any mutually binding commitment to ban "other physical principles" ABM system development—assuming there was one—was superseded by the later integration of Treaty text and annexes, referring to "other physical principle" ABM systems in connection with and only in connection with the "obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty. . . ." [emphasis added to Agreed Interpretation E.] The negotiation of Agreed Interpretation E and its initialing by the Heads of Delegations—a proper mode of binding a Party pursuant to Article 7 of the Vienna Convention—resulted in the only explicit treatment of "other physical principle" ABM systems in all of the treaty instruments. This supplementary agreement appears to supersede any previously negotiated understanding at the working level, even assuming that there has been a binding exchange on "other physical principle" ABM systems that was binding on the treaty Parties.

Under the Vienna Convention on the Law of Treaties, Article 31(3)(a): "There shall be taken into account, together with the context: (a) any subsequent agreement between the parties regarding the interpretation of the treaty or the application of its provisions";

Subsequent to any oral exchanges pertaining to Article V limits, the mutual acceptance of Agreed Interpretation E on May 26, 1972 authoritatively establishes a duty of mutual discussion before deployment, and not before development and testing of "other physical principles" ABM systems.

This agreed interpretation is to be accorded great weight in the interpretation of treaty obligations. It is a treaty instrument under Article 31 of the Vienna Convention. There is no explicit distinction between fixed land-based ABM systems and mobile, sea-based, air-based, or space-based ABM systems in Agreed Interpretation E. Consequently, the integration (and possible superseding) of obligations in the final ABM Treaty as signed on May 26 and effective on October 3, 1972 results in the permissible development and testing of ABM systems and components utilizing "other physical principles," irrespective of the planned basing of such systems in the sea, air, space, or on mobile platforms.

This interpretation of the scope of ABM Treaty obligations is consistent with every presentation by an Administration official of the scope of the Treaty obligations between the signing of the Treaty on May 26, 1972 and ratification of the Treaty on September 30, 1972. In this key period, there is no assertion of a prohibition on development of future systems and recurring emphasis upon a deployment ban.

In particular, at the initial news conference on May 26, 1972, Ambassador Smtih stated, "This treaty has a most significant aspect that it not only limits the present situation, but has a choking off effect on future systems which, under the terms of the treaty as we have reached understandings, futures will not be deployable unless this treaty is amended." [Documents on Disarmament, 1972, at p. 211.] In his June 10th Report to the President, Secretary of State Rogers specifically summarizes impacts on "Future ABM Systems" and states "The Treaty would not permit the deployment of such a system or of components thereof. . . ." [Documents on Disarmament, 1972, p. 272.] In his presentation to the Senate Foreign Relations Committee on June 19th, Secretary Rogers stated: "Perhaps of even greater importance as a qualitative limitation is that the parties have agreed that future exotic types of ABM systems, i.e., systems depending on such devices as lasers, may not be deployed, even in permitted areas." [Documents on Disarmament, 1972, p. 314.] Before the Senate Armed Services Committee on June 28th, ACDA Director Smith reiterated, "the parties have agreed that no future types of ABM systems based on different physical principles from present technology can be deployed unless the treaty is amended." [Documents on Disarmament, 1972, p. 424.] And before the House Foreign Committee on July 20th, Secretary Rogers said that "both sides have agreed that future types of ABM systems based on different physical principles, for example, systems depending on such devices as lasers, that do not consist of ABM interceptor missiles, launchers, and radars, cannot be deployed even in permitted areas . . . it prohibits the deployment of new esoteric systems in these areas." [Documents on Disarmament, 1972, p. 492.]

If at the time of the treaty signing in May 1972 there were an unequivocal mutual acceptance by the signatories of some prior working level commitment to ban future system development, the preparatory works (papers within the negotiating forum) could be consulted if the textual meaning were ambiguous or obscure, or "manifestly absurd or unreasonable," pursuant to Article 32 of the Vienna Convention on the Law of Treaties. The uniform interpretation of the scope of obligations between the signing and the ratification of the ABM Treaty is strong evidence that the only explicit demarcation pertaining to "other physical principle" ABM systems fairly and unambiguously reflects the final intent of the Parties at the time of signing and ratifying the ABM Treaty. Hence, Agreed Interpretation E is sufficiently precise as to eliminate whatever ambiguity previously remained when reading Articles II and V, and the result is not "manifestly absurd or unreasonable" because the result is entirely consistent with contemporaneous explanations of the scope of regulation pertaining to "other physical principles" ABM systems.

Assuming, however, that there is unequivocal evidence that the final definition of Article II ABM systems was intended by both parties to encompass ABM systems based on "other physical principles" for purposes of a development ban under Article V, despite the silence of both Articles II and V on this point, and assuming that there is unambiguous evidence that the initialing of Agreed Interpretation E was not intended to supersede this prior understanding, the ABM Treaty might be interpreted as banning development of "other physical principles" ABM systems designed for other than fixed, land-based deployment. (I am not aware of materials from the negotiating records that would conclusively rebut the presumption that the final treaty instruments integrate the rights and duties of the Parties.) Even if the preparatory works were to establish a mutual (not unilateral) intent to ban development and testing of "other physical principles" AMB systems, the resulting duty under Article V(1) would be subject to the right of suspension as a proportional response in event of material breach by another treaty party.

Material breach of a treaty obligation gives rise to rights of the aggrieved party under Article 60 of the Vienna Convention on the Law of Treaties. Hence, a full consideration of rights and duties relating to ABM system development requires review of Article 60 impacts.

Those who assert that the ABM Treaty deprives the United States of a legal right to develop ABM systems based on "other physical principles" must demonstrate an authoritative and binding commitment to this effect, must demonstrate why the final treaty text did not supersede this commitment and why every pre-ratification explanation set the regulatory boundary at deployment, and must consider whether material breaches of the ABM Treaty by the Soviet Union give rise to a U.S. right to suspend any appropriate provision(s) of the Treaty under Article 60 of the Vienna Convention on the Law of Treaties.

Enclosure 2 provides a summary legal opinion on this topic, prepared with the assistance of my colleague, Eleanor C. River, Development Rights and Duties related to ABM Systems based on "Other Physical Principles."

The opinion expressed in Enclosure 2 is provided in our individual capacity as attorneys, in response to your request. It should not be construed as representing the position of The Rand Corporation. Nor should it be construed as representing opinions of federal agencies where I have served as a consultant, including the Arms Control and Disarmament Agency and the General Advisory Committee on Arms Control and Disarmament.

Enclosure 3 provides the text of the treatment of Soviet noncompliance with the ABM Treaty as released by the White House in the unclassified report of February 1, 1985. This is pertinent only in the event that documentation from the SALT I forum or from the Moscow summit establishes Article V duties beyond those established by review of all of the treaty instruments.

Sincerely,

William R. Harris.

cc: Mr. Lee P. Minichiello, Assistant Deputy Undersecretary of Defense (START and Arms Control), The Pentagon 3E121, U.S. Department of Defense, Washington, D.C. 20301.

Enclosures:

[1] Exchange between Dr. Raymond L. Garthoff and Dr. Abraham S. Becker, with introduction by Dr. Becker (1977) (U).

[2] William R. Harris and Eleanor C. River, Memorandum, Development Rights and Duties related to ABM Systems based on "Other Physical Principles." February 6, 1985 (U).

[2/Attachment] Excerpts from Message from the President of the United States Transmitting the [ABM] Treaty . . . 92d Congress, 2d Session, Exec L, Letter of Submittal by Secretary of State William P. Rogers, section on "Future ABM Systems."

[3] Report of the President, Soviet Noncompliance with Arms Control Agreements, The White House, February 1, 1985, Section on "ABM Treaty," pp. 7-9.

Mr. SPECTER. In his letter, Mr. Harris points out that under traditional principles of international law, nations are not presumed to surrender part of their sovereignty, that is, means of the right of self-defense. To be so constrained, it must be by their explicit agreement in writing. In the ABM Treaty, the explicit language on exotics was removed at Soviet urging and the remaining language adopted in the treaty was not explicit at all.

The timing—1977 and February 1985—and the source—personnel of the reputable Rand Corp.—show an early challenge to the narrow interpretation of the ABM Treaty. That challenge does not foreclose the issue, but it does show that thoughtful and objective people had raised the issue at an early stage and that the broad interpretation is not necessarily a convenient after-the-fact interpretation to justify collateral purposes of the administration.

My discussions with Ambassador Cooper provided considerable additional insight into the Soviet views on the interpretation of the ABM Treaty and their general concerns about U.S. activities on SDI as they relate to our bargaining position in Geneva. Ambassador Cooper had previously disclosed for the record the Soviet position on space-strike arms in a letter dated August 29, 1986, to Senator Dan Quayle. That letter has been made a part of the record in prior proceedings, and I ask unanimous consent that it be inserted at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

U.S. Department of State,
Washington, DC, August 29, 1986.

Hon. Dan Quayle,
U.S. Senate,
Washington, DC.

Dear Senator Quayle: As you requested, I am writing to provide the substance of our conversation last week regarding my perception, based on our negotiations since March 1985, of the Soviet views on the restraints on development and testing of "future technologies" under the ABM Treaty. I trust these thoughts will be useful to you in your discussion with your colleagues in the Senate.

The March 1985 Soviet proposal (which is still on the table) included a ban on the development, testing and deployment of so-called "space-strike arms." The Soviets have defined "space-strike arms" to include all space-based ABM systems and components, all space-based weapons capable of attacking targets in the atmosphere and on Earth's surface, and anti-satellite (ASAT) systems of all basing modes. (Notably they left our ground-based ABM systems, which have been the focus of most of their ABM research, development and deployment activities.)

Their proposed ban on the latter two categories (i.e., space-to-earth weapons and ASATs) clearly went beyond existing international commitment. But their proposed ban on space-based ABM systems at first puzzled us because it seemed redundant with existing U.S.-Soviet obligations under Article V of the ABM Treaty. (They did propose to ban all "scientific research" as a part of development, which went beyond the ABM Treaty, but we never took that as a serious proposal.)

Light was shed on this puzzle last year by an intensive internal review of the ABM Treaty negotiating record. During our second round, we began to draw upon the record to refute Soviet charges regarding the legitimacy of the SDI program under the ABM Treaty. Following these initial discussions with the Soviets in the second round, a very comprehensive review was undertaken in Washington between the second and third rounds, and during the third round. That review led to the conclusion that the Soviets never agreed to include ABM systems based upon "other physical principles" in the Article V prohibition. The only limitation on such ABM systems and components agreed to by the Soviets was included under Agreed Statement D which prohibits deployment without negotiation and amendment to the Treaty, but not development and testing of such systems and components.

As Ambassador Gerard Smith makes clear in his book, "Double Talk," the Soviets opposed all limitations on furture ABM systems. (See attached excerpts.) Indeed, the earliest versions of the draft Treaty tabled by both sides were understood by both sides to apply to only then-current technologies. After the U.S. Government decided (following substantial internal debate as described by Ambassador Smith) to seek limitations of "future" ABM systems as well, the U.S. Delegation pursued that objective with diligence. Just as diligently, the Soviets opposed the U.S. objective. Careful study of the record shows that neither side was totally successful, and both sides were partially successful, in achieving their objectives. The U.S. objective of a limitation on ABM systems based on "other physical principles" was achieved, and that limitation was embodied in Agreed Statement D. Ambassador Smith points to this achievement with legitimate pride in his book. (See p. *344* in the attached exerpts.) But he did not get everything he wanted; the record shows that the Soviets did not accept Article V to apply for substitute "devices" for ABM components (i.e., ABM interceptors, ABM launchers, and ABM radars) in spite of the U.S. negotiators' best efforts to get them to do so.

In this light, we now understand that the inclusion of all space-based ABM systems and components in the March 1985 Soviet proposal to ban "space-strike arms" was not redundant with prohibitions under the ABM Treaty—as we first thought in March 1985. Furthermore, I believe the Soviets probably had believed since 1972, that the ABM Treaty permitted development and testing of other than fixed land-based ABM systems composed of ABM interceptors, ABM launchers and ABM radars. This was their "half-a-loaf" in 1972. Some of my conversations with my Soviet counterparts, prior to the U.S. public announcement of the results of our comprehensive review tends to confirm this view. Since then, the Soviets have adopted a uniformly contrary view. This is understandable, because our decision to constrain the SDI program to be consistent with our previously held view of the terms of the Treaty puts them in the best of all worlds. The U.S. has legitimized the "broader interpretation" for them, if there was any doubt, while continuing the narrow restraints on activities under the U.S. SDI program. Their public position is no doubt intended to provide pressure to help perpetuate this situation.

I want to emphasize again that I believe our Negotiating Group, because of our dialogue with the Soviets in Geneva, stimulated the study by Defense, State and ACDA last summer and fall. The study was not undertaken out of the blue to "torpedo the Treaty" as some have suggested. It was a logical consequence of our negotiations. Indeed, the absence of negotiations on strategic defenses since 1972 was probably the reason why this was the first time such a comprehensive study of the negotiating record was undertaken. This is itself a rather startling fact.

From my personal study of the 1972 negotiating record and the 1972 ratification hearings, I believe what happened was simply that many on the U.S. side believed they achieved their negotiating objective of including ABM systems based on "other physical principles" under the Article V prohibitions. I believe the Soviet negotiators probably returned to Moscow believing they had agreed to limit deployment of such systems, but that they had a partial victory in not prohibiting their development and testing. I have no doubt but that if we had observed the Soviets conducting such development and testing of Article V systems based on "other physicial principles," they could have explained the legitimacy of their activities with a clear rationale, based upon the Treaty and negotiating record. And our lawyers would have argued they had a case difficult to refute. I trust the current study of the record by the Senators will arrive at the same conclusion.

Best regards,

HENRY F. COOPER,
Deputy Negotiator,
Defense and Space Group.

THE STORY OF SALT I

(By the Chief American Negotiator Gerard Smith)

The President at this time also decided another ABM matter somewhat picturesquely called "futuristics." This label referred to as yet undeveloped laser, high-energy-radiation, or other techniques for anti-ballistic missile systems. These kinds of ABM systems might be deployed in the late 1980s. Should the ABM agreement limit only present applications of ABM technology—interceptor missiles, and their launchers and radars—or should it ban possible future methods? It is generally though that SALT I resulted only in limitations on numbers of ABM systems, not on their characteristics. Not so. The negotiation about future ABM systems was as significant as any part of SALT.

Futuristics was a controversial issue. Harold Brown and I were convinced that the ABM agreement should not permit deployment of future type systems. Paul Nitze also favored banning them, but with an exception for what are called sensors, which could perform the tracking and guidance functions now handled by radars. We felt that not to shut off future type ABM systems would be a clear invitation to weaponeers to try to fill this treaty loophole. Ambassador Parsons and General Allison wanted any such systems to be unconstrained until such time as the technical and strategic possibilities became clearer and one could better judge the effects of a constraint.

A number of us saw in this issue a clear opportunity to stop the inevitable further march of ABM technology. Qualitative limitations are much more difficult to negotiate than quantitative, since it seems to be an article of faith in military thinking that the advance of technology cannot and should not be stopped. Here was a chance not just to limit numbers of ABM sites but also to control characteristics of ABMs. We argued that there was no sense in an agreement which would have the effect of permitting deployment of even a nationwide ABM defense simply because it did not use present types of systems involving interceptors, launchers and radars.

Just before the delegation tabled the U.S. draft ABM agreement on July 27 we were instructed to have a blank paragraph for futuristics pending the outcome of a Verification Panel study. Feeling strongly about the issue, I sent messages to the White House emphasizing the political and arms control reasons for banning futuristics. The general public expectation was that we were trying to limit all kinds of ABM systems, future as well as present. There would be congressional criticism of an approach limited just to existing types of ABM systems. More importantly, if we did not get a ban on futuristics, in a short time there would be a competition in them just like the one we were presently trying to stop. What was the logic of trying to ban the upgrade of anti-aircraft systems while allowing testing and deployment of future types of ABM systems? If we were trying to reach a more stable situation, I argued, it would be foolish to leave the door open for competition in advanced destabilizing systems. It is easier to control weapons before they come into being than after.

If, as had been decided, U.S. security would be improved if both sides could not deploy area-wide ABM systems of present technology, it was hard to understand why the situation should be different regarding next-generation technology. Finally, since research on future systems would not be limited, the United States would have insurance against their possible deployment by the Soviets in violation of a ban.

In August, before the final futuristics decision was made, I wrote the President asking that he consider my personal views. This was a more important issue than ABM levels and radar restrictions. It posed a basic question—did we seek an ABM constraint to provide greater stability by assuring maintenance of retaliatory capability, halting a build-up of defense systems that could threaten that capability, lessening pressures for unnecessary build-up of offensive systems—or were we looking for just a temporary truce on ABMs until such time as more effective futuristic systems were developed and deployed? The latter approach ran counter to U.S. strategic policy and public statements on the destabilizing effects of nationwide ABM defenses. It could well lead to a race for futuristic systems and merely put off the danger we were trying to preclude in SALT. If future ABM systems were not to be limited, the onus should rest on the U.S.S.R.

I was glad when the President made an affirmative decision and I took special satisfaction in tabling the U.S. proposal: "Each Party undertakes not to deploy ABM systems using devices other than ABM interceptor missiles, ABM launchers, or ABM radars to perform the functions of these components."

Semenov quickly expressed doubts as to the appropriateness of the proposal. But he said his government would study it. I pointed out that there were precedents for banning deployment of futures types of weapons in the treaties banning weapons of mass destruction in outer space and on the seabeds. Why should there be an exception in the ABM case? Uncertainty would increase if future ABM systems were not banned.

Soviet military officers thought it was not reasonable or necessary to include a provision covering undefined systems, essentially the same arguments made by their American counterparts. Some Soviets seemed to consider our proposal more a fishing expedition for intelligence than a negotiating initiative. They said a provision permitting review and amendment of the ABM Treaty would be sufficient. We were proposing to limit systems not known to anyone. They said this was not a correct approach. It could refer only to something that was amorphous and not subject to clear determination. I said I had too high an opinion of Soviet weapons designers to agree that they did not have any ideas about possible future ABM systems. Anyone could learn from unclassified literature that there were ABM concepts other than those already developed. Informally a U.S. official referred a Soviet to one unclassified article about future types of ABM systems. We said it would be a cruel illusion for people to think that we had limited ABMs without checking the possibilities of future technology.

The Soviets continued to oppose a futuristics limitation at Helsinki, but the groundwork had been laid for a solution suitable to both sides which was reached the following year.

The ABM futuristics question was now resolved to our satisfaction. The Soviets urged that including unknown matters (like future ABM technology) in a treaty would create endless arguments and suspicions. Such an important document must be precise. As for my citing the Outer Space and Seabeds Treaties as precedents, their obligations were much more general than ABM limitations and dealt with weapons of mass destruction. The sides could not discuss questions not known to anyone. Our task was to limit deployment of known ABM components. The ABM Treaty would be of unlimited duration and the sides were agreed on provisions for amendments and periodic reviews. Systems that might be developed using other than current types of ABM components could be discussed in the Standing Consultative Commission. Accordingly, they considered the proposed futuristics provision not suitable for inclusion in the treaty.

I argued that in that event there would be a tendency on both sides to design systems that were not limited. I was sure Semenov would recall the experience with the naval limitation treaties of the 1920s and 1930s. Naval architects had gone to work to design around them. Semenov asked if I had in mind circumvention of the treaty. I said that technically this would not be circumvention, but more like a license to find ways of doing things that were not prohibited. I had once heard President Eisenhower say that wars have a dynamic of their own. I believed that weapons design also had a dynamic of its own. It was in the interests of both countries to outlaw future ABM systems before they were deployed.

An agreed interpretation was finally worked out.

In order to insure fulfullment of the obligation not to deploy ABM systems and their components except as provided in Article III of the treaty, the parties agreed that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are created in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

Under Article III of the treaty the sides agreed not to deploy ABM systems or their components with two exceptions, both of which only permit ABM systems which use launchers, interceptors and radars. Thus, taking the agreed understanding together with Article III, systems employing possible future types of components to perform the functions of launchers, interceptors and radars are banned unless the treaty is amended. This statement was initialed by Semenov and me on the day the SALT agreements were signed. As an initialed common understanding, it is as binding as the text of the ABM Treaty.

Mr. SPECTER. Similarly, Ambassador Cooper wrote to Senator Warner by letter dated May 20, 1987, and I ask unanimous consent that the letter on "space-strike arms" be included at this point for the same reason.

There being no objection, the letter was ordered to be printed in the Record, as follows:

United States Delegation to the
Negotiations on Nuclear and
Space Arms with the Soviet
Union,
Geneva, Switzerland, May 20, 1987.
The Honorable John Warner,
United States Senate.

Dear Senator Warner: As a member of the Senate Arms Control Observers Group, you have watched our work in Geneva first hand. Not long ago I raised with you and Senator Quayle information that I believe sheds important light on the issue of ABM Treaty interpretation. Since that time, I have reviewed the material in question and have turned up further information, which I would like to share with you here.

As you know, in recent weeks, critics of the Reagan Administration's position on ABM Treaty have accepted with extraordinary readiness that the "broad interpretation" resulted from a deliberate effort to circumvent the Treaty.

Senator Joseph Biden of Delaware, for example, has characterized the Administration's judgment on the Treaty as "a powerful act of revisionist distortion, undertaken by Administration officials in an effort to pursue the development of defensive systems in direct violation of the Treaty's express intent and thus to destroy the Treaty as the foundation of nuclear arms control."

But this is simply not the case. The President's October 1985 judgment that the "broad interpretation" is fully justified was based on an intensive review of the ABM Treaty negotiating record. That review was not initiated out of the blue to "torpedo" the ABM Treaty; it emerged in large measure as a natural—and probably inevitable—consequence of embarking on negotiations on defense and space issues with the Soviet Union.

Notably, at the outset of the Nuclear and Space Talks (NST) in March 1985, the Soviets proposed a ban on development, testing, and deployment of so-called "space-strike arms." The U.S. delegation found one aspect of this proposal puzzling, because under the Soviet definition of "space-strike arms," at least part of the proposed ban seemed redundant with prohibitions we then believed were already established by the ABM Treaty.

The Soviets defined "space-strike arms" to include "space-based ABM systems of any principle of action" (emphasis added). We believed then that development and testing of space-based ABM systems "of any principle of action" were already prohibited by the ABM Treaty.

Why would the Soviets seek a new agreement to ban development and testing of space-based ABM systems if they believed, as we did, that such development and testing were already forbidden under the ABM Treaty? Did they perhaps believe that this was an ambiguous area under the ABM Treaty?

Toward the end of the first round of our negotiations in early 1985, the U.S. delegation in Geneva began to draw on the ABM Treaty negotiating record to refute Soviet charges regarding the legitimacy of the SDI program under the ABM Treaty. Indeed, the U.S. delegation used the record as the basis of half our formal plenary statements during our second round in June and July 1985.

Following these initial discussions with the Soviets, a very comprehensive review of the negotiating record was undertaken in Washington. We encouraged that review. Remarkably, this was the first time the United States Government had looked systematically at this material.

At issue were two major concerns: clarifying our obligations under the ABM Treaty for the purpose of the negotiations, and structuring the SDI program to be consistent with our treaty obligations. And the study was further spurred on by preparing Executive Branch responses to Senator Carl Levin's questions on the meaning of the various terms in the treaty and the associated restraints on the SDI program.

In time, the examination of the record made clear that the Soviets had refused to accept restrictions on the development and testing of future ABM systems based on "other physical principles." Thus, the so-called "broad interpretation" was fully justified.

During the ABM Treaty negotiations, as Gerard Smith's book, Doubletalk, makes clear, the Soviets opposed all limitations on future ABM systems. Indeed, the earliest versions of the draft treaty tabled by both sides in 1971 were understood by both sides to apply only to then-current technologies. Following a substantial internal debate, the U.S. government decided to seek limitations on "future" ABM systems, and the U.S. pursued this objective diligently, seeking to make such prohibitions explicitly clear in the terms of the treaty. Just as diligently, however, the Soviets opposed the U.S. aim.

The record shows that neither side was totally successful in achieving its goal. Deployment of ABM systems based on "other physical principles" was prohibited without agreement on amending the Treaty (Agreed Statement D). But the record show that the Soviets refused to extend Article V's ban on development and testing of mobile and space-based ABM systems to future technologies, i.e., of any principle of action.

In this light, the inclusion of space-based ABM systems "of any principle of action" in the Soviet March 1985 proposal to ban "space-strike arms" is more understandable. In 1971-72, they successfully opposed including just such definitive language despite repeated U.S. attempts to do so.

Their March 1985 proposal was not redundant with the ABM Treaty provisions after all. It rather reflected that the ABM Treaty in 1972 did not cover that broad a scope.

Based on my own study of the negotiating record and discussions with my Soviet counterparts, it is my view that the Soviets probably began the NST negotiations believing that their negotiators had assured in 1972 that the ABM Treaty did not prohibit development and testing of all space-based ABM systems—only those based on the technologies used in 1972.

I have no doubt that if we had observed the Soviets conducting development and testing of mobile or space-based ABM systems based on "other physical principles," they could have explained the legitimacy of their activities with a clear rationale, based upon the Treaty and negotiating record. And I have little doubt that many who now oppose the "broad interpretation" for the United States would acknowledge that the Soviets had a persuasive case.

Sincerely,

Henry F. Cooper,
Deputy, Defense and Space Negotiator.

Mr. SPECTER. Ambassador Cooper noted the U.S.S.R. proposal in early 1985 for banning "space-strike arms," which included:

First. Space-based ABM systems of any principle of action;

Second. Space-based systems of any principle of action intended to strike targets in the Earth's atmosphere or on the Earth's surface from space;

Third. Antisatellite systems of any principle of action regardless of basing mode.

As noted by Ambassador Cooper, since the Soviets sought to ban the development, testing and deployment of space-based ABM systems of any principle of action, the Soviets must have understood that article V of the ABM Treaty did not do so, thus supporting the broad interpretation of the ABM Treaty.

Ambassador Cooper further commented on Soviet negotiators' statements that it would be quite possible to develop "devices" which would not fall within the meaning of article V of the AMB Treaty, just as the Soviets in 1972 refused to agree to language proposed by United States negotiators for article V to cover "other devices to perform the functions of these (traditional) components." The Soviet negotiators' references to such "devices" suggests the validity of the broad interpretation of the treaty.

Ambassador Cooper had further noted that the Soviets explicitly rejected either the narrow or broad interpretation of the ABM Treaty and instead argued for a "narrower than narrow" interpretation of the treaty. The Soviet interpretation was based on article I of the ABM Treaty which banned a nationwide antiballistic missile system. From article I, the Soviets contend that the treaty prohibited all scientific research which was purposeful research with a declared intent to develop a nationwide ABM system.

The expressed views of the Soviets on the meaning of the ABM Treaty are extremely probative on what the parties intended when the treaty was negotiated. As noted by Senator Nunn in his March 11, 1987, paper on "The Ratification Record" and his March 12, 1987, paper on "The Subsequent Practices of the Parties," under international law nothing except the treaty text itself is more determinative of its meaning than the intent of the parties as shown by their subsequent practices, "including their statements." (Mar. 12, 1987, p. 2). Senator NUNN also noted that "the record of U.S. and Soviet subsequent practice now available to the Senate is far from comprehensive." (*Ibid.*)

Where the Soviets conceded in early 1985 that "devices" may be developed which do not fall within article V and that space-based ABM systems "of any principle action" should be banned because they do not fall within the prohibition of the ABM Treaty, that is very significant on the intent of the parties and the real meaning of the ABM Treaty.

Ambassador Cooper further illustrated the grave difficulties in interpreting the ABM Treaty because of language differences. Ambassador Cooper noted that the Soviets use the same word "sozdanyie" for critical language in article I meaning "provide," in article V meaning to "develop," in agreed statement D meaning "created." The following side-by-side translation of the ABM Treaty in English to Russian demonstrates the inherent ambiguities and difficulties of interpretation.

SIDE-BY-SIDE ABM TREATY

(ARTICLES I AND V AND AGREED STATEMENT D)

English

Article I

1. Each Party undertakes to limit anti-ballistic missile (ABM) systems and to adopt other measures in accordance with the provisions of this Treaty.

2. Each Party untertakes not to deploy ABM systems for a defense of the territory of its country and not to *provide* a base for such a defense, and not to deploy ABM systems for defense of an individual region except as provided for in Article III of this Treaty.

Article V

1. Each Party undertakes not to *develop*, test, or deploy ABM systems or components which are sea-based, air-based, space-based, or mobile land-based.

2. Each Party undertakes not to *develop*, test, or deploy ABM launchers for launching more than one ABM interceptor missile at a time from each launcher, nor to modify deployed launchers to provide them with such a capability, nor to *develop*, test, or deploy automatic or semi-automatic or other similar systems for rapid reload of ABM launchers.

[D]

In order to insure fulfillment of the obligation not to deploy ABM systems and their components except as provided in Article III of the Treaty, the Parties agree that in the event ABM systems based on other physical principles and including components capable of substituting for ABM interceptor missiles, ABM launchers, or ABM radars are *created* in the future, specific limitations on such systems and their components would be subject to discussion in accordance with Article XIII and agreement in accordance with Article XIV of the Treaty.

[Russian language, not reproducible for RECORD.]

Mr. SPECTER. Beyond the discussions between U.S. and U.S.S.R. representatives as bearing on the interpretation of the ABM Treaty, it is plain from the Soviets' express concern about "space-strike arms" that the U.S. negotiators have considerable bargaining leverage in our discussions with the Soviet negotiators because of our strategic defense initiative. It is entirely possible that the negotiations may lead to significant reductions in strategic arms if commitments are made by the United States to extend the duration of the ABM Treaty.

Simply stated, it is unwise to hamper our negotiators in Geneva by congressional action mandating the narrow interpretation of the ABM Treaty. Our negotiators express that view, which should be given great weight by the Congress.

BICENTENNIAL MINUTE

JUNE 30, 1890: COST TO KEEP A SENATOR IN "WORKING ORDER"

Mr. DOLE. Mr. President, 97 years ago today, on June 30, 1890, the New York Times published an article criticizing the Senate for its tendency toward "increased and useless expenses" for staff. The paper reported that the Senate, in its current legislative appropriations bill, sought $422,000 in funding for the salaries of 291 officers and employees. This would allow each Member to have three staff assistants at an average individual salary of $1,451. By contrast, the House of Representatives requested $367,000 for 320 employees, less than 1 per Member, at a salary 25-percent lower than for their Senate counterparts. The Times concluded that "while it costs $4,353 to run a Senator, it costs but $1,116 to keep a Representative in working order."

The issue of congressional staff funding has been around as long as there has been a Congress. Prior to the 1840's, Members paid for staff assistance from personal funds. After that time, committee chairmen were authorized to hire part-time help at public expense. This led to a proliferation of committees to permit all but the most junior Members on both sides of the aisle to chair a committee and thus have access to staff and to scarce office space.

In 1856, Congress authorized the employment of full-time clerks for the Senate Finance Committee and the House Ways and Means Committee. At the start of the Civil War, 5 years later, most of the additional major committees of the Senate and House obtained funding for full-time staff. Finally, in 1885, in part to curb the pressure to create additional committees, the Senate authorized each member who did not chair a committee to hire a clerk at $6 per day. In 1893, 3 years after the New York Times article, the House passed a similar provision, citing an increasingly heavy work load and the need for efficiency that a permanent staff would promote.

GENERAL ROGERS RETIREMENT

Mr. DOLE. Mr. President, today marks the end of the career of one of America's most dedicated and brilliant military men, Gen. Bernard W. Rogers. Forty-four years ago this month, after graduating from West Point, Bernie Rogers—a fellow Kansan—was commissioned a second lieutenant of infantry. Following distinguished service during World War II, he attended Oxford University as a Rhodes Scholar.

Many leadership and staff challenges were to follow—all of which Bernie Rogers met with his usual determination and professionalism. When hostilities broke out in Korea, Bernie Rogers was in the thick of the fight, commanding an infantry battalion. From Germany to Japan to staff officer for the Joint Chiefs, he proved time and time again that he could excel at any task: with courage, common sense, and class.

The opportunity to serve his country again came in 1966 as General Rogers became an assistant division commander in Vietnam.

A series of command assignments were to follow—Commandant of West Point Cadets, commanding general of the 5th infantry division, and Commander, U.S. Forces Command. With such a record of accomplishment as this, it was no surprise that Bernie Rogers was selected as Army Chief of Staff in 1976. He held that position until being selected as Supreme Allied Commander, Europe, in 1979. A Nation's confidence in this one-of-a-kind leader is demonstrated by the fact that he has now served as the Supreme Allied Commander longer than any of his predecessors.

As he retires today, I want to extend my best wishes for the future, and appreciation for the many years of exemplary service to his country. Kansas, America, and the free world salute him.

COMMITMENT TO EXCELLENCE

Mr. WIRTH. Mr. President, as Member of the U.S. Congress for the past 12½ years, I have been asked to give a number of commencement speeches—primarily in my own State of Colorado. This year, I gave two of those; one for my daughter, Kelsey's graduation, and one at Red Rocks Community College, just outside of Denver.

I accepted the invitation to speak to the Red Rocks commencement because that institution is a prime example of what is right in this country. The Red Rocks Community College provides the opportunity for those who will take it to achieve their own fulfillment. Its students represent a wonderful cross section of America, continuing a national tradition of commitment to excellence by seeking to expand their horizons through education.

I ask unanimous consent that the text of my address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR TIMOTHY E. WIRTH, RED ROCKS COMMUNITY COLLEGE

First of all, I want to congratulate you on graduating from Red Rocks Community College.

Commencement is a great occasion for you, and I am proud to be part of it. But my part is small. It is your work, not my words, that you will carry away from here. It is your accomplishments, not my insights, that we are here to celebrate.

Theoretically, the role of a commencement speaker is to hit some magical light switch and illuminate your past and your future.

I have a lot of trouble with that idea. It suggests that you've spent these years of study in the dark and that only now are you going to find out what it all meant.

If that were the case, I'd be too late to help.

But the truth is that you hardly need me to tell you how hard you've worked or how much you owe to the hard work and encouragement of your teachers, your family, your friends.

You certainly don't need me to tell you why you spent these years at Red Rocks. Many of you left jobs to come back to school. Many of you kept jobs while you studied.

None of you earned your degree just to kill time. You come to Red Rocks for a purpose, and you are leaving with that purpose achieved, ready for the next step in your lives.

So I'm really here to cheer you on your way and to remind you, as if you needed it, that it is still . . . up hill from here. I could do what a great lawyer, Clarence Darrow, did at a commencement some 60 years ago.

More important than the knowledge you have stored away or even the ability to call it up and put it to work is your attitude toward learning. If you have used your college years the right way, you should be suffering today from St. Augustine called "the disease of curiosity."

It's a great infection. It can't be cured and it should be contagious.

It is the itch to know more, to try the untested and to see what's on the next page or the other side of the hill. In any age, but especially in ours, it's the secret ingredient of progress.

Let me give you an example of the excitement and rewards of curiosity.

The hottest chase in physics right now is the pursuit of new materials that will carry an electric current without losing energy in the process.

Scientists have known about superconductivity since 1911, but until a year ago they could not achieve it without going to enormous trouble and expense in bringing the temperature of metals and alloys down to absolute zero.

Research didn't stop. But it made only very slow progress until 1986, when a Swiss experimenter published startling results he got from trying a ceramic compound.

Then the race took off. And just a few months ago a team at the University of Houston made a terrific breakthrough not just with unorthodox materials but with a basically new way of combining them.

Suddenly, an almost unexplored world is opening, one in which electric cars and superfast computer chips and energy from fusing atoms instead of splitting them may be imminent realities instead of distant dreams.

I don't pretend to understand the physics of these discoveries or even the practical applications. Not even the physicists yet understand just why the materials with which they have been working behave the way they do. But one of them, the head of the Houston group, does have a clear explanation of how the barrier was broken.

"We feel we have an advantage over some other groups because we are not confined to conventional thinking," he said. "We think wildly."

It was wild thinking that convinced Galileo that the Earth revolved around the Sun. It was so wild that the church forbade him to teach his ideas.

And it was wild thinking that took Columbus on his first voyage westward, that produced the first vaccination, the first grain hybrids, the first telephone, the first space flight.

In a different sense, America and American democracy were once just wild ideas and wide-eyed ideals. So was public education. Until Americans tried it, no one had. Schools in Europe were for the well-born and the privileged and the lucky beneficiaries of rich men's charity.

But to give democracy the foundation it had to have—an informed citizenry—Americans provided public support for public schools. As Adlai Stevenson said, "The most American thing about America is the free common school system. Here democracy is at its best."

And he added: "We do not follow, in America, the Jungle doctrine of the survival of the so-called fittest; we follow, rather, the doctrine of fitting as many as possible for survival."

Two hundred years ago, such thinking was wild. But in the same year that the Founding Fathers drafted and signed our Constitution, the Congress adopted the Northwest Ordnance that opened the West for settlement and required that one section of land in each new township be set aside to support education.

There is a sentence in that law that should be studied, maybe even memorized, this year along with the Preamble to the Constitution. It reads: "Religion, morality and knowledge, being necessary to good government and the happiness of mankind, schools and the means of education shall forever be encouraged."

That concept was, to put it mildly, a novel one in the 18th century. Its execution was revolutionary. And so have been its results.

You are among the products of that visionary experiment. You are proof that it is still working. And you are the ones who have to help find new ways to make it work better.

This is where your curiosity comes in and where your investment, if you will put it on the line, pays off. For curiosity is not confined to the laboratory or the library. We have just as much need for wild thinking in our everyday activities as in the farther reaches of natural science. Maybe more.

Americans of this generation have to find answers to questions no one in our country had to ask before. No preceding generation—not even in the depression—had to live with the international competition we face or with the related prospect that our standard of living, instead of steadily improving, could steadily decline.

No earlier group of graduates looked forward, as you must, to a job market where, to stay employed, you will have to switch employers or specialties over and over again—an average of six times in your life.

No Americans before you had as wide a range of skills to pursue or as vast, constant and bewildering a flow of information about the world around you to sort through, digest and act on.

No one has had so many choices to make, and few ever had to consider that the wrong choice by the leaders we choose could end our dreams and our lives.

I don't want to concentrate on the enormous dangers of nuclear war or environmental devastation, although we urgently need fresh, unconventional thinking about both.

I really have in mind the challenges we face in our communities, challenges to our public services and our personal values, to our judges and our judgment, to engineers and entrepreneurs and educators.

It is here, near home, that we have to tackle problems like adult illiteracy and juvenile crime. It is here, where we live and want to raise children, that we have to find new ways to match learning power to earning power and decent people to decent jobs. The revolution in technology has brought the world to our doorstep and has put your generation in a world that cries out for your imagination and daring.

To keep up with that world you have to go on with your education as though your livelihood depended on it. For it does.

You have to build on the investment you have already made. For the skills in demand today can turn to surplus tomorrow.

And you have to plow your learning back into the community from which you took it. For only if progress pulls us all forward are we going to maintain the common dream that has been America's strength in good times and bad.

Lastly, you are going to have to take risks with your intellectual and physical capital. You are going to have to stake a part of your future on concepts and cooperative ventures that have not been tried before.

I hope you are the ones to come up with some of those experiments.

I hope you will open new businesses in our community and new business with other countries.

I hope you will think up new ways to care for the weak, the sick and the old and new ways of adding strength to the young.

Above all, I hope you will keep the curiosity to keep on testing unproved, unorthodox and even unpopular ideas. If we refuse to experiment, of course, we won't risk failure. But we will guarantee stagnation and decline.

That is not the future you want or America can tolerate. And with your skills and inventiveness and curiosity, it is not the future we will have.

Let me just close by quoting the wisdom of Martin Luther, four hundred years old and still fresh. "The prosperity of a country," he said, "depends not on the abundance of its revenues, nor on the strength of its fortifications, nor on the beauty of its public buildings; but it consists in the number of its cultivated citizens, its men and women of education, enlightenment and character."

You are now part of that great number. You can make history and you can change its course. You face great tests. I know you will pass them with distinction.

COORS AMERICAN INGENUITY AWARD

Mr. WIRTH. Mr. President, this August the Adolf Coors Co. is awarding it's second annual Coors American Ingenuity Award, recognizing individuals who have made significant contributions to the business world.

The award recognizes those who have taken risks to further collective knowledge about business. Recipients come from many fields including management, manufacturing, technology, research, marketing, finance, and education. The Coors presentation is one way our Nation honors those who often escape public praise even though they are the innovators who keep America on the leading edge of technology and business.

The winner will be announced at a ceremony on August 3 in Denver and will receive a bronze sculpture. In addition, a $5,000 scholarship will be presented to a Colorado university or college in the recipient's name.

Last years recipient of the Coors American Ingenuity Award was Dr. John V. Atanasoff, inventor of the automatic electronic digital computer.

I want to commend this award for encouraging the kind of ingenuity that has made this Nation a great industrial power. The constant flow of new ideas in our society has helped to create a prosperous future. I ask unanimous consent that the attached announcement be printed in the Congressional Record.

There being no objection, the announcement was ordered to be printed in the Record, as follows:

Coors Plans Second Annual American Ingenuity Award

Golden, Colo.—Nominations are being accepted until June 15 for the Coors American Ingenuity Award, which was established by Adolph Coors Company to recognize individuals who have made significant contributions to the business world.

Judges for the 1987 award include former President Gerald Ford; Lewis Lehr, chairman, 3M Corporation; and Dr. Martha Peterson, former president, American Council on Education and former president, Beloit College.

Nominees must have made a major contribution to American business without having received widespread recognition for their accomplishments. While the recipient may be retired, the award will not be given posthumously. Nominees for the award can come from any field—management, manufacturing, technology, research, marketing, finance or education.

"Adolph Coors Company has prided itself on innovation and risk-taking since the company was established in 1873," said Jeffrey H. Coors, president, Adolph Coors Company. "This award recognizes individuals who have taken chances and expanded their horizons. No pioneer can make substantial change without personal sacrifice and we want to recognize those men and women."

The winner will be announced at a ceremony on August 3 in Denver and will receive an original bronze sculpture. In addition, a scholarship for $5,000 will be presented in the recipient's name to a Colorado university or college. The first recipient of the Coors American Ingenuity Award was Dr. John V. Atanasoff, inventor of the automatic electronic digital computer.

TRIBUTE TO REPRESENTATIVE WAYNE OWENS

Mr. WIRTH. Mr. President, F. Scott Fitzgerald once observed that there are no second acts in American lives. As with many other rules, the ocasional exceptions often are their proof. Such in the case with a remarkable and talented public servant who has returned to Congress this year after an absence of 12 years.

In 1974, then-Congressman Wayne Owens, of Utah, relinquished his seat to run for the Senate in Utah. In the elections of 1986, Owens recaptured the House seat he left 12 years earlier, permitting him to return to the Capitol in Washington to represent the needs and concerns of the people of his district as he so admirably does—but also to contribute the insight, vision, conscience, and integrity which mark to the same degree only a few who serve in this place.

Those of us who have known Wayne Owens always have known that there is much that we can learn from him as we each seek in our own way to best represent our constituents and the interests of this Nation and our planet Earth. Now he brings a new and fascinating capability to comment upon the habits and processes of this institution of the Congress as one who returns to it afresh—almost as though he were coming to it for the first time.

Earlier in June, the Wall Street Journal contained an article by Jeff Birnbaum which explores Wayne Owens' perspective on this place and what goes on here. I found it very interesting reading—and a pleasant reminder that Wayne is back with us here. I commend it to my colleagues, and ask unanimous consent that it be included in its entirety in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Monday, June 15, 1987]

Congressman Who Returned After 12 Years Notes Changes Including More Lobbying, Budget Fights

(By Jeffrey H. Birnbaum)

Washington—When Wayne Owens was plotting his return to Congress last year, an old colleague asked him, "What the heck do you want to come back here for?"

"The only thing worse than being here is not being here," replied the former—and now current—congressman.

The Utah Democrat gave up his seat in the House in 1974 to wage what turned out to be an unsuccessful campaign for the Senate. Twelve years later, he sought and recaptured his House seat, representing Salt Lake City.

The Congress he returned to this year is markedly different than the one he left. The liberal lawmaker sees the place as less encrusted by the entrenched power of elderly committee chairmen and more open to the ideas of newcomers like himself. But, he adds, it also is more bombarded by sophisticated lobbying techniques, more confounded by such pressing fiscal problems as the federal budget deficit and more obsessed with political fundraising—awash in campaign cash.

TERM IN NIXON ERA

Mr. Owens served a single, two-year term at the end of the Nixon administration. But that brief period produced some far-reaching changes in the way Congress operates. Political-action committees were created, and so was the congressional budget process—two "reforms" that are now facing criticism and renewed attempts at alteration.

The House also began to abandon its strict reliance on seniority to determine committee chairmanships. And it conducted the impeachment investigation of President Nixon, an experience that in some ways is being echoed by the current congressional probe into the Reagan White House's role in the Iran-Contra scandal.

In 1974, Mr. Owens was a vocal member of the House Judiciary Committee that approved three articles of impeachment 10 days before President Nixon resigned. But in 1987, Mr. Owens says he wouldn't have served on the Iran-Contra panel, even if he had been asked. Though he says he was honored to witness the American system work during the Watergate inquiry, his own role in that drama probably cost him the Senate seat in 1974; Richard Nixon won 72% of the popular vote in Utah during the previous election.

Ironically, Rep. Owens was instrumental in opening the impeachment hearings to television, an action that emblazoned his own presence on the panel in the minds of voters back home. Television later was extended to House floor proceedings, and produced what Mr. Owens sees as one of its most profound changes.

He says he is appalled by his colleagues use of the House TV for flagrant self-promotion. Brief speeches at the start of each session, called "one-minutes," formerly took up only a few minutes each day. Now they stretch for a half-hour or more as members alert broadcasters to tape their orations for local newscasts.

The result is what Rep. Owens bemoans as a "defeat-proof" House that is consumed with—and broadly influenced by—fund-raising. Mr. Owens himself raised and spent $800,000, a record for a Utah House campaign, to get elected last year. In his House race in 1972, he spent $130,000. He is now working to place limits on campaign spending and to begin public financing for congressional races. His view, he says, makes him "something of a pariah" to some of his colleagues.

MEETINGS WITH CONSTITUENTS

Another big change is the increased adroitness of interest groups in lobbying representatives. "In those 12 years I was gone, basically every group you can think of has developed a Washington office or a national association aimed at presenting their case to Congress," he says. To get the ear of their congressmen, these new organizations routinely utilize home-state delegations. As a result, Mr. Owens says he meets with Utah constituents here in Washington perhaps five times a day; a dozen years ago, it was five times a week.

Some corporations use more subtle lobbying methods. Mr. Owens says he was handily defeated in his recent attempt to kill the C-17 transport plane for the military because McDonnell-Douglas Corp. had plants making its parts in about 100 congressional districts in 27 states. His legislation, he says, "was doomed even before we took it up."

This tendency for lawmakers to support projects in their own districts is what Rep. Owens says has defeated the good intentions of those who shaped the congressional budget process in 1974. Then, Mr. Owens and others were attempting to keep track of the deficits with a new Congressional Budget Office and to actually reduce them with the oversight of a special Budget Committee.

But process hasn't proved to be an adequate substitute for consensus, he says: "It didn't work because nobody wants to kill programs." He now backs a constitutional amendment that would make it harder for Congress to spend more than the government collects in revenue in a given year.

The soft-spoken Rep. Owens says he is happy to be back in Congress, the place, he says, "where you can make changes." During his absense, he headed a Mormon mission in Montreal, practiced law and ran unsuccessfully for governor of Utah. But now he says he is where he wants to be. He told the recent graduating class of his alma mater. Panguitch (Utah) High School: "What I wanted to do when I was sitting in your chair, I am doing right now."

"SPECIAL ORDERS"

Another media opportunity, called "special orders," comes at day's end. During Rep. Owens's first go-round, few lawmakers sought the time—as much as 60 minutes—available to them on the House floor, because there wasn't much incentive to speak for so long to an empty chamber. But now, special orders sometimes last for hours under the cameras' constant gaze.

On the other hand, televised debates make it easier today than it was years ago for members to keep track of the issues, Mr. Owens says. He now spends less time on the House floor than he used to, and believes members' comments are better prepared. "Television is here to stay," he says, "and its impact is basically good."

The 50-year-old lawmaker isn't so upbeat about the effect of the campaign-finance "reforms" that were passed during his first two years in Congress. The political-action committee established then were intended to give small contributors a bigger voice in Congress.

A TRIBUTE TO ALLEN I. BILDNER

Mr. BRADLEY. Mr. President, I rise today to congratulate Allen I. Bildner, chairman and chief executive officer of Kings Super Markets, Inc., in West Caldwell, NJ, who was recently elected chairman of the Board of Directors of the Food Marketing Institute [FMI].

FMI is a nonprofit association which conducts programs in research, education, and public affairs on behalf of its 1,500 members, which include food retailers and wholesalers and their customers in the United States and abroad. The FMI elected Mr. Bildner during its 50th annual convention in May.

Mr. Bildner's very successful career with Kings Super Markets, a family-owned business for 50 years, makes him an excellent choice as the FMI chairman. At the age of 10, Mr. Bildner started working in the family business started by his father, Joseph, in 1936. There are now 15 stores in operation in northern New Jersey—all of them known for their excellent service, innovation, high quality, and commitment to the customers. Kings is also particularly well known for its efforts to use New Jersey grown products in all of its stores. And for 2 weeks each summer, the parking lots of many of its stores are turned into a farmers market, called "Jersey Fresh," which features locally grown fruits and vegetables.

During his career, Mr. Bildner served 3 years on the Board of Directors of the Super Market Institute [SMI] and has served on the board of the FMI since 1976. He is a founding director, past president, and past chairman of the New Jersey Food Council and its committee for good government. In 1986, Mr. Bildner received the first annual Fieldmark Award sponsored by Supermarket Business for his contributions to the food industry.

To Mr. Bildner, the most important aspect of business is caring about people—employees, suppliers, and customers—and this philosophy has been the path to Kings' success.

I ask my colleagues to join me in congratulating Mr. Bildner and in wishing him every success as he begins his new chairmanship at the FMI. I am sure that he will serve its members well.

A TRIBUTE TO GEORGE PAGE

Mr. KERRY. Mr. President, I am pleased to offer my congratulations to George Benson Page of California, who will be feted on July 8, 1987, by the Western Textile Service Association. George is 84 years young and still an active member of the linen rental industry.

George's life could be used as an example of the "American success story." At 18, George rode the rails from Tennessee to Los Angeles and began work in a laundry plant. Within 9 years he bought his own laundry plant in Santa Barbara, and began building his company's success based on restaurants increasing needs for linen. From this inauspicious beginning in 1920, George has created Mission Linen Supply, a company that employs over 3,300 people, services 100,000 customers in the Southwestern part of the country, and annually generates $150 million.

George's success does not rest solely on Mission Linen Supply. In 1972, he created a ranch for problem children. Since its inception, the ranch has developed a noteworthy track record of educating and assisting those children who might otherwise become part of the juvenille justice system.

The traits which are commonly applied to our entrepreneurs of today—innovation, dedication, hard work and vision could appropriately be used to describe George Page's life. He has strived for, worked for and accomplished many things that have contributed so much. George Page is truly an important asset to any community.

And so I join with the members of the Western Textile Service Association in honoring George Page on July 8, 1987. Congratulations and best wishes for many more years of community service.

ARTHUR F. BURNS

Mr. STAFFORD. Mr. President, I rise to join my colleagues to note, with sadness, the passing of Arthur Burns and to express my condolences to his wife, Helen, and to their family.

Our Nation has lost an extraordinary public servant who served this country from the administration of President Eisenhower to the administration of President Reagan, as Chairman of the Federal Reserve Board, Ambassador to West Germany and counsel to the President.

While all Americans who knew him mourn his death, we Vermonters feel a singular loss since he lived among us in West Fairlee, VT, and came to be accepted as a Vermonter as much as anyone not born in our State can be so honored.

Arthur Burns had the Vermont characteristics of directness, candor and integrity. He provided leadership by performance—when Arthur Burns was Chairman of the Fed, the Chairman cast the first vote on issues, not the last one.

No one had to guess where Arthur Burns stood on issues—all you had to do was to ask him and then to listen to his clear words, whether he was Chairman of the Fed, counsel to a President or Ambassador to West Germany.

We all shall miss Arthur Burns for his dedication and wisdom as a distinguished public servant. His friends and neighbors in West Fairlee shall miss him as one of their own.

MESSAGES FROM THE PRESIDENT RECEIVED DURING RECESS

Under the authority of the order of the Senate of February 3, 1987, the Senate, on June 29, 1987, during the recess of the Senate, received a message from the President of the United States transmitting sundry nominations, which were referred to the appropriate committees.

(The nominations received on June 29, 1987, are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 9:17 p.m., a message from the House of Representatives, delivered by Mr. Allen, one of its clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes; it recedes from its disagreement to the amendments of the Senate numbered 3, 37, 84, 97, 103, 104, 105, 110, 120, 130, 134, 138, 139, 140, 144, 145, 149, 153, 175, 176, 178, 183, 186, 187, 188, 190, 191, 192, 193, 194, 195, 199, 205, 209, 221, 246, 250, 251, 254, 257, 258, 284, 309, 351, 352, 359, 384, 385, and 436, and agrees thereto; and that it recedes from its disagreement to the amendments of the Senate numbered 4, 5, 8, 21, 23, 26, 38, 41, 56, 64, 66, 67, 68, 69, 70, 71, 73, 87, 92, 98, 99, 102, 114, 115, 116, 125, 128, 129, 133, 136, 137, 148, 151, 154, 156, 159, 174, 181, 189, 204, 208, 211, 212, 214, 215, 218, 219, 222, 223, 224, 226, 228, 230, 247, 256, 285, 286, 312, 317, 319, 381, 387, 410, 411, 412, 413, 415, 416, 420, 422, 424, 425, 426, 427, 428, 429, 430, 431, 432, 434, and 437, and agrees thereto, each with an amendment; and that the House insists upon its disagreement to the amendment of the Senate numbered 35 to the said bill.

The message also announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 15. Joint resolution designating the month of November 1987 as "National Alzheimer's Disease Month";

S.J. Res. 51. Joint resolution to designate the period commencing on July 27, 1987, and ending on August 2, 1987, as "National Czech American Heritage Week";

S.J. Res. 75. Joint resolution to designate the week of August 2, 1987, through August 8, 1987, as "National Podiatric Medicine Week"; and

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day."

The message further announced that the House has agreed to the following concurrent resolution, without amendment:

S. Con. Res. 53. A concurrent resolution to authorize the reprinting of Senate Report 100-9, 100th Congress, 1st Session.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children.

The message further announced that the House agrees to the amendment of the Senate to the concurrent resolution (H. Con. Res. 131) providing for the attendance of Representatives, Senators, and other appropriate persons at a special ceremony and related events to be held in Philadelphia, in honor of the bicentennial of the Constitution and in commemoration of the Great Compromise of the Constitutional Convention.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1100. An act to authorize the Secretary of the Interior to provide assistance to Wildlife Prairie Park, in the State of Illinois, and for other purposes;

H.R. 1173. An act to provide for certain restrictions on the use of lands within boundaries of national parks and monuments;

H.R. 1366. An act to provide for the transfer of certain lands in the State of Arizona, and for other purposes;

H.R. 1994. An act to amend the boundaries of Stones River National Battlefield, Tennessee, and for other purposes;

H.R. 2689. An act to amend the Arms Control and Disarmament Act to authorize appropriations for the fiscal years 1988 and 1989 for the Arms Control and Disarmament Agency, and for other purposes;

H.R. 2712. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes;

H.R. 2713. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes;

H.R. 2714. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1988, and for other purposes; and

H.J. Res. 134. Joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week"; to the Committee on the Judiciary.

The message further announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 50. A concurrent resolution concerning the encouragement and support for international negotiations, pursuant to section 156 of the Clean Air Act, by the President to develop a protocol to the Vienna Convention for the Protection of the Ozone Layer setting forth standards and regulations to protect the stratosphere from the adverse effects of chloroflourocarbons;

H. Con. Res. 94. A concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany act expeditiously to carry out a vigorous and complete prosecution of all possible charges against Mohammed Hamadei, including especially those arising from the hijacking of Trans World Airlines Flight 847 and the murder of United States Navy diver Robert Stethem; and

H. Con. Res. 150. A concurrent resolution to correct technical errors in the enrollment of the bill H.R. 558.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

H.R. 626. An act to provide for the conveyance of certain public lands in Cherokee, De Kalb, and Etowah Counties, Alabama, and for other purposes;

H.R. 2166. An act to amend the Small Business Act and the Small Business Investment Act of 1958;

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day"; and

H.J. Res. 181. Joint resolution commemorating the bicentennial of the Northwest Ordinance of 1787.

MEASURES REFERRED

The following bills and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1100. An act to authorize the Secretary of the Interior to provide assistance to Wildlife Prairie Park, in the State of Illinois, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 1173. An act to provide for certain restrictions on the use of lands within boundaries of national parks and monuments; to the Committee on Energy and Natural Resources.

H.R. 1366. An act to provide for the transfer of certain lands in the State of Arizona, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 2689. An act to amend the Arms Control and Disarmament Act to authorize appropriations for the fiscal years 1988 and 1989 for the Arms Control and Disarmament Agency, and for other purposes; to the Committee on Foreign Relations.

H.R. 2712. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

H.R. 2713. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, and for other purposes; to the Committee on Appropriations.

H.R. 2714. An act making appropriations for the Legislative Branch for the fiscal year ending September 30, 1988, and for other proposes; to the Committee on Appropriations.

H.J. Res. 134. Joint resolution designating the week of September 20, 1987, through September 26, 1987, as "Emergency Medical Services Week"; to the Committee on the Judiciary.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res. 50. A concurrent resolution concerning the encouragement and support for international negotiations, pursuant to section 156 of the Clean Air Act, by the President to develop a protocol to the Vienna Convention for the Protection of the Ozone Layer setting forth standards and regulations to protect the stratosphere from the adverse effects of chloroflourocarbons; to the Committee on on Foreign Relations.

H. Con. Res. 94. A concurrent resolution expressing the sense of the Congress that the Federal Republic of Germany act expeditiously to carry out a vigorous and complete prosecution of all possible charges against Mohammed Hamadei, including especially those arising from the hijacking of Trans World Airlines Flight 847 and the murder of United States Navy diver Robert Stethem; to the Committee on Foreign Relations.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 1994. An act to amend the boundaries of Stones River Memorial Battlefield, Tennessee, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MITCHELL, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute and an amendment to the title:

S. 744. A bill to assist States in responding to the threat to human health posed by exposure to radon (Rept. No. 100-91).

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Report to accompany the bill (S. 1238) to amend the Bilingual Education Act to make Federal financial assistance available for children of limited English proficiency without mandating a specific method of instruction, to encourage innovation at the State and local level through greater administrative flexibility, to improve program operations at the Federal level, and for other purposes (Rept. No. 100-92).

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 232. Resolution concerning the denial of freedom of religion and other human rights in Soviet-occupied Lithuania.

By Mr. BURDICK, from the Committee on Environment and Public Works, without amendment:

S. 1337. A bill to designate the Federal Building and United States Courthouse at 316 North Robert Street, Saint Paul, Minnesota, as the "Warren E. Burger Federal Building and United States Courthouse".

S. 1371. A bill to designate the Federal building located at 330 Independence Avenue, SW, Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building".

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 1452. An original bill to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935 the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make certain technical, clarifying, and conforming amendments, to authorize appropriations to the Securities and Exchange Commission, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Max M. Kampelman, of the District of Columbia, to be Counselor of the Department of State.

Hume Alexander Horan, of New Jersey, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Kingdom of Saudi Arabia.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Hume Alexander Horan.

Post: Ambassador to Saudi Arabia.

Contributions, amount, date, and donee:

1. Self: None.
2. Spouse, Nancy R. Horan: None.
3. Children and spouses names: Alexander Hume, Margaret Robinson, and Jonathan Theodore: None.
4. Parents names: None (deceased).
5. Grandparents names: None (deceased).
6. Brothers and spouses names: Have no brothers.
7. Sisters and spouses names: Leyla Brennan, my sister says she has contributed (together with husband, Jack, amounts in $25-50 (not exceeding $100) to Republican candidates in Missouri.

Willard Ames De Pree, of Maryland, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the People's Republic of Bangladesh.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Willard A. De Pree.

Post: Bangladesh.

Contributions, amount, date, and Donee:

1. Self: Willard A. De Pree: $30, spring, 1986: Mr. Albert Lakeland, Republican primary candidate for Md. leg.
2. Spouse: Elisabeth P. De Pree: None. $30, spring, 1986: Mr. Lowell Norland, Democratic primary candidate for U.S. Cong. from Iowa.
3. Children and spouses names: Carin, Thomas, Peter, Birgitta, Susan, Anita: None.
4. Parents names: Mr. Adrian De Pree: none.
5. Grandparents names: Deceased.
6. Brothers and spouses names: Bruce: $15 (Elaine, Gordan: None (Gladys), Glen: None (Beverly), fall, 1986: Republican Party/Mich.
7. Sisters and spouses names: Lila: None (Kenneth).

Lester B. Korn, of California, to be the Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.

Nominee: Mr. Mr. Lester B. Korn.

Post: Representative of the United States of America on the Economic and Social Council of the United Nations, with the rank of Ambassador.

Contributions, amount, date, and Donee:

1. Self: Lester B. Korn: See attachment A.
2. Spouse: Carolbeth Korn: See attachment A.
3. Children and spouses names: Jessica Susan Korn: None; Jodi Lynn Korn: None.
4. Parents name: Raymond Korn, deceased: None; Mrs. Raymond (Jetta Spieler) Korn, decreased: None.
5. Grandparents names: Mr. and Mrs. Lester Abraham Korn, deceased: None.
6. Brothers and spouses names: Harold Richard Korn (Jacqueline): None.
7. Sisters and spouses names: None.

ATTACHMENT A—POLITICAL CONTRIBUTIONS (FEDERAL) LESTER B. KORN AND CAROLBETH KORN

1987

Donor, donee, and amount:

LBK—Republican National Committee (1987 dues), $100.

LBK—Republican National Committee, $75.

CBK—Republican National Committee, $100.

1986

Donor, donee, and amount:

CBK—The Committee for America, $500.

LBK—The Committee for America, $500.

LBK—Friends of Dick Lugar, [1] $250.

CBK—Herschensohn Campaign Committee, $1,000.

LBK—Herschensohn Campaign Committee, $1,000.

LBK—NATPAC, $5,000.

LBK—Ed Zschau for Senate Committee, $1,000.

LBK—Antonovich for U.S. Senate, $1,000.

LBK—The Bobbi Fiedler Campaign Committee, $1,000.

CBK—Bobbi Fiedler Campaign Fund, $1,000.

CBK—Republican National Committee, $100.

CBK—Republican National Committee, $100.

LBK—George Woolverton for Congress Committee, $500.

CBK—NATPAC, $5,000.

1985

Donor, donee, and amount:

LBK—NATPAC, $5,000.

LBK—Republican National Committee, $100.

LBK—Californians for Senator Pete Wilson, [2] $2,000.

CBK—NATPAC, $5,000.

CBK—Republican National Committee, $100.

LBK—Arlen Specter for U.S. Senate, $500.

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[1] Mr. Korn instructed that a personal contribution be made to Friends of Richard Lugar. Korn/Ferry International inadvertently issued a corporate check for that contribution. When this was discovered during Korn/Ferry's periodic audit of political contributions, Mr. Korn reimbursed the firm from his personal account and an explanatory letter as to the correct source of the funds was sent to Senator Lugar's campaign organization.

[2] Primary $1,000.000; General Election $1,000.00.

1984

Donor, donee, and amount:

LBK—Republican National Committee, $100.

LBK—NATPAC, $5,000.

CBK—NATPAC, $5,000.

CBK—Reagan/Bush 1984, $1,000.

CBK—National Federation of Republican Women, $50.

1983

Donor, donee, and amount:

LBK—Friends of Dick Lugar, $250.

LBK—Rob Mosbacher, $1,000.

LBK—Helms for Senate, $500.

LBK—Reagan/Bush 1984, $1,000.

LBK—Republican National Committee (1984 dues), $75.

LBK—NATPAC, $5,000.

LBK—Mike Curb Committee, $500.

LBK—G.O.P. Victory Fund, $100.

LBK—Republican National Committee, $50.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PELL (for himself, Mr. STAFFORD, Mr. KENNEDY, Mr. HATCH, Mr. MATSUNAGA, Mr. DODD, Mr. SIMON, Mr. STENNIS, Mr. FORD, Mr. BENTSEN and Mr. HARKIN):

S. 1448. A bill to provide a clarification in the insurance premium rule for the guaranteed student loan program under part B of title IV of the Higher Education Act of 1965; to the Committee on Labor and Human Resources.

By Mr. ADAMS:

S. 1449. A bill to reform the process for filling vacancies which occur on the Interstate Commerce Commission, the Federal Maritime Commission, and the National Transportation Safety Board; to the Committee on Commerce, Science, and Transportation.

By Mr. HEINZ (for himself and Mr. RIEGLE):

S. 1450. A bill to prescribe the manner in which certain pediatric heart transplant facilities will be evaluated for purposes of designation as a medicare heart transplant facility; to the Committee on Finance.

By Mr. HEINZ:

S. 1451. A bill to amend the title 38, United States Code, to improve veterans' benefits for former prisoners of war; to the Committee on Veterans Affairs.

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs:

S. 1452. An original bill to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make certain technical, clarifying, and conforming amendments, to authorize appropriations to the Securities and Exchange Commission, and for other purposes; placed on the calendar.

By Mr. HEINZ (for himself, Mr. STAFFORD, Mr. MOYNIHAN, Mr. BURDICK, Mr. SANFORD, Mr. SHELBY, Mr. MURKOWSKI, Mr. FORD, Mr. STENNIS, Mr. PELL, Mr. LAUTENBERG, Mr. HEFLIN, Mr. WILSON, Mr. WARNER, Mr. GRASSLEY, Mr. COCHRAN, Mr. ROCKEFELLER, and Mr. SPECTER):

S. 1453. A bill to amend the Disaster Relief Act of 1974 to provide for more effective assistance in response to major disasters and emergencies, and for other purposes; to the Committee on Environment and Public Works.

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 1454. A bill to settle Indian land claims in the town of Gay Head, Massachusetts, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. CHILES:

S. 1455. A bill to require certain drug-producing or drug transiting countries to implement bilateral narcotics agreements; to the Committee on Foreign Relations.

By Mr. CRANSTON:

S. 1456. A bill for the relief of Paulette Mendes-Silva; to the Committee on the Judiciary.

By Mr. FORD:

S. 1457. A bill to establish, with respect to any grant or research protocol of the National Institutes of Health, a restriction that any person obtaining or using for any research purpose any animal acquired from any animal shelter shall not be eligible to receive any such grant or research protocol; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN:

S.J. Res. 169. Joint resolution designating October 2, 1988, as a national day of recognition for Mohandas K. Gandhi; to the Committee on the Judiciary.

By Mr. ROTH:

S.J. Res. 170. Joint resolution designating the month of September 1988 as "National Ceramic Arts Month"; to the Committee on the Judiciary.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PELL (for himself, Mr. STAFFORD, Mr. KENNEDY, Mr. HATCH, Mr. MATSUNAGA, Mr. DODD, Mr. SIMON, Mr. STENNIS, Mr. FORD, Mr. BENTSEN, and Mr. HARKIN):

S. 1448. A bill to provide a clarification in the insurance premium rule for the guaranteed student loan program under part B of title IV of the Higher Education Act of 1965; to the Committee on Labor and Human Resources.

STUDENT LOAN AMENDMENTS ACT

● Mr. PELL. Mr. President, on behalf of Mr. STAFFORD, Mr. KENNEDY, Mr. HATCH, Mr. MATSUNAGA, Mr. DODD, Mr. SIMON, Mr. STENNIS, Mr. FORD, Mr. BENTSEN, Mr. HARKIN, and myself, I am introducing the Student Loan Amendments Act of 1987.

To a great extent, this might be considered a technical amendment to the Higher Education Amendments of 1986 because it adds clarity to current law. When we enacted that legislation last year, we provided in section 428(b)(1)(H) of Public Law 99-498 that guaranty agencies could collect "a single insurance premium equal to not more than 3 percent of the principal amount of the loan."

It is important, I believe, that we understand what was considered and what was not considered when this matter was before the Senate during last year's reauthorization. In staff discussions that preceded preparation of the Senate bill, deliberations focused solely upon the maximum percentage that a guaranty agency would be allowed to charge as an insurance premium. What we ultimately decided when we wrote the Senate bill was that the premium could be no more than 3 percent per loan for the first year of the loan. We also abandoned the term "insurance premium" in favor of the term "administrative fee."

In the higher education conference with the House, we maintained the provision that the fee could be no more than 3 percent of the principal amount of the loan, and we returned to referring to the fee as an "insurance premium."

At no time, however, either in staff or Member deliberations on the Senate side or during conference with the House was there raised the matter of whether the premium was to be applied uniformly or whether it could be a differential fee. In other words we were silent on this issue.

Several weeks ago it became clear that at least one, perhaps two, and possibly even more guaranty agencies were moving to implement a differential insurance premium. In one instance, the size of the premium was to differ according to the type of institution for which loans would be guaranteed. This announced policy raised numerous issues that had not been considered heretofore. These included the question of fair competition for business among guaranty agencies, particularly between State and multistate agencies. Further, there surfaced the question of fairness in differentiating among institutions on the basis of whether they were 2- or 4-year institutions, were public or private, or were profit or nonprofit.

Over the last 6 weeks, staff of the Senate Subcommittee on Education, Arts, and Humanities has met several times with staff from the House Subcommittee on Postsecondary Education and with representatives from the education community. In addition, the Senate subcommittee staff has held several meetings of its own in an effort to reach a consensus on a recommendation to be made to the members of the subcommittee. The legislation I am submitting today is a product of those meetings and of many hours of very dedicated work by the staff of all members of the Education Subcommittee.

The legislation provides for the collection of a single insurance premium that shall be applied uniformly to all loans. That includes guaranteed student loans, parent loans, supplemental student loans, and consolidated loans.

Further, the legislation I am introducing today also provides that the insurance premium shall be not less than 0.5 percent and not more than 3 percent of the principal amount of the loan. In the case of multistate guaranty agencies, a premium may be set for each State in which it is the designated State guarantor and a single rate is to be set for the loans it guarantees in the remaining States in which it does business. In this regard, it is our assumption that each guaranty agency will use sound actuarial practices in setting a rate for the insurance premium.

This provision shall take effect for all loans made on and after 30 days after the enactment of this act.

In addition, this legislation would permit a guaranty agency to withdraw its guarantee from an institution if that institution had a cumulative default rate of more than 25 percent. This would be determined by using the rate of the guarantor which holds the preponderence of the value of loans outstanding at the institution in question. This provision would take effect 90 days after enactment of this legislation.

This withdrawal provision is a particularly important way in which guaranty agencies can effectively and swiftly take action on schools that have alarmingly high default rates. It is also a provision that is similar in nature to the provision we included in the Higher Education Amendments of 1986. That provision, which applies to the National Direct Student Loan Program, prohibits Federal NDSL contributions to schools that have default rates in excess of 25 percent.

Mr. President, the agreement reflected in this legislation could well be only a temporary answer to a long-term and highly complex problem. It is our intention, therefore, to ask the General Accounting Office, a year after the enactment of legislation of this nature, to look at the whole issue of the insurance premium and to report back to Congress with recommendations on whatever changes, if any, might be made in this part of the student loan program.

Finally, there is an element of urgency to this entire issue because of the announced intention of a guaranty agency to implement a differential premium as of July 1. While we may not be able to meet the July 1 date, I want to make it very clear not only that we have a proposal but also that we are intent on having it considered by the full Senate as soon as possible. In that regard, it is quite likely that I will be offering legislation of this nature as an amendment to the education component of the trade bill that is now before us.

Mr. President, I ask that the full text of the Student Loan Amendments Act of 1987 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1448

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Student Loan Amendments Act of 1987".

INSURANCE PREMIUM RULE

SEC. 2. (a) Section 428(b)(1)(H) of the Higher Education Act of 1965 is amended to read as follows:

"(H) provides for the collection of a single insurance premium which—

"(i) shall be applied uniformly to all loans; and

"(ii) is not less than 0.5 percent nor more than 3 percent of the principal amount of the loan (and, in the case of a multistate guaranty agency, may be set for each State for which it has received advances under section 422, with a single uniform rate set for the balance of the activity of the guaranty agency),

by deduction proportionately from each installment payment of the proceeds of the loan to the borrower, and insures that the proceeds of the premium will not be used for incentive payments to lenders;"

(b) Section 428(b)(1) of such Act is amended—

(1) by striking out "and" at the end of subparagraph (T);

(2) by redesignating subparagraph (U) as subparagraph (V); and

(3) by inserting after subparagraph (T) the following new subparagraph:

"(U) provides that, notwithstanding subparagraphs (S) and (T), a guaranty agency may after 60-days notice cease to guarantee loans for students at an otherwise eligible institution if the cumulative default rate of loans from such institution in repayment exceeds 25 percent of the amount insured by the guaranty agency which holds the preponderance of the value of the loans outstanding at such institution, unless the guarantor is the designated State guaranty agency in the State where the eligible institution is located and insures loans for the lender of last resort in that State under subsection (j); and".

EFFECTIVE DATE

SEC. 3. (a) The amendments made by section 2(a) of this Act shall take effect with respect to loans made on and after 30 days after the date of enactment of this Act.

(b) The amendments made by section 2(b) of this Act shall take effect 90 days after the date of enactment of this Act.●

By Mr. ADAMS:

S. 1449. A bill to reform the process for filing vacancies which occur on the Interstate Commerce Commission, the Federal Maritime Commission, and the National Transportation Safety Board; to the Committee on Commerce, Science, and Transportation.

TRANSPORT REGULATORY REFORM ACT

● Mr. ADAMS. Mr. President, I am today introducing legislation designed to reform the process for filling vacancies which occur on the Interstate Commerce Commission, the Federal Maritime Commission and the National Transportation Safety Board. This legislation is identical, in most respects, to H.R. 75, introduced by Representative HELEN BENTLEY of Maryland.

A wise observer of life once noted that the person who gets to define the terms in a debate usually wins the argument. In terms of implementing national policy, the Congress has all too often allowed the regulatory agencies to define the terms—and we have essentially allowed the President to determine who will be in charge of those regulatory agencies.

Every Member of this body is aware of the power and influence exercised by regulatory agencies. Here in the Congress, we create policy; over in the regulatory agencies, they establish procedure. And that procedure, once established, can move policy in ways we neither intended nor imagined.

In almost any area of public policy, "regulatory independence" can be troublesome. In the transportation area, however, it is critical. Over the past few years we have embarked on a program designed to reduce regulation. That policy has often been called "deregulation;" but that is the wrong label. We never intended to eliminate the role of the Federal Government in interstate commerce. We simply wanted to trim it back to a more reasonable level. Despite that reasonable mandate, regulatory agencies have taken off on their own. Some have become little more the ideological debating societies whose prime concern is eliminating their own existence rather than eliminating those practices in the transportation industries which threaten our people and our economy.

When I was serving as Secretary of Transportation, I was often frustrated by the ruling of agencies which were theoretically implementing the decisions of the Congress. Since leaving the Department, I have been just as frustrated by—and often furious at—some of those decisions.

I do not challenge the right of a President to nominate men and women who share his or her beliefs to important positions in the Government. But in our regulatory agencies, we need people whose qualifications extend beyond loyalty and ideological compatability. We need men and women who have a demostrated capacity to deal with the very real problems we face, people with experience and some understanding of the way the market operates. Too often we haven't had those sorts of nominees placed before us.

To correct that problem, I am introducing legislation which would create a system that would call to the President's attention the names of candidates whose qualifications are without question. Specifically, this bill would create a Transportation Regulatory Commissions Nominating Commission which would be charged with the responsibility of providing to the President the names of at least three qualified individuals to fill any vacancy which may develop in the ICC, the FMC of the NTSB. The President is not required to nominate any of the individuals named by the Commission—there is, in my mind, no Constitutional issue raised here—but I assume that the President would pay some attention to the suggestions made by the Nominating Commission. If, however, the President exercises his right to nominate an individual not named by the Nomination Commission, that individual's qualifications will be reviewed by the Commission and their findings shall be reported to the Congress.

The entire thrust of this legislation is to create a nonpartisan mechanism designed to assure that the best qualified people are at least considered when a President looks around for people to serve on regulatory agencies. This legislation is about quality, it is about giving consideration to highly qualified candidates. Fundamentally, this legislation is about taking the "dictionary" which controls debate out of the hands of regulatory agencies and returning it to elected officials. The best way to do that is to get people into those agencies who understand the issues and have as much respect for the legislative branch as they have for the executive branch.

Let me make one final comment. This is not a partisan bill or a bill directed at the administration. The problem of regulatory independence has existed under both parties and this administration will be replaced with another which will be guided by this bill. I am not seeking to punish this or any other President; I am seeking to assure that they consider the best qualified candidates for critical posts within our Government. This bill does that and I hope my colleagues will give it serious consideration.

Mr. President, I ask unanimous consent that the text of the bill appear in the Record at this point.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1449

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Transport Regulatory Reform Act of 1987".

SEC. 2. ESTABLISHMENT OF TRANSPORTATION REGULATORY COMMISSIONS NOMINATING COMMISSION.

There is established within the legislative branch of the Government a commission to be known as the "Transportation Regulatory Commissions Nominating Commission" (hereinafter in this Act referred to as the "Commission").

SEC. 3. REFORMED NOMINATIONS PROCESS.

(a) President To Notify Commission of Vacancy on any Transportation Regulatory Commission.—The President shall immediately notify the Chair (or Acting Chair) of the Commission established under section 2 of any vacancy (which shall include the expiration of any term of office of a Commissioner) which occurs on the Interstate Commerce Commission, the Federal Maritime Commission, or the National Transportation Safety Board.

(b) Commission To Prepare and Submit List of Individuals to Fill Vacancy.—

(1) In general.—The Commission shall, within ninety days after the date on which the President notifies the Chair (or Acting Chair) of the Commission of any vacancy referred to in subsection (a), prepare a list of at least three names of qualified individuals to fill such vacancy and submit such list to the President and simultaneously to the President pro tempore of the Senate.

(2) Qualifications of individuals.—Each individual whose name appears on any list submitted under paragraph (1) must—

(A) if nominated, be willing to accept the position for which nominated,

(B) be qualified to serve in the appropriate regulatory position by virtue of training and experience,

(C) be highly respected in such individual's field,

(D) have judicial temperament, and

(E) have demonstrated expertise and knowledge of the appropriate regulatory environment.

(c) President of the United States To Submit Nomination Within Ninety-Day Period.—Notwithstanding any other provision of law, the President of the United States shall nominate an individual to fill a vacancy described in subsection (a) within the ninety-day period after the date on which the Commission submits a list described in subsection (b). If the President does not nominate an individual to fill such a vacancy within the required period, the first name on the Commission's list shall, by operation of law, be deemed to be the nominee of the President.

(d) Recall of Nomination Once Made.—Nothing in this section shall limit the power of the President of the United States to recall a nomination once it is made. However, if a nomination is recalled, the procedure described in this section shall immediately recommence.

(e) Expedited Committee Consideration.—If the committee to which any nomination to fill a vacancy described in subsection (a) is referred does not report such nomination within ninety days (excluding days the Senate is not in session) after the date of such referral, then such nomination shall be considered as having been reported to the floor of the Senate by such committee without recommendation. This subsection shall not apply to any nominee not approved by the Commission.

(f) Referral of Unapproved Nominee.—If the President of the United States nominates an individual to fill a vacancy described in subsection (a) whose name is not on the list described in subsection (b), the qualifications of such nominee shall be investigated by the Commission and a report of its findings shall be made within sixty days after the nomination date to the President pro tempore of the Senate. The Senate shall withhold action pending receipt of the Commission's findings.

(g) Issuance of Commission.—After the Senate has confirmed the nominee, the President of the United States shall promptly issue a commission to the confirmed nominee.

SEC. 4. MEMBERSHIP OF COMMISSION.

(a) Appointment; Number.—The Commission shall be composed of fifteen members drawn from the categories listed in subsection (b), as follows:

(1) Five members who shall be appointed by the President of the United States. Not more than three members appointed under this paragraph may be from the same political party at the time of appointment.

(2) Five members of whom three shall be appointed by the Speaker of the House and two shall be appointed by the minority leader of the House of Representatives.

(3) Five members of whom three shall be appointed by the majority leader of the Senate and two shall be appointed by the minority leader of the Senate.

(b) Categories From Which Appointees To Be Drawn.—Each of the individuals making appointments under subsection (a) shall appoint one individual from each of the following categories who is not an officer or employee of the Federal Government, who is a full-time employee of, or consultant to, any organization in the category from which such individual is drawn, and who has at least ten years experience as such a full-time employee or consultant:

(1) Railroad carriers or organizations of such carriers.

(2) For-hire motor carriers or organizations of such carriers.

(3) Air carriers or organizations of such carriers.

(4) Water carriers who engage in foreign commerce or organizations of such carriers.

(5) Organizations of users of any regulated carrier.

(c) Continuation of Membership.—

(1) General rule.—Any individual who was appointed to the Commission by virtue of the status of such individual under subsection (b) who loses such status and any individual who was appointed from individuals who are not officers or employees of the Federal Government who becomes such an officer or employee—

(A) shall immediately notify the authority who appointed such individual of such change of status, and

(B) shall not continue as a Commission member beyond one hundred and eighty days after the date of such change of status, or once the replacement for such departing member is appointed, whichever occurs first.

(2) Exception.—Paragraph (1) shall not apply to any change of status of an individual if within one hundred and eighty days after such change of status the individual resumes qualifying employment or consultancy.

(d) Vacancies.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(e) Appointment of Acting Chair and Acting Vice Chair.—The President of the United States shall appoint two individuals, from among the five individuals appointed by such President under subsection (a), to be the Acting Chair of the Commission (hereinafter in this Act referred to as the "Acting Chair") and the Acting Vice Chair of the Commission (hereinafter in this Act referred to as the "Acting Vice Chair").

(f) Election of Chair and Vice Chair.—

(1) INITIAL ELECTION.—Within thirty days after the date on which the initial fifteen appointments to the Commission have been made, the Commission shall elect a Chair of the Commission (hereinafter in this Act referred to as the "Chair") and a Vice Chair of the Commission (hereinafter in this Act referred to as the "Vice Chair") by majority vote.

(2) ANNUAL ELECTIONS.—The Commission shall annually elect a Chair and a Vice Chair by majority vote on the first Tuesday in December.

(3) SPECIAL ELECTIONS.—If the Chair (or Acting Chair) dies or resigns, and the annual election of a Chair and a Vice Chair is not scheduled to occur within sixty days after the date of such death or of the effective date of such resignation, the Commission shall elect a Chair and a Vice Chair by majority vote in a special election within such sixty-day period.

(g) TERMS OF OFFICE.—

(1) ACTING CHAIR AND ACTING VICE CHAIR.—The Acting Chair and Acting Vice Chair shall serve until the beginning of the term of the first elected Chair and Vice Chair.

(2) CHAIR AND VICE CHAIR.—

(A) INITIALLY OR SPECIALLY ELECTED.—Any Chair and Vice Chair elected under subsection (f) (1) or (3) shall immediately take office and shall serve until the close of the calendar year in which elected.

(B) ANNUALLY ELECTED.—The Chair and Vice Chair elected under subsection (f)(2) shall serve for a term of one calendar year beginning on the first day of the first calendar year following their election, unless before such date the Commission subsequently elects another Chair and Vice Chair in a special election.

(h) RESIGNATION OR DEATH OF CHAIR.—Upon the death or resignation of the Chair (or Acting Chair), the Vice Chair (or Acting Vice Chair) shall serve as Chair (or Acting Chair) until the beginning of the terms of the next elected Chair and Vice Chair.

SEC. 5. TERM OF OFFICE OF MEMBERS OF COMMISSION.

(a) IN GENERAL.—Except as provided in subsection (b), appointment to the Commission shall be for a term of five years. Any Commission member who has served one full term is ineligible for reappointment.

(b) EXCEPTION.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of the term of office of such member for one hundred and eighty days, or until the successor for such member has taken office, whichever occurs first.

SEC. 6. COMPENSATION OF COMMISSION MEMBERS.

Each Commission member shall not receive pay by reason of service on the Commission but shall be entitled to receive compensation equal to the greater of—

(1) expenses incurred by such member in the actual performance of duties vested in the Commission, and

(2) per diem and travel expenses which would be accorded such member if such member were a Federal employee in the District of Columbia, for each day during which such member is engaged in the actual performance of duties vested in the Commission.

SEC. 7. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of performing its duties under this Act, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

(b) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to perform its duties under this Act. Upon request of the Chair (or Acting Chair), the head of such department or agency shall furnish such information to the Commission.

(c) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(d) ADMINISTRATIVE SUPPORT SERVICES.—The Chairman of the Interstate Commerce Commission (or its successor) shall detail for service to the Commission established by section 2 such administrative support services of the Interstate Commerce Commission (or its successor) as the Commission established by section 2 may request.

(e) DELEGATION OF AUTHORITY TO MEMBERS AND AGENTS.—The Commission may delegate to any of its members or agents its authority to take any act authorized by this section.

SEC. 8. RULES GOVERNING COMMISSION MEETINGS.

(a) QUORUM.—Nine Commission members shall constitute a quorum but, with the approval of a quorum, a lesser number may hold hearings.

(b) CLOSED MEETINGS.—The Commission shall meet in closed sessions at the call of the Chair (or Acting Chair) or of any six members.

(c) MANNER OF VOTING.—Members may be polled in person, by telephone, or by mail, but members may not vote by proxy.

(d) RULES OF PROCEDURE.—The Commission may adopt rules of procedure to govern meetings and activities. The rules of procedure adopted by the Commission shall be published in the Federal Register and in title 49, Code of Federal Regulations.

SEC. 9. REPORTS.

(a) NOMINATION REPORTS.—Within thirty days after the date on which the Commission has submitted any list of nominees to the President of the United States under section 3(b), the Commission shall submit to the President of the Senate a report containing such list and any other information deemed by the Commission to be relevant to the nomination process.

(b) BIANNUAL EVALUATION.—The Commission shall report biannually to each House of the Congress on the efficacy of the nomination process established by this Act, and on recommendations for such legislation as it considers appropriate.

SEC. 10. TERMINATION.

Upon the expiration of the 60-calendar-month period following the date of the enactment of this Act, the provisions of sections 1 through 10 of this Act shall be held and considered to have terminated and to be of no effect.●

By Mr. HEINZ (for himself and Mr. RIEGLE):

S. 1450. A bill to prescribe the manner in which certain pediatric heart transplant facilities will be evaluated for purposes of designation as a Medicare heart transplant facility; to the Committee on Finance.

MEDICARE CERTIFICATION FOR PEDIATRIC HEART TRANSPLANT FACILITIES

● Mr. HEINZ. Mr. President, the Health Care Financing Administration published final regulations for Medicare certification of heart transplant centers on April 6. HCFA's intent with these regulations is to limit certification to the most highly experienced facilities, those most capable of carrying out these life-sustaining surgeries. These guidelines reflect several years of conscientious study and review by HCFA and I commend them on their approach to this complex matter.

There is, however, an oversight in these regulations with respect to coverage for children's heart transplants. Because HCFA wanted experienced centers, they did not allow consortia. The rationale behind this is that a heart transplant program requires experience and a substantial commitment of resources and staff, and this is best and most accountably done by an individual facility. The regulations also require that the facility have reached a certain level of experience and excellence as measured by the number of heart transplants performed, and the overall survival rate for this surgery. While in my opinion this is, overall, a sound policy, it unfortunately does not take into consideration the unique circumstances of pediatric heart transplant facilities.

Because few children—less than a dozen a year—are candidates for heart transplants, no pediatric transplant facility in the country has the experience on its own to qualify under the current regulations. Presently, all of the pediatric facilities that perform transplants do so in conjunction with an established adult facility. In some cases, the two hospitals actually adjoin. Given the blessedly small number of children in need of this surgery, a joint program seems like the optimal way to provide the best care available. Under the current regulations, however, this would not be reimbursable by Medicare.

A child in surgery requires specialized operating facilities and instruments and specialized pediatric medical staff. But current regulations limit the option for a Medicare reimbursed heart transplant for a child to surgery performed in an adult facility. For no procedure are these specialized needs greater than for a heart transplant. No freestanding pediatric hospital would be eligible to participate in this program. This presents the pediatric facilities with an untenable choice: turn away Medicare children, or swallow the $100,000-plus bill for surgery and immunosuppressive treatments. The problem is further compounded by the tendency of State Medicaid programs and third-party payers to adopt the provisions specified by Medicare. In fact, CHAMPUS has already adopted the Medicare standards.

Mr. President, this bill would allow Medicare certification for pediatric facilities whose heart transplant program is run in conjunction with an adult facility. The adult facility must qualify for certification independent of the number of surgeries performed in the pediatric facility. This legislation further provides that these facilities operate one unified program, sharing the same transplantation surgical teams, organ procurement program, patient protocol, and oversight committee, and that the children's facility must demonstrate sufficient commitment of resources and staff to meet the special needs of pediatric transplant patients.

I believe the logic behind this bill is clear and I urge my colleagues to support this measure which would ensure that Medicare's policy on heart transplants is consistent for both adults and children.●

By Mr. HEINZ:

S. 1451. A bill to amend title 38, United States Code, to improve veterans' benefits for former prisoners of war; to the Committee on Veteran's Affairs.

VETERANS BENEFITS FOR FORMER PRISONERS OF WAR

● Mr. HEINZ. Mr. President, for many years I have joined with my colleagues in support of former servicemen and women who were held as prisoners of war. Today I am introducing legislation to provide a presumption of service-connection for ex-prisoners of war who suffer from peripheral neuropathy, spastic colon, peptic or duodenal ulcers, and to expand dental benefits for ex-POW's.

Let me emphasize to my colleagues the particular importance of this legislation. American servicemen who were held by our enemies suffered extreme deprivation. Many suffered malnutrition, and what food they did receive was of the worst quality. Today they face a variety of colon problems, as well as ulcers. When our POW's were released from captivity, our enemies were not kind enough to provide medical records. Years later, when ex-POW's face severe health problems, they cannot receive service-connected care because they cannot completely prove that their injuries occurred while in enemy prison camps.

For that reason, my legislation creates a presumption of service connection for ex-prisoners of war who suffer from peripheral neuropathy, spastic colon, and peptic or duodenal ulcers. In addition, the bill reduces the internment period required for VA dental care from 6 months to 90 days. This last provision is particularly needed. It did not take 6 months for a prisoner of war to be kicked in the face, or take a rifle butt in the mouth. But the VA won't provide dental care to the ex-prisoner of war if he was not held for at least 6 months. So it is particularly important that we provide this reduction in the incarceration requirement.

Senator GRAHAM and Senator CRANSTON have already developed legislation on this subject. I commend them for their bill, and want them to know that I support their effort. Unfortunately, their legislation contains several limitations which will not provide the level of care which these men and women deserve. S. 1365 does not provide for further dental coverage, does not cover spastic colon, and limits peptic ulcer coverage to those whose disorders were manifest within 10 years of incarceration. Unfortunately, many ex-prisoners of war did not show symptoms for many years. Thousands of these men and women were so glad to be home from the camps that they did not report their conditions to the medical authorities until many years had gone by.

Mr. President, I am advised that these provisions have little cost associated with them. There are only some 80,000 former prisoners of war still alive, and their numbers are dwindling. I believe we owe these men and women a great deal—the least we can do is to provide them with adequate health care in their later years.

This bill is urgently needed and I hope my colleagues will assist me in getting these presumptions of service-connection enacted. I ask unanimous consent that the bill appear at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1451

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. IMPROVED BENEFITS FOR FORMER PRISONERS OF WAR.

(a) PRESUMPTION OF SERVICE CONNECTION FOR CERTAIN DISABILITIES.—Section 312(b) of title 38, United States Code, is amended—

(1) by striking out "or" at the end of clause (11); and

(2) by inserting after clause (12) the following new clauses:

"(13) peripheral neuropathy,

"(14) spastic colon, or

"(15) peptic or duodenal ulcers,".

(b) INTERNMENT PERIOD REQUIRED FOR VA DENTAL CARE.—Section 612(b)(1)(G) of such title is amended by striking out "six months" and inserting in lieu thereof "90 days".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 1987.●

By Mr. RIEGEL, from the Committee on Banking, Housing, and Urban Affairs:

S. 1452. An original bill to amend the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Trust Indenture Act of 1939, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 to make technical clarifying, and conforming amendments, to authorize appropriations to the Securities and Exchange Commission, and for other purposes; placed on the calendar.

SECURITIES LAW TECHNICAL AMENDMENTS ACT

● Mr. RIEGEL. Mr. President, on June 24, 1987 the Banking Committee, by voice vote, adopted this budget authorization bill for the Securities and Exchange Commission and technical amendments to the securities laws. The bill provides for a 2-year authorization in the amounts of $158.6 and $172.2 million which would result in an additional increase of $4.7 and $3.2 million for fiscal years 1988 and 1989 to the funding requested by the SEC in its authorization submission. These recommended increases reflect the budget request made by the Commission prior to cuts made by the Office of Management and Budget. In view of its limited growth over the last several years, the resources originally requested by the SEC are justifiable in order to meet the agency's responsibilities in the current regulatory environment.

This increase is warranted in light of the limited resource growth at the Commission since 1980 while the securities markets have experienced record growth and increased complexity during the same period. In addition to widespread growth in the capital markets, the SEC has prosecuted an increased number of significant securities fraud cases in recent years. Additional resources are needed to enforce the laws and provide for increased automation at the Commission, and to provide for limited funding increases in areas other than enforcement and automation—such as market regulation, investment management, corporate finance and enforcement management. Significant issues regarding the adequacy of the SEC's resources were raised at hearings before the Securities Subcommittee in February and May by witnesses from the securities industry, the law enforcement community, and the General Accounting Office.

This authorization is for 2 years rather than 3 in order to allow Congress to more periodically review and oversee the activity and budget process at the Commission. The limited amounts restored to the SEC's budget in addition to the requested funds for fiscal years 1988 and 1989 are not excessive—especially since the Commission anticipates that its total fee revenue will continue to far exceed its operating budget during the authorization period.

The bill also includes technical amendments as required by SEC Chairman Shad at the authorization hearing on May 13. The amendments make technical, clarifying and conforming changes to the securities laws, including clarifying the enforcement capabilities of the SEC and other agencies over transfer agents.

These amendments were originally submitted to the Congress in 1983 at the request of Senator Timothy E. Wirth, who was then chairman of the House Subcommittee on Telecommunications, Consumer Protection, and Finance. An updated version of the bill was reintroduced by Chairman Wirth in March 1985 as H.R. 1604 and by Senator D'Amato as S. 920.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record directly following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1452

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Securities Law Technical Amendments Act of 1987".

TITLE I—AMENDMENTS OF SECURITIES ACT OF 1933

Sec. 101. Section 2(5) of the Securities Act of 1933 (15 U.S.C. 77b(5)) is amended by striking out "Federal Trade Commission" and inserting in lieu thereof "Securities and Exchange Commission".

Sec. 102. Section 2(6) of the Securities Act of 1933 (15 U.S.C. 77b(6)) is amended by striking out "Canal Zone,".

Sec. 103. Section 3(a)(1) of the Securities Act of 1933 (15 U.S.C. 77c(a)(1)) is amended by striking all that appears therein and inserting in lieu thereof "(1) Reserved."

Sec. 104. Section 3(a)(5)(A) of the Securities Act of 1933 (15 U.S.C. 77c(a)(5)(A)) is amended by striking out ", except that the foregoing exemption shall not apply with respect to any such security where the issuer takes from the total amount paid or deposited by the purchaser, by way of any fee, cash value or other device whatsoever, either upon termination of the investment at maturity or before maturity, an aggregate amount in excess of 3 per centum of the face value of such security".

Sec. 105. Section 6(e) of the Securities Act of 1933 (15 U.S.C. 77f(e)) is repealed.

Sec. 106. Section 9(a) of the Securities Act of 1933 (15 U.S.C. 77i(a)) is amended—

(1) by striking out "Circuit Court of Appeals" and inserting in lieu thereof "court of appeals";

(2) by striking out "Court of Appeals of the District of Columbia, by filing in such court" and inserting in lieu thereof "United States Court of Appeals for the District of Columbia, by filing in such Court"; and

(3) by striking out "sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 346 and 347)" and inserting in lieu thereof "section 1254 of title 28, United States Code".

Sec. 107. Section 19(c) of the Securities Act of 1933 (15 U.S.C. 77s(c)) is amended by adding at the end thereof the following new paragraph:

"(6) Notwithstanding any other provision of law, neither the Commission nor any other person shall be required to establish any procedures not specifically required by the securities laws, as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934, or by chapter 5 of title 5, United States Code, in connection with cooperation, coordination, or consultation with—

"(A) any association referred to in paragraph (1) or (3) or any conference or meeting referred to in paragraph (4), while such association, conference, or meeting is carrying out activities in furtherance of the provisions of this subsection; or

"(B) any forum, agency, or organization, or group referred to in section 503 of the Small Business Investment Incentive Act of 1980, while such forum, agency, organization, or group is carrying out activities in furtherance of the provisions of such section 503.

As used in this paragraph, the terms 'association', 'conference', 'meeting', 'forum', 'agency', 'organization', and 'group' include any committee, subgroup, or representative of such entities.".

Sec. 108. (a) Section 20(b) of the Securities Act of 1933 (15 U.S.C. 77t(b)) is amended by striking out the first sentence and inserting in lieu thereof the following: "Whenever it shall appear to the Commission that any person is engaged or about to engage in any acts or practices which constitute or will constitute a violation of the provisions of this title, or of any rule or regulation prescribed under authority thereof, the Commission may, in its discretion, bring an action in any district court of the United States, or United States court of any Territory, to enjoin such acts or practices, and upon a proper showing, a permanent or temporary injunction or restraining order shall be granted without bond.".

(b) Section 20(c) of such Act (15 U.S.C. 77t(c)) is amended to read as follows:

"(c) Upon application of the Commission, the district courts of the United States and the United States courts of any Territory shall have jurisdiction to issue writs of mandamus commanding any person to comply with the provisions of this title or any order of the Commission made in pursuance thereof.".

Sec. 109. Section 22(a) of the Securities Act of 1933 (15 U.S.C. 77v(a)) is amended—

(1) by striking out "United States, the" in the first sentence and inserting in lieu thereof "United States and";

(2) by striking out ", and the United States District Court for the District of Columbia"; and

(3) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code,".

TITLE II—AMENDMENTS OF SECURITIES EXCHANGE ACT OF 1934

Sec. 201. Section 3(a)(6)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(6)(C)) is amended by striking out "under section 11(k) of the Federal Reserve Act, as amended" and inserting in lieu thereof "under the authority of the Comptroller of the Currency pursuant to the first section of Public Law 87-722 (12 U.S.C. 92a)".

Sec. 202. Section 3(a)(16) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(16)) is amended by striking out "the Canal Zone,".

Sec. 203. Section 3(a)(22)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(22)(B)) is amended—

(1) by striking out "association or any" and inserting in lieu thereof "association, or any"; and

(2) by striking out "own behalf in" and inserting in lieu thereof "own behalf, in".

Sec. 204. Section 3(a)(34)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)(C)) is amended by striking out "state" each place it appears and inserting in lieu thereof "State".

Sec. 205. Section 3(a)(39)(B) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(39)(B)) is amended—

(1) by striking out "months, revoking" and inserting in lieu thereof "months, or revoking"; and

(2) by striking out "barring his" and inserting in lieu thereof "barring or suspending for a period not exceeding 12 months his".

Sec. 206. Section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)) is amended—

(1) by inserting after paragraph (46) the following:

"(47) The term 'securities laws' means the Securities Act of 1933 (15 U.S.C. 77a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), the Public Utility Holding Company Act of 1935 (15 U.S.C. 79a et seq.), the Trust Indenture Act of 1939 (15 U.S.C. 77aaa et seq.), the Investment Company Act of 1940 (15 U.S.C. 80a-1 et seq.), the Investment Advisers Act of 1940 (15 U.S.C. 80b et seq.), and the Securities Investor Protection Act of 1970 (15 U.S.C. 78aaa et seq.)."; and

(2) by adding at the end thereof the following:

"(49) The term 'person associated with a transfer agent' and 'associated person of a transfer agent' mean any person (except an employee whose functions are solely clerical or ministerial) directly engaged in the management, direction, supervision, or performance of any of the transfer agent's activities with respect to transfer agent functions, and any person directly or indirectly controlling such activities or controlled by the transfer agent in connection with such activities.".

Sec. 207. Section 4 of the Securities Exchange Act of 1934 (15 U.S.C. 78d) is amended by adding at the end thereof the following new subsection:

"(e) Notwithstanding any other provision of law, whenever any fee is required to be paid to the Commission pursuant to any provision of the securities laws or any other law, the Commission may provide by rule that such fee shall be paid in a manner other than in cash.".

Sec. 208. (a) The Securities Exchange Act of 1934 is amended by inserting after section 4 (15 U.S.C. 78d) the following new sections:

"DELEGATION OF FUNCTIONS BY COMMISSION

"Sec. 4A. (a) In addition to its existing authority, the Securities and Exchange Commission shall have the authority to delegate, by published order or rule, any of its functions to a division of the Commission, an individual Commissioner, an administrative law judge, or an employee or employee board, including functions with respect to hearing, determining, ordering, certifying, reporting, or otherwise acting as to any work, business, or matter. Nothing in this section shall be deemed to supersede the provisions of section 556(b) of title 5, or to authorize the delegation of the function of rulemaking as defined in subchapter II of chapter 5 of title 5, United States Code, with reference to general rules as distinguished from rules of particular applicability, or of the making of any rule pursuant to section 19(c) of this title.

"(b) With respect to the delegation of any of its functions, as provided in subsection (a) of this section, the Commission shall retain a discretionary right to review the action of any such division of the Commission, individual Commissioner, administrative law judge, employee, or employee board, upon its own initiative or upon petition of a party to or intervenor in such action, within such time and in such manner as the Commission by rule shall prescribe. The vote of one member of the Commission shall be sufficient to bring any such action before the Commission for review. A person or party shall be entitled to review by the Commission if he or it is adversely affected by action at a delegated level which (1) denies any request for action pursuant to section 8(a) or section 8(c) of the Securities Act of 1933 or the first sentence of section 12(d) of this title; (2) suspends trading in a security pursuant to section 12(k) of this title; or (3) is pursuant to any provision of this title in a case of adjudication, as defined in section 551 of title 5, United States Code, not required by this title to be determined on the record after notice and opportunity for hearing (except to the extent there is involved a matter described in section 554(a)(1) through (6) of such title 5).

"(c) If the right to exercise such review is declined, or if no such review is sought within the time stated in the rules promulgated by the Commission, then the action of any such division of the Commission, individual Commissioner, administrative law judge, employee, or employee board, shall, for all purposes, including appeal or review thereof, be deemed the action of the Commission.

"TRANSFER OF FUNCTIONS WITH RESPECT TO ASSIGNMENT OF PERSONNEL TO CHAIRMAN

"SEC. 4B. In addition to the functions transferred by the provisions of Reorganization Plan Numbered 10 of 1950 (64 Stat. 1265), there are hereby transferred from the Commission to the Chairman of the Commission the functions of the Commission with respect to the assignment of Commission personnel, including Commissioners, to perform such functions as may have been delegated by the Commission to the Commission personnel, including Commissioners, pursuant to section 4A of this title.".

(b) The Act of August 20, 1962 (Public Law 87-592; 76 Stat. 394) is hereby repealed.

SEC. 209. The first sentence of section 6(c)(2) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(2)) is amended by striking out "protection shall" and inserting in lieu thereof "protection of investors shall".

SEC. 210. Section 6(c)(3)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(3)(A)) is amended by striking out "association" and inserting in lieu thereof "associated".

SEC. 211. Section 6(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(c)(4)) is amended by striking out "may (A) limit" and inserting in lieu thereof "may limit (A)".

SEC. 212. Section 6(e) of the Securities Exchange Act of 1934 (15 U.S.C. 78f(e)) is amended—

(1) by striking out "paragraph (4) of this section" in paragraph (1) and inserting in lieu thereof "paragraph (3) of this subsection";

(2) by striking out paragraph (3) thereof and by redesignating paragraph (4) as paragraph (3); and

(3) in paragraph (3)(E) (as so redesignated)—

(A) by striking out "fixes" and inserting in lieu thereof "fixing";

(B) by striking out "paragraph (4)(A)" and inserting in lieu thereof "subparagraph (A) of this paragraph"; and

(C) by striking out "paragraph (4)(B)" and inserting in lieu thereof "subparagraph (B) of this paragraph".

SEC. 213. Section 11A of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1) is amended—

(1) by striking out "transaction" in paragraph (2) of subsection (b) and inserting in lieu thereof "transactions"; and

(2) by striking out everything after the first sentence in paragraph (4) of subsection (c).

SEC. 214. Sections 11A(e) and 12(m) of the Securities Exchange Act of 1934 (15 U.S.C. 78k-1(e) and 78*l*(m)) are repealed.

SEC. 215. Section 13(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(c)) is amended by striking out "thereof of" and inserting in lieu thereof "thereof".

SEC. 216. Section 13(h) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(h)) is repealed.

SEC. 217. Section 15(b) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*(b)) is amended—

(1) by striking out "fiduciary, or any" in clause (ii) of subparagraph (B) of paragraph (4) and inserting in lieu thereof "fiduciary, transfer agent, or";

(2) by striking out subparagraph (C) of paragraph (4) and inserting in lieu thereof the following:

"(C) is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, dealer, municipal securities dealer, government securities broker, government securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or from engaging in or continuing any conduct or practice in connection with any such activity, or in connection with the purchase or sale of any security.";

(3) by striking out "or seeking to become associated," in the first sentence of paragraph (6) and inserting in lieu thereof "seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated"; and

(4) by striking out "17A(b)(4)(B)" in paragraph (10) and inserting in lieu thereof "17A(b)(4)(A)".

SEC. 218. Section 15B(b)(2)(C) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*-4(b)(2)(C)) is amended—

(1) by striking out "security" and inserting in lieu thereof "securities";

(2) by striking out "or the securities"; and

(3) by striking out "burden or competition" and inserting in lieu thereof "burden on competition".

SEC. 219. Section 15B(c)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*-4(c)(4)) is amended by striking out the first sentence and inserting in lieu thereof the following: "The Commission, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with a municipal securities dealer, or suspend for a period not exceeding twelve months or bar any such person from being associated with a municipal securities dealer, if the Commission finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed any act or omission enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted by any offense specified in subparagraph (B) of such paragraph (4) within 10 years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4).".

SEC. 220. Section 15B(c)(6)(A) of the Securities Exchange Act of 1934 (15 U.S.C. 78*o*-4(c)(6)(A)) is amended by striking out "board" and inserting in lieu thereof "Board".

SEC. 221. Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) by striking out subsection (c)(2) and inserting in lieu thereof the following:

"(2) The appropriate regulatory agency for a clearing agency, transfer agent, or municipal securities dealer for which the Commission is not the appropriate regulatory agency shall file with the Commission notice of the commencement of any proceeding and a copy of any order entered by such appropriate regulatory agency against any clearing agency, transfer agent, municipal securities dealer, or person associated with a transfer agent or municipal securities dealer, and the Commission shall file with such appropriate regulatory agency, if any, notice of the commencement of any proceeding and a copy of any order entered by the Commission against the clearing agency, transfer agent, or municipal securities dealer, or against any person associated with a transfer agent or municipal securities dealer for which the agency is the appropriate regulatory agency.";

(2) by adding at the end of subsection (f)(2) the following: "Notwithstanding any other provision of law, in providing identification and processing functions, the Attorney General shall provide the Commission and self-regulatory organizations designated by the Commission with access to all criminal history record information."; and

(3) by striking out "paragraphs (1) and (2)" in subsection (f)(3)(A) and inserting in lieu thereof "paragraph (1)".

SEC. 222. Section 17A of the Securities Exchange Act of 1934 (15 U.S.C. 78q-1) is amended—

(1) by inserting after "concerning such transfer agent" in subsection (c)(2) "and any persons associated with the transfer agent";

(2) by striking out "thirty" in subsection (c)(2) and inserting in lieu thereof "45";

(3) by redesignating subparagraphs (B) and (C) of subsection (c)(3) as subparagraphs (A) and (B), respectively, of new subsection (c)(4);

(4) by striking out subsection (c)(3)(A) and inserting in lieu thereof:

"(3) The appropriate regulatory agency for a transfer agent, by order, shall deny registration to, censure, place limitations on the activities, functions, or operations of, suspend for a period not exceeding 12 months, or revoke the registration of such transfer agent, if such appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such denial, censure, placing of limitations, suspension, or revocation is in the public interest and that such transfer agent, whether prior or subsequent to becoming such, or any person associated with such transfer agent, whether prior or subsequent to becoming so associated—

"(A) has committed or omitted any act enumerated in subparagraph (A), (D), or (E) of paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4); or

"(B) is subject to an order entered pursuant to subparagraph (C) of paragraph (4) of this subsection barring or suspending the right of such person to be associated with a transfer agent.";

(5) by inserting after subsection (c)(4)(B) (as redesignated) the following new subparagraph:

"(C) The appropriate regulatory agency for a transfer agent, by order, shall censure or place limitations on the activities or functions of any person associated, seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated with the transfer agent, or suspend for a period not exceeding twelve months or bar any such person from being associated with the transfer agent, if the appropriate regulatory agency finds, on the record after notice and opportunity for hearing, that such censure, placing of limitations, suspension, or bar is in the public interest and that such person has committed or omitted any act enumerated in subparagraph (A), (D), or (E) or paragraph (4) of section 15(b) of this title, has been convicted of any offense specified in subparagraph (B) of such paragraph (4) within ten years of the commencement of the proceedings under this paragraph, or is enjoined from any action, conduct, or practice specified in subparagraph (C) of such paragraph (4). It shall be unlawful for any person as to whom such an order suspending or barring him from being associated with a transfer agent is in effect willfully to become, or to be, associated with a transfer agent without the consent of the appropriate regulatory agency that entered the order and the appropriate regulatory agency for that transfer agent. It shall be unlawful for any transfer agent to permit such a person to become, or remain, a person associated with it without the consent of such appropriate regulatory agencies, if the transfer agent knew, or in the exercise of reasonable care should have known, of such order. The Commission may establish, by rule, procedures by which a transfer agent reasonably can determine whether a person associated or seeking to become associated with it is subject to any such order, and may require, by rule, that any transfer agent comply with such procedures.";

(6) by striking out "clearing agency or transfer agent" in subsection (d)(3)(B) and inserting in lieu thereof "clearing agency, transfer agent, or person associated with a transfer agent"; and

(7) by striking out "or transfer agent" in subsection (d)(4), and inserting in lieu thereof ", transfer agent, or person associated with a transfer agent,".

Sec. 223. Section 21 of the Securities Exchange Act of 1934 (15 U.S.C. 78u) is amended—

(1) by striking out "Wherever" in subsection (d) and inserting in lieu thereof "Whenever";

(2) by striking out ", the United States District Court for the District of Columbia," in subsection (e); and

(3) by striking out the second sentence of subsection (g).

Sec. 224. Section 23(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(a)) is amended—

(1) by inserting "or" before "any self-regulatory organization" in the last sentence of paragraph (1); and

(2) by inserting "shall" after "section 19(b) of this title," in paragraph (3).

Sec. 225. Section 23(b)(4)(F) of the Securities Exchange Act of 1934 (15 U.S.C. 78w(b)(4)(F)) is amended by striking out "The" and inserting in lieu thereof "the".

Sec. 226. Section 27 of the Securities Exchange Act of 1934 (15 U.S.C. 78aa) is amended—

(1) by striking out ", the United States District Court for the District of Columbia,"; and

(2) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

Sec. 227. Section 28(c) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(c)) is amended by striking out "self-regulatory organization or a member thereof" and inserting in lieu thereof "self-regulatory organization on a member thereof".

Sec. 228. Section 28(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(d)) is amended by striking out "change is beneficial" and inserting in lieu thereof "change in beneficial".

Sec. 229. Section 28(e)(1) of the Securities Exchange Act of 1934 (15 U.S.C. 78bb(e)(1)) is amended by striking out "Amendments in 1975" and inserting in lieu thereof "Amendments of 1975".

Sec. 230. Section 211 of the Securities Exchange Act of 1934 (15 U.S.C. 78jj) is hereby repealed.

TITLE III—AMENDMENTS OF PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Sec. 301. Section 8 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79h) is amended by striking out "otherwise, —" and inserting in lieu thereof "otherwise —".

Sec. 302. Section 18 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 78r) is amended—

(1) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively; and

(2) in subsections (e) and (f) (as so redesignated), by striking out ", the district court of the United States for the District of Columbia,".

Sec. 303. Section 24 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 78x) is amended by striking out "sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 346 and 347)" and inserting in lieu thereof "section 1254 of title 28, United States Code".

Sec. 304. Section 25 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79y) is amended—

(1) by striking out ", the district court of the United States for the District of Columbia,"; and

(2) by striking out "sections 128 and 240 of the Judicial Code, as amended (U.S.C., title 28, secs. 225 and 347), and section 7, as amended, of the Act entitled 'An Act to establish a court of appeals for the District of Columbia', approved February 9, 1893 (D.C. Code, title 18, sec. 26)" and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

Sec. 305. Section 30 of the Public Utility Holding Company Act of 1935 (15 U.S.C. 79z-4) is amended by striking out the last sentence thereof.

TITLE IV—AMENDMENT OF TRUST INDENTURE ACT OF 1939

Sec. 401. Section 303(4) of the Trust Indenture Act of 1939 (15 U.S.C. 77ccc(4)) is amended by striking out "undertakng" and inserting in lieu thereof "undertaking".

Sec. 402. Section 303(12) of the Trust Indenture Act of 1939 (15 U.S.C. 77ccc(12)) is amended by inserting "(including a guarantor)" after "person" each place it appears.

TITLE V—AMENDMENTS OF INVESTMENT COMPANY ACT OF 1940

Sec. 501. Section 2(a)(19) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(19)) is amended by inserting "completed" before "fiscal years" each place it appears.

Sec. 502. Section 2(a)(39) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(39)) is amended by striking out "the Canal Zone,".

Sec. 503. Section 2(a)(48)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(48)(B)) is amended by striking out "sections 55(a)(1) through (3)"and inserting in lieu thereof "paragraphs (1) through (3) of section 55(a)".

Sec. 504. Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(3)) is amended—

(1) by inserting "or" after "therefor;"; and

(2) by inserting a period after "guardian" and striking out all that follows through "principal to another or others.".

Sec. 505. Section 3(c)(7) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(7)) is amended to read as follows:

"(7) Reserved.".

Sec. 506. Section 3(c)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(11)) is amended—

(1) by striking out "Code of 1954" each place it appears and inserting in lieu thereof "Code of 1986";

(2) by striking out "or which holds only assets of governmental plans" and inserting in lieu thereof "; or any governmental plan"; and

(3) by striking out "trusts;" and inserting in lieu thereof "trusts or governmental plans, or both;".

Sec. 507. Section 5(a)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-5(a)(2)) is amended by striking out "Close-end" and inserting in lieu thereof "Closed-end".

Sec. 508. Section 6(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)) is amended—

(1) by striking out "the Canal Zone," in paragraph (1); and

(2) by striking out paragraph (2) and redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

Sec. 509. Section 9 of the Investment Company Act of 1940 (15 U.S.C. 80a-9) is amended by striking out paragraphs (1) and (2) in subsection (a) and inserting in lieu thereof the following:

"(1) any person who within 10 years has been convicted of any felony or misdemeanor involving the purchase or sale of any security or arising out of such person's conduct as an underwriter, broker, dealer, investment adviser, municipal securities dealer, government securities broker, government securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act;

"(2) any person who, by reason of any misconduct, is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an underwriter, broker, dealer, investment adviser, municipal securities dealer, government securities broker, government securities dealer, transfer agent, or entity or person required to be registered under the Commodity Exchange Act, or as an affiliated person, salesman, or employee of any investment company, bank, insurance company, or entity or person required to be registered under the Commodity Exchange Act, or from engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any security; or".

SEC. 510. Section 12 of the Investment Company Act of 1940 (15 U.S.C. 80a-12) is amended—

(1) by striking out "Treasury" in subsection (d)(1)(A)(iii) and inserting in lieu thereof "treasury";

(2) by striking out "it reasonably possible" in subsection (d)(1)(G) and inserting in lieu thereof "is reasonably possible"; and

(3) by striking out "only thereof" in subsection (f) and inserting in lieu thereof "thereof only".

SEC. 511. Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a-15) is amended—

(1) by striking out "(40)" in subsection (d) and inserting in lieu thereof "(42)"; and

(2) by striking out the period at the end of subsection (B) of paragraph (3) of subsection (f) and inserting in lieu thereof a comma.

SEC. 512. Section 17 of the Investment Company Act of 1940 (15 U.S.C. 80a-17) is amended by striking out the second sentence of each of subsections (h) and (i).

SEC. 513. Section 18(e) of the Investment Company Act of 1940 (15 U.S.C. 80a-18(e)) is amended by striking out paragraph (1) and by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively.

SEC. 514. Section 20 of the Investment Company Act of 1940 (15 U.S.C. 80a-20) is amended—

(1) by striking out the second sentence of subsection (b);

(2) by striking out the first sentence of subsection (d); and

(3) by striking out "at any time after the effective date of this title" in subsection (d).

SEC. 515. Section 21(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-21(b)) is amended by striking out "to the extension or renewal of any such loan made prior to March 15, 1940, or".

SEC. 516. Section 22 of the Investment Company Act of 1940 (15 U.S.C. 80a-22) is amended—

(1) by striking out "subsection (b)(8)" in paragraph (1) of subsection (b) and inserting in lieu thereof "subsection (b)(6)";

(2) by striking out paragraph (2) of subsection (b) and redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively;

(3) by striking out "section 15A(k)(2)" in subsection (b)(2) (as so redesignated) and inserting in lieu thereof "section 19(c)";

(4) by inserting in the first sentence of subsection (e) a comma after the word "redemption" where it first appears and where it appears for the third time; and

(5) by striking out the last sentence of subsection (e).

SEC. 517. Section 24(d) of the Investment Company Act of 1940 (15 U.S.C. 80a-24(d)) is amended by inserting a period immediately after "issuer" in the second sentence thereof and by striking out all that follows in such sentence.

SEC. 518. Section 26(b) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(b)) is amended by striking out "intend" and inserting in lieu thereof "intended".

SEC. 519. Section 26(c) of the Investment Company Act of 1940 (15 U.S.C. 80a-26(c)) is amended by striking out "contract of agreement" and inserting in lieu thereof "contract or agreement".

SEC. 520. Section 28(a)(2)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-28(a)(2)(B)) is amended by striking out "subsection" and inserting in lieu thereof "paragraph".

SEC. 521. Section 28(d)(2) of the Investment Company Act of 1940 (15 U.S.C. 80a-28(d)(2)) is amended by inserting "of" immediately before "subsection (a)".

SEC. 522. Section 36 of the Investment Company Act of 1940 (15 U.S.C. 80a-35) is amended—

(1) by striking out "loans" in paragraph (4) of subsection (b) and inserting in lieu thereof "loads";

(2) by redesignating subsection (d) as subsection (c); and

(3) in subsection (c) (as so redesignated), by striking out "through (c)" and inserting in lieu thereof "and (b)".

SEC. 523. Section 42 of the Investment Company Act of 1940 (15 U.S.C. 80a-41) is amended by redesignating subsection (e) as subsection (d).

SEC. 524. Section 53 of the Investment Company Act of 1940 (15 U.S.C. 80a-52) is amended by inserting a period in the first sentence thereof immediately after "1941" and by striking out everything that follows in such sentence.

SEC. 525. Section 54(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-53(a)) is amended by striking out "defined in sections" and inserting in lieu thereof "defined in section".

SEC. 526. Section 55(a)(1)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a-54(a)(1)(B)) is amended by striking out "described in sections" and inserting in lieu thereof "described in section".

SEC. 527. Section 57(i) of the Investment Company Act of 1940 (15 U.S.C. 80a-56(i)) is amended by striking out "sections 17 (a) and (d)" each place it appears and inserting in lieu thereof "subsections (a) and (d) of section 17".

TITLE VI—AMENDMENTS OF INVESTMENT ADVISERS ACT OF 1940

SEC. 601. Section 202(a)(19) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-2(a)(19)) is amended by striking out "the Canal Zone,".

SEC. 602. Section 203 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-3) is amended—

(1) by inserting "transfer agent," after "fiduciary," in subsection (e)(2)(B);

(2) by inserting "transfer agent," after "government securities dealer," in subsection (e)(3);

(3) by striking out "or seeking to become associated" in the first sentence of subsection (f) and inserting in lieu thereof ", seeking to become associated, or, at the time of the alleged misconduct, associated or seeking to become associated"; and

(4) by striking out "subsection (d)" in subsection (g) and inserting in lieu thereof "subsection (c) or subsection (e)".

SEC. 603. Section 205 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-5) is amended to read as follows:

"INVESTMENT ADVISORY CONTRACTS

"SEC. 205. (a) No investment adviser, unless exempt from registration pursuant to section 203(b), shall make use of the mails or any means or instrumentality of interstate commerce, directly or indirectly, to enter into, extend, or renew any investment advisory contract, or in any way to perform any investment advisory contract entered into, extended, or renewed on or after the effective date of this title, if such contract—

"(1) provides for compensation to the investment adviser on the basis of a share of capital gains upon or capital appreciation of the funds or any portion of the funds of the client;

"(2) fails to provide, in substance, that no assignment of such contract shall be made by the investment adviser without the consent of the other party to the contract; or

"(3) fails to provide, in substance, that the investment adviser, if a partnership, will notify the other party to the contract of any change in the membership of such partnership within a reasonable time after such change.

"(b) Paragraph (1) of subsection (a) shall not—

"(1) be construed to prohibit an investment advisory contract which provides for compensation based upon the total value of a fund averaged over a definite period, or as of definite dates, or taken as of a definite date;

"(2) apply to an investment advisory contract with—

"(A) an investment company registered under title I of this Act, or

"(B) any other person (except a trust, governmental plan, collective trust fund, or separate account referred to in section 3(c)(11) of title I of this Act), provided that the contract relates to the investment of assets in excess of $1 million,

if the contract provides for compensation based on the asset value of the company or fund under management averaged over a specified period and increasing and decreasing proportionately with the investment performance of the company or fund over a specified period in relation to the investment record of an appropriate index of securities prices or such other measure of investment performance as the Commission by rule, regulation, or order may specify; or

"(3) apply with respect to any investment advisory contract between an investment adviser and a business development company, as defined in this title, if (A) the compensation provided for in such contract does not exceed 20 per centum of the realized capital gains upon the funds of the business development company over a specified period or as of definite dates, computed net of all realized capital losses and unrealized capital depreciation, and the condition of section 61(a)(3)(B)(iii) of title I of this Act is satisfied, and (B) the business development company does not have outstanding any option, warrant, or right issued pursuant to section 61(a)(3)(B) of title I of this Act and does not have a profit-sharing plan described in section 57(n) of title I of this Act.

"(c) For purposes of paragraph (2) of subsection (b), the point from which increases and decreases in compensation are measured shall be the fee which is paid or earned when the investment performance of such company or fund is equivalent to that of the index or other measure of performance, and an index of securities prices shall be deemed appropriate unless the Commission by order shall determine otherwise.

"(d) As used in paragraphs (2) and (3) of subsection (a), 'investment advisory contract' means any contract or agreement whereby a person agrees to act as investment adviser to or to manage any investment or trading account of another person other than an investment company registered under title I of this Act.".

Sec. 604. Section 209 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-9) is amended by redesignating subsection (e) as subsection (d).

Sec. 605. Section 211(b) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-11(b)) is amended by striking out "the Federal Register Act" and inserting in lieu thereof "chapter 15 of title 44, United States Code,".

Sec. 606. Section 213(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b-13(a)) is amended by striking out "sections 239 and 240 of the Judicial Code, as amended" and inserting in lieu thereof "section 1254 of title 28, United States Code".

Sec. 607. Section 214 of the Investment Advisers Act of 1940 (15 U.S.C. 80b-14) is amended by striking out "sections 128 and 240 of the Judicial Code, as amended, and section 7, as amended, of the Act entitled, 'An Act to establish a court of appeals for the District of Columbia', approved February 9, 1893", and inserting in lieu thereof "sections 1254, 1291, 1292, and 1294 of title 28, United States Code".

TITLE VII—AUTHORIZATION

Sec. 701. Section 35 of the Securities Exchange Act of 1934 (15 U.S.C. 78kk) is amended—

(1) in the first sentence, by striking out "and" immediately after "1982,";

(2) by inserting immediately before the period at the end of the first sentence the following: ", $158,600,000 for the fiscal year ending September 30, 1988, and $172,200,000 for the fiscal year ending September 30, 1989"; and

(3) in the last sentence, by striking out "fiscal year 1983" and inserting in lieu thereof "fiscal year 1989".●

By Mr. HEINZ (for himself, Mr. Stafford, Mr. Moynihan, Mr. Burdick, Mr. Sanford, Mr. Shelby, Mr. Murkowski, Mr. Ford, Mr. Stennis, Mr. Pell, Mr. Lautenberg, Mr. Heflin, Mr. Wilson, Mr. Warner, Mr. Grassley, Mr. Cochran, Mr. Rockefeller, and Mr. Specter):

S. 1453. A bill to amend the Disaster Relief Act of 1974 to provide for more effective assistance in response to major disasters and emergencies, and for other purposes; to the Committee on Environment and Public Works.

MAJOR DISASTER RELIEF AND EMERGENCY ASSISTANCE AMENDMENTS

● Mr. HEINZ. Mr. President, today I am introducing legislation to improve the Federal Government's capability to assist municipalities and people victimized by natural disasters. I am joined in this effort by 17 of my colleagues as original cosponsors.

This legislation addresses a vital issue with which I regret that I am far too familiar. In the past few years several areas of my home State of Pennsylvania have been devastated by a series of tornadoes and floods. During this period, a total of 187 municipalities in Pennsylvania experienced in excess of $15 million in eligible damages and received more than $10 million in public assistance from FEMA.

Mr. President, whole communities would not exist today were it not for the public assistance FEMA has provided in the wake of natural disasters. These localities simply do not have the tax base to restore the millions of dollars in public investment made over decades which can be destroyed by an act of God in a single hour or day. FEMA is the only agency capable of providing the large scale immediate assistance communities need to get back on their feet following a natural disaster. This bill will ensure that FEMA can help restore basic public facilities and can help provide essential services which citizens in these communities need to return to their daily business and rebuild their lives after a disaster.

On June 18, 1986, this essential source of assistance was jeopardized when FEMA published proposed regulations which would have arbitrarily reduced the Federal share of disaster relief costs associated with damage to public facilities—roads, bridges, sewers, and the like—from the current policy of 75 percent to 50 percent and would have denied eligibility for any such assistance to communities in which the total damages were less than $1 per capita for all of the residents in the State.

During the July Fourth recess last summer, I held four public hearings in communities in my State that had been hit by disasters to find out about the impact these proposed reductions would have had on their efforts to rebuild public structures and provide for their citizens. Witnesses included mayors, borough managers, city council members, and State officials. In Harrisburg, in Pittsburgh, in Scranton, and in Johnstown, their answers were the same. The reduction of FEMA assistance as stipulated by the regulations would have rendered these communities wholly unable to restore their facilities to their predisaster condition.

The FEMA regulations would have drastically limited both the number of instances and the amount of funds which would have been provided to communities hit by disasters. Under the $1 per capita threshold, the last six Presidentially declared disasters in Pennsylvania would not have qualified for a disaster declaration and corresponding FEMA assistance. The last federally declared disaster would have been the Johnstown flood in 1977.

Reducing the Federal share to 50 percent would have cost the Commonwealth an additional $4.1 million for public assistance in 1985. Furthermore, under the restrictive $1 per capita standard, none of these disasters would have qualified for public assistance, leaving the State and local governments to shoulder the entire $15 million in damage to public property.

Mr. President, I would add that Pennsylvania is by no means the only State which would have been affected by the proposed regulations; 61 of the last 111 Presidentially declared disasters would have been ruled ineligible for assistance. Kentucky reports that it would never have received Federal public assistance had these rules been in effect when the Disaster Relief Act was enacted in 1974. The new formula would have reduced by 73 percent the number of recent declarations in FEMA region V, which includes the States of Illinois, Indiana, Ohio, Michigan, and Wisconsin.

In response to these proposed regulations, several of my colleagues and I included languages in the fiscal year 1987 HUD and independent agencies appropriations bill prohibiting FEMA from using any funds to implement them. However, this prohibition, which expires on September 30, is only a stopgap measure. As such, there continues to exist a need for the Congress to protect communities and their citizens from potential cutbacks in Federal disaster relief efforts.

In addition to codifying current policy on cost sharing for public facilities, the legislation I am introducing today addresses comprehensively the type and manner disaster relief assistance to be provided by FEMA. In doing so, it incorporates many features of legislation developed by Senators Stafford, Humphrey, Burdick, and others in the Environment and Public Works Committee that the Senate approved unanimously in the 97th and 98th Congresses. Last fall, the Senate again approved a similar measure that Senator Lautenberg and I offered as an amendment to the highway bill.

This year's legislation adds to this package a number of provisions that address additional problems which have arisen in the Federal program in such areas as debris removal, grants for training State and local officials, notification procedures for citizens, temporary housing and the individual family grant program. Many of these provisions stem from the field hearings I held as well as from extensive work that has been done by our colleague in the House of Representatives, Congressman Tom Ridge of Pennsylvania, who has introduced legislation to which my bill is a companion.

Mr. President, I ask unanimous consent that the full text of the bill and highlights of the legislation prepared by Congressman Ridge be printed in the Record. I urge my colleagues to support this important legislation.

There being no objection, the material was ordered to be printed in the Record, as follows:

S. 1453

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Major Disaster Relief and Emergency Assistance Amendments of 1987".

SEC. 2. AMENDMENTS TO THE DISASTER RELIEF ACT OF 1974.

Except as otherwise specifically provided, whenever in this Act a provision is amended or repealed, such amendment or repeal shall be considered to be made to that provision of the Disaster Relief Act of 1974 (42 U.S.C. 5121 et seq.).

SEC. 3. MAJOR DISASTER ASSISTANCE PROGRAMS.

(a) Repair and Restoration of Damaged Facilities.—Section 402 is amended to read as follows:

"SEC. 402. REPAIR, RESTORATION, AND REPLACEMENT OF DAMAGED FACILITIES.

"(a) Contributions for Public Facilities.—The President may make contributions to State and local governments (including such special purpose local governments as levee districts, irrigation districts, and reclamation districts) for the repair, restoration, reconstruction, or replacement of public facilities of State or local governments which are damaged or destroyed by a major disaster.

"(b) Contributions for Private Nonprofit Facilities.—The President may make contributions for the repair, restoration, reconstruction, or replacement of private nonprofit facilities which are damaged or destroyed by a major disaster.

"(c) Federal Share.—The Federal share of assistance under this section shall be not less than 75 percent of the net eligible cost of restoration, reconstruction, or replacement carried out under this section.

"(d) In Lieu Contribution.—In any case where a State or local government or a private nonprofit organization determines that the public welfare would not be best served by repairing, restoring, reconstructing, or replacing any particular public facility owned or controlled by that State or that local government, it may elect to receive, in lieu of a contribution under subsection (a) or (b), a contribution of not to exceed 90 percent of the Federal share of the cost of repairing, restoring, reconstructing, or replacing each of such facilities. Funds contributed under this subsection may be used to repair, restore, or expand other selected public facilities, to construct new facilities, or to fund hazard mitigation measures which the State or local government determines to be necessary to meet a need for governmental services and functions in the area affected by the major disaster.

"(e) Definitions.—

"(1) Public facility.—For purposes of this section the term 'public facility' means—

"(A) any publicly owned flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility;

"(B) any non-Federal-aid street, road, or highway;

"(C) any other public building, structure, or system; and

"(D) any park.

"(2) Private nonprofit facility.—For purposes of this section, the term 'private nonprofit facility' means private nonprofit educational, utility, emergency, medical, and custodial care facilities, including those for the aged and disabled, and such private nonprofit facilities on Indian reservations.

"(3) Net eligible cost.—For purposes of this section, the term 'net eligible cost' includes the following:

"(A) Repair, restoration, reconstruction, or replacement.—The cost of repairing, restoring, reconstructing, or replacing any eligible public or private nonprofit facility on the basis of the design of such facility as it existed immediately prior to the major disaster and in conformity with current applicable codes, specifications, and standards, including floodplain management and hazard mitigation criteria required by the President or by the Coastal Barrier Resources Act (16 U.S.C. 3501 et seq.).

"(B) Administration.—Necessary costs of requesting, obtaining, and administering Federal assistance, based on a percentage of assistance provided, as follows:

"(i) Total eligible costs less than $100,000.—For applicants whose total eligible costs equal less than $100,000, 3 percent of total eligible costs.

"(ii) Total eligible costs less than $1,000,000.—For applicants whose total eligible costs equal $100,000 or more but less than $1,000,000, $3,000 plus 2 percent of total eligible costs.

"(iii) Total eligible costs less than $5,000,000.—For applicants whose total eligible costs equal $1,000,000 or more but less than $5,000,000, $21,000 plus 1 percent of total eligible costs.

"(iv) Total eligible costs over $5,000,000.—For applicants whose total eligible costs equal $5,000,000 or more, $61,000 plus ½ percent of total eligible costs.

"(C) National guard.—The costs of mobilizing and employing the National Guard for performance of eligible work.

"(D) Prison labor.—The costs of using prison labor to perform eligible work, including wages actually paid, transportation to a worksite, and extraordinary costs of guards, food, and lodging.

"(E) Reports and inspections of state employees.—Extraordinary costs for preparation of damage survey reports, final inspection reports, project applications, final audits, and related field inspections by State employees, including overtime pay and per diem and travel expenses of such employees, but not including pay for regular time of such employees.

"(F) Fringe benefits of applicant's employees.—Fringe benefits on base and overtime wages for an applicant's employees and extra hires to the extent that such benefits were being paid before the disaster.

"(G) Facilities under construction.—The cost of repairing, restoring, reconstructing, or replacing facilities under construction which are damaged or destroyed by a major disaster and which, under a contract, are the owner's responsibility and not the contractor's responsibility.".

(b) Debris Removal.—Section 403 is amended by adding at the end the following:

"(c) Large Lots.—The President shall issue rules which provide for recognition of differences existing among urban, suburban, and rural lands in implementation of this section so as to facilitate adequate removal of debris and wreckage from large lots in all instances.

"(d) Federal Share.—The Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of debris removal carried out under this section.".

(c) Temporary Housing Assistance.—

(1) Title amendment.—Section 404 is amended by striking the title and "Sec. 404." and inserting "**SEC. 404. TEMPORARY HOUSING ASSISTANCE.**" above the first line of subsection (a).

(2) Provision of temporary housing.—Section 404(a) is amended to read as follows:

"(a) Provision of Temporary Housing.—

"(1) In general.—The President may—

"(A) provide, by purchase or lease, temporary housing (including unoccupied habitable dwellings), suitable rental housing, mobile homes, or other readily fabricated dwellings to persons who, as a result of a major disaster, require temporary housing; and

"(B) reimburse State and local governments for the cost of sites provided under paragraph (2).

"(2) Mobile home site.—

"(A) In general.—Any mobile home or other readily fabricated dwelling provided under this section shall whenever possible be located on a site which—

"(i) is provided by the State or local government; and

"(ii) has utilities in place provided by the State or local government, by the owner of the site, or by the occupant who was displaced by the major disaster.

"(B) Other sites.—Mobile homes and other readily fabricated dwellings may be placed on sites provided by the President if the President determines that such sites would be more economical or accessible than sites provided under paragraph (A).

"(3) Period.—Federal financial and operational assistance under this section shall continue for not longer than 18 months after the date of the major disaster declaration by the President, unless the President determines that due to extraordinary circumstances it would be in the public interest to extend such 18-month period.

"(4) Federal share.—The Federal share of assistance under this section shall be 100 percent of the eligible cost of such assistance.".

(3) In lieu expenditures.—Section 404(c) is amended—

(A) by inserting "In Lieu Expenditures.—" after "(c)";

(B) in the first sentence by striking "minimal" and inserting "expeditious"; and

(C) in the last sentence by striking "major reconstruction or rehabilitation of damaged property." and inserting "reconstruction or rehabilitation of damaged property when the cost of such assistance exceeds the cost of other applicable types of housing.".

(4) Notification.—Section 404 is amended by adding at the end the following:

"(e) Notification.—

"(1) In general.—The President shall notify each person who applies for assistance under this section regarding the type and amount of any assistance for which such person qualifies.

"(2) Period for notification.—The President shall whenever practicable notify a person under this subsection within 7 days after receipt by the President of such person's application for assistance under this section.

"(3) Information.—Notification under this subsection shall provide information regarding—

"(A) all forms of such assistance available;

"(B) any specific criteria which must be met to qualify for each type of assistance that is available;

"(C) any limitations which apply to each type of assistance; and

"(D) the address and telephone number of offices responsible for responding to—

"(i) appeals of determinations of eligibility for assistance; and

"(ii) requests for changes in the type or amount of assistance provided.

"(f) Location.—Assistance provided under this section shall account for the location of and travel time to—

"(1) the applicant's place of business;

"(2) schools which the applicant or members of the applicant's family who reside with the applicant attend;

"(3) any home or place of business whose destruction or damage is the result of the major disaster which created the applicant's need for assistance under this section; and

"(4) crops or livestock which the applicant tends in the course of any involvement in farming which provides 25 percent or more of the applicant's annual income.".

(d) National Environmental Policy Act.—Section 405 (relating to application of the National Environmental Policy Act of 1969) is repealed.

(e) Individual and Family Grant Programs.—

(1) Title amendment; authorization of mitigation projects.—Section 408 is amended—

(A) by striking the title and "Sec. 408. (a)" and inserting "**SEC. 408. INDIVIDUAL AND FAMILY GRANT PROGRAMS.**" above the first line of text;

(B) by inserting "(a) In General.—" before the first sentence; and

(C) by striking "to meet" the first place it occurs and inserting "for land use and construction projects designed to mitigate future major disaster-related loss, and for meeting".

(2) Federal share.—Section 408(b) is amended to read as follows:

"(b) Federal Share.—The Federal share of a grant to an individual or a family under this section shall be equal to 75 percent of the actual cost of meeting an expense or serious need and shall be only on condition that the remaining 25 percent of such cost is paid to such individual or family from funds made available by a State.".

(3) Administrative expenditures.—Section 408(d) is amended by striking "3 per centum" and inserting "10 percent".

(4) Section 408(e) is amended to read as follows:

"(e) Limit on Grants to Individual.—No individual or family shall receive grants under this section aggregating more than $10,000 with respect to any single major disaster. The President shall annually adjust such $10,000 limit to reflect changes in the rate of inflation, as such changes are demonstrated by changes in the consumer price index.".

(f) Crisis Counseling.—Section 413 is amended by striking "(through the National Institute of Mental Health)".

(g) Removal of Damaged Timber From Private Lands.—Section 418(d) is repealed.

(h) Appeals; Date of Eligibility; Advance of State Share.—At the end of title IV add the following:

"SEC. 420. APPEALS OF ASSISTANCE.

"(a) Right of Appeal.—Any decision regarding eligibility for, form, or amount of assistance under this title may be appealed within 60 days after the date on which a decision is announced regarding the award or denial of award of such assistance.

"(b) Period for Decision.—The President shall render a decision regarding an appeal under subsection (a) within 60 days after the date on which the Federal official designated to administer such appeals receives notice of such appeal.

"(c) Rules.—The President shall issue rules which provide for the fair and impartial consideration of appeals under this section.

"SEC. 421. DATE OF ELIGIBILITY.

"Eligibility for Federal assistance provided under this title shall begin on the date—

"(1) of the occurrence of the event which results in a declaration by the President that a major disaster exists; or

"(2) on which eligible cost are incurred; whichever is earlier.

"SEC. 422. ADVANCE OF STATE SHARE.

"(a) In General.—In any case where an eligible applicant or a State is unable to immediately assume its financial responsibility under cost sharing provisions of this title the President may advance to the State an amount not to exceed such applicant's or State's share. An advance under this section shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current market yields on outstanding marketable obligations of the United States with periods remaining to maturity comparable to the reimbursement period of the advance.

"(b) Rules.—The President shall issue rules describing the terms and conditions under which advances under this section may be made or cancelled.

"SEC. 423. NO LIMITATION ON ASSISTANCE ACCORDING TO GEOGRAPHIC AREA.

"Except as specifically provided in this title, assistance under this title shall not be restricted by the use of any threshold, sliding scale, or other arbitrary mechanism or formula which acts to limit assistance to a particular geographic area.".

(i) Procedure for Declaration; General Federal Assistance; Essential Assistance; Hazard Mitigation.—Title IV is amended—

(1) by renumbering sections 401 through 423 in order as sections 405 through 425; and

(2) by adding at the beginning the following:

"SEC. 401. PROCEDURE FOR DECLARATION.

"(a) Request and Declaration.—All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State. Such a request shall be based on a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As part of such request, and as a prerequisite to major disaster assistance under this Act, the Governor shall take appropriate response action under State law. The Governor shall furnish information on the nature and amount of State and local resources which have been or will be committed to alleviating the results of the disaster. Based on the request of a Governor under this section, the President may declare that a major disaster or an emergency exists.

"SEC. 402. GENERAL FEDERAL ASSISTANCE.

"In any major disaster, the President may—

"(1) direct any Federal agency, with or without reimbursement, to utilize authorities and resources granted to it under other Acts (including personnel, equipment, supplies, facilities, and managerial, technical, and advisory services) in support of State and local assistance efforts;

"(2) coordinate all Federal agencies and voluntary relief or disaster assistance organizations providing disaster assistance, and coordinate Federal assistance with State and local officials;

"(3) provide technical and advisory assistance to affected State and local governments for—

"(A) the performance of essential community services;

"(B) issuance of warning of risks and hazards;

"(C) dissemination of public health information; and

"(D) management, control, and reduction of immediate threats to public health and safety; and

"(4) assist State and local governments in the distribution of medicine, food, and other consumable supplies, and emergency assistance.

"SEC. 403. ESSENTIAL ASSISTANCE.

"(a) In General.—Federal agencies may on the direction of the President, provide assistance essential to meeting immediate threats to life and property resulting from a major disaster, as follows:

"(1) Federal resources, generally.—Utilizing, lending, or donating to State and local governments Federal equipment, supplies, facilities, personnel, and other resources, other than the extension of credit, for use or distribution by such governments in accordance with the purposes of this Act.

"(2) Medicine, food, and other consumables.—Distributing or rendering through the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations, medicine, food, and other consumable supplies, and other services and assistance to disaster victims.

"(3) Work and services to save lives and protect property.—Performing on public or private lands or waters any work or services essential to saving lives and protecting and preserving property or public health and safety, including—

"(A) debris removal;

"(B) search and rescue, emergency medical care, emergency mass care, emergency shelter, and direct provision of food, water, medicine, and other essential needs, including movement of supplies or persons;

"(C) construction of temporary bridges necessary to the performance of emergency tasks and essential community services;

"(D) provision of temporary facilities for schools and other essential community services;

"(E) warning of further risks and hazards;

"(F) dissemination of public information and assistance regarding health and safety measures;

"(G) provision of technical advice to State and local governments on disaster management and control; and

"(H) reduction of immediate threats to life, property, and public health and safety.

"(4) Contributions.—Making contributions to State or local governments for the purpose of carrying out the provisions of this subsection.

"(b) Federal Share.—The Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of such assistance.

"SEC. 404. HAZARD MITIGATION.

"The President may contribute up to 50 percent of the cost of hazard mitigation measures which substantially reduce the risk of future damage, hardship, loss, or suffering in any area affected by a major disaster. Such measures shall be identified following the evaluation of natural hazards under section 409 and shall be subject to approval by the President. The total of contributions under this subsection for a major disaster shall not exceed 10 percent of the sum of all grants made under this title for such major disaster.".

(j) Definition of Major Disaster.—Section 102(2) is amended to read as follows:

"(2) Major Disaster.—'Major disaster' means any natural catastrophe (including any hurricane, tornado, storm, high water, winddriven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought), or, regardless of cause, any fire, flood, or explosion, in any part of the United States, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under this Act to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.".

(k) Title Amendment.—The title of title IV is amended to read as follows:

"TITLE IV—MAJOR DISASTER ASSISTANCE PROGRAMS".

(l) Conforming Amendments.—

(1) Section 605.—Section 605 is amended by striking "408" and inserting "411".

(2) Section 311(b).—Section 311(b) is amended by striking "section 402 and 404 of".

(3) Section 314.—Section 314 is amended by striking "section 402" each place it appears and inserting "section 406".

(4) Section 408.—Section 408(d)(2) (as renumbered by this section) is amended by striking in the third sentence "in emergencies or".

SEC. 4. FEDERAL EMERGENCY ASSISTANCE PROGRAMS.

(a) Federal Emergency Assistance Programs.—Title V is amended to read as follows:

"TITLE V—EMERGENCY ASSISTANCE PROGRAMS

"SEC. 501. PROCEDURE FOR DECLARATION.

"(a) Request and Declaration.—All requests for a declaration by the President that an emergency exists shall be made by the Governor of the affected State. Such a request shall be based on a finding that the situation is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As a part of such request, and as a prerequisite to emergency assistance under this Act, the Governor shall take appropriate action under State law and direct execution of the State's emergency plan. The Governor shall furnish information describing the State and local efforts and resources which have been or will be used to alleviate the emergency, and will define the type and extent of Federal aid required. Based upon such Governor's request, the President may declare that an emergency exists.

"(b) Certain Emergencies Involving Federal Primary Responsibility.—The President may exercise any authority vested in him by section 502 or section 503 with respect to an emergency when he determines that an emergency exists for which the primary responsibility for response rests with the United States because the emergency involves a subject area for which, under the Constitution or laws of the United States, the United States exercises exclusive or preeminent responsibility and authority. The President may determine that such an emergency exists only after consultation with the Governor of any affected State, if practicable. The President's determination may be made without regard to subsection (a).

"SEC. 502. GENERAL FEDERAL ASSISTANCE.

"In any emergency, the President may—

"(1) direct any Federal agency, with or without reimbursement, to utilize its authorities and the resources granted to it under Federal law, including personnel, equipment, supplies, facilities, and managerial, technical and advisory services, in support of State and local emergency assistance efforts to save lives and to protect property, public health and safety, or to lessen or avert the threat of catastrophe;

"(2) coordinate all Federal agencies and voluntary assistance organizations, with State and local officials;

"(3) provide technical and advisory assistance to affected State and local governments in the performance of essential community services, warning of risks or hazards, dissemination of public information, provision of health and safety measures, and management, control, and reduction of immediate threats to public health and safety;

"(4) provide emergency assistance through Federal agencies without cost to affected State or local governments;

"(5) remove debris in accordance with the terms and conditions (other than cost sharing provisions) of section 407; and

"(6) assist State and local governments in the distribution of medicine, food, and other consumable supplies, and emergency assistance.

"SEC. 503. AMOUNT OF ASSISTANCE.

"(a) In General.—In an emergency, when the Federal assistance provided pursuant to section 502 of this title is inadequate, the President may provide assistance equal to 100 percent of the eligible cost, from the date of the emergency, of efforts to save lives and protect property, public health and safety, or to lessen or avert the threat of a catastrophe.

"(b) Limit on Amount of Assistance.—

"(1) In general.—Except as provided in paragraph (2) or subsection (c), total assistance provided under this section for a single emergency shall not exceed $5,000,000.

"(2) Additional assistance.—The limitation described in paragraph (1) may be exceeded when the President determines that—

"(A) continued emergency assistance is immediately required;

"(B) there is a continuing and immediate risk to lives, property, public health or safety; and

"(C) necessary assistance will not otherwise be provided on a timely basis.

"(3) Report.—Whenever the limitation described in paragraph (1) is exceeded, the President shall report to the Congress on the nature and extent of emergency assistance requirements and shall propose additional legislation if necessary.".

(b) Definition of Emergency.—Section 102(1) is amended to read as follows:

"(1) Emergency.—'Emergency' means any occasion or instance for which, in the determination of the President, Federal assistance is needed to supplement State and local efforts and capabilities to save lives and to protect property, public health and safety, or to lessen or avert the threat of catastrophe in any part of the United States.".

(c) Conforming Amendments.—

(1) Section 313.—Section 313 is amended—

(A) by striking subsection (b); and

(B) by striking "(a)" after "Sec. 313.".

(2) Section 314.—Section 314 is amended by striking "or section 803 of the Public Works and Economic Development Act of 1965," each place it appears.

SEC. 5. MAJOR DISASTER AND EMERGENCY ASSISTANCE ADMINISTRATION.

(a) Waiver of Conditions.—Section 302 is amended to read as follows:

"SEC. 302. WAIVER OF ADMINISTRATIVE CONDITIONS.

"Any Federal agency charged with the administration of a Federal assistance program under this Act may, if so requested by the applicant State or local authorities, modify or waive, for a major disaster, such administrative conditions for assistance as would otherwise prevent the giving of assistance under such programs if the inability to meet such conditions is a result of the major disaster.".

(b) Coordinating Officers.—Section 303(a) is amended—

(1) by inserting "or emergency" after "major disaster"; and

(2) by adding at the end "The Federal coordinating officer shall represent the President in coordinating the emergency or the major disaster response and recovery effort.".

(c) Use of Local Firms and Individuals.—Section 310 is amended—

(1) by inserting "or emergency" after "major disaster" each place it appears;

(2) in the first sentence by striking "may be" and inserting "are"; and

(3) by adding at the end "This section shall not be considered to restrict the use of Department of Defense resources in the provision of major disaster assistance under this Act.".

(d) Priority to Certain Applications for Public Facility and Public Housing Assistance.—Section 313(a) is amended—

(1) by striking "rent" and inserting "income"; and

(2) by striking paragraph (1) and renumbering subsequent paragraphs accordingly.

(e) Insurance.—Section 314 is amended—

(1) by redesignating subsections (a), (b), and (c) as (b), (c), and (d), respectively; and

(2) by adding at the beginning the following:

"(a) Flood Insurance.—As a condition of assistance, any public facility and private nonprofit facility which is—

"(1) located in a special flood hazard area that has been identified for more than one year by the Director pursuant to the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.);

"(2) damaged or destroyed by flooding; and

"(3) otherwise eligible for assistance under section 406;

must be covered on the date of the flood damage by flood insurance. Assistance under section 406 for any such facility not so covered shall be reduced by the amount of benefits equal to the value of the building or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less.".

(f) Duplication of Benefits.—Section 315 is amended to read as follows:

"SEC. 315. DUPLICATION OF BENEFITS.

"(a) In General.—Agencies or other organizations providing Federal assistance for a major disaster or emergency shall assure that no person receives such assistance if such person receives or is entitled to receive benefits for the same purposes from insurance or any other source. This section shall not prohibit the provision of Federal assistance to a person who is or may be entitled to receive benefits for the same purposes from another source if such person has not received such other benefits by the time of application for Federal assistance, and if such person agrees to repay all duplicative assistance to the agency or organization providing the Federal assistance. The President shall establish such procedures as the President considers necessary to insure uniformity in preventing duplication of benefits. Receipt of partial benefits for a major disaster or emergency shall not preclude provision of additional Federal assistance for any part of a loss or need for which benefits have not been provided.

"(b) Recovery.—A person receiving Federal assistance for a major disaster or emergency shall be liable to the United States to the extent that such assistance duplicates benefits available to the person for the same purpose from another source. The agency or other organization which provided the duplicative assistance shall collect such duplicative assistance from the recipient in accordance with the Debt Collection Act of 1982 (5 U.S.C. 552a et seq.) when the head of such agency considers it to be in the best interest of the Federal Government.

"(c) Assistance not Income.—Federal major disaster and emergency assistance provided to individuals and families under this Act, and comparable disaster assistance provided by States, local governments, and disaster assistance organizations, shall not be considered as income or a resource when determining eligibility for or benefit levels under federally funded income assistance or resource-tested benefit programs.".

(g) Reviews and Reports.—Section 316 is amended to read as follows:

"SEC. 316. STANDARDS AND REVIEWS.

"The President shall establish comprehensive standards which shall be used to assess the efficiency and effectiveness of Federal emergency and major disaster response programs administered by the Federal Emergency Management Agency. The President shall conduct annual reviews of the activities of State and local governments in emergency and major disaster preparedness and in providing emergency and major disaster assistance in order to assure maximum coordination and effectiveness of such programs, and consistency in policies for reimbursement of States under this Act.".

(h) Repeal of Supplanted Provisions—

(1) Repeal.—Sections 301, 305, 306, and 317 are repealed.

(2) Technical amendment.—The remaining sections of title III are renumbered in order as sections 301 through 314.

(i) Protection of Environment; Recovery of Assistance; Audits and Investigations; Penalties.—Title III is amended by adding at the end the following—

"SEC. 315. PROTECTION OF ENVIRONMENT.

"No action taken or assistance provided under title IV or V which has the effect of restoring facilities to substantially the condition in which they existed prior to the disaster, shall be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 8952). Nothing in this section shall alter or affect the applicability of the National Environmental Policy Act of 1969 (83 Stat. 852) to other Federal actions taken under this Act or under any other provisions of law.

"SEC. 316. RECOVERY OF ASSISTANCE.

"(a) Party Liable.—Any person—

"(1) whose negligent act or omission; or

"(2) whose act or omission while engaged in an ultrahazardous activity;

causes or contributes to a condition for which Federal assistance is provided under this Act or under any other Federal law as a result of a declaration of an emergency or a major disaster under this Act shall be liable to the United States for the cost to the United States of such assistance.

"(b) Institution of Action.—The Attorney General may institute an action in any United States District Court for a district in which assistance is provided under this Act, or in such district as otherwise provided by law, against any party who may be liable under this section.

"SEC. 317. AUDITS AND INVESTIGATIONS.

"(a) In General.—The President shall conduct audits and investigations as necessary to assure compliance with this Act, and in connection therewith may question such persons as may be necessary to carry out such audits and investigations.

"(b) Access to Records.—For purposes of audits and investigations under this section, the President and Comptroller General may inspect any books, documents, papers, and records of any person relating to any activity undertaken or funded under this Act.

"SEC. 318. CRIMINAL AND CIVIL PENALTIES.

"(a) False Statement in Application.—Any person who knowingly—

"(1) makes a false statement or representation of a material fact;

"(2) fails to disclose a material fact; or

"(3) falsifies, withholds, conceals, or destroys any documents, books, records, reports, or statements;

in connection with an application for assistance under this Act shall be fined not more than $10,000 or imprisoned for not more than one year, or both, for each violation.

"(b) False Statement in Bill or Invoice.—Any person who knowingly—

"(1) makes a false statement or representation of a material fact, or who fails to disclose a material fact, in any bill, invoice, claim, or other document in seeking reimbursement for work or services performed in connection with assistance provided under this Act; or

"(2) falsifies, withholds, conceals, or destroys any documents, records, reports, or statements upon which a request for reimbursement is based;

shall be fined not more than $10,000 or imprisoned for not more than one year, or both, for each violation.

"(c) Misuse of Funds.—Any person who knowingly misapplies the proceeds of a loan or other cash benefit obtained under this Act shall be fined an amount equal to one and one-half times the misapplied amount of the proceeds or cash benefit.

"(d) Civil Enforcement.—Whenever it appears that any person has violated or is about to violate any provision of this Act, including any civil penalty imposed under this Act, the Attorney General may bring a civil action for such relief as may be appropriate. Such action may be brought in the United States district court having jurisdiction over the place where the violation occurred or, on the agreement of the parties, in the United States District Court for the District of Columbia.

"(e) Referral to Attorney General.—The President shall expeditiously refer to the Attorney General for appropriate action any evidence developed in the performance of functions under this Act that may warrant consideration for criminal prosecution.

"(f) Civil Penalty.—Any individual who knowingly violates any order or regulation issued under this Act shall be subject to a civil penalty of not more than $5,000 for each violation.".

(j) Title Amendment.—The title of Title III is amended to read as follows:

"TITLE III—MAJOR DISASTER AND EMERGENCY ASSISTANCE ADMINISTRATION".

(h) Conforming Amendment.—Section 408(d)(2) is amended by striking "311" and inserting "308".

SEC. 6. DISASTER PREPAREDNESS ASSISTANCE.

Title II is amended—

(1) in section 201(a) by striking "(including the Defense Civil Preparedness Agency)"; and

(2) in section 201(d)—

(A) by inserting "including evaluations of natural hazards and development of the programs and actions required to mitigate such hazards," after "plans,"; and

(B) by striking "$25,000" and inserting "$50,000".

SEC. 7. FINDINGS, DECLARATIONS, AND DEFINITIONS.

Title I is amended—

(1) in section 101(b)—

(A) by striking paragraph (7);

(B) by adding "and" at the end of paragraph (5); and

(C) by striking "; and" in paragraph (6) and inserting a period; and

(2) in section 102 by striking "the Canal Zone," each place it appears.

SEC. 8. MISCELLANEOUS.

(a) Rules.—Section 601(a) is amended—

(1) by inserting "(1)" after "601. (a)"; and

(2) by adding at the end the following:

"(2) Rules and regulations authorized by paragraph (1) shall provide that payment of any assistance under this Act to a State shall be completed within 60 days after the date of approval of such assistance.".

(b) Authorization of Appropriations.—Section 606 is repealed.

SEC. 9. SHORT TITLE.

The first section of the Disaster Relief Act of 1974 is amended by striking "Disaster Relief Act of 1974" and inserting "Major Disaster Relief and Emergency Assistance Act".

SEC. 10. CONFORMING AMENDMENTS TO OTHER ACTS.

(a) State and Local Fiscal Assistance Act of 1972.—Subtitle C of title I of the State and Local Fiscal Assistance Act of 1972 (Public Law 95-512) is amended by striking "301" and inserting "401".

(b) Coastal Barrier Resource Act.—Section 6(a)(6)(E) of the Coastal Barrier Resource Act (16 U.S.C. 3501 et seq.) is amended by striking "pursuant to sections 305 and

306 of the Disaster Relief Act of 1974" and inserting "pursuant to sections 402, 403, 502, and 503 of the Major Disaster Relief and Emergency Assistance Act".

SEC. 11. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this Act shall be effective 90 days after the date of the enactment of this Act.

(b) ADMINISTRATION OF ASSISTANCE PRIOR TO EFFECTIVE DATE.—

(1) PRIOR DECLARATION.—Nothing in this Act shall affect the administration of any assistance provided under authority of the Disaster Relief Act of 1974 for any disaster or emergency declared by the President prior to the effective date of this Act.

(2) REGULATIONS CONTINUE IN EFFECT.—Regulations issued under statutory provisions which are repealed, replaced, modified, or amended by this Act shall continue in effect until they are expressly abrogated, modified, or amended by the President. Provision of disaster assistance authorized by statutory provisions repealed, modified, or amended by this Act or regulations issued thereunder, and proceedings involving violations of statutory provisions repealed, modified, or amended by this Act or regulations issued thereunder which are commenced prior to the effective date of this Act, may be continued to conclusion as though the statutory provisions had not been repealed, modified, or amended. Violations of statutory provision or regulations issued under the authority of statutory provisions repealed, modified, or amended by this Act or regulations issued thereunder which are committed prior to the effective date of this Act may proceed under the law in effect at the time of the specific violation.

(c) PRESIDENTIAL RECOMMENDATIONS.—The President shall recommend to the Congress not later than 1 year after the date of the enactment of this Act proposals to improve the operational and fiscal relationships that exist between Federal, State, and local major disaster and emergency management officials. Such proposals should include provisions which—

(1) provide for more effective utilization of State and local resources in major disaster and emergency relief efforts; and

(2) improve the timeliness of reimbursement of State and local governments after the submission of necessary documentation.

SEC. 12. REFERENCES IN OTHER ACTS.

Whenever any reference is made in any law, regulation, rule, record, or document of the United States (other than this Act) to a provision of the Disaster Relief Act of 1974, such reference shall be deemed to be a reference to the appropriate provision of the Major Disaster Relief and Emergency Assistance Act.

[Highlights]

MAJOR DISASTER RELIEF AND EMERGENCY ASSISTANCE AMENDMENTS OF 1987

(By Congressman Tom Ridge)

DEBRIS REMOVAL

•For the first time, the President would be required to provide for the varying debris removal needs in communities by issuing regulations that recognize the difference between urban, suburban and rural lands.

TEMPORARY HOUSING

•The federal government would be required to contribute not less than 100% of the cost associated with preparing a mobile home or other fabricated dwelling site.

•Temporary housing assistance will be available for up to 18 months. Currently, that assistance is available for 12 months.

•For the first time, the federal government would be required to contribute 100% of the costs associated with temporary housing.

•Where it is determined that it would be less expensive for a victim to make the necessary repairs to a home than to provide temporary housing assistance, funds will be offered to quickly repair that home.

•FEMA will be required to make every effort to offer temporary housing to all victims that have requested such help within 7 days of application.

•FEMA must provide to all temporary housing applicants information on all forms of assistance available, specific criteria which must be met to qualify, limitations of assistance and the addresses and telephone numbers of the temporary housing offices serving them.

•When processing a request for temporary housing assistance, FEMA will have to take into account the location of and travel time to an applicant's place of business and school which members of the family may attend. In addition, an applicant's need to remain near crops or livestock that provides 25% or more of an applicant's annual income must also be considered when assistance is offered.

HAZARD MITIGATION

•For the first time, federal funds would be offered for hazard mitigation work performed by States and local governments.

•Hazard mitigation payments would take several forms:

FEMA will, when cost effective and deemed necessary, contribute 50% of the cost of hazard mitigation projects desired by the State or local government. Total contributions shall not exceed 10% of the Federal estimate of grants made under Title IV for each disaster declaration.

State/local government funds received through the "grant-in-lieu" program may be used to fund hazard mitigation measures.

Hazard mitigation projects required by the Federal government will receive not less than a 75% contribution from the federal government for that work.

Victims receiving IFG funds will be permitted to perform hazard mitigation projects in their homes.

States could use their annual preparedness grants to develop programs and actions required to perform hazard mitigation.

INDIVIDUAL AND FAMILY GRANTS

•As noted, recipients can apply IFG funds towards hazard mitigation projects.

•The maximum amounts of the IFG is increased to $10,000 and shall be adjusted annually to reflect changes in the rate of inflation as reflected in the Consumer Price Index.

•The reimbursement to States for administering the IFG program will be increased from 3% to 10%.

THE DECLARATION PROCESS

•When considering either an emergency or disaster declaration, the President shall take into account the State and local share of eligible costs under the cost sharing provisions of the bill as evidence of the non-Federal commitment.

•Eligibility for Federal assistance shall begin either on the date of occurrence of the disaster or when eligible costs are incurred, whichever is earlier.

•No threshold, sliding scale, or other arbitrary mechanism or formula can be used to determining a declaration for a federal disaster declaration.

COST SHARING

•The Federal contribution for the net eligible costs associated with public assistance and assistance to private, non-profit organizations shall not be less than 70%.

•New net eligible costs will now include:

Hazard mitigation required by the federal government.

Administrative costs associated with requesting, obtaining, and administering Federal assistance. Reimbursement will be based on a percentage of the assistance provided.

The costs of mobilizing and employing the National Guard for performance of eligible work.

The costs of using prison labor to perform eligible work, including wages actually paid, transportation to a worksite and extraordinary costs of guards, food and lodging.

Extraordinary costs of State employees engaged in preparing DSRs, final inspection reports and related field inspections, including overtime, per diem, and travel, but not including regular time.

Fringe benefits on base overtime wages for applicant's employees and extra hires to the extent that such benefits were being paid before the disaster.

The costs to repair, restore, reconstruct or replace public facilities that were under construction when the disaster strikes.

EMERGENCY DECLARATIONS

•A new Title V is created that will strengthen the President's ability to make emergency declarations. The new provisions will allow the President to respond to both natural and non-natural disasters. With this clarified power, it is hoped that the emergency declaration will become a more productive tool in responding to emergency situations.

•The Federal contribution for work associated with an emergency declaration shall be 100%.

•The Federal contribution for work associated with an emergency declaration shall be capped at at $5,000,000. That cap, however, may be waived.

OTHER SIGNIFICANT PROVISIONS

•Any public or private, non-profit facility which is located in a special flood hazard area identified for more than 1 year by FEMA must be covered by either flood insurance or by FEMA approved self-insurance. Should that facility not be covered when a Federal declaration is made, the reimbursement available shall be reduced.

•The Federal government may forward to victims funds that the victime is anticipating in insurance benefits when those benefits, through no fault of the victim, are delayed. Upon receiving those insurance benefits, the victim shall reimburse the Federal government.

•Federal disaster assistance and comparable assistance provided by States, local governments or private organizations shall not be considered income when determining eligibility for federally funded income assistance or resource-tested benefit programs.

•FEMA will be required to develop fair and consistent standards for review of disaster programs. Those standards shall be available to any interested parties.

•Within 1 year of enactment, the President must report back to Congress on ways to improve the working relationship with the State and local governments during a disaster or emergency. That report will focus on ways to speed the reimbursement of funds to States and local governments and provide more effective utilization of State and local resources.

•The Federal government will be able to take actions to recover funds associated with a disaster declaration when it is determined that a private party acted in a negligent way and thereby caused that disaster to occur. State and local governments would be exempt.

•Annual State Preparedness Grants would be increased from the current maximum of $25,000 to $50,000. The Federal contribution would remain at a maximum 50%.

•Appeals arising from assistance decisions provided under Title IV of the Act must be acted on by FEMA within sixty days of receipt of the appeal.●

By Mr. KENNEDY (for himself and Mr. KERRY):

S. 1454. A bill to settle Indian land claims in the town of Gay Head, MA, and for other purposes; to the Select Committee on Indian Affairs.

WAMPANOAG TRIBAL COUNCIL OF GAY HEAD, INC. INDIAN CLAIMS SETTLEMENT ACT

● Mr. KENNEDY. Mr. President, I rise to introduce, along with my colleague Senator KERRY, legislation that would implement a settlement agreement between the Wampanoag Tribal Council of Gay Head, Inc., the town of Gay Head, the Gay Head Taxpayers Association and the Commonwealth of Massachusetts. Congressman STUDDS is introducing the same legislation in the House.

The history behind this legislation dates back to the arrival of the European settlers on Martha's Vineyard in the early 17th century, and involves subsequent transfers of property on which the Indians resided in the 18th and 19th centuries. In 1974, the Wampanoag Tribal Council filed a claim against the town of Gay Head in Federal district court seeking to recover land in the town of Gay Head, a small community located on Martha's Vineyard. The claim was based on the Indian Non-Intercourse Act, which prohibits the alienation of tribal lands without congressional consent. The Gay Head Taxpayer's Association and the Massachusetts attorney general on behalf of the Commonwealth of Massachusetts later intervened in the action. In an effort to avoid costly, time-consuming litigation, and alleviate the financial burdens of clouded property title on Gay Head, the parties overwhelmingly agreed to attempt to settle the land dispute. Extensive negotiations resulted in the adoption of a settlement agreement in November 1983, which is the basis of this legislation.

This bill is the culmination of nearly 15 years of negotiation between the parties. It has been carefully crafted to protect the property rights of the Wampanoag Indian Tribe of Gay Head for future generations; 418 acres of land are to be held in trust for the benefit and use of the tribe. In exchange, the Indians have agreed to relinquish claims to other privately owned properties in the town of Gay Head.

Mr. President, last year I introduced and held hearings on this legislation. The most important change since last year occurred on February 4, 1987 when the Secretary of the Interior officially recognized the Wampanoag Indians of Gay Head as a tribe. The Gay Head Indians have worked feverishly for many years to provide their ancestral heritage. It is a lengthy, difficult task and the dedication of the tribe to their community proved successful.

Last year, the bill that I introduced made the transfer of property contingent on the recognition of the tribe. That provision has been deleted from this legislation that I am introducing today—it is no longer necessary because the long sought goal of Federal recognition has finally been accomplished. The last step remains for Congress to approve this settlement agreement.

Under the proposed agreement, the Commonwealth of Massachusetts and the town of Gay Head will transfer 238 acres of public land to the tribe. In addition, the Federal Government and Massachusetts will each finance one-half of the purchase price of 180 acres for the Indians. This bill establishes a $2.25 million "Gay Head Indian Claims Settlement Fund" representing the Federal share of the land purchase. The property will be held in trust for the Wampanoag Gay Head Indians and will enable the tribe to construct housing, develop business and enjoy their traditional rights of hunting, trapping, and fishing.

We need to act expeditiously. Massachusetts has seen an astronomical rise in real estate prices—and this beautiful island off our coast has been the focus of intense real estate attention. There has been a substantial increase in the cost of property on Martha's Vineyard over the past year alone. The success of this effort hinges on passage of this bill in the near future.

Now that tribal recognition has been achieved, Congress should take the final step and lay to rest the uncertainties that have affected so many people in this Massachusetts community.●

By Mr. CHILES:

S. 1455. A bill to require certain drug-producing or drug transiting countries to implement bilateral narcotics agreements; to the Committee on Foreign Relations.

BILATERAL NARCOTICS AGREEMENTS

● Mr. CHILES. Mr. President, recent accounts of the increasing volume of narcotic crops in certain drug producing countries is discouraging as well as threatening to people throughout the world.

According to the National Narcotics Intelligence Consumers Committee, the worldwide cultivation of illegal drug crops is increasing significantly while eradication efforts fall far below projected goals. The Narcotics Committee, which gathers intelligence for 11 agencies involved in drug enforcement, reports that consumption of illegal drugs in the United States is increasing and this demand has prompted a similar increase in the supply. A report by the Congressional Office of Technology Assessment estimates the cocaine supply alone in the Untied States to be about 120 metric tons in 1986.

All of the cocaine, all of the heroin, and 80 percent of the marijuana used in this country is imported. These imported narcotics are the reason for billions of U.S. dollars spent for interdiction, enforcement, adjudication, and incarceration as well as drug treatment and education. A far more effective and cost-efficient way of stopping drug abuse is eradication—stopping the illegal drugs at their source. But in this arena, efforts have been minimal and U.S. policy toward international narcotics control has been fragmented and often ambiguous.

To strengthen U.S. policy with regard to international narcotics control, the Congress included in the Anti-Drug Abuse Act a certification process whereby 50 percent of U.S. assistance to those countries categorized as major drug-producing or drug-transit countries would be withheld until the President determined that those countries have cooperated fully with the United States, or acted on their own, in controlling drug production, transshipment, and money laundering.

Mr. President, this language was the subject of much debate this spring when the Congress considered the President's certification of the cooperation of the relevant countries. There was much discussion about what precisely Congress meant by "the country has cooperated fully with the United States."

Obviously, the Congress sought meaningful cooperation from the drug-producing and drug-transit countries. We intended commitment, aggressive pursuit of specific goals, bilateral legal cooperation and above all, a decrease in the flow of drugs into this country and others throughout the world.

Unfortunately, I don't think we received that kind of cooperation. Yet, the President opted to certify many countries whose full cooperation I still question.

Therefore, today I am introducing legislation which requires those countries listed as major drug-producing and drug-transit countries to negotiate and be party to a bilateral narcotics agreement with the United States with specific mutual obligations as a condition for receiving foreign assistance. This agreement will be the basis for laying forth realistic, negotiated goals which can be used as a concrete benchmark to determine the measure of cooperation of the particular country. My bill does not change the certification process put forth in the Anti-Drug Abuse Act of 1986 but strengthens it by requiring countries to first and foremost develop and be party to a meaningful bilateral narcotics agreement. If no such agreement is put forth, the country will be automatically determined as not cooperating fully with the United States.

Once a country enters into a bilateral agreement, then the President can use that document as a well-defined guideline for determining the cooperation of that country. My legislation spells out the parameters of the agreement by requiring the countries to define specific activities directed at reducing drug production, drug consumption, and drug trafficking within their territories. Such activities must address illicit crop eradication and crop substitution; drug interdiction and enforcement; drug consumption and treatment; identification of and elimination of illicit drug laboratories; identification and elimination of the trafficking of precursor chemicals for the use in production of illegal drugs; cooperation with U.S. drug enforcement officials; and if applicable, participation in extradition treaties and mutual legal assistance provisions directed at money laundering, sharing of evidence, and other drug enforcement initiatives.

There are those who will claim that the United States already has agreements with most of the countries. But if scrutinized, those agreements only require showing up for the fight, not winning or even trying to win. During the time the Senate considered the certification process this past spring there was much confusion about what full cooperation meant. I asked the State Department to provide me with copies of any agreements on narcotics control our Government had made with those countries on the drug-producing/drug-transit list. I was dismayed to learn of the minimal level of documented commitment the United States had with some of the countries to whom our Government provides assistance for international narcotics control as well as other programs.

Some countries have chosen to go the way of executive agreements and have tens of such agreements with the United States. Most of the agreements require the United States to send money, provide training, or provide equipment. Unfortunately, few of them spell out measurable performance requirements for the recipients of U.S. support and none of them make aid contingent on success.

A few countries have chosen to cooperate with no written agreements, merely referring to their domestic laws and policies. While this cooperation is welcomed and useful, it is not a commitment which provides a process the United States can or should have to rely on in international relations.

Let me cite several examples. The United States "Projects Agreement" with Pakistan spells out obligations for United States dollars to the degree that the United States is obligated to pay a portion of the local phone charges for each of the 15 Pakistani Joint Narcotics Task Force Units.

But what about the goals, level of performance, and methods of verification pledged by Pakistan in return for the United States's $1.7 million? The "Projects Agreement" merely provides for general rhetoric of "drugs will be reduced substantially" with performance to be indicated by Pakistani law enforcement agencies performing their duties and the Government of Pakistan "eliminating any inconsistencies and anomalies of its narcotics laws." The agreement goes on to state that the method of verifying the achievement of such performances is "through reports and newspaper articles."

Mr. President, it would be most difficult for any government to fairly judge the success of narcotics control based on those "guidelines." And, this agreement is for a country whose own government estimates that its opium output rose 225 percent from 1985 to 1986.

The narcotics agreement with Peru pledges $4.6 million of United States support and states that Peru agrees to eradicate at least 6,000 hectares for illicit coca within the first 12 months of the project. The United States condition for funding this agreement for a second year is "conditioned upon satisfactory progress in current year activities." Such ill-defined goals, only sets us up for another round of contention in the 1988 certification process for a country rated as a chief supplier of cocaine.

The United States Project Agreement with Jamaica is based on $2 million of United States aid and has the "well-defined" goals of reducing "to the minimum feasible level as rapidy as possible" marijuana grown in Jamaica and to limit "to the minimum feasible level" the amount of cocaine transshipped through or consumed in Jamaica. Again, with goals so vaguely stated it is not surprising that no performance criteria were included in this agreement.

There has been a good deal of discussion about Mexico's cooperation with the United States in narcotics control. The United States has had over 45 agreements with Mexico relating to the control of illegal drugs and at least 1 has been amended 25 times to the tune of roughly $70 million since 1977. Yet, the State Department report of March 1987 states that Mexico continues to be the major single source for the production, processing, and trafficking of heroin and marijuana entering the United States and over a third of the cocaine consumed in the United States passed through Mexico.

The commencement of negotiation for a mutual legal assistance treaty [MLAT] is listed as a measure of progress with Mexico. This is a positive step and hopefully it won't take years to achieve ratification of the document as it has with Colombia and the Bahamas. But the United States needs one overall agreement with Mexico which provides a structure and context for determining cooperation and certification. A bilateral narcotics agreement that lays forth all goals including a MLAT would be a far more realistic and effective guideline.

I certainly realize that not all countries have domestic political environments which will allow them to ratify and implement mutual legal assistance treaties with the United States like the ones the United States is party to with Switzerland, Turkey, and the Netherlands. But these countries do have the environment and wherewithal to define realistic goals toward the control of narcotics and related offenses.

The United States can no longer rely on nonbinding agreements which cost our Government money but produce mixed results.

The United States must know who our Government can rely on in good faith to eradicate narcotic crops, seize laboratories, and stop precursor chemicals from reaching the drug producers.

The United States must know who it can rely on to arrest and detain international criminals and deny them safe haven for their ill-gotten assets.

And, it would be most effective to have extradition treaties and mutual legal assistance treaties in effect, where applicable. The United States should wait no longer for MLAT's that never go into force but are continuously promised when the State Department issues an international status report.

Mr. President, at the recent U.N. International Conference on Drug Abuse and Illicit Trafficking in Vienna, the Chairman of the Conference, Prime Minister Mahathir Mohamad of Malaysia, stated in his closing remarks that "No nation or political leadership can now afford to ignore or stand in the way of the campaign to rid us of the scourge of drugs and drug traffickers." Requiring the signing and adherence to bilateral narcotics agreements with those countries who continue to produce and transship drugs is the best message our Government can send to the world that the United States demands cooperation in international narcotics control. It's high time we send that message.●

By Mr. CRANSTON:

S. 1456. A bill for the relief of Paulette Mendes-Silva; to the Committee on the Judiciary.

RELIEF OF PAULETTE MENDES-SILVA

Mr. CRANSTON. Mr. President, today I am introducing a private bill to waive the statute of limitations so that Ms. Paulette Mendes-Silva can have her day in court. The facts of Ms. Mendes-Silva's case present particularly compelling reasons to waive the statute of limitations and allow her to litigate her claim which is based on events that occurred on March 12, 1963.

At that time, Ms. Mendes-Silva, a former Fulbright Scholar, worked under contract as an interpreter for the U.S. Department of State and the Agency for International Development [AID] and as a free lance interpreter. Ms. Mendes-Silva, who is originally from Luneville, France, was qualified as an interpreter in Portuguese, Spanish, French, and German.

In 1963, Ms. Mendes-Silva entered into a contract to serve as an interpreter at the International Cotton Conference in Bangalore, India. On March 12, 1963, in preparation for this conference and in compliance with health regulations in effect at the time, Ms. Mendes-Silva received an inoculation against smallpox at a health clinic in Arlington, VA. On the same day Ms. Mendes-Silva was inoculated against yellow fever at the Out Patient Clinic at the U.S. Public Health Service [USPHS]. When the yellow fever inoculation was administered, the attending USPHS nurse failed to ascertain from Ms. Mendes-Silva whether she had received any other inoculation.

After receiving the two inoculations administered on the same day, Ms. Mendes-Silva developed post vaccinal encephalitis which caused total paralysis. Post vaccinal encephalitis may occur as a result of either smallpox or yellow fever vaccination. For that reason, medical literature states that these types of vaccines should not be administered on the same day. While the regular practice of the USPHS is to allow an interval of several days between inoculations, the USPHS nurse who administered the yellow fever vaccine to Ms. Mendes-Silva neglected to ask whether she had been vaccinated against smallpox recently.

Ms. Mendes-Silva received physical therapy here in the United States, then moved to London, England, with her husband in January 1964 where she continued receiving medical treatment. When the family subsequently inquired about the possibility of suing the U.S. Government for damages, they were told by private attorneys and Government officials that a lawsuit would probably not be successful (the argument made by then-Secretary of State Dean Rusk was that since Ms. Mendes-Silva received the inoculations in preparation for a trip to interpret for a private organization and she was not then under contract with the U.S. Government, the Government was not responsible for her medical expenses). Consequently, the family has never brought suit and Ms. Mendes-Silva continues to suffer from the effects of her illness.

Legislation was introduced in the 99th Congress to waive the statute of limitations so that Ms. Mendes-Silva could bring suit to recover damages for the injuries she has suffered. The measure was unanimously passed by both the House and the Senate, however it was ultimately vetoed by the President.

In this Congress, Representative Berman introduced H.R. 1574 in the House on March 11, 1987, which is identical to the legislation we passed last year. My bill, S. 1456, would be companion legislation to that of Representative Berman.

Mr. President, I ask unanimous consent that the text of the bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 1456

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) notwithstanding section 2675 of title 28, United States Code, and section 2401(b) of such title, or any other limitation on actions at law or in equity, the United States District Court for the District of Columbia shall have jurisdiction to hear, determine, and render judgment on any claim of Paulette Mendes-Silva against the United States for personal injuries which she allegedly incurred after an innoculation on March 12, 1963, by an employee of the Public Health Service of the United States Department of Health, Education, and Welfare. Any such claim of Paulette Mendes-Silva shall be brought within six months after the date of the enactment of this Act. The court shall apply the laws of the District of Columbia in such case.

(b) Nothing in this Act shall be construed as an inference of liability on the part of the United States.

By Mr. FORD:

S. 1457. A bill to establish, with respect to any grant or research protocol of the National Institutes of Health, a restriction that any person obtaining or using for any research purpose any animal acquired from any animal shelter shall not be eligible to receive any such grant or research protocol; to the Committee on Labor and Human Resources.

PET PROTECTION ACT

Mr. FORD. Mr. President, 2 months ago an unpleasant incident occurred in eastern Kentucky. A dog dealer from up north came into the State allegedly to buy stray dogs for medical research purposes. Unfortunately, many of the dogs he bought were stolen—they were peoples' pets. Public reaction against this episode was loud and strong, and, as a result, I am introducing legislation today which will hopefully put a stop to this practice.

The Pet Protection Act of 1987 would prohibit any researcher or research facility from receiving funds from the National Institutes of Health if that person or facility used any animal acquired from either an animal shelter or from so-called class B dealers who operate illegally—which is the kind that came down into Kentucky.

This bill will undoubtedly provoke a storm of protest from the medical research community, but a calm assessment of its provisions shows that there is no need for such a reaction. In no way does this bill prohibit animal research. Rather, it simply ensures that research is not performed on animals that once were pets, and that animals used for experimentation are animals that have been properly bred and hopefully well-treated.

Mr. President, animal experimentation is a necessary evil; it is imperative if cures for debilitative and fatal illnesses and diseases, and improved surgical techniques are to be found. But I insist that the animals used not be taken from peoples' backyards and that they be treated before, during and after experimentation in the most humane manner possible.

One way to achieve these two modest goals is to enact my bill into law. Only then can we be certain that animals sold to research institutions have not several weeks before been peacefully sleeping on their master's beds, that they have not been jammed into trucks and pens, that they have not been improperly fed and watered.

Animals are not people, and they must not come before the common good. But they feel hunger, thirst, fear and pain—none of which are necessary and all of which can be prevented through proper handling.

The legislation I introduce today is not some wild idea conceived by zealots. It would, in fact, codify similar language recently put forth by the U.A. Department of Agriculture in proposed revisions to the Animal Welfare Act which document "the growing activity in stolen and in fraudently obtained dogs and cats" by class B dealers and which attempt to block such activity. Because of blatant abuses of the current system, new USDA regulations would prohibit class B dealers, and therefore medical research facilities, from obtaining "random source" dogs and cats from nongovernment, contract or humane pounds or shelters, or from individuals who did not breed and raise the dogs or cats on their own permises. My bill goes one small step further in prohibiting the pruchase of dogs and cats from all pounds and shelters, whether State, county or city-owned and operated.

What the Pet Protection Act of 1987 would permit is the purchase, directly or indirectly, of nonrandom source dogs and cats from the person who bred and raised them—which hopefully would be under closely monitored circumstances. This is important legislation, Mr. President, and I hope the 100th Congress will see its enactment.

In closing, I would like to share with the Senate a portion of a letter sent to me by our highly respected former colleague, Senator Paul E. Tsongas, in which he strongly advocates passage of the Pet Protection Act and explains that only 1 percent of the animals used for medical research would be affected by the act. Given what Paul has experienced in recent years and the fact that he owes his life to animal research, his is most compelling testimony.

Mr. President, I ask unanimous consent that the text of the bill and the letter previously mentioned be printed in the Record.

There being no objection, the bill and letter were ordered to be printed in the Record, as follows:

S. 1457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Pet Protection Act of 1987".

SEC. 2. RESTRICTION ON ELIGIBILITY TO RECEIVE FEDERAL FUNDS.

(a) In General.—Any person obtaining or using for any research purpose any animal acquired directly or indirectly from—

(1) any animal shelter or

(2) individuals who have not bred and raised such animal on their own premises shall not be eligible to receive Federal funds under any grant or research protocol of the National Institutes of Health.

(b) Animal Shelter Defined.—As used in subsection (a), the term "animal shelter" means any organization or government agency which—

(1) cares for lost, stray, unwanted, abandoned, or homeless animals; or

(2) is given custody of animals seized under State or local law.

SEC. 3. REGULATIONS.

The Secretary of Health and Human Services shall prescribe such regulations as may be necessary to carry out this Act.

SEC. 4. PENALTY.

The violation of this Act or any regulation prescribed under this Act in connection with any research project or protocol shall result in the immediate termination of funds for the project or research protocol.

SEC. 5. APPLICABILITY.

This Act shall apply with respect to funds appropriated in any Act or joint resolution that becomes law after the expiration of the 6-month period beginning on the date of the enactment of this Act.

[Letter from Senator Paul Tsongas]

Dear Wendell: The Pet Protection Act would not prohibit the use of animals in research. It would simply stop the flow of federal funds to research facilities that persist in using animals from pounds or animals stolen from their rightful owners. These random-source pound animals, according to the research community's own statistics, constitute less than 1% of all animals used each year in biomedical research. The Pet Protection Act would have no impact on the use of the 99% of animals used in research that are not pound animals or stolen pets.

There appears to be little scientific basis for the use of random-source pound animals in research. Because the genetic and medical background of these animals is unknown, they are not suitable models for research and the data yielded from their use is unreliable. A 1982 University of California study, for example, showed that 60–70% of newly-acquired shelter dogs developed clinical signs of infection and respiratory disease within the first 10 to 14 days in the laboratory. The same is not true of genetically homogeneous, purpose-bred laboratory animals. That is why the National Institutes of Health abandoned the use of pound or random source animals for its intramural research projects over a decade ago. It is why the National Academy of Sciences found in 1978 that:

"Colony-reared animals are superior for research. Not only can diseases be prevented, but genetic, nutritional, behavioral and environmental variables can be controlled; this results in healthy, standardized laboratory animals."

And it is the reason Dr. Joshua Lederberg wrote in the *Washington Post* as long as twenty years ago that "Scavenging animals with unknown histories from the streets—animals with the possible stigma of having been stolen—seems an incongruous way to get experimental material which must later be subject to the most scrupulous observation and, for the most useful findings, ideal care."

Some in the biomedical research community express the fear that the proposal embodied in the Pet Protection Act will seriously impede their work. The statistical evidence from my home state of Massachusetts should reassure them. Massachusetts has had a ban on the use of pound animals in biomedical research for nearly three years now yet the number of dogs and cats used in such research has remained virtually stable. Even more significantly, in 1986 Massachusetts ranked third in the nation in funding awarded to its biomedical research facilities. According to the NIH Reports, Massachusetts facilities received over $491,000,000 in NIH grants for 1986. That figure represents a *twenty percent increase* over the 1985 funding level.

Others cite the additional costs of purpose-bred over that of pound and other random-source animals as the basis for their opposition to the bill. This argument has two weaknesses. First, while it is of course true that a stolen pet will be a cheaper than a purpose-bred animal, there are other values in our society on which we hopefully place, a higher premium than the bottom line. Second, we are dealing with false economies. For while pound animals may be cheaper to buy, they are often *more* expensive to *use* than animals bred specifically for scientific purposes. Random source animals require costly conditioning and are more likely to become sick or to die prematurely so that, compared to purpose-bred animals, greater numbers of random source animals are required. The truly expensive animal is ultimately the one that is less than satisfactory for the intended research, for an unsatisfactory research subject is a waste of laboratory space, instrumentation and scientific manpower. Furthermore animal procurement costs overall account for only a relatively small percentage—10%—of the average research grant. . . .

Sincerely,

Paul.

By Mr. MOYNIHAN:

S.J. Res. 169. Joint resolution designating October 22, 1988 as a national day of recognition for Mohandas K. Gandhi; to the Committee on the Judiciary.

DAY OF RECOGNITION FOR MOHANDAS K. GANDHI

● Mr. MOYNIHAN. Mr. President, I rise today to introduce a joint resolution to designate October 2, 1988 as a national day of recognition for Mohandas K. Gandhi. It is appropriate that we as Americans honor a man who devoted his life to the fight against discrimination and social injustice, and whose practice of nonviolent resistance was integral to the independence of India, the world's largest democracy.

Born on October 2, 1869, in Probandar, India, Mohandas Gandhi received legal training in London, and traveled to South Africa in 1893. For 21 years he devoted himself to improving the treatment of Indians in South Africa, achieving significant reforms. In 1915 Gandhi returned to India and became a key figure in the Indian nationalist movement. Despite years of opposition, setbacks and imprisonment, Gandhi persevered with his nonviolent methods until India won independence in 1947. In his unwavering commitment to the principles of nonviolence, he taught the Indian people and the world that nonviolent resistance can be successful. On January 30, 1948, Mohandas Gandhi was a victim of the very violence he fought against, when he was assassinated on his way to a prayer meeting.

Even after his death, Gandhi's actions and words live on. As a former United States Ambassador to India, I gained a special sense of the impact of Gandhi's teachings. To quote Erik H. Erikson, author of "Gandhi's Truth, "Gandhi has influenced not only his own nation but ours as well."

In November 1984, I traveled to India as part of the funeral delegation for Indira Gandhi, and had reason to reflect on the continuing significance of Gandhi's life and words. On October 31, 1984, Mrs. Gandhi was assassinated by two Sikh bodyguards in yet another manifestation of the religious and racial turmoil which wracks so many nations around the world. I wrote at that time:

Racial strife and terror are central horrors of our time. If we in America have been blessed in this regard—we have had so little compared to most of the world—we would do well to recall how much men such as Martin Luther King, Jr. and Bayard Rustin and their like learned from a "naked Indian fakir" named Mohandas K. Gandhi who preached both freedom and nonviolence.

Gandhi's teachings were critical to the social progress achieved in the United States in the 1960's. During one of the most difficult times in this Nation's history, Dr. Martin Luther King, Jr., led a movement for racial equality using Gandhi's nonviolent approach. Integral to the success of that crusade for justice was the fact that the leading advocate was a disciple of Mohandas Gandhi. The contribution of Dr. King to our Nation was recently recognized by designating his birthday a national holiday. It is only right that we set aside one day to recognize a source of inspiration for Dr. King and others in the civil rights movement, Mohandas Gandhi.

Walter Lippman once wrote that "The final test of a leader is that he leaves behind him in other men the conviction and the will to carry on." In a world in which racial, religious and ethnic conflicts, tragic acts of violance, and constant violations of human rights are commonplace, the need for leaders devoted to the principles of Mohandas Gandhi is acute. Gandhi's life on Earth was ended by a violent act. If after his death, his words and accomplishments are forgotten, then the men of violence have won.

I ask unanimous consent that the text of the resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 169

Whereas Mohandas K. Gandhi sought to apply the values of truth and love, which are regarded as most precious moral values in personal life, in the difficult domain of political and social action;

Whereas Gandhi remained a relentless champion of human rights and human dignity for all people, including women and minorities, throughout his lifetime;

Whereas Gandhi was one of the leading figures in the effort to win freedom for his people in India and thereby helped sow the seeds of freedom and liberation in Asia and Africa;

Whereas Gandhi's unmovable faith in the power of nonviolent struggle was a powerful inspiration for Dr. Martin Luther King and the civil rights movement in the United States;

Whereas Gandhi identified himself totally with the oppressed and sought to change their lives through the moral persuasion of the oppressor;

Whereas Gandhi proclaimed that all humans are equal and that life is sacred, and treated that belief with an inviolable trust, this echoing Abraham Lincoln;

Whereas Gandhi used truth and the moral force it carried to guide both his personal and public life;

Whereas Gandhi drew inspiration from Ralph Waldo Emerson and Henry David Thoreau, two of Americas great thinkers, in formulating his philosophy of civil disobedience, and proclaimed that the right to participate in civil disobedience was an inherent right of all citizens;

Whereas Gandhi believed that the true democrat is one who by purely nonviolent means defends his liberty and therefore, the liberty of his country, and ultimately that of the whole of mankind;

Whereas Gandhi believed that the arms race placed an unbearable burden on all of humanity;

Whereas Gandhi staunchly supported the claim that no society can possibly be built on the denial of individual freedom;

Whereas Gandhi believed that a society that allows double standards for its citizens and its leaders is self-destructive, that political and personal morality must coincide and extend to human beings in all walks of life, and that the purification of politics requires that men and women of courage and integrity remove all taint of double standards; and

Whereas Gandhi was one of those truly rare individuals who combined so admirably in word and deed the highest moral aspiration of mankind: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 2, 1988, is designated as a national day of recognition of Mohandas K. Gandhi, and the President is authorized and requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.●

By Mr. ROTH:

S.J. Res. 170. Joint resolution designating the month of September 1988, as "National Ceramic Arts Month"; to the Committee on the Judiciary.

NATIONAL CERAMIC ARTS MONTH

● Mr. ROTH. Mr. President, today I am here to introduce a joint resolution to designate the Month of September, 1988 as "National Ceramic Arts Month." Crafts, particularly in ceramics, have been on the rise in both participation and popularity. In light of this, the Ceramic Arts Federation, International, is sponsoring a worldwide promotion effort to increase consumer education and family participation.

Over 2 million people enjoy this medium as a hobby and an art form. Ceramics are often used as a form of therapy for the elderly and handicapped. There is a seemingly endless array of styles, colors, and products to create. Talent in the hands and imagination in the mind combine to create countless careers in design, art education, and small business opportunities in the United States. There are reasons for a "National Ceramic Arts Month". I ask my colleagues to help the forward this resurgence of creativity and the enjoyment it brings to Americans by supporting this legislation.●

ADDITIONAL COSPONSORS

S. 248

At the request of Mr. LAUTENBERG, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of S. 248, a bill to amend title 10, United States Code, to permit members of the Armed Forces to wear, under certain circumstances, items of apparel not part of the official uniform.

S. 332

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 332, a bill to provide for a General Accounting Office investigation and report on conditions of displaced Salvadorans, to provide certain rules of the House of Representatives and of the Senate with respect to review of the report, to provide for the temporary stay of detention and deportation of certain Salvadorans, and for other purposes.

S. 450

At the request of Mr. ARMSTRONG, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 450, a bill to recognize the organization known as the National Mining Hall of Fame and Museum.

S. 465

At the request of Mr. METZENBAUM, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 465, a bill to amend chapter 44, title 18, United States Code, to prohibit the manufacture, importation, sale, or possession of firearms, not detectable by metal detection and x-ray systems commonly used at airports in the United States.

S. 466

At the request of Mr. METZENBAUM, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 466, a bill to provide for a waiting period before the sale, delivery, or transfer of a handgun.

S. 541

At the request of Mr. PRYOR, the names of the Senator from Wyoming [Mr. SIMPSON], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of S. 541, a bill to amend title 39, United States Code, to extend to certain officers and employees of the U.S. Postal Service the same procedural and appeal rights with respect to certain adverse personnel actions as are afforded under title 5, United States Code, to Federal employees in the competitive services.

S. 612

At the request of Mr. SIMON, the names of the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Maryland [Mr. SARBANES], the Senator from Nevada [Mr. REID], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of

S. 612, a bill to repeal a provision of Federal tort liability law relating to the civil liability of Government contractors for certain injuries, losses of property, and deaths and for other purposes.

S. 776

At the request of Ms. MIKULSKI, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 776, a bill to amend title XIX of the Social Security Act to protect the welfare of spouses of institutionalized individuals under the Medicaid Program.

S. 896

At the request of Mr. BREAUX, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 896, a bill relating to the application of the drawback provisions of section 313 of the Tariff Act of 1930 to certain imports of raw cane sugar.

S. 1002

At the request of Mr. CRANSTON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of S. 1002, a bill to amend title 38, United States Code, to provide disability and death benefits to veterans (and survivors of such veterans) exposed to ionizing radiation during the detonation of a nuclear device in connection with the United States nuclear weapons testing program or the American occupation of Hiroshima or Nagasaki, Japan; and for other purposes.

S. 1006

At the request of Mr. HECHT, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 1006, a bill entitled the "Geothermal Steam Act Amendments of 1987."

S. 1059

At the request of Mr. MOYNIHAN, the name of the Senator from Hawaii [Mr. MATSUNAGA] was added as a cosponsor of S. 1059, a bill to terminate the application of certain Veterans' Administration regulations relating to transportation of claimants and beneficiaries in connection with Veterans' Administration medical care.

S. 1196

At the request of Mr. HOLLINGS, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Michigan [Mr. LEVIN], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of S. 1196, a bill to provide for the enhanced understanding and wise use of ocean, coastal, and Great Lakes resources by strengthening the National Sea Grant College and by initiating a Strategic Coastal Research Program, and for other purposes.

S. 1234

At the request of Mr. CHAFEE, the name of the Senator from Nebraska [Mr. EXON] was added as a cosponsor of S. 1234, a bill to amend title 38, United States Code, to insure eligibility of certain individuals for beneficiary travel benefits when traveling to Veterans' Administration medical facilities.

S. 1254

At the request of Mr. GLENN, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1254, a bill to amend the Federal Unemployment Tax Act to provide additional limitation on the reduction on the credit applicable to employers in certain States which have outstanding loan balances, and for other purposes.

S. 1273

At the request of Mr. ROCKEFELLER, the names of the Senator from Mississippi [Mr. STENNIS], the Senator from Tennessee [Mr. SASSER], the Senator from Mississippi [Mr. COCHRAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Tennessee [Mr. GORE], and the Senator from Kentucky [Mr. FORD] were added as cosponsors of S. 1273, a bill to extend the Appalachian Regional Development Act of 1965 and to provide authorizations for the Appalachian Highway and Appalachian Area Development Programs.

S. 1281

At the request of Mr. BREAUX, the names of the Senator from Vermont [Mr. STAFFORD], the Senator from Hawaii [Mr. MATSUNAGA], and the Senator from Wyoming [Mr. WALLOP] were added as cosponsors of S. 1281, a bill to amend Public Law 97-360, and for other purposes.

S. 1323

At the request of Mr. PROXMIRE, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1323, a bill to amend the Securities Exchange Act of 1934 to provide to shareholders more effective and fuller disclosure and greater fairness with respect to accumulations of stock and the conduct of tender offers.

S. 1333

At the request of Mr. NICKLES, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 1333, a bill to allow the 65 miles per hour speed limit on highways that meet interstate standards and are not currently on the National System of Interstate and Defense Highways.

S. 1341

At the request of Mr. SANFORD, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1341, a bill to amend the Trade Act of 1974 to promote expansion of international trade with Canada regarding furniture, recreational marine craft, and printed products, and for other purposes.

S. 1346

At the request of Mr. MATSUNAGA, the names of the Senator from Nebraska [Mr. EXON], the Senator from Texas [Mr. BENTSEN], the Senator from Maryland [Ms. MIKULSKI], and the Senator from Pennsylvania [Mr. HEINZ] were added as cosponsors of S. 1346, a bill to amend the National Labor Ralations Act to give employers and performers in the performing arts rights given by section 8(e) of such Act to employers and employees in similarly situated industries, to give employers and performers in the performing arts the same rights given by section 8(f) of such Act to employers and employees in the construction industry, and for other purposes.

S. 1371

At the request of Mr. MOYNIHAN, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 1371, a bill to designate the Federal building located at 330 Independence Avenue, SW., Washington, District of Columbia, as the "Wilbur J. Cohen Federal Building".

S. 1390

At the request of Mr. BAUCUS, the name of the Senator from Nebraska [Mr. EXON], the Senator from Iowa [Mr. GRASSLEY], the Senator from Mississippi [Mr. STENNIS], and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 1390, a bill to amend the Social Security Act to make viable the provision of health care in rural areas under titles XVIII and XIX of that Act, and for other purposes.

S. 1408

At the request of Mr. CHAFEE, the name of the Senator from Vermont [Mr. STAFFORD] was added as a cosponsor of S. 1408, a bill to amend the Immigration and Nationality Act to waive the continuous residence requirement under the legalization program for spouses and children of qualified legalized aliens.

S. 1412

At the request of Mr. HOLLINGS, the name of the Senator from California [Mr. CRANSTON], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of S. 1412, a bill to amend the Coastal Zone Management Act of 1972 regarding activities significantly affecting the coastal zone.

S. 1421

At the request of Mr. WILSON, the name of the Senator from Wyoming [Mr. WALLOP], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of S. 1421, a bill to provide for a clarification of the receipt-sharing of amounts received for the National Forest System, geothermal leasing, mineral lands leasing, and oil and gas royalties.

S. 1440

At the request of Mr. EVANS, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1440, a bill to provide consistency in the treatment of quality control review procedures and standards in the Aid to Families with Dependent Children, Medicaid, and Food Stamps Programs; to impose a temporary moratorium for the collection of penalties under such programs, and for other purposes.

SENATE JOINT RESOLUTION 26

At the request of Mr. Pell, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of Senate Joint Resolution 26, joint resolution to authorize and request the President to call a White House Conference on Library and Information Services to be held not later than 1989, and for other purposes.

SENATE JOINT RESOLUTION 28

At the request of Mr. Dole, the name of the Senator from California [Mr. Wilson] was added as a cosponsor of Senate Joint Resolution 28, joint resolution designating "American Physiologists Week."

SENATE JOINT RESOLUTION 100

At the request of Mr. Pell, the name of the Senator from Illinois [Mr. Simon] was added as a cosponsor of Senate Joint Resolution 100, joint resolution to affirm the national policy of metric conversion benefiting the United States.

SENATE JOINT RESOLUTION 105

At the request of Mr. Lautenberg, the names of the Senator from Florida [Mr. Graham], and the Senator from Michigan [Mr. Levin] were added as cosponsors of Senate Joint Resolution 105, joint resolution to designate December 7, 1987, as "National Pearl Harbor Remembrance Day" on the occasion of the anniversary of the attack on Pearl Harbor.

SENATE JOINT RESOLUTION 106

At the request of Mr. Bingaman, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of Senate Joint Resolution 106, joint resolution to recognize the Disabled American Veterans Vietnam Veterans National Memorial as a memorial of national significance.

SENATE JOINT RESOLUTION 108

At the request of Mr. Lugar, the names of the Senator from Maryland [Ms. Mikulski], and the Senator from West Virginia [Mr. Byrd] were added as cosponsors of Senate Joint Resolution 108, joint resolution to designate October 6, 1987, as "German-American Day."

SENATE JOINT RESOLUTION 131

At the request of Mr. Cranston, the names of the Senator from Illinois [Mr. Simon], the Senator from Rhode Island [Mr. Pell], and the Senator from Hawaii [Mr. Inouye] were added as cosponsors of Senate Joint Resolution 131, joint resolution expressing the sense of the Congress regarding the establishment of a uniform national policy to preserve family unity in the implementation of the legalization program under the Immigration Reform and Control Act of 1986, and for other purposes.

SENATE JOINT RESOLUTION 154

At the request of Mr. Pell, the name of the Senator from Indiana [Mr. Quayle] was added as a cosponsor of Senate Joint Resolution 154, joint resolution to designate the period commencing on November 15, 1987, and ending on November 22, 1987, as "National Arts Week."

SENATE JOINT RESOLUTION 160

At the request of Mr. Lautenberg, the name of the Senator from Virginia [Mr. Trible] was added as a cosponsor of Senate Joint Resolution 160, joint resolution to designate July 25, 1987, as "Clean Water Day".

SENATE JOINT RESOLUTION 161

At the request of Mr. DeConcini, the name of the Senator from Virginia [Mr. Warner] was added as a cosponsor of Senate Joint Resolution 161, joint resolution proposing an amendment to the Constitution to provide for a balanced budget for the U.S. Government and for greater accountability in the enactment of tax legislation.

SENATE JOINT RESOLUTION 167

At the request of Mr. Dole, the names of the Senator from Illinois [Mr. Dixon], the Senator from Indiana [Mr. Quayle], the Senator from Minnesota [Mr. Durenberger], the Senator from Montana [Mr. Baucus], and the Senator from Utah [Mr. Garn] were added as cosponsors of Senate Joint Resolution 167, joint resolution making urgent supplemental appropriations for the Department of Agriculture for the fiscal year ending September 30, 1987.

SENATE CONCURRENT RESOLUTION 23

At the request of Mr. Cranston, the name of the Senator from North Dakota [Mr. Burdick] was added as a cosponsor of Senate Concurrent Resolution 23, concurrent resolution designating jazz as an American national treasure.

SENATE CONCURRENT RESOLUTION 29

At the request of Mr. DeConcini, the name of the Senator from Arizona [Mr. McCain] was added as a cosponsor of Senate Concurrent Resolution 29, concurrent resolution expressing the sense of Congress regarding the inability of American citizens to maintain regular contact with relatives in the Soviet Union.

SENATE CONCURRENT RESOLUTION 38

At the request of Mr. Armstrong, the name of the Senator from Wisconsin [Mr. Kasten] was added as a cosponsor of Senate Concurrent Resolution 38, concurrent resolution to recognize the International Association of Fire Fighters and the National Fallen Fire Fighter Memorial in Colorado Springs, CO.

SENATE RESOLUTION 219

At the request of Mr. Daschle, the names of the Senator from Arizona [Mr. DeConcini], the Senator from California [Mr. Cranston], the Senator from South Dakota [Mr. Pressler], the Senator from Iowa [Mr. Harkin], the Senator from Nevada [Mr. Reid], the Senator from Missouri [Mr. Danforth], and the Senator from Nebraska [Mr. Karnes] were added as cosponsors of Senate Resolution 219, resolution expressing the sense of the Senate with respect to the use of ethanol, methanol, and other oxygenated fuels as an accepted air pollution control strategy in nonattainment areas designed by the Environmental Protection Agency.

SENATE RESOLUTION 240

At the request of Mr. Kerry, the name of the Senator from Pennsylvania [Mr. Heinz] was added as a cosponsor of Senate Resolution 240, resolution expressing appreciation for America's Vietnam Veterans.

AMENDMENT NO. 349

At the request of Mr. Exon, the names of the Senator from Maine [Mr. Cohen], and the Senator from Maine [Mr. Mitchell] were added as cosponsors of amendment No. 349 proposed to S. 1420, a bill to authorize negotiations of reciprocal trade agreements, to strengthen U.S. trade laws, and for other purposes.

AMENDMENTS SUBMITTED

OMNIBUS TRADE ACT

SHELBY AMENDMENT NO. 355

(Ordered to lie on the table.)

Mr. SHELBY submitted an amendment intended to be proposed by him to the bill (S. 1420) to authorize negotiations of reciprocal trade agreements, to strengthen United States trade laws, and for other purposes; as follows:

At the end of subtitle D of title IX of the bill, add the following:

SEC. PROHIBITION ON THE IMPORTATION OF PRODUCTS OF THE TOSHIBA CORPORATION AND KONGSBERG VAAPENFABRIK.

(a) Findings.—The Congress finds that—

(1) the Soviet Union and its allies are actively engaged in the acquisition of national security sensitive goods and technology from the West by both legal and illegal means, based on careful assessment of military requirements and targeted diversion of military critical technologies wherever possible;

(2) the Soviet Union has surreptitously acquired advanced milling machinery capable of quieting the operation of their submarine propellers and increasing the speed of their aircraft carrier propellers with significant adverse impact on United States national security interests;

(3) the sale of such machinery is restricted by regulations of the Coordinating Commit-

tee on Multilateral Export Controls (hereafter in this subsection referred to as "COCOM");

(4) the Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik manufacture such machinery;

(5) the Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik sold such machinery to the Soviet Union;

(6) the Soviet Union through the surreptitious acquisition of such machinery has been able to significantly reduce the noise level of their submarines and increase the speed of their aircraft carriers;

(7) the Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik have seriously compromised United States national security by selling such machinery;

(8) in order to protect United States national security, the United States must take steps to ensure the compliance of foreign companies with COCOM controls, including the imposition of sanctions against violators of controls commensurate with the severity of the violation; and

(9) such sanctions should include denial of United States Government procurement and the United States market to COCOM violators.

(b) PROHIBITIONS.—

(1) No product which is manufactured by—

(A) the Toshiba Corporation,

(B) any of the direct affiliates or subsidiaries of the Toshiba Corporation, including Toshiba Machine Company, Incorporated, or

(C) Kongsberg Vaapenfabrik,

may be imported into the United States.

(2) The Secretary of Defense may not enter into a contract or subcontract with—

(A) the Toshiba Machine Corporation, including the Toshiba Machine Company, Incorporated, and its affiliates and subsidiaries or

(B) Kongsberg Vaapenfabrik.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the provisions of this section shall apply to products imported, and to contracts and subcontracts executed, after the date of enactment of this Act.

(2) EXCEPTIONS.—The provisions of this section shall not apply to products as spare parts or for routine servicing and maintenance of products previously supplied.

(3) TRANSITION RULE.—The provisions of this section shall not apply to any product imported pursuant to a contract executed before April 30, 1987.

McCONNELL (AND OTHERS) AMENDMENT NO. 356

Mr. McCONNELL (for himself, Mr. KARNES, Mr. BOND, Mr. LUGAR, Mr. NICKLES, Mr. KASTEN, Mr. CONRAD, Mr. BOREN, Mr. SYMMS, and Mr. DURENBERGER) proposed an amendment to the bill (S. 1420) supra; as follows:

On page 562, between lines 18 and 19, insert the following new section:

SEC. . ANNUAL APPROPRIATIONS TO REIMBURSE THE COMMODITY CREDIT CORPORATION FOR NET REALIZED LOSSES.

(a) IN GENERAL.—The first sentence of section 2 of Public Law 87-155 (15 U.S.C. 713a-11) is amended by striking out ", commencing with the fiscal year ending June 30, 1961" and inserting in lieu thereof "by means of a current, indefinite appropriation".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply beginning with fiscal year 1988.

HOLLINGS (AND OTHERS) AMENDMENT NO. 357

Mr. HOLLINGS (for himself, Mr. HEINZ, Mr. EXON, Mr. THURMOND, and Mr. SANFORD) proposed an amendment to the bill (S. 1420) supra; as follows:

At the appropriate place in the bill, insert the following:

DEFINITIONS OF UNITED STATES PRICE AND FOREIGN MARKET VALUE

SECTION . (a) Section 773(a)(4)(B) of the Tariff Act of 1930 (19 U.S.C. 1677b(a)(4)(B) is amended by inserting immediately before the semi-colon the following: ", except that in no event shall the administering authority deduct indirect selling expenses from foreign market value in order to offset expenses deducted from an exporter's sale price under section 772(e)".

(b) Section 772(e)(1) of the Tariff Act of 1930 (19 U.S.C. 1677a(e)(1)) is amended by inserting immediately after "selling" the following: "and profits from selling".

(c) These provisions shall apply to imports from countries which are signatories to the GATT International Anti-Dumping Code.

SENATORIAL ELECTION CAMPAIGN REFORM

NICKLES AMENDMENT NO. 358

(Ordered to lie on the table.)

Mr. NICKLES submitted an amendment intended to be proposed by him to the bill (S. 2) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and partial public financing of Senate general election campaigns, to limit contributions by multicandidate political committees, and for other purposes; as follows:

At the appropriate place insert the following:

The preceding provisions of this section shall not become effective unless section 313 of the Federal Election Campaign Act of 1971 is amended by striking out "party;" through the end of the sentence and inserting in lieu thereof "party.".

OMNIBUS TRADE ACT

GARN (AND OTHERS) AMENDMENT NO. 359

Mr. GARN (for himself, Mr. HEINZ, Mr. PROXMIRE, Mr. DIXON, Mr. McCAIN, Mr. GLENN, Mr. HELMS, Mr. D'AMATO, Mr. HATCH, Mr. SYMMS, and Mr. DECONCINI) proposed an amendment to amendment No. 355 proposed by Mr. SHELBY to the bill (S. 1420) supra; as follows:

On page 1 line 3 strike all after "Sec." and insert:

1. SHORT TITLE.

This section may be cited as the "Multilateral Export Control Sanctions Act of 1987".

SEC. 2. FINDINGS.

The Congress finds that:

(1) The General Agreement on Tariffs and Trade recognizes that national security concerns may serve as a legitimate basis for constricting free and open trade. Title XXI states: "Nothing in this Agreement shall be construed . . . to prevent any contracting party from taking any action which it considers necessary for the protection of its essential security interests . . .".

(2) The Soviet Union and its allies are actively engaged in acquisition of national security sensitive goods and technology from the West by both legal and illegal means, based on careful assessment of military requirements and targeted diversion of militarily critical technologies wherever possible.

(3) The Soviets have acquired advanced milling machinery capable of quieting the operation of their submarine propellers and increasing the speed of their aircraft carrier propellers, with significant adverse impact on United States and Western national security interests.

(4) This diversion was achieved with the cooperation of responsible officials of Toshiba Machine Company, Incorporated, and Kongsberg Vaapenfabrik Trading Company, both major industrial companies in countries that participate in the cooperative arrangement of governments known as the Coordinating Committee (COCOM).

(5) United States security is undermined without the cooperation of COCOM governments and companies in defending the security of the West.

(6) It is the responsibility of all participating governments to put strong national security export control laws in place and vigorously to pursue careful licensing of exports and strict enforcement of the law.

(7) Recent revelations about the Soviet acquisition of advanced milling technology indicates that the COCOM system is only as strong as the national laws and enforcement on which it is based, and the dedication of companies outside the United States to goals of the export control regime.

(8) In order to protect United States national security, the United States must take steps to ensure the compliance of foreign companies with COCOM controls, including the imposition of sanctions against violators of controls commensurate with the severity of the violation.

(9) Sanctions for technology diversion should include denial of United States Government procurement and the United States market to COCOM violators, such sanctions to be mandatory in the case of serious, adverse impact on the strategic balance of forces between the United States and its Western allies and the Soviet Union.

(10) The United States should also take steps to improve the functioning of the COCOM system including review of national laws, licensing programs, and enforcement efforts with a view toward upgrading, harmonizing, and improving the effectiveness of these measures.

SEC. 3. MANDATORY SANCTIONS AGAINST TOSHIBA AND KONGSBERG.

(a) SANCTIONS IMPOSED.—The President shall impose the sanctions described in subsection (b) for a period not less than 2 years and not to exceed 5 years, and shall notify the Congress of such action, against the Toshiba Corporation and Kongsberg Vaapenfabrik, and any other firm or individual in any case where—

(1) enforcement actions by foreign authorities, intelligence information, required reporting by the Secretary of Defense on di-

versions, or other sources of information indicate has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee between January 1, 1980, and the date of enactment of this Act, and

(2) that violation has resulted in substantial enhancement of Soviet and East bloc capabilities in submarine or antisubmarine warfare, ballistic or antiballistic missile technology, strategic aircraft, command, control, communications and intelligence, or other critical technologies as determined by the President, on the advice of the National Security Council, to represent a serious adverse impact on the strategic balance of forces.

(b) SANCTIONS DEFINED.—The required trade sanctions shall apply to the parent, affiliate, subsidiary, and successor companies of the Toshiba Corporation and Kongsberg Vaapenfabrik and other foreign persons covered by subsection (a), and shall include, except as provided in subsection (c)—

(1) debarment from contracting with any department, agency, or instrumentality of the United States Government, and

(2) prohibition of importation into the United States of all goods produced by that individual, firm, or firms.

(c) EXEMPTION.—The President is not required to apply sanctions under this subsection—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including exercise of options for production quantities to satisfy United States operational military requirements;

(B) if the President determines that the firm or individual in question is a sole source supplier of essential defense articles or services and where no alternative supplier can be identified; or

(C) if the President determines that such goods and services are essential to the national security under defense coproduction agreements; or

(2) to imports shipped under contracts signed before May 1, 1987; to spare parts and component parts, but not finished products, essential to United States production; to routine servicing and maintenance of products already supplied; or to information and technology.

(d) PRESIDENT'S AUTHORITY TO LIMIT SANCTIONS.—The President may, after consultation with the Congress, limit the scope of sanctions with regard to coverage of parent, affiliate, subsidiary, and successor companies of the foreign person determined to have violated COCOM regulations if the President determines that—

(1) the parent, affiliate, or subsidiary has not, on the basis of available evidence, itself violated the COCOM controls for which sanctions are being applied directly or through a course of conduct;

(2) the government with jurisdiction over the firm or individual in question has reached substantial agreement with the United States Government on a program of improved cooperation with United States national security export control efforts as enunciated in section 5 (u) of the Export Administration Act of 1979;

(3) the firm or individual in question, and its parent, affiliate, and subsidiary companies, have instituted improvements in internal controls sufficient to detect and prevent violations of the export control regime implemented in subparagraph (B); and

(4) the impact of the sanctions imposed on the firm or individual, its parent, affiliates, and subsidiaries, is proportionate to the increased defense expenditures imposed on the United States.

In any case, the parent company may not be excluded from sanctions unless the company agrees to suitable compensation, as determined by the President.

(e) REPORTS TO THE CONGRESS.—The President shall report to the Congress not later than 6 months after the date of enactment of this Act on sanctions applied against Toshiba Corporation and Kongsberg Vaapenfabrik, and semiannually on the status of other sanctions applied under this section, including any Presidential determinations to waive sanctions on grounds of national security and to limit the scope of sanctions in the case of parent, affiliate, and subsidiary companies of the individual or firm in question.

SEC. 4. MANDATORY SANCTIONS.

Section 5 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(t) MANDATORY SANCTIONS.—(1) The President shall impose the sanctions described in paragraph (2) for a period not less than 2 years and not to exceed 5 years, and shall notify the Congress of such action, in any case where—

"(A) enforcement actions by foreign authorities, intelligence information, required reporting by the Secretary of Defense on diversions, or other sources of information indicate that any foreign person has violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee, and

"(B) that violation has resulted in substantial enhancement of Soviet and East bloc capabilities in submarine or antisubmarine warfare, ballistic or antiballistic missile technology, strategic aircraft, command, control, communications and intelligence, or other critical technologies as determined by the President, on the advice of the National Security Council, to represent a serious adverse impact on the strategic balance of forces.

"(2) The required trade sanctions shall apply to the foreign person, as well as to any parent, affiliate, subsidiary, and successor companies, and shall include, except as provided in paragraph (3)—

"(A) debarment from contracting with any department, agency, or instrumentality of the United States Government, and

"(B) prohibition of importation into the United States of all goods produced by that individual, firm, or firms.

"(3) The President is not required to apply sanctions under this subsection—

"(A) in the case of procurement of defense articles or defense services—

"(i) under existing contracts or subcontracts, including exercise of options for production quantities to satisfy United States operational military requirements;

"(ii) if the President determines that the firm or individual in question is a sole source supplier of essential defense articles or services and where no alternative supplier can be identified; or

"(iii) if the President determines that such goods and services are essential to the national security under defense coproduction agreements; or

"(B) to imports shipped under contracts signed prior to the date of congressional notification of sanctions; to spare parts and component parts, but not finished products, essential to United States production; to routine servicing and maintenance of products already supplied; or to information and technology.

"(4) The President may, after consultation with the Congress, limit the scope of sanctions with regard to coverage of parent, affiliate, subsidiary, and successor companies of the foreign person determined to have violated COCOM regulations if the President determines that—

"(A) the parent, affiliate, or subsidiary has not, on the basis of available evidence, itself violated the COCOM controls for which sanctions are being applied directly or through a course of conduct;

"(B) the government with jurisdiction over the firm or individual in question has reached substantial agreement with the United States Government on a program of improved cooperation with United States national security export control efforts as enunciated in subsection (u);

"(C) the firm or individual in question, and its parent, affiliate, and subsidiary companies, have instituted improvements in internal controls sufficient to detect and prevent violations of the export control regime implemented in subparagraph (A); and

"(D) the impact of the sanctions imposed on the firm or individual, its parent, affiliates, and subsidiaries, is proportionate to the increased defense expenditures imposed on the United States.

In any case, the parent company may not be excluded from sanctions unless the company agrees to suitable compensation, as determined by the President and as provided in subsection (v).

"(5) The President shall report to the Congress semiannually on the status of sanctions applied under this section including any Presidential determinations to waive sanctions on grounds of national security and to limit the scope of sanctions in the case of parent, affiliate, and subsidiary companies of the individual or firm in question.".

SEC. 5. DISCRETIONARY SANCTIONS AUTHORITY.

(a) In cases of diversion that are not determined by the President to seriously affect the strategic balance with the Soviet Union and East bloc, the President shall have discretion to impose a ban on both United States Government procurement and United States imports from the firm or individual determined to have violated COCOM national security controls for a period not to exceed 5 years.

(b) Section 233(b) of the Trade Expansion Act of 1962 is amended by striking out all after the phrase "subsection (a) of this section," and inserting in lieu thereof: "any foreign firm or individual determined by the President, based on enforcement actions by foreign authorities, intelligence information, or other sources, to have violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee may be debarred by the President from importation into the United States of any or all goods produced by the firm or individual in question, as well as parent and subsidiary companies for not to exceed 5 years.".

(c) Section 11(c) of the Export Administration Act of 1979 (50 U.S.C. 2410(c)) is amended by adding the following:

"(5) Any foreign firm or individual determined by the President, based on enforcement actions by foreign authorities, intelligence information, or other sources, to have violated any regulation issued by a country to control exports for national security purposes pursuant to the agreement of the group known as the Coordinating Committee may be debarred by the President from contracting with any department, agency, or instrumentality of the United States Government for not to exceed 5 years for any or all products and services produced by the firm or individual in question, as well as parent, affiliate, and subsidiary companies".

SEC. 6. ANNUAL REPORT OF DEFENSE IMPACT.

Section 14 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(f) ANNUAL REPORT OF THE PRESIDENT.—The President shall submit an annual report to the Congress estimating the additional defense expenditures of the United States arising from illegal technology transfers, focusing on estimated defense costs arising from illegal technology transfers that resulted in a serious adverse impact on the strategic balance of forces. These estimates shall be based on assessment by the intelligence community of any technology transfers that resulted in such serious adverse impact. This report may have a classified annex covering any information of a sensitive nature.".

SEC. 7. IMPROVED MULTILATERAL COOPERATION.

Section 5 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(u) IMPROVED MULTILATERAL COOPERATION.—(1) The President shall seek, in negotiations with members of the Coordinating Committee and with other countries, improved cooperation with United States national security export control efforts, including achievement of the following standards of cooperation:

"(A) High quality review of license applications, including detailed technical analysis of items proposed for export, and end-user verifications;

"(B) Publication of control lists and education of the exporting public to the need for national security export controls;

"(C) Coordination of licensing and enforcement efforts;

"(D) Uniform interpretation of controls established by the Coordinating Committee;

"(E) National laws reflective of the seriousness of violations of national security export controls, including the application of criminal penalties in cases of willful violation of controls and substantial statute of limitations;

"(F) Implementation of improved channels for sharing information on violations of multilateral export controls;

"(G) Implementation of a standard destination control statement that would be required on all shipping documents accompanying controlled items, which would include, among other things, identification of the controlled item and the specific destination of the item; and

"(H) Effective enforcement cooperation at the working level, including techniques to prevent the diversion of controlled items, the roles and responsibilities of enforcement agencies, and cooperation among national agencies and departments.

"(2) Liberalization of export licensing to a COCOM member country should take into account progress by such government in instituting the improvements referred to in paragraph (1).".

SEC. 8. COMPENSATION FOR COCOM VIOLATIONS.

Section 5 of the Export Administration Act of 1979 is amended by adding at the end thereof the following new subsection:

"(v) COMPENSATION FOR DIVERSION OF MILITARILY CRITICAL TECHNOLOGIES TO CONTROLLED COUNTRIES.—In cases in which mandatory sanctions have been applied against a firm or individual for diversion of technology that has caused a serious adverse impact on the strategic balance of forces between the United States and the Soviet Union and East bloc, the President shall initiate discussions with the firm or individual and its national government regarding compensation on the part of the company in an amount proportionate to the costs of research and development and procurement of new defensive systems by the United States and her allies to counteract the effect of the technological advance achieved by the Soviet Union as a result of the diversion.

"(2) The President shall report to the Congress that such discussions are being undertaken at the time of initiation and shall report the outcome of those discussions.".

HELMS AMENDMENT NO. 360

Mr. HELMS proposed an amendment to amendment No. 355 proposed by Mr. SHELBY, as amended, to the bill (S. 1420) supra; as follows:

At the end of the amendment, add the following:

( ) CIVIL DAMAGES FOR NATIONAL SECURITY VIOLATIONS.—Section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended by adding at the end thereof the following:

"(j) DAMAGES FOR CERTAIN VIOLATIONS.—(1) In any case in which a person violates a regulation issued to control exports for national security purposes (including any regulation issued by another country pursuant to the agreement of the group known as the 'Coordinating Committee'), the Secretary shall notify the Secretary of Defense of the violation.

"(2) Upon receipt of notice under paragraph (1), the Secretary of Defense shall determine whether the violation has resulted in a reduction in the military preparedness of the United States. If the Secretary of Defense determines that there has been such a loss, the Secretary shall so notify the Attorney General who shall bring an action for damages in any appropriate district court of the United States against the person who violated such regulation and any person that is owned or controlled by the person who violated the regulation and any person who owns and controls the person who violated such regulation.

"(3) The total amount awarded in any such case shall be determined by the court in light of the facts and circumstances, but shall not exceed the amount of the net loss to the national security of the United States. An action under this subsection shall be commenced not later than 3 years after occurrence of the violation, or one year after the violation is discovered, whichever is later.".

BREAUX AMENDMENT NO. 361

Mr. BREAUX proposed an amendment to the bill S. 1420, supra; as follows:

At the end of the bill, add the following new title:

TITLE XLVI—FOREIGN SHIPPING PRACTICES

SHORT TITLE

SEC. 4601. This title may be cited as the "Foreign Shipping Practices Act of 1987".

AMENDMENTS

SEC. 4602. (a) The Shipping Act of 1984 (Public Law 98-237; 98 Stat. 67) is amended by adding at the end the following:

"SEC. 23. FOREIGN LAWS AND PRACTICES.

"(a) DEFINITIONS.—For purposes of this section—

"(1) 'foreign carrier' means an ocean common carrier whose vessels are all documented under the laws of a country other than the United States;

"(2) 'maritime services' means port-to-port carriage of cargo by the vessels operated by ocean common carriers;

"(3) 'maritime-related services' means intermodal operations, terminal operations, cargo solicitation, forwarding and agency services, non-vessel-operating common carrier operations, and all other activities and services integral to total transportation systems of ocean common carriers and their foreign domiciled affiliates on their own and others' behalf;

"(4) 'United States carrier' means an ocean common carrier which operates vessels documented under the laws of the United States; and

"(5) 'United States oceanborne trade' means the carriage of cargo between the United States and a foreign country by an ocean common carrier.

"(b) AUTHORITY TO CONDUCT INVESTIGATIONS.—The Commission shall investigate whether any laws, rules, regulations, policies or practices of foreign governments, or any practices of foreign carriers or other persons providing maritime or maritime-related services in a foreign country result in the existence of conditions for United States carriers in United States oceanborne trades that do not exist for foreign carriers of that country in the United States under the laws of the United States or as a result of acts of United States carriers or other persons providing maritime or maritime-related services in the United States.

"(c) INVESTIGATIONS.—(1) Investigations under subsection (b) of this section may be initiated by the Commission on its own motion or upon the petition of any person, including any common carrier, shipper, shippers' association, ocean freight forwarder or marine terminal operator, or any branch, department, agency, or other component of the government of the United States.

"(2) The Commission shall complete any such investigation within 120 days after it is initiated, except that the Commission may extend such 120-day period for an additional 90 days if the Commission is unable to obtain sufficient information to determine whether a condition specified in subsection (b) of this section exists. Any notice providing such an extension shall clearly state the reasons for such extension.

"(d) INFORMATION REQUESTS.—(1) In order to further the purposes of subsection (b) of this section, the Commission may, by order, require any person (including any common carrier, shipper, shippers' association, ocean freight forwarder, or marine terminal operator, or any officer, receiver, trustee, lessee, agent or employee thereof) to file with the Commission any periodic or special report, answers to questions, documentary material, or other information which the Commission considers necessary or appropriate. The Commission may require that the response to any such order shall be made under oath. Such response shall be furnished in the form and within the time prescribed by the Commission.

"(2) Notwithstanding any other provision of law, the Commission may, in its discretion, determine that any information submitted to it in response to a request under this subsection, in response to a subpoena under section 12 of this Act, or otherwise shall not be disclosed to the public.

"(e) Action Against Foreign Carriers.—(1) Whenever, after notice and opportunity for comment, the Commission determines that the conditions specified in subsection (b) of this section exist, the Commission shall take such action as it considers necessary and appropriate against any foreign carrier who is a contributing cause to, or whose government is a contributing cause to, such conditions, in order to offset such conditions. Such action may include—

"(A) limitations on sailings to and from United States ports or on the amount or type of cargo carried;

"(B) suspension, in whole or in part, of any or all tariffs filed with the Commission, including the right of an ocean common carrier to use any or all tariffs of conferences in the United States trades of which it is a member for such period as the Commission specifies; and

"(C) suspension, in whole or in part, of the right of an ocean common carrier to operate under any agreement filed with the Commission, including agreements authorizing preferential treatment at terminals, preferential terminal leases, space chartering or pooling of cargo or revenues with other ocean common carriers.

"(2) The Commission may consult with, seek the cooperation of, or make recommendations to other appropriate government agencies prior to taking any action under this subsection.

"(3) Before an order under this subsection becomes effective or a request is made under subsection (f) of this section, the order shall be submitted immediately to the President who may, within 10 days after receiving such order, disapprove the order if the President finds that disapproval is required for reasons of the national defense or the foreign policy of the United States.

"(f) Actions Upon Request of the Commission.—Whenever the conditions specified in subsection (b) of this section are found by the Commission to exist, upon the request of the Commission—

"(1) the collector of customs at any port or place of destination in the United States shall refuse the clearance required by section 4197 of the Revised Statutes (46 App. U.S.C. 91) to any vessel of a foreign carrier that is identified by the Commission under subsection (e) of this section; and

"(2) the Secretary of the department in which the Coast Guard is operating shall deny entry of any vessel of a foreign carrier that is identified by the Commission under subsection (e) of this section to any port or place in the United States or the navigable waters of the United States, or shall detain any such vessel at the port or place in the United States from which it is about to depart for any other port or place in the United States.

"(g) Report.—The Commission shall include in its annual report to Congress—

"(1) a list of the twenty foreign countries which generated the largest volume of oceanborne liner cargo for the most recent calendar year in bilateral trade with the United States;

"(2) an analysis of conditions described in subsection (b) of this section being investigated or existing in such foreign countries;

"(3) any actions being taken by the Commission to offset such conditions; and

"(4) any recommendations for additional legislation to offset such conditions.".

(b) The table of contents of the Shipping Act of 1984 is amended by adding at the end the following:

"Sec. 23. Foreign laws and practices.".

At the end of page 19, add the following:

TITLE XLVI—FOREIGN SHIPPING PRACTICES

Sec. 4601. Short title.

Sec. 4602. Amendments.

MELCHER (AND OTHERS) AMENDMENT NO. 362

Mr. MELCHER (for himself, Mr. Exon, Mr. Karnes, and Mr. Burdick) proposed an amendment to the bill S. 1420, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . WHEAT GLUTEN.

(a) Findings.—Congress finds that—

(1) wheat gluten is a value-added wheat product that provides both high protein and culinary baking value;

(2) wheat gluten consumption is increasing with the heightened demand for whole grain and variety breads;

(3) import duties imposed on wheat gluten by foreign countries are significantly higher than those of the United States with the United States imposing a duty of 8.3 percent, the European Community imposing a duty of 50 percent, Japan imposing a duty of 25 percent, and Argentina imposing a duty of 35 percent;

(4) the existence of differing import duties results in a distortion of normal trade patterns for wheat gluten and appears to be resulting in an unusually high volume of wheat gluten being imported into the United States; and

(5) the abnormally high volume of imported wheat gluten is having an adverse economic impact on the United States wheat gluten industry.

(b) Declaration.—Congress declares that—

(1) the General Agreement on Tariffs and Trade (hereinafter referred to in this subsection as the "GATT") negotiation process should be utilized to achieve a significant reduction in the high tariffs imposed on wheat gluten by other countries;

(2) the Secretary of Agriculture should receive and give favorable consideration to industry proposals that involve the utilization of the agricultural export enhancement program established under section 1127 of the Food Security Act of 1985 (7 U.S.C. 1736v) and the targeted export assistance program established under section 1124 of such Act (7 U.S.C. 1736s);

(3) the Secretary of Agriculture should promote the use of wheat gluten to enhance wheat flour offered through various foreign food assistance programs to the maximum extent possible; and

(4) if the GATT negotiations are not successful in equalizing the import duties among participating countries, the President should aggressively take all appropriate steps to defend the domestic wheat gluten industry, including appropriate action under section 301 of the Trade Act of 1974 (19 U.S.C. 2411).

SEC. . REPORT ON WHEAT GLUTEN.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall, using available funds, submit a report detailing the impact of the current international tariff structure on the United States wheat gluten industry to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

WILSON (AND OTHERS) AMENDMENT NO. 363

Mr. WILSON (for himself, Mr. Pryor, Mr. McClure, Mr. Chiles, Mr. Cochran, Mr. Nickles, Mr. McCain, and Mr. Johnston) proposed an amendment to the bill S. 1420, supra; as follows:

On page 516, between lines 6 and 7, insert the following new section:

SEC. . JAPANESE BARRIERS AND TARIFFS ON UNITED STATES AGRICULTURAL EXPORTS.

(a) Findings.—Congress finds that—

(1) the United States imbalance with Japan reached a record $58,600,000,000 in 1986;

(2) the Japanese do not allow the importation of any American rice, which has become a source of friction between the two longtime allies;

(3) Japan's strict quota on rice causes the price of rice in Japan to remain 10 times higher than the price at which California rice could be shipped to Japan;

(4) the Japanese impose unreasonably high tariffs on American exports of beef and citrus making those products non-competitive in the Japanese market;

(5) there is a huge demand for products such as fresh vegetables, citrus, beef, nuts, and value-added agricultural products in Japan;

(6) the United States, as the largest supplier of agricultural goods to Japan, is in a position to supply those products;

(7) the United States has invoked GATT dispute settlement against Japanese import quotas on 12 categories, including peanuts, processed cheese, dry beans, non-citrus fruit juice, preserved or prepared beef, fruit purees and paste, and other commodities and products;

(8) Secretary of Agriculture Lyng and United States Trade Representative Yeutter recently visited Japan and returned without any major progress on the export of American agricultural commodities and the products thereof to Japan; and

(9) an advisory panel sanctioned by the Japanese Government has called for abolishing import curbs on agricultural products in view of the upcoming Uruguay Round of the General Agreement on Tariffs and Trade.

(b) Sense of Congress.—It is the sense of Congress that Japan should—

(1) liberalize the trade policies of Japan by lowering high tariffs and removing quotas on competitive agricultural exports of the United States; and

(2) perform the actions referred to in paragraph (1) in a prompt and timely manner to avoid any damage to the close relations between Japan and the United States.

NOTICES OF HEARINGS

COMMITTEE ON RULES AND ADMINISTRATION

Mr. FORD. Mr President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Tuesday, July 14, 1987, at 9:30 a.m., to receive testimony on the nomination of Dr. James H. Billington to be Librarian of Congress.

Individuals and representatives of organizations who wish to testify or submit a statement for the hearing record are requested to contact Bill Cochrane, senior adviser of the Rules Committee, on (202) 224-0275.

For further information regarding this hearing, please contact Mr. Cochrane.

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Thursday, July 23, 1987, at 9 a.m., to conduct a business meeting. On its executive agenda, the committee will be considering the nomination of James H. Billington to be Librarian of Congress, and the nominations for reappointment of Lee Ann Elliott and Danny Lee McDonald to be members of the Federal Election Commission for terms expiring April 30, 1993. The committee will also be marking up pending legislative and administrative items.

For further information regarding this business meeting, please contact Carole Blessington of the Rules Committee staff on (202) 224-0278.

Mr. FORD. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR-301, Russell Senate Office Building, on Wednesday, July 15, 1987, at 9 a.m., to receive testimony on the nominations for reappointment of Lee Ann Elliott and Danny Lee McDonald to be members of the Federal Election Commission for terms expiring April 30, 1993.

Individuals and representatives of organizations who wish to testify or submit a statement for the hearing record are requested to contact Jack Sousa, elections counsel of the Rules Committee, on (202) 224-5648.

For further information regarding this hearing, please contact Mr. Sousa.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON IMMIGRATION AND REFUGEE AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Immigration and Refugee Affairs of the Committee on the Judiciary, be authorized to meet during the session of the Senate on June 30, 1987, to hold a hearing on the midyear consultation on refugee programs, 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, MONOPOLIES, AND BUSINESS RIGHTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Monopolies, and Business Rights of the Committee on the Judiciary, be authorized to meet during the session of the Senate on June 30, 1987, to hold a hearing on the Antitrust Remedies Improvement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, to consider and act on a Marine Corps nomination list that is pending before the committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, in closed session to consider and act on a Marine Corps nomination list that is pending before the committee and on S. 1243, the Intelligence Authorization Act for fiscal years 1988 and 1989.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, to hold markup on S. 908, the Inspector General Act Amendments of 1987; H.R. 348, the postmasters and postal supervisors appeals rights bill; H.R. 1403, the John E. Grothberg post office building; and S. 1293, the Independent Counsel Reauthorization Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ENVIRONMENTAL PROTECTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Environmental Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on June 30, to mark up pending Clean Air Act legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, to hold a hearing on an ambassadorial nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, to receive testimony concerning S. 59, a bill entitled the "National Forests and Public Lands of Nevada Enhancement Act of 1987"; and S. 854, a bill entitled the "Nevada-Florida Land Exchange Authorization Act of 1987."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. BYRD. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, to receive testimony on the nominations of Milton J. Hertz of North Dakota, to be a member of the Board of Directors of the Commodity Credit Corporation and Ewen M. Wilson of Virginia, to be an Assistant Secretary of Agriculture for Economics and a member of the Board of Directors of the Commodity Credit Corporation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Tuesday, June 30, 1987, to receive testimony concerning S. 1388, the Federal Onshore Oil and Gas Leasing Act of 1987; and S. 66, the Federal Onshore Competitive Oil and Gas Leasing Act of 1987.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

MABEL WUNDERLICH TOUCHED MANY LIVES

● Mr. CHILES. Mr. President, I am sure that most of us can look back to our early years and without hesitation identify that person who gave us something to carry with us for the rest of our lives. For me and many others who grew up in Lakeland, FL, such a person was Mabel Wunderlich, whose heart was big enough to share with everyone but whose special passion was to help any person in need.

By her action she improved the lives and hopes of untold numbers over at least a half century of dedicated effort. By her example she created understanding of the real purpose of life that rippled throughout and well beyond our community.

So, her death June 15 at age 77 brings sadness to all of us who were enriched by her, even knowing sadness is an emotion her cheerful and optimistic nature never condoned.

As a teacher, a counsellor, an organizer, a community worker, she was never a judgmental person of those whose lives she sought to better. Compassion, understanding, support, teaching and guidance marked her efforts.

I know of no one who deserved recognition and accolades more and sought them less. But I cannot pass up this opportunity to hold up Mabel Wunderlich's life and qualities as a challenge to all of us.

Mr. President, I ask that the obituary from the Lakeland, Ledger newspaper, recounting but a few of Mabel Wunderlich's contributions, be included in the RECORD.

The article follows:

MABEL WUNDERLICH, POLK EDUCATOR, VOLUNTEER DIES

LAKELAND.—Mabel Everns Wunderlich, who organized and supervised the special education program for Polk County schools, died Monday at the age of 77.

The Lakeland resident, whose friends and family remember her for her never-ending willingness to aid others, organized numerous civic organizations and was the first president of the American Cancer Society unit in Polk County.

"She was forever a do-gooder," said Mary Bomar, a friend and neighbor of Wunderlich for 25 years.

"She was a grand lady who would do anything for anybody," her nephew Harold Fulton said. "I will remember her for always being there when whe was needed. It seemed that time and effort were never an object to her."

Wunderlich, who came to Lakeland 60 years ago, was an honor graduate of Florida Southern College. She received her bachelor's degree in 1930 and received a master's degree in 1949.

Her list of awards and honors include organizing a Junior Red Cross in Polk County; being the first student president of Pi Gamma Mu, an honorary national fraternity and being a member of the first board of The Lakeland Girls Club and The Central Florida Speech and Hearing Center. She was also a member of Eastern Star, Lakeland, Chapter No. 26.

In 1962 her dedication to the community won her the title of Lakeland Woman of the year.●

HORTENSE MYERS: FIRST LADY OF INDIANA JOURNALISM

● **Mr. LUGAR.** Mr. President, an Indiana journalism legend was laid to rest today. Mary Hortense Powner Myers—or simply Hortense, as she was known throughout her 45 years covering Indiana politics for United Press International and its forerunner International News Service—died last Thursday night in Williamsburg, VA.

Hortense was in Williamsburg at the time of her death to attend the National Federation of Press Women's 50th anniversary convention, a traditional pilgrimage for her. What she did not know was that she was to be honored with the NFPW President's Award, the highest recognition the organization bestows. I was among many people asked to secretly write letters for a scrapbook that was to have been presented with the award. Several of her relatives, including her son, Mark, of Indianapolis, were planning to attend the ceremony without letting on to Hortense. As far as anyone knows, Hortense never learned about the surprise.

One of the great pleasures of running for elective office in Indiana was being covered by Hortense. Her questions were always thoughtful and relevant; her reporting, never less than balanced. It is no coincidence that she was in demand to teaching aspiring journalists at Indiana colleges during her distinguished career.

Announcement of her retirement in 1981 was met with disappointment soon tempered with the realization that "retirement" was nothing more than a word to Hortense. She continued to write a weekly column on State politics for UPI and remained an important figure to Hoosiers who followed Indiana politics. Her final column was completed only a few days prior to her death.

Hortense was more than an outstanding professional. She was renowned for her generosity of time, support, and interest in others. In short, Hortense was a "giver," both in her work and in her daily life. Her death is a terrific blow in both respects.

In addition to my comments, Mr. President, I have submitted for the RECORD an obituary which ran in the Indianapolis News last Friday, two poignant tributes to Hortense from the Indianapolis Star and News and her last column which appeared in UPI newspapers across Indiana over the weekend.

The material follows:

[From the Indianapolis News, June 26, 1987]

HORTENSE MYERS, WAS UPI REPORTER

Mary Hortense Powner Myers, 73, retired United Press International reporter and the first female member of the Indiana Journalism Hall of Fame, died Thursday at Williamsburg, Va.

Mrs. Myers, Indianapolis, suffered a heart attack at the 50th annual convention of the National Federation of Press Women.

She was slated to receive the National Federation of Press Women's President's Award during a special ceremony Saturday honoring her many years of service and dedication and her work on the group's convention. The award was to be a surprise.

Mrs. Myers was a full-time professional journalist for nearly four decades. She retired in 1981 but continued to put in 40-plus-hour weeks volunteering, teaching, reporting and writing.

"She was totally devoted to journalism and always a great journalist." said Eugene S. Pulliam, publisher of the The News and The Star.

Mrs. Myers began her career at the Old Trail News and spent seven years at the Westside weekly, which folded in 1942.

She joined International News Service in 1942 in Indianapolis. In 1958 INS merged with United Press and Mrs. Myers stayed with UPI, specializing in Statehouse coverage.

Although she retired in 1981, Mrs. Myers still wrote two columns a week for UPI. One column dealt with family living and the other was on the subject she probably loved most—politics.

"UPI has lost one of the greatest reporters it ever had," said Helen Thomas, UPI White House manager who during many trips to Indianapolis stayed with Mrs. Myers. "She personified the best in journalism and the highest integrity in reporting. She was respected by everyone she came in contact with."

Mrs. Myers, a graduate of Butler University, returned to her alma mater after retiring to teach journalism. She also taught at Indiana University-Purdue University at Indianapolis.

She was the first female president of the Indianapolis Press Club and Society of Professional Journalists, Sigma Delta Chi, Indiana Chapter. She was named Sagamore of the Wabash by four Indiana governors.

She won the Frances Wright Award from Women in Communication Inc. in 1960 and the Kate Milner Rabb Award for outstanding contributions in journalism by an Indiana Woman from the Women's Press Club of Indiana in 1965.

The Indianapolis Press Club named her Indiana Newsman of the Year in 1972.

She was inducted into the Indiana Journalism Hall of Fame in 1975 and the Indiana Academy in 1977.

In 1981, she was named Professional Woman of the Year by Indianapolis service clubs and received the Press Club President's Award and an award from the Indiana State Police for service to the public.

UPI Indiana subscribers created the Hortense Myers Award in 1982. That year, she also won the Ball State University Indiana Journalism Award.

Mrs. Myers had co-authored with Robert Thompson "Robert F. Kennedy—The Brother Within." She also co-authored six books in the Childhood of Famous Americans series.

She was a member of Shiloh United Methodist Church in Hendricks County and a director of the Indiana Council of Churches.

She was the widow of Stanley Myers.

Services are being arranged through Hampton Gentry Funeral Home in Plainfield.

Memorial contributions may be made to the Hortense Myers Scholarship Fund at the I.U. School of Journalism at IUPUI.

Survivors—son Mark Myers; brother Walter Joseph Powner Jr.; sisters Jessie Thomas, Phyllis Storm.

[From the Indianapolis News, June 26, 1987]

HORTENSE MYERS

If ever there was the personification of the consummate journalist in Indiana, Hortense Myers was it.

Energetic, probing, disheveled, operating on a perpetual deadline. Mrs. Myers covered the people, politics and places of Indiana with dedication, zeal, skill and grace for 39 years with the old International News Service and then with United Press International.

She was UPI Statehouse and political writer in 1981 at the time of her *ostensible* retirement. But, retirement was a concept

Mrs. Myers never understood, as she continued actively writing and teaching right up to the end.

At the time of her death, at age 73, she was attending a convention of the National Federation of Press Women, where she was being awarded the federation's President's Award, the highest honor bestowed by the organization.

As Edward Ziegner, retired political reporter for The Indianapolis News, noted, "Hortense invented the 38-hour day, she worked so hard."

Jack Averitt, the News statehouse reporter, who worked with her for much of her career, summed it up: "Oh, she was a great lady. She enjoyed life. She was liked by and respected by every newspaper editor and reporter in the state.

"She will be missed."

She will, indeed.

[From the Indianapolis Star, June 27, 1987]

Hortense Myers

Hortense Myers, a tornado of energy who kept a sunny disposition through four decades of covering Indiana news, is dead at 74. She retired in 1981 but never stopped working.

Many stories were uphill work for a woman when she started with the old International News Service, but Hortense never backed off from any task. After she joined United Press International, she was for almost 20 years the mainstay outside reporter on Indiana politics and state government.

For years she produced two weekly columns plus a torrent of daily-deadline copy. She was a principal factor. In Indiana UPI remaining competitive in times of stern economics. She co-authored five books and taught writing.

Hortense Myers was the first woman president of the Indianapolis Press Club, a journalist to the core, and a friend of thousands. It is fitting that when her time came she was at the convention of the National Federation of Press Women. The group has bestowed its highest honor on this great Indiana newswoman.

[From the Indianapolis Star, June 28, 1987]

She Linked State to Statehouse: Hortense Myers' Last Column Was Typical

(For many Hoosiers outside Indianapolis, the reporting of Hortense Myers for United Press International was their link to the state capital.

(Her stories, analysis pieces and weekly political columns were printed in daily and weekly newspapers throughout the state since 1958.

(Mrs. Myers, for decades, was one of but a handful of full-time, Statehouse-based reporters.

(She died Thursday evening, apparently of a heart attack, in Williamsburg, Va., where she was attending the National Federation of Press Women national convention.

(Because Indianapolis newspapers have their own state government and political reporters, her work was rarely published locally. But her articles were required reading for politicians and reporters in Indianapolis.

(After her retirement in 1981 from daily reporting, UPI subscribers demanded she continue writing her weekly look at politics and a column on family life. And she did.

(Six hours before her death Thursday, UPI sent to its subscribers what is now her final "Hoosier Politics" column.)

(By Hortense Myers)

Indiana's political expertise is scattered among many potential presidential candidates.

The line is long of those under discussion for a 1988 presidential bid and Hoosiers will get to hear and see a considerable number of them during the next few weeks.

Come next May, when Indiana voters indicate their presidential preferences, the number will be reduced drastically.

But for the present, the situation among both Republican and Democratic politicos sounds like "let's be nice" to all of them. At least eight candidates, and probably more, already have well-regarded state political leaders heading their Indiana campaign.

Vice President George Bush has some heavyweights from Indiana helping him. GOP National Committeeman Don Cox of Evansville is the Bush state chairman. Former National Committeeman L. Keith Bulen, an Indianapolis attorney, is a senior adviser to the Bush national committee. Dr. Dennis Nicholas, Indianapolis physician, is on his state committee.

Nicholas headed President Reagan's successful Indiana primary campaigns in 1976, 1980 and 1984, and Bulen was a key adviser to Mr. Reagan's presidential campaigns.

Bulen says of Bush: "He is the frontrunner. He's got larger name recognition and hardly anybody quarrels with his qualifications and experience."

Veteran Hoosier politico Orvas E. Beers, Allen County GOP chairman, heads the Indiana organization for U.S. Senate Republican Leader Robert Dole of Kansas. Dole was the 1976 GOP nominee for vice president.

Seventh District Republican Chairman Robert J. Poor of Cloverdale has a similar role for New York Rep. Jack Kemp. Poor put into focus the GOP attitude about spreading around the wealth of political expertise among presidental candidates.

"I can support any Republican candidate, but I prefer Jack Kemp," Poor said, "I was a Reagan backer back when he was governor of California, so I guess I'd have to say Jack Kemp is more my personal philosophy line. But I am far from speaking ill of any of them."

Indianapolis lawyer Daniel F. Evans is lending his years of political experience to former Delaware Gov. Pierre "Pete" du Pont, who announced for the presidency Sept. 16, 1986.

Indianapolis-Marion County Council President Beurt SerVaas is a key Indiana supporter of an unannounced Republican candidate, the Rev. Pat Robertson.

The Democratic clergy candidate—the Rev. Jesse Jackson—has Gary Mayor Richard Hatcher as his national chairman. Sen. Julia Carson and Rep. William Crawford, Indianapolis Democrats, are state co-chairmen of the Jackson for President Exploratory Committee.

Former Indiana Rep. Floyd Fithian is a key administrator in the Simon-for-President headquarters in Washington. Fithian had been on the staff of U.S. Sen. Paul Simon, D-Ill. before Simon launched his presidential candidacy May 18.

Massachusetts Gov. Michael Dukakis, who some national pollsters see as a beneficiary from the withdrawal of Gary Hart from the Democratic presidential race, has Ed Mahern of Indianapolis as his state coordinator.

Dukakis is the only mainline presidential candidate to have filed a statement of candidacy with Indiana Secretary of State Evan Bayh as of Tuesday. Former secretary of state Alexander M. Haig, who was Richard Nixon's last chief of staff, has queried the office about requirement for getting on the Indiana ballot.

But otherwise, the presidential committee filings at the Indiana Statehouse are those of a couple people most Hoosiers might not recognize. They are Larry Joe Buffington of Benton, Ark., a Democratic candidate, and Ronald E. Paul of Lake Jackson, Texas, a Libertarian candidate.

Hoosiers will have a chance in the next few weeks to meet several other presidential candidates they have read and heard about in the news media.

Dole is the speaker for the Republican State Dinner July 6 in the Indiana Convention Center in Indianapolis. Dole also is among the speakers scheduled for the National Association of Counties convention July 11-14, and for the National Conference of State Legislatures July 26-31, both in the convention center.

Other speakers scheduled for the counties convention include Dukakis, Simon and Sen. Albert Gore Jr., D-Tenn. Jackson is a possible speaker. Crawford said Jackson's Rainbow Coalition also might meet in Indiana in October.

Other speakers for the NCSL include Jackson and New York Gov. Mario M. Cuomo, in addition to Dole. Tentatively slated to appear before the lawmakers from 50 states are Dukakis and U.S. Rep. Richard Gephardt of Missouri.

Cuomo is not an announced candidate for president but he sure is being helpful to Indiana Democrats. He also will be the chief attraction at the annual Jefferson-Jackson Day Dinner of the party July 28.●

STEVEN BOGART

● Mr. LEAHY. Mr. President, Vermont is the eighth smallest State in size and the third smallest in population, but Vermonters come from all walks of life. They also have a special talent for thinking of unique ways to make a living, even in out-of-the-way places where there aren't a lot of jobs to pick and choose from.

Steve Bogart of Worcester is one of those individuals who has figured out how to live in a beautiful rural State and still do what he loves and does best—cook authentic Chinese food.

Steve has been fascinated by Chinese culture and Chinese cooking all his life. He has taught himself to read and speak Chinese, and last year saved enough money to travel to China with other Chinese chefs from the United States. He has even outfitted his Chevrolet van as a Chinese kitchen, and caters delicious Chinese dinners to the lucky people living in the Worcester area.

The April 1987 edition of Yankee magazine featured Steve in an article on "Great New England Cooks," and I ask that it be printed in the Record.

The article follows:

Steve Bogart, Worcester, Vermont

(A housepainter by trade, his passion for Chinese food and culture led him to outfit a van as a complete Chinese kitchen, capable of producing a 16-course meal anywhere he can drive to. By Susan Mahnke Peery.)

On a windblown hill in the Green Mountains north of Montpelier, in a tidy handmade house sheltered by a stand of red pine, works an extraordinary cook. A housepainter by trade and a chef by every call of the spirit, Steve Bogart has been fascinated with Chinese food and culture since he was a boy. Now at 38 he is renowned locally and among his peers in the cooking trade as a skilled creator of authentic Chinese food. He has taught himself to read and speak Chinese and last year scraped together the money to travel to China on a real cook's tour with 16 other chefs from the United States. "Many people have said I must have been Chinese in a previous life," Steve says about his preoccupation with China. "I just can't explain how much it means to me."

Forget the food you may have eaten in any one of dozens of Chinese restaurants where, Steve says, cooks turn out the food that they think Americans expect, often into the rapid stir-frying of food, he explained some of the cultural reasons for the characteristics of Chinese cooking. Because the country has had chronic fuel shortages, quick cooking methods developed—steaming and stir-frying of food, and careful sizing of the pieces for fast and uniform cooking (most Chinese food is named by its size, and its written Chinese character denotes its shape). Meat and dairy products are not readily available (most Chinese have a lactose intolerance), and the cuisine emphasizes high carbohydrates, use of vegetable protein, and a lowfat, low-cholesterol diet. Few people have refrigerators, so many common ingredients are dried or canned. Philosophical beliefs about beauty and balance in all aspects of life result in meals cooked with a variety of methods and consisting of many different foods, attractively presented.

Steve continues to expand his repertoire of Chinese foods and his study of the language and culture. He found on his trip to China last year that he could understand the language to some extent and also was familiar with everything he was eating (including one platter of batter-fried shrimp with little dark seeds that turned out to be medicinal ants), so he became a guide to the other chefs on the tour. In one kitchen, his hosts led him to the work range and told him to cook: he looked around, saw what ingredients were available, and made shrimp in a Sichuan sauce. Steve said that he quickly discovered that Chinese cooks tend to arrange their table of ingredients and condiments almost exactly the way he has his at home, so he felt quite familiar in Chinese kitchens.

Steve does much of the cooking at home for his family, which includes his wife Debbie (who has been a vegetarian for more than 16 years) and their boys Peter (8) and Chris (5), who have been heard to groan at the thought of eating Chinese food again (and are therefore totally normal kids). We, on the other hand, finalged a totally unnecessary trip back to Worcester solely for the purpose of eating more of Steve's wonderful food. We practically ate enough to stuff an emperor and had we been a little handier with the chopsticks would have exceeded all bounds of moderation. The yin and the yang all came out fine, though.

If you try only one thing, let it be Sweet and Pungent Walnuts. If you try two things, do the walnuts and also the Watercress with Garlic (very simple). After that, as Confucius probably said, just go for it.●

BUDGET SCOREKEEPING REPORT

● **Mr. CHILES.** Mr. President, I hereby submit to the Senate the budget scorekeeping report for this week, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.9 billion in budget authority, but over in outlays by $13.3 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, June 29, 1987.

Hon. LAWTON CHILES,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of congressional action on the budget for fiscal year 1987. The estimated totals of budget authority, outlays, and revenues are compared to the appropriate or recommended levels contained in the most recent budget resolution, Senate Concurrent Resolution 120. This report meets the requirements for Senate scorekeeping of Section 5 of Senate Concurrent Resolution 32 and is current through June 26, 1987. The report is submitted under section 308(b) and in aid of section 311 of the Congressional Budget Act, as amended. At your request this report incorporates the CBO economic and technical estimating assumptions issued on January 2, 1987.

Since my last report, Congress has completed action on H.R. 2166, Small Business Administration Program and authorizing amendments, changing budget authority in fiscal year 1987.

With best wishes,
Sincerely,

EDWARD M. GRAMLICH,
Acting Director.

CBO WEEKLY SCOREKEEPING REPORT FOR THE U.S. SENATE, 100th CONGRESS, 1st SESSION, AS OF JUNE 26, 1987

[Fiscal year 1987—in billions of dollars]

	Current level [1]	Budget resolution S. Con. Res. 120	Current level +/− resolution
Budget authority	1,089.4	1,093.4	−3.9
Outlays	1,008.3	995.0	13.3
Revenues	833.9	852.4	−18.5
Debt subject to limit	2,178.2	[2] 2,322.8	−44.6
Direct loan obligations	42.5	34.6	8.0
Guaranteed loan commitments	140.5	100.8	39.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval. In addition, estimates are included of the direct spending effects for all entitlement or other programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

[2] The current statutory debt limit is $2,320 billion.

FISCAL YEAR 1987 SUPPORTING DETAIL FOR CBO WEEKLY SCOREKEEPING REPORT U.S. SENATE, 100th CONGRESS, 1st SESSION AS OF JUNE 26, 1987

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous session:			
Revenues			833,855
Permanent appropriations and trust funds	720,451	638,771	
Other appropriations	542,890	554,239	
Offsetting receipts	−185,071	−185,071	
Total enacted in previous sessions	1,078,269	1,007,938	833,855
II. Enacted this session:			
Water Quality Act of 1987 (Public Law 100–4)	−4	−4	
Emergency Supplemental for the Homeless (Public Law 100–6)	−7	−1	
Surface Transportation and Relocation Act (Public Law 100–17)	10,466	−80	2
Technical Corrections to FERS Act (Public Law 100–20)	1	1	
Prohibited entrance fees at the Statue of Liberty Monument (Public Law 100–55)	1	1	
Total enacted this session	10,457	−83	2
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses: SBA Program and authorization amendments (H.R. 2166)	43		
V. Entitlement authority and other mandatory items requiring further appropriation action:			
Special milk	6	3	
Veterans compensation	173		
Readjustment benefits	9		
Federal unemployment benefits and allowances	33	33	
Advances to the unemployment trust funds [2]	(3)	(3)	
Payments to health care trust funds [2]	(224)	(224)	
Family social services	110		
Medical facilities guarantee and loan fund	5	4	
Payment to civil service retirement and disability fund [2]	(33)	(33)	
Coast Guard retired pay	3	3	
Civilian agency pay raises	358	373	
Replenishment of disaster relief funds [2]	57	50	
Total entitlements	754	467	
Total current level as of June 26, 1987	1,089,437	1,008,322	833,857
1987 budget resolution (S. Con. Res. 120)	1,093,350	995,000	852,400
Amount remaining:			
Over budget resolution		13,322	
Under budget resolution	3,913		18,543

[1] Included at request of Senate Budget Committee.

[2] Interfund transactions do not add to budget totals.

Note.—Numbers may not add due to rounding.●

AN ENVIRONMENTAL ASSESSMENT

● **Mr. STAFFORD.** Mr. President, the environmental movement in the United States is almost 20 years old, by most standards, and it has produced some major gains in the quality of our air and water and earth.

But, we still have a long way to travel before our air and water and earth are as healthy as they must be to guarantee continued healthful survival of the inhabitants of this planet.

This week, the Environmental Protection Subcommittee of the Committee on Environment and Public Works has started to mark up the amendments to the Clean Air Act that will help to shape the quality of our air for the rest of the 20th century.

Thus, this is a good time to pause to attempt to make an assessment of where we were, what we have been doing and where we seem to be going in our quest for a healthier environment.

Barry Commoner, an uncommon man and an environmental champion long before it was fashionable to do that sort of thing, has authored a thoughtful and thought-provoking assessment of the State of the environment in this country that should be of interest to every American. That article appeared in the June 15, 1987, issue of the New Yorker magazine and I ask that the article be printed in the RECORD.

The article follows:

A REPORTER AT LARGE: THE ENVIRONMENT

(By Barry Commoner)

In the past few decades, the United States has witnessed a series of remarkable popular movements, the most prominent being the movements for civil rights, for the equality of women, for peace, and for the environment. People who have participated in these efforts are prone to reflect after a time on what has been accomplished. In the case of the civil-rights, women's, and peace movements, this is a subtle task, involving social processes that are not readily converted to "objective" numerical trends. To assess the impact of the environmental movement is easier, for the quality of the environment can be expressed in terms of generally unambiguous measurements: the changes, since the birth of the movement, in the amounts of harmful pollutants in the air or the water, or, for that matter, in our bodies; in the populations of fish or birds that have suffered environmental harm; in the efficacy of control measures.

The environmental movement is old enough now—its birth can be dated from the enthusiastic outburst of Earth Day, in April of 1970—to be held accountable for its successes and failures. Having made a serious claim on public attention and on the nation's resources, the movement's supporters cannot now evade the troublesome, potentially embarrassing question: What has been accomplished? Concern with the environment and efforts to improve it are today worldwide, but the United States is the place where the environmental movement first took hold, and where the earliest efforts were made, so it is a good place to look for answers. Since the early nineteen-seventies, the country has had basic laws that are intended to eliminate air and water pollution and to rid the environment of toxic chemicals and agricultural and urban wastes. National and state environmental agencies have been established; billions of dollars have been spent; powerful environmental lobbies have been created; local organizations have proliferated. Environmental issues have taken a permanent place in our political life.

In one respect, all this activity has clearly achieved an important success; we now know a good deal more about the state of the environment than we used to. In the last fifteen years, the United States has established monitoring systems that record the annual changes in environmental quality, and these give us an indication of what has happened in the environment since the effort to improve it began. The amounts of different pollutants that are emitted into the environment each year can be estimated fairly accurately for the nation as a whole from technical data on the behavior of cars, power plants, factories, and farms, though such measurements do not reveal the levels of pollutants that people actually encounter, which may differ a great deal, depending on how far they live from the pollutants' source. Local concentration of some common pollutants—for example, the amount of dust or sulfur dioxide per cubic metre of air—are measured by a network of air-sampling devices that are stationed at fixed points, chiefly in cities, but the resultant information is spotty and not readily translatable into an average national trend. Water taken from rivers, lakes, underground sources, and wells is also analyzed from time to time for chemical and biological pollutants, but, again, the results are necessarily discrete and localized. Finally, there are less comprehensive measurements that determine the amounts of certain pollutants, such as pesticides, that have been taken up by wildlife, especially fish and birds, and there are also a few corresponding analyses of pollutants carried in the bodies of the human population.

The nation's basic environmental law, the National Environmental Policy Act of 1969, assigns to the federal Council on Environmental Quality the task of reporting this data. Unfortunately, among the first of the Reagan Administration's many cuts in domestic programs was a sixty-two per cent reduction in the C.E.Q. budget, which has diminished its reports, especially on water pollution. Nevertheless, by rounding out the C.E.Q. reports with special ones produced by various other government agencies it is possible to piece together a picture of how the environment has fared in the last ten or fifteen years.

Information about the trends in air pollution is available from annual reports published by the Environmental Protection Agency for the years between 1975 and 1985. (Data earlier than 1975 tend to be unreliable, because measurements were not standardized.) The E.P.A. reports describe changes in the emissions and local concentrations of the major airborne pollutants: particulates (dust), sulfur dioxide, lead, nitrogen oxides, volatile organic compounds, and ozone, a key ingredient of photochemical smog. One striking fact immediately emerges from the monitoring data: it is indeed possible to reduce the level of pollution sharply, for between 1975 and 1985 total annual lead emissions decreased by eighty-six per cent, and airborne concentrations of lead at national test sites have been correspondingly reduced. Lead, a notoriously toxic metal, has been responsible for serious health effects, such as mental retardation, especially among children living in heavily polluted areas. People have benefitted from the reduced emissions: the average lead levels in the blood of Americans decreased by thirty-seven per cent between 1976 and 1980.

The successful effort to reduce lead pollution only accentuates the failure to achieve a comparable reduction in the emissions of the other air pollutants, which, on the average, decreased by only thirteen and two-tenths per cent between 1975 and 1985. Of these pollutants, dust emission have improved most—about thirty-two per cent—although actual concentrations in the air at some fifteen hundred test sites have improved somewhat less. But the annual improvements came to a halt in 1982, and since then emission levels of particulates have increased: they rose by more than four per cent between 1982 and 1985.

Sulfur dioxide is a particularly serious pollutant, for it diminishes the respiratory system's ability to deal with all other pollutants. It is also a major contributor to acid rain. Between 1975 and 1985, total sulfur-dioxide emissions declined by nineteen per cent, most of the change occurring between 1975 and 1981; since then, emissions have remained essentially constant. Average concentrations at national test sites improved somewhat more, in part because new power plants—a major source of sulfur dioxide—are being built outside urban areas, while most of the test sites are inside urban areas.

Carbon monoxide, a pollutant that causes respiratory problems, is produced chiefly by cars, trucks, and buses, and the effort to deal with it is based on control systems that reduce emissions from automobile exhausts. (The control devices also reduce waste-fuel emissions.) Total annual carbon-monoxide emissions decreased by fourteen per cent between 1975 and 1985, but between 1982 and 1985 they increased. In a number of cities, including New York, the levels of carbon monoxide still violate E.P.A. standards.

Photochemical smog, a complex mixture, is created when nitrogen oxides emitted from automobile exhausts and power plants are converted by sunlight into highly reactive molecules and these combine with waste fuel to form ozone and other noxious chemicals. The total emissions of nitrogen oxides increased by four per cent between 1975 and 1985. Ozone is not emitted as such but is formed in the air during smog reactions. Concentrations at national test sites decreased by fifteen per cent between 1975 and 1981, but have not changed since.

The noxious smog chemicals are responsible for serious health hazards; people with heart or respiratory problems are routinely warned to stay indoors during "smog alerts." This hazard is now more or less accepted as an unavoidable aspect of urban life. In some places, improvements in smog levels have been achieved by reducing traffic; yet smog continues to threaten health. For example, in Los Angeles, the worst-afflicted city, between 1973 and 1977 residents were subjected each year to at least two hundred and fifty days in which smog was at levels classified as "unhealthful," with more than a hundred and twenty-five of these classified as "very unhealthful." In most large American cities, residents are still exposed to unhealthful smog levels for fifty to a hundred and fifty days each year.

One consequence of air pollution is acid rain. In keeping with the ecological rule that everything has to go somewhere, sulfur dioxide and nitrogen oxides, once they have been emitted into the air, are picked up by rain and snow and brought down to earth in the form of sulfates and nitrates. Both these substances increase acidity, and in recent years many lakes—especially in the northeastern United States and Canada, but also in Europe—have become more acid. In some of these lakes, serious biological changes have occurred, often involving the virtual elimination of fish populations. In cities, acid rain erodes buildings and monuments.

Because scrubbers and the increased use of low-sulfur coal have reduced sufur-dioxide emissions at coal-burning power plants, while emissions of nitrogen oxides from power plants and automotive vehicles have increased, there has been a noticeable shift in the relative contributions of these pollutants to acid rain. Reports from Hubbard Brook, a research station in New Hampshire, where acidity problems have been studied for a long time, show that as the sulfate content of precipitation declined by twenty-seven per cent betwen 1964 and 1981 the nitrate content increased by a hundred and thirty-seven per cent. Not much improvement can be expected in the acid-rain problem, given the negligible improvement in sulfur-dioxide emissions and the rising emissions of nitrogen oxides.

The ecological processes that govern the quality of surface waters are more complex than the chiefly chemical events that govern air pollution. A basic reason for the pollution of surface waters—rivers and lakes—as well as inshore marine waters is the stress placed on the natural ecological cycles that, if they are kept in balance, maintain water quality. If inadequate sewage-treatment systems dump excessive organic matter into a river or a lake, the accompanying fecal bacteria threaten health. As the excess organic matter is broken down by aquatic microorganisms, they may consume so much oxygen that fish begin to die. If urban and industrial waste and runoff from agricultural areas increase nitrate and phosphate concentrations beyond the levels maintained by a balanced cycle, eutrophication occurs. Heavy algal blooms are formed and soon die, burdening the system with excessive organic matter and reducing oxygen content. In addition, high nitrate levels in drinking water may create health problems such as methemoglobinemia (a condition that reduces the oxygen-carrying capacity of the blood, especially in infants) and may contribute to the formation of carcinogens. Toxic chemicals only add to these harmful effects.

In the last decade, particular rivers and lakes here and there have been cleaned up by closing sources of pollution and building new sewage-treatment plants. Yet in that period, nationally, there has been little or no over-all improvement in the levels of the five standard pollutants that determine water quality: fecal coliform bacteria, dissolved oxygen, nitrate, phosphorus, and suspended sediments. A recent survey of the trends in pollution levels between 1974 and 1981 at nearly four hundred locations on major American rivers shows that there has been no improvement in water quality at more than four-fifths of the tested sites. For example, the levels of fecal coliform bacteria decreased at only fifteen per cent of the river stations, and increased at five per cent. At half the locations, the bacterial count was too high to permit swimming, according to the standard recommended by the National Technical Advisory Committee on Water Quality Criteria. Levels of dissolved oxygen, suspended sediments, and phosphorus improved at thirteen to seventeen per cent of the locations, but deteriorated at eleven to sixteen per cent of them. The most striking change—for the worse—was in nitrate levels: increases were observed at thirty per cent of the test stations and decreases at only seven per cent. Agricultural use of nitrogen fertilizer is a main source of this pollutant; in rivers that drain cropland, the number of sampling stations that report rising nitrate levels is eight times the number reporting falling levels. Another major source is nitrogen oxides emitted into the air by vehicles and power plants and deposited in rain and snow as nitrate; this accounts for increased river nitrate levels in the Northeast, despite the relative scarcity of heavily fertilized acreage in that area. The survey also shows that there was a sharp increase in the occurrence of two toxic elements, arsenic and cadmium (a cause of lung and kidney damage), in American rivers between 1974 and 1981; but, as expected from the reduced automotive emissions, the occurrence of lead declined.

An over-all assessment of the changes in these standard measures of water quality can be gained from the average trends. For the five standard pollutants, the frequency of improving trends averaged 13.2 per cent; but the frequency of deteriorating trends averaged 14.7 per cent; thus, at more than four-fifths of the test sites, over-all water quality deteriorated or remained the same. In sum, the regulations mandated by the Clean Water Act, and more than a hundred billion dollars spent to meet them, have failed to improve water quality in most rivers. The relatively few locations that have improved are more than cancelled out by the locations that have deteriorated. Moreover, the occurrence of three serious pollutants—nitrate, arsenic, and cadmium—has increased considerably.

One of the chief symptoms of the environmental crisis in the early nineteen-seventies was eutrophication, especially in lakes. Lake Erie provided a dramatic example. The lake received an enormous burden of inadequately treated sewage and phosphate-rich detergents from the cities surrounding it, and chemical plants contributed mercury and other toxic materials as well. Rivers carried nitrate and eroded soil into the lake from heavily fertilized farms. By the nineteen-sixties and seventies, especially in its western regions and along the shoreline, Lake Erie was exhibiting the classic signs of eutrophication: heavy algae overgrowths, epidemics of asphyxiated fish, and sharply declining fish catches. Because of its notoriety as a "dying lake," Lake Erie has been intensively studied in the last decade, and the results have been evaluated by elaborate statistical techniques; the most detailed data are given in a recent lengthy E.P.A. report. This report makes a telling comparison of pollution levels along various reaches of the western lakeshore, where eutrophication had been particularly troublesome. In 1972 and 1973, three of twenty-one shoreline regions were classified as entirely or partly eutrophic; in 1978 and 1979, eutrophication was more widespread, affecting twelve of twenty-one shoreline regions.

According to the E.P.A. report, the rate of oxygen depletion in the central basin of Lake Erie increased by fifteen per cent between 1970 and 1980, following a trend that went back as far as 1930. The entry of phosphates from certain city sewage systems has declined, as a result of campaigns to reduce the use of phosphate-containing detergents—probably the most successful such effort, in Detroit, reduced phosphate concentrations in the Detroit River by nearly seventy per cent between 1971 and 1981—but the acquisition of phosphates from all the rivers entering the lake was reduced much less; only four of twelve test sites showed any improvement. Over all, phosphates entering Lake Erie decreased by about a third between 1972 and 1982. The same E.P.A. report also records the catch of commercial fish from 1920 to 1980. The once valuable catch of herring and whitefish dropped off sharply after 1950, and by 1960 it was close to zero. The E.P.A. report showed that the catch had not recovered between 1960 and 1980.

In 1970, Lake Erie was widely mourned as a dying lake, and serious efforts were made to revive it. Yet nearly two decades after our environmental reawakening Lake Erie, despite some limited improvements, remains a flagrant example of environmental pollution. The condition of less famous lakes is just as bad. This is particularly true of lakes in heavily farmed areas, where nitrogen and phosphorus fertilizers leach from the soil into rivers and lakes. A 1982 survey found that a hundred and seven lakes in Iowa all were eutropic, and so were more than eighty per cent of the lakes in Ohio and Pennsylvania. A national survey of changes in water quality between 1972 and 1982 showed almost no progress in lakes. Only 2.4 per cent of total lake acreage improved; 10.1 per cent became more degraded; 62.1 per cent was unchanged; no reports were available for the remainder.

About fifty per cent of the population of the United States depends on underground sources—groundwater—for its drinking water. The United States Geological Survey and state agencies monitor the quality of groundwater by testing wells throughout the country. The results, based on readings from more than a hundred thousands wells, show that in the past twenty-five years these sources have become increasingly polluted by nitrates and toxic chemicals. Fertilizer was chiefly responsible for the rising nitrate levels. In Nebraska, a 1983 survey showed that eighty-two per cent of the wells over the nitrate limit established by health authorities (ten milligrams per litre of nitrogen in the form of nitrate) were contaminated by fertilizer nitrogen. In California's Sacramento Valley, a very heavily cropped area, nitrate contamination of wells has been monitored for a long time. In the fifty-year period following 1912, the percentage of wells with excessive nitrates (defined as five and half milligrams per litre) approximately doubled. More recently, the percentage of wells with excessive nitrates doubled again—this time in only a four-year period, between 1974 and 1978. The major source of the nitrates is nitrogen fertilizer leaching from irrigation water. A similar trend has been observed in Iowa. In 1984, the Geological Survey summarized the situation: "Current trends suggest that nitrate accumulations in groundwater of the United States will continue to increase in the future."

Fifteen years ago, public-opinion polls on environmental issues showed that most people were worried about water and air pollution—especially smog. Now, even though these problems remain largely unsolved, polls show that as a public concern air and water pollution runs behind a new environmental threat—toxic chemicals. In the early nineteen-seventies, this problem was due largely to agricultural products—insecticides, herbicides, and fungicides. DDT and similar chlorinated insecticides were the most notorious examples. In 1972, the use of DDT and related insecticides was banned in the United States because they were shown to promote cancers and also to be a hazard to wildlife. One of the most noticeable effects of DDT was the decline in bird populations; DDT interferes with the biochemistry of reproduction, making eggs thin-shelled and thus easily destroyed before they hatch. Banning the use of DDT has been very effective. For example, between 1969 and 1975 the average DDT content of brown pelicans in South Carolina decreased by seventy-seven per cent, and by 1976 the number of fledglings more than tripled. People have benefitted as well: between

1970 and 1983, average DDT levels in body fat in the American population decreased by seventy-nine per cent. The banning of polychlorinated biphenyl, another notorious chemical pollutant—it increases the incidence of cancer and birth defects—has had a similar effect. Between 1970 and 1980, the body burden of PCB in freshwater fish decreased by fifty-six per cent, and in birds (starlings) by eighty-six per cent. In people, the percentage of Americans with relatively high levels of PCB (above three parts per million) in their fatty tissue decreased by about seventy-five per cent.

Since 1950, however, the roster of serious chemical pollutants has steadily expanded. Hundreds of toxic chemicals, many of them carcinogenic, have been detected in water supplies, air, and food. For the first time in the three-and-a-half-billion-year history of life on this planet, living things are burdened with a host of man-made poisonous substances. According to a recent E.P.A. survey, members of the general American population now carry several dozen man-made chemicals, many of them carcinogenic, in their body fat (and generally in the fat of mothers' milk as well). Toxic chemicals now seriously pollute important segments of the food chain. In the Great Lakes, for example, the toxic-chemical levels of salmon, trout, and walleye often exceed Food and Drug Administration standards for human consumption. Tumors are found on the fish with increasing frequency.

The total toxic-chemical problem is huge. The American petrochemical industry produces about two hundred and sixty-five million metric tons of hazardous waste annually; toxic chemicals generally make up about one per cent of this material, and the rest is made up of water and other non-toxic carriers. About a third of this waste is emitted, uncontrolled, into the environment. Moreover, most of the controlled, or "managed," waste is injected underground, sometimes into water systems, and thus becomes a long-term threat to the environment. Only about one per cent of the industry's toxic waste is actually destroyed. The chemical industry has, largely unrestrained, become the major threat to environmental quality.

Environmental pollution from radioactive materials is in a class by itself; it originates from a single sector of production—the manipulation of nuclear energy for peaceful or military purposes. Radiation exposure due to the normal operation of the nuclear power industry appears to be quite small compared with exposure to natural sources of radioactivity such as radon and cosmic rays; it is less than one one-hundredth of one per cent of the natural exposure. But this is a national average; near power plants, exposures are certainly higher.

There is no widely disseminated accounting of the radioactivity that enters the environment from minor nuclear-power-plant malfunctions. At most, there are only reports that an accidental emission of radioactive material has occurred—generally with no information about the actual radiation exposure but only the statement that "the amount of radiation released was harmless." (Such statements are wrong. Radiation, no matter how weak, always involves the risk of some harm, and the risk is proportional to the dose received. A very small exposure from a dental X-ray, say, has a correspondingly small risk, which is presumably worth taking in view of the expected benefit.) A partial measure of the radioactivity released by nuclear power plants is available from E.P.A. studies of krypton-85, a radioactive gas uniquely associated with the operation of such plants. The average annual concentration of krypton-85 in the air increased by eighty per cent between 1970 and 1983, thus increasing the environmental hazard.

Accidents that disrupt the containment structures protecting the environment from the huge amount of radioactive material in an operating nuclear reactor present a far larger hazard than is presented by typical malfunctions. Until 1979, this was an abstract concern, for some abstruse—and considerably disputed—statistical computaitons concluded that the probability of a serious accident might be as low as one in a million per year per reactor. The accident at the Three Mile Island nuclear power plant, in 1979, brought the abstract discussions down to earth. While the outcome of the accident was far less serious than it might have been—the reactor's core partially melted and extensively contaminated the interior of the reactor building and released some radioactivity into the environment—it suggested that serious mechanical failures were far more probable than the calculations had indicated.

In April of 1986, of course, a second failure occurred—at the Soviet Union's Chernobyl nuclear power plant—which led to a radioactive disaster. At least thirty-one people have died and more than two hundred have suffered acute radiation sickness; estimates of future cancer deaths from the radioactive fallout over a wide area of Europe range above a hundred thousand; more than a hundred thousand people have been evacuated from their homes; some hundreds of square miles of agricultural land have become useless; radioactive fallout disrupted milk and vegetable production throughout most of Europe.

The hazardous consequence of one aspect of nuclear technology—fallout from test explosions of nuclear weapons in the atmosphere—has been considerably reduced by the straightforward procedure of simply stopping the process that creates it. As a result of the 1963 treaty signed by the United States and the Soviet Union, atmospheric tests have halted (except for a few conducted by China and France), and fallout radioactivity, in keeping with natural decay processes, has declined. for example, a national survey of milk showed that it contained 23.8 piocuries of strontium 90 per litre in 1964, 7.3 in 1970, and 2.0 in 1984.

Finally, we need to consider the American contribution to global environmental problems. One of these problems is the progressive depletion of ozone in the stratosphere, which is due largely to the increased use of chlorolfuorocarbons (petrochemical products widely used in refrigerators and air-conditioners). The stratospheric ozone layer protects the earth from solar ultraviolet radiation; if it is sufficiently depleted, people will be exposed to an intensity of radiation capable of significantly increasing the incidence of skin cancer. Recent studies in Antarctica indicate that the ozone layer is continuing to thin out. Despite an international agreement to reduce the production of chlorofluorocarbons, and some progress in the United States, little has been done thus far to stop this chemical assault on the stratosphere. Another problem is the progressive warming of the earth's surface because of the accumulation of carbon dioxide and other gases in the upper atmosphere. Sunlight falling on the earth is sooner or later converted into heat, which radiates outward, so the planet's temperature is determined by the balance between the sunlight falling on the earth and the heat leaving it. The concentration of carbon dioxide in the atmosphere governs the re-radiation process, for the gas acts like an energy valve, allowing sunlight through but tending to hold heat back. Since 1850, the increased use of fuel that produces carbon dioxide when it is burned has gradually increased the atmospheric-carbon-dioxide concentration, and the earth's average temperature has steadily risen; an additional three or four degrees Fahrenheit in average temperature is expected by the middle of the twenty-first century. This may cause drastic changes in climate—for example, flooding of coastal areas (including many cities), and severe drought in North America, Europe, and Asia. In recent years, other gases, such as the chlorofluorocarbons, have added to the problem. As a result, the latest projections predict severe climatic changes by 2030.

This "greenhouse effect" (glass resembles carbon dioxide in its effect on sunlight and heat, a property that helps to keep a greenhouse warm in the winter) can be slowed down only if there is a sharp reduction in the use of combustible fuel, but nothing has been done thus far to deal with this problem, and it continues to carry the world toward a climatic catastrophe.

So much for the statistics on the changing state of the environment. What do they mean? Do they indicate that we can repel the assault on the environment by gradually reducing pollution at the present modest and uncertain rate? Can we accelerate the process by more stringent emission controls? Each year, the annual C.E.Q. report has accompanied its environmental statistics with optimistic answers to such questions. The 1983 report for example, began the chapter on environmental trends with this assertion: "As measured by traditional indices, such as the amount of pollutants in surface water and air, the overall quality of the environment in the United States seems to be improving." This modest claim was inflated by President Reagan who said shortly after the report appeared, "I am proud to report that the most recent studies of the Environmental Protection Agency shows that we have made great progress in cleaning up the air and water"—a statement, hardly warranted by the facts, that one environmental leader described as "a big leap forward," because Reagan chose even to mention the environment.

Self-praise is perhaps natural from the President and the government agency that is responsible for improving the environment, but it is scarcely justified by the Administration's enforcement record. From 1973 to 1979, the annual number of civil enforcement actions by the E.P.A. increased year by year, paralleling the modest decline in pollution levels, at least in the air. Then, after Reagan took office, budget cuts were imposed on the E.P.A. most severely in those divisions which deal with enforcement. To no one's surprise, enforcement proceedings dropped off; between 1980 and 1981, the number of cases involving violations of environmental laws that the E.P.A. referred to the Department of Justice decreased by sixty-nine percent. More recently, with new E.P.A. administrators, the caseload has increased, suggesting that the earlier decrease reflected Administration policy rather than some sudden decline in the number of environmental scofflaws.

These changes can be directly traced to policies established by President Reagan, who in transmitting a recent annual environmental report to Congress declared, "We have expanded innnovative programs which allow industry the regualtory flexibility and economic incentives to clean up pollution." The term "regulatory flexibility" is the industrial lobbyist's well-known euphemism for relaxing the enforcement of regulations. And Reagan's message has obviously been received by American industry. Capital expenditures for new plant and equipment for pollution abatement by American industries, which had been at an average level of about four billion eight hundred million dollars per year (in constant 1972 dollars) between 1973 and 1980, have since declined, sinking to three billion dollars in 1983. It is, of course, not surprising that Reagan's policies have been carried out by his environmental agencies and his industrial supporters. What was also foreseeable, and even more disturbing, was that these policies would affect the environment itself. So while the annual emissions of air pollutants gradually declined between 1975 and 1981, the year in which Reagan took office, they have since decreased much more slowly or not at all. For all the air pollutants other than lead, the average annual rate of decline in emissions was 1.52 per cent between 1975 and 1981 but only 1.16 per cent between 1981 and 1985. Indeed, since 1982 the long-term, if gradual, decline in air-pollutant emissions has come to a halt. Between 1982 and 1985, there was an average annual *increase* of 0.87 per cent in these emissions; the emission of only one of the five pollutants (sulfur dioxide) declined. It has been argued that the halt in the rate of environmental improvement is due not so much to weaker enforcement and reduced abatement expenditures as to increased industrial activity during the period. However, industrial activity between 1975 and 1980 increased at about the same rate as it did between 1982 and 1985, but it was only in the earlier period that the major decline in air-pollution levels occurred. It appears that Reagan has left his mark not only on environmental policy but also on the environment itself—a mark that can be measured in tons of dust, sulfur dioxide, carbon monoxide, nitrogen oxides, and organic compounds that could otherwise have been removed from the nation's polluted air.

The lack of improvement in the acid-rain problem can also be traced to Reagan's policies. While his Administration has grudgingly acknowledged that there is an acid-rain problem, it has refused to accept the widely held view of its cause, and has therefore done little to deal with it apart from a recent Administration promise to fund more research—an action that led a member of the Canadian Parliament to remark, "It won't reduce emissions by a single ounce."

Though environmental organizations are usually critical of Reagan's environmental stewardship, they nearly match his optimism about the course of environmental improvement. For example, the Conservation Foundation's 1982 report entitled "State of the Environment" claimed:

"The nation has made impressive progress in its attack on some conventional environmental problems. . . . Emissions of most major air pollutants have continued to decline. . . . Available data show no similar progress toward water quality goals. Still, even to hold the *status quo* is an achievement in the face of significant economic and population growth since 1970."

It seems that at least some environmental activists are moderately happy about their accomplishments. But such optimism does not necessarily respond to the original thrust of the environmental movement, which envisioned not an environment that was a little less polluted than it was in 1970, or holding its own against an expanding economy, but an environment free of mindless assaults on ecological processes. By this standard, the question is whether the movement's goal can be reached by the present spotty, gradual, and now diminishing course of environmental improvement or whether some different course must be followed. To find the answer, it is helpful to distinguish between the reasons for the rather few environmental successes and the reasons for the more numerous partial or complete failures. We need to explain the striking fact that while the levels of most pollutants have declined only modestly, and others not at all, a few have been reduced quite sharply: lead, DDT and similar chlorinated pesticides, mercury in surface waters, radioactive fallout from nuclear-bomb tests, and, in some rivers, phosphates. Understanding these successes, which begin to fulfill the original aim of the environmental movement, may shed light on the reasons for the more common failures and suggest how they may be remedied. There are two general ways in which a pollutant may be prevented from entering the environment: either the pollutant is eliminated from the activity that generates it, or a control device is added to trap or destroy the pollutant before it enters the environment.

The few real improvements have been achieved not by adding control devices or concealing pollutants (as by pumping hazardous chemical wastes into deep water-bearing strata) but simply by eliminating the pollutants. For example, the reason that there is now so much less strontium 90 in milk and in children's bones is that we and the Russians have had the simple wisdom to stop atmospheric testing of nuclear weapons, which produces it.

When the process that produces a pollutant is stopped—the banning of pesticides, the halt in atmospheric nuclear testing—there is considerable environmental improvement; if, instead, an effort is made to control the pollutant by recapturing or destroying it before it escapes into the environment, there is some improvement in environmental quality, but generally not much. In fact, such controls are ultimately self-defeating. To begin with, the effect of a control device is never complete. For example, unlike the absolute impact on lead pollution of the phasing out of leaded gasoline—after all, every ounce of lead not added to gasoline is also absent from the environment—the installation of an exhaust-control system cannot completely halt carbon-monoxide pollution. Even when the system is in perfect working order, it does not trap all the carbon monoxide but only about ninety per cent of it. Besides, the effectiveness of the catalyst rapidly declines with use, so any delay in replacing it means increased pollution. As long as control devices are not absolutely perfect—and none are—continued increase in the pollution-generating activity (traffic, for example) will gradually overwhelm the devices' effect on environmental quality. Finally, control devices cannot be used at all if the pollutant's points of entry into the environment are so numerous that they are impossible to identify. The classic example is the nitrates that leach from heavily fertilized soil into rivers and lakes along every inch of their banks.

All these reasons explain why those environmental pollutants—concentrations of carbon monoxide, sulfur dioxide, and dust, for example—that are now subjected to control systems have decreased so slowly. They also explain why pollution from agricultural chemicals such as nitrogen fertilizer, which arises from "non-point" sources, has continued to increase.

Thus, the decade or more of effort to improve the quality of the environment teaches us a fairly simple lesson: pollution levels can be reduced enough to at least approach the goal of elimination only if the production or the use of the offending substances is halted. This precept directs our attention to the technology of production—the vast and varied machinery of industry, agriculture, and transportation. We can then see that all the really successful environmental improvements have been achieved by altering that technology. The very considerable reduction in mercury in Lake Erie nicely illustrates this fact. In 1970, there were very high concentrations of mercury in Lake Erie sediments; most of the lake bottom contained a thousand to two thousand parts per million, and more than that near the outlet of the Detroit River. In March of 1970, walleye contaminated with seven parts per million—fourteen times the acceptable level—were found in a tributary of the lake. The major source was soon discovered; chlorine-producing plants that used mercury to conduct the electric current that, passed through a brine solution, yielded the chlorine. Threatened by legal action, the plants adopted an alternate technology in which a semiporous diaphragm instead of mercury established the electrical circuit. By 1979, the concentration of mercury in most of the lake sediments was less than three hundred parts per million, and fish levels were much improved. Mercury pollution in Lake Erie was sharply curtailed by the simple process of changing the technology of chlorine production.

PCB provides a similar example. This highly toxic synthetic substance was widely used in a number of processes, ranging from the manufacture of "carbonless" carbon paper to the manufacture of electrical transformers. When PCB production was banned, in the late nineteen-seventies, each of these manufacturing processes was simply altered to exclude it, and emissions into the environment fell precipitoulsy. In the same way, the levels of DDT and related insecticides in the environment and in the human body have declined considerably because those substances were eliminated from agricultural practice in the early nineteen-seventies. In this case, the altered technology only replaced one hazard with another. Toxaphene, a hazardous insecticide, was widely used instead of DDT, especially for cotton crops; as a result, while their DDT content fell the toxaphene content of fish increased more than twentyfold between 1970 and 1980.

In sum, there is a consistent explanation for the few instances of environmental success: they occur only when the relevant technologies of production are changed to eliminate the pollutant. If no such change is made, pollution continues unabated or, at best—if a control device is used—is only slightly reduced. For example, pollution from fertilizer nitrates, which cannot be controlled, has increased because nitrogen fertilizer, far from being banned, continues to play a major role in agricultural production. In the same way, adding a control device to the automobile engine without changing its basic technology has only slightly reduced carbon-monoxide pollution.

What has been done in regard to automotive technology accounts for both a striking environmental success, the eighty-six-percent reduction in environmental lead, and a very troublesome failure, the continued emissions of nitrogen oxide, contributing to the attendant smog and acid rain. As we have seen, lead pollution was reduced by the simple expedient of cutting back its use in gasoline. This change was motivated partly by concern over the health hazard but perhaps more strongly by a technological accident: the platinum catalyst in the exhaust system designed to control carbon monoxide is poisoned by lead. But when the E.P.A. was forced to mandate a shift from leaded to unleaded gasoline the lead had to be replaced, not merely eliminated, for it performed an essential function in current gasoline engines. It prevented the "knowing" that can seriously hamper the operation of modern, high-compression engines. Today, oil companies have replaced lead with petrochemical anti-knock compounds (which they produce) or, to a much smaller extent, with ethanol produced from agricultural crops.

Removing lead from gasoline unequivocally eliminated its impact on the environment, but the nitrogenoxide problem is much more intractable. Unlike lead, which had been deliberately introduced into the gasoline engine, nitrogen oxides are an unwanted by-product of its operation. Modern engines produce nitrogen oxides because they run at higher compression ratios, and therefore at higher temperatures, than older engines. At such elevated temperatures, when the oxygen and nitrogen in the air are drawn into the engine they react chemically, forming nitrogen oxides. After the Second World War, because American car manufacturers decided to build larger cars they were forced to install more powerful engines. In turn, more power required a higher compression ratio, and, inevitably, nitrogen oxides were emitted. Thus, the auto industry's decision to build larger cars created the photochemical-smog problem and worsened the problem of acid rain.

Apart from a limited flirtation with small cars during recent energy shortages, the industry has been unwilling to build cars light enough to be driven by low-compression engines. An existing engine that can operate at high compression ratios without subjecting the air in the cylinder to excessive temperatures (the "charge-stratification" engine) could also help to solve the problem. But American manufacturers have thus far been reluctant to make the large-scale production changes needed to take advantage of this opportunity. Nitrogen oxides from automotive transportation could also be eliminated by the substitution of electric motors, which produce no environmental emissions at all, for the present ones. In diesel engines, diesel-fuel combustion produces carcinogenic chemicals, and these adhere to the tiny carbon particles emitted by the engine. Here, too, the auto industry has been unwilling to make the considerable changes in engine technology needed to reduce the hazardous emissions. Smog and diesel carcinogens continue to burden the air—and our bodies—because the productive technologies that generate them have not been changed to eliminate them.

In essence, the effort to deal with environmental pollution has been trivialized. A great deal of attention has been paid to designing—and enforcing the use of—control devices that can reduce hazardous emissions only moderately. Much less attention has been given to the more difficult but rewarding task of changing the basic technologies that produce the pollutants.

Production technology encompasses not only the design of a particular facility, such as a car, but the over-all system in which it operates—in this case, transportation. While remedying the vehicle's inherent faults is useful, much greater environmental improvement can be accomplished by addressing the system of transportation as a whole. Compared with railroads, cars are a highly inefficient means of long-distance and commuter travel, but they are essential in many places, even with effective mass transit, for urban travel. Cars designed exclusively for this purpose could be much lighter and driven by less powerful low-compression engines or, for that matter, by non-polluting electric motors. Together with the expansion of urban and suburban mass-transit systems and inter-urban rail lines, this would virtually eliminate ozone and smog and greatly reduce environmental nitrogen oxides. Moreover, lower gasoline consumption would reduce carbon-monoxide emissions even without exhaust controls. In the same way, carcinogenic diesel exhaust could be sharply reduced by a shift from truck-borne freight to railroad freight, which is four times as fuel-efficient. In sum, the serious continuing impact of the transportation system on the environment results from the failure to alter not only the technical design of cars, trucks, and buses but also the system of transportation itself.

The effort to deal effectively with sulfur-dioxide and dust pollution from power plants has been hampered by the same sort of superficial approach—reliance on control devices rather than changes in production technology. Since the early nineteen-seventies, more stringent requirements for control systems have apparently reduced the contribution of coal-burning power plants to sulfur-dioxide and dust emissions. But changes in the over-all structure of the power system have had the opposite effect. In recent years, coal has progressively displaced oil and natural gas as a power-plant fuel, and since these fuels produce far less sulfur dioxide and dust than coal does this shift has added to the sulfur-dioxide problem. But no serious effort has been made to promote existing sources of power that can improve environmental quality. These include solar sources, such as photovoltaic cells, and decentralized power systems—notably cogenerators—that greatly enhance fuel efficiency, so that their environmental impact is much less than that of conventional power plants. Under the Reagan Administration, government support for the development of such energy sources has been severely reduced.

In the petrochemical industry, which generates the toxic chemicals that so grievously pollute the environment, there is a unique relationship between environmental impact and the technology of production. In other sectors of production—the electric-power industry, say—the product is not itself a pollutant, and there are environmentally benign ways of producing it. In contrast, the manufacture of almost every petrochemical product is accompanied by the production of toxic wastes. Moreover, many of the goods manufactured, such as pesticides and plastics, are pollutants themselves. In effect, environmental pollution is an integral aspect of petrochemical-production technology.

The chemical disaster in Bhopal, India, in 1984, in which thousands of people died and two hundred thousand were injured, many of them for life, dramatizes the problems inherent in petrochemical-production technology. The conventional view is that the Bhopal disaster was due to some technical fault in the plant that produced the toxic chemical methyl isocyanate, which is used to manufacture insecticides. There is, of course, no perfectly accident-free industrial process; and this is particularly true of petrochemical plants, which not only are complex but turn out numerous dangerous products and by-products dangerous products and by-products. Indeed, there have been repeated accidents at the Union Carbide methyl-isocyanate plants both in Bhopal and in Institute, West Virginia—accidents that have exposed workers and in some cases the neighborhood to this dangerous substance. The conventional view accepts the inevitability of such risks and seeks to balance them against the benefits of producing methyl isocyanate. For example, a *Time* cover story on the Bhopal disaster stated:

"The citizens of Bhopal lived near the Union Carbide plant because they sought to live there. The plant provided jobs, the pesticide more food. Bhopal was a modern parable of the risks and rewards originally engendered by the Industrial Revolution. . . . The world is Bhopal, a place where the occupational hazard is modern life. History teaches that there is no avoiding that hazard, and no point in trying; one only trusts that the gods in the machines will give a good deal more than they take away."

This is a widely held position: the chemical plant improved the life of the Indian people; such disasters seem to be a price that must be paid for such benefits of modern production technology. But the facts contradict this position. Consider how well the Bhopal plant "provided jobs." Bhopal is a city of six hundred and seventy thousand people, and perhaps a third of them were living in shanties next to the plant. But the plant provided jobs for only a few hundred. The community that grew up around the plant had been attracted not by jobs but by secondary amenities like the water supply and the roads, and the vast majority of the people lived in extreme poverty.

And how well do the pesticides that are produced from methyl isocyanate—carbamate insecticides such as Sevin and Temik—provide more food? Such pesticides can, of course, protect crops from insect attack and improve production. However, in developing countries most pesticides are used not on local food crops but on crops grown for export—cotton, coffee, bananas. Such "monoculture" agriculture is particularly susceptible to insect attack, so there is a heavy reliance on pesticides. For example, a 1979 study reported that El Salvador, a very small country, used about one-fifth of the world's parathion output to treat its coffee crop. Moreover, Third World countries use many hazardous pesticides that have been banned in the developed countries. Although relatively little pesticide is used directly on food crops, they are nevertheless contaminated by pesticides sprayed on nearby export crops. As a result, food grown in Third World countries is often heavily contaminated. Yet crops can be produced with much less dependence on pesticides. "Integrated pest management" is a way of deciding at precisely what time and in precisely what amounts an insecticide is needed. It can considerably reduce the amounts used, and therefore the danger of contamination. Because of opposition from the chemical companies, however, this process is still little used in the United States or in other developed countries, and is used hardly at all in developing countries.

The real goal at Bhopal, therefore, should be not merely to make the plant safer but to end the need for operating it by transforming the technology of agricultural production: eliminating—or, at least, greatly reducing—its dependence on pesticides. Rather than trust in the gods in the machines, we need to decide for ourselves what kinds of machines best serve both the environment and society.

Unlike the steel, auto, and electric-power industries, the petrochemical industry—on its present scale, at least—is not essential. Nearly all its products are substitutes for perfectly serviceable preexisting ones: plastics for paper, wood, and metals; detergents for soap; nitrogen fertilizer for soil, organic matter, and nitrogen-fixing crops (the natural sources of nitrogen); pesticides for the insects' natural predators. Apart from relatively few items that cannot be produced in any other way—such as pharmaceutical drugs, videotape, and the plastic artificial heart—petrochemical products could be replaced by less hazardous ones. Thus, the petrochemical industry is unique: not only its wastes but its very products degrade the environment; its hazards are largely immune to either prevention or control; and most of its products are replaceable. The petrochemical industry is inherently inimical to environmental quality. The only effective way to limit its dangerous impact on the environment is to limit the industry itself.

To ardent environmentalists such talk about the technology of production may seem an irrelevant, or even a hostile, digression. Like any embattled minority, environmentalists are prone to emphasize the singular importance of their special interest—the preservation of the natural environment. This position, of course, has a good deal of merit; after all, every aspect of human society depends on the ecosystem—for the natural resources that support production, for the air we breath, for the green plants that feed us and other animals. Moreover, the environment is governed by stubborn, largely unalterable natural forces, while the system of production is subject to human choice. Logically, therefore, the decisions that determine the choice of production technology ought to be governed by the constraints inherent in nature. But in fact the actual direction of governance is reversed. The design of the man-made system of production is not governed by the nicely balanced attributes of the natural system; instead, as we have seen, the state of the environment is determined by the production technologies that have been chosen to support industry, agriculture, and transportation.

So the environmentalist who wishes to grapple with this illogical arrangement needs to turn from the fairly rigid but harmonious pattern of nature to the more flexible but chaotic realm of human decisions. And this realm necessarily includes not only the choice of production technologies but also the close related economic decisions. Logic tells us that the economic system—the processes that mediate the flow of wealth—is contingent on the system of production, which is, after all, the source of the goods and services that generate economic wealth. In a logical arrangement, therefore, just as environmental constraints ought to govern the design of the production system, that design should, in turn, specify appropriate features of the economic system. For example, if the importance of eliminating smog ought to specify the design of automobile engines, then the need to build such engines ought to govern the automobile industry's investment decisions—in part, at least. But here, too, the logical direction of governance is reversed: the decisions that determine the design of the system of production—what is produced and by what technological means—are determined largely by economic considerations that are quite independent of the product's environmental impact, the chief consideration being the profitability of the enterprise.

In sum, the decisions that govern environmental quality originate in the economic realm, and are translated into the design of productive technology, which—as now constituted—in turn visits upon the environment the evils of pollution. This relationship becomes clear when we consider the origins of the major environmental problems. Smog, for example, is the end result of the economic motivation that led the auto industry to decide to manufacture large, powerful cars, for, as John DeLorean, a former General Motors executive, has said, "when we should have been planning switches to smaller, more fuel-efficient, lighter cars in the late 1960s in response to a growing demand in the marketplace, G.M. management refused because 'we make more money on big cars.' "

Recent changes in the technology of electric-power production which have seriously affected environmental quality have also been economically motivated. When the utilities were persuaded that nuclear power would be "too cheap to meter," they hastened to build nuclear power plants, thereby creating the monumental hazards of nuclear accidents and the still unresolved problem of radioactive waste. Then, when this hope turned into an illusion, there was a rapid switch to coal-fired plants, because they produce cheaper electricity than oil-powered or nuclear-powered plants—but they also produce much more sulfur dioxide. In the same way, the steel industry's response to the demand for plants that would be less polluting—closing rather than improving them—is motivated by the higher profits obtainable from alternative investments in oil and chemicals. Similarly, the postwar history of American agricultural chemicals was motivated by the increased economic returns on investment that they engendered. Finally, the production of petrochemicals is more profitable than the manufacture of the products that they replace; for example, profits on detergent production are significantly higher than profits on soap production.

It is economic motivation, then, that has impelled the sweeping anti-ecological changes in the technology of production that have occurred since the Second World War. These changes have turned the nation's factories, farms, vehicles, and shops into seedbeds of pollution: nitrates from fertilizer; phosphates from detergents; toxic residues from pesticides; smog and carcinogenic exhaust from vehicles; the growing list of toxic chemicals and the mounds of undegradable plastic containers, wrappings, and gewgaws from the petrochemical industry.

The decisions to make these technological changes have been shortsighted not only because of their impact on the environment but also because they often generate serious economic problems. For example, the intensive use of agricultural chemicals has harmed not only the environment but, in recent years, the agricultural economy as well. As increasing amounts of fertilizer are applied to the soil, crop growth reaches a limit, and thereafter the yield produced per unit of fertilizer falls, and economic productivity is reduced. At the same time, excess, unassimilated fertilizer leaches through the soil into surface water and intensifies pollution. Similarly, the continued use of pesticides breeds resistance in the pests, so that more and more of the chemicals must be used to achieve the same effect. For these reasons, the economic productivity of agricultural chemicals—that is, the crop output per unit of chemical input—has decreased by fifty per cent since 1960, and it is still falling. Thus, both increased stress on the environment and falling economic efficiency are inherent in the present system of agricultural production. In the past few years, American farming has been undergoing a deepening economic crisis, marked by numerous bankruptcies, especially of family farms. Each year, as agricultural chemicals become more expensive and less efficient in improving crop production, farmers must incur a higher debt to buy the chemicals, and thereby become more vulnerable to bankruptcy. The heavy dependence of agricultural technology on chemicals has hurt not only the quality of the environment but the farmers' livelihood as well.

Economics also explains the reluctance of the petrochemical industry to deal effectively with its toxic waste. The only practical, though far from satisfactory, way to keep toxic chemicals out of the environment is to destroy them—in specially designed incinerators, for example. This process, however, is so expensive—as much as two thousand dollars per metric ton—that if it were to be applied to the total annual tonnage of toxic chemicals (an estimated two million six hundred and fifty thousand tons) it might cost about five and a half billion dollars, an amount larger than the annual profit of the thirty largest American chemical companies, which include most of the nation's petrochemical industry. Proper treatment of its waste would thus force the industry to raise prices and face serious competition from the natural products that it has replaced.

In the end, the decisions that have so gravely affected the environment have also had serious economic effects, because they govern a factor that is closely linked to both the environment and the economy—the system of production. In a free-market economy, capital tends to be invested in those production enterprises which promise to yield the greatest return in the shortest time. Since the social interest in environmental quality or long term economic efficiency is not represented in such investment decisions, neither of these desirable results is likely to be achieved by them.

There seems to be a paradox embedded in the conclusion that most, if not all, environmental pollution is the outcome of decisions guided by free-market forces. It is often argued, after all, that the market operates—automatically, in the best of circumstances—to seek out those decisions which make the most efficient use of the available resources. And one of the well-justified claims for ecological processes is that *they* are characteristically efficient: there are, after all, no "wastes" in the ecosystem. If the present system of production is counter-ecological, it must be wasteful; if this is so, new systems of production, more closely guided by ecological principles, ought to be more efficient than those devised by the present market-guided system. Why then haven't they attracted investors and entered into successful competition with the present system?

The over-all economic efficiency of the new technologies that have transformed production since the Second World War—and have polluted the country—is unmistakable. Considerably more profitable than the technologies they have replaced, the new ones have generated a more than fourfold increase in total production (as measured by the gross national product) since 1950. However, the improvement in efficiency responsible for this achievement has been unbalanced. While the efficiency with which labor is used—that is, the value of the product yielded per hour of a person's labor—has increased a great deal, the corresponding productivity of capital and natural resources such as energy has declined. For example, the postwar substitution of plastics for leather has displaced an industry characterized by low labor productivity and high capital productivity with an industry characterized by high labor productivity and low capital productivity. To generate the same value of product, the plastics industy uses about a fourth as much labor but ten times as much capital as the leather industry. The disparity between the two industries' energy productivity—the amount of energy used to produce a given value of product—is even greater: the plastics industry uses about thirty times as much energy as the leather industry.

However, if one takes a more fundamental approach to the problem of environmental quality by recognizing that it is inherently linked to the technology of production, one can find ways of improving both the economy and the environment. The electric-power industry provides an informative example. The power industry is a notorious source of pollution: responsible for a great deal of environmental dust, sulfur dioxide, and nitrogen oxide; contributing considerably to acid rain; and generating the threat of nuclear disasters. In the United States, the industry is also in a precarious economic condition: the utilities' heavy investment in huge power plants—especially nuclear plants—has driven the cost of producing electricity sharply upward and has threatened some of the companies with bankruptcy. (A *Business Week* cover story has asked the question "Are Utilities Obsolete?") A major reason for these economic difficulties is that the present technology of electric-power production is highly centralized. Typically, each new plant is very large and requires a huge capital investment—billions of dollars. The plant is so large because it represents an investment in the capacity needed well into the future. Consequently, when a new plant begins to operate, the system inevitably has an excess capacity, and for a time part of the capital investment yields little or no return. Moreover, the transmission system that distributes electricity from central stations is costly and consumes a significant fraction of the power. Finally, centralized power plants are inherently inefficient, because, for inescapable thermodynamic reasons, two-thirds of the energy available from the fuel is dispersed into the environment. This means that the industry wastes two-thirds of the fuel that it uses, and causes three times as much pollution per unit of useful energy produced as it would if the wasted energy could be recaptured for use.

The heat discarded by a central power station could readily be recaptured and used—to heat homes, for example. But large centralized plants cannot be used for this process—cogeneration—because heat can be transmitted effectively only over short distances. No one wants to live such a short distance from a power plant, especially if it is nuclear. (Some people are in this unhappy position. For example, a nuclear power plant in Gorki, in the Soviet Union, provides heat for that city; its presence must have been causing a good deal of concern since the Chernobyl disaster.) By redesigning the technology of electrical production in keeping with sensible ecological principles, both environmental and economic improvement can be achieved. What is needed is to decentralize the production of electricity and install cogenerator plants just large enough to meet the local demand for heat and electricity. With the cogenerator operating at a much higher level of both economic and thermodynamic efficiency than a conventional power plant, fuel consumption is reduced, and the environmental impact and the cost of energy are decreased.

Similar environmental and economic gains could be achieved by reorganizing agricultural production along ecological lines. For example, it has been found that the net economic returns of large-scale Midwestern organic farms, which use no fertilizer or pesticides, are equal to the returns of otherwise similar conventional farms, which use a great deal of these agricultural chemicals. This represents an economic gain for the organic farmers, since with lower production costs they are less dependent on bank loans and therefore less vulnerable to bankruptcy. Similarly, if the crop system were properly redesigned to produce both food and ethanol (a solar fuel, and thus renewable) the farmers' income could be diversified and national energy production enhanced.

These gains can be achieved only if the social need for both environmental quality and economic growth is allowed to govern the choice of production technology. Typically, measures designed to meet such a need require a relatively large initial investment. This is a serious hurdle, which people who would benefit most—the poor—have difficulty in overcoming. Another hurdle is the relatively slow rate of return on some of the necessary investments. If such an investment—for example, the relatively slow restoration of impoverished soil through transition to organic farming—must compete with an existing investment that yield quick profits, it is certain to be ignored. However, valuable to society, the investment is not likely to be made if it must compete in the free market, which favors large-scale investments over decentralized ones, and short-term over long-term returns.

Perhaps the most profound question raised by environmental issues is to what extent the choice of production technologies should be determined by private economic considerations and to what extent by social concerns like environmental quality. These values are in sharp conflict. There appears to be a broad consensus that it is in the national interest to restore the quality of the environment, and the resultant legislation confirms the general impression that achieving this goal is a social, governmental responsibility. And, as we have seen significant environmental improvement requires the proper choice of technologies and systems of production, so that this choice, too, becomes a social responsibility. Yet in our free-market economy the right to make such a choice is in private, not public, hands, and this is a right that very few Americans would challenge.

The recent entrepreneurial history of the United States Steel Corporation (now renamed USX) illustrates what can happen in these circumstances. In the nineteen-seventies, the company developed a plan to build a large, modern, low-pollution steel mill on Conneaut Lake, in Pennsylvania—a socially useful way to reduce both steel imports and pollution. Then, in 1982, with the price of steel driven down by cheap imports and the price of oil rising, U.S. Steel decided to buy the Marathon Oil Company, for about six billion dollars. The Conneaut Lake plant was never built. By 1985, fifty-four per cent of the company's business was in oil and gas, and only thirty-five per cent in steel. In July of 1986, the company dropped the word "steel" from its name in favor of the ambiguous "X." The economist Robert Reno has commented:

"Now, it is arguable whether the best interest of the nation would have been better served if U.S. Steel had reinvested in modernized steel plants rather than purchasing Marathon Oil. Anyway, there's no law that says corporations must choose national interests over those of their stockholders."

In fact, the company's legal obligation is not to the nation but to its stockholders, and that obligation is to produce not steel but profits.

This is, after all, the meaning of "free enterprise": the owner of capital is at liberty to invest it in any enterprise—whether it produces steel, chemicals, or oil—that offers the investor the most promising rate of return, the greatest market share, or some other private advantage.

The institution that largely determines the course of production technology in the United States—the corporation—is itself a peculiar amalgam of social and private features. In one sense, a basic purpose of the corporate form is social: to accumulate from a relatively large number of people an amount of capital far larger than that available from any one person. Moreover, almost all the earliest American corporations were chartered for a specific social purpose—constructing a canal, a bridge, a turnpike, or establishing a bank—that required large, collective capitalization. Today, corporations may be chartered for any legal purpose, and thus have the right to determine privately how their socially collected capital will be invested. However, corporations are certainly still social in their effects—not only on the environment but on employment, wages, and working conditions as well. Yet with respect to their control corporations are private, for they are governed by a small, self-perpetuating group of officers, who have no general accountability to society except for adherence to relevant government regulations, or—apart from profitability—to the stockholders who own the corporation.

The conflict between the modern corporation's social role and its private control led Adolf A. Berle and Gardiner Means to declare, in their classic work "The Modern Corporation and Private Property":

"The economic power in the hands of the few persons who control a giant corporation is a tremendous force which can harm or benefit a multitude of individuals, affect whole districts, shift the currents of trade, bring ruin to one community and prosperity to another. The organizations which they control have passed far beyond the realm of private enterprise—they have become more nearly social institutions."

From their detailed analysis of this situation, Berle and Means concluded that the separation of corporate ownership from control places society "in a position to demand that the modern corporation serve not alone the owners . . . but all society," and that "it remains only for the claims of the community to be put forword with clarity and force."

The date of Berle and Means' work—1932—is significant, for it suggests that the shattering impact of the Great Depression on confidence in the freemarket system had impelled them to seek alternatives. Since then, potential critics have been, if not silenced, at least inhibited by the remarkable vitality of the American economy after the Second World War: by the dazzling new products, and by the growth of national and private wealth. Now that the attendant social ills—persistent unemployment, insufficient affordable homes, pollution, and the threat of nuclear annihilation—have become more evident, the silence has been broken. For example, the recent Catholic bishops' pastoral letter on the economy, citing Thomas Aquinas, asserts, "No one can ever own capital resources absolutely or control their use without regard for others and society as a whole. . . . Short-term profits reaped at the cost of depletion of natural resources or the pollution of the environment violates this trust." The bishops' letter reflects the 1981 encyclical "On Human Work," in which Pope John Paul II asserted, on moral grounds that ownership does not justify exclusive control of production facilities: ". . . in consideration of human labor and of common access to the goods meant for man, one cannot exclude the socializations, in suitable conditions, of certain means of production." One can, of course, embellish these observations and arguments with a doctrinal term—socialism—and embrace or dismiss them by reacting to that term. While this may satisfy one's ideological convictions, neither approval nor disapproval can alter the reality, which, as we have seen, is that substantial environmental improvement has occurred only when the choice of productive technology was open to social governance.

The New Deal's response to Berle and Means' statement concerning the "claims of the community" on the corporations was regulatory legislation, then applying especially to banking and securities. This served as a model for subsequent regulatory measures, which reached a peak in the environmental legislation of the nineteen-seventies. These social interventions into corporate activity have been proscriptive rather than constructive: they tell the corporations what not to do rather than what should be done. Yet certain provisions of the new environmental legislation do in fact at least imply that environmental improvement may be achieved by the socially mandated choice of production technology.

Thus, the basic instrument created by environmental legislation, the environmental-impact statement, is required to include a presentation of "alternatives to the proposed action" when that action would have an unavoidable adverse environmental effect. This provision implies that in, say, a public hearing on a trash-burning incinerator that would unavoidably emit dioxin into the environment a citizen could call for a decision mandating the choice of a technology that would separate and recycle trash rather than burn it. The banning of the use of DDT in agriculture or of PCB in manufacturing is a concrete, if relatively narrow, example of this approach. Opportunities, then, do exist within the framework of environmental legislation which, though they have been little used thus far, would permit at least the public weighing of alternative choices of production technologies.

Since conventional environmentalism is preoccupied with controlling emissions rather than with changing the production processes that generate them, economic consideration are usually reduced to what is called a cost-benefit analysis; the cost of the necessary controls is compared with the value of the benefits (to human health, for example) generated by a reduction in the level of pollution. Such an analysis attempts to give a social aim—the protection of the environment and of public health—dollar dimensions. Transformed into a pseudo-economic value, the social value can then be compared, it is supposed, with other economic factors, like the cost of controls, and some "cost-effective" balance struck.

An illuminating example of the moral booby traps built into the cost-benefit philosophy is provided by the E.P.A.'s recent justification for further reducing the lead allowed in gasoline. The E.P.A. carried out a cost-benefit analysis by totting up the cost of more expensive methods to boost octane and refinery changes needed to replace lead in gasoline (about six hundred million dollars in 1986) and comparing it with the monetary value of less engine damage from the lead additives, better fuel economy, reduced emission of other conventional pollutants, and savings in the cost of medical care and compensatory education for children suffering from the physical and cognitive effects of lead poisoning (a total of about two billion dollars in 1986). The E.P.A. analysis concluded that the dollar value of the benefits of reducing lead in gasoline was more than three times the cost—clearly, a bargain to be snapped up. In those terms, the decision seems to have no more moral content than choosing one brand of breakfast cereal over another. Suppose, however, that a new medical advance were to sharply reduce the cost of treating lead poisoning, and so bring the dollar value of the benefits below the cost of controlling lead. What then? Would this new cost-benefit balance justify continued lead pollution? The apparently "objective" cost-benefit approach is thus quickly engulfed in deep moral issues. Should society attempt to mitigate all human suffering, regardless of cost? On the other hand, since social resources are limited, is it not reasonable to alleviate suffering in keeping with some measure of effectiveness? If a monetary measure is objectionable, what better measure can be used? It is, of course, unreasonable to ask the E.P.A. to answer these questions, which have frustrated numerous efforts over many years to answer them. But it is not unreasonable to insist that these issues be acknowledged rather than reduced to a trival, easily dismissed monetary "solution."

Risk-benefit computations involving toxic pollutants have a similar outcome. Since the pollutants' ultimate effect can often be assessed by the number of lives lost (from cancer caused by an environmental carcinogen, for instance), the risk-benefit analysis requires that a value be placed on a human life. Some economists have proposed that the value should be based on a person's lifelong earning power. It then turns out that a woman's life is worth much less than a man's, and that a black's life is worth much less than a white's. In effect, the environmental harm is regarded as smaller if the people it kills are poor—a standard that could be used to justify situating heavily polluting operations in poor neighborhoods. And, in fact, this is an all too common practice. Thus, thinly veiled by a seemingly straightforward numerical computation, there is a profound, unresolved moral question: Should poor people be subjected to a more severe environmental burden than others, simply because they lack the resources to evade it? Once again, what is at issue is not to resolve this question but to allow that it be asked. These examples warn us that environmental considerations are likely to raise troubling social issues—issues that in recent practice have been swiftly reduced to "solutions" by forcing them into the Procrustean bed of the free-market economy.

Recognition that significant environmental improvement depends on social rather than private governance of production decisions helps us understand why the considerable effort to improve the environment has had so little effect. This effort, however forceful, meets a politically immovable object: the conviction, powerfully embedded in American society, that the decisions that determine what is produced and by what technological means ought to remain in private, corporate hands. In the United States, there appears to be a powerful taboo against even public discussion, let alone criticism, of this principle. Confronted by the taboo, the environmental movement has splintered into a series of separate, more palatable campaigns.

Another consequence of this unresolved confrontation is that environmental organizations have been drawn toward explanations of the environmental crisis that avoid its origin in economic forces and appeal instead to the principles of ecology. Thus, on the assumption that the global ecosphere is a closed system of limited capacity, some environmentalists claim that the key to environmental quality is population control. Similarly, on the assumption that ecological cycles are closed and self-sustained, other environmentalists maintain that people, too, should abide by this rule, and live in communities supported by their own local or regional resources. And others derive from these same considerations the conclusion that ecological improvement requires the imposition of controls on economic growth.

The "limits to growth" approach is based on a serious misconception about the global ecosystem. It reflects the notion that the earth is like a spaceship—a closed system, isolated from all outside sources of support and necessarily sustained only by its own limited resources. The earth, however, is not a closed, isolated system, for its behavior is totally dependent on the huge influx of energy from an outside source—the sun. (In fact, the same is true of the spaceship, for it relies on sunlight to generate the electricity that runs its machinery.) On the earth, solar energy creates the weather: the seasonal and daily changes in temperature; the moisture that the sun lifts from the oceans; the storms that carry rain and snow to the earth and replenish the lakes and rivers that feed the oceans. The weather, in turn, molds the physical features of the earth's surface, creating the ecological niches that living things occupy. Solar energy, captured by photosynthesis, sustains every form of life and drives the ecological cycles in which they participate. If an ecological cycle is viewed only as a static array of animals, plants, and microorganisms linked through the physical environment into a circular system, it appears to be closed, like a ring.

But this image is misleading, for without the energy that the ecosystem receives externally, from the sun, the plants and animals would die; the circular system would disintegrate.

This misconception also leads to the notion that the earth, as a supposedly isolated system, is subject to the increasing chaos arising from the unavoidable increase in entropy. Entropy is a measure of disorder in a physical system which is bound to increase whenever energy is used to generate the system's only useful product, work. But this increase in disorder happens only in a system that is isolated from an outside source of energy. The fact is that in the earth's ecosystem entropy-increasing processes—for example, the combustion of fuel, the death and decay of living organisms—are reversed by the external supply of solar energy, which regenerates burnable organic matter through photosynthesis. The organic matter, in turn, provides the energy that drives the entropy-decreasing process of plant and animal growth. On the earth, solar energy counteracts entropy.

In the abstract sense, there is a limit to economic growth, yet this limit is determined not by the present availability of resources but by a distant limit to the availability of solar energy. It is true, of course, that the ecosystem occupying the earth's thin skin and the mineral deposits underlying that skin are essential to economic production and that they are finite. It is also true that economic growth is limited by the finite amounts of those essential resources. However, since mineral elements are indestructible they can be recycled and reused indefinitely as long as the energy necessary to collect and refine them is available. And precisely this is done when the resource is sufficiently valuable: despite extensive dispersion, well over half of all the gold ever mined is still in hand today. Hence the ultimate limit on economic growth is imposed by the rate at which renewable solar energy can be captured and used. If we ignore the exceedingly slow extinction of the sun, this limit is governed only by the finite surface of the earth, which determines how much of the energy radiated by the sun is actually intercepted and is therefore capable of being used. How close are we to this limit? It has been estimated that the solar energy that falls annually on the earth's land surface is more than a thousand times the amount of energy (from fuels and hydroelectric and nuclear power) now being used annually to support the global economy. Of course, because of the relative inaccessibility of some parts of the earth not all the solar energy that reaches the planet could be used. If, let us say, only ten per cent of the solar energy falling on the land could be captured, it would still be possible to expand our present rate of energy use perhaps a hundredfold before encountering the theoretical limit to growth. Even if this figure should turn out to be somewhat optimistic, it seems clear that at present we are nowhere near the limit that the availability of solar energy will eventually impose on production and economic growth. That distant limit is simply irrelevant to current policy decision. The issue we face, then, is not how to facilitate environmental quality by limiting economic development but how to create a system of production that can grow and develop in harmony with the environment.

There have been lively debates over whether environmental degradation can be reversed by controlling the growth of the world population. A decade ago, many if not most environmentalists were convinced that population pressure and "affluence," rather than inherent faults in the technology of production, were the chief reasons for environmental degradation. Since then, the hazards dramatized by Chernobyl, Three Mile Island, Seveso, Bhopal, Love Canal, and Agent Orange have convinced many people that what needs to be controlled is not the birth rate but the production technologies that have engendered these calamities. In the last few years, however, the notion of population control has been given a new impetus, not so much from popular support as from the declarations of national environmental organizations and some of their leaders. Several examples are worth noting. Richard D. Lamm, the ex-governor of Colorado, who is a leading environmentalist, has frequently pleaded for population control, demanding an end to the flow of illegal immigrants into the United States from what he calls "never-to-be-developed countries," and urging on the terminally ill a "duty to die." In support of these ideas, he cites Aristotle: "From time to time it is necessary that pestilence, famine, and war prune the luxuriant growth of the human race." Garrett Hardin, a frequently cited environmentalist who is also a major proponent of population control, once gave this very general, ancient proposition an apparently ironic, distinctly modern—if astonishing—form:

"How can we help a foreign country to escape overpopulation? Clearly, the worst thing we can do is send food. . . . Atomic bombs would be kinder. For a few moments the misery would be acute, but it would soon come to an end for most of the people, leaving a very few survivors to suffer thereafter."

For a more reasoned support of population control, we can turn to Russell W. Peterson, the former president of the Audubon Society, which is a major environmental organization:

"Almost every environmental problem, almost every social and political problem as well, either stems from or its exacerbated by the growth of human population. . . . As any wildlife biologist knows, once a species reproduces itself beyond the carrying capacity of its habitat, natural checks and balances come into play. . . . The human species is governed by this same natural law. And there are signs in many parts of the world today—Ethiopia is only one of many places, a tip of the iceberg—that we *Homo sapiens* are beginning to exceed the carrying capacity of the planet."

Examples can be readily cited to show that Peterson's conclusion is wrong, and that, quite apart from moral considerations, Hardin's Swiftian proposal to use nuclear weapons as a contraceptive device is therefore misguided. It is useful to remember that people in other countries did not go hungry because they sent food to Ethiopia to relieve the famine—that what was sent to Ethiopia was *surplus* food. In fact, the world produces more than enough food to feed the total world population. Total world production of food, equally distributed to the global population, would today provide everyone with more than enough for the physiologically required diet. According to a recent estimate by the United Nations Food and Agriculture Organization, the world now produces enough grain alone to provide every person on earth with thirty-six hundred calories a day—more than one and a half times the calories required in a normal diet. Enough grain is produced to give everyone on earth two daily loaves of bread.

Famine is caused not by a global food shortage but by the grossly uneven distribution of the global food supply. This is not an ecological phenomenon but a political and economic one. Neither England nor Haiti produces enough food for its own population, but hunger is much more prevalent in Haiti than it is in England, because Haiti cannot afford to import enough food to make up this deficit, while England can. A more localized example of the economic origin of hunger comes from a 1967 study of the state of Madras, in India. The study found that about a third of the population consumed an amount of food well below the physiological requirements for protein and calories: those people were slowly starving. But the total food output of the state was sufficient to provide the entire population with ninety-nine percent of the required diet. The problem was not an ecological imbalance between the size of the population and the size of the food supply. The problem was poverty: the well-fed people earned about fifty percent more than the starving ones. In general, there is considerable evidence that in developing countries poverty encourages a high birth rate, for parents hope that enough children will survive the scourge of disease to support the family. The reason for malnutrition, starvation, and famine, then, is poverty, not overpopulation. Excess population is a symptom of poverty, not the other way around. Hunger and overpopulation are not ecological manifestations; they are signs of economic and political problems that can be solved, humanely, by economic and political means.

Many people have been attracted to the environmental movement by their dismay over the present state of human society. Some of them are interested not only in correcting the environmental abuses that erode the quality of life but also in establishing a new, happier way of living. They want to create better places to live and better ways to work. They regard industrial society as the root not only of environmental problems but of all social, political, and economic ones as well. They look toward ecology as a guide to the creation of a new culture, a new style of living. Kirkpatrick Sale, a prominent exponent of this view, wrote in *The Nation* that this style of living would be "rooted in the natural world, in harmony with natural systems and rhythms, constrained by natural limits and capacities and developed according to the natural configurations of the earth and its inherent life forms." Seeking to establish an ecologically harmonious way of life—for themselves, at least—some people return to the land, growing their own food, building their own homes and furniture, recycling their waste to the land. Others have a wider vision, seeking "self-reliance, not so much at the individual as at the regional level." This approach, "bioregionalism," envisions a society based on ecologically defined regions rather than on areas specified by political boundaries. It embraces the belief that such an ecologically founded society will have many laudable features: it will be cooperative rather than competitive, spread out rather than centralized, interdependent rather than polarized, evolving rather than growing, peaceful rather than violent.

Certainly it makes ecological and, ultimately, economic sense to organize society in ways that harmonize with nature. Problems arise, however, when one attempts to translate this general proposition into practice. According to Sale, bioregionalism is achievable, because its appeal overrides conventional political distinctions, and thereby avoids polarization and opposition:

"The bioregional idea has the potential to join what are traditionally thought of as the right and the left in America because it is built on and appeals to values that, at bottom, are shared by those on both sides."

In effect, Sale hopes bioregionalism can eventually remake society and somehow overcome opposition from the powerful economic forces that now largely govern it. This would be a remarkable political conjuring trick, for there is no way to reorganize society along ecologically sound lines without directly challenging the powerful, politically conservative forces—more plainly speaking, the corporations—that now control the system of production.

The illusion that environmental improvement is a politically neutral issue is not new. When environmental quality first emerged as a public concern, in 1970, a major politician declared, "Ecology has become the political substitute for the word 'motherhood'." The theory that conservatives and liberals will happily join forces to develop an ecologically sound society has been tested by an eminent practitioner of political realism, Richard M. Nixon. He discovered that even his Administration's modest environmental efforts were a serious threat to corporate power. In 1970, on signing the National Environmental Policy Act, President Nixon adopted the environmental issue as his own, promising a vigorous campaign to clean up pollution. He said, "The nineteen-seventies absolutely must be the years when America pays its debt to the past by reclaiming the purity of its air, its waters, and our living environment. It is literally now or never." In his 1971 State of the Union Message, Nixon, still sounding like a crusading ecologist, declared that environmental quality would be the "third great goal" of what he called the New American Revolution. But less than a year later Nixon seemed to believe that environmentalism threatened the basic precepts of corporate power. In September of 1971, he indicated that he had made a complete reappraisal of his environmental policies, and told an audience of auto-industry executives that he would not permit concern for the environment "to be used sometimes falsely and sometimes in a demagogic way basically to destroy the system."

In referring to the environmental impact of production technologies, environmentalists often speak of the "hard path" and the "soft path." The hard path—the huge, centralized technologies created without concern for their environmental impact—leads to nuclear power, chemical agriculture, and high-powered cars. The soft path leads to technologies more appropriate in scale and design to their human purpose and ecological setting—cogenerators, solar energy, organic farming and small cars, mass transit and bicycles. This distinction is useful, but it is incomplete; in reality, the soft path of ecologically appropriate technology is a hard political road, for those travelling it confronts the real source of environmental degradation—the technological choice—and debate who should determine that choice, and for what purpose. And a soft political road, which avoids this debate, inevitably leads to the environmental hazards presented by the giant technologies.

In the United States, the major environmental organizations are aware that in order to influence the resolution of environmental issues they need to find a way of participating in the political process. But they have generally chosen to travel the soft political road, which evades the issue of who should govern the choice of productive technology. This is evident in the recently published "An Environmental Agenda for the Future," by a group of ten self-described "leaders of America's foremost environmental organizations." The agenda recognizes the need to confront the root causes of environmental degradation, stating that "because the laws and regulations often have not dealt with root causes, they have been inadequate to cope with added problems that have arisen, partly from new technologies." Given this laudable intention, and what we now know about the root cause of environmental pollution, one would expect the environmental leaders to guide us toward the future by proposing national policies such as these: that the present reliance on nonrenewable energy sources, and especially nuclear power, be replaced by renewable solar-energy systems; that the present chemically based system of agriculture be replaced by a system based on organic farming; that the inherently dangerous petrochemical industry be rolled back, its products and processes replaced by ones more compatible with the environment; that the nation's present heavy dependence on cars and trucks be replaced by a vast expansion of railroads and mass-transit facilities. However, the agenda offers a policy statement only with respect to population control: "The Administration should establish formal population policies, including goals for the stabilization of population at a level that will permit sustainable management of resources and a reasonably high quality of life for all people." Indeed, the agenda takes a gingerly approach to any measure that calls for socially mandated changes in the technology of production. For example, although favoring a shift toward renewable energy, the agenda recommends only that federal and state governments "develop successful strategies," rather than recommending a formal policy, as in the case of population. Similarly, according to the agenda, organic farming should be "researched and encouraged," but no political action is proposed to actually put this advantageous technology into practice.

The agenda appears to reflect the environmental leaders' effort to adjust the goals of environmentalism to the reality of Washington politics. As they see it, the reality is this: To obtain legislation that would improve environmental quality—by urging more stringent pollution standards, for example—a majority of Congress must be won over. But legislators are subjected to the influence of well-financed industrial lobbyists, who fiercely resist such restrictions on their companies' operations. In the past, these battles have often been lost by the environmentalists or, at best, have produced a legislative compromise. The alternative to lobbying is litigation—a lengthy, costly, and often inconclusive process. Thus far, clearly, neither effort has done much to improve the state of the environment.

In recent years, with an Administration that strives for minimal government programs in all but military affairs, environmental lobbying has seemed particularly fruitless. The environmental organizations, which have found themselves facing mounting costs and diminishing returns, have accordingly shown a tendency to seek less frustrating—and less costly—routes to environmental improvement. The main outcome has been the formation of small committees, composed of leaders of environmental organizations and corporate executives, that seek to work out compromise positions.

A good example is the Acid Rain Roundtable, a twelve-member group representing environmental organizations and power companies. In 1985, the Roundtable reported the results of a study that it had commissioned to devise "cost-effective programs" for the reduction of emissions of sulfur dioxide and nitrogen oxides from power plants. The study concludes that a reduction of twenty-six per cent in sulfur-dioxide emissions and twenty per cent in nitrogen-oxide emissions could be achieved at an annual cost of about two billion six hundred million dollars. The study opposes the strategy of reducing sulfur-dioxide emissions by installing scrubbers, which are regarded as too costly. According to the study, a more cost-effective solution is to cut back the burning of high-sulfur coal—a step that would reduce coal mining in the Midwest and northern Appalachia. Concerning the resultant unemployment, one Roundtable participant notes that the study was directed toward ways "to address miner unemployment by means other than mandating the installation of scrubbers." The report proposes to aid the miners who would lose their lifelong jobs by helping them obtain unemployment and health insurance for one year after they are thrown out of work. Regardless of the merits of the compromise recommended by the study, its basic structure is clear: it relieves the power companies of the cost of installing scrubbers, or of the competition threatened by local cogenerators—both facilities capable of reducing pollutant emissions—and shifts the economic consequences of achieving a modest reduction in emissions onto the miners. According to one Roundtable member, the study was designed to "break the legislative deadlock." Nor surprisingly, the United Mine Workers is not one of the member organizations of the Roundtable, although, as important parties to the issue, they would receive respectful attention if it were to be resolved by conventional democratic means, in the legislature.

One result of the national organizations' tendency to travel the soft political road has been the appearance of a new "grass roots" environmental movement. This movement has arisen out of the direct impact of environmental pollution on community life. It is concerned chiefly with toxic chemicals, toxic-waste dumps, and dioxin-producing trash incinerators. It is exemplified by Love Canal, in Niagara Falls, New York, where local residents, who had been exposed to toxic chemicals, organized to demand the actions that finally led to the evacuation of the area and some compensation for their financial losses. Lois Gibbs, who led that fight, has formed a national federation of similar community groups. For such groups, the front line of the battle against chemical pollution is not in Washington but in their own communities. For them, the issues are clear-cut and are not readily compromised: A waste-management company decides to build a trash-burning incinerator, but the community, fearful of the health effects, doesn't want it. A chemical company keeps dumping toxic wastes in a leaky lagoon, but the community wants the practice stopped and the lagoon cleaned up. In these battles, there is little room for compromise; the corporations are on one side and the people of the community on the other, challenging the corporation's exclusive power to make decisions that threaten the community's health.

Thus, confronted by powerful corporate opposition, the environmental movement has split in two. The older national environmental organizations, in their Washington offices, have taken the soft political road of negotiation, compromising with the corporations on the amount of pollution that is acceptable. The people living in the polluted communities have taken the hard political road of confrontation, demanding not that the dumping of hazardous waste be slowed down but that it be stopped; not that dioxin producing incinerators be equipped with unworkable emission controls but that they be abandoned in favor of more benign recycling technology. The national organizations deal with the environmental disease by negotiating about the kind of Band-Aid to apply to it; the community groups deal with the disease by trying to prevent it.

It can be argued, of course, that, given the considerable power of the polluters, it is better to compromise with them, in the hope of making some partial improvement, than to engage them in a battle, which may only end in frustration. On the other hand, there is a danger that in the course of negotiating a compromise the environmental organizations will become hostage to the corporations' power, and will experience the Stockholm Syndrome, in which hostages take on the ideology of their captors. Perhaps something like this happened to Jay D. Hair, the executive vice-president of the National Wildlife Federation, which is heavily involved in "inlightened and reasonable dialogue with corporate leaders." Hair recently admonished environmentalists that "our arguments must translate into profits, earnings, productivity, and economic incentives for industry"—precisely the arguments of corporate executives against the regulation of pollution.

Because the effort to improve the environment is so closely linked to the decisions that govern the technology of production, it is inevitably drawn into the realm of politics. Though technological choices are often thought of as being outside the realm of public politics, and driven instead by "objective" scientific considerations, the evidence contradicts this view. That high-compression automobile engines are particularly powerful and generate smog is certainly an objective scientific fact. The decision to manufacture such an engine rather than one that is less powerful but does not produce smog is, however, not a scientific necessity but a human choice. When the auto companies decided to build high-compression engines, the choice as we know, was motivated by a private interest—higher profits. But their decision created a social problem—smog. When the decision was made, no questions were asked about the environmental effect of the new engines, and their social impact was revealed, too late, by the blanket of smog that covers the cities.

It is, of course, quite possible to choose a technology on the basis of its social consequences. When environmentalists speak of "appropriate technology," they have in mind production methods that not only enhance environmental quality but fulfill such other social purposes as conservation of energy and material resources and humane conditions of work. The social significance of a technological decision is much wider than its impact on environmental quality. The series of decisions that substituted plastics for leather, for example, aggravated not only environmental pollution but unemployment as well, for the plastics industry uses more capital and less labor than the leather industry did. In this sense, social guidance of technological decisions is vital not only for environmental quality but for nearly everything else that determines how people live: employment; working conditions; the cost of transportation, energy, food and other necessities of life; and economic growth. And so there is an unbreakable link between the environmental issue and all the other troublesome political issues.

Efforts to develop a frankly political approach to the environmental issue—that is, to seek political power in order to use it to solve the environmental crisis—inevitably confront this linkage to the whole of politics. The most striking example is the brief but remarkable history of the Green Party in West Germany. In 1983, only four years after it was founded, the Green Party obtained five and six-tenths percent of the vote in the national election and won twenty-seven seats in the Bundestag. The Party began with an ecological outlook that emphasized not only the hazards of pollution but also the dangers of the ultimate ecological disaster—nuclear war. The Greens' anti-war position was an important source of votes for neither the Social Democrats, who were then in power, nor the opposition Christian Democrats were against the expanding American nuclear presence in West Germany and the rest of Europe. In the 1983 election, peace-oriented voters, who were not necessarily preocuppied with ecological issues, found in the Greens a way to express this concern. This helped the Greens appeal to a group of voters considerably broader than ecological activists.

Yet the Greens' preoccupation with ecology was also a serious political drawback. The 1983 election occurred at a time of high unemployment, unprecedented in recent West German history. Some Greens believed that the best way to reduce environmental degradation was to lower the level of industrial activity, which they regarded as inherently anti-ecological, and this belief was translated into an open disregard for the demand for more jobs; after all, more jobs meant putting more people to work in polluting factories. Naturally, unemployed workers and many voters who sympathized with them were not attracted to the Greens.

Thus, from its inception the Green Party, like the environmental movement generally, ran head on into the firm bond linking economy and economics. In the last few years, this confrontation has given rise to a basic split within the Party. One group consists of the "fundamentalists," who adhere to what they regard as basic ecological principles: advocacy of a social structure based on "unity with nature;" a spiritual devotion to harmonious relations among people and nations; respect for all forms of life. At a recent Green convention, one member of this group pleaded passionately for a resolution condemning the "slaughter" of thousands of frogs in biology laboratories, comparing it with the Holocaust. The fundamentalists are concerned chiefly with combatting pollution and fostering a transition to renewable resources, "soft" alternative technologies, and way of life appropriate to these. The other group consists of the "realists." They recognize the fundamental origins of ecological and other problems in the political control of the economy. They are concerned not only with the technology of production and its impact on both the environment and jobs but also with which social class holds the governing power. The realists are linked to labor unions, and most of them favor political alliances—with the Social Democrats, for example, whose positions on environmental and peace issues have of late moved closer in some respects to the Greens' position.

In October of 1985, the split between the fundamentalists and the realists took a dramatic turn when, over the objections of the national Green leadership, the realist-led Green Party of the industrial state of Hesse agreed to join the Social Democrats in a governing coalition. (The coalition broke up early in 1987 over a disagreement about a nuclear facility.) The Christian Democrats quickly attacked the Hesse Social Democrats for making a pact with "fanatical opponents of our free economy." In the heat of the accompanying debate, the fundamental political issue generated by ecological concerns became plain when a Christian Democrat who opposed the coalition declared that major corporations would leave Hesse, because "free companies decide where they want to invest." Thus, the history of the Green Party is a lively and effective dramatization of the links that tie ecology to economics and both to politics. It also illustrates the ease with which a failure to understand these links properly can lead to a politics that rises in defense of laboratory frogs but not unemployed workers.

Italy provides a different example of environmental politics. In the 1985 elections, environmentalists organized "green lists" of candidates, and some were elected to office. While the Italian greens are strongly oriented toward environmental issues—in particular, opposition to nuclear power, to nuclear weapons, and to industrial pollution—most of them share the general political orientation of the Italian parties of the left. This leads to a kind of "red-green" situation, in which environmental concerns are joined to a broader left political program. In this sense, the green lists have also become important through the pressure they exert on the parties to adopt environmental positions; for example, recently they have helped to reverse the Italian Communist Party's earlier support for nuclear power. In turn, such developments may encourage environmentalists to work within the parties, and thus link environmental concerns more firmly with the rest of politics.

In the United States, environmental politics has followed a distinctive course. Here the environmental movement is part of the phenomenon that since the Second World War has given rise to wave after wave of popular, issue-oriented movements: for civil rights; against nuclear-weapons testing; for women's rights; for gay and lesbian rights; against the war in Vietnam; for the environment; against nuclear power and for solar energy; for world peace. These movements have a good deal in common. All of them have arisen outside the arena of conventional politics, sparked by outsiders like Martin Luther King, Jr., and Rachel Carson rather than by established political figures. Their level of public support has typically gone through successive cycles of enthusiasm and apathy. At their height, some of these movements have achieved notable successes—the civil-rights and environmental laws, the nuclear-test-ban treaty, the new employment opportunities for women—all of them accomplished by nonelectoral means: marches, demonstrations, lobbies. Yet, as the record of the Reagan Administration shows, these successes can be quickly eroded when officials hostile to them are elected to power. Indeed, the movements' greatest failure is their inability to translate the millions of votes that their combined adherents represent into significant electoral power, and put people in office who will protect their gains and expand them.

A major reason for the tenuous connection between the movements and politics is that their issues have been consigned to the political ghetto that is reserved for "special interests." In a sense, this isolation is self-imposed, for the varied concerns are usually manifested—in a legislator's office, for example—as single-minded constituents, one pleading for peace, another for sexual equality, a third for environmentalism, on down the list. Each special pleading demands a special response, at best unrelated to the other issues, and often in actual conflict with them. Each of the issues is regarded as a possible modifier of national policy but not as a creator of it—a correction in the course of the ship of state but not a motive for. Yet the issues that the movements represent, taken together, and added to those of the much older labor movement, constitute not only the major aspects of public policy but its most profound expression: human rights; the quality of life; health; jobs; peace; survival. What can unite these movements to enable them to exert an effect on national policy that expresses the profound political meaning of their collective issues?

The environmental experience suggests an answer. As we have seen, the obvious manifestations of the environmental problem—smog, toxic dumps, nuclear catastrophes—that set us apart as a "special interest" are but preceptible expressions of a deeper, underlying issue: how the choice of production technologies is to be determined. Here environmentalism reaches a common ground with all the other movements, for each of them also bears a fundamental relation to the choice of production technologies. Discrimination, for example, resembles pollution in that one of its major features—paying women and racial minorities less than white men—originates in decisions made by the managers of productive enterprises. Of course, other factors social, cultural, and psychological, are involved, but the end result—wage discrimination—is, after all, an effective way of reducing production costs.

Or, to look at this relationship from the other direction, if it were to be determined through some system of social governance that all the employees in an enterprise who do comparable work should receive equal pay, regardless of sex or race, a major effect of the social, cultural, and psychological forces that engender discrimination would be nullified. The connection between this common ground and the issues of peace and foreign policy is less direct but nevertheless substantial.

It explains, for example, the apparent justification for the Administration's military belligerence—the insistence that force must be used wherever it is needed to support governments and political groups that, like the Administration, favor free-market principles of economic governance. In particular, it would be difficult to explain the Administration's deep-seated antagonism to the Soviet Union—which engenders the monstrous threat of global nuclear destruction—if it were not for the opposite views of the two governments on the stewardship of economic enterprises.

Perhaps the most useful outcome of the environmental experience is that it illuminates the relationship between the outward manifestations of the ills that trouble modern society and the common origin of those ills. But there are risks in expounding this relationship. Calling attention to their source may appear to minimize the importance of the immediate problems that initially attracted adherents to the cause, and so risk their ire. At the same time, an effort to transform the "special interest" into a critique of basic and even more troubling faults in the social structure is likely to intensify opposition to it. The path taken by Martin Luther King, Jr., in the last few years of his life is a cautionary example. At the height of his influence, King had won major victories and had acquired a broad following as the leader of a powerful attack on outward expressions of legally enforced racial discrimination: segregated schools and public facilities. Then, a few years before he was assassinated, he began to link racial discrimination to its origins and, thereby, to other social issues. He sensed, it seems, that blacks could not break out of their persistent social ghetto if they remained trapped, as a "special interest," in a political ghetto. And so he declared his opposition to the war in Vietnam, led a march of poor people (black and white) on Washington, and championed the cause of striking black garbagemen in Memphis. In this new role, King quickly became more controversial. He was out of his depth, it was said—taken in by political radicals and diverted from his true mission. But he died believing, it seems, that this new course had brought him closer to the heart of the problem he had set out to resolve: that beneath the legal basis of racial discrimination lay the deeper problems of poverty and violence; that the root of racial discrimination is also the root of poverty and war.

Neither the environmental movement nor any of the other issue-oriented movements have yet attempted to follow the road that Dr. King began to travel before he died. But the environmental experience powerfully illuminates that road—a historic passage toward a democracy that can exert its force on the germinal decisions that determine whether we and the place we inhabit will thrive.●

TRIBUTE TO JOANNE D. VANZANDT

● Mr. D'AMATO. Mr. President, I rise in the Senate today to pay tribute to a dear friend of mine, Ms. Joanne VanZandt, a dedicated leader and servant of the people of Monroe County, NY.

She was first elected to the Monroe County Legislature in 1977, and for the past 10 years has demonstrated an impressive record of achievement in the community service. Ms. VanZandt will be the guest of honor at this year's Flag Day Dinner of the county's Federation of Republican Women.

During her tenure as a member of the Monroe County Legislature, Ms. VanZandt has devoted considerable time and effort to the economic concerns of the community. She now serves as president of the Monroe County Legislature and task forces representing Monroe County and New York State.

Joanne is also a member of several boards—Arts for Greater Rochester, Landmark Society, and the Catholic Diocese to list just a few. Despite all the responsibilities and demands placed upon her, she finds time for volunteer community service.

I am pleased to join with the Monroe County's Federation of Republican Women in recognition of Ms. Joanne VanZandt. She is an accomplished woman, and effective leader, upstanding citizen, and a very dear friend.●

CONFERENCE REPORT TO ACCOMPANY HOUSE CONCURRENT RESOLUTION 93 THE CONCURRENT RESOLUTION OF THE BUDGET FOR FISCAL YEAR 1988

● Mr. MURKOWSKI. Mr. President, during the Senate debate prior to the passage of the conference report on House Concurrent Resolution 93, the concurrent resolution on the budget for fiscal year 1988, I spoke of my sincere disappointment with the budget for fiscal year 1988, in general, and specifically with regard to the funding level for function 700: Veterans' Benefits and Services. Although my disappointment remains intact, I did misstate one item pertaining to the veterans' function that I wish to correct.

Mr. President, it was my understanding that the $50 million reconciliation reduction would reduce further, the funding levels specified in the resolution, so that the final funding level for the veterans' function would result in a $100 million reduction below the fiscal year 1988 baseline level. However, that is not the case, and I want to clarify that the funding levels specified in the resolution already took into account the reconciliation reduction. Thus, the $50 million fiscal year 1988 reconciliation reduction would not be in addition to the funding levels set forth in the resolution. This would mean that the veterans' budget for fiscal year 1988 would still be below baseline by $50 million, instead of $100 million.

Nonetheless, I reiterate my concern over the fact that funding for the veterans' function for fiscal year 1988 will be below baseline. Whether it is below the baseline by $50 million or $100 million, the point I want to reaffirm is that the subbaseline funding level for veterans is unacceptable to me, when other functions which are not any more vital or important will receive substantial increases over baseline.

I hope this will clarify any confusion that may have been drawn from my previous statement.●

THIS HOME OF FREEDOM

● Mr. ARMSTRONG. Mr. President, Archbishop J. Francis Stafford and the Archdiocese of Denver are celebrating the centennial year of the archdiocese in 1987. Archbishop Stafford and the 330,000 Catholics he leads in northern Colorado will be observing this joyous and historic occasion with everything from gala events to serious, reflective examinations of the Catholic faith and its role in daily life.

Beyond this, Archbishop Stafford envisioned an even greater opportunity during the archdiocese centennial year, for 1987 is also the bicentennial of our U.S. Constitution. Archbishop Stafford has chosen to enlarge the purpose and scope of the archdiocese centennial by combining these two historic observances.

The archbishop recently released a very thought provoking and timely pastoral letter entitled, "This Home of Freedom." In doing so, Archbishop Stafford has given us a profound and very impressive assessment of the United States' special role in the world and each citizen's responsibility in maintaining and defending that role.

In the words of the archbishop, "the fundamental issue for the American third century is character" and "what America requires today is a renewal of civic virtue."

I commend this well done document to my colleagues and ask that it be printed in the RECORD.

The document follows:

THIS HOME OF FREEDOM

(A Pastoral Letter to the Church of Denver)

I

Dear brothers and sisters in Christ

1. The grace of our Lord Jesus Christ, the love of God the Father, and the fellowship of the Holy Spirit be with you.

II

Introduction: A pride of anniversaries

2. In the trinitarian life of God, "a thousand years are like yesterday, come and gone, no more than a watch in the night." [*Psalm 90.4*] For us, living between the revelation of God in the creation and in Christ's redemption, but before the final triumph of God's purpose in the Kingdom to come, time is the rhythm of our lives. That is why anniversaries are important: they stand as benchmarks on the road between things past and things promised. Viewed with the eyes of faith, some anniversaries become special moments of insight into God's design for humanity, for they commemorate occasions on which God's intention and final purpose were more clearly discerned, more faithfully lived, more heroically proclaimed.

III

3. So it will be in thirteen years, when we commemorate the second millennium of Christ's coming in the flesh and the opening of the third millennium of the Christian era.

IV

4. And so I believe it can be this year, when we of the Church of Denver mark a pair of anniversaries, the centennial of our diocese and the bicentennial of the United States Constitution, and as we look forward to the bicentennial of the establishment of the Catholic hierarchy in the United States, which coincides in 1989 with the completion of the Constitutional bicentennial.

V

5. This triad of anniversaries is an important moment in which to think about the Catholic experience of America, and the American experience of Catholicism. The Church, which is the most important of the many communities we share, is a communion of saints across the boundaries of time and space, transcending the barriers of language, nationality, race, and gender. The celebration of the saints in the liturgical life of the Church is a reminder of the many forms that holiness has taken over two millennia of Christian life, worship, and service. Those saints named in the Church's universal calendar, and those saints known but to God and to each of us, form a community that truly transcends the limits of the human condition. And, in this way, the Church, "at once holy and always in need of purification" [*Lumen Gentium 8*], is yet a sign of the Kingdom it proclaims, and "a kind of sacrament of intimate union with God and of the unity of all mankind." [*Lumen Gentium 1*]. In the Church, we participate in an anticipatory way in the life of the Kingdom that will be ours in its fullness after our death. This is the promise of our baptism.

VI

6. But the Church also exists as a communion of communities in the here and now. Throughout its two thousand years, the Church of Christ has been incarnated in local churches: in Jerusalem, Antioch, Corinth, Ephesus, Philippi, and Rome; in Hippo, Canterbury, Aachen, and Paris; in Constantinople, Krakow, Kiev, and Moscow; in Nagasaki, Mexico City, Bogota, Kinshasa, and thousands of other locales.

VII

7. In each of these places, the one Church of Christ has been present in the preaching of the Gospel, the celebration of the Lord's Supper, and the exercise of charity and service within the Christian community and to the whole human family. It is the same Christ who has been preached, who is present in the Eucharist, and who is served throughout the world. Yet in each unique human environment, the one Church of Christ has taken on a distinctive and precious character. In our own time, for example, we in the Church of the West have learned about the abiding Christian realities of persecution, witness, and martyrdom from local churches in the Ukraine, Lithuania, Poland, Central America, and Southeast Asia. Those of us who come from families which embraced Christianity dozens of generations ago have learned anew the exuberance and freshness of the faith from local churches in Nigeria, Uganda, and Zaire. In this mystery of the unity and diversity of the one Church of Christ and the many local churches we see, in faith, another sign of the Kingdom that is promised. "We know," with St. Paul, "that in everything God works for good with those who love him, who are called according to his purpose." [*Romans 8.28*]

VIII

8. The Church has also been incarnated, since the 16th century, in local churches in what is now the United States of America: in St. Augustine and New Orleans; in St. Mary's Town, Baltimore, Bardstown, Oregon City, New York, Philadelphia, and Boston; in Santa Fe, Memphis, and Anchorage—and in Denver in Colorado. It is this experience of the Church in the churches of the United States that I would like to consider with you in this pastoral letter. What has it meant to be Catholic and American? What does it mean today, and what might it mean in the third millennium of Christianity and the third century of America? What are the particular gifts that our local churches offer to the one Church of Christ? What do we, as Catholics in the United States, most need to learn from the heritage of Catholic Christianity throughout the world? What are the particular stresses under which we labor to be faithful to the Lord in modern America? These are some of the questions I wish to explore with you, as the Church of Denver honors these national anniversaries at the time of our local centennial celebration.

IX

Of Thee, nevertheless, we sing

9. The Catholic experience in the United States has been a richly textured and various one. It includes explorers such as Father Jacques Marquette; colonists such as Leonard Calvert; American Founders such as Charles Carroll of Carrollton, last surviving signer of the Declaration of Independence; saints of the universal Church such as Elizabeth Ann Seton, John Neumann, and Frances Cabrini; episcopal leaders such as John Carroll, John England, James Gibbons, John Baptist Lamy of Santa Fe, and Joseph Machebeuf of Denver; missionaries such as Junipero Serra; founders of religious communities such as Junipero Serra; founders of religious communities such as Isaac Hecker and Katharine Drexel; at least one theological genius in John Courtney Murray; pioneers of the lay apostolate such as Jane Hoey and Agnes Regan; industrialists like John J. Raskob, union leaders like George Meany, and a host of politicians, Democratic and Republican. The American experience of Catholicism also includes millions of now-anonymous immigrants who came from literally every corner of the globe, and who built here, not just new lives for themselves and their families, but churches, schools, convents, rectories, seminaries, colleges, hospitals orphanages, and shelters—all with faith in the providence of God, and in the name of the one Church of Christ now come to the New World.

X

10. The Catholic experience of America has not been without its times of trial. Although religious liberty was a founding principle of the colony of Maryland when it was established under the Catholic proprietorship of the Calvert family in 1634, Catholics soon suffered civil disabilities for their faith. At the time of the American revolution, Catholics could not vote or hold major public offices in the colony they had founded. Even after the First Amendment to the Federal Constitution was adopted, Catholics were subjected to periodic waves of persecution by nativists who charged that one could not be a faithful Catholic and a true American. Throughout the 19th century, the bishops of the United States were in a constant struggle with nativism.

Meeting as a national hierarchy in the seven provincial (1829-1849) and three plenary councils (1852-1884) of Baltimore, the bishops proclaimed, time and again, their confidence that America might find no betters citizens than Catholics, and that Catholics might find no more fruitful circumstances for the Gospel than in the religious liberty of the United States. There was an element of self-defense in the bishops' statements. But there was something more at work, too: throughout the 19th century, the bishops of the United States slowly built the Catholic case for the American experiment in democracy. In their contest with nativist bigotry the American bishops were implicitly developing a Catholic theology of democracy.

XI

11. That development reached a high point in 1884, at the Third Plenary Council of Baltimore, attended by virtually all the bishops of the United States. In a joint pastoral letter issued at the end of the Council, the bishops sharply rejected the nativist charge of divided loyalty:

"We think we can claim to be acquainted with the laws, institutions and spirit of the Catholic Church, and with the laws, institutions, and spirit of our country; and we emphatically declare that there is no antagonism between them. A Catholic finds himself at home in the United States; for the influence of his Church has constantly been exercised in behalf of individual rights and popular liberties. And the rightminded American nowhere finds himself more at home than in the Catholic Church, for nowhere else can he breathe more freely that atmosphere of Divine truth, which alone can make us free."

XII

12. But then the bishops made a more remarkable, positive affirmation. As bishops, they were not simply asserting a kind of benign neutrality between possible systems of governance; nor, as Americans, did they believe this national experiment to be an historical accident. Rather, the bishops wrote,

"We believe that our country's heroes were the instruments of the God of nations in establishing this home of freedom; to both the Almighty and to His instruments in the work, we look with grateful reverence; and to maintain the inheritance of freedom which they have left us, should it ever—which God forbid—be imperilled, our Catholic citizens will be found to stand forward as one man ready to pledge anew 'their lives, their fortunes, and their sacred honor.'"

XIII

13. That pledge was redeemed by the sacrifices of thousands of Catholics in the armed forces of our country in the First and Second World Wars, in Korea and in Vietnam. But it is not so much that pledge that I would have us ponder here, but the remarkable affirmation that preceded it and which, in fact, gives the pledge its full moral meaning. The bishops of the United States were not just defending themselves against nativist bigotry, nor were they simply teaching that American democracy was congruent with Catholic social theory. Rather, in 1884, the American bishops went considerably further, and made a momentous assertion. They suggested that the American experiment in democracy reflected a providential design for the human future. The American founders and framers were not only intelligent political craftsmen, making sense of new historical circumstances. They were, the bishops taught, "instruments of the God of Nations in establishing this home of freedom." The bishops did not confuse the American experiment with the Kingdom of God. But the bishops did suggest that the American experiment was full of promise for those who believed that human society could be ordered in ways that reflected our dignity as children of God. If the American founders and framers were indeed "instruments of the God of Nations" when they set in motion the experiment for which each generation of Americans had to take fresh responsibility, then the experiment itself had a kind of providential character to it.

XIV

14. Let us pause a moment and think about the experiment that the bishops of 1884 endorsed in such remarkable terms. Were the bishops simply speaking of the Constitution, and of the structure of the federal system? That seems unlikely, since the bishops' phrase, "this home of freedom," hints at more than the institutions of the state.

XV

15. I would suggest that the bishops were thinking in more complex terms. The Third Plenary Council of Baltimore affirmed the American experiment as a political community, but also as a society and a culture. Educated as they were in the classic and medieval Christian political tradition, the bishops understood that America was indeed a "home of freedom" precisely because the founders and framers knew that society and culture were prior to politics. The society and the culture had claims which the state could not abrogate, without losing its own legitimacy. Religious liberty was one of those claims, and in fact the first of human rights. The integrity of the family and the dignity of work were, in the classic phrase, among those res sacrae in temporalibus, those "sacred things in our temporal life," which were morally prior to the state, and which the state was obliged to serve.

XVI

16. Thus the bishops located the American revolution and experiment in a line of continuity with the Christian medieval tradition, rather than with the modernist-statist tradition that began with the French Revolution in 1789 and came to its logical, brutal, and tragic expression in the human havoc created by Lenin, Stalin, and Hitler, two generations after the Third Plenary Council.

XVII

17. In short, the bishops in 1884 were affirming America as novus ordo seclorum, as the great seal of the United States puts it: a distinctive society and culture, giving rise to a new form of polity, all of which were meant to serve the classic ends of true human freedom.

XVIII

18. The question I wish to pose to you, as we mark the centennials of the Archdiocese of Denver and the bicentennials of the Constitution and of the establishment of the American hierarchy, is whether it remains possible for us to make so grand an affirmation as that made by the bishops of the Third Plenary Council of Baltimore. Can we still say, given a further hundred years of history and experience, that ". . . our country's heroes were the instruments of the God of Nations in establishing this home of freedom," with all that that affirmation implies?

XIX

The temptations of Debonair Nihilism

19. There are many reasons to wonder whether we can, in conscience, make such an affirmation today, particularly if the bishops of Baltimore III were in fact affirming more than the basic structure of American governance.

XX

20. What are we to say about a culture in which the concept of "freedom" has often been degraded into simple license, a culture in which the true and positive meaning of "freedom" is frequently collapsed into a false and negative sense of moral laissez faire?

XXI

21. How are we to evaluate an American culture that can seem to set individual initiative over against the common good, and in so doing deny the necessary connection between a true personalism and an active care for the common good?

XXII

22. What are we to make of the dramatic breakdown of permanency in our relationships, and especially in marriage? How does one evaluate a society in which 40% of marriages end in divorce, in which millions of innocents die in abortions, in which hundreds of thousands of children are born out of wedlock, and in which virtually every imaginable "life-style" is culturally affirmed (or, at the very least, not culturally condemned), no matter what its moral, psychological, or social consequences? How shall we read the moral temperature of a society and culture in which the abuse of drugs and alcohol testifies to a pervasive loneliness amidst mobility and informality, and in which permanence of commitment often takes a back seat to the next available thrill? What is going on in this anti-culture of "debonair nihilism," as Father Ernest Fortin has described it?

XXIII

23. How shall we think about a society that, amidst multiple and self-styled "liberations," finds a rising level of tension and mistrust between men and women, between poor and middleclass, between races and ethnic groups, and between ideological camps?

XXIV

24. These are not questions to be raised from any one point on the contemporary political spectrum. The problem of human community in modernity has been raised by both conservatives and radicals. Commentators, politicians, and ordinary citizens of all persuasions seem to be awakening, however slowly, to the crisis of the family in contemporary American life and to the drastic implications of that crisis for the possibly humane society of the future. Concern for drug and alcohol abuse transcends the standard divisions of our politics. "Quality of life" is a phrase that too often refers to one's car, one's home, or one's stereo system. But an increasing number of Americans seem to be learning that true "quality of life" involves the moral culture of our society: "quality of life" involves who we are, not simply what we have.

XXV

25. These issues pose a challenging question for Catholics in the United States: is it possible to re-affirm conscientiously the teaching of the bishops in 1884, that this "home of freedom" was in fact a providentially-guided act of political creation? If freedom is degraded to license, and community collapses into anomie and loneliness; if permanence and fidelity in relationships are less celebrated than novelty; if liberation leads to new forms of separatism rather than a deepened sense of commonality—if these are among the defining characteristics of our society and culture, then we do well,

as men and women whose first obligation is to the Gospel, to ask how we can affirm the American experiment in its present moment.

XXVI

26. Affirmation, of course, need not mean witless adulation. Affirmation ought to mean a sober appreciation of the merits of a society, culture, and polity, set against a full recognition of its defects. It is this latter kind of affirmation—the mature affirmation of men and women who know the fragility of all the works of their hands—whose possibility we should explore in this year of centennials and bicentennials.

XXVII

The Priority of Virtue

27. We should begin to explore a new affirmation of the American experiment by noting that the social and cultural problems cited above are not (or should not be) Catholic concerns alone. They are, rather, civic problems of the first magnitude. They threaten democratic pluralism and the future of the American experiment in ordered freedom.

XXVIII

28. From the days of Athens and Rome to the time of the American Founding, wise political thinkers have underscored that a republic—and especially a democratic republic—must be a community of virtue. A kingdom has subjects, not citizens; in a kingdom, it can be sufficient for the conduct of public life that the king be virtuous. In a republic, on the other hand, virtuous citizens are essential.

XXIX

29. Virtue is also essential to the functioning of democracy. A generation ago, John Courtney Murray, S.J. (the finest public theologian ever produced by the Catholic Church in the United States), worried that America lacked consensus on the moral coordinates for guiding public argument over our common life. Absent such a consensus, Murray warned, ". . . the noble, many-storeyed mansion of democracy [may] be dismantled, levelled to the dimensions of a flat majoritarianism, which is no mansion but a barn, perhaps even a tool shed in which the weapons of tyranny may be forged." [We Hold These Truths, p. 53]

XXX

30. Murray's concern, reflecting the classic and medieval Christian political tradition, was anticipated in the American Founding. Too often today we are taught that the founders and framers were insightful political mechanics, but no more than that. The American Founding, on this analysis, was set in the intellectual and moral context of radical individualism. The founders and framers had little concern for a public community of virtue. Happily, this analysis is now being refuted by the most recent historical scholarship of the intellectual origins of the American Founding.

XXXI

31. The ideas that shaped the American Founding drew considerably more on the "humane sociability" of the Scottish Enlightenment, as one historian has put it, than has been typically accounted for by those who draw a direct line from the individualism of John Locke to the minds and spirits gathered at Philadelphia in 1776 and 1787. Contemporary scholars are also taking greater account of the impact of the Puritan tradition of "covenanting" on Locke's political thought; are reflecting on the fact that the most deistic of the Founders, Thomas Jefferson and Benjamin Franklin, each proposed biblical images from the Exodus for the great seal of the United States; and are concluding, therefore, that radical individualism must be dethroned from its accustomed place in the intellectual pantheon of the American Founding.

XXXII

32. Rather than being concerned merely with the political mechanics of managing "factions," the American founders and framers, and especially James Madison, expected Americans to live in "a way whose hallmarks were . . . public virtue, public liberty, [and the] public happiness of republicanism," according to William Lee Miller of the University of Virginia. For the founders and framers, according to Professor Miller, "the concept of virtue stood at or near the center of 'republicanism.'" [*The First Liberty: Religion and the American Republic,* p. 145] And in this, of course, they were reflecting the Greek and Roman classics which they had studied so carefully.

XXXIII

33. Moreover, the founders and framers, whether they acknowledged it or not, were reflecting Christian medieval concepts of the right-ordering of society, culture, and polity. Like the classic tradition, this Christian tradition taught the necessity of virtue in public life. But it also understood the pervasiveness of sin. The founders and framers knew this too, even if the word "sin" was not prominent in their discussions in Independence Hall. The phrase "In God We Trust" on our coinage—which means, "In no one else"—expresses their conviction that no one was to be trusted with absolute power. True human freedom in a world marked by sin would be protected and advanced by a community of public virtue, and by institutions of governance which limited the power of any one person or faction.

XXXIV

34. Thus the American Founding involved a clear understanding of the realities of sin, and a conviction that only a virtuous people could go free. Public virtue was essential if the American experiment in democratic pluralism was to survive and prosper. Each of these concepts must be reclaimed in our own day. We must come to know ourselves, again, as sinners and as men and women capable of virtue. Each of these self-understandings is essential in a democracy.

XXXV

A Catholic moment?

35. It is, of course, considerably easier to assert the importance of a community of virtue that it is to build it. How can we even conceive of such a community in a country as diverse as the United States? I believe that there are three reasons why the American Catholic community is in a distinctive position to offer leadership in the building of a community of virtue capable of sustaining and developing the American democratic experiment today.

XXXVI

36. First, the history of Catholicism in the United States positions us to offer leadership on this issue today. The 17th century Maryland experiment in principled tolerance, little remembered in contemporary histories of the colonial period, was yet an important, if short-lived, test of the possibilities of a pluralistic community of virtue. The affirmations of the American experiment offered by the bishops of the United States during the 19th century provincial and plenary councils of Baltimore illustrate the bishops' confidence that there was no necessary contradiction between a genuine pluralism and a true community of public virtue. The recent pastoral letters of the American hierarchy on war and peace and on the U.S. economy, however critical they may be of certain aspects of present public policy, assume that America remains a polity, a society, and a culture in which the call of conscience and the claims of moral reason can be heard and acted upon.

XXXVII

37. Second, the classic Catholic natural law approach to moral reason may well become increasingly important as America works to create a contemporary community of virtue. As John Courtney Murray discerned thirty years ago, what passes for public moral argument about our common life in modern America is really not argument, but cacophony. True argument assumes prior agreement on basic terms of reference. We lack these in modern America, as the intellectual debacle of the abortion debate painfully illustrates. We need moral concepts and language that can speak across the many pluralities of American culture. Where can such concepts and language be found? An increasing number of philosophers, theologians, and commentators (some of the most important of whom do not share Judeo-Christian religious convictions) argue that it is through some form of natural law reasoning that we shall find our way from cacophony to argument—one precondition for building a community of virtue. Since natural law forms of reasoning have been the traditional Catholic method in moral theology at least since the medieval period, the Catholic community in the United States ought to be well-equipped to help device the mediating language necessary for the re-creation of public moral argument in modern America.

XXXVIII

38. Finally, the demographics of Catholicism in the United States and the present state of American religious culture suggest that our community should assume a considerable burden of leadership in helping to define the terms of argument over civic virtue in the American third century. Catholics comprise one-quarter of the national population and are an increasingly affluent, highly educated sector of our population; we can no longer plead the exigencies of recent immigration as an excuse for abstaining from leadership in helping to lay the moral-cultural foundations of our national life. It is true that there are new immigrants among us, particularly our recently arrived Hispanic brothers and sisters, and the work of insuring their inclusion and participation in the life of both Church and society (which is a continuing work of justice that we must undertake on behalf of all the disempowered) goes on. But the religious and cultural vitality of Hispanic and Indochinese Catholics, wedded to the experience of those Catholics who have been in the United States for generations, strengthens our common capacity to help America construct a true community of civic virtue.

Culturally, we live in a moment when the churches of mainline Protestantism, whose profound influence of American self-understanding begins with the Puritans and continued down to the mid-20th century, seem less and less inclined to assume the lead in forming American culture. Evangelical Protestants, resurgent over the past generation, could conceivably take up the mainline's culture-forming role, and will in any event be important partners in ecumenical dialogue over the next generation. But the evangelicals are historically weak in working with mediating language and concepts in moral argument and lack a developed tradition of social-ethical reasoning.

XXXIX

39. Thus it is that some commentators, even from outside the formal Roman Catholic community in the United States, have suggested that this is a "Catholic moment" in the ongoing and never-to-be-completed evolution of the American experiment. We are no longer an immigrant church; our numbers and attainments give us responsibilities and the leverage with which to exercise them; our history in this country predisposes us to want to help America be a true community of virtue; and our classic method of moral reasoning can bridge the chasms between believers and secularists, between Catholics and Protestants, between Christians and Jews.

To suggest that this may be a "Catholic moment" in the ongoing renewal of the American experiment is not to demean the contributions that ecumenical and inter-religious dialogue can and must play in building a community of virtue in these United States. The ecumenical movement in which Catholics have participated since the Second Vatican Council has focused our common Christian attention on the great tradition, in the Scripture and the Fathers of the Church, that all Christians share. The many currents of living Judaism continue to enrich the religious life of this incorrigibly religious people called Americans. The task of renewing the American experiment is not, then, for Catholic hands, hearts, and spirits alone. It must be a genuinely ecumenical and inter-religious enterprise. But the possibilities of leadership in that common effort are now open to Catholics in an historically distinctive way.

Creation, redemption, and the democratic experiment

XL

40. Catholics in the United States bring specific theological insights, as well as an ecumenically attractive and cross-cultural method of moral reasoning, to the problem of sustaining the community of virtue necessary for a democratic republic. Put another way, there are distinctively Catholic reasons for a new Catholic engagement with the problem of public virtue in America, reasons which the Catholic community in particular ought to reflect upon.

XLI

41. Catholic teaching on human rights, as proposed by Pope John Paul II in the encyclical Redemptor Hominis, derives, not only from the natural law tradition, but most fundamentally from the great doctrines of creation and redemption. Our redemption in Christ, the Holy Father teaches, reveals the full dignity of the human person, which God intended from the beginning of creation. As John Paul II writes.

"The Redeemer of the world! In him has been revealed in a new and more wonderful way the fundamental truth concerning creation to which the Book of Genesis gives witness when it repeats several times: 'God saw that it was good.' . . . Rightly, therefore, does the Second Vatican Council teach: 'The truth is that only in the mystery of the Incarnate Word does the mystery of man take on light . . . Christ the new Adam, in the very revelation of the mystery of the Father and his love, fully reveals man to himself and brings to light his most high calling. . . . Through the Incarnation God gave human life the dimension he intended man to have from his first beginning. . .' " [*Redemptor Hominis 2*]

XLII

42. The great Christian themes of creation and redemption then, ground a theory of human rights in which the revelation of God's love and mercy does not require us to reject our humanity, but impels us rather to accept it and to probe more deeply to its depths. There, according to the Church, we will encounter the mystery of God who is creator, redeemer, and sustainer of all. And in that encounter, we will learn our true and sacred dignity as human beings: there, we will learn what "human rights" truly mean.

XLIII

43. Catholic doctrine, emphasizing as it does the continuity of the orders of creation and redemption, also offers a holistic view of the human condition and prospect in this interim time between the Resurrection and the coming of the Kingdom in its fullness. Catholic doctrine does not look to this world (and still less to politics) for the perfection of the human condition; but neither does Catholicism consider humanity to be "totally depraved," as some other Christian communities understand that description of the perduring effects of original sin. Human beings can, according to Catholic doctrine, still hear what Peter Berger has called the "rumors of angels" all around us—if we are attuned and open to the possibility of their existence. Catholic theological anthropology, which neither denies nor absolutizes the human propensity for evil, is particularly well-suited to help sustain an experiment in democratic pluralism, since democracy requires both a sense of human possibility and a clear recognition that no one is immune to the temptations of power.

XLIV

44. The great biblical and theological theme of the Kingdom of God should also inform our reflection upon the demands of Christian and Catholic faith in this moment of American history. As I noted above, Catholics believe that God's Kingdom, God's reign over the whole of creation, is made present in an anticipatory way in the Church. As the Church—in her preaching, her celebration of the sacraments, her authoritative teaching, her exercise of charity, and her ministry of peace, liberty, and justice—bears witness to the fullness of God's intention for creation as revealed in the life, death, and resurrection of the Lord, Christ and the Kingdom of His Father are made present to the world through the power of the Holy Spirit. "The Gospel is the power of eternal life given even now to those who receive it. But by begetting people who are renewed, this power penetrates the human community and its history, thus purifying and giving life to its activities. In this way it is a 'root of culture.' " [*Instruction on Christian Freedom and Liberation, p. 62*]

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45. The Kingdom is also yet to come, as we pray each day in the Lord's Prayer. The reign of God, the final vindication of the Father's love for all that He made, stands before us, not only as a pledge of future consummation in God, but as a horizon of judgment on the inadequacies of the present order. By setting a horizon against which we can judge our brokenness in the here and now, the Kingdom also sets a direction for our work between the Resurrection and the Second Coming, and thereby helps establish standards by which that work is measured.

XLVI

46. Thus, a Catholic contribution to the problems of our common life in society and political community is not only informed by centuries of human reflection on the right-ordering of public affairs. It is also informed by faith, and by the insight into the true meaning of the human condition, its brokenness and its glory, that we find in Christ "the Alpha and the Omega, the beginning and the end." [*Revelation 21.6*]

XLVII

47. We hear much talk today about various humanisms, and the tendency, in some parts of the American Christian community, is to juxtapose "Christian faith" and any sort of "humanism." The Roman Catholic tradition, on the other hand, proposes an incarnational humanism which emphasizes both our need for God's gracious and free gift of mercy and love, and the fact that that grace and mercy are revealed in a definitive and unsurpassable way in the life, death, and resurrection of Jesus of Nazareth, a man like us "in all things but sin." [*Hebrews 4.15*] St. Gregory of Nyssa, one of the Cappadocian Fathers, taught that the World of God "has become human so that you might learn from a human being how a human being may become divine." It is an awesome teaching. Its truth can never be fully realized by political action. But its truth must inform all of our actions, private, public, civic, and political. Catholic incarnational humanism thus has much to offer a democratic republic in which the virtue of the people is the condition for the possibility of self-government which pledges liberty and justice for all. Catholicism's incarnational angle of vision also speaks to the needs of a modern world seeking a ". . . new humanism, one in which man is defined first of all by his responsibility toward his brothers and toward history." [*Gaudium et Spes 55*]

XLVIII

A Question of Character

48. Catholic social theory is built on these core doctrines of creation and redemption. Several key themes in the Church's social teaching are of great moment as we reflect on the third century of the American experiment.

XLIX

49. As I noted above, Catholic social theory—following classic and medieval understandings that were later carried by Magna Carta, the Maryland colonial experiment, Roger Williams, and the Declaration of Independence and Constitution—has insisted on a basic distinction between "society" and "polity," or the state. In Catholic social thought, "public" does not equal "governmental." Catholic social thought, in the stream traceable to Pope St. Gelasius I in the 5th century, is resolutely anti-monistic or in modern terms, anti-totalitarian. It resists the perennial temptation of the state to exercise a morally unworthy (and politically corrupting) hegemony over all aspects of life, private and communal. The clear teaching of the Second Vatican Council in the "Declaration on Religious Freedom" (Dignitatis Humanae Personae) is that a privileged sphere of privacy, into which no earthly power may tread, lies at the heart of every human person. Thus religious liberty, liberty of conscience, is the most basic

human right. The temptation to reduce everything, especially everything "public," to the political community and its claims is, according to Catholic social theory, antihuman. It violates the canons of incarnational humanism.

L

50. On the other hand, Catholic social thought has also emphasized that society and the state are "natural" institutions. Some Christian traditions follow St. Augustine in teaching that society and the state are remedial institutions made necessary by original sin. Rooted in the social and political thought of St. Thomas Aquinas, modern Catholic social theory has taught that man's innate sociability ("And God said, 'It is not good that the man be alone . . .'" [Genesis 2.18]) led "naturally" to society and to institutions of governance. Catholics, in other words, do not regard the state as simply a remedy for evil; even had there been no Fall there would still have been society and polity, according to the classic Catholic understanding, since God made us for sociability and community. This teaching means, among other things, that politics has a positive function: politics must be concerned with the common good, with civic and public virtue, with the well-being of all. Thus Catholic political theory accepts Aristotle's concept of politics as an extension of ethics.

LI

51. Catholic social theorists in the United States, most notably John Courtney Murray, have seen the American experiment in ordered liberty as an expression of these classic Catholic social-ethical principles.

LII

52. The American Founding owed important intellectual debts to the Scottish and English Enlightenments. But, on the understanding of Murray and others, the American experiment's deepest roots lay in medieval society and its teachings about the limits of government, the moral necessity of the consent of the governed for just governance, the importance of civic virtue, and the locus of human rights in persons prior to their status as citizens. In other words, Christian medieval political theory taught that the state must be limited in its claims and jurisdictions; that the good prince ruled by consent rather than by mere coercion; that only a virtuous people could be free and just; and that human rights were not benefits distributed by the state, but were in fact inviolable personal claims that the state had to respect. Jefferson called these "inalienable rights," given by ". . . nature, and nature's God." St. Thomas would have smiled.

LIII

53. What the American experiment added to this classic heritage was the idea of institutions of freedom. The Bill of Rights has "worked" in America because, as Murray put it, it has been "engraved on the conscience of a people," and because the American framers created institutional arrangements that guarded against the absolutization of state power. What was not explicitly granted to the government remained the prerogative of the people. Rights of conscience, speech, and assembly were constitutionally protected. Here we see James Madison's wise understanding that a new republic was needed, not because we were angels, but precisely because we were (and are) sinners. The American revolution was (and is) a realistic one. Its recognition of human possibilities and human limitations is thoroughly congruent with Catholic understandings and intuitions

LIV

54. Over the past the two centuries, Americans have developed within this constitutional framework a tripartite arrangement which has interesting parallels to the structure of modern society analyzed by the Second Vatican Council's "Pastoral Constitution on the Church in the Modern World." [*Gaudium et Spes*] A democratic polity, a market-oriented economy, and a pluralistic culture work together through a series of checks and balances. The polity and the culture have disciplined the economy; the economy has provided the wherewithal for both cultural and political life. But the culture—complex, pluralistic, and multi-institutional—remains most important. As the Second Vatican Council teaches, "It is a fact bearing on the very person of man that he can come to an authentic and full humanity only through culture. . . [Thus] culture must be made to bear on the integral perfection of the human person, and on the good of the community and the whole of society. Therefore the human spirit must be cultivated in such a way that there results a growth in its ability to wonder, to understand, to contemplate, to make personal judgments, and to develop a religious, moral, and social sense." [*Gaudium et Spes 53, 59*] The integrity of our moral culture is the essential condition for the continued development of the American experiment according to the standard of liberty and justice for all.

LV

55. Therefore the fundamental issue for the American third century is roman, or what the Council Fathers called "interior liberty." [*Gaudium et Spes 58*] The institutional arrangements of the founders and framers will decay unless civic virtue is nurtured and celebrated. This is true of the polity, as the scandals of the last twenty years have shown; without civic virtue, democratic politics become vicious and destructive. It is true of the economy, as recent corruptions have demonstrated again; an economy such as ours, based on countless free associations, requires virtuous as well as entrepreneurial spirits. And can we seriously expect that the sacrifices and mutuality needed to sustain a democratic republic will be forthcoming if our moral culture continues to teach that freedom is license rather than responsibility? From John Winthrop to Benjamin Franklin to Abraham Lincoln to Martin Luther King, Jr., great American leaders have taught the importance of public virtue in the pursuit of the American experiment. That teaching was true in Massachusetts Bay Colony; it was true in 1776; it was true in the Civil War; it was true at Selma in 1965. It remains true today.

LVI

56. This question of character suggests a distinction worth pondering as we enter the third century of our common life under the Constitution: the American experiment requires a civic community built on covenantal, as well as contractual, relationships. "Contract" is formal, legal, rational; it involves an obligation to the letter of the law, but not beyond. The civic community of American democracy rests on a richer, more complex concept and experience. As the distinguished Lutheran pastor and theologian, Richard John Neuhas, put it ten years ago,

"A convenant is a very troublesome thing. It consists in promise making and promise keeping and, things being as they are, promise breaking. Contract theories of social order . . . are ever so much more pleasant to contemplate. They are presumably constructed upon constants in the human condition; constants rationally ordered and secured by law and habit. Social contracts appeal to the romantic as well as to the business and technological mind. The answer to social ills lies in striking more rational deals according to the logic of enlightened self-interest, or, for the engineers among us, in fixing up the machinery of social interaction. Covenant, on the other hand, invokes the metaphors of adventure, pilgrimage, and vulnerability to the unknown."

Thus a genuine civic community, as St. Thomas Aquinas taught 700 years ago, requires that its citizens nurture the virtue of caritas, of mutual charity, beyond the strict demands of justice.

LVII

57. A civic community built on covenantal relationships is also a community with a transcendent reference point. It lives its life toward and against a transcendent horizon. That palpable sense of the transcendent reaches back throughout the history of the American experiment. The Declaration of Independence makes explicit appeal to God, as the origin and ultimate protector of rights. Lincoln's extraordinary Second Inaugural Address and Dr. King's "I Have a Dream" speech (fittingly enough delivered at the Lincoln Memorial) illustrate this classic American intuition that our democratic experiment stands under transcendent judgment.

LVIII

58. But to stand under judgment also means to be caught up in God's purposes. Here, then, we are back to the affirmation of the bishops of the United States at the Third Plenary Council of Baltimore in 1884. Perhaps we can say, now, that our conscientious affirmation of the American experiment is always provisional. For so long as we remain an experiment in civic virtue, for just so long (and no longer) will the experiment help to advance the possibilities of liberty, justice, and peace that God the creator intended for all his children in this world.

LIX

Themes for the renewal of the experiment

59. As we open the third century of our common life under the Consititution, perhaps we can understand more clearly that what America requires today is a renewal of civic virtue. In this way, our celebration of the Constitution will become more than the commemoration of a remarkable piece of political craftsmanship. It will become a genuine re-commitment to the goals of liberty and justice for all. I would suggest three themes for this renewal and rededication of the American experiment.

LX

60. First, we must re-commit ourselves to the true Christian concept of freedom, which Lord Acton articulated so well in the 19 century: freedom, wrote Acton, is "not the power of doing what we like, but the right of being able to do what we ought." True freedom is freedom for worship, for service to others, for the enjoyment of culture and the development of the human spirit; true freedom is, ultimately, freedom

for God, the Whence and the Whither of our lives.

LXI

61. How do we discern the "oughts" toward which we should live our freedom? We discern them by reflection on the civic implications of belief in a transcendent God. The Catholic community in the United States claims no monopoly of moral insight as we seek to help build a civic community of virtue. The American third century needs a new ecumenism in which believing people reflect together on the public "oughts" that they derive from their deepest religious commitments. Catholics should not be found wanting in that important public conversation.

LXII

62. We also discern the "oughts" of our lives by reason. Morality, whether public or private, is always a matter of intelligence, according to Catholic understandings. Public moral argument in America today is often intellectually flabby. Our standards for debate have become so debased that, as the philosopher Alasdair MacIntyre has put it, we can no longer tell each other what we ought to do; we can only say, "I'd prefer if you'd do such-and-so." And thus morality is perceived as merely a function of emotion and will, rather than a reflection of human reason and its capacity, under grace, to order our common life in a measure of truth and righteousness. Absent a living sense of the connection between reason and morality, public moral argument degenerates into petty name calling and mutual excommunications from the civic community.

LXIII

63. Thus the American third century requires a re-commitment to the idea that the "oughts" of our common life will be discerned through a disciplined, civil, and public argument. We have not had such arguments in America since the early 1960s and the great civil rights revolution. Instead, we have had cacophony. We shout past each other. In such circumstances we cannot even define our disagreements, for "disagreement" implies some mutual understanding of the points of reference for debate. This is what we have largely lost in America these past twenty years. This is what we must regain if we are to rediscover ourselves as a community of civil virtue.

LXIV

64. The debasement of the concept of freedom, and the parallel collapse of our capacity for public moral argument, are graphically and tragically illustrated in the debate over abortion. Those who champion the Supreme Court's 1973 decision in *Roe* v. *Wade* often appeal to the American commitment to liberty ("choice") and to the liberal instincts of our people. In fact, though, what *Roe* v. *Wade* represented was not a triumph for liberality, but its radical construction.

LXV

65. Ever since the Founding, the American experiment has been a story of the expansion of freedom, the wider inclusiveness of the community of protection, and the broadening of the boundaries within which we number those for whom we accept a common responsibility. We fought a civil war, in part, over this issue. We adopted a more and more inclusive suffrage, generously funded social security, and made our streets and buildings accessible to the handicapped, all in the name of an expanding community of mutual responsibility.

LXVI

66. And then there was *Roe* v. *Wade*: the first break in this pattern of enlarging the community of mutual protection. Suddenly, by judicial fiat, an entire class of human beings—the unborn—was ruled outside the boundaries of our common concern. *Roe* v. *Wade* was thus a profoundly reactionary decision, not a liberal one. Unless, that is, one confuses true freedom with license. And thus the confusion over the very terms of the abortion debate illustrates our profound civic need for a revivified public moral discourse aimed at nurturing true freedom: a freedom that will seek to enlarge, once again, the community of the commonly protected.

LXVII

67. In addition to reclaiming this deeper understanding of freedom in the American third century, we must reconceive the relationship between individual liberty and the common good. Here, too, our task of reconception involves reclaiming and extending classic concepts.

LXVIII

68. The great modern Catholic political philosopher, Jacques Maritain, taught that we could not understand the "common good" unless we understood the concept of person. Person is a richer concept than "individual." Individuality refers to the material dimension of things. In a completely material world, the "common good" would simply be the sum of individual goods, or "the greatest good of the greatest number." This can easily lead to the notion that the whole takes precedence over the parts. This is what George Orwell satirized in Animal Farm: the abandonment of liberty in the name of liberty for the sake of a false notion of the "common good" that was ultimately rooted in a false notion of "individuality."

LXIX

69. Persons, according to Maritain, are more than individuals. As "individuality" reflects the material side of things, "personhood" reflects our human capacities of intellect and will. To be a person means to be able to think and judge, to inquire and to choose. A person is an individual who is both free and responsible. According to St. Thomas, it is precisely in our insights and our judgments, our inquiring and our choosing, that we are the image of God. The ultimate good of persons, therefore, is to be united with God: directly, "face to face," as St. Paul puts it [*1 Corinthians 13.12*], in the light and love of the Trinity.

LXX

70. Analogously, here and now in this world, the common good of persons it to live in as close an approximation of this ultimate unity as is possible for sinful human beings. Thus the common good not only involves our individual choices of the good; it involves institutions. We have reflected earlier on the large institutions of polity, culture, and society in America. here, I wish to reflect briefly on two other institutions that are intimately involved with our pursuit of the common good: the family, and the workplace.

LXXI

71. A life of marital commitment and family community is a life of testing in the virtue of true freedom. That is why Scripture speaks of the love of Christ for the Church as analogous to the love of husband and wife; that is why St. John Chrysostom spoke of the family as the ecclesiola, the "little Church." Those who remain faithful to the vowed life of marriage know the truth and the beauty of the hymn attributed to St. Francis of Assisi, that "it is in giving that we receive, in pardoning that we are pardoned." Marriage teaches us by experience that true freedom is a gift to be lived in service to others. Conversely, marital breakdowns are often tragic examples of the erosion of true freedom: the covenant community of married love is replaced by a strictly contractual understanding of marriage.

And thus one key to the renewal of married life today involves a re-discovery of the mystery of persons within marriage. This means a re-discovery of the covenental character of the marriage commitment. Marriage conceived or lived as a mere legal contract between individuals rests on the thinnest and most fragile of bondings. Such a concept of marriage will involve a mechanical understanding of the "common good" of the partners. Marriage as a covenant of life and love between persons is an entry into that community of creative fidelity that is the inner life of God the Father, the Son, and the Holy Spirit. Here, the relationship between a faithful husband and wife, the common good of their family, and the common good of the society in which they live and work will be experienced for the ever-surprising mystery that it is.

LXXII

72. The moral renewal of the workplace will be another crucial test of the American third century. "The culture which our age awaits will be marked by the full recognition of the dignity of human work, which appears in all its nobility and fruitfulness in the light of the mysteries of creation and redemption." [*Instruction on Christian Freedom and Liberation* p. 82] Given the immense size, power, and energy of the American economy, our workplace will inevitably set an important model for the world. How can we insure that the model we set is formed by our moral, as well as entrepreneurial and technological, imagination?

LXXIII

73. Ideas, as ever, have consequences. The moral renewal of the American workplace must begin with a reconception of work itself. As Pope John Paul II has taught, God's injunction in the Garden, that man would henceforth eat "in the sweat of your face" [*Genesis 3.19*], does not exhaust the moral meaning of work. In fact, the Pope insists, "work is a good thing for man. . . It is not only good in the sense that it is useful or something to enjoy; it is also good as being something worthy, that is to say, as something that corresponds to man's dignity, that expresses his dignity and increases it. . . Work is a good thing for man—a good thing for his humanity—because through work man not only transforms nature, adapting it to his own needs, but he also achieves fulfillment as a human being and indeed in a sense becomes 'more a human being.' " [*Laborem Exercens 9*]

LXXIV

74. Such a vision of the moral integrity and dignity of work poses points for reflection for everyone involved in the complex American economy. The entrepreneur who creates hundreds of new jobs is performing a morally good act: he or she is giving fellow human beings an opportunity to exercise their capacity for honest work. Workers who perform their duties conscientiously and well, and trade unions which bargain in

good faith for the rights of workers, are also moral agents, contributing to the integrity of the workplace. Americans have long understood that labor and management are interdependent. It has been one of the blessings of the second American century that our country resolved many of the profound class antagonisms that still infect some European societies. The Church in the United States was an important factor in that happy resolution. But in an economy as vibrant and evolutionary as our own, the situation is never static, and the achievements of one generation can never be taken for granted in the next.

LXXV

75. Many commentators have expressed concern about the American bishops' call for a new American experiment, an economic "partnership for the public good" which would involve steps to "expand economic, participation, broaden the sharing of economic power, and make economic decisions more accountable to the common good." [*Economic Justice for All*, p. 297] Without prejudging the merits or deficiencies of the wide variety of concrete proposals that could fit under the bishops' rubric, several things do seem clear. One, the workplace is at its best, in both moral and economic terms, when labor and management see their efforts as a common endeavor. Many of the most impressive success stories in modern American industry involve companies that have made their employees partners and fellow risk-takers from the outset. Situations in which workers and managers are chronically hostile toward one another are not viable morally or economically. Secondly, the rapidly changing nature of the global economy will require more, not less, worker/management cooperation in the development of the American economy. And none of this seems likely to happen unless both workers and managers come to understand what the Holy Father has called "the primacy of man in the production process, the primacy of man over things." [*Laborem Exercens 12*] Modern American experience suggests that this vision, which expands the sphere of freedom and mutual responsibility in the workplace, can contribute to economic crativity, even as it remains a moral imperative.

LXXVI

76. As the Synod of Bishops gathers to consider the Christian vocation of the laity this Fall, we can, in reflecting on the renewal of the American workplace, understand with the Second Vatican Council that workers, farmers, and professionals, entrepreneurs and managers, must all ". . . learn the deepest meaning and value of all creation, and how to relate it to the praise of God. They must assist one another to lead holier lives even in their daily occupations. In this way the world is permeated by the spirit of Christ and more effectively achieves its purpose in justice, charity, and peace." [*Lumen Gentium 36*] This is not a pious afterthought amidst the urgencies of the marketplace. It is an important dimension of the functioning of the marketplace itself.

LXXVII

77. Finally, the American third century will involve a testing of our ability to act wisely in the world for peace, freedom, and justice. Americans have traditionally been a people discontent with the burdens and responsibilities of international leadership. That discontent is an indulgence we can no longer afford. While America cannot unilaterally determine the course of peace, security, freedom, and justice in the world, the role played by the world's principal democratic power will have much to do with the course of history.

LXXVIII

78. The Bicentennial of the Constitution, the instrument by which we have ordered our liberties so that they serve the common good, affords a unique angle of vision on America's world responsibilities. In a 1963 reflection on Pope John XXIII's great encyclical Pacem in Terris, John Courtney Murray observed that the pope's ". . . acute sense of the basic need of the age is evident in the world that is so often repeated in the encyclical and that sets its basic theme. I mean the word 'order.' This does seem to be the contemporary issue. The process of ordering and organizing the world is at the moment going forward. The issue is not whether we shall have order in the world; the contemporary condition of chaos has become intolerable on the worldwide scale . . . The question is, then, on what principles is the world going to be ordered?" As we read the daily papers, the truth of Pope John's, and Murray's observation is made ever more clear and usually in a tragic or threatening way.

LXXIX

79. The American people bring to this central world problem their own experience—imperfect, to be sure—of building community amidst plurality. We bring the experience, not merely the theory, of law and politics as nonviolent means of resolving conflict. We demonstrate in our national life that political community can be sustained and developed among peoples of every race and creed. We illustrate, in short, that the classic Catholic understanding of peace as "the tranquillity of order" (in St. Augustine's famous phrase), today involves democratic political community. Americans instinctively known the truth of the teaching of John Paul II when he writes that "Respect for . . . human rights constitutes the fundamental condition for peace in the modern world: peace both within individual countries and societies and in international relations." [*Laborem Exercens 16*]

LXXX

80. I am not a specialist in foreign policy, nor is it the business of the Church to devise foreign policy for the United States. But it is the Church's right and duty to insist that all political decisions, be they domestic or foreign in impact, have an irreducible moral component. Political reasoning is moral reasoning, according to the classic tradition of the West. And thus I suggest a moral focus for America's action in the world: we must be a leader for ordered liberty, in and among nations. Where democrats struggle to replace tyrants of either the traditional or modern totalitarian stripe, there America's support should be felt. Where nations work to resolve their differences through the democratic processes of negotiation, arbitration, law, and political persuasion, there America's support should be felt as well. That support can be expressed through various means, and the calculus involved in the morality of means is complex indeed. But about ends we should be clear. One evidence that humanity is not meant for Hobesian brutishness, for a "war of all against all," is our own national experience. The American people have shown that conflict need not lead to mass violence, when democratic law and politics provide credible alternatives for resolving conflict. Here is one expression of what Pope John Paul II called for his 1982 address at Hiroshima: a "major step forward in civilization and wisdom." The Holy Father, preaching at Hiroshima, knew the full and terrible danger posed by nuclear weapons. But he also taught us that a transcendent hope, not secular survivalism, is the key to facing both the threat of nuclear war and the threat of totalitarian tyranny in a world striving to make the painful transition from anarchy to community. Peace and freedom, in the classic Catholic heritage and in the catechesis of John Paul II, go together.

In its third century, then, let America bear witness for ordered liberty in the world. Here is where the American experience, American interests, and American purpose coincide. Here, too, is where, as the Second Vatican Council taught, the ministry of the laity in the world is exercised. As the Council fathers wrote, "On the national and international planes the field of the apostolate is vast; and it is there that the laity more than others are the channels of Christian wisdom." [*Apostolicam Actuositatem 14*] Let there be, then, vigorous and wise lay Catholic leadership in the inseparable causes of peace, freedom, and justice in and among nations.

LXXXI BARTHOLDI'S STATUE

81. Two temptations lie before us, in this time of bicentennials and at the centennial of our archdiocese. We may be tempted to defy the policy, so that the Kingdom of God is identified with America, its doings and its destiny. Or we may be tempted to radically devalue the policy, so that our political community is understood in purely mechanical and utilitarian terms, with no relationship to virtue. Catholic teaching rejects both of these temptations.

LXXXII

82. Catholic realism, in the Augustinian tradition, teaches us not to identify God's purposes completely with any of the works of our hands. We are sinners and we will fail, time and again, to discern the "oughts" in our lives and to act on them. Moreover, Catholic realism teaches us that this is a contingent world, in which even good intentions may produce unexpected and evil results. We live and are saved by grace and mercy alone.

LXXXIII

83. Catholic idealism, in the tradition of St. Thomas Aquinas, teaches a complementary theme: we are to discern, in our flawed and unfinished American experiment, hints and traces of the direction for humanity that God intended in creation and in Christ's redemption. We are to discern, in other words, that true freedom which, properly understood and exercised, leads us always to its Author, the God Who in His holy freedom brings us and our communities into being, redeems us by His Son, and sustains us in His Spirit, until all are one in Him.

LXXXIV

84. In the summer of 1986 we celebrated the rededication of the Statue of Liberty. It was a typically American celebration, mixing garishness and civic piety. The Hollywood/Broadway part of the celebration may have gotten in the way of reflecting on the truths of the Statue's remarkable architecture. For F.A. Bartholdi captured, in metal and stone, a heroic metaphor of true liberty: a woman, not a warrior; purposeful, disciplined, serious, but quietly confident and unafraid; bravely holding out the torch of freedom while carrying, in her other

hand, the necessary tablet of law. The torch of the human spirit challenges darkness and tyranny. The tablet of the law reminds us that liberty debased into license is but another form of slavery, while true freedom is always at and for the service of others in a community of virtue and character.

LXXXV

85. This has been, at its best, the American experience of ordered liberty. We have failed to live up to the standards set by our Founders, as did they. And yet we know, as they also did, that we have failed. In that knowing, we re-affirm those standards and recommit ourselves to the community of civic virtue. The Statue of Liberty reminds us that the task of building true freedom is never completed. As we enter the third century of our Constitution, as we enter our third century as churches in mature communion with the Holy See, and as we enter our second century as the Church of Denver, may we each contribute to the building of the public community of virtue without which there cannot be liberty and justice for any, much less all. Along that path lies the true renewal of the American experiment and the deepening renewal of the Church in the United States.

J. FRANCIS STAFFORD,
Archbishop of Denver,
Feast of the Ascension, May 28, 1987.

SECTION 201: A TOOL OF FREE TRADE

● Mr. SIMON. Mr. President, much has been said recently about Senator PACKWOOD's proposed amendment to the trade bill. Its supporters hail it as the replacement of the "national economic interest" into S. 1420.

I would like to take this opportunity to explain while that seems a laudable goal, the Packwood amendment is a flawed provision.

First, to put this debate into the proper perspective, we should look back to the legislative history behind the "escape clause" in American trade law.

This passage is taken from the House Ways and Means Committee's Overview and Compilation of Trade Statutes: "From the outset of the trade agreements program in 1934, U.S. policy of seeking liberalization of trade barriers has been accompanied by the recognition that difficult economic adjustment problems could result for particular sectors of the economy and that the possibility of serious injury to domestic industries by increased import competition should be minimized."

The original intention of this provision is crystal clear: The escape clause is central to our national policy of free trade, not an antithesis to it. In order to preserve the gains made over the last 50 years of open markets, we must preserve and strengthen the function of our "escape clause."

Second, we must cut through the rhetoric and look at the specific language in the Packwood amendment. This amendment would delete 2(B) of section 204 of S. 490 as reported out of committee, and replace it with this:

"(2) not be in the national economic interest of the U.S., taking into account such factors as:

"(A) the effect on any domestic industry that consumes a product of the petitioner;

"(B) the effect on consumers in general;

"(C) the effect of potential retaliation on U.S. agricultural and other exports."

The Senator's amendment goes on to describe certain nontariff, nonquota measures the President would be required to impose if he did indeed refuse such relief.

The portion of this amendment that gives me the most trouble is 2(B)—the effect of import relief on "consumers in general."

I believe that our trade policy operates on two virtually undeniable assumptions: (a) that import relief for an industry will tend to preserve that industry and the workers therein, and (b) the U.S. consumer has to pay for such import relief, usually in the form of higher prices for the domestically-produced goods. These propositions are inseparable.

My difficulty with Senator PACKWOOD's amendment is that it looks only to cost implicit in the second assumption and not to the benefits of the first. The President is specifically directed to look in one direction, that is, the consumers' interest. The other side of the argument is left unexamined.

The Packwood amendment does not admit the following: it is in the national economic interest to keep American workers working and not on the unemployment rolls.

It also does not recognize that section 201 is the exception to our trade policy, not the rule. As it stands, the U.S. market is the most open in the world, and was explicitly designed that way. Our trade policy was developed, however, with the sage realization that certain important U.S. industries would be injured. Fairness dictates that these industries should not carry the full burden of an open economy.

As I indicated in my statement last Thursday, bringing a case before the ITC is not a simple matter. The Cast Metals Foundation spent $300,000 to plead their case and though their case was strong, they were denied relief—denied not by the President, but by the ITC. We must realize that the ITC does not hand out affirmative decisions like party favors—half of all cases are denied.

I am not in favor of overly restricting the President's ability to shape trade policy. The language in S. 1420 still allows the President sufficient leeway in deciding these cases to take into account those factors which should truly indicate to him that import relief, while justified, would not be the correct course of action.

The Packwood amendment claims to have the monopoly on the "national economic interest." To the contrary, based on the fundamental principles behind our trade policy, the United States would be better served by a stronger section 201.

ALLENS RECEIVE PRESIDENT'S AWARD

● Mr. HECHT. Mr. President, I am pleased to recognize and announce the outstanding accomplishments in volunteer wildlife conservation of two outstanding Nevadans, Wilford and Penny Allen. Because of its accomplishments, their group, the Fraternity of the Desert Bighorn, will be recipients of the prestigous President's Volunteer Action Award.

This award was established in 1982 and this is the first time that citizens of the State of Nevada have been its recipients. The award is given to leading volunteer groups which are dedicated to excellence and public service.

The Allens have been instrumental in guiding the fraternity's construction of 21 water supplies for desert bighorn sheep. The desert bighorn sheep is a majestic animal and highly prized by sportsmen. The fraternity has raised over 50,000 dollars' worth of labor, materials and cash donations which were used in four Nevada Bureau of Land Management districts. As a result of their efforts, Nevada is one of the few Western States with a thriving desert bighorn population.

It is with great pride that I congratulate the Allens for their accomplishments, and their contributions to Nevada, our Nation, and wildlife conservation. They truly embody the diligence and desire that this award was established to recognize.●

POLISH AMERICAN HERITAGE MONTH

● Mr. SIMON. Mr. President, I am pleased to note that Senate Joint Resolution 135, designating October, 1987, as "Polish American Heritage Month," passed unanimously last week. I introduced this important resolution with my good friends and colleagues, Senator ALAN DIXON and Senator DONALD RIEGLE, and with their help and support the many accomplishments of Polish Americans are recognized again this year.

This is the third year I have introduced Polish American Heritage Month—the 3 years I have served in the Senate—and I am proud that it has passed easily each year. Polish Americans have distinguished themselves in education, government, the arts and humanities, science, military service, and athletic competition.

Americans of Polish descent have not only helped shape American life and worked hard to keep the freedoms we hold so dear, but they have continued to support the Polish nation's struggle to become free and independent.

All of us in this body acknowledge the numerous and diverse contributions made by Polish Americans. I am looking forward to sharing in the celebration of Polish American Heritage Month in October, 1987.●

THE STEWART B. McKINNEY HOMELESS ASSISTANCE ACT

● Mr. MOYNIHAN. Mr. President, on Saturday the Senate passed H.R. 558, the Stewart B. McKinney Homeless Assistance Act, by a vote of 65 to 8. As a conferee on H.R. 558, I believe that this conference agreement represents a compassionate, yet fiscally responsible attempt to address the needs of homeless individuals and families. For the past 6 months Congress has focused its attention on the many problems of homelessness. However, our work is certainly not done. We must remember that the report we adopted on Saturday will by no means cure the problem, but it is an essential first step in addressing the issue.

Any consideration of homelessness must recognize, first and foremost, that it is a terribly complex social problem. Its causes are many. Its victims know no age, race, or ethnic bounds. And its problems are as diverse as its population.

When Congress first set out to write emergency homeless legislation, we had a dual objective: To provide immediate assistance to the homeless, in the form of shelter and emergency health care, and to learn more about the nature of the problem.

Some of these immediate needs were self-evident: food and nutritional assistance for the homeless, emergency—albeit inadequate—shelter, and acute health care. Other needs were less obvious. We understood less about these needs because their appearance marked a new trend: the rapid growth in the number of homeless families with children.

Homelessness, as we had known it in the past, was a condition confined largely to a population which society abandoned following deinstitutionalization. Only infrequently did we find whole families without housing. And when we did, it was mainly a temporary situation resulting from eviction or a wholly unanticipated crisis. In 1987, we see a radically different picture: Families with children now represent the fastest growing segment of the homeless population.

In and of itself, this trend is cause for great alarm. It is incumbent upon Congress and on this administration to examine why this is so. Have Federal policies over which we have control contributed to this turnabout? We know, for example, that cuts in Federal assistance for Low-Income Housing, Food Stamps, and Child Nutrition Programs are partially to blame. We know, as well, that urban development has left many of our Nation's cities with precious little low-income housing. Clearly, there are other contributing factors which deserve our immediate attention.

As if the life of homeless families weren't hard enough, the majority of them are living with a related problem: The children in such families, who have no permanent address, may also now lose their right to attend public school as a result of local rules that operate to deny public school education to children living in shelters or lacking a fixed address. In many cities across the Nation, for example, homeless children living inside a school district without a permanent address—in a family shelter or temporary welfare hotel—are not considered residents of that district, and are thus not entitled to attend that district's schools.

The Child Welfare League of America and the U.S. Conference of Mayors both report that many homeless school-age children do not regularly attend school. To address this serious problem, I offered a provision which has been included in this homeless assistance package. This measure is designed to guarantee access to elementary and secondary public education to all homeless children, regardless of the lack of a permanent or fixed address.

States must submit a plan to the Secretary of Education which addresses issues of education for homeless children. Grants will be made by the Federal Government on a formula basis to State and local educational agencies for exemplary programs. Upon receipt of Federal funding, States are required to designate a coordinator of education of homeless children and youth.

I would like to commend my colleagues Senators KENNEDY and STAFFORD and the other members of the conference committee for their assistance on this provision, and for their diligence on behalf of America's homeless youth.

As I said upon introduction, we would be foolhardy, indeed, to think that the measure we passed on Saturday will solve the tragedy of homelessness. At best, we can hope that the programs and funding authorized under this bill will provide emergency—and immediate—relief to many of those homeless individuals who desperately need a helping hand. But it is a step, one that has been to long delayed at the Federal level. I sincerely hope the President will act quickly to sign this important legislation, and will sign into law the supplemental appropriations measure—which contains some of this urgently needed funding—which will soon be sent to him.●

DEMOCRATIZATION OF THE REPUBLIC OF KOREA

● Mr. McCONNELL. Mr. President, on June 27, 1987, this body passed Senate Resolution 241, expressing its support for full democracy in the Republic of Korea. I think the fact that the vote was unanimous signifies our genuine concern for the stability and the future of South Korea, one of our strongest and closest allies.

During the Korean war, the United States lost 50,000 soldiers defending democratic principles. We currently have 40,000 troops there who are actively sustaining our commitment to democratic freedoms.

In spite of this commitment, and regardless of the history of our strong bond with the Korean people, the United States should not dictate policy to the Korean Government or its citizens. However, we can and should add our voice to the chorus that calls for democracy. In supporting democracy we recognize our obligations to the Americans that died there, the Americans that are serving there, and to the people of Korea.

Mr. President, I rise today to speak with optimism about the prospects for democracy in South Korea. Yesterday, South Korea's Democratic Justice Party Chairman, Roh Tae Woo, said he thought the election laws should be changed to promote free campaigns. Mr. Roh also recommended the government make every effort to protect human rights, release political prisoners, and guarantee freedom of the press. As his party's designated successor to President Chun, this may be one of the most important developments in the Republic of Korea's historical quest for democracy.

Mr. Roh holds a pivotal position in the future of the Republic of Korea. I applaud his courage and understanding of the need for compromise. I hope that the opposition leaders share this vision and will support this stated commitment to finding a solution.

Mr. Roh's support for free elections, combined with President Chun's agreement last week to allow debate on constitutional change indicate the influence and resolve of the Korean people. I regret that it has taken violence in the streets to signal the need for change to the South Korean leadership, but I welcome the opportunity for meaningful dialog that may lead to democracy.

I approach these developments with caution, for although they represent a desirable change, they were conceived in an atmosphere of violence. The proof of the ruling party's intent will be in its implementation of these policies.

In the past three decades, South Korea has made great gains in industry, business, and finance. I am hopeful that the last 3 days of events in Korea mark the beginning of political development that will match the economic progress. The preservation of the economic stability achieved by those gains depends on a popularly elected government.●

NAUM MEIMAN

● Mr. SIMON. Mr. President, once again, I am speaking out on behalf of my friend, Naum Meiman. For over 10 years he has been denied emigration. It is time for the Soviet Union to grant Naum an exit visa.

As free individuals, most of us take for granted every day luxuries such as a private telephone, freedom to practice religion, and education for children. Imagine that Naum for the past decade has not been able to enjoy any of these luxuries simply because he has expressed a desire to leave the Soviet Union. Instead, Naum has been the subject of religious persecution and harassment.

It is time for the Soviet Government to grant Naum Meiman his freedom and demonstrate their desire for better United States-Soviet relations. I strongly urge the Soviet Union to allow Naum to emigrate to Israel.●

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is now closed.

PROGRAM

Mr. BYRD. Mr. President, on tomorrow the Senate will come in at 9 o'clock in the morning. After the prayer, the Senate will resume consideration of the trade bill. The pending question at that time will be on the adoption of the amendment by Mr. Wilson on which there is a 30-minute time limitation. A rollcall vote has been ordered thereon.

Senators should be here by 9:30 and ready to vote. I hope that they will not wait until 9:30 to leave their homes because that means that other Senators who are here on time have to wait, and we have had enough of that today, I should think. I hope Senators would be here at 9:30 ready to answer the roll and then we could then proceed with good amendments to the bill.

Mr. DOMENICI. Hope springs eternal.

Mr. BYRD. The Senator from New Mexico and I want to get on with this bill.

Mr. DOMENICI. We might have a few amendments tomorrow. I might have two or three myself. I have done all the vote counting to see where everyone is.

Mr. BYRD. The Senator is ready to roll the dice.

Mr. DOMENICI. Ready to roll.

Mr. BYRD. Mr. President, I thank the Senator.

RECESS UNTIL TOMORROW AT 9 A.M.

Mr. BYRD. Mr. President, if there be no further business to come before the Senate, I move in accordance with the order previously entered, that the Senate stand in recess until tomorrow morning at 9 o'clock.

The motion was agreed to; and, at 10:06 p.m., the Senate recessed until Wednesday, July 1, 1987, at 9 a.m.

NOMINATIONS

Executive nominations received by the Secretary of the Senate June 29, 1987, under authority of the order of the Senate of February 3, 1987:

DEPARTMENT OF STATE

Robert G. Rich, Jr., of Florida, a career member of the Senior Foreign Service, class of Minister-Counselor, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Belize.

NATIONAL INSTITUTE OF BUILDING SCIENCES

Arnold L. Steinberg, of California, to be a member of the Board of Directors of the National Institute of Building Sciences for a term expiring September 7, 1988, vice Van Norden Logan, term expired.

HOUSE OF REPRESENTATIVES—*Tuesday, June 30, 1987*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Gracious God, we remember in this our prayer those to whom great responsibility has been entrusted. As You have pointed to the goals of justice and peace, so may the focus of our actions be to the easing of tensions and the building of understanding among all. May Your blessing be upon each person in this place who earnestly seeks to use the gifts You have given in ways that honor You and bring respect and reconciliation for every person. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed on Monday, June 29, 1987, in the order in which that motion was entertained.

Votes will be taken in the following order:

On H.R. 2616, on H.R. 2327, then on H.R. 1504, and finally, on House Concurrent Resolution 141. On each of those four pieces of legislation, the yeas and nays have been ordered.

The Chair will reduce to 5 minutes the time for additional votes after the first such vote in this series.

Mr. ROWLAND of Georgia. Mr. Speaker, I rise in strong support of three bills we will be voting on under suspension of the rules today, all of which will be of great benefit to our veterans. Specifically, these bills are H.R. 2616, the VA Health Care Amendments of 1987, H.R. 2327, a bill affecting the VA Beneficiary Travel Program, and H.R. 1504, the Veterans' Employment and Education Act Amendments.

Before I comment on these bills, I want to commend the chairman of the Veterans' Affairs Committee, SONNY MONTGOMERY, for all the work he has done in quickly moving these bills through the committee and to the House floor. I also want to commend the ranking member on the Subcommittee on Hospitals and Health Care, JOHN PAUL HAMMERSCHMIDT, for the contributions he has made with regard to the legislation before us today.

In addition, I want to thank the ranking member of the full committee, GERALD SOLOMON, for his contributions. In particular, he should be recognized for authoring H.R. 2327, relating to the VA Beneficiary Travel Program, as this issue has caused a great deal of concern among our veterans.

Mr. Speaker, H.R. 2616 is a comprehensive health care bill which packages together a number of measures which will greatly enhance the quality of health care services available to our veterans.

I am especially pleased with the provisions within the bill which are designed to aid in the recruitment and retention of nurses and pharmacists working in the VA medical system. As my colleagues are well aware, the shortage of qualified nurses and pharmacists is a problem facing not only the VA but the private sector as well. In providing premium pay for nurses on Saturdays, and by moving pharmacists into title 38 of the United States Code for pay purposes, we take another step forward in increasing the VA's ability to be competitive with respect to these important health care professions.

Mr. Speaker, earlier this year the VA issued regulations which placed severe restrictions upon the travel allowance provided to qualified veterans for the travel expenses they incur when traveling to VA medical facilities. This action has caused hardship for a great many veterans and goes against congressional intent with regard to this program.

H.R. 2327 would return the eligibility requirements of the VA Beneficiary Travel Program back to the way it existed before the new regulations were issued, and thus ensure that the veterans who have been using this benefit will again be able to travel to VA medical facilities without undue difficulty. This timely legislation is well supported with 256 cosponsors.

H.R. 1504, the Veterans' Employment and Education Act amendments, extends for a period of 3 years the Veterans' Job Training Act. This program has made a significant contribution to the economic stability of many of our Vietnam-era and Korean war veterans.

Mr. Speaker, I think that these three bills should be easily supported by my colleagues. They are in response to legitimate needs of veterans across our country. I urge my colleagues to vote in favor of these important pieces of legislation.

Mr. BROWN of California. Mr. Speaker, today the House will vote on three important pieces of legislation dealing with veterans' benefits. The passage of all three of these bills is necessary as part of our Nation's continuing commitment to the brave men and women who have made significant personal sacrifices to serve and protect our society. If we truly value the freedoms and liberties we enjoy, then we must be unsparing in our support of those individuals who have actually fought to preserve these privileges for our children and us.

H.R. 2616, pertaining to Veterans' Administration health care programs, requires the VA to provide outpatient care for veterans disabled in war, former prisoners of war, and low-income veterans. This bill contains measures intended to help recruit and retain the very best health care professionals for service in our Nation's VA facilities. As the health care field becomes increasingly competitive, we must ensure that the highest quality health care is provided to those who have risked their lives for our Nation.

H.R. 2327, pertaining to Veterans' Administration beneficiary travel benefits, will ensure that all those eligible for VA health care have the means to obtain that care when the needed facilities are not located in the immediate vicinity. This bill will ensure eligibility of certain individuals for compensation for traveling to VA medical facilities. Those eligible include veterans disabled in war, former prisoners of war, and low-income veterans. Too many veterans in need of health care are denied such care for the simple reason that VA health care facilities are located too far from their homes. That any veteran should be denied proper health care solely because he or she is without the means to travel to VA facilities is intolerable. By providing compensation for veterans in such a situation, H.R. 2327 would rectify this serious injustice.

Finally, H.R. 1504, the Veterans' Job Training Act, will extend for 3 years this extremely successful program originally implemented in 1983. The Veterans' Job Training Act has effectively addressed one of the most serious problems facing our Nation's veterans: unemployment and inadequate job training. In addition to authorizing funds for a 3-year continuation of this program, this bill also authorizes a program of employability training and counseling services. These are designed to assist veterans in finding, applying for, and successfully participating in a suitable job training program.

The Veterans' Job Training Act is representative of the type of service which, while sorely needed by our Nation's veterans, has too often been overlooked. While adequate health care is the bare minimum we owe America's veterans, we must not overlook the economic and social causes for the severe and continuing unemployment among Vietnam-era and Korean conflict veterans. The Bureau of Labor Statistics, for example, shows that more than 406,000 Vietnam-era veterans alone are still looking for work. This is an intolerable situation.

The Veterans' Job Training Act is not, however, merely a handout to the needy. It is a program designed to help veterans help themselves. Since its inception in 1983, this program has enabled more than 50,000 veterans to get off the unemployment rolls and work as productive and self-sufficient members of society. By helping employers to defray the costs of hiring and training long-term unemployed veterans, we can, through a minimum initial investment, reap enormous long-term benefits for both the veterans involved and society at large. This would seem to be a truly cost-effective use of the taxpayers' money.

At a time when our Nation's servicemen continue to be called upon to risk their lives abroad, we must fulfill our obligation by serving those who have served us so well. As a veteran of World War II, I am particularly cognizant of the plight of our Nation's veterans. After the parades are over and the headlines return to domestic concerns, we must remember that America's veterans will continue to deserve our support. It is for this reason that I have cosponsored these important pieces of legislation and hope my colleagues will ensure their adoption today.

VETERANS' ADMINISTRATION HEALTH-CARE AMENDMENTS OF 1987

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2616, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2616, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device and there were—yeas 417, nays 0, not voting 16, as follows:

[Roll No. 230]

YEAS—417

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
Dickinson
Dicks
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—16

Boggs
Carr
DeWine
Dingell
Foley
Ford (TN)
Gephardt
Hall (OH)
Holloway
Livingston
Manton
Miller (OH)
Roemer
Tauzin
Wise
Wortley

□ 1215

Mr. MARTIN of New York and Mr. SHUMWAY changed their votes from "present" to "yea."

Mr. CROCKETT changed his vote from "no" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5, rule I, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device may be taken on all the additional motions to suspend the rules on which the Chair has postponed further proceedings.

VETERANS' ADMINISTRATION BENEFICIARY TRAVEL PROGRAM

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2327.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 2327, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 420, nays 1, not voting 12, as follows:

[Roll No. 231]

YEAS—420

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Berman
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett

Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton

Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek

Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz

Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon

Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker

Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—1

Beilenson

NOT VOTING—12

Bates
Bevill
Boggs
Ford (TN)

Gephardt
Livingston
Manton
Miller (OH)

Oxley
Roemer
Tauzin
Wortley

□ 1230

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

VETERANS' EMPLOYMENT AND EDUCATION AMENDMENTS OF 1987

The SPEAKER. The unfinished business is the question of suspending the rules and passing the bill, H.R. 1504, as amended.

The Clerk read the title of the bill.

The SPEAKER. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 1504, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 417, nays 7, not voting 9, as follows:

[Roll No. 232]

YEAS—417

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Aspin
Atkins
AuCoin
Badham
Baker
Barnard
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis

Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr

Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)

Davis (MI)
de la Garza
DeFazio
DeLay
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Frost
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter

Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal

Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings

Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—7

Armey
Ballenger
Bartlett
Brown (CO)
Bunning
Crane
Sensenbrenner

NOT VOTING—9

Ford (TN)
Gephardt
Herger
Livingston
Manton
Miller (OH)
Roemer
Tauzin
Wortley

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill amended so as to read: "A bill to provide for improvements in veterans' employment and education programs."

A motion to reconsider was laid on the table.

☐ 1245

REGARDING THE PROMOTION OF DEMOCRACY AND SECURITY IN KOREA

The SPEAKER. The unfinished business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 141, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER. The question is on the motion offered by the gentleman from Florida [Mr. FASCELL] that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 141, as amended, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 421, nays 0, not voting 12, as follows:

[Roll No. 233]

YEAS—421

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Badham
Baker
Ballenger
Barnard
Bartlett
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bilirakis
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Craig
Crane
Crockett
Daniel
Dannemeyer
Darden
Daub
Davis (IL)
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frenzel
Gallegly
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Gregg
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hansen
Harris
Hastert
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kemp
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Konnyu
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Latta
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
Lukens, Donald
Lungren
Mack
MacKay
Madigan
Markey
Marlenee
Martin (IL)
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Michel
Miller (CA)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nielson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Packard
Panetta
Parris
Pashayan
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shumway
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solarz
Solomon
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Stump
Sundquist
Sweeney
Swift
Swindall
Synar
Tallon
Tauke
Taylor
Thomas (CA)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walker
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—12

Barton
Coats
DeLay
Ford (TN)
Frost
Gephardt
Livingston
Manton
Miller (OH)
Roemer
Tauzin
Wortley

☐ 1255

Messrs. SUNDQUIST, CRANE, and CHENEY changed their votes from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

AUTHORIZING THE REPRINTING OF SENATE REPORT ENTITLED "DEVELOPMENTS IN AGING"

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the Senate concurrent resolution (S. Con. Res. 53) to authorize the reprinting of Senate Report 100-9, 100th Congress, 1st session, and ask for its immediate consideration.

The Clerk read the title of the Senate concurrent resolution.

The SPEAKER pro tempore (Mr. COELHO). Is there objection to the request of the gentleman from Tennessee?

Mr. GINGRICH. Mr. Speaker, reserving the right to object, I do so only to yield to my colleague from Tennessee.

Mr. JONES of Tennessee. I thank the gentleman for yielding.

Mr. Speaker, the resolution calls for the printing of 1,500 copies of volume I and 500 copies of volume II of the Senate report. The Government Printing Office estimates the cost of this printing to be $18,061. All copies of this document will be used by the Senate Special Committee on Aging. I might point out that the Senate Aging Committee will make copies available for the needs of the House Aging Committee.

Mr. GINGRICH. Mr. Speaker, the minority has no objection, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee [Mr. Jones]?

There was no objection.

The Clerk read the Senate concurrent resolution, as follows:

S. Con. Res. 53

Resolved by the Senate (the House of Representatives concurring), That the Senate Report 100-9, 100th Congress, 1st Session, entitled "Developments in Aging", be reprinted as a Senate document and that there shall be printed an additional 1,500 copies of Volume 1 and an additional 500 copies of Volume 2. All additional copies shall be for the use of the Special Committeee on Aging.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

AUTHORIZING PRINTING OF REVISED EDITION OF PAMPHLET ENTITLED "THE CONSTITUTION OF THE UNITED STATES OF AMERICA"

Mr. JONES of Tennessee. Mr. Speaker, I ask unanimous consent that the Committee on House Administration be discharged from further consideration of the concurrent resolution (H. Con. Res. 125) authorizing the printing of the revised edition of the pamphlet entitled "The Constitution of the United States of America," and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

Mr. GINGRICH. Reserving the right to object, Mr. Speaker, I do so to yield to the distinguished gentleman from Tennessee [Mr. Jones].

Mr. JONES of Tennessee. I thank the gentleman for yielding.

Mr. Speaker, the resolution currently calls for the printing of 276,500 copies of the pamphlet, 241,500 for the House, 30,000 for the Senate, and 5,000 for the Joint Committee on Printing. Each Member of the House and the Senate will receive about 500 copies of the pamphlet. The Government Printing Office estimates the cost of this printing to be approximately $83,588.85.

I have an amendment which changes the number of copies for the Senate from 30,000 to 51,500. This amendment is at the request of the Senate. If the gentleman will withdraw his objection, I will proceed with the amendment.

Mr. GINGRICH. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the concurrent resolution, as follows:

H. Con. Res. 125

Resolved by the House of Representatives (the Senate concurring), That the revised edition of the pamphlet entitled "The Constitution of the United States of America", prepared under the direction of the Committee on the Judiciary of the House of Representatives, shall be printed as a House document, with appropriate illustrations. In addition to the usual number, there shall be printed two hundred and forty-one thousand five hundred copies of the pamphlet for the use of the House of Representatives (of which twenty thousand copies shall be for the use of the Committee on the Judiciary), thirty thousand copies of the pamphlet for the use of the Senate, and five thousand copies of the pamphlet for the use of the Joint Committee on Printing.

AMENDMENT OFFERED BY MR. JONES OF TENNESSEE

Mr. JONES of Tennessee. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Jones of Tennessee: On page two (2), line one (1), delete "thirty thousand copies", and insert in lieu thereof "fifty-one thousand five hundred copies".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Tennessee [Mr. Jones].

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the concurrent resolution.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 1827, SUPPLEMENTAL APPROPRIATIONS, 1987

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 217 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 217

Resolved, That upon the adoption of this resolution it shall be in order, sections 302(f) and 311(a) of the Congressional Budget Act of 1974 (Public Law 93-344, as amended by Public Law 99-177) and clause 2 of rule XXVIII to the contrary notwithstanding, to consider the conference report on the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes. The conference report and amendments in disagreement shall be considered as having been read when called up for consideration.

The SPEAKER pro tempore. The gentleman from California [Mr. Beilenson] is recognized for 1 hour.

Mr. Speaker, House Resolution 217 is the rule providing for consideration of the conference report on H.R. 1827, making supplemental appropriations for fiscal year 1987. This rule waives a House rule and two sections of the Congressional Budget Act, and dispenses with the reading of the conference report and the amendments in disagreement.

The rule waives clause 2 of rule XXVIII, which requires conference reports to be printed in the Congressional Record and to lay over 3 days. Since the conference report was not printed in the Record until last Saturday, June 27, this waiver is needed to permit House consideration of this measure today. It will allow Congress to complete action on this measure before we recess for the Fourth of July district work period.

The rule before us also waives sections 302(f) and 311(a) of the Congressional Budget Act. Section 302(f) prohibits consideration of measures that would cause the appropriate subcommittee level or program level ceilings to be breached. Section 311(a) prohibits consideration of legislation which would cause new budget authority or outlay ceilings to be exceeded.

Mr. Speaker, these two Budget Act waivers are needed because the conference report before us exceeds the overall ceiling on budget authority by $165 million, and because it exceeds subcommittee allocations of discretionary budget authority by lesser varying amounts. The Rules Committee recommends these waivers because of the urgency and the importance of the supplemental appropriations bill before us.

H.R. 1827 provides funds for the Commodity Credit Corporation, which ran out of funds in May, leaving many farmers in desperate financial binds. It also provides funds for many Federal agencies which will be confronted with layoffs and the inability to carry out their responsibilities if the bill is not passed soon. The Rules Committee is usually hesitant to waive the two critically important enforcement tools of our budget process as this rule does, but the urgency of the bill is such that we believe it warrants such a rule.

Despite the need for these waivers, the Rules Committee believes that the Appropriations Committee did a commendable job of bringing back to the House a fiscally responsible conference report. The House conferees faced a Senate-passed bill that contained half a billion dollars' worth of additional amendments that had not been considered by the House. Our Chamber's conferees were able to get agreement to reduce that half a billion dollars' worth of amendments to $126 million worth. That was a particularly difficult task because of the Reagan administration's pressure to add back into the bill funds for foreign operations, which had been deleted from the House bill.

Finally, the rule provides that the conference report and amendments in disagreement are to be considered as having been read when called up for consideration. There are 132 amendments in disagreement, and all but one are in technical disagreement. All are printed in the CONGRESSIONAL RECORD of Saturday, June 27. For the sake of expeditious consideration of this conference report, the Rules Committee believes that the reading of the conference report and the amendments should be dispensed with.

Mr. Speaker, I urge the adoption of House Resolution 217 so that we can proceed to consideration of the conference report on H.R. 1827.

Mr. BEILENSON. Mr. Speaker, I yield the customary 30 minutes, for purposes of debate only, to the gentleman from Ohio [Mr. LATTA], pending which I yield myself such time as I may consume.

Mr. LATTA. Mr. Speaker, I yield myself such time as I may consume.

□ 1310

Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to this rule which makes in order the conference report on H.R. 1827—making supplemental appropriations for fiscal year 1987. This supplemental is a budget buster.

The rule waives section 311(a) of the Budget Act because the supplemental puts aggregate budget authority over the ceiling set for fiscal year 1987. This waiver lets us spend more than the entire amount budgeted for fiscal year 1987. According to the "current level" report filed in the House on June 10—the most recent report—outlays stand at $1,009.8 billion using up-to-date economic assumptions—$14.8 billion higher than the $995 billion budgeted for in the fiscal year 1987 budget resolution. This bill adds another $3 billion, bringing total fiscal year 1987 outlays to $18 billion over the ceiling.

Using obsolete economic assumptions from February 1986, we get a different, less accurate, less realistic reading. It looks like we are staying within the total outlay ceiling for fiscal year 1987. But even using these out of date economic assumptions this bill exceeds the budget authority limit by almost $400 million.

Adding the spending in this bill to the amounts already appropriated in the continuing resolution for fiscal year 1987 also puts 5 of the 13 subcommittees over their subcommittee allocations under last year's budget resolution, thus requiring the waiver of section 302(f) of the Budget Act.

The congressional budget process is in shambles. There are many problems, but one major underlying concern is that when the going gets tough and spending begins to push up against the limits set in a congressional budget resolution, Congress simply looks the other way as spending runs over the top of the limits. For example in the case of this bill, two Budget Act waivers were granted by the Rules Committee. Granting these waivers seems to have become a routine, run-of-the-mill procedure in the Rules Committee. To my knowledge, the Budget Committee members were not consulted prior to the Rules Committee granting these waivers.

I ask you, when is Congress going to begin living within the budget levels it sets for itself?

When is Congress going to correct some of the procedural problems which provide the engine for such supplemental bills?

One of the "must" items in this bill is funding to replenish the CCC revolving fund. Until these funds are provided, farmers cannot receive payments for their crops under last year's contracts or get loans for this year. The Government is already obligated to make these payments, and Congress has no choice but to appropriate the needed funds.

The mandatory nature of the CCC funding makes it a hostage to all the other spending that various Members would like to indulge in. If Congress were truly concerned about farmers there would be a change in the way we appropriate these funds. Instead of holding farm payments in jeopardy, creating uncertainty and dislocation, we should simply make the CCC funding a permanent, indefinite appropriation. We should admit the obvious—that we are obligated to pay this bill. Instead, we keep it in the regular appropriation process, where other far less necessary items can be hooked onto it.

What boondoggles and wasteful programs are funded in this bill? Here are just a few:

The sum of $22 million for the National Park Service to buy more land—the Federal Government already owns 1 out of every 3 acres in the United States.

Repeal of the $250,000 cap on the total loans beekeepers may have outstanding under the honey price support program. This pertains to only about 20 honey producers, or, less than 1 percent, or commercial beekeepers participating in the program.

Repeal of the school lunch $2,000 per year tuition cap, allowing prestigious, high-tuition private schools to get subsidies.

The sum of $23.4 million for agricultural research facilities: To equip a facility owned by Louisiana State University; to construct a weed science center at North Dakota State University; and to construct a center for microbiology at the University of Vermont.

The sum of $200,000 in prior year appropriations to be used for, and I quote, "partial support of an international symposium on historical interaction between human social and economic development and the biosphere."

The sum of $1 million for the Polish trade union Solidarity.

Not only is this bill filled with unnecessary spending add-ons, it also eliminates provisions of law which may have resulted in budgetary savings. For example, conferees terminate a study associated with the closure of Mather Air Force Base and direct DOD to lift a moratorium on projects at that base.

In other words, let the spending go on. These are just a few of the dozens of items like this that you can find in this bill; but let me call the attention of the Members to a matter you do not find in this bill that just came over the wire, and it is a matter of real concern not only to the House, but to the taxpayers of this Nation.

UPI has just printed a story out of Washington that reads as follows:

> The Justice Department last year declined to prosecute the Pratt & Whitney aircraft group on charges of improperly billing the Air Force $22 million despite urging from the FBI that the accusations were valid, contents of an internal FBI memo published Tuesday showed.
>
> The Washington Post said that the FBI's Miami office stated in an eight-page internal memorandum dated August 21, 1986, to FBI Director William Webster that the Justice Department's refusal to prosecute Pratt & Whitney "defies logic" because the company's overcharges were "a flagrant abuse to decency and common sense."
>
> According to Pentagon auditors, Pratt & Whitney's plant in West Palm Beach, Fla., billed the Air Force for such expenses as fishing and golfing trips for Air Force officers, lavish banquets, luxury cars for executives, Miami Dolphins football tickets, rodeo outings, 4,000 souvenir baseball caps and a $4,500 seminar for executives' wives at a yacht club.
>
> The company was also said to have charged the Pentagon for a $67,500 donation to the Oklahoma Air Center, made at the request of an Air Force major general in Oklahoma City.
>
> The Justice Department ended its four-year investigation of Pratt & Whitney last summer without filing charges after Leon Kellner, the U.S. attorney in Miami, said the company's billings were "shrouded in uncertainty," and were vague and complicated.
>
> But the Post said the FBI memo from Miami said it was "convinced" that Pratt & Whitney "could be successfully prosecuted for submitting fraudulent claims to the United States."
>
> The memo also accused the Air Force of "gross negligence" for allowing the improper charges, according to the newspaper.
>
> The billing practices, according to the memo, "could not have been successful without the cooperation or indifference shown by the U.S. Air Force plant representative's office."
>
> The only funds recovered from the $22 million in alleged improper charges were

"approximately $4 million in double billing Pratt & Whitney (after much denial) could find no logical explanation for," investigators said.

Kellner, in a letter last July to Associate Attorney General Stephen Trott, said, "this office reached the conclusion that no prosecution could be brought . . . even though our sensibilities may have been offended at the notion of a contractor asking taxpayers to reimburse it for items such as souvenirs, air shows and lavish parties."

This report just came in today on the UPI wire service.

Mr. Speaker, how about the sensibilities of the American taxpayer to such items, such overcharges, overbilling?

I call on the Justice Department here and now to take another look at this matter and to bring charges, if there are criminal violations, and do it now, not to wait.

There is $22 million, less the $4 million. If they say they paid the $4 million back, there is still $18 million that we are talking about in this one particular instance.

It is high time, high time, past time for us to take a look at some of these overcharges and do someting about it.

We ought to put the U.S. attorney's office to work in a good many of these areas around the country collecting claims due the U.S. Government.

There is a lot of money out there, and we cannot do it alone, so we have to call on them to do it.

As far as the Budget Act is concerned, the question is, when are we going to stop waiving it, if ever. If we are going to continue to waive it, we might as well abolish it and quit kidding ourselves.

When will we begin living within the limits we set for ourselves? If we are not going to live within the limits, why set the limits? I urge the Members to vote against the rule which contains two crucial waivers of the Budget Act, allowing spending to go on over fiscal year 1987 budget authority ceilings.

STATUS OF APPROPRIATIONS COMMITTEE INCLUDING 1987 HOUSE AND SENATE-PASSED SUPPLEMENTALS (OLD ASSUMPTIONS)

[In thousands of dollars]

	(1) Current level comparison to allocation		(2) Conference supplemental		(3) Conference adjustment [1]		(4) Conference supplemental revised comparison to allocation	
	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays	Budget authority	Outlays
Appropriations:								
Total	(3,307,103)	(2,905,502)			(201,897)	(282,498)	(3,509,000)	(3,188,000)
Discretionary							0	0
Mandatory	(3,307,103)	(2,905,502)			(201,897)	(282,498)	(3,509,000)	(3,188,000)
Commerce, State and the judiciary:								
Total	(541,215)	380,406	518,091	348,554			(23,124)	728,960
Discretionary	(547,800)	690,408	332,668	164,453			(215,132)	854,861
Mandatory	6,585	(310,002)	185,423	184,101			192,008	(125,901)
Defense:								
Total	(5,456,171)	791,814	1,318,440	1,126,744	(11,200)	(10,827)	(4,148,931)	1,907,731
Discretionary	(5,467,571)	913,367	747,500	555,809			(4,720,071)	1,469,176
Mandatory	11,400	(121,553)	570,940	570,935	(11,200)	(10,827)	571,140	438,555
District of Columbia:								
Total	(620)	32,380					(620)	32,380
Discretionary	(620)	32,380)					(620)	32,380
Mandatory							0	0
Energy and water:								
Total	(540,723)	252,294	8,763	4,605			(531,960)	256,899
Discretionary	(540,723)	191,836	1,567	(2,520)			(539,156)	189,316
Mandatory	0	60,458	7,196	7,125			7,196	67,583
Foreign operations:								
Total	67,246	301,782	167,872	1,200			235,118	302,982
Discretionary	404,754	422,174	159,014	(7,540)			563,768	414,634
Mandatory	(337,508)	(120,392)	8,858	8,740			(328,650)	(111,652)
HUD-independent:								
Total	(1,417,823)	(19,758)	626,149	403,323	(8,850)	(8,850)	(800,524)	374,715
Discretionary	(1,426,993)	(27,615)	141,262	100,083			(1,285,731)	72,468
Mandatory	9,170	7,857	484,887	303,240	(8,850)	(8,850)	485,207	302,247
Interior:								
Total	(281,274)	222,008	134,561	161,957			(146,713)	383,965
Discretionary	(247,660)	235,781	23,451	55,364			(224,209)	291,145
Mandatory	(33,614)	(13,773)	111,110	106,593			77,496	92,820
Labor, HHS:								
Total	1,158,765	458,425	436,204	379,396	(515,150)	(313,706)	1,079,819	524,115
Discretionary	135,249	200,033	587,900	214,639			723,149	414,672
Mandatory	1,023,516	258,392	(151,696)	164,757	(515,150)	(313,706)	356,670	109,443
Legislative branch:								
Total	(23,101)	458,425	85,013	82,039			61,912	146,175
Discretionary	(22,754)	419	459	601			(22,295)	1,020
Mandatory	(347)	63,717	84,554	81,438			84,207	145,155
Military construction:								
Total	(66,226)	64,136	6,360	6,360			(59,866)	12,720
Discretionary	(66,226)	0	0	0			(66,226)	0
Mandatory	0	6,360	6,360	6,360			6,360	12,720
Rural development, agriculture and related:								
Total	(1,695,464)	99,759	5,858,167	291,933	(8,317)	(2,957)	4,154,386	388,735
Discretionary	113,656	54,456	5,617,133	204,025			5,722,472	255,524
Mandatory	(1,809,120)	45,303	241,034	87,908	(8,317)	(2,957)	(1,568,086)	133,211
Transportation:								
Total	(20,861)	(27,692)	147,027	113,854	(7,765)	(1,900)	118,401	84,262
Discretionary	(37,626)	(104,520)	69,195	18,211			31,569	(86,309)
Mandatory	16,765	76,828	77,832	95,643	(7,765)	(1,900)	86,832	170,571
Treasury-Postal Service:								
Total	(76,149)	265,801	237,979	220,323			161,830	486,124
Discretionary	(3,399)	258,659	93,977	70,929			90,578	329,588
Mandatory	(72,750)	7,142	144,002	149,394			71,252	156,536
Total, appropriations:								
Total	(12,200,719)	(150,983)	9,544,626	3,140,288	(753,179)	(620,738)	(3,409,272)	2,368,567
Discretionary	(7,707,713)	2,837,490	7,774,126	1,374,054			66,413	4,211,544
Mandatory	(4,493,006)	(2,988,473)	1,770,500	1,766,234	(753,179)	(620,738)	(3,475,685)	(1,842,977)

[1] Adjustments are needed because the baseline numbers represented in col. (1) assume some of the spending in the supplemental.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise to urge my colleagues to approve the conference report on H.R. 1827, making supplemental appropriations for fiscal year 1987. This bill contains urgently needed funds for farmers across America, and the long delay they have suffered has already caused considerable hardship for many.

The Commodity Credit Corporation of the Department of Agriculture has been out of funds since May 1. This has prevented the CCC from making payments on storage contracts to farmers and grain elevators. Thousands of farmers agreed to put their land in the Conservation Reserve Program, with an agreement to share the cost of planting grass on the idle land, but the Government hasn't lived up to its part of the deal. Other farmers who participated in the dairy herd buy-out program have slaughtered their cows, thereby losing their sources of income, but have not received payment from USDA. How can they be expected to feed their families?

These are just a few examples of farmers who have been adversely affected by the delay in enacting the supplemental appropriations bill. I don't need to tell you how difficult things are in the Farm Belt, and obviously this delay is only making a difficult situation worse. For some, it will be the last straw. Their creditors are getting tired of waiting.

I've been getting a dozen calls every day from farmers waiting to know when they are going to be paid. They have financial commitments to meet, and they had every right to expect those payments to be paid on time. Now many have had to take out loans to cover their financial commitments, and of course they are paying interest on those loans.

Do you think the Department of Agriculture is going to pay farmers interest on these overdue payments? Not a chance. But if a farmer owes the Government $25 and is 2 days late in paying it, the Government starts charging the farmer interest. This policy is contradictory and fundamentally unfair to farmers. Whether it is the fault of the Congress, as in this case, or the fault of the administration, when the Government is late in making payments on its contractual obligations, interest should be paid.

I intend to introduce legislation next week which would rectify this situation so that farmers would never again be left in the lurch paying interest on an extra loan at the bank while the Government holds their money.

SUPPORT FUNDING FOR RESEARCH AND TRADE

In addition to the funding which this bill provides for CCC payments to farmers, there are two other items for which I would like to ask my colleagues' support. The conference report provides $8 million for construction of a weed science center at North Dakota State University and $1.2 million for two demonstration mills at the Northern Crops Institute, also at North Dakota State University.

Both of these are excellent investments for agriculture and for the people of this country. Control of weeds is one of the most difficult and costly problems in agriculture today. If we can reduce production costs by making it less costly to control weeds, we can make agriculture more profitable and reduce farmers' dependence on Government payments.

The two demonstration mills will be an excellent addition to the facilities at the Northern Crops Institute, which familiarizes foreign trade teams with the characteristics and advantages of crops grown in the northern sections of this country. The funding provided in this provision was authorized by the 1985 farm bill, which instructed the Department of Agriculture to make grants for the "expansion of existing international trade development centers * * * to enhance the exportation of agricultural products and related products."

I think its fairly clear that if we can increase our agricultural exports we will alleviate our domestic crisis in agriculture, so these two mills are also excellent investments. I ask my colleagues to recede and concur in the amendments of the Senate which provide funding for these initiatives.

Let's not delay 1 day more. Let's vote to accept the conference report and get this bill to the President for his signature.

Mr. LATTA. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding this time to me.

I have a couple of questions about this particular bill that is before us. Let me ask the gentleman from the Rules Committee who is handling this matter: did the Budget Committee ask for the waivers that are before us today?

Mr. BEILENSON. Mr. Speaker, if the gentleman will yield, the answer to the gentleman's question is no.

Mr. WALKER. No. In other words, the Budget Committee did not write a letter requesting of the Rules Committee that these budget waivers be granted. Can the gentleman tell me who did request the waivers?

Mr. BEILENSON. Mr. Speaker, let the gentleman from California amend his response, and this may be of help to the gentleman. The Rules Committee granted the same waivers for this conference report as we did for hearing the bill originally. At that time the Budget Committee did request those waivers and did not re-request them for the purpose of the conference report.

Mr. WALKER. Well, is the conference report exactly the same as the bill?

Mr. BEILENSON. No; of course not. The gentleman knows that the answer is, of course not, but the waiver problems remain the same, and the Rules Committee granted the same waivers as before.

Mr. WALKER. So, in other words, what we have is a situation where the waiver request of the committee for an appropriations bill that has since changed substantially stands as the waiver request to the Rules Committee for this particular bill?

Mr. BEILENSON. Mr. Speaker, the answer is, yes. And it is not the most important point in the world. If the Budget Committee had come in and requested these particular waivers, the gentleman would be up there arguing about the waivers quite properly anyway, so it is not all that important.

Mr. WALKER. Well, it is important from the standpoint that the main defense that the Rules Committee has usually had on the floor when I have brought up the question of waivers is the fact that we have a letter from the chairman of the Rules Committee asking for these. So, therefore, it is something that we should be going ahead with.

Mr. BEILENSON. And it is not a terribly adequate response, is it?

Mr. WALKER. No; it is not.

Mr. BEILENSON. And at this time, let me say, if the gentleman would yield further, the Rules Committee is taking the responsibility on its own.

Mr. WALKER. It has not been a very adequate response, but I would say that the committee comes to the floor now without even that protection. So we know that the Rules Committee in fact is the place that makes the determination whether or not we are going to bust the budget with these budget waivers.

Can the gentleman also tell me this: I understood from the gentleman from Ohio that we have five subcommittees of the Appropriations Committee that will now have broken through their 302 limits, and that we are in fact with this rule now protecting five different subcommittees of the Appropriations Committee that have now thrown the Budget Act to the wind. Can the gentleman identify which subcommittees those are?

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I control the time, and I am happy to yield to the gentleman from Illinois.

Mr. YATES. Mr. Speaker, will the gentleman identify those subcommittees?

Mr. WALKER. That is what I am asking.

Mr. YATES. I know that I brought my bill to the floor for the Department of the Interior.

Mr. WALKER. Mr. Speaker, let me reclaim my time.

No, I cannot answer the gentleman because I am attempting to find the answer to exactly that question. That is the reason why I am asking it here.

I understand a 302(f) waiver largely is needed because five subcommittees of the Appropriations Committee have now thrown the Budget Act of last year to the winds and said that we are going to break through our 302 limits.

Mr. BEILENSON. Mr. Speaker, if the gentleman will yield, the gentleman from California has the answer to the gentleman's question.

The five subcommittees exceeding their 302 allocations are Foreign Affairs, Labor-HHS, Education, Agriculture, Transportation, and Treasury-Postal Service, and General Government. Those are the five subcommittees.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

What that tells us is that we now have a large number of the subcommittee of the Appropriations Committee, despite the fact that the Appropriations Committee has consistently assured us on the floor that they always live within their 302 allocations, that exceed their limits, and with this bill we now know five subcommittees of the Appropriations Committee are coming to this floor in violation of the Budget Act.

I would also point out that I thought it was very interesting that the gentleman from Ohio went to the question of some of the moneys that are in here. As I understand it, we are going to have science pork down in this bill to do things like weed research in North Dakota and other kinds of research in Louisiana and Vermont. Being on the Science Committee, I know of absolutely no authorization for those programs. I know of no peer review for those programs. So we have a situation now where money that is unauthorized by peer review is brought to the floor.

Mr. BEILENSON. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I do not think everybody is totally satisfied with this supplemental. I am certainly not. I am concerned about the fact that we keep deliberating about these deficient problems, and now we have a measure that comes back with $126 million more in it from the other body.

What bothers me is that there is $300 million in foreign aid in this particular measure and my district is continuing to suffer. I do not think we have much choice, though, because it is lumped in with other vital programs that we almost have to vote for—and I will—but I am asking the leadership of this House to start separating these somewhat so we can make some decisions predicated on common sense that affect our own districts.

During the debate earlier I had brought up an amendment to protect the Youngstown Municipal Airport in my district from having to close its flight service station. The language was changed around in the conference report, and it leaves it open now to the interpretation of the court ruling in the late 1970's.

Mr. Speaker, while we are appropriating another $300 million for foreign countries, 56 flight service stations in America will be closed down and the skies of America will be more dangerous, driving up insurance costs and continuing to hit the pocketbooks of the American people.

□ 1325

Now, where is the common sense? I am sick and tired of reading about money for Guatemal, Belize, El Salvador, and the Philippines. I am thinking of seceding from the Union in the 17th District of Ohio and maybe I can get some aid for my people, Americans.

Mr. Speaker, I think it is just time that we are going to have to separate some of these issues and calls for votes. Some of you may laugh over there, some staffers may laugh, but while you continue to laugh the deficits keep going up and up and Americans keep getting screwed.

Well, I am telling you right now, I am putting you on notice that my district is not going to get screwed anymore. There are going to be a lot of fights around here. When we get down to the particular debate on the supplemental appropriation itself, I want to know what the situation is, the intent in that conference agreement on these flight service stations, not only for Youngstown, but for the other 55. I do not want to see people flying around America here on the so-called new technological systems while we overlook the basics of safety.

That is all I have to say. I am hoping we will take that into consideration and I hope there are more Members who will join with me and try to separate some of these issues so we do not have to vote simply on catch-all bills.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I note that the rule will permit the House to work its will on Senate amendment numbered 26, which deals with the issue of the proposed new United States Embassy in Moscow which has been bugged by the KGB and the proposed new Soviet Embassy on Mount Alto in Washington, DC, from which the Soviets spy on the White House, the CIA, and the Pentagon.

The House—by a unanimous recorded vote of 414 to nothing—adopted legislation on this issue 2 weeks ago on the State Department authorization bill.

Those unanimously adopted provisions remain the position of the House and should be incorporated in the supplemental, that is, if the supplemental is going to deal with the Moscow Embassy/Mount Alto issue.

Again, I appreciate the fact that the rule leaves the resolution of this issue to the will of the House.

It is my hope that we will have a motion to reaffirm our unanimous vote of 2 weeks ago on the Moscow Embassy/Mount Alto issue.

Mr. BEILENSON. In closing, Mr. Speaker, let the gentleman from California say to his colleagues that we do need some flexibility with respect to waivers of these Budget Act provisions, as the gentleman pointed out in his original statement. The Rules Committee is extremely hesitant to waive these two particularly critical enforcement tools of our budget process, which we have in fact waived today. We found it necessary to do so primarily because of the Commodity Credit Corporation problem and also the $159 million in foreign aid which is in this bill, whereas the original House bill provided no funds for foreign aid at all.

As you know, that came mainly as the result of pressure from the Reagan administration itself.

Finally, let me reiterate as I did earlier that the Rules Committee found the Appropriations Committee did a particularly commendable job. They were faced with half a billion dollars of additional spending in amendments from the other body. They pared that down to about $126 million. In doing so, I think they did a very good job for all of us.

Finally, if the gentleman may, the gentleman from California finds it remarkable and reassuring that more than a year after this House and the other body agreed on this budget resolution for the fiscal year 1987, we find that we have missed our spending targets by less than about two one-hundredths of a percent. It seems to the gentleman that in this particular case the budget process, the budget procedures, have served us awfully well. We have come very close more than a year later to meeting those targets. I think we have done awfully well. I think the Appropriations Committee deserves a lot of commendation for it.

Mr. Speaker, having no further requests for time on this side, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 288, nays 135, not voting 10, as follows:

[Roll No. 234]

YEAS—288

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Bereuter
Berman
Bevill
Biaggi
Bilbray
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Brown (CA)
Bruce
Bryant
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Crockett
Darden
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Luken, Thomas
MacKay
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Scheuer
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith, Robert (OR)
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—135

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bilirakis
Bliley
Boulter
Broomfield
Brown (CO)
Buechner
Bunning
Burton
Chandler
Cheney
Coats
Coble
Combest
Courter
Craig
Crane
Daniel
Dannemeyer
Davis (IL)
DeLay
DeWine
DioGuardi
Dornan (CA)
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gilman
Gingrich
Gradison
Gregg
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Johnson (CT)
Kasich
Kemp
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lott
Lujan
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McEwen
McGrath
Meyers
Michel
Miller (WA)
Molinari
Moorhead
Morrison (CT)
Nielson
Oxley
Packard
Parris
Pashayan
Petri
Porter
Regula
Rhodes
Ridge
Ritter
Roberts
Roth
Rowland (CT)
Saxton
Schaefer
Schneider
Schroeder
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Snowe
Solomon
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Weldon
Whittaker
Wolf
Wylie
Young (AK)
Young (FL)

NOT VOTING—10

Boehlert
Clinger
Ford (TN)
Gephardt
Livingston
Miller (OH)
Roemer
Tauzin
Towns
Wortley

□ 1340

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□ 1350

Mr. WHITTEN. Mr. Speaker, pursuant to House Resolution 217, I call up the conference report on the bill (H.R. 1827) making supplemental appropriations for the fiscal year ending September 30, 1987, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. GLICKMAN). Pursuant to House Resolution 217, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Saturday, June 27, 1987, at page H5651.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

GENERAL LEAVE

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report on H.R. 1827, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, when this bill passed the House of Representatives on April 24, we did not include the word "urgent" in its title. At that time, such a word was not appropriate. But today, the word "urgent" should be included, for we are today confronting a truly urgent situation. Though we passed this bill through the House on April 24, for various reasons it was held up in the Senate until June 2 and the Senate added 437 amendments.

COMMODITY CREDIT CORPORATION

The biggest item included is $5,553,189,000 for the Commodity Credit Corporation. We are far behind on dairy payments which again are obligations. We owe the money and have to pay it though I differ with present law and policies whereby the producers of basic commodities sell below costs and look to the Government to make up the difference. The money is owed to them, even though some prices per unit are improved because of shortages caused by millions of acres being idle. Some of the individual payments are so large as to be hard to believe. However, the payments are a commitment by the Government resulting from the farm bill. Unless the law and policy are changed, it will cost the Treasury more next year.

Notwithstanding the law (7 U.S.C. 1981A) which provides:

> In addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrower, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this chapter, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a show-

ing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided,* That if the security instrument securing such loan is foreclosed such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

The Director of the Farmers Home Administration has called on the American farmer to show he can pay all he owes—largely caused by faulty Government policy—plus what he borrows or he will be foreclosed; 170,000 farmers lost their land last year, and another hundred thousand are expected to lose out this year; 537 banks have failed, more than 300 savings and loan associations have failed. Many of those remaining in agriculture are in desperate financial shape, as is the economy in farm areas.

The farmers engaged in agriculture, our largest industry, are the only group, foreign or domestic, which have had this treatment at the hands of this Government.

The drastic drop in farm income, our largest industry, set off the last depression. We began to recover when farm purchasing power was restored in 1934. We are threatened with the same situation today.

RURAL ELECTRIFICATION ADMINISTRATION

Senate amendment 223 permits an REA that serves six or fewer customers per mile, who has borrowed from the Federal Financing Bank, to, at the option of the borrower, prepay such loan. The Senate proposal split the REA community because it permitted prepayment in some cases but not others. The conferees agreed to drop the six per mile limit and to allow all to prepay. This is the assumption included in the budget resolution conference agreed to by both the House and the Senate.

HOUSE PASSED BILL

When the bill was considered and passed by the House, this bill was reduced $1,867,915,290 by the MacKay amendment. Some of the major cuts made were:

	Millions
Exchange rate which reduce value of dollar	−$118.7
Implementation of immigration reform	−30.8
Additional bankruptcy judges	−9.6
U.S. Air Force special operations forces	−68.8
Delay release of funds for wastewater treatment grants to States	−252.0
Pell grants	−60.3
Reimbursement of CCC net realized losses	−1.4
FAA operation of the traffic control system, leased telecommunications services and other FAA operations	−11.6
Airport grants	−33.6
Implementation of the Tax Reform Act	−16.8
Payment to the Department of Labor for fiscal year 1985 and fiscal year 1985 worker compensation payments to former Postal Service employees	−16.6

The Senate deleted the across-the-board cut and passed a bill which was $508 million above the House-passed level. House conferees, while not agreeing with the MacKay cuts, felt obligated to produce a bill at or below the House-passed level by making specific reductions in other areas in order to retain the overall level in the MacKay amendment. With the exception of the foreign aid chapter, specifically requested by the President, this was done.

I am advised the President will sign this bill. If some of the programs he is interested in are cut further, I do not know if he will sign the bill.

NEED FOR FUNDS IN THE BILL

Without the funds in this bill, many agencies will be confronted with layoffs and the inability to perform their responsibilities, including the FBI, the Drug Enforcement administration, EPA, Customs, the National Park Service, the Justice Department, and other vital Government agencies. Critically needed funds are also provided for the Immigration and Naturalization Service to implement the new, far-reaching immigration bill.

Our committee faced a tremendous task in conference for 437 amendments were added in the Senate—totaling $508 million increase above the House. There are also other programs contained in this conference report in which Members are keenly interested, including funds for the homeless, Pell grants, and EPA construction grants. But first, let me give some background about the bill.

During the long and difficult conference, we were able to reduce this half billion dollar increase of the Senate down to $126 million. While that is too much in my opinion, I think it is understandable when you consider the strong administration pressure the conferees had to add back funds for foreign aid, particularly for Central America, that had been entirely eliminated in the House—in all some $159 million for foreign aid at the direct request of the President.

With this background, I believe it is fair to say we have kept faith with the will of the House and in effect have maintained the overall reductions in total made in the House, though we restored and rearranged some of the MacKay cuts.

Regarding outlays, our record is excellent. We are some $448 million below the House passed bill. While this still puts us above the 302(b) allocation on outlays—due in large part because the 1987 budget resolution provided little funding for the supplemental—a $500 million reduction in spending is impressive by any standard.

At this point let me provide a brief summary of the conference report:

Conference agreement on H.R. 1827—Fiscal year 1987 supplemental appropriations (H. Rept. 100-195)

	Millions
Summary:	
Title I—Program	$7,450
Title II—Pay	409
Title III—Retirement (FERS)	1,164
Title IV—Homeless	355
Total	9,377
Selected major program supplementals over $50,000,000:	
Commodity Credit Corporation	5,553
Department of Defense:	
Operations and maintenance	544
Procurement	122
RDT&E	82
Total	(748)
Foreign operations:	
International financial institutions	258
AID	58
Military assistance	63
Central American Assistance (by transfer)	(300)
Export-Import Bank	220
Total	(159)
Student financial assistance (Pell grants-by transfer)	(287)
Immigration and Naturalization Service	137
Veterans' Administration	210
Internal Revenue Service	80
State Department	72
EPA-Construction grants (release of funds)	(1,200)
FEMA-Disaster relief	57
NASA-Construction of facilities	303
Family social services	122

This conference report deserves your support and that of the House. It is essential we approve it before we leave for the Fourth of July recess. I would urge prompt approval of the conference agreement.

SUPPORT FOR FOREIGN OPERATIONS CHAPTER

Mr. Speaker, I mentioned earlier the support that foreign aid in this bill has from the President. At this point, I insert a letter on this matter from the President:

THE WHITE HOUSE,
Washington, June 26, 1987.

Hon. DAVID R. OBEY,
Chairman, Subcommittee on Foreign Operations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: As the Conference concludes on H.R. 1827, the Supplemental Appropriations Act of 1987, I am writing to assure you of my strong support for the inclusion of the foreign assistance programs contained in Title IV. The Departments of State and Treasury have already expressed support for the foreign operations chapter, but I wanted to underscore to you my high level of interest in this matter.

Though I must necessarily reserve judgment on other sections of the bill, I wanted to share with you my early views on these provisions that are so fundamental to the implementation of our foreign policy programs and objectives.

Sincerely,

RONALD REAGAN.

Mr. Speaker, at this point, I would like to insert in the RECORD a detailed table which compares, account by account, the conference agreement with the House passed bill and the Senate passed bill:

1987 SUPPLEMENTAL APPROPRIATIONS BILL

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	TITLE I - PROGRAM SUPPLEMENTALS						
	CHAPTER I						
	DEPARTMENT OF COMMERCE						
	General Administration						
100-17	Grants and loans administration (by transfer).........	(38,520,000)	---	---	---	---	---
	National Oceanic and Atmospheric Administration						
100-17	Federal ship financing fund, fishing vessels (limitation on guaranteed loans)....................	(50,000,000)	---	---	---	---	---
	DEPARTMENT OF JUSTICE						
	General Administration						
100-17	Salaries and expenses..................................	11,212,000	8,255,000	---	7,600,000	-655,000	+7,600,000
	Legal Activities						
100-17	Salaries and expenses, general legal activities.......	7,786,000	4,344,000	---	8,100,000	+3,756,000	+8,100,000
100-17	Salaries and expenses, Antitrust Division.............	299,000	236,000	---	200,000	-36,000	+200,000
100-17	Salaries and expenses, United States Attorneys........	887,000	701,000	---	---	-701,000	---
100-17	Salaries and expenses, United States Marshals Service.	405,000	320,000	---	---	-320,000	---
100-17	Support of United States Prisoners....................	9,630,000	7,608,000	---	9,630,000	+2,022,000	+9,630,000
100-17	Salaries and expenses, Community Relations Service....	41,000	---	---	---	---	---
100-17	United States Trustee System Fund.....................	16,436,000	12,984,000	---	12,000,000	-984,000	+12,000,000
	Total, Legal Activities.........................	35,484,000	26,193,000	---	29,930,000	+3,737,000	+29,930,000
	Federal Bureau of Investigation						
100-17	Salaries and expenses..................................	3,989,000	3,151,000	---	3,989,000	+838,000	+3,989,000
100-17	Reappropriation..................................	(5,686,000)	---	---	---	---	---
	Drug Enforcement Administration						
100-17	Salaries and expenses..................................	776,000	613,000	---	776,000	+163,000	+776,000
	Immigration and Naturalization Service						
100-17	Salaries and expenses..................................	147,793,000	116,756,000	147,793,000	137,216,000	+20,460,000	-10,577,000
	Federal Prison System						
100-17	Salaries and expenses..................................	548,000	433,000	---	---	-433,000	---
100-17	National Institute of Corrections.....................	15,000	12,000	---	---	-12,000	---
	Office of Justice Programs						
100-17	Justice Assistance.....................................	27,000	---	---	---	---	---
	Total, Department of Justice....................	199,844,000	155,413,000	147,793,000	179,511,000	+24,098,000	+31,718,000
	DEPARTMENT OF STATE						
	Administration of Foreign Affairs						
100-17	Salaries and expenses..................................	59,750,000	48,782,000	---	61,750,000	+12,968,000	+61,750,000
100-17	Acquisition and maintenance of buildings abroad.......	12,000,000	9,480,000	---	9,480,000	---	+9,480,000
	International Organizations and Conferences						
100-17	Contributions for international peacekeeping activities..	21,600,000	---	---	---	---	---
---	Contributions to International Organizations..........	---	212,000	---	268,831	+56,831	+268,831
	International Commissions						
100-17	American sections, international commissions..........	600,000	474,000	---	474,000	---	+474,000
	Other						
100-17	United States Bilateral Science and Technology Agreements..	2,000,000	---	---	---	---	---
	Total, Department of State......................	95,950,000	58,948,000	---	71,972,831	+13,024,831	+71,972,831
	THE JUDICIARY						
	Courts of Appeals, District Courts, and Other Judicial Services						
100-17 100-44	Salaries and expenses..................................	45,645,000	36,060,000	33,500,000	37,800,000	+1,740,000	+4,300,000
100-17	Defender services......................................	2,500,000	1,975,000	---	---	-1,975,000	---
100-17	Planning, design, and construction of court facilities	18,000,000	---	---	---	---	---
	Total, Courts of Appeals, District Courts, and other Judicial Services........................	66,145,000	38,035,000	33,500,000	37,800,000	-235,000	+4,300,000
	Administrative Office of the United States Courts						
100-17	Salaries and expenses..................................	192,000	77,000	100,000	100,000	+23,000	---
	Federal Judicial Center						
100-17	Salaries and expenses..................................	1,108,000	803,000	1,000,000	1,000,000	+197,000	---
	Total, The Judiciary............................	67,445,000	38,915,000	34,600,000	38,900,000	-15,000	+4,300,000

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	RELATED AGENCIES						
	DEPARTMENT OF TRANSPORTATION						
	Maritime Administration						
100-17	Federal ship financing fund	1,448,000,000	1,143,920,000	1,375,000,000	1,375,000,000	+231,080,000	---
100-17	Portion applied to debt reduction	-1,375,000,000	-1,086,250,000	-1,375,000,000	-1,375,000,000	-288,750,000	---
	Total, Maritime Administration	73,000,000	57,670,000	---	---	-57,670,000	---
	Board for International Broadcasting						
100-17 100-44	Grants and expenses	33,195,000	26,224,000	33,195,000	33,195,000	+6,971,000	---
	Commission on Civil Rights						
100-17	Salaries and expenses	375,000	---	---	---	---	---
	Commission for the Study of International Migration and Cooperative Economic Development						
---	Salaries and expenses	---	217,000	---	217,000	---	+217,000
	Dwight David Eisenhower Centennial Commission						
---	Expenses	---	39,000	---	50,000	+11,000	+50,000
	Small Business Administration						
---	Salaries and expenses (by transfer)	---	---	(8,000,000)	(10,000,000)	(+10,000,000)	(+2,000,000)
100-17	Reappropriation	(4,116,000)	---	---	---	---	---
	United States Information Agency						
100-17	Salaries and expenses	8,098,176	6,398,000	---	8,098,176	+1,700,176	+8,098,176
100-17	Radio broadcasting to Cuba	993,000	784,000	---	993,000	+209,000	+993,000
	Total, Chapter I:						
	New budget (obligational) authority	478,900,176	344,608,000	215,588,000	332,937,007	-11,670,993	+117,349,007
	Appropriations	(1,853,900,176)	(1,430,858,000)	(1,590,588,000)	(1,707,937,007)	(+277,079,007)	(+117,349,007)
	Appropriations for debt reduction	(-1,375,000,000)	(-1,086,250,000)	(-1,375,000,000)	(-1,375,000,000)	(-288,750,000)	---
	(By transfer)	(38,520,000)	---	(8,000,000)	(10,000,000)	(+10,000,000)	(+2,000,000)
	(Limitation on guaranteed loans)	(50,000,000)	---	---	---	---	---
	CHAPTER II						
	DEPARTMENT OF DEFENSE - MILITARY						
	Military Personnel						
100-17	Military Personnel, Army	187,089,000	201,807,000	---	---	-201,807,000	---
100-17	Military Personnel, Navy	62,953,000	32,074,000	---	---	-32,074,000	---
100-17	Military Personnel, Marine Corps	39,820,000	28,851,000	---	---	-28,851,000	---
100-17	Military Personnel, Air Force	140,273,000	124,662,000	---	---	-124,662,000	---
100-17	Reserve Personnel, Army	2,915,000	---	---	---	---	---
100-17	Reserve Personnel, Navy	2,128,000	---	---	---	---	---
100-17	Reserve Personnel, Marine Corps	360,000	---	---	---	---	---
100-17	Reserve Personnel, Air Force	701,000	---	---	---	---	---
100-17	National Guard Personnel, Army	4,326,000	---	---	---	---	---
100-17	National Guard Personnel, Air Force	1,335,000	---	---	---	---	---
	Total	441,900,000	387,394,000	---	---	-387,394,000	---
	Operation and Maintenance						
100-17	Operation and Maintenance, Army	75,000,000	---	75,000,000	37,500,000	+37,500,000	-37,500,000
100-17	Operation and Maintenance, Navy	120,000,000	39,500,000	70,000,000	60,000,000	+20,500,000	-10,000,000
100-17	Operation and Maintenance, Air Force	21,000,000	---	20,000,000	---	---	-20,000,000
100-17	Operation and Meintenance, Defense Agencies	357,000,000	302,175,000	442,000,000	431,000,000	+128,825,000	-11,000,000
100-17	Operation and Maintenance, Army Reserve	15,000,000	11,850,000	---	7,500,000	-4,350,000	+7,500,000
100-17	Operation and Maintenance, Navy Reserve	5,000,000	---	5,000,000	2,500,000	+2,500,000	-2,500,000
100-17	Operation and Maintenance, Army National Guard	10,000,000	7,900,000	---	5,000,000	-2,900,000	+5,000,000
	Total	603,000,000	361,425,000	612,000,000	543,500,000	+182,075,000	-68,500,000
	Procurement						
100-17	Procurement of Ammunition, Army	40,000,000	---	---	---	---	---
100-17	Other Procurement, Navy	40,000,000	---	---	---	---	---
100-17	Aircraft Procurement, Air Force	313,700,000	247,823,000	---	122,000,000	-125,823,000	+122,000,000
100-17	Other Procurement, Air Force	160,000,000	---	---	---	---	---
	Total	553,700,000	247,823,000	---	122,000,000	-125,823,000	+122,000,000
	Research, Development, Test, and Evaluation						
100-17	Research, Development, Test, and Evaluation, Army	43,000,000	2,607,000	25,000,000	---	-2,607,000	-25,000,000
100-17	Research, Development, Test, and Evaluation, Navy	29,000,000	11,060,000	---	7,000,000	-4,060,000	+7,000,000
100-17	Research, Development, Test, and Evaluation, Air Force	28,000,000	15,010,000	---	---	-15,010,000	---
100-17	Research, Development, Test, and Evaluation, Defense Agencies	518,000,000	3,476,000	131,000,000	75,000,000	+71,524,000	-56,000,000
100-17	Developmental Test and Evaluation, Defense	30,000,000	10,981,000	---	---	-10,981,000	---
100-17	Operational Test and Evaluation, Defense	46,00C,000	---	---	---	---	---
	Total	694,000,000	43,134,000	156,000,000	82,000,000	+38,866,000	-74,000,000

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Chemical Agents and Munitions Destruction, Defense						
100-17	Chemical agents and munitions destruction	250,000,000	---	---	---	---	---
	Total, Chapter II:						
	New budget (obligational) authority	2,542,600,000	1,039,776,000	768,000,000	747,500,000	-292,276,000	-20,500,000
	CHAPTER III						
	DEPARTMENT OF DEFENSE - CIVIL						
	DEPARTMENT OF THE ARMY						
	Corps of Engineers - Civil						
---	Operation and maintenance, general	---	52,733,000	---	---	-52,733,000	---
100-17	(Trust fund transfer)	(-66,750,000)	(52,733,000)	(-66,750,000)	(-66,750,000)	(-119,483,000)	---
---	(By transfer)	---	(99,000)	---	(125,000)	(+26,000)	(+125,000)
	DEPARTMENT OF THE INTERIOR						
	Bureau of Reclamation						
100-17	Construction program (by transfer)	(5,600,000)	(4,424,000)	---	(5,600,000)	(+1,176,000)	(+5,600,000)
---	Loan program (by transfer)	---	(450,000)	---	(570,000)	(+120,000)	(+570,000)
	Total, Chapter III:						
	New budget (obligational) authority	---	52,733,000	---	---	-52,733,000	---
	(By transfer)	(-61,150,000)	(57,706,000)	(-66,750,000)	(-60,455,000)	(-118,161,000)	(+6,295,000)
	CHAPTER IV						
	MULITLATERAL ECONOMIC ASSISTANCE						
	Funds Appropriated to the President						
	International Financial Institutions						
100-17	Contribution to the International Development Association	207,476,749	---	207,476,749	207,476,749	+207,476,749	---
100-17	Contribution to the International Finance Corporation	42,238,610	---	7,205,610	7,205,610	+7,205,610	---
100-17	Contribution to the African Development Fund	36,639,000	---	36,639,000	36,639,000	+36,639,000	---
	Contribution to the African Development Bank:						
100-17	Paid-in capital	6,492,127	---	6,492,127	6,492,127	+6,492,127	---
100-17	Limitation on callable capital subscriptions	(17,375,058)	---	(17,375,058)	(17,375,058)	(+17,375,058)	---
	Total	292,846,486	---	257,813,486	257,813,486	+257,813,486	---
	Bilateral Economic Assistance						
	Agency for International Development						
100-17 100-51	Economic support fund	397,000,000	---	51,000,000	1,000,000	+1,000,000	-50,000,000
---	Assistance for Central America (by transfer)	---	---	(300,000,000)	(300,000,000)	(+300,000,000)	---
	Energy and selected development activities	---	---	---	50,000,000	+50,000,000	+50,000,000
	Peace Corps	---	---	7,200,000	7,200,000	+7,200,000	---
	Military Assistance						
100-17	Military Assistance	261,000,000	---	---	50,000,000	+50,000,000	+50,000,000
	Foreign Military Credit Sales:						
100-17	Direct credits and forgiven loans	200,000,000	---	36,000,000	13,000,000	+13,000,000	-23,000,000
	Total	461,000,000	---	36,000,000	63,000,000	+63,000,000	+27,000,000
	Export-Import Bank of the United States						
100-17	(Limitation on program activity)	(-100,000,000)	---	(-200,000,000)	(-220,000,000)	(-220,000,000)	(-20,000,000)
100-17	Budget authority effect	-100,000,000	---	-200,000,000	-220,000,000	-220,000,000	-20,000,000
	Total, Chapter IV:						
	New budget (obligational) authority	1,050,846,486	---	152,013,486	159,013,486	+159,013,486	+7,000,000
	(By transfer)	---	---	(300,000,000)	(300,000,000)	(+300,000,000)	---
	(Limitation on callable capital)	(17,375,058)	---	(17,375,058)	(17,375,058)	(+17,375,058)	---
	(Limitation on program activity)	(-100,000,000)	---	(-200,000,000)	(-220,000,000)	(-220,000,000)	(-20,000,000)
	CHAPTER V						
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
	Housing Programs						
	Payments for operation of low-income housing projects:						
	Rescission	---	---	---	-65,000,000	-65,000,000	-65,000,000
	Appropriation	---	---	---	65,000,000	+65,000,000	+65,000,000
	Rent supplement:						
100-17	Rescission of budget authority, indefinite	-389,340,000	---	-389,340,000	-389,340,000	-389,340,000	---
100-17	(Limitation on annual contract authority, indefinite)	(-14,420,000)	---	(-14,420,000)	(-14,420,000)	(-14,420,000)	---
	Rental housing assistance:						
100-17	Rescission of budget authority, indefinite	-72,873,000	---	-72,873,000	-72,873,000	-72,873,000	---
100-17	(Limitation on annual contract authority, indefinite)	(-2,699,000)	---	(-2,699,000)	(-2,699,000)	(-2,699,000)	---
	Housing for the elderly or handicapped fund:						
100-17	Authority to borrow, indefinite	-90,731,000	---	---	---	---	---
100-17	(Limitation on direct loans)	(-90,731,000)	---	---	---	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Management and Administration						
---	Salaries and expenses (rescission)....................	---	---	-4,266,000	---	---	+4,266,000
	INDEPENDENT AGENCIES						
	AMERICAN BATTLE MONUMENTS COMMISSION						
100-17	Salaries and expenses................................	1,424,000	2,370,000	2,150,000	3,000,000	+630,000	+850,000
	ENVIRONMENTAL PROTECTION AGENCY						
---	Salaries and expenses (by transfer)...................	---	(9,480,000)	(12,000,000)	(12,000,000)	(+2,520,000)	---
100-25	Research and development (disapproval of deferral) (D87-54)..	---	(8,690,000)	(11,000,000)	(11,000,000)	(+2,310,000)	---
	Abatement, control, and compliance:						
100-25	(Disapproval of deferral) (D87-55)................	---	(9,006,000)	(11,400,000)	(11,400,000)	(+2,394,000)	---
---	(By transfer).....................................	---	(21,330,000)	(18,000,000)	(27,000,000)	(+5,670,000)	(+9,000,000)
---	Construction grants (release of funds)................	(1,200,000,000)	(948,000,000)	(1,200,000,000)	(1,200,000,000)	(+252,000,000)	---
	FEDERAL EMERGENCY MANAGEMENT AGENCY						
---	Disaster relief.......................................	---	---	57,475,000	57,475,000	+57,475,000	---
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
	Construction of facilities...........................	---	---	---	303,000,000	+303,000,000	+303,000,000
---	Construction of facilities (by transfer)..............	---	---	(3,000,000)	---	---	(-3,000,000)
	VETERANS ADMINISTRATION						
100-17	Compensation and pensions.............................	80,200,000	80,200,000	80,200,000	80,200,000	---	---
---	Veterans job training.................................	---	23,700,000	20,000,000	30,000,000	+6,300,000	+10,000,000
---	Medical Care program (rescission).....................	---	---	-10,000,000	---	---	+10,000,000
	Loan guaranty revolving fund..........................	100,000,000	---	100,000,000	100,000,000	+100,000,000	---
	Total, Chapter V:						
	New budget (obligational) authority.........	-371,320,000	106,270,000	-216,654,000	111,462,000	+5,192,000	+328,116,000
	Appropriations...........................	(181,624,000)	(106,270,000)	(259,825,000)	(638,675,000)	(+532,405,000)	(+378,850,000)
	Rescissions..............................	(-462,213,000)	---	(-476,479,000)	(-527,213,000)	(-527,213,000)	(-50,734,000)
	Authority to borrow......................	(-90,731,000)	---	---	---	---	---
	(By transfer)...............................	---	(30,810,000)	(33,000,000)	(39,000,000)	(+8,190,000)	(+6,000,000)
	(Disapproval of deferrals)..................	---	(17,696,000)	(22,400,000)	(22,400,000)	(+4,704,000)	---
	(Limitation on annual contract authority, indefinite)................................	(-17,119,000)	---	(-17,119,000)	(-17,119,000)	(-17,119,000)	---
	(Limitation on direct loans)................	(-90,731,000)	---	---	---	---	---
	CHAPTER VI						
	DEPARTMENT OF THE INTERIOR						
	Bureau of Land Management						
---	Management of lands and resources.....................	---	355,000	2,126,000	2,126,000	+1,771,000	---
	United States Fish and Wildlife Service						
100-17	Resource management...................................	2,800,000	2,212,000	3,100,000	3,100,000	+888,000	---
---	Construction..	---	---	15,000,000	15,000,000	+15,000,000	---
---	Land acquisition......................................	---	---	5,000,000	5,815,000	+5,815,000	+815,000
	National Park Service						
100-17	Operation of the national park system.................	17,631,000	14,259,000	17,631,000	18,250,000	+3,991,000	+619,000
---	Land acquisition and state assistance.................	---	10,989,000	25,000,000	22,910,000	+11,921,000	-2,090,000
---	Rescission of contract authority......................	---	---	-30,000,000	-30,000,000	-30,000,000	---
	Geological Survey						
100-17	Surveys, investigations, and research.................	2,597,000	2,052,000	2,597,000	2,597,000	+545,000	---
	Minerals Management Service						
---	Leasing and royalty management........................	---	632,000	800,000	800,000	+168,000	---
	Bureau of Indian Affairs						
---	Operation of indian programs..........................	---	---	3,127,000	3,153,000	+3,153,000	+26,000
	Total..	23,028,000	30,499,000	44,381,000	43,751,000	+13,252,000	-630,000
	RELATED AGENCIES						
	DEPARTMENT OF AGRICULTURE						
	Forest Service						
---	State and private forestry............................	---	---	10,000,000	8,000,000	+8,000,000	-2,000,000
---	(By transfer).....................................	---	(1,185,000)	---	---	(-1,185,000)	---
---	Construction..	---	---	1,000,000	1,000,000	+1,000,000	---
---	(By transfer).....................................	---	(103,000)	---	---	(-103,000)	---
100-17	Highway construction: Mount St. Helens National Volcanic Monument (liquidation of contract authority)...	(9,915,000)	(7,833,000)	(9,915,000)	(9,915,000)	(+2,082,000)	---
---	Timber purchaser election (rescission)................	---	---	-30,000,000	-30,000,000	-30,000,000	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	SMITHSONIAN INSTITUTION						
---	Salaries and expenses..................................	---	395,000	---	700,000	+305,000	+700,000
	NATIONAL CAPITAL PLANNING COMMISSION						
---	Salaries and expenses..................................	---	63,000	---	---	-63,000	---
	Total, Chapter VI:						
	New budget (obligational) authority.........	23,028,000	30,957,000	25,381,000	23,451,000	-7,506,000	-1,930,000
	Appropriations...........................	(23,028,000)	(30,957,000)	(85,381,000)	(83,451,000)	(+52,494,000)	(-1,930,000)
	Rescissions..............................	---	---	(-30,000,000)	(-30,000,000)	(-30,000,000)	---
	Rescission of contract authority........	---	---	(-30,000,000)	(-30,000,000)	(-30,000,000)	---
	(By transfer)..............................	---	(1,288,000)	---	---	(-1,288,000)	---
	(Liquidation of contract authority).........	(9,915,000)	(7,833,000)	(9,915,000)	(9,915,000)	(+2,082,000)	---
	CHAPTER VII						
	DEPARTMENT OF LABOR						
	Employment and Training Administration						
---	Training and employment services......................	---	15,800,000	20,000,000	20,000,000	+4,200,000	---
---	Community service employment for older Americans......	---	7,900,000	10,000,000	10,000,000	+2,100,000	---
100-17	State unemployment insurance and employment service operations (limitation on trust fund transfer)......	(-90,000,000)	(102,700,000)	---	(65,000,000)	(-37,700,000)	(+65,000,000)
	Total, Department of Labor......................	---	23,700,000	30,000,000	30,000,000	+6,300,000	---
	DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	Health Resources and Services Administration						
---	Health resources and services.........................	---	29,625,000	18,750,000	18,750,000	-10,875,000	---
	Centers for Disease Control						
---	Disease control, research and training................	---	---	47,000,000	47,000,000	+47,000,000	---
	National Institutes of Health						
---	National Institute on Aging...........................	---	1,422,000	750,000	750,000	-672,000	---
---	Research resources....................................	---	---	4,000,000	---	---	-4,000,000
---	National Center for Nursing Research..................	---	---	1,000,000	1,000,000	+1,000,000	---
	Alcohol, Drug Abuse, and Mental Health Administration						
---	Alcohol, drug abuse, and mental health................	---	592,000	---	---	-592,000	---
	Public Health Service						
---	Public health emergency fund..........................	---	---	30,000,000	30,000,000	+30,000,000	---
	Health Care Financing Administration						
100-17	Program management (limitation on trust fund transfer)	(10,000,000)	---	---	---	---	---
	Family Support Administration						
---	Work Incentives.......................................	---	27,650,000	17,000,000	23,000,000	-4,650,000	+6,000,000
	Office of Human Development Services						
	Human development services............................	---	---	---	1,400,000	+1,400,000	+1,400,000
---	Human development services (by transfer)..............	---	---	(1,400,000)	---	---	(-1,400,000)
100-17	Family social services................................	43,000,000	121,644,000	121,644,000	121,644,000	---	---
100-17	(By transfer)......................................	(54,727,000)	(43,583,000)	(43,583,000)	(43,583,000)	---	---
	Total, Department of Health and Human Services..	43,000,000	180,933,000	240,144,000	243,544,000	+62,611,000	+3,400,000
	DEPARTMENT OF EDUCATION						
---	Vocational and adult education........................	---	790,000	---	---	-790,000	---
100-17	Student financial assistance (by transfer)............	(287,000,000)	(226,730,000)	(287,000,000)	(287,000,000)	(+60,270,000)	---
---	Higher education......................................	---	2,607,000	---	3,300,000	+693,000	+3,300,000
100-17	College housing loans (limitation on direct loans)....	(-60,000,000)	---	---	---	---	---
---	College construction loan insurance...................	---	15,800,000	---	---	-15,800,000	---
---	Chicago litigation settlement (by transfer)...........	---	(65,570,000)	---	(83,000,000)	(+17,430,000)	(+83,000,000)
	Total, Department of Education..................	---	19,197,000	---	3,300,000	-15,897,000	+3,300,000
	RELATED AGENCIES						
---	National Commission to Prevent Infant Mortality........	---	---	700,000	700,000	+700,000	---
100-17	Physician payment review commission (limitation on trust fund transfer)................................	(362,000)	---	---	---	---	---
	Total, Chapter VII:						
	New budget (obligational) authority.........	43,000,000	223,830,000	270,844,000	277,544,000	+53,714,000	+6,700,000
	(By transfer)..............................	(341,727,000)	(335,883,000)	(331,983,000)	(413,583,000)	(+77,700,000)	(+81,600,000)
	(Limitation on trust fund transfer).........	(-79,638,000)	(102,700,000)	---	(65,000,000)	(-37,700,000)	(+65,000,000)
	(Limitation on direct loans)................	(-60,000,000)	---	---	---	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	CHAPTER VIII						
	LEGISLATIVE BRANCH						
	SENATE						
	Payment to Widows and Heirs of Deceased Members of Congress						
100-	Gratuities, deceased Members	89,500	---	89,500	89,500	+89,500	---
	Salaries, Officers and Employees						
100-17	Salaries, officers and employees	120,000	---	100,000	100,000	+100,000	---
100-	Administrative, Clerical and Legislative Assistance to Senators	27,700	---	27,700	27,700	+27,700	---
	Contingent Expenses of the Senate						
100-17 100-	Miscellaneous items	1,900,000	---	1,500,000	1,300,000	+1,300,000	-200,000
	Total	2,137,200	---	1,717,200	1,517,200	+1,517,200	-200,000
	HOUSE OF REPRESENTATIVES						
---	Payments to widows and heirs of deceased Members of Congress	---	120,000	152,500	152,500	+32,500	---
	Contingent Expenses of the House						
	Standing Committees, Special and Select						
100-	Salaries and expenses	1,950,000	1,540,000	1,950,000	1,950,000	+410,000	---
	Allowances and Expenses						
100-17	Supplies, materials, administrative costs and Federal tort claims	10,693,000	7,025,000	8,893,000	8,893,000	+1,868,000	---
100-17	Reemployed annuitants reimbursement	368,000	291,000	368,000	368,000	+77,000	---
100-67	Special session or ceremony of the Congress in honor of the Bicentennial of the Constitution	247,000	195,000	247,000	247,000	+52,000	---
	Total, Allowances and Expenses	11,308,000	7,511,000	9,508,000	9,508,000	+1,997,000	---
	Salaries, Officers and Employees						
100-17	Office of the Clerk	402,000	221,000	280,000	280,000	+59,000	---
100-17	Office of the Sergeant At Arms	72,000	57,000	72,000	72,000	+15,000	---
100-17	Office of the Law Revision Counsel	19,000	15,000	19,000	19,000	+4,000	---
	Total, Salaries, Officers and Employees	493,000	293,000	371,000	371,000	+78,000	---
	Total, House of Representatives	13,751,000	9,464,000	11,981,500	11,981,500	+2,517,500	---
	JOINT ITEMS						
	Capitol Police						
100-17	General expenses	432,000	142,000	180,000	180,000	+38,000	---
	Official Mail Costs						
100-17	Expenses	3,395,000	---	---	---	---	---
	Capitol Guide Service						
100-17	Salaries and expenses	109,000	---	109,000	109,000	+109,000	---
	Total, Joint Items	3,936,000	142,000	289,000	289,000	+147,000	---
	OFFICE OF TECHNOLOGY ASSESSMENT						
100-17	Salaries and expenses	350,000	276,000	350,000	350,000	+74,000	---
	ARCHITECT OF THE CAPITOL						
	West Central Front Project (effect of new deferral)	---	---	(-4,000,000)	---	---	(+4,000,000)
	COPYRIGHT ROYALTY TRIBUNAL						
100-17	Salaries and expenses	17,000	---	---	---	---	---
100-17	Authority to spend receipts	-14,000	---	---	---	---	---
	Total	3,000	---	---	---	---	---
	Total, Chapter VIII:						
	New budget (obligational) authority	20,177,200	9,882,000	14,337,700	14,137,700	+4,255,700	-200,000
	(Effect of new deferral)	---	---	(-4,000,000)	---	---	(+4,000,000)
	CHAPTER IX						
	MILITARY CONSTRUCTION						
100-17	Military construction, Army	250,000,000	---	---	---	---	---
	Total, Chapter IX:						
	New budget (obligational) authority	250,000,000	---	---	---	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	CHAPTER X						
	DEPARTMENT OF AGRICULTURE						
	Office of the Secretary of Agriculture:						
---	Investigations	---	7,900,000	---	10,000,000	+2,100,000	+10,000,000
---	Commissions	---	---	500,000	200,000	+200,000	-300,000
---	Agricultural Research Service	---	355,000	10,450,000	9,891,000	+9,536,000	-559,000
---	Cooperative State Research Service	---	237,000	3,500,000	3,500,000	+3,263,000	---
---	Buildings and facilities	---	12,798,000	14,000,000	30,200,000	+17,402,000	+16,200,000
---	Extension Service	---	---	600,000	300,000	+300,000	-300,000
---	Animal and Plant Health Inspection Service	---	2,370,000	8,500,000	8,500,000	+6,130,000	---
	Agricultural Stabilization and Conservation Service:						
100-17	(Transfer from Commodity Credit Corporation)	(24,000,000)	(18,960,000)	(24,000,000)	(24,000,000)	(+5,040,000)	---
---	Dairy Indemnity	---	---	1,000,000	553,000	+553,000	-447,000
---	Rural clean water program (rescission)	---	---	-6,000,000	-6,000,000	-6,000,000	---
100-17	General Sales Manager (transfer from Commodity Credit Corporation)	(705,000)	(557,000)	(705,000)	(705,000)	(+148,000)	---
	Commodity Credit Corporation:						
100-17	Reimbursement for net realized losses	6,653,189,000	5,184,919,000	6,653,189,000	5,553,189,000	+368,270,000	-1,100,000,000
	Farmers Home Administration:						
---	Rural Development Grants	---	2,370,000	---	3,000,000	+630,000	+3,000,000
	Rural Development Insurance Fund:						
	Rural rental assistance agreements:						
---	(by transfer)	---	---	(115,000,000)	(115,000,000)	(+115,000,000)	---
	Soil Conservation Service:						
---	Watershed and flood prevention operations	---	237,000	300,000	300,000	+63,000	---
	Food and Nutrition Service:						
100-17	Special milk program	3,426,000	3,426,000	3,426,000	3,426,000	---	---
---	Foreign Agricultural Service	---	790,000	2,000,000	1,500,000	+710,000	-500,000
	Total	6,656,615,000	5,215,402,000	6,691,465,000	5,618,559,000	+403,157,000	-1,072,906,000
	RELATED AGENCIES						
	DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	Food and Drug Administration:						
---	Salaries and expenses	---	1,185,000	1,500,000	1,500,000	+315,000	---
---	Orphan drugs	---	---	500,000	500,000	+500,000	---
	Total, Chapter X:						
	New budget (obligational) authority	6,656,615,000	5,216,587,000	6,693,465,000	5,620,559,000	+403,972,000	-1,072,906,000
	Appropriations	(6,656,615,000)	(5,216,587,000)	(6,699,465,000)	(5,626,559,000)	(+409,972,000)	(-1,072,906,000)
	Rescissions	---	---	(-6,000,000)	(-6,000,000)	(-6,000,000)	---
	(Transfer from Commodity Credit Corporation)	(24,705,000)	(19,517,000)	(24,705,000)	(24,705,000)	(+5,188,000)	---
	CHAPTER XI						
	DEPARTMENT OF TRANSPORTATION						
	Coast Guard						
---	Operating expenses (by transfer)	---	---	(4,120,000)	(4,120,000)	(+4,120,000)	---
	Federal Aviation Administration						
---	Operations	---	43,608,000	---	43,381,000	-227,000	+43,381,000
100-17	(By transfer)	(50,000,000)	---	(55,000,000)	(16,619,000)	(+16,619,000)	(-38,381,000)
	Grants-in-aid for airports:						
100-17	(Liquidation of contract authorization) (Airport and Airway Trust Fund)	(42,000,000)	(126,400,000)	(160,000,000)	(160,000,000)	(+33,600,000)	---
---	(Limitation on contract authority) (Airport and and Airway Trust Fund) (increase in limitation).	---	(19,750,000)	---	(25,000,000)	(+5,250,000)	(+25,000,000)
---	Rescission of contract authority	---	---	-150,000,000	---	---	+150,000,000
100-17	Aircraft purchase loan guarantee program	2,602,000	2,056,000	2,602,000	2,602,000	+546,000	---
100-17	Portion applied to debt reduction	-2,175,000	-1,718,000	-2,175,000	-2,175,000	-457,000	---
	Total, Federal Aviation Administration	427,000	43,946,000	-149,573,000	43,808,000	-138,000	+193,381,000
	Federal Highway Administration						
100-17	Motor carrier safety grants (Highway Trust Fund) (Liquidation of contract authority)	(35,000,000)	(27,650,000)	(35,000,000)	(35,000,000)	(+7,350,000)	---
---	Motor carrier safety grants (rescission)	---	---	-15,469,000	---	---	+15,469,000
---	Baltimore-Washington Parkway (Highway Trust Fund) (by transfer)	---	(1,580,000)	---	(2,000,000)	(+420,000)	(+2,000,000)
---	Highway Safety and Economic Development Demonstration Projects (Highway Trust Fund) (by transfer)	---	(3,950,000)	---	(5,000,000)	(+1,050,000)	(+5,000,000)
---	Highway Safety Improvement Demonstration Project (Highway Trust Fund) (by transfer)	---	(1,580,000)	---	(2,000,000)	(+420,000)	(+2,000,000)
---	Highway-Railroad Grade Crossing Safety Demonstration Project (Highway Trust Fund) (by transfer)	---	(1,580,000)	---	(2,000,000)	(+420,000)	(+2,000,000)
---	Vehicular and Pedestrian Safety Demonstration Project (Highway Trust Fund) (by transfer)	---	(3,950,000)	---	(5,000,000)	(+1,050,000)	(+5,000,000)
	National Highway Traffic Safety Administration						
---	Operations and research (by transfer)	---	(790,000)	---	(1,000,000)	(+210,000)	(+1,000,000)
	Federal Railroad Administration						
100-25	Rail service assistance (D87-42) (deferral disapproval)	---	(365,000)	(462,000)	(462,000)	(+97,000)	---
100-25	Railroad safety (D87-43) (deferral disapproval)	---	---	(1,101,000)	---	---	(-1,101,000)
100-25	Northeast corridor improvement program (D87-45) (deferral disapproval)	---	(13,400,000)	(16,962,000)	(16,962,000)	(+3,562,000)	---
---	Grants to the National Railroad Passenger Corporation (By transfer)	---	---	(5,000,000)	(5,000,000)	(+5,000,000)	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
100-17	Railroad Rehabilitation and Improvement Financing Funds	13,290,000	10,499,000	13,290,000	13,290,000	+2,791,000	---
100-17	Portion applied to debt reduction	-12,500,000	-9,875,000	-12,500,000	-12,500,000	-2,625,000	---
100-17	Settlements of railroad litigation	102,379,000	49,092,000	62,142,278	62,142,278	+13,050,278	---
100-17	Portion applied to debt reduction	-95,879,000	-44,974,000	-56,928,495	-56,928,495	-11,954,495	---
100-25	Conrail commuter transition assistance (D87-46) (deferral disapproval)	---	(7,900,000)	(10,000,000)	(10,000,000)	(+2,100,000)	---
	Total, Federal Railroad Administration	7,290,000	4,742,000	6,003,783	6,003,783	+1,261,783	---
	Urban Mass Transportation Administration						
100-25	Research, training, and human resources (D87-47) (deferral disapproval)	---	(3,188,000)	(4,336,000)	(4,336,000)	(+1,148,000)	---
100-25	Interstate transfer grants-transit (D87-48) (deferral disapproval)	---	(40,922,000)	(51,800,000)	(51,800,000)	(+10,878,000)	---
	Saint Lawrence Seaway Development Corporation						
100-17	Operations and maintenance (Harbor Maintenance Trust Fund)	6,000,000	3,160,000	4,000,000	4,000,000	+840,000	---
	Total, Department of Transportation	13,717,000	51,848,000	-155,038,217	53,811,783	+1,963,783	+208,850,000
	RELATED AGENCIES						
	DEPARTMENT OF THE TREASURY						
100-17	Rebate of Saint Lawrence Seaway tolls (Harbor Maintenance Trust Fund)	6,250,000	4,937,000	6,250,000	6,250,000	+1,313,000	---
	PANAMA CANAL COMMISSION						
100-17	Operating expenses	8,013,000	6,330,000	2,013,000	5,013,000	-1,317,000	+3,000,000
	Total, Chapter XI:						
	New budget (obligational) authority	27,980,000	63,115,000	-146,775,217	65,074,783	+1,959,783	+211,850,000
	Appropriations	(138,534,000)	(119,682,000)	(90,297,278)	(136,678,278)	(+16,996,278)	(+46,381,000)
	Rescissions	---	---	(-15,469,000)	---	---	(+15,469,000)
	Rescission of contract authority	---	---	(-150,000,000)	---	---	(+150,000,000)
	Appropriations for debt reduction	(-110,554,000)	(-56,567,000)	(-71,603,495)	(-71,603,495)	(-15,036,495)	---
	(By transfer)	(50,000,000)	(13,430,000)	(64,120,000)	(42,739,000)	(+29,309,000)	(-21,381,000)
	(Disapproval of deferrals)	---	(65,775,000)	(84,661,000)	(83,560,000)	(+17,785,000)	(-1,101,000)
	(Liquidation of contract authority)	(77,000,000)	(154,050,000)	(195,000,000)	(195,000,000)	(+40,950,000)	---
	CHAPTER XII						
	DEPARTMENT OF THE TREASURY						
	Office of the Secretary						
100-17 100-67	Salaries and expenses	5,000,000	4,345,000	5,000,000	5,000,000	+655,000	---
	Financial Management Service						
100-17	Salaries and expenses	1,900,000	1,501,000	1,900,000	1,900,000	+399,000	---
	Bureau of Alcohol, Tobacco, and Firearms						
---	Salaries and expenses	---	7,900,000	5,000,000	5,000,000	-2,900,000	---
	Internal Revenue Service						
100-17	Processing tax returns	55,200,000	43,608,000	55,200,000	55,200,000	+11,592,000	---
100-17	Examination and appeals	8,110,000	6,407,000	8,110,000	8,110,000	+1,703,000	---
100-17	Investigation, collection, and taxpayer service	16,690,000	13,185,000	16,690,000	16,690,000	+3,505,000	---
	Total	80,000,000	63,200,000	80,000,000	80,000,000	+16,800,000	---
	United States Secret Service						
---	Salaries and expenses	---	4,520,000	5,722,000	5,722,000	+1,202,000	---
	Total, Department of the Treasury	86,900,000	81,466,000	97,622,000	97,622,000	+16,156,000	---
	UNITED STATES POSTAL SERVICE						
100-17	Payment to the Postal Service Fund	79,177,000	62,550,000	---	---	-62,550,000	---
	INDEPENDENT AGENCIES						
	GENERAL SERVICES ADMINISTRATION						
	Federal Buildings Fund:						
	Limitation on availability of revenue:						
100-17	Rental of space	(61,900,000)	(48,901,000)	(61,900,000)	(61,900,000)	(+12,999,000)	---
	National Archives and Records Administration						
---	Operating expenses	---	375,000	475,000	475,000	+100,000	---
	Total, Chapter XII:						
	New budget (obligational) authority	166,077,000	144,391,000	98,097,000	98,097,000	-46,294,000	---
	(Limitation on availability of revenue)	(61,900,000)	(48,901,000)	(61,900,000)	(61,900,000)	(+12,999,000)	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	TITLE I - PROGRAM SUPPLEMENTALS						
	TOTAL - New budget (obligational) authority	10,887,903,862	7,232,149,000	7,874,296,969	7,449,775,976	+217,626,976	-424,520,993
	Appropriations	(12,926,401,862)	(8,374,966,000)	(10,028,848,464)	(9,489,592,471)	(+1,114,626,471)	(-539,255,993)
	Appropriations for debt reduction	(-1,485,554,000)	(-1,142,817,000)	(-1,446,603,495)	(-1,446,603,495)	(-303,786,495)	---
	Authority to borrow	(-90,731,000)	---	---	---	---	---
	Rescissions	(-462,213,000)	---	(-527,948,000)	(-563,213,000)	(-563,213,000)	(-35,265,000)
	Rescission of contract authority	---	---	(-180,000,000)	(-30,000,000)	(-30,000,000)	(+150,000,000)
	(By transfer)	(369,097,000)	(439,117,000)	(785,353,000)	(859,867,000)	(+420,750,000)	(+74,514,000)
	(Limitation on trust fund transfer)	(-79,638,000)	(102,700,000)	---	(65,000,000)	(-37,700,000)	(+65,000,000)
	(Limitation on availability of revenue)	(61,900,000)	(48,901,000)	(61,900,000)	(61,900,000)	(+12,999,000)	---
	(Limitation on direct loans)	(-250,731,000)	---	(-200,000,000)	(-220,000,000)	(-220,000,000)	(-20,000,000)
	(Limitation on guaranteed loans)	(50,000,000)	---	---	---	---	---
	(Limitation on annual contract authority, indefinite)	(-17,119,000)	---	(-17,119,000)	(-17,119,000)	(-17,119,000)	---
	(Limitation on callable capital)	(17,375,058)	---	(17,375,058)	(17,375,058)	(+17,375,058)	---
	(Liquidation of contract authority)	(86,915,000)	(161,883,000)	(204,915,000)	(204,915,000)	(+43,032,000)	---
	(Deferral disapproval)	---	(83,471,000)	(107,061,000)	(105,960,000)	(+22,489,000)	(-1,101,000)
	(Effect of new deferral)	---	---	(-4,000,000)	---	---	(+4,000,000)
	TITLE II - INCREASED PAY COSTS						
	LEGISLATIVE BRANCH						
	Senate						
100-17 100-71	Salaries, officers and employees	5,715,000	---	5,715,000	5,715,000	+5,715,000	---
100-17	Office of the Legislative Counsel of the Senate	47,000	---	47,000	47,000	+47,000	---
100-17	Inquiries and investigations	1,116,000	---	1,116,000	1,116,000	+1,116,000	---
	Total, Senate	6,878,000	---	6,878,000	6,878,000	+6,878,000	---
	House of Representatives						
100-17	House leadership offices	78,000	39,000	39,000	39,000	---	---
100-17	Members' clerk hire	5,168,000	2,584,000	2,584,000	2,584,000	---	---
100-17	Committee employees	10,713,000	720,000	720,000	720,000	---	---
100-17	Special and select committees	892,000	446,000	446,000	446,000	---	---
100-17	Allowances and expenses	815,000	408,000	408,000	408,000	---	---
100-17	Salaries, officers and employees	1,229,000	618,000	618,000	618,000	---	---
	Total, House of Representatives	18,895,000	4,815,000	4,815,000	4,815,000	---	---
	Joint Items						
100-17	Joint Economic Committee	106,000	75,000	75,000	75,000	---	---
100-17	Joint Committee on Printing	23,000	10,000	10,000	10,000	---	---
100-17	Joint Committee on Taxation	77,000	---	---	---	---	---
	Total, Joint Items	206,000	85,000	85,000	85,000	---	---
	Office of Technology Assessment						
100-17	Salaries and expenses	209,000	209,000	209,000	209,000	---	---
	Congressional Budget Office						
100-17	Salaries and expenses	227,000	80,000	80,000	80,000	---	---
	Architect of the Capitol						
100-17	Office of the Architect of the Capitol: Salaries	129,000	50,000	50,000	50,000	---	---
100-17	Capitol buildings	142,000	70,000	70,000	70,000	---	---
100-17	Capitol grounds	54,000	40,000	40,000	40,000	---	---
100-17	Senate office buildings	289,000	---	250,000	250,000	+250,000	---
100-17	House office buildings	354,000	300,000	300,000	300,000	---	---
100-17	Capitol power plant	80,000	40,000	40,000	40,000	---	---
100-17	Library buildings and grounds: Structural and mechanical care	90,000	50,000	50,000	50,000	---	---
	Total, Architect of the Capitol	1,138,000	550,000	800,000	800,000	+250,000	---
	Botanic Garden						
100-17	Salaries and expenses	34,000	25,000	25,000	25,000	---	---
	Library of Congress						
100-17	Salaries and expenses	2,422,000	605,000	605,000	605,000	---	---
100-17 100-44	Copyright Office: Salaries and expenses	364,000	173,000	173,000	173,000	---	---
100-44	Authority to spend receipts	-17,000	-17,000	-17,000	-17,000	---	---
100-17	Congressional Research Service: Salaries and expenses	862,000	215,000	215,000	215,000	---	---
100-17	Books for the blind and physically handicapped: Salaries and expenses	99,000	---	---	---	---	---
	Total, Library of Congress	3,730,000	976,000	976,000	976,000	---	---
	Copyright Royalty Tribunal						
100-17	Salaries and expenses	9,000	5,000	5,000	5,000	---	---
100-17	Authority to spend receipts	-7,000	-4,000	-4,000	-4,000	---	---
	Total, Copyright Royalty Tribunal	2,000	1,000	1,000	1,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Government Printing Office						
100-17	Office of Superintendent of Documents: Salaries and expenses	96,000	46,000	46,000	46,000	---	---
	General Accounting Office						
100-17	Salaries and expenses	3,905,000	2,500,000	2,500,000	2,500,000	---	---
	Total, Legislative Branch	35,320,000	9,287,000	16,415,000	16,415,000	+7,128,000	---
	THE JUDICIARY						
	Supreme Court of the United States						
100-17	Salaries and expenses	504,000	504,000	504,000	504,000	---	---
100-17	Care of the building and grounds	24,000	24,000	24,000	24,000	---	---
	Total, Supreme Court of the United States	528,000	528,000	528,000	528,000	---	---
	United States Court of Appeals for the Federal Circuit						
100-17	Salaries and expenses	97,000	97,000	97,000	97,000	---	---
	United States Court of International Trade						
100-17	Salaries and expenses	90,000	69,000	69,000	69,000	---	---
	Courts of Appeals, District Courts, and other Judicial Services						
100-17	Salaries and expenses	15,032,000	15,032,000	15,032,000	15,032,000	---	---
100-17	Defender services	593,000	593,000	593,000	593,000	---	---
	Total, Courts of Appeals, District Courts, and other Judicial Services	15,625,000	15,625,000	15,625,000	15,625,000	---	---
	Administrative Office of the United States Courts						
100-17	Salaries and expenses	504,000	504,000	504,000	504,000	---	---
	Federal Judicial Center						
100-17	Salaries and expenses	116,000	116,000	116,000	116,000	---	---
	Total, The Judiciary	16,960,000	16,939,000	16,939,000	16,939,000	---	---
	EXECUTIVE OFFICE OF THE PRESIDENT						
	White House Office						
100-17	Salaries and expenses	172,000	172,000	---	---	-172,000	---
	Executive Residence and White House						
100-17	Operating expenses	43,000	43,000	---	---	-43,000	---
	Special Assistance to the President						
100-17	Salaries and expenses	10,000	10,000	---	---	-10,000	---
	Council of Economic Advisers						
100-17	Salaries and expenses	16,000	16,000	---	---	-16,000	---
	Council on Environmental Quality						
100-17	Council on Environmental Quality and Office of Environmental Quality	6,000	3,000	3,000	3,000	---	---
	Office of Policy Development						
100-17	Salaries and expenses	23,000	23,000	---	---	-23,000	---
	National Security Council						
100-17	Salaries and expenses	28,000	28,000	---	---	-28,000	---
	Office of Administration						
100-17	Salaries and expenses	57,000	57,000	---	---	-57,000	---
	Office of Management and Budget						
100-17	Salaries and expenses	290,000	290,000	---	---	-290,000	---
	Office of Federal Procurement Policy						
100-17	Salaries and expenses	12,000	12,000	---	---	-12,000	---
	Office of Science and Technology Policy						
100-17	Office of Science and Technology Policy	9,000	3,000	3,000	3,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Office of the United States Trade Representative						
100-17	Salaries and expenses	77,000	77,000	77,000	77,000	---	---
	Total, Executive Office of the President	743,000	734,000	83,000	83,000	-651,000	---
	FUNDS APPROPRIATED TO THE PRESIDENT						
	Agency for International Development						
100-17	Operating expenses, Agency for International Development	2,175,000	2,175,000	2,175,000	2,175,000	---	---
100-17	(By transfer)	(2,175,000)	---	---	---	---	---
100-17	Operating expenses of the Agency for International Development, Office of Inspector General	103,000	103,000	103,000	103,000	---	---
100-17	(By transfer)	(103,000)	---	(103,000)	(103,000)	(+103,000)	---
	Total, Agency for International Development	2,278,000	2,278,000	2,278,000	2,278,000	---	---
	Peace Corps						
100-17	Peace Corps, operating expenses	324,000	324,000	324,000	324,000	---	---
	African Development Foundation						
100-17	African Development Foundation	15,000	15,000	15,000	15,000	---	---
	Total, Funds Appropriated to the President	2,617,000	2,617,000	2,617,000	2,617,000	---	---
	DEPARTMENT OF AGRICULTURE						
---	Office of the Secretary	---	31,000	53,000	31,000	---	-22,000
100-17	(By transfer)	(31,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Administration	---	7,000	10,000	7,000	---	-3,000
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Governmental and Public Affairs	---	7,000	10,000	7,000	---	-3,000
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Economics	---	7,000	7,000	7,000	---	---
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Science and Education	---	7,000	11,000	7,000	---	-4,000
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Marketing and Inspection Service	---	7,000	11,000	7,000	---	-4,000
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Office of the Assistant Secretary for International Affairs and Commodity Programs	---	8,000	15,000	8,000	---	-7,000
100-17	(By transfer)	(8,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Small Community and Rural Development	---	8,000	8,000	8,000	---	---
100-17	(By transfer)	(8,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Natural Resources and Environment	---	7,000	12,000	7,000	---	-5,000
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Food and Consumer Services	---	7,000	10,000	7,000	---	-3,000
100-17	(By transfer)	(7,000)	---	---	---	---	---
---	Departmental administration	---	311,000	311,000	311,000	---	---
100-17	(By transfer)	(541,000)	---	---	---	---	---
---	Building operations and maintenance	---	35,000	35,000	35,000	---	---
100-17	(By transfer)	(35,000)	---	---	---	---	---
---	Office of Governmental and Public Affairs	---	62,000	62,000	62,000	---	---
100-17	(By transfer)	(124,000)	---	---	---	---	---
---	Office of the Inspector General	---	400,000	400,000	400,000	---	---
100-17	(By transfer)	(799,000)	---	---	---	---	---
---	Office of the General Counsel	---	300,000	300,000	300,000	---	---
100-17	(By transfer)	(375,000)	---	---	---	---	---
---	Agricultural Research Service	---	3,935,000	3,935,000	3,935,000	---	---
100-17	(By transfer)	(7,799,000)	---	---	---	---	---
---	National Agricultural Library	---	65,000	65,000	65,000	---	---
100-17	(By transfer)	(65,000)	---	---	---	---	---
---	Economic Reseach Service	---	415,000	415,000	415,000	---	---
100-17	(By transfer)	(815,000)	---	---	---	---	---
---	National Agricultural Statistics Service	---	490,000	490,000	490,000	---	---
100-17	(By transfer)	(900,000)	---	---	---	---	---
---	World Agricultural Outlook Board	---	15,000	15,000	15,000	---	---
100-17	(By transfer)	(30,000)	---	---	---	---	---
---	Foreign Agricultural Service	---	567,000	567,000	567,000	---	---
100-17	(By transfer)	(567,000)	---	---	---	---	---
100-17	General Sales Manager (by transfer)	(114,000)	(114,000)	(114,000)	(114,000)	---	---
	Agricultural Stabilization and Conservation Service						
100-17	Salaries and expenses (by transfer)	(8,967,000)	(8,967,000)	(8,967,000)	(8,967,000)	---	---
	Farmers Home Administration						
---	Salaries and expenses	---	3,000,000	3,000,000	3,000,000	---	---
100-17	(By transfer)	(3,000,000)	---	---	---	---	---
	Soil Conservation Service						
---	Conservation operations	---	7,297,000	7,297,000	7,297,000	---	---
100-17	(By transfer)	(7,297,000)	---	---	---	---	---
---	River basin surveys and investigations	---	102,000	190,000	102,000	---	-88,000
100-17	(By transfer)	(190,000)	---	---	---	---	---
---	Watershed planning	---	74,000	136,000	74,000	---	-62,000
100-17	(By transfer)	(136,000)	---	---	---	---	---
---	Watershed and flood prevention operations	---	943,000	---	943,000	---	+943,000

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Animal and Plant Health Inspection Service						
---	Salaries and expenses	---	2,000,000	2,000,000	2,000,000	---	---
100-17	(By transfer)	(2,000,000)	---	---	---	---	---
	Federal Grain Inspection Service						
---	Salaries and expenses	---	53,000	53,000	53,000	---	---
100-17	(By transfer)	(105,000)	---	---	---	---	---
	Agricultural Marketing Service						
100-17	Limitation on administrative expenses (increase in limitation)	(501,000)	(501,000)	(501,000)	(501,000)	---	---
100-17	Funds for strengthening markets, income and supply (Section 32) (increase in limitation)	(112,000)	(112,000)	(112,000)	(112,000)	---	---
---	Packers and Stockyards Administration	---	78,000	78,000	78,000	---	---
100-17	(By transfer)	(156,000)	---	---	---	---	---
---	Agricultural Cooperative Service	---	32,000	32,000	32,000	---	---
100-17	(By transfer)	(64,000)	---	---	---	---	---
---	Office of Transportation	---	23,000	23,000	23,000	---	---
100-17	(By transfer)	(45,000)	---	---	---	---	---
---	Food Safety and Inspection Service	---	7,000,000	7,000,000	7,000,000	---	---
100-17	(By transfer)	(7,996,000)	---	---	---	---	---
	Food and Nutrition Service						
---	Food program administration	---	713,000	713,000	713,000	---	---
100-17	(By transfer)	(713,000)	---	---	---	---	---
	Human Nutrition Information Service						
---	Salaries and expenses	---	34,000	34,000	34,000	---	---
100-17	(By transfer)	(34,000)	---	---	---	---	---
	Forest Service						
---	Forest Research	---	---	1,844,000	1,844,000	+1,844,000	---
100-17	(By transfer)	(1,381,000)	(1,844,000)	---	---	(-1,844,000)	---
---	State and private forestry	---	---	413,000	413,000	+413,000	---
---	(By transfer)	---	(413,000)	---	---	(-413,000)	---
---	National forest system	---	---	17,574,000	17,574,000	+17,574,000	---
100-17	(By transfer)	(17,083,000)	(17,574,000)	---	---	(-17,574,000)	---
---	Construction	---	---	2,859,000	2,859,000	+2,859,000	---
---	(By transfer)	---	(2,859,000)	---	---	(-2,859,000)	---
	Total, Department of Agriculture	---	28,040,000	49,988,000	50,730,000	+22,690,000	+742,000
	DEPARTMENT OF COMMERCE						
	General Administration						
100-17	Salaries and expenses (by transfer)	(450,000)	(450,000)	(450,000)	(450,000)	---	---
	Economic Development Administration						
100-17	Salaries and expenses (by transfer)	(397,000)	(397,000)	(397,000)	(397,000)	---	---
	Economic and Statistical Analysis						
100-17	Salaries and expenses (by transfer)	(332,000)	(332,000)	(332,000)	(332,000)	---	---
	National Oceanic and Atmospheric Administration						
---	Operations, research, and facilities (by transfer)	---	(7,505,000)	(7,505,000)	(7,505,000)	---	---
	National Telecommunications and Information Administration						
100-17	Salaries and expenses (by transfer)	(243,000)	(243,000)	(243,000)	(243,000)	---	---
	DEPARTMENT OF DEFENSE--MILITARY						
	Operation and Maintenance						
100-17	Operation and Maintenance, Army	2,679,000	2,679,000	2,679,000	2,679,000	---	---
100-17	Operation and Maintenance, Navy	3,350,000	3,350,000	3,350,000	3,350,000	---	---
100-17	Operation and Maintenance, Marine Corps	183,000	183,000	183,000	183,000	---	---
100-17	Operation and Maintenance, Air Force	1,925,000	1,925,000	1,925,000	1,925,000	---	---
100-17	Operation and Maintenance, Defense Agencies	2,307,000	2,307,000	2,307,000	2,307,000	---	---
100-17	Operation and Maintenance, Army Reserve	109,000	109,000	109,000	109,000	---	---
100-17	Operation and Maintenance, Navy Reserve	29,000	29,000	29,000	29,000	---	---
100-17	Operation and Maintenance, Marine Corps Reserve	3,000	3,000	3,000	3,000	---	---
100-17	Operation and maintenance, Air Force Reserve	281,000	281,000	281,000	281,000	---	---
100-17	Operation and Maintenance, Army National Guard	285,000	285,000	285,000	285,000	---	---
100-17	Operation and Maintenance, Air National Guard	618,000	618,000	618,000	618,000	---	---
100-17	Court of Military Appeals, Defense	1,000	1,000	1,000	1,000	---	---
	Total, Operation and Maintenance	11,770,000	11,770,000	11,770,000	11,770,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Research, Development, Test, and Evaluation						
100-17	Research, Development, Test, and Evaluation, Army.....	336,000	336,000	336,000	336,000	---	---
100-17	Research, Development, Test, and Evaluation, Navy.....	33,000	33,000	33,000	33,000	---	---
100-17	Research, Development, Test, and Evaluation, Air Force	306,000	306,000	306,000	306,000	---	---
100-17	Research, Development, Test, and Evaluation, Defense Agencies..............	115,000	115,000	115,000	115,000	---	---
	Total, Research, Development, Test, and Evaluation..................	790,000	790,000	790,000	790,000	---	---
	Military Construction						
100-17	Military Construction, Army..........................	93,000	---	---	---	---	---
100-17	Military Construction, Navy..........................	39,000	---	---	---	---	---
100-17	Military Construction, Army Reserve..................	1,000	---	---	---	---	---
	Total, Military Construction..................	133,000	---	---	---	---	---
	Family Housing						
100-17	Family housing, Army.................................	10,000	---	---	---	---	---
	Total, Department of Defense--Military..........	12,703,000	12,560,000	12,560,000	12,560,000	---	---
	DEPARTMENT OF DEFENSE--CIVIL						
	Corps of Engineers--Civil						
100-17	General expenses (by transfer)........................	(1,832,000)	(1,832,000)	(1,832,000)	(1,832,000)	---	---
	Soldiers' and Airmen's Home						
100-17	Operation and maintenance (by transfer)...............	(378,000)	(554,000)	(554,000)	(554,000)	---	---
	DEPARTMENT OF ENERGY						
100-17	Energy Information Administration (by transfer).......	(469,000)	(469,000)	(469,000)	---	(-469,000)	(-469,000)
100-17	Emergency preparedness (by transfer)..................	(89,000)	(89,000)	(89,000)	---	(-89,000)	(-89,000)
	DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	Food and Drug Administration						
---	Program expenses......................................	---	5,892,000	5,892,000	5,892,000	---	---
100-17	(By transfer)......................................	(5,892,000)	---	---	---	---	---
	Health Resources and Services Administration						
---	Indian health services................................	---	7,686,000	7,686,000	7,686,000	---	---
100-17	Indian health facilities (by transfer)................	(4,877,000)	---	---	---	---	---
	National Institutes of Health						
---	National Cancer Institute.............................	---	---	1,594,000	---	---	-1,594,000
---	National Heart, Lung, and Blood Institute.............	---	---	628,000	---	---	-628,000
---	National Institute of Dental Research.................	---	---	211,000	---	---	-211,000
---	National Institute of Diabetes and Digestive Kidney Diseases....................................	---	---	405,000	---	---	-405,000
---	National Institute of Allergy and Infectious Diseases.	---	---	498,000	---	---	-498,000
---	National Insitute of General Medical Sciences.........	---	---	92,000	---	---	-92,000
---	National Institute of Child Health and Human Development...............................	---	---	345,000	---	---	-345,000
---	National Eye Institute................................	---	---	119,000	---	---	-119,000
---	National Institute of Environmental Health Sciences...	---	---	266,000	---	---	-266,000
---	National Institue on Aging............................	---	---	193,000	---	---	-193,000
---	National Institute of Arthritis and Musculoskeletal and Skin Diseases.............................	---	---	50,000	---	---	-50,000
---	Office of the Director................................	---	150,000	252,000	150,000	---	-102,000
	Saint Elizabeths Hospital						
---	Federal subsidy for Saint Elizabeths Hospital	---	2,487,000	2,487,000	2,487,000	---	---
100-17	(By transfer)......................................	(2,487,000)	---	---	---	---	---
	Social Security Administration						
---	Limitation on administrative expenses (increase in limitation)...	---	(18,000,000)	(18,000,000)	(18,000,000)	---	---
	Assistant Secretary for Human Development						
---	Human Development Services............................	---	500,000	1,300,000	1,300,000	+800,000	---
	Departmental Management						
100-17	General departmental management.......................	2,200,000	1,500,000	2,200,000	2,200,000	+700,000	---
---	Office of Consumer Affairs............................	---	10,000	10,000	10,000	---	---
	Total, Departmental Management................	2,200,000	1,510,000	2,210,000	2,210,000	+700,000	---
	Total, Department of Health and Human Services..	2,200,000	18,225,000	24,228,000	19,725,000	+1,500,000	-4,503,000
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
	Management and Administration						
---	Salaries and expenses (by transfer)...................	---	(9,714,000)	---	---	(-9,714,000)	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	DEPARTMENT OF THE INTERIOR						
	Bureau of Land Management						
---	Management of lands and resources	---	5,622,000	5,622,000	5,622,000	---	---
---	Oregon and California grant lands	---	815,000	---	815,000	---	+815,000
	Total, Bureau of Land Management	---	6,437,000	5,622,000	6,437,000	---	+815,000
	United States Fish and Wildlife Service						
---	Resource management	---	3,046,000	3,046,000	3,046,000	---	---
	National Park Service						
---	Operation of the national park system	---	9,960,000	9,960,000	9,960,000	---	---
---	National recreation and preservation	---	200,000	200,000	200,000	---	---
	Total, National Park Service	---	10,160,000	10,160,000	10,160,000	---	---
	Geological Survey						
---	Surveys, investigations, and research	---	6,072,000	6,072,000	6,072,000	---	---
	Bureau of Mines						
---	Mines and minerals	---	900,000	---	900,000	---	+900,000
---	(By transfer)	---	---	(1,442,000)	---	---	(-1,442,000)
	Bureau of Reclamation						
---	Construction program	---	---	3,034,000	3,034,000	+3,034,000	---
---	Operation and maintenance	---	---	1,808,000	1,808,000	+1,808,000	---
	Office of Surface Mining Reclamation and Enforcement						
100-17	Regulation and technology (by transfer)	(642,000)	---	---	---	---	---
	Bureau of Indian Affairs						
---	Operation of Indian Programs	---	9,765,000	9,765,000	9,765,000	---	---
	Departmental Offices						
---	Office of the Secretary	---	350,000	---	175,000	-175,000	+175,000
---	Office of the Solicitor	---	200,000	425,000	200,000	---	-225,000
---	Office of the Inspector General	---	120,000	245,000	245,000	+125,000	---
	Total, Departmental Offices	---	670,000	670,000	620,000	-50,000	-50,000
	Total, Department of Interior	---	37,050,000	40,177,000	41,842,000	+4,792,000	+1,665,000
	DEPARTMENT OF JUSTICE						
	General Administration						
100-17	Salaries and expenses	575,000	575,000	575,000	575,000	---	---
	United States Parole Commission						
100-17	Salaries and expenses	84,000	84,000	84,000	84,000	---	---
	Legal Activities						
100-17	Salaries and expenses, general legal activities	1,646,000	1,646,000	1,646,000	1,646,000	---	---
100-17	Salaries and expenses, Antitrust Division	315,000	315,000	315,000	315,000	---	---
100-17	Salaries and expenses, Foreign Claims Settlement Commission	3,000	---	---	---	---	---
100-17	Salaries and expenses, United States Attorneys	2,818,000	2,818,000	2,818,000	2,818,000	---	---
100-17	salaries and expenses, Oversight of Bankruptcy Cases	93,000	93,000	93,000	93,000	---	---
100-17	Salaries and expenses, United States Marshals Service	2,234,000	2,234,000	2,234,000	2,234,000	---	---
100-17	Salaries and expenses, Community Relations Service	64,000	64,000	64,000	64,000	---	---
	Total, Legal Activities	7,173,000	7,170,000	7,170,000	7,170,000	---	---
	Federal Bureau of Investigation						
100-17	Salaries and expenses	9,309,000	9,309,000	9,309,000	9,309,000	---	---
	Drug Enforcement Administration						
100-17	Salaries and expenses	2,593,000	2,593,000	2,593,000	2,593,000	---	---
	Immigration and Naturalization Service						
100-17	Salaries and expenses	5,588,000	5,588,000	5,588,000	5,588,000	---	---
	Federal Prison System						
100-17	Salaries and expenses	3,932,000	3,932,000	3,932,000	3,932,000	---	---
100-17	National Institute of Corrections	20,000	20,000	20,000	20,000	---	---
100-17	Buildings and facilities	30,000	30,000	30,000	30,000	---	---
100-17	Limitation on administrative and vocational training expenses, Federal Prison Industries, Incorporated (increase in limitation)	(133,000)	(133,000)	(133,000)	(133,000)	---	---
	Total, Federal Prison System	3,982,000	3,982,000	3,982,000	3,982,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Office of Justice Programs						
100-17	Justice assistance	172,000	172,000	172,000	172,000	---	---
	Total, Department of Justice	29,476,000	29,473,000	29,473,000	29,473,000	---	---
	DEPARTMENT OF LABOR						
	Occupational Safety and Health Administration						
100-17	Salaries and expenses (by transfer)	(1,583,000)	(1,583,000)	(1,583,000)	(1,583,000)	---	---
	Employment Standards Administration						
100-17	Black lung disability trust fund	708,000	708,000	708,000	708,000	---	---
	Departmental Management						
100-17	Salaries and expenses (by transfer)	(1,476,000)	(1,476,000)	(1,476,000)	(1,476,000)	---	---
100-17	Office of the Inspector General (by transfer)	(460,000)	(460,000)	(460,000)	(460,000)	---	---
	Total, Department of Labor	708,000	708,000	708,000	708,000	---	---
	DEPARTMENT OF STATE						
	Administration of Foreign Affairs						
100-17	Salaries and expenses	6,900,000	6,900,000	6,900,000	6,900,000	---	---
	DEPARTMENT OF TRANSPORTATION						
	Office of the Secretary						
100-17	Salaries and expenses (by transfer)	(763,000)	(750,000)	(563,000)	(563,000)	(-187,000)	---
	Coast Guard						
---	Operating expenses	---	10,000,000	5,000,000	3,000,000	-7,000,000	-2,000,000
100-17	(By transfer)	(20,100,000)	(10,100,000)	(10,100,000)	(13,100,000)	(+3,000,000)	(+3,000,000)
100-17	Reserve training (by transfer)	(1,231,000)	(1,200,000)	(1,200,000)	(1,200,000)	---	---
	Federal Aviation Administration						
100-17	Headquarters administration (by transfer)	(542,000)	(500,000)	(271,000)	(271,000)	(-229,000)	---
---	Operations	---	35,500,000	33,000,000	33,000,000	-2,500,000	---
100-17	(By transfer)	(44,000,000)	(8,500,000)	---	---	(-8,500,000)	---
	Federal Highway Administration						
100-17	Limitation on general operating expenses (increase in limitation)	(1,299,000)	(1,200,000)	(1,200,000)	(1,200,000)	---	---
100-17	Motor Carrier Safety (by transfer)	(147,000)	(140,000)	(140,000)	(140,000)	---	---
	National Highway Traffic Safety Administration						
---	Operations and research	---	600,000	---	317,000	-283,000	+317,000
100-17	(By transfer)	(634,000)	---	(317,000)	---	---	(-317,000)
	Federal Railroad Administration						
100-17	Office of the Administrator (by transfer)	(229,000)	(200,000)	(100,000)	(100,000)	(-100,000)	---
100-17	Railroad safety (by transfer)	(417,000)	(400,000)	(400,000)	(400,000)	---	---
	Saint Lawrence Seaway Development Corporation						
100-17	Limitation on administrative expenses (increase in limitation)	(30,000)	(30,000)	(30,000)	(30,000)	---	---
	Research and Special Programs Administration						
100-17	Research and special programs (by transfer)	(183,000)	(150,000)	(150,000)	(150,000)	---	---
	Office of the Inspector General						
100-17	Salaries and expenses (by transfer)	(447,000)	(400,000)	(400,000)	(400,000)	---	---
	RELATED AGENCIES						
	National Transportation Safety Board						
---	Salaries and expenses (by transfer)	---	---	(325,000)	(165,000)	(+165,000)	(-160,000)
	Total, Department of Transportation	---	46,100,000	38,000,000	36,317,000	-9,783,000	-1,683,000
	DEPARTMENT OF TREASURY						
	Office of the Secretary						
100-17	Salaries and expenses	1,353,000	1,353,000	---	---	-1,353,000	---
	Federal Law Enforcement Training Center						
---	Salaries and expenses	---	118,000	---	---	-118,000	---
	Financial Management Service						
100-17	Salaries and expenses	1,436,000	1,430,000	---	---	-1,430,000	---
	Bureau of Alcohol, Tobacco, and Firearms						
---	Salaries and expenses	---	1,359,000	---	---	-1,359,000	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	United States Custom Service						
---	Salaries and expenses	---	12,577,000	---	---	-12,577,000	---
	United States Mint						
---	Salaries and expenses	---	571,000	---	---	-571,000	---
	Bureau of the Public Debt						
---	Salaries and expenses	---	721,000	---	---	-721,000	---
	Internal Revenue Service						
---	Salaries and expenses	---	1,000,000	---	---	-1,000,000	---
---	Processing tax returns	---	7,003,000	---	---	-7,003,000	---
---	Examination and appeals	---	13,700,000	---	---	-13,700,000	---
---	Investigation, collection, and taxpayer service	---	11,400,000	---	---	-11,400,000	---
	Total, Internal Revenue Service	---	33,103,000	---	---	-33,103,000	---
	United States Secret Service						
---	Salaries and expenses	---	2,045,000	---	---	-2,045,000	---
	Total, Department of Treasury	2,789,000	53,277,000	---	---	-53,277,000	---
	ENVIRONMENTAL PROTECTION AGENCY						
---	Salaries and expenses	---	7,000,000	---	4,000,000	-3,000,000	+4,000,000
100-17	(By transfer)	(12,400,000)	(2,000,000)	(9,000,000)	(5,000,000)	(+3,000,000)	(-4,000,000)
100-17	Hazardous Substance Response Trust Fund (increase in limitation)	(2,365,000)	---	---	---	---	---
	GENERAL SERVICES ADMINISTRATION						
	Federal Supply Service						
---	Operating expenses	---	1,233,000	---	---	-1,233,000	---
	Information Resources Management Service						
---	Operating expenses	---	297,000	---	---	-297,000	---
	Federal Property Resources Service						
---	Operating expenses	---	177,500	---	---	-177,500	---
	General Management and Administration						
---	Salaries and expenses	---	912,000	---	---	-912,000	---
	Office of Inspector General						
---	Office of Inspector General	---	198,000	---	---	-198,000	---
	Allowances and Office Staff for Former Presidents						
---	Allowances and Office Staff for Former Presidents	---	3,000	---	---	-3,000	---
	Federal Buildings Fund:						
	Limitations on availability of revenue:						
---	Real property operations	---	(2,740,000)	---	---	(-2,740,000)	---
---	Program direction and centralized services	---	(129,000)	---	---	(-129,000)	---
---	Design and construction services	---	(202,700)	---	---	(-202,700)	---
	Consumer Information Center						
---	Salaries and expenses	---	8,000	8,000	8,000	---	---
---	Limitation on administrative expenses (increase in limitation)	---	(8,000)	(8,000)	(8,000)	---	---
	Total, General Services Administration	---	2,828,500	8,000	8,000	-2,820,500	---
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
---	Research and program management	---	13,000,000	---	---	-13,000,000	---
100-17	(By transfer)	(24,927,000)	(12,000,000)	(25,000,000)	(25,000,000)	(+13,000,000)	---
	SMALL BUSINESS ADMINISTRATION						
100-17	Salaries and expenses (by transfer)	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	---	---
	VETERANS ADMINISTRATION						
100-17	Medical care	74,695,000	149,391,000	149,391,000	149,391,000	---	---
100-17	Medical and prosthetic research	1,859,000	1,859,000	1,859,000	1,859,000	---	---
100-17	Medical administration and miscellaneous operating expenses	736,000	400,000	400,000	400,000	---	---
---	General operating expenses	---	5,500,000	5,500,000	5,500,000	---	---
100-17	Construction, minor projects (increase in limitation)	(665,000)	(350,000)	(350,000)	(350,000)	---	---
	Total, Veterans Administration	77,290,000	157,150,000	157,150,000	157,150,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	OTHER INDEPENDENT AGENCIES						
	Administrative Conference of the United States						
100-17	Salaries and expenses	34,000	34,000	---	---	-34,000	---
	Advisory Commission on Intergovernmental Relations						
---	Salaries and expenses	---	8,000	---	---	-8,000	---
	Advisory Committee on Federal Pay						
---	Salaries and expenses	---	1,000	---	---	-1,000	---
	American Battle Monuments Commission						
100-17	Salaries and expenses	265,000	140,000	140,000	140,000	---	---
	Arms Control and Disarmament Agency						
100-17	Arms control and disarmament activities	124,000	124,000	124,000	124,000	---	---
	Committee for Purchase from the Blind and Other Severely Handicapped						
---	Salaries and expenses	---	4,000	---	---	-4,000	---
	Consumer Product Safety Commission						
---	Salaries and expenses	---	250,000	250,000	250,000	---	---
	Equal Employment Opportunity Commission						
100-17	Salaries and expenses	2,640,000	2,640,000	2,640,000	2,640,000	---	---
	Export-Import Bank						
100-17	Limitation on administrative expenses (increase in limitation)	(157,000)	(157,000)	(157,000)	(157,000)	---	---
	Federal Communications Commission						
100-17	Salaries and expenses	755,000	755,000	755,000	755,000	---	---
	Federal Election Commission						
100-17	Salaries and expenses	88,000	---	---	---	---	---
	Federal Home Loan Bank Board						
100-17	Federal Home Loan Bank Board (increase in limitation)	(350,000)	(200,000)	(200,000)	(200,000)	---	---
	Federal Labor Relations Authority						
100-17	Salaries and expenses	136,000	136,000	---	---	-136,000	---
	Federal Maritime Commission						
100-17	Salaries and expenses	200,000	200,000	200,000	200,000	---	---
	Federal Mediation and Conciliation Service						
100-17	Salaries and expenses	181,000	181,000	181,000	181,000	---	---
	Merit Systems Protection Board						
100-17	Salaries and expenses	170,000	170,000	---	---	-170,000	---
100-17	Office of the Special Counsel	21,000	42,000	---	---	-42,000	---
	Total, Merit Systems Protection Board	191,000	212,000	---	---	-212,000	---
	National Archives and Records Administration						
---	Salaries and expenses	---	592,000	---	---	-592,000	---
	National Commission on Libraries and Information Science						
100-17	Salaries and expenses	6,000	6,000	6,000	6,000	---	---
	National Endowment for the Arts						
---	Grants and administration	---	200,000	200,000	200,000	---	---
	National Endowment for the Humanities						
---	Grants and administration	---	200,000	200,000	200,000	---	---
	National Labor Relations Board						
100-17	Salaries and expenses	628,000	628,000	628,000	628,000	---	---
	National Mediation Board						
100-17	Salaries and expenses	60,000	60,000	60,000	60,000	---	---
	National Science Foundation						
100-17	Research and related activities (increase in limitation)	(2,600,000)	(1,300,000)	(1,300,000)	(1,300,000)	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Office of Personnel Management						
---	Salaries and expenses	---	731,000	---	---	-731,000	---
---	(By transfer)	---	(435,000)	---	---	(-435,000)	---
	Securities and Exchange Commission						
100-17	Salaries and expenses	1,837,000	1,837,000	1,837,000	1,837,000	---	---
	Smithsonian Institution						
---	Salaries and expenses	---	2,654,000	2,654,000	2,654,000	---	---
	National Gallery of Art						
---	Salaries and expenses	---	490,000	490,000	490,000	---	---
	Woodrow Wilson International Center for Scholars						
---	Salaries and expenses	---	21,000	21,000	21,000	---	---
	Unites States Holocaust Memorial Council						
---	Holocaust Memorial Council	---	19,000	---	19,000	---	+19,000
	United States Information Agency						
100-17	Salaries and expenses	2,691,000	2,691,000	2,691,000	2,691,000	---	---
	United States Tax Court						
---	Salaries and expenses	---	150,000	---	---	-150,000	---
	Total, Other Independent Agencies	9,836,000	14,964,000	13,077,000	13,096,000	-1,868,000	+19,000
	TITLE II - INCREASED PAY COSTS						
	TOTAL - New budget (obligational) authority	197,542,000	456,852,500	408,323,000	408,563,000	-48,289,500	+240,000
	(Increase in limitations)	(8,100,000)	(3,879,000)	(3,879,000)	(3,879,000)	---	---
	(Limitation on administrative expenses)	---	(18,000,000)	(18,000,000)	(18,000,000)	---	---
	(By transfer)	(184,651,000)	(86,969,000)	(67,301,000)	(63,824,000)	(-23,145,000)	(-3,477,000)
	(Transfer from Commodity Credit Corporation)	(9,081,000)	(9,081,000)	(9,081,000)	(9,081,000)	---	---
	(Section 32 - increase in limitation)	(112,000)	(112,000)	(112,000)	(112,000)	---	---
	TITLE III - INCREASED RETIREMENT CONTRIBUTIONS						
	LEGISLATIVE BRANCH						
	Senate						
100-17	Salaries, officers and employees	6,986,000	---	6,986,000	6,986,000	+6,986,000	---
100-17	Office of the Legislative Counsel of the Senate	53,000	---	53,000	53,000	+53,000	---
100-17	Office of Senate Legal Counsel	18,000	---	18,000	18,000	+18,000	---
100-17	Senate policy committees	133,000	---	133,000	133,000	+133,000	---
100-17	Inquiries and investigations	1,848,000	---	1,848,000	1,848,000	+1,848,000	---
	Total, Senate	9,038,000	---	9,038,000	9,038,000	+9,038,000	---
	House of Representatives						
100-17	Allowances and expenses	35,880,000	35,880,000	35,880,000	35,880,000	---	---
	Joint Items						
100-17	Joint Economic Committee	155,000	155,000	155,000	155,000	---	---
100-17	Joint Committee on Printing	34,000	34,000	34,000	34,000	---	---
100-17	Capitol Guide Service: Salaries and expenses	32,000	32,000	32,000	32,000	---	---
	Total, Joint Items	221,000	221,000	221,000	221,000	---	---
	Office of Technology Assessment						
100-17	Salaries and expenses	545,000	545,000	545,000	545,000	---	---
	Congressional Budget Office						
100-17	Salaries and expenses	452,000	452,000	452,000	452,000	---	---
	Architect of the Capitol						
100-17	Office of the Architect of the Capitol: Salaries	166,000	166,000	166,000	166,000	---	---
100-17	Capitol buildings	187,000	187,000	187,000	187,000	---	---
100-17	Capitol grounds	68,000	68,000	68,000	68,000	---	---
100-17	Senate office buildings	456,000	---	456,000	456,000	+456,000	---
100-17	House office buildings	611,000	611,000	611,000	611,000	---	---
100-17	Capitol Power Plant	109,000	109,000	109,000	109,000	---	---
100-17	Library buildings and grounds: Structural and mechanical care	130,000	130,000	130,000	130,000	---	---
	Total, Architect of the Capitol	1,727,000	1,271,000	1,727,000	1,727,000	+456,000	---
	Botanic Garden						
100-17	Salaries and expenses	48,000	48,000	48,000	48,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with House (net)	Conference compared with Senate
	Library of Congress						
100-17	Salaries and expenses	1,906,000	1,906,000	1,906,000	1,906,000	---	---
100-17 100-44	Copyright Office: Salaries and expenses	287,000	287,000	287,000	287,000	---	---
100-17 100-44	Authority to spend receipts	-12,000	-12,000	-12,000	-12,000	---	---
100-17	Congressional Research Service: Salaries and expenses	617,000	617,000	617,000	617,000	---	---
	Books for the blind and physically handicapped:						
100-17	Salaries and expenses	103,000	103,000	103,000	103,000	---	---
	Total, Library of Congress	2,901,000	2,901,000	2,901,000	2,901,000	---	---
	Copyright Royalty Tribunal						
100-17	Salaries and expenses	7,000	7,000	7,000	7,000	---	---
100-17	Authority to spend receipts	-6,000	-6,000	-6,000	-6,000	---	---
	Total, Copyright Royalty Tribunal	1,000	1,000	1,000	1,000	---	---
	Government Printing Office						
100-17	Office of Superintendent of Documents: Salaries and expenses	83,000	83,000	83,000	83,000	---	---
	General Accounting Office						
100-17	Salaries and expenses	3,563,000	3,563,000	3,563,000	3,563,000	---	---
	Total, Legislative Branch	54,459,000	44,965,000	54,459,000	54,459,000	+9,494,000	---
	THE JUDICIARY						
	Supreme Court of the United States						
100-17	Salaries and expenses	409,000	409,000	409,000	409,000	---	---
100-17	Care of the building and grounds	33,000	33,000	33,000	33,000	---	---
	Total, Supreme Court of the United States	442,000	442,000	442,000	442,000	---	---
	United States Court of Appeals for the Federal Circuit						
100-17	Salaries and expenses	23,000	23,000	23,000	23,000	---	---
	United States Court of International Trade						
100-17	Salaries and expenses	49,000	49,000	49,000	49,000	---	---
	Courts of Appeals, District Courts, and other Judicial Services						
100-17	Salaries and expenses	9,688,000	9,688,000	9,688,000	9,688,000	---	---
100-17	Defender services	887,000	887,000	887,000	887,000	---	---
	Total, Courts of Appeals, District Courts, and other Judicial Services	10,575,000	10,575,000	10,575,000	10,575,000	---	---
	Administrative Office of the United States Courts						
100-17	Salaries and expenses	80,000	80,000	80,000	80,000	---	---
	Federal Judicial Center						
100-17	Salaries and expenses	108,000	108,000	108,000	108,000	---	---
	Total, The Judiciary	11,277,000	11,277,000	11,277,000	11,277,000	---	---
	EXECUTIVE OFFICE OF THE PRESIDENT						
	The White House Office						
100-17	Salaries and expenses	374,000	374,000	374,000	374,000	---	---
	Executive Residence and White House						
100-17	Operating expenses	53,000	53,000	53,000	53,000	---	---
	Special Assistance to the President						
100-17	Salaries and expenses	107,000	107,000	107,000	107,000	---	---
	Council of Economic Advisers						
100-17	Salaries and expenses	95,000	95,000	95,000	95,000	---	---
	Office of Policy Development						
100-17	Salaries and expenses	89,000	89,000	89,000	89,000	---	---
	National Security Council						
100-17	Salaries and expenses	62,000	62,000	62,000	62,000	---	---
	Office of Administration						
100-17	Salaries and expenses	214,000	214,000	214,000	214,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with House (net)	Conference compared with Senate
	Office of Management and Budget						
100-17	Salaries and expenses	413,000	413,000	413,000	413,000	---	---
	Office of Federal Procurement Policy						
100-17	Salaries and expenses	20,000	20,000	20,000	20,000	---	---
	Office of Science and Technology Policy						
100-17	Office of Science and Technology Policy	40,000	20,000	20,000	20,000	---	---
	Office of the United States Trade Representative						
100-17	Salaries and expenses	168,000	168,000	168,000	168,000	---	---
	Total, Executive Office of the President	1,635,000	1,615,000	1,615,000	1,615,000	---	---
	FUNDS APPROPRIATED TO THE PRESIDENT						
	Agency for International Development						
100-17	Operating expenses, Agency for International Development	5,488,000	5,488,000	5,488,000	5,488,000	---	---
100-17	Operating expenses of the Agency for International Development, Office of Inspector General	218,000	218,000	218,000	218,000	---	---
	Total, Agency for International Development	5,706,000	5,706,000	5,706,000	5,706,000	---	---
	Peace Corps						
100-17	Peace Corps, operating expenses	436,000	436,000	436,000	436,000	---	---
	African Development Foundation						
100-17	African Development Foundation	99,000	99,000	99,000	99,000	---	---
	Total, Funds Appropriated to the President	6,241,000	6,241,000	6,241,000	6,241,000	---	---
	DEPARTMENT OF AGRICULTURE						
---	Office of the Secretary	---	29,000	29,000	29,000	---	---
100-17	(By transfer)	(29,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Administration	---	8,000	8,000	8,000	---	---
100-17	(By transfer)	(8,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Governmental and Public Affairs	---	6,000	6,000	6,000	---	---
100-17	(By transfer)	(6,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Economics	---	6,000	6,000	6,000	---	---
100-17	(By transfer)	(6,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Science and Education	---	6,000	6,000	6,000	---	---
100-17	(By transfer)	(6,000)	---	---	---	---	---
---	Office of the Assistant Secretary for Marketing and Inspection Service	---	6,000	6,000	6,000	---	---
100-17	(By transfer)	(6,000)	---	---	---	---	---
	Office of the Assistant Secretary for International Affairs and Commodity Programs	---	8,000	8,000	8,000	---	---
100-17	(By transfer)	(8,000)	---	---	---	---	---
	Office of the Assistant Secretary for Small Community and Rural Development	---	8,000	8,000	8,000	---	---
100-17	(By transfer)	(8,000)	---	---	---	---	---
	Office of the Assistant Secretary for Natural Resources and Environment	---	6,000	6,000	6,000	---	---
100-17	(By transfer)	(6,000)	---	---	---	---	---
	Office of the Assistant Secretary for Food and Consumer Services	---	6,000	6,000	6,000	---	---
100-17	(By transfer)	(6,000)	---	---	---	---	---
---	Departmental administration	---	458,000	458,000	458,000	---	---
100-17	(By transfer)	(458,000)	---	---	---	---	---
---	Building operations and maintenance	---	165,000	165,000	165,000	---	---
100-17	(By transfer)	(165,000)	---	---	---	---	---
---	Office of Governmental and Public Affairs	---	126,000	126,000	126,000	---	---
100-17	(By transfer)	(126,000)	---	---	---	---	---
---	Office of the Inspector General	---	622,000	622,000	622,000	---	---
100-17	(By transfer)	(622,000)	---	---	---	---	---
---	Office of the General Counsel	---	239,000	239,000	239,000	---	---
100-17	(By transfer)	(239,000)	---	---	---	---	---
---	Agricultural Research Service	---	4,747,000	4,747,000	4,747,000	---	---
100-17	(By transfer)	(4,747,000)	---	---	---	---	---
---	Extension Service	---	6,500,000	6,500,000	6,500,000	---	---
---	National Agricultural Library	---	97,000	97,000	97,000	---	---
100-17	(By transfer)	(97,000)	---	---	---	---	---
---	Economic Research Service	---	580,000	580,000	580,000	---	---
100-17	(By transfer)	(580,000)	---	---	---	---	---
---	National Agricultural Statistics Service	---	612,000	612,000	612,000	---	---
100-17	(By transfer)	(612,000)	---	---	---	---	---
---	World Agricultural Outlook Board	---	21,000	21,000	21,000	---	---
100-17	(By transfer)	(21,000)	---	---	---	---	---
---	Foreign Agricultural Service	---	607,000	607,000	607,000	---	---
100-17	(By transfer)	(607,000)	---	---	---	---	---
100-17	General Sales Manager (by transfer)	(107,000)	(107,000)	(107,000)	(107,000)	---	---
	Agricultural Stabilization and Conservation Service						
100-17	Salaries and expenses (by transfer)	(9,920,000)	(9,920,000)	(9,920,000)	(9,920,000)	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Office of International Cooperation and Development						
---	Salaries and expenses	---	114,000	114,000	114,000	---	---
100-17	(By transfer)	(114,000)	---	---	---	---	---
	Soil Conservation Service						
---	Conservation operations	---	5,331,000	5,331,000	5,331,000	---	---
100-17	(By transfer)	(5,331,000)	---	---	---	---	---
---	River basin surveys and investigations	---	130,000	130,000	130,000	---	---
100-17	(By transfer)	(130,000)	---	---	---	---	---
---	Watershed planning	---	97,000	97,000	97,000	---	---
100-17	(By transfer)	(97,000)	---	---	---	---	---
	Farmers Home Administration						
---	Salaries and expenses	---	4,678,000	4,678,000	4,678,000	---	---
100-17	(By transfer)	(4,678,000)	---	---	---	---	---
	Federal Grain Inspection Service						
---	Salaries and expenses	---	76,000	76,000	76,000	---	---
100-17	(By transfer)	(76,000)	---	---	---	---	---
	Agricultural Marketing Service						
---	Marketing services	---	490,000	490,000	490,000	---	---
100-17	(By transfer)	(490,000)	---	---	---	---	---
100-17	Limitation on administrative expenses (increase in limitation)	(213,000)	(213,000)	(213,000)	(213,000)	---	---
100-17	Funds for strengthening markets, income and supply (Section 32) (increase in limitation)	(84,000)	(84,000)	(84,000)	(84,000)	---	---
	Packers and Stockyards Administration						
---	Packers and Stockyards Administration	---	58,000	58,000	58,000	---	---
100-17	(By transfer)	(58,000)	---	---	---	---	---
	Agricultural Cooperative Service						
---	Agricultural Cooperative Service	---	46,000	46,000	46,000	---	---
100-17	(By transfer)	(46,000)	---	---	---	---	---
	Office of Transportation						
---	Office of Transportation	---	34,000	34,000	34,000	---	---
100-17	(By transfer)	(34,000)	---	---	---	---	---
	Food Safety and Inspection Service						
---	Food Safety and Inspection Service	---	4,573,000	4,573,000	4,573,000	---	---
100-17	(By transfer)	(4,573,000)	---	---	---	---	---
	Food and Nutrition Service						
---	Food program administration	---	1,503,000	1,503,000	1,503,000	---	---
100-17	(By transfer)	(1,503,000)	---	---	---	---	---
	Human Nutrition Information Service						
---	Human Nutrition Information Service	---	75,000	75,000	75,000	---	---
100-17	(By transfer)	(75,000)	---	---	---	---	---
	Forest Service						
---	Forest research	---	---	1,000,000	1,000,000	+1,000,000	---
---	(By transfer)	---	(1,000,000)	---	---	(-1,000,000)	---
---	State and private forestry	---	---	190,000	190,000	+190,000	---
---	(By transfer)	---	(190,000)	---	---	(-190,000)	---
---	National forest system	---	---	9,300,000	9,300,000	+9,300,000	---
100-17	(By transfer)	(10,412,000)	(9,300,000)	---	---	(-9,300,000)	---
---	Construction	---	---	1,600,000	1,600,000	+1,600,000	---
---	(By transfer)	---	(1,600,000)	---	---	(-1,600,000)	---
	Total, Department of Agriculture	---	32,068,000	44,158,000	44,158,000	+12,090,000	---
	DEPARTMENT OF COMMERCE						
	General Administration						
100-17	Salaries and expenses	464,000	464,000	464,000	464,000	---	---
	Bureau of the Census						
100-17	Salaries and expenses	1,433,000	1,433,000	1,433,000	1,433,000	---	---
100-17	Periodic censuses and programs	2,806,000	2,806,000	2,806,000	2,806,000	---	---
	Total, Bureau of the Census	4,239,000	4,239,000	4,239,000	4,239,000	---	---
	Economic and Statistical Analysis						
100-17	Salaries and expenses	408,000	408,000	408,000	408,000	---	---
	Economic Development Administration						
100-17	Salaries and expenses (by transfer)	(400,000)	(400,000)	(400,000)	(400,000)	---	---
	International Trade Administration						
100-17	Operations and administration	2,237,000	2,237,000	2,237,000	2,237,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Minority Business Development Agency						
100-17	Minority business development	180,000	180,000	180,000	180,000	---	---
	United States Travel and Tourism Administration						
100-17	Salaries and expenses	49,000	49,000	49,000	49,000	---	---
	National Oceanic and Atmospheric Administration						
100-17	Operations, research, and facilities	5,972,000	5,972,000	5,972,000	5,972,000	---	---
	National Bureau of Standards						
100-17	Scientific and technical research and services	1,368,000	1,368,000	1,368,000	1,368,000	---	---
	National Telecommunications and Information Administration						
100-17	Salaries and expenses	213,000	213,000	213,000	213,000	---	---
	Total, Department of Commerce	15,130,000	15,130,000	15,130,000	15,130,000	---	---
	DEPARTMENT OF DEFENSE--MILITARY						
	Operation and Maintenance						
100-17	Operation and Maintenance, Army	119,047,000	119,047,000	119,047,000	119,047,000	---	---
100-17	Operation and Maintenance, Navy	148,880,000	148,880,000	148,880,000	148,880,000	---	---
100-17	Operation and Maintenance, Marine Corps	8,117,000	8,117,000	8,117,000	8,117,000	---	---
100-17	Operation and Maintenance, Air Force	85,564,000	85,564,000	85,564,000	85,564,000	---	---
100-17	Operation and Maintenance, Defense Agencies	102,453,000	102,453,000	102,453,000	102,453,000	---	---
100-17	Operation and Maintenance, Army Reserve	4,858,000	4,858,000	4,858,000	4,858,000	---	---
100-17	Operation and Maintenance, Navy Reserve	1,306,000	1,306,000	1,306,000	1,306,000	---	---
100-17	Operation and Maintenance, Marine Corps Reserve	135,000	135,000	135,000	135,000	---	---
100-17	Operation and maintenance, Air Force Reserve	12,471,000	12,471,000	12,471,000	12,471,000	---	---
100-17	Operation and Maintenance, Army National Guard	12,666,000	12,666,000	12,666,000	12,666,000	---	---
100-17	Operation and Maintenance, Air National Guard	27,479,000	27,479,000	27,479,000	27,479,000	---	---
100-17	National Board for the Promotion of Rifle Practice, Army	7,000	7,000	7,000	7,000	---	---
100-17	Court of Military Appeals, Defense	36,000	36,000	36,000	36,000	---	---
	Total, Operation and Maintenance	523,019,000	523,019,000	523,019,000	523,019,000	---	---
	Research, Development, Test, and Evaluation						
100-17	Research, Development, Test, and Evaluation, Army	14,955,000	14,955,000	14,955,000	14,955,000	---	---
100-17	Research, Development, Test, and Evaluation, Navy	1,477,000	1,477,000	1,477,000	1,477,000	---	---
100-17	Research, Development, Test, and Evaluation, Air Force	13,609,000	13,609,000	13,609,000	13,609,000	---	---
100-17	Research, Development, Test, and Evaluation, Defense Agencies	5,165,000	5,165,000	5,165,000	5,165,000	---	---
	Total, Research, Development, Test, and Evaluation	35,206,000	35,206,000	35,206,000	35,206,000	---	---
	Military Construction						
100-17	Military Construction, Army	4,136,000	4,136,000	4,136,000	4,136,000	---	---
100-17	Military Construction, Navy	1,736,000	1,736,000	1,736,000	1,736,000	---	---
100-17	Military Construction, Army Reserve	53,000	53,000	53,000	53,000	---	---
	Total, Military Construction	5,925,000	5,925,000	5,925,000	5,925,000	---	---
	Family Housing						
100-17	Family housing, Army	435,000	435,000	435,000	435,000	---	---
	Total, Department of Defense--Military	564,585,000	564,585,000	564,585,000	564,585,000	---	---
	DEPARTMENT OF DEFENSE--CIVIL						
	Cemeterial Expenses, Army						
100-17	Salaries and expenses	74,000	40,000	40,000	40,000	---	---
	Corps of Engineers--Civil						
100-17	General expenses (by transfer)	(1,400,000)	(1,400,000)	(1,400,000)	(1,400,000)	---	---
	Soldiers' and Airmen's Home						
100-17	Operation and maintenance (by transfer)	(578,000)	(578,000)	(578,000)	(578,000)	---	---
	Total, Department of Defense--Civil	74,000	40,000	40,000	40,000	---	---
	DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	Food and Drug Administration						
---	Salaries and expenses	---	4,108,000	4,108,000	4,108,000	---	---
100-17	(By transfer)	(4,108,000)	---	---	---	---	---
	Health Resources and Services Administration						
---	Indian health services	---	4,000,000	4,000,000	4,000,000	---	---
100-17	Indian health facilities (by transfer)	(4,475,000)	---	---	---	---	---
100-31	Health resources and services (by transfer)	(1,400,000)	---	(1,400,000)	(1,400,000)	(+1,400,000)	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Centers for Disease Control						
---	Disease control, research and training	---	1,237,000	1,237,000	1,237,000	---	---
	National Institutes of Health						
---	National Cancer Institute	---	---	3,533,000	---	---	-3,533,000
---	National Heart, Lung, and Blood Institute	---	---	1,146,000	---	---	-1,146,000
---	National Institute of Dental Research	---	---	368,000	---	---	-368,000
---	National Institute of Diabetes and Digestive Kidney Diseases	---	---	703,000	---	---	-703,000
---	National Institute of Neurological and Communicative Disorders and Stroke	---	---	495,000	---	---	-495,000
---	National Institute of Allergy and Infectious Disease	---	---	861,000	---	---	-861,000
---	National Institute of General Medical Sciences	---	---	260,000	---	---	-260,000
---	National Institute of Child Health and Human Development	---	---	570,000	---	---	-570,000
---	National Eye Institute	---	---	233,000	---	---	-233,000
---	National Institute of Environmental Health Sciences	---	---	131,000	---	---	-131,000
---	National Institute on Aging	---	---	365,000	---	---	-365,000
---	National Institute of Arthritis and Musculoskeletal and Skin Diseases	---	---	101,000	---	---	-101,000
---	Office of the Director	---	350,000	503,000	350,000	---	-153,000
100-17	(By transfer)	(755,000)	---	---	---	---	---
	Saint Elizabeths Hospital						
	Federal subsidy for Saint Elizabeths Hospital	---	1,941,000	1,941,000	1,941,000	---	---
100-17	(By transfer)	(1,941,000)	---	---	---	---	---
	Departmental Management						
100-17	Office of the Inspector General (by transfer)	(500,000)	(500,000)	(500,000)	(500,000)	---	---
---	Salaries and expenses	---	8,000	8,000	8,000	---	---
	Total, Departmental Management	---	8,000	8,000	8,000	---	---
	Total, Department of Health and Human Services	---	11,644,000	20,563,000	11,644,000	---	-8,919,000
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
	Management and Administration						
---	Salaries and expenses (by transfer)	---	(9,755,000)	---	---	(-9,755,000)	---
	DEPARTMENT OF THE INTERIOR						
	Bureau of Land Management						
---	Management of lands and resources	---	454,000	3,780,000	3,780,000	+3,326,000	---
---	Oregon and California grant lands	---	479,000	---	479,000	---	+479,000
100-17	Construction and access (by transfer)	(36,000)	---	---	---	---	---
	Total, Bureau of Land Management	---	933,000	3,780,000	4,259,000	+3,326,000	+479,000
	United States Fish and Wildlife Service						
---	Resource management	---	2,800,000	2,800,000	2,800,000	---	---
	National Park Service						
---	Operation of national park system	---	4,000,000	4,000,000	4,000,000	---	---
---	National recreation and preservation	---	100,000	100,000	100,000	---	---
	Total, National Park Service	---	4,100,000	4,100,000	4,100,000	---	---
	Geological Survey						
---	Surveys, investigations, and research	---	4,206,000	1,236,000	4,206,000	---	+2,970,000
	Bureau of Mines						
---	Mines and minerals	---	1,350,000	1,350,000	1,350,000	---	---
	Bureau of Reclamation						
---	Construction program	---	---	2,350,000	2,350,000	+2,350,000	---
---	Operation and maintenance	---	---	1,567,000	1,567,000	+1,567,000	---
	Office of Surface Mining Reclamation and Enforcement						
100-17	Regulation and technology (by transfer)	(665,000)	---	---	---	---	---
	Bureau of Indian Affairs						
---	Operation of Indian Programs	---	4,500,000	4,500,000	4,500,000	---	---
	Departmental Offices						
---	Office of the Secretary	---	400,000	---	200,000	-200,000	+200,000
---	Office of the Solicitor	---	200,000	200,000	200,000	---	---
---	Office of Inspector General	---	180,000	180,000	180,000	---	---
	Total, Departmental Offices	---	780,000	380,000	580,000	-200,000	+200,000
	Total, Department of Interior	---	18,669,000	22,063,000	25,712,000	+7,043,000	+3,649,000

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	DEPARTMENT OF JUSTICE						
	General Administration						
100-17	Salaries and expenses	778,000	778,000	778,000	778,000	---	---
	United States Parole Commission						
100-17	Salaries and expenses	155,000	155,000	155,000	155,000	---	---
	Legal Activities						
100-17	Salaries and expenses, general legal activities	2,213,000	2,213,000	2,213,000	2,213,000	---	---
100-17	Salaries and expenses, Antitrust Division	430,000	430,000	430,000	430,000	---	---
100-17	Salaries and expenses, Foreign Claims Settlement Commission	4,000	---	---	---	---	---
100-17	Salaries and expenses, United States Attorneys	3,510,000	3,510,000	3,510,000	3,510,000	---	---
100-17	Salaries and expenses, Oversight of Bankruptcy Cases	150,000	150,000	150,000	150,000	---	---
100-17	Salaries and expenses, United States Marshals Service	3,211,000	3,211,000	3,211,000	3,211,000	---	---
100-17	Salaries and expenses, Community Relations Service	85,000	85,000	85,000	85,000	---	---
	Total, Legal Activities	9,603,000	9,599,000	9,599,000	9,599,000	---	---
	Federal Bureau of Investigation						
100-17	Salaries and expenses	23,005,000	23,005,000	23,005,000	23,005,000	---	---
	Drug Enforcement Administration						
100-17	Salaries and expenses	7,324,000	7,324,000	7,324,000	7,324,000	---	---
	Immigration and Naturalization Service						
100-17	Salaries and expenses	10,186,000	10,186,000	10,186,000	10,186,000	---	---
	Federal Prison System						
100-17	Salaries and expenses	17,053,000	17,053,000	17,053,000	17,053,000	---	---
100-17	National Institute of Corrections	129,000	129,000	129,000	129,000	---	---
100-17	Buildings and facilities	208,000	208,000	208,000	208,000	---	---
100-17	Limitation on administrative and vocational training expenses, Federal Prison Industries, Incorporated (increase in limitation)	(55,000)	(55,000)	(55,000)	(55,000)	---	---
	Total, Federal Prison System	17,390,000	17,390,000	17,390,000	17,390,000	---	---
	Office of Justice Programs						
100-17	Salaries and expenses	210,000	210,000	210,000	210,000	---	---
	Total, Department of Justice	68,651,000	68,647,000	68,647,000	68,647,000	---	---
	DEPARTMENT OF LABOR						
	Employment and Training Administration						
100-17	Program administration (by transfer)	(808,000)	(808,000)	(808,000)	(808,000)	---	---
	Employment Standards Administration						
100-17	Black lung disability trust fund	494,000	494,000	494,000	494,000	---	---
	Occupational Safety and Health Administration						
100-17	Salaries and expenses (by transfer)	(1,533,000)	(1,533,000)	(1,533,000)	(1,533,000)	---	---
	Mine Safety and Health Administration						
100-17	Salaries and expenses (by transfer)	(1,941,000)	(1,941,000)	(1,941,000)	(1,941,000)	---	---
	Departmental Management						
100-17	Salaries and expenses (by transfer)	(1,302,000)	(1,302,000)	(1,302,000)	(1,302,000)	---	---
100-17	Office of the Inspector General (by transfer)	(556,000)	(556,000)	(556,000)	(556,000)	---	---
	Total, Department of Labor	494,000	494,000	494,000	494,000	---	---
	DEPARTMENT OF STATE						
	Administration of Foreign Affairs						
100-17	Salaries and expenses	16,734,000	16,734,000	16,734,000	16,734,000	---	---
	DEPARTMENT OF TRANSPORTATION						
	Office of the Secretary						
100-17	Salaries and expenses (by transfer)	(535,000)	(450,000)	(450,000)	(450,000)	---	---
	Coast Guard						
100-17	Operating expenses (by transfer)	(2,154,000)	(2,000,000)	(1,723,200)	(1,723,200)	(-276,800)	---
	Federal Aviation Administration						
100-17	Headquarters administration (by transfer)	(405,000)	(350,000)	(350,000)	(350,000)	---	---
---	Operations	---	36,000,000	38,613,600	41,000,000	+5,000,000	+2,386,400
100-17	(By transfer)	(48,267,000)	(10,000,000)	---	(5,000,000)	(-5,000,000)	(+5,000,000)

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Federal Highway Administration						
100-17	Limitation on general operating expenses (increase in limitation)	(1,933,000)	(1,600,000)	(1,600,000)	(1,600,000)	---	---
100-17	Motor carrier safety (by transfer)	(661,000)	(660,000)	(660,000)	(660,000)	---	---
	National Highway Traffic Safety Administration						
---	Operations and research	---	400,000	---	400,000	---	+400,000
100-17	(By transfer)	(467,000)	---	(400,000)	---	---	(-400,000)
	Federal Railroad Administration						
---	Office of the Administrator	---	100,000	---	---	-100,000	---
100-17	(By transfer)	(156,000)	---	(100,000)	(100,000)	(+100,000)	---
---	Railroad safety	---	250,000	115,000	115,000	-135,000	---
100-17	(By transfer)	(306,000)	---	(135,000)	(135,000)	(+135,000)	---
	Total, Federal Railroad Administration	---	350,000	115,000	115,000	-235,000	---
	Urban Mass Transportation Administration						
100-17	Administrative expenses (by transfer)	(336,000)	(300,000)	(300,000)	(300,000)	---	---
	Saint Lawrence Seaway Development Corporation						
100-17	Limitation on administrative expenses (increase in limitation on administrative expenses)	(34,000)	(30,000)	(30,000)	(30,000)	---	---
	Research and Special Programs Administration						
100-17	Research and special programs (by transfer)	(139,000)	(100,000)	(100,000)	(100,000)	---	---
	Office of the Inspector General						
100-17	Salaries and expenses (by transfer)	(443,000)	(400,000)	(354,400)	(354,400)	(-45,600)	---
	RELATED AGENCIES						
	National Transportation Safety Board						
---	Salaries and expenses (by transfer)	---	---	(330,000)	(150,000)	(+150,000)	(-180,000)
	Total, Department of Transportation	---	36,750,000	38,728,600	41,515,000	+4,765,000	+2,786,400
	DEPARTMENT OF TREASURY						
	Office of the Secretary						
100-17	Salaries and expenses	863,000	863,000	863,000	863,000	---	---
	Federal Law Enforcement Training Center						
---	Salaries and expenses	---	167,000	167,000	167,000	---	---
	Financial Management Service						
100-17	Salaries and expenses	1,164,000	1,164,000	1,164,000	1,164,000	---	---
	Bureau of Alcohol, Tobacco, and Firearms						
---	Salaries and expenses	---	3,428,000	---	---	-3,428,000	---
	United States Custom Service						
---	Salaries and expenses	---	10,066,000	10,066,000	10,066,000	---	---
	United States Mint						
---	Salaries and expenses	---	422,000	422,000	422,000	---	---
	Bureau of the Public Debt						
---	Salaries and expenses	---	1,058,000	1,058,000	1,058,000	---	---
	Internal Revenue Service						
100-17	Salaries and expenses	3,110,000	3,110,000	---	---	-3,110,000	---
100-17	Processing tax returns	81,854,000	81,854,000	71,427,000	81,854,000	---	+10,427,000
100-17	Examinations and appeals	23,325,000	23,325,000	20,354,000	23,325,000	---	+2,971,000
100-17	Investigation, collection and taxpayer service	11,711,000	11,711,000	10,219,000	11,711,000	---	+1,492,000
	Total, Internal Revenue Service	120,000,000	120,000,000	102,000,000	116,890,000	-3,110,000	+14,890,000
	United States Secret Service						
---	Salaries and expenses	---	5,387,000	5,387,000	5,387,000	---	---
	Total, Department of Treasury	122,027,000	142,555,000	121,127,000	136,017,000	-6,538,000	+14,890,000
	ENVIRONMENTAL PROTECTION AGENCY						
---	Salaries and expenses	---	5,000,000	3,000,000	5,000,000	---	+2,000,000
100-17	Salaries and expenses (by transfer)	(10,000,000)	---	(2,000,000)	---	---	(-2,000,000)
100-17	Hazardous Substance Response Trust Fund (increase in limitation)	(4,218,000)	---	---	---	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	GENERAL SERVICES ADMINISTRATION						
	Federal Supply Service						
---	Operating expenses	---	1,611,000	1,611,000	1,611,000	---	---
	Information Resources Management Service						
---	Operating expenses	---	328,000	328,000	328,000	---	---
	Federal Property Resources Service						
---	Operating expenses	---	290,000	290,000	290,000	---	---
	General Management and Administration						
---	Salaries and expenses	---	1,214,000	1,214,000	1,214,000	---	---
	Office of Inspector General						
---	Office of Inspector General	---	373,000	373,000	373,000	---	---
	Allowances and Office Staff for Former Presidents						
---	Allowances and Office Staff for Former Presidents	---	5,000	5,000	5,000	---	---
	Federal Building Fund						
	Limitations on availability of revenue:						
---	Real property operations	---	(5,065,000)	(5,065,000)	(5,065,000)	---	---
---	Program direction and centralized services	---	(225,000)	(225,000)	(225,000)	---	---
---	Design and construction services	---	(472,000)	(472,000)	(472,000)	---	---
	Consumer Information Center						
---	Salaries and expenses	---	6,000	6,000	6,000	---	---
---	Limitation on administrative expenses (increase in limitation)	---	(6,000)	(6,000)	(6,000)	---	---
	Total, General Services Administration	---	3,827,000	3,827,000	3,827,000	---	---
	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION						
100-17	Research and program management (by transfer)	(16,557,000)	(10,500,000)	(10,500,000)	(10,500,000)	---	---
	SMALL BUSINESS ADMINISTRATION						
100-17	Salaries and expenses (by transfer)	(2,400,000)	(2,400,000)	(2,400,000)	(2,400,000)	---	---
	VETERANS ADMINISTRATION						
100-17	Medical care	131,600,000	131,600,000	131,600,000	131,600,000	---	---
100-17	Medical and prosthetic research	1,024,000	1,024,000	1,024,000	1,024,000	---	---
100-17	Medical administration and miscellaneous operating expenses	345,000	175,000	175,000	175,000	---	---
100-17	General operating expenses	9,242,000	5,000,000	5,000,000	5,000,000	---	---
100-17	Construction, minor projects (increase in limitation)	(529,000)	(275,000)	(275,000)	(275,000)	---	---
	Total, Veterans Administration	142,211,000	137,799,000	137,799,000	137,799,000	---	---
	OTHER INDEPENDENT AGENCIES						
	Administrative Conference of the United States						
100-17	Salaries and expenses	14,000	14,000	14,000	14,000	---	---
	Advisory Committee on Federal Pay						
---	Salaries and expenses	---	2,000	2,000	2,000	---	---
	Arms Control and Disarmament Agency						
100-17	Arms control and disarmament activities	176,000	176,000	176,000	176,000	---	---
	Commission on Civil Rights						
100-17	Salaries and expenses	19,000	19,000	19,000	19,000	---	---
	Consumer Product Safety Commission						
100-17	Salaries and expenses	496,000	250,000	250,000	250,000	---	---
	Equal Employment Opportunity Commission						
100-17	Salaries and expenses	1,889,000	1,889,000	1,889,000	1,889,000	---	---
	Export-Import Bank						
100-17	Limitation on administrative expenses (increase in limitation)	(227,000)	(227,000)	(227,000)	(227,000)	---	---
	Federal Communications Commission						
100-17	Salaries and expenses	1,199,000	1,199,000	1,199,000	1,199,000	---	---
	Federal Election Commission						
100-	Salaries and expenses	83,000	83,000	83,000	83,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	Federal Home Loan Bank Board						
100-17	Limitation on administrative expenses (increase in limitation)	(350,000)	(200,000)	(200,000)	(200,000)	---	---
	Federal Labor Relations Authority						
---	Salaries and expenses	---	220,000	220,000	220,000	---	---
	Federal Maritime Commission						
100-17	Salaries and expenses	147,000	147,000	147,000	147,000	---	---
	Federal Mediation and Conciliation Service						
100-17	Salaries and expenses	188,000	188,000	188,000	188,000	---	---
	Intelligence Community Staff						
100-17	Intelligence community staff	155,000	155,000	155,000	155,000	---	---
	Marine Mammal Commission						
100-17	Salaries and expenses	10,000	10,000	10,000	10,000	---	---
	Merit Systems Protection Board						
---	Salaries and expenses	---	272,000	272,000	272,000	---	---
100-17	Office of the Special Counsel	---	79,000	79,000	79,000	---	---
	Total, Merit Systems Protection Board	---	351,000	351,000	351,000	---	---
	National Archives and Records Administration						
100-17	Operating expenses	863,000	863,000	863,000	863,000	---	---
	National Commission on Libraries and Information Science						
100-17	Salaries and expenses	17,000	17,000	17,000	17,000	---	---
	National Council on the Handicapped						
100-17	Salaries and expenses	10,000	10,000	10,000	10,000	---	---
	National Endowment for the Humanities						
---	Grants and administration	---	200,000	200,000	200,000	---	---
	National Labor Relations Board						
100-17	Salaries and expenses	1,659,000	1,659,000	1,659,000	1,659,000	---	---
	National Mediation Board						
100-17	Salaries and expenses	44,000	44,000	44,000	44,000	---	---
	Office of Personnel Management						
---	Salaries and expenses	---	1,129,000	1,129,000	1,129,000	---	---
---	(By transfer)	---	(682,000)	(682,000)	(682,000)	---	---
	Railroad Retirement Board						
100-17	Limitation on administrative expenses (increase in limitation)	(764,000)	(764,000)	(764,000)	(764,000)	---	---
100-17	Limitation on railroad unemployment insurance administration fund (increase in limitation)	(214,000)	(214,000)	(214,000)	(214,000)	---	---
100-17	Limitation on review activity (increase in limitation)	(22,000)	(22,000)	(22,000)	(22,000)	---	---
	Securities and Exchange Commission						
100-17	Salaries and expenses	2,163,000	2,163,000	2,163,000	2,163,000	---	---
	Smithsonian Institution						
---	Salaries and expenses	---	1,700,000	1,700,000	1,700,000	---	---
	National Gallery of Art						
---	Salaries and expenses	---	330,000	330,000	330,000	---	---
	Woodrow Wilson International Center for Scholars						
---	Salaries and expenses	---	19,000	19,000	19,000	---	---
	United States Holocaust Memorial Council						
---	Holocaust Memorial Council	---	16,000	---	16,000	---	+16,000
	United States Information Agency						
100-17	Salaries and expenses	5,443,000	5,443,000	5,443,000	5,443,000	---	---
100-17	Radio broadcasting to Cuba	516,000	516,000	516,000	516,000	---	---
	Total, United States Information Agency	5,959,000	5,959,000	5,959,000	5,959,000	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

Doc. No.		Supplemental request	House (net)	Senate	Conference	Conference compared with	
						House (net)	Senate
	United States Tax Court						
---	Salaries and expenses	---	75,000	75,000	75,000	---	---
	Total, Other Independent Agencies	15,091,000	18,887,000	18,871,000	18,887,000	---	+16,000
	TITLE III - INCREASED RETIREMENT CONTRIBUTIONS						
	TOTAL - New budget (obligational) authority	1,018,609,000	1,136,927,000	1,149,358,600	1,163,781,000	+26,854,000	+14,422,400
	(Increase in limitations)	(8,559,000)	(3,606,000)	(3,606,000)	(3,606,000)	---	---
	(By transfer)	(141,204,000)	(58,705,000)	(30,902,600)	(33,322,600)	(-25,382,400)	(+2,420,000)
	(Transfer from Commodity Credit Corporation)	(10,027,000)	(10,027,000)	(10,027,000)	(10,027,000)	---	---
	(Section 32 - increase in limitation)	(84,000)	(84,000)	(84,000)	(84,000)	---	---
	TITLE IV - URGENT RELIEF FOR THE HOMELESS						
	CHAPTER I						
	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
---	Annual contributions for assisted housing	---	---	90,000,000	35,000,000	+35,000,000	-55,000,000
---	Grants for facilities to assist the homeless	---	71,471,000	---	---	-71,471,000	---
---	Emergency shelter grants program	---	95,295,000	---	50,000,000	-45,295,000	+50,000,000
---	Transitional housing demonstration program	---	28,588,000	80,000,000	80,000,000	+51,412,000	---
---	Permanent housing for handicapped homeless persons	---	23,823,000	---	---	-23,823,000	---
	Supplemental assistance grants (free money)	---	---	---	15,000,000	+15,000,000	+15,000,000
	Total	---	219,177,000	170,000,000	180,000,000	-39,177,000	+10,000,000
	FEDERAL EMERGENCY MANAGEMENT AGENCY						
---	Emergency food and shelter program	---	47,647,000	---	10,000,000	-37,647,000	+10,000,000
	VETERANS ADMINISTRATION						
---	Medical care, veterans domiciliary program	---	20,000,000	20,000,000	20,000,000	---	---
	DEPARTMENT OF COMMERCE						
	National Oceanic and Atmospheric Administration						
---	Operations, research and facilities (effect of new defferal)	---	---	(-27,500,000)	---	---	(+27,500,000)
	Total, Chapter I:						
	New budget (obligational) authority	---	286,824,000	190,000,000	210,000,000	-76,824,000	+20,000,000
	(Effect of new deferral)	---	---	(-27,500,000)	---	---	(+27,500,000)
	CHAPTER II						
	DEPARTMENT OF HEALTH AND HUMAN SERVICES						
	Health Resources and Services Administration						
---	Health resources and services	---	71,471,000	30,000,000	46,000,000	-25,471,000	+16,000,000
	Alcohol, Drug Abuse and Mental Health Administration						
---	Alcohol, drug abuse and mental health	---	23,823,000	75,000,000	50,700,000	+26,877,000	-24,300,000
	Family Support Administration						
	Office of Community Services:						
---	Community services block grant	---	42,882,000	20,000,000	36,800,000	-6,082,000	+16,800,000
	DEPARTMENT OF EDUCATION						
---	Special programs	---	---	2,500,000	4,600,000	+4,600,000	+2,100,000
---	Vocational and adult education	---	---	10,000,000	6,900,000	+6,900,000	-3,100,000
	Total, Chapter II:						
	New budget (obligational) authority	---	138,176,000	137,500,000	145,000,000	+6,824,000	+7,500,000
	TITLE IV - URGENT RELIEF FOR THE HOMELESS						
	TOTAL - New budget (obligational) authority	---	425,000,000	327,500,000	355,000,000	-70,000,000	+27,500,000
	(Effect of new deferral)	---	---	(-27,500,000)	---	---	(+27,500,000)

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

	Supplemental request	House (net)	Senate	Conference	Conference compared with	
					House (net)	Senate
TITLE I - GENERAL SUPPLEMENTALS						
Chapter I:						
Commerce, Justice, State and the Judiciary:						
New budget (obligational) authority (net)....	478,900,176	344,608,000	215,588,000	332,937,007	-11,670,993	+117,349,007
Appropriations.............................	(1,853,900,176)	(1,430,858,000)	(1,590,588,000)	(1,707,937,007)	(+277,079,007)	(+117,349,007)
Appropriation for debt reduction.........	(-1,375,000,000)	(-1,086,250,000)	(-1,375,000,000)	(-1,375,000,000)	(-288,750,000)	---
(By transfer)................................	(38,520,000)	---	(8,000,000)	(10,000,000)	(+10,000,000)	(+2,000,000)
(Limitation on guaranteed loans).............	(50,000,000)	---	---	---	---	---
Chapter II:						
Defense:						
New budget (obligational) authority..........	2,542,600,000	1,039,776,000	768,000,000	747,500,000	-292,276,000	-20,500,000
Chapter III:						
Energy and Water Development:						
New budget (obligational) authority..........	---	52,733,000	---	---	-52,733,000	---
(By transfer)................................	(-61,150,000)	(57,706,000)	(-66,750,000)	(-60,455,000)	(-118,161,000)	(+6,295,000)
Chapter IV:						
Foreign Operations:						
New budget (obligational) authority..........	1,050,846,486	---	152,013,486	159,013,486	+159,013,486	+7,000,000
(By transfer)................................	---	---	(300,000,000)	(300,000,000)	(+300,000,000)	---
(Limitation on callable capital).............	(17,375,058)	---	(17,375,058)	(17,375,058)	(+17,375,058)	---
(Limitation on direct loans).................	(-100,000,000)	---	(-200,000,000)	(-220,000,000)	(-220,000,000)	(-20,000,000)
Chapter V:						
Housing & Urban Development-Independent Agencies:						
New budget (obligational) authority (net)....	-371,320,000	106,270,000	-216,654,000	111,462,000	+5,192,000	+328,116,000
Appropriations.............................	(181,624,000)	(106,270,000)	(259,825,000)	(638,675,000)	(+532,405,000)	(+378,850,000)
Rescissions................................	(-462,213,000)	---	(-476,479,000)	(-527,213,000)	(-527,213,000)	(-50,734,000)
Authority to borrow........................	(-90,731,000)	---	---	---	---	---
(By transfer)................................	---	(30,810,000)	(33,000,000)	(39,000,000)	(+8,190,000)	(+6,000,000)
(Disapproval of deferrals)...................	---	(17,696,000)	(22,400,000)	(22,400,000)	(+4,704,000)	---
(Limitation on annual contract authority, indefinite)..............................	(-17,119,000)	---	(-17,119,000)	(-17,119,000)	(-17,119,000)	---
(Limitation on direct loans).................	(-90,731,000)	---	---	---	---	---
Chapter VI:						
Interior and Related Agencies:						
New budget (obligational) authority..........	23,028,000	30,957,000	25,381,000	23,451,000	-7,506,000	-1,930,000
Appropriations.............................	(23,028,000)	(30,957,000)	(85,381,000)	(83,451,000)	(+52,494,000)	(-1,930,000)
Rescissions................................	---	---	(-30,000,000)	(-30,000,000)	(-30,000,000)	---
Rescission of contract authority.........	---	---	(-30,000,000)	(-30,000,000)	(-30,000,000)	---
(By transfer)................................	---	(1,288,000)	---	---	(-1,288,000)	---
(Liquidation of contract authority)..........	(9,915,000)	(7,833,000)	(9,915,000)	(9,915,000)	(+2,082,000)	---
Chapter VII:						
Labor, Health and Human Services, and Education:						
New budget (obligational) authority..........	43,000,000	223,830,000	270,844,000	277,544,000	+53,714,000	+6,700,000
(By transfer)................................	(341,727,000)	(335,883,000)	(331,983,000)	(413,583,000)	(+77,700,000)	(+81,600,000)
(Limitation on trust fund transfer)..........	(-79,638,000)	(102,700,000)	---	(65,000,000)	(-37,700,000)	(+65,000,000)
(Limitation on direct loans).................	(-60,000,000)	---	---	---	---	---
Chapter VIII:						
Legislative Branch:						
New budget (obligational) authority..........	20,177,200	9,882,000	14,337,700	14,137,700	+4,255,700	-200,000
(Effect of new deferral)...................	---	---	(-4,000,000)	---	---	(+4,000,000)
Chapter IX:						
Military Construction:						
New budget (obligational) authority..........	250,000,000	---	---	---	---	---
Chapter X:						
Rural Development, Agriculture & Related Agencies:						
New budget (obligational) authority..........	6,656,615,000	5,216,587,000	6,693,465,000	5,620,559,000	+403,972,000	-1,072,906,000
Appropriations.............................	(6,656,615,000)	(5,216,587,000)	(6,699,465,000)	(5,626,559,000)	(+409,972,000)	(-1,072,906,000)
Rescissions................................	---	---	(-6,000,000)	(-6,000,000)	(-6,000,000)	---
(Transfer from Commodity Credit Corporation).	(24,705,000)	(19,517,000)	(24,705,000)	(24,705,000)	(+5,188,000)	---
Chapter XI:						
Transportation:						
New budget (obligational) authority (net)....	27,980,000	63,115,000	-146,775,217	65,074,783	+1,959,783	+211,850,000
Appropriations.............................	(138,534,000)	(119,682,000)	(90,297,278)	(136,678,278)	(+16,996,278)	(+46,381,000)
Rescissions................................	---	---	(-15,469,000)	---	---	(+15,469,000)
Rescission of contract authority.........	---	---	(-150,000,000)	---	---	(+150,000,000)
Appropriation for debt reduction.........	(-110,554,000)	(-56,567,000)	(-71,603,495)	(-71,603,495)	(-15,036,495)	---
(By transfer)................................	(50,000,000)	(13,430,000)	(64,120,000)	(42,739,000)	(+29,309,000)	(-21,381,000)
(Disapproval of deferrals)...................	---	(65,775,000)	(84,661,000)	(83,560,000)	(+17,785,000)	(-1,101,000)
(Appropriation to liquidate contract authority)...............................	(77,000,000)	(154,050,000)	(195,000,000)	(195,000,000)	(+40,950,000)	---
Chapter XII:						
Treasury, Postal Service & General Government:						
New budget (obligational) authority..........	166,077,000	144,391,000	98,097,000	98,097,000	-46,294,000	---
(Limitation on availability of revenue)......	(61,900,000)	(48,901,000)	(61,900,000)	(61,900,000)	(+12,999,000)	---
TITLE I - GENERAL SUPPLEMENTALS						
TOTAL - New budget (obligational) authority (net).....	10,887,903,862	7,232,149,000	7,874,296,969	7,449,775,976	+217,626,976	-424,520,993
Appropriations.............................	(12,926,401,862)	(8,374,966,000)	(10,028,848,464)	(9,489,592,471)	(+1,114,626,471)	(-539,255,993)
Authority to borrow........................	(-90,731,000)	---	---	---	---	---
Appropriations for debt reduction.........	(-1,485,554,000)	(-1,142,817,000)	(-1,446,603,495)	(-1,446,603,495)	(-303,786,495)	---
Rescissions, 1987..........................	(-462,213,000)	---	(-527,948,000)	(-563,213,000)	(-563,213,000)	(-35,265,000)
Rescission of contract authority..........	---	---	-180,000,000	-30,000,000	-30,000,000	+150,000,000
(Disapproval of deferrals)...................	---	(83,471,000)	(107,061,000)	(105,960,000)	(+22,489,000)	(-1,101,000)
(Effect of new deferral)....................	---	---	(-4,000,000)	---	---	(+4,000,000)
(Liquidate contract authority)...............	(86,915,000)	(161,883,000)	(204,915,000)	(204,915,000)	(+43,032,000)	---
(Limitation on trust fund transfer)..........	(-79,638,000)	(102,700,000)	---	(65,000,000)	(-37,700,000)	(+65,000,000)
(By transfer)................................	(369,097,000)	(439,117,000)	(670,353,000)	(744,867,000)	(+305,750,000)	(+74,514,000)
(Transfer from Commodity Credit Corporation)..	(24,705,000)	(19,517,000)	(24,705,000)	(24,705,000)	(+5,188,000)	---
(Limitation on indefinite contract authority)	(-17,119,000)	---	(-17,119,000)	(-17,119,000)	(-17,119,000)	---
(Limitation on callable capital subscriptions)..............................	(17,375,058)	---	(17,375,058)	(17,375,058)	(+17,375,058)	---
(Limitation on availability of revenue).......	(61,900,000)	(48,901,000)	(61,900,000)	(61,900,000)	(+12,999,000)	---
(Change in limitation on direct loans)........	(-250,731,000)	---	(-200,000,000)	(-220,000,000)	(-220,000,000)	(-20,000,000)
(Change in limitation on guaranteed loans)....	(50,000,000)	---	---	---	---	---

1987 SUPPLEMENTAL APPROPRIATIONS BILL—Continued

	Supplemental request	House (net)	Senate	Conference	Conference compared with	
					House (net)	Senate
TITLE II - INCREASED PAY COSTS						
TOTAL - New budget (obligational) authority	197,542,000	456,852,500	408,323,000	408,563,000	-48,289,500	+240,000
(Increase in limitations)	(8,100,000)	(3,879,000)	(3,879,000)	(3,879,000)	---	---
(By transfer)	(184,651,000)	(86,969,000)	(67,301,000)	(63,824,000)	(-23,145,000)	(-3,477,000)
(Limitation on administrative expenses)	---	(18,000,000)	(18,000,000)	(18,000,000)	---	---
(Transfer from Commodity Credit Corporation)	(9,081,000)	(9,081,000)	(9,081,000)	(9,081,000)	---	---
(Section 32 - increase in limitation)	(112,000)	(112,000)	(112,000)	(112,000)	---	---
TITLE III - INCREASED RETIREMENT CONTRIBUTIONS						
TOTAL - New budget (obligational) authority	1,018,609,000	1,136,927,000	1,149,358,600	1,163,781,000	+26,854,000	+14,422,400
(Increase in limitations)	(8,559,000)	(3,606,000)	(3,606,000)	(3,606,000)	---	---
(By transfer)	(141,204,000)	(58,705,000)	(30,902,600)	(33,322,600)	(-25,382,400)	(+2,420,000)
(Transfer from Commodity Credit Corporation)	(10,027,000)	(10,027,000)	(10,027,000)	(10,027,000)	---	---
(Section 32 - increase in limitation)	(84,000)	(84,000)	(84,000)	(84,000)	---	---
TITLE IV - URGENT RELIEF FOR THE HOMELESS						
TOTAL - New budget (obligational) authority	---	425,000,000	327,500,000	355,000,000	-70,000,000	+27,500,000
(Effect of new deferral)	---	---	(-27,500,000)	---	---	(+27,500,000)
GRAND TOTAL						
TOTAL - New budget (obligational) authority (net)	12,104,054,862	9,250,928,500	9,759,478,569	9,377,119,976	+126,191,476	-382,358,593
Appropriations	(14,142,552,862)	(10,393,745,500)	(11,914,030,064)	(11,416,936,471)	(+1,023,190,971)	(-497,093,593)
Authority to borrow	(-90,731,000)	---	---	---	---	---
Appropriations for debt reduction	(-1,485,554,000)	(-1,142,817,000)	(-1,446,603,495)	(-1,446,603,495)	(-303,786,495)	---
Rescissions, 1987	(-462,213,000)	---	(-527,948,000)	(-563,213,000)	(-563,213,000)	(-35,265,000)
Rescission of contract authority	---	---	(-180,000,000)	(-30,000,000)	(-30,000,000)	(+150,000,000)
(Effect of new deferral)	---	---	(-31,500,000)	---	---	(+31,500,000)
(Disapproval of deferrals)	---	(83,471,000)	(107,061,000)	(105,960,000)	(+22,489,000)	(-1,101,000)
(Liquidate contract authority)	(86,915,000)	(161,883,000)	(204,915,000)	(204,915,000)	(+43,032,000)	---
(By transfer)	(694,952,000)	(584,791,000)	(768,556,600)	(842,013,600)	(+257,222,600)	(+73,457,000)
(Transfer from Commodity Credit Corporation)	(43,813,000)	(38,625,000)	(43,813,000)	(43,813,000)	(+5,188,000)	---
(Increase in limitations)	(16,659,000)	(27,235,000)	(7,485,000)	(32,485,000)	(+5,250,000)	(+25,000,000)
(Section 32 - increase in limitation)	(196,000)	(196,000)	(196,000)	(196,000)	---	---
(Limitation on callable capital subscriptions)	(17,375,058)	---	(17,375,058)	(17,375,058)	(+17,375,058)	---
(Limitation on availability of revenue)	(61,900,000)	(48,901,000)	(61,900,000)	(61,900,000)	(+12,999,000)	---
(Increase in limitation on administrative expenses)	---	(18,000,000)	(18,000,000)	(18,000,000)	---	---
(Trust fund transfer)	(-79,638,000)	(102,700,000)	---	(65,000,000)	(-37,700,000)	(+65,000,000)
(Limitation on indefinite contract authority)	(-17,119,000)	---	(-17,119,000)	(-17,119,000)	(-17,119,000)	---
(Change in limitation on direct loans)	(-250,731,000)	---	(-200,000,000)	(-220,000,000)	(-220,000,000)	(-20,000,000)
(Change in limitation on guaranteed loans)	(50,000,000)	---	---	---	---	---

Mr. CONTE. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, when we brought this bill to the floor 2 months ago, I told this House that I felt like a salmon swimming up stream.

I now realize that metaphor was poorly chosen, because someone is bound to ask me if I've laid an egg.

So I would rather forget the salmon. Later, during debate on the percentage cut, I called the bill a turkey, but said that I would vote for it because I knew that we could clean it up in conference and get it signed by the President.

And we did.

Instead of the percentage cut passed by the House, we made individual program cuts so the conference agreement is only $123 million over the House bill, and will be signed by the President.

Of course even turkeys lay eggs. But a conference report must be voted up or down. It is more like an omelette made of many eggs.

In fact, you might call this conference agreement an omelette made from 437 eggs—each one a Senate amendment.

In either case, whether you regard the conference agreement as a turkey omelette or as salmon caviar, let me tell you about some of the eggs that are in it: $5.6 billion for the Commodity Credit Corporation; $287 million for Pell grants for the upcoming school year; $137 million for INS to administer the New Immigration Act; $544 million for DOD health care; $80 million for veterans' compensation and pensions; $122 million for family social services, which is an entitlement; and $80 million for the IRS.

On language issues:

We dropped the arms control provisions and the funds for SDI;

We retained the House language on the CDS payback;

We dropped the Senate language delaying employer sanctions under the Immigration Reform Act;

We agreed to Senate language on the super collider which prevents the consideration of cost sharing; and

We agreed to compromise language on drug testing for Federal employees.

There is one rotten egg in this conference agreement—the Senate language that removes the $250,000 cap on loans to honey producers.

But that amendment is in technical disagreement. It will be subject to a separate vote, and you will hear more from me at that time.

Otherwise, the conference agreement is acceptable, and I will vote for it.

DISTRICT OF COLUMBIA

There were no provisions in the House-passed bill relating to the District of Columbia. However, the Senate added amendment No. 432 which relates to the acquisition of the Antioch School of Law by the District of Columbia.

The Senate amendment as accepted in this conference report includes two legislative provisions. First, the language removes the requirement that the board of trustees of the University of the District of Columbia approve acquisition or merger of Antioch Law School prior to the use of $1,146,000 in previously appropriated operational funds. The board has not approved the transfer despite the passage of D.C. Law 6-177. This law authorizes the acquisiton of the law school.

Second, the provision requires the interim board of governors for the new D.C. School of Law submit a report by October 1, 1987, outlining the anticipated financial situation for the next 5 years and including the current status of the school's accreditation.

The conferees also expressed concern about the long-term financial stability of a public law school in the District of Columbia.

ENERGY AND WATER DEVELOPMENT

Chapter III provides supplemental funds for programs under the jurisdiction of the Subcommittee on Energy and Water Development.

The conferees have agreed to restore language originally proposed by the House and stricken by the Senate directing the Corps of Engineers to proceed with certain previously earmarked projects. The conferees have also agreed to language requiring the Corps of Engineers to report to the appropriate congressional committees on action taken pursuant to applications under section 103(m) of last year's Water Resources Development Act, as well as on projects or studies falling under section 103(e)(1) of that act.

Under the Bureau of Reclamation, the conferees have agreed to provide an additional $5.6 million for the cleanup of Kesterson Reservoir, subject to certain determinations and the issuance of a waste discharge permit by the Central Valley Regional Water Resources Control Board. The conferees have also agreed to provide $771,000 for the O'Neill Unit and $4.8 million for the McGee Creek project.

For the Department of Energy, the conferees have agreed to language proposed by the Senate to prohibit the Department from considering financial and other incentives that may be included in proposals for the superconducting super collider in making its site selection decision. The conferees further agreed that this language does not preclude any State or other group from including financial incentives in their proposals, or from using its own resources to improve the suitability of any proposed site.

Finally, the conferees have agreed that an additional $1.2 million should be provided to complete the MOD-5-B wind turbine project, to be done without adversely affecting the University of Massachusetts at Amherst's wind energy project.

INTERIOR AND RELATED AGENCIES

New budget authority provided in this chapter is less than the House and Senate amounts and only $400,000 more than the administration's request.

As passed the House, the program supplementals for the Interior chapter included $30.9 million in new budget authority, compared to a request for $23 million. This conference agreement provides only $23.4 million for program supplementals under this chapter. This amount is $7.5 million less than the House allowance and $1.9 million less than the Senate amount.

The conferees accepted two Senate add ons for the U.S. Fish and Wildlife Service. Amendment 127 provides an additional $15 million for the Fish and Wildlife Service to make necessary repairs on dams and fish hatcheries. Two such hatcheries are located in New England: The North Attleboro National Fish Hatchery in Massachusetts and the Craig Brook National Fish Hatchery in Maine. Both of these facilities are in disrepair and should be considered for rehabilitation under this program. The conferees also accepted Senate amendment 128 which provides $5 million for land acquisition at Bayou Sauvage NWR, LA.

For the Smithsonian Institution, the conferees provided $200,000 for a study "related to the possible relocation of the Museum of the American Indian, Heye Foundation." The study is expected to focus on three options for the museum's collection: Relocation to Washington, DC; one location in New York City and one in Washington, DC; and maintaining the collection in one New York location.

Unfortunately, the conferees accepted a Senate provision which relates to the spraying of pesticides in the New River Gorge National River. Senate amendment 133 directed the National Park Service to permit the State's plan to spray pesticides in this area for the eradication of the black fly. The Centers for Disease Control and the U.S. Public Health Service have determined that black flies do not pose a public health problem in West Virginia. The black fly issue at New River Gorge is an allergenic, not a disease problem. Other allergenic situations exist which are not being proposed for control such as allergies to bee stings, ragweed, goldenrod and pollen.

The National Park Service strongly objected to the Senate provision. In a statement sent to the conferees, the Park Service stated that "the actual language authorizes a practice that runs contrary to current National Park Service resource management policy. The Service does not want the resources of the New River Gorge reduced by pesticide use." The Park Service also pointed out that this amendment would set a bad precedent and might encourage future legislative authorizations of pesticide use for a particular area. The conference agreement adopted this provision for a period of 8 years.

CONFERENCE AGREEMENT ON CHAPTER V: HUD-INDEPENDENT AGENCIES

Mr. Speaker, the conferees have reached agreement on 38 Senate amendments in the jurisdiction of the subcommittee on HUD-Independent Agencies.

For the Department of Housing and Urban Development, the conferees have agreed to rescind $65 million in fiscal year 1987 operating subsidies to be carried over into fiscal year 1988 for insurance costs.

Another $462.21 million in standard, annual rescissions, recommended by the Senate at the request of the administration, were approved by the managers for the rent supplement and rental housing assistance programs. The conferees accepted Senate amendment numbered 105 to permit the city of Camden, NJ, to retain certain land disposition proceeds, but rejected the rescission of $4.27 million in HUD salaries and expenses as proposed by the Senate, and the transfer of $19.5 million from FHA funds for pay and retirement costs as proposed by the House.

For the American Battle Monuments Commission, the conferees have included the $3 million, the same as the House provided, with a currency fluctuation reserve of $1.35 million and $150,000 for the establishment of a Guadalcanal memorial.

For the Environmental Protection Agency, the conferees agreed to release $1.161 billion in previously appropriated funds for the construction grant program to be allocated in accordance with the provisions of the 1987 Water Quality Act.

The managers have agreed to provide $11 million for the Des Moines, IA, wastewater treatment project, $9 million for section 106 water quality State grants and $7 million for technical assistance on clean water guidelines. The managers have included language making funds advanced to the Superfund trust fund available until expended, and have made $16 million available until expended for emergency planning and community right-to-know activities.

The managers have also agreed to transfer $5 million from the research and development account to cover additional salary and expense costs, and to appropriate $5 million for retirement costs, as proposed by the House.

For the Federal Emergency Management Agency, the conferees have included $57.475 million in disaster relief funds, as proposed by the Senate, and have included the House language on mobile homes.

For the National Aeronautics and Space Administration, the conferees have included an additional $300 million, above amounts provided in either the House or Senate version of the bill, to meet space shuttle and Rodgers Commission requirements and in an effort to return the shuttle to launch status by June 1988. The $3 million recommended by the Senate for construction at Ames is included in the conference agreement. For additional salary costs, the conferees have agreed to the Senate amendment transferring $25 million from research and development and space flight.

For the Veterans' Administration, the conference agreement extends the availability of $34.2 million in the fiscal year 1987 medical care account for ADP equipment and support contracts, as proposed by the Senate. The conferees did not include the $10 million rescission in the Senate bill for medical computer programs, but have directed the VA to use these funds to meet a shortfall in beneficiary travel.

The conferees have included language limiting funds for the Decentralized Hospital Computer Program until a study being undertaken by the Office of Technology Assessment is completed, and the VA has submitted a revised medical care ADP program; $9.178 million is currenlty available for DHCP; $25 million is available for obligation under a revised plan to be submitted by October 1.

The managers have also agreed to include Senate language, requested by the administration, on the settlement of contractors' claims at the Huntington Medical Center, and language included in the House bill prohibiting a mission change at the Walla Walla Medical Center. The agreement also includes $30 million for veterans job training as proposed by the House, and $100 million for the loan guaranty revolving fund as proposed by the Senate.

In accordance with the conference report on the homeless authorization bill, H.R. 558, the conferees have agreed to provide $210 million, to remain available until expended, for homeless assistance programs funded through HUD, FEMA, and the VA. The conferees recommend $80 million for the Transitional Housing Demonstration Program at HUD—including $15 million for handicapped housing, $20 million for transitional housing, and $30 million for transitional housing for deinstitutionalized individuals.

An additional $50 million is recommended for the HUD Emergency Shelter Grants Program, $35 million for the HUD section 8 moderate rehabilitation program, and $15 million for the HUD supplemental assistance grants program. For the FEMA Emergency Food and Shelter Program, the conferees have recommended another $10 million. For the VA Domiciliary Care Program, the conferees recommend $15 million, and $5 million for the Chronic Mental Illness Program.

Among the items not in conference, but included in the fiscal year 1987 supplemental appropriations bill, are $20,000 in pay raise funds for the Consumer Product Safety Commissioners; $80.2 million in veterans compensations and pensions; language disapproving two EPA deferrals totaling $22.4 million; $2 million for the School Asbestos Program; and language extending the availability of certain VA general operating expenses.

LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION

The Labor, Health and Human Services, and Education chapter of this supplemental provides $277.5 million in new program supplementals, plus $7.7 million in pay supplementals, $5.9 million for increased costs of the Federal employee retirement system, and $145 million for homeless relief. As compared with the original House-passed bill, it is $62 million over in new BA, and $62.5 million under in outlays.

Most of that increase over the House-passed bill is for AIDS-related funding. The conference agreement contains $77 million to continue the Federal assault on this public health menace, including $30 million to cover the cost of AZT—or other drugs proven to prolong the lives of AIDS victims—for low-income persons with AIDS or related complexes, $20 million, requested by the administration, for an AIDS education and information campaign, and $27 million, also requested by the administration, for AIDS testing, counseling, and minority education activities.

For the homeless, the supplemental provides $145 million for portions of H.R. 558, the Stewart B. McKinney Homeless Assistance Act that are authorized in the Departments of Education and Health and Human Services. New grants are authorized for outpatient health services, substance abuse treatment, mental health services, emergency community services, and efforts to educate homeless children and assure that they have access to all education services now available to nonhomeless children.

The conference report also provides a $287 million supplemental appropriation for Pell grants, derived by transfer from excess Guaranted Student Loan Program funds. This transfer will eradicate all previous year shortfalls for this core program of Federal student assistance, and would not do any harm to the GSL Progam. It will allow all eligible Pell grant students this coming fall to receive the full amount of their calculated entitlement. As a result of this action, 245,000 more students will receive awards this fall, and any additional funds provided for next year will go to increasing student awards, not to making up for past misestimates by the Education Department.

In the area of human development services, the conference report provides an additional $166.6 million—$165.2 million for the Foster Care and Adoption Assistance Progams, and $1.4 million for Home Delivered Nutrition Services, known as Meals on Wheels. These programs provide assistance to our young and old citizens alike. Both foster care and adoption assistance help the States provide care to children who may need placement outside their homes, and for special needs children.

The conferees agreed to $65 million for administrative expenses of both the State employment security offices and the targeted jobs tax credit. Of the total amount, $50 million will help those States that are facing the prospects of closing their employment security offices or lay off staff, and $15 million will go to administer the TJTC which was reauthorized in last year's tax reform legislation but not funded.

Under the WIN Program, the bill provides $23 million for fourth-quarter operations in fiscal year 1987, and directs that the supplemental funds go first to those States that do not have unexpended balances from the first three quarters allocations. I remain hopeful that Congress will enact a new education and training program for welfare mothers in order to help them become self-sufficient. Welfare reform legislation is moving through the committees, but if it is not in place by the time we begin dealing with the regular fiscal year 1988 Labor, HHS, and Education bill I intend to work to obtain adequate funding to continue the existing WIN Program.

For the Trade Adjustment Assistance Program, the supplemental adds $20 million for workers retraining. These funds are needed to support retraining of workers certified by the Department of Labor as having lost their jobs as a result of foreign imports, particularly since the Department has run out of funds for this program for the remainder of the year. The Department has already approved training contracts in several States, including Massachusetts, and the additional funds will allow those contracts to be funded.

For the maternal and child health block grant, the supplemental provides $18.75 million to continue our efforts to combat infant mortality and to provide adequate health care for low-income mothers and their children. In this same vital area, the bill provides $700,000 for the National Commission to Prevent Infant Mortality.

The supplemental also provides an additional $10 million for the Community Service Employment for Older Americans Program. This cost-effective program allows senior citizens to continue to be active through part-time community service jobs.

Several higher education programs will receive needed increases in the supplemental, including $1 million for the Black College and University Act, $1 million to restore funds intended for the International Education Program, and $1.3 million for Javits fellowships.

At the National Institutes of Health, the National Institute on Aging, will receive $750,000 to expand the clinical trial on THA, a drug that initially is showing progress in restoring memory loss in senior citizens. And to get some real answers in another critical area, the supplemental provides $1 million for a study by the National Center on Nursing Research, jointly with the Nursing Division at the Health Resources and Services Administration. The study will examine the nurse shortage issue, and what may be causing the problem with nurse retention.

The bill also contains technical language authorizing expenditures for the Curriculum Coordination Centers under the Carl D. Perkins Vocational Education Act, using funding provided in the regular fiscal year 1987 bill. Language is also included to prohibit the Health Care Financing Administration from delaying payment on Medicare claims. And, the bill provides for settlement of litigation involving desegregation of Chicago city schools.

CONFERENCE AGREEMENT ON CHAPTER X: RURAL DEVELOPMENT, AGRICULTURE AND RELATED AGENCIES

Mr. Speaker, the conferees have reached agreement on the Rural Development, Agriculture and Related Agencies chapter. I will say for the record that it contains a number of agreements that I oppose, and that the administration has opposed throughout the last 2 months that this supplemental has been debated.

The conferees have included the $10 million in "investigations" included in the House bill related to mandatory production controls, and $46.14 million for eight special projects included in the House or Senate version of the bill. These projects include: $9.441 million for the Pennington Biomedical Research Center at Louisiana State University for equipment; $1.2 million for the establishment of an operational demonstration and research feed mill and durum wheat flour mill at the Northern Crops Institute in North Dakota; $2 million for a regional international trade center at Iowa State University; $16.2 million for the construction of the new agriculture science and industry center at Pennsylvania State University; $8 million for the construction of a weed science center at North Dakota State; $300,000 for an extension service grant to financially stressed and dislocated farmers at North Dakota State's College of Agriculture; $3 million for a Farmers Home Administration grant to the Choctaw Regional Rural Industrial Park in Oklahoma; and $6 million for the George Aiken Center for Microbiology at the University of Vermont. The managers did accept one offsetting Senate amendment rescinding for $6 million in Rural Clean Water Program funds.

The conferees have agreed to include $8.5 million for the southeastern boll weevil eradication program and the environmental impact statement for the animal damage control program. We have included $553,000, the full amount which USDA believes necessary for dairy indemnification payments to Arkansas, Missouri, and Oklahoma claimants.

For the Commodity Credit Corporation [CCC] which has been shut down since May 1, the conference agreement includes $5,553,189,000 in long-awaited reimbursements. I don't know of any Federal agency that has been used, abused, or shut down for so long as the CCC. Our final $5.6 billion recommendation is a reduction of $1.1 billion from the administration's estimate of need. At this point, no one knows whether this amount will be enough to get us through September 30. The CCC exhausted its $25 billion line of credit with the Treasury in only 200 days. In the 60 days since the CCC has shut down, over $1.2 billion worth of claims have been filed at the rate of $50 million a day.

Many farmers are demanding interest on their payments, and we do not know whether we will have to pay it yet. The small farmers have been up in arms about the delays on the reimbursement, and they ought to be. It's the little guys who got hurt these last 2 months—the little guys looking for and waiting for their $2,000 checks. You can be sure that if it had been the big cotton or rice producers, we would have acted before now to get them their multimillion-dollar payments, Oh, ho! But we have held the little guy's payments hostage to a budget process that has broken down.

The conference agreement includes an extension through September 30, 1987, on the moratorium on prepayment of rural rental housing loans, and a transfer of $115 million from section 515 loans to rental assistance payments. The managers have included new language on FmHA cash-flow requirements and new language permitting section 502 rural housing loan funds to be used for the construction of garages and basements.

For the Rural Electrification Administration, the conferees have included language enabling all REA borrowers to refinance their Federal financing bank debts without prepayment penalties. The administration had expressed strong opposition to the much narrower prepayment language included in the Senate bill. I will say for the record that this conference agreement will end up costing the Treasury $2 billion in net present value over the next few years.

For the Child Nutrition Programs, the conferees have accepted a modified Senate amendment making $167.5 million available for reimbursement to State agencies for meals served. This action was based on the recommendation of the Secretary of Agriculture.

The conference agreement on chapter 10 also includes $1.5 million for the Foreign Agricultural Service to offset the increased cost resulting from overseas inflation; and $500,000 for orphan drug grants and contracts.

Also included are: $100,000 for a National Commission on Agriculture and Rural Development Policy; $100,000 for a National Commission on Agricultural Finance; and Senate language extending the prohibition against a ban on saccharin through May 1, 1992.

Among the items not in conferernce, but included in the fiscal year 1987 supplemental bill are: $3.426 million for the special milk entitlement program; $300,000 for a Mississippi shrimp aquaculture project; $300,000 for a Mississippi SCS dam repair project; and $24 million for ASCS salaries and expenses.

The supplemental also contains $705,000 for general sales manager salaries, $500,000 in transfer funds for the associate experts program and $1.5 million for the evaluation of drugs, vaccines and tests for the treatment of AIDS. The bill also includes language removing the cap on the fiscal year 1989 WIC authorization level, language lifting the tuition cap for schools eligible to participate in the child nutrition programs, and language providing the Secretary with discretionary authority to adjust interest rates on certain existing, nonsubsidized FmHA loans.

Finally, Mr. Speaker, the conferees have agreed to sneak in a special little perk for some of the wealthiest corporate beekeepers in America. This is a disgrace. Senate amendment No. 219 has been folded quietly into this conference report. There is nothing technical about my disagreement with this Senate amendment. It lifts the $250,000 cap on the amount of honey loans that this House agreed to just 8 months ago. We ought to be ashamed.

The 1987 continuing resolution included language to limit the total amount of honey loans that a person can have outstanding at any one time. That limit was set at $250,000, less any payments under the marketing loan program. There are 20 or so large honey producers that have been making multiple loan transactions to try and get 6 to 9 million more pounds of honey under loan, and they have found a loophole. They have found a complicated way to use generic certificates to redeem their loans and not have it count against their $250,000 ceiling.

They have asked the conferees to make their lives a little less complicated and bless this little loophole, and the House and Senate conferees gave their blessing.

I think it's a disgrace. Because the loophole already enables honey producers to use certificates to get around the spirit of the law, the CBO has estimated that lifting the loan cap will have no actual outlay impact. The Secretary of Agriculture has already warned us that an increase in the loan limit without a corresponding increase in the payment limit may significantly increase the level of honey forfeitures.

We've already got 65 million pounds of forfeited honey in our inventory. The last thing we need is another $3.8 to $5.7 million worth of honey to store, test and transport.

Mr. Speaker, at a time when we are trying to restore some reasonable limitations on payments being made to producers through skyrocketing farm programs, this is a very bad precedent to set. Instead of blessing or widening the loopholes in that farm bill, we ought to be cracking down.

Instead of lifting the loan cap, we ought to close up the loophole that lets these 15 or 20 guys walk off with our tax dollars. How many Americans are guaranteed $250,000 in income from Uncle Sam and then tell us it's not enough? I'll tell you how many—15 or 20. They ought to be ashamed, Mr. Speaker, and we all ought to be ashamed that the conferees have held up a number of truly urgent supplementals for sweet bailouts like this one.

TRANSPORTATION

Chapter XI provides supplemental funding for programs under the jurisdiction of the Subcommittee on Transportation and Related Agencies.

For Coast Guard operating expenses, the conferees agreed on a program supplemental of $4.12 million, plus a pay supplemental of $16.1 million.

For Federal Aviation Administration operations, the conferees have agreed on a program supplemental of $60 million, plus a pay supplemental of $33 million. These additional funds are largely for the support and staffing of the air traffic control system.

The conferees have also agreed to provide an additional $25 million for airport planning and development, and noise compatibility planning and programs, as originally proposed by the House.

Under the Federal Highway Administration, funds are provided for a number of demonstration projects, including the first appropriation for the vehicular and pedestrian safety demonstration project of $5 million. These funds will be used to improve safety along stretches of Route 66 in Northampton and Huntington, MA.

The conferees agreed to provide an additional $5 million for Amtrak to perform track maintenance and rehabilitation work to restore service on the Montrealer route north of Springfield. They also provided $371,000 under the section 505 program for rehabilitation work on track of the Pioneer Valley Railroad.

Finally, the conferees have agreed to disapprove the deferral of funds for several railroad and transit programs.

TREASURY-POSTAL SERVICE-GENERAL GOVERNMENT

The conferees made every effort to reduce the overall amounts provided to the agencies covered by this chapter. In fact, except for one account, the conferees took the lower amount for every item in disagreement with the Senate.

The House passed bill included enough funds to cover half of the pay raise and all of the retirement costs. The Senate bill was more selective and generally less generous. The Internal Revenue Service was provided the House allowance for retirement costs, and the difference was approximately $6 million.

Two program supplementals were included in the conference agreement. The Bureau of Alcohol, Tobacco and Firearms was allocated $5 million for operations, the amount provided by the Senate. In addition, $5 million was provided for the renovation of the Treasury Annex Building. This agreement also extends the availability of funds for three specific projects in the following agencies: U.S. Customs Service, Secret Service and the Federal Law Enforcement Training Center.

The conferees did not provide funds for the payment to the Postal Service fund; $79.2 million was requested to pay for unfunded liabilities incurred under the old Post Office Department. This appropriation would amount to a paper transfer between the U.S. Postal Service and the Department of Labor. The conferees suggested that the administration and the appropriate committees of the Congress consider providing a budget request for these liabilities through the Department of Labor. I will include for the RECORD a letter from the Deputy Secretary of Labor outlining the issues involved in this payment.

U.S. DEPARTMENT OF LABOR,
Washington, DC, June 19, 1987.

Hon. WILLIAM NATCHER,
Chairman, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I am writing to explain in greater detail, concerns recently expressed by Secretary Brock relating to a United States Postal Service (USPS) request in H.R. 1827, supplemental appropriations for 1987. The request involves a continuing obligation of the present USPS to pay costs related to injuries sustained by the former United States Post Office Department employees under the Federal Employees' Compensation Act (FECA). A special appropriation has been requested by the USPS to meet the obligations past due for 1986 and for those in 1987.

As you know, the Labor Department administers claims by employees of the various agencies of the government under the FECA. The related costs are paid out of the Employees' Compensation Fund, which is then reimbursed by each agency through the FECA chargeback system. Congress created this system to encourage cost containment on the part of the individual agencies.

The present problem stems from changes made by the Postal Reorganization Act of 1971, which, in creating the Postal Service, stated that all liabilities under the FECA of the former Post Office Department would remain the responsibility of the United States government. Until 1986, FECA chargeback costs for these pre-1971 injuries of postal employees were met by the USPS out of funds appropriated by Congress for this purpose. In 1986, however, Congress did not appropriate money to the USPS to cover the pre-1971 FECA injuries. Although the Conference Report on House Joint Resolution 465 (Public Law 99-190) does state: "The Conferees direct the Postal Service to meet the liabilities of the former Post Office Department to the Employees' Compensation Fund," the USPS maintains that they cannot properly meet the obligations for pre-1971 injuries out of their revenues. The Department temporarily met the 1986 obligation by drawing against 1987 funds, but the obligations continue to grow and to not provide funds for them simply means the supplemental needed each year gets larger.

The President asked for a supplemental appropriation totalling $79.2 million for the Postal Service to meet the obligations to the Employees' Compensation Fund for 1986 and 1987. This appropriation is essential to meet a significant shortfall in the Fund, and I urge you to support it.

Thank you for your assistance in resolving this and the other concerns addressed by Secretary Brock in his June 16 letter. For further information, please have a member of your staff contact Mary Ann Wyrsch, Director, Office of Budget, at 523-6888.

Very truly yours,
DENNIS E. WHITEFIELD.

☐ 1405

Mr. WHITTEN. Mr. Speaker, I reserve the balance of my time.

Mr. CONTE. Mr. Speaker, I yield 5 minutes to the gentlewoman from Nebraska [Mrs. SMITH], my authority on agriculture.

Mrs. SMITH of Nebraska. Mr. Speaker, I rise to support swift passage of this bill, H.R. 1827, making supplemental appropriations for fiscal year 1987, including $5,553,189,000 for desperately needed farm program payments promised under terms of the 1985 farm bill and implemented by the Reagan administration.

I ask my colleagues in the House to approve this conference report without further delay because the 2-month forced moratorium of payments has cost agriculture dearly—and for no good reason.

Indeed, I believe that the farmers and ranchers due money from the Government are entitled to interest payments under terms of the Prompt Payment Act of 1982. I intend to work actively to persuade the administration to treat CCC contracts the same way all other contracts are treated under this act.

Thousands of producers have been forced to borrow money at relatively high interest rates to tide them over while we play games with their money—locking it up as hostage to demands for arms control and nuclear testing limits that had no place in this bill.

But certain elements in the Congress have had no problem with that. You don't want to pay the money promised in the 1985 farm bill and owed to farmers? So let us just squeeze him and his family so they will support our pie-in-the-sky schemes that many thoughtful colleagues on both sides of the aisle won't stand for. Outrageous!

I have done all in my power to expedite consideration and final action on the bill. But I and other colleagues from predominantly agricultural congressional districts have been thwarted, rebuffed, and frustrated at every turn for the past 2 months.

I have commiserated with my good friend and colleague, the distinguished chairman of our committee, the gentleman from Mississippi [Mr. WHITTEN], with whom I have the honor to serve as vice chairman of the Appropriations Subcommittee on Rural Development, Agriculture, and Related Agencies.

He, too, is from a farm State, and he and like-minded Democrats and Republicans from farm States have hated every minute of the 2-month delay, since April 30, in making these contractual payments to our farmers.

As chairman of the full House Committee on Appropriations, he has suffered, as I have suffered, undeserved criticism from back home because many colleagues do not understand agriculture, do not understand the 1985 farm bill, and do not understand the continuing economic stress afflicting our agricultural sector.

Sad to say, not until my good friend and colleague, the gentleman from Massachusetts, the distinguished vice chairman of the Appropriations Committee, heeded my plea for action and introduced on June 24 an urgent supplemental bill, House Joint Resolution 323, just for the farm program money, did we get any action.

A deaf ear had been turned to our entreaties for action since June 9. When our bill, with 53 cosponsors, hit the bill hopper, the decisionmakers suddenly regained their hearing.

The fact is, the committee of conference on H.R. 1827 was convened forthwith within hours after our bill was introduced.

I pray God that this is the last time that unfeeling, uninformed persons prevail in Congress and are allowed to play legalistic games with Government contracted payments to farmers or anyone else.

In 1985, a total of 194 Democrats outnumbered 131 Republicans who voted for the conference report on the 1985 farm bill. In the Senate, 22 Democrats and 33 Republicans approved the bill.

Yet, many colleagues forgot the promises made in that bill. They forgot that farmers trusted them. They forgot that farmers kept their word. The farmers reduced plantings. They put land into conservation reserves. They took sharply lower market prices in return for promises of Government assistance to tide them over the 2-year transitional period provided by the bill.

And this transition time was crucial because farm policies all over the world have conspired to produce huge food and fiber surpluses in many lands. Our exports plummeted.

But now we are on the road back. The crisis is not over—not for the dozens and dozens of farm families who call me daily for guidance and help through the bureaucratic maze they find themselves in as a result of what Government has done to agriculture—and continues to do in terms of well-meaning but ill-advised policy.

Now, my city-based friends say, but has not the Commodity Credit Corporation run out of money before? Is not the current situation just a repeat?

No. The answer is "no." This is unique. Never has the CCC ever been allowed to be broke for so long.

In fact CCC payments have not been made since April 30, 2 long months ago.

The CCC has shut down only five times before this year in its history, but recently it has become increasingly frequent.

In July 1985 it shut down for 7 days.

It shut down three times in fiscal year 1986, for 5 days in February, for 19 days in March, and for 28 days in June and July.

As of July 1, 1987, the CCC having been shut down for so long, will have outstanding commitments totally around $1.5 billion. I certainly do not hope it goes until August 1, but if so the CCC would be in the arrears nearly $2.5 billion.

The CCC owes payments to the following farm groups, in the order of most outstanding payments owed. Nearly 14,000 dairy farmers and 400 dairy processors are awaiting funds.

About 111,000 farmers are waiting for their cost share payments from CRP participation.

Storage, handling, transportation, and packaging companies are waiting on payments due them for services performed under contract on CCC-owned commodities.

Some farmers are waiting for advanced deficiency payments and diversion payments.

Finally, farmers harvesting 1987 crops are waiting to get commodity loans from the CCC, mostly wheat farmers.

The Federal Government has only begun to pay for the devastating damage it has inflicted upon agriculture as the result of national policies that led to soaring inflation, skyrocketing interest rates, too-high taxes, energy shortages, incredible deficits, devastating embargoes, an overvalued dollar in foreign markets, plummeting exports, and low commodity prices.

I have pledged to do all in my power to continue to rectify the terrible damage inflicted by the U.S. Government unwittingly on agriculture and on Main Street businesses almost totally dependent upon the well-being of the agriculture sector.

Therefore, I appeal to my distinguished colleagues to support H.R. 1827. I am pressing the President to sign the bill as soon as we send it to him so that this farm program money can be made available to our producers forthwith.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to our distinguished Speaker, the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Speaker, in adopting this conference committee report, the House will temporarily set aside our insistence on arms control provisions which most of us enthusiastically support and which many consider vital to the interests of the United States and ultimately to the cause of world peace.

We do this in order that the necessary functions of Government—clean water, student loans, veterans benefits, disaster relief—may proceed without further debilitating delay.

We do it so that the Commodity Credit Corporation, now totally out of funds, can receive its infusion of capital and America's family farmers can get the payments necessary to stay in business for another year.

We make this agreement and support this conference report in order that help may flow to the homeless and international lending institutions may help salvage what future is possible for debt ridden allies of the United States in this hemisphere and elsewhere.

We do it to fulfill the positive side of our commitment to the democracies of Central America.

We do not believe that America's farmers, America's homeless and America's proven friends abroad should be treated as pawns in a political power game or held hostage to a stubborn contest of wills between the legislative and executive branches of Government.

The House in taking this action does not abandon the strong convictions of a large majority of our Members that we should comply with the numerical sublimits of the SALT II Treaty so long as the Soviet Union continues to do so.

We believe that is in our own national interest, as well as the interest of world peace.

We earnestly believe that the United States and the Soviet Union must put an end to the ever-escalating nuclear arms race before that arms race puts an end to the human race.

We do not forsake those views but simply defer further consideration of provisions relating to the SALT II Treaty, the ABM Treaty and a mutual moratorium on nuclear testing in the clear understanding that these will be taken up in the military spending authorization bill and in the Department of Defense appropriations bill.

This gives a breather and a further opportunity to seek some consensus with the executive branch of Government in important questions of foreign policy.

As we take this step today, I extend the hand of cooperation to the President and ask him to make, with us, a new beginning in promoting the interests of the United States in foreign affairs and the interests of peace on Earth.

Those interests are so important to the future of civilized society that they should be elevated to the top order of our national priorities and transcend every consideration of political partisanship.

President Reagan said in a telecast on March 4 of this year that he was anxious to forge "a new partnership with Congress * * *."

He acknowledged the need for the congressional oversight process. He expressed his determination for "consultation with the Congress * * * not only in letter but in spirit."

And so I say very sincerely today: We are willing, Mr. President, if you are.

We are willing to put a stop to the harsh rhetoric, the partisan name calling, the attribution of impure or unpatriotic motives that sometimes have characterized foreign policy debates. We are willing, Mr. President, if you are.

Each side must show good faith, and we in the Democratic leadership of Congress are willing that it should begin with us—but it must be mutual.

We have not been seeking to embarrass the President in matters relating to the Persian Gulf. We have been seeking instead to sit down and discuss together in a bipartisan way some of our legitimate concerns with a view to avoiding embarrassment for the United States.

We have been willing—and we renew our willingness—to discuss with the President not in vapid slogans but in the serious terms that it deserves, the question of how we balance income with outgo, how we provide both a sufficient measure of national defense, and the necessary level of Government services to the American people on a pay-as-we-go basis, without adding exponentially to the debts of our children.

The 55 men who wrote the Constitution 200 years ago gave us a shared responsibility in foreign affairs. They intended it to be a mutual undertaking between the President and the Congress.

We realize that no government could operate with 535 Secretaries of State, each going his or her own way.

We do not propose that, any more than we think it healthy or defensible for U.S. foreign policy to be contracted out to individual adventurers and private entrepreneurs.

What we do suggest is that Congress has a clear responsibility under the Constitution to influence and monitor the direction of U.S. foreign policy and to establish reasonable limitations in funding, and the President has a duty to carry out the policies thus determined.

Having a constitutionally shared responsibility, the legislative and executive branches of Government should consult with one another—and consultation implies on the part of each a degree of listening as well as talking.

The advice of Congress may not always be good, but sometimes it is. There clearly are times in which the President could have avoided grievous embarrassment for the country by discussing his plans with congressional leaders in advance of their implementation. Most certainly some of us would have sought to dissuade him from mining the harbors of a country with which we were not at war, and from sending military weapons to Iran. It is reasonable to assume that there may be such times in the future when counsel with the legislative branch could avoid needless trouble.

And so today, in the interest of orderly Government, we voluntarily and temporarily defer a conclusive consideration of the arms control provisions which we advocate. We offer our cooperation to the President, and we remind him that cooperation is a two-way street.

□ 1420

Mr. PORTER. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I sort of feel like the little boy who finds that his friend has just broken his favorite toy, but then offers to help him glue it back together again.

It is all very nice, his offer for help; but I am not sure why he got us into this place in the first place.

I want to make a special plea to all of my urban colleagues on this issue, because I do not want them to misunderstand what we are doing here today. We are not here creating and passing a new supplementary appropriation for agriculture and the Commodity Credit Corporation.

Once again for the umpteenth year in a row, we are back here trying to properly and fully fund the Commodity Credit Corporation, because we never did it in the first place.

The budget we passed for fiscal year 1987 included $26 billion for the Commodity Credit Corporation. The fact is that in the continuing resolution last year, we only funded $19.8 billion of that $26 billion, so we all knew that that was insufficient funds, and that we would have to come back here again.

It was those kinds of decisions made last fall that were the reason the farmers have gone 2 months without adequate funds for loan programs, dairy purchases, dairy termination programs, et cetera.

We are now providing $5.5 billion in funds which covers the known commitments, according to the Department of Agriculture; but the Department of Agriculture did also ask for approximately a $1.1 billion cushion which is not included in this bill.

We could be back here a third time asking for a supplementary appropriation bill for the Commodity Credit Corporation, not because we are spending above and beyond what we are supposed to, not because we are spending above and beyond what the budget resolution allows for agriculture, but because we continue to refuse to fully fund the Commodity Credit Corporation in the first place.

Do not blame America's farmers for this fiasco. Blame ourselves.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, the conferees reached agreement on all 38 amendments in the 1987 supplemental appropriations bill under the jurisdiction of the HUD-Independent Agencies Subcommittee. I am pleased to say that we are under the House-passed budget authority level for program, pay cost, and FERS—including the 21-percent reduction.

Chapter V provides $111,462,000 for various agency programs. The major differences from the House-passed bill include: $100,000,000 for the VA Loan Guaranty Program. This amount was requested by the administration but came too late to be included in the House bill; $57,475,000 for the Disaster Relief Program; $300,000,000 for NASA for space shuttle anomoly and Rodgers Commission requirements. These funds are essential to ensure that the June 1988 launch date is not threatened; $462,213,000 in recessions in the rental supplement and rental hosuing assistance programs. These recissions of recaptured authority for subsidy contracts converted to the section 8 program are proposed by the administration.

In addition, titles II and III contain $304,687,000 for increased pay costs and FERS. Of that amount, $280,991,000 is for the VA medical care appropriation.

In title IV, the conferees agreed to $210,000,000 for homeless programs in the Department of Housing and Urban and Development, the Federal Emergency Management Agency, and the Veterans' Administration. This amount includes $50,000,000 for the Emergency Shelter Grants Program, $80,000,000 for the Transitional and Supportive Housing Demonstration Program, $15,000,000 for the Supplemental Assistance for Facilities to Assist the Homeless Program, $35,000,000 for section 8 assistance for single-room occupancy dwellings, $10,000,000 for FEMA's Emergency Food and Shelter Program, and $20,000,000 for VA homeless programs.

Mr. Speaker, I would like to correct a technical error in the Statement of the Managers regarding amendment number 119. As printed, the statement of the managers indicates the conferees intend that the VA medical computer issue be resolved by no later than October 1, 1987. It is anticipated that Office of Technology Assessment study will be submitted by October 1, 1987. The conferees intend that final resolution of this matter be no later than the end of the session.

Mr. Speaker, I urge adoption of the conference report.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I thank my distinguished leader for yielding this time to me. Mr. Speaker, I rise in strong support for the foreign operations portion of the fiscal year 1987 supplemental. Looking at the work of the conferees, we have moved substantially toward a bipartisan approach to the issues surrounding this bill.

The bill is strongly prodemocracy and prodevelopment. In it, the United States has sustained its commitments to fragile democracies in both Central America and the Philippines. It will help the nations of Southern Africa develop some economic independence from South Africa and will restrore our leadership in Third World development through the multilateral development banks.

Beyond the war in Nicaragua, this bill shows that we have a bipartisan consensus to stand behind the fragile democracies of Central America. Last year we voted for $300 million in aid to Central America but passed the appropriation too late to provide any funds.

This bill sustains that commitment and in a way that the administration strongly supports. As I understand the agreement, we provided $25 million more for El Salvador over the House level and $4 million more for Honduras. I support that compromise.

Following the breakdown of the Philippine cease-fire, it is clear that the Communist New People's Army [NPA] has no interest in participating in free elections. They simply want to shoot their way to power. This bill gives the military backing Ms. Aquino needs to win her fight with the would-be Pol Pots of the NPA.

With regard to the African funding, we have some new, well-considered restrictions. No funds will go to support the Marxist governments of Mozambique or Angola. I also understand that we are going to fund only the reconstruction of the more politically stable and reliable rail route to Dar es Salaam in Tanzania and will avoid funding for the war-torn Mozambiquean "Beria corridor."

Finally, we live up to our international agreements to support Third World development through the multilateral banks and especially the International Finance Corporation [IFC]. I support this section to show my commitment to Secretary Baker's continued efforts to generate a comprehensive plan to foster private sector growth in the Third World.

I commend my chairman and distinguished ranking member and Mr. OBEY and Mr. EDWARDS for their work on this bill and look forward to working with them on the fiscal year 1988 bill.

Mr. WHITTEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. WOLPE].

Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, one of my colleagues raised a question about the amount of money in this bill for the Commodity Credit Corporation. I would like to explain the difference between the estimates set down by the Office of Management and Budget and what we have here.

The $6.7 billion estimate by the Commodity Credit Corporation was prepared over 7 months ago. When we went to conference on this supplemental, we asked the U.S. Department of Agriculture to review the cash situation over the last 7 months. In doing so, the department advised the committee that the cash trend is about $625 million more than the forecast was at this point in time. The difference in cash trend is because of higher prices for some commodities, which has led to a greater than anticipated rate of loan repayments.

I stated in my opening statement that some of these prices have gone up because millions of acres are lying idle this year and are deteriorating, and that creates a shortage and increases the price so that many of these commodities are coming out of the loan. It is a temporary benefit but a long-range sign of danger.

Mr. Speaker, I make this statement to explain why the reduction is made.

Mr. CONTE. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I hesitate to come before the House on this issue, but I think conscience dictates that I call the attention of the Members to a brand-new welfare system that is being set up by this supplemental, a welfare system for the homeless. It is a brand-new welfare system to the tune of seed money, so to speak, of $355 million, and we are appropriating funds when the authorization bill has not even been passed or come into law.

The reason I bring this up is that I hope Members will look at this bill and realize that there is really no empirical data that calls for this action.

Some, like the National Coalition for the Homeless, say that there are 2 million homeless in America. Of course, their survey was done by questioning their advocates in different cities. For instance, they asked their advocates in the skid row area of Los Angeles how many homeless were in that area, and they estimated from 10,000 to 200,000, although the Census Bureau said there is only a population of 10,127 in the skid row area. So if there is 10,000 to 200,000 homeless walking the streets of the Los Angeles skid row area, it must be bodies to bodies.

Mitch Snyder, the national advocate for the homeless with CCNV, says there is 2 million to 3 million homeless, and that it is increasing. Of course, he said in 1982 that there was 2 million to 3 million and then again in 1987 he says there are 2 million to 3 million. So where is this huge increase?

HUD did a study—a questionable study, in my opinion—where they just checked on newspaper articles and magazine articles and checked with some shelters in different cities, and they came up with the figure that there was anywhere from 192,000 to 586,000 homeless, more likely around 250,000 to 350,000.

So we are about to spend $355 million and we do not even know if there is a crisis. We do not even know if there are homeless out there, and most of the programs that have been instituted for the homeless have not been very effective. We have heard others claim that we are not doing anything for the homeless.

Well, in 1986, with very little effort on my part, I found at least 20 programs, with $170 million to $200 million, that have been targeted for the homeless. I might just point out a few of these programs: VISTA, Volunteers in Projects, Department of Agriculture surplus housing for shelters, Department of Defense surplus housing for shelters, surplus property, surplus commissary food, Department of Education, and it goes on and on to the tune of $170 million to $200 million.

□ 1435

That does not even count the regular welfare payments. Public housing has not been cut, as many would lead you to believe. Outlays have risen steadily.

In 1981, we spent $5.7 billion from the Carter budget on 3.1 million families. Five years later, we spent $9.5 billion on public housing for 4.1 million families. None of these programs have worked.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. CONTE. Mr. Speaker, I yield 1 additional minute to the gentleman from Texas.

Mr. DELAY. We have not evaluated this situation, Mr. Speaker. This has been an emotional issue that our hearts go out to those who are homeless, but there is no evidence that there is a huge amount of homeless out there or that we are in a crisis situation.

We should be asking questions, like is this the best way to approach this problem? Is building more shelters the best way to approach this problem? Is national right to shelter the kind of approach that makes the best sense?

Given the vast number of programs already serving the homeless and giving them at best sketchy evidence offered by the homeless lobby, why should taxpayers believe there is a homeless crisis?

Evaluate this, I say to the Members. There is $355 million for seed money. There is no telling what this program could cost in the outyears.

Mr. WHITTEN. Mr. Speaker, I yield 3 minutes to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, I rise to request a colloquy with the distinguished subcommittee chairman of Transportation, the gentleman from Florida [Mr. LEHMAN].

I first want to thank the gentleman from Florida [Mr. LEHMAN] for addressing the issue dealing with 56 flight service stations throughout the country that are going to be closed, and specifically some technical details relative to a court case that was held in one matter, specifically the Youngstown Municipal Airport Flight Service Station. They had gone to trial there in the late seventies.

Now, I notice there has been some conference language placed in the bill. The original amendment passed on the floor has been removed; however, I would like to ask a few questions of the gentleman if I could belabor him for some time here.

Is it the gentleman's interpretation of the language in the conference report that the Youngstown Flight Service Station cannot be closed unless additional action is taken by Congress authorizing its closure?

Mr. LEHMAN of Florida. Mr. Speaker, if the gentleman will yield, that is my understanding.

Mr. TRAFICANT. In addition to that, Mr. Speaker, is it the gentleman's interpretation that Congress has to this point not taken the action necessary to close down the Youngstown facility?

Mr. LEHMAN of Florida. Mr. Speaker, if the gentleman will yield further, that is also my understanding.

Mr. TRAFICANT. There are many Members throughout this Chamber who are very concerned about the overall and overriding issue of the 56 flight service stations, Mr. Speaker. Would it be in order to ask the gentleman if it is possible he might hold hearings on this matter in the near future relative to future bills that are coming up to address the safety concerns of those 56 flight service stations being closed?

Mr. LEHMAN of Florida. It is certainly possible that we might do so, but I think that would be more in the jurisdiction of the Public Work Committee, on which the gentleman serves, and especially the Subcommittee on Aviation, headed by the distinguished gentleman from California [Mr. MINETA].

Mr. TRAFICANT. Well, Mr. Speaker, I just want to close and say that I want to thank the gentleman for being accommodating and looking into this matter very carefully, as the gentleman has, and reviewing that court case.

I know the staff does an awful lot of that, but I know the gentleman from Florida personally did quite a bit himself. I thank the gentleman very much and I thank the distinguished chairman of the overall committee for affording me this opportunity.

Mr. CONTE. Mr. Speaker, I yield 2½ minutes to the gentleman from Missouri [Mr. COLEMAN].

Mr. Speaker, I thank the gentleman from Massachusetts for yielding.

Mr. Speaker, I am pleased that members of the House and Senate conference committee have put to rest the political shenanigans that tied a knot in a lifeline of payments to hundreds of thousands of farmers participating in the 1987 Federal farm assistance programs.

When the Commodity Credit Corporation ran out of funds on May 1, Congress should have moved quickly to pass an emergency supplemental spending bill and provide an immediate infusion of funds for this and other critical programs. Instead, some Members seized the moment to turn the supplemental spending bill into a political show down on the SALT II nuclear arms control treaty.

So while House and Senate conferees have been debating arms control, farmers have been forced to take out loans and sink deeper into debt.

I have received literally dozens of phone calls from Missouri farmers who have been waiting for months for money that is owed to them by the Federal Government.

The Federal Government signed agreements and contracts with farmers for cost sharing on the Conservation Reserve Program, for example, agreeing to pay 50 percent of the cost, but now has failed to hold up its part of the agreement. The dairy termination program payments have been put in limbo, as have payments to this year's spring wheat crop that is coming up. Farmers feel it is a breach of faith, and I agree with them.

The Federal Government owes well over $1 billion in past due farm payments and it is accruing at the rate of $35 million in new debts everyday.

Consequently, many farmers have had to take out additional loans and visit the bank to borrow more money just to put seed in the ground that they originally were told was going to be half paid for by the Federal Government. They thought they were taking out short-term loans, but they have turned into longer and longer term loans, as these moneys cannot be released from the CCC, and they are now saddled with additional debt and interest payments.

This is wrong, and I am pleased that the House and Senate conferees have stripped the supplemental bill of all controversial nonspending provisions. I urge my colleagues in the House to vote in favor of this bill so the Government can settle its debt with America's farmers.

Mr. CONTE. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding this time. As always with supplemental appropriations when they come to the floor, we tend to have a love-in out here with regard to the bills, but I think it is worth noting, as was noted during the time we debated the rule, that this is in fact a bill with some major problems in it. For instance, with this bill, five subcommittees of appropriations go over the top with regard to their 302 allocations, so we now have a situation where despite all the assurances we have had throughout the year that we are going to live within the budget commitments, with this bill we now have five subcommittees breaking out of the budget. That means in terms of the overall limit of the 311 budget provision, which sets the overall ceiling, that we are also going to go over the top of the budget ceiling.

If you use 1987 up-to-date assumptions, you will find that we are breaking out of the budget to the tune of about $19 billion, no small sum.

So I would say that this is a serious problem, and I might ask the gentleman from Massachusetts, did I understand correctly a minute ago that the administration is going to sign this bill?

Mr. CONTE. Mr. Speaker, if the gentleman will yield, we have been trying to get a clear signal from the administration. We usually get a "Dear Sil" letter, but we did not get one this time. I think they are going to sign this bill. I was quite surprised.

Mr. WALKER. Well, I must say to the gentleman that I was a little surprised myself, because we have been hearing all this talk as the President goes around the country and makes these speeches on television about how he has got his veto pen under his pillow, that he sleeps with it, and, you know, "Just send me down these overspending bills," and he is going to veto them. If that is the case, I have got to believe that the veto pen has kind of run out of ink at this point.

Mr. CONTE. Well, it might have gotten lost.

Mr. WALKER. It might have got lost in the sheets; but on the other hand, it may also be out of ink.

I am somewhat disappointed. I hope some Members will join in voting against this bill.

Mr. CONTE. Mr. Speaker, I yield myself whatever time I might use.

Mr. Speaker, I wonder if I might enter into a colloquy with my chairman of the Labor, Health and Education Subcommittee, the gentleman from Kentucky [Mr. NATCHER].

Mr. Speaker, as the gentleman knows, I was unable to offer an amendment during the conference committee meetings to attempt to deal with a major problem—just recently brought to my attention—that affects impact aid in 43 of the States. Impact aid provides payments to local school districts on behalf of children when Federal activities result in increased enrollments or loss of local revenue. Children residing in low-income housing under section 8 of the Housing Act of 1937 have been eligible for such payments since 1970.

The Department of Education is now demanding retroactive repayments for 1984, 1985, and 1986, for certain children whose families participated in the low-income voucher program under section 8.

The Department is doing this in the face of evidence that Department officials told state officials in 1983 to claim these children and subsequent audits in 1984 and 1985 did not question these payments.

In light of the fact that local officials acted in good faith on the basis of instructions received from Federal officials, my amendment would have let the payments stand and relieve the local districts from having to make such retroactive repayments.

Does the chairman agree that we should relieve school districts from this unfair burden in the regular fiscal year 1988 Labor, HHS, and Education bill, and does the gentleman agree with me that both the Education Department and local school districts should be on notice that we intend to take action within the next several months so additional efforts to collect should be suspended?

Mr. Speaker, I yield to the distinguished gentleman from Kentucky.

Mr. NATCHER. Mr. Speaker, I am aware of the problem concerning past year payments of impact aid, which the Department of Education is trying to recover. The problem involves a number of States and local school districts, including the State of Virginia.

I want the gentleman, my friend from Massachusetts, to know that we will take this matter up when we mark up the 1988 appropriation bill within the next few weeks and we will carefully consider the gentleman's problem.

Mr. CONTE. Mr. Speaker, does the gentleman agree that the Department ought to withhold any further action until we act?

Mr. NATCHER. Well, I would like to say to the gentleman, I do not know that I would be in that position or that our subcommittee should be in that position to say to them to withhold any action, but this matter will be finally determined and decided at the time we mark up this bill.

Mr. CONTE. Mr. Speaker, I want to thank the gentleman from Kentucky, in his usual and gracious manner, for helping to clear this situation.

Mr. NATCHER. Mr. Speaker, I thank the gentleman.

Mr. CONTE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WHITTEN. Mr. Speaker, I yield myself the remaining time.

Mr. Speaker, with regard to the problem we have raised here, despite our decided efforts to meet the current needs of the country, we still are slightly above the budget for the year.

I would like to point out that this budget was adopted June 26, 1986, based on assumptions and projections at that time. I will not go into all the details, but there are lots of things in the paper today showing the changes in the last year. We have to adjust to those changes and as long as the Budget Committee realizes we have to adjust to change, because their budget is based on assumptions and projections to make it all right.

Mr. Speaker, I rise to say that I have a letter from the chairman of the Budget Committee congratulating us and thanking us for the great job we have done, so we have got a Budget Committee that adjusts itself to our thinking.

I repeat, we have here the bill where a waiver was made at the time we handled the bill on this side and our bill, except for the foreign aid program which was sought by the President individually and personally, except for that we are well within our rights here.

Again I say that there is a real urgency here and I hope we may have your votes on the passage of this matter.

Mr. DE LA GARZA. Mr. Speaker, at this point in the process of approving our fiscal year 1987 supplemental bill, there is a good deal of confusion about what the Congress might approve by way of site selection criteria for the superconducting super collider.

My home State of Texas would like to play host to the SSC. We have, in our State government, made a commitment to provide moneys to help pay for the cost of the SSC—knowing the Federal Establishment is strapped for cash.

Suddenly, Texas is an ogre. Suddenly the critics say we are taking unfair advantage of other States by offering to help DOE pay for the SSC and provide it a comfortable home. This is flat wrong.

But to overcome this sentiment that Texas—and other States which are making similar offers—I have a solution. I invite the other States to make similar funding commitments to the Energy Department—then we will all be on the same level field.

And if any particular State cannot make this type of funding commitment, I can fully understand why: money is tight everywhere. But if Texans bite the bullet and come up with some funds—why should we be penalized in the site selection process for doing so?

Mr. PURSELL. Mr. Speaker, the fiscal year 1987 supplemental includes additional funding for two important and prestigious higher education programs.

The Javits Fellowship Program provides graduate fellowships to exceptionally talented beginning graduate students for up to 4 years of study in the arts, humanities, and social sciences; additional funding permits the Department of Education to conduct a new competition for fellowships under this program.

The International Education, Language and Area Studies Program is designed to strengthen the capability and performance of American education in foreign languages and in area and international studies; the $1 million supplemental restores this program to its fiscal year 1987 appropriated level.

Consistent with my commitment to fund higher education programs at their maximum authorized levels, I strongly support additional money for these national, competitive programs.

I congratulate conferees for reporting the fiscal year 1987 supplemental appropriations bill with this much needed funding and I urge my colleagues to support it.

Mr. SIKORSKI. Mr. Speaker, I rise today in support of the compromise language on the drug testing of Federal employees including in this 1987 supplemental appropriation conference report. As chairman of the Subcommittee on Human Rosources of the Post Office and Civil Service Committee, one of my subcommittee's responsibilities is to examine the rights of privacy for Federal employees.

Hearings held in my subcommittee on the administration's plans to drug test over 1 million so-called sensitive Federal employees have brought to light several serious flaws inherent in the program.

The first hearing examined the current status of the administration's efforts to implement Executive Order 12564 mandating the establishment of agency programs to drug test Federal employees and the development of employee assistance programs [EAP's]. The second hearing more closely examined some of the technical aspects of the administration's drug testing program.

We learned that the administration's crusade to screen the Federal work force for evidence of drug use rests on the premise that widespread drug testing by urinalysis yields consistent and reliable results upon which personnel, civil, and perhaps criminal action can be taken. But such urine tests, in fact, are frought with limitations and can cause people to be falsely branded as drug users, to be disciplined, demoted, or fired, or be referred for criminal prosecution even with careful testing guidelines and constant oversight.

Moreover, we learned that in the administration's attempt to construct something from its high and mighty election year rhetoric, they forgot to incorporate provisions essential for a fair, smooth, and cost effective program. Conflicting provisions of the Civil Service Reform Act, the Privacy Act, and the Rehabilitation Act, the lack of program uniformity among agencies, and the lack of centralized oversight may well leave this vaunted drug testing initiative as a wide open target for personnel abuse and subsequent litigation.

The architects of the administration's drug testing program have been wholly unable to answer such critical questions as: Who and in what numbers are to be tested? How much are these tests to cost taxpayers? What is to happen regarding assistance and counseling, rehabilitation, and disciplinary actions? When are the various agencies going to coordinate efforts? Who is responsible for centralized oversight for Federal agency drug testing? And what are the accuracy and reliability of urine tests themselves?

The drug problem is real and costly and must be acted on quickly. But the gravity of the situation does not give the administration, Congress, or anyone in our country the right to urine test employees will-nilly without thoughtful and careful deliberation, and guarantees of personnel procedures and the efficacy of the testing methods.

The language we are considering today addresses many of the questions my subcommittee's hearings raised, and which the administration apparently forgot to consider. Unification of testing plans and employees to be treated, lab accrediation, frequency of tests, and disciplinary, rehabilitation, and privacy procedures, are all important factors that are clarified in this conference report.

I commend and applaud the good and hard work of my colleague from Maryland in helping to shape this language and look forward to our continued oversight, public debate and careful deliberation in order to arrive at reasonable and responsible answers to the questions about drug testing that remain to be answered.

Mr. GRANDY. Mr. Speaker, I rise today in support of H.R. 1827—the supplemental appropriations bill. This legislation is desperately needed by the farmers and businessmen of Iowa. I would have preferred a clean supplement bill that addresses only the needs of the Commodity Credit Corporation.

However, this legislation is desperately needed by the people of rural America. These folks aren't complainers, they are businessmen and farmers who entered into contracts with Uncle Sam. The problem arises because they have not received a single payment since May 1. Remember, we are not talking about handouts and giveaways, but rather payments on contractural agreements between these people and the U.S. Government.

The other day, I received a call from Bob Gallespie, a small businessman who operates a refrigerated carrier service in the Sioux City, IA, area. Today the Commodity Credit Corporation owes this man $22,500 for hauling commodities from cheese plants to the warehouses where the commodities are stored. What we need to bear in mind is that the CCC also owes these warehouses and cheese plants for their services. We can not continue to expect businesses to meet their end of a contract, if Uncle Sam has free reign to not meet his obligations.

Last week I received a letter from Steven Elliot, a farmer from Cherokee, IA—he is still waiting for his advance deficiency payments. As he said, "the term advance smacks of false advertising. Other farmers have contacted me because they have not received their storage payments—payments that they need to pay their own bills.

The list of concerned people who are without their checks goes on and on—the point is that we owe these people their hard-earned money.

I have yet to hear a word from an Iowan who wants to know the status of the foreign aid or arms control provisions that held up the supplemental appropriations bill. It's not that these aren't important issues. Instead, the folks back home feel that these measures are inappropriate on a funding bill and the political haggling involved is at the expense of Iowa farmers waiting for their seed, fuel, and fertilizer money.

On April 24, the House of Representatives passed the supplemental appropriations bill. On May 1 the Commodity Credit Corporation stopped issuing checks. One month later, June 2, the Senate passed a supplemental appropriations that is totally unrecognizable from the House version. At long last the House and Senate conferees have reported a bill to their respective Houses for final action.

The true need is for reform of the Commodity Credit Corporation funding process. However, this urgent supplemental is already 2 months overdue. This is exactly why I rise today in support of H.R. 1877. It is time to stop holding the money of the American farmers and businessmen hostage to beltway politics. I urge the prompt passage of this legislation.

Mr. FAZIO. Mr. Speaker, I rise in support of the conference report on H.R. 1827, the supplemental appropriations bill for 1987. I would like to thank my chairman, JAMIE WHITTEN, my colleagues on the conference committee and the staff of the respective House and Senate committees for the diligence and patience they have displayed in drafting this agreement.

There are many important matters dealt with in this bill, some of which are of particular benefit to California. I would like to discuss a few of these more parochial matters first, and then turn to language included in the bill and report which concerns the superconducting super collider, a matter of national, if not global, importance.

There is a provision in this bill included at my request regarding Mather Air Force Base in Sacramento County. The provision directs the Department of Defense to terminate all work in connection with the study for possible base closure of Mather Air Force Base.

Mather is extremely important to the United States for a number of reasons. First, Mather AFB is vital to the Air Force's defense of this Nation. Mather plays an essential role in the Air Force mission by providing navigator training. The newest F-15's, the most advanced AF fighter, will require a crew of two. One must be a trained navigator. To move that mission to another base would be a costly and unnecessary expenditure of tax dollars.

Second, Mather AFB is an integral part of the greater Sacramento economy. Over $300 million is spent annually by the base in the local community and 6,500 civilian and military workers are employed by Mather.

Third, while Mather is not physically located in my congressional district, a number of my constituents are employed there, and tens of thousands of retirees who use the services provided at the base reside in the Fourth Congressional District. As the Sacramento area has the second largest military retiree population in the United States, the closure of Mather's hospital would deny these individuals of a benefit they have earned and depend upon. In fact, the Surgeon General of the Air Force has recommended that Mather's hospital be expanded as the admissions at Mather Hospital are expected to increase by 143 percent over the next 5 years, from 4,210 to 10,200. Also, the closing of this medical facility would place an enormous burden on the military and civilian hospitals in the surrounding areas.

Finally, to date, the Department of Defense has yet to provide sound reasons for the closure proposal.

I believe Mather AFB makes an enormous contribution to the Air Force and to the United States and thus, should remain open.

H.R. 1827 also contains important report language regarding the Immigration and Naturalization Service [INS] and its responsibility for carrying out the provisions of the Special Agricultural Worker Program [SAW]. The language, which I inserted with Senator MARK HATFIELD, reiterates congressional intent regarding the definition of nonfrivolous claims for agricultural workers and was included to help facilitate the entrance of eligible farm workers into the United States under the SAW program.

Over the last several weeks, western growers, including many in my congressional district, have faced difficulties in getting a sufficient number of farm workers to harvest their crops. After discussion with several Western State Members of Congress, INS had agreed to certain policy changes to facilitate the entrance of farmworkers. However, disagreement remained regarding the nonfrivolous claim provision. Yesterday, in response to the inclusion of the language and the increasing concerns of Western State Members and growers, INS announced further changes in its SAW policy and nonfrivolous claims definition which is intended to help growers secure sufficient numbers of agricultural workers.

Additionally Mr. Speaker, there is language in the report for this bill which I requested to help to lessen problems residents in my district and nearby are having with their short term water supply.

Rapid residential growth in Sacramento County has placed a considerable strain on water allocations from the Bureau of Reclamation's Folsom Reservoir to the San Juan Suburban Water District and the city of Folsom. The Bureau of Reclamation is currently working on long term water service contracts between the two entities. The contracts, which should be executed by February 1989, should mitigate the water supply problems in the San Juan Suburban Water District and the city of Folsom, but until they can be executed, the residents of the affected areas need to be assured of an adequate water supply.

To provide Congress and the residents of the area with an assurance that the San Juan Suburban Water District and the city of Folsom will have adequate water supplies until the long-term water service contracts can be executed, the language incuded in the statement of managers requests that the Bureau provide the Committee on Appropriations with a plan for supplying the short-term water needs of the San Juan Suburban Water District and the city of Folsom by August 31, 1987.

I am hopeful this language, in tandem with report language I have requested in the fiscal year 1987 energy and water development appropriations bill, will do much to alleviate the concerns over short- and long-term water needs in Sacramento County.

Now let me turn to the superconducting super collider.

The conference report and statement of managers accompanying this bill includes a compromise on the superconducting super collider [SSC]. This is not the first compromise which has been struck on this very large and important scientific device, and it will certainly not be the last. Clearly, it is the most important one so far and, if all goes well, it could end up being one of the most important of all.

As with any compromise, this one has its good and not-so-good aspects. It is good because in the statement of managers the conferees acknowledge that cost sharing from the States seeking to be the site for the SSC will be not only desirable but necessary in order to ease the $4.4 billion burden the SSC will place on the Treasury. It is healthy that the conferees faced up to this fiscal fact of life. By adopting this report and statement, the Congress will state clearly that if the collider is to exist the States must be creative in their efforts to capture and return to the Nation's taxpayers some of the enormous localized benefits which flow from it.

The compromise is also good because it adopts a Senate provision which ensures that the SSC will not simply be bought by the State willing to put up the most money. Despite its enormous economic implications for the region around it, the SSC remains a scientific device. If the Nation is to invest any significant funds in it, the Nation must be certain that the SSC's scientific purposes will be uncompromisingly fulfilled. It would be a mistake to locate it in a State where the dollars are strong but the scientific merits are weak.

The provision ensuring full and adequate consideration of a site's scientific merits prevents the Department of Energy from considering in the site selection process offers the States might make to defray Federal construction and operating costs. These offers would be specifically in response to section 2.2.2.2. of the invitation for site proposals (DOE/ER-0315) [ISP] issues in April of 1987.

As the statutory and statement language make clear, the prohibition against DOE's considering responses to section 2.2.2.2. does not waive the ISP's request for cost sharing, nor does it preclude offers to share in the costs. The statement goes further to note that the States may also use their own resources to enhance the suitability of the site in ways other than contemplated in section 2.2.2.2. by itself.

We should also note that while the Department of Energy per se may not consider section 2.2.2.2. offers when evaluating the sites, the Cabinet, the Office of Management and Budget, and the President are not prevented from considering cost-share offers. These offices will be directly involved in the administration's—as opposed to the DOE's—final decision on the SSC site.

Taking all these factors together, the managers' compromise on the SSC means that only scientifically excellent sites will receive serious consideration, but that sooner or later the degree of cost sharing proposed will become a factor in the final choice. This is not a bad outcome.

If the compromise has a drawback, it is that some States will be lulled into the notion that Uncle Sam will fund the SSC entirely from the Treasury without cost sharing. That will not be the case; Uncle Sam cannot be that generous.

Worse, the compromise may lull States into believing that they will have a good chance of winning the site selection if they ignore cost sharing. That will not be the case, either. When the site proposals are filed August 3, I imagine that several of them will combine scientific impeccability with cost sharing. It would be naive to pretend that a scientifically strong site proposal which would also recapture benefits for the Nation's taxpayers will not be judged more suitable than a site for which no cost sharing is proposed.

In my view, not only is it naive to expect that the final decisionmakers will ignore cost sharing offers, it would be irresponsible for them to do so. This is a very large project, dedicating to one place a large portion of Federal resources. There is no reason why any State, small or large, cannot devise good ways to redistributing some of these benefits back to the Nation as a whole. Not only is it fair that it do so, it is necessary that it do so if the project is to exist at all. The State in question will still reap vast benefits. It should not expect to keep them entirely for itself.

The Senate amendment against considering section 2.2.2.2. offers was inspired by what has developed as the "small State group," a group which fears that the individual merits would succumb to the rich get richer syndrome unless cost defrayals are ruled out as a site selection factor. I am sure the rest of Congress can understand their fears. However, the small States should bear in mind two points, points which will become more clear to 49 States when the site has finally been selected.

First is that the SSC is not likely to be constructed without cost sharing because at least 49 of 50 States will consider cost sharing fair and necessary.

Second, small States are also capable of capturing benefits and returning them to the Nation as a whole. The small States are being asked to do that, no less then the big ones, and they will fare better if they enter in the competition in that spirit.

Mr. Speaker, I urge my colleagues to vote in favor of the conference agreement.

Mr. FRENZEL. Mr. Speaker, it is not my custom to vote for supplementals, especially when they shatter the limits of the budget resolution. H.R. 1827 is a supplemental, and it does break the budget limits.

Nevertheless, I feel obliged to put in a good word for this bill. Nearly two-thirds of the money, about $6 billion, represents badly needed CCC funding, promised under our agriculture programs. The catch, of course, is that the CCC funding was predictable and should have been funded last fall.

The Appropriations Committee did its usual number last fall by funding discretionary programs to the hilt and holding back mandatory CCC funding. The result is now termed an emergency. It is an emergency only for the farm producer who has had to wait overlong for his money. The committee has done the farmer, and the taxpayer, wrong.

Another important, badly needed expenditure in this bill is the $300 million economic aid package to the "emerging democracies" of Central America. It was on the basis of this aid that I voted for the Contra package last fall. This appropriation is also overdue, and also worthy.

After these two items, the bill becomes harder to love. It includes $300 million for a new space shuttle which was not in either bill. It appropriates $350 million for aid to the homeless. It includes a study of Hawkins-Gephardt agriculture production controls, despite the fact that the House, and the Senate, has consistently opposed such programs.

It also calls for the demolition of our Embassy in Moscow. That may be the ultimate decision, but it never should be made on an appropriations bill. The arms control provisions in the House bill were dropped. Finally, the cap on payments to honey producers has been deleted.

In summary, the lions share of the funding in this bill as in any appropriation, is for good purposes, but there is still plenty of pork in it. My greatest objection is a procedural one, noted above. The Congress is, with malice aforethought, violating its self-imposed spending limits.

For this reason, and the others stated, I shall, albeit with some reluctance, vote against the bill.

Mr. RAHALL. Mr. Speaker, I rise today in support of the conference agreement on the supplemental appropriations for fiscal year 1987. However, I do have strong reservations due to the deletion of the House passed arms control provisions, the first of which would have banned the use of fiscal year 1987 funds to conduct nuclear tests with a yield greater than 1 kiloton provided the Soviets were in mutual agreement and allowed for in-country verification. The second of these provisions would have prohibited the use of funds to deploy or maintain any weapon that violates the numerical sublimits of the SALT II treaty, contingent on Soviet compliance with these sublimits. These arms control measures have been accepted by a majority of the House and therefore clearly have the support of the majority of the Members of this body. It is regrettable that the wishes of the House in this regard are consistently rebuffed in conference. It is however my hope that this pattern will change. Therefore, with this hope and the obvious benefits of this particular agreement to my fellow West Virginians in mind, I will support the measure. I would like to note those provisions which I find most laudable.

This measure appropriates a total of $355 million for programs to aid the homeless which are authorized by the conference agreement on H.R. 558 which is also scheduled to come before this House for a vote today. The supplemental provides funds for health care, mental health demonstration programs, mental health services, substance abuse demonstration programs, the community services block grant, education programs for homeless children, adult literacy, transitional demonstration housing program, the emergency shelter grants program, supplemental assistance grants, the Federal Emergency Management Agency emergency food and shelter program, and veterans programs. Initiatives taken now to prevent the growing number of families and working poor from becoming homeless in the first place, will reduce future public expenditures to help move these people back into mainstream society. Studies have shown that every additional week spent without a home tends to create further dependency only adding to the ultimate bill paid by American taxpayers. With homelessness getting worse by the month, it makes fiscal sense for the Federal Government to target resources to reverse this trend before the cost in lives and dollars gets still worse.

The conference agreement also appropriates amounts to fund initiatives concerning the acquired immune deficiency syndrome [AIDS]. The agreement finances a mass mailing of information about AIDS to every household in the Nation; funds AIDS testing, counseling and education activities; and covers the cost of purchasing any drug that proves effective in prolonging the life of low-income patients not covered by Medicaid or third party payers. The provision of funds for these purposes is encouraging. I have received a number of consistent requests for information on AIDS and have been urged by my constituents to address this national health crisis in a timely and comprehensive manner. The provision of these funds indicates that there is indeed grave concern for the spread of AIDS and the need for both education on and treatment of the disease. The provision of funds for the treatment of low-income patients who would otherwise have to forego treatment due to cost is also indicative of the current move at the Federal level toward ensuring adequate health care to all Americans. While the main focus has been on addressing the long-term health care needs of America's senior citizens, this is evidence that the health care needs of the needy are also of paramount concern.

Of great importance to my home State of West Virginia is funding contained in the bill which provides an additional $20 million for worker retraining activities under the Trade Adjustment Assistance Program. This funding is of critical importance to those thousands of men and women who have lost their jobs due to increased foreign imports because it provides for the job retraining that they are entitled to under the trade law of the United States. It is of great concern to me and my fellow West Virginians, in view of the fact that the unemployment rate in West Virginia remains one of the Nation's highest, that those who are eligible for these retraining activities will be left out in the cold because of the current lack of funding for this vital program. The much needed funds in this bill will enable the deserving men and women of this Nation to receive the job retraining they so desperately need.

Additionally, the supplemental appropriation contains a number of items relating to the New River Gorge National River in West Virginia including $6 million in land acquisition funds. The National Park Service has had a great deal of difficulty with its land acquisition program at the New River park unit. While established in 1978, a formal land acquisition office was not opened at the park unit until March 1985. This situation has been aggravated by the failure of the Service to retain land acquisition staff at the New River Gorge National River, largely because pay scales are below similar positions at other park units, resulting in a great deal of turnover. The Mid-Atlantic Region of the NPS has not been unaware of congressional concern with this situation and I personally brought it to the attention of Dennis Galvin, the NPS Assistant Director, during a recent hearing before the Subcommittee on National Parks and Public Lands. Due to continued resistance to provide a decent lands office at the New River, however, the supplemental appropriation directs the Service to upgrade and increase the land acquisition staff at the park unit.

Given half of a chance, the New River Gorge National River can become one of the Nation's premier park units. With the approximately $12 million in appropriated land acquisition funds that will be available to the New River upon enactment of this legislation and an improved lands office, I believe a great deal of progress will be made today meeting the goals we have set for the New River Gorge National River.

This legislation also contains a provision approving the State of West Virginia's application to spray Bti on the New River to eradicate the menace posed to the local population and visitors alike from black flies. Certain restrictions are placed on this activity by the bill which seek to ensure the spraying program is carried out in an environmentally sound manner and I believe this program will also greatly improve the status of the New River Gorge National River.

Again, while I do have reservations about elements not included in the conference report, I strongly support the above mentioned provisions of the bill which are of such vital importance to my home State of West Virginia.

Mr. MONTGOMERY. Mr. Speaker, I am pleased to rise in support of the conference report on this measure which will provide over $400 million to various accounts that support veterans benefits and services. I want to commend the chairman of the committee, Mr. WHITTEN; the ranking minority member, Mr. CONTE; and the chairman and ranking minority member of the subcommittee which provides funds for veterans, Mr. BOLAND and Mr. GREEN.

This report incorporates most of the best features of the bill as passed by the House. These include:

Funding of $30 million for the Veterans Job Training Program, which basically ran out of money earlier this year. The funds provided by this bill should allow this program to continue functioning for another 6 months and permit thousands of veterans whose applications are now pending to obtain employment. This is a good program, and Mr. BOLAND and Mr. GREEN deserve a lot of credit for recommending additional funds for it.

Instead of cutting $75 million from the VA's medical care account, as the administration recommended, this bill will provide an additional $75 million above the level requested by the administration so that increased costs will not result in fewer veterans being treated. The VA health care system is being asked to do more with less each year; I think it's time for the administration to recognize that those who are treated by the VA are the most deserving of our citizens.

This bill included legislative language disapproving the proposed change in mission of the VA medical center in Walla Walla, WA. In February, GERRY SOLOMON and I wrote to the administrator and expressed our view that this mission change wasn't justified, so I support this legislative prohibition and do not object to its inclusion in an appropriations measure.

This bill also provides for the costs of a compensation COLA which we enacted last year, as well as the cost of the new Federal Employees Retirement System.

Mr. Speaker, our Members greatly appreciate the way in which the members of the Committee on Appropriations consider the needs of veterans. Their record of commitment to meeting the needs of veterans, particularly their health care needs, is unsurpassed. I am proud to be associated with their actions.

With regard to the $20 million which was added to take care of homeless veterans, the conference report takes $5 million of this and provides it to a program which the Congress has not yet authorized beyond the end of this fiscal year. I am referring to the program for chronically mentally ill. On Monday, we took up legislation which indicates a qualified support for this program provided we get some short term feed-back on how well it is working.

I want my colleagues to know that this program is not a permanent program, and I will not support making it one until we get some additional information on its achievements. The bill we passed will require the Veterans' Administration to report by May 1 of next year as to whether this program should be continued beyond September 30, 1988.

The balance of the $20 million will go for the expansion of the VA's Domiciliary Program as was originally intended when the House considered an amendment which I offered on the House floor last month. I hope that the Veterans' Administration will pull out all the stops in order to assure that these funds are put to use in a timely manner in locations where the needs of homeless are the greatest.

Again, I want to commend the chairman of the committee, the ranking minority member, and Mr. BOLAND and Mr. GREEN of the subcommittee on HUD-independent agencies. This is a good compromise and I urge my colleagues to support it.

Mr. BOULTER. Mr. Speaker, I am certain that historians will characterize the benefits and discoveries derived from the SSC as enormous, and it is without a doubt the most significant scientific project the United States will undertake in the coming years. I am, however, concerned that the language added to the supplemental appropriations bill will stifle the development of this project. Specifically, I refer to a provision which would prohibit the Department of Energy and the Academies of Sciences and Engineering from considering "financial and other incentives" submitted under section 2.2.2.2 of the DOE's invitation for site proposals.

Just as the new understanding of quantum mechanics during the 1920's led to the establishment of today's semiconductor industry, and just as the previous discovery of electromagnetic waves produced most of today's communications technologies, the SSC will unquestionably further our understanding of energy and matter. Industries in ion implantation, computer chips, nuclear medicine and advanced electronics have all been fostered by earlier developments of the high energy research industry.

In order to probe into nature's smallest particles of matter, progressively more gigantic and complex devices must be used to employ progressively higher levels of energy. The higher the level of energy, the finer the scale of investigation that can be studied. In this century, we have progressed downward in scale, from atoms to nuclei to protons and neutrons, and now to quarks and leptoms.

As we begin to make the monetary investments associated with the SSC, we cannot forget that similar previous investments in basic research concerns have been the precise reason that the United States now lead the world in technological innovation. Few know, for example, that approximately 100 million Americans each year receive therapeutic or diagnostic help because of the development of this kind of technology. And when the positron particle was discovered during the 1930's we know that only a handful of physicists recognized its value as being anything more than a curiosity. Today this tool of medical research provides the basis of technique for the latest studies in bodily organ functions.

Mr. Speaker, today the largest particle accelerator in the United States creates collisions which yield 2 trillion electron volts. Mr. Speaker, the future of elementary particle physics is now in the hands of Congress. The SSC will yield collisions creating 40 trillion electron volts. It will be, unquestionably, the most concise, powerful, and advanced scientific research instrument in the world. The benefits of an investment such as this will not apply only to advanced science. They will potentially improve each and every aspect of life as we know it today. This undertaking is something that Congress cannot afford to underestimate.

I am, as I mentioned earlier, concerned about the amendment added to this bill in the Senate which includes language prohibiting the DOE from considering cost-sharing provisions which are essential and mandatory for other Federal projects. I am glad to learn that the Senate amendment does not preclude those submitting applications to the Department from including any financial or in-kind contributions they may want to offer. As a member of the House Budget Committee, I feel strongly that inclusion of financial and in-kind contributions is entirely appropriate. To do otherwise would unnecessarily overlook potential savings to the Federal taxpayer.

I am proud to be able to say here on the floor of the House that the Texas State Legislature has authorized the issuance of $500 million in revenue bonds and could issue an additional $500 million if voters approve a general obligation bond proposal.

Mr. Speaker, some authorities claim that approximately one-third of our Nation's gross national product owes its existence to our basic knowledge of the atom and its subatomic parts. Most of that knowledge has been derived from past research in the high energy physics field. The superconducting super collider will usher in a new era of science in the United States and elsewhere. It will provide us with the capability to go beyond today's knowledge, and explore the forces and structures of God's great universe, looking into the mysteries of subatomic composition.

With these thoughts in mind, I give my unequivocal support to the SSC effort, and recommend and encourage its location in the Panhandle of Texas, where, as we like to say, on the eighth day, the good Lord created the Panhandle of Texas for the location of the SSC.

Mr. KOLBE. Mr. Speaker, I'd like to offer some clarifying remarks about the statement of managers accompanying amendment 423, which deals with the deletion of a Senate amendment to the supplemental appropriations bill. The Senate amendment, originally offered by Senators DECONCINI and DOMENICI, would have statutorily extended the public education period for the employer sanctions provisions of the Immigration Control and Reform Act of 1986 to October 1, 1987. The Senate has receded in conference to the House position in disagreement, and in its place is a statement of the managers.

The statement of the managers says specifically that it is not the intention of the conferees to legislatively delay the implementation of employer sanctions. However, they further state that the current rule, which requires verification within 3 days of employment of individuals hired after June 1, 1987, be postponed until September 1, 1987. How is the INS going to implement employer sanctions without the benefit of verification? Verification is an essential element to the implementation of the employer sanctions. Without verification, there can be no evidence that a worker is or is not legal.

Further, the managers speak to the broader issue of public education and information. They direct the INS to fully disseminate the Government verification forms by August 1, 1987—fully 2 months after the law was originally supposed to be implemented. Clearly, this is an admission that the INS is attempting to enforce employer sanctions without having done an adequate job of informing employers about the substance of the new law. This is patently absurd, and abrogates very fundamental concept of civil rights this Congress has sworn itself to protect and uphold.

I submit, Mr. Speaker, that the statement of managers regarding verification clearly implies the following: That workers hired between November 15, 1986 and September 1, 1987 will not be required to verify their legal status until, and no later than, September 1, 1987, and that the INS must do everything possible to continue the education process. This should be accomplished through visitations, public meetings, and dissemination of information through the media and information publications. But because employer cooperation is so vitally important for this law to work, this Congress cannot accept the idea that the INS will impose sanctions on employers before all aspects of the law have fallen into place, including verification. If an employer has received the Government verification forms, this should give the INS the authority to enforce sanctions upon him. Too much work needs yet to be done.

Mr. Speaker, It's often said that ignorance of the law is no excuse. In the case of the Immigration Reform and Control Act, ignorance of the law is almost unavoidable. I urge the INS to continue their public education process, and to forebear on implementation of sanctions until the September 1 date has passed.

Mr. TRAXLER. Mr. Speaker, I rise in support of the conference report to accompany H.R. 1827, the supplemental appropriations bill for fiscal 1988. This is an important bill which will provide funding critically needed for the many Federal programs.

I want to compliment my distinguished chairman, the gentleman from Mississippi [Mr. WHITTEN] for once again successfully leading the way to an agreement that will concentrate our attention on the most urgent matters.

The $135 million provided in this bill will allow those farmers who were eligible for assistance under this program to receive dollar for dollar payments as we originally intended. The Department of Agriculture had insisted on prorating benefits despite the outcries from the chairmen, myself, and many of our concerned colleagues, that such a decision was not in keeping with our intent. The Department had failed to request this money as directed in the conference report on the continuing resolution, so we have had to act without the Department's cooperation.

The conference report also provides an additional $25 million for the expanded eligibility for the disaster program recently provided in Public Law 100-45. That legislation allows sugarbeet and some soybean producers to receive disaster coverage based upon the amount of acreage actually planted to that crop in 1986. Prior law had limited this assistance to the amount planted in 1985, and this limit failed to recognize that growers planted more in 1986 than in 1985 because of factors beyond their control, such as an increase in contracted acres, or because 1985 was a low-planting year due to crop rotation practices.

As I have told our colleagues before, the farmers who I represent in Michigan, and all others who benefited from this limited program, sincerely appreciate the generosity and understanding demonstrated by this body in responding to their need. With this completion of funding, farmers can concentrate on the business of farming, and we can close another chapter in the ability of our Government to response to the need of our own people.

Mr. RANGEL. Mr. Speaker, I rise in strong support of the conference agreement on the fiscal year 1987 supplemental appropriations legislation. This conference agreement includes $9.4 billion in supplemental appropriations designated to meet the funding needs of unavoidable Government obligations.

I supported the bill as passed by the House on April 24, but was extremely concerned about the elimination of the foreign aid section of that legislation. The conference agreement contains funding for this extremely important function. In particular, this bill provides $50 million for special economic and humanitarian aid to the African nations bordering South Africa. Mandated by the enactment of the Anti-Apartheid Act of 1986, these moneys will be used to provide economic assistance to limit these nations' dependence on South Africa.

Furthermore, the conference agreement includes $36.7 million for the African Development Fund and $6.5 million for the African Development Bank. I wholeheartedly support the appropriation of these funds for the development assistance of this world's poorest nations.

Mr. Speaker, the conferees maintained our commitment to meeting the needs of the homeless population in our country. The measure appropriates funds for a wide range of programs including $46 million for health care and $80 million for transitional demonstration housing program. I am particularly supportive of the housing program provisions in the homeless section of this proposal because our long-term goal should be to assist in the development of long-term housing for homeless individuals.

In continuing our quest for accessible higher education for all students, the conferees accepted the Senate provision that fulfills the increases in the Pell Grants authorized by the Higher Education Act.

Despite the fact that H.R. 1827 does not include the arms control provision of the House passed bill, I feel the conference agreement is deserving of our full support. I was a strong advocate for the arms control provisions and will continue to support congressional efforts to enact a testing moratorium and enforcement of the SALT II Treaty.

In closing, I urge my colleagues to join me in giving the full support for this urgently needed appropriations legislation.

Mr. BIAGGI. Mr. Speaker, I rise in general but not absolute support of the conference report to accompany H.R. 1827, the supplemental appropriations bill for fiscal year 1987. As is often the case with these bills, there are many different provisions, some of which I strongly support; others just as strongly, I oppose. However on balance this bill is a good bill and I will vote for it.

My biggest disappointment with the bill was the decision taken to drop all of the very modest arms control provisions contained in the House passed bill. I felt they reflected a sound United States position for bargaining with the Soviet Union, a position based on maintaining strength and balance but with a timetable for a mutual and verifiable reduction. There are hopes to accompany the decision to drop the language. I assume they are valid and will improve the overall prospects for peace.

I am especially pleased that the conference agreement restores the full $10 million in urgently needed funds for the title V of the Older Americans Act to provide part time employment opportunities for the low-income elderly. I was proud to have initiated the effort which ultimately led to this amendment being adopted by the committee and later the House before an across-the-board cut reduced the overall amount. At the time of my March 10 letter to Chairman NATCHER, I noted that the title V program had not received any increase in real dollars since 1985 and since 1984 its growth has been less than 3 percent.

The funds that are spent on title V are dollars well invested. First, they provide our communities with a valuable source of dependable employees to assist in community service work. All told there are more than 63,000 elderly employed under title V in parks, libraries, schools and hospitals among other places. Second, the title V program also aids our other programs for senior citizens. About one out of every two seniors employed by title V works in other programs to benefit seniors, most notably the Nutrition Program, also under the Older Americans Act. Third, as was pointed out to me by the executive director of the American Association of Retired Persons Cy Brickfield, title V helps to reduce the poverty rate among seniors.

I believe this amount is modest and totally defensible. It will be able to guarantee employment for more than 1,000 low-income seniors. The overall title V program is scheduled to be reauthorized by the House and Senate this year. The House has already passed its version of the bill H.R. 1451 on May 28 by a vote of 379 to 8. It includes a 4-year extension and expansion of title V. Passage of this conference report will help to ensure that title V meets its mandate for this year as well.

Mr. Speaker, another issue that I would like to raise today involves the Older Americans Act nutrition programs. I am very pleased to say that this bill will provide an additional $1.4 million for meals under subpart 2 of part C of title III in the Older Americans Act. This part of the Act provides for home delivered meals to the elderly and there is currently a tremendous unmet need for these services.

I sincerely thank the distinguished chairman of the Appropriations Subcommittee on Labor-Health and Human Services-Education for his assistance on this matter in conference and his dedication to the older adults of our Nation. Mr. NATCHER has consistently supported programs that are critical to improving the quality of life for millions of older Americans. I am also grateful to Mr. MELCHER who successfully amended this legislation in the Senate to allow for the transfer of funds into the Home Delivered Meals Program.

Mr. Speaker, I would like to take a few minutes and explain to my colleagues why this action was necessary and why similar efforts may be appropriate again in the future. I am informed that there is currently some $2.9 million that has been appropriated for the Commodities Program authorized under section 311 of the Older Americans Act, but which may be returned to the Treasury without action from Congress. These funds were appropriated to provide per meal reimbursement in cash or commodities. But were not spent as a result of the fact that Congress initially underfunded this program in 1985 and subsequently over compensated for this error with fiscal year 1986 funds. The supplemental appropriations bill on the floor today takes these facts into consideration and in lieu of a transfer of funds from the USDA Commodities Program to the Home Delivered Meals Program, the bill simply provides $1.4 million for the Home Delivered Meals Program.

Mr. Speaker, this is a positive step forward. Although I would have liked to see the $2.9 million—$1.5 million from the regular fiscal 1986 appropriation and $1.4 million from the fiscal year 1986 supplemental appropriation—transferred into the Home Delivered Meals Program, the $1.4 million will provide many additional meals to the elderly across the Nation.

In the future, we must do our best to authorize sufficient funding levels for all of the nutrition programs in the Older Americans Act. We must also follow up with the necessary appropriations for these excellent programs. Although it is difficult to estimate the exact number of meals that will be served in any given year, Congress must provide enough flexibility so that nutrition providers know that they will receive a set per meal reimbursement for their services. In addition, I strongly believe that any funds which remain unspent after providers have been reimbursed should be funneled into the Home Delivered Meals Program or reserved for use during the following fiscal year. Another option is to allow the USDA to shift the per meal reimbursement upward when funds are available. All of these solutions to the current potential for extra USDA funds would benefit older Americans and that is our obvious goal with all of these programs.

Mr. Speaker, there are older Americans in my district which includes parts of the Bronx and Yonkers, and in the rest of the State of New York who need these meals desperately. Without the congregate meals and home delivered meals programs, many would go without the very nutrition which keeps them alive and well. I have discussed this issue extensively with many members of the National Association of Nutrition and Aging Services Programs, and I feel that Congress must commit itself to providing the resources necessary to feed the elderly of this Nation.

Mr. WHITTEN. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WALKER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 309, nays 114, not voting 10, as follows:

[Roll No. 235]

YEAS—309

Ackerman
Akaka
Alexander
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Baker
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boulter
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coble
Coelho
Coleman (MO)
Coleman (TX)
Collins
Combest
Conte
Cooper
Coughlin
Coyne
Crockett
Daniel
Darden
Daub
Davis (MI)
de la Garza
Dellums
Derrick
Dickinson
Dicks
Dingell
DioGuardi
Dixon
Dorgan (ND)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hamilton
Hammerschmidt
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Hochbrueckner
Holloway
Horton
Howard
Hoyer
Huckaby
Hutto
Hyde
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lightfoot
Lipinski
Lott
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Oxley
Pashayan
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Porter
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Richardson
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (GA)
Roybal
Sabo
Saiki
Sawyer
Scheuer
Schneider
Schuette
Schumer
Shaw
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stokes
Stratton
Studds
Sundquist
Sweeney
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whittaker
Whitten
Williams
Wise
Wolf
Wolpe
Wortley
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NAYS—114

Anderson
Archer
Armey
Badham
Ballenger
Barnard
Bartlett
Barton
Bates
Bilbray
Bilirakis
Bliley
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Chandler
Cheney
Courter
Craig
Crane
Dannemeyer
Davis (IL)
DeFazio
DeLay
DeWine
Donnelly
Dornan (CA)
Dreier
Dyson
Edwards (CA)
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gingrich
Gradison
Gregg
Hall (OH)
Hall (TX)
Hansen
Hastert
Henry
Herger
Hertel
Hiler
Hopkins
Houghton
Hubbard
Hughes
Hunter
Inhofe
Ireland
Jacobs
Kemp
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lewis (FL)
Lloyd
Lukens, Donald
Lungren
Mack
Martin (IL)
McCandless
McCollum
McEwen
McGrath
Michel
Miller (WA)
Molinari
Moorhead
Nielson
Olin
Packard
Panetta
Parris
Penny
Petri
Rhodes
Ridge
Ritter
Roth
Rowland (CT)
Russo
Saxton
Schaefer
Schroeder
Schulze
Sensenbrenner
Sharp
Shumway
Shuster
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stark
Stenholm
Stump
Swindall
Tauke
Thomas (CA)
Upton
Vucanovich
Walker
Wylie

NOT VOTING—10

Conyers
Ford (TN)
Gephardt
Livingston
Miller (OH)
Morrison (CT)
Roemer
Savage
Tauzin
Wilson

□ 1500

Messrs. DONNELLY, HALL of Ohio, McEWEN, and Mrs. BYRON changed their votes from "yea" to "nay."

Mr. SWEENEY changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent when the House voted to approve the conference report on H.R. 1827, supplemental appropriations for fiscal year 1987. Had I been present, I would have voted "aye."

AMENDMENTS IN DISAGREEMENT

The SPEAKER pro tempore (Mr. GLICKMAN). The Clerk will designate the first amendment in disagreement.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that Senate amendments numbered 3, 37, 84, 103, 104, 105, 110, 120, 130, 134, 138, 139, 140, 144, 145, 149, 153, 175, 176, 178, 183, 186, 187, 188, 190, 191, 192, 193, 194, 195, 199, 205, 209, 221, 246, 250, 251, 254, 257, 258, 284, 309, 351, 352, 359, 379, 384, 385, and 436 be considered en bloc be considered as read, and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The texts of the various Senate amendments referred to in the foregoing request are as follows:

Senate amendment No. 3: Page 3, after line 7, insert:

Of the funds desposited in the Fisheries Promotional Fund pursuant to section 209 of the Fish and Seafood Promotion Act of 1986, $750,000 shall be made available as authorized by said Act, to remain available until expended.

Senate amendment No. 37: Page 9, after line 18, insert:

FEDERAL COMMUNICATIONS COMMISSION

The authority under the Supplemental Appropriations Act, 1985 (Public Law 99-88) with respect to the relocation of the Fort Lauderdale Monitoring Station shall extend through fiscal year 1988 and under the same terms and conditions of Public Law 99-88.

Senate amendment No. 84: Page 22, after line 4 insert:

OPERATION AND MAINTENANCE, GENERAL

Of amounts appropriated for this account in Public Laws 99-500 and 99-591, such sums as become available in the Harbor Maintenance Trust Fund, pursuant to Public Law 99-662, may be derived from that fund.

Senate amendment No. 103: Page 26, after line 6, insert:

RENT SUPPLEMENT

(RESCISSION)

The limitation otherwise applicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701s), is further reduced in fiscal year 1987 by not more than $14,420,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts.

Senate amendment No. 104: Page 26, after line 6, insert:

RENTAL HOUSING ASSISTANCE

(RESCISSION)

The limitation otherwise aplicable to the maximum payments that may be required in any fiscal year by all contracts entered into under section 236 of the National Housing Act (12 U.S.C. 1715z-1), is further reduced in fiscal year 1987 by not more than $2,699,000 in uncommitted balances of authorizations provided for this purpose in appropriation Acts.

Senate amendment No. 105: Page 26, after line 6, insert:

COMMUNITY PLANNING AND DEVELOPMENT

URBAN RENEWAL LAND DISPOSITION PROCEEDS

Notwithstanding any other provision of law or other requirement, the City of Camden in the State of New Jersey is authorized to retain any land disposition proceeds from the financially closed-out Center City Urban Renewal Project (No. N.J. R.150) not paid to the Department of Housing and Urban Development and to use such proceeds in accordance with the requirements of the community development block grant program specified in title I of the Housing and Community Development Act of 1974. The City of Camden shall retain such proceeds in a lump sum and shall be entitled to retain and use, in accordance with this section, all past and future earnings from such proceeds, including any interest.

Senate amendment No. 110: Page 26, after line 14, after "Congress" insert, "and $150,000 shall be available until expended for the establishment of a memorial on Guadalcanal in the Solomon Islands".

Senate amendment No. 120: Page 30, strike out line 14 to 18 and insert:

Of the unobligated balance available under this heading, not to exceed $2,000,000 shall be available for the settlement of a contractor's claim arising from the construction of an addition to Building No. 1 at the Veterans Administration Medical Center, Huntington, West Virginia; and, notwithstanding any other provision of law, not to exceed $900,000 from the unobligated balance under this heading shall be available for the settlement of a contractor's claim arising from the construction of the Basic Science Addition at the Veterans Administration Medical Center, Huntington, West Virginia, authorized pursuant to Public Law 92-541, as amended.

Senate amendment No. 130: Page 31, after line 18, insert:

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 1987 by 16 U.S.C. 4601-10a is rescinded.

Senate amendment No. 134: Page 32, line 16, after "$800,000" insert ": *Provided*, That none of the funds in this or any other Act may be used in implement, prior to November 1, 1987, a rule which modifies the product valuation guidelines of the Minerals Management Service".

Senate amendment No. 138: Page 33, line 5, after "not" insert "transfer funds under a".

Senate amendment No. 139: Page 33, line 7 strike out all after "until" down to and including "uals;" in line 9 and insert "the funds held in trust for such tribe or individual have been audited and reconciled and the tribe or individual has been provided with an accounting of such funds,".

Senate amendment No. 140: Page 33, line 12, after "implement" insert "any regulations (and any amendments to, or revisions of, regulations) relating to the Bureau of Indian Affairs' Higher Education Grant Program that were not in effect on March 1, 1987, until after Congress has completed the fiscal year 1988 appropriations process, nor may the Bureau implement".

Senate amendment No. 144: Page 33, after line 18 insert:

Any funds appropriated under Public Law 84-747 (64 Stat. 573) in satisfaction of judgement awarded in Choctaw Nation of Oklahoma in Docket Numbered 16 of Indian Claims Commission which have not been distributed on the date of enactment of this Act (including all interest and investment income accrued thereon) shall be held in trust by the Secretary of the Interior for the Choctaw Nation of Oklahoma and shall be invested under the Act of June 24, 1938 (25 U.S.C. 162a).

The funds may be used on an annual budgetary basis by the tribal governing body subject to the approval of the Secretary.

Senate amendment No. 145: Page 33, after line 18, insert:

None of the funds in this or any other Act shall be available prior to March 31, 1988, to issue a patent for an oil shale mining claim located prior to enactment of the Mineral Lands Leasing Act of 1920 (30 U.S.C. 181, et seq., 41 Stat. 437), as provided for under the General Mining Law of 1872, as amended (30 U.S.C. 22, et seq., 17 Stat. 91) except for patent applications C-012327, C-016671, C-023661, C-41836, C-43354, C-39464, C-38579, C-38403, C-35080, and C-36293.

Senate amendment No. 149: Page 34, after line 2, insert:

The Congress disapproves deferral D87-35 relating to the Forest Service, "State and private forestry", as set forth in the message of January 28, 1987, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law by this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Senate amendment No. 153: Page 34, after line 8, insert:

LAND ACQUISITION

(DISAPPROVAL OF DEFERRAL)

The Congress disapproves deferral D87-36 relating to the Forest Service, "Land acquisition", as set forth in the message of January 28, 1987, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

Senate amendment No. 175: Page 40, after line 5, insert:

REHABILITATION SERVICES AND HANDICAPPED RESEARCH

Of the funds appropriated for Rehabilitation Services and Handicapped Research for fiscal year 1987, $15,860,000 is available for Special Demonstration Programs under section 311(a)(b)(c).

Senate amendment No. 176: Page 40, strike out lines 7 to 10, and insert:

Of the $11,000,000 appropriated for fiscal year 1987 for title IV of the Carl D. Perkins Vocational Education Act, $7,050,000 shall be for activities authorized by part A, including $6,000,000 for section 404, $450,000 shall be for section 415 of part B, and $3,500,000 shall be for section 422 of part C.

Senate amendment No. 178: Page 40, after line 15, insert:

The allotment of the State of Louisiana under subpart 3 of part A of title IV of the Higher Education Act of 1965, from funds appropriated for fiscal year 1987, shall be expended without regard to the provision of sections 415A(a), 415C(b)(6), (8) and 10 of such subpart.

Senate amendment No. 183: Page 42, after line 2 insert:

RELATED AGENCIES

NATIONAL COMMISSION TO PREVENT INFANT MORTALITY

OPERATING EXPENSES

For "Operating expenses", $700,000, to remain available until September 30, 1988.

Senate amendment No. 186: Page 42, after line 4, insert:

PAYMENTS TO WIDOWS AND HEIRS OF DECEASED MEMBERS OF CONGRESS

For a payment to Cecile F. Zorinsky, widow of Edward Zorinsky, late a Senator from Nebraska, $89,500.

Senate amendment No. 187: Page 42, after line 4, insert:

SALARIES, OFFICERS AND EMPLOYEES

OFFICE OF THE SECRETARY

For an additional amount for "Office of the Secretary", $100,000.

Senate amendment No. 188: Page 42, after line 4, insert:

ADMINISTRATIVE, CLERICAL AND LEGISLATIVE ASSISTANCE TO SENATORS

For an additional amount for "Administrative, Clerical and Legislative Assistance to Senators", $27,700, which shall not be available until July 1, 1987.

Senate amendment No. 190: Page 42, after line 4, insert:

ADMINISTRATIVE PROVISIONS

Senate amendment No. 191: Page 42, after line 4, insert:

SECTION 1. (a) The Secretary of the Senate shall, upon the written request of the Majority or Minority Leader of the Senate, transfer from any available funds in such Leader's allotment in the Leader's Representation Allowance (as defined in subsection (b)(1) for any fiscal year (commencing with the fiscal year ending September 30, 1985) to such Leader's Expense Allowance (as defined in subsection (b)(2)) to such year such amount as is specified in the request. Any funds so transferred for any fiscal year at the request of either such Leader shall be available to such Leader for such year for the same purposes as, and in like manner and subject to the same conditions as, are other funds which are available to him for such year as his expense allowance as Majority or Minority Leader.

(b)(1) The term "Leader's Representation Allowance" means the Representation Allowance Account for the Majority and Minority Leaders established by section 197 of Public Law 99-88 (2 U.S.C. 31a-2).

(2) The term "Leader's Expense Allowance", when used in reference to the Majority or Minority Leader of the Senate, refers to the moneys available, for any fiscal year, to such Leader as an expense allowance and the appropriation account from which such moneys are funded.

Senate amendment No. 192: Page 42, after line 4, insert:

Sec. 2. (a) The Secretary of the Senate is authorized to use any available funds (but not in excess of $25,000 for any fiscal year), out of the appropriation account (within the Contingent Fund of the Senate) for the Secretary of the Senate, to assist him in the proper discharge, within the United States, of his appropriate responsibilities to members of foreign parliamentary groups or other foreign officials.

(b) The provisions of subsection (a) shall be effective in the case of expenditures for fiscal years ending after September 30, 1986.

Senate amendment No. 193: Page 42, after line 4, insert:

Sec. 3. (a) Effective July 1, 1987, the table contained in section 105(d)(1) of the Legislative Branch Appropriation Act of 1968, as amended (2 U.S.C. 61-1(d)(1)), is amended by striking out—

"$904,114 if such population is 5,000,000 but less than 7,000,000;" and inserting in lieu thereof

"$904,114 if such population is 5,000,000 but less than 6,000,000;

"$931,810 if such population is 6,000,000 but less than 7,000,000;".

(b) Effective July 1, 1987, the administrative and clerical allowance of each Senator from the State of Georgia and the State of North Carolina is increased to that allowed Senators from States having a population of six million but less than seven million, the population of said State have exceeded six million inhabitants.

(c) Effective July 1, 1987, the administrative and clerical allowance of each Senator from the State of Indiana, and the State of Massachusetts, the State of Missouri, and the State of Virginia, is that allowed Senators from States having a population of five million but less than six million.

Senate amendment No. 194: Page 42, after line 4, insert:

Sec. 4. The chairman of the Majority or Minority Conference Committee of the Senate may, during the fiscal year ending September 30, 1987, at his election, transfer not more then $40,000 from the appropriation account for salaries of the Conference of the Majority and the Conference of the Minority of the Senate, to the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6). Any transfer made at such time or times as such chairman shall specify in writing to the Senate Disbursing Office. Any funds so transferred by the chairman of the Majority or Minority Conference Committee shall be available for expenditure by such committee in like manner and for the same purposes as are other moneys which are available for expenditure by such committee from the account, within the contingent fund of the Senate, from which expenses are payable under section 120 of Public Law 97-51 (2 U.S.C. 61g-6).

Senate amendment No. 195: Page 42, after line 4, insert:

Sec. 5. Section 101(j) of Public Law 99-591 is amended by adding at the end thereof the following new sentence: "For purposes of the preceding sentence, the figure '$177,435,714' which appears in such H.R. 5203, in title I, under the item 'SALARIES, OFFICERS AND EMPLOYEES', shall be deemed to be '$177,535,714'.".

Senate amendment No. 199: Page 43, after line 22, insert:

Effective October 18, 1986, section 101(j) of the joint resolution making continuing appropriations for the fiscal year 1987, and for other purposes (Public Laws 99-500 and 99-591; 100 Stat. 1783-287, 3341-287) is amended by inserting ", and the provisions of H.R. 5203 (to such extent and in such manner) shall be effective as if enacted into law" immediately before the period at the end.

Senate amendment No. 205: Page 44, after line 20, insert:

NAVAL AIR STATION, ADAK, ALASKA

Within the funds previously appropriated for military construction planning and design, Navy, $1,500,000 shall be available for design of a middle school at Naval Air Station, Adak, Alaska.

Senate amendment No. 209: Page 47, after line 2, insert:

For grants to States for the establishment and operation of international trade development centers, as authorized by the National Agricultural Research Extension and Teaching Policy Act of 1977, as amended, (7 U.S.C. 3292), $3,200,000, to remain available until expended.

Senate amendment No. 221: Page 49, after line 17, insert:

RURAL HOUSING INSURANCE FUND

During fiscal year 1987, and within the resources and authority available, obligations for direct loans and related advances pursuant to section 515 of the Housing Act of 1949 (42 U.S.C. 1485), shall not exceed $554,900,000.

For an additional amount for rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) of the Housing Act of 1949, as amended, $115,000,000, to be used for contracts for newly constructed units financed under sections 514, 515 and 516 of the Housing Act of 1949 (42 U.S.C. 1484, 1485, 1486).

Senate amendment No. 246: Page 60, after line 26, insert:

DISCRETIONARY BRIDGE PROGRAM

Notwithstanding any other provision of law, the Secretary of Transportation is directed to consider phase 1 and phase 2 of the construction of a bridge across the Mississippi River at Dubuque, Iowa, known as the Dubuque City Island Bridge, as one project, and for the purpose of determining which projects to fund under the discretionary bridge program, assign to phase 2 of such construction the same priority that was given to phase 1 of such construction.

Senate amendment No. 250: Page 61, after line 9, insert:

FEDERAL LAW ENFORCEMENT TRAINING CENTER

SALARIES AND EXPENSES

Of the funds appropriated under this heading by the Treasury, Postal Service, and General Government Appropriations Act, fiscal year 1987, Public Law 99-500 and Public Law 99-591, $2,500,000 shall remain available until September 30, 1988: *Provided,* That funds made available under this heading by the Treasury, Postal Service, and General Government Appropriations Act, fiscal year 1987, Public Law 99-500 and Public Law 99-591 shall be used in part to raise the base level of employment at the Federal Law Enforcement Training Center to 325 full-time equivalent positions in the fiscal year ending September 30, 1987.

Senate amendment No. 251: Page 61, line 18, strike out "$10,000,000 and insert "$5,000,000: *Provided,* That the additional funds made available by this Act shall be used in part to raise the base level of employment for the Bureau of Alcohol. Tobacco, and Firearms to 3,251 full-time equivalent positions for the fiscal year September 30, 1987: *Provided further,* That funds made available by this Act may be used to purchase two additional special explosives investigative vehicles and associated investigative equipment".

Senate amendment No. 254: Page 62, line 24, after "$5,722,000" insert: *Provided,* That of the funds appropriated under this heading in the Treasury, Postal Service, and General Government Appropriations Act, fiscal year 1987, Public Law 99-500 and Public Law 99-591, $6,000,000 appropriated for continued construction at the James J. Rowley Secret Service Training Center shall remain available until expended".

Senate amendment No. 257: Page 64, after line 6, insert:

SENATE

"Salaries, officers and employees", $5,715,000;

"Office of the Legislative Counsel of the Senate", $47,000;

"Inquiries and investigations", $1,116,000;

Senate amendment No. 258: Page 64, after line 25, insert:

"Senate office buildings, $250,000;

Senate amendment No. 284: Page 72, line 14, strike out all after "from" down to and including "Facilities" " in line 15 and insert "National Telecommunications and Information Administration, "Public telecommunications facilities, planning and construction" ".

Senate amendment No. 309: Page 77, line 13, after "$64,000" insert "of which $16,000 shall remain available until expended".

Senate amendment No. 351: Page 88, after line 10, insert:

SENATE

"Salaries, officers and employees", $6,986,000;

"Office of the Legislative Counsel of the Senate", $53,000;

"Office of the Senate Legal Counsel", $18,000;

"Senate policy committees", $133,000;

"Inquiries and investigations", $1,848,000;

Senate amendment No. 352: Page 89, after line 1, insert:

"Senate office buildings", $456,000;

Senate amendment No. 359: Page 99, after line 12, insert:

"Health resources and services", $1,400,000, which shall be derived by transfer from unobligated balances from the Health teaching facilities activity, "Health resources and services";

Senate amendment No. 379: Page 102, line 4, after "$85,000" insert "of which $22,000 shall remain available until expended".

Senate amendment No. 384: Page 105, line 13, after "$100,000" insert ", to be derived from the unobligated balances of "Conrail labor protection' ".

Senate amendment No. 385: Page 105, line 14, after "$250,000" insert ", of which $135,000 shall be derived from the unobligated balances of "Conrail labor protection" ".

Senate amendment No. 436: Page 120, after line 23, insert:

SEC. 518. On or before August 31, 1987, the President, pursuant to his existing power under section 212(a)(6) of the Immigration and Nationality Act, shall add human immunodeficiency virus infection to the list of dangerous contagious diseases contained in title 42 of the Code of Federal Regulations.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendments of the Senate numbered 3, 37, 84, 103, 104, 105, 110, 120, 130, 134, 138, 139, 140, 144, 145, 149, 153, 175, 176, 178, 183, 186, 187, 188, 190, 191, 192, 193, 194, 195, 199, 205, 209, 221, 246, 250, 251, 254, 157, 258, 284, 309, 351, 352, 359, 379, 384, 385, and 436 and concur therein.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent that the reading of any motion to recede and concur with an amendment to be offered by the bill manager shall be dispensed with if offered in identical form as the motion printed in the Statement of Managers —House Report 100-195—which was also printed in the CONGRESSIONAL RECORD on June 27, 1987—pages H5651 through H5682.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 4: Page 3, after line 7, insert:

Funds appropriated or otherwise made available to the Department of Commerce and the National Oceanic and Atmospheric Administration shall be available for the procurement of launch services for geostationary weather satellites I, J, and K, to be conducted only by the National Aeronautics and Space Administration: *Provided*, That such procurement may be conducted by the Department of Commerce upon written certification to the appropriate Committees of the Congress prior to July 1, 1987, that the conduct of such procurement by the Department of Commerce will not delay the availability of launch services compared to the availability of launch services conducted by the National Aeronautics and Space Administration.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 4 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

Funds appropriated or otherwise made available to the Department of Commerce and the National Oceanic and Atmospheric Administration shall be available for the procurement of launch services of geostationary weather satellites I, J, and K, to be conducted only by the National Aeronautics and Space Administration: *Provided*, That in the procurement of launch services for the National Oceanic and Atmospheric Administration for the GOES I, J, and K spacecraft, the National Aeronautics and Space Administration may provide, in its contract or contracts for launch services, for the payment for contingent liability of the Government which may accrue in the event the Government should decide to terminate the contract before the expiration of the contract period. Such contract or contracts shall limit the payments the Federal Government is allowed to make under the contracts to amounts provided in advance in appropriations Acts. In January of each year, the Administrator of the National Oceanic and Atmospheric Administration shall report to the House and Senate Committees on Appropriations the projected aggregate contingent liability, through the next fiscal year and in total, of the Government under termination provisions of any launch services contracts authorized in this section: *Provided further*, That such contract or contracts may not be entered into until the Department of Commerce submits a written certification to the appropriate Committees of the Congress that the fiscal year 1988 budget request for launch vehicles for GOES I, J, and K fully meets such contractual requirements for fiscal year 1988 of $80,000,000 or submits a proposed budget amendment for fiscal year 1988 to the Congress requesting any additional funds required in fiscal year 1988 to meet the obligations of the proposed contractual agreement.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 5: Page 3, after line 7, insert:

ADMINISTRATIVE PROVISION

Notwithstanding any other provision of law, none of the funds appropriated for fiscal year 1987 shall be used for the purpose of granting any patent for vertebrate or invertebrate animals, modified, altered, or in any way changed through engineering technology, including genetic engineering.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Not to exceed $14,100,000 appropriated and available for obligation and expenditure under section 108(a)(1) of Public Law 99-190, as amended, shall remain available for obligation through September 30, 1988: *Provided*, That the Economic Development Administration shall close out the audits concerning grants to New York, New York pursuant to title I of the Local Public Works Capital Development and Investment Act of 1976, not later than August 1, 1987.

PATENT AND TRADEMARK OFFICE

SALARIES AND EXPENSES

None of the funds appropriated by this or any prior Act to the Patent and Trademark Office shall be used to purchase the mass storage requirement (PTO-10) portion of the U.S. Patent and Trademark Office Automation Project.

POINT OF ORDER

Mr. FRENZEL. Mr. Speaker, I make a point of order against Senate amendment No. 5.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. FRENZEL. Mr. Speaker, I make a point of order against amendment No. 5 reported in disagreement of the supplemental appropriation conference report on page 13 of the report, and on page 3 lines 19 through 23 of the printed bill now before us which relates to procurement by the U.S. Patent and Trademark Office automation project pursuant to rule XXVIII, clause 5(a)(1). This rule relates to nongermane matter in amendments in disagreement.

As I interpret it, the rule states that any matter introduced as a new issue in a conference committee which would have been otherwise ruled out of order if it came before the House, would likewise be made eligible for a point of order as reported in amendments in disagreement from the conference committee should there be a motion from the House to recede from its disagreement with the Senate.

Mr. Speaker, the Senate amendment introduced as new material in the conference committee would delay procurement funds for the Patent Office for the purchase of mass storage requirement equipment. The purchase is part of the overall automation of the U.S. Patent Office and I urge my point of order be sustained.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. FRENZEL] is raising a point of order against the motion, is that correct as being not germane to the Senate amendment under rule XVI, clause 7?

Mr. FRENZEL. Yes, Mr. Speaker.

The SPEAKER pro tempore. Does anybody else desire to be heard on the point of order?

Mr. SMITH of Iowa. Mr. Speaker, I concede the point of order.

The SPEAKER pro tempore (Mr. GLICKMAN). The gentleman from Iowa [Mr. SMITH] concedes the point of order and the point of order is sustained against the motion.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 5 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ECONOMIC DEVELOPMENT ADMINISTRATION

ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

Not to exceed $14,100,000 appropriated and available for obligation and expenditure under section 108(a)(1) of Public Law 99-190, as amended, shall remain available for obligation through September 30, 1988: *Provided*, That the Economic Development Administration shall close out the audits concerning grants to New York, New York pursuant to title I of the Local Public Works Capital Development and Investment Act of 1976, not later than August 1, 1987.

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Mr. SMITH of Iowa (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore (Mr. GLICKMAN). Is there objection to the request of the gentleman from Iowa?

Mr. FRENZEL. Reserving the right to object, Mr. Speaker, may I make an inquiry under my reservation?

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. FRENZEL. Under my reservation, I yield to the gentleman from Iowa.

Mr. SMITH of Iowa. I thank the gentleman for yielding.

Mr. Speaker, all I am doing is inserting back in the part to which the gentleman did not object.

Mr. FRENZEL. I thank the distinguished committee chairman.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 8: Page 3, strike out lines 14 to 17.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 8 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended to read as follows:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For an additional amount for "Salaries and expenses, general legal activities", $8,100,000, to remain available until September 30, 1988.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 21: Page 6, after line 17, insert:

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 21 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 23: Page 6, after line 17, insert:

SEC. 2. Section 205(h)(1)(A) of the Departments of Commerce, Justice, and State, and the Judiciary and Related Agencies Appropriations Act, fiscal year 1987, in Public Law 99-500 and Public Law 99-591 are amended by striking "All of the fees collected under subsection (d) shall be deposited in a separate account within the general fund of the Treasury of the United States" and inserting in lieu thereof "All of the fees collected under subsection (d) shall be deposited in a separate account within the general fund of the Treasury of the United States, to remain available until expended".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 23 and concur therein with an amendment, as follows: In lieu of the first section number names in said amendment, insert the following: "1".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 26: Page 7, after line 3 insert:

Of the funds appropriated under this head in the Departments of Commerce, Justice, and State, and the Judiciary, and Related Agencies Appropriations Act, fiscal year 1987, Public Law 99-500 and Public Law 99-591, not to exceed $5,000,000 may be transferred to Department of State, Administration of Foreign Affairs, "Salaries and expenses": *Provided*, That notwithstanding any other provision of law, no funds appropriated to the Department of State in this or any other Act may be obligated for the new office building in Moscow, except as necessary to demolish the building: *Provided further*, That subsection (d) of section 154 of Public Law 99-93 is repealed and subsection (a) of such section is amended in the first sentence, to read as follows: "The Secretary of State shall not permit the Soviet Union to occupy the new chancery building at its new embassy complex in Washington, D.C., or any other new facility in the Washington, D.C. metropolitan area, until a new chancery building is ready for occupancy for the United States embassy in Moscow and if the Soviet Union fails to provide prompt and full reimbursement to the United States for damages incurred as a result of the construction of the new United States embassy in Moscow.": *Provided further*, That the Secretary of State is directed to develop and submit to the Speaker of the House of Representatives and the Appropriations and Foreign Relations Committees of the Senate by August 30, 1987, a plan to establish essential parity in the numbers, types and quality of buildings held by the United States in Moscow and the Soviet Union in Washington, D.C.: *Provided further*, That it is the sense of Congress that no additional funds should be appropriated for new embassy construction, except for the completion of projects, other than Moscow, where construction is now underway until such time as the management of overseas embassy construction is organized under an Under Secretary who shall also have responsibility for the Office of Foreign Missions and the Bureau of Diplomatic Security: *Provided further*, That the Secretary of State and Director of Central Intelligence shall within thirty days after enactment of this Act convene a panel of outside experts to review and analyze the plans, contracts and protocols of any construction projects of the Office of Foreign Buildings.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. SMITH of Iowa moves that the House recede from its disagreement to the amendment of the Senate numbered 26 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following.

The Secretary of State shall not permit the Soviet Union to occupy the new chancery building at its new embassy complex in Washington, D.C., or any other new facility in the Washington, D.C. metropolitan area, until a new chancery building is ready for occupancy for the United States embassy in Moscow: *Provided*, That none of the funds appropriated in this Act or any prior Act may be obligated for the new office building in Moscow prior to November 1, 1987.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. SMITH] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Iowa [Mr. SMITH].

Mr. SMITH of Iowa. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, what this does is to put on hold the Moscow office building problem until November 1. It says they cannot occupy theirs until we occupy ours. Also, nothing will be spent on construction on the Moscow project between now and November 1. Our subcommittee received a report and testimony by Secretary Schlesinger yesterday. Members of the committee are not agreed on the course of action to take, at this time, at least. There will be a decision by the authorizing committee and the appropriations committee in the near future. We will all look into it carefully. We do not know yet what the decision will be. The authorizing committee has passed legislation here in the House. I assume surely that by November 1 they will have worked out their agreement with the Senate and that bill will have been passed by both Houses. If not, in the meantime there will be a continuing appropriations resolution. So it was our judgment that at this point we should put the various options on hold, give the authorizing committees an opportunity to work it out, if they can, and examine carefully the administration's proposals as they come forward in the next few weeks.

Mr. BROOMFIELD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. I thank the gentleman for yielding, Mr. Speaker, and for his cooperation.

Mr. Speaker, I rise in support of Mr. Smith's motion.

Mr. Smith's motion has been worked out with the leadership of the Foreign Affairs Committee on both sides of the aisle.

It is an interim limitation to control the State Department on the Moscow embassy issue until enactment of the State Department authorization bill.

This motion is consistent with the House's unanimous action two weeks ago in support of the Mica-Snowe-Fascell-Broomfield diplomatic security amendment on H.R. 1777.

I want to thank the gentleman very much for his help and cooperation.

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for his statement and his cooperation.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Kentucky [Mr. ROGERS].

Mr. ROGERS. I thank the gentleman for yielding.

Mr. Speaker, let me congratulate my chairman for this. It is the proper way to go in the short span of time with which we are dealing.

Mr. Speaker, I rise in strong support of the language.

Mr. SMITH of Iowa. I thank the gentleman.

The SPEAKER pro tempore. Are there any further requests for time?

The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 33: Page 8, after line 21, insert:

OPERATIONS AND TRAINING

Funds appropriated under this head in Public Law 98-396 for a training vessel for the State University of New York Maritime College shall be available for acquisition, preconversion and conversion costs of such vessel.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 33 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

OPERATIONS AND TRAINING

Funds appropriated under this head in Public Law 98-396 for a training vessel for the State University of New York Maritime College shall be available for acquisition, preconversion and conversion costs of such vessel: *Provided*, That prior to the obligation of such funds and prior to the obligation of unobligated funds appropriated under this head for state maritime academies in Public Law 99-500 and Public Law 99-591, except for obligations necessary to complete current shipyard work and voyages in progress, all state maritime academies furnished a training vessel shall agree to such sharing of training vessels as shall be arranged by the Maritime Administration: *Provided further*, That the Maritime Administration shall submit its final plans for such a ship-sharing arrangement to the state maritime academies by October 1, 1987.

POINT OF ORDER

Mr. STUDDS. Mr. Speaker, I make a point of order against the motion.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. STUDDS. Mr. Speaker, I make a point of order against the motion on the ground that the amendment that it purports to add to the Senate amendment is not germane to said amendment. The Senate amendment deals solely with the New York State Maritime Academy. The amendment proposed on the part of the House to the Senate amendment deals with the full range of all the state maritime academies and as such is beyond the scope of the Senate amendment and is not germane thereto.

The SPEAKER pro tempore. Do any Members wish to be heard on the point of order?

Mr. SMITH of Iowa. Mr. Speaker, I concede the point of order.

The SPEAKER pro tempore. The gentleman concedes the point of order. The point of order is sustained.

MOTION OFFERED BY MR. SMITH OF IOWA

Mr. SMITH of Iowa. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SMITH of Iowa moves that the House insist on its disagreement to the amendment of the Senate numbered 33.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Iowa [Mr. SMITH].

The motion was agreed to.

The SPEAKER pro tempore. The clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 38: Page 9, after line 19, insert:

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $8,000,000 for disaster loan making activities, derived by transfer from the "Business Loan and Investment Fund": *Provided*, That the limit on direct loans in Public Laws 99-500 and 99-591 is hereby reduced to $89,000,000; *Provided further*, That of the funds made available under the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1987, as included in Public Laws 99-500 and 99-591, for Small Business Development Centers, an amount not to exceed $2,000,000 may be transferred for disaster loan making activities.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 38 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $10,000,000 for disaster loan making activities, derived by transfer from the "Disaster Loan Fund": *Provided*, That hereafter, notwithstanding any law, rule or

regulation, moneys in any fund established by the Small Business Act which are not needed for current operations shall remain in such funds and shall be available solely to carry out the provisions and purposes of programs operated from such funds pursuant to law as provided in Appropriations Acts.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 41: Page 11, strike out lines 4 to 10.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 41 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment amended to read as follows:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $8,098,176, of which $598,176 shall be used for purchase of Pakistani Rupees from the special account for the Informational Media Guarantee Program to carry out the provisions of section 1011(d) of the Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442(d)). The limitation in Public Law 99-591 on the receipts to this appropriation from fees or other payments received from or in connection with English-teaching programs is increased by $650,000.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 56: Page 13, line 5, strike out "$3,300,000" and insert "$25,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 56 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, delete lines 2, 3, 4 and 5 on page 13 of the House of Representatives engrossed bill, H.R. 1827.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 64: Page 14, after line 16, insert:

SEC. 3. Section 9015 of the Department of Defense Appropriations Act, 1987, (as included in Public Laws 99-500 and 99-591) is amended by striking the amount "$1,100,000,000" and in lieu thereof inserting the amount "$1,590,372,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 64 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 2. Section 9015 of the Department of Defense Appropriations Act, 1987, (as included in Public Laws 99-500 and 99-591) is amended by inserting "and not to exceed an additional $490,372,000 of funds otherwise available to the Department of Defense for military functions (except military construction) which would expire on September 30, 1987," directly following "(except military construction)".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 66: Page 14, after line 16, insert:

SEC. 5. None of the funds previously appropriated to the Air Force may be used to conduct a trainer aircraft competition unless such competition includes candidate aircraft from at least two United States firms and at least one candidate aircraft is compliant with the T-46/Next Generation Trainer system specifications as it pertained to the source selection of the Next Generation Trainer in 1982.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 66 and concur therein with an amendment, as follows: In lieu of "SEC. 5" named in said amendment, insert the following: "SEC. 3".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 67: Page 14, after line 16, insert:

SEC. 6. Section 9061 of the Department of Defense Appropriations Act, 1987, Public Laws 99-500 and 99-591, is amended by inserting after the year "1984" and before the period "except reasonable costs incurred in promoting American aerospace exports at domestic and international exhibits".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 67 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 4. Notwithstanding section 2324(e)(1)(H) of title 10, United States Code, and section 9061 of the Department of Defense Appropriations Act, 1987, Public Laws 99-500 and 99-591, the Secretary of Defense may allow under covered contracts reasonable costs incurred to promote American aerospace exports at domestic and international exhibits.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 68: Page 14, after line 16, insert:

SEC. 7. (a) None of the funds appropriated by this or any other Act for research, development, test, and evaluation for the Department of Defense or any of its components for any activities associated directly or indirectly with the Advanced Launch System/Heavy Lift Launch Vehicle, hereinafter referred to as "ALS", may be obligated or expended until the Secretary of Defense, with the concurrence of the Administrator of the National Aeronautics and Space Administration, has submitted to the Committees on Appropriations of the Senate and House of Representatives a certification which includes the following:

(1) an agreement between the Department of Defense and the National Aeronautics and Space Administration on the most cost-effective design approach for the ALS and on a joint program office and management plan to implement this program so as to make maximum use of the expertise and unique testing facilities of the National Aeronautics and Space Administration, especially with respect to rocket propulsion systems;

(2) a detailed description of the ALS program management plan, including identification of the specific roles and responsibilities to be fulfilled by the Defense Agencies, Air Force, and the National Aeronautics and Space Administration; and

(3) a formal cost-sharing agreement among all participants in the ALS program identifying the program's total costs (in current and constant dollars) for research, development, test, and evaluation, procurement, and facilities construction; such agreement shall include the budgetary resources intended to be dedicated annually by each participant in fiscal years 1987 through 1992.

(b) Any funds appropriated by this or any other Act for research, development, test, and evaluation of liquid oxygen/hydrocarbon and liquid oxygen/liquid hydrogen rocket propulsion systems, and of alternative solid rocket booster propulsion systems, associated directly or indirectly with the ALS, or for the construction of test facilities for such propulsion systems, may be obligated and expended only through the "Research and Development" activities, and the "Construction of Facilities" activities, of the National Aeronautics and Space Administration and only at the site of existing research and testing facilities of the National Aeronautics and Space Administration except that construction of the J-6 Large Rocket Test Facility at Arnold Engineering Development Center for testing of large, solid-propellant rocket motors in a simulated flight-altitude environment shall be provided through "Military Construction, Air Force" activities: *Provided*, That not less than $38,000,000 of the funds appropriated for "Research, development, test, and evaluation, Defense Agencies" by this Act shall be transferred to NASA as a part of the ALS program utilizing facilities and budgetary resources of both NASA and components of the Defense Department.

(c) Any funds appropriated by this or any other Act for research, development, test, and evaluation directly or indirectly relating to the ALS may be obligated or expended only for ALS variants which embody advanced technologies and which reduce the cost to launch payloads to low Earth orbit by a factor of ten compared with current space boosters costing less than $3,000 (in constant fiscal 1987 dollars) per pound to low Earth orbit: *Provided*, That none of these funds may be obligated or expended for any activities associated with accelerating or facilitating any early deployment option for ballistic missile defense.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 68 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 5. (a) None of the funds appropriated by this or any other Act by research, development, testing, and evaluation for the National Aeronautics and Space Administration (NASA) or the Department of Defense may be obligated or expended for the Advanced Launch System/Heavy Lift Launch Vehicle, hereinafter referred to as "ALS", or for the design, construction, or modification of test facilities for rocket propulsion systems to be integrated into or be compatible with ALS, until the Committees on Appropriations of the Senate and the House of Representatives have received a plan, submitted jointly by the Secretary of Defense and the Administrator of NASA, and approved by the President, delineating the respective responsibilities of, and apportioning of costs to NASA and the Department of Defense relative to the ALS program and the Committees on Appropriations of the Senate and the House of Representatives have established a date for the release of said funds: *Provided*, That such plan shall make maximum use of existing unique Federal testing facilities for rocket propulsion systems and shall identify the respective responsibilities of the Federal entities and facilities to be use for rocket propulsion research, development, and testing: *Provided further*, That notwithstanding the requirements set forth in subsection (a) $12,000,000 previously appropriated for fiscal year 1987 and allocated for concept definition of the ALS shall be available for that purpose.

(b) Of the funds appropriated for "Research, development, test, and evaluation, Defense Agencies" by this Act, $38,000,000 shall be transferred to NASA as a part of the ALS program utilizing facilities and budgetary resources of both NASA and components of the Defense Department: *Provided*, That funds appropriated by this or any other Act for research, development, test, and evaluation of the ALS system may be obligated and expended only for ALS variants which embody advanced technologies with a design goal of reducing the cost to launch payloads to low Earth orbit by a factor of ten compared with current space boosters costing less than $3,000 (in constant fiscal year 1987 dollars) per pound to low Earth orbit: *Provided further*, That none of the funds appropriated by this Act may be obligated or expended for research, development, test, and evaluation intended to facilitate early deployment of a ballistic missile defense system.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 69: Page 14, after line 16, insert:

SEC. 8. Notwithstanding section 3052(c) (1) and (2) of Public Law 99-570, the Secretary of the Navy shall immediately transfer an APS-125 radar system, to the United States Customs Service to be used for drug interdiction purposes: *Provided*, That $7,500,000 made available in Public Law 99-349, the Urgent Supplemental Appropriations Act of 1986, for an APS-138 radar system shall be made available to the Navy for procurement of an APS-139 radar system as replacement of the radar transferred to the United States Customs Service.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 69 and concur therein with an amendment, as follows: In lieu of "SEC. 8" named in said amendment, insert the following: "SEC. 6".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 70: Page 14, after line 16, insert:

SEC. 9. The Secretary of the Army, as Executive Agent for the Department of Defense, may authorize activities on the part of the Armed Forces in celebration of the Bicentennial of the Constitution, and in support of Congressional Bicentiennial activities. Such sums as are necessary to pay the expenses of these activities shall be made available from funds otherwise appropriated to the Department of Defense, except that such funds shall not be counted against the limitation on funds available for public affairs or legislative liaison activities of the Department of Defense.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 70 and concur therein with an amendment, as follows: In lieu of "SEC. 9" named in said amendment, insert the following: "SEC. 7".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 71: Page 14, after line 16, insert:

SEC. 10. Prior to the implementation of any agreement between the Government of the United States and Kuwait for United States military protection of Kuwaiti shipping, the Secretary of Defense shall submit a report to the Congress, in appropriate classified and unclassified form, which includes a plan which fully meets the security needs of our forces, in conjunction with the forces of or friends and allies in the Persian Gulf region, and specifically addresses, at a minimum:

(a) an assessment of the threats to American forces, to Kuwaiti interests and shipping, and otherwise impacting on the interests of the United States and its friends and allies in the Persian Gulf region;

(b) the Rules of Engagement, alert status and readiness conditions under which our military forces will operate under in the Persian Gulf, and when such conditions will be in force;

(c) cooperative arrangements entered into, being negotiated or contemplated with our European allies with a stake in the Persian Gulf, who have forces deployed or planned for deployment in the Persian Gulf region, and with states littoral to the Persian Gulf for a shared security system, including provision for air cover of those forces.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 71 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 8. Within seven days after enactment of this Act, the Secretary of Defense shall submit a report to the Congress, in appropriate classified and unclassified form, regarding the implementation of any agreement between the governments of the United States and Kuwait for United States military protection of Kuwaiti shipping, which includes a plan which fully meets the security needs of our forces, in conjunction with the forces of our friends and allies in the Persian Gulf region, and specifically addresses, at a minimum:

(a) an assessment of the threats to American forces, to Kuwaiti interests and shipping, and otherwise impacting on the interests of the United States and its friends and allies in the Persian Gulf region;

(b) the Rules of Engagement, alert status and readiness conditions under which our military forces will operate under in the Persian Gulf, and when such conditions will be in force; and

(c) cooperative arrangements entered into, being negotiated or contemplated with our European allies with a stake in the Persian Gulf, who have forces deployed or planned for deployment in the Persian Gulf region, and with states littoral to the Persian Gulf for a shared security system, including provision for air cover of those forces.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 73: Page 14, after line 16, insert:

SEC. 12. Notwithstanding any other provision of law, payments received hereafter as compensation for damages to the U.S.S. *Stark* and other United States governmental expenses arising from the attack on the U.S.S. *Stark* shall be credited to applicable Department of Defense appropriations or funds available for obligation on the date of receipt of such payments.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 73 and concur therein with an amendment, as follows: In lieu of "SEC. 12" named in said amendment, insert the following: "SEC. 9".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:.

Senate amendment No. 87: Page 22, strike out all after line 22 over to and including line 16 on page 23.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 87 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

Pursuant to the Federal Advisory Committee Act (Public Law 92-463), the Secretary of the Army is directed to establish an advisory committee for the Denison Dam (Lake Texoma), Red River, Texas and Oklahoma project authorized by the Flood Control Act approved June 28, 1938 (52 Stat. 1219). The purpose of the Committee shall be advisory only and it shall provide information and recommendations to the Corps of Engineers regarding the operations of Lake Texoma for its congressionally authorized purposes. The Committee shall be composed of representatives equally divided among the project purposes and between the states of Texas and Oklahoma.

The Corps of Engineers, taking into consideration recommendations of the Southwestern Power Administration and the Lake Texoma Advisory Committee, shall, to the extent feasible, develop a management plan for the conservation pool in Lake Texoma that:

(1) Attempts to maintain a water surface elevation between 617 and 612 msl, provided however that hydroelectric power will be generated to help satisfy electric loads when the water surface elevation is between 617 and 612 msl;

(2) when the water surface elevation drops to 612 msl or lower, implements a public information program;

(3) when the water surface elevation is between 612 and 607 msl, provides for the Corps to notify the SWPA that hydroelectric power generation should only be made when it is needed for rapid response, short term peaking purposes as determined by the power scheduling entity;

(4) When the water surface elevation is between 607 and 590 msl,

(a) provides for the Corps to notify the SWPA that hydroelectric power generation should only be made to satisfy critical power needs on the power scheduling entity's electrical system as determined by the power scheduling entity, and

(b) provides for the Corps of Engineers to notify municipal and industrial water users that they should implement water conservation measures designed to lessen the impact of municipal and industrial water withdrawals.

Any amendments to the current water control plan specified above shall not supersede or adversely affect any existing permit, lease license contract, public law or flood control operation relating to Denison Dam (Lake Texoma). The management plan shall have no impact upon the provisions of section 838 of the Water Resources Development Act of 1986. The management plan shall be reevaluated on or after September 30, 1989 by the Corps of Engineers, taking into consideration the recommendations of the Southwestern Power Administration and the Lake Texoma Advisory Committee.

The U.S. Army Corps of Engineers, Tulsa District, shall issue a final report on the Oklahoma portion of the comprehensive study of the Red River Basin, Oklahoma, Arkansas, Louisiana and Texas, no later than September 30, 1988.

The management plan specified above should be formally processed to the Committees on Environment and Public Works and Public Works and Transportation in the Senate and House of Representatives, respectively, if appropriate, for authorization as required prior to any amendments to the current operating plan that could impact health and safety, authorized purposes, or expose the Federal Government to liability. None of the funds in this Act or any other Act relating to water resource development may be used to construct or enter into an agreement to construct additional hydroelectric power generation units at Denison Dam (Lake Texoma) until September 30, 1989.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 92: Page 24, strike out lines 10 to 23.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 92 and concur therein with an amendment, as follows: In lieu of the matter stricken by said amendment, insert the following:

For an additional amount for the Department of the Interior, Bureau of Reclamation, "Construction Program", for the cleanup of Kesterson Reservoir and San Luis Drain of the San Luis Unit, Central Valley Project, to remain available until expended, $5,600,000 to be derived by transfer of unobligated balances in the "Loan Program": *Provided*, That no funds may be obligated for this purpose until the issuance of a waste discharge permit by the Central Valley Regional Water Resources Control Board and a determination by the California Department of Health Services on the classification of the waste at Kesterson Reservoir and San Luis Drain.

In addition, title II of Public Law 99-591 (100 Stat. 3341-200, 201), dated October 30, 1986, "Department of the Interior, Bureau of Reclamation, Construction Program (Including Transfer of Funds)", is amended by striking out "by August 1, 1987,".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 97: Page 26, after line 3, insert:

ADMINISTRATIVE PROVISION

None of the funds appropriated by this or any other Act to the Department of Energy shall be used by the Department to implement Section 2.2.2.2. of DOE/ER 0315 (financial and other incentives) in its review of Superconducting Super Collider proposals, in order to ensure that the Department of Energy bases its final decision on where to site the facility solely on the overall suitability of the site.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 97, and concur therein.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 98: Page 26, after line 3, insert:

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

Of the amounts heretorfore appropriated and made available for Energy Supply, Research and Development Activities, $1,200,000 shall be for completion of the MOD-5-B Wind Turbine Project.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 98 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

ENERGY SUPPLY, RESEARCH AND DEVELOPMENT ACTIVITIES

Of the amounts heretofore appropriated and made available for Energy Supply, Research and Development Activities, an additional $1,200,000 shall be for completion of the MOD-5-B Wind Turbine Project.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 99: Page 26, after line 3, insert:

CHAPTER IV

FOREIGN ASSISTANCE AND RELATED PROGRAMS

MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For an additional amount for payment to the International Development Association by the Secretary of the Treasury, $207,476,749 for the United States contribution to the seventh replenishment, to remain available until expended.

CONTRIBUTION TO THE INTERNATIONAL FINANCE CORPORATION

For an additional amount for payment to the International Finance Corporation by the Secretary of the Treasury, $7,205,610, for the United States share of the increase in subscriptions to capital stock, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT FUND

For an additional amount for payment to the African Development Fund by the Secretary of the Treasury, $36,639,000, for the United States contribution to the fourth replenishment of the African Development Fund, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For an additional amount for payment to the African Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, $6,492,127 to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $17,375,058.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

ECONOMIC SUPPORT FUND

ASSISTANCE FOR CENTRAL AMERICA

(TRANSFER OF FUNDS)

(a) There are hereby transferred to the "Economic support fund" for use pursuant to this heading for assistance for Central America $300,000,000 from funds appropriated by fiscal year 1987 or prior year Department of Defense Appropriations Acts.

(b) Funds transferred pursuant to paragraph (a) shall remain available until September 30, 1988: *Provided*, That the President shall make available the $300,000,000 transferred pursuant to paragraph (a) for assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to Economic support fund assistance) for the countries of Central America with democratically-elected governments as follows:

$55,000,000 shall be made available only for assistance for Guatemala,

$55,000,000 shall be made available only for assistance for Costa Rica,

$60,000,000 shall be made available only for assistance for Honduras,

$130,000,000 shall be made available only for assistance for El Salvador.

(c) Of the funds specified for El Salvador in paragraph (b), $75,000,000 shall be made available only for earthquake relief and reconstruction which shall be used in accordance with the authorities contained in section 491 of the Foreign Assistance Act of 1961, funds made available for the purposes of this paragraph shall be accounted for separately.

(d) The assistance provided under this heading shall be in addition to the amounts previously allocated for fiscal year 1987 for these countries pursuant to section 653 of the Foreign Assistance Act of 1961.

(e) The assistance provided under this heading shall be made available consistent with the policies contained in section 702 of the International Security and Development Cooperation Act of 1985 (relating to El Salvador), section 703 of that Act (relating to Guatemala), and chapter 6 of part I of the Foreign Assistance Act of 1961 (relating to the Central America Democracy, Peace, and Development Initiative).

(f) Funds made available for assistance pursuant to this heading may be obligated only in accordance with the Congressional notification procedures applicable under section 523 of the Foreign Assistance and Related Programs Appropriations Act, 1987, and section 634A of the Foreign Assistance Act of 1961.

(g) Of the funds specified for Honduras in paragraph (b), such amounts as may be necessary shall be made available only to compensate those citizens of the United States that have lost their property and businesses in Honduras as a result of the establishment and operation of the Regional Military Training Center. Such compensation shall be paid in United States dollars through a United States bank during the fourth quarter of fiscal year 1987.

ASSISTANCE IN SUPPORT OF SOLIDARITY

For an additional amount for the "Economic Support Fund", $1,000,000 which shall be made available, notwithstanding any other provision of law, only for the support of the independent Polish trade union "Solidarity".

ASSISTANCE FOR SOUTHERN AFRICA

For an additional amount for the "Economic Support Fund", $50,000,000: *Provided*, That none of these funds may be available for activities in Mozambique or Angola: *Provided further*, That none of these funds may be available to any country for which the President proposes to disburse funds within the Southern Africa Development Coordination Conference until the President certifies that such country (1) has renounced the form of terrorism, commonly known as "necklacing", used against South African blacks; (2) has provided assurances that the government of that country oppose and is making a concerted effort to prevent the operation in its territory of any organization that supports, encourages, or will not renounce the practice of terrorism, including "necklacing" and state terrorism, against South African blacks; and (3) is, according to the best information available to the United States, making a concerted effort to prevent the operation in its territory of any organization that supports, encourages, or will not renounce the practice of terrorism, including "necklacing" and state terrorism, against South African blacks: *Provided further*, That such funds shall be made available only as follows:

(a) $37,500,000 shall be made available to assist the member states of the Southern Africa Development Coordination Conference (SADCC) in carrying out the most urgent sector projects supported by SADDCC in the following sectors: transportation and communications, energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity), agricultural research and training, and industrial development and trade (including private sector initiatives): *Provided*, That of this amount not less than 60 percent shall be used in the transportation sector: *Provided further*, That none of the funds made available under this paragraph may be made available for the design, rehabilitation, construction, or equipping of any rail or road transportation corridor other than the Northern Corridor, which links southern Africa with Dar es Salaam, Tanzania.

(b) $12,500,000 shall be made available for projects and activities for disadvantaged South Africans, or for humanitarian assistance for the member states of SADCC. Assistance for the member states of SADCC may include such activities as: transport of emergency food and medical supplies; refugee assistance; and disaster relief and rehabilitation assistance which shall be provided pursuant to the authorities contained in section 491 of the Foreign Assistance Act.

(c) Of the funds made available for the SADCC member countries for humanitarian assistance by paragraph (b), up to $5,000,000 may be made available for the United Nations Children's Fund's emergency appeals for affected countries in southern Africa.

(d) None of the funds made available under this heading shall be available for obligation pursuant to the provisions of this heading until they have been authorized.

None of the funds appropriated by this Act for southern africa shall be obligated or expended until the President has reported to the House Foreign Affairs Committee, the Senate Foreign Relations Committee and the Committees on Appropriations an itemized accounting of all expenditures of funds authorized by the Foreign Assistance Act of 1986 (Public Law 99-83) for southern Africa and by Public Law 99-440 and, pursuant to such authorizations, subsequently appropriated.

INDEPENDENT AGENCIES

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612) (22 U.S.C. 2501, et seq.), $7,200,000, to remain available until September 30, 1988.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

FOREIGN MILITARY CREDIT SALES

For an additional amount to carry out the provisions of section 23 of the Arms Export Control Act, $36,000,000 of which not more than $25,000,000 shall be available only for the Philippines, not more than $10,000,000 shall be available only for Morocco, and not more than $3,000,000 shall be available only for Kenya: *Provided*, That uncommitted balances of loans made to the Philippines pursuant to section 23 of the Arms Export Control Act since October 1, 1984 and which were made prior to the date of enactment of this act shall be disbursed without requirement for repayment of principal or interest.

EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

LIMITATION ON PROGRAM ACTIVITY

Notwithstanding the "limitation on program activity" contained in Title IV of the Foreign Assistance and Related Programs Appropriations Act, 1987 in Public Law 99-500 and Public Law 99-591, during the fiscal year 1987 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be reduced from $900,000,000 to $700,000,000, and shall be provided under the terms and conditions in the Foreign Assistance and Related Programs Appropriations Act of 1987 as they apply to the Export-Import Bank.

GENERAL PROVISIONS

GUARANTY RESERVE FUND

Section 24(c) of the Arms Export Control Act is amended subject to authorization, by striking the second paragraph and inserting the following:

"Funds provided for necessary expenses to carry out the provisions of section 23 of the Arms Export Control Act, funds provided for necessary expenses to carry out the provisions of chapter 4 of part II and of section 503 of the Foreign Assistance Act of 1961, as amended, may be used to pay claims on the Guaranty Reserve Fund to the extent that funds in the Guaranty Reserve Fund are inadequate for that purpose.".

REPEAL OF SECTION 215(2)

Section 215(2) of title II of the Military Construction Appropriations Act, 1987 as contained in Public Law 99-500 and Public Law 99-591 is hereby repealed.

INTER-AMERICAN DEVELOPMENT BANK

It is the sense of the Congress that United States economic and foreign policy interests in the western hemisphere would be best served if the Secretary of the Treasury were to adhere to the Administration's proposal to modify the voting procedures within the Inter-American Development Bank to require that decisions be taken by the board by a voting majority of 65 percent of the voting shares.

DAIRY SURPLUS PRODUCTS

Funds provided for new development projects of private entities and cooperatives utilizing surplus dairy products may also be used for development projects that include surplus dairy livestock under the Dairy Termination Program.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House Recede from its disagreement to the amendment of the Senate numbered 99 and concur therein with an amendment, as follows:

In lieu of the matter proposed by said amendment, insert the following:

CHAPTER IV

FOREIGN ASSISTANCE AND RELATED PROGRAMS

MULTILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT ASSOCIATION

For an additional amount for payment to the International Development Association by the Secretary of the Treasury, $207,476,749 for the United States contribution to the seventh replenishment, to remain available until expended.

CONTRIBUTION TO THE AFRICAN DEVELOPMENT BANK

For an additional amount for payment to the African Development Bank by the Secretary of the Treasury, for the paid-in share portion of the United States share of the increase in capital stock, $6,492,127 to remain available until expended.

LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

The United States Governor of the African Development Bank may subscribe without fiscal year limitation to the callable capital portion of the United States share of such capital stock in an amount not to exceed $17,375,058.

BILATERAL ECONOMIC ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

AGENCY FOR INTERNATIONAL DEVELOPMENT

ASSISTANCE FOR CENTRAL AMERICA

(TRANSFER OF FUNDS)

(a) For an additional amount for the "Economic support fund", $300,000,000, for use pursuant to this heading for Central America, to be derived by transfer from the following amounts appropriated in prior appropriations Acts for the Department of Defense: "Aircraft Procurement, Army", fiscal year 1985, $10,000,000; "Missile Procurement, Army", fiscal year 1985, $15,000,000; "Weapons and Tracked Combat Vehicles, Army", fiscal year 1985, $20,000,000; "Procurement of Ammunitions, Army", fiscal year 1985, $5,000,000; "Other Procurement, Army", fiscal year 1985, $37,000,000; "Aircraft Procurement, Navy", fiscal year 1985, $19,000,000; "Weapons Procurement, Navy", fiscal year 1985, $35,000,000; "Shipbuilding and Conversion, Navy", fiscal year 1983, $45,000,000; "Other procurement Navy" fiscal year 1985, 5,000,000; "Procurement, Marine Corps", fiscal year 1985, $8,000,000; "Aircraft Procurement, Air Force", fiscal year 1985, $101,000,000: *Provided*, That of the funds obligated in fiscal year 1987 not more than $87,000,000 shall be expended prior to October 1, 1987.

(b) Funds transferred pursuant to paragraph (a) shall remain available until September 30, 1987: *Provided*, That the President shall make available the $300,000,000 transferred pursuant to paragraph (a) for assistance under chapter 4 of part II of the Foreign Assistance Act of 1961 (relating to Economic support fund assistance) for the countries of Central America with democratically elected governments as follows:

$54,750,000 shall be made available only for assistance for Guatemala,

$54,750,000 shall be made available only for assistance for Costa Rica,

$59,750,000 shall be made available only for assistance for Honduras,

$129,750,000 shall be made available only for assistance for El Salvador,

$1,000,000 shall be made available only for assistance for Belize.

(c) Of the funds specified for El Salvador in paragraph (b), $75,000,000 shall be made available only for earthquake relief and reconstruction which shall be used in accordance with the authorities contained in section 491 of the Foreign Assistance Act of 1961. Funds made available for the purposes of this paragraph shall be accounted for separately.

(d) Of the funds specified in paragraph (a), less those amounts designated for earthquake assistance by paragraph (c), not less than 40 percent shall be used for assistance in accordance with the policy directions, purposes, and authorities of chapter 1 and chapter 9 of part I of the Foreign Assistance Act of 1961 and the remainder shall be used in a manner which will generate local currencies for use in accordance with those policy directions, purposes, and authorities.

(e) The assistance specified in paragraph (b) shall be in addition to the amounts previously allocated for fiscal year 1987 for these countries pursuant to section 653 of the Foreign Assistance Act of 1961.

(f) The local currencies generated from the funds specified in paragraph (b) for El Salvador shall be used for projects described in section 702(e)(2) of the International Security and Development Cooperation Act of 1985 (and of those local currencies, not less than 50 percent shall be for projects assisting agrarian reform and the agricultural sector and not less than 10 percent shall be used for judicial reform).

(g) Of the aggregate of the funds specified in paragraph (b), $10,000,000 shall be made available only for Child Survival Fund activities in the Central American democracies.

(h) The assistance provided under this heading shall be made available consistent with the policies contained in section 702 of the International Security and Development Cooperation Act of 1985 (relating to El Salvador), section 703 of that Act (relating to Guatemala), and chapter 6 of part I of the Foreign Assistance Act of 1961 (relating to the Central American Democracy, Peace, and Development Initiative).

(i) Funds made available for assistance pursuant to this heading may be obligated only in accordance with the Congressional notification procedures applicable under section 523 of the Foreign Assistance and Related Programs Appropriations Act, 1987, and section 634A of the Foreign Assistance Act of 1961.

(j) Of the funds specified for Honduras in paragraph (b), $20,000,000 shall be obligated, but shall not be expended, except as provided in the fourth proviso, until the Government of Honduras and an American citizen, whose property and businesses in the vicinity of Trujillo, Honduras, were affected by actions of the Government of Honduras with respect to the Regional Military Training Center, reach a settlement concerning compensation: *Provided*, That in order to facilitate such a settlement the Department of State shall select an independent factfinder. The factfinder shall correct and expand, as may be appropriate, the existing factfinder's report. Such report shall be issued by September 30, 1987: *Provided further*, That if the two parties have not reached a full and final settlement of this matter, including a complete waiver of further claims and liabilities against the Governments of Honduras and the United States, by November 30, 1987, then the Department of State shall request that both parties submit the disagreement to binding international arbitration in accordance with the rules of procedure of the Inter-American Commercial Arbitration Commission. The Commission shall select the arbitrators, and may appoint such experts as it finds necessary in order to establish a base of factual and financial information for the case: *Provided further,* That if the Government of Honduras refuses to agree to binding international arbitration, then the $20,000,000 shall be deobligated and immediately returned to the Treasury of the United States: *Provided further,* That if the United States citizen refuses to agree to binding international arbitration and refuses to agree that the award resulting from the arbitration will constitute a full and final settlement of any and all claims, liabilities and demands, including those which may be directed at the United States, its officers, agents and employees, arising directly or indirectly from the establishment of the Regional Military Training Center, then the $20,000,000 shall be made available for expenditure to the Government of Honduras: *Provided further,* That arbitrators shall consider maintenance costs, interest costs, professional fee costs, land, business and asset valuations and all other matters they deem appropriate: *Provided further,* That nothing in this provision shall prevent the two parties prior to a final arbitration award from reaching a binding full and final written agreement outside the arbitration proceedings: *Provided further,* That funds previously appropriated for the Economic support fund shall be used to pay for the reasonable costs of the activities of the fact-finder, the International Arbitration Commission, the arbitrators, and the experts appointed by the arbitrators.

ASSISTANCE IN SUPPORT OF SOLIDARITY

For an additional amount for the "Economic support fund", $1,000,000, which shall be made available, notwithstanding any other provision of law, only for the support of the independent Polish trade union "Solidarity."

ASSISTANCE FOR SOUTHERN AFRICA

For an additional amount for "Energy and selected development activities, Development Assistance", $50,000,000 to remain available until September 30, 1988: *Provided,* That none of these funds may be available for activities in Mozambique or Angola: *Provided further,* That none of these funds may be available to any country for which the President proposes to disburse funds within the Southern Africa Development Coordination Conference until the President certifies that such country (1) has not advocated the form of terrorism, commonly known as "necklacing," used against South African blacks; (2) has provided assurances that it has taken action against any person who has been found to have practiced necklacing against South African blacks; and (3) is not knowingly allowing terrorists who practice necklacing to operate in its territory: *Provded further,* That such funds shall be made available only as follows:

(a) $37,500,000 shall be made available to assist the member states of the Southern Africa Development Coordination Conference (SADCC) in carrying out the most urgent sector projects supported by SADCC in the following sectors: transportation and communications, energy (including the improved utilization of electrical power sources which already exist in the member states and offer the potential to swiftly reduce the dependence of those states on South Africa for electricity), agricultural research and training, and industrial development and trade (including private sector initiatives): *Provided,* That of this amount not less than 60 percent shall be used in the transportation sector: *Provided further,* That none of the funds made available under this paragraph may be made available for the design, rehabilitation, construction, or equipping of any rail or road transportation corridor other than the Northern Corridor, which links southern Africa with Dar es Salaam, Tanzania.

(b) $12,500,000 shall be made available for projects and activities for disadvantaged South Africans in accordance with section 535 of the Foreign Assistance Act of 1961, or for humanitarian assistance for the member states of SADCC. Assistance for the member states of SADCC may include such activities as: transport of emergency food and medical supplies; refugee assistance; and disaster relief and rehabilitation assistance which shall be provided pursuant to the authorities contained in section 491 of the Foreign Assistance Act.

(c) Of the funds made available for the SADCC member countries for humanitarian assistance by paragraph (b), up to $5,000,000 may be made available for the United Nations Children's Fund's emergency appeals for affected countries in southern Africa.

(d) None of the funds appropriated by this Act for southern Africa shall be obligated or expended until the President has submitted to the House Foreign Affairs Committee, the Senate Foreign Relations Committee, and the Committees on Appropriations the third quarter Project Accounting Information System Report of all economic assistance funds administered by the Agency for International Development that are allocated for southern Africa and which were authorized by the International Security and Development Cooperation Act of 1985 and Public Law 99-440 and, which pursuant to such authorizations were subsequently appropriated.

INDEPENDENT AGENCIES

PEACE CORPS

For an additional amount to carry out the provisions of the Peace Corps Act (75 Stat. 612) (22 U.S.C. 2501, et seq.), $7,200,000, to remain available until September 30, 1988.

MILITARY ASSISTANCE

FUNDS APPROPRIATED TO THE PRESIDENT

MILITARY ASSISTANCE

For necessary expenses to carry out the provisions of section 503 of the Foreign Assistance Act of 1961, $50,000,000, which shall be used only for the Philippines: *Provided,* That amounts appropriated under this heading shall be available notwithstanding section 10 of Public Law 91-672 and section 15(a) of the State Department Basic Authorities Act of 1956.

FOREIGN MILITARY CREDIT SALES

For an additional amount to carry out the provisions of section 23 of the Arms Export Control Act, $13,000,000 of which $10,000,000 shall be available only for Morocco, and $3,000,000 shall be available only for Kenya.

EXPORT ASSISTANCE

EXPORT-IMPORT BANK OF THE UNITED STATES

LIMITATION ON PROGRAM ACTIVITY

Notwithstanding the "limitation on program activity" contained in title IV of the Foreign Assistance and Related Programs Appropriations Act, 1987 in Public Law 99-500 and Public Law 99-591, during the fiscal year 1987 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be reduced from $900,000,000 to $680,000,000 and shall be provided under the terms and conditions in the Foreign Assistance and Related Programs Appropriations Act of 1987 as they apply to the Export-Import Bank.

GENERAL PROVISIONS

GUARANTY RESERVE FUND

Section 24(c) of the Arms Export Control Act is amended by striking the second paragraph and inserting the following:

"Funds provided for necessary expenses to carry out the provisions of section 23 of the Arms Export Control Act and of section 503 of the Foreign Assistance Act of 1961, as amended, may be used to pay claims on the Guaranty Reserve Fund to the extent that funds in the Guaranty Reserve Fund are inadequate for that purpose.

REPEAL OF SECTION 215(2)

Section 215(2) of title II of the Military Construction Appropriations Act, 1987 as contained in Public Law 99-500 and Public Law 99-591 is hereby repealed.

INTER-AMERICAN DEVELOPMENT BANK

It is the sense of the Senate that United States economic and foreign policy interests in the western hemisphere would be best served if the Secretary of the Treasury were to adhere to the Administration's proposal to modify the voting procedures within the Inter-American Development Bank to require that decisions be taken by the board by a voting majority of 65 percent of the voting shares.

DAIRY SURPLUS PRODUCTS

Funds provided for new development projects of private entities and cooperatives utilizing surplus dairy products may also be used for development projects that include surplus dairy livestock under the Dairy Termination Program.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 102: Page 26, after line 6, insert:

HOUSING PROGRAMS

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 102 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

HOUSING PROGRAMS

PAYMENTS FOR THE OPERATION OF LOW-INCOME HOUSING PROJECTS

(INCLUDING RESCISSION)

Of the amounts made available under this head in section 101(g) of Public Laws 99-500 and 99-591 (100 Stat. 1783-242, 3341-242) for payments to public housing agencies and Indian housing authorities, $65,000,000 are rescinded and the balance shall be for payment of operating subsidies under section 9, United States Housing Act of 1937 (42 U.S.C. 1437g): *Provided,* That, notwithstanding section 9(d) of such Act, any amount of such balance not required for such purpose shall be made available only for increased liability insurance costs not reflected in the performance funding system formula (24 C.F.R. Part 990).

For an additional amount for "Payments for the operation of low-income housing projects", $65,000,000, as authorized by section 9 of the United States Housing Act of 1937, as amended (42 U.S.C. 1437g), to be available for obligation on September 25, 1987, and to remain available until September 30, 1988: *Provided,* That such amount shall be available only for insurance costs not reflected in the performance funding system formula.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 114: Page 28, after line 22, insert:

ADVANCES TO TRUST FUNDS

Pursuant to Public Law 99-500 and Public Law 99-591, amounts advanced to the Hazardous Substance Response Trust Fund shall remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 114 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

ADVANCES TO TRUST FUNDS

Pursuant to Public Law 99-500 and Public Law 99-591, amounts advanced to the Hazardous Substance Response Trust Fund shall remain available until expended.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 115: Page 29, strike out lines 4 to 13, and insert:

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For an additional amount for "Disaster relief", $57,475,000, to remain available until expended.

ADMINISTRATIVE PROVISION

The regulation changes to 44 CFR parts 59 and 60 promulgated by the Federal Emergency Management Agency and set forth at 51 Fed. Reg. 30306-30309 (August 25, 1986), which amended the definition, placement, and evaluation of mobile homes in an existing mobile home park or mobile home subdivision, as previously defined, shall not be effective from enactment of this Act through September 30, 1987.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 115 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following:

FEDERAL EMERGENCY MANAGEMENT AGENCY

DISASTER RELIEF

For an additional amount for "Disaster relief", $57,475,000, to remain available until expended.

ADMINISTRATIVE PROVISION

The regulation changes to 44 CFR parts 59 and 60 promulgated by the Federal Emergency Management Agency and set forth at 51 Fed. Reg. 30306-30309 (August 25, 1986), which amended the definition, placement, and elevation of mobile homes in an existing mobile home park or mobile home subdivision, as previously defined, shall not be effective from enactment of this Act through September 30, 1988.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 116: Page 29, after line 13, insert:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

CONSTRUCTION OF FACILITIES

(TRANSFER OF FUNDS)

For an additional amount for "Construction of Facilities", $3,000,000, to remain available until September 30, 1989, and to be derived by transfer from "Space flight, control and data communications".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 116 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

CONSTRUCTION OF FACILITIES

(INCLUDING TRANSFER OF FUNDS)

For an additional amount for "Construction of facilities", $303,000,000, to become available on September 25, 1987, and remain available until September 30, 1989, of which $300,000,000 shall be transferred to "Space flight, control and data communications".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 125: Page 31, line 10, strike out "$450,000" and insert "$2,126,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 125 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment insert the following:

$2,126,000, of which $1,255,000 for hazardous waste site activities in Oroville, Washington, shall remain available until September 30, 1988.

The motion was agreed to.

□ 1530

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 128: Page 31, after line 14, insert:

LAND ACQUISITION

For an additional amount for "Land acquisition", $5,000,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 128 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "$5,815,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the motion is as follows:

Senate amendment No. 129: Page 31, line 18, strike out "$18,050,000" and insert "$17,631,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 129 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment insert "$18,250,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the motion is as follows:

Senate amendment No. 133: Page 32, after line 7, insert:

ADMINISTRATIVE PROVISION

Notwithstanding any other provision of law, the pesticide application program described in the West Virginia Department of Natural Resource's permit application to conduct a pesticide (bacillus thuringiensis israelensis (Bti)) spraying program on the New River, West Virginia, to control the river's black fly (Simulium jenningsi) population, received by the Superintendent of New River Gorge National River, West Virginia, on September 9, 1986, is hereby permanently approved. No additional analyses, proposals, or approvals will be required for the State to conduct similar pesticide application programs in future years. The State shall notify the National Park Service of its planned annual program at least ninety days in advance of spraying, and shall consider the recommendations provided by the National Park Service, the United States Fish and Wildlife Service, and other parties in the conduct of the pesticide application program.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 133 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

ADMINISTRATIVE PROVISION

Notwithstanding any other provision of law, the pesticide application program described in the West Virginia Department of Natural Resources' permit application to conduct a pesticide (bacillus thuringiensis israelensis [Bti]) spraying program on the New River, West Virginia, to control the river's black fly (Simulium jenningsi) population, received by the Superintendent of New River Gorge National River, West Virginia, on September 9, 1986, is hereby approved as a demonstration project for a period of eight years from the date of enactment of this Act, unless the pesticide Bti is removed from the registered list of pesticides, as determined by the Environmental Protection Agency, at an earlier date. No additional analyses, proposals, or approvals will be required for the State to conduct similar pesticide application programs during the period of the demonstration project provided herein. The State shall notify the National Park Service of its planned annual program at least ninety days in advance of spraying, and shall consider the recommendations provided by the National Park Service, the United States Fish and Wildlife Service, and other parties in the conduct of the pesticide application program. The State shall also enter into an indemnity agreement with the National Park Service which will protect the Service from all tort claims which might arise from the State's spraying program. The State and the National Park Service shall jointly conduct a monitoring program on the effects of the pesticide application, including the impact on natural, cultural and recreational values of the National River.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 136: Page 33, after line 2, insert:

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ABANDONED MINE RECLAMATION FUND

Section 405(k) of the Surface Mining Control and Reclamation Act of 1977 (Public Law 95-87) is amended by adding at the end thereof, "except for purposes of subsection (c) of this section with respect to the Navajo and Hopi Indian Tribes.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whiten moves that the House recede from its disagreement to the amendment of the Senate numbered 136 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following:

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

ABANDONED MINE RECLAMATION FUND

Section 405(k) of the Surface Mining Control and Reclamation Act of 1977 (Public Law 95-87) is amended by adding at the end thereof, "except for purposes of subsection (c) of this section with respect to the Navajo, Hopi and Crow Indian Tribes".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 137: Page 33, after line 4, insert:

For an additional amount for "Operation of Indian programs", $3,127,000, including $200,000 to carry out the provisions of the Higher Education Amendments Act of 1986 (Public Law 99-498).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 137 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert the following: "For an additional amount for "Operation of Indian programs", $3,153,000: *Provided*, That not to exceed $226,000 shall be paid for the settlement of three appeals related to mineral leasing revenues that have been collected and disbursed to Indian allottees.".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 148: Page 33, line 25, strike out all after "$1,500,000," over to and including "Service"" in line 2 on page 34 and insert: "to remain available until expended".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 148 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert: "of which $7,005,000 shall remain available until expended, and of which $995,000 shall be transferred to the "Forest Research" appropriation account of the Forest Service, to remain available until expended.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 151: Page 34, line 6, strike out "$130,000" and insert "$1,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreeemnt to the amendment of the Senate numbered 151 and concur therein with an amendment, as follows: In lieu of the sum stricken and inserted by said amendment, insert "$1,000,000, to remain available until expended".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 154: Page 34, after line 8, insert:

TIMBER PURCHASER ROADS CONSTRUCTED BY THE FOREST SERVICE

(RESCISSION)

(INCLUDING DISAPPROVAL OF DEFERRAL)

Of the funds previously made available and unobligated in this permanent appropriation account, $30,000,000 is rescinded.

The Congress disapproves deferral D87-37 relating to the Forest Service, "Timber purchaser roads constructed by the Forest Service", as set forth in the message of January 28, 1987, which was transmitted to the Congress by the President. The disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 154 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

TIMBER ROADS, PURCHASER ELECTION, FOREST SERVICE

(RESCISSION)

Of the funds previously made available and unobligated in this permanent appropriation account, $30,000,000 is rescinded.

The Congress disapproves deferral D87-37 relating to the Forest Service, "Timber roads, purchaser election, Forest Service", as set forth in the message of January 28, 1987, which was transmitted to the Congress by the President. This disapproval shall be effective upon enactment into law of this Act and the amount of the proposed deferral disapproved herein shall be made available for obligation.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 156: Page 35, strike out lines 22 to 25.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 156 and concur therein with an amendment, as follows: Restore the matter stricken by said amendment, amended as follows: In lieu of the sum named in said amendment insert "$700,000"

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 159: Page 36, after line 23, insert:

GENERAL PROVISION

Notwithstanding the provisions of Public Law 99-663, which established the Columbia River Gorge National Scenic Area, the Pierce National Wildlife Refuge and the Little White Salmon National Fish Hatchery shall continue to be administered, operated, and maintained in accordance with the provisions of the Refuge Administration Act by the United States Fish and Wildlife Service.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 159 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

GENERAL PROVISION

Notwithstanding the provisions of Public Law 99-663, which established the Columbia River Gorge National Scenic Area, the Pierce National Wildlife Refuge and the Little White Salmon National Fish Hatchery shall continue to be administered, operated and maintained in accordance with the provisions of the National Wildlife Refuge System Administration Act, Fish and Wildlife Coordination Act, and Fish and Wildlife Act of 1956 by the U.S. Fish and Wildlife Service.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 174: Page 40, after line 4, insert:

For an additional amount for Home Delivered Nutrition Services under subpart 2 of part C of title III of the Older Americans Act of 1965, not to exceed $1,400,000, to be obligated by September 30, 1987, which shall be derived from unobligated funds appropriated for section 311 of the Older Americans Act of 1965 for fiscal year 1985 or fiscal year 1986, or both.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 174 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert the following:

"For an additional amount for Home Delivered Nutrition Services under subpart 2 of part C of title III of the Older Americans Act of 1965, $1,400,000."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 181: Page 41, strike out all including line 1 over to and including line 2 on page 42.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 181 and concur therein with an amendment as follows: Restore the matter stricken by said amendment amended to read as follows:

CHICAGO LITIGATION SETTLEMENT

(TRANSFER OF FUNDS)

To enable the United States of America to satisfy in full any and all obligations it may have to provide financial assistance for the Chicago Board's Desegregation Plan under section 15.1 of the Consent Decree entered in the case *United States* v. *Board of Education of the City of Chicago*, 80 C 5124, and to resolve all claims of the Chicago Board and all litigation concerning the United States' obligations to the Chicago Board under section 15.1, there is hereby appropriated $83,000,000 to be derived by transfer of remaining unobligated or contingently obligated balances of appropriations for fiscal years 1983 through 1986 for the Department of Education that would have been expended or lapsed but for the escrow provisions established as a result of the litigation between the Chicago Board and the United States: *Provided*, That the Secretary of Education shall make these funds available to the Board to be used only for desegregation activities in accordance with the terms and conditions of the Consent Decree: *Provided further*, That these funds shall be made available to the Board in five equal annual grants beginning in fiscal year 1988: *Provided further*, That this $83,000,000 reappropriation constitutes full and final satisfaction of any and all past, present and future claims that the Chicago Board may have against the United States arising under or resulting from section 15.1 of the Consent Decree, and releases the United States from any further liability under section 15.1: *Provided further*, That the funds appropriated by this Act shall remain available until expended.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the motion is as follows:

Senate amendment No. 189: Page 42, after line 4, insert:

MISCELLANEOUS ITEMS

For an additional amount for "Miscellaneous items", $1,500,000.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 189 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$1,300,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 204: Page 44, after line 20, insert:

TORREJON AIR BASE, SPAIN

It is the sense of the Senate that all facility construction costs associated with the relocation of the Tactical Fighter Wing at Torrejon Air Base, Spain, to another location, should be the responsibility of the North Atlantic Treaty Organization.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. Whitten moves that the House recede from its disagreement to the amendment of the Senate numbered 204 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following:

TORREJON AIR BASE, SPAIN

It is the sense of the Congress that all facility construction costs associated with the relocation of the Tactical Fighter Wing at Torrejon Air Base, Spain, to another location, should be the responsibility of the North Atlantic Treaty Organization.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 208: Page 46, line 8, strike out "$450,000" and insert "$10,450,000, to remain available until expended: *Provided*, That $10,000,000 shall be made available for a grant for a human nutrition research center to be designated and established hereafter as a United States Department of Agriculture nutrition research center at the Pennington Biomedical Research Center of Louisiana State University".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 208 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$9,891,000, to remain available until expended".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the motion is as follows:

Senate amendment No. 211: Page 47, strike out line 10 and insert "$14,000,000 to remain available until expended: *Provided*, That of available funds under "Agricultural Stabilization and Conservation Service, Rural Clean water program", $6,000,000 are rescinded.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The test of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 211 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$30,200,000, to remain available until expended: *Provided*, That of available funds under "Agricultural Stabilization and Conservation Service, Rural Clean Water Program", $6,000,000 are rescinded".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 212: Page 47, after line 10, insert:

EXTENSION SERVICE

For an additional amount of "Extension Service", for special grants for financially stressed farmers and dislocated farmers as authorized by section 1440 of Public Law 99-198, $600,000, to remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 212 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

EXTENSION SERVICE

For an additional amount for "Extension Service, Federal administration and coordination", for special grants for financially stressed and dislocated farmers, $300,000, to remain available until expended.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 214: Page 47, after line 21, insert:

DAIRY INDEMNITY PROGRAM

For the Dairy Indemnity Program, an additional $1,000,000, to remain available until expended: *Provided*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 214 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert the following: "$553,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 215: Page 48, line 10, strike out "$6,563,189,000" and insert "$6,653,189,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the amendment is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 215 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert the following: "$5,553,189,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 218: Page 48, lines 22 and 23, strike out "; and insert payments to the United States Treasury, $400,000,000".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 218 and concur therein with an amendment, as follows: In lieu of the matter striken by said amendment, insert the following: ", and for other disaster payments required by the Farm Disaster Assistance Act of 1987, $25,000,000; and interest payments to the United States Treasury, $440,000,000".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 219: Page 49, after line 2, insert:

HONEY

Section 1001(2) of the Food Security Act of 1985 (7 U.S.C. 1308(2)) (as added by section 108(a) of Public Law 99-500 and Public Law 99-591) is amended by striking out subparagraph (C).

MOTION OFFERED BY MR. WHITTEN

The SPEAKER pro tempore (Mr. GLICKMAN). The Clerk will report the motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 219, and concur therein.

Mr. CONTE. Mr. Speaker, I demand that the question be divided.

The SPEAKER pro tempore. The Chair will divide the question.

The question is, Will the House recede from disagreement to the Senate amendment numbered 219?

The House receded from disagreement to Senate amendment No. 219.

PREFERENTIAL MOTION OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. CONTE moves that the House concur in the amendment of the Senate numbered 219, with an amendment as follows: In lieu of the matter inserted by said amendment, insert:

Section 1001(2)(C) of the Food Security Act of 1985 (7 U.S.C. 1308(2)(C)), as amended by Public Law 99-500 and Public Law 99-591, is amended—

(1) by inserting "(i)" after "(C)", and

(2) by adding at the end the following:

"(ii) No certificate redeemable for stocks of a commodity held by the Commodity Credit Corporation may be redeemed for honey held by the Corporation.".

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. CONTE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, this motion is very simple. It directs the House to concur in the Senate amendment with a little amendment of our own. My amendment here does two things. First, it maintains the $250,000 cap on honey loans. Second, it closes the loophole in current law that lets these 15 or 20 beekeepers use generic certificates to get around the cap as they have been doing since April.

Senate amendment No. 219 was the sweetest of the 437 Senate amendments tacked onto this supplemental during the months since it has left the House. It's a stinging provision that has been included in this conference report to bail out the wealthiest corporate beekeepers in America. It should have been the first one we swatted down during the weeks we spent in conference. But no, it stuck in here.

You can laugh, but I've taken this well dozens of times in the past few years to try and put and end to the costly, wasteful Federal boondoggle known as the "Honey Support Program." So far, all this Congress has agreed to do is to limit to $250,000 the guaranteed profits of the "poor, family farmers" hovering on the verge of bankruptcy. Two hundred and fifty thousand.

You tell me how many Americans are guaranteed a Federal income of $250,000 every year, and then want the lid taken off their entitlement.

We talk a lot about plant closings, when we need to have a few beehive closings. We talk about the rural poor, we fight to get a few more pregnant mothers on the WIC rolls, we fight to get a few more dollars into these homeless shelters and soup kitchens, and here, today, we're going to vote to open the Treasury's coffers to a dozen corporate beekeepers. We ought to be ashamed.

We are swimming in 60 million pounds of surplus honey that we pay to produce, store, test, and handle, and the Senate asked us to drown in 10 million more.

They ought to be ashamed. We all ought to be ashamed of the honeycomb of programs we have created and can't control. Since we tried to tighten down on the size of their hives last October, the queen bees have been swarming all over this Capitol. They've had a sweet deal with Uncle Sam now for 38 years, but it's time we told them to buzz off.

If we recede to the Senate amendment, 15 or 20 of the biggest honey producers would be exempted from the $250,000 cap on outstanding CCC loans. It's unbelievable to this Member. They want our blessing. I'm surprised we didn't just put their names right in the law.

I for one have had it up to here with all these special blessings. Loopholes in our farm laws already exempt everything from State prisons to crown princes.

The beekeepers have already found a way around the current limit using "funny money" certificates, a practice my amendment will put a stop to. The amendment I have prohibits the use of certificates in the redemption of honey loans.

My friends, we are spending $27 billion a year for programs like these. No wonder the CCC is broke, and has been broke for 60 days. How many more supplementals will we need this year and next before we start working to draw the line?

I'm not going to stand for it any longer, and I don't think this House ought to stand for it either. Just say no—to all the fat subsidy addicts trying to stick the taxpayers for more. Mr. Speaker, I hope that this House will overwhelmingly support my motion. Say no to this outrageous effort to take the lid off a $250,000 loan limit. Say no to the lawyers and accountants who have worked to find a way around the spirit of the law. Send a message to our friends on the Agriculture Committees of both sides that the time is ripe for farm program reform.

They are a couple of years behind in the Department of Agriculture on loan and payment data. Things may have gotten worse, but I just got a printout of the producers who received over $500,000 each under the 1984 Honey Loan Program.

A.H. Meyer & Sons in Winfred, SD, $912,259.

Dick Ruby in Milner, ND, $612,212.

Adee Honey Farms, and I could call them "Money Farms," $837,897.

Powers Apiaries, Bismarck, ND, $653,904.

The Knoefler Honey Farms, Baldwin, ND, $714,045 for honey loans.

I am going to ask for a rollcall on this. I want the Members to go home and tell your people that you wanted to vote to give these guys even more money, more money than they are getting at the present time.

□ 1545

My amendment last year set a $250,000 limit, and yet they are in there with both cheeks and both hands in those honeycombs wanting more.

Mr. Speaker, I do not think anybody will oppose this amendment.

The **SPEAKER** pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. **WHITTEN**. Mr. Speaker, I know all my colleagues join me in extending our congratulations to my friend, the gentleman from Massachusetts. We are glad to see the gentleman back in form and feeling better.

Now, the facts are that the statement we have in our conference report is as follows:

> The conference agreement includes a Senate provision which eliminates the cap on honey loans made through the Commodity Credit Corporation.

At the present time, honey is the only commodity with a loan cap. The conferees believe it is unfair to single out a single commodity and have therefore included language which repeals the loan cap for the honey program and treats it like other commodities.

I explain this for my colleagues as they vote on this issue.

The **SPEAKER** pro tempore. Is there any further debate on this motion?

If not, the question is on the preferential motion offered by the gentleman from Massachusetts [Mr. CONTE] to concur in the Senate amendment No. 219 with an amendment.

The preferential motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 222: Page 49, after line 17, insert:

LOAN SERVICING REGULATIONS

None of the funds appropriated or made available by this or any other Act, or otherwise made available to the Secretary of Agriculture or the Farmers Home Administration, may be used to implement the regulations relating to the general revision of farmer program regulations of the Farmers Home Administration published in 52 Federal Register 1706 (1987) or any other regulations that would have the same effect as such regulations.

MOTION OFFERED BY MR. WHITTEN

Mr. **WHITTEN**. Mr. Speaker, I offer a motion.

The **SPEAKER** pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 222 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

LOAN REGULATIONS

Hereafter, funds appropriated or available to the Farmers Home Administration under this or any other Act to make or to service farm loans shall be available for continuing assistance to delinquent borrowers on the basis of the policies contained in Farmers Home Administration Announcement Number 1113-1960, dated November 30, 1984.

Hereafter, none of the funds appropriated or made available by this or any other Act, or otherwise made available to the Secretary of Agriculture or the Farmers Home Administration, may be used to implement section 1944.16(c)(1) of title 7, Code of Federal Regulations, as published in 52 Federal Register 11983 (April 14, 1987) or any other regulation that would have the same effect as such regulation.

The motion was agreed to.

The **SPEAKER** pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 223: Page 49, after line 17, insert:

RURAL ELECTRIFICATION ADMINISTRATION

Notwithstanding the amount authorized to be prepaid under section 306A(d)(1) of the Rural Electrification Act of 1936 (7 U.S.C. 936a(d)(1)), a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) that serves six or fewer customers per mile may, at the option of the borrower, prepay such loan (or any loan advance thereunder) during fiscal year 1987 or 1988, in accordance with section 306A of such Act.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 223 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

RURAL ELECTRIFICATION ADMINISTRATION

Hereafter, notwithstanding section 306A(d) of the Rural Electrification Act of 1936 (7 U.S.C. 936(d)), a borrower of a loan made by the Federal Financing Bank and guaranteed under section 306 of such Act (7 U.S.C. 936) may, at the option of the borrower, prepay such loan (or any loan advance thereunder) in accordance with section 306A of such Act.

PARLIAMENTARY INQUIRY

Mr. PACKARD. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. PACKARD. Mr. Speaker, is this the amendment that deals with the Rural Electrication Administration?

The SPEAKER pro tempore. The gentleman is correct.

POINT OF ORDER

Mr. PACKARD. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. PACKARD. Mr. Speaker, I make a point of order, the following points of order, actually:

No. 1, that subject to rule 21, clause 2, this amendment is legislating on appropriation bills.

No. 2, that this amendment is not germane to the supplemental appropriations bill.

No. 3, that this amendment violates section 302(f) of the Congressional Budget Act.

No. 4, that this amendment violates section 311(a) of the Congressional Budget Act.

The SPEAKER pro tempore. Does the gentleman from Mississippi wish to be heard on the point of order?

Mr. WHITTEN. Mr. Speaker, I rise in opposition to the point of order. This amendment is germane to the amendment of the Senate.

What the amendment does is quite straightforward. It removes the phrase "that serves 6 or fewer customers per mile" from the Senate amendment. This has the direct result of allowing REA's that have population density of up to 12.4 customers per mile to qualify, rather than just 6 customers per mile.

The amendment does not change the class of borrowers that can prepay; it simply enlarges the same class. It does not add some other type of borrower.

The Senate amendment allows Rural Electrification Administration borrowers who serve six or fewer customers per mile of line to refinance their REA guaranteed debt with the Federal Financing Bank without being assessed a prepayment penalty.

There are 51 borrowers whose loans bear an interest rate such that they would be worthwhile to refinance at present interest rates.

At present there are 31 borrowers with loans whose density is 6 or fewer per mile.

There are 20 borrowers with loans whose density is greater than 6 customers per mile of line.

The conference agreement would allow all 51 borrowers to refinance their loans rather than only 31 borrowers.

This type of amendment is clearly in order and is germane.

Cannon's procedures states, "A general subject may be amended by specific proposition of the same class." Mr. Speaker, this is exactly what is being done.

In fact, the amendment is even stricter. In effect, what is involved is a proposition being amended by the same proposition in the same class. Clearly, such an amendment expands the scope, but is germane.

Mr. Speaker, I respectfully request that the point of order be overruled.

I believe this is not a violation of any provision of the Budget Act. It is not in violation, since no allocation of discretionary budget authority has been exceeded.

The SPEAKER pro tempore. Are there other Members who wish to be heard on the point of order?

Mr. PACKARD. Simply, Mr. Speaker, that it appears to me obvious that this is legislating differently than what is in the supplemental, in that it does change the Government's budget responsibilities to the loans that have been executed some years ago by the different providers from the REA.

I cannot conceive that changing those budget requirements and obligations would be a legislative matter.

The SPEAKER pro tempore. The Chair is prepared to rule.

With respect to the issue of whether this motion constitutes legislation on an appropriations bill, the Chair rules that it is not in violation of clause 2 ——— XX, since the amendment was brought back in disagreement for a separate vote, not as part of the conference report. Therefore, the Chair rules that the motion, while continuing legislation on an appropriation bill; does not violate any rule of the House at this stage of the proceedings as an amendment to the Senate amendment.

With respect to the germaneness issue that the gentleman raises, the motion is germane to the Senate amendment since relating to the same class of borrowers covered by the Senate amendment and the Senate amendment itself is being brought back in disagreement for a separate vote. Therefore, there is no valid germaneness point of order with respect to the motion disposing of the Senate amendment.

With respect to the Budget Act points of order, the sections that the gentleman cited, this motion provides for a prepayment provision on loans. It involves no budget authority or budget outlays in fiscal year 1987. It actually results in outlay savings, not expenditures, in 1987, since it involves prepayment of loans.

Therefore, the Chair overrules the various points of order.

Mr. PACKARD. Mr. Speaker, in view of the Chair's decision on the points of order, Mr. Speaker, I would request time to at least inform the Members of the House precisely what we are doing on this issue and ask for a division of my time.

The SPEAKER pro tempore. The Chair will recognize the gentleman from Mississippi [Mr. WHITTEN] for 30 minutes and the gentlewoman from Nebraska [Mrs. SMITH] for 30 minutes.

Mr. PACKARD. Mr. Speaker, I presume they are in favor of the motion. I rise in opposition and would request at least a third of the time.

The SPEAKER pro tempore. The Chair will restate it.

The gentleman from California [Mr. PACKARD] will be recognized for 20 minutes, the gentleman from Missisippi [Mr. WHITTEN] will be recognized for 20 minutes, and the gentlewoman from Nebraska [Mrs. SMITH] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. PACKARD].

Mr. PACKARD. Mr. Speaker, I certainly do not intend to take the full 20 minutes, but I do think that it is important that the Members of the House understand what we are doing in this motion, because it has significant budget overtones.

A few years ago, actually it was in 1982 and 1983, when interest rates were rather high, many of the co-ops of REA negotiated loans to put in facilities to provide power to their customers, and in so doing negotiated loans with government help; in fact, with the Government making those loan agreements with the preferred benefit of government backing at the lowest possible rate at the time, which was around a little over 8 percent, which when interest rates were around 21 percent for the normal consumers was a sweet deal and certainly of benefit to the co-ops.

Now that interest rates have gone down, and incidentially, when they negotiated these loans they signed agreements, voluntarily signed agreements recognizing the benefits they were getting with preferred loans. They signed agreements that they would pay a prepayment penalty if they refinanced those loans.

In the process recently, they want to refinance those loans at a better interest rate, but the Government was the one that made the loans from the Federal Financing Banks initially and then passed it on almost at face value to the co-ops.

The end result of that as we refinance, they now are asking in this motion to waive the prepayment penalties and transfer those prepayment penalties to the taxpayers. That adds up to the tune of $1.8 billion to the taxpayers.

Assuming interest differentials in this refinancing process that was originally accepted by the co-ops, and now they want the Federal Government, the taxpayers, to assume that additional cost. I do not think that is appropriate.

Last year we had co-ops come to us as the Congress and ask for some relief because they were in a hardship case. They were actually defaulting on their loans. We agreed to accept and to underwrite those loans. That took care of those who were needy, but none of these that I am aware of, none of these co-ops are struggling. All of them are solvent. All of them are healthy. They simply are asking for this waiver because it would be a significant windfall to them after already receiving a rather preferential arrangement in the original loans.

I just cannot believe that the Congress would go along with assuming or having the taxpayers assume $1.8 billion of loan commitments that these agencies of the REA agreed to a few years ago simply because they have asked for it.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may require.

I realize how the gentleman feels about this. May I point out that farmers are the only group in the world where our Government is holding their feet to the fire. They have got to pay everything they owe, show that they can pay that in 1 year, plus what they borrow, or else they cannot get a loan. We have had 170,000 farms foreclosed.

The REA predominantly serves rural areas. The REA co-ops would be the only folks in the world that could not refinance what they owe.

Now, at this time the Bank of America and other banks are borrowing money from Japan. The debt that we have is being financed by West Germany and Japan.

May I say that of the savings we have here, not a dollar of it is going on the debt or the deficit. It is going to increase foreign aid. It is going to help increase military spending.

Now, let me go further and say, we had this REA issue up last year with the Secretary of the Treasury and he agreed they could refinance $2 billion. You will recall that on the Senate side they adopted one amendment on REA they claimed was about Alaska, that said if they paid off their REA loan, they could never borrow from the Federal Government again. But that is not what the amendment said, but we found it out and corrected it.

So may I say, let us not punish rural people again. Folks forget that 84 percent of this country is rural, cities of 15,000 or less. We are penalizing those engaged in agriculture, our farmers, like nobody else in the world. So that is the situation.

I can see why the gentleman might feel as he does, but this Nation, if ever in history it needs to get some cash, it is now. We should let the co-ops do it.

Mr. OBEY. Mr. Speaker, will the chairman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, I would simply like to put this in a little better perspective.

I would like to suggest that what is happening here now for the REA's is something that the administration already unilaterally agreed to do for foreign countries. The fact is that when we had the foreign assistance title of the supplemental before the House earlier in the year, that section was stricken on a very close vote on the House floor. Anybody who voted to strike that foreign aid section of the bill voted against putting a moratorium on the ability of the administration to automatically forgive loans for foreign countries for foreign military loans.

So it seems to me that if we do not want this provision to apply to REA's, then the entire generic idea should have been stopped when we tried to stop it on the foreign assistance title. But now since we did not have the prohibition in the House bill and since the Senate itself was in favor of allowing the administraiton to proceed to allow foreign countries to write down their loans, now that it is Open Sesame in terms of foreign loans, that is already happening. It seems to me that if we cannot do for our REA's what the administration is unilaterally doing for foreign countries, then we ought to go back to the drawing board and start over. There is no reason in the world why we should not be able to do this for the REA's if the administration has already given away the bank in terms of foreign countries, some of whom were most certainly not needy.

Mr. PACKARD. Mr. Speaker, will the chairman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. PACKARD. No. 1, Mr. Speaker, the REA's are not being penalized. They have had opportunity to participate——

Mr. WHITTEN. I am not accusing the gentleman of penalizing them. We just are not giving them equal treatment. We give the same treatment to everybody else.

Mr. PACKARD. On the contrary, I believe they have received more than equal treatment. We do not have any borrowing agency in this country that I am aware of that is coming to the Federal Government and asking us to waive their loans and have the taxpayers assume a sizable portion of those loans, particularly when they are not needy.

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Second, these loans—they are making the payments on them now. They are not declaring hardship. I have been a supporter of the REA. I was born and raised in rural Idaho, and understand what they have done. But I think that it should be clarified that 99 percent of rural America is now electrified, and that was one of the fundamental purposes of REA.

Mr. WHITTEN. Many farmers are unable to pay their electric bill due to the farm situation.

Mr. PACKARD. These that are requesting are paying their bills.

Mr. WHITTEN. I am talking about across the United States as a whole.

Mr. PACKARD. Is it right for the Federal Government, the taxpayers, to assume the loan obligations of any borrowing agency—and in this case the REA agencies—any borrowing agencies that simply come and ask to be relieved of the loan commitments that they willingly made and signed?

Mr. WHITTEN. No, they are not, they are asking to let them borrow money elsewhere and pay the Government back. At a time when we are begging Japan and West Germany to finance our loans, we should want this cash in hand to help meet the Government's obligations.

Mr. PACKARD. I do not think that this debate centers on foreign policy at all. I think that this debate is strictly——

Mr. WHITTEN. Foreign policy is very expensive.

Mr. PACKARD. No question about it, but we ought not to exacerbate an already existing deficit problem.

Mr. WHITTEN. We ought to give the same benefits to our own people that we give to foreign countries.

Mr. PACKARD. One of the concerns is that this will open up a precedent that will invite every other agency.

Mr. WHITTEN. It would be a good precedent.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from Wisconsin.

Mr. OBEY. I thank the gentleman for yielding.

Mr. Chairman, I would like to make the point that the precedent has already been set. It was set by the administration this year when the administration decided that they were going to allow Korea to write down their old high-interest-rate loans, come in, rewrite those loans, come in, because now the interest rates that are being charged are at a lower rate. That gave Korea a multimillion-dollar break on the United States taxpayer. The taxpayer is paying that interest.

My question is, if we can do that for Korea, why should we not do it for our farmers here at home and our REA's here at home?

Mr. PACKARD. The next question is, Why not then do it for every agency that is borrowing money and have the taxpayers pick up the cost? With deficits the way they are, it does not stand to reason that we ought to through this little parliamentary maneuver assume a $1.8 billion tax burden to the taxpayers when the need is not there. That is my point.

Mr. WHITTEN. I realize that the gentleman believes in what he is saying, but I happen to differ with him.

Mr. PACKARD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. GLICKMAN). The question is on a motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 224: Page 51, after line 14, insert:

REIMBURSEMENT

Of the funds made available under the heading "CHILD NUTRITION PROGRAMS" of title III of the provisions made effective by section 101(a) of Public Law 99-190 but not requested through an official budget request transmitted to the Congress—

(1) $167,500,000 shall be available to the Secretary of Agriculture to reimburse State agencies for meals served under child nutrition programs conducted under the National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) in September 1987; and

(2) $50,000 shall be available to the Secretary of Agriculture to provide cash compensation to eligible school districts for losses sustained by the districts as a result of the alteration of the methodology used to conduct the study referred to in section 158(a) of the Food Security Act of 1985 (99 Stat. 1594) during the school year ending June 30, 1983.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 224 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

REIMBURSEMENT

Of the funds made available under the heading "CHILD NUTRITION PROGRAMS" of title III of the provisions made effective by section 101(a) of Public Law 99-190 but not requested through an official budget request transmitted to the Congress, $167,500,000 shall be available to the Secretary of Agriculture to reimburse State agencies for meals served under child nutrition programs conducted under the National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) in September 1987.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 226: Page 52, after line 15, insert:

Section 3 of the Saccharin Study and Labeling Act (21 U.S.C. 348 nt.) is amended by striking out "May 1, 1987" and inserting in lieu thereof "May 1, 1992".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 226 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

For an additional amount for orphan drug grants and contracts, $500,000.

Section 3 of the Saccharin Study and Labeling Act (21 U.S.C. 348 nt.) is amended by striking out "May 1, 1987" and inserting in lieu thereof "May 1, 1992."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 228: Page 52, after line 17, insert:

COAST GUARD

OPERATING EXPENSES

(TRANSFER OF FUNDS)

For an additional amount of "Operating Expenses", $4,120,000, to be derived by transfer from "United States Customs Service, Operation and Maintenance, Air Interdiction Program".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 228 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

COAST GUARD

OPERATING EXPENSES

(TRANSFER OF FUNDS)

For an additional amount for "Operating Expenses", $4,120,000, to be derived by transfer from "United States Customs Service, Operation and Maintenance, Air Interdiction Program": *Provided*, That this provision shall be effective only upon validation of the transfer by the General Accounting Office.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 230: Page 52, line 21, strike out "$55,200,000" and insert "$55,000,000, of which $29,598,400, shall be derived by transfer from the unobligated balances of "Facilities and Equipment", $11,619,000, to be derived by transfer from "Operation and maintenance, Metropolitan Washington airports", $5,000,000, to be derived by transfer from "Construction, Metropolitan Washington airports", and $8,782,600, to be derived by transfer from the unobligated balances of "Payments to air carriers" ".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 230 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$600,000,000, of which $11,619,000 shall be derived by transfer from "Operation and maintenance, Metropolitan Washington airports", and $5,000,000 shall be derived by transfer from "Construction, Metropolitan Washington airports" ".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 247: Page 60, after line 26, insert:

POMPANO BEACH AIR PARK

None of the funds appropriated for the Federal Aviation Administration under this or any other Act shall be used (1) to compel the City of Pompano Beach, Florida, to redesignate any land designated as nonaviation use land at the Pompano Beach Air Park as of November 1, 1966, or (2) to take any action to revert the Pompano Beach Air Park.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 247 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

POMPANO BEACH AIR PARK

None of the funds appropriated for the Federal Aviation Administration under this or any prior Act shall be used (1) to compel the City of Pompano Beach, Florida, to redesignate any land designated as nonaviation use land at the Pompano Beach Air Park as of November 1, 1966, or (2) to take any action to revert the Pompano Beach Air Park.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 256: Page 63, after line 22, insert:

GENERAL PROVISIONS

WAIVER OF PAY RETENTION REGULATIONS

Notwithstanding section 536.104(a)(3) of Title 5, Code of Federal Regulations, Federal wage employees in the Tucson, Arizona, wage area whose pay has been reduced as a result of a wage survey conducted during fiscal year 1986 shall be entitled to pay retention under 5363 of title 5, United States Code, commencing on the date such reduction took effect.

CUSTOMS FORFEITURE FUND

TECHNICAL CORRECTION TO PUBLIC LAW 99-570

Section 1152(b) of Public Law 99-570 is repealed, and shall be treated as though it had never been enacted.

ALLOWANCES FOR CERTAIN GSA PERSONNEL

Notwithstanding sections 5923 and 5924, title 5, United States Code and any applicable regulations, the General Services Administration shall honor allowances initially authorized, resulting in an aggregate amount of $27,000 payable to twenty-one General Services Administration employees for certain cost of living and related expenses during official foreign duty from November 1984 through September 1985.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 256 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

CUSTOMS FORFEITURE FUND

TECHNICAL CORRECTION TO PUBLIC LAW 99-570

Section 1152(b) of Public Law 99-570 is repealed, and shall be treated as though it had never been enacted.

ALLOWANCES FOR CERTAIN GSA PERSONNEL

Notwithstanding sections 5923 and 5924, title 5, United States Code and any applicable regulations, the General Services Administration shall honor allowances initially authorized, resulting in an aggregate amount of $27,000 payable to twenty-one General Services Administration employees for certain cost of living and related expenses during official foreign duty from November 1984 through September 1985.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 285: Page 74, lines 12 and 13, strike out " "Fossil energy research and development" " and insert " "Energy conservation" ".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 285 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert "Energy Information Administration".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 286: Page 74, lines 15 and 16, strike out " "Fossil energy research and development" " and insert " "Energy conservation" ".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 286 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment insert "Emergency preparedness".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 312: Page 79, line 11, after "which" insert "$5,000,000 shall be expended from the Boat Safety Account,".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 312 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following: "$3,000,000 shall be expended from the Boat Safety Account, $3,000,000 shall be derived from 'Retired pay'."

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

The Senate amendment No. 317: Page 80, after line 14, insert:

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for grants to the National Railroad Passenger Corporation, $5,000,000 to be derived from unobligated balances of redeemable preference shares acquired by the Secretary of Transportation under the Railroad Revitalization and Regulatory Reform Act of 1976, to be available only for the rehabilitation, renewal, replacement, and other improvements on the line between Springfield and East Northfield, Massachusetts, and the line between Brattleboro and Windsor, Vermont, to bring the most severely slow-ordered segments to the speeds agreed to in the operating agreement between the National Railroad Passenger Corporation and the Boston and Maine Corporation, dated February 1, 1977, as amended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 317 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION

For an additional amount for "Grants to the National Railroad Passenger Corporation", $5,000,000, to be derived from unobligated balances of "Redeemable preference shares" acquired by the Secretary of Transportation under the Railroad Revitalization and Regulatory Reform Act of 1976, to be available only for construction, rehabilitation, renewal, replacement, or other improvements deemed by the National Railroad Passenger Corporation to be needed to enable it to restore railroad passenger service between Springfield, Massachusetts and Montreal, Canada through Vermont: *Provided*, That any agreements entered into by the National Railroad Passenger Corporation for the performance of such improvements shall provide that the owners of any railroad lines so improved not construe the terms of any existing trackage rights agreement or any existing or future operating agreement between the National Railroad Passenger Corporation and the owners of any such railroad lines in a manner that would result in an increase in the rental or other payments made thereunder because of the expenditures made under this appropriation: *Provided further*, That any agreements entered into by the National Railroad Passenger Corporation for the performance of such improvements shall provide that the owners of any railroad lines so improved not seek to include the value of any expenditures made under this appropriation in the transfer price of any of the lines so improved *Provided further*, That, notwithstanding any other provision of law, the National Railroad Passenger Corporation shall hereafter seek immediate and appropriate legal remedies to enforce its contractual rights whenever track maintenance on any route over which the National Railroad Passenger Corporation operates becomes inadequate or otherwise falls below the contractual standard.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 319: Page 81, after line 7, insert:

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

(INCLUDING TRANSFER OF FUNDS)

"Salaries and expenses", $325,000, to be derived by transfer from the unobligated balances of "Payments to air carriers";

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 319 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

(TRANSFER OF FUNDS)

"Salaries and expenses", $165,000, to be derived by transfer from the unobligated balances of "Payments to air carriers";

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 381: Page 104, line 22, strike out all after "Operations", down to and including "airports" in line 24 and insert "$38,613,600".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 381 and concur therein with an amendment, as follows: In lieu of the matter stricken and inserted by said amendment, insert the following: "$46,000,000, of which $5,000,000 shall be derived by transfer from "Retired pay": *Provided*, That, notwithstanding Sec. 1511 of this Act or any other provision of law, such funds shall remain available until expended;".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 387: Page 106, after line 7, insert:

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

(TRANSFER OF FUNDS)

"Salaries and expenses", $330,000 to be derived by transfer from the unobligated balances of "Payments to air carriers";

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 387 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

RELATED AGENCIES

NATIONAL TRANSPORTATION SAFETY BOARD

(TRANSFER OF FUNDS)

"Salaries and expenses", $150,000, to be derived by transfer from unobligated balances of "Payments to air carriers";

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 410: Page 117, strike out lines 4 to 10, and insert:

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services", $30,000,000, to remain available through September 30, 1988.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 410 and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

HEALTH RESOURCES AND SERVICES ADMINISTRATION

HEALTH RESOURCES AND SERVICES

For an additional amount for "Health resources and services", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $46,000,000 to remain available through September 30, 1988.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 411: Page 117, strike out lines 11 to 19, and insert:

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

For an additional amount for "Alcohol, drug abuse and mental health", $75,000,000, to remain available through September 30, 1988.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 411 and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH ADMINISTRATION

ALCOHOL, DRUG ABUSE AND MENTAL HEALTH

For an additional amount for "Alcohol, drug abuse and mental health", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $50,700,000 to remain available through September 30, 1988.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 412: Page 117, strike out all after line 19 over to and including line 3 on page 118, and insert:

FAMILY SUPPORT ADMINISTRATION

OFFICE OF COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

For an additional amount for "Community services block grant", $20,000,000, to remain available through September 30, 1988.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 412 and concur therein with an amendment as follows: In lieu of the matter stricken and inserted by said amendment insert the following:

FAMILY SUPPORT ADMINISTRATION

OFFICE OF COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

For an additional amount for "Community services block grant", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $36,800,000 to remain available through September 30, 1988.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 413: Page 118, after line 3, insert:

DEPARTMENT OF EDUCATION

SPECIAL PROGRAMS

For an additional amount for "Special Programs", $2,500,000, to remain available through September 30, 1988.

VOCATIONAL AND ADULT EDUCATION

For an additional amount for "Vocational and Adult Education", $10,000,000, to remain available through September 30, 1988.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 413 and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert the following:

DEPARTMENT OF EDUCATION

SPECIAL PROGRAMS

For an additional amount for "Special programs", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $4,600,000 to remain available through September 30, 1988.

VOCATIONAL AND ADULT EDUCATION

For an additional amount for "Vocational and adult education", for carrying out the activities authorized by H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $6,900,000 to remain available through September 30, 1988.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 415: Page 118, after line 8, insert:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

HOMELESS ASSISTANCE

(a) TRANSITIONAL AND SUPPORTIVE HOUSING DEMONSTRATION PROGRAM.—For an additional amount for the transitional and supportive housing demonstration program carried out by the Department of Housing and Urban Development pursuant to section 101(g) of Public Law 99-500 or Public Law 99-591, and other applicable authority, $80,000,000 to remain available until expended.

(b) SECTION 8 EXISTING HOUSING.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(b)(1) of such Act is increased by $50,000,000 to be used only to assist homeless families with children.

(c) SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS.—The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is increased by $40,000,000 to be used only to assist homeless individuals.

VETERANS' ADMINISTRATION

VETERANS' DOMICILIARY CARE AND CARE FOR VETERANS WITH CHRONIC MENTAL ILLNESS DISABILITIES

(TRANSFER OF FUNDS)

For an additional amount for "Medical Care", $20,000,000, to remain available through September 30, 1988, of which $10,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $10,000,000 shall be available, notwithstanding section 2(c) of Public Law 100-6, for furnishing care under section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: *Provided*, That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishing of such care and, in furtherance of such purpose, to maintain an additional 10 full-time-employee equivalents: *Provided further*, That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans' Administration.

DEPARTMENT OF COMMERCE

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

OPERATIONS, RESEARCH, AND FACILITIES

(DEFERRAL)

The sum of $27,500,000 appropriated pursuant to Public Law 99-500 and Public Law 99-591 for commercialization of the land remote sensing satellite system is hereby deferred for the remainder of fiscal year 1987, and shall remain available until expended.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 415 and concur therein with an amendment, as follows:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

EMERGENCY SHELTER GRANTS PROGRAM

For an additional amount for the emergency shelter grants program carried out by the Department of Housing and Urban Development as authorized in the Homeless Housing Act of 1986 under section 101(g) of Public Law 99-500 and Public Law 99-591, subject to the requirements for such program in the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174, $50,000,000, to remain available until expended.

SUPPORTIVE HOUSING DEMONSTRATION PROGRAM

For an additional amount for the transitional housing demonstration program carried out by the Department of Housing and Urban Development as authorized in the Homeless Housing Act of 1986 under section 101(g) of Public Law 99-500 and Public Law 99-591, subject to the requirements of the supportive housing demonstration program in the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174, $80,000,000, to remain available until expended.

SUPPLEMENTAL ASSISTANCE FOR FACILITIES TO ASSIST THE HOMELESS

For grants for supplemental assistance for facilities to assist the homeless pursuant to the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174, $15,000,000, to remain available until expended.

SECTION 8 ASSISTANCE FOR SINGLE ROOM OCCUPANCY DWELLINGS

The budget authority available under section 5(c) of the United States Housing Act of 1937 for assistance under section 8(e)(2) of such Act is increased by $35,000,000, to remain available until expended: *Provided*, That such amount of budget authority is to be used only to assist homeless individuals pursuant to section 441 of the Stewart B. McKinney Homeless Assistance Act (H.R. 558), as provided for in House Report 100-174.

FEDERAL EMERGENCY MANAGEMENT AGENCY

EMERGENCY FOOD AND SHELTER PROGRAM

For an additional amount for the "Emergency food and shelter program", as authorized by section 101(g) of Public Law 99-500 and Public Law 99-591, and H.R. 558, the Stewart B. McKinney Homeless Assistance Act, as provided for in House Report 100-174, $10,000,000.

VETERANS ADMINISTRATION

MEDICAL CARE

For an additional amount for "Medical care", $20,000,000, to ramain available through September 30, 1988, of which $15,000,000 shall be available for converting to domiciliary-care beds underutilized space located in facilities (in urban areas in which there are significant numbers of homeless veterans) under the jurisdiction of the Administrator of Veterans' Affairs and for furnishing domiciliary care in such beds to eligible veterans, primarily homeless veterans, who are in need of such care, and of which $5,000,000 shall be available, notwithstanding section 2(c) of Public Law 100-6, for furnishing care under section 620C of title 38, United States Code, to homeless veterans who have a chronic mental illness disability: *Provided*. That not more than $500,000 of the amount available in connection with furnishing care under such section 620C shall be used for the purpose of monitoring the furnishing of such care and, in furtherance of such purpose, to maintain an additional 10 full-time-employee equivalents: *Provided further*, That nothing in this paragraph shall result in the diminution of the conversion of hospital-care beds to nursing-home-care beds by the Veterans Administration.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 416: Page 119, strike out lines 1 to 4 and insert:

SEC. 503. None of the funds appropriated or made available by this or any other Act shall be available to administer drug tests under Executive Order Numbered 12564, until and unless—

(a) The Director of the Drug Abuse Policy Office has certified in writing to the Committees on Appropriations of the House and Senate and other appropriate committees of the Congress, the following:

(1) That any executive branch department or agency proposing drug testing has established a plan in accordance with Executive Order Numbered 12564;

(2) That the Department of Health and Human Services (HHS) has certified or given pre-certification approval to a laboratory facility or facilities which comply with applicable State licensure requirements and meet the HHS Scientific and Technical Guidelines for Drug Testing Programs, dated February 13, 1987, or as subsequently amended by the Secretary of Health and Human Services;

(3) That each agency or department head has promulgated guidelines and procedures for the agency or department's drug testing program that satisfy any rehabilitation re-

quirement for that agency or department by precluding the removal of an employee based solely upon a first confirmed positive test result from an agency- or department-administered drug test, unless such removal promotes the efficiency of the service due to egregious or aggravating facts or circumstances or because the employee holds a position involving law enforcement, national security, the protection of life or property, or public health or safety.

(b) The Director of the Drug Abuse Policy Office has submitted to the Congress a detailed analysis, by agency and at the time each agency's plan is certified by the Director pursuant to subsection (a) of this section of the positions designated pursuant to section 3(a) of Executive Order Numbered 12564 to be tested for illegal drug use, and the general process (unannounced test dates, random test scheduling, random sampling, etc.) by which urinalysis testing based upon other than a reasonable suspicion, follow-up to rehabilitation or treatment, or accident or unsafe practice will be undertaken.

(c) The Director of the Office of Management and Budget (OMB) has submitted in writing to the Committees on Appropriations of the House and Senate, a detailed statement for each agency and department at the time of their plan certification pursuant to subsection (a) of this section, of the costs of that agency or department implementing all requirements of Executive Order Numbered 12564.

(b) An executive branch agency or department with a drug testing program in existence before the issuance of Executive Order Numbered 12564 is exempt from this section until that program is brought into conformity with Executive Order Numbered 12564.

(c) The provisions of this section shall expire on May 1, 1989.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 416 concur therein with an amendment, as follows: In lieu of the matter stricken and inserted, insert the following:

SEC. 503. (a)(1) Except as provided in subsection (b) or (c), none of the funds appropriated or made available by this Act, or any other Act, with respect to any fiscal year, shall be available to administer or implement any drug testing pursuant to Executive Order Numbered 12564 (dated September 15, 1986), or any subsequent order, unless and until—

(A) the Secretary of Health and Human Services certifies in writing to the Committees on Appropriations of the House of Representatives and the Senate, and other appropriate committees of the Congress, that—

(i) each agency has developed a plan for achieving a drug-free workplace in accordance with Executive Order Numbered 12564 and applicable provisions of law (including applicable provisions of this section);

(ii) the Department of Health and Human Services, in addition to the scientific and technical guidelines dated February 13, 1987, and any subsequent amendments thereto, has, in accordance with paragraph (3), published mandatory guidelines which—

(I) establish comprehensive standards for all aspects of laboratory drug testing and laboratory procedures to be applied in carrying out Executive Order Numbered 12564, including standards which require the use of the best available technology for ensuring the full reliability and accuracy of drug tests and strict procedures governing the chain of custody of specimens collected for drug testing;

(II) specify the drugs for which Federal employees may be tested; and

(III) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform drug testing in carrying out Executive Order Numbered 12564; and

(iii) all agency drug-testing programs and plans established pursuant to Executive Order Numbered 12564 comply with applicable provisions of law, including applicable provisions of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), title 5 of the United States Code, and the mandatory guidelines under clause (ii);

(B) the Secretary of Health and Human Services has submitted to the Congress, in writing, a detailed, agency-by-agency analysis relating to—

(i) the criteria and procedures to be applied in designating employees or positions for drug testing, including the justification for such criteria and procedures;

(ii) the position titles designated for random drug testing; and

(iii) the nature, frequency, and type of drug testing proposed to be instituted; and

(C) the Director of the Office of Management and Budget has submitted in writing to the Committees on Appropriations of the House of Representatives and the Senate a detailed, agency-by-agency analysis (as of the time of certification under subparagraph (A)) of the anticipated annual costs associated with carrying out Executive Order Numbered 12564 and all other requirements under this section during the 5-year period beginning on the date of the enactment of this Act.

(2) Notwithstanding subsection (g), for purposes of this subsection, the term "agency" means—

(A) the Executive Office of the President;

(B) an Executive department under section 101 of title 5, United States Code;

(C) the Environmental Protection Agency;

(D) the General Services Administration;

(E) the National Aeronautics and Space Administration;

(F) the Office of Personnel Management;

(G) the Small Business Administration;

(H) the United States Information Agency; and

(I) the Veterans' Administration;

except that such term does not include the Department of Transportation or any other entity (or component thereof) covered by subsection (b).

(3) Notwithstanding any provision of chapter 5 of title 5, United States Code, the mandatory guidelines to be published pursuant to subsection (a)(1)(A)(ii) shall be published and made effective exclusively according to the provisions of this paragraph. Notice of the mandatory guidelines proposed by the Secretary of Health and Human Services shall be published in the Federal Register, and interested persons shall be given not less than 60 days to submit written comments on the proposed mandatory guidelines. Following review and consideration of written comments, final mandatory guidelines shall be published in the Federal Register and shall become effective upon publication.

(b)(1) Nothing in subsection (a) shall limit or otherwise affect the availability of funds for drug testing by—

(A) the Department of Transportation;

(B) Department of Energy, for employees specifically involved in the handling of nuclear weapons or nuclear materials;

(C) any agency with an agency-wide drug-testing program in existence as of September 15, 1986; or

(D) any component of an agency if such component had a drug-testing program in existence as of September 15, 1986.

(2) The Departments of Transportation and Energy and any agency or component thereof with a drug-testing program in existence as of September 15, 1986—

(A) shall be brought into full compliance with Executive Order Numbered 12564 no later than the end of the 6-month period beginning on the date of the enactment of this Act; and

(B) shall take such actions as may be necessary to ensure that their respective drug-testing programs or plans are brought into full compliance with the mandatory guidelines published under subsection (a)(1)(A)(ii) no later than 90 days after such mandatory guidelines take effect, except that any judicial challenge that affects such guidelines should not affect drug-testing programs or plans subject to this paragraph.

(c) In the case of an agency (or component thereof) other than an agency as defined by subsection (a)(2) or an agency (or component thereof) covered by subsection (b), none of the funds appropriated or made available by this Act, or any other Act, with respect to any fiscal year, shall be available to administer or implement any drug testing pursuant to Executive Order Numbered 12564, or any subsequent order, unless and until—

(1) the Secretary of Health and Human Services provides written certification with respect to that agency (or component) in accordance with clauses (i) and (iii) of subsection (a)(1)(A);

(2) the Secretary of Health and Human Services has submitted a written, detailed analysis with respect to that agency (or component) in accordance with subsection (a)(1)(B); and

(3) the Director of the Office of Management and Budget has submitted a written, detailed analysis with respect to that agency (or component) in accordance with subsection (a)(1)(C).

(d) Any Federal employee who is the subject of a drug test under any program or plan shall, upon written request, have access to—

(1) any records relating to such employee's drug test; and

(2) any records relating to the results of any relevant certification, review, or revocation-of-certification proceedings, as referred to in subsection (a)(1)(A)(ii)(III).

(e) The results of a drug test of a Federal employee may not be disclosed without the prior written consent of such employee, unless the disclosure would be—

(1) to the employee's medical review official (as defined in the scientific and technical guidelines referred to in subsection (a)(1)(A)(ii));

(2) to the administrator of any Employee Assistance Program in which the employee is receiving counseling or treatment or is otherwise participating;

(3) to any supervisory or management official within the employee's agency having authority to take the adverse personnel action against such employee; or

(4) pursuant to the order of a court of competent jurisdiction where required by the United States Government to defend against any challenge against any adverse personnel action.

(f) Each agency covered by Executive Order Numbered 12564 shall submit to the Committee on Appropriations of the House of Representatives and the Senate, and other appropriate committees of the Congress, an annual report relating to drug-testing activities conducted by such agency pursuant to such executive order. Each such annual report shall be submitted at the time of the President's budget submission to the Congress under section 1105(a) of title 31, United States Code.

(g) For purposes of this section, the terms "agency" and "Employee Assistance Program" each has the meaning given such term under section 7(b) of Executive Order Numbered 12564, as in effect on September 15, 1986.

PREFERENTIAL MOTION OFFERED BY MR. BARTON OF TEXAS

Mr. BARTON of Texas. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The Clerk will report the preferential motion.

The Clerk read as follows:

Mr. BARTON of Texas moves that the House recede and concur in Senate amendment No. 416.

The SPEAKER pro tempore. The gentleman from Mississippi [Mr. WHITTEN] will be recognized for 30 minutes, and the gentlewoman from Nebraska [Mrs. SMITH] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN].

Mr. WHITTEN. Mr. Speaker, I yield my 30 minutes to the gentleman from Maryland [Mr. HOYER].

Mrs. SMITH of Nebraska. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. BARTON].

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Mr. CONTE. Mr. Speaker, the gentlewoman from Nebraska [Mrs. SMITH] yielded the gentleman as much time as he may consume, not the 30 minutes.

The SPEAKER pro tempore (Mr. GLICKMAN). The gentleman is correct and the Chair corrected himself. The gentleman was yielded as much time as he may consume.

Mr. BARTON of Texas. Mr. Speaker, the two different amendments that we will be debating in the next 30 minutes or so evolve around drug testing of the Federal work force.

On September 15, 1986 President Reagan issued Executive Order 12564 which put into motion mandatory drug testing of Federal employees in sensitive positions. There are approximately 1.1 million Federal employees that may be subject to some sort of Federal drug testing.

After that Executive order was issued and the supplemental appropriation bill was considered during April, an amendment was offered to the supplemental appropriations that said no funds may be expended to implement any part of that Presidential Executive order. That amendment was passed on a rollcall vote. It went to conference, and we have now come back from the conference and there are two amendments as to how to go about this drug testing.

In a little bit the gentleman from Maryland [Mr. HOYER] will offer an amendment to have a very rigid, all-inclusive set of guidelines for drug testing. I would like to offer as a substitute for that at the appropriate time an amendment which basically takes the Senate position on drug testing.

The Senate position on drug testing is as follows: There has to be a very explicit set of guidelines. The Director of the Drug Abuse Policy Office in the White House will have to certify to the Committee on Appropriations and to the appropriate committee in the other body that there is in fact a drug testing program and that it meets all of the guidelines that were established in accordance with the Executive order, that the laboratory facilities are up to standard and comply with all of the applicable State license requirements, and meet all of the scientific and technical guidelines that the Department of Health and Human Services issued on February 13, and that the due process provisions are complied with and the Director of the Office of Management and Budget will have to submit in writing again to the Appropriation Committees in the House and Senate a detailed statement as to how much the plan will cost, and again that it meets all the requirements of the Presidential Executive order.

So we have a drug testing provision that has passed in the other body. It meets all of the relevant criteria, all of the concerns that were raised in the House back in April, that is as to the constitutionality, the cost, the accuracy, the due process, the fact that we need to wait a little bit longer until some of these provisions were in fact a little bit more understood, and there had been some court cases to decide whether it was constitutional. So I think it is a very adequate provision.

The alternative that the gentleman from Maryland [Mr. HOYER] is going to offer in a minute on the surface appears to be a very legitimate and a very worthwhile drug testing procedure. But in fact, if this body adopts what I call his amendment, we will never have drug testing because it requires that every agency submit their program and that every agency has to have their program certified before any program can be implemented, with the exception of a very few agencies that already had programs in existence on September 15, and some programs in the Department of Transportation.

However, there is a provision in the law that it is my understanding the gentleman's amendment would allow for judicial review, and if one Federal judge anywhere in the country issues an injunction stopping one of the programs, then you can stop all of the programs, and it could take as long as 10 years to ever get the drug testing program off the ground.

I think this Senate version of the drug testing program is much preferable. It satisfies all of the due process requirements. It does not last forever. It is only applicable until May 1, 1989, and it meets every relevant concern that was raised in the House back in April.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding because I think for a lot of us on the floor who are dealing in this area of amendments in disagreement it just gets a little confusing. I am trying to figure out where we stand.

If a Member wants to vote for a tough drug testing program, which one of these two approaches does he vote for?

Mr. BARTON of Texas. The amendment that I will offer, if the Hoyer amendment is defeated, is a tougher drug testing program.

Mr. WALKER. And the amendment the gentleman is offering is an amendment that has been previously adopted by the Senate, is that correct?

Mr. BARTON of Texas. Yes, that is correct.

Mr. WALKER. The amendment that will be offered by the gentleman from Maryland [Mr. HOYER] where did that amendment come from? Was that amendment passed by the House or was it passed by the Senate at any point?

Mr. BARTON of Texas. It was not passed by either body. It has been developed, it is my understanding, in conjunction with some negotiations that the gentleman from Maryland [Mr. HOYER] has been involved with with a number of people, including some members of the administration.

Mr. WALKER. But, in other words, it never passed this House or it never passed the Senate, and the only thing that we will have on the floor that has actually passed one of the two bodies is the amendment that the gentleman will be offering?

Mr. BARTON of Texas. The gentleman is correct.

Mr. WALKER. And what the gentleman is telling the body is that the amendment that has passed the

Senate is in fact then a tougher approach than that which has been evidently worked out here through a series of back door or back room meetings, and then brought to the floor, is that correct?

Mr. BARTON of Texas. I would not characterize it as backdoor meetings, but certainly the gentleman's amendment has not seen the light of day on the floor of the House of Representatives.

Mr. WALKER. The thing I am trying to figure out is how we get real drug testing, or whether we end up with kind of counterfeit drug testing. It does not help to have a drug testing program that is never implemented, that has a lot of things on paper but never ends up being implemented. As I understand what we have got is a kind of counterfeit drug testing program that looks awfully good, the paper that comes across the counter looks good, except that it is not real, and what the gentleman seems to be suggesting to me is that he does in fact have a real drug testing program that has already passed the U.S. Senate, and that he is bringing back to the floor for our consideration. Is that correct?

Mr. BARTON of Texas. The drug testing provisions that passed in the other body meet every relevant concern raised in this body back during the floor debate that we had in April when we debated the original amendment offered by the gentleman from Maryland [Mr. Hoyer]. He is going to have a chance to speak on his amendment and I do not want to preclude him from defending it before this body.

But my interpretation of his amendment, one Member's interpretation at least, is that if his amendment is adopted, it is quite conceivable that there would never be drug testing of any Federal employee from this day forward.

Mr. WALKER. If I understand correctly, we would have to defeat the amendment of the gentleman from Maryland in order to get to the real drug testing program the gentleman from Texas is offering, is that correct?

Mr. BARTON of Texas. That is correct.

Mr. WALKER. I thank the gentleman.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise briefly in opposition, and then I will make a request.

I want to refer briefly to the remarks made by the gentleman from Texas and the gentleman from Pennsylvania as to the real testing amendment as opposed to the counterfeit amendment. That language I do not think bears any relationship to what we are considering, but nevertheless let me explain what has happened.

On the floor of this House, some 240-plus Members voting, we voted in this supplemental bill to preclude the administration from pursuing any drug testing, and the debate centered on the question that the Congress ought to be involved in adopting procedures to effect such drug testing which protected the rights of the employees being tested. I mentioned in debate that they ought to have input into the procedures, that they ought to have the opportunity to know what they were being tested for, that they had the opportunity to ensure themselves of privacy. I might say the gentleman from Florida [Mr. SHAW], when we considered his amendment which dealt with a small segment of Federal employees in the State Department, indicated in debate that he would be against any amendment which did not provide for the privacy of the employees.

I indicated further that we needed to provide for the integrity and credibility of the testing organizations, the labs, the process. I would suggest that the Senate language attempted to do that.

We have not passed an authorizing bill so that protection will be included within the ambit of this supplemental appropriation bill.

I want to bring to the attention of Members, contrary again to the remarks of the gentleman from Pennsylvania, there was no backdoor meeting, there were no smoke-filled room meetings. In fact, most of the meetings that occurred occurred at the request of the administration; namely, Mr. Miller of OMB. And those meetings were requested by the administration to try to work out the differences between the House, again over 240 people sustaining the House language to preclude testing until authorizing legislation or parameters were set for such testing, and the Senate language which set some parameters. Those meetings occurred. As a matter of fact, there were at least two major meetings and some smaller meetings.

Those meetings were attended by a number of people from the Senate Committee on Treasury and Postal Service and myself, and the language that is now included in the supplemental appropriation bill conference report is the language that was agreed to ultimately by all the negotiators, all of the negotiators, and let me stress that.

So that I do not misrepresent the position of anybody, Director Miller of the Office of Management and Budget, who was the point person for the administration in these negotiations, did seek to have report language which related to court review. Ultimately I will tell my colleagues that on the other side of the aisle from mine in the Senate it was suggested that that language would not accomplish anything, and would imply that the courts would consider frivolous suits. So that language was omitted from the report language, not the bill language. The bill language is as agreed by everybody on both committees, on both sides of the aisle, so this is a bipartisan conference agreement, no objection to the language.

It does not preclude judicial review, and in point of fact, in my opinion, could not legally preclude judicial review. In point of fact, I think that was generally agreed to by the representatives of the Justice Department and others from the administration.

However, it does not require judicial review. In point of fact, as some of my colleagues may have read, it was the Justice Department's perception that this Member backed down on demanding that the testing be conducted pursuant to regulations, pursuant to the Administrative Procedures Act.

□ 1625

In point of fact, I did not back down. I acceded to the administration's suggestion that the testing go forward under guidelines. We call them mandatory guidelines to make sure that everybody understands that they are to be followed. They are not directory, they are not suggestive, they are mandatory guidelines, again, to protect those rights of which the gentleman from Florida talked and which were discussed during the course of debate in the House on this initial passage of the supplemental appropriation bill on which this language was added.

As a result of going from regulations under the Administrative Procedure Act and as a result of specifically exempting this drug testing procedure from that act saying that it was governed by this act, the mandatory guidelines language, we acceded to the administration's request that we not try to procedurally undermine drug testing. I agreed on that.

Why did I agree on it? I believe, and I do not believe I represent perhaps the majority opinion on this floor, but I believe that random mandatory drug testing of employees without cause is unconstitutional; but that view is not prevailing, I understand that.

So what we have done in the Senate and in the House, notwithstanding the fact that, of course, it has not passed the House floor nor has it passed to the Senate floor and to that extent it is like every amendment that we have adopted today, every amendment that we have adopted today on this supplemental appropriation, as clearly the gentleman from Pennsylvania knows well. It does not preclude judicial review, that is correct. We could not do that. But let me say this: It was agreed that we could not do it. So that the language proposed by the conference committee subjects this procedure to no more judicial review than with the Senate language initially.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I will be glad to yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman.

Mr. Speaker, I am not certain I do agree that it is just like every other amendment that we have passed. In the case of what we are talking about, that is the amendment language that the gentleman from Texas intends to offer, has in fact in the form that he will offer it passed the U.S. Senate and that is indeed different from things which are worked out that had passed nowhere prior to the consideration.

Mr. HOYER. I agree with the gentleman's observations with respect to the gentleman's amendment because his amendment essentially is to concur with the Senate position.

Mr. WALKER. That is right.

Mr. HOYER. My point was every amendment we have adopted today is amendment language which comes out of the conference that is in technical disagreement, comes to the floor, having been created by, if you will, a compromise between the Senate and the House positions.

That is what I am implying. I think that is correct.

I think the gentleman would agree with me on that.

Mr. WALKER. That is right.

Mr. HOYER. To that extent there is no difference than any other procedure where we tried to reach compromise between the two bodies.

Now, Mr. Speaker, at this point in time—and I will be speaking further later on this—but I would ask that the question be divided.

The SPEAKER pro tempore (Mr. GLICKMAN). Is the gentleman making the motion that the House recede——

Mr. HOYER. No. I make a demand to divide the question, that is, between receding and concurring.

The SPEAKER pro tempore. The question is, Shall the House recede from its disagreement to Senate amendment No. 416?

The House receded from its disagreement to Senate amendment No. 416.

MOTION OFFERED BY MR. HOYER

Mr. HOYER. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. HOYER moves that the House concur with the amendment of the Senate numbered 416 with an amendment, as follows: In lieu of the matter stricken and inserted, insert the following:

SEC. 503. (a)(1) Except as provided in subsection (b) or (c), none of the funds appropriated or made available by this Act, or any other Act, with respect to any fiscal year, shall be available to administer or implement any drug testing pursuant to Executive Order Numbered 12564 (dated September 15, 1986), or any subsequent order, unless and until—

(A) the Secretary of Health and Human Services certifies in writting to the Committees on Apppropriations of the House of Representatives and the Senate, and other appropriate committees of the Congress, that—

(i) each agency has developed a plan for achieving a drug-free workplace in accordance with Executive Order Numbered 12564 and applicable provisions of law (including applicable provisions of this section);

(ii) the Department of Health and Human Services, in addition to the scientific and technical guidelines dated February 13, 1987, and any subsequent amendments thereto, has, in accordance with paragraph (3), published mandatory guidelines which—

(I) establish comprehensive standards for all aspects of laboratory drug testing and laboratory procedures to be applied in carrying out Executive Order Numbered 12564, including standards which require the use of the best available technology for ensuring the full reliability and accuracy of drug tests and strict procedures governing the chain of custody of specimens collected for drug testing;

(II) specify the drugs for which Federal employees may be tested; and

(III) establish appropriate standards and procedures for periodic review of laboratories and criteria for certification and revocation of certification of laboratories to perform drug testing in carrying out Executive Order Numbered 12564; and

(iii) all agency drug-testing programs and plans established pursuant to Executive Order Numbered 12564 comply with applicable provisions of law, including applicable provisions of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), title 5 of the United States Code, and the mandatory guidelines under clause (ii);

(B) the Secretary of Health and Human Services has submitted to the Congress, in writing, a detailed, agency-by-agency analysis relating to—

(i) the criteria and procedures to be applied in designating employees or positions for drug testing, including the justification for such criteria and procedures;

(ii) the position titles designated for random drug testing; and

(iii) the nature, frequency, and type of drug testing proposed to be instituted; and

(C) the Director of the Office of Management and Budget has submitted in writing to the Committees on Appropriations of the House of Representatives and the Senate a detailed, agency-by-agency analysis (as of the time of certification under subparagraph (A)) of the anticipated annual costs associated with carrying out Executive Order Numbered 12564 and all other requirements under this section during the 5-year period beginning on the date of the enactment of this Act.

(2) Notwithstanding subsection (g), for purposes of this subsection, the term "agency" means—

(A) the Executive Office of the President;

(B) an Executive department under section 101 of title 5, United States Code;

(C) the Environmental Protection Agency;

(D) the General Services Administration;

(E) the National Aeronautics and Space Administration;

(F) the Office of Personnel Management;

(G) the Small Business Administration;

(H) the United States Information Agency; and

(I) the Veterans' Administration;

except that such term does not include the Department of Transportation or any other entity (or component thereof) covered by subsection (b).

(3) Notwithstanding any provision of chapter 5 of title 5, United States Code, the mandatory guidelines to be published pursuant to subsection (a)(1)(A)(ii) shall be published and made effective exclusively according to the provisions of this paragraph. Notice of the mandatory guidelines proposed by the Secretary of Health and Human Services shall be published in the Federal Register, and interested persons shall be given not less than 60 days to submit written comments on the proposed mandatory guidelines. Following review and consideration of written comments, final mandatory guidelines shall be published in the Federal Register and shall become effective upon publication.

(b)(1) Noting in subsection (a) shall limit or otherwise affect the availability of funds for drug testing by—

(A) the Department of Transportation;

(B) Department of Energy, for employees specifically involved in the handling of nuclear weapons or nuclear materials;

(C) any agency with an agency-wide drug-testing program in existence as of September 15, 1986; or

(D) any component of an agency if such component had a drug-testing program in existence as of September 15, 1986.

(2) The Departments of Transportation and Energy and any agency or component thereof with a drug-testing program in existence as of September 15, 1986—

(A) shall be brought into full compliance with Executive Order Numbered 12564 no later than the end of the 6-month period beginning on the date of the enactment of this Act; and

(B) shall take such actions as may be necessary to ensure that their respective drug-testing programs or plans are brought into full compliance with the mandatory guidelines published under subsection (a)(1)(A)(ii) no later than 90 days after such mandatory guidelines take effect, except that any judicial challenge that affects such guidelines should not affect drug-testing programs or plans subject to this paragraph.

(c) In the case of an agency (or component thereof) other than an agency as defined by subsection (a)(2) or an agency (or component thereof) covered by subsection (b), none of the funds appropriated or made available by this Act, or any other Act, with respect to any fiscal year, shall be available to administer or implement any drug testing pursuant to Executive Order Numbered 12564, or any subsequent order, unless and until—

(1) the Secretary of Health and Human Services provides written certification with respect to that agency (or component) in accordance with clauses (i) and (iii) of subsection (a)(1)(A);

(2) the Secretary of Health and Human Services has submitted a written, detailed analysis with respect to that agency (or component) in accordance with subsection (a)(1)(B); and

(3) the Director of the Office of Management and Budget has submitted a written, detailed analysis with respect to that agency (or component) in accordance with subsection (a)(1)(C).

(d) Any Federal employee who is the subject of a drug test under any program or plan shall, upon written request, have access to—

(1) any records relating to such employee's drug test; and

(2) any records relating to the results of any relevant certification, review, or revocation-of-certification proceedings, as referred to in subsection (a)(1)(A)(iii)(III).

(e) The results of a drug test of a Federal employee may not be disclosed without the prior written consent of such employee, unless the disclosure would be—

(1) to the employee's medical review official (as defined in the scientific and technical guidelines referred to in subsection (a)(1)(A)(ii));

(2) to the administrator of any Employee Assistance Program in which the employee is receiving counseling or treatment or is otherwise participating;

(3) to any supervisory or management official within the employee's agency having authority to take the adverse personnel action against such employee; or

(4) pursuant to the order of a court of competent jurisdiction where required by the United States Government to defend against any challenge against any adverse personnel action.

(f) Each agency covered by Executive Order Numbered 12564 shall submit to the Committees on Appropriations of the House of Representatives and the Senate, and other appropriate committees of the Congress, an annual report relating to drug-testing activities conducted by such agency pursuant to such executive order. Each such annual report shall be submitted at the time of the President's budget submission to the Congress under section 1105(a) of title 31, United States Code.

(g) For purposes of this section, the terms "agency" and "Employee Assistance Program" each has the meaning given such term under section 7(b) of the Executive Order Numbered 12564, as in effect on September 15, 1986.

Mr. HOYER (during the reading). Mr. Speaker, I ask unanimous consent the motion be considered as read and printed in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The SPEAKER pro tempore. The gentleman from Maryland [Mr. Hoyer] will be recognized for 30 minutes and the gentleman from Massachusetts [Mr. Conte] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Maryland [Mr. Hoyer].

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I regret that this is taking as much time as it is, because we do have a very substantial agreement across the board in a bipartisan fashion on a procedure to allow for drug testing.

As I said just a moment ago, I am against, in principle, mandatory random drug testing without cause. However, this amendment does not preclude it by any stretch of the imagination. In fact, the administration has asserted that they can now pursue, under the Hoyer language, under the conference committee language, the drug testing that they want.

I would like to review the language that has been included in the conference committee and why it differs from the Senate language and why this House ought to adopt my motion in preference to the motion that will be made by the gentleman from Texas to concur—which has been made by the gentleman from Texas to concur in the Senate amendment.

First of all, the Senate language does not provide for uniformity among plans. In other words, one agency could have one drug testing scenario and another agency could have a different one. That does not seem appropriate in that all Federal employees, if what they are seeking is a drug-free environment, ought to be treated equally and exposed to the same kinds of procedures.

The Senate language does not do that. The conference committee language, realizing that failing, corrected that problem and has included language to provide for uniformity of testing.

Now, Mr. Speaker, at this point let me say that the gentleman from Texas indicated there were some few exceptions. Ladies and gentlemen, there have been large exceptions made in order that we not undermine in any way the safety of the citizens of the United States.

Now let me say who is exempt, who is not covered. Testing can occur immediately, as a matter of fact, the gentleman from Texas may have noted and others may have noted that there was a story in the Washington Post today which related to the Department of Transportation's giving 60 days' notice to its own employees across the board of testing procedures. That is the Department of Transportation.

Now, the Department of Transportation is exempt. Those employees of the Department of Energy directly responsible for handling nuclear weapons or nuclear fuel are exempt. The Central Intelligence Agency is exempt. The Bureau of Prisons is exempt. The Drug Enforcement Administration is exempt. The FBI is exempt. Immigration and Naturalization Service is exempt. The Department of the Army is exempt.

Now, the Department of the Army is exempt because it had a testing process procedure in being as of the issuance of the Executive order. To that extent, this conference amendment is consistent with the House language which exempted all programs for testing in being at the time of the issuance of the Executive order in September 1986.

In addition, the Customs Service, the Bureau of Alcohol, Tobacco and Firearms, the Secret Service.

So that almost every agency that deals with public safety has been exempt or those dealing with security matters have been exempt.

Now those agencies are provided, however, within a timeframe certain, to be in compliance at some later date with the guidelines issues by the administration for drug testing.

We think that is fair. We are not stopping the drug testing. We are saying, however, that at some point in time in the future you need to comply with the language. Second, the Senate language does not insure reliable and accurate drug testing.

The gentleman from Texas refers to State certification, Federal employees being tested in different States in different areas of this country subject to different standards, for the integrity of those tests.

The conference committee language, however, does provide for the uniformity of certification for testing and, as importantly, for the continuing review of the integrity of testing.

We think both of those are very important, uniformity of standards for testing laboratories and the continuing ongoing review.

By whom? The Senate language provided for somebody at a relatively low level, a good person but not at the top level. The conference committee language provides that the Secretary of Health and Human Services will be responsible for the certifications required under the conference committee language. That is appropriate.

We are proceeding on a new, pervasive, and invasive procedure which can undermine employee morale. Employees should expect and be entitled to the highest level of accuracy in those tests.

Third, the Senate language—and I wish the gentleman from Texas particularly, and I know my friend from Florida, because I think we are really getting to the same objective as the gentleman from Texas; I do not believe this stops drug testing. But the Senate language does not provide for any comment by those who will be affected.

Now I believe and I believe this House believes that that is appropriate.

Notwithstanding the fact that we do not provide for regulations being issued, which under the Administrative Procedure Act would in and of themselves require a comment period, we have provided a 60-day comment period.

That was negotiated. It was agreed upon. It is not going to cause any problems.

There are very few agencies that are not exempt, very few that are now able to proceed in any event. I will tell you the Treasury Department, for instance, has identified sensitive employees at this time. Other agencies are the same.

So that public comment will simply give to those employees and their organizations the opportunity to come in and say, "We believe the guidelines can be improved on or changed or modified in this way."

The administration need not follow those comments, I say to the gentleman from Texas. The administration need not follow the comments that are made. But we ought to give those, maybe 1 million in number, the opportunity to comment.

Fourth, the Senate language does not provide full access and the gentleman from Florida will be very interested in this, the Senate language does not provide full access to the employee's test results by the employee. We know there is going to be testing, it is going to go ahead. Is there anybody here who believes that not only are we going to subject employees to the test, but we are not going to make sure that they can see the results of those tests?

Is there anything more basic in our Constitution and in our precepts of law that those who may be adversely affected by an action have the right to know the results of an accusation or, in this case, a test? Does that undermine in any way the taking of the test? It does not. It simply says that the employee has the right to know what the results of that test were.

Fifth, and again I call attention to the gentleman from Florida, the Senate language does not insure the confidentiality of which the gentleman from Florida spoke. Very frankly, I had the gentleman in mind when we included the provision which said that the results of the test may not be distributed to other than the employee's agency and the responsible individuals in that agency who supervise that employee.

It seems to me that is what you are trying to get at. We are not trying to expose the employees to public ridicule or public approbation.

What we are trying to do is to get at what employees have used drugs and, as you know, the Executive order provides for rehabilitative services.

Lastly, one more point, the Senate language alters current law protections for employees. We do not think that is appropriate. Very frankly, the Senate decided that is not what it meant to do, did not mean to undermine any employees' rights. What it meant to do was to provide the parameters for the drug testing to go forward.

I will tell the gentleman on this side of the aisle that the administration believes that these parameters will, in fact, allow them to pursue drug testing.

□ 1640

I think that is what the majority of the House and the other body want to do. In that framework, we have also provided for the protection of the employees.

I would urge the adoption of the motion to concur in the Senate amendment, as amended.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. HOYER. Mr. Speaker, I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding.

I would like to compliment the gentleman in the well for the tremendous amount of representation that the gentleman is giving to the Federal employees. However, I think that the concern of the gentleman for the gentleman's constituents who happen to be Federal employees may be a little overstated.

The language that we are talking about being embodied in the supplemental has a number of safeguards. It does not spell out exactly how each and every thing is to be done, but that is not our purpose as legislators.

We appropriate money to buy tanks, but we do not tell the soldiers how to drive them. We do not go into a lot of details, but there are a tremendous amount of safeguards in the language of the other body.

Not only does it have to comply with the Executive Order 12564, the Executive order that has been the subject of a great deal of this debate——

Mr. HOYER. Reclaiming my time, let me say to the gentleman from Florida that I appreciate the gentleman's observation about my protection of Government employees.

I will tell the gentleman that I believe, notwithstanding the fact that if I did not represent any Federal employees, I would feel the same way, and my voting record reflects that.

I do represent a lot of Federal employees who are the object of this procedure; and therefore, I am one of the point persons on this issue.

The Senate language does not, however, as the gentleman so aptly points out, provide for protections adopted by the Congress of the United States.

This is a very sharp change from past practice, and my argument that I made on the floor when we defeated the Barton motion to strike the other language in this supplemental was that the Congress ought to speak to this, and in point of fact, some 240-plus Members agreed on that, that we ought to adopt procedures consistent with the privacy and integrity of the employees and the integrity of the tests.

Mr. HUNTER. Mr. Speaker, will the gentleman yield?

Mr. HOYER. Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I thank the gentleman for yielding.

I wanted to ask the gentleman one question. The question has a provision in the language that states that none of the funds appropriated shall be made available for tests under the Executive order until certain things happen.

One of those things is that each agency or department head has promulgated guidelines and procedures, and it goes on to describe in those procedures what they need to do.

My question is, is the gentleman's language saying that we cannot spend moneys on these drug tests until each and every agency and department head has promulgated these guidelines and procedures, and that fact has been certified in writing to the Congress?

Mr. HOYER. That is correct, and Mr. MILLER agreed to that.

The reason Mr. MILLER agreed to that, before we got to that agreement, Mr. MILLER asked that a substantial number of agencies be exempted on the threshold.

The Department of Transportation was the most, 30,000 Federal employees in and of itself that have been exempted; and the other agencies that I read that deal with safety and security matters are also exempt, so Mr. MILLER does not believe, and I think I state his position accurately, does not believe, though, that will substantially delay, and ultimately saw the wisdom of and in fact on both sides of the aisle in the other body and in the House, there was an agreement that there ought to be uniformity, and that is why that provision was included.

Let me answer one additional question, because I wanted to accommodate the administration further. They were concerned that little agencies with maybe 50 people or so would hold up this procedure, because they either did not have the capacity or the inclination, and were not under the executive branch, and would not be subject to their direction to adopt a plan, would hold it up by failure to act.

We specifically defined those agencies that are covered, and there is an agreement between the administration and the other body conferees, and the House conferees, on that issue, so that will not hold it up.

Mr. HUNTER. Mr. Speaker, if the gentleman will continue yielding, a quick followup.

In reading the provision that provides for these guidelines to be promulgated, it appears the gentleman also sought to remove the removal of any employee based upon a positive test result—unless such removal promotes the efficiency of the service due to egregious or aggravating facts or circumstances, or because an employee holds a position in law enforcement, national security, the protection of life or property or public health or safety.

Mr. HOYER. That is correct. That is the position of the President of the United States essentially.

When he issued these guidelines, the President said that the reason for testing was to rehabilitate and treat, and to free the workplace of drugs, not to implement sanctions against employees, notwithstanding that we have provided the language that the gentleman just read making exceptions for those areas which were extremely sensitive.

I might say that that language was not a specific disagreement between the administration and the conferees.

Mr. SHAW. Mr. Speaker, will the gentleman yield?

Mr. HOYER. Mr. Speaker, I yield to the gentleman from Florida.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding.

The gentleman from California is reading from the Senate language which we would like to incorporate into this bill rather than the language of the gentleman from Maryland.

Mr. HOYER. The gentleman from California said it was this bill.

Mr. HUNTER. I thought this language was the gentleman's language.

Mr. HOYER. Where were you reading from?

Mr. SHAW. Page 178 of the Senate language.

Mr. HUNTER. The gentleman is correct, I read from the Senate language.

Mr. SHAW. This is precisely the language we want to put into the bill.

Mr. HOYER. I understand that. The language, there was no disagreement.

I want to reiterate, the gentleman is correct. The language from which the gentleman read, I understand that; but it is a good device, and I understand that also.

There was no disagreement on the provisions that are provided for in the conferees language on the issue of removal of employees.

I state to the gentleman, the reason being the President's objective was not for the removal of employees, except where there is a safety problem, and that is not precluded by this bill, not precluded.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland [Mrs. Morella].

Mrs. MORELLA. Mr. Speaker, I appreciate this opportunity to speak in favor of the drug testing compromise language in supplemental budget conference committee report and want to commend the gentleman from Maryland for his hard work in reaching this compromise.

I have spoken previously on this House floor regarding my opposition to mass drug testing of up to 1.1 million employees in "sensitive" positions. When I requested hearings on the administration's drug testing policy in the Committee for Post Office and Civil Service, Chairman Ford agreed to holding these sessions. We have had two hearings and I have had numerous letters from my constituents—there are 43,711 Federal employees from Montgomery County though not all from District 8—who are very concerned about the ramifications of extensive drug testing. We have heard horror stories about false negative/false positive results in drug testing. We must be protected against faulty verdicts.

I have read and reread the drug testing compromise amendment carefully and believe that it is a well thought out solution between the positions held by the administration, Senate, and employee organizations.

I believe there is a place for testing for drug abuse where it is appropriate—in positions which affect the security of our Nation, public safety, or where there is probable cause.

The issue of constitutionality is now being decided in the Supreme Court so we will need to await that decision. However, I think that the drug testing compromise language is essential to protect our Federal employees and the integrity of our Government because the Executive is proceeding with the drug testing process. The conference committee language requires: uniformity among plans; reliable and accurate drug testing; current law protections to be afforded Federal employees; the costs of the Federal Government's Drug Testing Program be known before implementation of testing; confidentiality of drug testing results be protected; full access to drug testing records of employees be assured to those employees; and continued, centralized oversight of the Drug Testing Program be assured. We need the amendment to safeguard that Federal employees are ensured reliable and accurate testing. I am supporting this bipartisan effort to protect the basic rights of employees.

Again, I thank my colleague from Maryland for his untiring efforts to support the rights of Federal employees, and I urge the House to approve the compromise language.

Mr. LEWIS of California. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. Shaw].

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I doubt that this debate will take the full hour that has been allocated to it. We went through this the other night, and the drug testing provision passed overwhelmingly, almost two to one, in this Chamber, and I have no doubt that it will do that again.

Let us just quickly review where we are. The Senate provision which we have talked about and which we would like to have in the bill has been spoken of as if it did not contain any safeguards. It contains a lot of safeguards. The point has been made that it does not require certification. It does require certification, and I quote:

"The Department of Health and Human Services has certified and given precertification approval to a laboratory facility or facilities which comply with applicable State license requirements and meet the HHS scientific and technical guidelines for drug-testing programs dated February 13, 1987."

The question has been raised that it is not going to be uniform. The Senate language clearly states that the Office of the Director of Drug Abuse Policy has submitted to the Congress a detailed analysis by the agency at the time each agency plan is certified by the Director pursuant to subsection (a).

There is going to be similarity in these plans. They are not going to be identical. There is going to be a little bit of difference in each one of the plans, but they still have to be certified, and they all have to come under all the safeguards, not only of Executive Order 12564 but the other things that were placed in the bill.

Most notably, the Senate in its language was very sensitive to the fact that they did not want the administration to devise a plan that would be designed to get the employee or cause the employee to be fired. As to their sensitivity, they put this in the language that was read a few moments ago by the gentleman from California [Mr. Hunter], and I will paraphrase that. It said that except in very sensitive areas an employee will not be removed for the first time for the detection of drugs in the urine sample.

I think that it is important for us to note also that a lot of smoke has been thrown up in the air as to the constitutionality of this particular item. There were certain items that have come to the Supreme Court, and I will concede the point that the Supreme Court has not come down on all fours with regard to drug testing, but it has lifted certain bans on drug testing that were in fact used as recently as in Conrail, where they did do some drug testing on people driving particular locomotives that were involved in a wreck. Also, I might say that this was a unanimous decision of the Supreme Court.

So although I cannot say that I have a Supreme Court decision right on all fours, I will say that anytime they have come close to the question they have come down on the side of drug testing. This is going to be a very sensitive area, and it is one that is going to have to be handled with a great deal of compassion and a great deal of understanding.

□ 1655

But for us to sit here and try to put the procedure in a straitjacket, and that is what the Hoyer amendment does, it gives all the machinery to put the whole thing in a straitjacket so that we could be years away from drug testing.

Let us adopt the Senate language and get on with it and let us defeat the amendment of the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. SHAW. I am glad to yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, does the gentleman agree that there is in the Senate language no provision for access to test results for employees?

Mr. SHAW. The Senate language does not specifically point that out, but I might tell the gentleman that it does talk about how the program has to be set up. It does not in itself, and perhaps this should have been incorporated in there, but I can assure the gentleman that the programs that will be set under this implementing language will, I am sure, require that. I think that there are other provisions in Federal law that would give an employee access to his employment file.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. SHAW. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, the other provisions might have been from the APA, the Administrative Procedure Act and regulations, but of course, the administration was not for that because they were concerned that we were going to have procedural objections to this.

I want to say to the gentleman very sincerely, some have asked me to try to propose and sustain an amendment to this bill which would have procedurally tried to undermine the program.

I told them I was not going to do that, and the reason I was not going to do it was because I believe ultimately, as I think the gentleman from Florida believes, that this issue must be decided in the courts, not on procedural grounds, but on constitutional grounds, and I think that will be done.

The gentleman, I think, will also concede that there are no guarantees——

The SPEAKER pro tempore. The time of the gentleman from Florida [Mr. SHAW] has expired.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Speaker, I rise in support of the Hoyer language and the compromise that my colleague has worked out.

I think what we are talking about here more than anything is protecting a situation from developing whereby an innocent Federal employee could thereby be accused and loses his or her job.

I think we should think in terms of how would this be if you were using this in your congressional district and each and every business or back in your schools or something like this. I think what the gentleman from Maryland [Mr. HOYER] has tried to do is put together a uniform testing system which would protect the Federal employee, and when we talk about the Federal employee, Mr. Speaker, we are talking about the DEA agent that works to keep drugs out of our schools, so let us think in terms of the type of people we are talking about. We are talking about the people in NIH who are working on cancer research. We are talking about the Secret Service agents who protect the President of the United States. We are talking about functions and jobs that all of us think are very, very important, and are made up on the whole of very good and decent people.

Now, for some reason the Congress has made a decision and the gentleman from Maryland [Mr. HOYER] has gone along with it, that there will be drug testing. The gentleman has not tried to undermine drug testing and work out language whereby it will be negated.

This sets up a procedure. I think we have an obligation as the Congress to go along with this procedure for a year. If it does not work, if there is a problem, then we can come back next year and look at it, but let us bend over backward in order to protect the civil servant and the Federal employee, the FBI agent, the DEA agent, the Food and Drug agent, and all these people who are working on the frontlines to protect us. Let us bend over backward to protect them and be sure that we do not pass any legislation that irrationally goes on and acts in such a way that we stand here 2 or 3 years from now talking about a case where an individual was found to be guilty when he was innocent, so that we do not come here at some later date and find out that we passed the Senate language that the gentleman from Texas wants and find out that in the process of doing this, we feel very good today, but find out in a few years that we have actually injured people and hurt their careers.

Mr. Speaker, I ask and urge all my colleagues to support the Hoyer language when we get an opportunity to vote.

Mr. Speaker, as a member of the subcommittee I rise to support the language worked out by my Maryland colleague, Mr. HOYER. I commend the work he and his staff have put into this effort to reach an agreement with the administration including OMB, OPM, Justice, HHS, and DOD, the Congress and Federal employee organizations on an appropriate course of action in this sensitive area of drug testing.

I believe the drug testing amendment worked out by my colleague adequately addresses the concerns raised by my constituents about the reliability and accurateness of the procedures being used to test for drug use. The margin of error, in some instances has been unacceptably high and many employees feel as though their careers may be on the line even if they are drug free.

This agreement sets forth a procedure which is not only consistent with the intent of eliminating drugs from the Federal workplace, but in protecting the innocent through safeguarding the procedures as well.

Mr. LEWIS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, I think we are all in agreement here on both the goal to address the serious problem of drugs in our society and also the necessity for providing adequate safeguards for those who may be tested, but I fear that our emphasis here in the last 20 or 30 minutes has been skewed totally to the side of protecting those who are going to be tested, as opposed to focusing for just a moment on the reason why we are doing this in the first place.

The reason I mention the fact that we have got an extremely serious drug problem in this country that has got to be addressed is that in all these situations there must be a balancing. I am assuming, for the sake of argument, that the procedures will be constitutional and that all appropriate judicial review will pertain, so that no one need be concerned about a violation of their constitutional right; but having made that assumption, then it is critical for us to weigh, to balance and to determine what safeguards are appropriate under all the circumstances, the primary circumstance here being one of the most serious problems that this country confronts, and that is the problem of drugs. People are dying. Lives are being destroyed and the safety of many civilians in this country is in jeopardy because of the fact that this problem exists.

We have got to address this problem quickly, seriously, and I fear that in this debate about the legal niceties of all the safeguards, the belts and the suspenders and the additional ways in which we are going to make various agencies go through hoops here in order to provide a testing program that meets the requirements we are setting out, that we are failing to focus on our ultimate goal.

Any time we have a debate in this society about balancing the rights of those who are being deterred from crime, or perhaps where crime is being detected on the one hand and protecting the rights of society on the other, we have got to involve ourselves in this balancing discussion.

While I certainly respect all of the people who have worked diligently on this compromise, and I have not been privy to those arguments, I certainly suspect that we all share precisely the same goals here. Reasonable people can differ about the ingredients that go into this balancing.

Frankly, I am disturbed at what I hear and what I read when we find that no money can be appropriated unless each agency has developed a plan, and it is a plan that must be published with mandatory guidelines which have to rely upon the best available technology, two different Secretaries have to submit to Congress in writing a detailed agency-by-agency analysis relating to a whole list of things.

Frankly, I just have to ask the question whether or not we have balanced this too much on the side of precaution for those who are being tested and not enough on the side of the citizenry which we are trying to protect.

I submit that it would be a mistake for us to necessarily assume that because a great many well-intended people have reached this compromise, that it represents the best we can do to confront this extremely serious problem.

Mr. LEWIS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I probably will not take the 2 minutes, and I will be glad to yield to the gentleman to make his point, if I do not; but I just want to try to get all this in perspective.

I greatly respect the gentleman from Maryland. He does an incredible job in this House, and also the gentleman from Virginia [Mr. WOLF].

I understand their concerns. I understand that the Federal employees are incredibly dedicated individuals and are doing a wonderful job in most respects in the Federal Government.

What I cannot understand is why we are fighting a program that obviously works. It has been tested in many facets of our society. It works as a deterrent to keep people drug free in the workplace, and we are fighting over rights and how much rights, big rights, little rights, when the gentleman from Maryland prefaced his remarks by saying he is against drug testing for Federal employees.

We are not kids around here. We know that when you are against something, you can fashion language in order to put it off, and I hate to use the word delay it time and time again.

Mr. HOYER. Mr. Speaker, I do not think I used that word.

MR. DELAY. To sort of put it off and hopefully delay it enough to where it simply goes away; but the super-Hoyer amendment, and I hate to be redundant, but it applies not only to all fiscal year 1987 funds, but indefinitely thereafter, it mandates a 60-day comment period on the administration drug testing guidelines and provides opponents of drug testing with a panoply of weapons under the Administrative Procedure Act, for delaying indefinitely the implementation of the President's Executive order.

Now, let us not kid ourselves. This is an attempt to delay it and put it off as long as we can so that we can lose drug testing in the workplace.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. LEWIS of California. Mr. Speaker, I yield an additional 1½ minutes to the gentleman from Texas.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, first of all, we are exempt under the APA here, the Administrative Procedure Act, so the gentleman is not correct. We are not trying to do that. The administration did not want that and I acceded to that and the conferees acceded to that.

Let me ask the gentleman one more question. Is the gentleman aware that we have exempted approximately 200,000 employees from any delay in drug testing specifically because of the concern expressed on the House floor and other places that we move ahead on those positions that the administration felt were critical with respect to law enforcement and safety and security?

Mr. DELAY. Mr. Speaker, let me reclaim my time to answer that question very quickly.

I do not know why we exempted the 200,000 employees. If we are for drug testing, then we ought to be for drug testing for everyone and not put one under one program and another under another program.

Mr. BARTLETT. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Texas.

Mr. BARTLETT. Mr. Speaker, I just wanted to answer the gentleman's first point. I have a question from the gentleman from Maryland.

When I questioned the Department of Justice officials on the Administrative Procedures Act, they said that it did apply to the amendment that the gentleman is offering. The gentleman just said that they are specifically exempted from it.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. LEWIS of California. Mr. Speaker, I yield 1 additional minute to the gentleman.

Mr. BARTLETT. In the amendment as printed in the CONGRESSIONAL RECORD, it talks about the Rehabilitation Act of 1973.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Maryland.

Mr. HOYER. Mr. Speaker, I am glad the gentleman raised that point, because why we included the Rehabilitation Act, that goes back to the question raised by the gentleman from California when he was reading my amendment, and I said it was in there. It was not. It was really in the Senate amendment.

What the Rehabilitation Act says is that drug abuse and alcohol abuse are not handicaps for the purpose of protecting an employee from being removed if that removal is disadvantageous to the Federal service and safety of the citizens of the United States, which the gentleman referred to, so we have provided for that.

Mr. DELAY. Which is one more provision to cause litigation and put it through the whole process and once again obscure the whole process of what we are after, and that is to get a drug-free environment through the deterrent of drug testing.

Mr. HOYER. Mr. Speaker, will the gentleman yield for one observation?

Mr. DELAY. I am glad to yield to the gentleman from Maryland.

Mr. HOYER. Any provision, whether or not it is under the Senate language and rules and regulations promulgated by the administration are going to be subject to judicial review. The Justice Department is wrong.

The SPEAKER pro tempore. The Chair would announce that both sides have 12 minutes remaining.

The Chair recognizes the gentleman from Maryland [Mr. HOYER].

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I would like to ask our colleagues to move on as quickly as possible. We have been here about 2 months handling this thing and all day long today. I hope the gentleman on both sides will speed this matter up.

Mr. HOYER. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota [Mr. SIKORSKI].

Mr. SIKORSKI. Mr. Speaker, I rise in support of the conference report.

Mr. HOYER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. COLEMAN], a member of the Treasury-Post Office Subcommittee.

Mr. COLEMAN of Texas. Mr. Speaker, I rise in support of the conference report on H.R. 1827, the fiscal year 1987 supplemental appropriations bill. I commend the chairman and the conferees for the arduous task they have conducted in crafting this compromise bill with the other body.

Mr. Speaker, I want to speak to a specific portion of this bill which I believe warrants our support. Section 503 of the conference report, the Senate amendment as amended by the Hoyer language addresses the issue of Federal employee drug testing as it relates to Executive Order 12564, dated September 15, 1986.

The issue of mandatory drug testing for Federal employees is a very controversial one indeed. It raises constitutional questions relating to the invasion of privacy. While the Congress and the administration believe we should have a drug-free Federal work force, as we should have a drug-free America, we must be careful not to trample on the rights of Federal employees. While drug abuse is a national epidemic, it does not preclude the constitutional rights of Federal employees as United States citizens. It is very likely that the matter of Executive Order 12564 may need to be determined not in the executive or legislative branches but in the courts. Given that, however, I believe the compromise worked out by the gentleman from Maryland and the committee is the best possible solution in the short-term pending from judicial review.

The compromise would prohibit agencies from spending any funds contained in this or any other act to administer or implement any drug testing pursuant to Executive Order 12564 or any subsequent order until the following provisions had been met:

First, The Department of Health and Human Services [HHS] has certified that each agency has a plan consistent with the President's executive order and existing law;

Second, HHS publishes mandatory guidelines that establish uniform standards and procedures for drug testing on a Governmentwide basis to ensure the best possible technology and accuracy;

Third, HHS specifies the drugs for which employees will be tested;

Fourth, HHS establishes procedures for periodically checking labs for accuracy and adherence to standards;

Fifth, HHS gives Congress as agency by agency:

Justification of criteria used to select positions to be tested;

List of positions tested;

Description of nature and frequency of testing;

Office of Management and Budget cost estimates for all phases of testing.

In addition, the Hoyer compromise safeguards employees privacy interests by prohibiting the disclosure of test results except to the employee's medical review officer, employee assistance program administrator, or supervisory or management officials with disciplinary authority. Each employee shall have full access to drug testing results and related records.

Finally, all agencies with programs in place as of the date of the Executive order, September 15, 1986 would be exempted. In addition, the compromise would further exempt the Department of Transportation, Department of Energy employees who handle nuclear weapons of fuels, CIA, Bureau of Prisons, DEA, FBI, INS, Department of the Army, U.S. Customs Service, BATF, and the Secret Service.

Mr. Speaker, the Hoyer compromise is the best possible solution given our position in the debate on this issue. This matter may well be ultimately determined in the courts, but pending that, the Congress has an obligation to see that the rights of Federal employees as citizens of the United States are upheld. This compromise attempts to provide for this among a divided Congress and I would suggest to my colleagues that we adopt the measure.

□ 1710

Mr. DeLAY. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I too believe that we ought to start by setting an example right here. My office has done this, and I paid for it out of my own pocket. Every one of us, including this Member, has subjected himself and his staff to drug testing just because we all do want to set an example. I believe that the rest of the Congress should do so.

There is nothing wrong with us, the employer of the Federal employee, demanding this also of our employees, as so many of the Fortune 500 companies across this country have. It is incumbent upon us at the Federal level to set this example.

I believe that we can do it with this drug testing, and if Members are for drug testing, let them vote down the Hoyer amendment and vote for the Senate language.

Mr. DeLAY. Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I want to try to summarize the debate and put into perspective exactly what we are talking about.

First of all, there is a procedural reason, if no other reason, to be against the Hoyer amendment, because it is legislating permanent legislation in a supplemental appropriation bill. They had to waive the rules of the House in order to do that.

I would like to read the first clause of the amendment. It says:

> None of the funds appropriated or made available by this Act or any other Act with respect to any fiscal year shall be available to administer or implement any drug testing pursuant to Executive Order 12564.

So we are not doing something just for a short amount of time. If we adopt the Hoyer amendment, we are doing something forever. The Senate version does not do that. The Senate version is until May 1, 1989.

Let us get to some of the substantive reasons that we should be against the Hoyer amendment. First of all, they talk about uniformity. Well, uniformity is not necessarily a good thing, because each agency is different. Each agency has different sensitive positions. Each agency has different obligations to fulfill. Under the Senate version, each agency will still have to have a program that meets all the technical and scientific requirements of drug testing, but they will not have to be uniform anemone, but they will not have to be the same.

Second, let us talk about the issue of sequencing. Under the Hoyer amendment, every administrative test has to be approved and in place before any of them can be implemented. That is kind of all or none. The gentleman himself admits that is the case. There is an excellent chance that because of the procedural hurdles that you have to go through in every agency that it would take years and years and years before they are all approved.

Under the Senate version you can implement each program on a case-by-case basis. They have to be certified by HHS, they have to be certified by the Office of Drug Policy in the White House, but once they are certified, they can go into effect.

Third, let us talk about exemptions. In the Hoyer amendment we have some exemptions. We also have some exemptions in the Senate version. I am not an attorney, but according to my conversations with the Justice Department, there is a doctrine that is called issue preclusion. Under the doctrine of issue preclusion, if any of these plans are objected to and a judge issues an injunction against one plan, then that injunction can be used to stop every plan, even the plans that have already been implemented, even the plans that are specifically exempted under the Hoyer amendment.

Fourth, let us talk about reliability. In the Hoyer amendment there is a great amount of space taken up that certifies all the reliability standards that have to be met. That is all well and good, but in the Senate version and the Presidential Executive order you also have to meet the technical and scientific requirements that HHS put out on February 13, 1987. The American Civil Liberties Union themselves admitted in testimony before the other body that the Senate version and the Presidential Executive order meet the reliability test, so that is not a reason to be against the Senate version.

Finally, we talk about the issue of confidentiality. Under the Senate version and under Presidential Executive order you have confidentiality, you have the right to go to counseling, you have to comply with the Civil Service Reform Act, so the due-process provision. The rights of the individual are protected under the Senate version just the same as under the Hoyer amendment.

Let us get to the final point—timeliness. The Presidential Executive order was issued on September 15, 1986. Here we are in June of 1987 and we still do not have a testing program in many of the executive agencies. If we adopt the Hoyer amendment, it could very conceivably be years and years and years before we do have any testing provisions.

The Senate version would allow those programs that have been processed to go into effect immediately.

If Members believe that now is the time to begin a drug-testing program in the Federal work force, then they should vote against the Hoyer amendment and vote for the Barton amendment later, which would allow the Senate version to be the drug-testing program that goes into place.

Mr. HOYER. Mr. Speaker, will the gentleman yield?

Mr. BARTON of Texas. I yield to the gentleman from Maryland.

Mr. HOYER. I thank the gentleman for yielding.

Mr. Speaker, first of all I want to make a point that uniformity is mandated in that the test will be the same for employees. However, the number of drugs or the particular drugs are not necessarily uniform by agency.

Second, some agencies will test more employees than others, and that is not mandated to be uniform.

So the gentleman, I think, implied that there was some uniformity required here that was not in fact the case if there are differences in agencies and they make those decisions. The only uniformity is that the test must be the same. They can test for different kinds of drugs or numbers of drugs, however.

The SPEAKER pro tempore. The time of the gentleman from Texas [Mr. BARTON] has expired.

Mr. HOYER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. FAZIO].

Mr. FAZIO. I thank the gentleman for yielding time to me.

Mr. Speaker, I would like to congratulate the gentleman from Maryland [Mr. HOYER] and Senator MIKULSKI and others who, putting aside their objections to random testing—and I think that the gentleman is not opposed to drug testing, he is opposed to random testing, which he considers unconstitutional—putting aside those concerns, he has gotten involved in the detailed process of trying to put something together that meets the test that we would all want to employ when dealing with any of our constituents, Federal employees or anyone else.

I think that they have come up with a better approach than the Senate and the Executive order, and I cite to areas. First, I would like to talk about the facilities that do drug testing.

□ 1720

The only regulations that drug testing facilities would have to meet under the Senate language is applicable State license requirements. In other words, this means that 50 different regulations for our Federal employees could well apply. There is no consistency. Some States have stringent requirements, many do not.

These guidelines have never received public comment, and all of our constitutents who are Federal employees, who are exposed to this panoply of differences, could easily provide for court cases, litigations on violations of individual rights because of inconsistencies.

More importantly I would like to talk for a minute about the confidentiality issue that my friend from Texas [Mr. BARTON] touched on just a minute ago. If my colleagues look at the Federal Register, it says agencies are not required to report to the Attorney General for investigation or prosecution, any information, allegation, and so forth.

The Hoyer language instead of the Senate language does not leave that issue up in the air for determination by the agency. They provide confidentiality. We do not want to prosecute people, we want to counsel people. We do not want to throw people out of their workplace, we want to make it possible for them to rehabilitate themselves and maintain a job.

I think this is a preferable approach, and I think it really does go to the issue that is stated and exists in the Executive order.

I would point out an Executive order is just that and it can be changed. We need to have in statute the kinds of protections that the language of the gentleman from Maryland [Mr. HOYER] would provide.

Mr. Speaker, as a member of the joint House-Senate conference committee on the supplemental appropriations bill, H.R. 1827, I strongly support this amendment to the bill.

I agree that a drug-free workplace is essential to a productive and efficient government. A career in public service is a point of pride for our Federal employees. They, no less than ourselves, demand a healthy and safe working environment.

In order to protect the constitutional rights of our Federal workers, it is essential that we develop uniform standards and procedures to protect the constitutional rights of these individuals.

Without strict guidelines, only abuses of the system will occur and individuals careers put in jeopardy. Such instances are not uncommon. I would like to relate to you a few horror stories which only emphasize the need for strong regulations of drug testing.

A research biologist at a toxicology laboratory at an Army chemical research center at Aberdeen Proving Ground in Maryland recently received a false positive on a drug test. At that time, Aberdeen tested employees without having any standard operating procedures. This woman was given a nonsterile cup and told to provide her sample with a witness observing. Because she had previously investigated the Army's drug testing program, she immediately took annual leave and went to two local hospitals and had her urine tested at her own expense. Both tests were negative.

Since the Army's program requires two-stage testing of employee samples—provided subjects have signed a consent form—her sample had to be sent to another laboratory. Her second level testing sample arrived 4 days after the 3-day shipping time required under Army regulations. She waited 21 days before receiving a negative result from the second-level testing. Not only was this an unreasonable amount of time to wait for a result of such a crucial test, this Federal employee had to go to court to prevent the Army from further testing until the second-level testing results came back negative.

Another horror story recently came to surface when a chemist in charge of analyzing drug tests performed on airplane pilots and railroad crews involved in accidents pleaded guilty last month to charges that he falsified records in three cases to conceal the fact that tests were never performed. As director of the Forensic Toxicology Research Unit—operated by the Federal Aviation Administration—Mr. Delbert J. Lacefield reported negative results on blood samples taken after three train crashes when in fact the tests were never performed. Since Mr. Lacefield did not receive any financial compensation for his actions, it is speculated that he did not want to admit that the lab lacked the expertise to conduct the tests or that the loss of a key contract with the railroad administration amounting to $200,000 was another consideration.

A further investigation of the incident uncovered reports that found that several employees complained about the quality of work done by the lab. Documents obtained from the investigation showed that questions about the laboratory performance had been raised a year ago. And in fact, the Armed Forces Institute of Pathology wrote last June 25, in a two-page memo to Dr. Frank H. Austin, then the Federal Aviation Administration's Federal air surgeon that "At present, quality control is performed in a very unstructured manner."

In light of this discovery and other related incidents, I believe it is essential that the conference committee's amendment remain untouched. If the Senate provisions are adopted, we will, without a doubt, see further deterioration of quality control. The only regulations that drug testing facilities would have to meet under the Senate language is "applicable State license requirements." This means 50 different regulations for our Federal employees. There is no consistency. While some States have stringent requirements, many do not. Also, these guidelines have never received public comment. How can we propose standards that have not been reviewed by well-known and respected experts in the field of drug testing?

The conference committee has spent many hours negotiating this bipartisan compromise which:

First, safeguards employee jobs by providing confidentiality. We want to help people not prosecute them;

Second, establishes uniform standards and procedures for drug testing;

Third, specifies the drugs for which employees will be tested;

Fourth, periodically checks labs for accuracy; and

Fifth, ensure that there are OMB cost estimates for all phases of testing.

I especially would like to point out that the conferees do not take any position with respect to pending litigation on the constitutionality of random drug testing.

I urge my colleagues to support this amendment and reject any attempts to alter this amendment.

Mr. DELAY. Mr. Speaker, we have no requests for time, and I reserve the balance of my time.

Mr. HOYER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. ACKERMAN].

Mr. ACKERMAN. Mr. Speaker, I rise today in strong support of the drug-testing compromise negotiated by my distinguished colleague from Maryland. He should be commended for his tireless efforts on behalf of Federal employees.

Mr. Speaker, American citizens do not give up their constitutional rights when they choose a career in public service. I for one believe that the random mandatory drug testing required by the President's Executive order is unconstitutional and I am hopeful that the Supreme Court will so rule.

But in the meantime, the compromise offered by the gentleman from Maryland addresses the important questions of privacy, accuracy, and costs, inherent in drug testing.

The Hoyer amendment allows Federal employees access to test results but restricts the release of those results without employee consent.

Federal employees also have access to any records relating to certification and review of laboratories. Both of these provisions are important protections for Federal employees against arbitrary personnel actions.

Urinalysis screening can have an inaccuracy rate of 5 to 20 percent. The Hoyer compromise requires that only the best technology available be used in drug testing.

The amendment further requires the Department of Health and Human Services to establish rigorous laboratory standards for testing procedures and chain of custody in an effort to avoid false positives.

The cost of drug testing under the Executive order could be $100 million annually. Under the Hoyer compromise OMB would be required to report on the cost of the program and agencies would be required to report annually on their drug testing activities. In that way, Congress will be able to determine if drug testing is the best way to spend our limited resources.

I urge my colleagues to support the Hoyer compromise and give back some of the rights Federal employees lost in the war on drugs.

Mr. HOYER. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. MCCURDY].

(Mr. McCURDY asked and was given permission to revise and extend his remarks.)

Mr. McCURDY. Mr. Speaker, I rise in support of the Hoyer amendment.

Mr. Speaker, as a Member of the Federal Government Service Task Force, I rise in strong support of the conference agreement on Federal employee drug testing. A bipartisan compromise has been worked out that requires HHS to establish uniform standards and procedures for drug testing on a governmentwide basis.

The amendment protects the privacy of employees by releasing drug testing results to the employee and supervisor in charge. Access to the results by unauthorized personnel will be prohibited. Periodic checks of drug testing labs will insure accuracy of results.

It is essential that we have a sound and uniform policy regarding drug testing, and I urge the support of this amendment.

Mr. HOYER. Mr. Speaker, I yield such time as he may consume to the gentleman from Hawaii [Mr. AKAKA].

Mr. AKAKA. Mr. Speaker, I thank the gentleman from Maryland for yielding me this time, and I rise to voice my support for the language contained in the conference report and ask my colleagues to support it.

Mr. Speaker, the effort to eradicate the unfortunate presence of drugs in the workplace is a high priority for all of us concerned about the detrimental impact of alcohol and drug abuse upon the health, safety, and performance of the individual, as well as the safety of their coworkers and the community at large. This amendment, contained in the conference report on the supplemental appropriations bill, responsibly and comprehensively addresses these concerns, pursuant to Executive Order 12564.

Cognizant that the key component to the effectiveness and credibility of drug testing is the accuracy and uniformity of testing procedures, the conferees provide for rigorous and consonant specimen collection and laboratory procedures for all Federal workers to be tested. The Department of Health and Human Services is charged with publishing mandatory guidelines and specifications to be followed by all Federal agencies, consistent with Executive Order 12564. Should we settle for anything less? Our answer must be a resounding no. On an issue of such significance, any ad hoc implementation of testing programs, utilizing piecemeal procedures and second-rate technology offered through bargain basement labs, is unacceptable.

The amendment also provides for the continuation of current law protections afforded Federal employees under the Rehabilitation and Civil Service Acts, emphasizing our commitment to health and safety, not punishment or stigmatization. Restrictions governing the disclosure of test results and provisions guaranteeing each employee full access to drug test results and related record safeguard the privacy interests of employees.

Finally, the compromise reflects no bias with respect to questions concerning the constitutionality of random drug testing. Pending the outcome of ongoing litigation, the conferees opt to remain neutral on the constitutionality of Executive Order 12564.

Again, I would like to express my gratitude and appreciation to the gentleman from Maryland [Mr. HOYER] and all the conferees for their endeavors in arriving at this compromise. If we are to assure an effective, equitable, and protective screening procedure we can settle for no less rigorous a program.

Mr. DELAY. Mr. Speaker, I yield such time as he may consume to the gentleman from Arizona [Mr. KYL].

Mr. HOYER. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. EVANS].

Mr. EVANS. Mr. Speaker, I rise in support of the Hoyer compromise, but I would like to make it clear that I believe that the compromise should not be construed, if it is accepted, as a message to the Reagan administration or the courts that the Congress of the United States in any way supports the constitutionality of random drug testing for Federal employees.

This is an attempt, however, to ensure the minimum protection of Federal employees if in fact the administration goes ahead with drug testing as it has planned.

I am convinced that this bipartisan agreement represents the best approach possible under the circumstances, and I will support wholeheartedly the Hoyer compromise.

Mr. DELAY. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding. I do not want to keep getting up here and beating the same horse, but some misrepresentations have been made in the debate that I think should be cleared up.

The Senate language, which is contrary to the Hoyer amendment, specifically incorporates Executive Order 12564, and that says that that shall be complied with. When my colleagues go to that it talks about the procedures for providing urine specimens must allow individual privacy unless the agency has reason to believe that the particular individual may alter or substitute the specimen to be preserved.

The point was made a few minutes ago that Executive orders can be changed. They can be changed, but they cannot be changed as incorporated into the language of the act itself. The Senate language does preserve that language of that Executive order within its four corners.

I do not know of any legal precedent that would allow that to be changed just simply by an Executive order being changed. It is a permanent part of the law.

Mr. HOYER. Mr. Speaker, I yield 30 seconds to the gentleman from Maryland [Mr. McMillen].

Mr. McMILLEN of Maryland. Mr. Speaker, I rise in strong support of the Hoyer amendment and want to compliment my colleague from Maryland for helping craft this compromise between members of the executive branch, Congress, and our Federal employee groups.

While I am opposed to random drug testing, I think this goes a long way to ensure accuracy of our tests, reliability of our tests, and privacy of our tests.

If we are going to have this sort of testing, let it be done in an orderly and fair fashion, and I think the Hoyer amendment goes a long way toward ensuring that. I urge its adoption.

Mr. HOYER. Mr. Speaker, I yield 1 minute to the gentleman from Maryland [Mr. Cardin].

Mr. CARDIN. Mr. Speaker, I want to thank my colleague from Maryland for yielding me this time and compliment the gentleman on the work he had done on this very sensitive issue. I share with my colleague from Maryland the skepticism of random drug testing for our Federal employees. Without specific cause, I have great concerns about random drug testing.

But the Hoyer compromise is a true compromise. It provides us with a fair system for setting up drug testing of our Federal employees. I think it is a real compromise and it establishes the appropriate method to proceed with some form of drug testing for our Federal employees.

It provides the qualifications for such tests, the uniformity that is necessary, the reliability of testing, the oversight, and I urge my colleagues in the sense of compromise, in the sense of those of us who are opposed to random testing for thousands of us that would like to see some testing take place, adopt the compromise and support the Hoyer amendment.

Mr. DELAY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just say in closing that if my colleagues want drug testing to be put in a straitjacket, then vote for the Hoyer amendment. If they want it under good guidelines and protecting the rights of our Federal employees, then vote against the Hoyer amendment.

I yield back the balance of my time.

Mr. HOYER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing, that characterization is simply not true. The Hoyer language provides for testing, and it provides for protections of American citizens who happen to be Federal employees who happen to be subject to these tests.

The Hoyer language was agreed to by the point person for the administration, by both the majority and minority sides in the Senate, and both the majority and minority on the House side in our committee.

Mr. Speaker, this is a good compromise and I urge the adoption of the conference committee language that the conference committee unanimously adopted.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from Maryland [Mr. Hoyer].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BARTON of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 343, nays 77, not voting 13, as follows:

[Roll No. 236]

YEAS—343

Ackerman
Akaka
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Barnard
Bateman
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Biaggi
Bilbray
Bliley
Boehlert
Boggs
Boland
Boner (TN)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Callahan
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Cheney
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Coyne
Craig
Crockett
Daniel
Darden
Daub
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Dowdy
Downey
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Hopkins
Horton
Houghton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lipinski
Lloyd
Lowery (CA)
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Madigan
Manton
Markey
Marlenee
Martin (NY)
Martinez
Matsui
Mavroules
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Myers
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Oxley
Panetta
Patterson
Pease
Pelosi
Penny
Pepper
Perkins
Petri
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Quillen
Rahall
Rangel
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schneider
Schroeder
Schuette
Schulze
Schumer
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stallings
Stangeland
Stark
Stenholm
Stokes
Stratton
Studds
Sundquist
Swift
Synar
Tallon
Taylor
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Watkins
Waxman
Weber
Weiss
Weldon
Wheat
Whitten
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)

NAYS—77

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bilirakis
Boulter
Brown (CO)
Bunning
Burton
Coble
Combest
Crane
Dannemeyer
Davis (IL)
DeLay
DioGuardi
Dreier
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gingrich
Grandy
Gregg
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hunter
Hyde
Inhofe
Ireland
Konnyu
Kyl
Lagomarsino
Latta
Lightfoot
Lott
Lukens, Donald
Lungren
Mack
Martin (IL)
Mazzoli
McCandless
McCollum
Meyers
Michel
Molinari
Moorhead
Nielson
Packard
Porter
Roberts
Roth

Sensenbrenner
Shaw
Shumway
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Stump
Sweeney
Swindall
Thomas (CA)
Walker
Whittaker
Williams
Wilson
Young (FL)

NOT VOTING—13

Bonior (MI)
Courter
Ford (TN)
Gephardt
Hammerschmidt
Kemp
Livingston
Miller (OH)
Parris
Pashayan
Roemer
Tauke
Tauzin

□ 1750

Messrs. LOWRY of Washington, LATTA and SOLOMON changed their votes from "yea" to "nay."

Mrs. VUCANOVICH, and Messrs. SWIFT, STAGGERS, LEWIS of Florida, CRAIG, and LOWRY of Washington changed their votes from "nay" to "yea."

So the preferential motion was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 420: Page 120, strike out lines 15 to 19.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 420 and concur therein with an amendment, as follows: In lieu of the matter stricken, insert the following:

SEC. 506. Notwithstanding any other provision of this Act, appropriations made by Title I of this Act for the following account shall be as follows: "Immigration and Naturalization Service, Salaries and Expenses, $137,216,000."

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 422: Page 120, after line 23, insert:

SEC. 504. Section 208(a) of the Department of Justice Appropriations Act, 1987 (Public Law 99-500 and Public Law 99-591) is hereby repealed.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 402 and concur therein with an amendment, as follows: In lieu of the first section number named in said amendment, insert the following: "507".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 424: Page 120, after line 23, insert:

SEC. 506. None of the funds provided in this or any other Act may be made available to facilitate in any way the sale of M-833 antitank shells or any comparable anti-tank shells containing a depleted uranium penetrating component to any country other than:

(1) Countries which are members of NATO, or

(2) Countries which have been designated as a major non-NATO ally for purposes of section 1105 of the National Defense Authorization Act for Fiscal Year 1987.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows: "508".

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 424 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "508".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 425: Page 120, after line 23, insert:

SEC. 507. None of the funds made available by this or any other Act may be used for the purpose of restarting the N-Reactor at the Hanford Reservation, Washington during fiscal year 1987. For the purposes of this paragraph the term "restarting" shall mean any activity related to the operation of the N-Reactor that would achieve criticality, generate fission products within the reactor or discharge cooling water from nuclear operations.

MOTION OFFERED BY MR. WHITTEN

MR. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 425 and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment, insert the following:

SEC. 509. None of the funds made available by this or any other Act may be used for the purpose of restarting the N-Reactor at the Hanford Reservation, Washington during fiscal year 1987. For the purposes of this paragraph the term "restarting" shall mean any activity related to the operation of the N-Reactor that would achieve criticality, generate fission products within the reactor or discharge cooling water from nuclear operations: *Provided further*, That this provision does not require a change in the current fuel status of the reactor.

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 426: Page 120, after line 23, insert:

SEC. 508. None of the funds appropriated by this or any other Act shall be available for the purpose of relocating the headquarters of the Peace Corps to office space outside of the District of Columbia.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 426 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "510."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 427: Page 120, after line 23, insert:

SEC. 509. None of the funds appropriated or otherwise made available in title III of this Act may be used for purposes other than Federal Employees' Retirement System costs authorized by or pursuant to the Federal Employees' Retirement System Act of 1986 (Public Law 99-335). Notwithstanding any other provision of this Act, any funds provided in title III of this Act not utilized by September 30, 1987, for agency contributions prescribed by the Federal Employees' Retirement System Act of 1986 (Public Law 99-335) shall lapse.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 427 and concur therein with an amendment, as follows: In lieu of "SEC. 509." named in said amendment, insert the following: "SEC. 511."

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 428: Page 120, after line 23, insert:

SEC. 510. (a) The Congress finds that—

(1) the people of Angola have suffered under colonial domination for centuries;

(2) the Portuguese promise of independence and free elections for Angola embodied in the Alvor Accord of 1975 was nullified when the Marxist Popular Movement for the Liberation of Angola (hereafter in this resolution referred to as the "MPLA") illegally and militarily seized power with the support of Soviet and Cuban troops;

(3) the Marxist regime in Angola has continually denied the most basic human rights

to the people of Angola since 1975 culminating in one of the worst human rights records reported by the Department of State, as described in the report entitled "Country Reports on Human Rights Practices for 1986";

(4) the Marxist regime in Angola has allowed the country of Angola to become a Soviet base for aggression and subversion in southern Africa, including the expansion of a Soviet naval port, the presence of 35,000 Cuban troops, and the influx of $4,000,000,000 in Soviet weaponry;

(5) the naval port facilities in Angola pose serious potential threats to United States naval interests in the Atlantic and around the Cape of Good Hope;

(6) the Soviets and Cubans have engaged in the most blatant foreign intervention in post-colonial history of Africa, and the MPLA is hostage to these foreign forces as evidenced by the fact that the MPLA had the worst anti-United States voting record in the United Nations last year;

(7) the MPLA government of Angola in 1986 obtained 90 percent of its foreign exchange from the extraction and production of oil with the assistance of American companies;

(8) most of Angola's oil is extracted in Cabinda Province, where 65 percent of it is extracted by an American oil company;

(9) United States business interests are in direct conflict with overall United States foreign policy and national security objectives in aiding the MPLA government;

(10) the United States currently refuses to recognize the Marxist government of the MPLA;

(11) representatives of the Government of Portugal's three main political parties have recently visited the liberated territory and will soon announce a commission to promote national reconciliation in Angola;

(12) the United States has an obligation to encourage peace, freedom, and democracy and to condemn tyranny where it may exist; and

(13) the growing intensity of war, the mounting suffering of the Angolan people, the growing presence of communist forces in Angola, and the failure of the MPLA to respond to diplomatic initiatives gives new urgency to efforts to reach a peaceful settlement.

(b) It is the sense of the Congress that the United States, so long as Soviet and Cuban military forces occupy Angola, should encourage peace and national reconciliation in Angola through a negotiated settlement to the eleven-year military conflict and stress the holding of free and fair elections as outlined in the 1975 Alvor Agreement through—

(1) continued multilateral initiatives designed to support Soviet and Cuban withdrawal and a negotiated peaceful settlement acceptable to the people of Angola; and

(2) consistent efforts by the President and the Secretary of State to convey to the Soviet leadership that continued military build-up and presence in Angola directly hinders future positive relationships with the American people and the United States Congress.

(c) The Congress hereby requests the President to use his special authorities under the Export Administration Act to block United States business transactions which conflict with United States security interests in Angola.

(d) It is further the sense of the Congress that the Secretary of State should—

(1) review the United States policy with respect to the United States refusal to recognize the Marxist MPLA government, the abysmal human rights record of the MPLA government (as reported by the Department of State), and the worst 1985 voting record supporting United States interests in the United Nations; and

(2) prepare and transmit to the Congress a report containing the findings of the review required by paragraph (1), together with a determination as to whether it is in the United States interest to continue under the current trade and business policy with respect to Angola.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 428 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "512".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 429: Page 120, after line 23, insert:

SEC. 511. None of the funds made available by this or any other Act for fiscal year 1987 for Health Care Financing Administration Program Management activities shall be used to promulgate or enforce any rule, regulation, instruction, or other policy having the effect of establishing a mandatory holding of Medicare claims processing or payments.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 429 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert: "513".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 430: Page 120, after line 23, insert:

SEC. 512. It is the sense of the Senate that no funds provided under this act may be used for the payment of severance pay to any employee of the International Bank for Reconstruction and Development (World Bank).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 430 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "514".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 431: Page 120, after line 23, insert:

SEC. 513. (a) In addition to amounts appropriated in this Act, there are appropriated to the Centers for Disease Control for "Disease control, research, and training", $27,000,000.

(b)(1) In the cases of all appropriations accounts from which expenses for travel, transportation, and subsistence (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are hereby prohibited to be obligated under such accounts in fiscal year 1987 a uniform percentage of such amounts, as determined by the President in accordance with the provisions of paragraph (2), as, but for this subsection, would-

(A) be available for obligation in such account as of June 1, 1987,

(B) be planned to be obligated for such expenses after such date during fiscal year 1987, and

(C) result in total outlays of $18 million in fiscal year 1987.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to (A) the identification of the accounts affected, (B) the amount in each such account available as of such date for obligation, (C) the amounts planned to be obligated for such expenses after such date in fiscal year 1987, and (D) the uniform percentage by which such amounts need to be reduced in order to comply with paragraph (1).

(c) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to the Congress a report specifying the determinations of the President under subsection (b).

(d) Sections 1341(a) and 1517 of title 31, United States Code, apply to each account for which a determination is made by the President under subsection (b).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 431 and concur therein with an amendment as follows: In lieu of the section number named in said amendment, insert the following: "515".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 432: Page 120, after line 23, insert:

SEC. 514. The matter under the heading "Public Education System" in title I of the District of Columbia Appropriations Act, 1987 (Public Law 99-591; 100 Stat. 3341-184) is amended by striking out *"Provided further,* That of the amount made available to the University of the District of Columbia, $1,146,000 shall be used solely for the operation of the Antioch School of Law: *Provided further,* That acquisition or merger of the Antioch School of Law shall have been previously approved by both the Board of Trustees of the University of the District of Columbia and the Council of the District of Columbia, and that the Council shall have issued its approval by resolution: *Provided further,* That if the Council of the District of Columbia or the Board of Trustees of the University of the District of Columbia fails to approve the acquisition or merger of the Antioch School of Law, the $1,146,000 shall be used solely for the repayment of the general fund deficit." and inserting in lieu thereof *"Provided further,* That $1,146,000 shall be used solely for the operation of the District of Columbia School of Law and which shall remain available until expended: *Provided further,* That acquisition or merger of the Antioch School of Law shall have been previously approved by the Council of the District of Columbia: *Provided further,* That the interim Board of Governors of the District of Columbia School of Law shall report, by October 1, 1987 to the Mayor of the District of Columbia, the Council of the District of Columbia, and the Appropriations Committees of the Senate and House of Representatives on the anticipated operating and capital expenses of the District of Columbia School of Law as created by District of Columbia Law 6-177, for the next five years: *Provided further,* That the aforementioned report shall also include a statement from the American Bar Association on the current status of the accreditation proposal for the District of Columbia School of Law, as created by District of Columbia Law 6-177, as amended: *Provided further,* That if the Council of the District of Columbia fails to approve the acquisition or merger of the Antioch School of Law, the $1,146,000 shall be used solely for the repayment of the general fund deficit.".

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 432 and concur therein with an amendment, as follows: In lieu of the section number named in said amendment, insert the following: "516".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the next amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 434: Page 120, after line 23, insert:

SEC. 516. It is the sense of the Senate that the Commodity Credit Corporation in implementing regulations to establish the percentage share or metric tonnage of commodities under subparagraph (B) of section 901(c)(2) of the Merchant Marine Act, 1936 (46 U.S.C. 1241f(c)(2)(B)) should respect the intent as well as the letter of the agreement entered into by and between the representatives of Great Lakes ports and Gulf ports, and that so far as practicable, Great Lakes ports be accorded the full proportion of tonnage contemplated thereby.

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

The SPEAKER pro tempore. The Clerk will designate the motion.

The text of the motion is as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 434 and concur therein with an amendment, as follows: In lieu of SEC. 516 named in said amendment, insert the following: "SEC. 517".

The motion was agreed to.

The SPEAKER pro tempore. The Clerk will designate the final amendment in disagreement.

The text of the amendment is as follows:

Senate amendment No. 437: Page 120, after line 23, insert:

SEC. 519. (a) Subtitle C of title XVII of the Food Security Act of 1985 (7 U.S.C. 5001 et seq.) is amended—

(1) by striking out "National Agricultural Policy Commission Act of 1985" each place it appears in the subtitle heading and section 1721 (7 U.S.C. 5001) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy Act of 1985"; and

(2) by striking out "National Commission on Agricultural Policy" each place it appears in sections 1722(1) and 1723(a) (7 U.S.C. 5001(1) and 5002(a)) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy".

(b) Notwithstanding section 501(e) of the Farm Credit Amendments Act of 1985 (12 U.S.C. 2001 note), there is authorized and appropriated—

(1) for the National Commission on Agricultural Finance established under such section, $150,000, to remain available until expended; and

(2) for the National Commission on Agriculture and Rural Development established under section 1723 of the Food Security Act of 1985 (7 U.S.C. 5002), $350,000, to remain available until expended.

(c)(1) In the case of all appropriations accounts from which expenses for travel, transportation, and subsistance (including per diem allowances) are paid under chapter 57 of title 5, United States Code, there are prohibited to be obligated under such accounts for fiscal year 1987 a uniform percentage of such amounts, as determined by the President in accordance with paragraph (2), as, but for this subsection, would—

(A) be available for obligation in such accounts as of June 2, 1987;

(B) be planned to be obligated for such expenses after such date during fiscal year 1987; and

(C) result in total outlays of $500,000 in fiscal year 1987.

(2) Before making determinations under paragraph (1), the President shall obtain from the Director of the Office of Management and Budget and the Comptroller General of the United States recommendations for determinations with respect to—

(A) the identification of the accounts affected;

(B) the amount in each such account available as of such date for obligation;

(C) the amounts planned to be obligated for such expenses after such date in fiscal year 1987; and

(D) the uniform percentage by which such amounts need to be reduced in order to comply with paragraph (1).

(3) Within 30 days after the date of enactment of this Act, the President shall prepare and transmit to Congress a report specifying the determinations of the President under paragraph (1).

(4) Sections 1341(a) and 1517 of title 31, United States Code, shall apply to each account for which a determination is made by the President under paragraph (1).

MOTION OFFERED BY MR. WHITTEN

Mr. WHITTEN. Mr. Speaker, I offer a motion.

Mr. Speaker, on this amendment, I desire to be recognized and will engage in a colloquy with the gentleman from California [Mr. FAZIO].

The SPEAKER pro tempore. In this instance, the Chair would prefer that the Clerk report the motion.

The Clerk read as follows:

Mr. WHITTEN moves that the House recede from its disagreement to the amendment of the Senate numbered 437 and concur therein with an amendment, as follows: In lieu of the matter inserted by said amendment, insert the following:

SEC. 519. (a) Subtitle C of title XVII of the Food Security Act of 1985 (7 U.S.C. 5001 et seq.) is amended—

(1) by striking out "National Agricultural Policy Commission Act of 1985" each place it appears in the subtitle heading and section 1721 (7 U.S.C. 5001) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy Act of 1985"; and

(2) by striking out "National Commission of Agricultural Policy" each place it appears in sections 1722(1) and 1723(a) (7 U.S.C. 5001(1) and 5002(a)) and inserting in lieu thereof "National Commission on Agriculture and Rural Development Policy".

(b) Notwithstanding section 501(e) of the Farm Credit Amendments Act of 1985 (12 U.S.C. 2001 note), there is authorized and appropriated—

(1) for the National Commission on Agricultural Finance established under such section, $100,000, to remain available until expended; and

(2) for the National Commission on Agriculture and Rural Development established under section 1723 of the Food Security Act of 1985 (7 U.S.C. 5002), $100,000, to remain available until expended.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Mississippi [Mr. WHITTEN] for 30 minutes.

Mr. WHITTEN. Mr. Speaker, I yield myself such time as I may consume in order that I may engage in a colloquy with my colleague, the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Speaker, I appreciate that.

The SPEAKER pro tempore. The Chair will inform the Members that this is the last motion on this supplemental.

Mr. FAZIO. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from California.

Mr. FAZIO. Mr. Speaker, I appreciate my friend, the chairman of the committee, yielding to me.

Mr. Speaker, I simply want to call attention to item 97 which we adopted and which speaks to the issue of the superconducting super collider. The Domenici amendment was added in the Senate and was not modified in bill language by members of the Appropriations Committee of the House.

However, report language was added in conference which I think goes a long way to further explain and in fact to mitigate the impact of the Domenici amendment. Specifically, we are clearly now allowing the States to expend funds to improve the suitability of any site they may submit to the Department of Energy for the location of the super collider, and it is made clear in the report language that each State can submit a package of financial incentives which may well be useful to the President and the Secretary of Energy in selecting the collider site. Is that the gentleman's understanding?

Mr. WHITTEN. The gentleman is correct. But may I say here in connection with that approach that if we ever start public works or other national projects based on the highest bidder, there will be only a few States considered, and the gentleman's State will be in good position, whatever contest we have. But we have a problem if public works and essential national projects are based on the highest bidder.

Mr. FAZIO. Mr. Speaker, I appreciate the gentleman's comments. I think the record of the statement of the managers is clear. I think all of us in the long run will be better off if Federal and local contributions are made to help mitigate the impact on the Federal Treasury of the cost of this type of apparatus.

Mr. WHITTEN. Mr. Speaker, I thank the gentleman, and let me say that his statement is correct in that the statement of the managers speaks for itself.

As I understand what is in the conference report, financial incentives offered by the States cannot be considered in selecting the site, but they can be offered in the proposals of the States, which in turn leaves all the country eligible for consideration. I understand that 41 States, including my own, are after this collider at the present time, and I am sure the gentleman's State will certainly be among those at the top.

Mr. BARTON of Texas. Mr. Speaker, will the gentleman yield for a question?

Mr. WHITTEN. I yield for a question.

Mr. BARTON of Texas. Mr. Speaker, I thank the gentleman for yielding.

Mr. Chairman, I want to commend the House conferees for insisting upon language in the conference report that at some point in time it appears to encourage cost sharing. I think that is very important.

I do have some questions. The language is still somewhat confusing, and the intent of the Domenici amendment is not made clear. Is it the opinion of the committee chairman that the Domenici amendment would preclude the Department of Energy from considering financial and other incentives submitted under section 2.2.2.2 of DOE's invitation for site proposals?

Mr. WHITTEN. Mr. Speaker, we will have to let the language speak for itself. In a conference of this kind, with over 2,000 items and 437 amendments, there has to be some give and take.

Mr. BARTON of Texas. I understand that.

Mr. WHITTEN. As I understand it, the language speaks for itself, and I will not interpret it at this time. So far as this contest is concerned, 41 States, including my own, are in this contest, and all will have consideration.

Mr. BARTON of Texas. Mr. Speaker, I thank the distinguished chairman of the committee.

Mr. Speaker, for years the United States has committed substantial financial resources to the exploration of outer space. The technological developments in medicine, industry, and science resulting from this commitment have helped our Nation remain competitive with the rest of the world. Certainly we need to maintain our commitment to research into outer space, and we will.

A new opportunity looms before us, however. An opportunity to not only remain competitive, but to take the lead in research into "inner space." the superconducting super collider, like our outer space research, promises technological break throughs which will translate into long-term benefits for the U.S. industrial economy. A strong commitment to "inner space" research in no way compromises the U.S. interest in outer space research; in fact the two go hand in hand where competitiveness is concerned.

Our Nation is facing a critical period in its history, where competitiveness in manufacturing may well mean our economic survival. The SSC will help U.S industry find solutions to problems it is now facing. High energy physics research has already contributed to major developments in nuclear medicine, electronics, superconductivity, and cryogenics. We must continue our commitment.

If the United States does not move forward with the superconducting super collider, others will. Japan has already expressed interest in a similar project. Europe and the Soviet Union are building new accelerators. The superconducting super collider will bring the brightest minds in the world in the field of high energy physics to the United States. If we abandon this project, we may very well be giving up our last competitive edge, and the chance to locate the world's largest particle accelerator, a high energy physics center of international preemince, in our country. With it will go our scientists.

Even with all the benefits the SSC will bring to our country, the superconducting super collider is an expensive proposition. Cost is estimated at $4.4 billion. In these days of fiscal restraint, we need to give the taxpayer the benefit of every cost sharing program we can. In building the SSC, there is ample opportunity for the private sector to bear a large portion of the cost. Land can be donated, funds can be raised, inducements such as construction breaks, office rental breaks, pro bono legal services, and so forth, can and have been offered to help take less money out of the taxpayer's pocket.

Mr. DOMENICI's amendment, included in the conference report on the fiscal year 1987 supplemental appropriations bill, H.R. 1827, precludes, to what extent it is unclear, this opportunity for private sector cost sharing of the SSC. I would like to propose that the following points be clarified regarding this amendment:

The amendment precludes DOE from considering "financial and other incentives" submitted under section 2.2.2.2 of DOE's invitation for site proposals [ISP]. Other sections of ISP request data on financial and other incentives. Can DOE consider financial and other incentives submitted in other parts of the site proposal?

The amendment would preclude a State from submitting their financial and other incentives as a package, which is called for under section 2.2.2.2 of the ISP. This prevents a clear comparsion between States of the incentives, financial and otherwise, States are willing to provide.

The conference language seems to imply that the door is left open for DOE to consider existing facilities, that is, Fermilab, in its criteria, but may not allow DOE to consider a State's willingness to use State or local funds to construct comparable facilities.

The United States will not win the competitiveness battle by "getting faster with our hands." We will win by developing our minds, and encouraging scientific research such as the superconducting super collider. We must pursue this research at the lowest cost possible, however. That means all parties: the private sector, international governments, State governments, and local governments must be given the opportunity to share the cost of this important project.

Mr. WEISS. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New York.

Mr. WEISS. Mr. Speaker, I very much appreciate the distinguished chairman of the committee yielding to me.

Mr. Speaker, I want to commend him and his committee particularly with regard to AIDS supplemental appropriations included in this conference report.

Mr. Speaker, this country is in desperate need of the additional financial support this bill would provide for AIDS education efforts. It we are to prevent more people from becoming infected with the AIDS virus, we must move forward immediately with a massive public education campaign on AIDS, including a mass mailing to every household in the Nation. This will be supported by the $20 million earmarked for this purpose. Furthermore, it is crucial that we provide the additional $27 million for AIDS testing, counseling, and education activities.

It is also vital to the survival of many people with AIDS that we appropriate, and obligate, the $30 million to provide treatment drugs. Many people with AIDS are unable to meet the outrageously high cost of AZT, about $10,000 per year. Some 4,500 people, who had become AZT-dependent during the drugs' trials or subsequent distribution, have had to struggle to purchase the drug since the end of April. Many, who could not afford it, have been forced off AZT, the only approved drug known to be effective. The $30 million will offer needed support for AZT, and other more promising drugs which hopefully will become available in the coming months.

However, this report is seriously flawed in one important area. During Senate consideration, the senior Senator from North Carolina threatened to block the $30 million for AIDS drugs unless an amendment were added to exclude immigrants who are HIV seropositive. And, this is how this amendment entered the bill.

The language is no more explicit than—"excluding immigrants from the United States." It is my reading of that language that it applies to those who will be seeking entry into the United States. It is only such people who can be excluded. Those who are already within our borders without citizenship status—documented or undocumented—would not, by definition, be covered by this provision. That is in essence the position that the AMA has recently adopted. It is the only position that makes any sense. Otherwise we would be forcibly ejecting seropositive undocumented immigrants who might be seeking to become citizens under the amnesty legislation adopted last year. There are already indications tht the amnesty program is not moving forward the way it should. The addition of mandatory testing for the AIDS virus would likely dissuade many such immigrants from coming forward. The ironic thing is that any immigrant, who is already here, who is seropositive, probably got infected in the United States.

We must look to sound public health judgment and forge health policy which has the greatest chance of stemming the international AIDS epidemic. We must not engage in the pretense that we can seal our borders and stop this epidemic.

Mr. RICHARDSON. Mr. Speaker, will the gentleman yield?

Mr. WHITTEN. I yield to the gentleman from New Mexico.

Mr. RICHARDSON. Mr. Speaker, I would like to commend the chairman of the committee for the provisions he has in the bill on the abandoned mines program and also for the equity provision and the equitable way in which the committee chairman and the committee have dealt with the super collider issue.

Mr. Speaker, I rise in support of the conference report on H.R. 1827, the supplemental appropriations bill. I would like to commend the chairman of the Appropriations Committee and all the conferees for their work on the report. I want to particularly note two important sections of the report which I wholeheartedly support.

The first pertains to that mammoth physics project known as the superconducting super collider. There is a great competition among the States for the siting of this project. The conference report includes a provision that ensures the site selection process will be fair by prohibiting the Department of Energy from considering financial incentives, such as cost sharing, offered by the States in choosing a site. This project is too important to allow, in effect, a bidding war to see which State is chosen as the site. This provision will allow the smaller and poorer States to compete equally for the supercollider. The siting decision will be made, as it should be, on the basis of geologic, scientific, health, and environmental criteria—not by which State can put up the most money.

The most we ought to expect of any State is the site itself, that perhaps the land itself might be contributed. I have no objection to that and the report has no effect on that kind of contribution. The report simply removes financial incentives as a criteria in the siting decision, so we do not perpetuate a system where the rich get richer and the poor stay poor.

The conference report also includes language that is critical to the Navajo, Hopi and Crow Indians in New Mexico, Arizona, and Montana. This language allows the release of $37 million in abandoned mine land funds that have been set aside for these tribes for reclamation of mined tribal lands. There is an immediate need to reclaim these lands for reasons of health and safety. On the Navajo Reservation in my State of New Mexico severe health effects, including stillborn births, and heart and respiratory problems, have been documented by the March of Dimes as a likely consequence of abandoned uranium mine tailings.

The conference report is revenue neutral—it simply allows the tribes to submit reclamation plans to the Secretary of the Interior for approval. If approved, their reclamation funds would then come from the Office of Surface Mining in fiscal year 1988.

I again commend the conferees for their work and the inclusion of these two provisions, and urge my colleagues to vote in favor of the conference report on H.R. 1827, the supplemental appropriations bill.

The SPEAKER pro tempore. The question in on the motion offered by the gentleman from Mississippi [Mr. WHITTEN].

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the several motions was laid on the table.

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I have taken this time for the purpose of inquiring of the distinguished majority leader as to the program for the balance of the day and for a significant announcement with respect to the developing program for tomorrow and, hopefully, when we return after the Fourth of July.

Mr. FOLEY. Mr. Speaker, will the distinguished Republican leader yield to me?

Mr. MICHEL. I am happy to yield to the majority leader.

Mr. FOLEY. Mr. Speaker, we have concluded action on the supplemental appropriation conference report, and I think all parties are to be congratulated on that.

Tonight the House will consider the conference report on the homeless bill, under which there is a provision for a 2-hour general debate. That does not mean, however, that 2 hours needs to be taken; it means that no more than 2 hours will be taken.

At the conclusion of action on the homeless bill, the House will adjourn until tomorrow, at which time we will meet at 10 a.m. in the morning, and we will consider the State, Justice appropriation for fiscal year 1988 until completion.

I am advised by the chairman of the committee and the subcommittee chairman that this bill will require a very long day, but we hope that the bill can be concluded no later than 8 o'clock. That is just an estimate. I hope it is earlier than that.

□ 1805

We will do everything we can. I know the members of the committee will do everything they can to expedite consideration of that bill.

At the conclusion of the action on the State-Justice appropriation, the House will stand in recess for the Fourth of July recess until Tuesday, July 7. We intend that Tuesday be a pro forma session without votes, so that Members can assume that there will be Thursday, Friday, Saturday, and Sunday of this week, and Monday there will be no session, and Tuesday a pro forma session.

On Wednesday, July 8, the House will meet at 10 a.m. to consider the authorization for the U.S. Coast Guard for fiscal year 1988, under a rule which will be sought, a special supplemental rule, which will be sought tomorrow and which we intend to file on Tuesday, the 7th.

We would then assume that we would stay on the Coast Guard authorization bill on the 8th until completion, and the possibility exists that on Thursday, the 9th, we would consider the catastrophic illness legislation.

We would then not expect a Friday session on July 10.

Taking us to the following week, we expect to meet on the 13th, Monday, the 13th, with votes and on Tuesday and Wednesday, the 14th and 15th with votes, because on Thursday and Friday the House will be in Philadelphia and will not be in session due to the Bicentennial celebration in Philadelphia.

So I am not able at this time to advise Members of the precise schedule on the 13th, 14th and 15th, but Members should assume that we will have no votes on Tuesday, the 7th, that we will have votes on Wednesday and Thursday, the 8th and the 9th; that there will be no votes on Friday, the 10th, that there will be votes on the 13th, 14th and 15th, Monday, Tuesday and Wednesday of the following week, and that the House will not be in session Thursday and Friday, the 16th and 17th.

Now, that is as far as my crystal ball reads, Mr. Leader. I hope that will be of value to the Members.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for the clarification.

Tomorrow it is a done deal to have a Rules Committee meeting to determine under what conditions we would be considering the Coast Guard authorization?

Mr. FOLEY. The Coast Guard authorization and any amendments relating to the Persian Gulf.

CONFERENCE REPORT ON H.R. 558, STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

Mr. WHEAT. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 209 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 209

Resolved, That upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children, and all points of order against said conference report for failure to comply with the provisions of clause 2 of rule XX, and with clauses 3 and 4 of rule XXVIII are hereby waived. Debate on said conference report shall continue not to exceed two hours.

The SPEAKER pro tempore (Mr. GLICKMAN). The gentleman from Missouri [Mr. WHEAT] is recognized for 1 hour.

Mr. WHEAT. Mr. Speaker, for the purposes of debate only, I yield 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. WHEAT. Mr. Speaker, House Resolution 209 is a simple rule which provides for the consideration of the conference report on H.R. 558, the Stewart M. McKinney Homeless Assistance Act. Since conference reports are privileged, the rule does not provide any special procedures for consideration of the bill.

The bill will be considered under the normal legislative process for consideration of conference reports except that the rule provides for 2 hours of general debate instead of 1. There are six committees which share jurisdiction over this legislation. For this reason, 2 hours of general debate time was provided in the rule.

All points of order against the bill for failing to comply with clause 2 of rule XX, that is the rule which prohibits House conferees from agreeing to Senate amendments that contain unauthorized appropriations, are waived. Section 762 of the act allocates funds for job demonstration and emergency community services homeless grant programs for specified Indian tribes. Since the House conferees were not authorized to agree to this provision, it causes the conference report to be in violation of the rules of the House and a waiver is necessary.

Points of order against the conference report for failing to comply with clause 3 of rule XXVIII, that is the rule which prohibits conferees from agreeing to provisions which are outside of the scope of the legislation committed to conference, are also waived.

Mr. Speaker, in section 762 of the act, the conferees—for the purpose of clarification, agreed to language that was not in the original legislation. by so doing, they exceeded the scope of the original legislation and a waiver of clause 3 of rule XXVIII was needed.

Finally, Mr. Speaker, the rule waives all points of order against the conference report for failing to comply with clause 4 of rule XXVIII. Clause 4 of rule XXVIII prohibits the inclusion of nongermane Senate provisions in a conference report. Title IX of the bill is a Senate amendment not contained in the House passed version of the Homeless Assistance Act. For that reason, a waiver of clause 4 of rule XXVIII is necessary.

Mr. Speaker, the plight of the homeless is an issue that has been a matter of deep public concern for some time now. This measure seeks to assist the homeless by providing funds for programs which will aid them, better coordinating public resources and programs and establishing an Interagency Council on the Homeless.

I believe that this rule will allow for the expeditious consideration of this sorely needed measure. Therefore, I urge that we adopt the rule.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. QUILLEN. Mr. Speaker, the homeless really touch our hearts. It is very cruel indeed that they be forced to sleep out on the streets. We do not here in this House completely understand the plight of these people. Whether or not the millions of dollars contained in this bill will aid in any appreciable way, no one knows at this point, but it is a beginning.

The thing that we do not want to do, however, is give an incentive to those young people who would want to go out on their own to become homeless, knowing that they would have a shelter, knowing that they would have protection. We do not need to encourage people to become homeless. I hope that this program will not result in that.

Mr. Speaker, I recommend a "yes" vote on the rule. so that we can consider the conference report.

Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. WHEAT. Mr. Speaker, this is a vital issue. It has been renamed for our colleague, Stewart B. McKinney, because he worked so tirelessly on this issue. I believe all of us recognize the importance of moving to consideration of the bill.

Mr. Speaker, I have no requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. GONZALEZ. Mr. Speaker, pursuant to House Resolution 209 I call up the conference report on the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. RAHALL). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of Monday, June 22, 1987, at page 16926.

The SPEAKER pro tempore. Pursuant to House Resolution 209, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 1 hour and the gentleman from Ohio [Mr. WYLIE] will be recognized for 1 hour.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield for purposes of debate only, 1 hour to the gentleman from Ohio [Mr. WYLIE] and I yield time in the following manner to my colleagues from the other committees who were conferees on this bill: To the gentleman from California [Mr. WAXMAN], of the Energy and Commerce Committee, 15 minutes; to the gentleman from Texas [Mr. DE LA GARZA], of the Agriculture Committee, 15 minutes; and if necessary to the gentleman from California [Mr. PANETTA], an additional 5 minutes; to the gentlewoman from Illinois [Mrs. COLLINS], of the Government Operations Committee, 3 minutes; and to the gentleman from Mississippi [Mr. MONTGOMERY], 2 minutes; and I yield myself such time as I may consume.

Mr. Speaker, I am pleased to present to the House today the conference report to accompany H.R. 558, the newly named Stewart B. McKinney Homeless Assistance Act. I am most gratified to be in a position to present to the House this major piece of legislation which attempts to address in a comprehensive manner, for the first time, the housing, health, and nutrition needs of homeless people. It is especially gratifying to me since it was my Subcommittee on Housing and Community Development that first brought to the attention of the Congress and the Nation back in December 1982, the growing national problem of homelessness in America. Ever since those landmark hearings almost 5 years ago, my subcommittee has been reviewing the ever-increasing problems of homelessness, and we have done so at least twice a year since 1982.

Mr. Speaker, this conference report represents the first congressional effort in one piece of major legislation to begin addressing the needs of the homeless American people. It is both a national problem and a local problem. As a national problem, it demands a national response and this bill recognizes the national needs and the necessity for a national response. Even the administration, which has refused until this year to recognize the problems of homelessness on a national scope, requested $100 million for fiscal year 1988. This conference report is a bipartisan product and I commend not only the Democratic members of my own committee and the Democratic members of the other five committees that participated in this conference, but I would commend the Republican members of this conference who joined us in making this a bipartisan product. In particular, I wish to commend the distinguished ranking minority member of the Banking Committee, Mr. WYLIE of Ohio, who has been with us from the very start in supporting efforts for providing assistance to homeless people. Without his efforts, we would not have gotten this far.

Mr. Speaker, no homeless assistance bill or housing bill could have gotten as far as it did without the major contribution of the member whose name graces this piece of legislation. This bill is the last piece of legislation that our late colleague, Stewart McKinney, had a major role in devising. It was his drive and commitment and efforts at pulling together the bipartisan support that enabled us to move this bill so quickly through the House. He was a participant on all of my subcommittee's hearings on homelessness and for a time he was the only member of the minority who attended the hearings. The conference recognizes the major contribution that he made by naming this bill in his honor.

Mr. Speaker, this was a difficult conference, not because Members of the House disagreed in what we were all trying to do, but because both bodies approached aiding the homeless in very different ways. The conferees struggled to meld differing approaches and, I believe, have successfully done so in this conference report. Of the nine titles in this conference report, the Banking Committee members were the major conferees on five of the titles.

This conference report authorizes funds for fiscal year 1987 totaling $442.7 million and for fiscal year 1988, $616 million. When this bill passed the House, Mr. Speaker, it provided an authorization only for fiscal year 1987 at $500 million. The conference report reduces that authorization for fiscal year 1987 to $442.7 million. The Senate version of H.R. 558 authorized, in addition, for fiscal year 1988 such sums as may be necessary. The conference agreed to authorize for fiscal year 1988 and authorized specific dollar levels for all of the programs contained in the conference report.

Mr. Speaker, we now have a Federal approach toward dealing with the homeless problem in this country. The conference report will create an interagency council for homelessness requiring 15 departments and agencies of the Federal Government, as well as any other agencies that the interagency council deems appropriate, to be involved in reviewing all Federal activities and programs in providing for a response to deal with the homeless problems of our country.

The conference report authorizes in a more permanent nature, the FEMA Emergency Food and Shelter Program. As the Members know, this program has had to be continued annually by appropriations acts.

The major part of this conference the Banking Committee had responsibility over was the housing assistance provisions contained in title IV. These are major housing and shelter initiatives that reflect the differing types of housing needs for homeless people. We have found in our hearings that many communities require different types of assistance to meet different types of housing needs. Some communities require emergency shelter, other communities require renovation funds to bring existing housing stock up to livable standards for families and elderly people, other communities require assistance to providing housing for single individuals and other communities might require special housing for the deinstitutionalized mentally and handicapped people. Title IV responds to all of these different types of housing needs for the different types of people that make up the homeless population of our country.

Title V deals with the identification and use of surplus property. The Banking Committee, in conjunction with the distinguished members of the Government Operations Committee, provided the assistance through HUD to expand the use of underutilized public buildings and properties to assist the homeless.

Mr. Speaker, the many provisions of the conference report dealing with health care for the homeless, education training, community services for the homeless, food assistance for the homeless, and provisions that assist veterans will be discussed by the members of the other committees that are conferees.

Mr. Speaker, I urge the House to promptly adopt this landmark piece of legislation.

In other words, and to conclude, Mr. Speaker, this conference, I believe, is a milestone mark in legislative ingenuity. I want to thank all my distinguished colleagues, both on this side as well as the other side of the Capitol, for their ingenuity, their creative legislative efforts, because I think for the first time we have devised with the assistance on the House side of five other committees, a total of six committees, a product that is worthy of the reputation of skillful and effective legislative action on the part of the House Members.

Mr. Speaker, I include the following data:

FUNDING FOR THE HOMELESS

[Actual and proposed budget authority (BA); dollars in millions; in fiscal years]

	H.R. 558					
	House		Senate		Conference	
	1987 proposed	1988 proposed	1987 proposed	1988 proposed	1987 proposed	1988 proposed
Banking Committee:						
HUD emergency shelter grants	$100		$80	[1] $95	$100	$120
Suppportive housing demonstration	0		0	0	80	100
Transitional housing (current program)	30		60	[1] 67	[2] (0)	[2] (0)
Transitional housing (families)	0		0		(20)	(20)
Handicapped housing grants	25		0		(15)	(15)
Underutilized facilities	75		0		0	0
Supplemental assistance	0		0		25	25
Sec. 8 5-yr. existing homeless	90		50		0	0
Sec. 8 15-yr. mod. rehab. for SRO's	0		35		35	35
Housing subtotal	320		225	162	240	280
FEMA emergency food and shelter	35		0	[1] 124	15	124
Interagency Homeless Council	0		.2	[1] 2	.2	2.5
Banking subtotal	(355)		(225.2)	(288)	(255.2)	(406.5)
Energy and Commerce Committee:						
Health care for the homeless	75		30	30	50	30
Mentally ill demonstration projects	25				10	0
Mental health services block grant			55	[1] 58	35	([1])
Alcohol and drug abuse demonstration project			20		10	0
Energy and Commerce subtotal	(100)		(105)	(88)	(105)	(30)
Agriculture Committee:						
Temporary Emergency Food Assistance Program [TEFAP]		$52	3	65	0	50
Food stamp shelter deduction		51		12		36
Food stamp household definition				15		15
Food stamp outreach		1		1		1
Food stamp vendor payments	2	7				7
Food stamp eligibility update	−1	−2				−2
Food stamp earned income deduction	−1	−3				−3
Surplus food distribution (Commodity Credit Corporation)		5		13		6
Agriculture subtotal		(111)	(3)	(106)	0	(110)
Veterans Committee:						
Homeless veterans survey				1		
Chronically mentally ill veterans				10		
Job Training Program			15	15	30	
Surplus space conversion to domiciliary beds				15		
Veterans subtotal			(15)	(40)	(30)	
Education and Labor Committee:						
Emergency community services [CSBG]	45		20	20	40	40
Job training				12		12
Homeless children education grants			2.5	5	5	5
Adult literacy			10	10	7.5	10
Exemplary grants						2.5
Education and Labor subtotal	(45)		(32.5)	(47)	(52.5)	(69.5)
Total	500	111	380.7	569	442.7	616

[1] Represents such sums as may be necessary. CBO has estimated given levels for Senate bill based on amounts provided in the bill plus existing law amounts.

[2] The conference agreement does not contain a special set-aside for the current program but amounts provide above the set-asides may be used for existing activities as well as for homeless families, mentally disabled persons and handicapped persons.

Mr. ST GERMAIN. Mr. Speaker, I am pleased to rise in support of the conference report on H.R. 558. This legislation provides a response to one of the most disturbing problems facing our Nation. Today we bring before the House a comprehensive approach—one that encompasses the work and contributions of five committees. This conference report authorizes the kinds of services and assistance desperately needed by homeless people including housing, health care, and education.

The incidence of homelessness is a national tragedy. It is the manifestation of years of neglect and callous disregard for the plight of our Nation's poor. It is the direct result of:

The dismantling of Federal low-income housing programs;

The scarcity of decent jobs and decent wages;

The reduction in funding for social services by all levels of government; and

The feminization of poverty which has lead to the most rapidly growing segment of the homeless, homeless families with children, particularly in families headed by women.

While some have ignored this problem or rationalized that the homeless were homeless by choice, the House of Representatives has led Federal efforts to respond. The first hearings to examine this problem were held by the Subcommittee on Housing and Community Development. In 1983, the Committee on Banking, Finance and Urban Affairs reported the first legislation to provide shelter for the homeless.

Time and time again we have received the support of this body for our efforts. Regrettably the urgency we felt was not shared by the other body or by the administration. Now, with a more cooperative Senate and a new recognition of the problem in the White House, we can present a conference report with confidence that it will be signed by the President.

This could not have happened without the tireless efforts of many of our colleagues. HENRY GONZALEZ has used the Housing Subcommittee to bring this issue to the national conscious. BRUCE VENTO was the first to introduce homeless assistance legislation and is the architect of the major shelter program in this legislation. MARY ROSE OAKAR has championed the cause of transitional housing for families and the mentally disabled. And, without MIKE LOWRY's efforts to husband this legislation through the legislative process, I doubt this legislation would be before us today.

The Banking Committee has been fortunate that we have always had bipartisan support for our efforts to assist the homeless. CHALMERS WYLIE was a cosponsor of the original homeless assistance bill in 1982 and his constant support demonstrates that it is compassion and not partisanship which motivates his actions.

Finally, I want to acknowledge the efforts of one last person. While we were in conference with the Senate, our late colleague Stewart McKinney passed away. For Stewart, the plight of the homeless was more than a cause, it was a passion. Stewart passionately believed in the Government's responsibility to insure that the basic necessities of life and indeed the basic necessities of human dignity were available to all people. Sadly his death may have been hastened by his efforts to dramatize the needs of our fellow citizens who do not have a safe and warm place to sleep. Out of our respect, gratitude and love for our former colleague, the conferees have entitled this legislation the "Steward B. McKinney Homeless Assistance Act." I urge my colleagues to acknowledge this most fitting tribute and support passage of this conference report.

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Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as one of those who has long supported aid for the homeless and as an original cosponsor of this legislation to assist homeless Americans, I rise in strong support of this conference report.

This legislation was introduced with broad bipartisan support, and I would compliment all those who had a part in the drafting and in the movement of this legislation through the House, the Senate, and through the House-Senate conference.

Just as important in the drafting and movement of this legislation are the millions of our citizens across this great land who have urged and who have pleaded for our action in combatting this ever-growing problem that faces so many of our people.

Mr. Speaker, this legislation is strongly supported by the United Way, the Salvation Army, the National Council of Jewish Federations, the American Red Cross, the National Conference of Catholic Charities, the National Council of Churches, and by such organizations as the National Mental Health Association, the Association for Retarded Citizens, United Cerebral Palsy, and the Easter Seal Society.

These are some of the organizations that have stood in the front lines in our fight to aid the homeless. They will use these funds—and they will use them wisely—as we go about fighting this cancer that has spread over our Nation in such a short time.

By adopting this legislation we are showing those without homes, those without hope, those without a designated place in society that we do care, and that they, too, are part of the American dream to life, liberty and the pursuit of happiness.

Mr. Speaker, the purpose of this legislation is to focus attention on the fact that there is a problem. As I have seen it in Columbus, you can see it in every large city in the country. But as I have seen this suffering and hardship in our community, I also have seen how some of it can be alleviated.

In Columbus we have an excellent program to aid the homeless that is funded under previous legislation that was approved by Congress. It works, but we need more money and we need additional tools. H.R. 558 will provide that, and as it does let us pray that it returns to our citizens their dignity, their self-respect, and, yes, even their families—the things they forfeited in order to survive.

The conference report to accompany H.R. 558 represents agreements reached by a number of committees from the House and Senate. The portion considered by the Banking Committee provides additional funding in fiscal year 1987, and new authorizations for fiscal year 1988 for three existing programs to aid the homeless. These are the Emergency Food and Shelter Program administered through FEMA, the Emergency Shelter Grant Program, and the Transitional Housing Demonstration Program.

Also, there is additional funding for the current Section 8 Moderate Rehabilitation Program to be used in conjunction with the rehabilitation of single-room occupancy dwelling units to provide housing for the homeless.

The second initiative, the Supportive Services Demonstration Program, is a combination of the permanent housing for handicapped homeless provision from H.R. 559 and the existing Transitional Housing Demonstration Program. This initiative is designed to begin to remedy the current critical shortage of permanent housing for homeless handicapped persons through matching grants for the acquisition and rehabilitation of properties for that purpose.

Mr. Speaker, several of my House colleagues, as well as some of the Senate conferees, have raised questions regarding these new program initiatives. Their points, I believe, are well taken. For example, I feel that State and local governments should be doing more to address the particular needs of the homeless in their communities.

During the conference, we attempted to refine these programs with this concern in mind, and as presently structured there is a stronger local involvement. In addition, the House accepted the Senate provision on the comprehensive homeless assistance plan to ensure coordination at the State and local governments level with voluntary nonprofit organizations in their efforts to assist the homeless.

Mr. Speaker, this legislation is far from being the final solution to this very serious problem. However, it does represent a more comprehensive effort by the Federal Government to address the needs of homeless families and individuals.

With this bill we are recognizing the continuing existence as well as the critical nature of the issue. It's not only a step in the right direction, it's a giant step. I congratulate my colleagues for recognizing the need for this legislation, and I support passage of the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Speaker, I yield 15 minutes to the distinguished chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA], one of the participants in the conference.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DE LA GARZA asked and was given permission to revise and extend his remarks.)

Mr. DE LA GARZA. Mr. Speaker, first let me add my commendation and my appreciation to my colleague, the gentleman from Texas [Mr. GONZALEZ], my colleague, the gentleman from Ohio [Mr. WYLIE], and all of the Members from the different committees who have worked on this legislation. I appreciate the work that was done by the respective members of our Committee on Agriculture.

Beyond that, Mr. Speaker, I rise in enthusiastic support of the conference report on H.R. 558, the Stewart B. McKinney Homeless Assistance Act of 1987, and ask my colleagues to give speedy approval to this important piece of legislation. The conference agreement is a sound and compassionate compromise between the House and the Senate that addresses one of the real tragedies of the 1980's—homelessness.

Mr. Speaker, I compliment my colleagues on the other committees who have worked on this conference agreement for the innovative and responsible approaches they have selected to attack this deepening problem.

The conference agreement on H.R. 558 will make several administrative changes in the Food Stamp Program, and extend the TEFAP law, to ensure that appropriate nutrition assistance is made availble to homeless persons.

TEFAP is an acronym for the Temporary Emergency Food Assistance Program, and it provides for the orderly and efficient distribution of surplus Commodity Credit Corporation commodities, such as cheese, butter, and flour, to charitable institutions, such as soup kitchens and food banks. The conference agreement will require the Secretary of Agriculture to distribute a variety of commodites that are most useful to these eligible recipient agencies.

The TEFAP Program is scheduled to expire at the end of this fiscal year. The conference agreement will extend the program and authorize appropriations for State administrative costs involved in distributing the surplus commodities, through September 30, 1988. Since homeless people are prime beneficiaries of TEFAP assistance, and with homelessness an increasingly serious national problem, the extension made by the conference agreement is appropriate.

The conference agreement also provides for a procedure to ensure adequate distribution of surplus cheese, flour, and cornmeal under TEFAP. The conference provision expands the original House provision in this regard to include not only cheese, but also flour and cornmeal, as proposed by the

Senate. This new distribution procedure is needed because of situations in the past when States, under current TEFAP procedures, have run out of these commodities to meet the needs of destitute people. Large stocks of surplus cheese, flour, and cornmeal are available; it is just a matter of revising application procedures under the program to ensure that these commodities go where they are needed. The conference agreement effectively responds to that problem.

The major food stamp provisions of the conference agreement will help meet the current food needs of homeless people. The conference agreement defines the term "homeless individuals" and authorizes State food stamp agencies to conduct outreach programs targeted to the homeless, with one-half of the costs of such programs to be federally funded. It will expand expedited service to homeless individuals and households without enough income to pay their rent and make them eligible to receive food stamp benefits within 5 days instead of the normal 30-day processing period.

It will increase the ceiling on the excess shelter cost deduction under the Food Stamp Program, effective October 1, 1987, and require that the cap be adjusted each October 1 to reflect changes in the shelter, fuel, and utilities components of the Consumer Price Index. This method of adjustment is also adopted for the annual adjustments to the standard deduction. The conference agreement will increase the ceiling on the excess shelter cost deduction for the 48 contiguous States, with comparable increases for Alaska, Hawaii, Guam, and the Virgin Islands. This will enable needy families in areas where housing is costly to supplement their food budget without sacrificing their housing budget.

The conference agreement adopts the House provision and will exclude from household income, for purposes of determining food stamp eligibility and benefits, third-party payments for temporary housing, if the housing lacks meal preparation facilities. This will address the problem of loss of food stamp benefits by homeless persons who temporarily are living in "welfare hotels," because of a current eligibility rule that otherwise counts these excessive housing payments as income.

The conference agreement adopts the Senate provisions that will allow a sibling, with minor children, to live together with another sibling and yet be considered a separate household if the sibling with minor children purchases food and prepares meals separately from the other sibling. It also allows three generations living together to form two separate households if the parents with minor children purchase and prepare meals separately from the grandparents. These provisions will benefit homeless families who find lodging with their relations.

Also, the conference agreement will make savings in the Food Stamp Program to partially offset any increased Food Stamp Program costs under other provisions, by—

First, imposing a new loss-of-benefits penalty on food stamp recipients who willfully or fraudulently underreport income; and

Second, delaying—until October 1, 1987—a scheduled July 1, 1987, upward adjustment in the food stamp income standards of eligibility to reflect increases in the poverty guideline—and similarly changing the schedule for future adjustments.

The provisions contained in the conference agreement require no increase in deficit spending in fiscal year 1987; and spending in later years, including additional distribution of surplus Government commodities, would be subject to the appropriation process. I believe we can find the money for future years and not increase the deficit, but that will be our task later this year.

Mr. Speaker, homelessness is a social tragedy that is demeaning to all of us who are privileged to live in this great Nation. We must help those among us without homes and without hope.

The conference agreement on H.R. 558 is a step toward providing that help. It is responsible and balanced legislation, and I urge its adoption by the House today.

Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise to urge that Members vote "aye" on the conference agreement on H.R. 558, the Stewart B. McKinney Homeless Assistance Act. Title VIII of this conference agreement is under the jurisdiction of the Committee on Agriculture. Title VIII includes important nutrition assistance to the homeless and families in danger of becoming homeless.

Not only were we able to include all of the nutrition provisions in the House and Senate bills which will prevent many individuals and families from becoming homeless, but we were able to keep the cost of the conference agreement $1 million below the House-passed level for fiscal year 1988.

The shortage of affordable housing for low-income individuals and families is a significant factor in the increase in the number of homeless in recent years. Three homeless prevention provisions in the conference agreement provide significant assistance to defray the high cost of housing and also to ensure that families with high housing costs have access to food stamp benefits.

First, to help defray some of the cost of housing for low-income persons, the conference agreement increases the shelter deduction for families with high housing costs from $149 a month to $164 a month.

Second, for poor people dependent upon food stamp benefits to survive, the current law effectively prohibits related families from living together. The conference agreement corrects this inequity.

Third, the House accepted the Senate provision in conference to get food stamps to homeless and near-homeless applicants, who meet all other requirements for food stamps, within 5 calendar days instead of the usual 30 calendar days after they first apply.

Both the House and the Senate bills institute Federal matching funds for food stamp informational or outreach activities to ensure that homeless persons are aware they may be eligible for benefits.

The conference agreement includes the House provision to prevent food stamp benefits of persons living in so-called welfare hotels from being reduced to reflect a portion of room charges paid by welfare agencies on their behalf. This is an emergency measure to correct a problem which came to light in New York City but apparently is occurring elsewhere in the country.

One of the most effective ways to ensure that homeless and other low-income households receive prompt nutrition assistance is the Temporary Emergency Food Assistance Program [TEFAP]. The administration sought to shut off administrative funds this winter for TEFAP through an illegal diversion of appropriations to help finance Federal pay increases. The conference agreement includes five provisions related to TEFAP.

First, the authorization for TEFAP is extended through September 30, 1988, to assist States with transportation and storage costs at the current level of $50 million. TEFAP is estimated by the Department of Agriculture to serve nearly 15 million Americans. Extending this authorization is important to reassure the low-income Americans who depend on the surplus commodities distributed through TEFAP that the food they depend upon will not be snatched away from them.

Second, the conference agreement requires the distribution of additional commodities through TEFAP if requested by the Governor of a State. The conferees accepted the House provision for the distribution of up to 14 million pounds of cheese a year through TEFAP. Subject to appropriations, the conference agreement mandates the distribution of this additional cheese. In addition, the conference agreement adopts the Senate provision requiring the additional distribution of flour and cornmeal to States whose Governors certify a need.

Third, the conference agreement includes a House requirement for Congress to be notified each time that a State Governor requests additional commodities.

Fourth, the Department of Agriculture will be required to distribute a variety of commodities and products which are most useful to the agencies which distribute the food to the poor.

Fifth, the statement of managers on the conference agreement includes the language which I had included in the House report on the nutrition provisions of the bill to direct the U.S. Department of Agriculture to carry through on the statutory requirement in the Temporary Emergency Act that commodities be made available under

TEFAP as expeditiously as possible. The statement of managers includes the following language: "The conferees expect the Department of Agriculture to make immediate improvements in the timing of commodity distributions with the goal of ensuring delivery of a State's full allotment by the fifteenth of each month, where appropriate."

In conclusion, I want to thank my colleagues on the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition for their bipartisan cooperation in shaping first the House bill and then this successful conference agreement. I particularly want to thank BILL EMERSON, our ranking minority member, for his bipartisan cooperation and significant contributions to the final agreement.

In addition, I want to thank my colleague from Minnesota, BRUCE VENTO, for his leadership in ensuring the distribution of additional cheese to the homeless and other low-income individuals through TEFAP. I also want to express my gratitude to my colleague from Texas, MICKEY LELAND, for his leadership on the homeless issue. The Select Committee on Hunger, which MICKEY LELAND chairs, has been instrumental in galvanizing support for the need to ensure adequate nutrition for the homeless.

While we can all take justifiable pride in this conference agreement, neither title VIII nor the other titles in this conference agreement will eliminate the shame of homelessness in our Nation. To achieve this objective will require a sustained long-term commitment. On the other hand, this agreement achieves the objective of ensuring that nutrition assistance is immediately available to homeless individuals and families and takes some significant steps toward preventing future increases in the number of homeless Americans.

I urge Members' support of this conference agreement.

Mr. SPEAKER, I rise to describe the provisions in the conference agreement on H.R. 558, the Stewart B. McKinney Homeless Assistance Act, which pertain to the nutrition provisions in title VIII of this agreement.

This agreement is highly successful. Not only were we able to include all of the provisions in the House and Senate bills which are designed to prevent individuals and families from becoming homeless, but we were able to keep the cost of the conference agreement $1 million below the House-passed levels.

In large part, the successful outcome of this conference is a tribute to the bipartisan cooperation of my colleague, BILL EMERSON, the ranking minority member of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition.

The conference agreement includes three homeless-prevention provisions:

First, the shortage of affordable housing for low-income individuals and families is a significant factor in the increase in the number of homeless persons in recent years. To help defray some of the cost of housing for low-income persons, the House bill increased the shelter deduction for families with high housing costs from $149 a month to $168 a month. The Senate bill effectively increased this deduction to $158 a month. The conference agreement adopts a housing deduction of $164 a month. The conference agreement also includes two provisions in the Senate bill to correct the treatment of shelter costs in calculating both the shelter and standard deductions in determining food stamp benefits.

Second, the House also accepted a Senate amendment which should significantly reduce one cause of homelessness; the penalties that now exist in the definition of food stamp household for families doubling-and tripling-up in housing units. The current rule requiring siblings, parents and children, regardless of their ages or circumstances, to be treated as one Food Stamp household if they share living quarters. The implementation of this rule tends to reduce or deny benefits for families who share shelter but do not share food. Unrelated people can live with each other, however, and not worry about having their food stamps reduced or terminated by operation of the current household definition as long as they do not purchase and prepare their meals together.

For poor people dependent upon food stamp benefits to survive, this law effectively prohibits related families from living together. The House Select Committee on Hunger heard convincing testimony that current rules are directly causing homelessness by inducing people with homes to throw out homeless relatives to keep from having the host family's food stamps cut.

A mayoral commission on homelessness in New York reported this spring that evictions by friends or relatives was an important cause of homelessness. The Commission found that current food stamp rules contributed to this problem by reducing or terminating the food stamps of relatives that double up in living quarters. A homeless woman from Missouri with several young children testified before the House Select Committee on Hunger that she was forced to leave her mother's home and move into a shelter because of food stamp rules that this bill fortunately changes. Her mother and siblings could not, or would not, feed her family; yet their presence in her mother's home made her and her children ineligible for food stamps. The current regulations which define households for the purposes of eligiblity for food stamps are more restrictive than the provision in the Food Stamp Act. All related individuals sharing the same address are considered part of the same household. In contrast, the Food Stamp Act limits the application of the household rule to relatives living together. Thus, the regulations do not take into account the fact that relatives can share the same address but live in separate apartments or parts of a home.

The Food Stamp Act needs to be changed so that grandparents are not forced to throw their grandchildren out in order to get food stamps. Compelling relatives like hers to move into shelters or out onto the street serves no rational purpose. Our Food Stamp Program rules should not cause this to happen.

A nationwide survey just completed by the U.S. Conference of Mayors found that families with children were the single fastest growing segment of the homeless population. The conference report, therefore, will allow parents who have minor children to form separate households without regard to the parent-child or sibling rules as long as they purchase and prepare meals together.

This provision retains, of course, the current requirement that people must purchase and prepare food separately from others in order to be considered a separate food stamp household. To ensure that the parent-and-minor-child household continues to be a separate household, the amendment will require recertification for such families every 6 months. This reexamination should involve a standard recertification; which for most such households already comes up at least once every 6 months.

The third homeless-prevention measure is the Senate amendment which the House accepted in conference to get food stamps to homeless and near-homeless applicants, who meet all other requirements for food stamps, within 5 calendar days instead of the usual 30 calendar days when they first apply. After this first month of expedited 5-day service, they will be placed on the regular program and receive benefits each month for as long as they are eligible.

This provision will ensure that expedited issuance of foof stamps is provided to all eligible homeless people and to those at risk of becoming homeless: those whose gross income and resources are less than 1 month's housing and utility costs. Most homeless people are already entitled to expedited issuance, issuance of food stamp coupons within 5 calendar days, but evidence indicates that some States may not correctly identify applicants who are eligible for expedited service. A 1986 court decision in Pennsylvania, Harley versus Lyng, found, for example, that caseworkers in many counties were unaware of the available of expedited service or of the rules governing eligibility for this service, even through these rules have been in effect since the late 1970's.

The conference committee was also concerned that households whose incomes and assets are already insufficient to cover one month's shelter and utilities not be forced to deplete those scarce resources further by buying food while waiting for their food stamp applications to be processed. The Senate amendment will help clarify the rights of the homeless for such service, and I hope that the Secretary and the States will go to extra lengths to make sure that all agency personnel are made aware of these rights.

In implementing this section, the Department and the States should not defeat its purpose by unreasonably predicting that applicant households will receive future income which may not materialize. I am personally concerned about this issue because of situations which have come to my attention in which potential income was attributed to households that resulted in denial of expedited service, but this income was subsequently not received. The purpose of expedited service is to ensure that households have enough to eat right away; public assistance that an applicant family may hope to receive 3 weeks later at the end of the month does not prevent them from going hungry in the meantime. In this regard, I also wish to applaud those States that have taken steps to provide expedited service faster than the 5 days required by law. Because hunger is a pain which cannot wait even for a few days to be met, I hope that the Department is providing assistance and encouragement to these States and to others which are considering providing expedited service in less than 5 days.

Expanding expedited service in these ways allows us to help households on the verge of homelessness focus their resources on maintaining shelter without increasing the size of allotments or program costs. According to the Assistant Secretary of Agriculture, there is no indication that expedited issuance increases error rates or improper issuances. Detailed studies done for the Department have also found no difference in the rate of incorrect issuances where applications are expedited. The Food Stamp Act's existing procedures for computing shelter costs, which include standardized allowances for telephones and other utilities, should simplify the administration of the new expedited service criteria.

Both the House and the Senate bills instituted Federal matching funds for food stamp informational or outreach activities to ensure that homeless persons are aware of their potential eligibility for benefits under this program.

The House Select Committee on Hunger reported this spring that 45 percent of eligible homeless persons based on income alone, and 49 percent of eligible homeless families based on income alone, are not receiving food stamps. While not all of these unserved persons would qualify for food stamps based on the asset test and other eligibility criteria, clearly millions of eligible persons are not receiving food stamps. The director of a food stamp outreach to homeless initiative run by Project Bread in Boston testified before the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition that many of the homeless are unaware of the existence of food stamp benefits, unaware that they are probably eligible, or unaware of how to apply for benefits. Other research has found that 42.6 percent of eligible households not participating in the Food Stamp Program, and 69 percent of nonparticipating elderly households, indicated that lack of information was the reason they were not getting food stamps.

Lack of awareness about the program is clearly a problem, and one that we must rectify. Restoring Federal matching funds for outreach activities to the homeless will give the States the opportunity to begin taking steps to remedy this problem at a very modest cost: CBO's cost estimate for this provision is only $1 million in fiscal year 1988, which must be matched by States choosing to operate outreach activities.

We expect that States will take their outreach activities to places where hungry, homeless people are likely to be found, including emergency food providers such as soup kitchens, food pantries, and food banks. States should also involve other institutions and organizations serving homeless people in these activities. The bill does not attempt to prescribe which specific activities States will undertake under this provision: with the States shouldering half of the financial burden, they can be expected to make sound judgments about the best ways to bring eligible homeless people into the program in their communities. Because such outreach is difficult to target, USDA in developing regulations to implement this provision should not deny matching funding to a State making a good-faith effort to reach the homeless just because 100 percent of the recipients of the information may not be homeless.

I am pleased that the conference report definition of "homeless individual" includes people without a permanent residence and those living in temporary housing arrangements, such as armories, shelters, or church basements. We thus recognize as deserving of compassion and assistance the hidden homeless as well as people who are actually sleeping on heating grates.

The conference agreement includes a provision in the House bill to prevent food stamp benefits of persons living in so-called welfare hotels from being reduced to reflect a portion of room charges paid by welfare agencies on their behalf. This is an emergency measure to correct a problem which came to light in New York City but apparently is occurring elsewhere in the country. Because the need to house homeless families and individuals in welfare hotels reflects an emergency condition which State and local governments should take some action to solve, the compromise includes a sunset requirement after 2 years.

We have a responsibility to ensure that homeless and other low-income households receive prompt nutrition assistance. One of the most effective ways to achieve this objective is through the Temporary Emergency Food Assistance Program. This is the program which the administration sought to shut off administrative funds this winter through an illegal deferral of funds to help pay for Federal pay increases. The conference agreement includes four provisions related to TEFAP.

First, the conference agreement extends the authorization for TEFAP through September 30, 1988, and continues funding to assist States with transportation and storage costs at the current level of $50 million. TEFAP is estimated by the Department of Agriculture to serve nearly 15 million Americans. Extending this authorization is important to reassure the low-income Americans who depend on the surplus commodities distributed through TEFAP that the food they depend upon will not be snatched away from them.

Second, the conference agreement requires the distribution of additional commodities through TEFAP if requested by the Governor of a State. The House bill had authorized the Secretary to distribute up to 14 million pounds of cheese a year through TEFAP. Subject to appropriations, the conference agreement requires the distribution of this additional cheese. In addition, the conference agreement adopts the Senate provision to require the additional distribution of flour and cormeal to States whose Governors certify the need for these additional commodities. The requirement for additional distribution of cheese, flour, and cornmeal is an important measure to ensure that these commodities which are currently stored by the Commodity Credit Corporation at a large cost to the U.S. Treasury are distributed to low-income households.

Third, a requirement in the House bill that the Congress be notified each time that a state governor requests additional commodities is included in the conference agreement. This provision is designed to assist the Congress in exercising its oversight responsibility to ensure that the distribution of surplus commodities through TEFAP is responsive to the needs of the States.

Fourth, the Department of Agriculture will be required to distribute a variety of commodities and products which are most useful to the agencies which distribute the food to the poor. This provision was in the House bill.

The conference agreement also includes two provisions in the House bill which are designed to improve the administration of the Food Stamp Program. These provisions were also included to make the bill budget neutral in fiscal year 1987 and limit the overall costs in succeeding years. First, the annual update of the income eligibility guidelines would be made in October of each year, instead of July. Because the conference agreement has been reached close to the deadline for this year's adjustment, this provision will be implemented with the 1988 adjustment. Second, the earnings deduction in the Food Stamp Program will be denied for periods in which a recipient is proven to have willfully or fraudulently failed to report earnings.

Title VIII of the conference agreement has no net budgetary impact in fiscal year 1987. In fiscal year 1988, the cost is $58 million in budget authority and outlays above the Congressional Budget Office baseline. That is $1 million below the cost of the House-passed bill.

While we can all take justifiable pride in this conference agreement, we should not forget that neither title VIII nor any other titles in this conference agreement will eliminate the shame of homelessness in our Nation. To achieve this objective will require a sustained long-term commitment. On the other hand, this agreement achieves the objective of ensuring that nutrition assistance is immediately available to homeless individuals and families and takes some significant steps toward preventing future increases in the number of homeless Americans.

In conclusion, I want to thank my colleagues on the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition for their bipartisan cooperation in shaping first the House bill and then this successful conference agreement. In addition, I want to thank my colleague from Minnesota, BRUCE VENTO, for his leadership in ensuring the distribution of additional cheese to the homeless and other low-income individuals through TEFAP. I also want to express my gratitude to my colleague from Texas, MICKEY LELAND, for his leadership on the homeless issue. The Select Committee on Hunger, which MICKEY LELAND chairs, has been instrumental in galvanizing support for the need to ensure adequate nutrition for the homeless.

Mr. DE LA GARZA. Mr. Speaker, I yield such time as he may consume to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Speaker, I rise also to congratulate the work that has gone into this conference report, especially by my colleague, the gentleman from California, Mr. LEON PANETTA, and the chairman, the gentleman from Texas [Mr. DE LA GARZA], and congratulate them for the hard work that went into this.

Mr. Speaker, I rise in support of this conference report. This is truly a national problem. Too often we think of this as an urban problem. We see it too often on the nightly news about the urban plight, some of the things that are going on, the people who are in the streets, but also in rural America. Too often we have looked to rural America to say, "Well, those people will help themselves, their families, their friends, their churches, their communities."

Well, in places like West Virginia, where unemployment is up, and with long periods of economic decline, too often those people are no longer there to support. So this is truly a national problem, and I am glad that we are doing this, and when we call upon States and local government to do something, sometimes our States and our local governments are not capable of doing it either. That is why we do need a national approach, and I am glad that we put this together.

As my subcommittee chairman has mentioned, one of the most important parts of this conference report raises the shelter deduction from $149 to $164 per month. One thing that he neglected to say is that recent USDA data shows that almost a third—27 percent—of the food stamp households claim the maximum shelter deduction, which indicates that there is truly a problem, and too many of those people are in a situation where their needs are not being met.

Also he mentioned that they would allow for family members to double and triple up if there is a problem so that we can share our resources in the communities.

He mentioned the expedited services within 5 days, which is a very important part of this, and also the reauthorization of the TEFAP. This is surplus commodities that we are talking about, and it is a very important part of this, especially for a State like West Virginia, and it would allow for higher unemployment in a State like West Virginia or other States if their Governor would request to get the additional commodities.

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In conclusion, the conference agreement represents a thoughtful, compassionate and committed approach to addressing the needs of homeless and the poverty stricken of our society. I would hope that my colleagues would support this conference report with their votes.

Mr. DE LA GARZA. Mr. Speaker, I yield the remainder of my time back to the gentleman from Texas [Mr. GONZALEZ].

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I rise in support of this conference report. I was an original cosponsor of H.R. 558, and I was very pleased at the start of this Congress to see the bipartisan support this measure received from its cosponsors. I commend the chairman of the subcommittee Mr. GONZALEZ and the ranking Republican, Mr. WYLIE for their leadership.

I was a conferee on this bill, and, while I do not consider it perfect in every respect, it is good legislation and worthy of passage today.

No one can claim any longer that this Nation's homeless problem is a short-term, transitory one. We face a long-term problem of great complexity.

There is one very important point with respect to this legislation which must be emphasized, and that is the shameless way in which State and local governments have treated the mentally ill over the last 20 years.

The homeless population is a diverse one, there is no question. It is composed of people suffering from alcoholism and substance abuse, the chronically unemployed and the recently unemployed, people of all races, and children and families. Witnesses before our committee, however, testified that as much as 50 percent of that population suffers from some form of mental illiness.

Throughout the 1960's and 1970's, States released patients from mental hospitals in a policy dubbed "deinstitutionalization," and then forgot about those poor people. States and localities did not provide the kinds of community-based facilities which were promised and which were necessary.

We cannot put on the record too strongly or too many times that there was an inexcusable abdication of responsibility.

In 1955 the number of inpatients in State mental hospitals reached a peak of 560,000. Today, the State hospital population is about 120,000, almost an 80-percent drop.

It is a depressing commentary on State governments that many of the people who were discharged from hospitals or who, because of deinstitutionalization, have never been in hospitals for any length of time are now on the streets leading a wretched existence.

Of course, not every State is at fault. Wisconsin and Vermont are States which experts point to as ones which did a good job of providing community alternatives to State institutions. In my own State of New Jersey, Governor Kean's budget earlier this year called for $12.6 million in new spending to improve community care for the mentally ill, and its outlines a 4-year plan to reduce the number of patients at Greystone Park State Psychiatric Hospital. Unfortunately, such States have been the exception rather than the rule.

Chronically disturbed people have been sent out into the community, often to empty lives in single-room-occupancy hotels and skid row rooming houses. And they are the relatively lucky ones. With the growing scarcity of even those housing options, many of the people end up on the streets. This homeless bill should not be viewed as a remedy—it is only a stopgap measure. States will have to shoulder their responsibilities and reevaluate their policies for deinstitutionalization and mental health programs.

Now that I have once again sounded the alarm, I would like to highlight a few aspects of the conference report.

This is a 2-year conference agreement which authorizes a total of $442.7 million in this fiscal year and $616.5 million in fiscal year 1988 for a variety of services to homeless people.

This report provides $100 million for HUD emergency shelter grants this year and $120 million next year. This program provides grants for the renovation, rehabilitation, or conservation of buildings into emergency shelters to expand the supply of shelter for the homeless.

For the Supportive Housing Demonstration Programs, the conferees agreed to $80 million for this year and $100 million for next. For each of those years, at least $20 million is set aside for transitional housing for homeless families with children and $15 million for permanent housing for the handicapped homeless. We should note that the conferees intend that there be separate competition for grants for transitional housing for families with children, transitional housing for deinstitutionalized and other mentally handicapped persons, and permanent housing for handicapped homeless persons.

The conference report provides $35 million for section 8 single-room-occupancy units [SRO's].

There is $15 million for this year and $124 million for next year for FEMA's emergency food and shelter program. These funds are provided to charitable organizations and local governments that run food and shelter programs.

Some of the most important provisions of this legislation may be with respect to health care services.

This agreement authorizes $50 million for this year and $30 million for next for a new health services grant program to be administered by the Department of Health and Human Services. There is also $10 million for chronically mentally ill adults and children. There is $35 million for a block grant providing mental health services to the homeless, including outreach, outpatient, mental health, case management, and supportive services.

The agreement also provides important education and job training programs, including a special job training program for veterans, and it reauthorizes the Surplus Commodities Distribution Program through next year.

I hope that this bill will begin to help some of those people who need it so desperately. Our homeless problem is no longer a short-term aberration. Clearly, we are facing a chronic problem of enormous complexity. I regret to say that it is a problem with which we will be struggling for a long time. However, in conclusion I must stress that we are providing an emergency supportive short-term response to the problem. This problem is in large measure the consequence of the abdication of responsibility by state and local governments. There was the promise of community-based programs for the mentally ill, and largely these were never provided. This conference report should not be viewed as a substitute for the solemn obligation of State authorities to provide comprehensive community-based mental health services.

As we struggle with this problem, I hope we can bring to it the same degree of wisdom and sensitivity shown by our late colleague Stu McKinney, after whom this legislation in named. Stu had great compassion, and was one of a handful of Members from this Chamber who recognized the homeless problem for what it is and worked to forge this legislation. He was an example to us all, and we miss him.

With that, Mr. Speaker, I urge adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Spreaker, homelessness is certainly a tragedy and the committee has tried to address the problem in a meaningful fashion. The question before this body as we look at this particular conference report is have they succeeded.

What they have done is created a huge new welfare program.

The question then that we have to ask ourselves is are they in fact going to help us move against the problem of homelessness with more welfare. I would submit that homelessness is largely a condition that is a result of a variety of welfare programs that have failed, and that have failed miserably.

So our solution as presented in this conference report is doing more of those things that we already know have failed to solve a problem that is the most obvious example of that failure. I would submit that that is not exactly the direction that we should go with the kinds of money that we are talking about funding.

What should we be doing? In my opinion, one of the things that we ought to be looking at is going toward a permanent solution that encompasses work, that says that able-bodied people with a capacity to work ought to be encouraged to do work programs.

Yet what does this conference report say? The provision on workfare that was put in in the House was taken out by the conference. That is right, when I go to the bill and try to find a workfare provision that this House put in saying that the able bodied should be required to work, what do I find? I find that the conference removed the workfare provision.

How can that be?

In addition, when I also go to the report what I discover is that the committee, the same conference that took out workfare decided it was important to make certain that any building that was done relative to this program was the most expensive possible building that could be done, because what the conference committee decided to do was to leave out a Senate provision that reduced the amount of money that had to be spent through Davis-Bacon.

So what do we have here? We have a bill that is supposedly trying to help us with a tragic situation that says, first of all, that we ought not have workfare, that we ought not use work as a solution; and, second, that any work done toward trying to house the homeless ought to be at a cost which is a great deal more than one would have to pay in the regular labor market.

I find that rather difficult to accept, particularly when we are dealing with a tragic situation of the proportions that we are dealing with here. I would like to have thought that we could deal with this problem in a way that used innovative solutions toward meeting real needs. Instead, we have created a huge new welfare program that does not in any way address work and in fact undermines the program by assuring that the highest possible costs will be paid for any construction relative to the program.

Therefore, I would suggest that the right vote on this conference report is no, not because it did not intend to do the right thing. It did intend to do the right thing. It just did it wrongly.

Mr. WYLIE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, the gentleman from Pennsylvania is in part correct, but what we did in this bill was to fund three existing homeless assistance programs which have previously been handled through appropriation acts.

The three programs are FEMA, the Emergency Food and Shelter Program, the Emergency Shelter Grant Program and the traditional Housing Demonstration Program. These are all programs that are based on the premise that State and local governments can best address the particular needs of the homeless within their communities.

So I would say to the gentleman that we are moving away from a new welfare system, from a new entitlement program to provide for the homeless I would think in this bill that is before us. At least that is the intent of this Member.

Mr. Speaker, I yield 6 minutes to the gentleman from Texas [Mr. DELAY].

(Mr. DELAY asked and was given permission to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I can see the handwriting on the wall. I can see that this is a done deal and we are on our way to passing, as the gentleman from Pennsylvania has pointed out so aptly, a brand new welfare program. And I might say a welfare program that we cannot pay for, that we are going to borrow to pay for.

It has been called many names, but it has also been called the Emergency Homeless Act. I would like to point out, as I did earlier on the conference report on the appropriations, that I want to know where the emergency is. Members would think, listening to the rhetoric back when we first passed this bill in the House, and now I have heard a little of it on the floor, and I am sure we will hear some more, that we have homeless all over America and they are in huge crisis proportions.

Mr. Speaker, I have been looking for some empirical data for the cause for this sort of action, an action that I concur with the gentleman from Pennsylvania that once again we are throwing money at a problem and not really looking at the solution to the problem. Not too many people nowadays agree that throwing money at a problem has ever solved that problem. It just intensifies it.

□ 1845

Now, HUD did a study on the homeless, trying to figure out, to get some empirical data on how many homeless we have out there. Frankly, their study is very flawed because they took newspaper articles, magazine articles, interviewed some people across the Nation. They came up with a figure of somewhere between 192,000 and 586,000 homeless. They said it is more likely to be around 250,000 to 350,000 homeless. Now, the Coalition for the Homeless has said that there is 2 million homeless in America, less that 1 percent of the population.

Their study is seriously flawed because all they did was interview advocates for the homeless. For instances, they surveyed the skid row area in Los Angeles. They estimated that the homeless in the skid row area was from 10,000 to 200,000 in the skid row area, when the census report says that the population of that area is 10,127. And when questioning residents of the skid row area in Los Angeles and asking them where are the 10,000 to 200,0000 homeless, they just kind of grinned and said, "Yes, we have a few thousand or a couple of thousand in the skid row area, but if we had 10,000 or 200,000 we would be standing shoulder to shoulder in Los Angeles"

Then Mitch Snyder of the CCNV said in 1982 that there was 2 to 3 million homeless in America. Then in a hearing he also said there was 2 to 3 million in 1987. So if you use Mitch Snyder's own figures, there has not been a growth of homeless in America for 5 years.

Mr. LELAND. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman

from Texas [Mr. Leland] but just for a moment because I do not have much time.

Mr. LELAND. I thank the gentleman for yielding.

The gentleman from Texas [Mr. Gonzalez] is going to give me some time and if the gentleman in the well needs some of that time I will give it to him to complete.

But let me ask the gentleman if he will do this: If the gentleman needs some real hard cold empirical data why does he not come out of Fort Bend County, walk through Harris County with me, part of which is the gentleman's district, and I will show him some of the homeless that he is talking about and will see the emergency that he has not yet realized.

And I would tell the gentleman that we do not even have to take a plane ride. Why do we not just walk around.

Mr. DeLAY. Reclaiming my time, I will tell the gentleman that I worked in the area that he is talking about for 4 years. I know exactly what the gentleman is talking about. But throwing money at them is not going to solve the problem, as has been done for years. That is not going to solve the problem. Let me point out: The gentleman says we are not doing anything; in fact the gentleman's own select committee said there were only four programs, I believe, that addressed the homeless problem before this bill. But let me point out, and I have a list that I would like to submit for the Record, that there is at least, without any trouble at all in 1986, at least 20 programs amounting to about $170 to $200 million targeted for the homeless. Now that is not counting the regular welfare benefits; programs in ACTION, in the Department of Agriculture, in the Department of Defense, the Department of Education, FEMA. I have the list here of all kinds of programs amounting to $170 to $200 million.

Now, public housing has not been cut. Outlays have risen substantially. In 1981 we spent $5.7 billion on 3.1 million families. Five years later we spent $9.5 billion on public housing for 4.1 million families. So there has been assistance out there. And if the gentleman is correct in this rising crisis that is going on, that assistance obviously is not working. None of these programs have worked. The homeless population is not going down.

We have not evaluated the situation. We have not asked the question: Which is the best way to approach this problem? By building more shelters? Is the national right to shelters the approach that makes the best sense?

Given the vast programs already serving the homeless, and given the sketchy evidence provided by the homeless lobby, why should the taxpayers believe that there is a homeless crisis? We already have programs. Vote "no" on the conference report.

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. Miller].

Mr. MILLER of Washington. Mr. Speaker, I rise to speak in support of this conference report of the homeless and urge its adoption.

I supported the original House bill but I think the conference report is an improvement. There is more emphasis on direct help to those who need emergency shelter, there is more emphasis on getting people off the street now, there is more emphasis on doing the job through charities at the local level. And I think that is all to the good.

I think the conferees deserve our praise for the job that they have done and I especially want to note the efforts of my colleague from Washington State [Mr. Lowry], who has worked long and hard for this legislation.

We both have seen the homeless in the areas we represent in Puget Sound, including downtown Seattle. Last February I spent a night incognito at a shelter in downtown Seattle. I was able to get in. On some winter nights not everybody can get in.

To the gentleman who questioned the need, I do not know which of those reports is right, I do not know whether the homeless number in the hundreds of thousands or the thousands or the millions. All I can say is that in the area I come from there are winter nights when not everybody who wants to get off the street into a shelter can get there. That is a need.

Who are the people I saw that night back in February? Well, for the most part they were not drug addicts or alcoholics or mentally ill. For the most part they were people that were down and out, down on their luck temporarily. For the most part they were people staying there not for weeks, not for months, just for a few days.

And I think that brings us to the issue of what is the biggest need, what is the thing we can do that is most helpful for most of these people? Sure there are plenty of needs, but given who they are and given the fact that most are looking for temporary shelter, the greatest need is to do what we are focusing on in this bill and that is to provide more emergency shelters for these people. I think that the House and the conferees have done a good job. I think we should get on with the job.

Mr. Speaker, I believe we should pass this conference report.

Mr. GONZALEZ. Mr. Speaker, I yield 5 minutes to the distinguished gentlewoman from Illinois [Mrs. Collins].

Mrs. COLLINS. Mr. Speaker, I rise in support of the conference report on H.R. 558, the Urgent Relief for the Homeless Act. I was pleased to serve as one of the House conferees along with the chairman and ranking minority member of the Committee on Government Operations. Our special area of concern was consideration of the provisions of the House bill and Senate modifications dealing with the identification and use of surplus Federal property to assist the homeless.

The conference report in title V provides findings and procedures that will enhance Federal agencies' ability to make use of underutilized buildings and personal property for homeless assistance. These changes, long overdue, will enable the General Services Administration, the Departments of Health and Human Services, and Housing and Urban Development, and all agencies with underutilized property to overcome legislative and administrative obstacles to such use.

The conference report is careful to guide such utilization into channels provided by existing law with respect to real property as well as with respect to personal property. The conference report makes clear that it is expected that agencies with underutilized property will carry out their duties in declaring such property excess with special awareness of the urgent need for use as homeless facilities. The General Services Administration and the Department of Health and Human Services, moreover, are expected to give priority of consideration to necessary disposals of leasehold interests for such facilities. The Congress will be able to monitor progress through the required quarterly reports on implementation of these provisions.

Mr. Speaker, on behalf of the Government Activities and Transportation Subcommittee of the Committee on Government Operations, I express my appreciation and commendation to the members and staff, majority and minority of both Houses, who worked so cooperatively and productively in developing the language agreed to by the conferees. I wish to mention, also, the contributions to this process of the General Services Administration and of representatives of the State agencies dealing with the distribution of surplus personal property under the Federal Property Act.

I strongly urge my colleagues to support this conference report.

Mr. GONZALEZ. Mr. Speaker, I yield 8 minutes to the distinguished gentleman from Texas [Mr. Leland] who is also the chairman of the Select Committee on Hunger and Nutrition and who knows, if anybody knows, the condition and the extent of homelessness.

Mr. LELAND. Mr. Speaker, let me first commend the gentleman from Washington State for his leadership in pulling the House together, both Democrats and Republicans alike, in waging the campaign to get to this point in the consideration of this conference committee report. He has done an outstanding job and I am most proud of him for what he has done.

Let me also note that the House majority whip, Mr. Coelho, the gentleman from California, did an excellent job too in rendering the support and resources of the leadership of the House of Representatives on this matter.

Mr. Speaker, I rise in support of the conference report on the Stuart B. McKinney Homeless Assistance Act. This bipartisan legislation recognizes the urgency of addressing the problem of homelessness across the United States. It will make emergency relief available next winter when it will be desperately needed by those who lack the minumum necessities that we all take for granted: food, shelter, and health care.

Each year public and private groups assisting the homeless report that increasing numbers of homeless persons must be turned away from emergency shelters and feeding sites. A study recently released by the National Reinvestment Corp., a nonprofit group funded by Congress, finds that more than 18 million Americans will be homeless by the year 2003 unless we take aggressive measures to address the causes of homelessness.

The situation has long been beyond the responsive capacities of local governments and private charities. Given the enormity of the problem of homelessness, it is appalling that there has not been a comprehensive national response. It is time for the Federal Government to respond aggressively with the first step toward a national policy.

This finely crafted legislation takes into account the most significant change in the homeless population—the growth in the number of families with children. Almost one-third of the homeless population is comprised of families. According to the U.S. Conference of Mayors most recent report, one-fifth of the homeless in 25 major cities are the working poor, employed in either full or part-time jobs. Many more would like to work but lack the necessary supportive services such as job training, day care, and access to public education.

The most blatant area of neglect has been the failure to add to the stocks of affordable or subsidized housing. Since 1981 there has been a 71-percent reduction in budget authority for low-income housing programs. The U.S. Conference of Mayors reports that in 1986 the average waiting period for assisted housing was 18 months and over two-thirds of the cities they surveyed closed their waiting lists because they were so long. The Neighborhood Reinvestment Corporation reports that by the year 2003 an additional 7.8 million low-income housing units will be needed to house low-income Americans. Without significant changes in Federal policy these 18.7 million people may be forced into the streets.

Current Federal policies have exacerbated the problem of homelessness. It is obvious to any one who walks in our cities that our Government has failed to provide sufficient health services to the physically ill homeless, nor has it provided community-based alternatives to institutionalization for the chronically mentally ill. H.R. 558 proposes the first serious Federal Government partnership with State and local governments to correct our past failures. It should however, in no way be labeled a solution or panacea for this complex problem. Many States, localities and private relief organizations have developed effective programs in dealing with homelessness. This Federal legislation has been crafted to provide financial support to those groups that have proven successful in feeding, housing and caring for the homeless.

A key provision of this emergency relief legislation is the increase in authorization of funds for the Emergency Shelter Grant Program and the Transitional Housing Demonstration Program. If funds are appropriated, local governments and private, nonprofit charities will serve more of the homeless with shelter and supportive services this coming winter.

I would like to express my concern rearding the regulations issued by the Department of Housing and Urban Development for these programs. Under current regulations, religious organizations, which provide the bulk of services to the homeless nationwide, would not be eligible to receive these new Federal moneys for expansion. These organizations are in need of financial assistance to improve existing shelters and to establish new ones to serve the growing homeless population. Yet, these regulations specifically prohibit rehabilitation assistance for buildings to be used for homeless shelters, if those buildings are owned by religious organizations. Limiting rehabilitation assistance solely on the basis of ownership of a building is a very restrictive interpretation of the First Amendment to the Constitution. I urge the Department to revise the regulations to recognize the reality that many homeless shelters are in buildings owned by religious organizations.

The House Select Committee on Hunger, which I have the honor to chair, has conducted hearings and issued a report on the problems of the homeless and those at risk of homelessness. We focused our investigations specifically on the food assistance, health care, and education needs of these families. Working with local, State and national organizations serving the homeless, I introduced H.R. 286, "The Homeless Persons' Survival Act of 1987" in January of this year. As a result of the cooperation between the Select Committee and several standing committees of the House, some provisions of H.R. 286 are included in the measure we are voting on today. These include grants for health and mental health services, funding for State and local governments to assure access to public education to homeless children and provisions to expand food stamp availability.

The House leadership has taken the lead in recognizing that homelessness is a problem of crisis proportion that cannot be allowed to continue. The leadership has moved this legislation quickly through the House and then through conference. No longer can we sit silently while any one person endures the conditions of homelessness. Our society must take on the responsibility of aiding these victims of mistaken public policies. I urge my colleagues to join me and vote in support of the conference report on H.R. 558.

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Mr. Speaker, let me also commend the gentleman on the other side of the aisle, the Republicans, who have had such great leadership in this effort.

Mr. GONZALEZ. Mr. Speaker, I yield 6 minutes to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I want to congratulate the gentleman from Texas [Mr. GONZALEZ] and all of the Members of the Congress who are responsible for this important bill.

Mr. Speaker, this is highly significant humanitarian legislation. We have never had a comprehensive bill that related specifically to the homeless.

We have had demonstration projects. I believe the first piece of legislation that the gentleman from Texas, the chairman of the subcommittee, accepted was by the gentleman from Minnesota [Mr. VENTO], and then I later introduced some legislation relating to a segment of the homeless population. We have never had a comprehensive bill.

I feel this is extraordinary legislation. The homeless people, it is interesting, because one might say, why have we never had really comprehensive legislation addressing this critical emergency problem in our country. We are one of the richest countries in the world.

One of the reasons is that the homeless people are relatively not an active political constituency. They do not lobby for getting homes or shelters or health care, or the congregate services that they need; and very often homeless people are depicted in a very stereotypical fashion as lazy, shiftless people unwilling to work, et cetera.

I was struck by the comments of one of the gentlemen on the other side of the aisle, when the gentleman referred to the infamous, or now famous by this time, HUD report that gave the impression that indeed there was no homelessness in this country.

I remember that report and how shocked many of the Members were related to that report, because it was a nonreport.

It was nonfactual. The fact was, we had a series of hearings on that issue, and one of the things that I did was to ask a member of my staff to do our study, and to interview people around the country, mayors, people in public life, social service agencies, to tell us whether they felt the statistics were relative to the homeless problem. Basically they indicated across the country, thanks to the research of one of my staff members, that there were 2 to 3 million individuals at least who were homeless and had critical needs, and these needs were not only related to shelter, but they also indicated that about up to 30 percent of these people were mentally deinstitutionalized.

Mr. Speaker, I really believe that among the most vulnerable people in this country are the mentally deinstitutionalized individuals. I was happy to report to my colleagues on the Subcommittee on Housing some of the statistics relative to the mentally deinstitutionalized, and I was very pleased that my chairman accepted the first demonstration project relative to this housing program. So successful has that been that even the Senate agreed to add more money in this whole program in support of the housing demonstration programs around the country.

So I am very pleased to say that of the $145 million for 1987 about $80 million will be targeted for this very vulnerable group. I think one of the cruelest things we have done to mentally handicapped people is to allow them to become deinstitutionalized and then let them fend for themselves. These are people who have been deemed nonproblematic and functional as long as they have the services to meet their needs.

What have we done in the past? We have allowed them to become deinstitutionalized, but we have given them no job training. We do not give them adequate health coverage, so very often they are not able to get the supportive prescriptions they need, and we do not even give them the emergency shelter that they often need. We just allow them to fend for themselves.

Most of these people, according to our study, have absolutely no families, or if they do have families, their families are not too interested in meeting their needs.

So it is the clear intent of the conferees that the Secretary of Housing and Urban Development provide these kinds of programs that are set out in the conference report. I am very pleased that we were able to do something that is exceptional in this report as well.

One of the other things that we did with respect to the deinstitutionalized is that we said we are not just concerned about their housing needs. So often with agencies there are these turf battles. Health and Human Services does not always talk to people at HUD, and the job training people do not talk to the people at HUD or at Health and Human Services. One of the great things about this bill was that we got over the turf problem relative to health. There is, in addition to the $80 million for the deinstitutionalized, money targeted for that group, and we only hope the local communities spend it that way. There is an additional $30 million that will relate to their health needs.

I am convinced that if you take these mentally deinstitutionalized persons and you give them job training, a place to live, and the proper medication, they will be extraordinarily productive citizens. But we have never done that in this country. So it is time to really allow this to develop. It is up to the local communities to apply for these kinds of programs.

Mr. Speaker, I am very, very pleased with this, and I want to pay special tribute to the members of my staff, one in particular, a former member of my staff who did such wonderful research on this issue.

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker, I know a little something about one area of the proliferation of the homeless in this country. The gentlewoman who just spoke and the gentlewoman from New Jersey touched on this subject. It has to do with the deinstitutionalization of the mentally ill. I just want to say a word about that because I have been working in that area for years and years and years.

Our mental institute in South Carolina was founded and the first buildings built in 1820. Imagine that. They are structurally and architecturally beautiful. Some of those buildings are still in use down on Bull Street in Columbia. We have a fine system of mental health institutions in our State. We have 17 regional centers. It is one of the largest State agencies.

About 10 years ago people working in the field of mental health and mental retardation said, "Something is wrong here. These institutions are getting larger and larger." Those of you who have been in State government and who have toured a mental health facility know what I am talking about.

In South Carolina we have a general assembly with a heart, and they have moved down there to do the best they could with their financial capabilities. They have tried to do everything they could for the mentally ill and the mentally retarded. Then they decided, "No, this is not the way to go, not to get bigger and bigger and have larger and larger institutions. What we need to do is to try to turn these people, these folks, these fellow citizens, into as nearly a normal type of setting as possible."

So we have had there at home a proliferation of community houses. Now, insofar as mental retardation is concerned, they have been working extremely well. I am the parent of a 28-year-old Down syndrome son; he has a functional IQ of 17 and a social IQ of 140. He lives with eight other boys in a community house, and he is just doing fine.

But deinstitutionalization of the mentally ill has not worked well, and let me describe a typical situation. You may get eight or nine in a State-financed facility, all contracted out, a community home for the mentally ill, and they will select and they will screen no more than nine individuals to live in that home. And they will do well; they get started out well, and they gradually begin to return to the community. Then they will get more and more privileges, they will get a little spending money, they will be able to go to the store, and some of them will get jobs.

□ 1915

Then all of a sudden some individual will want to go home. Maybe he has saved up a few dollars. He will go down to the bus stop and he will get on a bus, because he thinks he is going home, and he does not go home. He winds up say in Willa-Willa Washington, and he does not know where he is and all his money is gone. He has no more money in his pockets, and there he is in Willa-Willa Washington, if such a place exists, and he is broke. He has got no place to stay. He is funny. He is not like the rest of the people, and they do not take him in. People are afraid of him.

If he is real lucky, he will get taken into a church shelter or something like that and he becomes part of the permanent homeless who are wandering around this country.

You can go tomorrow and look at the people who are touring this Capitol and you will see the mentally ill homeless right there in those tours.

This bill is correctly labeled. It is urgent relief for the mentally ill, as we have named it after our departed colleague.

It is that problem that it is trying to address. Most of this money is going to be funneled down through your State agencies. I cannot speak for the other States, but I know that those moneys that come down into South Carolina, those moneys will be correctly spent.

Mrs. ROUKEMA. Mr. Speaker, will the gentleman yield?

Mr. RAVENEL. I yield to the gentlewoman from New Jersey.

Mrs. ROUKEMA. Mr. Speaker, I want to really commend the gentleman for his statement. He has made one of the finest articulate statements on this subject tonight and I appreciate the gentleman's observations and his comments.

We do not want this to be a bill that absolves the States from their responsibilities, but we do want to be supportive to the work that they are doing in helping them. I think this is a bridge, a transition kind of program, and I thank the gentleman for his comments.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman from South Carolina has expired.

Mr. WYLIE. Mr. Speaker, I yield 1 additional minute to the gentleman from South Carolina.

Mr. RAVENEL. Mr. Speaker, I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, I just wanted to mention that in terms of the program for mentally deinstitutionalized, I have to say that I do not agree with everything the gentleman said about who these people are; but in any event, without getting into that, a nonprofit organization such as a church group could apply for a demonstration project to house and to give the mentally ill their medication and possibly job training, et cetera. That is what we need to do. We need to deal with mentally deinstitutionalized people comprehensively. We have never done that in this country. That is the problem, and I think it is time to try. That is what this legislation is really all about, at least that part of the legislation is all about.

Mr. RITTER. Mr. Speaker, will the gentleman yield?

Mr. RAVENEL. Mr. Speaker, I yield to the gentleman from Pennsylvania.

Mr. RITTER. Mr. Speaker, I thank the gentleman for yielding.

I think many of the points the gentleman made are well taken. I think the gentlewoman from Ohio is correct in saying that we have not fully dealt with the problem of deinstitutionalized persons; but if we take a look at the amount of the budget that has been applied out of the nearly $1 billion, only 35 plus 10, $45 million are targeted toward the mentally ill. This is not a bill to take care of deinstitutionalized persons.

Mr. WYLIE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. WORTLEY].

Mr. WAXMAN. Mr. Speaker, will the gentleman yield to me before he begins?

Mr. WORTLEY. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, I want to make note of the health parts of this legislation which are an important part of the overall bill.

I want to commend the people who have worked so hard to bring this legislation before us today and support their efforts, and I thank the gentleman for yielding.

Mr. Speaker, I rise in strong support of this conference agreement. This bill will not solve all of the housing, health, or other problems facing the homeless. But it is a good start at meeting our Federal responsibility to these vulnerable citizens.

In the health area, the bill puts in place programs that will make a dramatic improvement in the health status of many of the homeless. The total Federal funding for these programs is quite modest: $105 million in fiscal year 1987, and $30 million in fiscal year 1988.

I want to stress that the health and mental health programs in this bill target the limited Federal funds on those States and communities that are willing to commit some of their own resources to addressing the health needs of the homeless. The programs are also carefully designed to assure that Federal dollars do not simply replace existing State or local spending. But instead stimulate the investment of additional public and private resources in meeting the needs of this population.

Let me briefly summarize each of the programs authorized.

First, the bill establishes a health care for the homeless grant program, under which the Secretary of Health and Human Services would give funds directly to public or private nonprofit entities to provide outpatient health care and alcohol and drug abuse treatment services to the homeless. The bill authorizes funding of $50 million fiscal year 1987. $30 million in fiscal year 1988 for this purpose. Grantees are required to contribute. From non-Federal funds, 25 percent of the cost of delivering services. This program is modeled after an extremely successful initiative funded by the Robert Wood Johnson Foundation and the Pew Memorial Trust, now underway in 19 cities throughout the country. I would expect that many of the community coalitions that are now receiving Johnson-Pew funds would also apply for and, if qualified, receive funding under this program to continue and expand their efforts. In addition, I would anticipate that qualified community health centers would receive funding to address the primary care needs of this population.

Second, the bill establishes a block grant program for services to homeless individuals who are chronically mentally ill. States would be required to contribute 25 percent of the cost from non-Federal funds. The block grant would give the States flexibility to target community mental health services on those homeless who are chronically mentally ill. Funding in fiscal year 1987 is authorized at $35 million; in fiscal year 1988, the bill authorizes such sums as necessary.

Third, the bill expands the successful community support program now run by the National Institute of Mental Health. The bill provides an additional $10 million in fiscal year 1988 for demonstration efforts to deliver community mental health services to the chronically mentally ill homeless.

Finally, the bill provides $10 million in fiscal year 1987 for a demonstration program on the delivery of alcohol and drug abuse treatment services to the homeless. This program will be administered by the National Institute on Alcohol Abuse and Alcoholism.

Mr. Speaker, these four programs are modest, time-limited initiatives that are carefully targetted to the health and mental health needs of the homeless. They will make an important difference in the lives of these men, women, and children. I urge my colleagues to approve this conference agreement.

Ms. OAKAR. Mr. Speaker, will the gentleman yield?

Mr. WORTLEY. I yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Speaker, I want to thank the gentleman for mentioning Steward McKinney's name, because it is in his memory that this bill was named. He was one of the great compromisers and he brought a lot of us together on the bill. We really owe him an awful lot.

Mr. WORTLEY. Mr. Speaker, I thank the gentlewoman. Stewart was a truly great American.

Mr. Speaker, this is one of the most important bills we will act on in the 100th Congress. As a House conferee who helped reach this agreement on aid to the homeless with the Senate, I rise in support of the conference report and I urge my colleagues to give it their support.

We are aware of the homeless statistics. Anywhere from 300,000 to 3 million persons have no shelter from the elements, no privacy, no security, no place to cook their food or live in safety and decency. A lack of shelter whatsoever strikes cruelly at the core of human dignity. This legislation takes significant steps to alleviate this situation by authorizing funding for programs to aid the homeless. It showplaces the commitment and concern of better-off members of our Nation for those who are less fortunate.

Whether a result of economic dislocation, the stresses of modern 20th century life, or physical and mental impairments, we are confronted with a serious problem of homeless persons which demands action by this Congress. When individuals in our country are hurting, the country is hurting. This emergency legislation would help diminish the immediate pains of the homeless while laying the groundwork for a more permanent solution.

Although we also need to more accurately determine the composition of the homeless and the causes of homelessness, we should not let our incomplete knowledge of this subject interfere with providing current relief and aid. However, eventually we must find the answers to some difficult questions.

How many are homeless as a result of urban policies such as rent control and redevelopment which have severely diminished the low-income housing stock by encouraging demolition or conversion to condominiums? In what proportion are the homeless alcoholics, those addicted to drugs, criminals, or the mentally disturbed?

Unfortunately, there are many instances where even a utopian economy would be of no help, nor would increased Federal funding. But while this legislation is not the complete solution, it is a prerequisite to an eventual answer.

We should also note our accomplishments in this area. The private response to the problem has been heroic. The number of shelters in the last 4 years has increased dramatically, and the overwhelming majority of these shelters are operated by churches, synagogues, nonreligious groups, and other voluntary organizations. The American people have funded this effort by increasing their charitable giving in recent years. In addition, the percent of the adult population doing volunteer work has also increased.

Federal assistance exceeded $210 million for emergency food and shelter distributed by FEMA over the last 2 years, and legislation was enacted early this year to provide FEMA with a supplemental appropriation of $50 million bringing total 1987 funding to $130 million. Millions of additional dollars have been applied to the homeless problem through such programs as the Department of Agriculture's Emergency Feeding Programs; HUD's Community Development Block Grant; HHS's Alcohol, Drug Abuse and Mental Health Block Grant; and HHS's Program for Runaway and Homeless Youth. And, very importantly, last year's comprehensive antidrug bill greatly expanded food stamp, Medicaid health coverage, job training and other similar benefits to homeless individuals with no fixed address.

Mr. Speaker, under this legislation, funds would be provided for several purposes but always with the intent to aid the homeless. Emergency shelter grants and additional money for existing section 8 rehabilitation and certificate programs would be provided to take care of housing needs. A new grant program to be administered by Health and Human Services is established to meet the physical and mental needs of the homeless through outpatient care. Other funds are earmarked specifically for mental health needs and for alcohol and drug abuse. Job training and literacy grants are authorized to help bring the homeless back into the mainstream. The Temporary Emergency Food Assistance Program is reauthorized to distribute surplus foods to the needy. Modifications are made in the Food Stamp Program to help reach more persons who are not in traditional households.

In conclusion, I would like my colleagues to remember that champion of housing for the homeless and low-income, the late Stewart B. McKinney. This bill is in his name and in his spirit.

I urge its adoption.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GARCIA].

Mr. GARCIA. Mr. Speaker, I thank the gentleman.

I would like to state that I, too, stand here tonight congratulating the committee as one of the conferees myself.

I would just like to congratulate the committee because I think that the title of this legislation, in memory of Stew McKinney, who was a Member of this House, who was a Republican, who represented one of the most affluent areas of this country, but yet who was so committed and dedicated to the homeless and to the poor; so I think it is a credit to us that we do name this the Stewart McKinney Homeless Emergency Act.

Just let me say to my colleagues, and I will be very brief, that I believe this is a step in the right direction. There is no question in my mind that the health and the housing portions and the comprehensive nature of this legislation is going to make it such that we are going to be able to move forward.

I would like to also note that in the city of New York, for example, if you should travel to Grand Central Station and happen to go to try to secure a lockup to put your luggage in while you are waiting for a train, you will find that all those lockers in Grand Central Station have been taken up by the homeless. It is a tragedy, because as you travel through that section of New York City, especially in the winter, you can see where so many of the homeless are sort of lined up along 42nd Street, along Vanderbilt Avenue, waiting for that train station to close down so they can move in to those warm gratings where the forced warm air is coming up from underground. That is very tragic, but very true story.

The other part of it is that in the city of New York today, there are many people who are living in public housing where they are violating the law, because it is not one family, but they are doubled up.

The SPEAKER pro tempore. The time of the gentleman from New York has expired.

Mr. GONZALEZ. Mr. Speaker, I yield 2 additional minutes to the gentleman from New York.

Mr. GARCIA. Mr. Speaker, I thank the chairman.

Mr. Speaker, I would just like to further state that in New York City, with the Public Housing Authority, there are many families that are doubled up. If they were ever to do a check on what is taking place, they would find that because of the critical housing shortage, that if the housing authority were to go by the rules and regulations, what would take place is that we would have many, many more homeless; so it appears to me that while this calls for an appropriation of approximately $42 million for the year 1987 and about $616 million for the year 1988, for a total of just a little over $1 billion, I would hope that this would be the end of it; but I just am not at all optimistic. I think the problem is going to get even larger. In my district alone, in one of our National Guard armories, we have upward of 600 people living in that armory.

I would like to say to some of my colleagues who talked about putting people to work, workfare, I am happy to report that in many cases in my district, they are trying to find jobs for homeless people; in some cases not enough, obviously, but in a few cases they have been successful.

I would hope that as we continue to struggle and fight for the homeless that we remember that this is a problem that will not go away. I think this is an important first step.

I congratulate both sides of the aisle, the gentleman from Ohio [Mr. WYLIE] and the gentleman from Texas [Mr. GONZALEZ] and so many others, but the fact is I just think that we have so much more work to do on this issue.

Mr. GONZALEZ. Mr. Speaker, I yield 5 minutes to our distinguished colleague, the gentleman from Minnesota [Mr. VENTO], a man whom I consider to be the pioneer; he was the first one to bring to our attention in 1982 the growing problem and the serious aspect of the growing problem of homelessness.

I think the record should reflect that.

Mr. VENTO. Mr. Speaker, let me say at the outset that I am very grateful to the leadership of the gentleman from Texas, Mr. HENRY GONZALEZ, and the gentleman from Ohio, Mr. CHALMERS WYLIE, and others who have worked so hard with me on this problem. Along the way we picked up a lot of support from many members on the committee on a broader basis.

Mr. Speaker, I rise in strong support of the conference report on the Stewart McKinney Homeless Relief Act, H.R. 558. A recent study indicates that by the year 2003 there will be 18 million homeless persons in this country. What we have is a crisis which is rapidly developing into a national tragedy.

This legislation provides a modest means to combat this tragedy. Over the next couple of years, this bill will save the lives of thousands of homeless men, women and children. It will also improve the quality of life for the poorest of the poor. When we consider the fundamental reason that we were elected, we realize that it was to formulate policies which improve the quality of life for our citizens; whether that be through a tax system, education, economic policy, national defense or in this case emergency shelters and essential supportive services for the homeless.

This legislation policy finally signifies the Federal Government's willingness to assume a larger role in the monumental struggle to eliminate homelessness from our society. The legislation also represents the culmination of a 5-year struggle to increase public awareness and to raise the level of sensitivity to the issue of homelessness to a point where legislation of this nature could be enacted. Mr. Speaker, it is inspiring to see the amount of support that has mushroomed beneath this initiative and I credit both the Speaker, the majority leader, Congressman MIKE LOWRY, Congresswoman MARY ROSE OAKAR, and countless others for building that support. The late Congressman Stewart McKinney deserves a great deal of credit for helping to build a strong bipartisan base of support for housing law. Congressman Stewart McKinney showed concern and compassion for the homeless and for the housing needs of all low-income citizens. Certainly it is a fitting tribute to enact this legislation bearing his name.

This legislation is designed to address the most urgent, the most critical, indeed the most life threatening situations on the continuum of housing needs in this country. In a nation as wealthy as ours it is ironic to speak in fact of what is occurring today, it is a housing triage. This legislation will not help the family living in a squalid inner-city tenement or in a house which lacks running water on a desolate Indian reservation or a substandard home in a depressed agricultural area. For those people, their life, no matter how unfortunate, is better than life in a shelter or on the street. So I want to reassure my colleagues that there is no gold plating in this bill, and that nobody is going to choose to become homeless so they can avail themselves of the shelters, services, and food made available by this bill. What is before us today is a bill to protect human dignity and provide for the most basic of human needs.

Mr. Speaker, I want to express my pleasure that the conference agreement left intact the Emergency Shelter Grant Program. I first introduced legislation to create such a program in 1982. Although it was authorized in 1983, no funding was provided until the fiscal year 1987 continuing resolution. This program has proved to be highly successful. It was designed so that it delivers funds in accordance with the CDBG formula, requires local communities to match each Federal dollar on a 1-to-1 basis and emphasizes the rehabilitation of existing structures to be used as facilities to help the homeless. I am grateful for the support this program has received from my colleagues. It is rewarding to see the tangible benefits that have already resulted in communities across the country.

I am also pleased to see that the conferees agreed to a provision I authored to require the Secretary of Agriculture to release additional surplus cheese to those areas that can document the need. There is no justifiable excuse for continuing to stockpile surplus commodities while thousands of homeless and low-income families go hungry.

Mr. Speaker, this legislation was carefully crafted to meet the most pressing needs in the most efficient and cost-effective manner. Two principles have been at the heart of this effort since its inception 5 years ago. First, we have relief to the maximum extent feasible building upon existing Federal programs and private efforts. By doing so, we have insured that these Federal funds will flow quickly to help the homeless. We are not reinventing the wheel or establishing a new Federal bureaucracy to administer these funds. Second, we have sought to prioritize our spending so that we concentrate on the most immediate needs of the homeless which are food and shelter. After we have given a homeless person a warm meal and a safe place to sleep we provide essential services to get the family of the unemployed workers back on their feet or supportive services to bring a troubled street person out of the mental fog that is the unavoidable consequence of life on the street.

Mr. Speaker, I urge my colleagues to support this legislation which was appropriately named in honor of a man who dedicated his life to serving others, and particularly those in need of housing. Today we can memorialize Congressman Stewart McKinney by providing hope for our Nation's poorest citizens.

I rise in strong support of the improvements in the Surplus Commodity Distribution Program contained in this legislation. I want to commend the conferees and in particular Mr. PANETTA, chairman of the subcommittee, for including the expansion of the Surplus Commodities Program.

This provision helps remedy an extremely wasteful situation which has developed as a result of the U.S. Department of Agriculture policy to transport, handle, and store, rather than distribute surplus commodities. Instead of using surplus commodities to feed the thousands of hungry and homeless people in our communities, the Department is stockpiling millions of pounds of surplus commodities. There is no justifiable excuse for allowing millions of pounds of surplus commodities to spoil in costly Government storage locations while thousands of hungry individuals are turned away from empty food distribution sites. Minnesota has in excess 670 such sites providing food distribution and other States have similar numbers of food distribution sites.

I commend the conferees for taking note of this unfortunate situation and not only maintaining this provision but actually improving upon it. The mandatory languate in this conference report rather than permissive language which initially passed the House more closely reflects the legislation I introduced which hopefully served as an impetus for this final provision. Under this policy provision, the Secretary of Agriculture will be required to release an additional 14 million pounds of surplus cheese and unlimited amounts of certain other commodities.

This provision encourages a more prudent use of our Nation's resources. American farmers would prefer to see the fruit of their labor sitting on the American table rather than rotting in Government storage bins. American taxpayers would prefer to see their money used to fill food shelves rather than food storage bins.

Again, I thank the conferees and encourage my colleagues to support this legislation.

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Mr. WYLIE. Mr. Speaker, I yield 5½ minutes to the gentleman from Georgia [Mr. SWINDALL].

Mr. SWINDALL. Mr. Speaker, I stand tonight in strong yet reluctant opposition to this bill—strong, because I think that it is bad legislation, and reluctant, because I recognize that it is legislation that represents the genuine concern of this body about a very genuine and significant crisis in America.

It is bad legislation nonetheless, Mr. Speaker, because this bill really is not the best effort of this Congress. Once again it is the same notion that if you are well-intended enough, you really do not have to worry about the potential results nor the lack of creativity in your plan. All you have to do is spend more money, and somehow you have eased your conscience, irrespective of what the ultimate result most likely will be.

In fact, as we stand here tonight, we can look back at policy after policy after policy that reflects the good intent of this Congress, but nonetheless the bottom-line result has been under our "war on poverty" we have actually seen poverty increase.

The only victims of poverty according to Bill Moyers, Lyndon Johnson's press secretary, were the very people that we sought to help. This bill is no exception. First of all, it is not a homeless bill, it is a housing bill. Second, it fails to recognize the necessity of coupling compassion with responsibility,

responsibility not only of the beneficiary—and this conference report incidentally takes out the workfare provisions—but also the responsibility of the benefactor. It fails to understand that we have State and local governments—in Georgia we had over a $300 million surplus last year—whose money could well be directed to this, rather than taxing the average American $100 in the next 2 years to basically fund $1 billion in new expenditures, none of which have even been explored in terms of how we are going to fund them.

The other area that I would like to focus on is one that I have unique insight into from having sat through the homeless hearings in the Subcommittee on Housing. It demonstrates the real lack of responsibility in this bill in terms of our actions. Specifically, an individual who is associated with the Salvation Army testified before our committee that he anticipated that because some of these funds would go to churches and synagogues, that there might be concern among the Congress that it would violate the separation-of-church-and-State doctrine.

Let me tell you what concerned me about his following statement. His statement was, "You need not be concerned, because I will assure that this money will not be used so as to advance any religious doctrine."

Mr. Speaker, the problem with this is that it assumes that homelessness is itself the problem. It is not. The problem is really the underlying emotional and spiritual problems that these people have. To say to agencies that you can deal with the physical problem but do not, lest you violate the separation-of-church-and-State doctrine, deal with the underlying problem is typical of the problem of this Congress.

When are we going to wake up? It is not enough to have compassion. You have to couple it with responsibility. This bill does not do that. It is another billion-dollar folly that says to the American people, "We care, but we are not willing to take the time to match our concern and our care with the creativity with which we are capable of coming up."

In my own district we have found a way to address this problem, I believe. We are going to go to every church and synagogue and ask them to please convert the physical structures that they already have to the needs of the homeless. A half a billion dollars of this bill, Mr. Speaker, is to build structures. We have churches and synagogues sitting empty tonight. Why do we not go to those individuals and ask them to care first, not to talk rhetorically about the problem, but to open their doors to these people and put basically their money where their mouth is.

Mr. AuCOIN. Mr. Speaker, will the gentleman yield?

Mr. SWINDALL. I am happy to yield to the gentleman from Oregon.

Mr. AuCOIN. I appreciate the gentleman's calling the attention of the Members to the underlying problem that has caused people to be dispossessed and in this improverished condition, and I would say that the answer to that is clearly Reaganomics, which the gentleman has given such a forthright defense of. So I am glad that he calls attention to that.

Mr. SWINDALL. Reclaiming my time, Mr. Speaker, I would love to respond very briefly by saying that I am glad that the gentleman brought that point up. It turns out that poverty has actually declined under Reaganomics, an interesting trend, because we find that under the war on poverty we actually saw poverty rise from 12.1 percent in 1968 up to over 15 percent under the Carter administration under those policies. It has been under economic recovery that we have seen poverty decline. In fact, it dropped 1 full percentage point the year after the illustrious Speaker, Mr. Tip O'Neill, said, "The smoking gun in the Reagan administration has been the increase in poverty."

What he did not note was that increase was a result of the Carter administration's policies, not this administration's policies.

I would like to say that the real underlying problem with homelessness in this country has been past economic problems, problems that were in fact dating back to several generations, but most importantly under the Carter administration we saw unemployment, the seeds of it, beginning to rise to the point that many of these people were unemployed, and probably many were driven to drug and substance abuse.

So I would say, Mr. Speaker, that there is a correlation between poverty, homelessness, and economics. The correlation, though, is that the more the Federal Government spends, the less individuals have to spend for their own housing, and the truth is that this type of bill, when coupled with the billions of others that we pass, will probably make more people homeless in America.

Mr. GONZALEZ. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. TRAFICANT].

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Mr. TRAFICANT. Mr. Speaker, I think we have just heard from a very bright Member of Congress, and he is a friend of mine, a young gentleman from Georgia. I believe he said the State has $300 million that maybe they could find something to do with, and Congress would accept that toward a homeless program if the State would be so generous.

But I want to address myself to a couple of conditions that I think exist here tonight and straighten the record up in a few areas. No. 1, I believe that the President's record would show 1 year in 6 to have a decrease in poverty, and that is after the first 5 years it raised dramatically. Ladies and gentleman of the House, in the year that poverty so-called declined under Ronald Reagan, every category within its code had an increase in poverty except one: Senior citizens. The reasons for it was that Congress here, against the will of the President, passed cost-of-living allowances for those seniors. He did not want them.

There has been no decline in poverty. The President's policies have Americans sleeping on steel grates, and it is about time that Congress comes out with legislation that will correct that.

I am here tonight to say that this conference report does not do enough. Any country that can spend billions and send them overseas without calling for votes could take care of those less fortunate in this society that have been overlooked and run roughshod by this administration.

I rise here tonight to give a special tribute to the gentleman from Texas, Chairman GONZALEZ. I do so because Chairman GONZALEZ' efforts for many years have gone unrecognized, unrewarded. There has been no one more persevering in this whole House than this subcommittee chairman, and I take my hat off to you, Mr. Chairman. You have done a great job and America appreciates it.

I also want to commend the gentlemen from Ohio [Mr. WYLIE]. Although he philosophically may not agree with all that is in here, he has done all he could to bring forth a measure that the country would benefit from.

In closing, Mr. Speaker, let us not bring the President's policies on poverty into this. Let us not talk about the codes and the money involved. Let us talk about the need and the crisis that exists. It is a sad day in America in 1987 when Congress must address the problem of the homeless. It is a sad day.

But I think Congress is doing that and it certainly is not probably the greatest piece of legislation that we could fashion, but it is the best under the circumstances.

Mr. DELLUMS. Mr. Speaker, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from California.

Mr. DELLUMS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would like to associate myself with the remarks of my distinguished colleague and simply make one additional comment.

The gentleman that preceded my colleague in the well stated that poverty is on the decline in this country. I would like to state that at this very moment as we meet on the Homeless Act there are 13 million children in America who live in poverty, the first time in the history of this country that the children have become the largest single block of poverty-stricken human beings in America.

At this very moment there are 10 million black Americans living in poverty. If my colleagues see three black senior citizens in America, guaranteed one of them lives in poverty. If they see two black children in America, 5 years of age or younger, 50 percent of them live in poverty. Forty-seven percent of all black children, irrespective of age, live in proverty. If my colleagues see three black women 18 to 55 walking down the street, guaranteed, Mr. Speaker, one of them lives in proverty. The same aged black male, four of them walking down the street, indeed one of them lives in poverty.

Poverty is not on the decline in this country. The misery index is indeed increasing in America, and I find it extraordinarily difficult, Mr. Speaker, that anyone can travel into the well of the House and suggest that at this moment poverty is on the decline.

There is great human misery in America, and I thank my colleague for yielding and again associate myself with his remarks and his commendations to the gentleman from Texas and the gentleman from Ohio.

Mr. TRAFICANT. I would also like to commend a member of the staff of the gentlewoman from Ohio, MARY ROSE OAKAR, who put together an awful lot of research in this matter and deserves some commendation, as does the gentlewoman herself.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to my distinguished colleague, the gentleman from Ohio [Mr. KASICH] who shares Franklin County with me.

Mr. KASICH. Mr. Speaker, I thank the gentleman from Ohio for yielding.

First of all, let me compliment the gentleman from Texas [Mr. GONZALES], and the gentleman from Ohio, my distinguished colleague and friend from Columbus, Mr. WYLIE, who was involved in writing this kind of legislation all the way back in 1982. I particularly want to compliment the gentlewoman from Ohio, MARY ROSE OAKAR, for her work in the area of the deinstitutionalization for the homeless and the mentally ill demonstration project and the mental health services block grant program.

There is not a lot of money in here. There is not everything we want to do in here. The reason to compliment the gentlewoman from Ohio is that in this area in the Congress, this is very serious, and the gentleman from South Carolina, ARTHUR RAVENEL, attempted to point this out. I have a shelter in my district. It is a major shelter and the head of that shelter will tell my colleagues that any time they check the people who are in that shelter overnight, they can find as many as one-third of those people who have been released from institutions into a setting where they simple could not cope.

I authored an amendment that is in the bill that calls on the Secretary of HHS to do a study to determine the extent to which the mental health deinstitutionalization process has contributed to the problem of the homeless and to come back and to make additional recommendations in terms of what can be done to solve this problem.

Part of the responsibility I believe will rest on the Federal Government, but I think it is also appropriate and important to recognize that some of the responsibility is going to have to rest on the State. What we are going to have to do if we are going to continue this process of deinstitutionalization is to create a setting into which people can be released and yet receive proper treatment.

I think some of the provisions in the bill are very positive, and they are a good step forward in solving this problem. I do not think it is going to solve the whole problem.

I hope that the amendment that has been placed in this bill is going to give us other ideas, other recommendations for solving this most serious problem.

I intend to support the bill, and I am particularly happy with some of these provisions which may not do everything, but at least begin to address the very important part of the overall problem.

When the shelters are comprised of people one-third of whom have been deinstitutionalized, there is something wrong basically with that policy that is letting people go into a setting where they have not been able to cope. This is at least a modest effort to provide them the mechanism with which they can survive.

I again appreciate the gentleman yielding me this time, and I yield back the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, the conference report before us today makes several changes in programs under the jurisdiction of the House Committee on Agriculture. The food assistance for the homeless title of H.R. 558 was reported by the Committee on Agriculture as H.R. 177.

The goal of that legislation is to help meet the food needs of homeless people, an issue the committee has looked at in depth. I support these agriculture programs aimed at providing food assistance to needy individuals and families. In fact the food provisions in this bill are but two of the several programs operated by the U.S. Department of Agriculture to provide food assistance. The USDA programs alone account for over $20 billion in 1987 spending.

The conference report does not increase expenditures in 1987 for programs within the jurisdiction of the Committee on Agriculture. That was one of the goals of this legislation and I commend the subcommittee chairman, Mr. PANETTA, for achieving that target. However, there are significant costs to the budget in 1988 and the outyears, with insufficient offsets to accommodate these spending increases. The committee was informed that the 1988 budget resolution will accommodate this addtional spending.

Included in the food assistance title are several changes to the Food Stamp Program and reauthorization and improvement of the Temporary Emergency Food Assistance Program. This title:

First, allows States to conduct outreach activities aimed at persons without permanent homes to encourage them to participate in the Food Stamp Program. The Federal Government will pay one-half of all outreach costs.

Second, increases the shelter deduction for food stamp participants with high shelter costs from $149 per month to $164 per month, effective October 1, 1987.

Third, exempts housing assistance payments made on behalf of households living in temporary quarters from consideration as income for food stamp purposes. Such payments will not be counted if the temporary housing lacks facilities for preparation and cooking of hot meals or refrigeration.

Fourth, coordinates the annual adjustment of food stamp income levels with annual adjustments of food stamp benefit levels and deductions. All will take place on October 1.

Fifth, denies the earned income deduction to food stamp participants who deliberately fail to report earnings.

Sixth, allows the Secretary, upon certification of need by a State Governor, to provide up to 14 million pounds of surplus cheese and unlimited amounts of flour and cornmeal for distribution within the State. Governors must certify that there are eligible participants not being served by TEFAP; or, that the unemployment rate within the State has risen; and, that the distribution of surplus commodities will not substantially displace the commercial sales of cheese.

Seventh, reauthorizes TEFAP for 1988 at $50 million.

According to the Congressional Budget Office there is no cost to the budget in 1987 as a result of the food assistance for the homeless provisions. However, in 1988, the CBO estimates the cost will be $110 million—the total cost, through 1990 is $244 million.

The cost of these provisions in 1988 and the outyears remains a concern to me. As I stated during the subcommittee and committee consideration, I believe we must be budget conscious. We must be assured that we can pay for future increases in the budget as we make these changes; not only for aid to the homeless but for all expenditures of taxpayer dollars.

H.R. 558, of which the food assistance to the homeless title is just one part, presents even greater budget problems. CBO estimates the cost to be approximately $500 million in 1987, with no offsets to pay for these additional expenditures. At least in the Agriculture Committee we did exercise fiscal responsibility for 1987 and show no additional expenditures to the budget. However, for 1988 and the outyears we, too, have problems.

I am concerned about the homeless individuals and families. However, we must be able to pay for the benefits we provide.

Of the many issues before the 100th Congress, this is one which I find to be difficult to resolve. As I have said before, during the several hearings the subcommittee has held concerning this issue of food assistance to the needy, I firmly believe that in our Nation of abundance, it is a tragedy for one child or one elderly person or anyone to go hungry. We are a generous country—both through Government programs and through the private sector.

USDA programs alone provide over $20 billion in food assistance. Private sector contributions to various nonprofit organizations regularly increase from year to year and approached $80 billion last year. And yet, there is no dispute that there are significant numbers of homeless people in both urban and rural areas of the United States.

The causes of homelessness are many and are complex. They include the deinstitutionalization of mental health patients, redevelopment of cities and the loss of low-rent housing, high unemployment rates and a breakdown in traditional family structure. The Federal, State, and local programs available to low-income individuals and families often do not meet the needs of the homeless, despite the billions spent each year.

While housing is the key issue in dealing with homelessness other services are needed as well. These include food assistance, health and mental health clinics and for those who are able, assistance in getting and keeping jobs.

The two major programs under the jurisdiction of this subcommittee that provide food assistance are the Food Stamp Program and the Temporary Emergency Food Assistance Program [TEFAP], neither of which are designed for the homeless but both provide assistance to this group of individuals. Through the Food Stamp Program participants are provided food coupons which, in most cases, supplement the food budget of low-income people. However, for the homeless difficulties arise in making full use of food coupons since they lack homes and cooking and food storage facilities. Last year the Congress amended the Food Stamp Act to allow the homeless to use food coupons in shelters and soup kitchens. This provision was patterned after a proposal that I was working on, along with Chairman PANETTA, concerning demonstration projects designed to allow the homeless to purchase low cost, nutritious meals at soup kitchens. While the amendment adopted last year does not address all concerns we covered in our proposal, I am anxious to see how this further extension of the Food Stamp Program to the homeless will work.

The pilot project we proposed presented a unique opportunity to begin solving a difficult problem in a straightforward manner. Lacking facilities for storage and preparation of food, homeless individuals are unable to make optimal use of food stamp benefits to which they may be entitled. By permitting such eligible individuals to use food stamps to purchase low-cost prepared meals, the proposal would increase the effectiveness of the program for some if its most needy beneficiaries. Those operating the soup kitchens could have used food stamps for the purchase of food in large quantities, thereby maximizing the efficiency of food stamp benefits for the homeless. In addition, the use of food stamps would have been limited to the purchase of food, rather than preparation services and other associated costs, also maximizing Food Stamp Program funds by alleviating hunger and adhere to the goal of the Food Stamp Act.

The second program under our committee's jurisdiction is the temporary emergency food assistance program. TEFAP provides surplus commodities to States for distribution to organizations serving low income people, some of whom are homeless. In 1988 it is anticipated that the commodities made available will include: 420 million pounds of cheese; 180 million pounds of rice; 144 million pounds of flour; 96 million pounds of honey; 96 million pounds of nonfat dry milk; 72 million pounds of butter; and 48 million pounds of cornmeal.

With regard to TEFAP I am pleased that the Congress acted to overturn the proposed deferral of $28.6 million of TEFAP administrative funds. I introduced House Joint Resolution 124, which disapproved that deferral, so that the full amount of money States had planned to use to distribute surplus foods will be available during this year.

The Agriculture Committee may be able to contribute to easing the problems of the homeless but solving this problem will require much more and must involve not only the Federal Government but State and local governments and our communities as well.

Mr. CONTE. Mr. Speaker, I rise in support of the conference report for the Stewart B. McKinney Homeless Assistance Act. The conferees have put a lot of hard work into this, and I'd like to thank them for their efforts and congratulate them on a job well done, especially the distinguished chairman and also the ranking member, who has admirably and capably taken up the reins left by our departed colleague for whom this bill is named.

While they worked to set up this excellent, coordinated approach to dealing with our Nation's homeless, the Appropriations Committee was also hard at work. As you know, the supplemental appropriations we approved earlier today contains $355 million for the various programs in the Homeless Assistance Act. Consider that money a downpayment on the structure we are building to house the homeless. There is $180 million for the programs under the jurisdiction of the Department of Housing and Urban Development. There's $10 million for FEMA and $20 million for the Veterans' Administration. We've got $46 million for health care and $50.7 million for substance abuse and mental health. There is also $36.8 million for community services block grants, and $11.5 for education.

What this runthrough of appropriations reveals is both the wide range of the problem and the need for a unified approach to solving it. The Homeless Act sets up the system for coordinating the agencies and programs that the appropriations money will fund. With this act we are putting roofs over the heads of the homeless. We are putting food into the mouths of the hungry. We are creating opportunities for those who have had little, if any, chance for decent and healthy lives.

There is a price we pay for not acting—a price which far exceeds the amount of money we consider today. It is the price of lives spent in an endless struggle to obtain basic necessities, which we all, in our own comfortable lives, tend to take for granted. When life is reduced to scavenging through trash cans, or sleeping in cardboard boxes, or the humiliation of begging for food, then life is but a shadow of what it should and could be. The millions of dollars we're spending over the 2 years is not going to dispel all the shadows, but it will shine the light where it hasn't been seen for a long, long time.

If we in Congress refuse to help the homeless, who will? State and local resources are overburdened by the extent of the problem. But we have the capacity to ease the problems facing the homeless, and we have the responsibility. In this year of celebration of the Constitution, I think we should all take a close look at the preamble to that living document. It tells us that the Constitution was established in order to form a more perfect Union, and among other things, to promote the general welfare. That is exactly what we are doing with the Homeless Act. We are promoting the general welfare and trying to make our Union a little more perfect.

It can't be that way while millions of poor and homeless sleep on concrete each night. It can't be that way while individuals who suffer from mental or physical illness spend their lives wandering the streets in search of some human kindness. It can't be that way while the unfortunate people in our Nation have no food to eat and no hope of a job or education.

And it can't be that way without people of vision and action. That is why we are naming the act after Stewart McKinney.

During initial consideration in the House on March 5, Stewart stood here in the well and asked us all what kind of America we wanted. Our answer will be in our votes today. I know he's watching now, so let's be doubly sure that we don't disappoint him. His legacy and his work deserve our support.

Mr. GALLO. Mr. Speaker, I support this legislation (H.R. 558) to provide much-needed help to those individuals who, for a variety of reasons, find themselves without a permanent place of residence.

Now that the conference committee has completed its work, we today have the opportunity to vote in favor of legislation that proposes a comprehensive solution to the problems of the homeless in America.

This critical authorization bill is based on a great deal of study not only of the causes of homelessness, but also of the actions we can take to give these individuals and their families the tools they need to break this cycle of pain and suffering.

The bill authorizes a major expansion of our efforts to provide emergency shelters where they are most needed through rehabilitation of existing buildings under the Department of Housing and Urban Development.

An important focus of this bill is that portion of the homeless population that includes mentally handicapped people and families with children. The need for permanent housing for those who are not only homeless, but also helpless, is addressed in this bill.

With this special focus, we will be breaking the cycle of homelessness by providing for those who are unable to provide for themselves.

By the same token, this bill authorizes job training and education programs aimed at helping those individuals who are capable of helping themselves, with a little assistance and guidance along the way. Too many of our homeless are children, who could have a bright future based on their abilities, if they receive our help at this critical time in their lives.

Food and nutritional programs are also authorized by this bill and the Food Stamp Program has been adjusted to supplement current group feeding facilities with family-based food assistance.

Three critical health care needs—mental health services, special treatments for the chronically mentally ill, and drug and alcohol abuse treatments—have been authorized by this bill.

This bill emphasizes outreach to those with specific, identifiable needs within the homeless population, and deserves our support today.

Mrs. LLOYD. Mr. Speaker, I rise in strong support of the conference report on H.R. 558, the Stewart B. McKinney Homeless Assistance Act. This bill includes funding for a variety of programs to meet both the immediate and long-term needs of the homeless, such as emergency shelter and longer term housing, health care, food and nutrition assistance, education and job training, and child care. Some funds are targeted to special population groups, including families with children, veterans, and the elderly.

One of the major factors in homelessness is the severe shortage of affordable housing for low-income individuals and families. The homeless prevention provisions in this conference agreement provide significant assistance to defray the high cost of housing and should be of tremendous assistance to those who desperately need affordable housing.

Adequate nutrition is another major problem of the homeless and one of the most effective ways to ensure that homeless and other low-income households receive prompt nutrition assistance is the Temporary Emergency Food Assistance Program [TEFAP]. This program has been a tremendous success in the State of Tennessee, particularly in my own third congressional district and deserves our continued support. This conference report extends TEFAP through September 30, 1988, ensuring the low-income Americans who depend on the surplus commodities distributed through TEFAP that the food they depend upon will not be taken away from them.

Mr. Speaker, I believe it is imperative that we in Congress take significant steps toward preventing future increases in the number of homeless Americans. This bill is a very important initiative in providing urgently needed assistance to the homeless and families in danger of becoming homeless. I believe this legislation is critically needed and should be swiftly enacted. I urge my colleagues to join with me in supporting its passage.

Mr. RANGEL. Mr. Speaker, I strongly support the conference agreement on the Stewart B. McKinney Homeless Assistance Act which authorizes $442.7 million in fiscal year 1987, and $616 million in fiscal year 1988, for homeless aid programs.

Sometimes we get caught up in the fervor of the intricacies of political policymaking, and we overlook some of our simpler, but no less important, responsibilities as public sevants. It cannot be disputed that first and foremost, we have a responsibility to ensure that no American child is brought up in an environment without food, shelter, health care, and education.

According to a report released by the Conference of Mayors, the rate of homeless families with children in New York has increased by 20 percent in 1 year's time.

Providing a roof to live under is not enough. Oftentimes Federal owned buildings allotted for homeless shelters are quickly overtaken by drug dealers and other illegal and dangerous groups. Children are constantly moved from shelter to shelter in an effort to escape these dangers. Not only are these constant upheavals unsettling, but in many cases these children end up across town from the school that the law says they must attend. In New York, as in most cities, it is required that children attend the school that is closest to their last "permanent" address. But we all know that "permanent" housing is not a reality for the homeless.

While homeless children are the most disgraceful product of the current economic conditions of our country, they are by no means the only ones to suffer from this crisis. Senior citizens, the unemployed, the mentally ill and people seeking refuge from dangerous and abusive home conditions are also part of our growing homeless population.

In closing, I heartily approve of Homeless Assistance Act 558 as I would any movement toward reconciling the homeless crisis of our Nation. While this measure cures the symptoms, and not the cause of the problem—unemployment and lack of affordable housing constituting the major causes—it addresses the immediate problem at hand and establishes definite goals for future development.

Mr. WEISS. Mr. Speaker, I strongly support the pending conference report on H.R. 558, the Urgent Relief for the Homeless Act. Although the conference agreement provides less resources than the original House-passed version of the bill, the agreement will literally save the lives of homeless men, women and children who need our help. As the homeless emergency worsened each of the last few years, charitable organizations and local governments could not meet the urgent needs of the most destitute Americans. They pleaded for help from the Federal Government, and now we are responding. As a cosponsor of this bill, I am proud to be part of what will be the greatest and most needed congressional response to the homeless crisis, to date.

Many cities across the country have been forced to turn away homeless people in need of food and shelter because they lack sufficient beds and supplies. Shelters and soup kitchens with scant resources have strained to meet the needs of the homeless, and in too many cases, these facilities are unsanitary, unsafe and dehumanizing. All reports indicate that this past winter saw the largest numbers of homeless people since the Great Depression. The problem has not vanished with the change of seasons.

In reaction to the overwhelming needs of the homeless, and the inability of local private and public groups to adequately meet those needs, despite their best efforts, the leadership put together a bill that will put the 100th Congress on record as recognizing that America has a massive homeless problem that will not go away, and requires a nationally coordinated response.

The Human Resources and Intergovernmental Relations subcommittee, which I have the privilege to chair, has conducted a series of hearings on the Federal response to the homeless crisis, and the full Government Operations Committee has issued two reports which found the Federal response to be woefully inadequate.

The reports found that homelessness in America exists in epidemic proportions, and the homeless population is increasing by as much as 38 percent a year.

The reports found the major causes of homelessness to be the scarcity of affordable housing, deinstitutionalization of the mentally ill, unemployment and severe cuts in Federal housing and antipoverty programs. The factors leading to these causes are worsening. The Nation's low-income housing supply, particularly single room occupancy units, continues to dwindle. The hundreds of thousands of mentally ill Americans released from State mental institutions have found few alternatives to the streets. Deinstitutionalization of the mentally ill was initiated with the best of intentions more than 20 years ago, but the Federal Government never adequately supported the funding of community mental health centers to replace the archaic institutions that once imprisoned the mentally ill. The committee also reported that health problems and mental illness were rampant among the homeless.

H.R. 558 addresses these problems. It provides health care and mental health services. It will fund emergency shelter and transitional housing. Although this legislation will not eliminate homelessness, it will do more to ease the symptoms of the problem than has ever been done before in the United States. Much more will need to be done in the future. Private and public low-income housing programs are needed. Job training is required. Responsible welfare reform is another solution. These initiatives must come from the Congress, for the administration continues to insist that the homeless are not a Federal responsibility.

H.R. 558 is the first signal that the Federal Government is ready to assume a larger role in the battle against homelessness. But this is not solely a Federal problem. All components of our society must work together to combat the homeless epidemic, but leadership for such an effort should come from the top. This bill, for the first time, gives the Federal Government a leading role in providing the minimum emergency services, such as shelter, food and medical care, that are so urgently needed. Americans truly incapable of helping themselves should be entitled to these most basic requirements of survival.

Mr. FAZIO. Mr. Speaker, I strongly support the passage of the conference agreement on H.R. 558, the Stewart McKinney Homeless Assistance Act.

This important bill, which authorize $442.7 million for fiscal year 1987 and $611 million in fiscal year 1988, contains a number of important programs aimed at both the immediate and long-term needs of the homeless, including shelter and housing, health care, food assistance, education and job training.

Approval of the conference agreement on H.R. 558 is vital as the homeless population continues to grow. Despite several years of economic recovery, the homeless population has been growing at the rate of about 25 percent a year, and will continue to expand unless we address the problem with programs such as those authorize in this bill. These programs are especially important because in addition to a greater number of homeless, more and more families are affected and no part of the country is untouched by the problem. For example, growing numbers of the homeless include families with children, newly unemployed, victims of family breakup, the working poor, and those suffering from chronic mental illness and drug and alcohol abuse.

Our commitment to combating homelessness is especially necessary at this time, as the resources of local governments and charitable organizations are already stretched too thin. For example, in my own State of California, the resources of these governments and organizations have been strained as they attempt to assist an estimated 100,000 to 125,000 homeless persons located in the state.

This is an effective bill, which for the most part, attempts to use programs already in existence to enable funds to quickly reach those who need assistance. For example, under the Emergency Shelter Grant Program, States and localities will receive grants from the Department of Housing and Urban Development to create, expand, or improve emergency shelter space. For the current fiscal year, an additional $100 million would be added to the current $10 million appropriated level, $1 million of which California receives. Sacramento County, a portion of which I represent, has already received more than $157,000 of these funds.

Another important program contained in this bill, which will assist the homeless in all parts of the country, including California, is the Federal Emergency Management Agency [FEMA] Emergency Food and Shelter Program. This program provides funds to charitable organizations and local governments that operate food and shelter programs for the homeless. Local areas receive these funds based on a formula which takes into account the poverty and unemployment rate. An additional $15 million would be authorized for the current fiscal year with $124 million authorized for the following fiscal year. Sacramento and Yolo Counties, the latter of which is located entirely in the Fourth Congressional District, in combination have received more than $328,000 under the current program.

One final provision of considerable importance to the homeless living in the State of California and elsewhere is the authorization of the Temporary Emergency Food Assistance Program [TEFAP]. In fiscal 1988, $50 million would be authorized for the Department of Agriculture to provide surplus food commodities to low-income and other needy individuals, including the homeless. This program has had considerable impact in California, where in 1986, the State received 93 million pounds of basic food commodities under the program, serving some 827,300 people.

We have before us today the opportunity to realistically address the homeless problem in this country. I urge my colleagues the favorable consideration of this bill on behalf of our Nation's homeless.

Mr. GARCIA. Mr. Speaker, the conference report now before us is a compromise that I am sure my colleagues will find fair and consistent with this body's desire to assist the growing number of homeless. This compromise provides $442.7 million for fiscal year 1987, less than originally in the House bill, but it includes an authorization for fiscal year 1988, which was not in the House version. The homeless bill passed by a vote of 264 to 121, and I am certain that this conference report's acceptance will be as broad.

We are doing something here that has long needed doing—providing shelter for those who have none. There are thousands of people who have a roof over their heads, yet are also homeless—those families that live doubled and tripled up because they cannot find decent and affordable low-income housing, or who find themselves on interminable waiting lists for housing.

With this bill we are taking the opportunity to undo some of the damage that the drastic cutbacks to housing programs have done—we will also be helping those who may not have needed this help if not for those cutbacks. New housing construction for low-income units has slowed to a bare trickle, and the number of homeless keeps growing. Housing funds have been reduced by over 60 percent since 1981, and more families with children are out on the streets. The correlation is unmistakable. The homeless problem has been exacerbated by the administration's lack of interest in the welfare and well-being of its poorest citizens, by the unending drive to increase our weapons arsenal on the backs of the poor and of children. The administration has been effective in keeping the poor down—but at an incalculable cost in human terms. The future of this country depends on its youth, yet we deprive children of the basic needs—shelter, food and security. We are not just hurting these children now, we are hurting future generations, hurting our country, and impairing its future competitiveness.

I urge my colleagues to support this very commendable effort.

Mr. ACKERMAN. Mr. Speaker, I rise in strong support of the conference agreement on H.R. 558, now referred to as the Stewart B. McKinney Homeless Assistance Act.

I am very pleased with the outcome of the conference, particularly with the food assistance provisions of the report. As you know, currently the nutritional well-being of many homeless families is being jeopardized by the Department of Agriculture's decision to include as income—for the purpose of calculating food stamp benefits—shelter payments made directly to venders. The ruling has significantly reduced food stamp benefits for homeless families in my district, who reside in hotels due to the lack of other available housing facilities. Ironically, homeless families in so-called welfare hotels generally have higher food expenses since hotel rooms typically lack food preparation and storage facilities.

I am relieved that the conferees recognized this problem and adopted the language contained in the House measure, which prohibits calculating these payments as income when determining food stamp benefits. Although the Senate insisted on a 2-year sunset for this provision, the conference agreement gives state and local governments time to seek adequate housing for these families.

Another important provision negotiated by the conferees increases the shelter cap deduction for food stamp recipients. The current cap of $149 per month has failed to keep pace with actual increases in the cost of shelter, forcing many low-income families to choose between putting food on the table and keeping a roof over their heads. The final agreement increases the shelter deduction to $164 a month, which will help prevent hunger and homelessness among the low-income population that is forced to spend an increasing proportion of income on rent.

The current definition of a food-stamp household is another area of great concern to me, because it contributes to homelessness by discouraging relatives from doubling up in housing units. Homeless people that prefer to live with relatives, are instead forced to seek refuge in emergency shelters in order to keep their food stamp benefits. Remarkably, unrelated persons living together and not sharing food, receive the same amount of food stamp benefits as they would if they lived separately. The conference report addresses this problem by allowing family members to double up and receive the same benefits they would if they lived separately, providing they purchase their food separately.

Mr. Speaker, while the measure before us contains many noteworthy provisions, I will limit my comments to just one more. A recent report by the Select Committee on Hunger, of which I am a member, revealed that transportation and documentation problems cause lengthy delays for eligible homeless persons applying for food stamp benefits, as well as for those who are at risk of homelessness because their income and assets total less their monthly shelter costs. The conferees agreed to language that would make needed benefits available within 5 calendar days of the date of application for applicants who meet all eligibility requirements for food stamps. This expedited service will ensure that households have enough to eat right away, rather than waiting for a check at the end of the month.

I am very encouraged by the conference agreement, and believe the measure will go a long way toward preventing hunger and homelessness in our Nation. I urge my colleagues to support passage of the measure.

Mr. MILLER of California. Mr. Speaker, I strongly support the conference report on H.R. 558, the Stewart B. McKinney Homeless Assistance Act, which is before us today.

The goal of the bill is to provide relief for the homeless and homeless families as quickly as possible. Its enactment is long overdue. I am particularly pleased that the conference agreement, like the House-passed bill, places special emphasis on homeless families and children. The conference agreement provides a 2-year authorization that will help build a long-term commitment to preventing homelessness.

Homelessness remains a national tragedy. While street people do not dominate the newspaper headlines or the evening news as they did when the House first passed this legislation in early March, as many as 3 million Americans still live without a roof overhead. Families still comprise over 30 percent of the homeless and remain the fastest growing segment of Americans without homes. At least 800,000 children still suffer the trauma of wandering from shelter to shelter each night, sleeping on a grate or in a car, and missing school. Reports indicate that 43 percent of homeless, school-age children are not attending school. We must not lose our sense of urgency in meeting this crisis.

A study released recently by the Neighborhood Reinvestment Corp. conservatively estimates that over 18 million Americans will be homeless just after the turn of the century unless responsible efforts are made by all levels of Government and the private sector. Not only has affordable housing become scarce, but the Reagan administration has decimated subsidized housing programs and precipitated a housing crisis not witnessed since the Great Depression. Public housing construction over the past year has dropped from 100,000 units to less than 3,000 units, and section 8 housing, which aids families and seniors in particular, also has been severely cut. In my district of Contra Costa County, CA—where perhaps 10,000 people are homeless—4,000 people have already signed on a 4-year waiting list for section 8 housing.

As the poverty rate climbs, millions more may soon join the ranks of the homeless. Americans in all parts of the country—not only the inner cities, but wealthy suburban communities as well as rural towns—are suddenly finding themselves unemployed, unable to pay their bills, and without the traditional family or public support systems to provide help.

At the Richmond Rescue Mission in my district, which houses 188 beds, homeless families are turned away every night. The number of homeless served by the mission has increased tremendously in recent years, and is expected to rise by 8,000 this year alone. The bill before us today will provide supplies for food pantries such as the First Baptist Church in my hometown of Martinez, which aids ever increasing numbers of homeless families.

I want to commend my constituents for their extraordinary efforts to aid the homeless. We cannot meet the challenge of eradicating homelessness without the continued support of local organizations and concerned citizens. An office on homelessness was created in Contra Costa County this winter with donations from several groups. The office just completed a survey which found that a shocking 70 percent of the county's homeless are families with children. Under the direction of Carol Severin, the office has raised $65,000 from the community for the housing crisis assistance fund. This money is used to help the homeless find housing and to keep those on the verge of being evicted in their homes. I am proud of the concern and commitment shown by my constituents.

H.R. 558 authorizes for 2 years several existing and effective programs for the homeless. It includes a new plan to assure that homeless children have access to all educational services for which they are eligible. Emergency shelter, food assistance, mental health care, and transitional housing targeted for the handicapped and families with children are also part of this measure. Social service agencies and charitable organizations around the country will receive much needed support to help them meet the great demand for their assistance.

We have the opportunity to make an immediate impact on homelessness. I strongly urge my colleagues to support the conference report on this emergency homeless assistance legislation.

Mr. BROWN of California. Mr. Speaker, I rise in strong support of the conference report on H.R. 558, the Urgent Relief for the Homeless Act.

Also called the Stewart B. McKinney Homeless Assistance Act, the legislation includes a total funding authorization level of $442.7 million for fiscal year 1987 and $611 million in fiscal year 1988. The bill includes funding for a variety of programs to meet both the immediate and long-term needs of the homeless, such as emergency shelter and longer-term housing, health care, food and nutrition assistance, education and job training, and child care. Some funds are targeted to special population groups, including families with children, veterans, and the elderly.

The problem of homelessness is truly a national tragedy, one which has reached epidemic proportions in the last few years. Estimates of the homeless in America range from 200,000 to 3 million, more today than at any time since the Great Depression. And despite the last 4 years of economic recovery, the homeless population has been growing at a rate of approximately 25 percent each year. The number of homeless is expected to increase still further unless action is taken. A recent study funded by Congress predicts that more than 18 million Americans will be homeless or on the edge of homelessness within 16 years.

Since the 1930's, the Federal Government has provided assistance in various forms, such as public housing, rental assistance, and housing subsidies to low or moderate income individuals. I continue to support these programs. But because the number of homeless Americans continues to rise, it is clear that existing programs and current resources devoted to solving the problem are simply insufficient. We must dedicate more long-term Federal assistance and new programs aimed at alleviating the cause, not merely the symptoms, of this national problem.

We have the opportunity to do so now, with H.R. 558, the Urgent Relief for the Homeless Act. This bill clearly demonstrates a strong commitment to provide our homeless citizens with more than just emergency relief. Through job training and adult literacy programs, mental health services and alcohol and drug abuse treatment, we can give the homeless not merely a band-aid remedy or a quick fix, but the chance to begin anew. The standards that so many of us take for granted—our homes, the food on our tables, the many doctors who keep us healthy—are not and should not be privileges for the few, but rights of all Americans.

The act is a comprehensive proposal, designed to deal not only with the immediate problems of the homeless, but also with its roots and causes. If we can succeed in decreasing the numbers of already existing homeless Americans, and preventing future increases, I believe we will then be on the way to eradicating what is now one of our country's greatest crises.

Again, I strongly support the conference report on H.R. 558 and urge its acceptance by my colleagues.

Mr. RANGEL. Mr. Speaker, I support passage of the conference report on H.R. 558, Homeless Assistance Act. I wish to call the attention of my colleagues and the public to provisions contained in H.R. 558 designed specifically to help homeless individuals with drug abuse problems.

The conference agreement authorizes $50 million in fiscal year 1987, and $30 million in fiscal year 1988 for a new grant program to be administered by the Department of Health and Human Services to meet both the physical and mental health needs of the homeless. These grants would enable community-based health care providers to serve the homeless with outpatient health care, outpatient mental health services, outpatient drug and alcohol abuse services, and case management services. The bill also includes another provision which authorizes $10 million in fiscal year 1987 for a demonstration grant program for developing and providing alcohol and drug abuse treatment services for homeless individuals. This program would be administered by the National Institute on Alcohol Abuse and Alcoholism.

Mr. Speaker, the prosperity America enjoys today is uneven. While some people are prospering, a growing number of our citizens go hungry and are homeless. H.R. 558 responds to the desperate needs of our homeless population. This legislation recognizes that substance abuse frequently afflicts the homeless and contributes to their lack of stability. Repeated use of drugs makes it harder for people to gain control of their lives and decreases the chance that they will be able to find and maintain employment and secure adequate housing. Drug abuse treatment services can help people control their addictions and restore them to productive lives. As chairman of the Select Committee on Narcotics, I am pleased that H.R. 558 authorizes Federal assistance for drug abuse services for the homeless.

Mr. LOWRY of Washington. Mr. Speaker, in addition to thanking all of the Members who worked so diligently on passage of this legislation, including Chairman ST GERMAIN and

Chairman Gonzalez, I would like to make some comments concerning one program contained in the legislation. Supplemental Assistance for Facilities to Assist the Homeless.

As a part of the total package of assistance for the homeless, the conference agreement includes authorization of $25 million in each of fiscal years 1987 and 1988 for a new HUD grant program, the Supplemental Assistance program. I would like to thank the conferees for supporting this new initiative. I believe it is a particularly key portion of the legislation because it will provide an opportunity for nonprofit organizations to gain direct access to Federal money for particularly innovative projects, including assistance to families with children.

The Supplemental Assistance Program was designed to eliminate obstacles that would otherwise prove to be overly burdensome for underfinanced nonprofit organizations. For example, the Supplemental Assistance Program does not require that Federal funds be matched with non-Federal funds; there is no matching requirement. Such a matching requirement was not included to better ensure the active participation of nonprofit organizations.

Mr. GONZALEZ. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington [Mr. Lowry] to conclude the debate on our side. He is, I think the record should show, the initial author of H.R. 558, and he has been invaluable in bringing about the realization of this legislation. It is with pleasure that I yield to the gentleman from Washington [Mr. Lowry] to conclude the debate.

Mr. DONALD E. LUKENS. Mr. Speaker, will the gentleman yield?

Mr. LOWRY of Washington. I yield to the gentleman from Ohio.

Mr. DONALD E. LUKENS. Mr. Speaker, several articles have been written by a nationally acclaimed economist, Warren Brookes. Mr. Brookes, a nationally syndicated columnist, is also a leading proponent of Reaganomics and is acknowledged as an accurate forecaster of our national economy. It is with great pleasure I rise to statistically refute enormous charges of poverty growth by my colleague from Ohio, Mr. Traficant. The facts demonstrate clearly that this administration has been good for the American economy, including the economically deprived.

I also submit, Mr. Speaker, an editorial from the Washington Times of September 24, 1986, on the same subject:

THE BIG LIE OF LOW-PAY JOBS

Hardly a day goes by that some Democrat doesn't repeat the big lie that the U.S. economy is creating mostly low-pay, minimum-wage jobs.

Yet this contention is completely unsupported by Labor Department data, which show exactly the *opposite* trend. Over the last four years, in fact, 85 percent of the new jobs have been created in the three major upper-paying occupations, far above the minimum wage. Only 10 percent of the new jobs have come in the so-called "McJobs" occupations in the services. (See table.)

Since 1982, all three of the highest-paying occupational groups have been growing 50 percent faster than the national job growth rate and have increased their share of all jobs—while all three of the lower-paying groups have lost job shares.

SHARE OF JOBS BY OCCUPATION

[In percent]

	August 1982	August 1986	Share of total new jobs 1982–86
Higher paying occupations:			
Manager, professional	22.4	23.5	33.9
Technical sales, administrative	30.8	31.2	31.7
Precision crafts	12.0	12.5	17.1
Total	65.2	67.2	85.7
Lower paying occupations:			
Operators, labor	16.6	16.0	10.1
Services	13.8	13.3	10.4
Farming, forestry	4.4	3.5	−6.2
Total	34.8	32.8	14.3

Source: Bureau of Labor Statistics August 1982 and August 1986 Releases.

Yet, the left persists in this big lie. Last November 7, Harvard Professor Robert Reich, a liberal activist, told me and the audience of CNN's "Cross Fire" that "90 percent of the new jobs created last month paid less than $8 an hour."

Although my memory told me no such proportional figure was even calculated by the Labor Department, I let it stand until I had a chance to check with the Bureau of Labor Statistics, which confirmed my memory.

As BLS chief of the Occupational Outlook Division Neal Rosenthal told me: "The BLS does not even compute such data, let alone publish it. I do not know where Dr. Reich got that number, but he didn't get it from us."

I went back to Mr. Reich to ask where he got the number. At first he said: "I got it from the BLA flash report that afternoon." Then I told him BLS doesn't even publish such a number.

And he shifted his story and said, "Well, I heard it on a wire service report that day, I know I did." I asked him if he had seen that story in print anywhere. He couldn't identify it.

The fact is: no such analysis of the wage levels of new jobs has ever been made from Current Population Survey monthly data. The reason is clear: in any given month, new jobs represent less than 0.3 percent of the total employment. With a nationwide BLS sample of 60,000 each month, this means only 165 members of the sample are new jobholders, far too tiny a national sample to make any safe national extrapolation about wage levels.

It would take at least a year's worth of monthly CFS data to pin down such a number—and in fact the BLS is now embarked on just such an analysis in an attempt to deal with one of the really big lies now being perpetrated on the American people.

As Democratic Sen. Lloyd Bentsen of Texas stated it recently: "Six out of every 10 new jobs now being created pay less than $7,000 a year."

That statement is simply baloney, with no foundation in fact. As Neal Rosenthal told us: "What analysis we have done shows that there is very little change in the relative wage patterns of new job creation currently from the past, and if anything, we are shifting modestly to a higher-wage economy."

The best proof that he is right is that from 1980-86, real per capita disposable income has risen about 10 percent faster than it did from 1974-80. If 60 percent of the new jobs really had been minimum wage growth in per capita disposable income would have fallen sharply. So Mr. Bentsen's statement, like Mr. Reich's, is utter nonsense.

In fairness to Mr. Bentsen, he got that "big lie" out of a piece of dreadfully flawed "research" done for the Joint Economic Committee last fall by Barry Bluestone and Bennett Harrison. The two unabashed socialist economists from Massachusetts used a complex construct of the annual March Census Bureau data to attempt to extrapolate a wage analysis of new job holders.

The problem, of course, is that not only is this a very clumsy; inaccurate way to track jobs (because it does not use a specific labor survey base), it is using annual incomes actually received rather than "usual weekly wages" of particular jobs. It does not differentiate between full-time and part time jobs, or consistency of job tenure.

To put it bluntly, the professors played some very involved statistical "games" to generate their whole thesis of a low-wage economy, games which are not supported by the one and only unbased resource, for jobs and wage data, the Bureau of Labor Statistics.

The BLS has repeatedly stated that there is "no evidence of a trend toward a low-wage economy." And, if anything "the evidence suggests "a shift of workers from the low to the middle and high-earnings level, with the middle having the largest increase." That is borne out in the rising pattern of up-scale occupations, shown below.

The BLS professionals are far too polite to call the whole "low-wage" economy thesis a big lie." But I'm not.

SEEING THROUGH THE WRAPPER

Let's not worry about what trendy journalists don't know. Let's worry, as the old quip has it, about what they do know that ain't so. For instance, the "polarization" of America and the "disappearing middle class," reports of which surfaced most recently on The Wall Street Journal's front page (the "wrapper," to insiders). Then there was Barbara Ehrenrich of the radical-left Institute for Policy Studies, using a Disraelian trope—"I was told," said Disraeli, "that the privileged and the people formed two nations"—in telling an NBC news audience that soon "we will no longer be one nation, but two."

One hates to spoil the doomfest, but it is worth underscoring some facts, as already related by columnist Warren Brookes and Rep. Dan Lundgren. Labor Department job statistics show that our economy has produced 10.6 million new jobs since 1983 and that the largest increase has been in the skilled blue collar category—precisely that group that supposedly is being eclipsed.

The second largest increase has been in upper management jobs, the highest paying sector. The lowest increase has been in those "service jobs" that supposedly are taking over like the body-snatchers. "McJobs" are increasing, to be sure, but they are decreasing as a percentage of total new job creation.

How, for that matter, is the middle defined. More people are moving upscale, so the middle is "vanishing" upward. To the zero-sum mentality—whose leading guru, Lester Thurow, was quoted extensively by the Journal—this means that the poor must be getting poorer. In fact, the percentage of Americans below the poverty line, corrected for faulty consumer price index figures used in the '70s, has been holding constant at about 12 percent. The economy is expanding, the ballyhooed bipolarization is not.

How, come to think of it, is The Wall Street Journal defined? Many have come to view its "wrapper" as little different from any other conduit of what John Corry calls "the dominant culture." The Journal, whose editorial offerings are exemplary, increasingly is a fruit that must be peeled and pared of spoilage to get to the sweet part.

Mr. LOWRY of Washington. Mr. Speaker, it is pretty obvious to me the old saying goes when you got the votes vote. I mean there is a message here.

This is a great night, a great accomplishment that has been put together by a tremendous bipartisan effort of the leadership on the Democratic side and the leadership on the Republican side, our chairman, the gentleman from Texas [Mr. GONZALEZ], and the great Stewart McKinney. Back in December when we started this people said this could not be done, they would not be able to bring this kind of an act before this Congress.

The people sitting on this floor did not say that because they knew that this Congress would react to this and would produce it.

When I went to the majority leader he said I am more than happy to sponsor this. The gentleman from Ohio [CHALMERS WYLIE] was tremendous. Every time we needed help I went to CHALMERS, and he was there to give the help. And every time I went for help and I went to the gentleman from California [TONY COELHO] he was there and he gave the help, as well as the BRUCE VENTO's, the MARY ROSE OAKAR's, the MICKEY LELAND's, and in the health care area HENRY WAXMAN, everybody did the job.

This is the Stewart B. McKinney Homeless Assistance Act. It should be; it is a tremendous accomplishment of this Congress and I urge the passage of the conference report.

Mr. GONZALEZ. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. DURBIN). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WYLIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 301, nays 115, not voting 17, as follows:

[Roll No. 237]

YEAS—301

Ackerman
Akaka
Alexander
Anderson
Andrews
Anthony
Applegate
Atkins
AuCoin
Barnard
Bates
Beilenson
Bennett
Berman
Bevill
Biaggi
Bilbray
Boehlert
Boggs
Boland
Boner (TN)
Bonior (MI)
Bonker
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Bruce
Bryant
Bustamante
Campbell
Cardin
Carper
Carr
Chandler
Chapman
Chappell
Clarke
Clay
Clinger
Coats
Coelho
Coleman (MO)
Coleman (TX)
Collins
Conte
Conyers
Cooper
Coughlin
Courter
Coyne
Crockett
Darden
Davis (MI)
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
DioGuardi
Dixon
Donnelly
Dorgan (ND)
Dowdy
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Emerson
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Flippo
Florio
Foglietta
Foley
Ford (MI)
Frank
Frost
Gallo
Garcia
Gaydos
Gejdenson
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Gradison
Grandy
Grant
Gray (IL)
Gray (PA)
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hawkins
Hayes (IL)
Hayes (LA)
Hefner
Henry
Hertel
Hochbrueckner
Horton
Howard
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jacobs
Jeffords
Jenkins
Johnson (CT)
Johnson (SD)
Jones (NC)
Jones (TN)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Leach (IA)
Leath (TX)
Lehman (CA)
Lehman (FL)
Leland
Lent
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowry (WA)
Lujan
Luken, Thomas
MacKay
Manton
Markey
Martin (NY)
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Mfume
Mica
Miller (CA)
Miller (WA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Nagle
Natcher
Neal
Nelson
Nichols
Nowak
Oakar
Oberstar
Obey
Ortiz
Owens (NY)
Owens (UT)
Panetta
Patterson
Pease
Pelosi
Pepper
Perkins
Pickett
Pickle
Price (IL)
Price (NC)
Pursell
Rahall
Rangel
Ravenel
Regula
Richardson
Ridge
Rinaldo
Robinson
Rodino
Roe
Rogers
Rose
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Savage
Sawyer
Saxton
Scheuer
Schuette
Schumer
Sharp
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith, Robert (OR)
Snowe
Solarz
Spence
Spratt
St Germain
Staggers
Stark
Stokes
Stratton
Studds
Swift
Synar
Tallon
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vento
Visclosky
Volkmer
Walgren
Watkins
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wortley
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)

NAYS—115

Archer
Armey
Badham
Baker
Ballenger
Bartlett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boulter
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Cheney
Coble
Combest
Craig
Crane
Daniel
Dannemeyer
Daub
Davis (IL)
DeLay
Dickinson
Dornan (CA)
Dreier
Duncan
Dyson
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Gregg
Hansen
Hastert
Hefley
Herger
Hiler
Holloway
Hopkins
Houghton
Hunter
Inhofe
Ireland
Kolbe
Konnyu
Kyl
Lagomarsino
Latta
Lewis (CA)
Lewis (FL)
Lightfoot
Lott
Lowery (CA)
Lukens, Donald
Lungren
Mack
Madigan
Marlenee
Martin (IL)
McCandless
McCollum
Michel
Molinari
Moorhead
Myers
Nielson
Olin
Oxley
Packard
Penny
Petri
Porter
Quillen
Rhodes
Ritter
Roberts
Schaefer
Schneider
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Slaughter (VA)
Smith (NE)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Solomon
Stallings
Stangeland
Stenholm
Stump
Sundquist
Sweeney
Swindall
Tauke
Taylor
Thomas (CA)
Vander Jagt
Vucanovich
Walker
Weber
Whittaker

NOT VOTING—17

Annunzio
Aspin
Ford (TN)
Gephardt
Hammerschmidt
Kemp
Lantos
Livingston
Miller (OH)
Murtha
Parris
Pashayan
Ray
Roemer
Schroeder
Tauzin
Whitten

☐ 1955

Mr. HILER and Mr. PORTER changed their votes from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CORRECTING TECHNICAL ERRORS IN THE ENROLLMENT OF H.R. 558, STEWART B. McKINNEY HOMELESS ASSISTANCE ACT

Mr. DE LA GARZA. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 150), and I ask unanimous consent for its immediate reconsideration.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 150

Resolved by the House of Representatives (the Senate concurring), That, in the enrollment of the bill (H.R. 558) to provide urgently needed assistance to protect and improve the lives and safety of the homeless, with special emphasis on elderly persons, handicapped persons, and families with children, the Clerk of the House of Representatives shall make the following corrections:

(1) In the matter proposed to be inserted by section 802(a)(2), strike "4 months" and insert "6 months".

(2) In the matter proposed to be inserted by section 802(a)(3), strike "June 10" and insert "June 30".

(3) In the matter proposed to be inserted by section 802(a), strike "dollar amount increment" and insert "dollar increment".

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WYLIE. Mr. Speaker, reserving the right to object, I do so to allow the gentleman from Texas to explain what we are doing here.

Mr. de la GARZA. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. Under my reservation, I yield to the gentleman from Texas.

Mr. de la GARZA. I thank the gentleman for yielding to me.

Mr. Speaker, in the typing of the conference report there were three typographical errors made in the section supplied by the Agriculture Committee.

□ 2010

This resolution instructs that in the enrolling, those typographical errors be corrected.

Mr. WYLIE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Texas?

There was no objection.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material on the conference report on H.R. 558, which was just adopted.

The SPEAKER pro tempore (Mr. Gray of Illinois). Is there objection to the request of the gentleman from Texas?

There was no objection.

REQUEST FOR CONSIDERATION OF S. 1430, MORATORIUM ON PREPAYMENTS UNDER HOUSING ACT OF 1949

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill S. 1430 to impose a moratorium on prepayments under section 515 of the Housing Act of 1949, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore (Mr. Wilson). Is there objection to the request of the gentleman from Texas?

Mr. WYLIE. Mr. Speaker, reserving the right to object, I yield to the gentleman from Texas [Mr. Gonzalez] to explain the reason for bringing this bill up.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, S. 1430 and its companion bill H.R. 2771, merely extends the limited restriction on the prepayment and refinancing of certain section 515 rural rental housing loans in order to allow time for the Congress to complete action on the housing authorization bill. The prepayment restrictions in current law were enacted to give Congress time to work out a legislative solution to the problems of massive displacement of elderly, handicapped, and low-income families due to unrestricted prepayment of subsidized rural rental housing loans.

As you know, Mr. Speaker, on June 11, 1987, the House passed H.R. 4 which contained a bipartisan provision mitigating displacement occurring because of these prepayments. However, due to a pressing legislative agenda in both bodies, a conference with the Senate on the housing bill will not occur until after June 30, 1987, the date on which the current prepayment restriction would expire. Along with my colleague, Mr. Wylie, the ranking minority member of the Banking Committee, and the other cosponsors, we urge the House to act favorably on this measure today so that it can be signed by the President before the June 30 expiration date. By so doing, we will prevent a considerable amount of confusion on the part of section 515 project owners and the Farmers Home Administration.

Also, Mr. Speaker, I want to commend the Farmers Home Administration for setting forth regulations curbing some of the abuses that have been evidenced when unrestricted prepayments occur under current law. I noted in our hearings on this matter that the initial regulations that were proposed were inadequate and urged their improvement. FmHA Administrator Vance Clark promised improvement and carried through on his word. However, these regulations deal with current law and do not restrict prepayments in the way that the provisions in H.R. 4, as adopted by the House will. It is necessary, therefore, to enact the more effective provisions on prepayment and refinancing in the bill before us.

Mr. WYLIE. Mr. Speaker, further reserving the right to object, as the gentleman from Texas has stated, this bill simply extends the moratorium on the prepayment provision as it applies to the section 515 low-income rental housing projects administered by the Farmers Home Administration, which expires today.

We need this extension of time until January 1, 1988 in order to deal with the problem. We do have a provision in H.R. 4, as the gentleman from Texas mentioned, the housing authorization bill which has already passed the House which would take care of the problem, but meanwhile we need this bill.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. WALKER. Mr. Speaker, reserving the right to object, it is my understanding that to bring legislation to the floor under unanimous-consent procedures, there is supposed to be a signoff by the leadership of both sides, in addition to the leadership of the committees.

Has in fact the minority leader, the minority whip, the ranking member of the subcommittee, and all of those Members signed off on our side?

Has the Speaker, the majority leader, the majority whip, and the chairman of the committee signed off on the other side?

Mr. GONZALEZ. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Texas.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman for yielding.

Speaking for our side, and I think I can say the same thing for the other leadership, our leadership is certainly advised and congenial to the action taken this afternoon.

Mr. WALKER. All of these members have been specifically checked with, and they have specifically signed off on the bringing up of this legislation?

Mr. GONZALEZ. Yes; speaking for this side, absolutely.

Mr. WYLIE. Mr. Speaker, will the gentleman yield?

Mr. WALKER. Mr. Speaker, I am glad to yield to the gentleman from Ohio.

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding.

I have not talked with the gentleman from Illinois [Mr. Michel], the gentleman from Mississippi [Mr. Lott], or the gentleman from Wyoming [Mr. Cheney], or whoever else I am supposed to check with on these things.

It is my understanding that the rule only applies on the days when we were not having votes, on Mondays when the votes on suspensions are put over until the next day.

If I am in error on that, I will stand corrected.

This bill extends a moratorium on a program which is already in existence. We need the time to try to work out something. We are trying to send it down to the White House as we speak here, so the President can sign it, and so this prepayment program will not expire in the next days.

There is a provision in the housing bill which already passed the House, and the other body will go to conference on it momentarily which would extend this moratorium on prepayment as it applies to the Farmers Home Loan Program.

PARLIAMENTARY INQUIRY

Mr. WALKER. Mr. Speaker, further reserving the right to object, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Mr. Speaker, is the gentleman's interpretation correct, that the Speaker's rule applies to days when other legislative business was being conducted?

Does it apply to all unanimous-consent requests for legislative action?

The SPEAKER pro tempore. The Chair understands the gentleman from Pennsylvania is correct, that it does require a formal signoff by the leadership, as the gentleman from Pennsylvania pointed out.

Mr. WALKER. I thank the Chair.

Further reserving the right to object, I have been informed by the minority leader's office that this is something that they are not familiar with, and it would be preferable, if the gentleman from Ohio would not mind, that we run this by them and bring it back to the floor tomorrow after all the signoffs have been accomplished, if that would be satisfactory?

Under the procedures that we have established, we ought to stick with those procedures.

Are we willing to withdraw? The Chair would have to rule, and I think we can prevent that, if we withdraw the action here.

The SPEAKER pro tempore. Would the gentleman from Texas [Mr. GONZALEZ] consider withholding his request until the customary clearances are achieved?

Mr. GONZALEZ. Mr. Speaker, in light of the fact that my colleague on the committee from the minority side, the gentleman from Ohio [Mr. WYLIE], seems to indicate that that is his wish, certainly I will comply and withhold my request until a later time.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GONZALEZ] withdraws his request.

EXPRESSION OF SHOCK AT TOSHIBA'S SALES TO THE SOVIETS

(Mr. DANIEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DANIEL. Mr. Speaker, as chairman of the Military Readiness Subcommittee, I have today advised the Department of Defense that we strongly oppose the stocking or sale of products in post exchanges made by Toshiba of Japan. These facilities sell more than $20 million each year in consumer electronic and small housewares products manufactured by Toshiba to the very people whose lives are at greater risk today because of the sale of technology to the Soviet Union.

It is not possible to state strongly enough the disgust we all share at the actions of Toshiba in selling technology for propeller milling machines not once, but twice, to the Soviet Union, thereby permitting them access to technology it would have taken them years to develop on their own. The American taxpayer must now foot the bill as we work to counter the advantage this sale has given to our adversaries.

The exchanges function as a cooperative of members of the armed services and their families, and by taking appropriate action in this area those who serve in the Armed Forces will make their own statement in the only language Toshiba's management seems to understand—dollars.

THE YEAR TO DATE—MORE IRRESPONSIBILITY, MORE DEFICITS

(Mr. PORTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PORTER. Mr. Speaker, this legislative year is increasingly looking like all the rest. The budget resolution was 10 weeks late—useless as a guide to responsible budgeting, but wonderful as a focal point for political warfare.

With no budget, appropriations bills are all behind schedule and those that cannot stand on their own—which is probably all of them—will be folded into a massive and massively irresponsible continuing resolution along about September 30.

When the dust clears, the revenue, promised by the resolution, will not appear and spending will be cut, but only on defense, not social spending. The deficit will remain unacceptably high, and no one will have sacrificed much, except of course, our children and grandchildren, who will be handed still another red-ink bill and who will have their economic opportunities further diminished.

Another year of politics as usual—everybody for cutting spending as long as it's on the other guy's priorities—a great deal of political heat and precious little governing light, until the inevitable crisis that all this portends crashes upon us.

NEW DETECTION SYSTEMS WOULD HELP IN WAR AGAINST TERRORISM

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Mr. Speaker, Americans are weary of terrorism. They are tired of being held hostage by the threat of violence, unexpected and unprovoked attack. But what can we do? Clearly, we are not yet capable of countering the terrorist technique, nor can the terrorist mind be reasoned with. The remaining alternative is to blunt the tools of terrorism. The plastic weapon—the newest, deadliest, and most frightening terrorist weapon—is a good place to start.

It was plastic explosives that enabled a handful of terrorists to murder 329 people by blowing an Air India jetliner out of the sky. Right now the Russians have a nondetectable composite pistol in service, a weapon specifically made for sneaking through Western airports and Embassy gates. They also have all plastic hand grenades the size of golfballs. Not to be left behind, Libya is reported to possess over 40,000 pounds of plastic explosives.

So where are we in our ability to counter these weapons? About 60 years behind at the latest estimate. The equipment to detect ammunition as well as plastic explosives is available right now but is not in use in the United States. In fact, the detection system in current use was made for detecting arms of the type made in the 1920's.

Yet, these deadly facts have apparently escaped the Federal Aviation Administration. A recent GAO report revealed that the FAA has never made a national collection of statistics on the effectiveness of airport security systems. Neither has it demonstrated interest in upgrading obsolete detectors.

If we are really serious about halting terrorism we should follow the lead of governments such as Canada which has developed an explosive vapor detector so sensitive that it can measure explosives in parts per trillion in the atmosphere.

The technology is there, our commitment to utilizing it is not. That is why I have joined my colleague, Representative DEFAZIO, in introducing legislation which would direct the FAA to concentrate on implementing improved detection systems. Our legislation would require that the Administrator of the Federal Aviation Administration conduct a thorough and up-to-date study on screening and detection options. It would further require that a report on this study be submitted within a year which could be used to implement superior detection systems within 5 years.

As the ability to assault our national security becomes more sophisticated so should our very definition of national security. It must extend beyond a nuclear arsenal or huge conventional forces—a few plastic explosives in the hands of a terrorist group can render these useless. Technology is the key. I urge all my colleagues to join in urging the development of improved detection devices for all airports and safety for all passengers. It is an imperative we cannot afford to ignore.

INTRODUCTION OF LEGISLATION TO ASSURE COOPERATION WITH LAW ENFORCEMENT BY TELEPHONE COMPANIES

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Mr. Speaker, the 99th Congress enacted the Electronic Communications Privacy Act of 1986 with the intention therein to protect the privacy of individuals using our vast electronics telephone system and others. Unfortunately, in doing so, it erected a barrier to law enforcement officials in one regard which was unintended, I am sure, and which is causing a great deal of problems for the law enforcement community.

A law enforcement officer cannot now, because of that Act, as he could before, try to ascertain the name and address of the user of a telephone for investigative purposes, which sometimes is already public but not yet published by the telephone company.

Mr. Speaker, I have now introduced legislation to correct that situation so that the electronic companies, as before, can cooperate with law enforcement officials in the securement of this information which would do no harm to the privacy of any individual.

LONG ISLAND CONTINUES DEBATE OVER PROBLEMS OF NUCLEAR POWER

(Mr. HOCHBRUECKNER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOCHBRUECKNER. Mr. Speaker, I rise to call the attention of the Members of the House to a disturbing proceeding being conducted by the Nuclear Regulatory Commission on Long Island, where the Long Island Lighting Co. is attempting to receive an operating license for the Shoreham nuclear plant.

The proceeding to which I refer is an examination of whether or not it is feasible for LILCo to submit an emergency evacuation plan for the area surrounding Shoreham, and, consequently, be responsible for conducting such an evacuation in the event of a catastrophic nuclear emergency. What is most disturbing about this proceeding is that both the State and local governments, the only authorities with the requisite police powers for conducting such an evacuation, have concluded that it would be impossible to successfully conduct such an evacuation in the event of a nuclear accident.

There has been an ongoing debate among those concerned about the safety of nuclear power, about whether or not it is possible to ignore the legitimately expressed concerns of State and local authorities in determining the feasibility of evacuation planning. The proceeding which begins on Long Island today brings that debate into sharper focus.

In this instance, the governments of Hempstead and Oyster Bay Towns have, by formal resolution, informed the NRC hearing board that it would be a violation of their respective zoning ordinances for LILCo to use its facilities in their towns for emergency evacuation centers. Since centers are an essential part of any such plan.

For the NRC to be even considering granting an operating license under such circumstances, not only ignores the legitimate concerns of State and local governments, but is a violation of the NRC's own regulations.

I urge the Members of this House to join me in demanding that the NRC end this hearing now.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oregon, Mr. ROBERT F. SMITH is recognized for 5 minutes.

Mr. ROBERT F. SMITH. Mr. Speaker, yesterday I attended the funeral of my father-in-law, T.H. "Tommy" Tomlinson. In my absence, I missed recorded votes on the legislative branch appropriations for fiscal year 1988, H.R. 2714.

Had I been present, I would have voted "yes" on rollcall votes 224 through 228, and I would have voted "no" on rollcall vote 229.

SATELLITE HOME VIEWER ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. SYNAR] is recognized for 5 minutes.

Mr. SYNAR. Mr. Speaker, I am pleased today to join the chairman of the Subcommittee on Courts, Civil Liberties and the Administration of Justice, Mr. KASTENMEIER, as well as Mr. BOUCHER and Mr. MOORHEAD, in introducing the Satellite Home Viewer Act of 1987.

This legislation is necessary because as superstation signals are scrambled, current copyright law may prevent the sale of these signals to home dish owners.

Superstation signals are relayed to cable systems, home dish owners, and other viewers by means of satellite common carriers. Cable systems generally sell these signals to viewers as part of cable programming packages. Cable viewers pay for the cable service and the cable systems pay a copyright fee for the use of the programming.

In a similar manner, several distributors now package signals for sale to home dish owners. However, it is questionable as to whether satellite carriers may sell scrambled signals to either distributors or directly to home viewers.

The satellite carriers are exempt from copyright liability for the retransmission of broadcast signals as long as they exercise "no direct or indirect control over the content or selection of the primary transmission or over the particular recipients of the secondary transmission * * *" 17 U.S.C. 111(a) (3).

The satellite carriers either now scramble or intend to scramble these distant signals in the near future. They are concerned that many hotels, bars and cable systems, are not paying for the signals they receive. In addition, they are concerned that home dish owners receive these signals at no cost.

The Satellite Home Viewer Act of 1987 clarifies the ability of satellite common carriers to sell scrambled superstation signals to home dish owners. The bill defines a superstation as any television broadcast signal retransmitted by a satellite common carrier.

The bill creates a statutory license for the retransmission of superstation signals by common carriers, which acts to relieve the common carriers of copyright liability if they pay a statutory royalty fee to the Copyright Royalty Tribunal.

The bill sets the statutory license fee at 12 cents, per signal, per month for each home dish subscriber. This fee will be paid to the Copyright Royalty Tribunal, which will divide the money among those programmers whose work is included in the programs that are retransmitted by satellite carrier. Any satellite carrier may negotiate a voluntary rate with the copyright owners. This rate would supplant the statutory rate.

The 12-cent royalty fee established by this bill expires on December 31, 1991. At that time, the rate will be replaced by either a voluntary rate, agreed to by the satellite carriers and the copyright owners, or a rate reached through binding arbitration. The legislation establishes the procedure through which a fee is established by an arbitration panel.

The Copyright Royalty Tribunal has the authority to reject the rate established by the arbitration panel if that rate is clearly inconsistent with the criteria established in the bill. The Tribunal must then establish within 30 days an alternative royalty fee consistent with those criteria. Any decision made by the Tribunal with respect to a determination made by the arbitration panel may be appealed to Federal court.

The entire Act expires on December 31, 1995. This sunset date will ensure that Congress considers within 7 years whether the home dish industry needs continued statutory copyright protection.

This legislation is the result of extensive negotiations with the satellite carriers, copyright owners, home dish representatives and others. It represents a good compromise of numerous competing interests.

It is important that Congress act to provide some stability in this developing market and ensure the availability of superstation signals for home dish viewing. This bill would accomplish those goals, and have the additional effect of promoting the packaging of signals and increasing competition, which would mean lower prices for home dish owners.

THE SATELLITE HOME VIEWER ACT OF 1987

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 5 minutes.

Mr. KASTENMEIER. Mr. Speaker, today I join with three respected members of my subcommittee—Congressman MIKE SYNAR, Congressman RICK BOUCHER and Congressman CARLOS MOORHEAD—in introducing the Satellite Home Viewer Copyright Act of 1987. This legislation amends the Copyright Act of 1976 to provide for the temporary licensing of the secondary transmission by satellite carriers of superstations for private viewing by Earth station [TVRO] owners.

In brief, the proposed legislation adds a new section 119 to the Copyright Act, creating a system by which scrambled superstation signals can be transmitted by common carriers, through distributors, to Earth station owners. The bill balances the rights of copyright owners, by ensuring payment for use of their property rights, with the rights of satellite dish owners, by assuring availability at reasonable rates of retransmitted television signals.

The bill is novel in its approach. It creates a statutory licensing system during a 4-year period with copyright royalty rates established at a flat fee of 12 cents a month per subscriber for each received superstation signal. During a second 4-year period, rates are set by negotiation and binding arbitration. After 8 years, the entire legislative package is terminated by a "sunset" provision. The parties undoubtedly will report back to Congress on the success or failure of this two-phase plan. In the meantime, an exciting new communication technology (satellite Earth stations) will be allowed to develop and flourish—assuming, of course, that the parameters of the copyright law are respected. The proposal will not only benefit copyright owners, distributors, and Earth station manufacturers; it also will benefit rural America, where large numbers of farm families are inadequately served by broadcast stations licensed by the Federal Communications Commission.

The legislation only addresses the issue of the retransmission of superstation signals by common carriers and the deliver of these signals—in a scrambled or encrypted state—to Earth station owners. A superstation may be any type of television broadcast station licensed by the Federal Communications Commission.

With only two exceptions, the bill is the same as that favorably reported by the House Committee on the Judiciary by a rollcall vote of 17 to 12 on September 25, 1986. That legislation (H.R. 5572) failed to be enacted, not on the merits, but due to lack of time in the 99th Congress.

More specifically, the legislation is the outgrowth of hearings held during the 99th Congress by my subcommittee—the Subcommittee on Courts, Civil Liberties and the Administration of Justice, which has jurisdiction over copyright law—on Copyright Issues Arising from New Communications Technologies.

Last Congress I wrote to the Register of Copyrights (Ralph Oman) asking that he analyze the application of the Copyright Act on scrambling and on the prospective sale or leasing of descrambling devices to satellite dishowners.

The Copyright Act currently provides an exemption from liability for secondary transmissions of copyrighted works for "passive carriers" where the carrier "has no direct or indirect control over the content or selection of the primary transmission, or over the particular recipients of the secondary transmission. * * *" Also, the carrier's activities with regard to the secondary transmission must "consist solely of providing wires, cables, or other communications channels for the use of others. * * *"

In his response (dated March 17, 1986) to me, Mr. Oman set forth his "preliminary judgment" that the sale or licensing of descrambling devices to satellite Earth station owners by common carriers falls outside the purview of the copyright exemption granted passive carriers for secondary transmissions of copyrighted works, particularly when the carrier itself scrambles the signal.

"The exemption failing," Mr. Oman concluded, "the resale carrier requires the consent of the copyright owner of the underlying programming."

Although the issues may sound legalistic and esoteric, they can be distilled to the following proposition: under present copyright law, it is questionable whether common carriers can lease or sell descrambling devices and then sell scrambled superstation signals to Earth station owners. Since the combination of these functions is far more active than the passive function of providing wires, cables, and other communications channels, the carriers could lose their unique status in the copyright law if they engaged in the described activities.

At least one common carrier—Southern Satellite, which delivers WTBS—has already cogently presented this position to the Subcommittee on Telecommunications, Consumer Protection and Finance of the House Committee on Energy and Commerce.

> * * * if Southern Satellite delivered WTBS to the backyard dish user there is no provision in the law for a copyright royalty payment to the copyright owner. Although it could be argued that since Southern Satellite is a common carrier and since the TVRO dish owner uses the signal for purely private viewing, there is no copyright liability. However, that position runs directly contrary to the philosophy of § 111 of the Copyright Act and as a result we believe that it is a very tenuous position.

Last Congress, the chairman of the Subcommittee on Telecommunications brought this testimony to my attention, and the two subcommittees worked together to develop a legislative solution.

In drafting curative legislation, my subcommittee also worked closely with the three current common carriers (Southern Satellite, United Video and Eastern Microwave), with active superstations [WTBS] and with representatives of the movie industry and the Earth station industry. The subcommittee additionally consulted with interested parties in both the cable television and broadcasting industries. Last, the Copyright Office has been of enormous assistance in the drafting process.

It is my strong desire that the bill we have introduced today will continue to spark debate and will encourage all affected parties to work toward passage of a public law prior to the end of the 100th Congress.

Admittedly, the proposed legislation reflects the same collision course of intellectual property law and technological change that was recently highlighted in an Office of Technology Assessment report on "Intellectual Property Rights in an Age of Electronics and Information" (1986). That report flashes a "yellow light"; it sounds a note of caution to those who would rush headlong toward legislation. The OTA report warns that the delineation of new rights in a changing technological environment is not an easy task. I believe that the "Satellite Home Viewer Copyright Act of 1987" does proceed with caution through the yellow light and an intersection of many interested parties. It will garner a great deal of support but will not be without opposition.

I look forward to receiving comments from all interested parties. I would be especially interested in hearing views on the following issues: One, the definition of superstation—which includes network affiliates and independent television stations and which grandfathers stations that were secondarily transmitted by a satellite carrier for nationwide distribution prior to June 1, 1987; two, the length of time for the licensing system to flourish and the flat fee/arbitration phases; three, the negotiation and binding arbitration provisions; four, the initial interface with the cable television compulsory license contained in section 111 of the Copyright Act; and five, the copyright ramifications of the scrambling of public television signals.

I urge my colleagues to join with me, Congressman SYNAR, Congressman BOUCHER, and Congressman MOORHEAD in considering these issues. Members who desire to cosponsor or want further information, should address their inquiries to the Subcommittee on Courts, Civil Liberties and the Administration of Justice (X53926).

Thank you, in advance, for your interest in and support for the "Satellite Home Viewer Copyright Act of 1987."

MERIDIAN MAN IS NEW JAYCEES PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, a businessman from my hometown of Meridian, MS, has been elected president of the national Jaycees. His name is Gary Wilkinson and he is one of the truly outstanding young leaders in our State. We are proud of what Gary has accomplished. There is no doubt in my mind that he will be one of the most outstanding presidents in the 68-year history of the Jaycees.

The Meridian Star wrote a fine editorial in honor of Gary's election. I want to share with my colleagues the editorial and the news account of his election.

The articles follow:

[From the Meridian (MS) Star, June 19, 1987]

MERIDIANITE ELECTED JAYCEES PRESIDENT: WILKINSON WINS NATIONAL OFFICE

(By Alex Gunn)

Meridian businessman Gary Wilkinson Wednesday was elected the 68th president of the national Jaycees, at the organization's annual meeting, in Reno, Nev., according to a spokesman for the United States Jaycees.

Mr. Wilkinson, former owner of Pants West in Meridian, said his experience as a Jaycees officer will serve him well during the one-year term. He said that he plans to take direction to the national organization.

He and his wife, Sally, plan to move to Tulsa, Okla., where they will live in the Jaycees Founder's Home with their two sons, Will and Sid.

The national elections took place at the Jaycees 67th annual meeting, the spokesman said.

As President, Mr. Wilkinson will serve as the organization's motivator, and chief spokesman for more than 25,000 members in 5,500 chapters across the country. He will also serve as director of the executive board and as director of the executive committee, the spokesman said.

Last year, he served as the vice president of the U.S. Jaycees and in 1982, had served as the president of the Meridian Jaycee Chapter. In 1986, he served as president of the Mississippi Jaycees and under his leadership, the state was recognized as the "Best Jaycee State in America," the spokesman said.

Last year, the Meridian chapter was recognized as the "Most Outstanding Local Chapter In Mississippi," he added.

[From the Meridian (MS) Star, June 20, 1987]

JAYCEES' PICK BRINGS HONOR TO MERIDIAN

Meridianites should be honored by the fact that a fellow resident has been selected president of the national Jaycees.

It is an outstanding honor. Meridian businessman Gary Wilkinson was picked at the organization's 67th annual meeting, held this year in Reno, Nev., according to a spokesman for the United States Jaycees.

Mr. Wilkinson and his wife, Sally, plan to move to Tulsa, Okla., where they will live in the Jaycees Founder's Home with their two sons, Will and Sid. Meridian will miss them during their stay in Oklahoma.

As president, Mr. Wilkinson will serve as motivator and chief spokesman for the 25,000-plus members of the 5,500 chapters across the country. He will also serve as director of the executive board and as director of the executive committee.

The former owner of a local business, Mr. Wilkinson said his experience as a Jaycee officer in Meridian will serve him well during the one-year term. He is correct. That experience should help him take direction to the national organization—something he has already promised.

Mr. Wilkinson is no stranger to the Jaycee hierarchy. The former Meridian chapter president has also served as the vice president of the U.S. Jaycees. And, it was under his presidency that the Mississippi Jaycees captured the honor of "Best Jaycee State in America." The Meridian chapter was named "Most Outstanding Local Chapter in Mississippi" while he was president.

Locally, Mr. Wilkinson has demonstrated that his leadership is strong. He has carried that leadership through to the state level and will no doubt continue to do so as national president.

The Jaycees have made a fine choice, one of which they—and Meridian—can be proud.

HUMAN RIGHTS ATROCITIES IN SOUTH AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. STOKES] is recognized for 5 minutes.

Mr. STOKES. Mr. Speaker, I would like to thank my distinguished colleagues, and the gentleman from New York [Mr. OWENS] for reserving this special order concerning the continuing human rights atrocities being committed by the South African Government against its black majority.

Last Thursday and Friday, the Congress and the American public experienced a rare opportunity to have a face-to-face exchange with those who have borne the pain of the inhumane system or apartheid, as several black South African children who have experienced detention and torture, came to the Rayburn Building to participate in a 2-day symposium on conditions in their native country. Their testimony brought to light the uncivilized and barbaric character of the Botha government.

Since the South African Government declared a general state of emergency on June 12, 1986, over 22,000 people have been detained, including 10,000 children between the ages of 10 and 18. These young people have been abruptly removed from their homes and classrooms, and arrested and imprisoned without charge.

Black South African children who testified at last week's symposium, revealed that during their forced detainment, they had experienced sexual abuse, solitary confinement, were kicked and beaten with the fists of adult security guards, subjected to electric shocks, were hit in the backs and head with rifle butts, almost strangled and suffocated, and threatened to be burned alive if they did not tell authorities the whereabouts of other children. It is both justifiable and unsupportable that any nation in this modern century would attack mere children with such open ferocity.

Government acts of oppression extend to the churches as well as the citizens of South Africa. In January of this year, a congregation of 2,000 people attending the funeral of Livingstone Ntlotwana at Sisonke Presbyterian Church in Port Elizabeth, was attacked by police who forcibly entered the church building, removing the clergy and beating the mourners. Estimates indicate that a minimum of 134 clergy and church workers have been detained, tortured, deported, and restricted in their movement.

Mr. Speaker, while the South African Government openly attacks the black children of that nation. It vainly attempts to pursue these evils behind a curtain of silence. Currently, all print and electronic media coverage inside South Africa has been restricted by the government. Local newspapers and reporters, and particularly foreign correspondents, have been censored, questioned, detained, and expelled under the so-called security laws that followed the declaration of a general state of emergency last June. This means that the apartheid government is fully able to continue its daily acts of brutality and torture, unrestrained by the press and visual media.

Mr. Speaker, while the Congress asserted both a proper role and positive leadership in passing Public Law 99-440, the Anti-Apartheid Act of 1986, this legislation must be viewed as a first step toward challenging the unjust system of apartheid, that remains the greatest blight on human rights in the world today. I salute the children of South Africa, who came to tell us their story last week, and I ask that we stand behind them with our actions, and not merely our sympathies.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia [Mr. RAY] is recognized for 5 minutes.

Mr. RAY. Mr. Speaker, as most of my colleagues know, I recently received a 6-week medical leave of absence. Although I have now returned, my doctor has advised me that I should not work more than a normal day's work for 90 days.

On Monday, June 29, the House conducted business until 10:30 p.m. It was not possible for me to be present on the floor after 6:30 p.m. After this time, the House debated six amendments and had rollcall votes on four of these in addition to a vote on final passage of the bill. Had I been present, I would have voted as follows: Lewis amendment: "No"; Walker amendment: "No." Carper amendment to reduce funds for Architect of Capitol: "Yes"; Swindall amendment: "Yes"; final passage: "Yes."

Mr. Speaker, I appreciate this opportunity to explain my absence yesterday evening and to state for the record how I would have voted on the rollcall votes which I missed.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

[Mr. ANNUNZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DANNEMEYER] is recognized for 60 minutes.

[Mr. DANNEMEYER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

ESCALATING INCIDENCE OF ARRESTS AND IMPRISONMENT OF CHILDREN IN SOUTH AFRICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, for the first time ever, a few days ago last week, a 2-day symposium was held on Capitol Hill concerning the escalating incidence of arrests and imprisonment of children in South Africa.

The symposium was sponsored by the Lawyers' Committee for Civil Rights Under Law's Southern African project, which defends South African political prisoners and monitors the human rights situation in South Africa. It was structured like a congressional hearing and it featured many Congress Members who served on the panel. The symposium sought to focus national attention on the crisis in South Africa with respect to children. It also proposed to undertake some concrete measures to assist the children of South Africa.

I am going to deal with the substance of that proposal tonight, because the details are very important, the horror of the story lies in the details. South Africa has not yet completely punctured the eyes of the world and prevented us from getting a glimpse of the horror taking place within its borders. We still do have some communication with South Africa because they would like to pretend, they like to carry on the pretense of being a civilized society. They want the approval of the free world. For that reason, they do maintain some semblance of a democratic society. They do allow some portion of the press to roam freely. They do allow some of their citizens to leave the country, so there is some information still available. While that information is still available, before death's curtain is drawn and we can no longer know what is taking place in South Africa, I think it is very important for all of us in the civilized world to take a close look at the details.

I do not think even under the savagery of Adolf Hitler's concentration camps children in particular were singled out. I do not think an attempt was made similar to the attempt South Africa is presently making to break the will of a whole generation. They have focused particularly on the children because they see they have a problem there, and they want not only to deal with individuals, but they are attempting to make examples of individuals in order to break the will, the soul, and the heart of the youth who will be the leaders of tomorrow.

Youths have been a special target of the apartheid regime, ever since the 1976 Soweto student uprising, when high school students and elementary school children took to the streets to protest the government's proposal to force black youths to learn Afrikaans, the language of the ruling white minority. Thousands were arrested, beaten, jailed and killed at that time. Students have continued to protest inferior education, and other features of apartheid, in nonviolent but massive demonstrations.

The South African Government is not only arresting demonstrators, but frequently conducts general mass arrests of youths whether they were actually doing anything or not. According to the Lawyers' Committee, more than 10,000 children have been jailed without charge or trial under the so-called state of emergency declared by the South African Government last June, under which all civil liberties are suspended. Children have been snatched from the streets, their classrooms, and their homes by South African troops.

Panelists and spectators at the 2-day symposium heard testimony about the crisis from medical doctors such as Jerry Coovadia of the United Democratic Front of South Africa—an antiapartheid coalition group—from Audrey Coleman of the Detainees' Parents Support Committee, a South African human rights monitoring group which assists parents who are trying to find their arrested children—the police are under no obligation to inform parents in South Africa that their children have been picked up—and most importantly, from several formerly detained youths themselves, such as 22-year-old Pule Nape, who was arrested twice in a year's time for no reason and placed in solitary confinement for 3 months during his second arrest; 17-year-old Patrick Makhoba, who was arrested, interrogated and beaten by police when he refused to name antiapartheid student organizations or individuals; and 18-year-old William Tshabalala, who was detained last June for less than a day; he was only able to escape a longer detention by giving a false name and address.

The South African nationals who came to Capitol Hill last week and participated in the symposium risk more detention if they return to South Africa. They risk torture and they risk death for having spoken out here on Capitol Hill about the arrests and beatings of children. Many of the youths will have to go underground when they return. Some already live the lives of fugitives, sleeping in different homes in the black townships to avoid arrest, but all were willing to come here to risk their lives so that this story could be told.

Many will continue to suffer psychological effects of their arrest, imprisonment and torture; former detainees and psychologists at the symposium talked about the sleeplessness, nightmares, depression, loss of memory, concentration and appetite, anxiety and feelings of wanting to commit suicide.

The exdetainees experience this whole pattern. Others, of course, have lasting physical effects from the beatings and electric shocks that were administered to various parts of their bodies.

The Lawyers' Committee's Southern Africa project, which has defended South African political prisoners for 20 years, has launched a campaign to arouse the American public about what is going on in South Africa. They have launched a campaign to raise our level of awareness. The cost of hiring one of these lawyers, for example, to just get an application to get a child released in South Africa, the cost of that whole procedure is about $700 per child, so their contribution is very important. While the system still pretends to have some semblance of law and order, this process is important for individual children and parents, getting them released from the horrors of detention of South African prisoners.

There are other U.S. antiapartheid groups, such as the Washington Office on Africa, TransAfrica, the American Committee on Africa, and the Free South Africa Movement, who are generally campaigning to continue their call for more awareness in America about the horrors that our government is assisting to perpetuate. They are calling on the United States Government to cease all trade, all economic, political and diplomatic ties with South Africa, to break relations. It is our hope that this will force the regime to dismantle apartheid and negotiate with the African National Congress, as well as to discontinue such police state tactics as arresting and torturing children.

As I said before, no other modern regime in recent memory has focused on children in particular, has made an all out attempt to break the backs of the next generation, to break the spirits of the next generation, as this particular South African regime has.

I am reminded of the words from Shakespeare's King Lear: "Fool me not to bear tamely, touch me with noble anger."

I think every American who hears of the atrocities being committed against children in South Africa should think deeply about those words. South Africa could not do this without the assistance of our Government. Our Government helps South Africa to maintain some credibility within the civilized world, within the free world.

Let me go on with the details, because I think the details are very important. Let me read excerpts from a report that was done by the New York-based Lawyers' Committee for Human Rights. This report has been quoted to a great extent in a UNICEF report, which was called "Children on the Front Line."

□ 2040

The UNICEF report goes beyond the borders of South Africa into neighboring Namibia and the states that border on South Africa to talk about what is being done to children as a result of the terrorist war that South Africa wages against its neighbors as well as within its borders.

Let me just return to South Africa and talk about three young boys who were in the town of Dobsonville. Two of them were aged 13, and one was 11. They were arrested on November 8, 1985, when police came to break up a crowd which was doing nothing more than attending a night vigil for a 15-year-old boy who had been killed by the South African security forces. The police came, they fired tear gas into the house, and into the tent that had been erected for the mourners. The police kicked down the doors, and they began assaulting people in the house. The 11-year-old boy was picked up and he was flung against a wall by a policeman. Everyone in the house was forced to get into waiting police vans. According to the boys, the security forces formed two lines between which people had to pass in order to reach the vans. As they passed they were hit with sjamboks and fists and they were kicked. At the police station they were again beaten with sjamboks and fists.

A sjambok is a big whip which is used most effectively against animals.

The 11-year-old boy sustained three broken teeth. The sjambok also left wounds on the bodies of all three boys. One had a badly swollen and cut lip. Another was left with swollen and bruised eyes. All three of these young kids were held for 3 days. When the police finally asked them how old they were, they released them. The police later denied having any record at all of their detention. They wiped it completely out of the records.

This is an excerpt from the report which is entitled "The War Against Children: South Africa's Youngest Victims." As I said before, it is put out by the New York-based Lawyers Committee for Human Rights. Part of that report is quoted in a larger UNICEF report. The report provides detailed and chilling evidence of State violence, largely perpetrated by the police and the army, against South Africa's black children.

Elsewhere in the report it is shown how "the experience of arrest, indefinite detention and interrogation is deeply disturbing to any detainee, but it can be acutely traumatic for children. * * * In some cases the psychological damage is severe. Johnny Mashiane, aged 15, has spent a month in a psychiatric hospital since he was released from detention. Although his friends and family say that he was a normal child before his arrest, he is now unable to speak coherently and seems confused and vacant * * *"—absentminded, as if he were an old man. "No one really knows what happened to him in the police cells." He cannot even relate it. However, a friend who was with him some of the time during that period of detention describes their being interrogated and beaten. I quote from that friend. I quote from Archbishop Desmond Tutu, who met Johnny.

"Johnny," writes Archbishop Tutu, in the forward to the report of the Lawyers Committee, "is real. He used to be a lively youngster, full of life and fun until he fell into the clutches of the security system of the apartheid regime. It is not quite clear what the police did to Johnny. Perhaps it does not matter any longer. What is certain is that he went in a lively, healthy and normal youngster and he came out a walking human vegetable * * *" at 15 years old. "The police did something to him. It is quite important for the world to know Johnny is no figment of a feverish imagination. I saw him, with my own eyes," says Bishop Desmond Tutu. "I saw him, with my own eyes in Khotso House, Johannesburg."

Since the time that report was issued, another and even more comprehensive state of emergency was declared in South Africa in June 1986, and the war against children in that country has intensified. Although statistics are hard to come by, one careful estimate is that a minimum of 3,000 children under the age of 16 were detained during the first 8 or 9 weeks of this latest South African emergency. These figures were disputed by a judge, and it is possible that they may be lower, although later reports suggests that they may be an underestimate. But there have been enough arrested. There have also been disturbing reports of children being sent to isolated rural camps for education and training—I quote, "education and training." But few details have yet emerged as to what they do in these camps. Meanwhile, from those who have been detained, the allegations of torture, stories of torture continue to come.

In the middle of August 1986 a young 12-year-old boy was released from detention—his fourth detention during the course of 1 year. Speaking through an interpreter, he told a reporter of a South African newspaper, which published the allegations, that "he had received electric shock treatment to his hand, his foot, and his genitals while a sack had been placed over his head."

Archbishop Tutu has referred to the veritable minefield which journalists have to negotiate in South Africa when they report on any of these matters relating to the police, the prisons, and the Defence Force. Consequently when anything has appeared in the press and has not been challenged by the authorities, you can be sure that it is the truth, it is authentic, it has substance.

Before I move to a second part of my statement this evening, which is the reading of a statement by Rev. Leon Sullivan about the necessity to take another step in order to force South Africa to end its savagery and negotiate a peaceful solution to the inclusion of the South African majority in the government of that country, I want to pause and yield to my colleague from Chicago, the gentleman from Illinois [Mr. Hayes].

Mr. HAYES of Illinois. Mr. Speaker, I want to commend my colleague, the gentleman from New York [Mr. Owens] for taking the time to take out this special order and deal with what is worldwide injustice against the black majority in South Africa.

I too was in attendance at the seminar which was held last week dealing with the injustices perpetrated by the South African Government against children, and I realize that neither of us can do justice to the subject in the 1 hour which we have taken out here, but it is my hope that in talking about it we will arouse at least the consciousness of the greatest nation in the world, particularly this legislative body, and maybe prick the interest and concern of some of their constituencies in trying to get our people who are our leaders to understand that there is no middle ground in the situation in South Africa—there is a right and a wrong.

It is wrong to continue to permit a situation which we could change just by some concerted and forceful action that is being perpetrated against the 24 million who are the majority, have them continue to be denied the right to vote and participate in the selection of their own leaders and continue to be led and controlled by the white minority.

I had a chance to visit South Africa as part of a delegation headed by the gentleman from Pennsylvania [Mr. Gray], and see firsthand the conditions under which these people have to live, see the hunger, the segregation, see the enforced curfew where people have to leave out of Johannesburg by 7 p.m. and go to the habitat in which some of them live in Soweto or the surrounding communities.

All this is going on while we continue to use what amounts to a Band-aid approach to solve what is a real cancerous situation. People are murdered, killed, by law-enforcement authorities.

□ 2050

We tend to turn our heads to this kind of situation. I sat here on the same day of the seminar and heard and listened to my colleagues take out a special order expressing concern for the welfare of the blacks in South

Africa. Their concern was much different than mine though.

They were saying to continue to push or press for sanctions was going to hurt the people whom we are trying to help, and we were told as part of that delegation who went over there by some of the people with whom we met not to worry about their being hurt by sanctions, there is no way they could be hurt any more than they are now. Just help us to alleviate and change this situation as it exists today. Do not worry about our losing our jobs. Sure, we have to live and have to work.

We are not even given or are working in the kinds of jobs that we are entitled to, nor are we paid the wages that we are entitled to. We are exploited much more than the white workers who work for the same companies, and yet some of these companies are entities with whom we do business here in the United States.

I just want to say in closing we have got to put up or shut up on this situation. Some have expressed the opinion that they are concerned for the spread of communism on the continent of Africa, particularly in the southern part. One of the best breeding grounds for the spread of communism is poverty, and we seem to wind up on the wrong side when it comes to helping people who really are being hurt.

I have been taught from a boy on up that a drowning person will grab at most any straw. If we are not doing what we can do to help the children of South Africa to get an education, to get a decent job and be able to guide their destiny, then we do run the risk of their seeking out some other means, some other countries or some other system that might give them that help.

If we are truly concerned, let us do something about helping those people, helping to do just what is right. That is all we are saying, just what is right. Help democracy as we say it should exist in Central America, particularly in Nicaragua as we aid the Contras, and certainly I am against the kind of aid that we are spending down there, throwing out our tax dollars, but at least we could have an evenhanded approach.

I have heard the President of the United States talk quite openly about supporting freedom fighters. There is no greater mass of freedom fighters in this world than those who are fighting to relieve themselves from control by apartheid as it exists today in South Africa.

I thank the gentleman for yielding to me and giving me the time to say a few words.

Mr. OWENS of New York. I want to thank my colleague, the gentleman from Illinois [Mr. HAYES]. We both sat through that horrible, horrifying presentation, and I think the best summary for what we would propose now has been stated by the gentleman from Illinois [Mr. HAYES] when he says it is time for the United States to put up or shut up. If we are going to remain leaders of the free world, we can no longer turn our heads away from the horrors that are taking place in South Africa. We no longer can pick and choose our human rights, what we want to expose as denials of human rights. Human rights is no longer the question in South Africa. A kind of savagery and a kind of uncivilized organized cold-blooded regime of terror and murder is in charge in Sough Africa, and there is no other way to describe it. You can only compare it with Hitler's Third Reich. It is the only apt comparison that can be made. The only difference is that we fought the Third Reich, we fought fascism, we made appropriately a holy crusade of World War II.

Now we sit solidly by and we camouflage our involvement in South Africa with statements like constructive engagement. We are going to constructively engage a murderous regime massacring a large part of its population. We will constructively engage in diplomacy with a regime that singles out its children. We are going to constructively engage with a regime that has determined that it will pursue a policy of obliteration.

What best describes what is being done is an effort at obliteration. They are going to try to wipe out the consciousness, wipe out the fighting spirit, any yearning for freedom for a whole generation. That is what they are attempting, an obliteration of a generation.

I want to read if I have the time the entire speech made by Rev. Leon Sullivan on June 3, 1987. I am reading Leon Sullivan's speech as Reverend Sullivan, in case we have forgotten, has been a champion of moderation in our approach to South Africa.

The President of the United States, Ronald Reagan, has quoted Reverend Sullivan. Our colleagues on the other side of the aisle have repeatedly referred in the past to Reverend Sullivan as we have debated bills on this floor calling for greater sanctions against South Africa, and Reverend Sullivan's name has been used over and over again as a moderate approach where he said no, don't pull out, don't have the United States establish harsh sanctions, don't withdraw from South Africa, keep the industry there. There are certain principles that we should ask South African industry to follow. American companies in South Africa were asked to adopt the Sullivan principles, and many of them did adopt the Sullivan principles. Certainly General Motors companies in South Africa did, because Reverend Sullivan sits on the board of directors of General Motors, and Reverend Sullivan is respected, and he is a pastor at Zion Baptist Church, and he founded the operations and is respected, and he opened up opportunities and industrial centers all over the country as ways to have people in poor neighborhoods learn how to master certain trades and skills in order to get jobs. No one is more respected in this area than Reverend Sullivan, no one has been more moderate than Reverend Sullivan, and yet he felt it was his duty at this point in history to make this statement. And I am going to read the statement in its entirety.

Quoting Reverend Sullivan:

> I have assessed, to the best of my ability, the situation as it now exists in the Republic of South Africa, and I have reached the decision the time has come for American companies, and the United States of America, to take a definitive stand against the evils of apartheid.
>
> Therefore, today, I am calling for the withdrawal of all United States companies from the Republic of South Africa, and for a total United States embargo against that country, until statutory apartheid is ended, and Blacks have a clear commitment for equal political rights, and I am calling on the President of the United States to end diplomatic relations with South Africa until the atrocities against Black people end, and apartheid is dismantled.
>
> As of May, 1985, I stated if in twenty-four months statutory apartheid was not ended, and there was not a clear commitment of the vote for Blacks, equal to whites, I would call on the companies to leave South Africa, and call for an American embargo. The conditions have not been remotely met. Therefore, after careful, painstaking, and prayerful consideration, I am making this statement.
>
> This action comes after years of effort with the Sullivan Principles to help, along with other thrusts, to bring about fundamental change in that country; and I want it clearly known, I am proud of the work of the Sullivan Principles, and proud of the efforts of those companies who have followed them. The Sullivan Principles, initiated March 1, 1977, ten years ago, have been a tremendous force for change in South Africa.
>
> When the Sullivan Principles were introduced ten years ago, a Black man did not even have the legal status as a worker in South Africa. The Principles broke new ground for Blacks rights in South Africa that had not existed for 300 years. They have caused a revolution in industrial race relations for Blacks workers in that country.
>
> These equal rights standards, followed by many American companies, have lead the way in promoting equal pay for equal work, fair employment practices, recognition of independent free Black trade unions, extensive educational training programs, the promotion of Blacks to management and supervisory jobs, the initiation of hundreds of Black owned businesses, the building of schools and health facilities, and the improvement of the quality of life in many other ways for hundreds of thousands of Blacks, far, far beyond the small number employed by American companies.
>
> The Sullivan Principles have been a catalyst for change throughout the Republic of South Africa. Also, in recent years, as the

Principles have evolved, some United States companies have begun to challenge the apartheid system itself, and have begun to practice "corporate civil disobedience" against apartheid practices, regulations and laws.

Many United States companies engaging in this effort have left a notable record in corporate social responsibility in South Africa. Whatever happens in the future, the work of many of the companies to change conditions for Blacks has been outstanding. Yet, in spite of these and other efforts, the main pillars of apartheid still remain, and Blacks are still denied simple basic human rights in their own country, and are still deprived of the right to vote.

In spite of appeals, and protests, and cries for change and justice within South Africa, repression grows, thousands are jailed without trial, including little children; people are brutalized, beaten, and killed, descent is ruthlessly suppressed, and the press is muzzled. Intransigence to fundamental change continues, and, today, the government pushes back even minimal progress and reform. South Africa has become a nation of oppression and a police state; and the continuation of apartheid and its inhumanities against Blacks goes on. There is no greater moral issue in the world today than apartheid!

Somewhere, somehow, it must be said, as loudly and as clearly, and as firmly as possible, that what is happening in South Africa to Black people is immoral, and it is wrong, and it must be brought to an end. Not ten years from now, or five years from now, or three years from now, but now.

The winds of change have reached South Africa, and the winds will not be subdued until the people have no less than their full economic, social, and political freedom. And violently, or non-violently, Black people in South Africa are going to have it. And nothing can, or will, end the rising surge of the people's aspirations for their freedom and for justice in South Africa, but the elimination of the apartheid system itself, which is the root cause or the nation's problems.

South Africa is at the crossroads. Either South Africa can go the direction of a unitary free South Africa, or the direction of a chaotic revolution, with the killing of millions of people, the destruction of a country, and the devastation of the entire Southern region of Africa; leading to the possibility of the confrontation of the world's great nuclear powers at that strategic point of the world, as a race war would certainly become an idealogical war. And should the United States become involved in such a war, as most assuredly we would, one way or the other; race riots would break out in every major city in the country, far worse than anything ever seen in the history of America.

It is in the interest of peace in South Africa, and peace in the world, and peace in America, that apartheid must be ended. The evils of apartheid are broader than South Africa. Apartheid is against the will of God, and the humanity of man, and like Nazism and Fascism, it must be stopped. America and the world must draw a line, and speak out, and act against it. If the world had stopped Hitler in time, we might not have had World War II.

It is clear the South African government does not intend to end apartheid on its own. Since the recent elections, the government has become more defiant to further change. Therefore, something must be done now to dramatize the issue before America and before the world. Every moral, and economic, and political force must be brought to bear to help influence the South African government to move towards dismantling the apartheid system, while there is still time.

In this regard, America, as Leader of the free world, should take the lead, including our companies and our government, hoping others in the world will follow.

Therefore, today, as the strongest possible American non-violent protest against the continuing existence of apartheid, and with the maximum non-violent use of moral, corporate, and governmental force against that inhumane system; I call on all American companies to withdraw from the Republic of South Africa, until statutory apartheid has been abolished, and there is a clear commitment of the vote for Blacks, in accordance with agreements reached with authentic and representative Black South African Leaders.

Also, I call on the United States to enact, with urgency, a total United States economic embargo against South Africa, all exports and imports, including gold and diamonds, and to seek South African sourced vitally needed materials elsewhere, or to seek alternatives; or to stockpile, or to recycle, or to do without.

I further call on the Congress to consider stringent penalties against United States trading partners who assume markets left by departing United States companies, and who continue to do business in South Africa, such as the Japanese.

I, also, call on the President of the United States to break all Diplomatic Relations with South Africa, until atrocities against Black people end, and apartheid is dismantled.

Should, at any time, the South African government abolish statutory apartheid, and commit itself to equal voting rights for Blacks, in accordance with agreements reached with authentic and representative Black South African Leaders, restrictions against American companies operating in South Africa should be lifted, and American companies should be free to return to the country, along with unlimited United States investments in a unitary Free South Africa.

This Call for Withdrawal excludes Philanthropic and Educational initiatives, and the Media.

This is my message to the companies of America, the Congress and the President of the United States, and to the Government of South Africa.

□ 2105

This is a statement, I repeat, that was read by Rev. Leon Sullivan on June 3, 1987. Reverend Sullivan was noted for his moderation. Reverend Sullivan was noted for his attempt to work out a compromise. Reverend Sullivan was noted for his practical involvement in an effort to make constructive engagement work. Now Reverend Sullivan has made it clear that that is no longer possible.

We have taken a turn down a road that goes only to chaos, revolution, and the disgrace of America if we continue to persist in our constructive engagement diplomacy, our support for the South African Government.

Constructive engagement means support for a murderous, fascistic regime. Constructive engagement means support for an uncivilized and savage cold-blooded well-organized brutal destruction of a people. Constructive engagement means help in an effort to obliterate a total generation, to wipe out a total generation by focusing on the children.

Mr. Speaker, I end my statement with a quote, again from Shakespeare's King Lear, "Fool me not so much to bear it tamely, touch me with noble anger."

It is time all Americans were touched with "noble anger," it is time the Members of Congress return to the issue of South Africa and review, reexamine what we have already done. We have passed sanction bills, very strong sanction bills and we have seen those bills watered down in the Senate, the other body. We have passed bills and we have seen the President begin to take some meager efforts, to end the effort for stronger measures. It is now time to return to the issue. The issue now is do we stand by and allow 24 million people to be obliterated while the whole world watches? We did not know what was happening in the concentration camps, we say, under Hitler. It was all secret. Even the German people said they did not know. So how could the rest of the world know?

Well, the rest of the world clearly knows what is happening in South Africa. Yet they are not indignant. Nobody has noble anger. It is up to Congress to take some leadership on this issue.

I yield to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. I thank the gentleman very much and also the gentleman from Illinois for their previous comments.

Mr. Speaker, I too was part of the symposium that day and sat in great shock and horror at the stories that were told, one after another, all afternoon long, from individuals, young people, from the Union of South Africa who, as you previously noted, risked their lives and safety coming before the Congress and Members and indeed the symposium to give the testimony that they gave.

They reminded us that last year, until this year, 10,000 children between the ages of 10 and 18 have been arrested or imprisoned without charge. While in prison they have been beaten and kicked by guards, attacked with rifle butts, given electric shocks, nearly strangled and, in some instances, suffocated. They have also been subject to numerous forms of psychological abuse.

They reminded us that every 12 minutes, every 12 minutes another person is detained in apartheid South Africa and that the government there is detaining men, women, children, trade unionists, religious leaders and young activists simply for the crime of demanding rights in the land of their birth.

At least 30,000 people have been detained alone in the last year.

So as we sit and talk and argue and talk and debate more about the issue of freedom in that country, I am heartened that the gentleman has chosen to take a special order on this day so that we might be able to call attention to this problem again and again to all of those who are part of the American public who watch our actions, as they do now, and to remind them how desperately we need their help in this battle.

I, like my colleague from Illinois, listened with great astonishment at this President and his remarks deploring the sort of abuses of human rights that occur throughout the world and I wonder aloud and sometimes quietly alone why that is not the case when it relates to the atrocities taking place in the union of South Africa.

I had the opportunity at the symposium to call the attention of the group to the words of a great American. Those words belong to Abraham Lincoln and they were delivered in 1849 in Edwardsville, IL. Lincoln said then,

> When you have succeeded in dehumanizing the negro, when you have put him down and made it for him to be as the beast of the field, when you have extinguished his life in this world and placed him where the ray of hope is blown out as in the darkness of the damned, are you quite sure that the demon you have roused will not turn and ruin you? What constitutes the bulwark of our freedom and our independence? It is not our ground embattlements, it is not our bristling sea coast, our Army or our Navy. Those are not reliance against tyranny. All those may be turned against us without having made us weaker for the struggle. Our reliance is in the love of liberty which God has planted deep within us. Ours is the spirit that cries liberty in the heritage of all man in all lands everywhere. Destroy this and you have lost the creative genius of your own existence and thus have become the fit subjects for the first cunning tyrant who rises among you.

Those words went unheeded.

Eleven years later this Nation was embroiled in a Civil War. It pitted North against South, black against white, old against young, brother against brother.

We learned from that a very real and lifelong piece of history and a very real and lifelong lesson. That lesson is that you cannot continue to suppress the rights of individuals and expect for them not to repond accordingly.

So I say in this instance as it relates to the union of South Africa, a union that has been condemned by almost all of the world's community, that these sort of atrocities cannot go on unnoticed and they will not go on without any sort of response.

It is amazing, again, that we can talk about what we must do for freedom fighters in Afghanistan, what we must do for freedom fighters in Poland and yet we turn a deaf ear our attention to those freedom fighters which are the very best freedom fighters in the union of South Africa.

Twenty-two million indigenous South Africans who only want, who only want the right to live with respect in their own nation. They only want one person, one vote; they only want a sense of decency in their lives. I do not think that is too much to ask.

And when you do as they do in that nation, to the young people the things that are taking place, to children, to children, I think it is something that the world will never ever be able to forgive or forget.

I would hope that the American people who hear our words, who understand the intensity of our feeling on this issue will join with those Members of the Congress who want to move in a decisive and meaningful way, will join with those individuals in their own communities, in their own churches, in their own families to continue to keep the pressure on so that we might in fact help to free a nation, and in doing so free ourselves.

I thank the gentleman again for calling for this special order and I yield back.

Mr. OWENS of New York. Mr. Speaker, I thank the gentleman from Maryland.

Mr. CROCKETT. Mr. Speaker, I rise today to call attention to the desperate plight of the peoples of southern Africa and the need to ensure fairness in our foreign aid program. Just as South Africa is waging a war against its black majority, so it is waging a war against the countries throughout the region of southern Africa.

The peoples of southern Africa have been the victims of what South Africa calls its total strategy to maintain the vicious apartheid system at all costs. This total strategy has meant death and destruction throughout southern Africa:

South Africa has invaded seven countries—Angola, Mozambique, Lesotho, Botswana, Swaziland, Zimbabwe, and Zambia—in the past 5 years.

South Africa has been implicated in attempts to assassinate two prime ministers—Lesotho and Zimbabwe—and is implicated in the death of a third—Mozambique.

South Africa backs guerrilla movements—Unita and Renamo—that have brought chaos to two countries—Angola and Mozambique.

South Africa's actions have precipitated a military coup in Lesotho—the first coup to take place in southern Africa.

And hundreds of thousands of people have died—many of them victims of starvation because famine has become a weapon in South Africa's war.

Estimates are that South Africa's destabilization and aggression have cost neighboring countries more than $10 billion during the past 5 years principally in direct war damage, extra defense expenses, higher transport and energy costs, reduced production, and lost economic growth. Angola and Mozambique alone are estimated to have sustained at least $1.6 billion direct destruction of roads and bridges, of houses and schools, of hospitals and churches. And it would certainly be impossible to place a monetary value on the innocent lives lost.

In light of this desperate situation, it is imperative that the United States respond quickly, generously, and—above all—fairly.

In the fiscal year foreign aid bill, the Africa Subcommittee has tried to meet the urgent need for U.S. foreign assistance—not just for southern Africa—but, indeed, for all of sub-Subharan Africa. However, that work is now threatened by significant cuts in overall spending for our foreign assistance programs to meet budget targets. The Foreign Affairs Committee is now considering an across-the-board reduction in the earmarked funds. If their proposal is adopted, all earmarked funds would be decreased by 5 percent.

In this context, the question of fairness is of paramount importance. There is talk of exempting the earmarked funds of two countries—Israel and Egypt—from the cuts. These countries are already the two largest recipients of U.S. foreign aid; and if they are exempted, the consequences for all of sub-Saharan Africa—and for the victims of South African aggression in particular—would be staggering. No cut for Israel and Egypt would mean at least a 15-percent cut for Africa.

Clearly, this would be unfair. No nation should be exempted from cuts necessary to achieve budget targets. We cannot continue to discriminate against sub-Saharan Africa when so many people are in such dire need. I call on my colleagues to simply be fair.

Mr. RANGEL. Mr. Speaker, last week at the symposium on Children in Detention held on Capitol Hill, we here in the United States had an opportunity to hear firsthand accounts of children who are imprisoned in South Africa and the abuses they suffer at the hands of security forces there. These accounts came from children who were once detained in South African jails by security forces. We heard about how children under the age of 18 were abducted without having committed criminal acts and how some are forced to confess to false charges. We heard how some of these children are driven down local streets and are forced to identify their friends or anyone they know who might be involved in antiapartheid activities. And they are threatened with beatings or imprisonment if they refuse to cooperate. We heard about children in solitary confinement, food and sleep deprivation. We heard about children being choked, beaten with fists, pipes, rifle butts, children being handcuffed and their heads banged against walls, and children being kicked in the stomach over and over and over. We heard about young girls and boys being given electric shocks on their genitals. We also heard about the sexual abuse of some young girls by prison guards. Many have died in detention, and to add to the madness, newborn babies have been detained with their mothers for as long as 8 months.

These are the kinds of atrocities those who accept apartheid are supporting. Many will say, "but of course I don't support apartheid. I don't support the torture and murder of children." I have news for you. As long as you have not engaged in an all-out opposition to apartheid, as long as economics and military support of South Africa is maintained while these atrocities continue, as long as "constructive engagement" or "quiet diplomacy" are your policies toward apartheid, you are a supporter of the torture and killing of children.

The South African government has muzzled internal and external media coverage of its continuing human rights abuses. Because we here in the United States can't see these abuses on the nightly news does not mean that we should discontinue our efforts to pressure the government of South Africa to stop its barbarism and dismantle apartheid.

The horror stories we heard last week at the symposium of children being tortured and killed by security forces in South Africa are not new and they will not end as long as apartheid stands. They are a part of the evil of apartheid. We cannot call ourselves a great nation and sit idly by engaging in "constructive engagement" while thousands of children are being detained, tortured and killed in South Africa. You can be sure that if these atrocities, these criminal, immoral acts were being carried out against European children, this administration would have raced to their rescue with all manner of sanctions against that government. There would have been a flood of outrage from the American public, followed by massive infusions of economic and military aid for the victims. But since the victims here are black men, women and children, this administration has turned its head from the suffering of these human beings. We cannot call ourselves civilized if we allow ignorance in the form of racism to keep us from rescuing fellow human beings from the hell that is apartheid. My God. We have the blood of children on our hands.

This country was founded on Christian principles. As a Christian nation we cannot allow a generation of children to be destroyed as is happening right now in South Africa under apartheid. The United States must not only be a military and economic leader, it must also be a moral leader.

The preamble to our constitution speaks of justice and liberty. There is neither justice nor liberty for blacks in South Africa. We cannot in all good conscience aspire to the ideals of justice and liberty in this country and turn our backs on our fellow human beings who are dying daily in thier fight to attain these same ideals in their country. Apartheid must go.

Mr. DYMALLY, Mr. Speaker, I want to thank Congressman OWENS for calling this special order tonight. My friend provides us an opportunity to reflect not solely on our South Africa policy but on our policies toward the whole of Africa. I think its appropriate to raise this matter because our South Africa policy is part of our overall policy in that area.

What is the policy? It is one of selected regard. By that I mean that we choose in Africa to focus our attention on certain issues and events and we choose in Africa to be blind to other issues and events.

Angola is a case in point. In our Africa bashing, Angola is a prime target. We condemn it as Marxist, demand the withdrawal of Cuban troops, and join South Africa in giving support to the rebels trying to throw the Government. We are blind to what I think are some important realties. Angola sold us oil when other countries were choking us off. Angolan oil fields provide employment for Americans and wealth for American businessmen. Angola protects those oil fields and the Americans who work on them from attack by the opposition forces we are supporting.

Only days ago our colleague Congressman WOLPE led a delegation to Angola. It included Representative MICKEY LELAND, a member of the Congressional Black Caucus. The Angolan Government as a gesture of good will toward our Government freed into Congressman WOLPE's care an American pilot who had violated Angolan airspace. We have what has to be called a two-faced policy toward Angola. We take their oil. We expect that they will protect our citizens. Yet we oppose their Government. This country of ours should be flexible enough to look objectively at another country and determine whether the Government of that country is acting in the interest of its citizens. We should be able to look at another country and see whether it is an agressor toward its neighbors. If the Government is working for its people and leaving its neighbors alone, then what business do we have going in and supporting the forces trying to topple it? We need a more enlightened policy toward Angola.

And what of Namibia? Our stance toward Namibia is reticent enough as to be nonexistent. Here is a country preyed upon by the colossus, South Africa. The abuse of this little country by South Africa is so total, its control so complete that the plight of the Namibians rivals the plight of Black South Africans. We can support the overthrow of a government like that in Angola, a government that is not threat and seems sincere in providing for its citizens, and at the same time, we act like pussycats in the presence of gross violation of another country's sovereignty by a government we profess to be pressuring toward fairness.

What hypocrisy! I will watch with fascination how we greet Kenneth Kaunda's decision to withdraw from the financial slavery that was being imposed on his country in the name of development. He has taken a bold step and one that will surely be painful. But maybe Kaunda is the most level headed head of state in all of Africa. He recognized that indebtedness would drag his country to ruin and he pulled the plug on the flow of money. In that courageous act, I hope he has brought the decisionmakers at the World Bank to their senses.

We survey these places, these African events and we reflect on our Government's response to them, and I have to concluded that we are out of step. Our policy marches us into a separate reality, one where we seen the real Africa only very dimly. I would call onour people at State, our policymakers in the President's office, and I would call on the policy makers in Congress as well to take a fresh look at Africa. We are making mistakes there that we do not need to make. It is time for a change. For once it is not too late. The world needs a healthy, vibrant Africa. Let us do our part to make it so.

Mr. DELLUMS. Mr. Speaker, I am pleased to join my colleagues in this important proceeding. I come here today with a sense of great urgency and deep concern about the worsening situation for the black majority population in South Africa, who are suffering more than ever from the oppression of a racist apartheid regime. I also renew my call for legislation that would require the immediate withdrawal of all United States investments from South Africa and would impose a total ban on U.S. exports to that country until apartheid is finally abolished there.

Outstanding on the extensive list of South Africa's apartheid atrocities is Pretoria's attack on the children of southern Africa. Inside South Africa, the Detainees Parents Support Committee [DPSC] and the black sash have reported that over 22,000 people have been detained since the June 12, 1986, state of emergency was declared in South Africa. Over 40 percent of those detained have been children under the age of 18; some are as young as 10 years old. The reports of beatings, torture, rape and murder by South African security forces and prision officials are a shocking testimony to the increasing brutality and injustice of the apartheid regime.

According to the 1987 UNICEF state of the world's children report, South African military aggression in the region has caused southern African to have the highest death rate among children in the world.

The attacks on the area's children are only one brutal manifestation of Pretoria's policies. All print and electronic media coverage inside South Africa has been restricted by the Government. Foreign reporters and the local press have been censored, questioned, detained, and even expelled under new security measures further restricting press coverage in South Africa. The incredible suffering of South Africa's black majority is continuing, beyond the view of responsible press scrutiny and under conditions of unrestrained brutality and official violence.

The South African Government has also instituted new draconian regulation further limiting any opposition to the apartheid system. In South Africa today, the revised definition of "subversive" includes: Participating in or organizing a boycott, any act of civil disobedience, any oral or written expression of support for detainees, the reporting of any news item about the effects of apartheid repression, publishing any information about state or emergency detainees, or publishing the blank spots in news articles that have been censored by the Government.

Inside Namibia, the list of injustices, including illegal detentions and exploitation by United States and European companies is substantial. In the first half of 1985, the South African Government killed more than 350 Namibians in police attacks on villages and nonviolent political gatherings. The 100,000 South African troops illegally stationed in Namibia have carried out extensive numbers of offenses against the people of Namibia for which they are not held accountable. President Botha of South Africa consistently intervenes in the Namibian courts to prevent South African defense force personnel from being convicted of the murders, rapes, torture, thefts, and other crimes for which they have been charged.

During the period 1980–1986, South Africa's combined war of regional destabilization against its neighbors caused $15 billion to $16 billion in damages to the black-rule nations of southern Africa. Pretoria's military and economic policies have forced these governments to expend exhorbitants sums of their meager resources of security needs, rather than on development projects necessary to build strong and independent economies.

Contrary to recent arguments against the current United States sanctions policy, the South African Government's escalating repression is not the result of the partial sanctions that have been applied by the United States and the international community. The resistance to change and the brutal repression of blacks in southern Africa has been the consistent, deliberate, and unabated policy of the apartheid regime over the last four decades, long before any significant sanctions were imposed against South Africa.

While the present limited sanctions policy is an important step toward ending United States support for the apartheid government, the administration and the South African regime are circumventing the law.

Partial sanctions can only have a partial effect. The cost of human lives in southern Africa demands swift enactment of a comprehensive sanctions bill.

I urge my colleagues to join me and the other 60 cosponsors of H.R. 1580 to press, while there is still time, for adoption of full sanctions as a means toward peace and justice in southern Africa.

Mrs. COLLINS. Mr. Speaker, I want to commend my distinguished colleague from New York [Mr. Owens], for holding this special order to dramatize the plight of South African black children.

As the first author of a resolution condemning the South African Government's detention of many of these children, I am appalled by the Reagan administration's continued support for this Government.

Unquestionably, the white minority government in South Africa has lost any pretense of being a representative government. Blacks are jailed, tortured, and killed. They are manipulated to serve the interests of the whites in power. Right wing groups are growing increasingly strong. We hear talk of reform, yet how are cirumstances in South Africa different today as they were, for example, 10 years ago?

In 1976, South Africa was buffeted by unrest. Thousands of blacks took to the streets to protest the Government's decision to require black schools to teach Afrikaner as their primary language. The township of Soweto became the focus of these protests. When South African police shot into the crowds, without firing any warning shots, the first casualty was a boy. Thirteen-year-old Hector Peterson was shot in the back. Eventually, 600 children were killed during these protests.

The Soweto massacre exposed the ugly, rotten core of apartheid. The world could now see the bullets and whips that propped up the white minority government. They also could see that South African blacks were tired of waiting for change.

Since 1976, change has come, but not without considerable resistance from the Government.

Much of the Government's actions today are focused on children. They are the most tragic victims of the inherent oppression of apartheid.

Indeed, more than 10,000 of the 25,000 people detained under the state of emergency laws are children; many less than 10 years old.

Many of these children have been subjected to horrible abuse while in the custody of South African security forces. Children are beaten with fists, pipes, rifle butts, and whips. They are threatened with death, including being burned alive. They are subjected to electric shock, and food and sleep deprivation.

If that is not enough, the conditions under which they are detained are inhumane. Cells are overcrowded, filthy, cold, and have little or no water. Detainees are often limited to one meal a day, and receive little or no medical attention.

Finally, detainees have no legal rights. Parents are often left ignorant as to the nature of their children's fate. Worse, they are not even informed of their whereabouts.

Any government that subjects its children to this inhumane treatment will never open its iron fist and be a truly democratic society.

It is essential that these activities do not go unnoticed. For that reason, I introduced House Resolution 141, which calls for the immediate release of all children detained under South African state of emergency. This resolution urges the Government to do the following:

Provide parents with access to jailed children;

Prepare an official list of the children's names;

Supply these children with adequate clothing and housing; and

Verify their health and safety by means of an international organization.

I am pleased nearly 100 Members have joined as cosponsors of House Resolution 141.

Mr. Speaker, the Government of South Africa must be warned, in no uncertain terms, that Congress will not tolerate the jailing and torturing of children. It is our moral and ethical obligation to do the most we can to end this reprehensible policy. I am pleased that my distinguished colleague, Mr. OWENS, has called this special order to remind Members of this important duty.

Mr. OWENS of New York. Mr. Speaker, in closing we would like the decent people of the world to understand that time has run out. It is time to act now, to end the savagery in South Africa.

Mr. Speaker, I yield back the balance of my time.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order.

The SPEAKER pro tempore (Mr. Wilson). Is there objection to the request of the gentleman from New York?

There was no objection.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Gekas) to revise and extend their remarks and include extraneous material:)

Mr. Robert F. Smith, for 5 minutes, today.

(The following Members (at the request of Mr. Gonzalez) to revise and extend their remarks and include extraneous material:)

Mr. Synar, for 5 minutes, today.

Mr. Kastenmeier, for 5 minutes, today.

Mr. Montgomery, for 5 minutes, today.

Mr. Stokes, for 5 minutes, today.

Mr. Annunzio, for 5 minutes, today.

Mr. Penny, for 15 minutes, today.

Mr. Swift, for 5 minutes, on July 9.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. ROWLAND of Georgia, before the vote on H.R. 2616, in the House today.

Mr. St Germain, immediately following Mr. Gonzalez on conference report on H.R. 558 today.

(The following Members (at the request of Mr. Gekas) and to include extraneous matter:)

Mr. Clinger.

Mr. Crane.

Mr. Packard.

Mr. Dornan of California, in two instances.

Mr. Shaw.

Mr. Gekas in two instances.

Mr. Jeffords.

Mr. Michel.

Mr. Parris.

Mr. Dreier of California.

Mr. Porter.

Mr. Ridge.

Mr. Konnyu.

Mr. Duncan.

Mr. Horton.

Mr. Robert F. Smith.

Mr. Miller of Washington.

Mr. Rowland of Connecticut.

Mr. Gallo.

Mr. Hyde in two instances.

(The following Members (at the request of Mr. Gonzalez) and to include extraneous matter:)

Mr. Miller of California.
Mr. McHugh.
Mr. Frank.
Mr. Traficant.
Mr. Rahall in three instances.
Mr. Gibbons.
Mr. Roemer.
Mr. Garcia in two instances.
Mr. Atkins.
Mr. Tallon.
Mr. Stark in two instances.
Mrs. Byron.
Mr. Lantos in two instances.
Mrs. Schroeder.
Mr. Sharp in four instances.
Mr. Matsui.
Mr. Hoyer.
Mr. Dymally.
Mr. Cardin.
Mr. Morrison of Connecticut.
Mr. Florio.
Mr. Martinez.

ENROLLED BILL SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 2166. An Act to amend the Small Business Act and the Small Business Investment Act of 1958.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 117. Joint resolution designating July 2, 1987, as "National Literacy Day."

ADJOURNMENT

Mr. HAYES of Illinois. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 17 minutes p.m.), the House adjourned until tomorrow, Wednesday, July 1, 1987, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1685. A communication from the President of the United States, transmitting amendments to the request for appropriations for fiscal year 1988 for the legislative branch and the Department of Health and Human Services and Transportation, pursuant to 31 U.S.C. 1107 (H. Doc. No. 100-87); to the Committee on Appropriations and ordered to be printed.

1686. A letter from the Administrator of Veterans Affairs, Veterans' Administration; transmitting notification of a proposed new Federal records system, pursuant to 5 U.S.C. 552a(o); to the Committee on Government Operations.

1687. A letter from the Librarian of Congress, transmitting the report of the activities of the Library of Congress, including the Copyright Office, for the fiscal year ending September 30, 1986; accompanied by a copy of the annual report of the Library of Congress Trust Fund Board, pursuant to 2 U.S.C. 139; 17 U.S.C. 108(i); 2 U.S.C. 163; to the Committee on House Administration.

1688. A letter from the Administrator of Veterans Affairs, Veterans' Administration, transmitting the agency's report of activities for the fiscal year ended September 30, 1986, pursuant to 38 U.S.C. 214, 221(c); to the Committee on Veterans' Affairs.

1689. A letter from the Secretary of Health and Human Service, transmitting a draft of proposed legislation to reduce costs and make improvements in the Medicare Program, and for other purposes; jointly, to the Committee on Ways and Means and Energy and Commerce.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALEXANDER:

H.R. 2841. A bill to change the cutoff date determining which Farmers Home Administration borrowers may request that the interest rates they pay be the lower of the interest rate in effect on the date of loan approval or the date of loan closure; to the Committee on Agriculture.

By Mr. FLORIO:

H.R. 2842. A bill to require the Consumer Product Safety Commission to conduct a rulemaking proceeding to ensure uniform treatment among the States for fireworks; to the Committee on Energy and Commerce.

By Mr. GEKAS:

H.R. 2843. A bill to amend title 18, United States Code, to permit the disclosure to governmental authorities by electronic communication providers of the names and addresses associated with phone numbers supplied by such authorities, and for other purposes; to the Committee on the Judiciary.

By Mr. HERTEL:

H.R. 2844. A bill to authorize appropriations for the Agency for International Development to be used to provide medical supplies for distribution in Poland by private and voluntary organizations; to the Committee on Foreign Affairs.

By Mr. HUGHES (for himself, Mr. Mazzoli, Mr. Feighan, Mr. Smith of Florida, Mr. Crockett, Mr. Schumer, Mr. Biaggi, Mr. Weiss, and Mr. Mrazek):

H.R. 2845. A bill to amend title 18, United States Code, to prohibit certain firearms especially useful to terrorists; to the Committee on the Judiciary.

By Mr. HUNTER (for himself, Mr. Lagomarsino, Mr. Bates, Mr. Lowery of California, Mr. Dannemeyer, Mr. Dornan of California, Mr. Denny Smith, Mr. Moorhead, and Mr. Badham):

H.R. 2846. A bill to amend the Controlled Substances Act to regulate transactions involving ephedrine; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. JOHNSON of South Dakota (for himself and Mr. Robert F. Smith):

H.R. 2847. A bill to amend the Federal Meat Inspection Act to impose reciprocal inspection requirements for imported meat articles under certain conditions, and for other purposes; jointly, to the Committees on Agriculture and Ways and Means.

By Mr. KASTENMEIER (for himself, Mr. Synar, Mr. Boucher, Mr. Moorhead, Mr. Hughes, and Mr. Garcia):

H.R. 2848. A bill to amend title 17, United States Code, relating to copyrights, to provide for the interim statutory licensing of the secondary transmission by satellite carriers of superstations for private viewing by earth station owners; to the Committee on the Judiciary.

By Mr. LAGOMARSINO (for himself, Mr. Skelton, Mr. Murphy, and Mr. Coleman of Missouri):

H.R. 2849. A bill to provide for referenda and the development of enabling legislation regarding incorporation of the Commonwealth of Puerto Rico into the Union as a State; to the Committee on Interior and Insular Affairs.

By Mr. PARRIS:

H.R. 2850. A bill to repeal the District of Columbia Prison Overcrowding Emergency Powers Emergency Act of 1987; to the Committee on the District of Columbia.

By Mr. RAHALL:

H.R. 2851. A bill to amend the Mineral Lands Leasing Act of 1920 to reform the Onshore Oil and Gas Leasing Program; to the Committee on Interior and Insular Affairs.

By Mrs. SCHROEDER:

H.R. 2852. A bill to amend title 5, United States Code, to provide that any carrier offering obstetrical benefits under the health benefits program for Federal employees shall also provide benefits relating to certain "Family-building procedures", and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SENSENBRENNER (for himself and Mr. Gunderson):

H.R. 2853. A bill to amend the Agricultural Act of 1949 to require the Secretary of Agriculture to pay interest on overdue payments to producers under milk production termination contracts; to the Committee on Agriculture.

By Mr. STARK:

H.R. 2854. A bill to amend the Internal Revenue Code of 1986 to impose a manufacturer's excise tax on the sale of chemicals which deplete the ozone layer in the stratosphere and of products containing such chemicals; to the Committee on Ways and Means.

By Mr. STUDDS:

H.R. 2855. A bill to settle Indian land claims in the town of Gay Head, MA, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TRAFICANT:

H.R. 2856. A bill to amend the Controlled Substances Act to provide the penalty of death for certain serious drug offenses; jointly, to the Committees on Energy and Commerce and the Judiciary.

By Mr. HERTEL:

H.J. Res. 326. Joint resolution designating the week beginning September 6, 1987, as "National Pedestrian Safety Week"; to the Committee on Post Office and Civil Service.

By Mr. de la GARZA:

H. Con. Res. 150. Concurrent resolution to correct technical errors in the enrollment of the bill H.R. 558; considered and agreed to.

H. Con. Res. 151. Concurrent resolution urging the President to make the development of agricultural markets in developing countries a high priority of the foreign economic policy of the Nation; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. DONNELLY (for himself and Mr. Montgomery):

H. Con. Res. 152. Concurrent resolution expressing the sense of the Congress with respect to action that should be taken to account for Americans listed as missing in action from the Korean conflict; to the Committee on Foreign Affairs.

By Mrs. MARTIN of Illinois (for herself, Mr. Coelho, Mr. Madigan, Mr. Stenholm, Mr. Emerson, Mr. Dorgan of North Dakota, Mrs. Smith of Nebraska, Mr. Tauke, Mr. Lightfoot, Mr. Denny Smith, Mr. Stallings, Mr. Lewis of Florida, Mrs. Schroeder, Mr. Sensenbrenner, Mr. Penny, Mr. Lagomarsino, Mr. Marlenee, Mr. Herger, Mr. Craig, Mr. McDade, Mr. Hopkins, Mr. Olin, Mr. Glickman, Mr. Durbin, Mr. Brown of Colorado, Mr. Coats, Mr. Hastert, Ms. Kaptur, Mr. Roberts, Mr. Daub, Mr. Ravenel, Mr. Whittaker, Mr. Hunter, Mrs. Bentley, Mr. Bevill, Mr. Bereuter, Mr. Robert F. Smith, Mr. Hiler, Mr. Foglietta, Mr. Lipinski, Mr. Coleman of Missouri, and Mr. Weber):

H. Con. Res. 153. Concurrent resolution expressing the sense of the Congress in opposition to the third country meat directive by the European Community requiring individual inspection and certification by the European Community of United States meat plants and urging the President to take strong countermeasures should the European Community deny United States meat imports because of the unfair application of the directive; to the Committee on Ways and Means.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

148. By the SPEAKER: Memorial of the Legislature of the State of Louisiana, relative to Brown versus the Board of Education of Topeka; to the Committee on Education and Labor.

149. Also, memorial of the Legislature of the State of Maine, relative to spousal impoverishment legislation; to the Committee on Energy and Commerce.

150. Also, memorial of the Legislature of the State of Louisiana, relative to cultural rights of all Americans; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. ARMEY introduced a bill (H.R. 2857) for the relief of Christy Carl Hallien of Arlington, TX; which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 285: Mr. Wheat.

H.R. 382: Mr. Gejdenson, Mr. Jontz, and Mr. Miller of Ohio.

H.R. 470: Mr. Rinaldo, Mr. Stratton, Mr. Horton, Mr. Smith of Florida, Mr. Leath of Texas, Mr. Weiss, Mr. Chandler, Mr. Fields, Mr. Dwyer of New Jersey, Mrs. Johnson of Connecticut, Mr. Lowry of Washington, Mrs. Vucanovich, Mr. Gejdenson, Mr. Hutto, Mr. Shaw, and Mrs. Lloyd.

H.R. 579: Mr. Frank.

H.R. 672: Mr. Dellums.

H.R. 673: Mr. Dellums.

H.R. 674: Mr. Dellums.

H.R. 675: Mr. Dellums.

H.R. 676: Mr. Dellums.

H.R. 677: Mr. Dellums.

H.R. 813: Mr. Bosco.

H.R. 898: Mr. Gephardt.

H.R. 940: Mr. Richardson, Mr. Beilenson, Mr. Cardin, Mr. Roybal, Mr. Weldon, Mr. Chapman, and Mr. Neal.

H.R. 959: Mr. Packard and Mr. Kolbe.

H.R. 1084: Mr. Bustamante.

H.R. 1093: Mr. Kemp, Mr. Spratt, Mr. Sundquist, Mr. Kasich, Mr. Badham, Mr. Tauzin, Mr. Combest, Mr. Ballenger, Mr. Horton, Mr. Nielson of Utah, Mr. Fazio, Mr. Chandler, Mr. Hefley, Mr. Rogers, Mr. Glickman, Mr. Darden, Mr. Donnelly, Mr. Brown of Colorado, Mr. Lowry of Washington, Mr. Boland, Mr. Callahan, Mr. Rhodes, Mr. Mfume, Mr. Kastenmeier, Mr. Bevill, Mr. Shumway, Mrs. Bentley, Mr. Roe, Mr. Schaefer, Mr. Upton, Mr. Thomas A. Luken, and Mr. Borski.

H.R. 1115: Mr. Badham, Mr. Martinez, and Mr. Hochbrueckner.

H.R. 1244: Mr. Chandler.

H.R. 1288: Mr. Gingrich.

H.R. 1467: Mr. Weiss.

H.R. 1468: Mr. Martinez.

H.R. 1536: Mr. Crane and Mr. Packard.

H.R. 1604: Mr. McEwen, Mr. Badham, and Mr. Martinez.

H.R. 1742: Mrs. Martin of Illinois.

H.R. 1770: Mr. Scheuer and Mr. Lewis of Georgia.

H.R. 1811: Mr. Edwards of California.

H.R. 1841: Mr. Howard.

H.R. 1845: Mr. Campbell and Mr. Owens of Utah.

H.R. 1866: Mr. Clarke, Mr. Panetta, Mr. Dellums, and Mr. Vento.

H.R. 1929: Mr. Smith of Florida.

H.R. 1973: Mr. Holloway.

H.R. 1977: Mr. Ford of Tennessee.

H.R. 2021: Mr. Garcia.

H.R. 2125: Mr. Tallon.

H.R. 2232: Mr. Schaefer.

H.R. 2270: Mr. Biaggi and Mr. Crockett.

H.R. 2300: Mr. Boehlert.

H.R. 2311: Mr. Lagomarsino, Mrs. Bentley, Mr. Wortley, Mr. Daub, Mr. Nielson of Utah, Mr. Fish, Mr. Neal, Mr. Kolter, Mr. Lancaster, Mr. Weldon, and Mr. Mollohan.

H.R. 2312: Mr. Skelton.

H.R. 2363: Mr. Brown of Colorado, Mrs. Meyers of Kansas, Mr. Holloway, Mr. Saxton, Mr. DioGuardi, and Mrs. Martin of Illinois.

H.R. 2383: Mr. Dixon, Mr. Blaz, Mr. Florio, and Mr. Biaggi.

H.R. 2456: Mr. Boehlert, Mr. Foglietta, Mr. Garcia, Mr. Kastenmeier, Mr. Dornan of California, and Mr. Martinez.

H.R. 2500: Mr. Visclosky.

H.R. 2522: Mr. Evans, Mr. Matsui, and Mr. Weiss.

H.R. 2538: Mr. DeWine and Mr. Frost.

H.R. 2556: Mr. Dreier of California.

H.R. 2567: Mr. DeFazio.

H.R. 2570: Mr. Kildee, Ms. Kaptur, Mr. Garcia, and Mr. Bilbray.

H.R. 2571: Mr. Ford of Michigan, Mr. Jacobs, Mr. Mrazek, Mr. Towns, and Mr. Wise.

H.R. 2640: Mr. Frank, Mr. Biaggi, Mr. Manton, Mr. Henry, Mr. Smith of Florida, Mr. Fuster, Mr. Garcia, Mr. Dowdy of Mississippi, Mr. English, Mr. Howard, Mr. Dornan of California, Mrs. Lloyd, Mr. Hammerschmidt, Mr. Clay, Mr. Roe, Mr. Darden, Mrs. Johnson of Connecticut, Mr. Neal, Mr. Rodino, Mr. Hughes, Mr. Scheuer, Mr. Nielson of Utah, Mr. Alexander, Mrs. Roukema, Mr. Bustamante, Mr. Lancaster, and Mr. Martinez.

H.R. 2641: Mr. Cardin, Mr. Martinez, Mrs. Bentley, Mr. Dyson, and Mr. Mollohan.

H.R. 2662: Mr. Montgomery, Mr. Kyl, and Mr. Gingrich.

H.R. 2690: Mr. Miller of Washington, Mr. Torres, Mr. Wortley, Mr. Fawell, Mr. Lagomarsino, Mr. Mrazek, Mr. Denny Smith, Mr. Daub, Mr. Sundquist, Mr. Hyde, Mrs. Bentley, Mr. Lent, Mr. Volkmer, Mr. Wolf, Mr. Yatron, Mr. Scheuer, Mr. MacKay, Mrs. Lloyd, Mr. Lantos, Mrs. Morella, Mr. Bevill, Mr. Brown of Colorado, Mr. Flippo, Mr. Weber, Mr. Schuette, Mr. Darden, Mr. Stangeland, Mr. Livingston, Mr. Shumway, Mr. Roth, and Mr. McGrath.

H.R. 2698: Mr. McCollum, Mr. Murphy, Mr. Hunter, Mr. Murtha, Mr. Carr, Mr. Nichols, Mr. Porter, Mr. Robinson, Mr. Bereuter, Mr. Leath of Texas, Mr. McGrath, Mr. Darden, Mr. Dornan of California, Mr. Lantos, Mr. Bryant, Mr. Martinez, Mr. Rowland of Connecticut, Mr. Livingston, and, Mr. Levine of California.

H.R. 2750: Mr. Miller of Washington and Mr. Savage.

H.R. 2780: Mr. Bryant.

H.R. 2817: Mr. Fawell.

H.J. Res. 40: Mr. Clinger.

H.J. Res. 144: Ms. Slaughter of New York, Mr. Hatcher, Mr. Evans, Mr. Burton of Indiana, Mr. Coleman of Missouri, Mr. Jontz, Mr. Florio, Mr. McEwen, Mr. Grandy, Mr. Dowdy of Mississippi, Mr. Ackerman, Mr. Kostmayer, Mr. Tauke, Mr. McDade, Mr. Taylor, Mr. Solomon, Mr. Annunzio, Mr. Hall of Texas, Mr. Hamilton, Mr. Bustamante, Mr. Brown of Colorado, Mr. Coelho, and Mr. Sharp.

H.J. Res. 180: Mr. Feighan, Mr. Coughlin, and Mr. Garcia.

H.J. Res. 199: Mr. Borski, Mr. Frost, Mr. Hughes, Mr. McMillen of Maryland, Mr. Conyers, Mr. Rangel, Mr. Levine of California, Mr. Atkins, Mr. Martinez, and Mr. Weiss.

H.J. Res. 234: Mr. Cheney, Mr. Hatcher, Mr. Kolbe, Mr. Morrison of Washington, Mr. Darden, Mr. Feighan, Mr. Dixon, Mrs. Meyers of Kansas, Mr. Bryant, Mr. Hochbrueckner, Mr. Leach of Iowa, Mr. Lewis of California, Mrs. Bryon, Mr. Morrison of Connecticut, Mr. Atkins, Mr. Martin of New York, Mr. Callahan, Mr. Flippo, Mr. Pickle, Mr. Craig, Mr. Boulter, Mr. Oxley, Mr. Gregg, Mrs. Johnson of Connecticut, Mr. Stenholm, Mr. Akaka, Mr. Mineta, Mr. Harris, Mr. Hall of Ohio, Mr. Emerson, Mr. Wheat, Mr. Gordon, Mr. Bunning, Mrs. Saiki, Mr. Spratt, Mr. Coleman of Missouri, Mr. Dickinson, Mr. Kildee, Mr. Stallings, Mr. Buechner, Mr. Ray, Mr. Courter, Mr. McEwen, Mr. Hopkins, Mr. Roberts, Mr. Brown of California, and Mr. Price of North Carolina.

H.J. Res. 252: Mr. Solarz.

H.J. Res. 254: Mr. Clinger, Mr. Pursell, Mr. Bennett, Mr. Brown of California, Mr. Ackerman, Mr. Akaka, Mr. Archer, Mr. Atkins, Mr. Carr, Mr. Coleman of Texas, Mr. Craig, Mr. Daniel, Mr. Davis of Michigan, Mr. Dellums, Mr. Donnelly, Mr. Gordon, Mr. Harris, Mr. Howard, Mr. Hyde, Mr. Kanjorski, Ms. Kaptur, Mr. Kildee, Mr. Lewis of Georgia, Mr. Moakley, Mr. Pepper, Mr. Porter, Mr. Nagle, Mr. McCloskey, Mr. Manton, Mr. Espy, Mr. de la Garza, and Mr. Montgomery.

H.J. Res. 255: Mr. Volkmer, Mr. Neal, Mr. Chapman, and Mr. Garcia.

H.J. Res. 282: Mr. Dorgan of North Dakota, Mr. McEwen, Mr. Martinez, Mr. Rinaldo, Mr. Skelton, Mr. Burton of Indiana, Mrs. Boxer, Mr. Garcia, Mr. Evans, Mr. Lowry of Washington, Mrs. Morella, Mrs. Collins, Mr. Dornan of California, Mr. Berman, and Mr. Foglietta.

H.J. Res. 310: Mr. Wise, Mr. Hayes of Illinois, Mr. Bates, and Mr. Udall.

H.J. Res. 319: Mr. Hayes of Illinois, Mr. Hatcher, Mrs. Boxer, Mr. Stokes, Mr. Mineta, Mr. Chapman, Mr. Grant, Mr. McGrath, Mr. Daub, Mr. Shaw, Mr. Lagomarsino, Mrs. Bentley, Mr. Henry, Mr. Martinez, Mr. Lipinski, Mr. Wortley, Mr. Kolter, Mr. Guarini, Mr. Frost, and Mr. Towns.

H.J. Res. 322: Mr. Dornan of California, Mr. Garcia, Mr. Hoyer, Mr. Broomfield, and Mr. Borski.

H. Con. Res. 43: Mr. Volkmer and Mr. Miller of California.

H. Con. Res. 61: Mr. Atkins, Mr. Wolpe, Mr. Cardin, Mr. Grant, Mrs. Boxer, Mrs. Martin of Illinois, Mr. Gray of Illinois, Mr. Brennan, Mr. Florio, Mr. Lowry of Washington, Mr. Martinez, and Mr. Grandy.

H. Con. Res. 76: Mr. Watkins, Mr. Lancaster, Mr. Levine of California, Mr. Barton of Texas, and Mr. Buechner.

H. Con. Res. 83: Mr. Akaka, Mr. Kolbe, Mr. Dowdy of Mississippi, Mr. Craig, and Mr. Stokes.

H. Con. Res. 99: Mr. Stokes.

H. Con. Res. 108: Mr. Tallon, Mr. Lancaster, Mr. Stallings, and Mr. Boehlert.

H. Con. Res. 120: Mr. Kolter and Mr. Weiss.

H. Con. Res. 139: Mr. Nowak, Mr. Wortley, Mr. Campbell, Mr. Martinez, Mr. Inhofe, and Mrs. Martin of Illinois.

H. Res. 168: Mr. Gunderson, Mrs. Bentley, Mr. Clay, Mr. Bustamante, Mr. Buechner, and Mr. Combest.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

51. The SPEAKER presented a petition of the Association of County Commissioners of Alabama, Montgomery, AL, relative to acid rain regulatory programs; which was referred, jointly, to the Committees on Energy and Commerce and Science, Space, and Technology.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted, as follows:

H.R. 2763,

By Mr. DREIER of California:

Page 55, line 8, strike "$139,000,000," and insert "$140,000,000,".

Page 55, line 11, strike "$97,000,000," and insert "$39,000,000,".

EXTENSIONS OF REMARKS

OZONE PROTECTION AND CFC REDUCTION ACT

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. STARK. Mr. Speaker, a chief culprit in the loss of the protective ozone layer of the Earth is a group of chemicals known as chlorofluorocarbons or CFC's. I am introducing legislation today to put an excise tax on CFC's. The more destructive to the ozone the CFC is, the higher the tax on a specific CFC.

Ozone is the shield in the stratosphere which prevents harmful ultraviolet radiation from penetrating to the Earth. Recently, scientists discovered an actual hole in the ozone layer. The reduction of the ozone layer will increase the skin cancer rate, cause crop damage, and generally disrupt other natural biological systems. The threats to humans and plants resulting from ozone loss is becoming clearer every day.

My legislation will impose an excise tax on both domestic production and imports. The intent of the legislation is to slowly raise the price of the chemicals, with the end result being a halt in production of CFC's. By raising the cost of CFC's, alternative chemicals whose impact on the ozone is minimal, can compete with the currently inexpensive CFC's.

International negotiations are proceeding to limit worldwide production and use of CFC's. I support these negotiations. However, this should not prevent the United States from taking unilateral action. We have been a world leader in the past in limiting CFC use. We did not wait for the rest of the world to ban the use of CFC's in aerosols. As the problem becomes increasingly serious, the United States should continue its leadership role.

Until Interior Secretary Hodel looked into the situation, the administration was treating the problem in a serious fashion. Secretary Hodel, with the blindness of dark sunglasses in a cave, suggested people could wear hats and sunscreen as a solution to the problem. While everyone has denounced Secretary Hodel's remarks, the administration focus remains in international negotiations, not action at home.

CFC's currently in use can often be recycled. Because they are cheap, this rarely occurs. My legislation encourages recycling. With recycling the ozone layer is protected yet CFC's can still be used. This is especially important for those instances where there is not an adequate substitute for CFC's or the transition to an alternative chemical is lengthy.

With this legislation we can fight for the environment and put money in the U.S. Treasury at the same time. The Joint Committee on Taxation has estimated that the legislation will raise $300 million in the first year. In 1989 the bill is expected to bring $500 million into the Treasury. The next year the amount rises to $700 million.

The solution is easy: Stop venting CFC's in to the air. My legislation provides economic incentives to implement the solution. It will provide us with alternatives for the many uses of CFC's. The longer we wait, the more destruction occurs to the ozone. It is time for us to stop destroying the protective cocoon that surrounds our planet.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 27)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. SHARP. Mr. Speaker, June 27, 1787, dawned hot and humid in Philadelphia; a heat wave had continued almost without relief for the previous 2 weeks. With the windows closed to prevent eavesdropping, the delegates assembled to begin another sweltering day of deliberations.

Again, the delegates voted to consider how should seats in the legislature be allocated?

Discussion had scarcely begun when Maryland delegate Luther Martin launched into an emotional 3-hour speech defending State sovereignty, and attacking the work of the Convention to date. While the always tactful James Madison avoided any direct criticism, Connecticut's Oliver Ellsworth was not so diplomatic. He later wrote that Martin's speech "might have continued 2 months, but for those marks of fatigue and disgust you saw strongly expressed on whichever side of the house you turned your mortified eyes."

FOURTH OF JULY FIREWORKS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. FLORIO. Mr. Speaker, on the Fourth of July, our Nation will celebrate a day of freedom and day of hope. And as we celebrate the birth of our Nation, we give thought also to the way in which we celebrate.

Last year, 12,600 children and adults were injured by fireworks. The year before, 10,300 received injuries while using fireworks. This year, as we celebrate once again, many more individuals will be harmed by fireworks. Many of those injuries will be serious, requiring hospitalization, surgery, or even amputation.

The Consumer Product Safety Commission has set standards to reduce some of those injuries. The extremely powerful class B explosives were banned from consumer use, and the CPSC began regulating the amount of explosive chemicals that can go into the still available class C explosives, such as the sparklers, the snakes, and the wheels currently on the market at roadside stands across the country.

But since that standard was set in 1976, the number of injuries has been increasing steadily. When the standard was set by the CPSC, it was hoped that injuries would decrease. However, only the opposite has occurred.

Some States have gone the full route, banning the use of all fireworks except with the proper permits for an organized public display. But other, neighboring States have less stringent standards. With that disparity among the States, the situation arises where an individual from one State can cross the State boundary, pick up fireworks in the neighboring State, and return to his home with prohibited explosives.

Despite a Federal statute prohibiting the interstate transportation of fireworks from one State into another where they are banned, illegal fireworks do get through the interstate cracks.

Studies have shown that two-thirds of all injuries from fireworks are due to the misuse of the devices. Fully one-third of the total injuries are due to the use of illegal fireworks.

To help ensure that illegal fireworks do not cross State boundaries, to protect children and adults alike from these explosives and the life-threatening injuries that they cause year after year, I am introducing a bill requiring the CPSC to treat fireworks more uniformly throughout the States and to ensure that our citizens will receive the maximum protection from these devices.

With this more uniform treatment, fireworks that should not be on the market can, in fact, be kept off the market and out of the hands of children.

As a reminder of this annual tragedy and of the need to remedy the situation, I am including a story appearing in the Washington Post.

BANGS, BUCKS, BUSTS—POLICE CRACK DOWN ON ILLEGAL FIREWORKS

(By Christopher Georges)

Just moments after two men drove into Charles County from Virginia on Rte. 301, they were pulled over by Maryland state police and fire marshals. The officials, responding to a radio message from undercover Maryland police at a fireworks stand in Virginia, searched the car and confiscated several hundred dollars worth of fireworks.

The fireworks were legal in Virginia, but illegal in Maryland. The two men, tagged with a $250 fine, fell victim to "border patrols," the Maryland state police effort to crack down on the possession of illegal fireworks through a series of searches, fines, confiscations and even increased vigilance over mail deliveries into the region.

"At the time, we had 15 vehicles stopped in the same area, and were confiscating fireworks from all of them," said Bob Thomas

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

of the Maryland Fire Marshal's Office. He added that another one-day, large-scale confiscation operation—similar to the one held in Charles County last year—may take place in the upcoming week.

As the Fourth of July approaches, Maryland, Virginia and District police, fire and health officials are stepping up efforts to slow the increasing tide of illegal fireworks into the region as well as to warn the public of the potential hazards of using fireworks, legal or illegal.

Each year dozens of area residents are severely burned or blinded, suffer the loss of fingers, limbs or hearing from fireworks, according to local hospital officials.

Nationwide last year there were about 12,600 fireworks-related injuries, an increase of more than 2,000 injuries from 1985, according to the federal Consumer Products Safety Commission.

"Most of the serious injuries are to the hands and ears, but the damage can be devastating traumatically as well," said Gil Kleiner of Union Memorial Hospital in Baltimore. "Even the small ladyfingers cause people to lose fingers each year."

In Maryland last year, there were 128 confiscations of fireworks totaling more than 2 million pieces, all of which were blown up at an undisclosed site in Maryland, said Thomas.

District police officials reported 11 confiscations last year. Virginia does not compile statewide confiscation satistics.

While officials say it is impossible to estimate the amount of illegal fireworks bought and sold each year, most agree that the figures have been on the rise.

In addition, local retailers are reporting brisk sales of legal fireworks; particularly popular this year are the common sparklers, fountains, snakes and various assortment packs.

Officials have sought to emphasize the hazards of fireworks, even holding a demonstration this week at the Washington Monument where dolls and watermelons were exploded by commonly used illegal fireworks such as M-80s. But local fire and police officials said they are often hindered by regulations they label as contradictory and complex. Also, officials complain about a lack of cooperation among police officials in Virginia, Maryland and the District.

"The laws become very difficult to enforce because of the differences in the various jurisdictions," said Capt. Wayne Logan of the Fairfax County Fire and Rescue Department. For example, Logan said, Fairfax County, Arlington and Fairfax City allow some fireworks, but Alexandria allows none.

Fireworks often work their way into the region from surrounding states, according to police officials. Fireworks that originate in states with less stringent regulations, such as South Carolina and Ohio, are commonly confiscated, Thomas said.

Maryland, however, has some of the most stringent fireworks regulations in the region—the possession of any fireworks—sparklers included—is illegal in Montgomery, Prince George's and Baltimore counties, Thomas said. In all other Maryland counties, including Anne Arundel and Howard, the only legal sparklers are the "gold label" variety, which do not include chemicals added to give color.

"Normally we wouldn't fine someone $250 for having one pack of fireworks," Thomas said, but he added that anyone caught with "hundreds of dollars" worth is likely to face a fine and even possible imprisonment of up to six months.

Thomas added that in the period leading up to the Fourth of July about 35 fire marshals from across the state will be assigned to search for illegal fireworks.

Police officials say they are primarily on the lookout for the most common injury-causers: M-80s, M-100s, cherry bombs and silver salutes, all of which contain more than 50 milligrams of explosive powder and are banned by federal law.

Each category of fireworks bears a distinctive size and shape: silver salutes are generally up to two inches in length and silver in color; M-80s are usually red and one to 1½ inches in length; and cherry bombs are red, spherical and about one inch in diameter. Each of these explosives contains varying amounts of black powder which, when ignited, produces loud booms.

Other chemicals that give off bright light and produce distinctive colors are used in fireworks to produce more spectacular visual effects: roman candles shoot off a series of balls of light, and aerial shells might contain hundreds of stars. Certain colors, such as blue and bright white are especially difficult to produce and are the mark of a higher quality firework.

Fireworks sold at drugstores, convenience stores and roadside stands are generally reliable, officials said, but they warned against buying fireworks from individuals selling them from their homes or cars. Prices for legal fireworks vary from region to region, but snakes generally sell for $12 a gross, sparklers for $20 a gross, and fountains for $28 a gross.

Prices of illegal fireworks vary widely, generally increasing as the Fourth of July approaches. A mat, or group of 80 packs of firecrackers, can sell from between $4 to $10, M-80s and cherry bombs range in price from 50 cents to $1.50 each, and bottle rockets and roman candles generally range in price from $5 to $12 a gross.

Fireworks that are legal should have the name and address of the manufacturer as well as a warning label describing precautions that should be followed for proper use, a Consumer Product Safety Commission spokesman said. Buyers should also check that the fireworks are labeled "Class C," the only kind that may be legally sold to the public.

Large fireworks manufacturers, such as Grucci Brothers Co., whose products are used primarily in professionally operated displays and who are scheduled to produce the annual Independence Day fireworks display on the Mall this week, are reporting "the best sales ever in the history of the industry."

"Unlike the '60s when people were burning the flag, people are now caught up in this surge of patriotic fever," said a representative of Grucci Brothers.

FEDERAL ONSHORE OIL AND GAS LEASING REFORM ACT OF 1987

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. RAHALL. Mr. Speaker, today I am introducing legislation which seeks to reform the Federal onshore oil and gas leasing system.

This legislation is the product of four hearings conducted by the Subcommittee on Mining and Natural Resources during the 99th Congress on the Federal Onshore Oil and Gas Leasing Program and several months of negotiations with interested parties. While the bill is not perfect, I view it as a suitable starting point for subcommittee deliberations on this issue.

The primary focus of this legislation is to require that all Federal lands made available to oil and gas leasing initially be offered on a competitive basis. Currently, only those lands with known geological structures of oil and gas are offered competitively with all other lands made available through one of two noncompetitive leasing mechanisms, the lottery or over the counter. Geology and personnel levels being what they are, the Bureau of Land Management has not always adequately identified which lands should be offered competitively and some rather infamous faux pas have occurred. The lottery has also shown itself to be subject to abuse and outright fraud and has been likened by Representative GEORGE MILLER, a long-time advocate of reform, as "something between a permanent floating crap game and sort of a glorified church raffle."

While the legislation would require that all lands be subjected to a competitive test with tracts leased to the highest bidder, those parcels which do not receive a bid would then be made available for 1 year on a noncompetitive first-come-first-serve basis similar to the current over-the-counter system. This two-tier leasing system does not envision the continuation of the lottery. In addition, the legislation would require the payment of a nonrefundable bidding fee as part of the competitive leasing system and would retain the current application fee for over-the-counter leasing. It should be noted that the bill does not change the existing authority of the Interior Secretary regarding production royalty rates as well as lease terms, and rentals are only slightly modified.

Another focus of the legislation is to enhance the consideration of oil and gas leasing during the land and forest management planning process. The subcommittee has received a great deal of testimony concerning the lack of consistency in, and adequacy of, the treatment of oil and gas leasing in these plans. The land use planning provisions of the bill should cause leasing decisions to be made up front rather than after the fact in those areas where there is a substantial interest in oil and gas leasing or where there is a high potential for oil and gas recovery. This will ensure greater environmental integrity in the program as well as reduce costly and time-consuming delays industry often experiences.

As the Subcommittee on Mining and Natural Resources prepares to consider oil and gas leasing legislation, I look forward to working with my committee colleagues in fine-tuning this measure.

PERSONAL EXPLANATION

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. CLINGER. Mr. Speaker, on June 26, 1987, I was back in my congressional district. Had I been present, I would have voted in the following fashion:

Rollcall No. 220—H.R. 2713, D.C. appropriations, the House rejected the Parris amendment that sought to prohibit use of funds to enforce the imposition of a residency requirement on any member of the uniformed services of the District of Columbia Metropolitan Police and Fire Departments or other public safety employee, "aye";

Rollcall No. 221—H.R. 2713, D.C. appropriations, the House agreed to the Dornan amendment that prohibits use of funds provided in the bill to perform abortions, "aye";

Rollcall No. 222—H.R. 2713, D.C. appropriations, the House rejected the Parris amendment that sought to strike $2.6 million in appropriations for the District of Columbia School of Law, "aye"; and

Rollcall No. 223—H.R. 2713, D.C. appropriations, the House passed the measure making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1988, "no."

DOMESTIC OIL PRODUCTION: A NATIONAL DEFENSE ISSUE

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DORNAN of California. Mr. Speaker, in the final analysis, the upcoming debate in Congress over oil leasing and development in the Arctic National Wildlife Refuge [ANWR] will not be about the environment or energy policy, although both are important issues, but rather about national security. Do we want to continue to count on unreliable sources for America's energy needs? Do we want to risk a shortfall of petroleum products in a time of national emergency? I hope not.

The U.S. Fish and Wildlife Service has concluded that the ANWR is the most promising onshore oil and gas prospect in North America, with estimated reserves that could equal or surpass those of Prudhoe Bay. Development of the area could contribute tens of billions of dollars to the U.S. economy at the same time it would decrease U.S. dependence upon foreign sources for our energy needs in the 1990's. It is simply an opportunity we cannot afford to pass up.

I would now like to submit for the RECORD a recent article by Adm. William C. Mott, USN Retired, on the national defense issues of ANWR oil development. The article clearly illustrates the national security requirements that make development of ANWR necessary. I urge all my colleagues to read Admiral Mott's article and further invite them to join with me in cosponsoring H.R. 1082, a bill to authorize and direct the Secretary of the Interior to promptly institute a leasing program for the enormous oil and gas resources of Alaska's North Slope ANWR.

DOMESTIC OIL PRODUCTION: A NATIONAL DEFENSE ISSUE

A battle is shaping up in the Congress which is the essence of national security. The opposing forces in the battle will be the environmentalist interest groups, such as the Wilderness Society, versus the Reagan administration, plus all those American citizens who remember the gasoline lines and who do not wish to be dependent again on imported oil at high prices, dictated by OPEC.

National defense also has a huge stake in the battle. The engines of war run, for the most part, on oil. There are a few atomic powered ships (also opposed by some environmentalist organizations), but the vast majority of ships, planes, and tanks operate on petroleum or its refined products. That is why our nation has naval petroleum reserve lands and the country has a Strategic Petroleum Reserve stockpile pumbed into the ground in the south.

Your editor once happened into the office of the secretary of the interior (not the present one) when he was having a telephone conversation with the secretary of the navy. The subject was offshore drilling for oil, which the Interior Department wanted to lease for exploration. The navy was objecting because of possible interference with submarine operating areas. Exasperated, the secretary of the interior exploded into the telephone, "Damn it, John, if we don't find some domestic oil pretty soon you may have to put your battleships back on coal!" The environmentalists wouldn't like *that* either. As Thomas DiLorenzo and James Bennett report in a booklet put out by the Center for the Study of American Business, entitled "The Politics of Environmentalism":

"One of the biggest successes of tax-funded environmental intervention has been to secure, through the political process, an extraordinary halt to the development of coal, oil, and natural gas. Legislation has sharply curtailed domestic energy production in the United States, reducing economic growth and making the country more dependent on foreign sources of fuel."

The battlelines for the upcoming confrontation in the Congress over oil leasing and development in the Arctic National Wildlife Refuge (ANWR) were drawn in an editorial in *The New York Times* on February 11, by George T. Frampton Jr., president of The Wilderness Society. Under the headline "Possible Alaskan Oil That No One Needs," Frampton opines and begins his lobbying campaign:

"One of the great land battles of the decade is about to begin. At stake are 2,300 square miles on the Arctic Ocean in the northeastern corner of Alaska. If the Reagan administration has its way, the famed wildlife there will have to make way for oil rigs and pipelines. Drilling would be both destructive and unnecessary."

That quote, with the headline, says it all for one side of the confrontation. For the other side, Secretary of the Interior and former Secretary of Energy Don Hodel responded the same day that he is concerned about the dramatically increasing dependency on imported oil which reached 50 percent in the month of January and now stands at 39 percent. After a five-year study, mandated by Congress, the Interior Department's Fish and Wildlife Service has produced a draft report entitled "Arctic National Wildlife Refuge, Alaska, Coastal Plain Resource Assessment." It is anticipated that the secretary of the interior will shortly be forwarding that report to Congress with the recommendation that exploratory drilling begin, with oil production to follow, hopefully within ten years, via an annex pipeline to the Alaska (Prudhoe Bay) pipeline some 65 miles away.

It should be remembered that environmentalists' predictions of doom to wildlife were trumpeted by the same organizations that opposed the Alaska pipeline a decade ago. Your editor has flown along the Alaska pipeline, condemned as dangerous to the point of extinction to caribou, and witnessed those animals hunched against its warmth and scratching their antlers on it. In fact, Alaskans tell me the caribou love it and the herds have increased three to fivefold since its installation!

The same stale arguments are being advanced against oil exploration in ANWR. The facts are that the oil industry over 40 years has learned to drill for oil in Alaska and export it via pipeline in perfect harmony with the environment. They have learned to *enhance* the environment and not desecrate it, as Mr. Frampton charges. Perhaps the best commentary on this harmony is given by the Inupiat Eskimo people who have the only permanent settlement in the disputed ANWR area. Say they:

"Our people have carefully observed Prudhoe Bay's development over the past 18 years. It is our judgment that we can have balanced and carefully regulated oil development on our lands in ANWR and in the Coastal Plain which will preserve the environment and the wildlife resources of ANWR and still benefit our people and the nation."

For the above reasons, and more, the National Strategic Materials and Minerals Program Advisory Committee, composed of 25 broadly based representatives of the mining, user and oil industries, and academia, on February 6 addressed the following letter and recommendation to the secretary of the interior:

"Enclosed is a recommendation of the National Strategic Materials and Minerals Program Advisory Committee (NSMMPAC) that you recommend to Congress that the entire area of the Coastal Plain of Alaska's Arctic National Wildlife Refuge be open to oil and gas leasing as proposed in DOI's Draft Report 'Arctic National Wildlife Refuge, Alaska, Coastal Plain Resource Assessment.'

"The NSMMPAC bases this recommendation on the following considerations:

"1. We are gravely concerned about our nation's increasing dependence on foreign sources for oil and gas as well as nonfuel minerals.

"2. Unless some constructive action is taken to expand our domestic sources of supply, we fear the prospect of repeating the oil and gas 'crises' of 1973 and 1979.

"3. The preliminary report has faithfully and accurately complied with the legislative mandate of 1981.

"4. We are convinced that the oil and gas leasing of a restricted area within the Arctic National Wildlife Refuge Coastal Plain can be conducted on a basis compatible with all of the important environmental concerns in the region.

"5. This committee has a strong commitment to advancing and preserving the fundamental management concept of multiple use of the public lands wherever national interest so dictates.

"We request that this letter and the accompanying recommendation be included in the public record.

"The recommendation itself follows:

"The genuine concern of the National Strategic Materials and Minerals Program Advisory Committee about U.S dependence on foreign sources for strategic minerals and materials is exemplified by the nation's increasing dependence on oil imports. The Department of the Interior's November 1986 draft report, 'Arctic National Wildlife Refuge, Alaska, Coastal Plain Resource Assessment,' produced at the directive of and within the required procedure by Congress, indentifies the ANWR Coastal Plain within Alaska's Arctic National Wildlife Refuge as the most significant oil and gas prospect remaining in the United States.

"The Committee is satisfied that all required procedures have been met in addressing the important environmental issues and believes that the Secretary of the Interior, in accordance with Section 1002 of the Alaska National Interest Conservation Act, recommend to Congress that the Coastal Plain of the Arctic National Wildlife Refuge be made available to oil and gas leasing activities. The committee believes that this action will strengthen the national energy security that is vital to a healthy domestic minerals industry."

And so, the battle is joined in Congress. *Nothing* can happen until Congress takes action—no production of oil and gas from ANWR is allowed, and no leasing or development leading to production can take place. What is in the best interests of national security and the American people? It seems to your editor that the question should answer itself when addressed to right thinking people. The Prudhoe Bay complex now provides 20 to 25 percent of all domestic oil. As its production declines in the 1990s, we should bring the ANWR field on stream for the benefit of *all* our people, and most especially the Alaskans, the vast majority of whom are in favor of exploration and development.

OPPOSING MISSILE SALES TO SAUDI ARABIA

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DIOGUARDI. Mr. Speaker, I rise today to support the administration's decision to postpone the sale of the Maverick D missile to Saudi Arabia. However, I want to express my strong opposition to any such sale in the future, excepting sweeping changes in the state of affairs in the Middle East.

The move to delay the sale was a reaction to well founded congressional disapproval of the administration's plan which was announced on June 7. Nevertheless, it is crucial that the powerful arguments in opposition to the sale are not swept under the rug and that Congress fully recognize that the sale of the Maverick D should not be allowed at any time.

The sale of these missiles is significantly flawed. First, it neglects to consider the increased threat the sale would pose to Israel's national security. Second, the claims that the sale is intended to complement United States security efforts in the Middle East are subverted by the recent pattern of Saudi behavior.

If the U.S. Government is serious about furthering the peace process in the Middle East, it must prevent this sale from occurring at any time.

Taking a closer look at the military impact of this sale, it becomes clear that it would represent a substantial security risk to the State of Israel. Saudi defenses already present a formidable threat. Since 1980, Saudi Arabia has greatly augmented its military strength, developing one of the most sophisticated armies in the region. As a result of recent acquisitions and technological advancements, the Saudi Air Force is now a significant regional power. The Saudi air base at Tabuk, only 130 miles from Israel's border, has been dramatically advanced and improved, in addition to the upgrading of their airfields of Qurayat and Turayf. A sophisticated level of air transport capability has also been reached: The Saudi's are now using the F-5E/F squadron. This transport plane is able to refuel in the air and fly for long distances, enabling it to hit Israeli targets. On top of that, the Saudi's have acquired the F-15 fighter bomber, one of the most advanced fighter crafts currently built.

To complement this air strength, the country is now well endowed with an arsenal of ground attack weapons, and their ground attack forces are trained to operate at great distances from their home stations. This enables Saudi Arabia to launch an attack on Israel by land.

Ironically, a large proportion of the arms and sophisticated weapons that have allowed Saudi Arabia to pose this threat to Israel have been acquired from the United States. Since 1981, this has amounted to 29 billion dollars' worth of equipment. Therefore, the United States has not only created a security problem for Israel, it is now threatening to exacerbate Israel's present danger by providing the Saudi's with an additional 360 million dollars' worth of weapons.

What exactly is the Maverick AGM-D? It is an antitank, air-to-surface missile which has never been sold outside the United States. Unlike the A model missiles used by the Israelis, the D model is infrared guided, and can therefore be used in night as well as day and is functional in poor weather. It is capable of locking on to a target twice as far as the A model. Moreover, the new missiles have a "fire and forget" capacity which would allow a Saudi pilot to lock on to an Israeli target and turn operations over to a highly accurate homing device.

With the acquisition of these 1,600 mavericks, the Saudi's would have 4,200 missiles to Israel's 900.

As a United States Congressman, I question the particular use of this weapon by Saudi Arabia. Proponents of the sale suggest that the Maverick D would assist Saudi defenses against Iran. However, this cannot be the case. Iran neither has a large armored force to be defended against, nor is there a suitable route for Iranian tanks to pass to Saudi Arabia. The only country which is seriously threatened by this sale of arms is Israel, whose tank force is within Saudi jet range.

What can the administration's justification be for proposing to hand this advantage to Saudi Arabia?

They claim the purpose is to strengthen security in the Persian Gulf. However, I believe he record shows that this policy is misguided. For years we have engaged in a piecemeal pattern of sales of arms to Saudi Arabia with the expectation of cooperation with United States peacemaking efforts in the Gulf. But, in fact, Saudi behavior with regard to this understanding has been uncooperative. In 1981, the United States sold AWACS to Saudi Arabia on the condition of "substantial assistance" to United States efforts to help create peace, yet the Saudi's have refused to abide by their commitment. For example, Saudi Arabia condemned the Camp David accords and then took action against Egypt for its participation. In 1982, the Saudi Government similarly condemned King Hussein of Jordan for entering upon negotiations with Israel.

Despite this dismal record, the administration is once again attempting to use arms to coax the Saudi's into cooperation. Most recently, the Iraqi bombing of the U.S.S. *Stark* which took the lives of 37 Americans and the confusion surrounding Saudi Arabia's role in this incident have raised additional questions concerning Saudi willingness to cooperate with United States security interests. This doubt is compounded by repeated refusal of the Saudi's to grant the United States a written guarantee to access to Saudi air bases in the event of a crisis.

If this is not enough, perhaps the most compelling evidence against the sale if found in statements made by the Saudi's themselves. The intense buildup of arms begun in 1980 has been stated by one Saudi official as having been directed for the purpose of creating a force capable of opposing Israel. Saudi Government officials have often expressed direct opposition to the State of Israel. Foreign Minister Saud, for example, has stated that Saudi Arabia desires "cooperation with the African peoples to confront the * * * Zionist enemy" (SANA Jan. 15, 1986). Others have recently stated their support for a return to a "joint Arab stance." The sultan has gone so far as to declare that "the Saudi Army is a Palestinian Army." Crown Prince Abdullah has expressed profound desire to unite with other Arabs against Israel and he has stated that "once Moslems achieve unity of will and action, Israel will be annihilated and dissappear." King Faud, in a conversation with Arab ambassadors declared that "armed struggle against Israel is still an existing necessity."

These numerous statements demonstrate a nation which is clearly hostile to Israel.

To back up these statements, Saudi actions have given aid and comfort to Israel's enemies. The Saudi Government has consistently provided financial, logistical and political support to the PLO and Syria, allowing the PLO to carry out terrorist tactics against Israel and other western democracies. What makes this even harder for me to believe is that the PLO has given support to the Sandinista dictatorship through funding, delivery of arms direct military assistance. This evidence clearly does not portray Saudi Arabia as a country whose foreign policy objectives agree with those of the United States.

Just this week, in a hearing that was held by the House Subcommittee on Europe and the Middle East, doubts about the integrity of the Saudi Government were deepened. United States citizens testified about severe human rights violations which they suffered at the hands of Saudi police authorities and government officials. the testimony included descriptions of unexplained arrests, torture, and unjustified imprisonment. In light of our Government's dedication to upholding human rights, providing arms to Saudi Arabia is unacceptable while such treatment of United States citizens is occurring.

For these reasons, the United States Congress must ask itself the following questions in considering the possibility of a sale of the Maverick D in the future: Can the United States afford to continue rewarding Saudi Arabia for disrespecting our requests? How many billions of dollars' worth of arms will the United States pour into Saudi Arabia until it is convinced that it will not get any response? How are these Maverick D's to be used to enhance security in the gulf of the only significant tank threat to Saudi Arabia is Israel's? How can we rely upon a country which has refused to cooperate with the United States in the past and does not demonstrate a significant desire to do so now? Upon what interests, therefore, has this sale been proposed?

I have not been satisfied by any answers that I have to these questions. We must recognize that this proposed sale is nothing more than another increment in the continuing series of arms sales to Saudi Arabia.

With this in mind, can we, with a sound conscience, provide Saudi Arabia with an additional weapon to strengthen already formidable military arsenal? I believe the answer is no.

WHERE WILL THE POOR LIVE?

HON. ROBERT GARCIA

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. GARCIA. Mr. Speaker, today we are acting on a conference report on the homeless relief bill passed by the House earlier this year. The conference offers an excellent compromise between the House and Senate bills, and I believe it will pass easily. However, we must continue to confront the homeless problem, because it is one that is expected to grow steadily in the future.

This Congress has to face the fact that more housing is needed. Not more vouchers, not more homeless relief programs, but new housing. In the next few years the low income housing stock is going to be reduced by possibly thousands of units, yet the number of families eligible for assisted housing is rising. Vouchers may offer families a choice of where to live, albeit a more expensive choice to the Government and to the family, but when there is little or nothing to choose from, a piece of paper is no comfort.

We cannot put off for very long the obvious necessity to produce more units—not just from existing housing, but through new construction. It will cost more later, and later could be too late.

I include the following editorial from the June 28 edition of the Washington Post, and recommend it to my colleagues.

Where Will the Poor Live?

Some 12 million American households are poor enough to be eligible for federally subsidized housing. By one estimate, that figure will rise by 5 million in the next 20 years. But the same study says that the nation's low-income housing stock—now about 12.9 million units—will shrink to 9.4 million during the same period. For years the basic argument about federally subsidized housing was over the rate of increase in the number of new units. But the country now faces the problem of how to prevent a dramatic decrease.

Since 1976, thousands of low-income Americans have been housed through 15-year federal rent supplement contracts that will begin to expire in 1991. But another 700,000 low-income tenants have been living in housing that was subsidized by previous federal programs and they could be displaced as early as 1989. Those 700,000 people were beneficiaries of federal programs that gave private owners an "up front" subsidy or monthly payments to reduce their mortgage interest rates. The owners then agreed to house lower-income families in their units. Although the mortgages were generally subsidized for 40 years, several owners—with as many as 334,000 of the units—will be able to prepay their mortgages after only 20 years. When that happens the owners will no longer be obligated to rent to lower-income tenants.

Federal officials say that only 10 percent of the owners involved in the mortgage subsidy programs have sought higher-income families. Their recommendation has been to give the poor housing vouchers that are good for five years. But that will not be adequate with so many federal housing programs due to expire at the same time. Congress and the administration have been evading an important question—what to do about people at the bottom end of the income range who will not be able to afford a rental of an apartment or a house of their own. Housing was one of the major federal programs for the poor that suffered deep budget cuts. The cuts went too far. It will be costly, but the next administration is going to have to answer the question currently being ignored: Where will the poor live?

CITIES ACROSS THE COUNTRY ARE FEELING THE CRUNCH FROM LOSS OF GENERAL REVENUE SHARING: SUPPORT H.R. 1198

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. TRAFICANT. Mr. Speaker, today's Washington Post reports that 22 cities responding to a survey conducted by the National League of Cities said losing the Federal general revenue sharing money will have an effect on public safety, 18 percent on public works and parks operation, 15 percent on service to the aged, 12 percent on service to the poor, 11 percent on services for youths and 11 percent on funding for recreation and libraries.

According to that survey, 26 percent of the communities reduced municipal jobs in recent budget years and another 26 percent said they had to impose a hiring freeze. Mr. Speaker, the elimination of the general revenue sharing program last year has already had an immediate effect on cities and communities across the country. Obviously, the impact has been negative. The loss of general revenue sharing moneys, combined with lost revenues as a result of the new tax revision law have put a serious financial crunch on cities across the country.

No where has the loss of general revenue sharing funds been more devastating than in my home district. Cities like Youngstown, Niles, and Warren heavily depended on general revenue sharing moneys to provide basic community services. Those services have had to be cut back or limited because of Congress' ill-advised action last year in eliminating this important program.

I do not argue with the points brought out last year by some of my colleagues that general revenue sharing funds had been misused by some cities. The fact was, and still is, that many cities desperately need those funds and have put them to good use. The elimination of the general revenue sharing program—at a time when Federal expenditures in the domestic arena have been declining—was a cruel blow to economically depressed communities across the country. General revenue sharing moneys represented a modest, but extremely important, helping hand many communities need to stay afloat.

As today's article in the Washington Post notes, the loss of general revenue sharing funds has forced "cutbacks and postponements" of basic services and these cutbacks and postponements will "undermine communities' long-term ability to provide" basic services. Mr. Speaker, this is the dilemma we face today. Cities and communities need some type of modest assistance from the Federal Government. Certainly, there are those areas of the country that are not struggling and can get by without general revenue sharing moneys. But what needs to be done is for Congress to reinstate this program and retarget only to needy areas of the country.

I have proposed legislation, H.R. 1198, that would do just that. H.R. 1198 would restore the general revenue sharing program at its fiscal year 1986 funding level and retarget it to needy communities. I urge all of my colleagues to examine the situation our cities find themselves and that they lend their strong support to my bill, H.R. 1198.

Cities, Towns Facing Money Crunch—Tax Revision, U.S. Cuts Mean Strain on Services, Survey Shows

(By Mark Lawrence)

Many of the nation's cities and towns, feeling effects of tax revision and last fall's cutoff of general revenue-sharing, are facing a financial crunch that is hampering their ability to balance budgets and provide services, the National League of Cities said yesterday.

Almost one-third of municipalities polled in an annual survey of city financial conditions said they expected a decrease in general fund revenues this year, according to the league's report, which summarized the survey's results. Some communities said that the anticipated decrease has forced them to reduce expenditures and to dip into financial reserves as they try to balance budgets.

Necessary services are being provided, the report found, but primarily through "cutbacks and postponements" that undermine communities' long-term ability to provide them.

Calling the results of the survey "ominous signals," league Executive Director Alan Beals said the report is "a warning that a rude awakening is in store for those who think our cities and towns are all prospering just because they are managing to keep their budgets balanced."

This year's survey polled 545 cities and towns, including the nation's largest 25 cities, most other major cities and a sampling of towns and rural villages.

More than 20 percent of the communities said they would cut expenditures this year, and 62 percent reported that they would begin spending money out of their general fund balances to meet current budgets, the report said. Of those dipping into fund balances, 19 percent said they would use more than half the money in those accounts.

Beals said Congress' decision last October to eliminate the federal general revenue-sharing program was "a major factor, without doubt" in financial problems cities and towns are facing.

General revenue-sharing accounted for about 25 percent of federal aid to municipal governments, Beals said. For most smaller communities, he said, revenue-sharing was the only federal support.

The federal tax law put into effect last October has also reduced the flow of money into municipal coffers by placing new constraints on use of tax-exempt municipal bonds, according to the report.

Beals said the full impact of these two changes will not be known until next year's survey. Because city fiscal years vary and rarely coincide with the federal fiscal year and because there is a built-in delay in distributing general revenue funds, more than two-thirds of the communities surveyed received some revenue-sharing funds in the period covered by the league survey.

"Next year, it will be cold-turkey all the way around, and that's a belt-tightening diet for cities," Beals said.

The survey also found:

Twenty-six percent of the communities in their most recent budget years reduced municipal jobs, and 26 percent said they were working under a hiring freeze.

Fifty-two percent have cut capital spending this year.

Fifty-five percent said the rate of growth in operating expenditures would be lower in 1987 than in 1986.

Twenty-two percent said losing the federal general revenue-sharing money will have an effect on public safety, 18 percent on public works and parks operation, 15 percent on service to the aged, 12 percent on service to the poor, 11 percent on services for youths and 11 percent on funding for recreation and libraries.

A CONGRESSIONAL SALUTE TO JIM SANTANGELO

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. ANDERSON. Mr. Speaker, it is my honor to rise today to pay tribute to Jim Santangelo, the outgoing mayor of Downey, CA. On Tuesday, July 7, 1987, Jim will step down from his tour of office.

Jim Santangelo has worked unselfishly to help the community of Downey through his profound dedication to local government and civic activities. A resident of Downey for over 22 years, Jim taught for 13 years at Downey Adult School. He is a member of Our Lady of Perpetual Health Catholic Church, and his sense for civic affairs led him to serve as president of the Rotary Club of Downey, the Downey Board of Realtors, the South Gate JayCees, and UNICO, an Italian American organization. Jim is also a fourth degree member of the Knights of Columbus, and has served on the traffic committee in Downey, and the Downey Health and Environmental Sanitation Committee.

Currently, Jim is finishing his third year on the city council and completing a year term as mayor. During his term as mayor, Jim initiated the Keep Downey Beautiful Project. This was a campaign to clean-up, fix-up, and paint-up Downey during the spring of 1987.

Mr. Speaker, Jim Santangelo has done much over the years in helping make the Downey area such a special place to live and work. His commitment to his community will never go unnoticed. My wife, Lee, joins me in congratulating Jim on his achievements, and we wish him, his wife, Rosell, his children, James, Robert, and Lisa Hanggie, his grandchild, Brianne, and his mother, Leona, success and happiness in their future.

COMANDANTE REAGAN

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. McHUGH. Mr. Speaker, in recent weeks a number of our colleagues have suggested that those of us who oppose further aid to the Nicaraguan Contras are advancing the cause of communism in the Western Hemisphere.

This appeal to anti-Communist sentiments always has a populist ring, but it fails to address the basic issues the United States faces in Central America. We do have legitimate interests in that region, interests that are consistent with the promotion of democracy, economic reforms, and human rights. It is also true that the Sandinistas, like the Contras, have violated the basic human rights of the Nicaraguan people. The Sandinista government is not a positive political model for Central America. Yet, it is the Reagan administration's flawed policy toward Nicaragua that has allowed the Sandinistas to consolidate their power and to engage in a variety of abuses that all of us want to see ended.

If we are serious about advancing U.S. interests in Central America and promoting reforms that will serve our neighbors who live there, we need a policy that works, not an ineffective one that may be politically appealing to some at home but is substantially flawed.

This point was made forcefully in a recent essay by Stephen Rosenfeld that appeared in the Washington Post on June 26. For the benefit of our colleagues who may not have seen it, I am inserting a copy into the RECORD at this point.

[From the Washington Post, June 26, 1987]

COMANDANTE REAGAN—SAVIOR OF THE SANDINISTAS

(By Stephen S. Rosenfeld)

Ronald Reagan is putting the final touches on what may be, in his own chosen conservative terms, his greatest foreign policy disgrace. He is preparing to hand Nicaragua's Sandinistas, whom he loathes with a passion, an indescribably sweet victory that they will be tempted to hail as a historic triumph of revolution over imperialism and that will leave him as the president who "lost Nicaragua." If Daniel Ortega had any sense of irony, he would be planning to erect a statue of Ronald Reagan inscribed "To Our Favorite Yankee, Who Made the Revolution Secure."

Why the tribute? Because, inheriting a Sandinista regime that held but had not consolidated power, Reagan mustered the sort of resistance that was not enough to oust the regime but was enough to help it reach out from its narrow ideological base and to organize itself successfully around a broad, patriotic theme.

Because he will be leaving Nicaragua in a substantially improved international position—with the support of the usual friends of Third World revolution plus the sympathy of most American allies. On no single issue is the United States more isolated.

Because having failed to dislodge or tame the Sandinistas, Reagan further failed to exploit the best alternative; weaving them into an international web in which they would have to accept obligations—obligations flowing to many others besides the United States—to move toward pluralism, to temper the revolution's totalitarian streak and to loosen its Cuban-Soviet connection.

This last failing comes into stark view now as a result of the fading out of the peace plan offered by Costa Rican President Oscar Arias Sanchez. Reagan found the plan lacking, since it does not nail down a full Sandinista passage to democracy as the price Nicaragua would have to pay for being relieved of an American-sponsored war. Equating such a passage with defeat, Ortega refuses to pay.

The plan is lacking. Arias himself accepts the idea that, once the pressure of the contras had been removed by his plan, the Sandinistas might prefer to face exposure as cheaters rather than the real political opposition that compliance with the plan would bring.

But the plan was also the last best hope to avert the worse outcome of a humiliating legislated end to contra aid and a conclusion by the Sandinistas that they owe nothing to anybody and are free to impose whatever political pattern they choose.

The Arias alternative could have at least allowed and obliged Nicaragua's ambivalent fellow Latins—all with a direct national interest in its observance—to oversee Sandinista delivery on political assurances made to them in the treaty process.

The faltering of the Arias plan is not Reagan's fault alone. Nicaragua shares blame: even as it gave general approval, it refused to countenance discussion of its own internal democratization, and threw sand in everyone's eyes.

But fault-fixing is secondary. That the Managua Marxists resisted the political guts of the plan tells precisely and dramatically why Reagan was blind not to embrace it. Reagan thought the plan was flabby. Ortega found it threatening. Ortega, who was ready to take his chances on a continuing war, shrank from Arias' peace. Ever solicitous, Reagan provided the cover behind which Ortega then could hide.

Nicaragua is the premier place for working out the "Reagan Doctrine" of support for anticommunist insurgencies. We are learning what the Reagan Doctrine can mean: the triumph of the idea of insurgency over the idea of anticommunism. Insurgency as a means of carrying anticommunism in Nicaragua is turning out to be ineffective and counterproductive. A serious anticommunist administration would have turned long ago to negotiation as a more promising instrument. But the Reagan administration, profoundly frivolous, has not seen what is required to save what still can be salvaged of the president's original and valid purpose.

Does the president not have one close adviser able to go to him and say: "Sir, you cannot get from here to there by your current route. Conceivably, you still could get partway there by another route"? Fantasy? If something like this doesn't happen, then prepare in your imagination for Managua's unveiling of a statute to Comandante Reagan, "Who Made the Revolution Secure."

AN INCENTIVE FOR AUTO MANUFACTURERS: CALIFORNIA STUDENTS BREAK SUPERMILEAGE RECORD

HON. FORTNEY H. (PETE) STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. STARK. Mr. Speaker, last week a team of mechanical engineering students from California State University set a new record by a U.S. team of 1,971.77 miles per gallon in a gasoline-powered vehicle at the Fourth Annual West Coast Supermileage Competition. The competition was cosponsored by the Society of Automotive Engineers and the AAA-affiliated California State Automobile Association.

The competition consisted of 14 vehicles, designed by students at eight different colleges and universities, competing for the best fuel economy. The California State University team eclipsed the old mark of 1,628.95 set by a University of Nebraska team in 1986.

These students' hard work and ingenuity should set an embarrassing example for the two biggest auto manufacturers in the United States—Ford and General Motors—who cried that they couldn't afford to meet the 27.5 miles per gallon corporate auto fuel economy [CAFE] standard. Together they convinced the administration to rollback the CAFE standard to 26 miles per gallon. Yet Ford and General Motors have had their most profitable years ever in the past couple of years.

Obviously one would not expect these car manufacturers to build a fleet of automobiles that would collectively make a fuel economy standard of 1,971.77 miles per gallon. After all, it is a pretty funny-looking car, and wouldn't do much for a family with kids and a dog. However, in this day and age and with profits that could be spent on research and development in this area, the Big Three should be able to build a fleet that can collectively make a fuel economy standard of 27.5 miles per gallon.

These car companies have chosen to spend their profits on many nonauto areas of investment—electronics, defense, and financial services are just some of the examples. The CAFE standard is a relatively painless yet proven way to increase fuel efficiency. Between 1973 and 1983 the average fuel the average fuel performance of automobiles improved by close to 30 percent.

Over the past few years we have experienced an oil glut—gasoline has been cheap. However, the tide is turning and U.S. oil imports are again rising and the cost of gasoline is creeping up. The experts predict that another energy crisis is in the not too distant future.

Lead times in energy and auto design require long-range planning and investment. It is foolish not to heed the warning signals we have before us. Now is the time for government and the concerned public to develop without panic, policies that will meet future energy needs fairly and practically, responsive both to the public interest and to sound business judgment.

I have introduced legislation which will take away the administration's authority to tamper with the CAFE standard and return it from 26 miles per gallon to 27.5 miles per gallon. I hope that my colleagues will consider the importance of strengthening this standard and that car manufacturers will look to the example set by California State University students. Increased fuel efficiency in cars is possible and necessary.

TWO HUNDRED YEARS AGO TODAY AT THE CONSTITUTIONAL CONVENTION (JUNE 28)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. SHARP. Mr. Speaker, the delegates gathered apprehensively on June 28, 1787. The day before, they had been subjected to a 3-hour monolog by Luther Martin. Now, Martin returned to finish a speech which James Madison characterized as being "delivered with much diffuseness and considerable vehemence."

Serious deliberations resumed with the issue of equal representation for every State in the House of Representatives. James Madison tried to calm fears that the three largest States would dominate the new Government noting that Massachusetts, Pennsylvania, and Virginia were not only widely separated by geography, but also had few common interests.

As the long and disappointing day drew to a close, Benjamin Franklin urged that the delegates ask for divine guidance, and hire a chaplain to conduct daily prayer. But even this suggestion could not be agreed on—the Convention had no money to pay for a chaplain.

SUPERCONDUCTORS PAVE PROGRESSIVE PATH IN SCIENCE AND TRADE

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. FLORIO. Mr. Speaker, in the last year, the scientific community has stunned the world with the announcement of breakthroughs in superconductors. Almost daily reports stress that the field is rapidly becoming an important component in America's bid to regain competitiveness.

With the discovery and development of a certain class of materials conducting electricity at temperatures above absolute zero, new products can be made using this advanced technology.

The list of new products revolutionizing the way we think and the way we live in virtually endless. New supercomputers using these superconducting materials can be designed to operate at faster speeds. Faster transportation systems powered by superconductors can traverse the country. Improved medical science, new refrigeration techniques, better energy transmission, more efficient automobiles—all these and more are waiting to be developed in the wings of this progressive technology.

Japan already has adopted a centralized approach combining the Government, researchers at universities, and commercial industry in order to ride the next wave of products from superconducting technology.

At the same time, here in the United States, American firms continue to be at the forefront of the field, revising and refining the use of superconductors.

Superconductors offer us the opportunity to improve our competitiveness in the world market with products on the cutting edge of technology.

An example of the daily improvement in the technology and application of superconductors is evident at Bell Communication Research, commonly known as Bellcore, at its headquarters in Livingston, NJ, and at its research facilities throughout the State of New Jersey.

One of their new discoveries makes it possible to avoid one of the paradoxes of production for superconductors which had prevented their manufacture for electronics. With the new process designed at Bellcore, the technology can be better applied to the actual production techniques.

I am including an article appearing in the Newark Star-Ledger, announcing this breakthrough by Bellcore. The discovery at Bellcore is an incentive to the country to advance even further in this field and to apply its knowledge to the development of products for a better world.

[From the Newark (NJ) Star-Ledger, June 25, 1987]

BELLCORE RESEARCHERS CRACK BARRIER IN APPLICATION OF "SUPERCONDUCTIVITY"

(By Kitta MacPherson)

A team of scientists working at a Red Bank laboratory has made a breakthrough in the process of manufacturing "superconducting" microelectronic devices.

Researchers at Bell Communications Research (Bellcore) said yesterday they had filed a patent application with the U.S. Patent Office in Washington, D.C., for a process that helps the new superconducting materials retain their qualities through the manufacturing process.

The process will help make high-speed microchips made of the new materials a reality, Bellcore officials said.

"Progress has been very rapid in this new field," said Jack Wernick, division manager for materials science research with Bellcore. "And we believe this process from Bellcore is a significant step toward the use of superconducting materials on microchips."

One of the keenest scientific races of the century is on to understand the phenomenon known as "superconductivity." The race began in earnest last September when a group of IBM researchers announced it had found a new class of materials that become superconducting at minus 406 degrees Fahrenheit. It was the highest temperature ever recorded at which materials exhibited superconductivity.

Superconductivity is the ability of electricity to pass through a material without resistance. Without resistance, no heat is generated, and the electricity is conveyed quickly and efficiently. Until last year, the scientific community believed that the phenomenon occurred only in the region of the ultracold, at temperatures close to absolute zero at which all atoms cease to vibrate.

Scientists view the effect as so pervasive, they are predicting entire new industries will result from the products that evolve from the science. Ultra-high-speed computers and super-fast trains that levitate because of the strong magnetic fields produced by superconducting materials are just some of the products envisioned.

While legions of scientists are grappling with finding materials that become superconducting at ever-higher temperatures, others are working with the actual manufacturing technologies that will be needed once the basic concepts are better understood.

Scientists at Bellcore are working to find ways to actually make such products, such as electronic devices powered by superconducting materials.

The new process resolves a paradox Bellcore scientists said superconducting materials present whenever they are used to make electronic products.

"We found that the superconductors can lose oxygen—and with it their superconductivity—during certain processes normally used in manufacturing integrated circuits," said Brian Bagley, one of the scientists responsible for Bellcore's new procedure. "We could put the needed oxygen back in the materials, and bring back their superconductivity, but that required heating to temperatures that would be difficult for a microcircuit to survive."

The research team, which included Bagley, Laura Greene, Jean-Marie Tarascon and George Hull, found its answer to the dilemma in an apparatus that restores oxygen to superconducting materials at temperatures low enough to be tolerable to microelectronic devices.

Why is oxygen so important to superconductivity? Tarascon, who examined the structures of the ceramic superconducting compounds earlier this year, said that the ceramics not only cease to be superconducting when the oxygen is removed, they actually become insulators, the opposite of conductors, dramatically increasing the resistance to the electrical current.

When integrated circuits are produced, materials are normally placed in a vacuum. Although this causes oxygen to escape from the materials, the effect is reversible.

But what's good for making the materials back into superconductors is not good for making microchips.

"The restoration (of oxygen) required prolonged exposure of the material to an oxygen atmosphere at temperatures of about 500 degrees Celsius (932 degrees Fahrenheit)," said Bellcore's Wernick. "That's too hot for microchips."

The task for the Bellcore researchers, then, was to find a means of injecting the oxygen back into the materials—a process known as "oxygenation"—at relatively low temperatures. "The idea was to find a way to get the oxygen back into the material in conditions that would not destroy a microcircuit," said Bellcore's Bagley. "That's what this new process does."

The procedure developed by the team uses an apparatus in which the superconducting material is exposed near room temperature, to a cloud of oxygen gas.

Company officials declined to specifically describe the apparatus until the patent on the process it performs is obtained.

Bellcore provides research and technical support for the telecommunications companies of Ameritech, Bell Atlantic, BellSouth, NYNEX, Pacific Telesis, Southwestern Bell Corp. and US West. These regional operating companies were created in the court-ordered breakup of the Bell system. Bellcore has headquarters in Livingston and research facilities in Morris Township, Piscataway, Chester and Red Bank.

PERSONAL EXPLANATION

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. RAHALL. Mr. Speaker, I was unavoidably absent on official business on Monday, June 29, 1987, during rollcall votes No. 224 through No. 227. I was traveling back to the United States as part of a successful congressional delegation to Angola to secure the release of a captured American pilot and return him to the United States.

Had I been present, I would have voted "no" on rollcall No. 224, "no" on rollcall No. 225, "no" on rollcall No. 226, and "no" on rollcall 227.

HELPING WORKERS TO WORK SMARTER

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. CLINGER. Mr. Speaker, I would like to call to the attention of my colleagues an article from the June 8 issue of Fortune magazine entitled "Helping Workers to Work Smarter." The article outlines the benefits that America's workers and companies are presently reaping from their investments in the quality of labor skills through retraining.

As you know, Congresswomen NANCY JOHNSON and I recently introduced H.R. 2725, The National Training Incentives Act of 1987, legislation that provides incentives for industries and workers who invest in retraining. This article shows how retraining measures are producing increased earnings more than any other type of education and are greatly reducing the likelihood of unemployment. One good example is in California where State-funded programs working at an average cost of $2,600 per worker for 410 hours of training have slashed trainee's period of unemployment and boosted their wages by an average of 55 percent.

As we move forward in this Congress to reform incentive systems in our tax policy, fiscal policy, and unemployment compensation as they relate to retraining, I encourage all Members to keep in mind the current successful programs upon which future efforts should be based.

HELPING WORKERS TO WORK SMARTER

(By Michael Brady)

Before the line began to roll last winter at General Motors' new truck plant in Fort Wayne, Indiana, each assembly line worker received 400 to 500 hours of paid training. Electricians and other skilled maintenance workers got 1,000 hours apiece—the equivalent of almost six months—with full pay and benefits. All told, training for the Fort Wayne work force came to more than a million hours. The cost: an estimated $23 million in wages and benefits alone, and millions more for instructors and facilities. The factory itself cost $500 million.

Though the amount of training the Fort Wayne workers got is extraordinary by the standards of most industries, it represents a powerful new trend. As service companies have done for years, manufacturers making everything from tires to semiconductors are now spending heavily to teach workers new skills and upgrade their old ones. In a study last year for the Department of Labor, the Rand Corp. found that nearly 40% of U.S. workers have taken part in training programs while on their current jobs. Rand also concluded that the training increased earnings more than any other type of education and sharply reduced the likelihood of unemployment as well.

Many companies are coming to regard training expenses as no less a part of their capital costs than plant and equipment. Anthony Patrick Carnevale, chief economist for the Washington-based American Society for Training and Development, a professional group, estimates that corporate expenditures on formal training and education, away from the office or shop floor, now total roughly $30 billion a year, or almost a third of what the U.S. spends on all college-level education. That's a conservative estimate, Carnevale says. When you add wage and benefit costs, the total may well match the $238-billion annual bill for all public education.

Less than 1% of that goes for remedial teaching to make up for the failures of the American educational system. Most reflects the demands of the second industrial revolution spreading through the U.S. The factory Henry Ford created is scrap, even if some backward managements haven't realized it yet. At the turn of the century industrial engineer Frederick W. Taylor's hated inspectors, stopwatches in hand, tried to turn jobs and workers into irreducible, brainless minimums of time and motions. But today's workplace is filled with sophisticated machinery, and it is increasingly organized to make workers responsible for what they do. The workers at Fort Wayne, for example, learned how to handle the plant's new equipment and master new quality-control techniques. But they were also schooled in such subjects as team production systems, group problem-solving methods, and the tough competition their products would face.

Companies are starting to see clear payoffs from such efforts. Two years ago Motorola decided to raise its training outlays by $20 million. Says Motorola training head Bill Wiggenhorn, who came over in 1980 from Xerox, a pioneer in training: "Just as when you buy a piece of capital equipment, you put aside money to maintain that equipment, we required that 1.5% of payroll be put aside to maintain the competency level of the employees." With the pace of technological change accelerating in semiconductors and electronic communications, Motorola's key markets, that figure is now running about 2.6%, or close to 1% of sales. Much of the training has been tied to plant and office automation, as well as to bringing in production process control techniques aimed at reducing defects virtually to zero—the permissible rejection rate at each manufacturing step is 3.4 parts per million. In any given year almost a third of the company's 90,000 employees get a total of two million to three million hours of training; taking into account training expenses, wages, and benefits, the cost amounts to around $90 million.

The results have been dramatic. Says Wiggenhorn: "We've documented the savings from the statistical process control methods and problem-solving methods we've trained our people in. We're running a rate of return of about 30 times the dollars invested—which is why we've gotten pretty good support from senior management."

Motorola's demand for perfect components is also leading it to train workers for key suppliers, many of them small- to medium-size firms without the resources to train their own people in such advanced specialties as computer-aided design and defect control. That program, started last year, has so far spread to 32 of the several hundred key suppliers Motorola invited to participate. Among the companies taking part is one Japanese-owned firm, SEH America, a leading producer of the silicon wafers used to make computer chips like the Motorola 68000 series in Apple computers. For SEH, the U.S. subsidiary of Shin-etsu Handotai of Japan, Motorola trains workers in statistical process control and team problem-solving.

Some companies, caught up in the toils of restructuring, are spending a substantial part of their training dollars to help workers move into new jobs. IBM, whose "no layoffs" policy forced it into major retraining commitments years ago, now spends around $750 million a year on corporate schooling. That's more than the entire budget of Harvard University. Earlier this year Big Blue created a new position of corporate vice president for education. Lew Gray, the senior marketing executive who holds the post, coordinates the retraining of thousands of production workers and managers who might otherwise be laid off, so that they can take new jobs in marketing. Retraining, too, can pay off: A study by the Work in America Institute of Scarsdale, New York, a research outfit, has found that retraining existing workers for new jobs is more cost-effective than firing them and hiring new ones—not to mention the difference that retraining makes to employee morale.

Companies supplementing their in-house training staffs have become the biggest clients of two-year community technical colleges around the U.S. Ralph Dosher, manager of corporate education for Texas Instruments in Dallas, says that because of rapidly changing technologies, TI can no longer hire technicians straight out of high school. Today it prepares young workers for such jobs as computer-aided drafting by sending them to a local technical college full time for one year on full pay, then letting them work part time and go to school part time for another year until they get an Associate in Science degree. TI production line workers moving up to jobs as electronics and computer maintenance technicians are going back to night school for retraining at company expense.

Partly as a result of such programs, almost two out of five workers under 35 have some college training—twice their parents' rate—and millions are going to night school classes for more. All states have been upgrading the mathematics, computer science, business, and engineering programs of their colleges to lure high-tech companies concerned about the educational level of the local work force. A 1985 report for the Carnegie Foundation found that 80% to 90% of all corporations offer tuition reimbursement plans, most for job-related learning.

Retraining workers for new roles in a revamped workplace is easiest when there's no union determined to preserve entrenched power structures and insist upon obsolete job classifications. But the workplaces that need retraining programs most are often those where labor relations have historically been bad. One case in point: GM's Van Nuys assembly plant, which builds Pontiac Firebirds and Chevrolet Camaros in the San Fernando Valley, north of Los Angeles. For years Van Nuys was a political battleground where a militant local union leadership fought what seemed to be the inevitable closing of the last American-run assembly plant on the West Coast. Now GM and the UAW have got together to try to emulate the spectacular production success of NUMMI—New United Motor Manufacturing Inc., the Toyota-GM joint venture at Fremont, in Northern California.

As at Fremont, the union and the company have been retraining both managers and workers in Japanese-style team production methods. Their goal: raising productivity and reducing defects to Japanese standards, which NUMMI is now approaching after two years of production.

Harried foremen are no longer pushed to move as much metal as possible down the line and let inspectors at the end worry about defects. Instead they have been retrained as "group leaders" responsible for maintaining quality standards in the parts their section receives and the work it does. Selected workers who had little responsibility in the past have been trained as team leaders who will head small groups of workers responsible for producing defect-free work in a series of assembly steps. Since all this took place while cars were rolling down the line, "the logistics became a little mind-boggling, says plant manager Ernest Schaefer. GM recently finished rotating alternate groups of 350 workers and supervisors into training classes over a ten-week period, filling in for them with second-shift workers recalled from layoffs. The workers who returned from training did so-called homework—spotting production problems, discussing how to solve those problems with the techniques they had learned, and spreading the gospel to the unconverted. In the weeks before the changeover to the team system, the new leaders helped train the balance of the plant's 2,160 first-shift workers.

The rank and file appears to be converting, despite a lawsuit by leftist holdouts. Last year the local union approved the contract calling for the shift by a bare 52% to 48%, and many workers remain skeptical of GM's intentions. But the sporty Toyotas, Nissans, and Hondas clogging Southern California's freeways are tangible evidence of the pressure the plant is under to find more competitive ways to build its muscle cars. UAW western regional director Bruce Lee, who has worked closely with Toyota to make NUMMI a success, has pushed hard to make the UAW-GM partnership at Van Nuys work.

The California Employment Training Panel has helped out with $20 million in funds under an innovative program set up in 1983 that in effect diverts unemployment insurance funds to finance training that will hold down jobless rolls. The money helps companies hire and train unemployed workers, or retrain workers threatened with losing their jobs unless they learn new skills. Unlike many state and federal make-work efforts, the California program lets employers pick their own trainees and choose whether they want to train in-house or use local colleges. It pays up only for workers who complete training and succeed in holding jobs.

The program has encouraged such experiments as the $1.4-million mobile classroom operated by the Los Angeles City College system, a trailer filled with computer-controlled lathes and other modern equipment that is trucked out to aerospace plants to retrain assembly workers as skilled machinists. According to state training head Steve Duscha, such state-funded programs, working out at an average cost of $2,600 per worker for 410 hours of training, have slashed trainees' periods of unemployment and boosted their wages by an average of 55%. Duscha says the data gathered so far show that the program is saving the unemployment insurance system several times its cost.

If those numbers hold up, California's cooperative approach to training could be of interest in Washington, where lawmakers are looking for ways to ease protectionist pressures by providing money to retrain workers threatened by imports. Even executives who have trouble believing that any government program could turn a profit are finding in their own plants and offices that investments in human capital have a high payback.

AIDS AND CONTACT TRACING SURVEY

HON. ROBERT K. DORNAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DORNAN of California. Mr. Speaker, education has always been at the heart of the liberal political philosophy. Liberals believe that if we could just educate people enough, in the liberal political creed, of course, then we could finally dispel ignorance and realize the good and just society. In many cases this means disregarding, if not disavowing, those values, institutions, and traditions that formed the foundation of Western civilization. But in the end the liberal assumes that once proper education overcomes ignorance, the new liberal man will know what is wrong with society's institutions and will take steps to correct them.

As a means to reach the good and just society, empirical evidence has shown education to be a miserable failure. Yet because of its intellectual attractiveness, education is still the remedy of choice for liberals, who simply cannot abandon such a basic tenet of the liberal doctrine. Even when it comes to a national health problem such as AIDS, the liberals favor education almost exclusively over other, more active public health responses.

In a recent letter to President Reagan, liberal California State Senator Milton Marks summed up the liberal strategy nicely when he wrote:

> Our most effective weapons, and the best use of our precious dollars, are large-scale, clear education, the development of a vaccine, and successful programs for those already infected.

I would like to know how a treatment program could be "successful" without a cure.

Despite the claims of liberals to the contrary, education by itself is not a legitimate response to the AIDS epidemic. I daresay that those who advocate this course with such zeal are more at war with Western Judeo-Christian traditions, especially regarding objective right and wrong as it applies to homosexuality, than with AIDS. Even educational efforts aimed at safe sex will be of only limited use because they will not confront the primary, precisely 74 percent, source of the problem—promiscuous, reckless, unnatural sexual contact, that is, sodomy.

The type of education that might truly make a difference in battling the AIDS epidemic—education in traditional mores based on home, church, and family—is seen by liberals as a likely source of the errors, superstition, and prejudice that proper liberal education is supposed to overcome, and is therefore to be avoided. Indeed, the liberal educational effort aimed at combating AIDS seems more concerned with preserving the sexual revolution and the gains of the homosexual political movement than in stopping the spread of AIDS. Thus, the liberals will continue to berate those who propose abstinence and monogamy as being prejudiced and unrealistic, for if they were to agree with such an approach it would amount to an admission that liberal support for the sexual revolution was wrong, perhaps even immoral—although to liberals morality is relative.

A classic example of the liberal educational effort to stop AIDS is a pamphlet being circulated called "Condom Sense," published in my district by the AIDS Response Program. Nowhere does this 6-page pamphlet advise condom users to reduce their number of sexual encounters, practice monagamy, or abstain from sex completely. Instead of advising readers of these sure-fire methods to prevent the spread of AIDS, the pamphlet gives such sound advice as to "get kinky" with condoms and "inflate (them) and use (them) as a sex toy." This is education?

What the pamphlet does not tell potential condom users is that condoms fail approximately 15 percent of the time in vaginal intercourse and up to half the time during rectal intercourse. Writing in the Lancet, J. Kelly and J. St. Lawrence have stated:

> The possible consequences of condom failure when one partner is HIV infected are serious enough and the likelihood of failure sufficiently high that condom use by risk groups should not be described as "safe sex".

A pamphlet such as "Condom Sense" is therefore dangerous in that it may lead to a false sense of security by condom users.

What of intravenous drug users? There is a joke that points out the folly of the liberal safe sex educational effort in this regard. A passerby spots two drug addicts sharing a dirty needle and tells them that sharing a needle is a good way to get AIDS. One of the two drug addicts replies, "Don't worry. It's OK. We're both wearing condoms." Unfortunately, the joke points out a serious problem, and that is that there is more than one way to spread the AIDS virus. As the National Review recently quipped, "The wonder is, nobody's advertising how to have safe intravenous drug abuse." Incredibly, in keeping with the safe sex philosophy, some are seriously considering a plan to offer free needles to junkies. Again no abstinence, only protection of the flimsiest moral and practical sort.

Equally disturbing is the arrogance with which the liberals make their demands on the rest of us. Consider State Senator Marks incredible statement that "moralistic crusades * * * must be avoided." The fact is that AIDS is generally a disease that afflicts male homosexuals and the primary method of transmission is male homosexual anal intercourse. Heterosexuals are infected nearly always from homosexuals or bisexuals. The other forms of transmission, such as through drug-using prostitutes, hyodermic needles, or blood transfusions, occur, but not nearly as frequently. The homosexual lifestyle is one that the majority of America's taxpayers find both immoral and repulsive. A report on the sexual activities of male homosexuals in London revealed that 38 percent are ingesting feces, 24 percent are engaging in sadomasochism, and 53 percent are engaging in rectal intercourse with an average of about three partners a month. Educational efforts aimed at a group that has shown no discipline, social responsibility, or self-control will be futile. Yet Marks and his fellow liberals demand that taxpayers keep their mouths shut about sexual recklessness they deem immoral and a threat, but nonetheless pay for its consequences—to the tune of more than $1 billion in fiscal year 1988, thus making AIDS the first politically protected disease in history. This takes incredible gall. If the homosexual community is to be lavished with taxpayer dollars to cure, a primarily homosexual disease, then the taxpayer has every right to demand from them a change in morals and lifestyle, especially when that lifestyle threatens the general population.

Fifty years ago our public health officials knew how to deal with a deadly epidemic that was spread through sexual contact. In 1938, approximately 500,000 persons were diagnosed with syphilis resulting in 40,000 deaths. To control the spread of this deadly disease, public health officials adopted strict guidelines which included identifying sources of the infection and sexual contacts who may have been exposed to the disease. Today this is called contact tracing.

A recent survey conducted by my office reveals that only nine States currently conduct tracing for the deadly AIDS virus. My own State of California does no contact tracing for AIDS, yet does so for such treatable diseases as syphilis and gonorrhea. This does not make sense.

With more than 22,000 deaths from AIDS at present, and tens of thousands more expected, the arguments against contact tracing are specious at best, homicidal at worst. The argument that contact tracing will drive AIDS victims underground assumes that AIDS victims are more concerned with imaginary invasion of their privacy than with stopping the spread of AIDS. I do not believe that.

Accordingly, I have introduced legislation, H.R. 1551, the AIDS Exposure Protection Act, which addresses the particular question of AIDS and the practice of confidential contact tracing—a time-honored, successful public health measure aimed at curbing the spread of epidemics. My bill provides that States which do not establish contact tracing procedures are ineligible for Federal AIDS funding.

But even with no cure in sight for AIDS—remember it took 19 years to find a vaccine for hepatitis B—we still have one major means at our disposal to prevent AIDS from spreading—our own personal behavior. And what can initiate a personal behavioral change with more intensity than the knowledge of possible exposure to AIDS? Confidential contact tracing offers the opportunity for behavioral change as nothing else. This is especially important if research confirms that repeated exposure to the AIDS virus is a major factor in contracting the syndrome.

Education is not the sole answer to the problem of AIDS any more than it is the sole answer to smoking. Despite the untold dollars spent on exposing the health hazards of smoking and despite the dramatic decrease in the number of people who smoke, there are still more than 300,000 Americans who die prematurely each year from smoking-related disease. Indeed, many of the same liberals who are urging special treatment for AIDS victims want to ban smoking in public places.

Too bad they do not embrace this abstinence philosophy toward AIDS.

Something more concrete than condom how-to pamphlets is urgently required. AIDS will remain uncontrollable until we are honest enough to attack the disease, trace the carriers, and stop the practices responsible for its spread. And if the left remains insistent on viewing AIDS as just another battle in the sexual revolution, they may soon find the battlefield littered with the bodies of their comrades, who though they kept their sickness confidential, died nonetheless.

I would now like to submit for the Record the results of my survey on contact tracing.

Aids and Contact Tracing Survey

1. Is a medical diagnosis of Acquired Immune Deficiency Syndrome or Aids Related Complex required to be reported to public health authorities?

AIDS—Yes: Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois [and suspected AIDS], Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Jersey, New Hampshire, New Mexico, New York, Nevada, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee [as of June 4, 1987], Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin [and suspected AIDS], Wyoming

No: Hawaii

ARC—Yes: Arizona, Idaho, Ohio, West Virginia, New Jersey, South Carolina, Washington [after July 1, 1987]

No: Alabama, Alaska, Arkansas, California, Colorado [may change], Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, New York, North Carolina, North Dakota, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Wisconsin, Wyoming

2. If you answered yes to the above do you have reason to believe that AIDS/ARC is under reported?

AIDS—Yes: Alabama, Arkansas, Colorado, Connecticut, Delaware, Georgia, Indiana, Kentucky, Louisiana, Maine [slight], Maryland, Missouri, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, North Carolina, North Dakota, Oklahoma, Oregon [10-15% in the past, should change], Ohio, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Washington, West Virginia, Wisconsin, Wyoming

No: Arizona, Alaska, California, District of Columbia, Florida, Illinois, Idaho, Iowa, Kansas, Massachusetts, Michigan, Minnesota, Mississippi, Montana, New York, Utah, Vermont, Virginia

Not Apply: Hawaii, Tennessee [began mandatory reporting on June 4, 1987]

ARC—Yes: Arizona, Idaho, Minnesota, Ohio, South Carolina, West Virginia [more than AIDS], New Jersey

Yes [reporting not required]: Colorado, New York, North Dakota, Rhode Island, Texas

No [reporting not required]: Arkansas, Vermont, Maryland,

Not Apply: Alabama, Alaska, California, Connecticut, Delaware, District of Columbia, Georgia, Hawaii, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Mississippi, Missouri, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, Oklahoma, Oregon, Pennsylvania, Tennessee, Florida, Michigan, Montana, South Dakota, Utah, Virginia, Washington, Wisconsin, Wyoming

3. Does your State Public Health Department engage in follow-up contact tracing of sexual or drug associates of AIDS diagnosed case to inform such persons that they may be at risk for AIDS/ARC?

Yes: Colorado, Georgia, Hawaii [keeps no names on file], Idaho, Minnesota, Missouri [only female contacts of childbearing age], New Hampshire [via patient's physician], North Dakota, Ohio [AIDS, some for ARC], Arkansas [some cases—physicians reporting AIDS trace contacts], South Carolina, Vermont [if patient is alive]

Yes, but only if requested by AIDS patient: Arizona, Illinois, Kentucky, Maine, Maryland, Texas, Virginia, Washington, West Virginia [virtually no requests],

No: Alabama, Alaska, California, Connecticut, Delaware, District of Columbia, Georgia, Indiana, Iowa [may change], Kansas, Louisiana, Massachusetts, Mississippi, Nebraska, New Mexico, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Tennessee, Florida, Michigan, New Jersey, Montana, Rhode Island, South Dakota, Utah, Wisconsin, Wyoming

4. Does your State Public Health Department engage in follow-up contact tracing of blood donors who test positive for AIDS antibodies to inform such persons of their risk for AIDS/ARC?

Yes: Colorado, Illinois [assist blood banks], Hawaii, Idaho, Massachusetts, Missouri [only female contacts of childbearing age], Ohio [AIDS, limited for ARC] Florida [help blood banks], Minnesota, Nevada [if tested in state lab], New Jersey, North Dakota, Pennsylvania [if requested—none to date], South Dakota, Texas [funds grantees], Virginia [select cases], Washington [primarily self-referral], Wisconsin [help blood banks],

No: Alabama, Arizona [Blood banks], Alaska, Arkansas, [Blood Banks notify blood recipients] California [Blood banks, notify AIDS positive donors], Connecticut, Delaware, District of Columbia, Georgia, Indiana, Iowa [may change], Kansas, Kentucky [Red Cross], Louisiana [Blood banks], Maine [Red Cross], Maryland [Red Cross, others], Michigan, Mississippi, Montana [except AIDS blood recipients], Nebraska, New Hampshire [will start], New Mexico [Blood Banks], New York, Oklahoma, North Carolina, Oregon [Blood banks], Rhode Island, South Carolina, Tennessee, Utah, Vermont [Red Cross], West Virginia, Wyoming

Survey conducted from March 24, 1987 to June 11, 1987 by the Office of Congressman Robert K. Dornan.

Q. 4 [Blood banks] indicates that blood donor/recipient contact is done by Blood banks.

TRIBUTE TO ERNEST GOLDBLUM

HON. JOSEPH J. DioGUARDI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DioGUARDI. Mr. Speaker, I rise today to give recognition to the efforts of Mr. Ernest Goldblum to promote education on the Holocaust. Mr. Goldblum has been particularly successful in promoting increased attention to the Holocaust in institutions of higher learning. Programs initiated by Mr. Goldblum have been designed to ensure a continued awareness of the tragedy suffered by European Jews during World War II, for the purpose of preventing the repetition of such atrocities. He has sponsored Holocaust memorial programs at several public colleges in New York, including Dutchess Community College, Fredonia and Westchester Community College.

On April 26 of this year, Mr. Goldblum and his associate, Anita Penzer, sponsored an additional program at the State University of New York at Purchase. This was very well received by students and faculty. The program, termed "Through the Darkness," combined the contributions of well-informed speakers with the work of university students. Students were encouraged to produce original prose which was integrated with writings of individuals who had personally suffered through the Holocaust. This was complemented by an original dramatic production, a dance interpretation, as well as the presentation of student artwork. In addition, a traditional candle lighting ceremony was observed.

I have enclosed for the record two thought-provoking poems which were presented at the memorial.

The overall effect of the "Through the Darkness" program was to encourage students to become directly involved with the issues and emptions associated with the Holocaust. A significant amount of high quality creative work was produced.

Suffering and loss of lives of innocent millions should not be allowed to be forgotten. Hopefully, valuable programs such as the one held at SUNY Purchase will be explored by other colleges and universities throughout the Nation. Mr. Speaker, I wish to commend Mr. Goldblum for his successful efforts and give my full support to his future endeavors.

Silence

First they came for the Jews
and I did not speak out—
because I was not a Jew.

Then they came for the Socialists
and I did not speak out—
because I was not a Socialist.

Then they came for the trade unionists
and I did not speak out—
because I was not a trade unionist.

Then they came for me
and there was no one left
to speak out for me.

(By Martin Niemoeller, a German pastor who was interred in a concentration camp for seven years.)

HUNGER

(By Eli Pfefferkorn)

Hunger. Not a peckish hungry-sensation caused by a missed meal or two.

But a kind of hunger from which one's insides churn in an acid vortex. The kind of hunger that permeates your entire being, relentlessly gnawing away from the inside out.

Hunger that makes you one-track minded; that focuses your senses on one single objective alone: how to stuff your caving insides.

Your nostrils pick up the scent of cooking from miles away, and the smell of baking bread comes wafting across fields from afar.

What happens to a person who is condemned to go about while life is literally seeping out of him? What happens to one who is starving?

He undergoes a change, a radical change. The starving does not count the petals on the budding tulip nor the eggs hatching in a bird's nest.

Rather, he measures out his life in spoons of soup and slices of bread, the portions of his daily existence. Bread motivates him to inch along; it becomes the day's reverie and the night's dream.

THE IMPORTANCE OF NURSING

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. FRANK. Mr. Speaker, one of the most important parts of our comprehensive health system is hurting, and we in Congress should be initiating action to deal with this problem. I am referring to the shortage of nurses. Nurses have for long been one of the most important and least appreciated parts of our health care system. To be blunt, because of sex discrimination in our society, we were able for much of our history to take for granted a supply of nurses because many young women found that this was one of the few professions fully open to them. Now that we have made some progress—although much more remains to be done—in dismantling sex barriers in the occupational fields, young women have a far greater range of choices available to them in choosing careers than they used to have. This means that we can no longer expect an artificial supply of nurses as a result of a channeling of young women into that field. We will in the future have as nurses a sufficient supply of capable and motivated individuals only if we provide them with adequate pay and working conditions to reflect the responsibilities that they undertake.

We are not doing that now. Given the importance, the complexity, and the difficulty of nursing, we do not compensate nurses sufficiently. Nor have we organizad the health system to give proper respect and dignity to them in many cases.

Recently, the Boston Globe ran an excellent editorial on this subject, and 1 day later Globe columnist David Nyhan published a forceful defense of the case of better treatment of nurses.

Mr. Speaker, because better pay and working conditions, as well as more adequately funded training programs for our nurses represent both a matter of social justice and an important need for our society, I ask that those two articles be printed here.

[From the Boston Globe, June 27, 1987]

THE IMPORTANCE OF NURSING

A pervasive shortage of nurses is afflicting Massachusetts hospitals. Administrators speak anxiously about how long they can maintain the quality of care of patients. The nursing shortage has become acute, and they know it will not be easily remedied.

Earlier cycles in which nurses seemed in scant supply were less a matter of too few nurses than one of nurses on the move from job to job or coast to coast. This drop in the nursing work force, however, is real and is certain to worsen.

Massachusetts hospitals and nursing homes are struggling to recruit nurses, while juggling the staff they have. Nurses are again being asked to work overtime, nights and weekends, and to rotate shifts.

Hospitals have little choice but to ask existing staff nurses to fill in for those who are absent or to cover vacant nursing positions. The practice is self-defeating: the longer and heavier workload drives more nurses away.

Though the nursing shortage is being felt across the nation, it is particularly keen in Massachusetts, whose medical excellence attracts patients from around the world.

Demographics and economics converged to create this shortage.

Nurses are still not well paid. After three years' training in a hospital diploma school or, more likely, four years of college, starting pay for a registered nurse in Massachusetts is about $20,000. Seven years later, the average maximum pay for a staff nurse is $28,000. Bus drivers and secretaries earn more.

The cost of training has skyrocketed. Gone are the days when hospitals paid stipends to nurse trainees—a ready source of cheap labor and fill-in staff. Today, a bachelor of nursing degree from a private college can cost $60,000.

Support for nurses' training no longer exists. During World War II, the federal government created the Cadet Nurse Corps to pay young women to become nurses. Similar funding continued under the Nurse Training Act of 1964 on the grounds that nurses served the public good. But the government foresaw no shortage of nurses, and federal money for traineeships ended in 1976.

A revolution in family structure and employment means that 85 percent of women work. The majority are mothers, whether in a single-parent or two-parent household, and need day care for their children. Working couples, prizing their time together, are less willing to have the wife work odd hours.

Another revolution—in opportunities for women—has opened doors to other fields that are less taxing and better paid. More women than men are now applying to medical school.

The workload on nurses is at an all-time high. Hospitals have fewer patients because of rules that force early discharges, but many patients still require intensive nursing care.

The nursing work force is aging. With fewer young people in the population, enrollment in nursing schools is falling by 10 percent a year, and young nurses are leaving the profession. The nurses who remain are older; the average age of a nurse in Massachusetts is now 37—10 years older than a decade ago.

Quick and bold steps must be taken to rectify the precipitate drop in the nursing work force. Salaries must rise. Ann Hargreaves, head of the Massachusetts Nurses Association, says they should be in the $40,000 range. The professional opportunity that nursing represents should be extended to older women and minority women, Hargreaves adds. Many now work as nurses aides and could be offered programs that combine their experience with high school courses and nurses' training. Early retirees could replace nurses aides.

Jane Fitzsimmons of the Massachusetts Hospital Association says that revenue increases will have to encompass not only higher salaries for nurses, but also child-care benefits and increased staffing. Most of all, says Anne Kibrick, dean of the UMass School of Nursing, federal money should again help pay tuitions for nurses' training and help nursing schools expand.

As an aging population and AIDS generate vast demands for medical care, the importance of nursing must be recognized as a public-service profession. Nursing itself needs a large dose of TLC, or the public will suffer, unattended

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RAISING NURSES' PAY

(By David Nyhan)

You cannot spend a lot of time shepherding an elderly relative through the corridors of hospitals or nursing homes or both without realizing that the bottom is falling out with regard to nurses.

Nine out of ten hospitals in Massachusetts report a serious shortage of nurses. And the nursing homes, which don't pay as much as hospitals, are in worse shape.

If you are not sick, love no one who is ailing, and plan to never need hospital or nursing home care, this should not concern you. Only people who are in urgent need of a bed, a bandage or a bedpan need worry.

As more of us get old, needing more medical attention late in life, the number of nurses available to staff hospitals and nursing homes declines. You don't have to be a weatherman to figure that by the time it's your turn to be wheeled into one kind of facility or the other, the cupboard will be bare, nurse-wise. The government estimates there were 1.5 million American nurses in 1985, and predicts there will be 2 million by the year 2000. But lots of them quit, or work for schools, businesses or elsewhere.

The people who run the hospitals and nursing homes—virtually all of them men—have come up with lots of reasons for the shortage of nurses—who are mostly women. These reasons include the full-employment Bay State economy, the attractiveness of working better hours in high tech or less demanding service industries, burnout, child-rearing etc.

To the Massachusetts Nurses Association, the problem is m-o-n-e-y and the answer is m-o-r-e d-o-u-g-h.

A nurse who pays up to $60,000 for a four-year nursing degree starts at around $20,000 a year and works up to around $28,000 before she (there are a few more he's, but it's still mostly she's) bumps into the ceiling on pay scales.

I met a sharp young nurse in a major hospital intensive care unit who's quitting; she's burned out after five years of daily life-or-death struggles, working nights, holidays or weekends, according to a schedule over which she has no control, and having to break dates or cancel plans when she's called in for overtime or double shifts, which is an ever-more-common occurrence. Plainly put, the money is not worth the effort.

It seems as if there are too many doctors—educated and trained at vast cost—and too few nurses, whose education and training is much less expensive, but whose duties and roles could be sensibly expanded to take advantage of the changes in medicine and technology.

Hospital administrators and nursing home operators shrink from the simple expedient of raising salaries for nurses because they feel pressure to keep costs low.

The squeeze is relentless on nursing homes, which list about 54,000 patient beds in the state; 12,000 more beds will be needed over the next three years.

The Massachusetts Federation of Nursing Homes estimates that three-fourths of all the workers who quit taking care of the elderly cite low wages as the prime reason. As of last summer, on average, nursing aides made $5.61 an hour, housekeeping workers $5.39, kitchen staff $5.21, janitors $6.70, licensed practical nurses $8.81, and registered nurses $10.39.

When a nursing home can't hire enough regular staff nurses, it turns to temporaries, who work for one shift, or maybe three or four days in a row.

This Kelly Girl approach to medicine is not satisfactory to either the patients or the administrators for all the obvious reasons—but it is growing fast. The state estimates nursing homes have increased their use of temporary nursing aides by at least 20 percent each year since 1983, and the use of temporary LPNs and RNS by at least 12 percent since 1984.

The Massachusetts Federation of Nursing Homes calls the situation "a near crisis" for employees and patients. The Massachusetts Hospital Association calls it "a major social concern in the state of Massachusetts."

You won't call it a problem until you cry out, "Nurse! Nurse!" in a hospital or a nursing home, and no one answers.

What would you rather have? A 14th and 15th aircraft carrier for Ronald Reagan's 600-ship Navy, at $3.5 billion a copy, or thousands more nurses soothing fevered brows? Remember folks, it's only money.

THE CHALLENGE OF AMERICAN CITIZENSHIP

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. LIVINGSTON. Mr. Speaker, I would like to extend my heartiest congratulations to Chantel Cherie Guidry, from my congressional district in Slidell, LA, for submitting Louisiana's winning entry in the Veterans of Foreign Wars' Voice of Democracy broadcast scriptwriting contest.

Ms. Guidry's script—entitled, "The Challenge of American Citizenship," is an excellent essay which reminds us of our responsibilities as citizens of this great Nation. I applaud her for her work, which calls on all Americans to join together under the motto, "United We Stand; Divided We Fall," in order to make our country and our world a better and safer place in which to live. I urge my colleagues to read Ms. Guidry's essay, which is hereby submitted for the RECORD:

THE CHALLENGE OF AMERICAN CITIZENSHIP

(By Chantel Cherie Guidry)

Something alarming is happening among American citizens today. It seems that more and more of us are doing our best to ignore one of our main civic responsibilities. This responsibility is that of getting involved with our country. Too many of us living in the United States refuse to get involved with our nation any more than we have to. We citizens claim that we are too busy to vote, pay attention to the news, or even help in fighting crime. Many of us never get involved because it is easier and less time consuming to let someone else handle the problems and take the blame when things go wrong.

This is the wrong attitude to have. We must change this attitude in ourselves and in others if we want this country to continue to be the mightiest nation in the world. The only way to keep our country strong is by getting all Americans to pull together, to work together. We must unite and labor as one, so our country can continue to be the glorious nation that it is has been for the past two centuries.

The greatest challenge that Americans face today is that of becoming an active part of this country in which we live. No one person or even a small group of people should be allowed to decide what's best for our country. It takes all of us to decide what is right for our nation. All Americans must work together so our United States can function as the model for all the other countries of the world. It does not matter what our race, age, sex, religion, or economic background is; we must all work as one. It is time to forget our differences and focus on our likenesses so we can all get involved with each other and the operation of our country. Getting involved is today's number one challenge of American citizenship.

Think about voting, for example. This is probably the best known situation in which we should get involved, could easily get involved, but do not. Far too many people do not vote even though they are eligible and even registered to do so. Some consider themselves too busy to decide on the best candidate and then go to the polls on election day. Others, sad to say, do not care about their country or who wins the election. Many, though, don't vote because they don't think their vote could possibly make a difference. We must educate people so we can put an end to this misbelief. We have got to let people know that every single vote counts and can make a big difference. If anyone who feels his or her vote doesn't matter would just cast their ballot anyway, major changes could be made in this country.

Another way of getting involved with our country is by staying informed. We Americans need to make a habit of reading newspapers and news magazines regularly, as well as watching daily television newscasts and special news programs. Every one of us should make an effort to stay up-to-date on what is happening to our country. How can we decide on whom to vote for if we don't know about the candidates and their strengths and weaknesses and what each stands for? How can we know which foreign policies we are for and which we are against if we do not even know what the policies are? Staying informed about our country is a vital part of being involved.

A third area in which citizens need to get involved is the fighting of crime. Far too many of us ignore unlawful acts simply because we are afraid to get involved. As long as nothing bad happens to us, we are content to look elsewhere when something bad happens to our neighbor. Contrary to popular belief, it is our place to get involved. Criminals affect all Americans, even if you or I are never their direct victims. Criminals hurt our society as a whole. Many of the values our country is based on are undermined when we must fear every stranger we meet as a potential mugger or murderer. This is why all Americans must ban together to eliminate crime.

It is important that we Americans face up to this challenge and join together as a strong nation rather than just a large group of individuals who happen to be living in the same country. We can do much more as a group than we can as scattered individuals. If we all get involved and work as a nation, we can more effectively fight communism, world hunger, nuclear war, social injustice, and all the other terrible things that threaten our world today.

The challenge that we must meet is that of getting involved with one another. We cannot deny the fact that we are all citizens of the United States of America. The old saying, "United we stand; divided we fall" is still true today and will be true tomorrow. We must face up to this challenge of American citizenship and stand together as a united group that helps one another fight the evils that we cannot fight alone.

THE NATIONAL SEA GRANT PROGRAM

HON. ROBIN TALLON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. TALLON. Mr. Speaker, today the Oceanography Subcommittee of the Merchant Marine and Fisheries Committee held a hearing on the reauthorization of the Sea Grant Program.

The National Sea Grant Program was created in 1966 as a matching-fund grant program. Its purpose was to accelerate research, education and advisory services relating to marine resources, including conservation, management and utilization.

Patterned after the successful Land Grant College Program which was created in 1862, Sea Grant is designed to promote the understanding and wise use of ocean and coastal resources through our Nation's colleges and universities.

I am particularly proud of the South Carolina Sea Grant Consortium and would like to highlight some of its activities and accomplishments.

The South Carolina Sea Grant Consortium supports economic development for the State of South Carolina through sustained and enhanced use of the State's coastal and marine resources. Created to organize and coordinate coastal and marine related research, education and extension activities, the Consortium has supported the development and wise use of South Carolina's coastal resources through various means. These include contributing to sustained economic development, providing information to South Carolinians interested in the coast, and coordinating public and private entities.

Now a $1.5 million industry, aquaculture offers many exciting opportunities to South Carolina and has witnessed a tenfold increase since 1980, when the Consortium became a primary supporter of aquaculture research and extension for the State. In 1985-86, the Consortium's Marine Extension specialists provided information and technical assistance to over 300 farmers, vocational education students, and county extension staff.

The Consortium helped acquire funds from two foundations to underwrite the costs of exploring a potential commercial species, golden crab, for South Carolina's hard-pressed commercial fishermen.

The Consortium is working directly with the coastal construction industry, analyzing new, low cost construction techniques designed to withstand the wind pressures associated with hurricanes.

Every year millions of dollars are spent on products to prevent barnacle formation and other forms of marine fouling. While necessary, these products are also extremely toxic to the marine environment. The Consortium is supporting research on an organic product to retard scaling and fouling that will be both effective and nontoxic to other organisms.

At the request of Horry County, the Consortium conducted an environmental/economic study which was an important element of a successful $3 million grant application for new sewage treatment facilities in the Little River area.

The Consortium funded the first beach erosion inventories in South Carolina, as well as "An Historical Atlas of Tidal Inlet Changes in South Carolina." It is also funding research designed to model tidal shoals, an important potential source of material for beach renourishment.

A series of hurricane preparedness workshops for the media, emergency preparedness officials, marina owners and operators, and the general public have been sponsored by the Consortium. These workshops help ensure that important information about hurricanes is communicated from emergency preparedness officials through the media to the general public.

At the request of regulatory agencies, the Consortium has supported research on the groundwater recharge potential of fresh-water wetlands on Hilton Head, fee structures for leased shellfish bottoms, and the economic impact of recreational shrimping in South Carolina.

The Marine Extension Program works closely with the marina industry helping them to form a S.C. Marina Association and evaluate the $28-million per year economic impact of the industry.

The Consortium assembled researchers from five of its member institutions to provide the first comprehensive study of coastal wetland impoundments. Working with local government and Clemson University, the Marine Extension Service has established an extension program concerned with our State's largest industry—the $3-billion tourism industry.

At the request of the Joint Legislative Committee on Aquaculture, the Consortium has lead responsibility for the development of a statewide aquaculture plan. As well, it has helped initiate and maintain multiagency groups dealing with freshwater wetlands and statewide water quality issues.

Since 1980, the Consortium has doubled its non-State funding and tripled its activities. Last year it sponsored over 40 workshops and provided coastal and marine-related information to over 40,000 State residents. Nearly 75 percent of its funding supports focused programs and activities using the talents and resources of the State's public research institutions to serve the needs of those who live, work and recreate on the South Carolina coast.

Despite its success, the Sea Grant Program needs strengthening if it is to meet the challenges of the future. Inflation alone has cut the value of Federal Sea Grant funding by 20 percent in the past 5 years. This erosion of funding is beginning to take a serious toll in the number of projects underway.

In South Carolina, budget cutbacks have been absorbed by streamlining the administrative costs, but any future cuts can only be accommodated by limiting the coordination, research, information, extension, and education activities—the very services that are directed towards sustained economic development in South Carolina.

Commitment on the part of the Federal Government in its continued partnership with State and local governments, industry and universities is essential to the continued success of the National Sea Grant Program.

The various legislative proposals introduced to reauthorize and strengthen this program will reaffirm this commitment.

THE CHEAP WATER IS ALL GONE

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. MILLER of California. Mr. Speaker, State legislators in California are now considering several major water resource bills which would authorize construction of new water storage and conveyance facilities, repair levees in the Sacramento-San Joaquin Delta, and facilitate the movement of more water from north to south. In one way or another, all these bills would affect the State water project [SWP], physically and financially, by developing new water supplies which must be paid for in full by the water users in the SWP. Unlike the companion Federal Central Valley project [CVP], there are no statutory subsidies for SWP water users.

But a new study released this month by the State office of research reveals that water users in Southern California will, in effect, end up subsidizing irrigators in a big way if new State water development legislation is passed.

Who benefits from the water developed from new SWP facilities?

Almost all of the new water which would be available if current bills in the State legislature are enacted would be delivered for agricultural use in the Central Valley. A dramatic conclusion drawn by the study is that only 0.2 percent of the new water would reach urban areas in Southern California in an average year.

The reason for this is simple, according to the research report. Southern California already has contracts for all the water it needs from the SWP, enough to get by through the year 2033. Expensive new facilities are not needed to satisfy Southern California water demands from the SWP.

Who will pay for these new water supplies?

The State office of research estimates that the State will have to sell $2.2 billion in bonds to pay for these projects. Water users must pay the bonds off, with interest.

But which water users? Farmers, who will get most of the water, or Southern Californians, who will get almost none? Because of the way the SWP was set up nearly 30 years ago, Southern California will be financing 60 percent of the cost of the proposed new water facilities. The small amount of water that Southern California will get will cost it about $15,000 per acre-foot.

New water delivered to farmers from the SWP will cost much less than that, but it will still be expensive. San Joaquin Valley farmers will have to pay about $141 per acre-foot for their new water supplies. Compare this to what farmers using the Federal project pay—about $15 per acre-foot.

These findings suggest that Californians, especially those in Southern California, should look carefully before they leap forward in support of the water bills currently pending in the State legislature.

200 YEARS AGO AT THE CONSTITUTIONAL CONVENTION (JUNE 29)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. SHARP. Mr. Speaker, on June 29, 1787, the Convention once again returned to the issue of State representation in the Congress.

The larger States still held to their position that representation should be based on population while the smaller ones favored equal representation for all the States.

William Samuel Johnson of Connecticut urged the convention to accept the Connecticut compromise. This plan, submitted earlier in the month and rejected by the delegates, would allocate representatives by population in one House and equally in the other. As Johnson said, "in one branch the people ought to be represented; in the other, the States."

At the end of the day the Convention voted to apportion the House of Representatives by population, and then began a heated debate on the Senate.

ATV DEATH TOLL MOUNTS

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. FLORIO. Mr. Speaker, I wanted to call the House's attention to yet another tragic statistic in the mounting number of deaths and injuries associated with all-terrain vehicles. On Tuesday, June 23, the Philadelphia Inquirer reported the death of a 22-year-old riding a three-wheel all-terrain vehicle. Three-wheel all-terrain vehicles are particularly unstable, a characteristic which can result in tragic accidents.

There are an average of 20 deaths and 7,000 injuries a month on all-terrain vehicles. In early February, based on a decision it made in December, the Consumer Product Safety Commission requested the Justice Department to file a complaint in Federal district court, asking the court to declare certain ATV's imminently hazardous. The suit would seek relief including notice, warning, and training, and a refund program for purchasers of all three-wheeled ATV's and all adult ATV's purchased for children under 16.

Unfortunately, it is more than 4 months after the Justice Department was requested to pursue the case. It is more than 6 months since the Commission decided to take action. Yet, no action has been taken and the deaths continue.

Mr. Speaker, I implore the Justice Department, the time for action is now.

THREE-WHEEL VEHICLE HITS TREES AND KILLS BIKER, 22

GARDNERS, PA.—A 22-year-old Cumberland County resident was killed Sunday in an accident involving a three-wheel all-terrain vehicle on a dirt road.

State police in Carlisle said the biker was traveling on a dirt road in Dickinson Township when he failed to make a turn. The vehicle went off the road and hit several trees.

OPPOSITION TO RANDOM DRUG TESTING FOR FEDERAL EMPLOYEES

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HOYER. Mr. Speaker, as all of our colleagues know we have been involved in the past few months in a discussion as to what extent Federal employees will be subject to random drug testing. The administration, through an Executive order issued on September 16, 1986, has sought to make all Federal employees in sensitive positions subject to random drug tests.

Due to support in the administration and in Congress, it seems clear that drug testing will go forward until the questions of the constitutionality of this practice are decided by the Supreme Court. Given this situation, last week we reached a compromise with the Senate and the administration establishing a system to protect the privacy of employees and to help ensure the greatest accuracy possible of the tests.

Many Members of Congress, myself include, believe random drug testing to be unconstitutional, doubt the effectiveness of random tests in combating drug abuse, and question the accuracy of the tests.

The following article from the June 1987 issue of Psychology Today, written by Anne Marie O'Keefe, a psychologist and lawyer, addresses some of the fundamental concerns about the accuracy, effectiveness, and constitutionality of random drug tests.

THE CASE AGAINST DRUG TESTING

(By Anne Marie O'Keefe)

During 1986, the nation's concern over illegal drug use reached almost hysterical proportions. The U.S. House of Representatives passed legislation that, had the Senate agreed, would have suspended certain Constitutional protections and required the death penalty for some drug offenses. The President issued an executive order calling for the mass drug testing of federal employees in "sensitive" positions. Federal courts have deemed such testing to be illegal for some classes of federal workers; however, these decisions are still being appealed, and the administration is determined to forge ahead with its drug-testing program. And private employers have turned increasingly to chemical laboratories to determine who is fit for hiring, promotion and continuing employment. Between 1982 and 1985, the estimated proportion of Fortune-500 companies conducting routine urinalysis rose from 3 to nearly 30 percent—a figure expected to reach 50 percent by this year or next year.

While there are issues of legitimate concern about drug use and public safety, the speed and enthusiasm with which many of our elected representatives and business leaders have embraced drug testing as a panacea has left many question unanswered. Why did our national drug problem so rapidly become the focus of political and business decisions? Did this change reflect a sudden, serious worsening of the problem? Why did mass drug testing suddenly gain favor? Was it shown to be particularly effective in detecting and deterring illegal drug use? And finally, what are the costs of making employees and job applicants take urine tests?

Our country has a serious drug problem. The National Institute on Drug Abuse (NIDA) estimates that nearly two-thirds of those now entering the work force have used illegal drugs—44 percent within the past year. But ironically, the drug-testing craze has come just when most types of drug use are beginning to wane. NIDA reports that for all drugs except cocaine, current rates are below those of 1979, our peak year of drug use.

Why the furor now? The drug-testing fad might be viewed as the product of both election-year posturing and well-timed and well-financed marketing efforts by test manufacturers. During the 1970s, the relatively low-cost chemical assay (called EMIT) that promised to detect drugs in urine was first manufactured. In the beginning, these tests were used only by crime laboratories, drug-treatment programs and the military. By the early 1980's, a handful of private employers were also using them. But more recently, sales of drug tests have gotten a big boost from the attitudes and edicts of the Reagan administration. On March 3, 1986, the President's Commission on Organized Crime recommended that all employees of private companies contracting with the federal government be regularly subjected to urine testing for drugs as a condition of employment. Then came the President's executive order on September 15, requiring the head of each executive agency to "establish a program to test for the use of illegal drugs by employees in sensitive positions." It remains unclear how many millions of federal workers will be subject to such testing if the President gets his way.

Strangely, drug testing is becoming widespread despite general agreement that the results of mass tests are often highly inaccurate. Error rates reflect both inherent deficiencies in the technology and mistakes in handling and interpreting tests results. In a series of studies conducted by the Centers for Disease Control (CDC) and NIDA, urine samples spiked with drugs were sent periodically to laboratories across the country serving methadone treatment centers. Tests on these samples, which the labs knew had come from CDC, revealed drug-detection error rates averaging below 10 percent. However, when identical samples subsequently were sent to the same laboratories, but not identified as coming from CDC, error rates increased to an average of 31 percent, with a high of 100 percent. These errors were "false negatives," cases in which "dirty" urine samples were identified as "clean."

Independent studies of laboratory accuracy has also confirmed high error rates. One group of researchers reported a 66.5 percent rate of "false positives" among 160 urine samples from participants in a methadone treatment center. False-positive mistakes, identifying a "clean" urine sample as containing an illegal drug, are far more serious in the context of worker screening than are false-negative mistakes. This is because false positives can result in innocent people losing their jobs. Ironically, since the error rates inherent in the drug tests are higher than the actual rate of illegal drug use in the general working population, as reported by NIDA, the tests are more likely to label innocent people as illegal drug users that to identify real users.

Many of the false-positive results stem from a phenomenon known as '"cross-reactivity." This refers to the fact that both over-the-counter and prescription drugs, and even some foods, can produce false-positive results on the tests. For example, Contac, Sudafed, certain diet pills, decongestants and heart and asthma medications can register as amphetamines on the tests. Cough syrups containing dextromethorphan can cross-react as opiates, some antibiotics show up as cocaine. Anti-inflammatory drugs and common painkillers, including Datril, Advil and Nuprin, mimic marijuana. Even poppy seeds, which actually contain traces of morphine, and some herbal teas containing traces of cocaine can cause positive test results for these drugs.

Commercial testing companies almost always claim very high accuracy and reliability. But because these laboratories are not uniformly regulated, employers who buy their services may find it hard to confirm these claims or even to conduct informed comparative shopping. Companies that mass-market field-testing kits such as EMITs (which costs an estimated $15 to $25 per test) usually recommend that positive test results be confirmed with other laboratory procedures, which can run from $100 to $200 per test. But relatively few employers seem to be using the expensive back-up procedures before firing employees who test positive. Even when employers do verify positive results, employees who turn out to be drug-free upon retesting will already be stigmatized.

The tests have other critical failings, particularly their limited sensitivity to certain drugs, a shortcoming the drug-test manfuacturers readily admit. Consider cocaine, for example. Despite great concern in the 1980s over the use of cocaine, the only illicit drug whose use is on the rise, this is the drug to which the tests are least sensitive since its chemical traces dissipate in a few days. Alcohol, which is legal but potentially detrimental to job performance, is also hard to detect, since traces disappear from within 12 to 24 hours. By contrast, urine testing is, if anything, overly sensitive to marijuana; it can detect the drug's chemical byproducts (not its active ingredient) for weeks after its use and can even pick up the residue of passive inhalation. Drug testing does not indicate the recency of use, nor does it distinguish between chronic and one-time use. Most important, though urinalysis can reveal a lot about off-the-job activities, it tell nothing about job performance.

Mass drug testing is expensive, but its greatest costs are not financial and cannot be neatly quantified. The greatest costs involve violations of workers' rights and the poor employee morale and fractured trust that result when workers must prove their innocence against the presumption of guilt.

The most important cost of drug testing, however, may be the invasion of workers' privacy. Urinalysis may be highly inaccurate in detecting the use of illegal drugs, but it can reveal who is pregnant, who has asthma and who is being treated for heart disease, manic-depression, epilepsy, diabetes and a host of other physical and mental conditions.

In colonial times, King George III justified having his soldiers break into homes and search many innocent people indiscriminatory on the grounds that the procedure might reveal the few who were guilty of crimes against the Crown. But the founders of our nation chose to balance things quite differently. An important purpose and accomplishment of the Constitution is to protect us from government intrusion. The Fourth Amendment is clear that "the right of the people to be secure in their persons . . . against unreasonable searches and seizures, shall not be violated. . . ." Searches are permitted only "upon probable cause, supported by Oath or affirmation, and particularly describing the place to be searched, and the persons or things to be seized."

The U.S. Supreme Court has ruled that extracting bodily fluids constitutes a search within the meaning of this Amendment. Therefore, except under extraordinary circumstances, when the government seeks to test an employee's urine, it must comply with due process and must first provide plausible evidence of illegal activity. People accused of heinous crimes are assured of this minimum protection from government intrusion. Because employees in our government work force deserve no less, most courts reviewing proposals to conduct mass tests on such employees have found these programs to be illegal.

Unfortunately, workers in the private sector are not as well protected. The Constitution protects citizens only from intrusions by government (county, state and federal); it does not restrict nongovernmental employers from invading workers' privacy, although employers in the private sector are subject to some limitations. The constitutions of nine states have provisions specifically protecting citizens' rights to privacy and prohibiting unreasonable searches and seizures. Several private lawsuits against employers are now testing the applicability of these shields. Local governments, can, if they wish, pass legislation to protect private employees from unwarranted drug tests; in fact, San Francisco has done so. In addition, union contracts and grievance procedures may give some workers protection from mass drug testing, and civil-rights laws could block the disproportionate testing of minorities. Nonetheless, private employees have relatively little legal protection against mandatory drug testing and arbitrary dismissal.

Civil libertarians claim that as long as employees do their work well, inquiries into their off-duty drug use are not more legitimate than inquiries into their sex lives. Then why has drug testing become so popular? Perhaps because it is simple and "objective"—a litmus test. It is not easily challenged because, like the use of lie detectors, it relies on technology that few understand. It is quicker and cheaper than serious and sustained efforts to reduce illegal drug use, such as the mass educational efforts that have successfully reduce cigarette smoking. And finally, while drug testing may do little to address the real problem of drug use in our society, it reinforces the employer's illusion of doing something.

Apparently some employers would rather test their employees for drugs than build a relationship with them based on confidence and loyalty. Fortunately, there are employers, such as the Drexelbrook Engineering Company in Pennsylvania, who have decided against drug testing because of its human costs. As Drexelbrook's vice president put it, a relationship "doesn't just come from a paycheck. When you say to an employee, 'you're doing a great job; just the same, I want you to pee in this jar and I'm sending someone to watch you,' you've undermined that trust."

PROPOSED AMENDMENT TO H.R. 2342—FISCAL YEAR 1988 COAST GUARD AUTHORIZATION—CLARIFYING MERCHANT SEAMEN CITIZENSHIP REQUIREMENTS FOR U.S.-FLAG VESSELS

HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. BIAGGI. Mr. Speaker, under the rule governing the consideration of H.R. 2342, a bill authorizing appropriations for the Coast Guard for fiscal year 1988, I intend to offer the following amendment: That section 8103 of title 46, United States Code is amended as follows:

"(1) Strike subsection (b) and add the following:

"(b)(1) On each departure of a documented vessel, all unlicensed seamen must be citizens of the United States, except on—

"(A) a yacht;

"(B) a fishing vessel fishing exclusively for highly migratory species as defined in section 3 of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1802);

"(C) a fishing vessel fishing outside the Exclusive Economic Zone, as defined in the Presidential Proclamation of March 10, 1983; and

"(D) a fishing, fish processing, or fish tender vessel that is engaged in the fisheries in the navigable waters of the United States or the Exclusive Economic Zone in which case 75 percent of the unlicensed seamen must be citizens of the United States.

"(2) The Secretary may not waive the United States citizenship requirement for a master but may reduce the United States citizenship requirement of the remaining complement (including licensed officers)—

"(A) when an offshore supply vessel operates from a foreign port;

"(B) when a mobile offshore drilling unit operates in foreign or international waters and is supported from a foreign port; and

"(C) for any other vessel when the Secretary determines, after an investigation, that qualified United States-citizen licensed and unlicensed seamen are not available.".

"(2) In subsections (c) and (d)(1), strike "from the United States".

(3) In subsection (e), strike "until the vessel's first return to a United States port at which" and substitute "until the vessel's return to a port at which in the most expeditious manner".

INTRODUCTION OF THE FEDERAL EMPLOYEES FAMILY BUILDING ACT

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mrs. SCHROEDER. Mr. Speaker, over the last 10 years, there has been attention focused on the needs of established families. But, until now, we have ignored the struggles of those trying to build families. Infertility is a devastating problem, and it is hitting Americans in increasing numbers. Nearly 5 million couples—1 out of every 5 to 6—has trouble conceiving. Many can be successfully treated. Others may choose to adopt. But, too often, the barrier to establishing a family is a financial one.

Today, I am introducing the Federal Employees Family Building Act to tackle this problem. This bill will require that insurance programs for Federal workers cover family building expenses including infertility treatments and adoption.

This is very much an issue of choice. Most American couples want families, but sometimes extra help is needed. In the last few years, phenomenal progress has been made in the ability to diagnose and treat infertility. Microsurgical techniques and drug therapy have given hope to thousands of couples. Similarly, large numbers of couples are turning to adoption as a wonderful way to build a family. Unfortunately, although couples of lesser means have a higher incidence of infertility, it is the well-to-do who more often pursue treatment and adoption. Insurance coverage will open up these options to all Federal employees.

The costs of infertility treatments average around $3,000; the fees for adoption, around $6,000. Although these costs—just as most health care costs—can be prohibitive when shouldered by individuals, they would add little to the Nation's health care bill when covered by insurance and spread over the Federal employee population.

There will be those who moan that fertility treatments and adoption have nothing to do with health. I say bunk. We've all been bamboozled to think that there must be some logic to insurance, but that's nonsense. Try to explain why health insurance now covers the costs to become sterile—vasectomies and tubal ligations—but not the costs to overcome sterility. For years, insurance carriers refused to cover the costs of pregnancy because it was neither an illness nor an injury. It has only been relatively recently, and with the passage of Federal law, that pregnancy coverage has become standard in most policies.

Acknowledging the problems of family building is fundamental to our national concern for the family. I hope that by requiring insurance plans in the Federal Employees Health Benefits Program to cover family building activities, we will spur them to provide coverage for the general population as well.

TRIBUTE TO JAMES K. ASSELSTINE

HON. CHESTER G. ATKINS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. ATKINS. Mr. Speaker, I rise to pay tribute to James K. Asselstine who today finishes his 5-year term as a Commissioner of the Nuclear Regulatory Commission. As an NRC Commissioner, he has performed his duties with distinction and will be missed by many of us here in the House.

Mr. Asselstine, an NRC Commissioner since April 1982, has been grappling with the problems of regulation of the Nuclear Power Industry since becoming a lawyer in 1973. Through position as counsel to three different Congressional committees, terms in two of the legal departments within the NRC, James Asselstine brought to the job an unparalleled understanding of the issues that would face the Commission during his term.

Commissioner Asselstine has more than lived up to the expectations generated at his confirmation hearings in the Senate. His skeptical eye, his independent spirit and his fair and balanced approach to the job have served him well during 5 of the most turbulent years of the nuclear power industry. Though he became known for being the lone dissenter in numerous decisions voted out by the NRC, he was also the first to applaud utilities when they successfully carried out the corrective measures required by the Commission. He was the first Commissioner to pinpoint the problems with U.S. reactors as management and not construction or design related.

Recently, he was the first to acknowledge that there might not be an evacuation plan for a completed nuclear powerplant that adequately safeguarded the health and well-being of the people in the emergency evacuation zone. Finally, he has been the sharpest critic of the proposed rule change that would eliminate both the State and the Federal Emergency Management Agency from the licensing process.

It is sad that, at this critical juncture, we have to lose the services of someone who is so eminently qualified and whose integrity is beyond reproach. I commend Commissioner Asselstine for his fine work and wish him the best of luck in his future endeavors.

200 YEARS AGO AT THE CONSTITUTIONAL CONVENTION (JUNE 30)

HON. PHILIP R. SHARP

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. SHARP. Mr. Speaker, in the past month there had been plenty of disputes at the Convention, but on June 30, 1787, the debate reached its hottest point yet.

Not surprisingly, the topic that provoked such disagreement was State representation in the Senate. The larger States urged the Convention to allocate membership by population and tried to assure the smaller States they would not lose power in that new system.

Gunning Bedford of Delaware gave a ringing reply. He said that if the larger States did not compromise, the smaller States would look to a foreign nation to ally with.

These statements sent a chill throughout the deadlocked proceedings. As a way to calm tempers, the Convention adjourned for the weekend.

PEASANTS TELL OF RIGHTS ABUSES BY SANDINISTAS

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. MICHEL. Mr. Speaker, James LeMoyne of the New York Times recently wrote a story about Sandinista human rights abuses. The story, which appeared on the front page of the New York Times, told of shooting and other abuses of Nicaraguans by the Communist Sandinista army. The peasants have come to speak of the Sandinistas as "piri," a slang expression for "rabid dog." Anyone who believes that human rights abuses are limited to one side in this ferocious conflict in Nicaragua should read Mr. LeMoyne's piece.

At this point I wish to insert in the RECORD, "Peasants Tell of Rights Abuses by Sandinistas" by James LeMoyne, the New York Times, Sunday, June 28, 1987.

PEASANTS TELL OF RIGHTS ABUSES BY SANDINISTAS

(By James LeMoyne)

BOCA ARENAL, Costa Rica, June 24.—The Nicaraguan Army has committed serious human-rights abuses in the southern border region of Nicaragua over the last two years, according to interviews with several refugees who fled to Costa Rica last month, accounts from other peasants still in southern Nicaragua and investigations by two American human-rights groups.

The peasants in Nicaragua, who were forced to move to two Government camps there, and several other refugees who fled here early last month described abuses by the Nicaraguan Army during operations against American-backed guerrillas.

Sandinista officials acknowledge that the rebels, also known as contras, enjoy widespread popular support in southern Nicaragua. But a spokesman for the Sandinista army denied last week that it had abused human rights.

INACCESSIBLE ZONE

The accounts shed light on Government actions in a remote jungle zone with almost no roads that has become one of the most bitterly contested areas of Nicaragua. It is an inaccessible area that journalists have been unable to enter, extending from the town of Nueva Guinea south to the San Juan River, which forms the border with Costa Rica, and east to the Caribbean coast.

The charges of serious human-rights abuses by the Nicaraguan Government are supported by two separate investigations carried out this year by two American human-rights groups, the Puebla Institute and Americas Watch. The Puebla Institute collected several accounts of abuses, including bombings of peasant hamlets and shootings, from Nicaraguan refugees in Costa Rica in January.

Americas Watch gathered reports of abuses in both southern Nicaragua and in refugee camps in Costa Rica. In a letter to the Nicaraguan Government in May, the group detailed more than 10 reported incidents involving the disappearance, shooting and wounding of unarmed civilians by Sandinista security forces.

Contras also appear to have been guilty of abuses in southern Nicaragua. They have killed several unarmed civilians during attacks on agricultural cooperatives guarded by Sandinista militiamen who fought the rebels.

In the border region, however, most reports implicate the Nicaraguan Army. Refugees in Government camps in Costa Rica and peasants interviewed two weeks ago in southern Nicaragua were unanimous in accusing the Sandinistas and not the rebels of human rights violations. Many, but not all, of the refugees and peasants said they supported the contras.

The Nicaragua Army forcibly relocated almost 6,000 peasants from the area south of Nueva Guinea in April and May because they backed the contras, according to Sandinista officials. The officials said they now considered the area a free fire zone, a view that would appear likely to prejudice the lives of civilians remaining there.

During recent interviews by two reporters in the Boca Arenal and Alvaperal refugee camps maintained near here by the Costa Rica Government, 30 refugees accused the Nicaraguan Army of shootings and other abuses against civilians. The refugees fled southern Nicaragua in early May as part of a group of 106 peasants who swam across the San Juan River to Costa Rica.

"We left because President Ortega is doing us great harm," said Jose Borge, a 45-year-old refugee who says he fled from the village of El Pavon in southern Nicaragua three months ago. "The Government has thrown the army at us." He was referring to the Nicaraguan President, Daniel Ortega Saavedra.

One of the worst incidents occurred in April, Mr. Borge said, when Sandinista soldiers opened fire on a group of refugees attempting to cross the San Juan River on the border. Mr. Borge, who was traveling with them, said the army killed seven peasants and wounded five, all unarmed civilians.

He named the dead as Chico Sanchez, 35 years old; Mr. Sanchez's 10-year-old daughter, Alejandra, and his son, Miguel Sanchez. Also killed, Mr. Borge said, were Chavela Giron; Felipe Luna; his son, Beto Luna, and his 4-year-old grandchild, Santos Luna.

The fleeing peasants, Mr. Borge said, carried their five wounded back to the Rio Indio inside Nicaragua, where they left them before retracing their steps to escape into Costa Rica by swimming across the San Juan River border. The second time, he said, they were accompanied by armed rebels who gave them protection.

According to the refugees, the villages of El Pavon, Agua Fria and 19th of July, to the south and east of Nueva Guinea, have all been especially hard hit by the Sandinista army over the last year. They said the areas around Punta Gorda and Rio Indio are also zones where civilians cannot survive frequent bombing, strafing from helicopters and fighting.

"If a helicopter passes and sees you, they shoot at you," said Sebastiana Madrigal, 37 years old, a refugee.

Several refugees said that they had tried to live by hiding in the mountains, but that they were constantly chased by Sandinista units and that there was no way to supply their most basic necessities.

"We live in the woods to avoid capture by the troops, but we were dying of hunger, without salt, clothes or work," said Marina Riva Lopez, 49 years old, who fled with five children from south of El Rama in Zelaya Department.

In separate accounts, Mr. Borge and Eduardo Martinez, a refugee from near El Pavon, contended that more than 10 peasants were killed last December during heavy fighting between the Sandinistas and contra units near the village of El Delirio.

The refugees said they consider being captured by the army and forced into Government camps equivalent to being jailed. Many of the refugees called the Sandinistas by the derogatory slang term, "piricuaco," or "piri" for short, which means rabid dog and is a term frequently used by supporters of the contra rebels.

Arnoldo Blandon Araujo, 55 years old, said he and his family were among the last inhabitants to flee the 19th of July village last February. He said the village, which supported the rebels, is now abandoned.

A Sandinista official in southern Nicaragua said the contras themselves had told the peasants to leave rather than be forcibly removed by the army. Mr. Blandon gave his own version of why he fled.

"The reason is very simple, my friend," he said. "The contras ran away and the piris came and laid waste."

DEEP CONCERNS OVER CONGRESSIONAL TRADE BILL

HON. BOB LIVINGSTON

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. LIVINGSTON. Mr. Speaker, the following letter to the editor by William G. Zetzmann, Jr., the current president of the World Trade Center in New Orleans, makes very interesting reading for those interested in the economics of international trade rather than the rhetoric of protectionism. Although many Members of Congress have managed to hide their protectionist tendencies under the cloak of the new buzz word "competitiveness," the fact is that there is no way that we will be able to create new jobs for our citizens by surrounding the country with trade barriers or by punishing countries that have trade surpluses with us. Jobs are created by increasing our exports to other countries and allowing our industries to adjust to international competition. Mr. Zetzmann brings this out very well in his letter and I urge my colleagues to consider his arguments as Congress continues to debate the merits of trade legislation.

DEEP CONCERNS OVER CONGRESSIONAL TRADE BILL

NEW ORLEANS.—No state has a greater stake in international trade than Louisiana. Fully integrated into the global economy and highly dependent on international commerce, shipping and world petroleum and commodity prices, Louisiana at last count ranked 13th in exports of manufactured products, totaling $6 billion.

More than 18,000 Louisiana workers, were employed in manufacturing those products. In addition, Louisiana's agricultural exports totaled $600 million, ranking it 21st among the states.

Beyond Louisiana's own exported products, the shipping corridor between New Orleans and Baton Rouge carries $20 billion a year in international cargoes.

Foreign investment in Louisiana also plays a major role in the state's economy. Louisiana ranks fifth in the United States, with $13 billion invested by more than 200 foreign countries.

With these factors in mind, the 3,300 members of the World Trade Center are deeply concerned over certain provisions contained in the omnibus trade bill adopted by the U.S. House of Representatives and the legislation now being considered in the Senate.

While a comprehensive new trade bill is both necessary and timely and many of the recommendated provisions will serve to strengthen our nation's ability to compete more effectively in world markets, we believe that a number of key measures, if enacted, would inhibit growth of U.S. exports and discourage foreign investment in the United States, adversely affecting Louisiana's prospects in both areas.

Going back to an earlier world of economic parochialism and isolation would be disastrous for Louisiana, for the United States and for the global trading community. Unless the protectionist momentum is checked in Congress, the world may face another decade, as it did in the 1930s, of trade wars and beggar-thy-neighbor policies.

There are compelling arguments for comprehensive trade legislation. There are, however, very few good arguments for the punitive approach behind the Gephardt amendment and other measures in the House bill. The natural response to protectionism is protectionism. Our experience 50 years ago must not be forgotten. The economic downturn leading into the Depression era might have been far less severe had the United States and other nations acted responsibly.

Taking a similar isolationist stance today would be another well-intentioned but tragic mistake. If the world's greatest trading nation goes protectionist, other nations will retaliate against us—or emulate us—by imposing restrictions of their own. That would undermine the General Agreement on Tariffs and Trade and severely damage the world trading system as we know it.

All nations' economies are far more dependent upon one another today than they were during the 1930s. No country can solve its economic problems independently.

Protectionism will not make the problems of adjusting to fundamental shifts in an economy any easier. It will not make noncompetitive industries competitive. It will not reduce costs. It will not create jobs.

It will, however, raise costs, lose jobs and allow uncompetitive industrial sectors to continue to stagnate. It will divert resources from efficient industries to inefficient ones.

As a result, protectionist policies will lower our standard of living. When we restrict imports, we act not so much against foreign producers as against our own consumers. And import restrictions will not open foreign markets.

We believe the way to erase America's $170 billion trade deficit, increasing our international competitiveness and achieving a higher standard of living at home, is through greater efficiency and productivity, not the strangulation of trade. We must let the free market work and decrease the government's role in planning economic growth.

A more open trading system based on comparative advantage is an integral part of the freemarket philosophy that has made our nation so successful. We must continue to support the principles of free trade and strictly enforce all trade agreements and domestic laws. We should continue to work to expand GATT's coverage to more international trade issues.

The World Trade Center has urged Louisiana Sens. Bennett Johnston and John Breaux to join their colleagues and reject the approach taken by the House, which substitutes unilateral action for a coordinated and comprehensive international economic strategy that addresses trade, monetary policy and budgetary issues in cooperation with our economic partners.—William G. Zetzmann Jr., President, World Trade Center of New Orleans.

TRIBUTE TO THE WORLD AFFAIRS COUNCIL OF NORTHERN CALIFORNIA ON ITS 40TH ANNIVERSARY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. LANTOS. Mr. Speaker, I would like to call to your attention and to the attention of this House the outstanding accomplishments and public service of the World Affairs Council of Northern California, which is celebrating its 40th anniversary this year.

For 40 years the nonprofit, nonpartisian World Affairs Council of Northern California has brought facts and information about the most important issues in world affairs to average citizens in the bay area and northern California. The council's conferences, study groups, seminars, lectures, and publications have proven invaluable in promoting public education and the study of international issues in northern California.

The council regularly hosts American and foreign experts on international issues, policymakers, and diplomats who are closely involved in today's crucial issues. The council's list of distinguished speakers includes names like Philippine President Corazon Aquino, former United States President Jimmy Carter, South African Archbishop and Nobel Prize Laureate Desmond Tutu, Chinese Premier Zhao Ziyang, and French President Francois Mitterand.

Speakers who appear under auspices of the council and the 6,500 items in the council's library are available to citizens of all ages. In addition to serving the adults of northern California, the council makes its resources available to teachers in order to enrich the international education of bay area students.

Mr. Speaker, it is essential that our foreign policy be firmly grounded in the will of the people, and the people must be fully and fairly informed. For 40 years the World Affairs Council of Northern California has worked to be certain that the people of the bay area are informed and knowledgeable in international affairs.

Mr. Speaker, I would like to thank the council for 40 years of service to the people of northern California, and I congratulate the council, its leadership, and its members as they celebrate this anniversary.

LAURA SCHWANGER HONORED AS NATIONAL WHEELCHAIR CHAMP

HON. JAMES J. FLORIO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. FLORIO. Mr. Speaker, I am pleased to announce that Laura Schwanger of Blackwood, NJ, recently broke two national records at the National Wheelchair games in Houston.

Laura, 28 years old, suffers from multiple sclerosis which has confined her to a wheelchair. She set new marks with a throw of 6.34 meters in the shot put and 13.84 meters in the javelin competition. She placed first in the Pentathalon, which consists of five events: shot put, javelin, discus, 200 yard dash, and the 15 meter push. These victories have qualified her for the Manville International Games to be held in England on July 15.

Ms. Schwanger does her training at the Camden County College. Her workouts include 6 hours of track, swimming and weight lifting each day. She should be commended for her efforts and achievements. Her dedication should be an inspiration to all persons. I applaud her and look forward to recognizing her victory in the International Games.

SUPPLEMENTAL APPROPRIATION ADDRESSES MMS PRODUCT VALUATION

HON. NICK JOE RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. RAHALL. Mr. Speaker, a provision of the supplemental appropriations bill would prohibit the Minerals Management Service from implementing product valuation guidelines before November 1, 1987. This prohibition covers valuation regulations for coal, oil, and natural gas including NTL-5.

Today, I wish to address the status of, and outlook for, the MMS Royalty Management Program.

Within the Department of Interior, MMS has the fiduciary responsibility of managing revenues from Federal and Indian mineral leases. Annual revenues amassed from this program approach $6 billion. Of this annual total, onshore Federal mineral leases account for an income of $1.1 billion collected through bonuses, rents, and royalties. However, MMS' handling of royalty payments from onshore leases especially have been beset by problems and embroiled in controversy involving the States, Indian tribes, the minerals industry, and agencies of the Department.

Allegations run rampant that MMS has failed to collect the full amount of royalty due to the Federal Government, and subsequently to the States and tribes. These underpayments by lessees, usually industry, can be traced to the lack of definitive valuation guidelines. Since the royalty is calculated in part by the value of the product, fair and equitable guidelines on determining the value of the product are essential for full royalty payments.

After several years, MMS finally issued proposed valuation regulations for coal and oil on January 15, 1987, and gas on February 13, 1987. Needless to say, this action has raised a hue and cry from the States and tribes, who believe these regulations will result in lower royalty payments, and the industry, which believes these regulations will result in higher royalty payments.

As if this situation were not enough, there is another saga paralleling and intersecting the valuation regulations issue. This issue concerns the proposed retroactive cancellation of Notice to Lessees—No. 5, commonly known as NTL-5. NTL-5 is a directive issued to gas lessees during a period of rising gas prices, 1977-82 and directed the gas industry to value gas at either the FERC ceiling price or the contract price. However, gas prices began to fall in 1982, and it soon became apparent that NTL-5 would require gas producers to pay royalty on a phantom value. NTL-5 should have been canceled then and there, but for some esoteric reason known only to bureaucrats, it was not until July 25, 1986, when MMS issued a final notice stating that NTL-5 would be canceled prospectively. MMS even included several reasons why NTL-5 should not be canceled retroactively. This was all well and good until January 15, 1987, when MMS again proposed to retroactively cancel NTL-5. The upshot of a retroactive cancellation of NTL-5 would be that industry overpayments would potentially have to be recouped from the States and tribes. Somehow, I find it difficult to picture a company such as Exxon demanding repayment from "Mr. Indian Allottee" whose very subsistence is dependent upon revenue from his lease.

Because these valuation regulations are so important for all concerned parties, the Subcommittee on Mining and Natural Resources held oversight hearings on April 28 and 30, 1987. Representatives of State governments, Indian tribes, and the coal, oil, and gas industries presented their views concerning the proposed valuation regulations and the proposed retroactive cancellation of NTL-5.

In dealing with MMS' management style over the years, I have become aware of many instances of bureaucratic shenanigans, which seem to be par for the MMS course. But the agency double bogeyed when it became apparent that it had actually instructed companies to ignore NTL-5 and only pay royalty on the actual price obtained. This smacks of government disregard of its own Federal regulation, and succinctly epitomizes the level of confusion and misunderstanding within this monetarily important program.

Pursuant to these informative and responsive hearings, Interior Committee Chairman UDALL, Ranking Minority Member DON YOUNG, Subcommittee Ranking Minority Member LARRY CRAIG and I sent a joint letter on May 1, 1987, to Secretary Hodel requesting that final product valuation regulations not be promulgated until Congress had had the time to review the hearing records and complete our investigations. We requested that implementation of these regulations be postponed until September 30, 1987. We also sent a similar letter on April 30, 1987, to SIDNEY YATES, the distinguished chairman of the Committee on Appropriations' Subcommittee on Interior. We requested that the supplemental appropriations bill for Interior include language which would postpone until September 30, 1987, MMS' proposals to retroactively cancel NTL-5 and to implement the proposed product valuation guidelines.

As it stands now, Interior Committee staff and the General Accounting Office are working to review and assess the status of the MMS Royalty Management Program. Subsequent to input from GAO field investigations and meetings with MMS as well as with the States and industry, the staff expects to make a letter report concerning product valuation with recommendations to Chairman UDALL and myself by the end of August 1987. A detailed committee report is expected to be published by November 1987, a date which coincides with the moratorium date contained in the supplemental appropriation bill.

INVOKE WAR POWERS

HON. PETER A. DeFAZIO

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DEFAZIO. Mr. Speaker, the United States is in the 37th year of a constitutional crisis. President Harry Truman precipitated the crisis when he introduced United States troops into the Korean conflict without congressional authorization. His administration advanced the bizarre theory that "the President, as Commander in Chief of the Armed Forces of the United States, has full control over the use thereof." Though previous Presidents have engaged in military adventures without congressional authorization, none have claimed an inherent power to make war in the absence of that authorization.

The framers of the Constitution, by granting the power "to declare war [and] grant letters of marque and reprisal" to Congress, clearly intended that the power to initiate war, whether declared or undeclared, would reside in the legislative branch of Government. The sole exception lies in the President's right to repel sudden attacks on the United States. The President is named the Commander in Chief and as such, his authority is limited to the conduct of wars authorized by Congress. James Madison spoke for virtually all of his colleagues when he wrote, in a letter to Thomas Jefferson:

> The constitution, supposes, what the History of all Governments demonstrates, that the Executive is the branch of power most interested in war and most prone to it. It has accordingly with studied care, vested the question of war in the Legislature.

Until the 20th century, Presidents acknowledged and respected the constitutional allocation of war powers. President Buchanan, to cite one example, stated in a message to Congress:

> The Executive government of this country in its intercourse with foreign nations is limited to the employment of diplomacy alone. When this fails it can proceed no further. It cannot legitimately resort to force without the direct authority of Congress, except in resisting and repelling hostile attacks.

During the first 40 years of this century, unauthorized Presidential use of military force became more prevalent. However, at no time did any President assert that he had inherent war power. President Wilson, for example, went to great lengths to characterize his incursions into Latin America as "neutral interpositions," intended to protect American lives and property, and therefore requiring no congressional authorization.

The constitutional crisis came to a head with the Vietnam war and the passage of the Gulf of Tonkin resolution. Congress handed the President a blanket grant of warmaking authority and in so doing, failed to fulfill its constitutional responsibilities. Only two Members of Congress voted against the resolution, Senator Wayne Morse of Oregon and Senator Earnest Gruening of Alaska. It is worth quoting Wayne Morse's remarks:

> I believe history will record that we have made a great mistake by subverting and circumventing the Constitution of the United States . . . by means of this resolution. As I argued earlier today at some length, we are in effect giving the President . . . warmaking powers in the absence of a declaration of war. I believe that to be a historic mistake.

History has certainly vindicated the Senator from Oregon.

The war powers resolution, passed in 1973 over President Nixon's veto, was a response not only to the excesses of the Executive during the Vietnam war, but also to the near-total abdication of responsibility during that period by the Congress. The bill was intended to—

> Insure that the collective judgment of both the Congress and the President will apply to the introduction of United States Armed Forces into hostilities, or into situations where imminent involvement in hostilities is clearly indicated by the circumstances, and to the continued use of such forces in hostilities or in such situations.

Unfortunately, Presidential compliance with the consulting and reporting requirements of the law has been nonexistent. The judicial response has been equally disappointing. President Reagan's predilection for the unauthorized use of military force and his plans in the Persian Gulf make it imperative that Congress act now to restore the constitutional system of checks and balances.

In the House report accompanying the war powers resolution of 1973, the word "hostilities" was defined as encompassing "a state of confrontation in which no shots have been fired but where there is a clear and present danger of armed conflict." The words "imminent hostilities" denote "a situation in which there is a clear potential either for such a state of confrontation or for actual armed conflict." There can be little doubt that President Reagan's decision to use U.S. Naval Forces to protect reflagged Kuwaiti tankers will greatly increase the likelihood of a United States-Iranian military confrontation.

The President has failed to properly consult with Congress regarding his plans. Consultation does not mean informing Congress after the fact. He apparently has no intention of abiding by the reporting requirements of the war powers resolution, despite the obvious risks inherent in his use of U.S. naval forces in the gulf. Congress has a responsibility to act. If it does not, it acquiesces in the continued erosion of its warmaking power.

Besides being an arrogation of power, the President's decision to expedite the reflagging of 11 Kuwaiti tankers is bad policy. It can be read as an abrupt shift in the United States' longstanding policy of neutrality in the Iran-Iraq war. Kuwait is not neutral in the war. It supports Iraq financially and is its principal conduit for war materiel. Iraq has apparently gone so far as to mount attacks against Iran from Kuwaiti territory, triggering Iranian complaints at the United Nations.

It is my view that the reflagging brings the United States perilously close to a state of active belligerency in the Iran-Iraq war. It could well provoke an attack on a U.S. naval vessel or an American flagged, Kuwaiti tanker which would require an American response. Unfortunately, the administration does not seem to have considered the possible strategic consequences of an American attack against Iran.

Iran, not Kuwait or Iraq, is the strategic prize in the Persian Gulf the Soviets have sought for 200 years. A single retaliatory strike against an Iranian target could strengthen extreme anti-American elements in Iran during the post-Khomeini period. A more massive and prolonged retaliation could encourage an Iranian accommodation with the Soviet Union or even embolden the Soviet Union to recapture Iranian territory it occupied at the end of World War II. It is my view that the risks inherent in a tilt toward Iraq far outweigh the possible benefits.

The President's policy in the Persian Gulf is ill-defined and poorly conceived. Furthermore, the reflagging plan carries clear risks both to U.S. interests in the region and to U.S. military personnel. It represents yet another usurpation of congressional war powers. If we in Congress wish to have a role in formulating policy in this vital region, and if we are seriously interested in restoring the balance between the executive and the legislative branches of Government, we must take action which will force the President to comply with the letter and the spirit of the law. The best tool we have to do that is the war powers resolution and I call on my colleagues to use it.

A SONG OF MY SPIRIT

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. PORTER. Mr. Speaker, on June 9, long-term refusenik Judith Ratner-Bialy's mother and sister, Katzia and Marina Ratner, hand-delivered to the Soviet Embassy a letter signed by myself, Representative LANTOS, and 58 of our colleagues. The letter insisted that Judith, her husband Leonid, and their two children be granted permission to emigrate to Israel.

The Ratner-Bialy family applied for an exit visa over 10 years ago and have been refused ever since on the grounds of "considerations of state security." This family's case is typical. Although Leonid was fired from his engineering job after his wife's parents applied to emigrate over 16 years ago, he is still being denied an exit visa due to "state security considerations." He has worked as a television inspector until recently, when a severe heart attack left him disabled. Judith was also fired from her job after her parents' emigration, and she too has become disabled after a 1979 automobile accident. Their sole wish is to be reunited with their family in Israel.

Judith's mother, Katzia Ratner, is 82 and of failing health. She has campaigned relentlessly on behalf of her daughter and her family. Before Katzia handed her petition to the Soviet Embassy, she read us the following poem which reminds us of the useless suffering caused by the Soviet Union's manipulation of its rate of emigration.

A SONG OF MY SPIRIT

(By Katzia Ratner)

I begin to feel the breath of spring
Moving through the night air;
Soon flowers and grass
Will burst into bloom.

Dreams that oppress my spirit
Will soon reawaken;
If but one of them came true
As a sign on the way!

Then distance will decrease
And I will suffer less
Waiting, when the goal
Is just a little closer.

And perhaps my loved ones
Will leave that alien land

Where year in year out at point of death
They struggle to be free.
Darkness will then give way
To a brightness;
At long last
Worn hopes will come true!

TERRIBLE BURDEN ON SMALL BUSINESS

HON. DAVID DREIER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DREIER of California. Mr. Speaker, I hope my colleagues will review the following comments of Mr. John Sloan, president and CEO, of the National Federation of Independent Business [NFIB]. Mr. Sloan outlines the terrible burden that would be placed on small businesses if employee health coverage is mandated by Congress. Such a mandate will make it more expensive to do business in the United States. It will put many small firms out of business completely and stifle job creation.

The comments follow:

KENNEDY HEALTH PLAN PRESCRIPTION FOR LESS JOBS, HIGHER PRICES

(By John Sloan)

Fifteen years ago, Sen. Ted Kennedy, D-Mass., started pushing a national health-care plan. Today, with $200 billion deficits, he knows few people will listen to his old dream of a federally-financed program. Now he wants small-business owners to pay for it.

In May, Kennedy introduced the Minimal Essential Health Care Act, because, he said, small-business owners won't do their fair share to boost the nation's productivity. Sen. Lowell Weicker, R-Conn., ranking member of the Senate Small Business Committee, acted as co-sponsor.

Said Kennedy, "There is no free lunch in health care or health insurance. When hospitals provide charity care for someone who cannot pay, [that care] . . . is paid for in the form of higher health-care charges to paying patients and higher premiums to firms that provide insurance."

He quoted testimony by Joseph Califano, former secretary of Health, Education and Welfare, now in charge of containing health care costs for Chrysler Corporation, that a "minimum health care bill would improve American competitiveness by taking the nation's charity care burden off of the balance sheets of our internationally competitive businesses."

Kennedy went on to say, "It is time to put these costs back where they belong—on the firms that refuse to protect their workers' health."

Kennedy wants small-business owners to pay for his long-time dream of a national health-care program. He wants to protect Chrysler and the rest of the Fortune 500 despite the fact that they haven't created any net new jobs in seven years. *They* need to be competitive, and small-business owners—the true job creators—are sapping their competitiveness, he says!

Mandatory health care is one of many mandated benefits being proposed in Washington and the state capitals. In a recent article in *Indiana Business*, Professor William Dunkelberg, chief economist for the National Federation of Independent Business, offered his explanation of the trend toward forcing business to pay for social programs: "With pressure to reduce the deficit, Congress is finding it difficult to raise the funds to support all of these projects. Any revenue increases are gobbled up by the political necessity to reduce the deficit."

But, says Dunkelberg, "Never at a loss for creative ways to give voters 'something for nothing,' Congress has rediscovered a way to implement many of these new programs without increasing federal spending: pass a law that requires the private sector to underwrite them."

Because the cost of the programs will be passed on to consumers in the form of higher prices. Dunkelberg argues, the effect is the same as a regressive tax increase. But there will be another cost: loss of jobs. Forcing small-business owners to provide health insurance they cannot afford will force many of them out of business.

Senators Kennedy and Weicker know that the big business lobbies and their big labor counterparts will support mandated health care. Small-business owners and consumers must join forces to block the higher prices and job losses the plan would bring.

PERSONAL EXPLANATION

HON. ROBERT F. (BOB) SMITH

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. ROBERT F. SMITH. Mr. Speaker, outside of this Chamber, people tell us that, "A vote is a vote is a vote." All votes and all issues—short of Constitutional changes—are created equal.

In truth, you and I know it isn't so. Some are more fun than others; some are more meaningful.

A very sad and solemn occasion, the death of my father-in-law, forced me to miss yesterday's votes in this House Chamber.

But since I did miss those votes, I'd like to take just a moment to point out, for the Record, that I would have been one of the naysayers in this chamber had I been here yesterday during debate on the bill, H.R. 2714.

I would have voted to reject the legislation and, with 20-20 hindsight, I can say that again I would have been on the losing side, just as I am on the losing side of this issue each time it is discussed here.

There is nothing, however, to stop me from offering comments today on the amendments which I hope will return one day, in the hope that the next time this vote is brought to us you'll dig them out of the RECORD.

I would have supported Mr. DIOGUARDI's amendment to reduce our accounts by reasonable amounts. Since arriving in Congress, I've urged that Congress "lead by example," demonstrating a willingness to cut or at least hold down its own spending and thereby extolling the virtues of thrift for the rest of the Government.

I would have voted "yes" to the amendment offered by Mr. LEWIS of California seeking to make television coverage of House business uniform throughout our business day. It's a fact that those of us on the minority side of the aisle are forced to try harder than our colleagues in the majority when we'd like to have our side of many issues heard. Trying harder frequently means the use of special orders at the close of the congressional business day, when panning of the Chamber belies the large, office-bound, Hill audience which see us. Unfortunately, the Nation which views us on C-SPAN is given exactly the wrong impression of our effectiveness by the current coverage.

I would have voted "yes" to Mr. WALKER's amendment to appoint a bipartisan commission to look into the ethical conduct of the Members of this House, and to help us remove some of the tarnish on our collective image. Certainly, since Mark Twain first declared Congress to be "the only native American criminal class," the belief has been perpetuated, but that doesn't mean we have to like it or sit idlely by while it's passed to succeeding generations of Americans. The commission might have helped; I hope the idea doesn't fade.

I would have voted in favor of Mr. CARPER's amendment and the amendment by Mr. BOB SMITH of New Hampshire to reduce funding for the architect's office and mail costs.

Again, my votes would have reflected my belief that the best leaders lead best by example.

And I would certainly have voted in favor of the meager but meaningful savings to be realized from elimination of six elevator operator positions in our House office buildings.

I admit that I may have been overtaken by the frenzy to save money, but I'm willing to bite the bullet and push my own elevator buttons.

And, to restate the obvious, had I been here yesterday, I would have opposed final passage of this bill, H.R. 2714, risking loss of popularity among my colleagues and unfriendly greetings by elevator operators.

THE LEAST WE OWE TO ANIMALS THAT ARE SENT TO SHELTERS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. LANTOS. Mr. Speaker, our distinguished colleague from New York, Mr. MRAZEK, wrote an excellent article that was published in the Washington Post defending his legislation, H.R. 778, to prevent the use in medical research of animals taken from shelters. I am pleased to be one of the 80 Members of this House who have joined him as a cosponsor of this legislation.

Mr. Speaker, I submit this article for the RECORD. It deserves to be read and thoughtfully considered by my colleagues.

[From the Washington Post, June 25, 1987]

THE LEAST WE OWE TO ANIMALS THAT ARE SENT TO SHELTERS

(By Robert J. Mrazek)

Recently on this page [June 4], the renowned heart specialist Dr. Michael DeBakey raised serious questions about the value of legislation I have introduced (H.R. 778) to prohibit federal funding for research using animals acquired from shelters. While I have the greatest respect for Dr. DeBakey and his singular accomplishments in the field of biomedical research, many of his arguments had little or no relation to my bill, and a response is warranted.

The doctor discusses at length the amazing strides that have been made through the use of laboratory animals for controlled studies. This is irrefutable. But it is important to point out that this bill is not intended to prevent or slow such research.

I am not part of the anti-vivisectionist movement, and my voting record demonstrates my commitment to biomedical research. While I strongly believe that humans bear certain responsibilities with regard to the treatment of animals, Dr. DeBakey's implication that my priorities (and those of more than 80 cosponsors of the legislation) put animal rights before the welfare of AIDS victims, cancer suffers and sick children is misguided.

To understand H.R. 778, it is necessary to distinguish between purpose-bred and random-source animals. Purpose-bred animals are those raised in colonies for utilization in laboratory research. Random-source animals derive from a variety of backgrounds. Some come from litters of cats or dogs that have bred repeatedly, some are obtained through newspaper advertisements and some come from shelters.

H.R. 778 would prevent the use only of those animals taken from shelters. The majority of random-source animals would not be affected.

There are several valid reasons to distinguish between shelter animals and other random-source animals. Most importantly, the majority of shelter animals are former pets. It is rarely an easy decision for a pet owner to surrender an animal to a community animal shelter, but most do so in the hope that the animal will be adopted.

The alternative, of course, is rapid and humane euthanasia. Given the choice between this option and an unknown future for the animal as the subject of laboratory research, most pet owners would, I feel choose the former. Indeed, it is conceivable that pet owners may reject the option of taking animals to shelters if they believe their pets could wind up in a research laboratory. And if public confidence in the shelter system erodes, local communities could find themselves with a harder-to-manage problem of animal control.

Dr. DeBakey also argues that purpose-bred animals cost more than random-source animals, and that H.R. 778 would therefore make research prohibitively expensive. This is a fallacy. Most random-source animals could still be used for federally funded research under my bill.

Furthermore, the National Institutes of Health, whose funding sources for biomedical research would be affected by the bill, has found that the cost differential is minimal in any case. An NIH study found that because random-source animals must be quarantined and conditioned to the laboratory, the most important factor in cost is the "stamina and vitality" of the research animals.

In 1973 NIH published a study advocating the use of purpose-bred animals over random-source animals. The study found that purpose-bred animals are preferable for research because they are of known age, genetic background and temperament. It added that purpose-bred animals died less often of common diseases than random-source animals, and that they were more easily used to assemble base-line reference data.

Today, NIH no longer uses shelter animals for its in-house research. The executive director of the NIH Interagency Research Animal Committee recently explained, "Intramurally, NIH . . . acquired any purchase dogs, cats and primates from USDA-registered ans approved dealers. None of these dealers acquire animals from pounds or shelters; they come from both purpose bred colonies and from a few dealers who buy animals from rural areas (farm dogs and cats)."

Dr. DeBakey also makes a poignant plea for continued biomedical research to solve the great medical mysteries of our day. I agree wholeheartedly. It is instructive that former senator Paul Tsongas, whose political career was cut short by health problems that could have proved fatal without the benefits of biomedical research, has been outspoken in his support of H.R. 778.

Tsongas is firm in his conviction that shelter animals are neither needed nor desirable in research labs. "If I thought this bill would interfer with life-saving research, I would be the first to oppose it," he told me recently.

Eleven states and four foreign countries have taken the step of banning pound seizures for laboratory research. Both the World Health Organization and the Council of Europe strongly recommmend against the use of shelter animals.

Many of us, including Dr. DeBakery, wrestle morally and emotionally with the question of the relative rights of humans and animals. Since lifesaving research must go on, it is important that we reach a compromise on this dilemma. Once the biomedical research community accepts the fact that shelter animals do not belong in research laboratories, we will be on the way to reaching an important middle ground between those who would not alter animal research policy at all and those who would end research on animals altogether.

GEN. MAXWELL D. TAYLOR

HON. SAM GIBBONS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. GIBBONS. Mr. Speaker, on April 23, 1987, I attended the funeral for Maxwell D. Taylor, General, U.S. Army. During World War II, I was privileged to serve in the 101st Airborne Division commanded and led by General Taylor.

General Taylor's impact upon the officers and men of the 101st was remarkable. His leadership greatly improved the performance of the entire 101st. I came into contact with him numerous times during the war and numerous times following the war here in Washington. He was truly one of America's great leaders.

During the most impressive ceremony, his son, Thomas Taylor, spoke of his father. His remarks were inspiring and should certainly be preserved in history. I am, therefore, including at this point in my remarks the text of the remarks as delivered by Thomas Taylor at the funeral of his father, Gen. Maxwell Taylor, Arlington Cemetery, April 23, 1987:

EULOGY BY THOMAS TAYLOR AT THE FUNERAL OF HIS FATHER, GEN. MAXWELL TAYLOR (ARLINGTON CEMETERY, APRIL 23, 1987)

On previous occasions, my brother Jack has spoken for the family. Today, we've agreed that it's my turn—that this is a consolidated effort.

You who are here and the many who could not be have already provided my father with the tribute he most appreciated: your fidelity and friendship. The longest of these friendships began at West Point where he first took an oath of office and first demonstrated his unique intellectual versatility as a cadet and subsequently as an instructor. Later, he shaped that granite institution for nearly four years as superintendent. Some of his West Point "offspring" are here today. For that is how he thought of the classes of 1946 through 1950. You were his cadets. He followed your careers and rejoiced in your accomplishments. For all his association with West Point, our father's greatest military affection was developed elsewhere. In less than a year in 1944 and 1945 the historical battles of this period—Normandy, Holland, Bastogne—screamed from the shoulder patch he honored above all his other decorations: the Eagle of the 101st Ariborne Division. As you approach Arlington Cemetery from Washington, you will see where my father wishes to be remembered—at the monument to the 101st, for the men whose valor is enshrined there.

One of his grandchildren, Alice lives in London and could not be with us today. She has left for us a description of Grandee which I would like to share. He was tall, straight, and full-sapped as a young oak tree. His eyes resonate with laughter—eyes that twinkle like my father's eyes; eyes that could warm a room. He was agelessly handsome, well knit to the bone and radiated a kind of inner certainty that many people seek and some are born with. Alice then refers to a picture of the 101st drawn up on parade in England. I'd like to imagine that review just before D-Day. With a band playing, the wind whipping the flag and the men motionless, vividly still. I'd like to think of Churchill stumping down their ranks, scowling with concentration and with Grandee beside him—straight, strong and sure. It was history encapsulated. Gallant old England, which had held on alone, now with a vibrant new power at its side.

Our father was always intrigued by the phenomena of leadership, by the illusive—sometimes contradictory—traits it involved. But, certainly, one measure of leadership is the extent to which it is transmitted to a new generation. By this measure of leadership, my father was a marvel. The number of generals who traced their lineage back to the war time and the 101st is higher than any other division. How do we explain this remarkable ability? To bring out the best in his associates? First, he had that simple but difficult ability to separate the personal from the professional; he bore few grudges and fewer for any duration. His standards were the highest, but if a diligent officer fell short, he knew that Taylor's rebuke was designed to correct, not to humiliate.

Clarity, with which he framed issues, was the clue to his success. He could strip a problem to its essentials, then analyze its implications and possible solutions. Of all the periods of his career, that as Army Chief of Staff was probably the most difficult. Although serving the President, who had been his wartime Chief, he refused to rubberstamp policies which he saw as inadequate to meet real world threats. So, in 1959, having done his best for the Army, he stepped out of uniform for the first time in 38 years.

What followed was a brief but busy civilian career—for a time in Mexico and subsequently as the first President of Lincoln Center in New York City. It was in this wider circle of civilian life that many of you came to know him. Our father had no desire to return to official Washington, but when called again to serve, he became a key figure in the New Frontier: a statesman, elder only by age, in a crusade of youthful ideas and exuberance.

The fleeting years of the Kennedy era, exhilarated and sharpened his ideals. For much of the 60s, he brought an informed pragmatism to the unresolved dilemma of Viet Nam. Reluctantly, he stepped down as Chairman of the Joint Chiefs to better supervise the American effort in Viet Nam as Ambassador to Saigon. The outcome of this, his last major effort in government, is best viewed in light of the alternatives available at that time. There are those who maintain that the alternatives he backed were futile—futile, perhaps—but benign when compared to what has since come to pass. Let the self-righteous of yesterday tell us now what is right about the ordeals of both people in the killing fields of Cambodia. Our father could have looked back in rancor, but he did not. He was never one for the overstuffed chair, proclaiming to all that America was going to hell. Not he.

In retirement, he continued to write—a respected voice in defense and international affairs. He increasingly enjoyed the company of friends, whether he had known them as a lieutenant or a presidential counselor. He had no cronies—only friends he esteemed for themselves. It was not in his nature to impose upon these friends the burden of the disability, even in his final years. Even at the end, he was prone to quote from the Captain of the Pinafore to say "I'm in reasonable health." His friends saw him less and less, but he was deeply appreciative of your solicitude. He carried on with flags flying till the end.

The end brings us here today. He left scant instructions for this occasion. I take my guidance from a toast he offered at his 50th wedding anniversary: "Here's to Liddy," he said, "Without her there's no telling where I'd be." So, today we honor a marriage as well as an individual. Born within hours of each other, our parents are truly one in values and purpose. Our father's public achievements were always grounded on the rock of our mother's unselfish support. "My bravest soldier," he once said of her, and she was bravest in his last campaign. That was the thing about our father; he knew how to pick the best people. Thank you for him and for our family.

At this point I would like to include a copy of the program of a service of thanksgiving and commemoration of the life of General Taylor:

A Service of Thanksgiving and Commemoration of the Life of Maxwell Davenport Taylor, General, U.S. Army, Retired, 1901-1987, April 23, 1987, Fort Myer, VA

THE ORDER OF WORSHIP

Prelude: Organist.

Reception of the body.

Call to worship: "The Trumpet Shall Sound", G.F. Handel; SSG Alvy Powell, baritone soloist; SFC Dennis Edelbrock, trumpet soloist.

Processional: Ecclesiastes 3:1-8.

Invocation: Chaplain.

Hymn: "The Lord Is My Shepherd", Crimond; the United States Army Chorus.

Scripture lesson: Chaplain, Lamentations 3:22-26, 31-33.

Responsive reading: Psalm 8.

Chaplain: O Lord, our Lord, how majestic is Thy name in all the earth!

People: Thou whose glory above the heavens is chanted by the mouth of babes and infants.

Chaplain: Thou hast founded a bulwark because of Thy foes,

People: To still the enemy and the avenger.

Chaplain: When I look at Thy heavens, the work of Thy fingers,

People: The moon and the stars which Thou hast established;

Chaplain: what is man that Thou are mindful of him,

People: and the son of man that Thou dost care for him?

Chaplain: Yet Thou hast made him little less than God,

People: and dost crown him with glory and honor.

Chaplain: Thou has given him dominion over the works of Thy hands;

People: Thou has put all things under his feet,

Chaplain: all sheep and oxen,

People: and also the beasts of the field,

Chaplain: the birds of the air, and the fish of the sea,

People: whatever passes along the paths of the sea,

Chaplain: O Lord, our Lord,

People: how majestic is Thy name in all the earth!

Anthem: "How Great Thou Art," Carl Boberg; the United States Army Chorus, MSG James Burchfiel, soloist.

Scripture lesson: John 6:37-40, Chaplain.

Memorial tributes: Ambassador Philip W. Bonsal, Mr. Thomas H. Taylor. The West Point Cadet Prayer, Chaplain.

Hymn: "Battle Hymn of the Republic," Arranged by Peter J. Wilhousky; the United States Army Chorus.

Commendation: Chaplain.

Recessional: Organist.

The Taylor family will receive condolences at the gravesite. The family requests that you register your presence by signing one of the condolence books. For those who have not already signed, the condolence books will be located in the vicinity of the gravesite.

Officiant: Chaplain (LTC) John G. Cottingham, Chaplain, Arlington National Cemetery.

Director of the United States Army Chorus: LTC Bryan Shelburne.

U.S. Army Ceremonial Organist: Mr. Robert Schaaf.

Present at the ceremony were Mrs. Taylor and members of the Taylor family; Secretary of Defense Weinberger; Secretary of the Army John Marsh; Lt. Gen. Julian Ewell, retired; and Lt. Gen. Harry Kinnard, retired. General Ewell was commander of the 501st Parachute Infantry, and General Kinnard, G-3, was the Plans and Operations Officer of the 101st Airborne Division.

ANOTHER VIEW ON ANGOLA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DYMALLY. Mr. Speaker, I recently received an insightful article on Angola. I know that with the recent peacemaking gesture by the Government of Angola, that is, the freeing of the American pilot, we are being asked by that Government to show a more enlightened view toward them and their country. I believe this article is a contribution to thinking in that area, and I would ask that it be printed in the RECORD for the benefit of my colleagues who may not have had the chance to read it.

[From the Washington Post, June 30, 1987]

Angola to Pursue Full Ties With the United States

(By William Claiborne)

LUANDA, Angola, June 20—Despite a flurry of diplomatic contacts with the United States, some formidable obstacles, including next year's U.S. presidential election, stand in the way of establishing formal ties with Washington, senior Angolan officials say they have reluctantly concluded.

But the officials, including President Jose Eduardo dos Santos, said they would press for talks in the hope of breaking a stalemate over the presence of about 37,000 Cuban troops and advisers in Angola.

Dos Santos, meeting with foreign journalists here, said today he was ready to establish diplomatic relations immediately, without any pre-conditions that the United States press South Africa to cease its incursions into the Angola and to resolve the question of independence for neighboring Namibia.

But the president also said that Cuban forces would remain in Angola as long as apartheid exists in South Africa and Namibia remains under Pretoria's control.

Both conditions are thought likely to persist. President Reagan and South Africa have steadfastly linked a resolution of the Namibian question, by U.N.-supervised elections, to the withdrawal of the Cuban troops.

The Angolan leader presented his views shortly before four U.S. congressmen left for Washington with an American civilian pilot, who was released from jail by Angola yesterday in what dos Santos described as a "gesture of good will."

The head of the congressional team, Rep. Howard E. Wolpe (D-Mich.), who has pushed for formal U.S. recognition of the nominally Marxist Angolan government, expressed optimism after meeting with dos Santos that diplomatic relations could be negotiated.

Wolpe, noting that Assistant Secretary of State Chester A. Crocker plans to hold talks here next month with the Angolans, said, "I believe it is possible to see real progress in those discussions."

However, the Angolan who deals most directly with Crocker, Vice Minister for Foreign Affairs Vanencio de Moura, said in an interview that major obstacles stand in the way of a breakthrough, including what he termed the Reagan administration's intransigence on the Cuban issue, the influence of Cuban exiles in the United States on the presidential election and U.S. military support of anticommunist guerrillas in the south of Angola.

De Moura, who recently returned from Washington, said he favored resuming talks in Luanda with Crocker "despite the fact that they appear to have nothing new to offer." But he emphasized that the Cubans could not be withdrawn until Angola's security is guaranteed by a cutoff of U.S. aid to Jonas Savimbi's National Union for the Total Independence of Angola (UNITA) and by withdrawal of the South African forces that operate inside Angola from Namibia.

De Moura said Angola stands behind an offer it made in 1984 to implement a three-year Cuban troop withdrawal if Washington agreed to stop supporting UNITA and to press South Africa to withdraw its troops from the border region.

While U.S. officials expressed interest in the offer at the time, de Moura said, the administration has now become "part and parcel" of the conflict by providing UNITA with $15 million in covert military aid.

"We accepted that the Cubans would be withdrawn from southern Angola to the north, which is withdrawing them, in effect, from southern Africa into central Africa," said de Moura.

Noting that the Cubans would be pulled back north of the Benguela Railway, 375 miles north of the Namibian border, de Moura asked, "What more do they want to start with?"

When asked why he was convinced of the Reagan administration's capacity for exerting effective influence on an already angered government in Pretoria, the vice minister replied, "Friends can convince friends. If Mr. Reagan wants to resolve the conflict, he can talk to South Africa.

A senior western diplomat with years of experience here said he was convinced that if Washington could get a quick timetable for the withdrawal of Cubans from the southern provinces, recognition of Angola could be made acceptable to an American public largely sympathetic to Savimbi, and that real progress in negotiations could be made.

But, he cautioned, Angola then probably would seek guarantees that neighboring Zaire would no longer be used as a transport route for military shipments to UNITA, in addition to an insistence that U.S. aid to the rebels be cut off.

The diplomat also suggested that the Angolans would continue to insist on a Cuban presence in northern Angola to protect not only U.S. oil installations in Cabinda, which were attacked by South Africa's forces in May 1985, but to protect Luanda as well.

De Moura said he failed to understand the Reagan administration's "obsession" with the Cubans here, who he said, had not been used in combat units for several years. The vice minister said, and western diplomats confirmed, that most of the Cubans are used in air and ground defense and as technical advisers.

"If you ask if the Cubans are our friends, I will tell you they are our friends," de Moura said. "They are helping us solve many problems."

But de Moura insisted that just because Angola has been reluctantly thrust into the middle of the East-West conflict does not mean that it is a vassal of either the Soviet Union or Cuba.

Western diplomats said Angola—like Mozambique—continues to move steadily toward a more mixed economy, with emphasis being shifted not only toward more private-sector involvement but also away from central planning to more flexible regional planning, and with trade geared toward market-oriented countries.

THE LESSONS OF LEBANON

HON. BEVERLY B. BYRON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mrs. BYRON. Mr. Speaker, almost 5 years ago, President Reagan committed 1,200 American marines to Lebanon as part of a multinational peacekeeping force in Beirut. That decision marked the beginning of one of the most tragic episodes in U.S. history—one that ended with the deaths of 241 American soldiers in October 1983. As a member of the House Armed Services Committee, I visited Beirut three times before the bombing at the Marine barracks. Two boys from my congressional district died in the explosion that Sunday morning. I knew those boys. I ate with them, I played volleyball with them, and I talked with them. Today I still think of them. They were, I believe, emblematic of the kind of men and women we have in our Armed Forces. They accepted the risks and were prepared to lose their lives in defense of the freedom this country espouses. What the men and women of our military should not accept, however, is the failure of this Nation's political leadership to articulate what is "in the national interest" and further, why it must be defended. Before we make additional commitments to the Persian Gulf, I suggest we must take a hard look at the U.S. military involvement in Lebanon and not ignore the lessons we learned there.

The first and most obvious question we must ask is what is our interest in the Persian Gulf? The answer to that is equally obvious, and it's oil. The region surrounding the Persian Gulf has 70 percent of the world's proven oil reserves. Although it is our allies and not the United States that are the primary beneficiaries of an uninterrupted flow of oil out of the Persian Gulf, a cessation of oil imports from the gulf would have severe economic repercussions for the United States and the rest of the free world. Almost needless to say is our interest in minimizing the Soviet presence in the gulf. Oil is the energy that fuels Western economies, and Soviet control of the largest oil producing region in the world would certainly undermine the economic stability of free nations.

Less obvious, but perhaps more important, is the question of determining to what degree our interests in the Persian Gulf are being threatened. The views on this question differ widely. The administration feels, and I think incorrectly, that recent developments in the gulf have increased the threat there. But as former Secretary of State Kissinger points out, the level of the threat to the tankers in the gulf remains virtually unchanged from a year ago. In fact the administration concedes that the percentage of ships being attacked is less than 1 percent. Insurance rates echo that fact. They are high but not prohibitive. What then is the reason for an increased U.S. military presence in the gulf if the chances of oil shipments to the West being shut off are no greater than last year? The answer lies with only a possibility; the possibility that the Soviets might increase their presence in the region. As a countermeasure to the Soviets offer to reflag Kuwaiti tankers the United States will do it instead, and in so doing we raise the stakes considerably that we may become involved in the Iran-Iraq war. The administration's response to the Soviet overture to Kuwait has an unsettling parallel to our experience in Lebanon.

Though the situation in Lebanon was more complex, our motive for being there essentially mirrors what is now being described as our reasons for increasing our presence in the gulf. The administration argued then that if the United States did not counter the Syrian threat to Lebanon, the Soviet influence in the region would most certainly grow. The United States reacted by introducing military forces in Beirut and worked out a rationale for the action after the fact. The subsequent results were disastrous, and the withdrawal of our Marines became a clear signal to both our enemies and friends that U.S. interests in the region were not worth the sacrifice of American lives. Through their Syrian allies, the Soviets eventually filled the vacuum left by the American withdrawal from Lebanon. We raised the stakes but it was the Soviets who profited.

Aren't we inviting a similar fate in the Persian Gulf? Kuwait is an ally of Iraq. Iran, as we know all too well, is no friend of the United States. Yet, they aren't allies with the Soviets either, because current Soviet objectives to secure a foothold in the Persian Gulf conflict with Iran's desire to become the preminent power in the gulf. That is why the administration's current tilt toward Iraq is puzzling.

Reflagging Kuwaiti tankers puts the United States squarely in the Iraqi camp and gives both the Soviets and the Iranians a common objective—the elimination of the United States presence from the Persian Gulf. As in the case of Lebanon, we have raised the stakes, but it is uncertain whether we will cover the bet. And once again an American military withdrawal could provide the building blocks for a permanent Soviet presence in the region.

To enforce the administration's policy in Lebanon our Marines were charged with the mission of being "peacekeepers" amongst the warring religious factions in Beirut. Their role precluded them seeking out the adversaries of the Gemayel government and required that they occupy what was a vulnerable position at the airport. The situation as it is developing in the Persian Gulf is analagous. An overt military attack by Iran on United States naval ships is unlikely, but the risk of a terrorist attack orchestrated by Iran is not. Our ships escorting Kuwaiti tankers will function very much like "peacekeepers" unable to seek out the enemy. As we know by sad experience, "peacekeeping forces" are more vulnerable to terrorist attacks, and Iran has shown repeatedly its appetite for such selective displays of violence.

One final observation is worth making. In the aftermath of the Marine barracks bombing an exhaustive study was undertaken to ascertain why the bombing was not prevented. Among the conclusions reached by the House

Armed Services Investigations Subcommittee was one that stated the communications between the Pentagon, the State Department, and the intelligence agencies broke down and left our forces with volumes of intelligence information that could not be put to any operational use. A parallel exists today in that there is little agreement amongst those same agencies in their assessment of the threat to U.S. forces should be reflagging operations continue as planned.

In light of the gulf's vulnerability to terrorist actions, it is crucial that a consensus emerge on the extent of the threat, and more importantly, that the ability to relay useful and timely intelligence information to our forces in the gulf be completely operational before the administration goes forward with reflagging.

Like many foreign and domestic policy problems, the President finds himself with no easy answers to ending the Iran-Iraq conflict, maintaining open sea lanes and checking Soviet encroachment in the Persian Gulf. Congress should work in concert with the President to hammer out a comprehensive policy for the gulf rather than man the barricades. Passing another war powers resolution is a convenient device for placing the blame on the President if the current policy fails, but it doesn't correct the policy itself. We are the political leaders which the men and women of our Armed Forces rely on to provide guidance. Our discord only makes their job that much harder and more deadly. And that may be the final lesson of Lebanon.

LENINGRAD GIRLS CHOIR EXCHANGE

HON. JAMES M. JEFFORDS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. JEFFORDS. Mr. Speaker, it gives me great pleasure to submit to the CONGRESSIONAL RECORD a letter from my constitutent, Mary Rivard, to Ambassador Dubinin of the Soviet Union. Mary Rivard had the honor of attending a performance by the Soviet Union's Leningrad Girls Choir given during the choir's visit to Vermont. She—like the many Vermonters who came in contact with the Soviet girls—was impressed by their talent, their warmth, their eagerness to learn about our country. She wrote to thank the Ambassador for allowing the choir to come to Vermont so that Americans may learn firsthand about the Soviet people and their culture.

I, too, had the opportunity to meet the Soviet girls during the Washington leg of their trip. I enjoyed hearing them sing at the National Cathedral and I spoke with them about our country and our form of government. I think such cutural exchanges are an invaluable method for fostering understanding between our two countries. I hope to encourage many future exchanges.

INDEPENDENT LIBRARY
RESEARCH SERVICES,
So. Burlington, VT, June 7, 1987.

DEAR AMBASSADOR DUBININ: Last night I had the pleasure of attending a concert given by the Leningrad Choir in Memorial Auditorium in Burlington, Vermont. I found this to be a deeply human and spiritual experience. This morning after giving it some thought, I decided that I just had to write to you to express my profound appreciation and gratitude to your government for having allowed your lovely and precious children to come over to this country to be with us and to sing for us. They are such beautiful and lovely children. Those of us who were there at this concert were deeply moved to have these Soviet children in our midst. They have such beautiful well trained voices. This choir is world class, and it is the finest girl's choir I have ever heard. They deserve a lot of credit for their artistic achievement.

I wanted you to know that the Mayor of Burlington welcomed the Leningrad Choir after intermission. I thought you might want to know what he said to those of us in the audience. He told us that he had never welcomed a more important group to Burlington. He said that as a major of Burlington he has a hard time getting things done with the Burlington, Vermont bureaucracy. He told us he could not understand how three ordinary Vermonters could move both Soviet and American bureaucracies to get these children here. He went on the tell us that the United States spends several hundreds of billions of dollars to fight and kill the enemy. He then turned around and pointed to your lovely beautiful little girls and said "this is the enemy?" By contrast, we spend so little money, time and effort in doing things like this that will inprove relations between our two countries. We need more of these kinds of people to people exchanges. Mayor Bernard Sanders was expressing the same sentiments that we all had last night.

It is so important for us not to remain isolated from each other. We cannot continue to live in this world with an isolation built on ignorance, mistrust and fear. We cannot allow the evil of hatred and violence to dominate our thoughts, feelings and hopes. It is for this reason that I have decided to tell you that we need more contact with your people. We need to get to know your Soviet children and men and women as people, who are very much like us in the depth of their humanity, yes in the depth of their being. I really don't want your children nor any Soviet person to be my enemy. Quite the contrary, I so very much want to get to know you and love you. The most powerful force in this whole world is not a nuclear arsenal that can destroy human beings. The most powerful force in the whole world comes from deep within the human heart. It is love. I hope that the children from the Leningrad Choir will go back home knowing that they are loved by us who saw them and heard them.

Certainly, if I can tell you that I love your children then I must be able to tell you, I love you, to the parents and people who gave life to these children. So in essence, this letter is a love letter to all of you. It is also a pleading and a cry from my human heart, asking you, please allow more of your people to come to visit us through cultural exchanges. We both need this if we are to live in peace. We both need this if we are to trust each other enough to destroy our nuclear arsenals. We need to be able to talk to ordinary Soviet citizens and we need to be able to love them.

Finally, I want to tell you a little bit about myself so you will know who I am. I am 46 years old. I am a reference librarian at St. Michael's College Library in Winooshi, Vermont. I have lived in Vermont most of my life. I am a graduate of the University of Vermont and Rosary College Graduate School of Library Science in River Forest, Illinois. I hold no public office. I am just an ordinary person.

I am certain there are many ordinary Americans like me, who want to witness a significant meaningful positive improvement in Soviet American relations at the people to people level. Many of us appreciate the fact that ordinary people of good will can make a difference because we sincerely want to reach out to you with hope that much good for the both of us will come of it. Improvement in Soviet American relations is such a large and complicated task that diplomats and government officials can only achieve a portion of it. You folks can be facilitators. In essence, improved relations demands widespread involvement on the part of many ordinary people because basically this effort demands a lot of love and much mutual understanding and trust. It is also a question that involves people in global community building whereby there is a combination of human spirits that are determined to triumph in a quest for peace and love in the face of the adversity of evil, hate, ignorance and mistrust. Improvement in Soviet American relations must be a collaborative effort by ordinary Soviet and American people who live in hope and love.

I do hope that there will be progress in destroying nuclear weapons. I am opposed to Star Wars development and deployment. As far as I am concerned, it is a terrible waste of human effort and money. It will not improve our security. Our security is essentially your security and your security is our security. We can only achieve this goal through people to people contact and through love. In essence security must exist in our minds, in our hearts, yes, in the very depth of our beings.

Sincerely,

MARY T. RIVARD.

THE TERRORIST FIREARMS DETECTION ACT OF 1987

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HUGHES. Mr. Speaker, today I am introducing the Terrorist Firearms Detection Act of 1987. This bill is designed to protect the American public from aircraft hijackings or other crimes using plastic firearms which can escape detection by the security and detection equipment now in use at public buildings and airports around the Nation.

At hearings last month before the Subcommittee on Crime, which I chair, we learned that plastic firearms can be smuggled through airport security checkpoints. There is no question that airport security procedures have to be substantially improved. The bill that I am introducing today does not change that imperative. As the recent General Accounting Office report has indicated, even ordinary firearms are being smuggled past security checkpoints. Unfortunately even the most careful airport security operator using the security and detection equipment operating with the prevailing technology cannot detect plastic weapons.

It is clear that we must take steps to protect ourselves from the threat of plastic firearms, it is also clear that we must improve the current airport security program which relies upon current technology, and we must expedite our research effort to be able to detect plastic weapons. The bill I am introducing today is designed to work in conjunction with the evolution of technology. As detection technology is improved and more modern detection devices installed, the prohibitions of this bill will cover fewer and fewer weapons. Ultimately, it is quite possible that as up-to-date detection technology is installed at airports and other secure areas, no plastic weapons will remain undetectable and subject to the prohibitions of this bill.

This bill prohibits the manufacture, import, sale or transfer of any "plastic firearm." The term "plastic firearm" means any firearm in which any frame, receiver, barrel, slide, and cylinder are entirely made of plastic, ceramics, or polymers, or any combination of those substances. If all of the essential components of a firearm are made entirely of plastic then the firearm is a plastic firearm.

There is a significant exception to the prohibitions all plastic firearms which are readily detectable as firearms by the standard security equipment commonly used at airports and which are readily identifiable as firearms. In addition, the prohibition does not apply to any firearm legally possessed in the United States before the date of enactment. The prohibition also does not apply to prototypes and models in connection with seeking a determination whether a firearm is a plastic firearm. As a further safeguard, the determination that a plastic firearm is detectable is made by the Secretary of the Treasury after consultation with an advisory panel of experts.

The penalty for violating this act is a misdemeanor subject to a maximum term of imprisonment of 1 year.

Mr. Speaker, many witnesses before the Subcommittee on Crime pointed to the imminence of widespread distribution of plastic firearms, and the serious threat that they pose to public safety. The Terrorist Firearms Detection Act is a reasonable and modest approach to get ahead of the technological curve. No sporting weapons of any kind are banned by this legislation, nor are any weapons now owned or manufactured in the United States.

I submit the text of the bill and a sectional analysis of the bill for the RECORD.

Section by Section Analysis

TERRORIST FIREARMS DETECTION ACT OF 1987

Section 1 is the short title.

Section 2 contains the prohibitions and determinations regarding plastic firearms. It creates a new subsection (p) of section 922 of title 18, United States Code, relating to unlawful acts.

Paragraph (1) provides (with the exceptions set forth below) that it shall be unlawful for any person to manufacture, import, sell or transfer any plastic firearm.

Paragraph (2) defines "plastic firearm" to mean "any firearm in which any frame, receiver, barrel, slide, and cylinder are entirely made of plastic, ceramics, or polymers, or any combination of any of those substances." This means that all of the principal components of a handgun must be made entirely of plastic.

Paragraph (3) provides that this new subsection (p) does not apply to any plastic firearm that the Secretary determines is—(A) readily detectable as a firearm by the standard security equipment commonly used at airports; and (B) readily identifiable as a firearm. This paragraph is designed to assure that plastic firearms which are detectable shall not be subject to the prohibitions of this bill. At present the standard security equipment at airports includes X-ray cabinets and portal metal detectors which are required to be set to FAA specifications. Using current technology, if the plastic firearm by virtue of its construction sets off the metal detector, or is identifiable as a firearm on the X-ray screen, it is not subject to the prohibitions of the act. If research in detection yields new technologies and devices that are useful in detecting weapons which become common at airports, the Secretary shall consider such detectors in making the determination under this subsection.

Paragraph (4) provides that plastic firearms may be manufactured or imported or sold to or by the United States or any department or agency thereof, or by a State or political subdivision thereof, or under the authority thereof. This provision is designated to assure that the manufacture, importation, sale or transfer of plastic firearms for military or law enforcement purposes is not precluded in any way.

Paragraph (5) provides that the prohibitions do not apply to the manufacture, importation, sale or transfer of a prototype or model firearm in connection with the seeking of a determination by the Secretary of the Treasury under subsection (p).

Section 3 provides that the penalty for violating subsection (p) is a misdemeanor, carrying a maximum penalty of imprisonment of not more than one year, and a maximum fine as provided by title 18, United States Code.

Section 4 amends section 925 of title 18, United States Code, relating to exceptions, to provide that the prohibitions of section 922(p) do not apply to any firearm legally possessed in the United States before the date of enactment of the Terrorist Firearms Detection Act of 1987.

Section 5 provides that the Secretary of the Treasury shall consult with an advisory panel before making the determination under section 922(p)(3) regarding the detectability of a plastic firearm. The term used in section 922(p)(3), "standard security equipment commonly used at airports," is based on a recognition that among the various types of security equipment there is a range of sophistication and sensitivity. Therefore, rather than use the equipment with the greatest or least ability to detect as the standard, the Secretary must make a judgment of what is commonly used at airports. As detection technology advances and as new equipment is installed at more airports, it is foreseeable that more plastic firearms will be found by the Secretary, with the advice of the advisory panel, to be detectable and exempt from the prohibitions of this act.

Subsection (b) provides that the panel shall consist of individuals from law enforcement, firearms manufacturers and private organizations concerned about firearms issues, to be appointed by the Secretary of the Treasury, as well as a representative of the Administrator of the Federal Aviation Administration.

Subsection (c) provides that the requirement of section 14(a) of the Federal Advisory Committee Act that advisory panels sunset within 2 years of their creation not apply to this panel.

H.R. 2845

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Terrorist Firearms Detection Act of 1987".

SEC. 2 PROHIBITION; DETERMINATION OF TERRORIST FIREARMS.

Section 922 of title 18, United States Code, is amended by adding at the end the following:

"(p)(1) Except as otherwise provided in this chapter, it shall be unlawful for any person to manufacture, import, sell, or transfer, any plastic firearm.

"(2) As used in this subsection, the term 'plastic firearm' means any firearm in which any frame, receiver, barrel, slide, and cylinder are entirely made of plastic, ceramics, or ploymers, or any combination of any of those substances.

"(3) This subsection does not apply to any plastic firearm that the Secretary determines is—

"(A) readily detectable as a firearm by the standard security equipment commonly used at airports; and

"(B) readily identifiable as a firearms.

"(4) This subsection does not apply to any conduct by or under the authority of the United States or any department or agency thereof, of a State, or a department, agency or political subdivision thereof.

"(5) This subsection does not apply to the manufacture, importation, sale, or transfer of a prototype or model firearm in connection with the seeking of a dtermination by the Secretary under this subsection.".

SEC. 3. PENALTY.

Section 924 of title 18, United States Code, is amended—

(1) in subsection (a), by striking out "or (c)" and inserting ", (c), or (f)" in lieu thereof; and

(2) by adding at the end the following:

"(f) In the case of a person who violates section 922(p) of this title, such person shall be fined under this title, or imprisoned not more than one year, or both.".

SEC. 4. EXEMPTION FOR CERTAIN EXISTING FIREARMS.

Section 925 of title 18, United States Code, is amended by adding at the end the following:

"(f) The prohibition of section 922(p) does not apply with respect to any firearm legally possessed in the United States before the date of the enactment of the Terrorist Firearms Detection Act of 1987.".

SEC. 5. ADVISORY PANEL.

(a) CONSULTATION BY SECRETARY.—The Secretary of the Treasury shall consult with an advisory panel before making any determination under section 922(p)(3) of title 18, United States Code.

(b) COMPOSITION OF PANEL.—Such panel shall consist of—

(1) individuals, appointed by the Secretary of the Treasury, from law enforcement, firearms manufacturers, and private organizations concerned about firearms issues; and

(2) a representative of the Administrator of the Federal Aviation Administration.

(c) PERMANENCE OF PANEL.—Section 14(a) of the Federal Advisory Committee Act does not apply to such panel.

NEW YORK'S DAY CARE CRISIS

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. OWENS of New York. Mr. Speaker, a recent editorial in the New York Times entitled "Day Care's Cosmic Crapshoot" which I am inserting for the RECORD focuses on the woeful lack of regulations in New York City's day care centers. Nowhere is the need for governmental action more clearly highlighted than in the issue of day care licensing.

If the States and localities are unable to ensure the health and safety of our infants and toddlers who are being placed in day care facilities in increasing numbers, there may well be a role for the Federal Government. This is more particularly the case where Federal dollars are being directed to the States in order to stimulate welfare-to-work initiatives. Such programs are designed to assist women to become independent of welfare by providing increased education and training opportunities while at the same time attempting to take care of the mother's child care needs. A recent report concerning the New York City experience with this program entitled "Hope or Hassle: A Study of New York City's Welfare to Work Initiative for AFDC Recipients," produced by the Statewide Youth Advocacy, Inc., paints a grim picture as to some of the problems in making such programs effective without adequate day care provision. Specifically, the report makes the point that large numbers of recipients who drop out of training programs cite problems in obtaining and maintaining child care. At one local employment opportunities office [EO] an estimated 50 percent of clients sought as job development candidates by the Department of Labor were reported unable to participate in training some months because of unmet child care needs.

Not only do day care standards need to be improved but additionally there needs to be an effort to increase its limited supply. According to Child Care Inc., (A New York City Advocacy group) infant care is available for only 7 percent of those in need in New York City, while after-school care needed by the population mandated by the EO Program is available for only 15 percent of those in need.

I commend the New York Times article to my colleagues.

[From the New York Times, June 26, 1987]

DAY CARE'S COSMIC CRAPSHOOT

Edward Zigler, who heads Yale's Bush Center in Child Development and Social Policy, recently described family day care as "a cosmic crapshoot for America's parents."

Nobody knows that better than the thousands of New Yorkers who every morning leave their children with the lady down the street. If she's one of the city's 1,964 licensed family day-care providers, they can assume that the kids are in safe hands. If she's one of the 25,000 who are unlicensed and unregulated, they can only hope. Why can't New York do better by the families desperate for this service?

Last winter, the hopes of several New York families were cruelly betrayed. Two small children died and six others were injured when fire broke out in an unlicensed home. The smoke detectors, fire exists and fire extinguishers required for a license might have prevented that tragedy. Yet despite a loud public outcry, the number of licensed day care providers remains a small drop in a large bucket.

State funding exists for 2,100 family day-care homes to be licensed by the city's Agency for Child Development. But there are only 1,800, and they are limited to serving income-eligible children. Fee-paying parents must compete for places in only 164 licensed homes in the entire city. While the Board of Health is presumably willing and eager to inspect and license potential providers, it remains hampered by limited staffing.

The need for more outreach is obvious, but that requires money, $600,000 at the minimum, and official attention. Although there has been some private support, the issue remains low among the city's budget priorities. That's an embarrassment. The state of Massachusetts, with half the population of New York City, recognizes the importance of properly regulated family day care and has licensed 10,000 providers. Why not New York?

TED KOPPEL'S "GOSPEL"

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. MICHEL. Mr. Speaker, television newsman Ted Koppel recently delivered a commencement address to the graduating class of Duke University. What Koppel said was so wise—and so surprising— that political columnist John Lofton, not hitherto known as a friend of television journalism or its practitioners, wrote a rave review of Koppel's speech.

At this point I wish to insert in the RECORD "Cottons up to Koppel's Gospel", by John Lofton, in the Washington Times, June 24, 1987.

COTTONS UP TO KOPPEL'S GOSPEL

(By John Lofton)

Shattering—praise God!—the tradition of modern commencement addresses, far too many of which say nothing and say it poorly ("and remember, tomorrow is the first day of the rest of your life"), Ted Koppel, the host of ABC's "Nightline," delivered a powerful sermon—yes, sermon—to the graduating class of Duke University.

Beginning with a lamentation, by deploring the utter vacuousness of most of what is on television—and citing the role of "Wheel of Fortune's" Vana White as an example—Mr. Koppel says that he is increasingly driven to the conclusion that, on TV, "neutrality or objectivity are simple perceived, or at least treated, as a form of intellectual vacuum, into which the viewer's own opinion is drawn. . . . On television, ambiguity is a virtue; and television these days is our most active marketplace of ideas."

Commenting on this last assertion (he notes that 60 percent of us, about 140 million people, get most or all of our news from TV). Mr. Koppel says "if that doesn't scare the living daylights out of you, then you're not paying attention. Never mind the dry goods. Television and toilet paper were made for one another."

But what about ethical and moral standards? How do they fare on TV?, Mr. Koppel asks. His reply: Not well, not well at all, because "there is not much room on television for complexity. You can partake of our daily banquet without drawing on any intellectual resources, without either physical or moral discipline. We require nothing of you; only that you watch; or say that you were watching if Mr. Nielsen's representative should happen to call." Says Mr. Koppel:

"And gradually, it must be said, we are beginning to make our mark on the American psyche: We have actually convinced ourselves that slogans will save us. 'Shoot up if you must; but use a clean needle.' 'Enjoy sex whenever and with whomever you wish; but wear a condom.'

"No. The answer is 'no.' Not 'no' because it isn't cool, or smart, or because you might end up in jail or dying in an AIDS ward. But 'no' because it's wrong. Because we have spent 5,000 years as a race of rational human beings trying to drag ourselves out of the primeval slime by searching for truth and moral absolutes."

(Note: This is the only theological glitch in Mr. Koppel's otherwise excellent talk. And it is a glitch because we are not products of any primeval slime but rather creatures, creatures created in His image by a sovereign, living God).

Noting critically that in place of truth we have discovered facts, we have substituted moral ambiguity for moral absolutes and we have reconstructed the Tower of Babel and it is a TV antenna, Mr. Koppel says that on TV "everyone's opinion is afforded equal weight regardless of substance or merit. Indeed, it can even be argued that opinions of real weight tend to sink with barely a trace in television's ocean of banalities."

But, Mr. Koppel emphasizes, truth, in its purest form, "is not a polite tap on the shoulder; it is a howling reproach. What Moses brought down from Mount Sinai were not the Ten Suggestions. They are Commandments. Are, not were. . . . not just for then, or now, but for all time." Mr. Koppel observes:

"On what did the Hart campaign founder? On accusations that he violated the Seventh Commandment. Thou shalt not commit adultery. Relevant? Of course the Commandments are relevant. Simply because we use different terms and tools, the Eighth Commandment is still relevant to the insider-trading scandal. The Commandment don't get bogged down in methodology. Simple and to the point. Thou shalt not steal.

"Watch the Iran-Contra hearings, and keep the Ninth Commandment in mind: Thou shalt not bear false witness. And the 10th Commandment, which seems to have been crafted for the '80s and the 'Me' generation. The Commandment against covetous desires: against longing for anything we cannot get in an honest and legal fashion.

"When you think about it, it's curious, isn't it? We've changed in almost all things—where we live, how we eat, communicate and travel; and yet, in our moral and immoral behavior we are fundamentally unchanged. Maimonedes and Jesus summed it up in almost identical words: Thou shalt love thy neighbor as thyself. Do unto others as you would have them do unto you. So much for our obligations toward our fellow men. That's what the last five Commandments are all about."

Commenting on the Fifth Commandment requiring us to honor father and mother, and pointing out that religious scholars have concluded that this means parents are to stand in place of God as regards their children, Mr. Koppel says: "What a strange conclusion! Us in the place of God. We, who set such flawed examples for you. And yet, in our efforts to forgive you when you make mistakes, we do our feeble best to personify that perfect image of love and forgiveness and Providence which some of us find in God."

At this point, Mr. Koppel cites the First Commandment, which requires us to believe in the existence of a single supreme God; and he cites the Second, Third and Fourth Commandments, which, respectively, he stresses, "prohibits the worship of any other Gods, forbids that His name be taken in vain, requires that we set aside one day in seven to rest and worship Him."

In conclusion, Ted Koppel says: "There have always been imperfect role models; false gods of material success and shallow fame; but now their influence is magnified by television.

"I caution you, as one who performs daily on that flickering altar, to set your sights beyond what you see. There is true majesty in the concept of an unseen power which can be neither measured nor weighed. There is harmony and inner peace to be found in following a moral compass that points in the same direction, regardless of fashion or trend. There is hope that if we can only set our course according to man's finest aspirations, we can achieve all we want; and that we can have it without diminishing our neighbor's share. Peace! May it come to your generation."

Amen, Brother Ted! Amen, friend. To God be the glory.

INTRODUCTION OF BILL REPEALING D.C. ACT GRANTING MAYOR AUTHORITY TO RELEASE PRISONERS

HON. STAN PARRIS

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. PARRIS. Mr. Speaker, once again the Government of the District of Columbia has clearly demonstrated its unwillingness to act responsibly in managing the ongoing crisis within the District's correctional system.

The "Prison Overcrowding Emergency Powers Emergency Act of 1987" (D.C. Act 7-40), recently signed by the Mayor, is without question a mistake. This act poses a direct and present threat to the safety of the residents of Washington and the surrounding jurisdictions—not to mention the tens of thousands of individuals who will visit our nation's capital this summer. D.C. Act 7-40 is a blatant attempt by the city to circumvent a Federal court order regarding prison population caps set to take effect on July 1.

The act gives the Mayor authority to rduce the prison sentences of all eligible inmates in the Department of Corrections by 180 days, making more than 400 dangerous criminals eligible for early parole during the term of the act. This figure does not include the several hundred inmates who would be paroled anyway. It is unreasonable to expose the residents of this city and surrounding communities and visitors to the unnecessary danger presented by these inmates.

Why are they being released? Is it the result of a well thoughtout and tested correctional policy? Is it because these inmates have served the terms of imprisonment imposed by the courts? The answer is simple—No! The logic is clearly absent. They will be given early parole because, to quote Deputy Mayor Thomas Downs, "this is the only rational solution to the problem." (Washington Post, June 20, 1987.)

I find it particularly troubling that after more than 16 years of litigation and other problems plaguing the Districts correctional system, this is their best solution. However consistent this is with the city's past record of dealing with prison overcrowding, D.C. Act 7-40 is certainly not a solution.

It would appear to the spectator that nothing ever gets done in the Department of Corrections unless there is an emergency or unless there is a court order stemming from litigation. Unfortunately, the insider sees the same picture. The District is now faced with a July 1, court-imposed deadline under which it must reduce the prisoner population in Lorton's Occoquan facilities by several hundred. Although this deadline was imposed back in December 1986, no action was taken by the city to comply until passage 2 weeks ago of the "Prison Overcrowding Emergency Powers Emergency Act." The result of this legislation is that dangerous prisoners will be released into the community.

Who are these inmates? We are told by the city that they will not be the most dangerous persons. However, the facts suggest otherwise—the Act allows the early release of two categories of quite dangerous criminals, including robbers and many drug offenders not covered under the mandatory sentence statutes. The city already has more than 2,000 former inmates on parole, supervised by 70 agents. I am told that proper supervision is already less than adequate. The release of 400 additional convicts will only serve to further tax the city's ability to adequately monitor these parolees. In short, the Prison Overcrowding Act is a serious trade-off to public safety that we can ill afford.

This act must be repealed not only because it endangers public safety, but because it also attempts to circumvent Federal court-ordered population caps. The Act also contains language that, in my judgement, may allow the District after July 1 to redefine "rated design capacity" to exclude several structures now used to house inmates [sec. 4(c)]. By removing such facilities as modular units, day rooms, trailers and gymnasiums from the definition of "rated design capacity," the inmates housed in these facilities would not count against the court-population caps.

In the interest of public safety, I strongly, oppose D.C. Act 7-40, and urge my colleagues to support my bill to repeal this irresponsible act. The District of Columbia must not be allowed to jeopardize the safety of American citizens because it has failed to act responsibly in managing its correctional system over the last 16 years. Must we each pay the personal price for the District's management failures? How many innocent citizens of the Washington area will be harmed or killed at the hands of the dangerous criminals released under this act? How many of our children will die from the drugs which will be fed them by the dealers who will be released under this act? Who in the District Government will take responsibility for these acts with the families of these victims?

LAYING THE CONSTITUTIONAL FRAMEWORK

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. PACKARD. Mr. Speaker, this Saturday, July 4, 1987, we will be celebrating one of the greatest days in our Nation's history. A day that symbolizes how far our country has come over the years. Two hundred years ago this Saturday, Philadelphia celebrated the 11th anniversary of the signing of the Declaration of Independence in a gala fashion. The main oration of the day was delivered by James Campbell, a local lawyer. He focused his speech on the convention delegates and envisoned "a free and vigorous government rising out of the convention."

Today, some 200 years later, we, the Congress, continue to work to uphold the guidelines set forth by our Founding Fathers. The spirit and pride that is celebrated on July 4 of every year plays a major role in making America what it is today.

James Campbell predicted that 100 years hence he could see "millions of free men covering the shores of our rivers and lakes with all the arts and enjoyments of civilized life." Campbell's hopes for the future have long since come to fruition and will be celebrated this Saturday as millions gather in the mall and across the country to pay homage to the birth of our great country and the men that made it possible.

As has been the case throughout the years, the celebration will be tempered by considerations of the many complex and controversial issues that face us at this time. We would be well-advised to remember that our opportunity to confront these issues would be moot had our forefathers not had the resolve to complete the task of laying the constitutional framework from which the United States has grown. Their endeavors show us the exceptional nature of our country's heritage and that the problems we face can also be successfully tackled if we too are steadfast in our work.

H.R. 2327, THE VETERANS' BENEFICIARY TRAVEL PROGRAM

HON. THOMAS J. RIDGE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. RIDGE. Mr. Speaker, earlier today the House of Representatives with the exception of one Member passed H.R. 2327, the Veterans' Administration Beneficiary Travel Program. I commend the distinguished chairman, SONNY MONTGOMERY, and our vice chairman, GERALD SOLOMON, who has been the prime mover behind this legislation; for their contribution and interest in expediting this important measure.

Since April of this year, many low-income and disabled veterans have faced considerable hardship in traveling to VA medical centers to receive the medical attention they require. In some instances, veterans were unable to obtain VA medical treatment because the VA would no longer reimburse their travel expenses. This imposes a special problem and hardship for veterans in rural areas. The distance to the nearest VA hospital is often too great and the costs too expensive for veterans.

Some regional VA medical centers tried to assist in easing the burden of these changes on local veterans by recruiting volunteers to assist those in need of transportation. While these efforts should be commended, they were unfortunately not enough. Distribution of scarce resources made the burden too great for local centers to provide travel assistance in addition to other benefits and responsibilities. H.R. 2327 simply restores the status quo for travel benefits.

It is difficult to comprehend the logic or rational behind such a change. The elimination of travel benefits to veterans is both unconscionable and unbelievable. Service-connected veterans who are disabled; veterans who receive a VA pension; low-income veterans, and other veterans unable to afford transportation to and from VA medical hospitals must have this benefit restored. They served bravely, faithfully, and courageously, and we must continue to serve them.

Veterans' benefits are uniquely different from other Government programs and must be treated accordingly. Long ago this Nation made a continuing commitment to our veterans that recognized their sacrifices and service. To abandon that commitment, as the new regulation on travel benefits has done, is a grave injustice to today's veterans and tomorrow's soldiers.

THE ISSUE OF STATEHOOD FOR PUERTO RICO

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. LAGOMARSINO. Mr. Speaker, earlier this year I had the opportunity to travel to Puerto Rico to participate in the celebration of the 70th anniversary of the granting of U.S. citizenship to the people of Puerto Rico. When the Congress passed the legislation in 1917, it was enthusiastically applauded in Puerto Rico.

However, the people soon realized that a complete endowment of U.S. citizenship was not yet theirs. Without statehood, there was no full representation in Congress, no voting for President, and no opportunity to fully participate as a member of the American community. In spite of those shortcomings, I am proud to say that our fellow Americans in Puerto Rico have stood shoulder to shoulder with the rest of the Nation in every armed conflict since World War I, including last year's air raid on Libya, when Capt. Fernando Ribas-Domenici was killed. The giving of one's life in defense of freedom and the flag is the highest price anyone can pay.

The issue of statehood for Puerto Rico has been with us since the turn of the century. While there has always been some interest by Puerto Rico in becoming incorporated into the Union as a State, the magnitude of that interest has been growing increasingly during the past few years. The strength and depth of that desire for permanent Union with the United States has been dramatically demonstrated by a bipartisan grassroots effort in Puerto Rico. During the past 2 years, a private nonprofit civic organization, Puerto Ricans in civic action, led by Dr. Miriam Ramirez De Ferrer, has submitted over a quarter of a million individually signed petitions for statehood for Puerto Rico to the Congress. I understand that the people of Puerto Rico are preparing to submit an additional 100,000 petitions for statehood.

In this year, the 200th anniversary of the U.S. Constitution, it is fitting that the Congress respond to this grassroots effort which is a manifestation of the democratic principles which we all cherish. In effect, the petitions for statehood for Puerto Rico is a request to have the U.S. Constitution fully extend to Puerto Rico; to be treated equally with U.S. citizens in the 50 States; and, to fully participate in the American community.

Last year during the Fourth of July celebrations in Puerto Rico, a large group of individuals became naturalized U.S. citizens during a moving ceremony in the historic fortress of San Cristobal. After taking the oath of citizenship, the participants were addressed by a prominent educator of Puerto Rico. The theme of his speech to the new U.S. citizens was "half is not enough." While he extolled the rights that had been conferred upon the new citizens. He also clarified that as long as they remained in Puerto Rico and outside of the 50 States, they would only be entitled to half of their rights of U.S. citizenship. While living in Puerto Rico they could not vote for President and Vice President; nor would they have any representation in the U.S. Senate or full voting representation in the House of Representatives. Other programs and services would be limited or unavailable, such as Medicaid, Food Stamps, Aid to Families with Dependent Children, Supplemental Security Income, and others. In addition, they would not fully contribute to the American community as the Internal Revenue Code did not apply in Puerto Rico as it did in the rest of the Nation. The only remedy to the dilemma is for an individual to move to one of the 50 States or to have Puerto Rico incorporated into the Union as a State. I have to agree, that when it comes to U.S. citizenship, half is not enough. Given the limitations on citizenship rights, it is not surprising that there exists a widespread desire by the people of Puerto Rico to claim the other half of their rights and responsibilities of U.S. citizenship.

I have discussed this issue with a number of my colleagues who also believe that the United States needs to respond to the quest of the U.S. citizens in Puerto Rico seeking full participation in the American community. This concern is shared by many individuals from both parties. I want to acknowledge the support of the cosponsors to this legislation, Messers. IKE SKELTON, AUSTIN MURPHY, and TOM COLEMAN.

Two former Governors of Puerto Rico, Luis A. Ferre and Carlos Romero-Barcelo have expressed the need for congressional action on the issue of statehood. I had the opportunity to meet with them in Puerto Rico earlier this year, and both are strong advocates of the need to put the issue before the people in a referendum.

The Senate introduced legislation, S. 1182, last month which also provides for a referendum in Puerto Rico on statehood. Bipartisan support of the Senate bill includes Senators ROBERT DOLE, PAUL SIMON, ALFONSE D'AMATO, SPARK MATSUNAGA, and PATRICK MOYNIHAN.

Perhaps one of the most out-spoken individuals regarding this issue is Vice President GEORGE BUSH. He is very attuned to the inequalities that exist in the insular areas and has been an adamant supporter of the people's desire for participation in the American community. It was at the urging of Vice President BUSH and our former colleague, San Juan Mayor Baltasar Corrada Del Rio that I am introducing legislation today to respond to the people's petition for statehood.

This legislation provides an opportunity for the people of Puerto Rico to speak out in a nonpartisan referendum regarding their desire to join the United States in permanent Union. The measure provides for the Government of Puerto Rico to conduct a referendum in the 18th month following the next general elections, which would clearly distance it from party politics. The question to be put before the people is: Shall the Commonwealth of Puerto Rico be incorporated into the Union as a State, upon the people of Puerto Rico and Congress mutually agreeing to the terms of admission?

Upon approval of the referendum, a joint task force would be established for the development of transition recommendations and proposed enabling legislation. The President would appoint the eight members of the joint task force, four of whom would be nominated by the Governor. Within 1 year, the joint task force is to send their findings to the President and Governor of Puerto Rico. The President then transmits the joint task force findings with his comments and any comments from the Governor to the Congress for consideration.

Upon the passage of an enabling act by Congress, a second referendum will be held in Puerto Rico, in which the people of Puerto Rico will freely decide about joining the United States in permanent Union as a State.

It is understandable that the people of the Commonwealth of Puerto Rico would want to know the terms of admission to the Union before voting to take the monumental step of joining their fellow U.S. citizens in the 50 States in permanent Union. It is likewise understandable that the Congress would want to know the express will of the people of Puerto Rico regarding statehood, as the Congress has specific, full and broad constitutional responsibility over all matters related to Puerto Rico.

DR. JOHN TUMBLIN ASSUMES PRESIDENCY OF AMERICAN OPTOMETRIC ASSOCIATION

HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DUNCAN. Mr. Speaker, I would like to take a moment to commend a good friend and very special member of the optometric profession from Knoxville, TN, Dr. John Tumblin.

On July 9, Dr. Tumblin will assume the presidency of the American Optometric Association, capping nearly 30 years of dedicated service to optometry. Beginning with his first year out of optometry school, John has served with distinction at every level, including serving on the AOA Board of Trustees for the past 10 years. It has been my pleasure to know John for many of those years, and I am pleased that his colleagues have recognized his abilities and leadership with this high honor.

The objective of the AOA is "to improve the vision care and health of the public and promote the art and science of the profession of optometry." John Tumblin's professional life exemplifies this objective. I am happy to join his many friends in paying tribute to him and wishing him well in the year ahead.

LEGISLATION TO CORRECT ELECTRONIC COMMUNICATIONS PRIVACY ACT OF 1986

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. GEKAS. Mr. Speaker, I am today introducing legislation to correct an anomaly in the Electronic Communications Privacy Act of 1986.

The Congress intended by that law to protect the privacy of individuals using electronic communications not only in the communication process itself, but as to communications records. As a result, when a governmental entity seeks a communications record it must do so pursuant to an administrative subpoena, a search warrant or a court order.

Unfortunately, in restricting law enforcement access to communications records the language of the law was overly broad. As a result, telephone companies have interpreted it as placing an added burden upon law enforcement which, I believe, needlessly complicates their responsibilities.

Law enforcement officials, particularly State officers, legitimately acquire in the course of an investigation a telephone number for which they need the name of the subscriber. Often they need the identity of the subscriber quickly and the burdensome requirement of obtaining a search warrant or administrative subpoena is needlessly time consuming. Very often the identity of the subscriber is a matter of public record published in the telephone directory—albeit in reverse order. However, the telephone directory is published only annually and thus even the publicly available information that it would contain may not be available at that time.

We should not erect barriers against a telephone company cooperating with law enforcement. To require a law enforcement agency to jump through a special hoop for this information certainly does not foster this cooperation and is not what we contemplated when we voted on this bill.

Moreover, some numbers which a law enforcement agency may acquire in the course of an investigation may be unpublished or nonlisted. It was certainly not within our contemplation to prohibit telephone companies from providing law enforcement agencies with the name and address of these subscribers. When we acted to protect the privacy of records pertaining to subscribers, we did not intend to make legitimate law enforcement needlessly more difficult.

Mr. Speaker, in a time when law enforcement officers are battling a crest of crime, particularly involving drugs, we in the legislative branch should not mine their paths to no purpose.

IN SUPPORT OF THE BENEFICIARY TRAVEL ACT

HON. BEN NIGHTHORSE CAMPBELL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. CAMPBELL. Mr. Speaker, I would like to commend the House today in its overwhelming support of H.R. 2327, the VA Beneficiary Travel Act.

I was proud to be a cosponsor of this piece of legislation that requires the Veterans' Administration to restore to many veterans their beneficiary travel benefits to the pre-April 13 level of 11 cents per mile. Since April 13, travel reimbursement for people living within 100 miles of a VA hospital has been dropped.

This action was meant to be a cost saver, and indeed it worked. With 97 percent of all veterans living within 100 miles of a Veterans' Administration facility, how could it not?

As a legislator, saving money and lowering the deficit are vitally important to me, but as a veteran, the availability of affordable health care is equally important. With this bill we are able to accomplish both by reinstating travel payments to:

Service-connected veterans for treatment of their service-connected disabilities;

Service-connected veterans who are disabled 50 percent or more, for treatment of any disability;

Veterans who receive a VA pension;

Low-income veterans who do not have an annual income exceeding the maximum annual amount of a VA pension;

Veterans who need but cannot afford special mode transportation, such as an ambulance or wheelchair vans; and

Any other person the VA determines to be unable to afford transportation.

Savings would come through the elimination of benefits for veterans with service-connected disabilities rated below 50 percent who are seeking nonservice connected care. Such a provision would cut eligibility from its pre-April 13 level by 20 percent, thus saving $27 million.

Because of their service many veterans received disabilities but are now unable to afford transportation to seek care. I have a serious commitment to the veterans in my district. It angers me to no end to hear the empty words of support for the men and women who served this country proudly. Today, you let your actions follow the promises we have made to our veterans.

If there is any doubt who I am serving, let me share with you that in this vote I am serving the approximately 65,000 veterans living on the 53,000 miles of my district.

TRIBUTE TO B.J. CHRISTENSEN

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. MATSUI. Mr. Speaker, I rise today to pay tribute to B.J. Christensen upon her retirement as executive director of the Volunteer Center of Sacramento, CA.

For 25 years, Mrs. Christensen has devoted her efforts toward helping the less fortunate members of the Sacramento community. Her leadership and organizational skills are evidenced by the number of civic organizations she has presided over, including the Women's Forum, the Soroptomists Club, the Sacramento Medical Center Volunteers and Ikebana International.

Mrs. Christensen has also served on innumerable civic-oriented committees, continually demonstrating her selfless commitment to helping others. For example, she was instrumental in obtaining funds for projects to aid neurologically and handicapped children.

Mrs. Christensen enjoys the love, respect and friendship of both coworkers and those who have benefited from her wisdom and concern. She has enhanced immeasurably our Sacramento community through her good work and is to be heartily commended for her contributions.

Mr. Speaker, I would like to extend my sincere thanks to B.J. Christensen and offer my very best wishes for an enjoyable and fulfilling retirement.

HONORING CONGRESSMAN OVERTON BROOKS IN LOUISIANA

HON. BUDDY ROEMER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. ROEMER. Mr. Speaker, I rise today to pay tribute to one of our former colleagues, the Honorable Overton Brooks, who carved out a career in the House of Representatives as a friend of our Armed Forces Reserves and veterans.

Congressman Brooks, elected to the U.S. House of Representatives in 1936, served the Fourth Congressional District of Louisiana for

25 years. Most of the major Reserve bills enacted during this period bear his name as chief sponsor. His interest in building a well-trained reserve and protecting the rights of veterans goes back to his own service in World War I.

In 1918, at the age of 18, Pvt. Overton Brooks, after only 30 days of basic training, was sent into combat with an artillery unit. During his Army service, he received two battle stars and rose to the rank of sergeant. But the experience of being thrust into combat after only a month's training eventually lead him to spearhead efforts in Congress to ensure others were never sent into combat without proper training.

In Congress, Mr. Brooks also became an avid supporter of veterans legislation. He advanced the idea of terminal leave for all enlisted men and pay for this time; helped write the GI bill of rights; and actively fought to increase compensation paid to disabled veterans and to the widows and orphans of veterans.

Mr. Brook's service to veterans and to Louisiana included initiatives in the National Veteran Hospitalization and Rehabilitation Program. After years of intensive work, he was instrumental in obtaining approval for a veterans' hospital to be constructed in Shreveport, too.

During his years in the House, Congressman Overton Brooks did more for the Reserve and veterans than any other Member of Congress. As a fitting tribute to a man who worked diligently on behalf of those who served our Nation in the armed services—and, specifically, on behalf of veterans in the State of Louisiana—we are adopting H.R. 2616. This legislation will, among other things, rename the VA hospital in Shreveport, LA, the Overton Brooks Veterans' Administration Medical Center.

We in Louisiana are grateful to have had a statesman like Congressman Brooks. I am privileged to have this opportunity to pay some small tribute to him.

TRIBUTE TO LOUIS KRAYKA

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HORTON. Mr. Speaker, I rise today to pay tribute to a very special man from Auburn, NY. On June 18, Mr. Louis Krayka celebrated his 100th birthday among friends and relatives in Auburn. Louis was honored at a special ceremony at Auburn's Polish Falcons Hall, where he has been a member for the past 75 years.

During the ceremony, Mr. Krayka was awarded the prestigious Gold Legion of Honor Service Cross, the highest honor of the Polish Falcons, by the group's national president Bernard Rogalski. Mr. Rogalski officially proclaimed June 18 as "Centenarian Druh Ludwik Krajka Day" (Mr. Krayka's Day) among all Polish Falcons of America.

Louis was born less than a week after the very first Polish Falcons "nest" was organized in Chicago—June 12, 1887. He received the Falcons Bronze Legion of Honor Service Cross 55 years ago.

Although I was not able to attend this ceremony, I sent Louis a flag that had flown over the Nation's Capitol last Fourth of July. The flag was presented by Dr. Joseph Karpinski, also of Auburn. Dr. Karpinski is an internationally-respected leader of the Polish-American community and a longtime personal friend. Among the many gifts he was given was a beautiful handcarved walking stick made in Poland. Louis, still energetic and affable in his second century, noted, "I hope I don't need it."

More than 150 people attended Louis' very special birthday, and thousands more were there in spirit. My wife Nancy and I want to congratulate Louis during this special time. His contributions to the Auburn, NY, area through these years have been incalculable. We wish him many more years of happiness. There is a song sung during Polish birthdays which goes, "Sto Lat, Sto Lat, Niech Zyje Nam." Roughly translated, it means, "Hundred years, hundred years, he should live for us." That song is particularly appropriate as Louis celebrates his 100th birthday.

"Kochanemu Ludwikowi Najlepsze Zyczenia Na Dzién Urodzin!"

HONORING DR. POPE DUNCAN, RETIRING PRESIDENT OF STETSON UNIVERSITY

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. SHAW. Mr. Speaker, I would like to take this opportunity to note the retirement of Dr. Pope Duncan, one of the finest and best-loved presidents of Stetson University, in my home State of Florida.

During his 10 years as president, Dr. Duncan was the driving force behind an effort that eventually raised more than $50 million for the university.

Under Dr. Duncan's guidance, this money was used to improve faculty salaries, purchase library acquisitions, renovate and build campus structures, create new programs in business and the arts, and increase financial aid funds for students.

This remarkable achievement was not lost on Dr. Duncan's colleagues. In 1985, a survey of college presidents ranked Stetson as one of the top four colleges in the South and border States.

Mr. Speaker, Dr. Duncan's vision has produced fine students exposed not only to learning but to wisdom. His efforts have created a vision for the future of Stetson that will flourish in the years to come.

On behalf of the alumni of Stetson, I extend my best wishes to Dr. Duncan and his wife Margaret for many years of happiness and continued success.

RESOLUTION DEVELOPING AGRICULTURAL MARKETS IN DEVELOPING COUNTRIES

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DE LA GARZA. Mr. Speaker, today I am introducing a resolution which calls for the President of the United States to make development of agricultural markets in developing countries a high priority of the foreign economic policy of the Nation.

Farm trade is critical to the survival of U.S. agriculture. American agricultural exports have dropped by 40 percent over the last 5 years, and farm exports, which comprised 30 percent of total farm cash receipts in 1981, now comprises only 19.5 percent of total cash receipts. Today over 42 percent of U.S. agricultural exports go to developing countries, and these countries offer the greatest potential as future commercial markets for the United States.

Over the next decade, the population of less developed countries is expected to expand by over 1 billion. However, the economy of many of these countries is in such distress that they are not able to provide enough food for their citizens either through their own agricultural production or through food imports.

Through effective use of food aid and export assistance programs, the United States can provide agricultural development assistance to these countries that will generate higher incomes for their citizens and increased food demand. This increased demand for additional food will reduce the tremendous surplus of excess commodities now in Commodity Credit Corporation storage and subsequently assist American farmers in increased exports.

Agricultural assistance provided to Third World countries a couple of decades ago has resulted in exploding markets for U.S. agricultural commodities. Korea is a prime example. That country, which received food aid for over 25 years following World War II, presently imports over $1.3 billion of United States agricultural commodities annually.

The 1985 farm bill provides a number of provisions to establish or expand U.S. Department of Agriculture export programs to assist developing countries. However, the programs have not been used to their fullest in that there has not been a comprehensive approach in the use of these programs on a country-by-country basis to provide needed development efforts for each country. USDA export programs must be creatively used and coordinated in order to maximize their effectiveness.

Congress has provided the necessary tools to assist these countries and the resolution I am introducing today calls for a firm commitment by the President to seek out potential markets in developing countries and to use our export programs to the fullest to build future commercial markets there for our agricultural commodities.

This action will provide immediate benefits to developing countries of the world and will in turn benefit American agriculture through increased U.S. agricultural commodities in world trade.

LEGISLATION TO REAUTHORIZE NUCLEAR REGULATORY LAW

HON. JOHN MILLER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. MILLER of Washington. Mr. Speaker, on August 1, 1987, the Price-Anderson Act will expire. Three congressional committees are now drafting legislation to reauthorize the Nation's first nuclear regulatory law. This will be an extraordinarily complex process but the key issue is fairly straightforward. The key issue, Mr. Speaker, is safety and it is addressed in H.R. 2141, a bill I have cosponsored.

Mr. Speaker, any bill must have at its heart the goal of making safety the No. 1 priority of those who operate any nuclear facility. H.R. 2141 does that by removing the liability cap and making the operator responsible for any damages that might occur in the event of a nuclear accident. Under this bill, if a nuclear accident were caused by gross neglect or willful misconduct, then those who caused the accident would be fully responsible for complete victim compensation.

Those of us from States with Federal nuclear facilities like those at Hanford want to make sure that the private contractors who operate these reactors are held accountable and responsible. H.R. 2141 will do that. Any Department of Energy contractor whose negligence or misconduct causes an accident can't run to the Federal Government and say, "help me pay for that accident." The Federal Government, like any good landlord, would pay for the damages to protect the citizens. Afterward, the Federal Government would be entitled to recover the costs of these losses from the contractor.

Mr. Speaker, unfortunately, current law exempts Federal facilities and the contractors who run them from any liability, no matter who is at fault. If we have an accident at a civilian nuclear power plant, the law says that all electric ratepayers who use nuclear power plants help pay for any accident. Under H.R. 2141, only the company which caused the accident because of negligence or willful misconduct is liable.

Mr. Speaker, the incentive here is to make safety the number one priority. The vast majority of nuclear plant contractors do exactly that. But nuclear power is an unforgiving technology. And it takes only one cut corner, one dozing operator or one sloppy logbook to jeopardize the communities and the lives of thousands of citizens. Nuclear accidents can happen. We have seen that they do happen. The best safeguards are caution and vigilance. By removing the cap on liability, by making the contractors responsible for any accidents and by removing the deep pocket of the Federal Treasury as a source for compensation, the bill makes safety and vigilance something every nuclear plant operator will have at the top of his agenda.

I urge my colleagues on the Committees on Energy and Commerce, Interior and Insular Affairs, and Science and Technology to support the concepts in H.R. 2141. They should give the House a bill which removes the cap on liability and makes the operators of nuclear plants accountable and responsible.

TALKLINE/KIDS LINE OF ELK GROVE VILLAGE, IL

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. CRANE. Mr. Speaker, I am pleased to call to the attention of my colleagues the fact that Talkline/Kids Line of Elk Grove Village, located in the 12th District of Illinois has been chosen as a winner of the 1987 President's Volunteer Action Award.

This award is presented annually to programs which have displayed the American spirit of volunteering and citizen involvement.

Talkline/Kids Line is the first 24-hour crisis hotline for children in the United States. It was designed to assist latchkey children who are at home while their parents work. The program provides over 200 trained volunteers who receive calls, raise funds, and speak to various groups about the program. These dedicated volunteers counsel lonely and troubled children, as well as reinforce safety and urge constructive use of independent time.

I would like to take this opportunity to applaud Talkline/Kids Line for the wonderful contribution they make to the community and the children who benefit from the program. The volunteers are to be commended for giving their time to care for the welfare of the people in the Chicago area.

To be recognized by the President is an outstanding achievement and those associated with Talkline/Kids Line should be justifiably proud of their accomplishments. I extend my heartiest congratulations on a job well done.

CONCURRENT RESOLUTION REGARDING AMERICANS MISSING IN ACTION FROM KOREA

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. DONNELLY. Mr. Speaker, I am introducing today, along with Congressman MONTGOMERY, a concurrent resolution expressing the sense of the Congress concerning action that should be taken to account for Americans listed as missing in action from the Korean conflict.

Mr. Speaker, 2 weeks ago, I spoke on the floor about the fact that 8,177 Americans are still listed as missing in action from the Korean conflict and of that number, 389 were prisoners of war, known to have been alive but in Korean custody before the 1953 ceasefire.

I believe that the U.S. Government has a moral obligation to the families of those 8,177 Americans. We have a moral obligation to the soldiers themselves, and should receive a full accounting of their whereabouts, just as we are trying to do for those listed as missing in action from Southeast Asia.

My resolution expresses the sense of the Congress that the President should formally request the Republic of Korea to undertake a search for, and provide an accounting of, the whereabouts or fate of those 8,177 Americans. Join Mr. MONTGOMERY and myself in cosponsoring this resolution, and send a message to those soldiers and their families that they are not forgotten.

TRIBUTE TO JOHN L. MARTIN

HON. ERNEST L. KONNYU

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. KONNYU. Mr. Speaker, I take this opportunity to pay tribute to John L. Martin, a constituent of mine in the 12th District of California, who retires today after serving 37 tireless years in California's system of public education.

After being born and educated in the State of Iowa, Mr. Martin and his wife and child drove to Coronado, CA, where John began his distinguished teaching career in 1950. From 1952–60, John worked at Hillview School in Menlo Park where he taught for 2 years and was principal for 6. Mr Martin and his family settled permanently in Palo Alto in 1963, and since 1965, in his capacity as assistant superintendent of Palo Alto schools in charge of curriculum, John Martin has distinguished himself as an outstanding administrator.

Mr. Martin has received many awards for his selfless service, including the 1981 Sally Siegel Award for Excellence in Education. He also enjoys the respect of his peers in the profession. A superintendent for whom John served had this to say about John's abilities:

> I know of no one who has a broader understanding of the entire area of curriculum, including special education . . . His energy seems limitless.

Moreover, a principal who served for Mr. Martin stated:

> In my nearly twenty-eight years in secondary education, I have never known another person with quite the special combination of warmth, energy, and ability which definitely characterize John Martin.

Mr. Martin's record of educational excellence has been matched only by his devotion to family and community. He and his wife have raised six children and supported them through college. In addition, Mr. Martin has been active in the local little league, Babe Ruth, PTA, and church organizations. John Martin is truly a fine citizen in the Palo Alto community.

Mr. Speaker, in closing, I would like to thank John Martin for his services to public education in California and wish him the best in his years of retirement.

PERSONAL EXPLANATION

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. CARDIN. Mr. Speaker, I was unavoidably called back to Baltimore last night and missed rollcall votes 226, 227, 228, and 229. Had I been able to cast my votes at that time I would have voted as follows:

Rollcall 226, "no."
Rollcall 227, "no."
Rollcall 228, "no."
Rollcall 229, "aye."

LEGISLATION TO PLACE CROP ACREAGE INTO NON-CROP USE

HON. ROBERT LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. THOMAS of Georgia. Mr. Speaker, it is with great pleasure that I join my colleague from Montana, RON MARLENEE, in the introduction of a bill he conceived, which will encourage farmers to place crop acreage into noncrop use. This bill will allow farmers to put cropland into approved wildlife usage, such as feeding or forage areas, without losing their crop base which would preserve the factor used in determining Government benefits. Such a plan will enable farmers to idle land, but leaves the door open should the farmer decide to return the acreage to production the subsequent year. By doing so, we will assist in preserving game and wildlife, while at the same time remove land from production with no expense to the Government.

Last year, the 1985 Farm bill cost the Government nearly $26 billion. Of that figure, $13.1 billion went to farmers in payments for diversion, deficiency, disaster, and marketing loans. As of March 31, 1987, the Government was holding surplus commodities worth $14.7 billion. Clearly there is a need for incentives to farmers to reduce the country's enormous production which has resulted in these Government outlays. The legislation we proposed will result in the diversion into noncrop use of land that previously had contributed to the huge stocks of surplus currently being held by the Government.

By no means will this incentive for crop reduction be a panacea for our farm crisis, it is but one step. But it does reflect the kind of innovative thinking that can, overtime, revitalize our farm programs and give the American farmer a chance to revitalize American agriculture.

I am hopeful that the House will carefully review this proposal and join Mr. MARLENEE and me in support of this cost saving measure.

TRIBUTE TO IVAH BROCK MILLER

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HALL of Texas. Mr. Speaker, I would like to note the recent passing of Mrs. Ivah Brock Miller, one of my constituents from Collinsville, TX. Mrs. Miller, or Miss Ivah, as she was known to the town, was a remarkable woman who witnessed nearly a century of change and contributed greatly to the welfare of her community as it underwent that change.

Miss Ivah was greatly loved by her family, the members of her church, and by the town of Collinsville where she spent most of her life. For many years, she quite literally knew everyone in the town, having worked as the manager of the only dry goods store in Collinsville. She was regularly honored at Grayson County's Pioneer Days celebration.

One of Miss Ivah's grandsons, Dr. Gerald Stephenson of Irving, TX, delivered a eulogy at the funeral last Friday. I believe that it will interest you. North Texas has changed greatly in the nearly 100 years that Miss Ivah lived there. She saw the change and was a part of it.

IVAH BROCK MILLER, 1888-1987—A EULOGY

The year the guns were stilled at Appomatox Ivah Brock Miller's mother, Stella Wells, was born in Illinois. Her father, Albert Brock was already a boy of six in Missouri. Both of her parents' families moved to Texas in that great Western migration in the last third of the nineteenth century, settling in Collinsville.

When Ivah was born, there were no paved roads, no automobiles, no radio, no airplane, nor most of the technological marvels we take for granted nearly 99 years later. Her life spanned a century of explosive invention, change, growth and conflict. She lived her life quietly—for the most part in the small town of her youth. And yet, by example and gentle manner, she has been a forceful influence for good.

Ivah was trained to be a school teacher—a position she held for several years. Throughout her life she was a teacher of the best kind—one who teaches by example, more than by precept. She will be remembered for her gentle warmth and kindness. Many people confided in "Miss Ivah"; and she never violated a confidence. She was an attractive person; people naturally responded to her warmth and energy. In later years, when she lived with her daughter and son-in-law, she made vast numbers of friends in the churches where he was a minister.

In her time Ivah Miller knew how to make her own soap, wash clothes in an iron kettle, raise and prepare her own food, build a fire in a wood stove, mend clothes and heal hurt feelings. She worked in the public most of her adult life. And she found time to run an orderly home, got to church and keep up with half the people in the county.

She was a person of keen intellect and diverse interests. As she grew older, her interests continued to develop. For instance, she became an avid football fan after she was eighty. She was curious about most things without being obtrusive. Her favorite recreation was reading a good book. She enjoyed people, seeing new places, and hard work. She seemed happiest when she had a constructive task to perform; and her life was dedicated to service.

Ivah was married to Chal Miller for over fifty years. She raised a son and a daughter. She cared for a succession of invalid relatives. She preferred to do something for you rather than have something done for her.

Ivah Miller was a person of strong convictions and very definite opinions. When asked to name the soundest investment a person can make, she replied: "Be honest, and finish what you start." She wasn't likely to be shaken from a position which she had thought out. And yet, she tended to avoid arguments and controversy. She derived her greatest pleasure from eliciting pleasure in others. And she generally avoided causing distress.

She remained vigorous and active into the tenth decade of her life, succumbing to the infirmities of age only in the last three years. When she made her transition to that larger reality, just six weeks shy of her ninety-ninth birthday, she left a legacy more valuable than gold and silver. She bequeaths to her heirs and descendents, to friends and acquaintances, a history of influence and example, dedication and loyalty, warmth and humanity. Like a majestic ocean liner with pennants flying, masts erect, she has put out to sea on what is for her a great voyage of discovery. And in her train she leaves a luminous wake of love.

Mr. Speaker, as we adjourn today—I am pleased that we do so in memory of this great lady—and in memory of those like her who spanned the chasm of ignorance by building us a free public school system, who alleviated unnecessary pain and suffering by supporting hospitals and medical care, who tilled the prairies and cleared the forest and moved ever westward—who said to a hostile world "hands off this hemisphere"—and yes—who by love and tenderness, made this a better place. We adjourn today in her memory!

TRIBUTE TO TALKLINE/KIDS LINE, INC.

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HYDE. Mr. Speaker, more than 200 volunteers, age 16 and older, operate an agency designed for children under the age of 13 who are left alone daily by working parents absent from home much of the day. This dedicated and unique group from Elk Grove, IL, which form Talkline/Kids Line, Inc., and led by Mr. Daniel R. John, were honored Tuesday at a White House ceremony.

A recipient of the 1987 President's Volunteer Action Award, Kids Line volunteers answered more than 18,000 telephone calls for help during 1986, counseling children coping with problems ranging from loneliness and drug dependency, to suicide and concerns about divorce, alcoholism and violence within their own families. Volunteers continually staff a telephone line, the first such hot line of its kind established in the United States.

The Presidential award was granted to Kids Line for work in public safety, 1 of 10 divisions for which the prize is annually presented. More than 2,300 nominations reportedly were received by the White House from groups vying for the award in 1 of the 10 divisions.

Although staffed by volunteers, Kids Line has some expenses financed by a combination of Federal, State, and local government moneys, the United Way and private donations. Truly, it is an exemplary example of a public and private partnership—a self-help group that contributes so much to the mental health of children in Cook, DuPage, and neighboring counties. In this time of waning moral values, the role of Kids Line in promoting reasonable judgment among the young and old alike cannot be overstated. I tip my hat to this noble mission, and wish the group all the best at its July 30 victory celebration. May God bless them.

PROPOSAL TO LIMIT PHYSICIANS' ABILITY TO TREAT PATIENTS

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HUBBARD. Mr. Speaker, I recently received a letter from my friend and constituent, Dr. Dewey E. Wood, from Russellville, KY. He expresses his opposition to the Health Care Financing Administration's proposal to limit family physicians' ability to render second opinions on surgical procedures to include only inguinal herniorrhaphy and his opposition to restrictions on physicians' dispensing of drugs. Indeed, these are two major issues confronting doctors throughout Kentucky and the United States. His letter follows:

RUSSELLVILLE, KY,
June 1, 1987.

U.S. Rep. CARROLL HUBBARD,
2182 Rayburn House Office Bldg.,
Washington, DC.

DEAR MR. HUBBARD: After learning of the latest attempt to restrict and limit what M.D.'s are allowed to do, I feel I should express my opinion as a grass roots family practitioner for twenty-six years.

One bill is to restrict what a family doctor can diagnose when giving a second opinion to only inguinal herniorrhaphy.

I have referred my patients with vascular, heart and early cancers to specialized treatment centers. This has worked well and speeds the care that is necessary, avoiding unnecessary delays.

Why confuse and complicate a simple issue? You must remember all physician specialists and family practitioners study from the same books.

Also there is a bill, HR 2168, to restrict dispensing medicine by doctors.

This legislature is obviously sponsored by pharmacy special interest groups to line the pockets (get richer).

As a dispensing physician let me give you some examples of how this is a big help to low-income and working-class people.

1. A mother brings in a sick child with a high fever, on a cold day. If she can get the necessary medicine and go directly home, valuable time would be saved and it would not be necessary to make another stop by the drug store.

2. By dispensing medicine to patients, this would save two or three dollars for a small plastic bottle, and two or three dollars for the professional fee charged for filling the prescription. In short, only pay for what they get. In other words, when getting only two or three dollars worth of medicine, they can pay only two or three dollars worth, instead of eight to ten dollars worth.

3. Being able to control prescription items, without a patient's getting charged trade prices, and giving generic drugs.

4. The dispensing physician has an opportunity to help hold down the already high cost of illness. This obviously would help already over-taxed and under-paid factory and farm workers.

The people that need this service and would be helped by this service are the ones who voted to put you in office.

Sincerely yours,
DEWEY E. WOOD, M.D.

CONGRATULATIONS, KELLY JERLES, MISS GEORGIA, 1987

HON. RICHARD RAY

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. RAY. Mr. Speaker, it is with great pride that I acknowledge Miss Kelly Amelia Jerles, winner of the 43d annual Miss Georgia pageant held on June 27, 1987.

I am especially proud because Miss Jerles is from Perry, GA, my hometown. Kelly is a beautiful young lady who has developed exceptional singing talent and overwhelming charm. She is an example of Georgia's many outstanding young women and is truly deserving of the Miss Georgia title.

She, along with the other State pageant winners, will travel to Atlantic City, NJ, in September of this year to represent Georgia in the Miss America pageant.

Our Nation owes a debt of gratitude to civil organizations such as the Miss America and Miss Georgia pageants which encourage young people to do their best to compete and to excel in promoting themselves, their States, and our Nation.

GARFIELD HIGH SCHOOL: HISPANIC STUDENTS ACCEPT THE CHALLENGE

HON. MATTHEW G. MARTINEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. MARTINEZ. Mr. Speaker, I would like to draw the attention of Members to a high school in my district which is doing a remarkable job in turning disadvantaged teenagers—many of them from poor, ill-educated immigrant families—into college-bound scholars prepared to contribute to the future.

Low expectations are preventing too many disadvantaged Hispanic and other minority students from breaking the circle of undereducation and poverty. The underrepresentation of these students in classes for the gifted and talented, and high dropout rates bear testimony to this problem. I hope that the example of James A. Garfield High School in Los Angeles can serve as a model of how this dangerous cycle can be ended. I want to extend my congratulations to the students, teachers, and principal of James A. Garfield High School in my district. Over 75 of Garfield's students will be receiving college credit in calculus for having passed the advanced placement examination in that subject.

"Hispanic students can't learn; they're lazy." How often have people heard that statement? Unfortunately, it is quietly being repeated daily—sometimes unconsciously—by some educators, business leaders, and public officials. This myth translates into lower expectations of Hispanic students, who therefore are taught less. They then score below their potential in tests, thereby propagating the myth that they are not as smart or as hard working as other students.

Hispanic students are less likely to be enrolled in honor courses and gifted programs than black or white children. Nationwide, only 5 percent of students enrolled in those programs were Hispanics, though 7 percent of the total school population is Hispanic. In contrast, white students comprised 81 percent of the students enrolled in gifted and talented programs, while they make up only 75 percent of the entire student body. In Western States, Hispanic participation in gifted and talented classes is less than half what would be expected with respect to their number in the general population.

The statistics are even grimmer when you turn to high school dropout rates. A 1979 Census Bureau report showed that 35 percent of Hispanics, 18- to 21-year-olds, had dropped out of high school. In turn, only 15.5 percent of the white and 25.5 percent of the black young adults dropped out. Hispanics tended to drop out at an earlier age than other Americans, thereby becoming the least formally educated of the three groups. Less Hispanic high school students graduating means less going on to college. Not more than 2 percent of all bachelor and master degrees awarded go to Hispanics.

At James A. Garfield High School in Los Angeles, the opposite is happening. Hispanic students are working hard and excelling. The principal, teachers, parents, business leaders, and public education officials have faith in the capabilities of the young men and women attending that institution. The pupils are challenged to succeed everyday in their studies, and they do.

A little over 10 years ago the school was covered with graffiti and littered with trash. Gangs roamed the halls. The school risked becoming the first school in Los Angeles to lose its accreditation. Luckily a team of educators, lead by Paul Possemato, was called to step in. They established order and promoted higher academic standards. The commitment to educating young persons must be lauded. Their exemplary service went beyond regular duties; they tutored students after school and on weekends. Jaime Escalante, a Bolivian immigrant hired to teach remedial mathematics in 1974, quickly achieved a reputation as an excellent teacher who demanded much of his students and began to teach advanced placement calculus. He is now the chairman of the department. Other departments in the school also began to offer advanced placement courses. When students were challenged academically, they proved that they can succeed.

Reading and math scores for the entire school went up.

Henry Gradillas, a member of the original rescue team and now principal of Garfield High School continues to build high academic standards. In this well-designed program high teacher expectations are essential. As Mr. Gradillas said, teachers in the program are told: "We know these kids have problems, but why add to those problems by not insisting that they do their homework * * *." The challenge works. This year, over 75 students in that school will receive college credit in calculus for having passed the advanced placement examination. Using results of that examination in calculus, the Washington Post ranked Garfield seventh among the Nation's public high schools with students taking the exam. Of the top 12 high schools, Garfield ranked fifth in the percentage of those students scoring a three or better in the calculus advanced placement examination.

The private sector also has been involved in the schools' success by providing funds for summer sessions, computers, and materials. Parents and public education officials also have been supporting the students.

Mr. Speaker, this highlights the huge impact a well-designed program can have. The low expectations from Hispanic students are producing a less educated class of Americans. Low expectations are preventing the disadvantaged Hispanic students from breaking the hellish circle of undereducation and poverty. I hope that the work that the staff of Garfield High School is doing can serve as a model to other insitutions throughout the United States.

HALL URGES FAIRNESS IN CONSIDERATION OF STATE AND LOCAL CONTRIBUTIONS TO THE SSC

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HALL of Texas. Mr. Speaker, much to my regret, the House conferees on the supplemental appropriations bill, H.R. 1827, have receded to the Senate on the so-called Domenici amendment that would bar the DOE from consideration of State and local contributions to defray Federal outlays for the proposed superconducting super collider. However, language was included which states that the amendment does not "preclude" a State from including financial incentives in their site proposals, thus leaving the door open for consideration of such incentives in the final site selection decision to be made by the President.

The language is confusing in a number of respects; however, one of the most egregious ambiguities is that the amendment seems to leave the door open for DOE to consider existing facilities but does not consider a State's willingness to use State or local funds to construct comparable facilities.

At a time of record Federal deficits, it seems to me that the Congress has a duty to look for all sources of funding, whether they be from State and local political subdivisions, corporate grants, and donations, contributions from foreign governments and other entities. As a nation, we can no longer afford to be overly selective about our preferences of funding sources, if we are truly serious about building this project.

Mr. Speaker, I request that there be an opportunity for a full and complete colloquy on this amendment when the House considers the conference report.

TRIBUTE TO ANDREW M. DE MOTTE AND LISA MARCINKOWSKI

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, June 30, 1987

Mr. HYDE. Mr. Speaker, it is my privilege annually to honor two young writers from northern Illinois, a high school and a junior high school student each, who submit winning essays in a contest sponsored jointly by my office and schools in the sixth congressional district.

This year, the contest attracted more than 150 entries from public and private schools, an encouraging turnout I must say.

Glen Ellyn resident Andrew M. De Motte, a graduating senior at Glenbard West High School, won first place among high school participants for his essay entitled, "Democracy and the Two Party System: The American Way."

Eighth grader Lisa Marcinkowski of Villa Park, a student at St. Alexander School, won first place in the junior division with her essay entitled, "The United States: A Federal, Democratic and Republican Nation Binded Together as One."

I congratulate these and other participants in the contest, and consider all of them winners for they made the effort to learn some new lessons in the operation of the world's greatest democracy. In this, the 200th anniversary year of our Constitution, I find no higher ideal.

I submit the following essays for entry into the RECORD:

DEMOCRACY AND THE TWO-PARTY SYSTEM: THE AMERICAN WAY

(By Andrew M. De Motte)

Practically from the dawn of our nation's history, American voters have aligned themselves with one of two extremely similar major political parties. The two party system has survived for so long because of its effectiveness in seeing that the most able men and women are elected to government positions, in seeing that the decision-makers are held in check by members of the opposing party, and in encouraging "majority rule." The two party system, though discouraging third, extraneous parties has functioned remarkably well in its two hundred or so years of existence—it ensures that the political power stays with the people, away from abuses by politicians and vocal minorities.

The constant, unending competition between the two parties does have its benefits. By placing before the voters a clear choice between two candidates, the parties ensure that the most qualified person for the position (or at least the person who the voters see as being most qualified) will be elected for the task. This system is clearly advantageous over countries with one party, where the public has no real choice in the election, and countries with multiple parties, where candidates can be elected to office by a small, but vocal, minority. In America, the two party system provides the voters with the opportunity to choose between two qualified candidates. In addition, it almost always provides that the elected candidate is indeed elected by a majority of the voters, since the candidate is usually elected from a field of two. America is run by "majority rule" rather than "plurality rule."

In fact, the strength of the two-party system lies in the fact that it encourages true democratic rule. Where the Constitution, through its series of "checks and balances", prevents any branch of government from achieving too much power, the bipartisan system prevents any one group from becoming too powerful because both parties are in constant competition with one another. Neither side can ever abuse its power, because it is accountable to the members of the other party and ultimately, the populace. The system allows that the officials can be voted out of office if they abuse their privileges or fail to perform their jobs well.

Since each party's first priority is to see that its members are elected, it follows that both sides, looking to woo the same majority, will have somewhat similar platforms. By attempting to appeal to the widest group possible, both parties have very sweeping ideals and priorities, such as the advocation of prosperity, racial and religious tolerance, greater freedom, and economic growth. In a nation of millions of registered voters, a party that attempted to embrace extremely specific policies and philosophies would soon split into hundreds of splinter factions, each holding an individual belief, making it impossible to reconcile into any organized unit.

In spite of their similarities, the two parties do demonstrate basic differences. In every election of the twentieth century, the only real "issue" was whether the issues of the day were to be dealt with cautiously or through experimentation, with a conservative or liberal philosophy. The Democratic Party, over the last fifty years or so, has illustrated a pronounced tendency toward liberalism, while the Republicans have shifted even more to the conservative side. Such presidents as Franklin Roosevelt and Harry Truman have used the Democratic philosophy of solving problems through expenditure and experimentation, while Republicans have relied on conservative, tried-and-true policies for their platform. Since these parties are at different points on the political spectrum, most people can find a party which suits their ideals. The fact that the parties are different in this sense discourages the success of rival, third, parties. There is little need for such parties in the United States, since one of the existing parties likely offers much to the voter.

Unlike such European countries as France, America has tended to stay away from third parties. Several European countries have flourishing third and even fourth parties which are nearly as strong the primary ones, but in America such is not the case. The broad appeal of both parties eliminates the necessity of a third alternative, and the third-party's existence in America has mainly been for the promotion of a particular candidate or issue rather than a substantially different platform. These parties never became particulary large or influential; once their issue was settled (as in the case of the Prohibition Party) the parties' support dried up and they were assimilated into one of the two existing major parties.

The two-party system does have its share of problems. While encouraging the free participation of the populace in elections, the system also encourages business to engage in politics as well. Huge corporations with large sums of campaign-contribution dollars in their vaults may be more likely to gain the ear of politicians than the common man is able to do. Since the campaign coffers are mostly filled with the money of the upper and upper middle class, it can be expected that new legislation will often favor them over the middle and lower classes. It has been argued that the tax structure of our nation caters to the upper-class, and it has been argued that it is due to the disproportionate amount of campaign funding that comes from the rich. The solution appears to be to somehow divorce the business world from politics, whether it be from legislation limiting contributions from businesses, limiting the use of lobbyists, or requiring the media to donate a set amount of time and space to political advertising. Since large sums of money are required to run a political campaign, the businessmen who can afford to contribute to the campaign have an unfair, but natural, advantage over the public. However, the only way to prevent undue influence of business in politics is to attempt to limit its influence in the process.

The two-party system has kept America's government strong in the two-hundred or so years of its existence. By limiting the existence of extraneous parties in politics, the system sees that a majority of voters will select the best possible candidates for the job, preventing vocal minorities from gaining too much control. While not promoting the ideal climate, the system has encouraged healthy competition between the parties and assured that no person or group would ever attain complete control. Naturally, the opposing sides are both fighting for the same side—they both want an America as strong and prosperous as possible. Although their methods for achieving this goal may not completely agree, the fact that they are both working for a better country has made America strong and will continue to do so for many years to come.

The United States: A Federal, Democratic and Republican Nation, Binded Together as One

(By Lisa Marcinkowski)

Many years ago, when our nation was beginning, our leaders agreed on a form of government that would benefit "everyone". It was decided that our nation should be "ruled by the people". Taken from the Greek word "Demos Kratos", a democracy was the perfect answer.

We would all work together to make our country what it is today; a land where its citizens are responsible for how they are governed; a land where the people are not ruled, but work together to rule themselves. However, it was impossible to let millions of citizens take part in deciding our laws, and making important government decisions. So, it was decided that the people would vote for leaders to represent their nation, but not to rule it. They formed a system known as a Repulbic, that still exists today.

Our country could not be what it is today if it were just Republican. It is three elements combined together that form the United States government as it is today. Our government is a Democratic Federal Republic.

We are a Federation, as opposed to being a confederate nation. Our central government is given more authority, and is stronger than our state governments. It is this system that binds us together as one country.

We are Democratic; ruled by the people. We are given privileges such as voting, freedom of expression and free enterprise. Majority rules, but minority groups are recognized, also. These characteristics help make us unique, different from the widespread Totalitarian systems of today.

But this is not all. It is stated in Article IV in the United States Constitution that we are a Republican nation, too. Our country could not survive on pure Democracy. We realize that each and every person could not be given the responsibility of making all our final government decisions. To whom would we turn to guide us? This is why we follow a Republican method of government in addition to being a Democratic and a Federal nation. Leaders are elected to represent the citizens, and present the decisions we would make. It is their duty to do as the people would want, and to truly be representatives of the citizens that live, work, and make their homes in the United States of America. This is a country that belongs to everyone, not just the rich and important people.

It is important that, we, the younger generation of America realize this. We are the future of our country, and we must know what is necessary to lead our nation as well as it is being led today.